



AGENDA ITEM # 9 A/B/C

AGENDA ITEM EXECUTIVE SUMMARY

Village Board Meeting

April 11, 2022

Item Title: Metro 19 Redevelopment Project

**Staff Contact: Jason M. Bielawski, Village Administrator
Caron Bricks, AICP, Community Development Manager**

VILLAGE BOARD ACTION

- 1) Adopt an omnibus resolution authorizing the Mayor to sign and directing the Village Clerk to attest to agreements and documents approving the Metro 19 redevelopment projects.**
- 2) Adopt a resolution approving a final plat of subdivision for the Metro 19 apartments.**
- 3) Pass an ordinance approving a final development plan for a planned unit development in the B-3 Town Center Zoning District.**

Executive Summary:

In January 2021 the Village Board approved various actions, including a Redevelopment Agreement (RDA) between the Village and the Metro 19 developer related to the \$60M Metro19 project, which is a luxury apartment complex located on the southeast corner of Irving Park Road and Lawrence Avenue adjacent to the Roselle Metra Train Station. While work on the project has commenced in accordance with the approved actions, changes initiated by the developer in financing and formation of an additional LLC necessitated comprehensive modifications to various legal documents. While the modifications are substantial, the project scope and Village's financial contributions toward the project have not changed. The Village is providing a maximum of \$14,500,000 to the developer for TIF reimbursable expenses paid through general obligation bonds. Major components of the project include:

- Construction of a 295 unit apartment building (previously 293 units).
- Construction of a 542 space parking garage (previously 547 spaces) dedicated to tenants of the building, Metra commuters, and the general public.
- Total parking spaces for apartment building use is 419 spaces (previously 418).
- Land acquisition and easement dedication with the property owner of Sternberg Lighting
- Land exchange with Metra

- Demolition of the former Sunrise Courts operated by Ray Graham Association
- Expansion of the Rose Drive East intersection at Lawrence Avenue
- Installation of a sanitary sewer force main
- Undergrounding electrical utilities
- Installation of underground stormwater detention

Implications:

Is this item budgeted? The financial details of this project are primarily contained within the two Redevelopment Agreements – Residential and Garage. The Village is providing up to \$14.5M in reimbursements for public improvements including \$11M for the parking garage and \$3.5M for the sanitary sewer force main and Rose Drive East improvements. The developer is paying \$500,000 in building permit fees, \$100,000 in recapture fees for the stormwater detention, and \$35,000 for land acquisition. Additionally, the developer will pay the Village for leasing parking spaces in the parking garage, which is a minimum of \$50 per space per month for the minimum of 295 spaces dedicated to the apartment units with an option to lease additional spaces.

Any other implications to be considered? Pursuant to the Redevelopment Agreement approved in January 2021, the developer has commenced construction of the parking garage and offsite improvements such as the expansion of Rose Drive East and installation of stormwater detention and undergrounding utilities. The sanitary forcemain project is scheduled to start this month. Construction of the garage is expected to be completed by December of this year. Apartment construction should commence this month with substantial completion by December 2023.

Attachments:

- Omnibus Resolution Approving:
 - Agreement for the Redevelopment of Land pursuant to the East Irving Park Tax Increment Redevelopment Plan (Residential Development)
 - Public Improvements Agreement for the Redevelopment of Land pursuant to the East Irving Park Tax Increment Redevelopment Plan (Garage Redevelopment)
 - A Purchase and Sale Agreement for the Development of a Parking Garage
 - A Declaration of Easement for the Metro 19 development
 - An Agreement to Construct and Lease upon Completion (Garage Redevelopment)
 - A Parking Garage Lease, Operating and Maintenance Agreement between 400 Garage, LLC, and the owner of the parking garage
 - Subdivision Improvement Agreement for Residential Building
 - Subdivision Improvement Agreement for Parking Garage
- Resolution approving a final plat of subdivision for the Metro 19 apartments.
- Ordinance approving a final development plan for a planned unit development in the B-3 Town Center Zoning District.

RESOLUTION NO. 2022-

AN OMNIBUS RESOLUTION AUTHORIZING THE MAYOR TO SIGN AND DIRECTING THE VILLAGE CLERK TO ATTEST TO AGREEMENTS AND DOCUMENTS APPROVING THE METRO 19 REDEVELOPMENT PROJECT

RECITALS

WHEREAS, 400 Roselle, LLC, proposed a residential/public parking garage plan unit redevelopment in the East Irving Park Road Tax Increment Financing District in Village of Roselle (hereinafter “Redevelopment”); and

WHEREAS, the Redevelopment was originally described and legally encompassed in a redevelopment agreement between the Village of Roselle (hereinafter “Village”) and 400 Roselle, LLC, approved by Resolution No. 2021-2354 (hereinafter “Original RDA”); and

