

CITY OF SULLIVAN, ILLINOIS

ORDINANCE NO. 22-23

**AN ORDINANCE APPROVING AND AUTHORIZING THE EXECUTION OF A
PROFESSIONAL SERVICES AGREEMENT**

for the

**THIRD AMENDMENT TO
SULLIVAN TAX INCREMENT FINANCING DISTRICT IV**

by and between

THE CITY OF SULLIVAN, MOULTRIE COUNTY, ILLINOIS

and

JACOB & KLEIN, LTD.

and

THE ECONOMIC DEVELOPMENT GROUP, LTD.

**ADOPTED BY THE MAYOR AND CITY COUNCIL
OF THE CITY OF SULLIVAN, MOULTRIE COUNTY, ILLINOIS,
ON THE 12TH DAY OF DECEMBER, 2022.**

ORDINANCE NO. 22-23

CITY OF SULLIVAN, ILLINOIS

AN ORDINANCE APPROVING AND AUTHORIZING THE EXECUTION OF A PROFESSIONAL SERVICES AGREEMENT FOR THE THIRD AMENDMENT TO SULLIVAN TAX INCREMENT FINANCING DISTRICT IV BY AND BETWEEN THE CITY OF SULLIVAN, MOULTRIE COUNTY, ILLINOIS AND JACOB & KLEIN, LTD. AND THE ECONOMIC DEVELOPMENT GROUP, LTD.

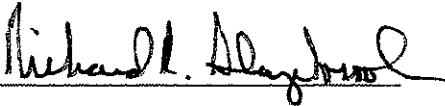
BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF SULLIVAN THAT:

1. The City of Sullivan, Moultrie County, pursuant to the Constitution of the State of Illinois, wishes to amend Sullivan TIF District IV pursuant to the Tax Increment Allocation Redevelopment Act (the "Act"), 65 ILCS 5/11-74.4-1 *et seq.*; and
2. The City of Sullivan, Moultrie County, Illinois wishes to engage the professional services of Jacob & Klein, Ltd. (J&K) to render administrative services and legal advice and The Economic Development Group, Ltd. to render technical advice to assist the City in Amending Sullivan TIF District IV (the "Third Amendment"); and
3. The Professional Services Agreement by and between the City of Sullivan, Jacob & Klein, Ltd. and The Economic Development Group, Ltd. (Exhibit A attached) is hereby approved.
4. The Mayor is hereby authorized and directed to enter into and execute on behalf of the City said Professional Services Agreement and the City Clerk of the City of Sullivan is hereby authorized and directed to attest such execution.
5. The Professional Services Agreement shall be effective on the date of its approval by the City on this 12th day of December, 2022.
6. This Ordinance shall be in full force and effect from and after its passage and approval as required by law.

PASSED, APPROVED AND ADOPTED, by the Corporate Authorities of the City of Sullivan, Moultrie County, Illinois this 12th day of December, 2022 and filed in the office of the City Clerk of said City on that date.


MAYOR & COMMISSIONERS	AYES	NAYS	ABSTAIN/ABSENT
Chuck Woodworth	✓		
Mike Fowler	✓		
Abbey Sherwood	✓		
Doug Booker			✓
Richard Glazebrook, Mayor	✓		
TOTALS:	4	0	1

APPROVE:



Mayor

ATTEST:



City Clerk

EXHIBIT A ATTACHED: Professional Services Agreement

PROFESSIONAL SERVICES AGREEMENT

for the

**THIRD AMENDMENT TO
SULLIVAN TAX INCREMENT FINANCING DISTRICT IV**

by and between

**JACOB & KLEIN, LTD. AND
THE ECONOMIC DEVELOPMENT GROUP, LTD.**

and

**THE CITY OF SULLIVAN,
MOULTRIE COUNTY, ILLINOIS**

DECEMBER 12, 2022

PROFESSIONAL SERVICES AGREEMENT
for the
THIRD AMENDMENT TO
SULLIVAN TIF DISTRICT IV
by and between
JACOB & KLEIN, LTD. AND
THE ECONOMIC DEVELOPMENT GROUP, LTD.
and
THE CITY OF SULLIVAN, ILLINOIS

THIS AGREEMENT is entered into this 12th day of December, 2022, by and between the **CITY OF SULLIVAN, ILLINOIS (“City”)**; **JACOB & KLEIN, LTD.**, Bloomington, Illinois (**“J&K”**); and **THE ECONOMIC DEVELOPMENT GROUP, LTD.**, Bloomington, Illinois (**“EDG”**).

WHEREAS, the City wishes to amend the existing **SULLIVAN TIF DISTRICT IV** (the “TIF District”) pursuant to the Tax Increment Allocation Redevelopment Act (the “Act”), 65 ILCS 5/11-74.4-1 *et seq.*; and

WHEREAS, the City desires to engage the professional services of J&K to render legal advice and EDG to render technical advice to assist the City in amending (“Third Amendment”) Sullivan TIF District IV.

