

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

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

TO: PRESIDENT AND BOARD OF TRUSTEES

FROM: William T. Lichter, Village Manager

DATE: April 11, 2007 (B of T) Date: April 19, 2007

TITLE: 129 & 143 W. St. Charles Road

SUBMITTED BY: Department of Community Development *WTL*

BACKGROUND/POLICY IMPLICATIONS:

The Department of Community Development transmit for your consideration an ordinance authorizing a Second Amendment to Redevelopment Agreement between the Village and Norwood-Lombard LLC in regard to the redevelopment of the property commonly known as 129 and 143 W. St. Charles Road, and authorizing the sale of said property in relation thereto. (DISTRICT #1)

Staff recommends approval of this request.

Staff is requesting waiver of first reading.

Fiscal Impact/Funding Source:

Review (as necessary):

Village Attorney X _____ Date _____
Finance Director X _____ Date _____
Village Manager X W.T. Lichter Date 4/12/07

NOTE: All materials must be submitted to and approved by the Village Manager's Office by 12:00 noon, Wednesday, prior to the Agenda Distribution.



MEMORANDUM

TO: William T. Lichter, Village Manager

FROM: David A. Hulseberg, AICP, Assistant Village Manager/Director of Community Development *DH*

DATE: April 19, 2007

SUBJECT: Second Amendment to the Redevelopment Agreement between the Village and Norwood-Lombard LLC (129 & 143 W. St. Charles Road)

The proposed second amendment would modify the agreement between the Village and Norwood-Lombard LLC relative to the Lincoln Place development at 141 W. St. Charles Road/1 S. Lincoln Avenue. The agreement was originally adopted on March 6, 2003 and subsequently amended on July 19, 2003. Staff completed an analysis of the projected TIF revenue that will be generated by the development based upon 2005 assessed values for the occupied units. Using conservative assumptions, it appears as though the project will exceed the minimum TIF revenues required by the agreement and, as such, a letter of credit is no longer necessary. The second amendment releases the Village and the Lombard Park District from any liability relative to underground storage tanks and releases the developer from a letter of credit requirement. The amendment also clarifies the termination date of the agreement as December 31, 2011.

ACTION REQUESTED

Staff recommends that the Village adopt the attached Ordinance and that the President and Village Clerk are authorized to sign the Second Amendment to the Redevelopment Agreement with Norwood-Lombard LLC. Staff also requests a waiver of first reading.

D. Pursuant to and in accordance with the Act, on June 6, 2002, the corporate authorities of the Village adopted Ordinance Number 5145, entitled "An Ordinance Amending Ordinance No. 3121, Adopted February 2, 1989, and the Redevelopment Plan and Project Attached Thereto as Exhibit "B", in Regard to the Termination Date for the Village of Lombard's Downtown Tax Increment Financing District," for the VILLAGES DOWNTOWN TIF DISTRICT, by which the termination date for the

C. Pursuant to its powers and in accordance with the TIF ACT, on February 2, 1989, the corporate authorities of the VILLAGES adopted Ordinance Numbers 3121, 3122 and 3123, in accordance with the TIF ACT, approving a tax increment redevelopment plan and project, designating a tax increment redevelopment project area and adopting tax increment financing relative to the VILLAGES' downtown area tax increment financing district (hereinafter referred to as the "DOWNTOWN TIF DISTRICT") for redevelopment and revitalization of a portion of the corporate limits of the VILLAGES, which property is legally described on EXHIBIT A attached hereto and made part hereof (hereinafter referred to as the "REDEVELOPMENT PROJECT AREA").

B. The State of Illinois has adopted tax increment financing pursuant to the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as from time to time amended (hereinafter referred to as the "TIF ACT").

A. The Village of Lombard (hereinafter referred to as the "VILLAGES") is a non-home rule municipality pursuant to Section 7 of Article VII of the Constitution of the State of Illinois.

