

VILLAGE OF BRADLEY

RESOLUTION NO. R-05-23-06

A RESOLUTION APPROVING A CONSULTING AGREEMENT BETWEEN THE VILLAGE
OF BRADLEY AND SB FRIEDMAN DEVELOPMENT ADVISORS, LLC
(TIF Designation Services Proposal)

ADOPTED BY THE
BOARD OF TRUSTEES OF THE
VILLAGE OF BRADLEY

THIS 8 DAY OF May, 2023

Published in pamphlet form by the authority of the Board of Trustees of the Village of Bradley,
Kankakee County, Illinois this 8 day of May, 2023

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A RESOLUTION APPROVING A CONSULTING AGREEMENT BETWEEN THE VILLAGE OF BRADLEY AND SB FRIEDMAN DEVELOPMENT ADVISORS, LLC (TIF Designation Services Proposal)

WHEREAS, the Corporate Authorities of the Village of Bradley, Kankakee County, Illinois, have the authority to adopt resolutions and to promulgate rules and regulations that pertain to its government and affairs and protect the public health, safety, and welfare of its citizens; and

WHEREAS, pursuant to Section 2-3-8 of the Illinois Municipal Code (65 ILCS 5/2-3-8), the Corporate Authorities of the Village have the power to authorize the execution of contracts in the name of the Village; and

WHEREAS, pursuant to Section 8-1-7 of the Illinois Municipal Code (65 ILCS 5/8-1-7), the Corporate Authorities of the Village have the authority to enter into agreements that may exceed one year, but which shall not exceed the term of the Village President holding office at the time the contract is executed that relate to the employment of outside professional consultants that require technical training or knowledge; and

WHEREAS, SB Friedman Development Advisors, LLC. (“SB Friedman”), is an Illinois corporation with a primary business office at 70 W Madison St. Suite 3700, Chicago, Illinois 60602 that provides professional TIF designation services; and

WHEREAS, SB Friedman (collectively the “Consultants”) have provided the Village with a proposal for TIF designation services, a copy of which is attached hereto as Exhibit A and fully incorporated herein (the “Agreement”); and

WHEREAS, the Corporate Authorities of the Village have determined that entering into the Agreement with the Consultants is in the best interests of the Village and its citizens.

NOW THEREFORE, BE IT RESOLVED BY THE CORPORATE AUTHORITIES OF THE VILLAGE OF BRADLEY, KANKAKEE COUNTY, ILLINOIS, PURSUANT TO ITS STATUTORY AUTHORITY, AS FOLLOWS:

SECTION 1. The Corporate Authorities hereby find that all of the recitals contained in the preamble to this Resolution are true, correct, and complete and are hereby incorporated by reference hereto and made a part hereof.

SECTION 2. The Corporate Authorities of the Village hereby declare that the terms and provisions of the Agreement, attached hereto as Exhibit A and fully incorporated herein, are reasonable and acceptable to the Village and that said Agreement is hereby approved in form and substance.

SECTION 3. Michael Watson, Village President of the Village of Bradley, is hereby authorized and directed, in his capacity as such Acting Village President, to execute the Agreement attached hereto as Exhibit A, along with any other documents necessary for the Village to enter

into said Agreement, and to further take any other action necessary for the Village to enter into the Agreement.

SECTION 4. In the event that any provision or provisions, portion or portions, or clause or clauses of this Resolution shall be declared to be invalid or unenforceable by a Court of competent jurisdiction, such adjudication shall in no way affect or impair the validity or enforceability of any of the remaining provisions, portions, or clauses of this Resolution that may be given effect without such invalid or unenforceable provision or provisions, portion or portions, or clause or clauses.

SECTION 5. All ordinances, resolutions, motions, or parts thereof, conflicting with any of the provisions of this Resolution, are hereby repealed to the extent of the conflict.

SECTION 6. The Village Clerk is hereby directed to publish this Resolution in pamphlet form.

