

NOTICE OF STANDING

COMMITTEE MEETINGS

Scheduled for
Tuesday, February 25, 2020
beginning at 6:30 p.m. in

Council Chambers
Village Hall of Tinley Park
16250 S. Oak Park Avenue
Tinley Park, Illinois

Community Development Committee
Marketing Committee
Finance Committee

A copy of the agendas for these meetings is attached hereto.

Kristin A. Thirion
Clerk
Village of Tinley Park

NOTICE OF A MEETING
OF THE COMMUNITY DEVELOPMENT COMMITTEE

Notice is hereby given that a meeting of the Community Development Committee of the Village of Tinley Park, Cook and Will Counties, Illinois, will begin at 6:30 p.m. on Tuesday, February 25, 2020, in Council Chambers at the Village Hall of Tinley Park, 16250 S. Oak Park Avenue, Tinley Park, Illinois.

1. OPEN THE MEETING.
2. CONSIDER APPROVAL OF THE MINUTES OF THE COMMUNITY DEVELOPMENT COMMITTEE MEETING HELD ON OCTOBER 22, 2019.
3. DISCUSS NEW HORIZON ANNEXATION AGREEMENT FOR 9551 & 9555 183RD STREET.
4. DISCUSS ANNEXATION AGREEMENT FOR 18501 RIDGELAND AVENUE.
5. DISCUSS PROFESSIONAL SERVICE AGREEMENT FOR TAX INCREMENT FINANCE (TIF) FEASIBILITY STUDY AND RELATED SERVICES FOR A PROPOSED 159TH AND HARLEM TIF.
6. RECEIVE COMMENTS FROM THE PUBLIC.

ADJOURNMENT

KRISTIN A. THIRION
VILLAGE CLERK

MINUTES
Meeting of the Community Development Committee
October 22, 2019 - 6:30 p.m.
Village Hall of Tinley Park – Council Chambers
16250 S. Oak Park Avenue
Tinley Park, IL 60477

Members Present: M. Mueller, Chairman
C. Berg, Village Trustee
D. Galante, Village Trustee

Members Absent: None

Other Board Members Present: None

Staff Present: D. Niemeyer, Village Manager
B. Bettenhausen, Treasurer/Finance Director
D. Framke, Marketing Director
K. Clarke, Planning Manager
D. Spale, Village Attorney
L. Godette, Deputy Village Clerk
D. Melone, Administrative Assistant

Item #1 - The meeting of the Community Development Committee was called to order at 7: 30 p.m.

Item #2 – CONSIDER APPROVAL OF THE MINUTES OF THE COMMUNITY DEVELOPMENT COMMITTEE MEETING HELD ON SEPTEMBER 24, 2019 – Motion was made by Chairman Mueller, seconded by Trustee Berg, to approve the minutes of the Community Development Committee meeting held on September 24, 2019. Vote by voice call. Chairman Mueller declared the motion carried.

Item #3 – RECEIVE UPDATE OF OAK PARK AVENUE GRANT PROGRAM – Kimberly Clarke stated that on October 14, 2019, the Economic and Commercial Commission (ECC) met to discuss possible changes to the Village's Oak Park Avenue Playbook Grants.

Any proposed changes, once approved will take effect during the 2020/2021 budget cycle. The Village's budget cycle begins on May 1 and ends April 31 the following year.

A mandatory attendance requirement, was proposed by staff, for applicants seeking grant funding. This will only be applicable for ECC meetings and the attendance requirement can be waived for sign grant applicants if the proposal is under a certain amount. Sign grants can go straight to the Village Board. Chairman Mueller, Trustee Berg and Trustee Galante were all in agreement.

The ECC discussed to eliminating the requirement submit a business plan as part of all grant application processes and only to require a business plan for the retail grant. Trustee Galante would like to see a Business Plan by applicants and would like to see accountability for viewing requirements for initial grant. She would also like the forms to have dates and signatures. Retail grant applicants, with prior business experience need to specify the number of years in business.

A timeline for project completion was proposed:

<u>Time Frame</u>	<u>Actions Required by Application</u>
3 Months	Submit a full set of drawings/plans to Community Development
6 Months	Obtain Building Permit(s)
12 Months	Project must be completed (Including final inspections)

In the event the proposed project will exceed 12-month timeline, the applicant may request a one-time extension from the Village Board. The timeline begins once the Village Board approves the applicant's grant. There were no recommended changes proposed by ECC Commissioners regarding the suggested timeline.

Trustee Galante would like to see reports on the progress of these projects. The Committee discussed a possible cap of \$70,000 per applicant with a timeframe set before they could apply for an additional grant.

Topics to be discussed at a future ECC meeting include landscape grant, bonus incentive and clawbacks.

At this time Ms. Clarke presented the following updates on projects:

DEMOLITION OF HOME AT 6627 W. 173rd STREET – The single-family home located at 6627 W. 173rd Street was demolished on October 22, 2019;

BOULEVARD AT CENTRAL STATION (SOUTH STREET) – the General Contractor for this project, Carlson Brothers, will be on the site next week for excavation work. Community Development will be finalizing the plan review for this project next week.

Item #5 – RECEIVE COMMENTS FROM THE PUBLIC - No comments from the public.

ADJOURNMENT

Motion was made by Chairman Mueller, seconded by Trustee Galante, to adjourn this meeting of the Community Development Committee. Vote by voice call. Chairman Mueller declared the motion carried and adjourned the meeting at 8:02 p.m.

dm



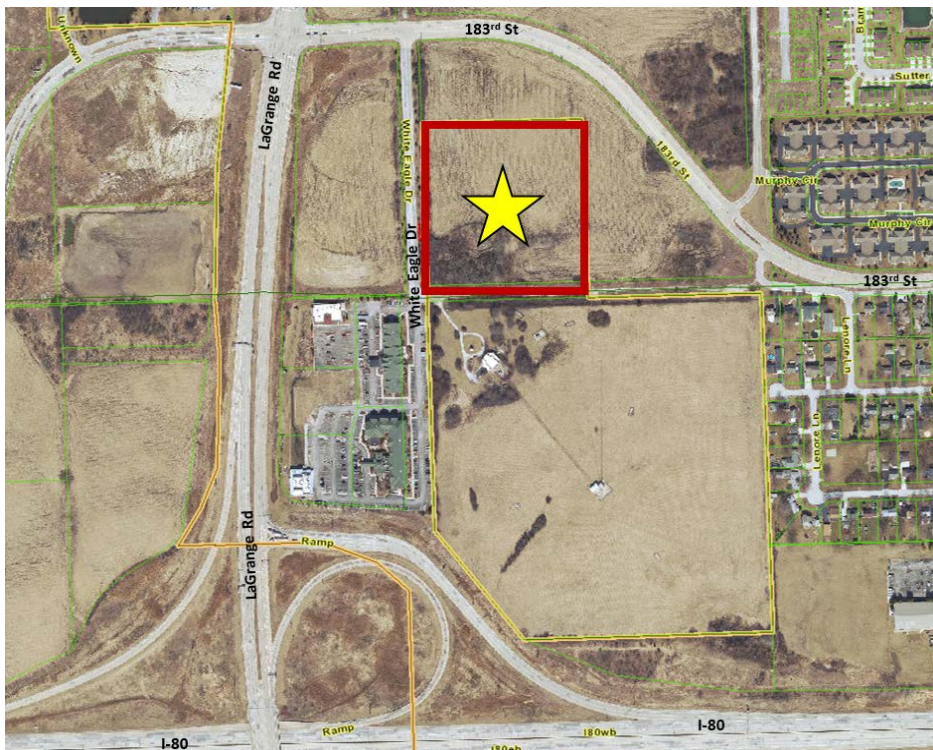
Interoffice Memo

Date: February 20, 2020

To: Trustee Mueller, Chair, Community Development Committee
Dave Niemeyer, Village Manager

From: Kimberly Clarke, Community Development Director

Subject: 9551 & 9555 183rd Street-New Horizon Annexation Agreement



BACKGROUND: Top Hospitality LLC, has petitioned the Village of Tinley Park to annex an 8.7-acre parcel located at 9551 & 9555 183rd Street (see photo above). The project will require rezoning upon annexation, Variations to construct two hotels and a plat of subdivision to divide the parcel into two lots.

The Petitioner plans to develop two Marriott brand hotels on the subject property: Courtyard and Residence Inn. The Courtyard hotel includes an 83,510 sq. ft. four story building with 125 guest rooms, a banquet hall, meeting rooms, exterior patio, fitness center, indoor pool, lounge with dining area and bar. The Residence Inn hotel is marketed towards extended-stay guests and

includes an 89,379 sq. ft. four story building with 118 guest rooms, fitness center, dining room, meeting room, lounge room, indoor pool, outdoor basketball court, and exterior patio. The amenities, including the dining and bars, are only open to hotel guests. Construction of the two sites will happen simultaneously and will not be phased.

