AGENDA
President and Board of Trustees
Village of Arlington Heights
Committee-of-the-Whole
Community Room
33 S. Arlington Heights Road, Arlington Heights, IL 60005
September 11, 2017
7:30 PM

I. CALL TO ORDER

II. PLEDGE OF ALLEGIANCE

III. ROLL CALL OF MEMBERS

IV. NEW BUSINESS

A. Teen Center Planning

V. OTHER BUSINESS

A. Request for Closed Session per 5 ILCS 120/2(c)(2): Collective negotiating matters between the public body and its employees or their representatives, or deliberations concerning salary schedules for one or more classes of employees

VI. ADJOURNMENT

Persons with disabilities requiring auxiliary aids or services, such as an American Sign Language interpreter or written materials in accessible formats, should contact David Robb, Disability Services Coordinator, at 33 S. Arlington Heights Road, Arlington Heights, Illinois 60005, (847)368-5793 (Voice), (847)368-5980 (Fax) or drobb@vah.com.

Item: Teen Center Planning

Department: Village Manager's Office

Background:
As discussed in other recent correspondence, the Village will be facing approximately $132,000 in maintenance costs in 2018 for the Teen Center located at 112 N. Belmont. Another $75,000 is scheduled for interior finishes in 2022. A recent building study also noted another $114,000 in additional expenses that will likely have to be incurred over the next ten years. This past week we received new information that our current tenant, Chicago Youth for Christ, is contemplating terminating their lease within the next year as they have been unable to fully utilize the building. This is a change in their previous position as reported to the Board earlier this year. It should also be noted that the Park District, District 25, and the Library have no interest in the site.

Based on these factors, Staff believes it is a logical time to consider the future of the facility. However, given the use of CDBG funds to purchase the property, if the property is to be sold for any use that doesn't support the national objectives, HUD approval is needed prior to the sale. In addition, the Village would have to reimburse the CDBG fund either the full CDBG amount or proceeds of the sale at the same percentage rate that the initial grant represented of the total public investment (projected to be around 12.5% is the percentage depending on the interpretation). The final determination of the reimbursement amount would be made after consultation with HUD and dependent upon the selected option. At this time it is unclear as to how HUD will interpret the pay back provisions.

Analysis:
Now that the status quo appears no longer to be a viable option, Staff believes the following options are available:

1. *Issue an RFP for at market users of the building and/or site-* Under this scenario, the Village would entertain offers for the site that would be permitted under R-3 zoning (single family homes). R-3 is the zoning of the parcels that surround the property. Rezoning from the current Public Land designation would be required. The CDBG fund would have to be reimbursed the appropriate percentage of the proceeds or other amount determined by HUD. HUD approval would have to be obtained. The Village would be open to tear down the existing structure under this scenario.

2. *Issue an RFP for not-for-profit/government users of the site that would be consistent with CDBG Funds and that would preserve the existing building-* This scenario would preserve the building. However, it would likely result in a lower sale price than Option 1, given the need of any user to spend money on maintenance. Leasing or donating the property to a not-for-profit could also be considered under this situation. However, leasing would still require the Village to make continued capital investments in the property.

3. *Issue an RFP for any users interested in preserving existing historic building*- If the Village Board is more interested in preserving the building than in maximizing the proceeds, new users of the property could be sought that would utilize the building for a non-CDBG eligible use. Again, such a change in use would have to be approved by HUD and a reimbursement would be required. Moreover, a rezoning of the property would still be required for any use other than those permitted under the Public Land designation. Given the state of the building, the sale price may be impacted.

Staff would like to get some general direction from the Village Board on this matter at the September 11th Committee-of-the-Whole Meeting.

ATTACHMENTS:

Description	**Type**
No Attachments Available	

Item: Closed Session

Department: Village Manager's Office

Request for Closed Session per 5 ILCS 120/2(c)(2): Collective negotiating matters between the public body and its employees or their representatives, or deliberations concerning salary schedules for one or more classes of employees

ATTACHMENTS:

Description	Type
No Attachments Available	