

# **Village of Oak Park: Lake & Forest Site Redevelopment**

Summary of Financial Terms and Conditions, 3/8/10

# Redevelopment Agreement: VOP

---

## New VOP Parking Deck:

\$9.8 million, 100 yr life cycle

- ▶ 300 new spaces
- ▶ **Hard&SoftCosts: \$8.6 MM**  
(\$28,800/space, capped)
- ▶ **Land Cost: \$1.2 MM**  
(\$4,000/space, proportionate share of appraised land value)
- ▶ “land cost” component also nets a more efficient deck footprint; **const. cost savings > \$4,000/space**

## Other VOP Commitments

- ▶ Re-program appraised existing VOP land parcel to hotel development, \$4.2 MM in '08 ('no cash' transaction), to attract a new amenity to VOP
- ▶ Hotel 2 yr capped operating subsidy, **\$500,000** (total) – rebated or refunded via hotel tax.

# Redevelopment Agreement: Developer

---

## Developer Commitments

- ▶ Fully Securing Private Financing for non-VOP parking deck components (\$ 70+ MM)
- ▶ Cap of Parking Deck costs to VOP
- ▶ Allow Village “owner’s rep” during deck construction
- ▶ Full compliance with PUD approvals; construction plans in 9 months
- ▶ Construction Start by 3Q 2011 (18months)
- ▶ Construction Completion by 3Q2013 (36months)
- ▶ If funding not secured or construction not started w/in 18 mos, deal is dead

# Redevelopment Agreement

---

## Options for VOP financing of new parking deck

- ▶ All muni finance options @ VOP discretion
- ▶ GO bonding
- ▶ Revenue/TIF Bonding
- ▶ Timing of funds also @ Village discretion, including funding @ full project 'top-out' to ensure tax revenue generating components are in-place
- ▶ All subject to private financing being first secured
- ▶ Resulting improvements projected to generate approx. \$2.5 MM in annual tax and fee revenues to VOP

# Redevelopment of Lake & Forest Site

---

## Key Points

- ▶ Credible developer
- ▶ First task – secure private finance
- ▶ Village Financial risk is fully mitigated: VOP funding obligations committed only upon construction of all improvements
- ▶ This project will be in place as market recovers
- ▶ Great site location:
  - ▶ Vibrant community
  - ▶ Strong demographics & household incomes
  - ▶ TOD site – close to multiple mass transit options & urban amenities

# Redevelopment of Lake & Forest Site

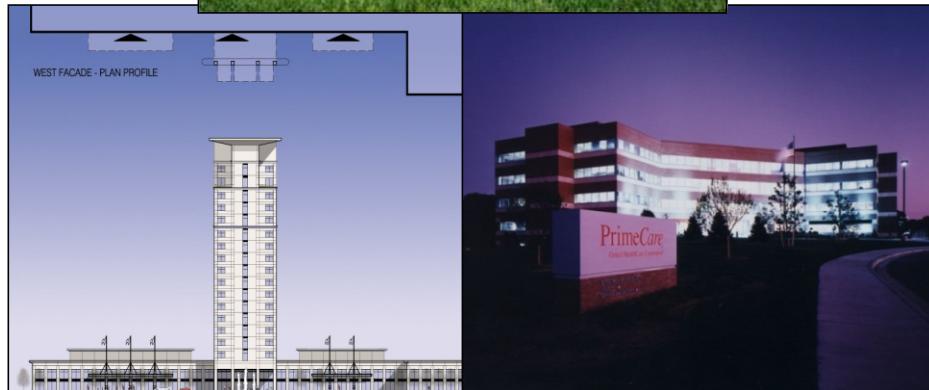
---

## Urban Land Institute 2010 Forecast

- ▶ Recovery in housing within timeframe of this project
- ▶ Locations with the following will be strongest:
  - ▶ Strong sense of place
    - ▶ design, amenities & ‘connectivity’
  - ▶ Urban & Infill sites
  - ▶ Sustainably developed
  - ▶ Mixed Use
- ▶ Lake & Forest site and the proposed Sertus development have the critical attributes that will be required to achieve successful future development as the economy and capital markets recover

# Development Advisors to the Public and Private Sectors

---



- ▶ Real Estate Economics
- ▶ Public-Private Partnerships
- ▶ Developer Solicitation
- ▶ Development Management
- ▶ Public Financing
- ▶ Area Plans & Implementation
- ▶ Fiscal & Economic Impact

221 North LaSalle Street  
Suite 820  
Chicago, IL 60601  
(312) 424-4250  
[www.friedmanco.com](http://www.friedmanco.com)



