

## Roosevelt Road Hotel Properties

### **Frequently Asked Questions**

Updated 11.15.2023

#### SITE INFORMATION

#### 1. What is the size of the of the hotel site?

The site consists of six parcels and the Exmoor Avenue right-of-way. In total, the site is 2.2 acres with frontage on both Roosevelt Road and Taft Avenue.

# Rocsest Ril 631 651 661 675-677 681

## 2. What about the current buildings on the site?

There are two buildings on the site – a third building was previously demolished. The eastern building is two stories and the western building is a combination of two and three stories. Each building is approximately 20,000 square feet for a total of 40,000 square feet. Both buildings are currently vacant.

#### 3. What is the current zoning?

The property is currently zoned C3 commercial zoning which allows for a wide range of autooriented commercial uses. Residential uses are not permitted within the C3 district and would require a rezoning of the site.

#### 4. What is the Comprehensive Plan designation?

The adopted 2023 Comprehensive Plan notes the Village should encourage coordinated redevelopment for more efficient use of the site internally and fronting Roosevelt Road, to foster a vibrant development that would leverage commercial activity along the corridor. Uses that leverage the neighborhood asset of a beautiful park across the street should also be considered.

#### 5. Is the property within a Tax Increment Financing (TIF) District?

Yes, the properties are located within the boundaries of the Roosevelt Road TIF District, which was established in 2013. For more information on the TIF, click here.

#### 6. What are the current site constraints that may impact redevelopment?

The site has many challenges. The frontage along Roosevelt Road is limited at approximately 125 feet. The frontage along Taft Avenue is more significant (850') but less desireable from a

commercial standpoint. Exmoor Avenue is public right-of-way that splits the property. A large storm water structure is located underneath Exmoor, which will necessitate maintaining an easement overtop the structure. This easement cannot be built upon, restricting potential building layouts. Roosevelt Road is a state route and access is controlled by the Illinois Department of Transportation (IDOT). Changes to site access to/from Roosevelt Road must be reviewed and approved by IDOT. There is also a significant grade change from the north (Roosevelt) to the south (Taft) of the site, which will impact redevelopment costs and site design.

#### 7. What is the history of the site?

The hotel buildings were constructed in the 1950's and were operated as traditional hotels for several decades. Unfortunately, previous owners of the hotels failed to maintain the buildings and they fell into disrepair. The eastern building sat vacant for several years while the western building was operated as an extended stay hotel. Due to the deteriorated nature of the building it attracted criminal activity. The Village Police Department regularly monitored the properties and were frequently called to address drug activity, vandalism and other illegal activities. The properties were for sale on-and-off for several years. In order to address the ongoing deterioration of the structures and continued criminal activity on the site, the Village stepped in to purchase the properties.

#### 8. Did the Village complete an Environmental Site Assessment (ESA) of the property?

Yes, the Village completed a Phase 1 ESA, which can be viewed <u>here</u>.

#### **PURCHASE**

# 9. Did the Village obtain an appraisal for the site before purchasing it? What did the property appraise for?

Yes, the Village obtained an independent appraisal which can viewed <u>here</u>. The property was appraised at \$2.175 million.

#### 10. When did the Village purchase the properties?

The Village entered into a Purchase and Sale agreement to buy the properties on July 2021. At the time the Village entered into the agreement, there were 19 guests staying on the property. A condition of the sale was that both buildings must be vacant at time of closing. The Village closed on the purchase of the properties on January 12, 2022.

#### 11. What did the Village pay for the properties and how was the purchase funded?

The Village purchased the properties for \$2.85 million. The Village paid for the properties through General Fund Reserves (\$2,000,000), the Corporate Reserve Fund (\$500,000) and the Roosevelt Road TIF Fund (\$350,000).

#### **FUTURE USE**

#### 12. What does the Village plan to do with the site?

The Village hired a consultant, Kon Savoy Consulting Group, to assist the Village Board in evaluating potential uses for the site. Using feedback obtained through the public engagement process and data from the Market Assessment completed by the consultant, the Village Board will evaluate the feasibility of various office, commercial and residential. Kon Savoy assisted the Village in preparing a Request for Proposals (RFP) to solicit development proposals for the site for redevelopment. In conjunction with Kon Savoy, the Village hired CRBE to market the site for sale.

