

VILLAGE OF DOWNERS GROVE
Report for the Village Council Meeting
10/2/2018

SUBJECT:	SUBMITTED BY:
Facilities Sustainability Plan	David Fieldman Village Manager

SYNOPSIS

A discussion of the offer to purchase and redevelop a portion of the Civic Center property as part of the Village Facilities Sustainability Plan.

STRATEGIC PLAN ALIGNMENT

The goals for 2017-2019 include *Steward of Financial, Environmental and Neighborhood Sustainability and Exceptional Municipal Services*. *Creating a Facilities Sustainability Plan* has been a priority action item in previous Long Range Plans.

FISCAL IMPACT

N/A

RECOMMENDATION

Action at the discretion of the Council. Options for potential next steps are included in the Background section below.

BACKGROUND

In June 2017, after a lengthy discussion of the Facilities Sustainability Plan, the Village Council directed that the Village:

- In 2019, reevaluate options for the replacement of the Police Station and Village Hall with a new building in conjunction with a private sector redevelopment project.
- Maintain the existing buildings at the lowest cost possible until replacement options are reevaluated.
- Continue saving money now to be used for building improvements in 2019 and beyond.

More information about Village Facilities Planning can be found here:

<http://www.downers.us/govt/village-managers-office/facility-sustainability-plan>

On September 26, 2018 Location Finders International (LFI) submitted an unsolicited written offer to purchase a portion of the Village-owned Civic Center property for \$8 million and redevelop the property with a medical office facility as shown in [the 2017 proposal](#). The offer to purchase approximately 5 acres of land on the western portion of the Civic Center includes the following key terms:

We propose to purchase said property for \$8M.

The land shall be able to accommodate the development of a 50-60,000sf Medical Office Building and in substantial conformance with previous site plans.

The site configuration is negotiable depending on the village development plans, retention of existing commuter parking, disposition of ROW or other parameters deemed critical to the council.

We would retain the right to develop ancillary uses on any excess property.

We agree to the formation of a TIF district to the benefit of the village.

We ask direction by the council to negotiate final terms and development framework with staff as soon as possible.

Staff has identified the following four options for Council consideration for next steps.

Option A - Continue with the Current Village Facilities Plan. Under this option, the Village Council would not further consider LFI's offer at this time. The 2019-2021 Village Council would begin discussions of the Facilities Plan in May 2019.

Option B - Direct Staff to Negotiate the Key Terms of a Redevelopment Agreement with LFI. Under this option, staff would work with LFI to prepare the key terms of a redevelopment agreement. The key terms would be presented to the Village Council for review and consideration at a future meeting. As part of the negotiation, staff would update the Village facilities cost estimate and revenue projection. Selecting this option would not obligate the Village to approve a redevelopment agreement with LFI nor would it preclude the Council from pursuing any of the other options at a future date.

Option C - Seek Updated Proposals from the Other 3 Proposers. Under this option, staff would notify the three other developers which submitted proposals to the Village's Facilities RFP in 2017 that they have the opportunity to revise or update their original proposals. All proposals would be presented to the Village Council for review and consideration at a future date.

Option D - Begin Facilities Planning Efforts Now. Under this option, the Village would start facilities planning efforts in the near future, as opposed to commencing these efforts in May 2019. The Council could direct staff to prepare a Request for Proposals open to all developers, not just the four developers which submitted proposals in 2017.

ATTACHMENTS

Email from Marty Burke of Location Finders International

Dave, per our conversations below please find a revised offer for the land on the western portion of the village complex of approximately 5 acres.

We propose to purchase said property for \$8M.

The land shall be able to accommodate the development of a 50-60,000sf Medical Office Building and in substantial conformance with previous site plans.

The site configuration is negotiable depending on the village development plans, retention of existing commuter parking, disposition of ROW or other parameters deemed critical to the council.

We would retain the right to develop ancillary uses on any excess property.

We agree to the formation of a TIF district to the benefit of the village.

We ask direction by the council to negotiate final terms and development framework with staff as soon as possible.

We appreciate your quick response on this request look forward to Tuesday's meeting. In the meantime if you have any questions please don't hesitate to call me.

Sincerely,

Martin T. Burke
Partner



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