



AGENDA ITEM #18

**AGENDA ITEM EXECUTIVE SUMMARY
Village Board Meeting
9/11/2023**

Item Title: **Direction for the Development of Village Owned Property at Southwest Corner of Roselle Rd. and I-390**

Staff Contact: Matthew Galloway, Economic Development Analyst

NEW BUSINESS

VILLAGE BOARD ACTION:

Receive an update on the Village Owned Property located at the southwest corner of Roselle Rd. and I-390 and provide staff direction as to what kind of development is desired at this location, and how to move forward with attracting and selecting a developer or development firm.

Executive Summary:

Since 2016, the Village of Roselle has pursued the development of the property located at the southwest corner of Roselle Rd. and I-390 as follows:

- Request for Qualifications (RFQ) in 2016 and 2021
- Letters of Intent (LOI) with developers in 2019 and 2022
- Continuous direct marketing by staff via online listing sites

Both developers who signed letters of intent did not progress forward with submitting formal redevelopment plans. Throughout the process of trying to develop this property the Village has identified several issues that have impeded development and have worked to address these issues including:

- Wetland delineation (completed in 2022)
- Appraisal of property (completed in 2023)
- Acquisition of 510 N. Roselle Rd. (property under contract)
- Soil analysis (not completed)

In discussions with potential developers, the acquisition of 510 N. Roselle Rd. has come up as part of the overall development site plan. With the Village now in the process of acquiring the property, this will no longer be an impediment to the development discussion. The soil analysis is likely to be a component of any development due diligence period and does not need to be completed prior to marketing the property for development.

In accordance with the Village Board's Strategic Plan, staff is seeking direction on a strategy for redeveloping the property, which is located within the Roselle/Nerge TIF District. While staff has had discussions with two potential developers regarding residential projects on this property; neither has submitted a formal project or requested a Letter of Intent with the Village. In the meantime, staff is evaluating the next steps to encourage the development of the property. Here are the options that staff has identified:

1. Re-issue a Request for Qualifications (RFQ) with updated information and send out to known developers. The Village has completed an RFQ twice for the development of the property with no desired outcomes.
2. Issue a Request for Proposals (RFP) solicitating the development of the property and send out to known developers. An RFP is like an RFQ in that both seek to attract interested and qualified developers; however, an RFP is appropriate when the Village Board has identified a specific type of development with established parameters (density, use, zoning, incentives, etc.). Prior to issuing an RFP, the Village Board will need to provide direction as to the kind of development that is most desired at this location.
3. Issue a Request for Qualifications (RFQ) solicitating Real Estate Brokerage and Marketing Services for the sale and development of the property. Selecting an experienced Real Estate Brokerage firm will help broaden the scope of marketing this property as well as assist the Village in identifying the highest and best use. Staff has marketed this property for over seven (7) years without desired outcomes. While the property continues to be listed through CoStar, a brokerage website, the Village has received very little interest. Having a professional firm manage the sale and marketing of the site will greatly increase the odds of finding a suitable developer for the property.
4. Direct staff to meet with the interested residential developers to discuss next steps in obtaining formal proposals that could be presented at a future Village Board meeting.

The development of the property is time sensitive as it is within the Roselle/Nerge TIF District (TIF 2). TIF 2 was established in 2015 and has 16 years remaining. To maximize the benefits of a TIF District, generating property tax from the development of the property as soon as possible is in the best interest of the Village.

Without knowing what kind of development Village Board desires, staff remains limited in the ability to directly market the property to the proper developers. Staff recommends that the Village Board pursue option 3 and hire a professional firm to manage the marketing of the property if non-residential redevelopment is desirous. Real estate professionals have extensive networks and additional resources that will complement the marketing efforts of staff to potential developers. If only residential development is desirous, staff would recommend option 4.

Implications:

Is this item budgeted? No, however funds from TIF District would be used for compensating a broker.

Estimated cost: N/A.

Any other implications to be considered? N/A

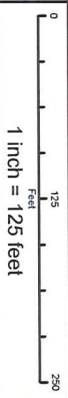
Strategic Priority:

Focused Redevelopment

Attachments:

Wetland Map

NOTE: AERIAL PHOTOGRAPH TAKEN FROM NEARMAP, DATED: OCTOBER 1, 2021



CLIENT:

VILLAGE OF ROSELLE

TITLE:

**APPROXIMATE
WETLAND DELINEATION**

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CHRISTOPHER B. BURKE Engineering, Ltd.
9575 W. Higgins Road, Suite 600, Rosemont, Illinois 60018 (847)823-0500

DSGN.	KEK	SCALE:	1" = 125'
DWN.	KEK	USER:	Kkopija
CHKD.	TGM	PLOT DATE:	3/29/2022
FILE NAME:	220185_AWD		

CBBEL# 22-0185
DATE: 3/29/2022

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