

VILLAGE OF DOWNERS GROVE
COUNCIL ACTION SUMMARY

INITIATED: Dir. of Redevelopment **DATE:** August 7, 2001
(Name)

RECOMMENDATION FROM: N/A **FILE REF:** _____
(Board or Department)

NATURE OF ACTION:

- Ordinance
- Resolution
- Motion
- Other

STEPS NEEDED TO IMPLEMENT ACTION:

Motion to Adopt "A RESOLUTION AUTHORIZING EXECUTION OF AN AGREEMENT BETWEEN THE VILLAGE OF DOWNERS GROVE AND KANE, McKENNA & ASSOCIATES, INC.", as presented.

SUMMARY OF ITEM:

Adoption of this resolution will authorize a first amendment to an agreement with Kane, McKenna & Associates for professional services in relation to the Downtown TIF District.

RECORD OF ACTION TAKEN:

RESOLUTION NO. ____

**A RESOLUTION AUTHORIZING EXECUTION OF AN AGREEMENT
BETWEEN THE VILLAGE OF DOWNERS GROVE AND
KANE, MCKENNA & ASSOCIATES, INC.**

BE IT RESOLVED by the Village Council of the Village of Downers Grove, DuPage County, Illinois, as follows:

1. That the form and substance of a certain Agreement (the "Agreement"), between the Village of Downers Grove (the "Village") and Kane, McKenna & Associates, Inc. (the "Consultant"), to conduct TIF-related analyses in relation to the downtown TIF District, as set forth in the form of the Agreement submitted to this meeting with the recommendation of the Village Manager, is hereby approved.

2. That the Village Manager and Village Clerk are hereby respectively authorized and directed for and on behalf of the Village to execute, attest, seal and deliver the Agreement, substantially in the form approved in the foregoing paragraph of this Resolution, together with such changes as the Manager shall deem necessary.

3. That the proper officials, agents and employees of the Village are hereby authorized and directed to take such further action as they may deem necessary or appropriate to perform all obligations and commitments of the Village in accordance with the provisions of the Agreement.

4. That all resolutions or parts of resolutions in conflict with the provisions of this Resolution are hereby repealed.

5. That this Resolution shall be in full force and effect from and after its passage as provided by law.

Mayor

Passed:

Attest: _____

Village Clerk

KANE, MCKENNA AND ASSOCIATES, INC.

150 NORTH WACKER DRIVE SUITE 1600 CHICAGO, ILLINOIS 60606 (312) 444-1702 FAX NO.: (312) 444-9052

July 18, 2001

Mr. Brian Pabst
Director of Redevelopment
Village of Downers Grove
Civic Center
Downers Grove, Illinois 60515-4776

RE: Village of Downers Grove Downtown Consulting Services

Dear Brian:

Pursuant to our recent discussions, Kane, McKenna and Associates, Inc. ("KMA") is prepared to assist the Village of Downers Grove, Illinois (the "VILLAGE") in reference to: (1) review of the existing Downers Grove downtown tax increment financing district (TIF No. 1) (the "PROJECT"); (2) analysis of development proposals for Station Crossing area; (3) analysis of development proposals for the Curtis Block area; and (4) such other analysis as the Village may request (collectively, #2, #3 and #4 are referred to as the "Analysis").

Kane, McKenna and Associates, Inc., will provide the following services to VILLAGE as necessary and only for areas specifically identified by the VILLAGE.

PROJECT – Review Existing Downtown Redevelopment Plan and Project

Under VILLAGE direction and in accordance with TIF law, KMA will review the existing Downtown Redevelopment Plan and Project, including review of the following components by the TIF law.

- (1) The statement of redevelopment goals and objectives.
- (2) Review eligible redevelopment activities the VILLAGE may be implemented under the plan.
- (3) Review estimated costs for the redevelopment projects contemplated for implementation under the plan.

