
**VILLAGE OF SUGAR GROVE BOARD
REPORT**

TO: VILLAGE PRESIDENT & BOARD OF TRUSTEES
FROM: BRENT EICHELBERGER, VILLAGE ADMINISTRATOR
SUBJECT: RESOLUTION: AUTHORIZING AN AGREEMENT WITH MORAN
ECONOMIC DEVELOPMENT FOR TAX INCREMENT FINANCING
SERVICES
AGENDA: MAY 15, 2018 REGULAR BOARD MEETING
DATE: MAY 11, 2018

ISSUE

Shall the Board approve a resolution for an agreement for Tax Increment Financing Boundary Review Service for the Village of Sugar Grove with Moran Economic Development.

DISCUSSION

At the April 17 meeting the Board discussed creating a coterminous boundary between TIF #1 and TIF #2. A coterminous boundary would provide greater economic development opportunities by allowing financing to be transferred between the two districts. The Board also discussed opportunities for inclusion of other non-performing properties.

At the May 1, 2018 meeting the Board discussed a proposal from Moran Economic Development presented in phases with the initial eligibility study costing \$13,900 and the full project (if warranted), at \$26,900 plus expenses not to exceed \$1,500. The Board had questions about the scope and cost of the study.

Keith Moran will be at the May 15 meeting to explain the proposal and answer any questions.

COST

Approval will result in a maximum cost of \$28,400 for the entire project from the eligibility study to the amendment of the TIF. Costs will be charged to either TIF #1, TIF#2, or a combination to be determined by staff after review of each funds financial status.

RECOMMENDATION

That the Village Board adopt Resolution No. 20180515A, approving an agreement with Moran Economic Development to provide Tax Increment Financing services for the Village of Sugar Grove.



VILLAGE OF SUGAR GROVE KANE COUNTY, ILLINOIS

Resolution No. 20180515A

A Resolution Approving an Agreement with Moran Economic Development

Adopted by the
Board of Trustees and President
of the Village of Sugar Grove
this 15th day of May, 2018.

Published in Pamphlet Form by
authority of the Board of Trustees
of the Village of Sugar Grove, Kane County,
Illinois, this 15th day of May, 2018.

RESOLUTION 20180515A
APPROVING AN AGREEMENT WITH MORAN ECONOMIC DEVELOPMENT

BE IT RESOLVED, by the Board of Trustees of the Village of Sugar Grove, Kane County, Illinois as follows:

WHEREAS, a contract resolution agreement with Moran Economic Development for Tax Increment Financing Services; and

WHEREAS, the Village of Sugar Grove Board has determined that it is in the best interests of the Village to enter into this agreement.

NOW, THEREFORE, BE IT RESOLVED by the President and Board of Trustees of the Village of Sugar Grove, as follows:

1. That Village President P. Sean Michels or his designee is hereby authorized to sign all agreement forms and documents.

PASSED AND APPROVED by the President and Board of Trustees of the Village of Sugar Grove, Kane County, Illinois, on this 15th day of May, 2018.

REPEALER: All resolutions or portions thereof in conflict with this resolution are hereby repealed.

SEVERABILITY: Should any provision of this resolution be declared invalid by a court of competent jurisdiction, the remaining provisions will remain in full force and effect the same as if the invalid provision had not been a part of this resolution.

EFFECTIVE DATE: This resolution shall be in full force and effect on and after its approval and passage.

PASSED AND APPROVED by the President and Board of Trustees of the Village of Sugar Grove, Kane County, Illinois this 15th day of May, 2018.

P. Sean Michels, President of the Board of Trustees of the Village of Sugar Grove

ATTEST: _____

Cynthia L. Galbreath, Clerk, Village of Sugar Grove

	Aye	Nay	Absent	Abstain
Trustee Heidi Lendi	___	___	___	___
Trustee Mari Johnson	___	___	___	___
Trustee Sean Herron	___	___	___	___
Trustee Ted Koch	___	___	___	___
Trustee Rick Montalto	___	___	___	___
Trustee David Paluch	___	___	___	___

Agreement for Professional Services
Village of Sugar Grove, Illinois
Establishment of Tax Increment Financing Area
OR
Amendment to Existing Tax Increment Financing Area

This Agreement, entered into this 1st day of May, 2018 by and between the Village of Sugar Grove, Illinois, hereinafter referred to as the "Village" and Moran Economic Development, LLC, hereinafter referred to as the "Consultant".