DISCUSSION: Staff has a draft an annexation agreement with the following items to be addressed in the Agreement:

- The property will be zoned B-3 (General Business & Commercial).
- The property will be subject to a recapture agreement for the Village's cost of extending and constructing new water main, sanitary sewer and lift station.
- The property will be eligible for any oversizing of utilities that will benefit additional property.
- The properties equitable share of the utilities is approximately \$600,000.
- There is acknowledgment that if the Village is unable to get the utilities in time to their site, they can temporarily connect onto the existing sewer and water lines.
- The Village recognizes the subject parcel is located within a designated blighted area and that the applicant will apply for a class 7B reclassification.
- There are no waivers of building permit or tap on fees.

SCHEDULE: Upon the recommendation of the Community Development Committee, Staff will proceed with finalizing the Annexation Agreement. Zoning review at the Plan Commission is scheduled for a workshop on February 20, 2020 and a Public Hearing on March 5, 2020. The Village Board will then consider the Plan Commission recommendation, the Annexation Ordinance and the Annexation Agreement for a first reading on March 17, 2020 with a Public Hearing for the annexation held prior to the Village Board meeting that same night. Final adoption of the annexation and rezoning issues is tentatively scheduled for April 7, 2020.

Attachment

Draft Annexation Agreement dated 2.20.20



ANNEXATION AGREEMENT

INTRODUCTION

1. **This Agreement** is entered into this _____ day of _____ 2020, by and between the VILLAGE OF TINLEY PARK, Illinois, a municipal corporation (hereinafter referred to as the "*Village*"); and Top Hospitality LLC d/b/a New Horizon an _____ Limited Liability Company with Registered Office located at _____ (hereinafter referred to as "*Owner*").

2. The Property subject to this Agreement and legal title to which the *Owner* is the sole owner of record of a parcel or parcels of real estate and is the subject matter of this Agreement, is legally described on EXHIBIT A attached hereto and hereby made a part hereof P.I.N.s 27-34-300-002-0000. The said property is hereinafter referred to as the "*Subject Property*".

3. The Subject Property is generally located at 9551 & 9555 183rd and is not contained within the corporate limits of any municipality. The Subject Property contains approximately 9.15 acres and is contiguous with the Village of Tinley Park.

4. The Village of Tinley Park is a Home Rule Unit pursuant to the provisions of the Illinois Constitution, Article VII, Section 6, and the terms, conditions and acts of the Village under this Agreement are entered into and performed pursuant to the Home Rule powers of the Village and the statutes in such cases made and provided.

RECITALS:

1. The *Owner* has petitioned the Village for annexation to the Village of the Subject Property conditioned on the approval of this Agreement.

2. The parties hereto have fully complied with all relevant statutes of the State of Illinois and ordinances of the Village with respect to annexation including the filing of a petition by the *Owner* requesting annexation of the above-described Subject Property

3. All reports by all relevant governmental entities have been submitted enabling appropriate action by the Village Board of Trustees to achieve the following:

- (a) Adoption and execution of this Agreement by resolution;
- (b) Enactment of an annexation ordinance annexing the Subject Property as described above to the Village;
- (c) The adoption of such other ordinances, resolutions and actions as may be necessary to fulfill and implement this Agreement pursuant to the terms and conditions herein contained.

4. The Subject Property is located within the Tinley Park Library District, and the Tinley Park Fire District. The annexation will not result in the automatic disconnection from any Public Library District or Fire Protection District. The annexation of the subject property will extend boundaries to the far side of adjacent right-of-ways which are owned and maintained by the Village of Tinley Park. The annexation does not include any highways under jurisdiction of a Township Highway Commissioner.

5. The parties hereto have determined that it is in the best interests of the *Village* and the *Owner* and in furtherance of the public health, safety, comfort, morals and welfare of the community to execute and implement this Agreement and that such implementation of this Agreement will provide a very valuable asset to the community.

6. The Introduction and Recitals hereto are hereby incorporated by reference as a part of this Agreement.

SECTION 1 ANNEXATION OF THE PROPERTY

The *Owner* has filed a petition for annexation to the *Village* of the Subject Property. The *Village* shall proceed to consider the question of annexing the Subject Property to the *Village* and do all things necessary or appropriate to cause the Subject Property to be validly annexed to the *Village*. The Subject Property shall be annexed in whole. All ordinances, plats, affidavits and other documents necessary to accomplish annexation shall be recorded by the *Owner* at the *Owner's* expense including the Plat of Annexation attached hereto as Exhibit B. The new boundary of the *Village* resulting from such annexation shall extend to the far side of any adjacent highway and shall include all of every highway within the area so annexed.

SECTION 2 DEVELOPMENT/BUILDING CODE COMPLIANCE

The *Owner's* intent is to construct two Marriott Brand Hotels on the Subject Property. The *Village* acknowledges that a hotel use is an allowable use in the B-3 District. However, such acknowledgment shall not be construed as a waiver of the required approval process for a development of this magnitude which includes but is not limited to all regulations contained in the *Village's* subdivision code, building code, preliminary and final plat approval, preliminary and final engineering approval, landscape approval, and approval and receipt of securities for any required public improvements. Any future development of or construction upon the Subject Property subsequent to the execution of this Agreement shall be in full compliance with all *Village* Ordinances, Codes and Regulations, except as may be specifically amended pursuant to this agreement.

SECTION 3 ZONING

After annexation of the Subject Property and the completion of all required public hearings, the Village agrees to adopt the necessary ordinances or resolutions to zone the property B-3 (General Business & Commercial District). The Owners may subsequently apply for specific variations from the Village's ordinances, rules and codes without amending this Agreement, provided, however, such applications shall satisfy all standards related to variations.

SECTION 4 UTILITY CONNECTIONS AND RECAPTURE

Owners or future Developer shall have the right to connect to and use Village systems and mains upon payment of the tap-on/connection fees set forth in the Village Code.

The parties agree that a new water main, sanitary sewer and lift station will need to be constructed and extended to the Subject Property in order to service the Subject Property (the "Utility Extension"). The Utility Extension shall be constructed by the Village in accordance with Exhibit C and made a part hereof. The Utility Extension will also benefit other property owners and/or developers of the properties identified on Exhibit D ("the Benefitted Properties") as outlined in the Recapture Ordinance adopted on _____ attached hereto as Exhibit E. In accordance with the Villages' policy of providing recapture rights to the Village or developers who have extended and/or oversized sewer, water, retention ponds, and other utility or public improvements, the provisions of this Section are intended to provide recovery to the Village from the Owner for its proportionate share of such costs and from the future owners or developers of the Benefitted Properties, and the Owner does hereby unconditionally agree that prior to connecting all or a portion of the Subject Property to the Village's utility system it shall pay its equitable share of the

total cost of the extension of utilities in accordance with the formula set forth in Exhibit E which is estimated to be \$600,000.

Until such time as the Village extends water and sanitary utilities to the Subject Property (in accordance with Exhibit C), the *Owner* may make a temporary connection for sanitary service in accordance with Exhibit F and pay all connection fees for temporary connections as set forth in the Village Code. Upon completion of the utility extensions as outlined in Exhibit C, the *Village* shall notify the *Owner* that they shall disconnect from said temporary connection and connect to the new utility extension within ____ days.

To the extent Owner constructs any utilities which benefit other properties by the installation and/or over sizing of said improvements, the Village shall in accordance with 65 ILCS 5/9-5-1 adopt a recapture ordinance upon satisfactory demonstration by the Owner that the recapture is fair and equitable. The determination that a proposed recapture is fair and equitable shall be in the sole discretion of the Village.

SECTION 6 EASEMENTS

The *Owner* agrees to grant to the *Village*, all easements over in or under the Subject Property the Village deems necessary in order to construct required off site improvements.

SECTION 7 SECURITIES FOR PUBLIC IMPROVEMENTS

In accordance with the Village's Subdivision and Development Regulation, in order to secure the construction and installation of any and all required public improvements to be dedicated to the Village, Owner shall submit at the time of Final Plat approval one of the following: (1) A cash deposit in the amount equal to 125% percent of the estimated costs of construction as approved

by the Village's Engineer pursuant to an escrow and disbursement agreement in a form improved the , (2) An irrevocable standby letter of credit in the amount equal to 125% percent of the estimated costs of construction in a form approved by the Village.

SECTION 8 IMPACT REQUIREMENTS

The *Owner* agrees that any and all recaptures, contributions, dedications, donations and easements provided for in this Agreement substantially advance legitimate governmental interests of the *Village* and are uniquely attributable to, reasonably related to and made necessary by the Annexation of the Subject Property into the Village. Owner shall pall all impact fees set forth in the Village Code

SECTION 9 DISCONNECTION

The *Owner* agrees and all subsequent owners and any subsequent developers, agree to take no action to disconnect, and to seek no petition for disconnection, of the Subject Property, or any portion thereof, from the Village.

