

To: Honorable President and Board of Trustees
From: William T. Lichter, Village Manager
Date: March 24, 2005
Subject: Redevelopment of the DuPage Theatre

Pursuant to direction from the Board of Trustees at the meeting of December 2, 2004, the DuPage Theatre Foundation was notified that it was in default under terms of the DuPage Theatre Redevelopment Agreement. Under the Agreement, the Foundation thereafter had 60 days to cure the default. The 60-day period terminated on March 4, 2005 without the default having been cured by the Foundation.

The DuPage Theatre Foundation has submitted a new proposal for redevelopment of the theatre. It is my understanding that the Foundation is prepared to present that proposal at the April 7th meeting. A copy of the proposal was forwarded to the Village Board under separate cover, and is available for public review.

Given that the cure period has ended, what follows are two possible options for further action:

1. Direct staff to advise the DuPage Theatre Foundation that the Redevelopment Agreement is null and void, pursuant to the issuance of a notice of termination as required by the Redevelopment Agreement.
2. Given that the DuPage Theatre Foundation is prepared at the meeting of April 7th to present a new proposal for redevelopment of the DuPage Theatre, continue until a future meeting a decision on whether to proceed with the termination notice so that there will be sufficient time to review the new proposal.

Staff is prepared to proceed based upon direction from the Board of Trustees.