SECTION 7. This Resolution shall be in full force and effect from and after its passage, approval, and publication in pamphlet form as provided by law.

PASSED by the Board of Trustees on a roll call vote on the 8 day of May, 2023.

TRUSTEES:

RYAN LEBRAN	Aye - <u>X</u>	Nay - <u> </u>	Absent - <u> </u>
BRIAN BILLINGSLEY	Aye - <u>X</u>	Nay - <u> </u>	Absent - <u> </u>
DARREN WESTPHAL	Aye - <u>X</u>	Nay - <u> </u>	Absent - <u> </u>
BRIAN TIERI	Aye - <u>X</u>	Nay - <u> </u>	Absent - <u> </u>
GRANT D. VANDENHOUT	Aye - <u> </u>	Nay - <u> </u>	Absent - <u>X</u>
GENE JORDAN	Aye - <u>X</u>	Nay - <u> </u>	Absent - <u> </u>

VILLAGE PRESIDENT:

MICHAEL WATSON Non-Voting - X

TOTALS: Aye - 5 Nay - 0 Absent - 1

ATTEST:

Julie Tambling
JULIE TAMBLING, VILLAGE CLERK

APPROVED this 8 day of May, 2023.

Michael Watson
MICHAEL WATSON, VILLAGE PRESIDENT

ATTEST:


JULIE TAMBLING, VILLAGE CLERK

STATE OF ILLINOIS)
)
COUNTY OF KANKAKEE) §§

I, Julie Tambling, Village Clerk of the Village of Bradley, County of Kankakee and State of Illinois, DO HEREBY CERTIFY that the attached is a true, perfect, and complete copy of Resolution number R05-2306 "A RESOLUTION APPROVING A CONSULTING AGREEMENT BETWEEN THE VILLAGE OF BRADLEY AND SB FRIEDMAN DEVELOPMENT ADVISORS, LLC," which was adopted by the Village Corporate Authorities at a meeting held on the 8 day of May, 2023.

IN WITNESS WHEREOF, I have hereunto set my hand in the Village of Bradley, County of Kankakee and State of Illinois, on this 8 day of May, 2023.



JULIE TAMBLING, VILLAGE CLERK

(SEAL)

EXHIBIT A

May 4, 2023

Mr. Rob Romo
Finance Director
147 S. Michigan Avenue
Bradley, IL 60915
rromo@bradleyil.org

TIF DESIGNATION SERVICES PROPOSAL

Dear Mr. Romo –

Pursuant to our recent discussions, SB Friedman Development Advisors, LLC (SB Friedman) is pleased to present this proposal to the Village of Bradley (“Village”) to provide tax increment financing (TIF) consulting services related to a proposed TIF district. This letter outlines our proposed scope of services, timeframe, and fees to determine the eligibility of a potential TIF district located east of Illinois Route 50, between roughly 5000 N/County Road 8 on the north to just south of Freedom Drive. Pending confirmation of eligibility, we will then prepare a redevelopment plan and provide designation support for the TIF district.

SB Friedman has broad and deep experience in all aspects of TIF, such as: TIF district designation and amendment, including housing impact studies; developing incremental property tax projections for TIF assistance requests and underwriting of various financing obligations; supporting the negotiation of term sheets and redevelopment agreements; and documenting and supporting TIF compliance activities. We are noted for our rigorous analyses of TIF eligibility, feasibility, and the market, fiscal, economic and related aspects of public-private development projects.