SECTION 10 REIMBURSEMENT OF COSTS

Owner shall reimburse the Village for all actual costs incurred by the Village's retained consultants including but not limited to attorney and engineers in connection with the Owner's Annexation Petitions, Zoning Petitions, and Redevelopment Agreement.

SECTION 11 PROPERTY TAX DESIGNATION

The Owner has indicated its desire to seek certain property tax incentives pursuant to Ordinance 19-O-009 that designates certain areas along LaGrange Road as blighted for purposes of eligibility for the Cook County Property Tax 7-B Classification Program. The Village recognizes the subject parcel is located within the designated blighted area and agrees to review all application materials submitted by the Owner to insure compliance with the Village's incentive

policy in good faith prior to voting on a Resolution supporting any such application to Cook County.

SECTION 12 TERM

This Agreement shall be binding upon the Parties and their respective successors and assigns for twenty (20) years, commencing as of the date hereof, and for such further terms as may hereinafter be authorized by statute and by Village ordinance. If any of the terms of this Agreement, or the annexation or zoning of the Subject Property, is challenged in any court proceeding, then, to the extent permitted by law, the period of time during which such litigation is pending shall not be included in calculating said twenty (20) year period. The expiration of Term of this Agreement shall not affect the continuing validity of the zoning of the Subject Property or any ordinance enacted by the *Village* pursuant to this Agreement.

SECTION 11 MISCELLANEOUS

A. **Amendment.** This Agreement, and the exhibits attached hereto, may be amended only by mutual consent of the Parties or their successors in interest, by adoption of an ordinance by the *Village* approving said amendment as approved by said Parties or their successors in interest.

B. **Severability.** If any provision, covenant, agreement or portion of this Agreement or its application to any person, entity or property is held invalid, such invalidity shall not affect the application or validity of any other provisions, covenants, agreements and portions of this Agreement, and to that end, all provisions, covenants, agreements and portions of the Agreement are declared to be severable. If for any reason the annexation or zoning of the Subject Property is ruled invalid, in whole or in part, the Corporate Authorities, as soon as possible, shall take such actions (including the holding of such public hearings and the adoption of such ordinances and

resolutions) as may be necessary to give effect to the spirit and intent of this Agreement and the objectives of the Parties, as disclosed by this Agreement, provided that the foregoing shall be undertaken as the expense of the *Owner*.

C. **Entire Agreement.** This Agreement sets forth all agreements, undertakings and covenants between and among the Parties. This Agreement supersedes all prior agreements, negotiations and understandings, written and oral, and is a full integration of the entire agreement of the Parties.

D. **Survival.** The provisions contained herein shall survive the annexation of the Subject Property and shall not be merged or expunged by the annexation of the Subject Property to the Village. The provisions of this Agreement related to zoning of the Subject Property, easements, and any fees to be paid by the *Owner*, including without limitation impact fees of any nature, shall survive the termination of this Agreement. All fees and charges to be paid by the *Owner* under this Agreement shall be contractual and shall survive any judicial determination of the invalidity or inapplicability of any ordinance providing for payment of same.

E. **Successors and Assigns.** This Agreement shall inure to the benefit of, and be binding upon, the *Owner*, and their respective heirs, legal representatives, successors, grantees, lessees, and assigns, and upon successor corporate authorities of the Village and successor municipalities, and shall constitute a covenant running with the land. This Agreement may not be assigned without the approval of the President and Board of Trustees of the Village of Tinley Park.

F. **Notices.** Any notice required or permitted by the provisions of this Agreement shall be in writing and sent by certified mail, return receipt requested, or personally delivered, to the Parties at the following addresses, or at such other addresses as the Parties may, by notice, designate:

If to Village:

Village of Tinley Park
David Niemeyer
16250 S. Oak Park Avenue
Tinley Park, Illinois 60477

With a copy to:

Patrick G. Connelly
Peterson Johnson & Murray, Chicago-LLC
200 West Adams Street
Suite 2125

If to the Owner:

Haresh Jethani
Top Hospitality
2730 University Blvd
Houston, TX 77005

With a copy to:

Notices shall be deemed given on the fifth (5th) business day following deposit in the U.S. Mail if given by certified mail as aforesaid, and upon receipt, if personally delivered.

G. **Time of Essence.** Time is of the essence of this Agreement and of each and every provision hereof.

H. **Village Approval.** Wherever any approval or consent of the Village, or of any of its departments, officials or employees, is called for under this Agreement, the same shall not be unreasonably withheld or delayed.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date first above written and, by so executing, each of the Parties warrants that it possesses full right and authority to enter into this Agreement

VILLAGE OF TINLEY PARK,

By: _____
_____, **Manager**

By: _____
Jacob Vandenberg, Village President

DRAFT

EXHIBIT A
LEGAL DESCRIPTION OF TERRITORY

DRAFT

EXHIBIT B
PLAT OF ANNEXATION

DRAFT

EXHIBIT C-Master Plan

DRAFT

FEES

Fee/recapture		
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Interoffice Memo

Date: February 25, 2020

To: Trustee Mueller, Chair
Community Development Committee
Dave Niemeyer, Village Manager
Kimberly Clark, Community Development Director

From: Paula J. Wallrich, AICP
Planning Manager

Subject: 18501 Ridgeland- annexation



Background

In May of 2019 the Village was notified of a rezoning request for an unincorporated parcel within our 1.5 mile jurisdictional review area in Cook County. The subject property is an undeveloped 16.58 acre parcel located at 18201 Ridgeland Avenue, immediately south of the Misty Pines Subdivision and north of I-80.

The owners of the property, Mad Outdoor Inc., applied for a rezoning from County R-4 (single family residential to I-1 (Restricted Industrial) zoning in the County in order to protect their existing billboards on the site. The County notified them that the billboards were not allowed in the R-4 District.

In June of 2019 the Village Board passed Resolution 2019-R-050 opposing the zoning application due to the proximity to residential uses and the potential for conflicting land uses permitted in the County's I-1 District. The filing of the opposition Resolution results in a required supermajority approval vote in the county for the rezoning.

Subsequently, the applicant has requested the rezoning application be placed on hold in the County pursuant annexation discussions with the Village. Staff has met with the owners of the property who have stated they do not want to develop the parcel for any industrial uses; their goal is to retain the three billboards existing on the site. They are seeking annexation to the Village and request their billboards be allowed to remain.

The annexation of the subject parcel will allow the Village to control the future development and zoning of the property. Even though the Village Zoning Ordinance prohibits billboards, they can be allowed to continue in their current state through the annexation process.

The attached Annexation Agreement assigns a R-1 (Single Family Residential) zoning to the parcel upon annexation and allows the three existing billboards to continue in their existing configuration as an illegal non-conforming use. As a non-conforming sign they are not allowed to be changed or altered in any manner that will increase their non-conformity; they are not allowed to be enlarged or expanded or structurally altered to prolong its useful life; or moved in whole or part to any other location. If destroyed or damaged beyond 50% of its replacement cost they have to be rebuilt in compliance with code.

The agreement also allows for future connection to Village utilities provided the required payment of connection and recapture fees are paid.

Discussion

The annexation of the subject parcel will bring the property under zoning control for the Village as well as provide tax revenue. The property is encumbered with significant floodplain therefore future development of the parcel will necessitate significant engineering costs and most likely limit development scenarios. The frontage along I-80 as well as limited access to the property also compromise its development potential. Any redevelopment proposal will require typical Village entitlement protocols.

Although billboards are a prohibited use they were erected in 1968 and have existed in their current configuration since that time. They are located approximately 420 to-750 feet from residential structures to the west and north respectfully with some screening by natural vegetation and topography.



R

Upon review and discussion of the proposed annexation and annexation agreement, direct staff to finalize the agreement and present it to the Village Board for approval.

ANNEXATION AGREEMENT

INTRODUCTION

1. **This Agreement** is entered into this _____ day of _____ 2020, by and between the VILLAGE OF TINLEY PARK, Illinois, a municipal corporation (hereinafter referred to as the “*Village*”); and MAD OUTDOOR, INC., an Illinois Corporation (hereinafter referred to as “*Owner*”).

2. The Property subject to this Agreement and legal title to which the *Owner* is the sole owner of record of a parcel or parcels of real estate and is the subject matter of this Agreement, is legally described on EXHIBIT A attached hereto and hereby made a part hereof P.I.N. 31-05-101-002-0000. The said property is hereinafter referred to as the “Subject Property”.

3. The Subject Property is generally located at 18501 Ridgeland Avenue and is not contained within the corporate limits of any municipality. The Subject Property contains approximately 16.58 acres and is contiguous with the Village of Tinley Park.

4. The Village of Tinley Park is a Home Rule Unit pursuant to the provisions of the Illinois Constitution, Article VII, Section 6, and the terms, conditions and acts of the Village under this Agreement are entered into and performed pursuant to the Home Rule powers of the Village and the statutes in such cases made and provided.

RECITALS:

1. The *Owner* has petitioned the Village for annexation to the Village of the Subject Property conditioned on the approval of this Agreement.

