

VILLAGE OF LOMBARD
REQUEST FOR BOARD OF TRUSTEES ACTION
For Inclusion on Board Agenda

X Resolution or Ordinance (Blue) ___ Waiver of First Requested
___ Recommendations of Boards, Commissions & Committees (Green)
___ Other Business (Pink)

TO : PRESIDENT AND BOARD OF TRUSTEES

FROM: Scott R. Niehaus, Village Manager

DATE : March 16, 2021 **(BOT) Date:** March 18, 2021

SUBJECT: An Ordinance Authorizing an Economic Incentive Agreement for the Hoffmann Development, Comprising a Part of the Butterfield-Yorktown TIF District and a Part of the Butterfield Road/Yorktown Business District No. 2 of the Village of Lombard, Illinois

SUBMITTED BY: William J. Heniff, AICP, Director of Community Development *WJH*

BACKGROUND/POLICY IMPLICATIONS:

The ECDC considered an Economic Incentive Agreement request on December 14, 2020, and March 11, 2021 and recommended that Staff and Counsel craft an Incentive Agreement for the project, subject to conditions.

The attached Ordinance approves an Economic Incentive Agreement between the Village and Hoffmann 600 Lombard, LLC, and Illinois limited liability company (the "Developer"), pursuant to which the Developer will acquire title to an approximately 27.55 acres parcel of property, located at 600-690 East Butterfield Road (the "Property") and redevelop the Property with a project consisting of a Golf Social location, a full-service sit down restaurant (e.g. Moretti's Italian restaurant), a fuel center, related ancillary retail and service commercial uses, potentially up to 400 future multifamily dwelling units, and a connection road between Butterfield Road and 22nd Street (the "Project"), with the projected costs of the Project, including the costs of the acquisition of the Property, being estimated to be \$159,000,000, and the Village will reimburse the Developer for TIF and Business District Eligible Redevelopment Costs incurred by the Developer in furtherance of the Project, in the principal amount of not to exceed \$27,500,000, over a 16 year period, with said reimbursement to be made solely from a portion of the TIF incremental revenues generated by the Property, and from a portion of the general sales taxes, business district sales taxes, places for eating taxes and amusement taxes that are generated by the businesses that operate on the Property as part of the Project. In the event that the Property is removed from Lombard Business District No. 2 at a future date (which has been requested by the Developer), the reimbursement to the Developer will occur over an 18 year period, and business district sales taxes will not be used as part of the reimbursement.

Please place this petition on the March 18, 2021 Board of Trustees agenda.

Fiscal Impact/Funding Source:

Finance Director _____ Date _____
Village Manager *Scott R. Niehaus* _____ Date *3/17/21*