SECTION 1: The President and Board of Trustees of the Village find as follows:

Lombard, DuPage County, Illinois, as follows:

BE IT ORDAINED, by the President and Board of Trustees of the Village of

AN ORDINANCE AUTHORIZING A SECOND AMENDMENT TO REDEVELOPMENT AGREEMENT BETWEEN THE VILLAGES AND NORWOOD-LOMBARD LLC IN REGARD TO THE REDEVELOPMENT OF THE PROPERTY COMMONLY KNOWN AS 129 AND 143 WEST ST. CHARLES ROAD, AND AUTHORIZING THE SALE OF SAID PROPERTY IN RELATION THERETO

ORDINANCE NO. _____

DOWNTOWN TIF DISTRICT was extended to December 31, 2011, subject to the receipt of 2011 incremental real estate tax revenues during 2012.

E. The VILLAGE and the DEVELOPER previously entered into a Redevelopment Agreement, as approved by Ordinance Number 5260 adopted March 6, 2003, and dated March 6, 2003, (hereinafter referred to as the "ORIGINAL AGREEMENT"), pursuant to which the VILLAGE and the DEVELOPER agreed to certain terms and conditions relative to the redevelopment of a portion of the REDEVELOPMENT PROJECT AREA.

F. The VILLAGE and the DEVELOPER previously entered into a First Amendment to the ORIGINAL AGREEMENT, as approved by Ordinance Number 5312 adopted June 19, 2003, and dated June 19, 2003 (hereinafter referred to as the "FIRST AMENDMENT"), pursuant to which the VILLAGE and the DEVELOPER agreed to certain amendments to the terms and conditions set forth in the ORIGINAL AGREEMENT for the redevelopment of a portion of the REDEVELOPMENT PROJECT AREA (the ORIGINAL AGREEMENT as amended by the FIRST AMENDMENT being hereinafter referred to as the "AMENDED AGREEMENT").

G. The AMENDED AGREEMENT contemplates certain TIF monetary incentives, which are to be provided to the DEVELOPER, by the VILLAGE from TIF incremental revenues generated by the DEVELOPERS redevelopment, through December 31, 2011, and received by the VILLAGE through 2012, said dates being the termination dates for the DOWNTOWN TIF DISTRICT as established by Ordinance Number 5145, adopted June 6, 2002, as referenced in subsection D above.

H. Pursuant to and in accordance with the Act, on January 18, 2007, the corporate authorities of the VILLAGE adopted Ordinance Number 5981, entitled "An Ordinance Amending Ordinance No. 3121, Adopted February 2, 1989, as Amended by Ordinance No. 5145 Adopted June 6, 2002, and the Redevelopment Plan and Project Attached Thereto as Exhibit "B", in Regard to the Termination Date for the Village of Lombard's DOWNTOWN Tax Increment Financing District and Redevelopment During the Extended Life of Said Tax Increment Financing District Beyond its Original Termination Date," for the VILLAGE'S DOWNTOWN TIF DISTRICT, by which the termination date for the DOWNTOWN TIF DISTRICT was extended to December 31, 2023, subject to the receipt of 2023 incremental real estate tax revenues during 2024 (hereinafter referred to as the "TIF PLAN AMENDMENT").

1. The DEVELOPER and the VILLAGE desire to further amend the AMENDED AGREEMENT to:

1. Release the VILLAGE and the Lombard Park District from any liability, monetary or otherwise, relative to the underground storage tanks encountered by the DEVELOPER while engaging in redevelopment activity pursuant to the AMENDED AGREEMENT;

2. Release the DEVELOPER from the letter of credit requirement imposed upon the DEVELOPER pursuant to the AMENDED AGREEMENT; and

3. Clarify the termination date of the AMENDED AGREEMENT as December 31, 2011, notwithstanding the further extension of the life of the DOWNTOWN TIF DISTRICT as referenced in subsection H above;

(hereinafter referred to as the "AGREEMENT REVISIONS").

J. As a result of the foregoing, the VILLAGE and the DEVELOPER are in agreement that it is necessary to further amend the AMENDED AGREEMENT to put the AGREEMENT REVISIONS in place.