2. The parties hereto have fully complied with all relevant statutes of the State of Illinois and ordinances of the Village with respect to annexation including the filing of a petition by the *Owner* requesting annexation of the above-described Subject Property.

3. All reports by all relevant governmental entities have been submitted enabling appropriate action by the Village Board of Trustees to achieve the following:

- (a) Adoption and execution of this Agreement by resolution;
- (b) Enactment of an annexation ordinance annexing the Subject Property as described above to the Village;
- (c) The adoption of such other ordinances, resolutions and actions as may be necessary to fulfill and implement this Agreement pursuant to the terms and conditions herein contained.

4. The Subject Property is located within the Tinley Park Library District, and the Tinley Park Fire District. The annexation will not result in the automatic disconnection from any Public Library District or Fire Protection District. 5. The parties hereto have determined that it is in the best interests of the *Village* and the *Owner* and in furtherance of the public health, safety, comfort, morals and welfare of the community to execute and implement this Agreement.

6. The Introduction and Recitals hereto are hereby incorporated by reference as a part of this Agreement.

SECTION 1 - ANNEXATION OF THE PROPERTY

The *Owner* has filed a petition for annexation to the *Village* of the Subject Property. The *Village* shall proceed to consider the question of annexing the Subject Property to the *Village* and do all things necessary or appropriate to cause the Subject Property to be validly annexed to the *Village*. The Subject Property shall be annexed in whole. All ordinances, plats, affidavits and other documents necessary to accomplish annexation shall be recorded by the *Owner* at the *Owner's* expense including the Plat of Annexation attached hereto as Exhibit B.

The *Owner* shall pay to the *Village* of all expenses enumerated within this Agreement as hereinafter stated:

Annexation	\$3,000
Zoning	<u>\$ 750</u>
Total	\$3,750

SECTION 2 – RETENTION OF EXISTING USE

The Owner's intent is to retain three (3) existing non-conforming billboard signs on the property. The three (3) billboard signs are one-sided and measure 10'6" x 32' each with a wood lattice apron. They are approximately 17' in height. Photographs of the billboards are attached hereto as Exhibit C. The Village acknowledges that billboards are a prohibited sign type in the Village, however said signs will be allowed to continue in their current configuration as illegal non-conforming signs subject to Section IX.N (Non-Conforming Signs) of the Tinley Park Zoning Ordinance. Any future development of or construction upon the Subject Property subsequent to the execution of this Agreement shall be in full compliance with all Village Ordinances, Codes and Regulations.

SECTION 3 - ZONING

After annexation of the Subject Property and the completion of all required public hearings, the Village agrees to adopt the necessary ordinances or resolutions to zone the property R-1 (Single-Family Residential).

SECTION 4 - UTILITY CONNECTIONS AND RECAPTURE

Owners or future Developer shall have the right to connect to and use Village systems and mains upon payment of the tap-on/connection fees set forth in the Village Code. If any new mains

are to be constructed or existing mains need to be extended, all such costs shall be borne by the Owner. All utilities shall be placed underground by Owner at Owner's expense.

SECTION 5 - EASEMENTS

The *Owner* agrees to obtain a cross access easement with the property to the north for purposes of access to the Owner's property. It shall be the responsibility of the *Owner* to obtain all off-site easements necessary to serve the Subject Property.

SECTION 8 - DISCONNECTION

The *Owner* agrees and all subsequent owners and any subsequent developers, agree to take no action to disconnect, and to seek no petition for disconnection, of the Subject Property, or any portion thereof, from the Village.

SECTION 9 - REIMBURSEMENT OF COSTS

Owner shall reimburse the Village for all actual costs incurred by the Village's retained consultants including but not limited to attorney in connection with the Owner's Annexation Petitions.

SECTION 11 – TERM

This Agreement shall be binding upon the Parties and their respective successors and assigns for twenty (20) years, commencing as of the date hereof, and for such further terms as may hereinafter be authorized by statute and by Village ordinance. If any of the terms of this Agreement, or the annexation or zoning of the Subject Property is challenged in any court proceeding, then to the extent permitted by law, the period of time during which such litigation is

pending shall not be included in calculating said twenty (20) year period. The expiration of Term of this Agreement shall not affect the continuing validity of the zoning of the Subject Property or any ordinance enacted by the Village pursuant to this Agreement.

SECTION 12 – MISCELLANEOUS

A. **Amendment.** This Agreement, and the exhibits attached hereto, may be amended only by mutual consent of the Parties or their successors in interest, by adoption of an ordinance by the *Village* approving said amendment as approved by said Parties or their successors in interest.

B. **Severability.** If any provision, covenant, agreement or portion of this Agreement or its application to any person, entity or property is held invalid, such invalidity shall not affect the application or validity of any other provisions, covenants, agreements and portions of this Agreement, and to that end, all provisions, covenants, agreements and portions of the Agreement are declared to be severable. If for any reason the annexation or zoning of the Subject Property is ruled invalid, in whole or in part, the Corporate Authorities, as soon as possible, shall take such actions (including the holding of such public hearings and the adoption of such ordinances and resolutions) as may be necessary to give effect to the spirit and intent of this Agreement and the objectives of the Parties, as disclosed by this Agreement, provided that the foregoing shall be undertaken at the expense of the *Owner*.

C. **Entire Agreement.** This Agreement sets forth all agreements, undertakings and covenants between and among the Parties. This Agreement supersedes all prior agreements, negotiations and understandings, written and oral, and is a full integration of the entire agreement of the Parties.

D. **Survival.** The provisions contained herein shall survive the annexation of the Subject Property and shall not be merged or expunged by the annexation of the Subject Property to the *Village*. The provisions of this Agreement related to zoning of the Subject Property, easements, and any fees to be paid by the *Owner*, including without limitation impact fees of any nature, shall survive the termination of this Agreement. All fees and charges to be paid by the *Owner* under this Agreement shall be contractual and shall survive any judicial determination of the invalidity or inapplicability of any ordinance providing for payment of same.

E. **Successors and Assigns.** This Agreement shall inure to the benefit of, and be binding upon, the *Owner*, and their respective heirs, legal representatives, successors, grantees, lessees, and assigns, and upon successor corporate authorities of the *Village* and successor municipalities and shall constitute a covenant running with the land. This Agreement may not be assigned without the approval of the President and Board of Trustees of the Village of Tinley Park.

F. **Notices.** Any notice required or permitted by the provisions of this Agreement shall be in writing and sent by certified mail, return receipt requested, or personally delivered, to the Parties at the following addresses, or at such other addresses as the Parties may, by notice, designate:

If to Village:

Village of Tinley Park
David Niemeyer
16250 S. Oak Park Avenue
Tinley Park, Illinois 60477

With a copy to:

Paul O'Grady
Peterson Johnson & Murray, Chicago, LLC
200 W. Adams St., Suite 2125
Chicago, Illinois 60601

If to the Owner:

Mark Hirtzer
15941 S. Harlem Ste. 102
Tinley Park, IL. 60477

With a copy to:

Nicholas J. Ftikas
221 N. LaSalle St. 38th Floor
Chicago, IL 60601

Notices shall be deemed given on the fifth (5th) business day following deposit in the U.S. Mail if given by certified mail as aforesaid, and upon receipt, if personally delivered.

G. **Time of Essence.** Time is of the essence of this Agreement and of each and every provision hereof.

H. **Village Approval.** Wherever any approval or consent of the Village, or of any of its departments, officials or employees, is called for under this Agreement, the same shall not be unreasonably withheld or delayed.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date first above written and, by so executing, each of the Parties warrants that it possesses full right and authority to enter into this Agreement.

MAD OUTDOOR, INC.