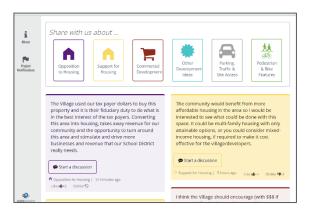
#### 13. Will the Village be demolishing the buildings?

The Village decided to secure the buildings and include the demolition as part of the negotiation with the developers submitting proposals.

#### 14. How is the Village engaging the public?

The Village completed a multi-step public engagement process in order to gather community input on redevelopment alternatives for the site. The process included the following steps:

- a. Community Open House March 7, 2022
- b. Establishment of an Ad Hoc Work Group Conducted multiple Lisetening Sessions during 2022. The Listening Sessions were held on <u>April 6</u>, <u>May 5</u>, <u>June 13</u>, and <u>August 3</u>, 2022.
- c. Completed a Concept Design Charrette on June 22, 2022.
- d. Presentation of Concept Design Charrette Results to Village Board <u>August 15, 2022</u>.
- e. Presentation to Plan Commission of Concepts & Public Comment on October 6, 2022.
- f. Issued a Request for Proposals (RFP) for the site on November 9, 2022
- g. The public was also able to comment through <u>Social Pinpoint</u>. Comments can be filtered based on content and sorted by date or popularity.



## 15. What are the results of the Market Assessment?

The Market Assessment completed by Kon Savoy in partnership with Valerie Kretchmer and Associates identified a demand for small scale commercial uses and a variety of multi-family housing uses. It did not identify a demand for office uses on the site, due to existing available space in the market area. The complete Market Assessment can be viewed <a href="here">here</a>.

#### 16. How did the Village seek interest in the property?

On November 9, 2022, the Village posted the Purchase Offer Submittal Requirements for the Roosevelt Road/Taft Avenue Redevelopment site on the Village <u>website</u>. As the Village's real estate broker for the site, CBRE, also created marketing materials and solicited interest from the development community.

#### 17. Once a developer(s) is selected then what happens?

All development proposals were required to provide a proforma and illustrate what the return on investment the Village would receive for any particular proposal. Once a proposal is decided upon, the selected developer will have to negotiate the purchase of the property from the Village, seek the appropriate zoning approvals and obtain all required building and storm water management permits. There will be a variety of public input opportunities throughout the review and approval process which is typical with many redevelopment projects within the Village.

## 18. There has been some discussion about affordable housing on the site? What is meant by "affordable" housing?

"Affordable housing" is a general term that has many different definitions which can include many different types of housing and populations.

- a. Affordable Housing. Housing that has a value, cost or rental amount that is within the means of a household that may occupy moderate-income or low-income housing. In the case of owner-occupied dwelling units, housing that is affordable means housing in which mortgage, amortization, taxes, insurance, and condominium or association fees, if any, constitute no more than 30 percent of the gross annual household income for a household of the size that may occupy the unit. In the case of dwelling units for rent, housing that is affordable means housing for which the rent and utilities constitute no more than 30 percent of the gross annual household income for a household of the size that may occupy the unit. Source: Affordable Housing Planning and Appeal Act, or PA 93-595
- b. Attainable Housing. There is no universal definition of attainable housing. Some identify the term as equivalent to affordable housing and yet others define it as for-sale housing that is affordable to households with incomes between 80 and 120 of the area median income. Many reports on the US Department of Housing and Urban Development (HUD), website use the terms interchangeably. For the purposes of this memo, attainable housing is defined as equivalent to affordable housing.
- c. Age-in-Place Housing. Diversity of affordable housing in a community that allows residents to remain in their community without losing quality of life and access to familiar community services as they age. Age-in-place and age-in-community are sometimes used interchangeably, however age-in-place is more focused on people remaining in their current homes.
- d. Low-Income Housing. Housing that is affordable, according to the US Department of Housing and Urban Development, for either home ownership or rental, and that is occupied, reserved, or marketed for occupancy by households with a gross household income that does not exceed 50% of the area median household income.