K. The amendment to the AMENDED AGREEMENT attached hereto as EXHIBIT B and made part hereof (hereinafter referred to as the "SECOND AMENDMENT") amends the AMENDED AGREEMENT to put the AGREEMENT REVISIONS in place.

L. In accordance with the TIF ACT it is in the best interest of, the VILLAGE to approve the SECOND AMENDMENT, so that the AGREEMENT REVISIONS can be put in place and redevelopment within the DOWNTOWN TIF DISTRICT can continue.

SECTION 2: Based upon the foregoing, and pursuant to the TIF ACT, the

SECOND AMENDMENT attached hereto as EXHIBIT B is hereby approved, and the President and Clerk of the VILLAGE be and they are hereby authorized and directed to execute and deliver said SECOND AMENDMENT attached hereto as EXHIBIT B.

SECTION 3: That this Ordinance shall be in full force and effect from and after

its passage, approval and publication in pamphlet form as provided by law.

Passed on first reading this _____ day of _____, 2007.

First reading waived by action of the Board of Trustees this _____ day of

_____, 2007, pursuant to a roll call vote as follows:

Passed on second reading this _____ day of _____, 2007.

AYES:

NAYS:

ABSENT:

APPROVED by me this _____ day of _____, 2007.

William J. Mueller
Village President

ATTEST:

Brigitte O'Brien
Village Clerk

Published by me in pamphlet form this _____ day of _____, 2007.

Brigitte O'Brien
Village Clerk

EXHIBIT A

**DOWNTOWN LOMBARD TIF DISTRICT
REDEVELOPMENT PROJECT AREA LEGAL DESCRIPTION**

**(as revised to take into account consolidations and
resubdivisions since the formation of the TIF District in 1989)**

LOTS 1 AND 2 OF THE RESUBDIVISION OF LOT 6 OF BLOCK 27 OF THE ORIGINAL TOWN TO LOMBARD, LOTS 1, 2, 3, AND 4 OF THE ORIGINAL TOWN OF LOMBARD, LOTS 1, 2, 3, THE NORTH 25 FEET OF LOT 4, 6, 7, 8, 9, 10, 11, 12, 13, 14 IN CAVERN'S SUBDIVISION, LOT 1 IN LOMBARD BIBLE CHURCH CONSOLIDATION PLAT, LOT 1 IN THE VILLAGE OF LOMBARD MAPLE STREET PLAT OF CONSOLIDATION, LOTS 1, 2, 3, 4, AND 5 IN OWNER'S SUBDIVISION IN BLOCK 18 OF THE ORIGINAL TOWN OF LOMBARD, LOTS 1, 2, 3, 4, 5, 6, AND 7 IN BLOCK 11 OF THE ORIGINAL TOWN OF LOMBARD, LOTS 3, 4, 5, 6, 7, AND 11 IN BLOCK 10 OF THE ORIGINAL TOWN OF LOMBARD, LOTS 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, AND 18 IN GROVE PARK SUBDIVISION 1ST ADDITION, LOTS 2, 3, 4, 5, 6, 7, 8, 9, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, AND 28 IN GROVE PARK SUBDIVISION, LOTS 1 AND 2 IN TIMKE'S RESUBDIVISION, LOTS 1, 2, 3, 4, AND 5 IN GROVE STREET ASSESSMENT PLAT, LOT 1 OF THE BELFAST CONSOLIDATION PLAT, LOT 43 EXCEPTING THE NORTH 20 FEET THEREOF IN ORCHARD SUBDIVISION, ALL OF THE LINCOLN TERRACE CONDOMINIUM, LOTS 1, 2, AND 3 IN THE SUBDIVISION OF OUTLOT 10 IN BLOCK 19 IN THE ORIGINAL TOWN OF LOMBARD, LOTS 4 AND 5 OF BLOCK 19 OF THE ORIGINAL TOWN OF LOMBARD, LOTS 5, 6, AND 7 OF J.B. HULL'S SUBDIVISION OF LOT 3 OF BLOCK 19 OF THE ORIGINAL TOWN OF LOMBARD, LOTS 1 AND 2 OF BLOCK 19 OF THE ORIGINAL TOWN OF LOMBARD, LOTS 1, 2, AND 3 IN ZITTS RESUBDIVISION, LOT 2 IN PARK VIEW POINTE RESIDENTIAL CONDOMINIUM, ALL OF PARK VIEW POINTE COMMERCIAL CONDOMINIUM, LOT 1 IN PARK VIEW POINTE RESUBDIVISION, LOTS 8, 9, 10, AND 11 IN HULL'S J.B. SUBDIVISION PART OF BLOCK 11 AND PART OF OUTLOT 4 OF THE ORIGINAL TOWN OF LOMBARD, LOTS 10 AND 11 IN PARK MANOR CONDOMINIUM, ALL CHICAGO & NORTHWESTERN RAILROAD RIGHT-OF-WAY AND ALL PUBLIC RIGHTS-OF-WAY ADJACENT TO THE ABOVE-DESCRIBED PROPERTY ALL BEING IN THE NORTHEAST QUARTER OF SECTION 7, TOWNSHIP 39 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN IN DUPAGE COUNTY, ILLINOIS.