WHEREAS, 400 Roselle, LLC, and the Village determined, after approval of the Original RDA, that it would be in the best interests of the parties to separate the Redevelopment rights and obligations for the development of the residential component of the redevelopment (hereinafter, the “Residential Project”) from the public garage redevelopment (hereinafter, the “Garage Project”) to maximize financing flexibility; and

WHEREAS, adding the new party, 400 Garage, LLC, to the development project, by agreement of Roselle Metra 19, Roselle Garage, LLC, and the Village, constitutes a novation of the original RDA; and

WHEREAS, this omnibus resolution recognizes the importance of maintaining legal documents associated with the redevelopment, interrelated in terms of their operation, but which establish different rights and duties amongst the three parties; and

WHEREAS, the Village, 400 Roselle, LLC, and 400 Garage, LLC, wish to enter into two redevelopment agreements and associated documents to accomplish the overall purpose of the redevelopment while segregating the rights and duties of the Village, 400 Roselle, LLC, and 400 Garage LLC; and

WHEREAS, the use of an omnibus resolution to accomplish the foregoing will facilitate: the closing and effectuation, and management of the various requirements of the redevelopment documents while accomplishing the original purpose and intent of the Redevelopment; and

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

authorized to sign and the Village Clerk is hereby directed to attest to the following documents, including all exhibits to those documents attached thereto and appended to them as if fully set forth, where required to effectuate the purpose of the Redevelopment, as follows:

SECTION 1: Exhibit A: Agreement for the Redevelopment of Land pursuant to the Roselle, Illinois, East Irving Park Tax Increment Redevelopment Plan, 400 Roselle, LLC (Residential Development) including (Exhibits A – L);

Exhibit B: Public Improvements Agreement for the Redevelopment of Land pursuant to the Roselle, Illinois, East Irving Park Tax Increment Redevelopment Plan 400 Garage, LLC (Garage Redevelopment), including (Exhibits A – O);

Exhibit C: A Purchase and Sale Agreement for the Development of a Parking Garage, including Exhibit A;

Exhibit D: A Declaration of Easement for the Metro 19 development executed by 400 Roselle, LLC and containing Exhibits A and B;

Exhibit E: An Agreement to Construct and Lease upon Completion (Metro 19 Garage Redevelopment), including Exhibits A – C and a HUD Addendum;

Exhibit F: A Parking Garage Lease, Operating and Maintenance Agreement between 400 Garage, LLC, and the owner of the parking garage, including Exhibits A – C, and a HUD Memorandum of Parking Garage Lease, Operating and Maintenance;

Exhibit G: Subdivision Improvement Agreement for Metro 19 (Residential Building), including Exhibits A and B;

Exhibit H: Subdivision Improvement Agreement for Metro 19 (parking garage) between 400 Roselle Garage, LLC, and the owner of the garage, including Exhibits A – C.

SECTION 2: Resolution No. 2021-2354 and Resolution 2021-2355 adopting a lease for the Garage Project are hereby revoked and terminated in its entirety.

SECTION 3: Resolution No. 2021-4128 and Resolution 2021-4129 is hereby revised as follows: (i) all references to 293 units in the Residential Project are hereby revised to 295 units, (ii) the plans and specifications referenced in the ordinance are updated to refer instead to the final plans and specifications listed on Exhibit A attached hereto and by reference incorporated herein for each project and any inconsistent provision in prior ordinances are hereby revoked and terminated, (iii) all statements to the effect that building permits, zoning approvals and other approvals for the Garage Project and Residential Project are contingent upon each other are hereby revoked and terminated and it is instead recognized that the Garage Project and Residential Project are entirely separate projects and not contingent upon the other project except as provided for in the documents referenced in Section 1 hereof and (iv) the reference to inserting restrictions in leases regarding items kept on tenant balconies facing the public right of way is hereby revoked and terminated.

SECTION 4: All prior resolutions containing provisions inconsistent with this resolution are hereby amended so that such provisions are consistent with this resolution.

SECTION 5: By signing this resolution 400 Roselle, LLC, 400 Garage LLC, or its successor, and the Village agree to correct any inconsistency in any of the foregoing documents and agree to reasonable revisions or amendments in the same necessary to effectuate the general intent and purpose of the redevelopment to correct minor inconsistencies or lacks of clarity. Major inconsistencies will require amendments to the same in conformance with Illinois law.

SECTION 6. Village staff is hereby authorized and directed to undertake any and all actions necessary to effectuate the Village's rights and duties under the foregoing documents.

ADOPTED this _____ day of _____, 2022.

AYES:

NAYS:

ABSTAIN:

ABSENT:

David Pileski, Mayor, Village of Roselle

ATTEST:

Patricia Burns, Village Clerk

400 GARAGE, LLC

Subscribed and Sworn to before me
this ____ day of _____, 2022.

NOTARY PUBLIC

METRO 19, LLC

Subscribed and Sworn to before me
this ____ day of _____, 2022.

NOTARY PUBLIC