

RESOLUTION NO. 24-09

CITY OF EAST MOLINE, ILLINOIS
AN RESOLUTION APPROVING AND AUTHORIZING
THE EXECUTION OF A PROFESSIONAL SERVICES AGREEMENT
for the
ESTABLISHMENT OF
EAST MOLINE BUSINESS DEVELOPMENT DISTRICT NO. 2
by and between
THE CITY OF EAST MOLINE, ROCK ISLAND COUNTY, ILLINOIS
and
JACOB & KLEIN, LTD.
and
THE ECONOMIC DEVELOPMENT GROUP, LTD.

PREAMBLE

WHEREAS, the City of East Moline, Rock Island County, Illinois, an Illinois Municipal Corporation (the "City) wishes to establish a Business Development District pursuant to the Business District Development and Redevelopment Act (65 ILCS 5/11-74.3-1 *et. seq.*, the "Act") in order to attract new retail businesses to the City, provide for the retention and expansion of existing retail businesses located in the City, and make public infrastructure improvements in support of such businesses; and

WHEREAS, the City desires to engage the professional services of Jacob & Klein, Ltd. to render administrative services and legal advice and The Economic Development Group, Ltd. to render technical advice to assist the City in establishing the **East Moline BUSINESS DEVELOPMENT DISTRICT NO. 2** (the "BDD" or "BDD No. 2").

NOW THEREFORE, BE IT RESOLVED BY THE MAYOR AND THE CITY COUNCIL OF THE CITY OF EAST MOLINE, ROCK ISLAND COUNTY, ILLINOIS THAT:

1. The Professional Services Agreement by and between the City of East Moline, Jacob & Klein, Ltd. and The Economic Development Group, Ltd. (*Exhibit A* attached) is hereby approved.
2. The Mayor is hereby authorized and directed to enter into and execute on behalf of the City said Professional Services Agreement and the City Clerk of the City of East Moline is hereby authorized and directed to attest such execution.
3. The Professional Services Agreement shall be effective on the date of its approval, on the 5th day of February, 2024.
4. This Resolution shall be in full force and effect from and after its passage and approval as required by law.

PASSED, APPROVED AND ADOPTED by the Mayor and City Council of the City of East Moline, Rock Island County, Illinois, this 5th day of February, 2024.

CORPORATE AUTHORITIES	AYES	NAYS	ABSTAIN	ABSENT
Olivia Dorothy	X			
Jeff Deppe	X			
Nancy Mulcahey	X			
Adam Guthrie	X			
Rhea Oakes				X
Lynn Segura	X			
J.R. Rico	X			
Reggie Freeman, Mayor				
TOTALS:	6	0	0	1

APPROVE:

Reggie Freeman
Mayor

ATTEST:

Wanda L. Roberts
City Clerk



EXHIBIT A is attached: Professional Services Agreement by and between the City of East Moline, Rock Island County, Illinois and Jacob & Klein, Ltd. and The Economic Development Group, Ltd.

EXHIBIT A

**Professional Services Agreement
by and between
The City of East Moline, Rock Island County, Illinois
and
Jacob & Klein, Ltd.
and
The Economic Development Group, Ltd.**

PROFESSIONAL SERVICES AGREEMENT

for the

**ESTABLISHMENT OF
EAST MOLINE BUSINESS DEVELOPMENT DISTRICT NO. 2**

by and between

THE CITY OF EAST MOLINE, ROCK ISLAND COUNTY, ILLINOIS

and

JACOB & KLEIN, LTD.

and

THE ECONOMIC DEVELOPMENT GROUP, LTD.

FEBRUARY 5, 2024

PROFESSIONAL SERVICES AGREEMENT
for the
ESTABLISHMENT OF
EAST MOLINE BUSINESS DEVELOPMENT DISTRICT NO. 2
by and between
THE CITY OF EAST MOLINE, ROCK ISLAND COUNTY, ILLINOIS
and
JACOB & KLEIN, LTD.
and
THE ECONOMIC DEVELOPMENT GROUP, LTD.

THIS AGREEMENT is entered into this 5th day of February, 2024, by and between the **CITY OF EAST MOLINE, ILLINOIS**, an Illinois Municipal Corporation (the “City”); and **JACOB & KLEIN, LTD.**, Bloomington, Illinois, an Illinois Professional Service Corporation (“J&K”); and **THE ECONOMIC DEVELOPMENT GROUP, LTD.**, Bloomington, Illinois, and Illinois Corporation (“EDG”). The City, J&K and EDG may hereinafter be referred to as the “Parties” to this Agreement.

