

# DEVELOPER DISCUSSION PANEL

Summary Report: May 2014



Regional  
Transportation  
Authority



Urban Land  
Institute

# Introduction



Hanover Park Metra Station. Photo Credit: Teska Associates

The Regional Transportation Authority (RTA) has invested over \$4 million of its own funds and leveraged over \$6 million of local and Federal funds during the past 15 years to complete approximately 90 transit-oriented development (TOD) planning studies through the RTA's [Community Planning](#) funding program. This program funds TOD planning studies that promote walkable, mixed-income, mixed-use development co-located and/or well-connected to retail and business uses in transit station areas while also increasing

overall access to transit. Additionally, since 2011, the RTA has offered communities an opportunity to receive plan implementation technical assistance through the Community Planning program. From the RTA's perspective, pursuing and achieving implementation of these plans can result in more efficient transit operations, improved access to transit services and a potential for increased ridership for all three of our Service Boards (Metra, Pace and CTA). Implementation efforts can also increase private investment in TOD areas while promoting the principles of sustainability and livability.

As part of these increased efforts, the RTA is working with the Urban Land Institute (ULI) in Chicago to facilitate discussions between individual communities and development experts to shed light on the future of TODs and how this relates to the changing market and economy.

A Developer Discussion Panel was held in Hanover Park on **February 12, 2014** and this report summarizes the discussion and the panel's recommendations and suggested strategies.



Hanover Park Metra Station. Photo Credit: Teska Associates

# Discussion Participants

## Urban Land Institute & Regional Transportation Authority

**Anastacia Fratto**, Land Acquisition Manager, Crown Community Development

**Paul Ivers**, Division President, Cambridge Homes

**Tony Manno**, Project Manager, RTA

**Matt Nix**, Principal, REVA Development Partners

**Greg Terwilliger**, Business Development Manager, Leducor Group

## Village of Hanover Park

**Rodney S. Craig**, Village President

**Juliana Maller**, Village Manager

**Shubhra Govind**, Director of Community and Economic Development

**Katie Bowman**, Village Planner

**Craig A. Haigh**, Fire Chief

**Howard Killian**, Director of Engineering and Public Works

### **ULI Panelist Testimonials:**

**Anastacia Fratto, Crown Community Development:** *“The Village of Hanover Park is proactive and has done a great job creating all the tools necessary to share the vision of the downtown area.”*

**Greg Terwilliger, Leducor:** *“The Village of Hanover Park has taken an active role in the redevelopment of their TOD area and is to be commended for their diligence and foresight. They have acquired distressed retail properties themselves, and are directly involved in the leasing and revitalization of the area. They have also created a modern municipal campus near their train station, and now only need to attract several new users to the existing available sites to greatly enhance the viability of the Lake Street corridor.”*

# Background

**The Village Center and Transit-Oriented Development (TOD) Plan** proposes the development of a mixed-use, transit-oriented community center in the area around the Hanover Park Metra station. The plan calls for a mix of residential, commercial and civic uses in the core, surrounded by larger-scale commercial and business park uses along the Elgin-O’Hare Boulevard. Existing wetland areas will be maintained or mitigated through the enhancement of the large wetland to the east, which will be integrated into a system of trails and parks throughout the area. The goal of the Plan is for the area to serve as a focal point for the community, driving significant economic development and multiplying transportation options.



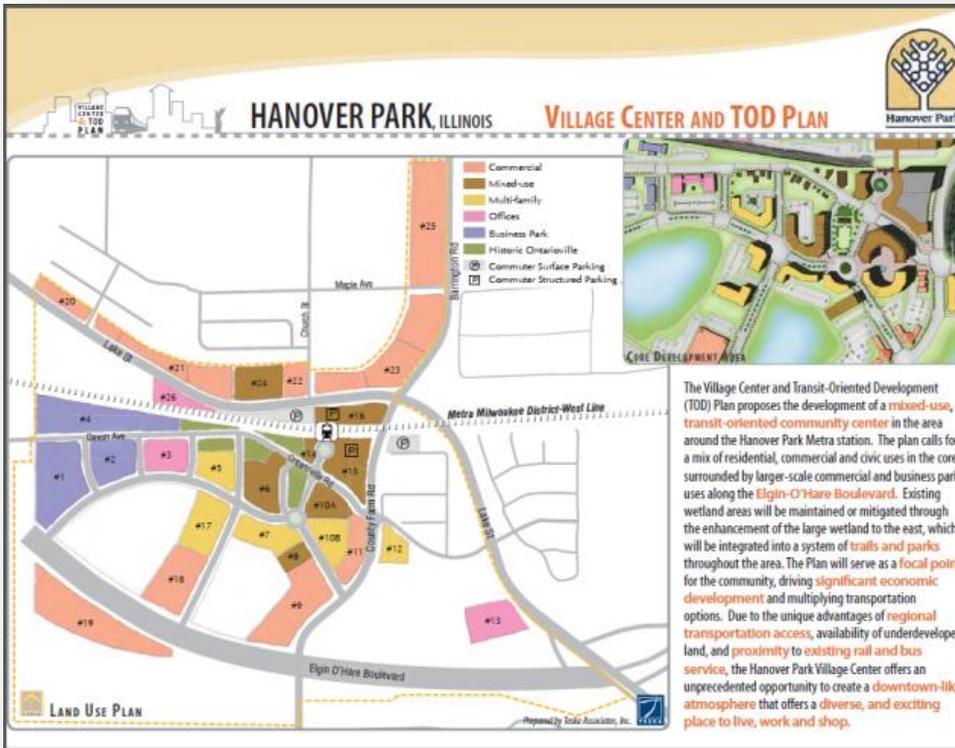
The TOD Plan was adopted in 2012 and incorporated into the Village’s 2010