OF THAT PART OF BLOCK 22 OF THE ORIGINAL TOWN OF LOMBARD DESCRIBED BY BEGINNING AT A POINT ON THE EAST LINE OF MAIN STREET, 499.0 FEET NORTH OF THE SOUTHWEST CORNER OF SAID BLOCK 22 AND RUNNING THENCE EASTERLY TO A POINT ON THE CENTER LINE OF SAID BLOCK 22 THAT IS 386.6 FEET TO THE SOUTHERLY LINE OF SAID PARKSIDE AVENUE; THENCE SOUTHWESTERLY ALONG THE SOUTHERLY LINE OF SAID PARKSIDE AVENUE TO THE EAST LINE OF MAIN STREET; THENCE SOUTH ON

THE EAST LINE OF MAIN STREET, 291.85 FEET TO THE PLACE OF BEGINNING, LOTS 1, 2, AND 3 IN JAMES' SUBDIVISION OF PART OF BLOCK 22 OF THE ORIGINAL TOWN OF LOMBARD, LOTS 28, 29, 30, AND 31 OF PART OF BLOCK 22 IN N. MATSON & OTHERS RESUBDIVISION, LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, AND 13 IN BLOCK 17 OF THE ORIGINAL TOWN OF LOMBARD, LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, AND 14 IN BLOCK 16 OF THE ORIGINAL TOWN OF LOMBARD, LOTS 1, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, AND 18 IN BLOCK 12 OF THE ORIGINAL TOWN OF LOMBARD, REGENCY GROVE CONDOMINIUMS, LOTS 1, 2, 3, 5, 6, 7, 8, 9, 10, 12, 13, 14, 15 IN BLOCK 18 OF H. O. STONE & COMPANY'S ADDITION TO LOMBARD, LOMBARD TOWER CONDOMINIUMS, CHARLOTTE-GARFIELD CONDOMINIUMS, INCLUDING ALL CHICAGO & NORTHWESTERN RAILROAD RIGHT-OF-WAY AND ALL PUBLIC RIGHTS-OF-WAY ADJACENT TO THE ABOVE-DESCRIBED PROPERTY ALL BEING IN THE NORTHWEST QUARTER OF SECTION 8, TOWNSHIP 39 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN ALL IN DUPAGE COUNTY, ILLINOIS.

**SECOND AMENDMENT TO REDEVELOPMENT AGREEMENT
FOR THE LILAC SQUARE DEVELOPMENT
COMPRISING A PART OF THE DOWNTOWN TIF DISTRICT
OF THE VILLAGE OF LOMBARD, DUPAGE COUNTY, ILLINOIS**

THIS SECOND AMENDMENT TO REDEVELOPMENT AGREEMENT is between the Village of Lombard, DuPage County, Illinois, a municipal corporation (hereinafter referred to as the "Village") and Norwood-Lombard LLC, an Illinois limited liability company (hereinafter referred to as "Developer"), and is dated this ____ day of _____, 2007.