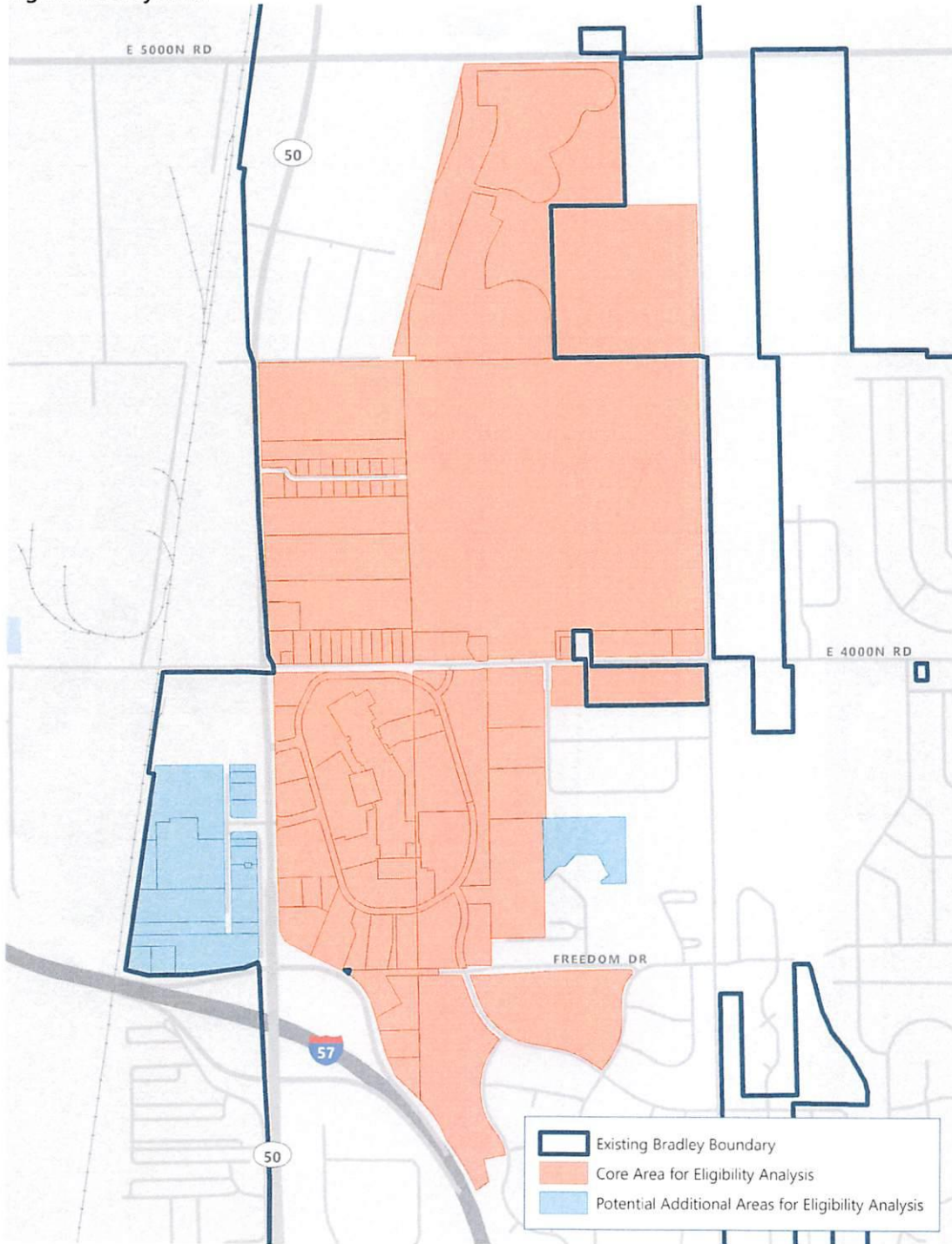
Background and Approach

It is our understanding the Village seeks to encourage private investment and support development/redevelopment on both improved and currently vacant land totaling ±108 parcels located east of Illinois Route 50, between roughly 5000 N/County Road 8 on the north to just south of Freedom Drive (“Study Area”). The Study Area is presented in **Figure 1** on the following page.

