

REVISED MEMORANDUM

TO: William T. Lichter, Village Manager

FROM: David A. Hulseberg, AICP, Director of Community Development

DATE: December 18, 2003

SUBJECT: **PC 03-33: Elmhurst Memorial Lombard Health Center Planned Redevelopment Agreement**

Pursuant to the previously forwarded Ordinances for the above-referenced case, please find attached the companion development agreement for the subject property and an associated ~~Resolution~~ ordinance authorizing the Redevelopment Agreement providing for the sale of the property commonly known as 10 and 24 W. Maple and the acquisition of the property commonly known as 29-37 E. St. Charles Road.

The attached agreement consists of four basic parts:

Basic Agreement

- Elmhurst Memorial Healthcare (EMHC) constructs the proposed medical office facility per the terms of the agreement and in accordance with the approved site plans and conditions.
- The Village constructs the associated public improvements adjacent to the proposed development. The costs associated with said improvements shall be borne by EMHC at a rate of \$250 per linear foot.
- The property is within the boundary of the Downtown Lombard Tax Increment Financing District. EMHC shall be entitled the proportionate share of the tax increment generated by the proposed development. For reference purposes, the projected equalized assessed valuation (EAV) for the redevelopment project will be about \$7,563,000, which projects to \$47,700 in additional annual tax assessment. Subtracting the existing assessment of \$16,000, the project would create an additional assessment of \$31,770 annually for each year of the remaining seven year period of the TIF (2005-2012).

As you are aware the Village has previously received a commitment from Metra for Congestion Mitigation & Air Quality (CMAQ) funds to construct a commuter parking lot on the Hammerschmidt property as well as the DuPage Theatre parking lot. While the Village is currently putting the Theatre portion of the improvements on hold until a

definitive plan has been approved for the overall site, the agreements still assume that the Hammerschmidt lot can still proceed forward. The agreement include a termination option that will allow the Village to cancel this phase of the project should the CMAQ funds not become available. If this occurs, EMHC can either make construct or a contribution to pay for construction of the Maple Street lot spaces elsewhere or not proceed with the project.

Exchange Agreement

- The Village sells EMHC the 10 W. Maple Street vacant lot and 24 W. Maple Street property (a.k.a., the Maple Street Commuter Parking Lot).
- EMHC acquires the property at 29-37 E. St. Charles Road (a.k.a., the Ladehoff or Hammerschmidt Property) and will be responsible for addressing the outstanding Village liens on the property.
- EMHC pays the Village \$225,000 for the 10 & 24 W. Maple properties.

Library Agreement

- The Village acquires via a cross-access and parking agreement 44 parking spaces on the 24 W. Maple site for the use and benefit of the Plum Library, as depicted on the attached plan.
- The parking area is limited by the agreement to preclude additional medical activities.
- EMHC is responsible for maintenance of the lot. The library shall pay a proportionate share of the maintenance costs associated with the 44 parking spaces.

Lease Agreement

The Village shall be able to lease the Maple Street commuter lot from EMHC until July 1, 2004 for commuter parking purposes. This provision shall expire should the proposed Hammerschmidt parking lot be constructed prior to July 1, 2004.

ACTION REQUESTED

In addition to approving the second reading of the associated Ordinances, staff also requests approval of the attached redevelopment agreement.