VILLAGE OF TINLEY PARK,

By: _____

Mark Hirtzer, Owner

By: _____

Jacob Vandenberg, Village President

EXHIBIT A
LEGAL DESCRIPTION OF TERRITORY

LEGAL DESCRIPTION
18501 RIDGELAND

THAT PART OF THE NORTH 112 ACRES OF THE NORTHWEST FRACTIONAL 1/4 OF SECTION 5, TOWNSHIP 35 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING SOUTH OF THE INDIAN BOUNDARY LINE BOUNDED AND DESCRIBED AS FOLLOWS, COMMENCING AT THE INTERSECTION OF THE CENTER LINE OF RIDGELAND AVENUE AND THE INDIAN BOUNDARY LINE; THENCE NORTHEAST ALONG THE INDIAN BOUNDARY LINE TO A POINT, SAID POINT BEING A LINE 33 FEET EAST OF AND PARALLEL TO THE CENTER LINE OF RIDGELAND AVENUE; THENCE NORTHEASTERLY ALONG THE INDIAN BOUNDARY LINE A DISTANCE OF 98.63 FEET TO A POINT, SAID POINT BEING 101.14 FEET EAST OF THE CENTER LINE OF RIDGELAND AVENUE (AS MEASURED AT RIGHT ANGLES THERETO) FOR A PLACE OF BEGINNING; THENCE SOUTHERLY ALONG A LINE MAKING AN ANGLE OF 128 DEGREES 26 MINUTES 23 SECONDS TO THE RIGHT OF THE LAST DESCRIBED COURSE EXTENDED, A DISTANCE OF 246.75 FEET TO A POINT, SAID POINT BEING 130 FEET EAST OF THE CENTER LINE OF RIDGELAND AVENUE (AS MEASURED AT RIGHT ANGLES THERETO); THENCE NORTHEASTERLY ALONG A LINE MAKING AN ANGLE OF 113 DEGREES 48 MINUTES 40 SECONDS TO THE LEFT OF THE LAST DESCRIBED COURSE EXTENDED TO A POINT SAID POINT BEING ON THE NORTH LINE OF THE NORTH 112 ACRES OF THE NORTHWEST FRACTIONAL 1/4 OF SECTION 5, TOWNSHIP 35 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING SOUTH OF THE INDIAN BOUNDARY LINE AND 549.55 FEET WEST OF THE EAST LINE OF THE NORTH 112 ACRES OF THE NORTHWEST FRACTIONAL 1/4 OF SECTION 5. TOWNSHIP 35 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN. LYING SOUTH OF THE INDIAN BOUNDARY LINE; THENCE WEST ALONG THE NORTH LINE OF THE NORTHWEST FRACTIONAL 1/4 OF SECTION 5. TOWNSHIP 35 NORTH. RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN. SOUTH OF INDIAN BOUNDARY LINE TO INDIAN BOUNDARY LINE; THENCE SOUTHWESTERLY ALONG THE INDIAN BOUNDARY LINE TO THE PLACE OF BEGINNING. IN COOK COUNTY, ILLINOIS.

EXHIBIT B
PLAT OF ANNEXATION

DRAFT

EXHIBIT C
PHOTOGRAPHS OF BILLBOARDS





Interoffice Memo

Date: February 20, 2020

To: Community Development Committee

From: David Niemeyer, Village Manager *DN*

Subject: Tax Increment Financing Consulting Proposal

Attached is a proposal from Stern for tax increment consulting services, The Village is looking into the possibility of a TIF at 159th and Harlem. The scope of service would include a feasibility analysis, preparation of a redevelopment plan, and adoption of a project. The total cost is \$38,000.

The proposed TIF map is included on page 17 of the proposal. This could change based on the analysis. As you are aware, there are significant vacancies in the shopping areas in this section of the Village and TIF is an excellent tool to revitalize these centers and increase the tax base. Staff has spoken to the administrative heads of the Park District and local school districts and they are supportive of the TIF concept. They will have additional input throughout the Joint Review Board process.

PROPOSAL FOR
TAX INCREMENT FINANCING CONSULTING SERVICES
VILLAGE OF TINLEY PARK, ILLINOIS

PROJECT CONTACT:

MAUREEN BARRY

DIRECTOR/MUNICIPAL ADVISOR

847.316.040

MBARRY@STERNBROTHERS.COM

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Section 1

Executive Summary

EXECUTIVE SUMMARY

The following proposal is provided by Stern Brothers & Co. (Stern) in response to a request from the Village of Tinley Park. It is our understanding that the Village is interested in partnering with a consultant to provide Tax Increment Financing (TIF) consulting services to the Village relative to a proposed Harlem Avenue and 159th Street TIF District, currently occupied primarily by commercial/retail uses.

Since 1917, Stern Brothers has been advising public and private decision makers on the best ways to fund capital projects and fulfill communities' economic development plans. The firm has particular expertise in crafting innovative solutions to meet the project funding needs of our clients. Throughout our history, we have prided ourselves on creating and developing meaningful, value-added and cost-effective solutions to the challenges that our clients face in executing their capital project plans. Beyond securing the financing, our services include economic development consulting to help you establish special taxing districts, such as a Tax Increment Financing District, and implement projects within the district.

With the firm's headquarters in St. Louis, Missouri, over 40 professionals serve clients from Stern offices across the United States, including the office in Illinois.

This proposal describes our TIF consulting services and how we can assist the Village in accomplishing its development goals along the Harlem Avenue and 159th Street corridors. Our team will work with the Village staff to conduct a feasibility analysis, and if appropriate, develop the required documentation for a Redevelopment Project Area in the vicinity of Harlem Avenue and 159th Street. Stern will help the Village to prepare the most advantageous plan for the community and lay out the appropriate process needed to meet the State of Illinois' requirements for establishing a TIF District in a timely and transparent fashion. Assuming the area meets the State's criteria, Stern's advisors will help the Village to justify to the community and local businesses why this economic development tool is needed and how project funding assistance may be granted to make a project viable.

This document is divided into two parts. The first, **Qualifications**, describes our firm and staff that would be assigned to this project for the Village of Tinley Park, summarizes the relevant experience that these team members would bring to the Village, and provides references from municipalities for which Stern advisors have recently completed similar redevelopment projects. The second part contains the **Engagement Letter** for TIF District Consulting Services, roles for each party, and certain disclosures relating to our engagement as municipal advisor.

The Engagement Letter is to be signed by a designated representative of the Village of Tinley Park and returned to Stern prior to commencement of the Project.

Section 2

Qualifications



QUALIFICATIONS

ABOUT STERN BROTHERS

Founded in 1917, Stern is a Certified Woman-Owned Business Enterprise ("WBE") and is one of the few remaining independent, private investment banking/financial services firms in the country. Our firm's sole focus is public and infrastructure finance. Throughout our more than one-hundred year history, we have prided ourselves on creating and developing meaningful, value-added and cost-effective solutions to the challenges that our clients face. In an industry that is often overshadowed by larger public institutions, we are truly proud of our independent and diverse culture and identity.

Stern Brothers serves as Municipal/Financial Advisor for a number of local governments, agencies and institutions in connection with their debt offerings and other financial and development needs. Our advisors work collaboratively with our clients to identify the most advantageous financial strategies and professionally execute them on their behalf. We will evaluate all options available to the Village and clearly present them, allowing Village decision-makers to feel confident in their ultimate decisions.

The Stern Brothers' Municipal Advisors provide long-term financing solutions to units of government, private companies and non-profit organizations located throughout the country. Representative engagements include financings of developer-driven and workforce housing, mixed-use projects, distressed schools, municipal water-sewer districts, and community-based centers. We work with our clients to meet their full range of economic development needs, from creating a new taxing district to annual reporting to development proposal analysis to debt issuance for projects within a district.

PROJECT STAFF

The recent addition of Maureen Barry to the Stern team has reinforced the firm's municipal advisory and economic development consulting experience. Maureen previously worked for Ehlers & Associates, Inc. in Chicago for over 11 years, where she served as an advisor to numerous Illinois local government clients, including the Village of Tinley Park.

While at Ehlers, Maureen and her team successfully used the approach proposed herein for TIF District services in the Village of Tinley Park, and also the City of East Moline, Village of Glen Ellyn, City of Macomb, Village of Matteson, City of Peoria, Village of Rockton, and Village of Wheeling, among others. She assisted other Illinois municipal clients with economic development, financial consulting and debt issuance projects in communities such as the Village of Buffalo Grove, City of Geneva, City of North Chicago, Village of Oak Park, City of St. Charles, Village of Willowbrook, Village of Westmont, City of Wheaton, and Village of Winnetka. Prior to that time, she worked in local government for over 15 years, most recently as the Assistant Village Manager in Wilmette, and before that, for the City of Evanston and the City of Glendale, Arizona. In these roles, she worked with local government leaders and other key players in planning and managing a wide variety of governmental operations and projects.

Consulting services provided on this project would be performed and supervised by Maureen Barry, with assistance from Stern's St. Louis office and qualified sub-contractor service providers as needed for certain research and support functions. Maureen will be in contact with Village staff throughout the project and available for meetings or consultation with other parties.



REFERENCES

VILLAGE OF TINLEY PARK*

Specialized Project Experience

- TIF District creation
- TIF amendments
- Redevelopment project implementation
- Public participation
- Developer RFP
- Developer negotiations
- Pro forma analysis
- TIF increment projections

Contact:

Brad Bettenhausen, Finance Director
16250 South Oak Park Avenue
Tinley Park, Illinois 60477
bbettenhausen@tinleypark.org
Phone: (708) 444-5000



VILLAGE OF WHEELING*

Specialized Project Experience

- TIF District creation
- TIF amendment
- Downtown redevelopment
- Financial analysis
- TIF increment projections
- Pro forma analysis
- Developer negotiations
- Public infrastructure finance

Contact:

Jon Sfondilis
Village Manager
2 Community Boulevard
Wheeling, Illinois 60090
jsfondilis@wheelingil.gov
Phone: (847) 499-9090



VILLAGE OF ROCKTON*

Specialized Project Experience

- TIF District establishment
- Business District establishment
- Downtown redevelopment
- TIF increment projections
- Taxing District negotiations

Contact:

Tricia Diduch
Planning & Development Administrator
110 E. Main Street
Rockton, Illinois 61072
diduch@rocktonvillage.com
Phone: (815) 624-0935



VILLAGE OF WILLOWBROOK*

Specialized Project Experience

- Business District establishment
- Redevelopment project analysis
- Pro forma analysis
- Developer agreement negotiations
- Sales tax projections

Contact:

Carrie Dittman
Director of Finance
835 Midway Drive
Willowbrook, IL 60527
cdittman@willowbrook.il.us
Phone: (630) 323-8215



* Municipal Advisor Services provided by Maureen Barry and others while employed by Ehlers & Associates, Inc.

