



AGENDA ITEM # 4

**AGENDA ITEM EXECUTIVE SUMMARY
Committee of the Whole Meeting
August 12, 2019**

Item Title: Resolution of Intent to Reimburse TIF Eligible Costs to 400 Roselle LLC (Avgeris)

Staff Contact: Patrick N. Watkins, Community Development Director

COMMITTEE OF THE WHOLE ACTION

Consider a resolution of intent to reimburse TIF eligible costs for Lawrence Avenue Apartments (400 Roselle LLC).

Executive Summary:

Attached is an Inducement Resolution for the proposed 400 Roselle LLC (Avgeris) development on Lawrence Avenue. The resolution is a way to establish a public record stating that the Village will consider costs affecting the development that occurred prior to the final approval of a TIF District. It is important to note that the Inducement Resolution does not commit us to a financial agreement nor does it reimburse the cited costs; rather, it gives us the opportunity to consider the costs in a future TIF agreement and assurance to the developer to move forward with the project.

The 400 Roselle LLC is proposing to develop a 282-unit apartment complex. The project will include:

- construction of the new buildings; apartment and parking structure,
- land assembly including the exchange with the Village
- utility work including sanitary, water, and storm improvements, and the potential rerouting of access drive to the Metra parking lot
- a bond issuance(s) both tax exempt and non exempt
- streetscaping - sidewalks, landscaping and decorative street lighting

This type of development furthers the goals of the Village's 2016 Comprehensive Plan which calls for an expanded town center and transit-oriented development near the Metra Station. Assistance towards this project is necessary in order to overcome the infrastructure, land assembly, relocation of Metra parking spaces and other necessary costs while providing parking to accommodate the residential units. Unfortunately, time is of the essence due to upcoming closing dates and the developer can no longer delay the purchase of the site; thus the necessity to memorialize the potential costs that can be mitigated through a redevelopment agreement.

The study and findings of the proposed TIF District are close to being finalized. The consultants (SB Friedman and Associates) are producing the final report. Staff estimates that the notification and hearing process will begin within the next 2-3 months.

Implications:

Is this item budgeted? NA

Any other implications to be considered? Without the Inducement Resolution we lose the ability to leverage the 282-unit residential development with any of the costs expended prior to finalization of the TIF District.

Attachments:

Draft Resolution

RESOLUTION NO. 2019-

RESOLUTION OF INTENT TO REIMBURSE TIF ELIGIBLE COSTS FOR LAWRENCE AVENUE APARTMENTS (400 ROSELLE LLC)

WHEREAS, 400 Roselle LLC has proposed a 282-unit multi-family residential project on land located at 400 – 439 E. Lawrence Avenue and legally described in Exhibit A (hereinafter “Project Site”); and,

WHEREAS, the Project Site is within the Village of Roselle and zoned B-3 Town Center District; and,

WHEREAS, the Project Site will be subject to Village of Roselle Zoning Ordinance which approves a Special Use Permit for Dwelling Units in the Town Center, a Special Use Permit for a Planned Unit Development, and PUD Exceptions in the B-3 Town Center District; and,

WHEREAS, time is of the essence for Avgeris to acquire the Project Site and seek land development approvals; and,

WHEREAS, a proposed TIF Village project area is being studied by the Village and is delineated in Exhibit B (hereinafter “Project Area”) which is attached hereto and incorporated herein as if fully set forth; and

WHEREAS, the Project Site is within the Project Area; and

WHEREAS, the Village is desirous of encouraging 400 Roselle LLC to proceed with the development of the 282 residential units on the Project Site; and,

WHEREAS, some expenditures may be allowed as redevelopment costs if a tax increment financing plan and project (hereinafter sometimes “TIF”) is approved by the Village of Roselle and if the Village approves a redevelopment agreement for the Project Site; and

WHEREAS, the Village by this statement of intent wishes to incentivize the Avgeris development within the Village; and

WHEREAS, the Project Area has not been subject to growth and development through investment by private enterprise and is not reasonably anticipated to be developed without certain public assistance by the Village; and

WHEREAS, preliminary study of the Project Area by the Village indicates that it may be eligible as a tax increment financing project upon completion of the study and the Village's compliance with all requirements of Illinois tax increment financing law; and

WHEREAS, the Corporate Authorities of the Village have reviewed the conditions of the potential Project Area and have preliminary reason to believe that the cost of necessary surface and subsurface public infrastructure and certain other costs may be eligible including reimbursing the project with the issuance of obligations both exempt and non-tax exempt issuances and qualify for tax increment financing pursuant to statutes of the State of Illinois provided that the Village's Corporate Authorities within their sole legislative discretion approve a TIF for the Project Area; and

WHEREAS, the Corporate Authorities have also reviewed the conditions of the Project Site and believe that the cost of necessary surface and subsurface public infrastructure and certain other costs including reimbursing the project with the issuance of obligations both exempt and non-tax exempt issuances and may qualify for tax increment financing pursuant to the State of Illinois statutes provided that that Corporate Authorities within their sole legislative discretion approve a formal redevelopment agreement with Avgeris for the project site; and

NOW THEREFORE BE IT RESOLVED, by the Mayor and Board of Trustees for the Village of Roselle, DuPage and Cook Counties, Illinois as follows:

SECTION 1: The foregoing recitals are incorporated herein as if fully set forth as representing the understanding and intent of the Parties;

SECTION 2: The Corporate Authorities of the Village will proceed with and complete a study of a tax increment financing and plan for Project Area which includes the Project Site and thereafter may take such legislative actions as they deem appropriate and necessary under the State Tax Increment Financing statutes;

SECTION 3: All undertakings of the Village set forth herein are specifically contingent, in part, upon the ability of the Village to determine, within its legislative discretion, pursuant to a feasibility study to be conducted and completed pursuant to 65 ILCS 174.4-4.1 of the Illinois Tax Increment Allocation Redevelopment Act, that the Project Area and plan qualifies to be approved as a TIF project and plan and that the development project for the Project Site includes costs that would qualify for tax increment financing.

SECTION 4: If the Village determines that the Project Area qualifies for a tax increment financing, project and plan and if the Corporate Authorities of the Village in their sole legislative discretion approve a TIF for the Project Area and determine to

allocate tax increment financing funds for reimbursement at the Project Site, the Village will negotiate, and upon successful completion of the negotiations, reimburse Avgeris for tax increment financing eligible costs and/or issue obligations that are both tax exempt and non-tax exempt as the Village, in its sole legislative discretion, deems necessary, reasonable and appropriate.

SECTION 5: This Resolution is not a guarantee or a warranty that the TIF will be created or that any specific costs will be reimbursed but rather an expression of the intent of the Corporate Authorities of the Village that the Corporate Authorities intend to proceed as described herein.

SECTION 6: This Resolution shall be in full force and effect from and after its passage and approved in a manner approved by law.

AYES:
NAYES:
ABSTAIN:
ABSENT:

PASSED AND APPROVED THIS ___th DAY of _____, 2019.
PUBLISHED in pamphlet form this ___th DAY of _____, 2019.

Mayor, Village of Roselle

ATTEST:

Village Clerk