Whereas, the Village has a need for assistance in the review and analysis of an area in the Village as this review and analysis pertains to the use of tax increment financing (TIF); and,

Whereas, the Consultant is duly experienced in providing such assistance,

Now, Therefore, the Village and the Consultant, for the considerations and under the conditions hereinafter set forth, do mutually agree as follows:

Scope of Services:

The following Scope of Services applies to portions of the Village of Sugar Grove proposed for the establishment or the amendment of a Tax Increment Financing Area.

Feasibility Study

The Feasibility Study will determine whether or not the properties proposed to be included are eligible for tax increment financing. The creation of this document will provide the Village with the information it needs to conclude whether or not the creation of the Tax Increment Financing Plan (the "TIF Plan" or "Amended Plan") is justified.

A. Determination of Area of Study

The Village and the Consultant will meet in order to determine what properties the Village wishes to have reviewed for the purposes of determining their eligibility for tax increment financing.

Determination of Eligibility

1. The Consultant will complete the fieldwork necessary in order to make a determination as to whether or not the proposed properties are eligible for tax increment financing. Fieldwork will include a parcel by parcel analysis of eligibility factors and a review of tax records. In addition, the Consultant will review other County and Village plans and documents when necessary.
2. The Consultant will use the definitions and guidelines as provided in the Illinois Tax Increment Allocation Redevelopment Act (as amended) in making its determination as to the eligibility of the proposed Area.

3. The consultant will collect the most recent equalized assessed valuation (E.A.V.) of each parcel in the proposed area from the County Assessor's office, including the names and addresses of property owners. The consultant will also obtain the historical E.A.V. for each parcel as needed.
4. The Village will make available to the Consultant its legal counsel, engineer, Village staff, and other professionals associated with the Village's work (including mapping, municipal legislation, etc.) for the purposes of completing the Eligibility Study.
5. The consultant will utilize its own GIS staff to construct all land use and boundary maps. This will not be outsourced.

B. Presentation to the Village

1. The Consultant will promptly present its findings to the Village Board. This presentation will include an explanation as to whether or not, in the opinion of the Consultant, the proposed properties were found to be eligible for tax increment financing, and the Consultant's account as to the manner in which the properties to be included have been found to be eligible or ineligible.
2. The Village Board will then determine whether to authorize the completion of the TIF Plan. If the Board decides to proceed, then, at the discretion of the Board, it will authorize the Consultant to complete the TIF process.

TIF Process

Should the Village Board determine to proceed, the Consultant will prepare the TIF Plan (or Amended Plan) to include the areas identified by the Village Board.

A. Creation of the TIF Plan

The TIF Plan will include the following items all in accordance to the Illinois Tax Increment Allocation Redevelopment Act (as amended):

1. Description of tax increment financing as referenced by the Illinois Revised Statutes;
2. Documentation necessary to demonstrate that real property to be included in the TIF Plan meets the qualifying factors to be eligible for tax increment financing;
3. Objectives of the TIF Plan;
4. Land use for the properties to be included in the TIF Plan;
5. Description of projects and activities proposed within the properties to be included in the TIF Plan, both public and private;

6. Implementation strategy;
7. Estimated costs of the projects and activities proposed;
8. Estimated TIF budget;
9. Current and projected equalized assessed values for the properties to be included in the TIF Plan;
10. Assessment of the impact of the proposed TIF Plan on applicable taxing districts;
11. Boundary Map (Legal Description to be provided by the Village);
12. General Land Use Plan for the Area;
13. Eligibility Table showing the applicable factors present in the Area;
14. Other items necessary to complete the TIF Plan pursuant to the Revised Statutes of the State of Illinois.

B. Presentation of the TIF Plan

The consultant will present the TIF Plan to the Village Board for its review and comment. The Consultant will integrate the Village Board's comments, if applicable, into the final TIF document.

C. TIF Process Notifications and Assistance

The Consultant will provide guidance to the Village on matters of notification and distribution in accordance with the TIF Act. This includes providing the Village with draft documents of the interested parties registry, notification to taxing districts and property owners, newspaper publications and draft ordinances:

Assistance will come in the following;

1. Interested parties registry;
2. Preparation of a Request for Proposals;
3. Distribution of the TIF Plan;
4. Sending notices to affected taxing districts and affected property owners;
5. Publication of notice in a paper of local circulation;
6. Drafting of ordinances to approve the TIF Plan, TIF Process, and TIF Area.

D. Meetings

The Consultant will conduct the following meetings:

1. Joint Review Board
Moran Economic Development will attend and conduct the meetings of the Joint Review Board.
2. Public Hearing
Moran Economic Development will attend and conduct the Public Hearing.
3. Other Meetings
Moran Economic Development will attend and conduct other meetings as necessary and as directed by the Village.

