



## **AGENDA ITEM # 8C**

### **AGENDA ITEM EXECUTIVE SUMMARY**

**Village Board Meeting**

**March 28, 2022**

**Item Title:** Letter of Intent / Interim Agreement with American Home Real Estates

**Staff Contact:** Matthew Galloway, Economic Development Analyst

#### **VILLAGE BOARD ACTION**

**Adopt a resolution authorizing the Mayor to sign a Letter of Intent / Interim Agreement with American Home Real Estates (“AHRE”) for the due diligence evaluation and development concept for 1828 South Roselle Road, 6.5-acre Village Owned Site.**

#### **Executive Summary:**

On March 14, the Village Board provide staff guidance to move forward with a Letter of Intent / Interim Agreement (see attached) with American Home Real Estates (“AHRE”) for the due diligence evaluation and development concept for 1828 South Roselle Road, 6.5-acre Village Owned Site. AHRE has submitted a Letter of Intent / Interim Agreement for the Village Boards acceptance. Staff has initiated the wetland delineation process for this site as directed by the Board. In light of the wetland delineation being started, AHRE has agreed to reduce the duration of the agreement from six (6) months to three (3) months.

The Letter of Intent **does**:

- Provide assurances to the developer that they can fund evaluations of the property without being undercut by another developer during the process;
- Provide means for the Village and developer to receive valuable information regarding existing wetland, producing site concepts, and conducting market analysis to assess potential for the proposed development.

A Letter of Intent **does not**:

- Guarantee to the developer that any proposed development will be approved.
- Circumvent the public development review process.

Attached to this memo is a resolution approving the Letter of Intent / Interim Agreement and authoring AHRE to conduct due diligence and create a conceptual development plan for 1828 South Roselle Road, 6.5-acre Village owned site. Upon adoption of the attached resolution, staff will prepare an outreach campaign for the surrounding neighborhood to inform residents of work being performed at the site and collect input on potential development of the site.

**Implications:**

**Is this item budgeted?** The cost of the wetland delineation, which is \$5,500, will be charged to the Roselle Nerge TIF Fund.

**Any other implications to be considered?**

**Attachments:**

Letter of Intent / Interim Agreement  
Resolution

**RESOLUTION NO. 2022-**

**A RESOLUTION AUTHORIZING THE MAYOR  
TO SIGN AND THE VILLAGE CLERK TO ATTEST TO THE  
LETTER OF INTENT WITH AMERICAN HOME REAL ESTATES**

**Southwest Corner of Roselle and I-390, 6.5-acre Village Owned Site**

WHEREAS, American Home Real Estates (“AHRE”), (hereinafter “Developer”) has expressed a desire to conduct due diligence for three months as the exclusive potential developer of Village property located at the southwest corner of Roselle and I-390, (hereinafter Property); and,

WHEREAS, the impact of the redevelopment of the Property at the southwest corner of Roselle Road and I-390 is expected to generate private reinvestment on the Property and potentially positively impact adjoining parcels along the commercial corridor of Roselle Road; and

WHEREAS, the “Property” is located in the Roselle Road – Nerge Redevelopment Project Area as established on July 27, 2015; and

WHEREAS, the Village Board has determined that “AHRE” will be the exclusive potential developer during a three-month period which is in the best interest for the Village’s goal to redevelop the roughly 6.5 acres of the Property; and

WHEREAS, the Developer and Village agree to the terms and conditions of the Letter of Intent, attached as Exhibit “1”; and

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

SECTION 1: The foregoing recitals are incorporated herein as representing the intent of parties and as substantive provisions of this Resolution.

SECTION 2: The Mayor is hereby authorized to sign and the Village Clerk is hereby directed to attest to the Letter of Intent / Interim Agreement between the Village of Roselle and American Home Real Estates attached hereto and incorporated herein by reference as if fully set forth as Exhibit “1”.

SECTION 3: Village staff is directed to undertake any and all acts and procedures reasonably necessary to implement and administer the Agreement.

