

January 3, 2018

Proposal for
Business Development District
Consulting Services

City of Freeport, Illinois



Ehlers & Associates, Inc.
525 W. Van Buren Street, Ste. 450
Chicago, IL 60607
Phone: 312-638-5250
Fax: 651-697-8555
www.ehlers-inc.com

Project Contact

Tricia Marino Ruffolo, Municipal Advisor
Phone: 312-638-5263
Email: jtammen@ehlers-inc.com

Project Team Members

Jennifer Tammen, Municipal Advisor/Principal
Tricia Marino Ruffolo, Municipal Advisor
Mindy Barrett, TIF/BD Coordinator

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January 3, 2018

Mr. Lowell Crow
City Manager
City of Freeport
314 W. Stephenson St Suite 200
Freeport, Illinois 61032

Subject: Proposal for Business Development District Consulting Services

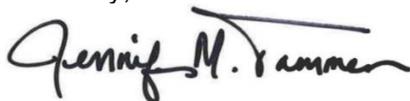
Dear Mr. Crow:

Thank you for inviting Ehlers to submit a proposal to the City of Freeport (“City”) for Business Development District Consulting Services. The enclosed proposal includes our company’s profile, Ehlers’ approach to this assignment, our scope of services, and an overview of our relevant experience. As part of our scope of services, Ehlers will conduct a feasibility analysis to determine the presence of the Business Development District (“BD”) qualifying factors for the parcels centered along the Galena Road Corridor, between Harlem Avenue and Evelyn Avenue (“Project Area”). As you know, we surveyed this area last August for qualification for a TIF District. The City has since determined that a Business District is the preferred tool to stimulate redevelopment in the Project Area. Building on the field work already completed, Ehlers will prepare the feasibility analysis and determine whether the Project Area qualifies for the establishment of a Business Development District.

Ehlers distinguishes itself from other financial advisory firms by our strong financial skill set and experience, independence, and the collaborative partnership we build with our clients. Ehlers’ Municipal Advisors have previous local government experience in finance, management, planning, and development. For over 17 years, the Ehlers staff has helped Illinois communities of all sizes and types use Business Development Districts and Tax Increment Finance to accomplish their economic development and redevelopment goals. We take a pro-active approach to projects working with our clients to avoid pitfalls and calm any opposition that may arise.

Thank you for your consideration of our proposal. Should you have any questions or need additional information, please contact me at (312) 638-5263 or jtammen@ehlers-inc.com. Otherwise, please indicate the City’s acceptance and authorization to proceed by signing on page 8 and returning a copy to me.

Sincerely,



Jennifer M. Tammen, Municipal Advisor/ Principal



Ehlers Organization and History

Ehlers is an independent municipal advisory firm. Ehlers' staff has had the pleasure of providing service to local governments throughout Illinois and the Midwest since 1955. Ehlers has over eighty professionals that serve clients in the Midwest from our offices in Roseville, Minnesota; Waukesha, Wisconsin; Denver, Colorado; and Chicago, Illinois. The City will be served by staff from our Illinois office.

Our goal is helping local governments find the financial resources they need to build the communities they envision.

Our services are grouped into four main categories, representing our core areas of expertise:

- Economic Development and Redevelopment
- Debt Planning & Issuance
- Financial Planning
- Strategic Communications

At Ehlers, all employees have ownership in the company and take ownership in serving clients. Ownership sets the tone for the operation of the firm and the nature of the services clients receive. All-employee ownership at Ehlers means:

- Every Ehlers' employee has a vested interest in providing the best possible service.
- Our focus is on the long-term success of our clients, not solely on short-term profit and return on investment.

Our dedication to “how” we deliver our services is as unique and comprehensive as the service itself. We listen to our clients' needs, maintain highly qualified employees to team with them, and present customized options to help decision-makers confidently select the best and lowest cost solutions for their citizens.

Additional information about Ehlers can be found in **Appendix A**.

