

AGREEMENT BETWEEN  
CITY OF ROCHELLE, ILLINOIS  
AND  
TESKA ASSOCIATES, INC.

This AGREEMENT made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2024 by and between the City of Rochelle, an *Illinois Municipal Corporation* with offices at 420 North 6th Street, Rochelle, IL 61068, hereinafter referred to as the "CLIENT" and Teska Associates, Inc., an Illinois Corporation with offices at 627 Grove Street, Evanston, Illinois 60201, and 24103 W. Lockport Street Unit #107, Plainfield, Illinois 60544, hereinafter referred to as the "CONSULTANT".

WITNESSETH:

WHEREAS, the CLIENT desires to engage the services of the CONSULTANT to furnish professional and technical assistance in connection with consulting services related to the creation of a Tax Increment Financing District and/or a Business Improvement District, hereinafter referred to as the "PROGRAM", and the CONSULTANT has signified its willingness to furnish professional and technical services to the CLIENT:

NOW THEREFORE, the parties hereto do mutually agree as follows:

A. Scope of Consultant's Services

The CONSULTANT agrees to commence work upon execution of this AGREEMENT, and to perform those services outlined in Attachment "A", a copy of which is attached hereto and incorporated in this Agreement, utilizing the degree of skill and care exercised by practicing professionals performing similar services under similar conditions. CONSULTANT makes no other representations and no warranties of any kind, whether express or implied, with respect to its services rendered hereunder.

B. Services to be provided by the CLIENT

In the event that any information, data, reports, records and maps are existing and available and are useful for carrying out the work on this PROJECT, the CLIENT shall promptly furnish this material to the CONSULTANT. CONSULTANT shall be entitled to rely upon the accuracy and completeness of all information provided by the CLIENT and the CLIENT shall obtain any information reasonably necessary for the CONSULTANT to perform its work under this Agreement. The CLIENT will be responsible for the organization and conduct of all meetings necessary to carry out the services described in Attachment "A". The CLIENT designates Michelle Pease, Community Development Director, to act as its representative with respect to the work to be performed under this Agreement, and such person shall have authority to transmit instructions, receive information, interpret and define the CLIENT's policies

and provide decisions in a timely manner pertinent to the work covered by this Agreement until the CONSULTANT has been advised in writing by the CLIENT that such authority has been revoked.

C. Compensation

The CONSULTANT shall be compensated for services on the basis of hourly billing rates for professional and technical staff time devoted to the PROJECT, plus reimbursement for directly-related expenses such as travel (including use of automobiles at \$0.655 per mile, tolls, reproduction, subcontractors, etc.). The billing rates for professional staff are:

<i>Pete Iosue</i>	<i>\$145/hour</i>
Principals	\$145 – \$200/hour
Senior Associates	\$130 - \$135/hour
Associates	\$120 – \$125/hour
Clerical/Technical	\$60/hour

Based upon the Scope of Services in Attachment A, the maximum compensation for this project will not exceed (**see attached cost estimate**). An accurate accounting of the hours and expenses incurred on the assignment shall be kept by the CONSULTANT and the CLIENT will be invoiced accordingly.

This cost includes all services outlined in Attachment A: The Scope of Services, as well as normal reimbursable expenses (reproduction, mail/delivery costs). Cost for required notices to the taxing bodies is included. The price does not include the cost of obtaining a legal description, which can likely be provided by the City Engineer. The cost of newspaper publication notices for meetings and mailing costs for the required public meeting and public hearing are dependent upon the final number of PINs and residential addresses within 750ft. of the final Project Area, and are not included.

Each phase may be authorized separately by the City upon completion of the prior phase, if the City prefers. The City would be responsible only for the fees and expenses authorized, and therefore may choose to delay, defer, or terminate the remainder of the phases.