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- (4) An update of impediments to the successful redevelopment of the PROJECT area and the measures the VILLAGE would undertake to eliminate such barriers so to promote economic revitalization the PROJECT area.
- (5) Assist VILLAGE by participating in any required public hearings, and Joint Review Board meetings, as well as helping to insure preparation and execution of proper notification as required for all meetings.
- (6) Review, with staff, any need for amendments to the existing Downtown Redevelopment Plan and requirements (such as Housing Impact Study) pursuant to changes in State Statute.

ANALYSIS – REDEVELOPMENT AGREEMENTS, PLAN AND PROJECT IMPLEMENTATION

KMA will assist the VILLAGE, in the implementation of an economic development program to facilitate financing for projects undertaken within the Downtown TIF District. Services that will be provided include:

- (1) Assist the VILLAGE in preparation of TIF development proposals that may be submitted to the Village in order to assist the VILLAGE to justify relative merits and feasibility of the PROJECT for potential TIF funding or other assistance.
- (2) Arrange and attend meetings with the VILLAGE pertinent to the negotiation of any TIF redevelopment agreements or projects.
- (3) Provide assistance and information necessary for resolution of any redevelopment agreement related issues between the VILLAGE.
- (4) Work with the VILLAGE regarding the most feasible economic public financing strategy for any public improvements or other needs in the proposed PROJECT. Work with VILLAGE regarding preparation of "But For" arguments related to potential TIF development proposals.
- (5) Assist the VILLAGE in drafting and/or redrafting any redevelopment agreements for presentation and negotiations with the VILLAGE and otherwise perform all duties necessary to facilitate any required agreements on behalf of the VILLAGE.

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- (6) PROJECT anticipated incremental revenues to be generated from potential development projects and judge whether such revenues are reasonable, feasible and are based on acceptable assumptions given each development PROJECT'S characteristics and potential.
- (7) Provide the VILLAGE with recommendations regarding proposed revenue/cost projections and the potential funding advantages and disadvantages of various public financing strategies.
- (8) Provide such other Analysis as requested by the Village.

COMPENSATION FOR SERVICES

For all services described herein, the VILLAGE shall be billed monthly for services at the following rates per hour:

<u>Personnel</u>	<u>Hourly Rates</u>
President	\$150.00/hour
Executive Vice President	\$135.00/hour
Officers	\$120.00/hour
Associates	\$ 75.00/hour
Administrative	\$ 15.00/hour

We estimate that hourly billings associated with the services set forth herein shall be in an amount not to exceed \$70,000 not including out of pockets associated with the publication of legal notices and the costs of certified mailings of the public hearing notices. If services are required beyond the scope of what is described in this Letter of Agreement, fees may have to be re-discussed.

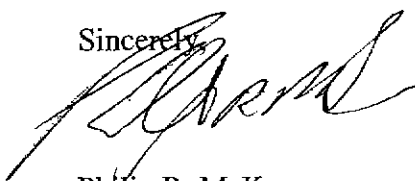
KANE, MCKENNA AND ASSOCIATES, INC.

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This Letter of Agreement shall be effective July 18, 2001, regardless of its actual date of execution. Please indicate the VILLAGE'S acceptance of this Agreement by executing the original and copy, and by returning the original to us.

We look forward to working with you on this PROJECT.

Sincerely,

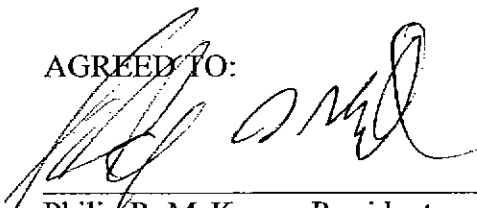


Philip R. McKenna
President



Robert Rychlicki
Executive Vice President

AGREED TO:



Philip R. McKenna, President
Kane, McKenna and Associates, Inc.

7-18-01

Date

Village of Downers Grove

Date