SB Friedman proposes to support the Village’s effort to establish a TIF district for the Study Area. Under this scope of services, SB Friedman will work with Village staff to conduct a full TIF district designation process for the Study Area. We have organized our scope of services for this assignment into four primary phases:

- 1) Conduct TIF Eligibility Reconnaissance Study
- 2) Prepare Redevelopment Plan and Project Document
- 3) Prepare Mailing Lists
- 4) Support Notice and Public Review Process

Figure 1: Study Area



Source: Kankakee County GIS, SB Friedman

We will first work with Village staff, your legal counsel and any other Village consultants to evaluate the eligibility of the Study Area for designation as a TIF district under the Illinois TIF Act (the "Act"). This evaluation requires assessment of the following:

- **Incorporation to Village.** Several parcels in the Study Area are currently unincorporated; all parcels will need to be annexed into the Village prior to designation of the TIF district.
- **Contiguity.** It is our understanding that the current Study Area boundary shown in **Figure 1** would meet contiguity requirements of the Act.
- **Commercially farmed land.** It appears several parcels in the Study Area are currently or have recently been commercially farmed. Under the Act, land that has been commercially farmed in the past five years cannot be included in a TIF district unless the area is subdivided pursuant to specific provisions of the Act prior to designation. We will work with you and your engineering, planning and/or legal staff or consultants to ensure the required subdivision(s) can be accomplished in a manner that satisfies the requirements of the Act.

Assuming the Study Area is eligible, the designation support process would include documentation of our findings in a formal Eligibility Report, preparation of the TIF district Redevelopment Plan and Project document, and assisting the Village with the public deliberation process, including preparation of mailing lists. These steps would be undertaken in close coordination with the Village and your legal counsel.

For budgeting purposes, due to the limited number of homes in the Study Area, we have assumed that a Housing Impact Study will not be required.

Scope of Services

Our proposed scope of services and work steps for each phase are as follows:

PHASE 1: CONDUCT TIF ELIGIBILITY RECONNAISSANCE STUDY

1. **Conduct Project Kickoff Call.** We will conduct a kickoff call with the Village and legal counsel to:
 - Discuss the project scope and timeframe
 - Confirm the Study Area boundary
 - Discuss annexation
 - Discuss farming/land use history of vacant land
 - Review existing documents compiled by the Village, including the first and current Comprehensive Plans and current zoning map
 - Identify additional key sources of data that we will need for our analysis
 - Confirm the assumptions to be used in developing the TIF budget, goals and objectives, and the projections of future incremental property taxes
 - Confirm SB Friedman, Village staff, and legal counsel responsibilities

2. **Obtain and Examine Necessary Data.** We will pursue key data to determine whether the Study Area qualifies for TIF district designation under the TIF Act. To complete our eligibility analysis, we will:
 - Obtain current GIS parcel shape files and/or existing base maps from the Village and/or County, and prepare internal base maps
 - Obtain and review building age data
 - Obtain and review five-year history of building permit data for parcels within the Study Area
 - Obtain information about infrastructure age and condition from Village staff and others
 - Conduct preliminary research regarding flooding in and around the Village and coordinate with an engineer to request a formal flooding study, if applicable on the vacant parcels
 - Prepare PIN list, and order and enter taxpayer and six-year history of equalized assessed values (EAV) for the Study Area and Village
 - Enter, proof and map eligibility criteria, as required
3. **Conduct Fieldwork.** We will conduct field research for the Study Area to document field-observable eligibility factors. We anticipate up to two full days of field research in the Village for two staff members, including travel time and collection of addresses that will be needed for required noticing.
4. **Analyze EAV Growth.** We will analyze the growth in EAV over the past six years (five year-to-year periods) and compare Study Area growth to Village growth and Consumer Price Index growth over those periods.
5. **Analyze Additional Eligibility Factors/Required Findings and Tests.** Based on our field research and other data, we will assess the presence and distribution of factors to establish eligibility and to meet the “but for” and “lack of growth through private investment” requirements, as outlined in the Act. The eligibility findings and boundaries will be documented in a series of maps for the Study Area. If for any reason the Study Area does not qualify for a TIF district designation, we will meet with you to discuss potential strategies at that point.