## COST ESTIMATE:

ELIGIBILITY PHASE	COST
Phase 1 – Eligibility Analysis Report	\$10,000

*The eligibility analysis will evaluate the area for potential TIF and/or BD designation. The project may be terminated after Phase 1 if the eligibility report indicates eligibility is not sufficient to accomplish the City's goals, at no additional cost to the City.*

TAX INCREMENT FINANCING DISTRICT	COST
Phase 2 – Project Redevelopment Plan	\$10,000
Phase 3 –Adoption of Redevelopment Project	\$5,000
Total	\$15,000

BUSINESS IMPROVEMENT DISTRICT	COST
Phase 2 – Development Plan and Program	\$7,500
Phase 3 – Public review and Adoption	\$2,500
Total	\$10,000

COMBINED TIF/BD	COST
Total TIF and BD plan and approval (phases 2 and 3)	\$25,000
<i>20% reduction for combined projects</i>	<i>\$20,000</i>

*Total cost excludes required expenses for preparation of a legal description and mailing costs for required notices. Teska has ongoing relationships with local surveyors and engineers, as well as a mailing house that can assist with these additional tasks that fall outside of this scope of services.*

ADDITIONAL SERVICES	COST
Required Notices and Mailings	TBD
Preparation of Legal Description	TBD

### D. Method of Payment

Method of payment shall be as follows: The CONSULTANT shall submit monthly invoices for costs incurred on the PROJECT during the billing period. Invoices are subject to the requirements of the Prompt Payment Act of the State of Illinois. To the extent permitted by applicable law, the CLIENT agrees to pay all costs and disbursements, including reasonable attorney's fees, incurred by the CONSULTANT in legal proceedings to collect for invoices which are delinquent and payable. No interest or collection costs shall be included in the upset maximum budget of this Agreement.

If the CLIENT fails to make any payment due the CONSULTANT within sixty (60) days from receipt of the invoice, the consultant may, after giving seven days' written notice to the CLIENT, suspend services under this AGREEMENT until it has been paid in full all amounts due.

E. Time of Performance

Work shall proceed in a timely manner according to mutually acceptable scheduling adopted between the CLIENT and CONSULTANT. The services of the CONSULTANT will begin upon delivery to the CONSULTANT of an executed copy of this Agreement and shall continue through **December 31, 2024**.

F. Excusable Delays

The CONSULTANT shall not be in default by reason of any failure in performance of this Agreement in accordance with its terms (including any failure by the CONSULTANT to make progress in the prosecution of the work hereunder which endangers such performance) if such failure arises out of causes beyond the reasonable control and without the fault or negligence of the CONSULTANT. Such causes may include, but are not restricted or limited to, acts of God, or of the public enemy, acts of the government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, illness, accidents, and unusually severe weather, but in every case the failure to perform must be beyond the control and without the fault or negligence of the CONSULTANT.

G. Termination

The CLIENT and the CONSULTANT shall have the right to terminate the Agreement by written notice delivered to the other party at least thirty (30) days prior to the specified effective date of such termination. In such event, all finished and unfinished documents prepared by the CONSULTANT under the Agreement shall become the property of the CLIENT upon payment of all invoices properly submitted and due the CONSULTANT under the terms of the Agreement. CLIENT acknowledges that incomplete documents are not represented as suitable for any use or purpose, and further agrees to defend, indemnify, and hold the CONSULTANT harmless from and against all claims, costs, suits, damages, liabilities, and expenses, including reasonable attorneys' fees, arising from or relating to any use, reuse, or modification of any CONSULTANT-authored documents that occurs without the CONSULTANT'S consent and professional involvement. This includes any subsequent use or completion of any incomplete documents.

H. Dispute Resolution

The parties agree that all claims, disputes, or other matters in question that arise out of or relate to this AGREEMENT or the breach thereof shall be submitted to non-binding mediation as a condition precedent to the institution of legal proceedings. If mediation fails to resolve the matter, either party may initiate litigation in a court of competent jurisdiction in the State of Illinois.

I. Conflict of Interest

The CONSULTANT certifies that to the best of his knowledge, no CLIENT's employee or agent interested in the Agreement has any pecuniary interest in the business of the CONSULTANT or the Agreement, and that no person associated with the CONSULTANT has any interest that would conflict in any manner or degree with the performance of the Agreement.