Ehlers has worked successfully throughout Illinois to accomplish development and redevelopment goals through the use of Business Development Districts and Tax Increment Finance (TIF) Districts for over 17 years. We assess whether these economic development tools can provide value, and are legally, financially, and politically viable in your community. In addition, Ehlers has helped communities use Business Development Districts and TIF to upgrade and improve infrastructure; revitalize deteriorated or outmoded commercial areas; attract development to improve job opportunities and the local economy; rehabilitate neighborhoods; and bring new development to areas that are impaired by market or physical constraints, such as environmental contamination or chronic flooding.



A list of references is provided in **Appendix B**. Recent Business District and TIF clients include the following list:

- Village of Bellwood
- City of Bradley
- City of East Moline
- City of Geneva
- Village of Glen Ellyn
- Village of Glenwood
- Village of Lemont
- Village of Matteson
- City of North Chicago
- Village of Oak Park
- Village of Oakwood
- Village of Rockton
- City of Peoria
- City of St. Charles
- Village of Tinley Park
- City of Wheaton
- Village of Wheeling
- Village of Willowbrook

Project Personnel and Availability

Ehlers uses a team approach with Municipal Advisors assisted by research analysts. One Municipal Advisor will have primary responsibility for our work with the City and will be assisted by several staff members. This approach affixes responsibility and assures continuity of service for the client from initial submittal through any follow-up work. This also allows a better match of Ehlers' staff expertise to the needs of the City.

Jennifer M. Tammen, Municipal Advisor/Principal, will serve as lead advisor for the City. As such, all of the project work will either be completed by or directly overseen by Jennifer, and she will attend all scheduled meetings. Tricia Marino Ruffolo, Municipal Advisor, will serve as the second advisor for the City. She will assist with field studies, reviewing qualifications of the Business District, and review of final documents. In addition, the Ehlers Project Team will use expertise and resources from within our Illinois and our other offices, if needed, to meet the needs of the City.

Team Member	Title	Years of TIF Consulting Service
Jennifer M. Tammen	Municipal Advisor/Principal	18+
Tricia Marino Ruffolo	Municipal Advisor	20+
Mindy Barrett	TIF Coordinator	10+

Further, the staff at Ehlers views ourselves as an extension of the City's staff to make sure designation procedures occur in accordance with the City's expectations. Ehlers makes every attempt to be available on short notice for meetings and conference calls. We are in constant contact with our clients to make sure their needs are being met.



Resumes for Ehlers' Team Members as listed above are available for review in **Appendix C**.

Ehlers provides expertise and a range of professional consulting services to assist the City in successfully navigating through the complexities of BD, TIF, BD and TIF law, and other Economic Development tools, policies, and procedures.

Scope of Services: Business District Establishment

It is Ehlers' understanding that the City is interested in partnering with a consultant to provide Business Development District Consulting Services for work related to establishing a Business Development District ("BD" or "BD District") per the Illinois Municipal Code, specifically in 65 ILCS 5/11-74.3 *et seq.*, as amended (the "Business Development District Act" or the "Act"), as identified by the City as the parcels properties generally located along Galena Road, between Harlem Avenue and Evelyn Avenue.



Map 1: Subject Area

Ehlers proposes the following Scope of Services for Business Development District Consulting Services to the City. Ehlers has successfully used the project approach and work program described below for projects similar to the one envisioned by the City of Freeport. The steps for creating a new BD are outlined in Phases I and II below.



Phase I – Initial Project Review / Feasibility Analysis

Task 101: Project Area Review and Analysis

The focus of Phase I is to establish Project Area eligibility, conduct field surveys and data analysis, and document findings. In Phase I, Ehlers will undertake the following steps within this scope of services:

- Convene a project initiation meeting with representatives of the City to launch the project and explore the establishment of a BD as a financing tool for redevelopment.
- Review and gather information on each parcel in the proposed Project Areas to ascertain if the qualifying criteria are present and if the Project Area as a whole qualifies for designation under the standards within the Act.
- Confirm and Establish Project Area boundaries. During the project initiation meeting, the preliminary Project Area boundaries as presented by the City will be discussed.
- Where applicable, the City shall provide certain items to assist in documenting the eligibility of the proposed BD. Those items include planning documents, information regarding the number of traffic accidents, any traffic studies conducted by the City or its consultants, and documentation of any outstanding building or life safety code violations, building permit records, property maintenance records, and documentation of the lack of fire suppression or unsafe building conditions for properties or areas within the proposed BD.
- Review the evidence criteria and create a record supporting the “But For” provision of the Act.
- Prepare a map of the recommended optimal boundaries of the BD.
- Report findings of the Phase I analysis to the City. As we have for similar projects, Ehlers may make recommendations on the boundaries for the proposed BD so that the area provides adequate income for planned improvements within the BD, and also encourages a large enough redevelopment effort to stimulate development in surrounding areas.

Phase II - Business Development District Plan Preparation and Adoption

Assuming the findings of the analysis conducted in Phase I confirm the eligibility of the Project Area(s) for designation by the City as a Business Development District according to the Act, in Phase II, materials for the Business Development District Plan are developed and a document for City Council adoption is prepared. The Act outlines a specific adoption process, which includes a required public hearing. The BD Plan is required to initiate the public hearing process and serves as the basis of the ordinance(s) establishing the BD and any Business Development District taxes. This phase concludes with the City’s action on the adopting ordinance(s) and, if approved, filing the necessary documentation with the State of Illinois. In Phase II, Ehlers recommends and will perform the following services:

Task 201: Prepare Business Development District Plan and Map



- Prepare BD Plan document(s) according to the Act. This will include items such as a general description of the BD boundaries and a map; a legal description of the BD boundaries (to be provided by the City); the eligibility findings from Phase I; a comparison of the BD to the Comprehensive Plan and other planning documents; the rate of any taxes to be imposed in the BD(s) and the period of time for which the taxes shall be imposed. Ehlers will review the draft BD Plan document(s) with City staff and the City's designated Business Development District attorney¹, if desired.
- Provide a final Map of the BD. The City shall prepare a legal description of the boundaries of the BD based on this map.

Task 202: Business Development District Adoption Preparation

- Confer with City and its Attorney(s)¹ on the construction of an adoption timeline.
- Review ordinance setting the date and time of the public hearing. (Ehlers can provide sample ordinances for reference upon request.)
- Review public notice(s). The City will be responsible for the dissemination and posting of all public notifications and advertisements.

Task 203: Business Development District Plan Adoption and Submittal to the State of Illinois

- Attend and make presentation at a public hearing held by the City Council, as required by the Act.
- Review ordinance(s) designating the BD.
- Upon approval by the City Council, assist the City in submitting all required documentation to the Illinois Department of Revenue. (Note: as part of this task either the City or Ehlers (at an additional hourly billing rate if more than 10 business addresses) shall confirm property addresses for U.S. Postal Service format.)

Meetings

The following meetings are included in the Scope of Services:

- A project initiation meeting with representatives of the City to launch the project and to coordinate various steps.
- A meeting or conference call to review the draft BD Plan(s) with City staff, and the City's designated Business Development District attorney.
- A Public Hearing held by the City Council on the proposed BD.

¹ Ehlers recommends that the City retain an attorney with specific experience in the creation and adoption of Business Districts in Illinois to review and provide assistance with the documents and processes identified within this scope of services. If there are legal challenges to the Business District, the attorney will direct the defense and it will likely be advantageous to have had them involved from the onset of the project. While Ehlers has extensive experience as a qualified consultant, Ehlers does not have attorneys on staff. All attorney expenses are to be assumed by the City.



- One additional progress conference call meeting, if desired, to be scheduled at the discretion of the City staff.

As requested by the City, Ehlers will participate in additional meetings to discuss the proposed BD with various parties, such as the City Council, members of the business community, etc. Any additional meeting requested or required related to the development, qualification, and adoption of the proposed BD will be submitted to the City for authorization prior to its completion and will be subject to Ehlers' Hourly Billing Rates currently in effect.

