

---

---

## VILLAGE OF SUGAR GROVE BOARD REPORT

---

---

**TO:** VILLAGE PRESIDENT & BOARD OF TRUSTEES  
**FROM:** MATT ANASTASIA, FINANCE DIRECTOR  
**SUBJECT:** RESOLUTION: AUTHORIZING AN AGREEMENT WITH S.B. FRIEDMAN FOR DEVELOPMENT ADVISORY SERVICES  
**AGENDA:** MAY 17, 2022 REGULAR BOARD MEETING  
**DATE:** MAY 13, 2022

---

### ISSUE

Shall the Board approve a resolution for an agreement for Development Advisory Services for the Village of Sugar Grove with S.B. Friedman.

### DISCUSSION

Throughout the Village, there are many different development opportunities, many of which request some type of economic incentive to develop. These types of incentive requests can often benefit by a review done by an outside 3<sup>rd</sup> party for an unbiased opinion. The Village is looking to establish an ongoing relationship with S.B. Friedman for Development Advisory services to complete these reviews. S.B. Friedman would be working for the Village reviewing the economics of each request.

The Village has utilized the services of S.B. Friedman in the past. The attached Resolution memorializes an ongoing as needed Professional Services agreement. Services will typically be billed on an hourly basis. In many cases the services will be reimbursed by a an outside party seeking an economic incentive or other approval from the Village. The services can be likened to the Village's use of legal and engineering consultants.

In practice S.B. Friedman will often seek an initial fee authorization to start on a project. As noted during the President's Report at the May 3, 2022 Board meeting, Crown Development has indicated that they believe a significantly revised land use plan, more in line with community expectations, for their property at I-88 and IL 47 may be viable, but it would still require TIF assistance. S.B. Friedman is currently seeking an initial fee authorization for up \$19,900 to evaluate economic incentives for a project at that location should the Village approve the Moran TIF study, which is also on the May 17th Village Board Agenda. Crown has agreed to reimburse the cost. If the Board approves this item, and the Moran study, staff will authorize S.B. Friedman to proceed.

**COST**

Work is to be billed on an hourly basis by S.B. Friedman. In most situations, the developer would reimburse the Village for the expenses. If the Village would be bearing an expense above staff's spending authority, it would be brought back to the Board for approval. There are no current projects pending that would require a Village borne expense.

**RECOMMENDATION**

That the Village Board adopt Resolution No. 20220517B, approving an agreement with S.B. Friedman to provide Development Advisory services for the Village of Sugar Grove.



**RESOLUTION NO. 20220517B**

**A RESOLUTION TO APPROVE THE ENGAGEMENT OF SB FRIEDMAN AS A PROFESSIONAL CONSULTANT FOR DEVELOPMENT ADVISORY SERVICES**

**WHEREAS**, the Village of Sugar Grove ("Village") is not a home rule municipality within Article VII, Section 6A of the Constitution of the State of Illinois of 1970, and accordingly, seeks to act pursuant to its powers granted to it under 65 ILCS 5/1-1 *et seq.* and other applicable law; and,

**WHEREAS**, the Illinois Municipal Code, 65 ILCS §5/8-1-7 provides that the corporate authorities of a municipality may enter into contracts relating to the employment of outside professional consultants; and,

**WHEREAS**, the Village of Sugar Grove has a previously engaged SB Friedman to engage in the review of certain economic development related matters for the Village and finds that due SB Friedman's familiarity with the Village and its long-term development goals, that it would be beneficial for the Village and its residents to engage SB Friedman on an ad hoc basis to provide certain development advisory services, as more specifically set forth in Exhibit A, attached hereto and incorporated herein by reference; and,

**NOW, THEREFORE, BE IT RESOLVED** by the President and the duly authorized Board of Trustees of the Village of Sugar Grove, Kane County, State of Illinois, as follows:

**Section 1: Incorporation of Recitals.** The foregoing recitals are true, a material part of this Resolution, and are incorporated herein as though fully set forth in this Section.

**Section 2: Approval of Engagement With SB Friedman for Certain Development Advisory Services.** That the Corporate Authorities hereby approve engaging SB Friedman as a development consultant on an ad hoc basis in accordance with the parameters set forth in Exhibit A.

**Section 3: Professional Services Not Exclusive.** The approval of this engagement shall in no way obligate the Village to pursue any such services or to meet the authorized spending limit. This relationship shall be non-exclusive and does not preclude the Village from engaging any other third-party consultants with regard to this subject matter.

**Section 4: Effective Date.** This Resolution shall be in full force and effect immediately from and after its passage by the Corporate Authorities.

**PASSED AND APPROVED** by the President and Board of Trustees of the Village of Sugar Grove, Kane County, Illinois, on this 17<sup>th</sup> day of May, 2022.

\_\_\_\_\_

Jennifer Konen, President of the Board of Trustees of the  
Village of Sugar Grove, Kane County, Illinois

\_\_\_\_\_

ATTEST:

Clerk, Village of Sugar Grove

	Aye	Nay	Absent	Abstain
Trustee Matthew Bonnie	_____	_____	_____	_____
Trustee Sean Herron	_____	_____	_____	_____
Trustee Heidi Lendi	_____	_____	_____	_____
Trustee Michael Schomas	_____	_____	_____	_____
Trustee Ryan Walter	_____	_____	_____	_____
Trustee James White	_____	_____	_____	_____

May 12, 2022

Brent M. Eichelberger  
Village Administrator  
Village of Sugar Grove  
10 S. Municipal Drive  
Sugar Grove, IL 60554

**RE: Request for Fee Authorization, Hourly Support – Development Advisory Services**

Dear Mr. Eichelberger:

It is our understanding that the Village of Sugar Grove (the “Village”) is seeking ongoing support related to a variety of economic development matters. Per our recent discussion, SB Friedman requests fee authorization to support the Village on an hourly basis as matters come forward. Key areas of work could include:

- Forecasting sales tax revenue
- Forecasting incremental property tax revenue
- Forecasting business district sales and/or hotel tax revenues
- Reviewing developer pro formas and requests for Village financial support
- Providing term sheet, economic incentive agreement and redevelopment agreement negotiation support
- Participating in calls with Village and developers

Professional fees for this service will be based on the time required at our current billing rates. The nature of this engagement and our experience with similar services indicate that it is not possible to estimate our total professional fees with a high level of confidence. We will bill monthly and keep you regularly informed of our progress.

The following hourly rates apply to this assignment:

Senior Vice President	\$300	Associate Project Manager	\$215
Vice President	\$255	Associate	\$180
Project Manager	\$245	Research Associate	\$165

These rates will be in effect until December 31, 2022. Out-of-pocket expenses such as publications, outside data, use of owned or licensed databases, report production and travel costs for field work, are included in this estimate and will be billed as incurred without markup.

This engagement would not be conditioned upon or subject to any other services that SB Friedman may be providing for the project. Payment of the professional fees herein is not dependent on the content of our findings or the success of the project.

To authorize this work, please sign below and return a copy to us.

Sincerely,



Geoffrey Dickinson, AICP  
Senior Vice President  
SB Friedman Development Advisors, LLC

Accepted: \_\_\_\_\_  
Signature Date  
  
\_\_\_\_\_  
Printed Name Title