J. Changes

The CLIENT may, from time to time, require or request changes in the scope or deadline of services of the CONSULTANT to be performed hereunder. Such changes, including any appropriate increase or decrease in the amount of compensation, which are mutually agreed upon by and between the CLIENT and the CONSULTANT, shall be incorporated in written amendments to this Agreement.

K. Hold Harmless

The CLIENT shall hold the CONSULTANT harmless, protect and defend the CONSULTANT against any claims brought by third parties in connection with the implementation of any recommendations made or services rendered by the CONSULTANT in accordance with the Agreement that are not the result of the CONSULTANT'S negligence.

To the fullest extent permitted by law, the total liability in the aggregate, of the CONSULTANT to the CLIENT or anyone claiming by, through, or under the CLIENT, whether arising in tort, breach of contract, or by virtue of any other cause of action or legal theory, shall be limited to the coverage and limits of the insurance required of CONSULTANT by this Agreement.

The CONSULTANT shall indemnify and hold the CLIENT from and against damages, costs, liabilities, and expenses, to the extent caused by the CONSULTANT'S negligence in the performance of its services under this Agreement.

L. Insurance

The CONSULTANT shall maintain and keep in force during the term of this Agreement Commercial General Liability and Automobile Liability coverage in the following minimum amounts:


Commercial General Liability

General Aggregate Limit	\$4,000,000
Products-Completed Operation Aggregate	\$4,000,000
Each Occurrence Limit	\$2,000,000
Medical expense Limit	\$10,000
Auto - Combined Single Limits (each Accident)	\$1,000,000
Excess/Umbrella Liability	\$1,000,000
Workers Compensation (statutory limits)	\$1,000,000

IN WITNESS WHEREOF, the CLIENT and the CONSULTANT have executed this Agreement on the date and year first above written.

CONSULTANT:  
TESKA ASSOCIATES, INC.

CLIENT:  
CITY OF ROCHELLE, IL

BY:   
Lee M. Brown, President

BY: \_\_\_\_\_

Date: January 4, 2024

Date: \_\_\_\_\_

# Tax Increment Financing (TIF)

## SCOPE OF SERVICES

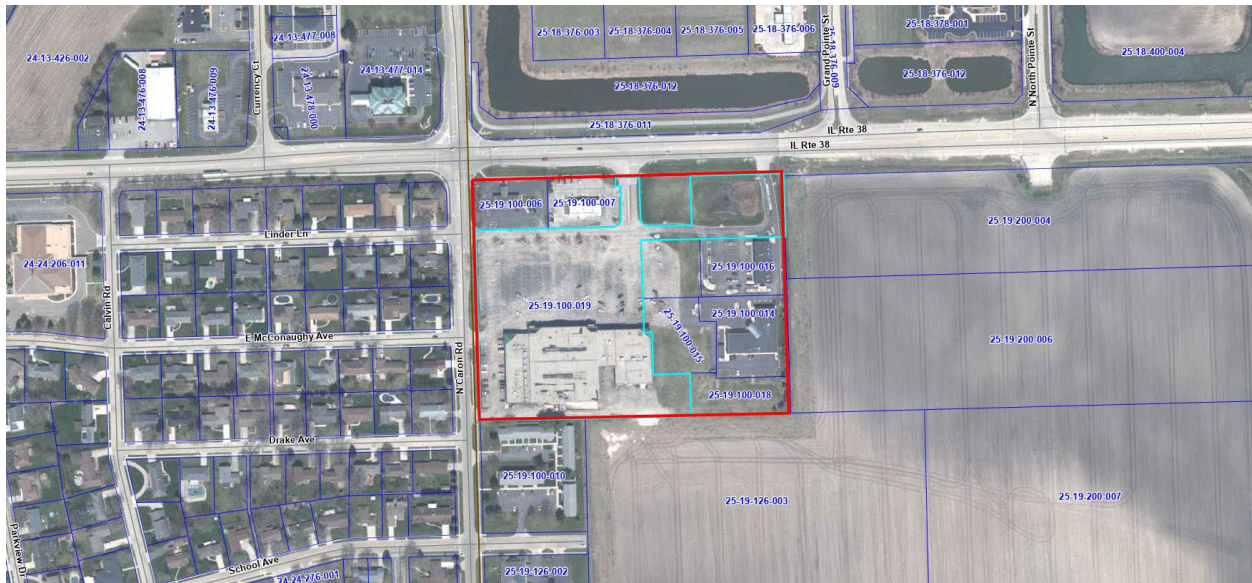
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The process for creating a new TIF district for the Study Area is clearly defined in Illinois Statutes and typically takes approximately four (4) to six (6) months. We propose a multi-phase approach, including the following steps:

### PHASE 1: ELIGIBILITY FINDINGS REPORT

**1.1 Kick-Off Meeting.** Teska will meet with the City to discuss the project. Discussion topics will include the proposed Study Area boundary, project phasing, meeting schedules, process (public notices, etc.) and TIF adoption.

**1.2 Eligibility Field Inventory.** Teska will conduct a field survey of all parcels within the identified Study Area(s) to identify the existing land uses, site conditions, above ground public infrastructure conditions, and the characteristics of any existing buildings in accordance with the eligibility criteria contained in the Act. A selective photographic inventory of the properties covered in the field survey of the Study Area will be prepared.



*Proposed Study Area at southeast corner of IL Route 38  
and Caron Road in Rochelle, IL*

**1.3 Background Data Collection and Analysis.** Teska will work with the City (and the appropriate Ogle County departments as necessary) to obtain supplemental information from official records related to the eligibility of the proposed Study Area. Supplemental information includes base maps with tax identifiers, ages of structures, presence of illegal uses, documented code violations, occupancy and vacancy status of structures, infrastructure deficiencies, equalized assessed values, and tax delinquencies. The information obtained through the field survey and through the review of pertinent documents will be tabulated and analyzed to ensure that the proposed Study Area is eligible as a Redevelopment Project Area in accordance with the Act.

**1.4 Eligibility Findings Report.** A draft report will be prepared for the Study Area which will outline the eligibility status of the parcels included in the proposed TIF district. The report will include maps to show the proposed TIF boundary, and any documented eligibility criteria existing within the Study Area.



**1.5 Eligibility Review Meeting.** Teska will meet with the City, either at a City Council meeting or at a more informal staff level meeting, to review the draft Eligibility Findings Report, determine the final boundary for the new TIF district, and discuss the process of moving forward with the preparation of a Redevelopment Plan, and plan adoption.

*If the Eligibility Findings Report concludes that the Study Area is **not** eligible for TIF designation, or for any other reason as determined by the City, the process can be ended at this point and we will not proceed on to Phase 2. The City would only be responsible for Phase 1 fees and expenses if the Study is terminated.*



## PHASE 2: PROJECT REDEVELOPMENT PLAN

**2.1 Plan Preparation.** Teska will prepare a Redevelopment Plan for the Project Area, as determined in Phase 1.5, that will include all required plan elements as outlined in the Tax Increment Allocation Redevelopment Act (Chapter 65 ILCS 5/11-74.4-1, et seq.) of the Illinois Statutes as amended. Highlights of the Redevelopment Plan's elements will include:

- Project Area boundary description, and corresponding maps and related exhibits;
- Redevelopment Plan and Program goals and objectives;
- Proposed Project Area land use plan, infrastructure, and public improvements;
- Examination of key redevelopment sites within the Project Area; and
- Proposed TIF Budget based on projected incremental revenue through the life of the TIF.

**2.2 Identification of Public Notice of Meetings.** Teska will identify the property owners of record and subsequent public notice lists for all properties located within the Redevelopment Project Area, and all residential properties located within the Project Area, and within 750 feet, as required by the Act. Teska will prepare all required notice letters.



The City will be responsible to execute all required mailed and published public notifications of Joint Review Board and other required public meetings and hearings as described in state statutes and will keep complete records of these notices. Teska has an ongoing relationship with a mailing house that can coordinate and execute the required mailings for an additional nominal fee plus postage costs.