If necessary, this may also include engaging and coordinating with an engineering firm to prepare a flooding study on the vacant land parcels.
6. **Prepare Eligibility Study Summary.** We will prepare an Eligibility Study summary documenting the findings of our eligibility research, including maps and tables.
7. **Conduct Call with Village.** We will conduct a call with the Village to discuss our findings and recommendations.

PHASE 2: FINALIZE ELIGIBILITY RESEARCH AND PREPARE REDEVELOPMENT PLAN AND PROJECT

8. **Prepare Maps of the Proposed TIF District.** A series of maps of the proposed TIF district will be prepared for inclusion in the Redevelopment Plan and Project document. These maps will include: the proposed boundary, vacant and improved land, documented distribution of eligibility factors, existing land use, and future land use.
9. **Obtain and Proof Boundary Legal Description.** We will engage and manage a licensed surveyor on the Village’s behalf to draft a boundary legal description for the proposed TIF district. We will proof the boundary legal description to ensure accuracy. We will also work with Kankakee County to ensure that they are comfortable with the legal description prior to filing the TIF plan with the Village Clerk.

10. Prepare Draft of Redevelopment Plan and Project (Redevelopment Plan) Document. We will prepare a Redevelopment Plan and Project document for the proposed TIF district. We assume this will represent the second half of the combined Eligibility Report and Redevelopment Plan and Project Document. As required by the Act, the Eligibility Report and Redevelopment Plan document will include:

- Redevelopment Project Area (RPA) Description
- Boundary Legal Description of the RPA
- Summary of Blight/Conservation Area Conditions and Analysis of Eligibility Factors
- Redevelopment Plan Goals, Objectives and Strategy
- Existing and Proposed Land Use
- Most Recent EAV and Estimated Future EAV
- Estimated Redevelopment Project Costs (line-item budget)
- Assessment of Impacts on Other Taxing Districts
- Affirmative Action Plan
- Statement of Conformance with Other Community Plans

Preliminary projections of incremental property taxes from the TIF district will be prepared to confirm the supportable budget for the TIF plan and estimate the future EAV of the RPA, as required by the Act.

The Act requires that a Housing Impact Study (HIS) be completed if the plan would result in the displacement of 10 or more occupied residential units, or if the area contains 75 or more occupied residential units and the Village does not certify that no residential displacement will occur. It appears that there are fewer than 10 residential units in the proposed Study Area and that no HIS would be required. If required, we will conduct the HIS as an additional service.

We will prepare a final Eligibility Report and Redevelopment Plan and Project document combining the Eligibility Study, redevelopment Plan, legal description, appropriate maps, and other required documentation. We anticipate first preparing draft documents to be distributed to and reviewed by the Village. Any revisions to the draft Plan documents will be incorporated into the final Redevelopment Plan document, which will be filed with the Village Clerk at least 10 days prior to introduction to the Village Board.

PHASE 3: PREPARE MAILING LISTS AND SUPPORT NOTICING PROCESS

11. Create Mailing Lists for Noticing. The Act requires that municipalities make a good faith effort to provide notice of the availability of the Eligibility Report and Redevelopment Plan and how to obtain the report by mail to all residential addresses within 750 feet of the boundary of any proposed TIF district. We will prepare a map identifying this buffer area. We will conduct fieldwork to gather the addresses in this area as part of our initial fieldwork. Additionally, we will prepare other mailing lists for noticing, as required by the Act.

Our scope includes preparation of the following mailing lists:

- Affected taxing bodies and the Illinois Department of Commerce and Economic Opportunity
- Taxpayers within the proposed TIF district
- Taxpayers of properties within the proposed TIF district for which taxes were not paid in the prior year
- Residential addresses within 750 feet of the TIF boundary

The Village may elect to engage a mailing company for preparation and distribution of the mailings or to prepare the mailings using Village staff resources.

12. Support Noticing and Approval Process. We assume that the Village will print and prepare the mailings and publish required notices in local newspapers. We will coordinate with the Village to ensure all mailing addresses are provided in a timely fashion.