NOW, THEREFORE, the Parties agree as follows:

- §1. **City to Engage J&K and EDG.** The City agrees hereby to engage the services of J&K and EDG for the purposes set forth herein and J&K agrees to provide all legal advice to EDG and the City to prepare or coordinate the preparation of Reports, the Amendment to the TIF District Redevelopment Plan, Notices and Documentation (including those reports prepared by other professionals) necessary to complete the Third Amendment to the TIF District Redevelopment Project Area, Plan and Projects as required pursuant to State Statutes and as outlined below in *Section 2, Scope of Professional Services*.
- 1.1. The Parties agree that J&K, as Attorneys, will undertake those responsibilities that require legal advice or preparation under this Agreement on behalf of the Developer and EDG. EDG is a separate corporate entity owned in whole or in part by Herbert J. Klein. Herbert J. Klein is also the principal owner of Jacob & Klein, Ltd. (J&K). The City is entering into this Agreement voluntarily with informed consent after the opportunity to consult with independent counsel as to the ownership of both entities by Herbert J. Klein.

Professional Services Agreement

- 1.1-1. J&K may, in addition, be retained by the City as its special attorney to perform other professional services outside the Scope of Services set forth herein, including representation of the City before State agencies or the Illinois Legislature. Such representation shall be at the Attorney's then current hourly rate for similar services or as otherwise agreed. Any such representation shall be pursuant to a written agreement between the Parties.
 - A. Legal services provided by J&K with regard to financing, including the issuance of bonds involving the TIF District, will be billed separately from this Agreement and subject to the terms of any agreements related to such financing or bonds.
 - B. This Agreement does not include representation in any Court case resulting from the establishment of, or Amendments to, the TIF District Redevelopment Plan, Area or Projects or the Annual Administration of the TIF District.
- 1.2. The total Fees and Reimbursable Costs to be paid hereunder by the City to J&K and EDG, when billed by each of the separate entities, will not be duplicated and will not exceed the total Fees and Reimbursable Costs provided for herein.
- 1.3. The Parties agree that pursuant to *Section 5/11-74.4-3(q)(1)* of the Act, all Professional Fees and related Costs incurred by the City for Amending the TIF District are TIF eligible project costs and are fully reimbursable to the City from the real estate tax increment generated by the TIF District.
- 1.4. The City hereby acknowledges that J&K and EDG are not responsible for monitoring and documenting matters relating to compliance with the Illinois Prevailing Wage Act, the Illinois Procurement Code, and any other wage and/or employment laws, to the extent such are applicable to any public or private project undertaken within the TIF District Redevelopment Project Area or the Area as may be amended in the future.

§2. Scope of Professional Services.

2.1. Amendment of the TIF District.

- 2.1-1. **Services.** J&K and EDG will provide services as outlined in *Exhibit 1* to Amend the TIF District.

Professional Services Agreement

- 2.1-2. **Term.** This Professional Services Agreement for the Third Amendment to the TIF District shall commence immediately and shall continue until the presentation of the Third Amendment to the TIF District Redevelopment Plan and appropriate ordinances to the City Council for the Amendment of the District.
- 2.1-3. **Payment of Fees and Reimbursable Costs.** The total Professional Fees to be paid to J&K and EDG for the Amendment of the TIF District are **Twenty-One Thousand Dollars (\$21,000.00)** plus all Reimbursable Costs incurred in the Amendment of the TIF District, and are to be paid by the City as follows:
- A. J&K and EDG shall be paid a total sum of **Seven Thousand Dollars (\$7,000.00)** upon execution of this Agreement; and
 - B. J&K and EDG shall be paid an additional total sum of **Seven Thousand Dollars (\$7,000.00)** and Costs incurred up to the date of delivery of the Third Amendment to the TIF Redevelopment Plan to the City; and
 - C. The balance of the Fee, **Seven Thousand Dollars (\$7,000.00)**, and remaining Costs for the Amendment of the TIF District shall be paid when the Third Amendment to the TIF Redevelopment Plan and final Ordinances are presented to the City Council for passage; and
 - D. All Reimbursable Costs incurred by J&K and EDG as part of the Amendment of the TIF District shall be reimbursed to J&K and EDG by the City, including all reasonable travel and subsistence expenses while away from Bloomington or Peru, Illinois, all photocopying, report binding, mailings, postage, and staff costs.