**2.3 Report Submittal and Review.** A draft Redevelopment Plan will be prepared and submitted for review by the City. Teska will attend one (1) meeting to review and discuss the draft Redevelopment Plan. Teska will revise the draft Redevelopment Plan as necessary and create a Final Draft version of the Redevelopment Plan suitable for the TIF adoption process outlined in Phase 3.

## **PHASE 4: ADOPTION OF REDEVELOPMENT PROJECT**

**4.1 Coordinate with City Attorney.** Teska will coordinate with the City Attorney to create a timeline for the adoption of the TIF and assist with the preparation of the required public notices and approval ordinances.

**4.2 Joint Review Board Meeting.** The City will convene a Joint Review Board (JRB) meeting for the Project Area as required by TIF statute. Teska will provide written notification along with a copy of the draft documents to the affected taxing districts and attend the meeting of the JRB to present the findings of the Redevelopment Plan and associated Eligibility Findings Report.

**4.3 Public Notice of Meeting.** In advance of this task, Teska will have prepared and will provide to the City, a taxpayer of record list for each Property Identification Number (PIN) within the Redevelopment Project Area.

*The City will be responsible for the mailing of all public notices, including the public hearing.*

**4.4 Public Hearing.** Teska will participate in one (1) formal public hearing as required by Illinois Revised Statutes to discuss the proposed TIF Plan and Program, discussion points from the Joint Review Board Meeting, and respond to questions from the public.

**4.5 City Council Deliberation.** Teska will participate in one (1) City Council meeting to answer any remaining questions and assist with the TIF adoption process.

**4.6 Revisions.** Teska will perform revisions to the draft Eligibility Study and draft Redevelopment Plan as necessary, based on comments from the public hearing, Joint Review Board meeting, and City Council recommendations. Teska will submit a final Redevelopment Plan and associated Eligibility Findings Report, in print and electronic format.

**4.7 Filing of Required Documents.** Teska will assist the City in submitting all required forms and data to Ogle County and the Illinois Department of Commerce and Economic Opportunity.

***Continuing TIF Services.*** *Teska can assist the City with annual Joint Review Board meetings and/or the filing of annual TIF reports to the Illinois Department of Commerce and Economic Opportunity as required by the Act. Teska can also assist the City with review of proposed TIF projects and requests for TIF assistance by property owners and developers within the newly established redevelopment project area.*

# Business Improvement District (BD)

## SCOPE OF SERVICES

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The process for creating a new Business District is clearly defined in Illinois Statutes and is similar (but less complicated) than the TIF process. If the City proceeds with the proposed TIF and BD projects simultaneously, Teska can combine meetings and field work and research where possible to save on costs for the City.

### PHASE 1: BUSINESS DISTRICT ELIGIBILITY STUDY

**Task 1.1 Project Initiation Meeting and Eligibility Survey.** Teska will meet with City representatives for the purpose of introducing all of the participants to the scope of the project, Business District schedule, plan objectives and information needs. During this meeting responsibilities for each task will be reviewed and agreed to.

Teska will conduct a field survey of the parcels in the Study Area to identify existing land uses, site conditions, above ground public infrastructure conditions, and building characteristics in accordance with eligibility criteria contained in the Business District (BD) Act. A photographic inventory of the properties covered in the field survey of the Project Area will be prepared. This field survey can be combined with the field survey for a potential TIF district to save on costs for the City.



**Task 1.2 Background Data Collection and Base Map Preparation.** Teska will work with City staff to obtain other supplemental information from official records related to the eligibility of the Project Area. The City will provide (or help Teska to obtain) the following information:

- GIS digital base map of the Project area showing all tax parcels, and PIN identification numbers for all parcels (property identification numbers uses for tax purposes).

- Most recent Total Equalized Assessed Value for the subject parcels and the total City of Rochelle, as well as the five (5) years prior to the most recent year;
- Data related to sales tax and sales tax rates;
- Code violation information for all properties, if available or appropriate (all violations within last five years);
- Information and cost estimate on proposed public improvements, if available (utilities, roads, etc.);
- Information on pending and proposed redevelopment plans;
- Any other information that may be pertinent to establishing the eligibility of the Project area.

Teska will prepare a project base map (in digital format) with parcel and tax identification information which serves to meet the statutory standards for document eligibility.

