

October 21, 2021

Honorable Jeff Walik  
Mayor  
Village of Stickney  
6533 Pershing Road  
Stickney, Illinois 60402

**RE: Letter of Agreement – Potential Village of Stickney Harlem Avenue and Pershing Road Corridors TIF Review/Implementation**

Dear Mayor Walik:

Kane, McKenna and Associates, Inc. (“KMA”) is prepared to assist the Village of Stickney (the “Village”) regarding professional services associated with the review and analysis of a proposed redevelopment project area for property located within the Village and generally situated as follows: properties fronting the eastside of Harlem Avenue, extending from Pershing Road on the north to 44<sup>th</sup> Street to the south, and also including properties fronting the southside of Pershing Road, extending from Harlem Avenue on the west to Ridgeland Avenue on the east (the “Project Area”).

**PHASE 1 – PRELIMINARY TIF AND RELATED FISCAL IMPACT REVIEW**

- (1) Assist the Village in investigating the desirability and feasibility of utilizing Tax Increment Financing (“TIF”) or other appropriate economic development incentives for funding certain redevelopment costs related to redevelopment of the Project Area.
- (2) Prepare preliminary estimates of tax increment revenues and supportable public assistance.
- (3) Review the characteristics of the Project Area in order to recommend the specific boundaries for a TIF district or related economic development programs, and to assess the potential qualification factors (strengths and weaknesses) of any identified area under Illinois law.

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- (4) Prepare a Preliminary analysis which assesses the pros and cons of pursuing TIF or other forms of economic incentives.

At a minimum, the Report will include the following:

- a. Review area for land use and conditions and summarize results.
  - b. Establish preliminary project boundaries.
  - c. Determine area qualifications for a potential TIF District.
  - d. Prepare survey analysis and identify necessary documentation to back up any findings.
- (5) In the event that other local financing programs or economic development tools are complimentary to or alternatives to TIF, KMA would identify programs and a strategy for implementing them and any conditions for their use in connection with the Project Area.
  - (6) For presentation to the Village, prepare the initial tax revenue projections and prepare related financing alternatives. Identify potentially eligible public improvements and other activities as well as potential public financing options.

#### **PHASE 2A - COMPLETE REDEVELOPMENT PLAN AND PROJECT**

Under Village direction complete the redevelopment plan and project required by the TIF law. Among other elements the redevelopment plan prepared for the Proposed TIF District will include:

- (1) A statement of redevelopment goals and objectives.
- (2) Examination of TIF qualification factors and presentation of rationale for basis under which the TIF District is to be justified under State law.
- (3) A statement of eligible redevelopment activities the Village may allow under the plan.
- (4) Presentation of estimated costs for the redevelopment projects contemplated for implementation under the plan.

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- (5) A detailed discussion of impediments to the successful redevelopment of the project area and the measures the Village could undertake to eliminate such barriers so to promote economic revitalization of the project area.
- (6) Assist the Village by participating in required public hearings, and Joint Review Board meetings. KMA assumes that Village Counsel will ensure preparation and execution of proper notification, as required, for all meetings
- (7) Assist the Village in participating in meetings with all interested and affected parties, including property owners, and overlapping tax jurisdictions. KMA will assist the Village in following the procedures for such gatherings as required by State law.
- (8) Work with the Village's counsel to meet all the requirements of Illinois law so to insure proper establishment of the TIF District.
- (9) Assist Village's counsel in preparation of the appropriate Ordinances required for adoption of the redevelopment plan and project by the Village to legally put in place the TIF District.
- (10) Assist the Village to establish and maintain complete documentation files to assure proper support of eligibility findings in order to support legal standing for establishment of the TIF District.

**PHASE 2B – PREPARE HOUSING IMPACT STUDY (HIS) (IF NECESSARY)**

- 1) Prepare draft HIS conformant with requirements of the TIF Act.
- 2) Review draft HIS with Village staff.
- 3) Finalize HIS for inclusion in draft TIF plan.

**The Housing Impact Study and an associated Public Meeting for impacted residents may be necessary in the event there are 75 or more inhabited residential units within the boundaries of the proposed Project Area and/or potential displacement of 10 or more such units as a result of redevelopment plan-related activities, per the TIF Act.**

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**COMPENSATION FOR SERVICES**

The Village shall be billed monthly for services at the following rates per hour:

Chairman/President	\$225.00/Hour
Executive/Senior Vice President	\$200.00/Hour
Officers	\$175.00/Hour
Associates	\$125.00/Hour
Administrative	\$ 30.00/Hour

Hourly billings associated with Phase 1 are estimated to be in the range of \$17,500 to \$20,000. Phase 2A billings are estimated to be in the range of \$27,500 to \$30,000. Phase 2B billings are estimated to be in the range of \$7,500 to \$10,000. These estimates may be revised depending upon the number of meetings required by the Village, or to the extent that Village staff is prepared to accomplish certain required tasks.

Note: the estimates do not include any out-of-pocket expenses associated with legal/newspaper publication, preparation of the legal description, certified and regular mailings and large-scale copying jobs associated with the mailings.

Either party may cancel this contract upon three (3) days written notice.

This Letter of Agreement is effective upon its execution by the Village.

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Please indicate 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 proposed engagement.

Sincerely,

Charles L. Durham  
Executive Vice President

AGREED TO:

\_\_\_\_\_  
Charles L. Durham, Executive Vice President  
Kane, McKenna and Associates, Inc.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Village of Stickney

\_\_\_\_\_  
Date