For purposes of this Agreement, staff costs do not include the time of Attorneys Thomas N. Jacob, Herb Klein, or Nic Nelson (J&K) or of Steven Kline (EDG) while performing said Professional Services described in *Exhibit 1* subject to the following conditions:

- (i) All travel will be reimbursed for mileage at the maximum rate permitted by Internal Revenue Service Rules and Regulations at the time of service.
- (ii) All other costs which are incidental to the Amendment of the TIF District,

Professional Services Agreement

including staff costs, photocopying and report binding, mailings, postage, and telecommunication charges, shall be reimbursed at the current rates then charged by J&K and EDG.

- E. The City understands and acknowledges that J&K and EDG will rely on the work of other professionals, including the City's Engineers and Attorney, to prepare reports and documentation needed for the Amendment to the TIF District Redevelopment Plan, Projects and Reports and other necessary documents; and that J&K and EDG shall rely on their professional expertise to prepare the Amendment to the TIF District Redevelopment Plan and present material and information necessary to the Amendment of the TIF District. The City further understands that it may directly incur additional fees and costs for the Amendment of the TIF District which result from the involvement of other (i.e., non-J&K/EDG) professionals.

- §3. **Amendments to this Agreement.** The Parties hereto may amend this Agreement at any time by their mutual consent which amendment must be in writing and executed by the Parties.
- §4. **Entire Agreement.** The Terms and conditions set forth in this Agreement supercede all prior oral and written understanding and constitute the entire Agreement between the Parties with respect to the subject matter hereof.
- §5. **Binding Upon Successors in Interest.** This Agreement shall be binding upon all the Parties hereto and their respective heirs, successors, administrators, assigns, or other successors in interest.
- §6. **Notices.** Notices or demands hereunder shall be in writing and shall be served (a) by personal delivery, or (b) certified mail, return receipt requested to:

The City of Sullivan
c/o City Clerk
City Hall
2 W Harrison Street
Sullivan, IL 61951

Professional Services Agreement

**Jacob & Klein, Ltd. and
The Economic Development Group, Ltd.**
1701 Clearwater Avenue
Bloomington, Illinois 61704
Ph: (309) 664-7777

or to the last known address of either party or to the address provided by any assignee if such address has been given in writing. In the event said notice is mailed, the date of service of such notice shall be deemed to be three (3) business days after the date of delivery of said notice to the United States Post Office.

§7. **Severability.** If any provision of this Agreement is held to be invalid, the remainder of this Agreement shall not be affected thereby.

§8. **Choice of Law/Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois with venue lying in the Circuit Court of McLean County, Illinois.

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Professional Services Agreement

IN WITNESS WHEREOF, the City, J&K, and EDG have executed this Professional Services Agreement on the day and year above written.

THE CITY OF SULLIVAN, an Illinois
Municipal Corporation:

City Hall
2 W Harrison Street
Sullivan, IL 61951
Phone: (217) 728-4383

By: Michael R. Daybird
Mayor

Attest: Carrie Creek
City Clerk

JACOB & KLEIN, LTD., an Illinois
Professional Service Corp.:

1701 Clearwater Avenue
Bloomington, IL 61704
Phone: (309) 664-7777
Fax: (309) 664-7878

By: _____
President

**THE ECONOMIC DEVELOPMENT
GROUP, LTD.**, an Illinois Corporation:

1701 Clearwater Avenue
Bloomington, IL 61704
Phone: (309) 664-7777
Fax: (309) 664-7878

By: _____
President

EXHIBIT 1

THIRD AMENDMENT TO SULLIVAN TIF DISTRICT IV

Services to be provided to the City by J&K and EDG relating to the **Third Amendment to Sullivan TIF District IV** are set forth as follows:

1. Create estimated TIF District Amendment Time Line.
2. Work with local elected officials, City staff and engineers to define the Amended Redevelopment Project Area (TIF District Boundary).
3. Evaluate the statutory and financial feasibility of amending the TIF District.
4. Consult on any necessary Annexation Agreement(s) with the City and City Attorney.
5. Create an Amendment to the TIF District Redevelopment Plan. EDG will collect a variety of information from the City and, with J&K, draft the Amendment to the TIF Redevelopment Plan. Local officials will provide historical information, access to legal descriptions, street maps/GIS maps, engineering opinion letters, descriptions and estimated costs of potential public and private projects, potential private development build-out rates, property tax bills, assessment data, and identification of officials' properties and other City records as necessary to amend the TIF District.
6. Organize and conduct a Public Meeting, the Joint Review Board Meeting and a Public Hearing.
7. Analyze the potential impact on taxing districts and prepare any necessary Intergovernmental Agreements, if required.
8. Assist the City to negotiate Predevelopment and/or Redevelopment Agreements with potential Developers.
9. Prepare and send all Notices to taxing bodies, taxpayers, residents, residences within 750 feet of amended TIF District, and Interested Parties.
10. Prepare and arrange for the City Clerk all publications required of the City.
11. Draft and present to the City all required Ordinances to amend the TIF District.