**Task 1.3 Data Analysis.** The information obtained through the field survey, and through the review of pertinent documents, will be tabulated and analyzed to determine whether the Project Area is eligible as a Business District Redevelopment Project Area. Teska may explore with City staff one or more BD boundary options in order to establish an eligible district.

## **PHASE 2: DEVELOPMENT PLAN AND PROGRAM**

**Task 2.1 Redevelopment Plan Preparation.** Teska will work with City staff to prepare a Redevelopment Plan. The Plan will include recommended boundaries, project objectives, land uses, recommended public and private improvements, infrastructure needs, and design objectives related to the overall goals for this area. The recommendations developed as part of the City's Comprehensive Plan and other previous planning efforts will provide the conceptual basis for the BD Redevelopment Plan.

**Task 2.2 Redevelopment Program Formulation.** Simultaneously with the preparation of the Redevelopment Plan, a Redevelopment Program will be prepared in accordance with the requirements of the BD Act. The Redevelopment Program will identify and estimate costs for public and private improvements, and other eligible project expenses. The program will also include an estimate of additional sales tax revenues. The City will provide Teska with cost information for all public improvements that may be included as eligible project costs. Teska may supplement this information with costs associated with streetscape improvements to public rights-of-way and landscape enhancements for private property.

Once the revenue projections have been prepared, Teska will recommend potential uses of the revenue from the following sources:

- Current municipal plans for projects and activities within the BD.
- New information obtained by the municipality through meetings with BD constituents relative to their specific goals and objectives for the BD.

- Additional recommendations from Teska’s experience with similar programs and activities employed in other communities to develop the market within the City’s BD.

**Task 2.3 Boundary Survey and Legal Description.** Subsequent to the decision on the boundaries of the BD district in Phase 1, the City shall prepare a legal description of the agreed upon boundary of the proposed BD district.

**Task 2.4 Meeting to Discuss Draft Eligibility and Redevelopment Plan and Program.** One digital copy of the draft eligibility findings and Redevelopment Plan and Program will be submitted in advance of a City staff meeting that Teska will attend to present the results and determine the appropriate course of action prior to presentation to the City Council.



**Task 2.5 City Council Workshop: Proposed Redevelopment Plan and Program.** Teska will submit one original hard copy and one digital copy of the draft Redevelopment Plan and Program and will attend a workshop with the City Council to present the proposed Redevelopment Plan and Program. Based on comments and suggestions, Teska will revise the Plan and Program report. The presentation will focus on:

- Discussion of recommended redevelopment scenarios for the subject parcels.
- Discussion of incorporation of corridor enhancements, which may include streetscape, landscape, signs or infrastructure improvements.
- Consensus regarding redevelopment strategies and options.

The City Council shall pass a resolution authorizing a public hearing relating to the proposed Business District.



## PHASE 3: PUBLIC REVIEW AND ADOPTION

**Task 3.1 Public Notice of Meetings.** Teska will prepare all required mailed and public notifications of required public hearings as described in State statutes and will keep complete records of these notices. The City shall be responsible for mailing and publishing any required mailed and public notices.

**Task 3.2 Public Hearing.** Teska will participate in a public hearing before the City Council as required by Illinois Revised Statutes. This hearing shall occur at least one week prior to the approval of the BD Redevelopment Plan.



**Task 3.3 City Council Deliberations.** Teska will attend one additional meeting of the City Council following the close of the BD public hearing, if necessary, and provide assistance to the Council in its deliberations.

**Task 3.4 Minor Amendments.** Minor amendments to the BD Redevelopment Project report will be prepared by Teska, if required, as a result of City Council deliberations in Task 3.3.

**Task 3.5 Adjustment to Survey and Legal Description.** If, on the basis of Council deliberations, the boundaries of the BD District are recommended to be different from the area defined by legal description in Task 2.3, the City will cause to have prepared the necessary adjustments to the survey and legal description necessary for preparation of the BD ordinances.

**Task 3.6 Ordinances.** Teska will work with the City's attorney to prepare the ordinances required for the adoption of the BD.