- e. Acheivable or "Missing Middle" Housing. A type of housing classified by both building type and income bracket of residents; consists of duplexes, townhomes, multi-plexes and other multi-family developments scaled to blend within single-family neighborhoods that are also attainable for single persons, couples, and seniors not living within a senior housing development intended for exclusively seniors.
- f. Affordable Senior Housing. A type of affordable multi-family residential housing or housing subsidy intended for use by people of retirement age, typically benchmarked as age 65 or older, within the middle- or low- income brackets; this can include, but is not limited to, housing developments such as independent living communities, assisted living communities, and memory-care facilities for those experiencing declining memory function; may also consist of programs which subsidize housing costs for qualifying residents (age and income).
- g. Workforce Housing. Broadly considered housing which is 'affordable' for moderate or middle income households'; specifically considered housing which is no more than 30% of the household income for those households earning 80-120% of the area median income; usually excludes households which do not qualify for housing subsidies; intended for households to live in the communities in which they work.
- h. Supportive Housing. Supportive housing provides on-site or near-site professional and case management services that assist residents in need of specific support in order to thrive while living independently. These services could range from answering questions and help finding community resources to more complex issues involving intellectual or physical challenges. Educational and social programs are also provided to residents.
- i. Accessible Housing. Housing is accessible when it is close to essential services like public transportation, schools, grocery stores, and medical facilities. Accessible housing is close to community amenities like restaurants, retail stores and libraries. It also includes accessibility in terms of physical access to the building and within the building as well.

#### 19. Does Glen Ellyn have enough "affordable housing"?

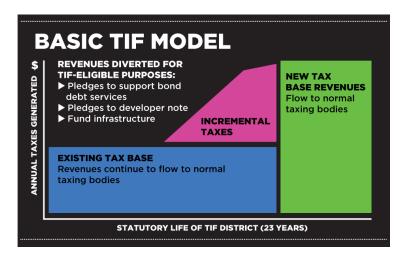
This is a challenging question to answer as what constitutes "enough" affordable housing is subjective. Under Illinois State Law, the Village is required to have 10% of its housing stock qualify as "affordable". Currently, the Village of Glen Ellyn exceeds the State requirement, with a total of 16% of our housing stock being considered "affordable". The Village recently completed a <a href="Housing Study">Housing Study</a> which provided additional information on the existing housing stock in Glen Ellyn and the market demands.

#### 20. What were the taxes on the site prior to the Village acquiring it?

Property taxes were \$60,000 annually.

#### 21. Please explain TIF

Tax Increment Financing (TIF) is a tool provided to local governments to assist them in stimulating investment in areas which have difficulty attracting development or redevelopment. With this tool, local governments can invest in public improvements and provide incentives to attract businesses or help existing businesses expand.



#### 22. What are the boundaries for the Roosevelt Road TIF District?

The district is generally bounded by those commercial properties fronting the north side of Roosevelt Road located between Main Street to the east and Park Boulevard to the west along with those commercial properties between Park Boulevard and Route 53 generally situated between Roosevelt Road and Taft Avenues. Additional information about the Roosevelt Road TIF District can be found on the Village's website <a href="here">here</a>.



#### 23. Were development plans for the site previously turned down by the Village?

No plans were submitted to the Village for proposed redevelopment of the site. As recently as 2020, the eastern most portion on Roosevelt Road was under contract by a commercial real estate broker who was looking for a tenant to purchase and develop the site. The broker did not proceed with a project and ultimately withdrew his offer.

#### 24. Are there pedestrian safety and traffic concerns regarding this site?

Yes, given the site's location along a heavily travelled state route, the Village is especially sensitive to ensuring that any redevelopment of the site incorporate appropriate vehicular access, lighting, and pedestrian accommodations. The Village has taken this approach with other recent redevelopment along the IL-38 Corridor where movement restrictions, sidewalk improvements, and lighting improvements were required. The Village has also learned from past developments that matters such as vehicular queuing of drive-through establishments need to be scrutinized during the design process to avoid queuing into the IL-38 travel lanes. It is also worth noting that given the site's location, any access changes and/or improvements along IL-38 will also involve the Illinois Department of Transportation in the permitting process. The State is similarly sensitive to the aforementioned matters.