WITNESSETH:

WHEREAS, pursuant to Ordinance No. 5260, adopted March 6, 2003, the Village and the Developer entered into a "Redevelopment Agreement for the Lilac Square Development Comprising a Part of the Downtown TIF District of the Village of Lombard, DuPage County, Illinois" (hereinafter referred to as the "Redevelopment Agreement"); and

WHEREAS, pursuant to Ordinance No. 5312, adopted June 19, 2003, the Village and the Developer entered into a "First Amendment to Redevelopment Agreement for the Lilac Square Development Comprising a Part of the Downtown TIF District of the Village of Lombard, DuPage County, Illinois" (hereinafter referred to as the "First Amendment") (the Redevelopment Agreement as amended by the First Amendment being hereinafter referred to as the "Amended Agreement"); and

WHEREAS, the Developer and the Village desire to further amend the Amended

Agreement to:



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A. Release the Village and the Lombard Park District from any liability, monetary or otherwise, relative to the underground storage tanks encountered by the Developer while engaging in redevelopment activity pursuant to the Amended Agreement;

B. Release the Developer from the letter of credit requirement imposed upon the Developer pursuant to the Amended Agreement; and

C. Clarify the termination date of the Amended Agreement as December 31, 2011, notwithstanding the further extension of the life of the Downtown TIF District pursuant to Ordinance No. 5981, adopted January 18, 2007;

(hereinafter referred to as the "Agreement Revisions").

WHEREAS, the Developer and the Village desire to further amend the Amended Agreement to put the Agreement Revisions in place; and

WHEREAS, it is in the best interests of the Village and the Developer to make the necessary amendments to the Amended Agreement to put the Agreement Revisions in place;

NOW, THEREFORE, in consideration of the foregoing, and other good and

valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. That Section IV.C. of the Amended Agreement is hereby amended to read in its entirety as follows:

"Developer shall be solely and exclusively responsible for any and all costs and expenses related to any underground storage tanks encountered by the Developer on either the Village Parcel or the Park District Parcel, and in furtherance thereof, the Developer does hereby, release, remise and forever discharge and hold harmless the Village and the Lombard Park District, and their respective past and present officials, officers, agents, servants and employees, and their heirs, executors, administrators or legal or personal representatives, (hereinafter referred to as the "Released Parties"), of and from any and all claims, debts, demands, obligations and/or causes of action, if any, of every kind and nature that Developer has or may have against the Released Parties, whether known or unknown, foreseeable or not, including any claim Developer might have, directly or indirectly, for attorney's fees and/or

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costs, against said Released Parties of and from all claims, demands or causes of action, if any, for injury or damage to persons or property growing out of, relating to or arising from the presence of, removal of and/or any environmental remediation in relation to any underground storage tanks of any kind whatsoever located, or previously located at any time, on the Village Parcel or the Park District Parcel. This subsection C shall survive the termination of this Agreement."

2. That Sections V, B, and C., and Exhibits 8 and 10, of the Amended Agreement are hereby deleted.

3. That Section X. of the Amended Agreement is hereby amended by revising the words, "at the termination of the Village's Downtown T.I.F. District as required by the Act," to read, "on December 31, 2011."

4. That all other provisions of the Amended Agreement not amended hereby shall remain in full force and effect as if set forth fully herein.

VILLAGE OF LOMBARD,
a municipal corporation

NORWOOD-LOMBARD LLC,
an Illinois limited liability company

By: William J. Mueller,
Village President

By: Bruce J. Adreani,
President
of Norwood Construction, Inc.,
Manager of Norwood-Lombard LLC

ATTEST:

Brigitte O'Brien,
Village Clerk