All services will be performed in conjunction with designated staff of the City and its designated attorney(s). All attorney expenses are to be assumed by the City.

City Responsibilities

The following items are not included in our Scope of Services:

- Legal Description of BD Project Area.
- Distribution of notices and mailings related to the adoption of the Business Development District to the public, residents, property owners, and publications.
- Other consulting services. Services rendered by City's engineers, planners, surveyors, appraisers, assessors, attorneys, auditors, and others that may be called on by the City to provide information related to completion of the Project. If a certified Engineer's statement is necessary to determine chronic flooding, the City will be responsible for obtaining and providing that statement.
- Legal review. Ehlers recommends that City contract with an attorney with direct experience in the establishment of Business Development Districts for consultation during this Project. All attorney expenses are to be assumed by the City.

Project Time Frame

The proposed time line is presented below. Ehlers will begin project work immediately after authorization from the City of Freeport.

Task	Number of Weeks
Phase I – Initial Project Review / Feasibility Analysis	4 - 6
Phase II – Business Development District Plan Preparation and Adoption	6 -10

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 City of Freeport and other sources, as well as timely authorization to proceed with each successive phase.



Project Pricing

Ehlers charges a flat fee for Business Development District Services, consisting of , qualification, and adoption services, except where hourly rates apply to the optional services offered in this proposal. The project will be completed for the costs provided below, which includes all time, materials, and expenses associated with two iterations of the documents.

Task	Fee
Phase I – Initial Project Review / Feasibility Analysis	\$10,000
Phase II –Plan Preparation and Adoption	\$12,000*

** Note: This pricing is based upon the area proposed by the City and identified as part of the proposed BD. If additional parcels are added at any time after this agreement has been approved, a revised proposal or additional fee may be submitted by Ehlers.*

Ehlers will invoice the City 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 City.

For any service directed by City and not covered by this, Scope of Service, the City will be charged on an hourly basis. Current hourly rates are:

Title	Hourly Rate
Senior Municipal Advisor	\$240
Municipal Advisor	\$220
Financial Specialist I	\$190
TIF Coordinator	\$175
Clerical Support	\$100

Ehlers does not charge for most regular business expenses, except for messenger and overnight services. For meetings or other activities that require Ehlers’ staff to be present at the client’s offices or near the City, one way travel time is charged per the Hourly Billing Rates. We assume most meetings will be held via teleconference or Skype in order to facilitate regular communication as needed in a manner that is cost effective.

Additional Services

Ehlers provides additional services to further the goals and objectives of the City. These services could be included under a separate scope and agreement following this engagement. Detailed information about our TIF and Economic Development-related services can be found in

Appendix D.



Agreement

This proposal is respectfully submitted by authorized representatives of Ehlers & Associates, Inc.:



Jennifer M. Tammen
Municipal Advisor/ Principal

The City of Freeport, Illinois hereby accepts the above Proposal for Business Development District Consulting Services by its authorized officers, this ____ day of _____, 2018 for the following services:

Attest: _____ By: _____

Title: _____ Title: _____

Please send a copy of the agreement page with original signature to:

Ehlers & Associates, Inc.
525 W. Van Buren St, Suite 450
Chicago, IL 60607-3823



Appendix A: About Ehlers

The Illinois office is located at 525 W. Van Buren Street, Suite 450, Chicago, Illinois 60607. The Illinois office is staffed with six Municipal Advisors, one Financial Specialist, and one TIF Coordinator. Ehlers has over 80 professionals that serve clients from our offices in Chicago; Roseville, Minnesota; Waukesha, Wisconsin; and Denver, Colorado.

Ehlers is a wholly employee-owned company through its Employee Stock Option Plan. Ehlers also owns Bond Trust Services, the ninth most active bond registrar/paying agent service in the nation, and Ehlers Investment Partners, an investment advisory company which serves the investment needs of local governments. Ehlers is led by a Board of Directors. The Chairman of the Board for Ehlers is Michael C. Harrigan. General operations are overseen by the President, Steve Apfelbacher, and a group of five Principals. The Illinois Principal is Jennifer M. Tammen.

