

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: Scott R. Niehaus, Village Manager

DATE : July 12, 2023 **(BOT) Date:** July 20, 2023

SUBJECT: Yorktown Reserve Economic Incentive Agreement

SUBMITTED BY: William J. Heniff, AICP, Director of Community Development 

BACKGROUND/POLICY IMPLICATIONS:

The Economic and Community Development Committee recommends approval of a performance based Economic Incentive Agreement (EIA) between the Village and Lombard Development Manager LLC, as developer, to provide for the redevelopment of the existing former Carson's anchor store and perimeter parking lot areas generally located at 230 Yorktown Shopping Center, and comprising a 15.75-acre tract of land. The estimated developer project costs are anticipated to exceed \$200,000,000. Key components of the agreement are as follows:

1. The developer will raze the existing Carson's retail building to construct two multiple-family residential buildings in a phased approach. The Village will provide for Butterfield Yorktown Tax Increment Financing (TIF) funds for up to 17 years, subject to compliance with the Agreement terms and in the following manner:
 - a. For Phase 1, up to \$16,000,000, plus interest, shall be available for reimbursement from increased equalized assessed valuations (EAV) and corresponding property tax revenues generated from and specifically attributable to Phase 1 of the development. The eligible incremental property taxes available for Phase 1 shall be up to 95% for the first four years and up to 75%, until the incentive figure is met or the incentive period ends.
 - b. For Phase 2, up to \$9,639,372, plus interest, shall be available for reimbursement from increased equalized assessed valuations (EAV) and corresponding property tax revenues generated from and specifically attributable to Phase 2 of the development. The eligible incremental property taxes available for Phase 2 shall be up to 50%, until the incentive figure is met or the incentive period ends.
2. A center greenspace commercial courtyard will also be constructed along with companion infrastructure improvements and exterior building façade modifications. The Village will provide for performance-based funding solely utilizing the existing Butterfield Yorktown Business District #2 funds in an amount of up to \$9,198,010, plus interest, for the project component.

Review (as necessary):

Finance Director _____ Date _____

Village Manager  _____ Date 7/13/23