WHEREAS, the City of East Moline, Rock Island County, Illinois (the “City”) wishes to establish a Business Development District pursuant to the Business District Development and Redevelopment Act (65 ILCS 5/11-74.3-1 *et. seq.*, the “Act”) in order to attract new retail businesses to the City, provide for the retention and expansion of existing retail businesses located in the City, and make public infrastructure improvements in support of such businesses; and

WHEREAS, the City desires to engage the professional services of Jacob & Klein, Ltd. to render administrative services and legal advice and The Economic Development Group, Ltd. to render technical advice to assist the City in establishing the **East Moline BUSINESS DEVELOPMENT DISTRICT NO. 2** (the “BDD” or “East Moline BDD No. 2 ”); and

NOW, THEREFORE, the Parties agree as follows:

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

- b. J&K may, in addition, be retained by the City as its special attorney to perform other professional services outside the Scope of Services set forth herein, including representation of the City before State agencies or the Illinois Legislature. Such representation shall be at the Attorney's then current hourly rate for similar services or as otherwise agreed. Any such representation shall be pursuant to a written agreement between the Parties.
 - i. Legal services provided by J&K and/or consulting services provided by EDG relating to financing, including the issuance of Bonds involving the BDD, will be billed separately from this Agreement and subject to the terms of any agreements related to such financing or Bonds.
 - ii. If retained as a Registered Municipal Advisor through a separate Letter of Engagement, EDG will analyze the potential use of BDD Revenue Bonds, Developer Notes and other financing alternatives, as well as arrange for Bond Counsel when required by the City.
 - iii. This Agreement does not include representation in any Court case resulting from the establishment of the BDD Redevelopment Plan, Area or Projects or the Annual Administration of the BDD.
- c. The total Fees and Reimbursable Costs to be paid hereunder by the City to J&K and EDG, when billed by each of the separate entities, will not be duplicated and will not exceed the total Fees and Reimbursable Costs provided for herein.
- d. The Parties agree that pursuant to the Act, all Professional Fees and related Costs incurred by the City for Establishing the BDD are BDD eligible project costs and are fully reimbursable to the City from the BDD sales tax revenues generated by the BDD.
- e. The City hereby acknowledges that J&K and EDG are not responsible for monitoring and documenting matters relating to compliance with the Illinois Prevailing Wage Act, the Illinois Procurement Code, and any other wage and/or employment laws, to the extent such are applicable to any public or private project undertaken within the BDD Redevelopment Project Area or the Area as may be amended in the future.

2. Establishment of the BDD.

- a. **Services.** J&K and EDG will provide services as outlined in *Exhibit 1* to Establish the BDD.
- b. **Term.** This Professional Services Agreement for the Establishment the BDD shall commence immediately and shall continue until the presentation of the BDD Redevelopment Plan and appropriate ordinances to the City Council for the Establishment of the BDD.

- c. **Payment of Fees and Reimbursable Costs.** The total Base Professional Fee to be paid to J&K and EDG for the Establishment of the BDD shall be **Forty-Four Thousand Five-Hundred and 00/100 Dollars (\$44,500.00)**, plus Reimbursable Costs, and are to be paid by the City as follows:
- i. J&K and EDG shall be paid a total sum of **Twenty-Two Thousand Two Hundred Fifty and 00/100 Dollars (\$22,250.00)** within fourteen (14) days upon execution of this Agreement.
 - ii. The balance of the Fee, **Twenty-Two Thousand Two Hundred Fifty and 00/100 Dollars (\$22,250.00)**, and Reimbursable Costs for the establishment of the BDD shall be paid when the final Ordinances are presented to the City Council for passage.
 - iii. All Reimbursable Costs incurred by J&K and EDG as part of the Establishment of the BDD shall be reimbursed to J&K and EDG by the City, including all reasonable travel and subsistence expenses while away from Bloomington or Peru, Illinois, all photocopying, report binding, mailings, postage, and staff costs. For purposes of this Agreement, staff costs do not include the time of Attorneys Nic Nelson or Herb Klein (J&K), or the time of Steven Kline or Gwen Crawford (EDG) while performing said Professional Services described in *Exhibit 1* subject to the following conditions:
 1. All travel will be reimbursed for mileage at the maximum rate permitted by Internal Revenue Service Rules and Regulations at the time of service. All other costs which are incidental to the establishment of the BDD, including staff costs, photocopying and report binding, mailings, postage, and telecommunication charges, shall be reimbursed at the current rates then charged by J&K and EDG.
 - iv. The City understands and acknowledges that J&K and EDG will rely on the work of other professionals, including the City's Engineers and Attorney, to prepare reports and documentation needed for the BDD Redevelopment Plan, Projects and Reports and other necessary documents; and that J&K and EDG shall rely on their professional expertise to prepare the BDD Redevelopment Plan and present material and information necessary to the Establishment of the District. The City further understands that it may directly incur additional fees and costs for the Establishment of the BDD which result from the involvement of other (i.e., non-J&K/EDG) professionals.
- d. **Term.** The term of this Agreement shall expire upon the establishment of the BDD.
3. **Drafting Ambiguities.** The Parties agree that they are aware that they have the right to be advised by counsel with respect to the negotiations, terms and conditions of this Agreement, and the decision of whether, or not, to seek advice of counsel with respect to the Agreement

is a decision which is the sole responsibility of each Party. This Agreement shall not be construed in favor of or against either Party by reason of the extent to which each Party participated in the drafting of this Agreement. Titles of the several parts, paragraphs, sections or articles of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any provisions hereof.