Federal Registration as Municipal Advisor

The Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Act") enacted on July 21, 2010 requires firms/persons who are "Municipal Advisors" to register with the Securities and Exchange Commission (SEC) and Municipal Securities Rulemaking Board (MSRB). Generally, a municipal advisor is any person that provides advice to a municipal entity or obligated person concerning the timing, terms, structuring or similar matters of a municipal security or provides advice with respect to municipal financial products. Municipal Advisors have a federal fiduciary duty to represent their municipal entity client's best interests as part of any engagement.

Ehlers and Associates, Inc. (Ehlers) as a firm and our Municipal Advisors are included within the definition of "municipal advisors" and are required to register with the SEC as such. We have registered as a Municipal Advisor with the Securities and Exchange Commission (SEC). Ehlers Registration No. is 866-00266-00. Confirmation of Ehlers' registration can be viewed the SEC and MSRB websites.

We are a charter member of the National Association of Municipal Advisors (NAMA) (<http://www.municipaladvisors.org/>). This professional association is dedicated to high ethical standards and is committed to providing independent advice when serving as advisors to municipal entity clients.

Potential Conflicts of Interest

The key characteristic of Ehlers is "independence." For 30 years, Ehlers has been committed to a fiduciary relationship with our clients. This means that we serve *only* your community's best interests in any financial transaction – not the interests of developers, investors, underwriters, banks or other private parties.



Ehlers and Associates, Inc. is a wholly-owned subsidiary of the Ehlers Companies. Ehlers and Associates, Inc. provides all municipal advisory and related services and is the corporate entity responsible for this proposal. Ehlers and Associates, Inc. is affiliated with both Bond Trust Services Corporation and Ehlers Investment Partners (EIP) as additional, wholly-owned subsidiaries of the Ehlers Companies. Bond Trust Services is fully integrated with the Depository Trust Company (DTC) and serves as paying agent for the majority of our bond sales. EIP, a federally registered investment advisor, provides independent investment advisory services. Currently, these firms have no relationships with the City of Freeport, Illinois.



Appendix B: Business District References

Client	Summary of Services Provided
<p>East Moline Darin W. Girdler, City Administrator Megan Peterson, Finance Director</p> <p>City of East Moline 915 16th Avenue East Moline, Illinois 61244 Phone: (309)752-1599</p>	<ul style="list-style-type: none"> • Business District Eligibility Study and Redevelopment Plan • Business District Adoption • TIF Eligibility Study and Redevelopment Plan • TIF Adoption
<p>Matteson Andre Ashmore, Mayor LaVern Murphy, Deputy Director of Economic Development</p> <p>Village of Matteson 4900 Village Commons Matteson, Illinois 60443 Phone: (708) 748-5196</p>	<ul style="list-style-type: none"> • Business District Eligibility Study and Redevelopment Plan (3) • Business District Adoption • TIF Eligibility Study and Redevelopment Plan (2) • TIF Adoption
<p>Oak Park Craig M. Failor, Village Planner</p> <p>Village of Oak Park 123 Madison Street Oak Park, Illinois 60302 Phone: (708)383-6400</p>	<ul style="list-style-type: none"> • Business District Feasibility Study • TIF District Feasibility Study
<p>Rockton Dale Adams, Mayor</p> <p>Village of Rockton 110 East Main Street Rockton, Illinois 61072 Phone: (815) 624-7600</p>	<ul style="list-style-type: none"> • Business District Eligibility Study and Redevelopment Plan • Business District Adoption • TIF Eligibility Study and Redevelopment Plan • TIF Adoption
<p>Willowbrook Tim Halik, Village Administrator</p> <p>Village of Willowbrook 835 Midway Drive Willowbrook, IL 60527 Phone: 630.920.2261</p>	<ul style="list-style-type: none"> • Business District Eligibility Study and Redevelopment Plan • Business District Adoption



Appendix C: Project Team

Ehlers offers a group of individuals with an exceptional combination of expertise and experience to act as the Business Development Consulting Team for the City. Below is information about the project team and staff of the firm.