Section 3

Engagement Letter



February 11, 2020

Brad Bettenhausen, Finance Director
Village of Tinley Park
16250 S. Oak Park Ave.
Tinley Park, Illinois 60477

Re: ENGAGEMENT LETTER FOR TAX INCREMENT FINANCING CONSULTING SERVICES

Dear Mr. Bettenhausen:

We are pleased to have the opportunity to work with you, Village of Tinley Park, Illinois (the "**Village**") as your municipal advisor for these Tax Increment Financing consulting services. The purpose of this letter (this "**Engagement Letter**") is to set forth the role we propose to serve and the services we propose to provide as municipal advisor, at the direction of the Village, with respect to the Village's needs for Tax Increment Financing Consulting Services (the "**Project**").

It is Stern's understanding that the Village is interested in partnering with a consultant to provide Tax Increment Financing (TIF) consulting services to the Village relative to its proposed Harlem Avenue and 159th Street Redevelopment Project Area, or TIF District. (See *Appendix A* to this Engagement Letter for the Village's "**Study Area**".)

This Engagement Letter also provides you with certain disclosures relating to our engagement as municipal advisor, pursuant to certain rules promulgated by the Municipal Securities Rulemaking Board ("**MSRB**").

1. SCOPE OF SERVICES

The Village hereby engages Stern Brothers & Co. ("**Stern**"), including its successors, and assigns Stern to serve as municipal advisor with respect to the Project.

Stern's advice and work product for preparing a feasibility analysis and required reports and for establishing a new Harlem Avenue and 159th Street Redevelopment Project Area (the "**RPA**" or "**TIF District**") will be in accordance with the State of Illinois Municipal Code, specifically as set forth under the Tax Increment Allocation Redevelopment Act 65 ILCS 5/11-74.4-1 *et seq.*, as supplemented and amended (the "**Act**").

As municipal advisor, Stern expects to provide the following services (the "**Scope of Services**") to the Village in a three-phase process:

PHASE I – FEASIBILITY ANALYSIS

The purpose of Phase I is to determine whether the Project is a statutorily and economically feasible option to achieve the Village's objectives. This phase begins upon the Village's authorization of this engagement and ends with the delivery of the findings of the feasibility analysis to the Village. As part of Phase I services, Stern will:

- Consult with appropriate Village officials to identify the Village's objectives for the Project.



- Visually survey, conduct research using reliable and recognized sources of information about the Study Area, and document findings related to all eligibility criteria for each parcel within the Study Area, per the criteria set forth in the Act, including the following:
 - Location of vacant sites and vacant buildings.
 - Condition and use of each building.
 - Site conditions including roadways, lighting, parking facilities, landscaping, fence walls, and general property maintenance.
 - Equalized assessed values and other relevant parcel data.
 - Village, county, state, and federal records, as may be required.
 - Existing land use, zoning ordinance and maps, flood maps, and comprehensive plan.
- Determine if, and under which category or categories, the Study Area qualifies as a TIF District according to the Act.
- Review the feasibility analysis findings and confirm with Village staff the list of parcels from within the Study Area that are to be included within the proposed RPA boundaries and the focus of the next phase of work.

PHASE II – PREPARATION OF THE REDEVELOPMENT PLAN

If the RPA qualifies as a TIF District according to the Act requirements, and the Village elects to proceed with the process following completion of the feasibility analysis, the Project will move to Phase II. This phase includes preparation of the Redevelopment Plan for the Project. **(This proposal assumes the conditions requiring a Housing Impact Statement would not be present within the proposed RPA (i.e., a separate analysis and report is required if the Village certifies that the RPA would displace ten or more inhabited residential units), which would prompt another phase of proposed work.)**

This phase begins after receiving notification from the Village to proceed, and ends after the Village has approved the draft Redevelopment Plan, including any necessary revisions. As part of Phase II services, Stern will:

- Based on the goals and objectives identified in Phase I, prepare a draft Redevelopment Plan document that includes all statutorily required components, including documentation of the eligibility conditions and findings from the feasibility analysis.
- Coordinate with Village's staff, engineer, planner or other designated parties to develop the legal description of the boundaries of the proposed RPA.
- Submit to the Village an electronic version of the draft Redevelopment Plan for review and comment. The Redevelopment Plan will include a map of the RPA, the findings of the Phase I feasibility analysis which identifies the qualifying factors for the district, redevelopment goals and objectives that are consistent with the Village's Comprehensive Plan (if applicable), redevelopment project costs, incremental property tax revenue estimates for Plan purposes, and other language and certifications required

by the Act.

- Revise the draft Redevelopment Plan as needed in response to comments from the Village Staff and TIF Attorney and submit final draft versions to be filed with the Village Clerk and provided by the Village to other parties according to the requirements of the Act in conjunction with Phase III services.

PHASE III - ADOPTION OF PROJECT

The Act requires a specific adoption process, which includes a meeting of the Joint Review Board (comprised of representatives from certain impacted taxing districts) and a public hearing. This phase begins after receiving notification from the Village to proceed following Phase II and ends after the adoption ordinances have been considered by the governing body, or the time allotted by the Act for that consideration has expired. In Phase III, Stern will:

- Coordinate with Village staff to confirm dates and times for required public meetings. Stern will work with the Village's attorney to ensure that selected dates meet all statutory timing requirements.
- Provide guidance to the Village regarding the public participation process. The Village will be responsible for the production and distribution of all notices to the impacted taxing districts, public, residents, property owners, and publications. (Sample copies of notices and advertisements can be furnished upon request.)
- Attend and make a presentation at Joint Review Board Meeting (see "Meetings" section).
- Attend and make presentation(s) at appropriate Village Board meetings and other meetings (see "Meetings" section).
- Complete any Project document amendments required as a result of the Joint Review Board meeting or public participation process.
- Upon approval by the governing body, assist the Village's Attorney with the submission of required information to the County, as needed.

MEETINGS

Stern's participation in the following meetings is included in the proposed flat fee for the applicable phase of this Project:

- Project initiation meeting with representatives of the Village to launch the Project, confirm the Study Area boundary, and coordinate various process steps (Phase I).
- Conference call to discuss the results of the feasibility analysis and the boundaries of the proposed RPA with the Village's staff (Phase I).
- Conference call to discuss the Redevelopment Plan with the Village's staff (Phase II).
- Meeting with representatives of certain impacted local taxing districts (the Joint Review Board) to review the RPA eligibility and scope of the proposed Redevelopment Plan (Phase III).
- Public hearing on the proposed RPA (Phase III).

- One additional progress meeting with Village staff at the discretion of the Client (any phase).

If requested by the Village, Stern will participate in additional meetings beyond this Scope of Services with various parties, such as the Village Board, other taxing districts, local businesses, etc. Any additional meeting related to the development, qualification, and adoption of the proposed TIF District will require prior authorization by the Village Manager or Finance Director and will be subject to Stern's hourly billing rates (see "Fees and Expenses" section).

All services related to the Project will be performed in conjunction with designated staff of the Village and its designated attorney.

VILLAGE RESPONSIBILITIES

The following items are not included in Stern's Scope of Services and shall be the responsibility of the Village to complete or provide:

- Legal Description of RPA, as required in the Redevelopment Plan.
- Provide applicable studies, data, plans and information to Stern as they may be relevant to the Project.
- Production and distribution (including paper versions) of all reports, notices, and mailings related to the adoption of the TIF District to the impacted taxing districts, the Illinois Department of Commerce and Economic Opportunity, residents, property owners, interested parties registry, and local news media, per the Act requirements.
- GIS/Mapping services. The Village will arrange for Stern to have access to its Geographic Information Systems (GIS) service provider and resources and direct the provider to cooperatively work with Stern to produce all maps and fulfill any GIS service requests required for the Project.
- Legal review. Stern recommends that Village contract with an attorney with direct knowledge of the Act and TIF case law, and experience in the establishment of TIF Districts for consultation during this Project. All attorney expenses are to be assumed by the Village.
- Other consulting services. Services rendered by Village's engineers, planners, surveyors, appraisers, assessors, attorneys, auditors, and others that may be called on by the Village to provide information related to completion of the Project. If a certified Engineer's statement is necessary to determine chronic flooding, the Village will be responsible for obtaining and providing that statement.

