

ORDINANCE NO. 2504

OCT 16 2006

AN ORDINANCE TO EMPLOY GILMORE & BELL OF ST. LOUIS, MISSOURI TO RENDER LEGAL CONSULTATION SERVICES RELATING TO THE COLUMBIA CROSSINGS DEVELOPMENT TO THE CITY OF COLUMBIA, ILLINOIS.


City Clerk

WHEREAS, the City Council of the City has further found and determined and does hereby declare that it is necessary and appropriate that the City employ Gilmore & Bell to provide legal consultation services to the City in the approval and implementation of a proposed tax increment financing redevelopment plan and business development district relating to the Columbia Crossings development;

NOW, THEREFORE, BE IT ORDAINED, by the City Council of the City of Columbia, Illinois, as follows:

Section 1. The recitals contained above in the preamble of this Ordinance are hereby incorporated herein by reference, the same as if set forth in this Section of this Ordinance verbatim, as findings of the City Council of the City of Columbia, Illinois.

Section 2. The City Council of the city does hereby authorize the employment of Gilmore & Bell to provide the legal consultation services to the city with regard to the Columbia Crossings project. The Mayor is hereby authorized and directed to execute and deliver to Gilmore & Bell, for and on behalf of the City, the letter of engagement dated May 3, 2006 between the City of Columbia, Illinois and Gilmore & Bell in the form attached hereto, which is hereby approved as to form, in as many counterparts as the Mayor shall determine and the City Clerk is hereby authorized and directed to attest the same and to affix thereto the corporate seal of the City.

Section 3. This ordinance shall be in full force and effect from and after its passage, as provided by law.

Alderman Conrad moved the adoption of the above and foregoing Ordinance; the motion was seconded by Alderman Huch, and the roll call vote was as follows:

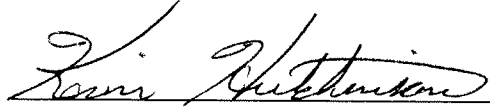
YEAS: Aldermen Conrad, Ebersohl, Agne, Niemiets, Koesterer, Huch and Mayor Hutchinson.

NAYS: Aldermen Unnerstall and Row.

ABSENT: None.

ABSTENTIONS: None.

PASSED by the City Council and APPROVED by the Mayor this 16th day of October, 2006.



Kevin B. Hutchinson, Mayor

ATTEST:



WESLEY J. HOEFFKEN, City Clerk

(SEAL)

GILMORE & BELL

A PROFESSIONAL CORPORATION
ATTORNEYS AT LAW

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KANSAS CITY, MISSOURI
WICHITA, KANSAS
LINCOLN, NEBRASKA

May 3, 2006

Mr. Anthony Traxler
City Administrator
City of Columbia
208 South Rapp Avenue
Columbia, Illinois 62236

Re: City of Columbia, Illinois – Legal Consultation Services Relating to the Columbia Crossings Development

Dear Mr. Traxler:

This will confirm our engagement to provide legal consultation services relating to the Columbia Crossings Development.

Scope of Services

Generally, Gilmore & Bell will provide all services required to assist the City in the approval and implementation of the proposed TIF redevelopment plan and the business development district. Specifically, the services provided by Gilmore & Bell, P.C., as Redevelopment Counsel and Bond Counsel, will include the following:

Redevelopment Counsel Services. Gilmore & Bell will provide all services required to assist the City in the approval and implementation of a tax increment financing area and/or business development district, including the following:

1. Review any development or redevelopment plan and prepare or review all legal proceedings relating to the approval of any plan.
2. Review and advise the City regarding legal compliance of any existing conditions study and other components of the development or redevelopment plan.
3. Prepare or review resolutions and ordinances, public notices to local taxing bodies, and other documents for formal review and approval.
4. Assist the City Attorney in advising the City on all legal matters incident to the approval of any economic development incentives.

5. Attend such conferences and meetings as may be requested in connection with the project.
6. Assist the City Attorney in negotiating and drafting the redevelopment agreement between the City and the selected developer.

Bond Counsel Services. If the City determines to issue obligations to finance the project, the services provided by Gilmore & Bell, as Bond Counsel, will include the following:

7. Prepare or examine all proceedings and legal documents relating to the authorization of the obligations.
8. Prepare and examine transcripts of proceedings relating to the authorization of the obligations.
9. Coordinate and assist with the necessary filings and recordings with appropriate county, state and federal agencies.
10. Render an approving legal opinion on the validity of the obligations and any opinions incidental thereto.

Fees and Expenses

(a) Our proposed fee for providing the services listed in paragraphs 1 through 6 under the caption **Scope of Services** above will be based upon a charge of \$195/hour.

(b) In addition to the hourly fee charged pursuant to paragraph (a) above, our proposed fee in connection with the issuance of TIF Obligations will be determined in accordance with the following schedule:

<u>Principal Amount of TIF Obligations</u>	<u>Fee</u>
Up to \$1,000,000	\$15,000
\$1,000,000 to \$5,000,000	\$15,000 + \$2.50 per \$1,000 over \$1,000,000
\$5,000,000 to \$10,000,000	\$25,000 + \$2.00 per \$1,000 over \$5,000,000
Over \$10,000,000	\$35,000 + \$1.00 per \$1,000 over \$10,000,000

If TIF Obligations are not issued, our fee for providing the services listed in paragraphs 4 through 7 above will be based upon a charge of \$195/hour.

(c) In addition to the fees set forth in (a) and (b) above, we will be reimbursed for our out-of-pocket expenses incurred in connection with the transaction, such as travel, postage, deliveries, photocopying, printing and similar expenses.

Mr. Anthony Traxler
May 3, 2006
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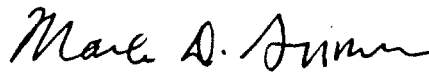
Manner of Payment

We will submit invoices for payment of costs incurred under (a) above to the City on a monthly basis or at such other times as the City may request. At your request, we will also send a copy of each invoice directly to the designated developer, if the developer is responsible for payment of our fees. If the ordinance authorizing the TIF Obligations is approved but, pursuant to the terms of the Redevelopment Agreement, the TIF Obligations are not to be issued until some future date, then we will submit an invoice for payment of 25 percent of the costs incurred under (b) above upon approval of such ordinance. Otherwise, we will submit our invoice for payment of costs incurred under (b) above either at the time of issuance of the TIF Obligations or when it is determined that TIF Obligations will not be issued.

In order to ensure the availability of funds to pay these fees (and other costs incurred by the City in connection with this project), it may be desirable for the City to require the developer of the project to escrow funds with the City.

We look forward to the opportunity to work with the City on this project. If the terms of this engagement letter are satisfactory, please have one copy signed and return it to me. Please call me if you have any questions. Thank you.

Very truly yours,



Mark D. Grimm


MDG:sls

ACCEPTED ON THE BASIS OF THE TERMS SET FORTH ABOVE THIS 18th DAY OF ~~MAY~~, 2006.

October

CITY OF COLUMBIA, ILLINOIS

By:
Title:


MAYOR