Ehlers' staff has worked in municipal management, administration, and financial management, school district administration, regional planning, economic development, and state legislative support. This team serves as advisor to many Illinois local governments including the Village of Bradley, Village of Clarendon Hills, Village of Frankfort, City of Geneva, Village of Matteson, Village of Oak Park, City of Peoria, Village of Tinley Park, Village of Westmont, City of Wheaton, and the Village of Wheeling, among others.

Ehlers uses a team approach with municipal advisors assisted by research analysts and TIF coordinator. This approach affixes responsibility and assures continuity of service for the client from the time of the proposal through any follow-up work. It also allows a better match of Ehlers' staff expertise and experience to the particular needs of the City. The following team members will serve the City of Freeport.

Jennifer Tammen, Municipal Advisor/ Principal

Jennifer will serve as the lead advisor for the City. As such, all work will either be completed by or directly overseen by Jennifer and she will attend scheduled meetings. Jennifer joined Ehlers in 2014. Jennifer has nearly 20 years of progressive experience and success within the real estate development field. She has represented clients on matters related to zoning and entitlements, planning, economic development, TIF, pro forma analysis, deal structuring and developer negotiation, and project management. Prior to joining Ehlers, Jennifer formed and worked for her own firm, THE TAMMEN GROUP. She has also served as Director of Planning for Norwood Builders, Inc., as Redevelopment Project Manager for the Village of Oak Park, Illinois, and worked as a project associate for S.B. Friedman & Company. Jennifer has been a key team member on a number of projects including TIF eligibility studies, financial feasibility and modeling, and redevelopment planning. Jennifer's focus is to serve Illinois municipalities in the areas of economic incentives analysis, TIF consulting, redevelopment deal structuring and special studies to identify solutions to achieve project goals. Jennifer has assisted Ehlers' clients with economic development in the City of Freeport, City of Chicago, Village of Clarendon Hills, Village of Fox River Grove, City of North Chicago, Village of River Forest, Village of Oak Park, Village of Richton Park, and the City of Wheaton, among others.

Tricia Marino Ruffolo, Municipal Advisor

Tricia joined the Illinois Team in 2015 as a Municipal Advisor where she focuses primarily on TIF, Business Development Districts, and other economic development related projects including developer pro forma review. Tricia's previous experience includes serving the City of Chicago for the last three years as a Financial Planning Analyst in the TIF Division of the Department of Planning and Development. Prior to that, she formed her own real estate consulting business after 15 years with Louik/Schneider & Associates, Inc. where she served



as Vice President. Louik/Schneider was a multi-disciplinary consulting firm offering professional service in the fields of urban planning, economic development including TIF, zoning, real estate development and financing for municipalities, small companies, developers, and large retailers.

Mindy Barrett, TIF Coordinator

Mindy has been with Ehlers since 2006 and serves as a Tax Increment Financing Coordinator in our Chicago office. She is responsible for assisting in the development and implementation of TIF projections and analysis, including gathering data from counties and the state of Illinois. Mindy would be involved in this project primarily by assisting with data research and financial modeling, among other tasks.

In addition, the Ehlers Project Team will use expertise and resources from our other offices, if necessary, to meet the needs of the City. Resumes for Jennifer Tammen, and Tricia Marino Ruffolo, are included in the following pages.





Jennifer M. Tammen
Municipal Advisor/Principal



Jennifer M. Tammen
Direct 312.638.5263
jtammen@ehlers-inc.com

Jennifer joined Ehlers in 2014 after serving as Principal and Owner of THE TAMMEN GROUP, a real estate development consulting and public affairs advisory firm. She has over 15 years of experience representing developers, property owners, and quasi-public agencies on matters related to zoning and entitlements, planning, economic development, tax increment financing (TIF), deal structuring, and early-stage project management for multi-family housing, mixed-use retail, municipal buildings, and real estate related policy matters.