PROJECT TIME LINE

The proposed time line for completion of the Project follows. Stern will begin project work immediately after authorization from the Village.

Task

Phase I – Feasibility Analysis	4 – 6 weeks
Phase II – Preparation of Redevelopment Plan	4 – 8 weeks*
Phase III – Adoption of Project	10 – 14 weeks*

* This proposal assumes that conditions within the RPA would not warrant a Housing Impact Statement, which, if it did, would prompt another phase of proposed work. This phase would be completed concurrently with Phases II and III, but may extend the duration of time required to complete the additional work and meeting(s).

Some contingency times have been included in the time line. However, adherence to the above time line for each phase is dependent on timely provision of information and documents from the Village and other sources, as well as timely authorization to proceed with each successive task as may be needed.

2. **LIMITATIONS ON SCOPE OF SERVICES.** The Scope of Services is subject to the following limitations:
 - a) The Scope of Services is limited solely to the services and for the purposes described therein and is subject to any limitations set forth within the description of the Scope of Services.
 - b) Stern is not responsible for certifying as to the accuracy or completeness of any information submitted by other parties.
 - c) The Scope of Services does not include tax, legal, accounting or engineering advice with respect to the analysis.
 - d) While Stern will make every attempt to ensure that the information produced for the Project is obtained from reliable sources and is accurate at the time of release, Stern is not responsible for any errors or omissions, or for the results obtained from the use of this information. All information provided for the Project shall be provided “as is”, with no guarantee of completeness, timeliness, or of the results obtained from the use of this information, and without warranty of any kind, express or implied.

The Scope of Services may be changed only by written amendment or supplement to the Scope of Services described herein. The parties agree to amend or supplement the Scope of Services described herein promptly to reflect any material changes or additions to the Scope of Services.

3. **PROFESSIONAL JUDGMENT.** The Village acknowledges that the advice and recommendations provided by Stern with respect to and during the course of this engagement and with respect to the Project involve the exercise of professional judgment on the part of Stern, and that the results are not, and cannot be, guaranteed. Nevertheless, under MSRB Rule G-42 ("Rule G-42"), Stern will be subject to a fiduciary duty that includes a duty of loyalty and a duty of care in the conduct of all municipal advisory activities for the Village. Rule G-42 requires that Stern make a reasonable inquiry as to the facts that are relevant to the Village's determination whether to proceed with a course of action or that form the basis for advice provided by Stern to Village. Rule G-42 also requires that Stern undertake a reasonable investigation to determine that it is not basing any recommendation on materially inaccurate or incomplete information. Stern is also required under the rule to use reasonable diligence to know the essential facts about Village and the authority of each person acting on the Village's behalf.

The Village agrees to cooperate, and to cause its agents to cooperate, with Stern in carrying out these regulatory duties, including providing to Stern accurate and complete information and reasonable access to relevant documents, other information and personnel needed to fulfill such duties. In addition, the Village agrees that, to the extent it seeks to have Stern provide advice with regard to any recommendation made by a third party, it will provide to Stern written direction to do so as well as any information it has received from such third party relating to its recommendation.

4. FEES AND EXPENSES.

Stern charges a flat fee for consulting services as stated in the Scope of Services. The project will be completed for the costs provided below, which includes all time, materials, and expenses.

Phase I – Feasibility Analysis	\$17,500
Phase II – Preparation of Redevelopment Plan	\$12,500
Phase III – Adoption of Project	<u>\$ 8,000</u>
TOTAL	\$38,000

Notes: This pricing is based upon the list of parcels identified by the Village for inclusion in the Study Area and assumes parcel data from Cook County for Tax Year 2013 – Tax Year 2018 will be analyzed for the Project. If a significant number of additional parcels are added for review within the Project at any time after this agreement has been approved or if parcel data for Tax Year 2019 must be researched and included in the Project at a later time, a revised proposal or additional fee may be required. Further, it is not anticipated at this time, but if a Housing Impact Statement is required (as mentioned previously in this Scope of Services), an additional fee of \$12,000 for completion of that analysis and work product will apply.

Stern will invoice the Village for the amount due after the completion of each phase of work. The fees are due and payable upon receipt of the invoice by the Village.

For any additional services requested by the Village (such as those described in *Appendix C*), which are related to the Project but are not included within this Scope of Services, the Village will be charged on an hourly basis. Based on the task, current hourly rates for Stern’s team members will apply as follows:

Municipal Advisor	\$240.00 per hour
Analyst	\$190.00 per hour
Project Coordinator	\$175.00 per hour
Technical/Clerical	\$100.00 per hour

Stern does not charge for most regular business expenses, except for messenger and overnight services. For meetings or other activities not within the Scope of Services that require Stern’s staff to be present at the client’s offices or elsewhere in the area, travel time is charged per the hourly billing rates. We assume most Project discussions will be held via teleconference or email to facilitate regular communication in a cost effective manner.

5. TERM AND TERMINATION. The term of this engagement will extend from the date of this Engagement Letter to December 31, 2020; provided, however, that either Stern or the Village may

terminate Stern's engagement at any time without liability or penalty upon at least 30 days prior written notice. If Stern's engagement is terminated by the Village, then the Village agrees to reimburse Stern for its out-of-pocket expenses incurred until the date of such termination.

- 6. INDEMNIFICATION; LIMITATION OF LIABILITY.** In the absence of willful misconduct, bad faith, gross negligence or reckless disregard of obligations or duties hereunder on the part of Stern or any of its associated persons, Stern and its associated persons shall have no liability to the Village for any act or omission in the course of, or connected with, rendering services hereunder, or for any error of judgment or mistake of law, or for any loss arising out of any issuance of municipal securities, any municipal financial product or any other investment, or for any financial or other damages resulting from the Village's election to act or not to act, as the case may be, contrary to any advice or recommendation provided by Stern to the Village. No recourse shall be had against Stern for loss, damage, liability, cost or expense (whether direct, indirect or consequential) of the Village arising out of or in defending, prosecuting, negotiating or responding to any inquiry, questionnaire, audit, suit, action, or other proceeding brought or received from the Internal Revenue Service or other party in connection with the Project or otherwise relating to the tax treatment of the Project, or in connection with any opinion or certificate rendered by counsel or any other party. Notwithstanding the foregoing, nothing contained in this paragraph or elsewhere in this Engagement Letter shall constitute a waiver by the Village of any of its legal rights under applicable U.S. federal securities laws or any other laws whose applicability is not permitted to be contractually waived, nor shall it constitute a waiver or diminution of Stern's fiduciary duty to the Village under Section 15B(c)(1) of the Securities Exchange Act of 1934, as amended, and the rules thereunder.

In addition, to the extent permitted by applicable law, the Village shall indemnify, defend and hold Stern and its employees, officers, agents and affiliates harmless from and against any losses claims, damages and liabilities that arise from or otherwise relate to the Project and actions taken or omitted in connection therewith, except to the extent such losses, claims, damages or liabilities are judicially determined to be the result of Stern's gross negligence or willful misconduct.

- 7. INFORMATION PROVIDED BY THE VILLAGE.** The Village understands that the preparation of Project work products will be based upon, among other things, the truth, accuracy and completeness of the information provided to Stern. The Village agrees that all such information will be true, correct and complete, that it will update such information during the course of the Project if necessary, so that any financial information provided to Stern will be accurately reflective of the Village's financial position (or otherwise disclosed to the extent that it is not), and that any financial projections will be prepared by the Village in good faith and based upon reasonable assumptions. The Village acknowledges and agrees that Stern will rely upon such information without independent verification.
- 8. REQUIRED DISCLOSURES.** Rule G-42 requires that Stern provide the Village with disclosures of material conflicts of interest and of information regarding certain legal events and disciplinary history. Such disclosures are provided in *Appendix B* to this Engagement Letter.
- 9. GOVERNING LAW; COMPLETE AGREEMENT.** This Engagement Letter shall be governed and construed in accordance with the laws of the State of Missouri. This Engagement Letter may not be

amended or modified except by written agreement of both parties. This Engagement Letter embodies all the terms, agreements, conditions and rights contemplated and negotiated by the Village and Stern, and supersedes any and all discussions and understandings, written or oral, between the Village and Stern regarding the Project. This Engagement Letter shall be binding upon and inure to the benefit of the Village and Stern, their respective successors and permitted assigns; provided however, neither party may assign or transfer any of its rights or obligations hereunder without the prior written consent of the other party.

If the foregoing is consistent with your understanding of our engagement with respect to the Project, please sign and return the enclosed copy of this Engagement Letter at your earliest convenience. The undersigned represents and warrants that (s)he has full legal authority to execute this Engagement Letter on behalf of the Village. The undersigned individuals have the authority to direct Municipal Advisor's performance of its activities under this Engagement Letter.

Sincerely,

Stern Brothers & Co.