4. **Titles of Paragraphs.** Titles of the several parts, paragraphs, sections or articles of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any provisions hereof.
5. **Amendments to this Agreement.** J&K/EDG and the City agree that they will, from time to time, execute, acknowledge, and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may be reasonably required by the Parties hereto for carrying out the intention of or facilitating the performance of this Agreement. The Parties hereto may therefore amend this Agreement at any time by their mutual consent which amendment must be in writing and executed by the Parties.
6. **Entire Agreement.** The Terms and Conditions set forth in this Agreement supersede all prior oral and written understanding and constitute the entire Agreement between the Parties with respect to the subject matter hereof.
7. **Binding Upon Successors in Interest.** This Agreement shall be binding upon all the Parties hereto and their respective heirs, successors, administrators, assigns, or other successors in interest.
8. **Notices.** Notices or demands hereunder shall be in writing and shall be served by (a) personal delivery, or (b) certified mail, return receipt requested to the following addresses, or to the last known address of either party or to the address provided by any assignee if such address has been given in writing. In the event said notice is mailed, the date of service of such notice shall be deemed to be three (3) business days after the date of delivery of said notice to the United States Post Office.

City of East Moline
% City Clerk
915 16th Avenue E
East Moline, IL 61244
Ph: (309) 752-1599

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

9. **Severability.** If any provision of this Agreement is held to be invalid, the remainder of this Agreement shall not be affected thereby.
10. **Choice of Law/Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois with venue lying in the Circuit Court of McLean County, Illinois.

11. **Warranty of Signatories.** The signatories of this Agreement warrant that they have full authority to execute this Agreement and to bind the entity for which they are signing and agree to hold the other Party or Parties hereto harmless if it is later determined that such authority does not exist.

12. **Counterparts.** This Agreement may be executed in counterparts, which when taken together shall constitute a single signed original as though all Parties had executed the same page.

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

THE CITY OF EAST MOLINE, an Illinois
Municipal Corporation:

By: Reggie Freeman
Mayor

Attest: Wanda L Roberts Boyd
City Clerk



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

By: [Signature]
President

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

By: [Signature]
President

EXHIBIT 1

PROFESSIONAL SERVICES RELATING TO THE ESTABLISHMENT OF THE BDD

Services to be provided to the City by J&K and EDG relating to the Establishment of the BDD are set forth as follows:

1. J&K shall provide City with legal advice regarding the establishment of the BDD on an on-call, as needed basis.
2. EDG shall provide City with technical consulting regarding the establishment of the BDD on an on-call, as needed basis.
3. Create an estimated schedule and timeline for completing the required procedure to establish the BDD.
4. Work with local elected officials, City staff and engineers to define the Redevelopment Project Area (BDD Boundary).
5. Consult on any necessary Annexation Agreement(s) with City Attorney and Private Developer(s), if any.
6. Prepare all required studies and reports to establish the BDD, the scope of which will include field surveys and studies in sufficient detail for the City to:
 - a. Make a formal finding that the business district is a 'blighted area' as that term is defined by the Act; and
 - b. Make a formal finding that the business district is a 'blighted area' as that term is defined by the Act; and
7. Assist the City with the preparation of a Business District Development and Redevelopment Plan (the "Plan") which sets forth the following:
 - a. A specific description of the proposed boundaries of the district, including a map illustrating the boundaries, and each address in the business district in such a way that the Department of Revenue can determine by its address whether a business is located in the business district.
 - b. A general description of each project proposed to be undertaken over the life of the business district that is to be located within the business district, including a description of the approximate location of each project.

- c. The name of the proposed business district.
 - d. The estimated business district project costs.
 - e. The anticipated source of funds to pay business district project costs.
 - f. The anticipated type(s) and terms of any obligations that could be issued.
 - g. The rate of any tax to be imposed pursuant to the Act and the period of time for which the tax shall be imposed.
8. Prepare and present to the City the required Ordinances or Resolutions for designating the BDD and approving the BDD Redevelopment Plan.
 9. Assist the City with preparing requisite publications and notices as well as conduct and moderate a Public Hearing, for which Notice is published in a newspaper of general circulation within the City.
 10. Assist the City with negotiating Private Redevelopment Agreements with potential Developers.

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