Areas of Expertise

Tax Increment Services

- Tax Increment Plans
- TIF Feasibility Studies
- Gap Financing Analysis
- Public Revenue Projections
- TIF Revenue Bond Financing

Development & Redevelopment

- Redevelopment Planning
- Developer *Pro forma* Analysis
- Redevelopment Agreement Structuring and Negotiation
- Project Management Services
- Developer Incentives Analysis

Public Participation

- Public Participation Process
- Citizen Advisory Committee Facilitation
- Strategic Communications Planning

Intergovernmental and Public/Private Partnerships

- Intergovernmental and Public/Private Project Studies and Negotiations

Professional Memberships

- Illinois Tax Increment Association (ITIA)
- Lambda Alpha International (LAI), Ely Chapter
- Urban Land Institute (ULI)
- Commercial Real Estate Executive Women of Chicago (CREW)
- International Council of Shopping Centers (ICSC) City Club of Chicago
- College of Urban Planning and Public Affairs Alumni Association, Board Member

Education

- Bachelor of Arts (Political Science), DePaul University
- Master of Urban Planning and Policy, College of Urban Planning and Public Affairs, University of Illinois at Chicago

Notable Projects

- Responsible for the approval of over \$600 million in new real estate development projects and business retention and more than \$35 million in TIF and other financial subsidies.
- City of Wheaton, IL; Downtown Projects Financing Strategy: Financing analysis and consulting services for the implementation of approximately \$55MM in capital costs and \$750k in annual operating costs for Downtown Wheaton per the City's Downtown Strategic and Streetscape Plan.
- Village of Clarendon Hills, IL; Prepared and presented a clear analysis of how the Village's current land use regulation impact the feasibility of potential redevelopment projects in the downtown planning area. The results and discussion with the appointed committees and public helped inform discussions related to the Downtown Master Plan Update and was included as part of the final plan update.
- San Francisco, California; The San Francisco Columbarium: Restructured endowment for ongoing capital expenditures.
- Conditional Use and Certificate of Appropriateness for alterations to an historic structure.
- Melrose Park, Illinois; Westlake Hospital: TIF analysis and redevelopment agreement structuring for capital improvements to retain Village's largest employer.
- Chicago, IL; Old Cook County Hospital and Adjacent Properties: Co-led a team of pro-bono professionals charged with developing a redevelopment strategy for a key market rate real estate development opportunity in the heart of the Illinois Medical District and adjacent to downtown Chicago for mixed-use and revenue generating projects.





Tricia Marino Ruffolo
Municipal Advisor

Tricia joined Ehlers in 2015 after serving most recently as a financial analyst for the City of Chicago's Department of Planning and Development and as Vice President as Louik/Schneider & Associates, Inc. She brings to Ehlers a unique perspective as a consultant for developer and municipalities and as a municipal employee.



Tricia Marino Ruffolo
Direct 312.638.5262
tmruffolo@ehlers-inc.com

Areas of Expertise

Economic Development

- Tax Increment District and Business District Feasibility Studies and Plans for District Qualification and Amendment
- Project Management Services
- TIF Feasibility Studies
- TIF Revenue Projections
- TIF Increment Analysis
- Development Incentives Analysis & Negotiations
 - o *Pro forma* Analysis/But For Test
- Development Strategic Planning
- Developer Attraction and Selection
- Fiscal Impact Analysis

Development & Redevelopment

- Redevelopment Planning
- Developer *Pro forma* Analysis
- Redevelopment Agreement Structuring and Negotiation
- Project Management Services
- Developer Attraction & Selection
- Developer Incentives Analysis

Public Participation

- Public Participation Process
- Strategic Communications Planning

Intergovernmental and Public/Private Partnerships

- Intergovernmental and Public/Private Project Studies and Negotiations

Strategic and Financial Planning

- Goal Setting & Strategic Planning
- Fiscal Impact Studies

Professional Memberships

- Council of Development Finance Agencies
- Illinois Economic Development Association
- Illinois City/County Managers Association
- Illinois Tax Increment Association
- Women in Planning and Development