Information Provided by Village

1. Preparation of Legal Description of Redevelopment Area
2. Moran Economic Development will provide the names and addresses of affected property owners within the project area as well as those residential addresses that lie within 750 feet of the project area boundary. We will also provide taxing district information. The Village will make the required notifications, mailings, and distributions to those parties. The consultant will provide guidance and suggested forms for use by the Village. These notifications are to take place under an agreed upon schedule for execution of the TIF Plan and in accordance Illinois Tax Increment Allocation Redevelopment Act (as amended).
3. Any amendments to the Comprehensive Plan/Community Plan if necessary.

Timing

Moran Economic Development, with cooperation from the Village will coordinate an exact schedule for purposes of completing the Plan. The anticipated timeframe for completion of the professional services provided herein would be four to seven months from the start of the service. In any event, professional services will be complete no later than December 31, 2018.

Fee for Service – TIF Redevelopment Area

The total proposed fee for the above outlined Eligibility Study and TIF or Amended Plan will not exceed **\$26,900**, plus actual reimbursable expenses not to exceed \$1,500. Reimbursable expenses shall consist of actual costs incurred by Moran Economic Development for printing, travel, photographic work, production, delivery charges, long distance telephone charges and any other similar expenses required to provide the above Scope of Services. Such expenses shall be billed to the Village at their direct and actual cost to Moran Economic Development. Paid receipts will be tendered to the Village by the Consultant with each expense payment request.

Upon the Signing of Professional Services Agreement	\$1,900
Upon presentation of the Eligibility Study to the Village Board	\$12,000
Upon presentation of the TIF Plan to the Village Board.....	\$12,000
Upon the completion of the Public Hearing.....	\$1,000

1. **Termination of Agreement.** If for whatever reason the Village determines that the work should be terminated, the Village will inform Consultant in writing that it wishes to terminate this agreement. The date of termination shall occur upon receipt of the written notice of termination by Consultant pursuant to Section 11 of this agreement. The Village will pay Consultant an amount representing the work performed to the date of termination, plus any expenses Consultant incurred by to that date.

2. **Confidentiality; FOIA Requests.** “Confidential Information” means any information which Consultant has designated as confidential in writing or ought to be considered confidential (however it is conveyed or on whatever media it is stored) including information that relates to a party’s trade secrets, commercial information, proprietary information, and, private personal information, In the event Village or any (or an authorized representative thereof) receives an FOIA request for documents containing Confidential Information, Village shall notify Consultant of the request. Upon receipt of such notice by email or facsimile, Consultant shall notify Village within two business days whether, and if so why, it believes the requested documents are exempt from disclosure under the applicable FOIA law, or if any portion of the requested documents is exempt from disclosure (and therefore should be redacted) under the Illinois Freedom of Information Act or other applicable rules, laws or regulations.

3. **Not Legal Advice.** Village understands that any information or deliverables Consultant provides to Village in connection with this agreement or the services provided hereunder is not, and should not be relied upon as, legal advice.

4. **Delay.** Consultant shall not be responsible for failure to perform or for delays in the performance of services which arise out of causes beyond the control and/or without the fault or negligence of Consultant.

5. **Relationship.** Consultant will act under this agreement as an independent contractor, and nothing contained herein will constitute either party as the employer, employee, or representative of the other party, or both parties as joint venturers or partners for any purpose.

6. **Enforceability.** The invalidity or unenforceability of any provision of this agreement does not affect the validity or enforceability of any other provisions of this agreement, which will remain in full force and effect.

7. **Amendments.** This agreement may not be amended or modified except in writing signed by the parties hereto.

8. **Governing Law.** The laws of the state of Illinois, without regard to conflicts of law principles thereof, govern all matters arising under this agreement.
9. **Notices.** All notices pursuant to this agreement must be in writing and delivered by hand, sent via telecopy or overnight delivery or by certified or registered mail to each party's address provided in this agreement.
10. **Entire Understanding.** This agreement sets forth the entire agreement and understanding between Consultant and Village with respect to the subject matter hereof.
11. **Execution.** The signature of either party hereto that is transmitted to the other party or other party's authorized representative electronically (e.g. facsimile, e-mail, etc.) will be deemed for all purposes to be an original signature. This agreement may be executed in any number of counterparts with the same effect as if all parties hereto had signed the same document.

IN WITNESS WHEREOF, the parties have caused this Contract to be executed this 1st day of May 2018.

ATTEST:

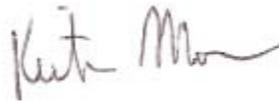
Village of Sugar Grove

Cynthia Galbreath, Clerk

Sean Michels, President

ATTEST:

Moran Economic Development



Keith Moran
President