We assume that the Village’s legal counsel will establish and manage a timeline for mailings, meetings and noticing based on the Act, the overall project timeline, newspaper publishing dates, and the Village Board meeting schedule.

PHASE 4: SUPPORT PUBLIC APPROVAL PROCESS

13. Present Findings at Joint Review Board and Public Hearing. We will attend and, as appropriate, make presentations at the two key meetings that are part of the review process as provided in the Act. These meetings include the Joint Review Board Meeting and the Public Hearing, both of which we assume will be held in person. We are available for additional meetings or public presentations, as described in the **Additional Services** section below.

Additional Services

If additional meetings are required, we are able to attend and present our findings at the billing rates provided below. We are also available to provide other TIF-related services, such as tax increment projections or financial deal reviews for projects requesting TIF assistance.

Timeline

Based on the scope of the work outlined herein and our experience with similar projects, we estimate it will take approximately 45-60 days to complete Phase 1, 30-45 days to complete Phase 2, and 90-120 days to complete Phases 3 and 4. This timeline may be extended if certain data is unavailable, third-party consultants require more time to complete their work than anticipated, or delays are incurred related to scheduling of the public approval process meetings. We will work with you to meet any specific deadlines, where possible.

Professional Fees

Professional fees for our services will be based on the time required at the then-current billing rates of the SB Friedman personnel assigned to the project. The scope of the engagement and our experience with similar services indicate that our professional fees and expenses will total approximately **\$40,000**, as shown in the detailed budget below.

Other expenses to be incurred directly by the Village that are not included in this estimate include:

- Surveyor: boundary legal description
- Engineer: flooding study
- Required mailings and notices
- Research into tax-delinquent properties
- Legal counsel

This fee estimate is based upon the Scope of Service described above and the time budgets shown in the detailed budget. The fee estimate has been prepared based on certain assumptions as to the time required and is subject to upward revision if the engagement entails more time than estimated due to problems that are encountered which could not reasonably have been foreseen at the commencement of the engagement, or if the scope is changed. In this event, we will discuss the matter with you so that a mutually agreeable revision may be made. Fees and expenses for our services will not exceed the total budget estimate without further authorization from the Village.

Actual billings will be based on time expended at the **Special TIF District Designation Rates** that are currently as follows:

Partner/Senior Vice President	\$300	Associate	\$185
Vice President	\$260	Research Associate	\$160
Project Manager	\$245	Editor	\$130
Associate Project Manager	\$225	Intern/Data Entry/Support	\$115

These rates will be in effect until December 31, 2023, after which rates are subject to adjustment.

Detailed Budget

TASK	TOTAL	Partner \$300	Associate Project Manager \$225	Associate \$185
Phase 1: Conduct TIF Eligibility Reconnaissance Study				
1 Conduct Project Kickoff Call	\$935	1	2	1
2 Obtain and Examine Necessary Data	\$1,190		2	4
3 Conduct Fieldwork	\$8,940		20	24
4 Analyze EAV Growth	\$1,490	1	2	4
5 Analyze Additional Eligibility Factors/Required Findings and Tests	\$5,060	1	8	16
6 Prepare Eligibility Study Summary	\$2,530	2	2	8
7 Conduct Call with Village	\$710	1	1	1
Phase 2: Finalize Eligibility Research and Prepare Redevelopment Plan and Project				
8 Prepare Maps of the Proposed TIF District	\$2,380		4	8
9 Obtain and Proof Boundary Legal Description	\$1,490	1	2	4
10 Prepare Draft of Redevelopment Plan and Project Document	\$4,320	4	4	12
Phase 3: Create Mailing Lists and Support Noticing Process				
11 Create Mailing Lists for Noticing	\$2,230	1	2	8
12 Support Noticing and Approval Process	\$1,235	2	2	1
Phase 4: Support Public Approval Process				
13 Present Findings at Joint Review Board and Public Hearing	\$7,040	12	12	4
Total Hours	184	26	63	95
Total Professional Fees	\$39,550	\$7,800	\$14,175	\$17,575
Reimbursable Expense Estimate	\$450			
TOTAL ESTIMATED BUDGET	\$40,000			
<i>Allowance for Boundary Legal Description</i>			<i>Assumed incurred directly by Village</i>	
<i>Allowance for Flooding Memo</i>			<i>Assumed incurred directly by Village</i>	
<i>Mailing Costs and Title Company Tax Delinquency Research</i>			<i>Assumed incurred directly by Village</i>	