SECTION 4: This resolution shall become effective upon its passage and execution.

ADOPTED this 28<sup>th</sup> day of March, 2022.

AYES:  
NAYS:  
ABSTAIN:  
ABSENT:

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David Pileski  
Mayor, Village of Roselle

ATTEST:

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Patricia E. Burns  
Village Clerk



March 28, 2022

The Honorable David Pileski  
Mayor  
Village of Roselle  
31 S. Prospect St.  
Roselle, IL 60172

**Re: Letter of Intent/ Interim Agreement**

Dear Mayor Pileski and Village Board:

The purpose of this letter is to confirm that for a period of three (3) months, the Village of Roselle (“Village”) authorizes American Home Real Estates (“AHRE”) to act as the exclusive potential developer to pursue any and all diligence AHRE required to a build a mixed-use residential/commercial development in Roselle, Illinois (hereinafter “Project”) (on the properties owned by the Village and identified by PIN numbers in Exhibit A which is incorporated herein as if fully set forth, hereinafter “Site”), and in anticipation of a final purchase and development contract for the Site, subject to approval by the Corporate Authorities of the Village.

The parties agree that in consideration of AHRE’s initial time and costs associated with the project that AHRE will be the exclusive developer for said Project effective upon the last date of execution of this agreement for a period of three (3) months. The three (3) months may be extended by mutual written agreement. During the three (3) months the Village agrees not to market, promote, sell or otherwise encumber in any manner its interest in the Site unless AHRE has provided a written release of this letter of intent.

The parties agree that the Village will fund and conduct a wetland delineation for the Project. Village staff will cooperate in providing information in the Village’s possession when requested by AHRE to assist it in its diligence. Exclusive of the wetland delineation AHRE is solely responsible, at its cost, for conduction potential development diligence and producing preliminary concepts and proposals for the Project. During the three (3) months, the Village agrees to grant AHRE and their consultant’s access to the Site within acceptable working hours (6:00a.m. – 7:00p.m.) and without prior notice to conduct necessary diligence.

AHRE agrees to indemnify and hold harmless the Village, its employees, and officials from and against any and all injuries, deaths, claims, actions, suits, demands, assessments, interest, penalties, fines, judgments, losses, liabilities, damages, costs and expenses and of any settlement, of whatever kind or nature, for work conducted at the Site.

This Letter of Intent/ Interim agreement shall be in effect upon execution below and shall remain in place until three (3) months from the last date of execution. Upon termination of the three (3)



months, unless extended as provided herein, this Agreement shall expire without further action of the parties and without further duty or liability of either party. Other than this agreement the parties have no other agreements between them.

Sincerely,

A handwritten signature in black ink, appearing to read "Naveen Aggarwal". The signature is fluid and cursive, with a prominent initial 'N' and a long, sweeping tail.

Naveen Aggarwal  
Chairman & CEO



## **EXHIBIT A**

### **SUBJECT PROPERTY**

07-34-321-016-0000 07-34-321-017-0000 07-34-321-018-0000 07-34-321-019-  
0000 07-34-321-020-0000 07-34-321-021-0000 07-34-322-001-0000 07-34-322-002-  
0000 07-34-322-003-0000 07-34-322-004-0000 07-34-322-005-0000 07-34-322-006-  
0000 07-34-322-007-0000 07-34-322-008-0000 07-34-322-009-0000 07-34-322-010-  
0000 07-34-322-011-0000 07-34-322-012-0000 07-34-322-013-0000 07-34-322-014-  
0000 07-34-322-015-0000 07-34-322-016-0000 07-34-322-017-0000 07-34-322-018-  
0000 07-34-322-019-0000 07-34-322-020-0000 07-34-322-021-0000 07-34-322-022-  
0000 07-34-322-023-0000 07-34-322-024-0000 07-34-323-003-0000 07-34-323-004-  
0000 07-34-323-026-0000 07-34-323-027-0000 07-34-323-031-0000 07-34-323-029-  
0000 07-34-323-032-0000 07-34-323-033-0000