Education

- Bachelor of Arts (Urban Planning), Lake Forest College

Notable Projects

- Managed the technical process of establishing, amending and closing out over 90 Tax Increment Financing (TIF) districts throughout the Chicagoland Area as both a consultant and as a municipal employee. Successfully qualified over 50 redevelopment areas as TIF districts by effectively managing a myriad of details of the approval process.
- Developed a TIF Designation Procedural Manual for the City of Chicago's Department of Planning and Development details the 75+ steps required for a TIF designation process.
- Initiated review and streamlined procedures for designation TIF districts; identified cost saving measures for notification and mailing procedures and long term record storage as required by the State of Illinois.



Appendix D: Economic Development Services

Ehlers offers sophisticated analysis of revenue projections, financial feasibility, and the potential impacts of development to your community and other taxing districts. Ehlers is available to assist your community with the items described below or other services as needed:

TIF District Establishment and Amendments.

Tax increment financing (TIF) serves as the primary economic development finance tool for many cities. No one knows TIF better than Ehlers. Ehlers has more experience in the use of tax increment financing than any other financial advisory firm. Ehlers assists with the TIF district documents for several dozen communities per year. We provide the "soup to nuts" approach to TIF with complete documentation including TIF eligibility and establishment reports, amendments, assisting with the adoption processes, TIF reporting, increment projections and cash flow analysis.

TIF Financial Feasibility Study

Ehlers can provide the necessary financial feasibility study for the construction of Developers Notes or for the issuance of bonds.

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 City may need to provide fiscal impact information to the school or other taxing district. Ehlers can prepare this information on behalf of the City. Ehlers would be prepared to discuss findings with both the City and the taxing districts to assist the City in its final strategy.

TIF Reports

Ehlers is available to prepare annual TIF reports or to assist staff in the preparation of these reports. As part of this activity, Ehlers will attend and present reports at the Joint Review Board meeting.

Tax Revenue Projections

Ehlers can provide projections that estimate the impact of new development to the equalized assessed value of properties and the expected level of 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.

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. Ehlers 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 the answer is no, Ehlers will advise that public assistance is not required. If the answer is yes, Ehlers quantifies the public assistance and recommends limits. This further confirms the “but for” clause of the TIF Act.

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

Developer Identification, Selection, Negotiation and Agreement Implementation

Developer Identification and Selection

Ehlers assists communities in the identification of potential commercial tenants and retail development options through a defined process. The first step in the process is to conduct meetings with developers and real estate professionals in an informal setting. There are several advantages to these types of meetings. First, this is an opportunity to spread the word about the site’s potential to the development community. The City would gain insight into the current real estate market without being pressured by a developer or broker. In today’s uncertain market, the meetings would offer insight into the type of tenants that are looking to expand and those tenants’ needs for certain site attributes. The City would also gain an understanding of how any changes to the infrastructure may help spur development. These meetings provide a solid understanding of what the market will support and the type and number of tenants that would be interested in the location. If necessary, the City may wish to have a market study completed by a real estate professional at this time.

Ehlers may then prepare a Request for Proposal (RFP) based on information gathered. The RFP is sent to a list of qualified developers with whom Ehlers has experience or knowledge, as well as those identified by the City. Ehlers assists the community in the interview of the developers and evaluates their proposals, providing information to the community as the basis for their selection of the developer.

Developer Negotiation and Agreement Implementation

Ehlers has extensive experience 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. When Ehlers works in a municipality, it works for the municipality – not the developer.

Ehlers has 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 approval. Examples of recommendations Ehlers 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.
- Use of “Look Back” provisions in development agreements, so that if a project is more successful than projected, the developer returns funds to the municipality.



During and after construction, Ehlers can manage development agreements by determining eligible expenses and calculating reimbursements.

Debt Issuance

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

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

Note: Ehlers can assist with the issuance of debt, subject to a separate service agreement. Fees would depend upon the size and complexity of issue and form of debt.