Two in-person meetings are included in this fee estimate:

- Joint Review Board meeting
- Public Hearing

Additional meeting time and additional services, beyond what is included in the Scope of Services and detailed budget will be billed hourly at the Special TIF Designation Rates provided above.

Local travel, publications, maps, outside data purchased specifically for this project, use of owned or licensed databases, report production, and other out-of-pocket expenses are included in this estimate and will be billed in addition to professional fees as incurred (without markup). Travel time will be billed in full.

Invoices will be rendered not more frequently than monthly as our work progresses for services and costs incurred. All invoices are payable within 30 days. If at any point the decision is made to discontinue our services, our fee will be based upon the actual time expended and out-of-pocket costs incurred to that date.

The attached **Limitations of Our Engagement** apply to this engagement.

Acceptance Procedures

We appreciate the opportunity to continue to assist the Village. To indicate your acceptance of this proposal, please sign and return it to us as authorization to proceed.

Sincerely,



Lance Dorn
Partner
(312) 424-4255 | ldorn@sbfriedman.com

Accepted: Michael Watson 05/08/2023
 Signature Date

Michael Watson Village President
 Name Title

Limitations of Our Engagement

Our deliverable will be based on estimates, assumptions, and other information developed from research of the market, knowledge of the industry, and meetings during which we will obtain certain information. The sources of information and bases of the estimates and assumptions will be stated in the deliverable. Some assumptions inevitably will not materialize, and unanticipated events and circumstances may occur. Therefore, actual results achieved during the period covered by our analysis will necessarily vary from those described in our deliverable, and the variations may be material.

The terms of this engagement are such that we have no obligation to revise the deliverable to reflect events or conditions which occur after the date of the deliverable. These events or conditions include, without limitation, economic growth trends, governmental actions, additional competitive developments, interest rates, and other market factors. However, we will be available to discuss the necessity for revision in view of changes in the economic or market factors affecting the proposed project.

Our study will not ascertain the legal and regulatory requirements applicable to this project, including zoning, other State and local government regulations, permits, and licenses. No effort will be made to determine the possible effect on this project of present or future federal, state, or local legislation, including any environmental or ecological matters.

Furthermore, we will neither evaluate management's effectiveness, nor will we be responsible for future marketing efforts and other management actions upon which actual results will depend.

Preliminary tax increment financing (TIF) projections are anticipated to be prepared under this engagement for the purpose of estimating the approximate level of increment that could be generated by proposed projects and other properties within the proposed TIF district boundary and from inflationary increases in value. These projections are intended to provide an estimate of the final equalized assessed value (EAV) of the TIF district for inclusion in the final deliverable and to provide a level of assurance that the increment to be generated would be sufficient to cover estimated project costs.

As such, our deliverable and the preliminary projections prepared under this engagement are intended solely for your information, for the purpose of considering establishing a TIF district. These projections should not be relied upon by any other person, firm, or corporation, or for any other purposes. Neither the deliverable nor its contents, nor any reference to our Firm, may be included or quoted in any offering circular or registration statement, appraisal, sales brochure, prospectus, loan, or other agreement or document intended for use in obtaining funds from individual investors, without prior written consent. Our work products are not intended to constitute advice for the client to issue (or refrain from issuing) specific municipal securities.

We acknowledge that upon submission to the Village the deliverable may become a public document within the meaning of the Freedom of Information Act. Nothing in these limitations is intended to block the disclosure of the deliverable under such Act.