By:

Name: Maureen Barry

Title: Director/Municipal Advisor

Email: mbarry@sternbrothers.com

Acceptance:

Accepted this _____ day of _____, 2020:

VILLAGE OF TINLEY PARK, ILLINOIS

By: _____

Attest: _____

Name: _____

Name: _____

Title: _____

Title: _____

Upon acceptance, please return an executed copy of this agreement to Maureen Barry at the email address provided above.

APPENDIX A

Project Study Area



APPENDIX B

Disclosures of Conflicts of Interest

APPENDIX B

Disclosures of Conflicts of Interest

General Mitigations

As general mitigations of Municipal Advisor's conflicts, with respect to all of the conflicts disclosed below, Municipal Advisor mitigates such conflicts through its adherence to its fiduciary duty to Client, which includes a duty of loyalty to Client in performing all municipal advisory activities for Client. This duty of loyalty obligates Municipal Advisor to deal honestly and with the utmost good faith with Client and to act in Client's best interests without regard to Municipal Advisor's financial or other interests. In addition, because Municipal Advisor is a broker-dealer with significant capital due to the nature of its overall business, the success and profitability of Municipal Advisor is not dependent on maximizing short-term revenue generated from individualized recommendations to its clients but instead is dependent on long-term profitability built on a foundation of integrity, quality of service and strict adherence to its fiduciary duty. Furthermore, Municipal Advisor's municipal advisory supervisory structure, leveraging our long-standing and comprehensive broker-dealer supervisory processes and practices, provides strong safeguards against individual representatives of Municipal Advisor potentially departing from their regulatory duties due to personal interests. The disclosures below describe, as applicable, any additional mitigations that may be relevant with respect to any specific conflict disclosed below.

Compensation-Based Conflicts

Please see Section 4 of the Scope of Services, "Fees and Expenses" for information regarding Stern's fees for services provided hereunder (the "**Municipal Advisor Fee**").

The fees due under this Agreement are in a fixed amount established at the outset of the Agreement. The amount is usually based upon an analysis by Client and Municipal Advisor of, among other things, the expected duration and complexity of the transaction and the Scope of Services to be performed by Municipal Advisor. This form of compensation presents a potential conflict of interest because, if the transaction requires more work than originally contemplated, Municipal Advisor may suffer a loss. Thus, Municipal Advisor may recommend less time-consuming alternatives, or fail to do a thorough analysis of alternatives. This conflict of interest is mitigated by the general mitigations described above.

Some fees due under this Engagement Letter may be based on hourly fees of Municipal Advisor's personnel, with the aggregate amount equaling the number of hours worked by such personnel times an agreed-upon hourly billing rate. This form of compensation presents a potential conflict of interest if Client and Municipal Advisor do not agree on a reasonable maximum amount at the outset of the engagement, because Municipal Advisor does not have a financial incentive to recommend alternatives that would result in fewer hours worked. This conflict of interest is mitigated by the general mitigations described above.

Other Relationships

Stern serves a wide variety of other clients that may from time to time have interests that could have a direct or indirect impact on the interests of the Issuer. For example, Stern serves as municipal advisor to other municipal advisory clients and, in such cases, owes a regulatory duty to such other clients just as it does to the Issuer under this Engagement Letter. These other clients may, from time to time and

depending on the specific circumstances, have competing interests, such as pursuing the development of a competing project. In acting in the interests of its various clients, Stern could potentially face a conflict of interest arising from these competing client interests. None of these other engagements or relationships would impair Stern's ability to fulfill its regulatory duties to the Issuer.

Beyond this, at the present time, Stern has no known material conflicts of interest that require disclosure under Rule G-42 based on its reasonable diligence. If additional potential or actual material conflicts are identified in the course of the Transaction, Stern will provide you with appropriate additional disclosures:

- Any conflicts of interest that may arise from compensation for municipal advisory activities to be performed that is contingent on the size or closing of any transaction as to which Stern is providing advice; and
- Any other actual or potential conflicts of interest, of which Stern is aware after reasonable inquiry, that could reasonably be anticipated to impair Stern's ability to provide advice to or on behalf of the client in accordance with the standards of conduct of Rule G-42, as applicable.

Legal or Disciplinary Events

MSRB Rule G-42 requires that municipal advisors provide to their clients certain disclosures of legal or disciplinary events material to its client's evaluation of the municipal advisor or the integrity of the municipal advisor's management or advisory personnel. Accordingly, Stern states below required disclosures and related information in connection with such disclosures:

Stern has no legal or disciplinary events that may be material to Issuer's evaluation of Stern or the integrity of Stern's management or advisory personnel.

How to Access Form MA and Form MA-I Filings

Stern's most recent Form MA and each most recent Form MA-I filed with the SEC are available on the SEC's EDGAR system at:

<https://www.sec.gov/Archives/edgar/data/764650/000076465018000001/0000764650-18-000001-index.htm>. The SEC permits certain items of information required on Form MA or MA-I to be provided by reference to such required information already filed by Stern in its capacity as a broker-dealer on Form BD or Form U4 or as an investment adviser on Form ADV, as applicable. Information provided by Stern on Form BD or Form U4 is publicly accessible through reports generated by BrokerCheck at <http://brokercheck.finra.org> and Stern's most recent Form ADV is publicly accessible at the Investment Adviser Public Disclosure website at <http://www.adviserinfo.sec.gov>. For purposes of accessing such BrokerCheck reports or Form ADV, Stern's CRD number is 16325.

Future Supplemental Disclosures

As required by Rule G-42, this Appendix A may be supplemented or amended, from time to time as needed, to reflect changed circumstances resulting in new conflicts of interest or changes in the conflicts of interest described above, or to provide updated information with regard to any legal or disciplinary events of Stern. Stern will provide the Issuer with any such supplement or amendment as it becomes available throughout the term of the Engagement Letter.

APPENDIX C

Other Economic Development Services

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Other Economic Development Services

Stern offers sophisticated analysis regarding development projects, revenue projections, financial feasibility, and the potential impacts of development to the Village and other taxing districts. Stern is available to assist the Village with the TIF District related service items described below or other services as needed by the Village:

FINANCIAL FEASIBILITY STUDY

Stern can provide the necessary financial feasibility study for the construction of Developers Notes or for the issuance of bonds supported by the taxing district.

TAX REVENUE PROJECTIONS

Stern can provide projections that estimate the impact of new development to the equalized assessed value of properties and the expected level of property tax revenue. These projections are used to help determine the amount of tax revenue that may be generated by certain development and the overall amount that may be available to fund development projects.

REVIEW OF TAXING DISTRICT IMPACT

As part of negotiations with the overlapping taxing districts on the creation, expansion, or extension of a TIF district, the Village may need to provide fiscal impact information to the school or other taxing district. Stern can prepare this information on behalf of the Village. Stern would be prepared to discuss findings with both the Village and the taxing districts to assist the Village in its final strategy.

DEVELOPER PRO FORMA ANALYSIS

Municipalities are often approached by developers seeking funding to support a proposed project. One of the biggest challenges communities face when working with developers is determining the appropriate level of assistance. Stern Municipal Advisors regularly conduct Pro forma Analyses for communities pursuing redevelopment, helping them assess the appropriate level of need and developer assistance. This includes determining whether there may be a gap in funding that precludes private parties from earning a reasonable rate of return on their investment to market standards. If there is no such gap, Stern will advise that public assistance is not required. If there is a gap, Stern can assist in quantifying the level of public assistance required and recommend any limits to the assistance. This analysis is required for providing evidence that the project satisfies the “but for” clause described in the Act.

Note: The Developer Pro forma Analysis fee may be reimbursed to the Village by the developer.

DEVELOPER NEGOTIATION AND AGREEMENT IMPLEMENTATION

Stern advisors have extensive experience in providing municipalities’ assistance in negotiating development agreements for a wide range of commercial, residential, and mixed-used projects. Just as critical as experience in this area, is the need for a consultant that is independent. As one of the few remaining independent, private financial services firms in the country, when Stern works in a municipality, it works for the municipality – not the developer.

Stern advisors have taken a lead role in many development negotiations, as well as provided feedback on redevelopment agreements negotiated by others. The final agreement is subject to attorney review and approval. After the agreement has been approved, Stern can assist in the review of Developer reimbursement requests. Examples of recommendations Stern has made include:

- Amount, type, and timing of incentives or assistance to developers.
 - Receipt of incentives geared toward performance.
 - Incentives based on goals of municipality.
 - Annual Developer Note calculations.
- Use of “Look Back” provisions in development agreements, so that if a project is more successful than projected, the developer will be required to return funds to the municipality.

DEBT ISSUANCE

Stern can also assist the community in the issuance of debt to support the project, including:

- Exploration of the type of debt that best serves the community.
- Preparation of Feasibility Study to support the project.
- Negotiation of debt.

Note: Stern’s assistance as a Municipal Advisor with the issuance of debt is subject to a separate service agreement specific to the type of financing.

PUBLIC COMMENT

ADJOURNMENT