Comprehensive Plan. Since adoption, the Village has begun implementation of many of the recommendations of the plan including focus on promoting development along the north side of Lake Street and guiding private property improvements to properties south of the Metra station. Staff has also worked extensively to prepare an update to the Zoning Code to support the recommendations of the Village Center and other special area plans.

Determining the location, configuration, and timing of the westward extension of the Elgin O’Hare Expressway (IL-390) is a key challenge for development in the Village Center area. The plan calls for the road to provide access to the Village Center area in a boulevard or similar configuration. The Mayor and Staff have met with the Tollway Authority, IDOT, and DuPage County to discuss the roadway and received confirmation that the organizations approve of the road’s concept. A Traffic Operations Feasibility Study of the proposed roadway has been performed, with Phase I Design and Engineering Plans as the next step. Staff continues conversations with the transportation authorities and are seeking funding for a Phase I study.

**The goal of the ULI panel was to gain feedback on the challenges being faced for development in the area, the highest and best uses of key available sites that can support transit service, and how the Village may best encourage development.**

# Study Area



Location of the Study Area as shown in the RTA-Funded Village Center TOD Plan (2012)



Current Development Opportunities in the Study Area

# Key Recommendations

## Short-Term Recommendations

- The Village's primary focus should be on filling existing vacant tenant space and promoting the development of available/vacant parcels in the TOD area. *This can be done by releasing RFQs for available sites and working with local area brokers to market the vacant space available.*

*"Development-ready" sites are most attractive to private investors. As the market continues to strengthen, developers at this time are looking for "turnkey" projects and vacant parcels that are properly zoned, cleaned-up and ready for development.*

*RFQs (Requests for Qualifications) are more attractive to the development community than RFPs (Requests for Proposals). RFQs allow the Village to choose a developer based on their reputation and ability to complete similar projects. This encourages a collaborative process to envision the desired project together, while an RFP process requires a developer to anticipate the Village's desires, risking an increased project timeline (to negotiate the final details of the project) as well as increased pre-development costs. An RFQ process is preferred in the current marketplace.*

- Continue to market the Hanover Square Retail Center
  - Work with a local area investment broker to attract credible developers. *Investment Brokers have the ability to reach out to interested parties in their portfolio that may not respond to public RFPs and can help greatly expand the search for a credible developer;*
  - The Village should reconsider investing TIF money in façade improvements. Offering TIF incentives to a developer for this work will be more beneficial to the Village. *Available TIF Funds should be used to incentivize private investment. If the Village uses TIF money to improve Hanover Square themselves, they run the risk of a developer taking over the project and redoing the improvements or demolishing the building, rendering the used TIF funds wasted;*

## Short-Term Recommendations *(continued)*

- Work with & support the college to occupy space in Hanover Square. *This will decrease vacancy, create activity, and potentially increase demand for related services. As activity and income is generated in Hanover Square, it will become more attractive to investors;*
- Review all existing ground leases in Hanover Square and work with the lessees to adjust expiration dates so all leases expire around the same time. *This will allow the Village and potential developers to have more control over the future development of the area.*
- Work with the appropriate bank to expedite the receivership process for properties within the Church Street Station area; *this will allow these sites to join the marketplace sooner.*
- Work with the owner of the property at the NW corner of Lake Street and Barrington Road to consider utilizing his vacant property as an interim gateway to the Village.
  - Suggest a ground lease or land lease in the interim for Village use as a community space, park or water feature;
  - The Village can use TIF funds for these improvements. *Using TIF Funds for this type of improvement will have a more positive effect on the marketability of the area than using TIF funds for Hanover Square façade improvements. A community space, park or water feature would act as a gateway to the Village TOD area and beautify the area by providing premium amenities for adjacent parcels;*
  - Explore lifting the grocery/pharmacy deed restriction put in place by on the property. *This would expand the potential uses of this property and make it more marketable. Private investors may not have any interest in a parcel that is deed restricted.*
- Capitalize on the historic Ontarioville neighborhood by marketing it as an entertainment destination. Consider a façade improvement program for the existing historic structures to improve the character of the area and to attract investment. *Improving the façade of some of the historic homes would improve the character of the neighborhood. Marketing any available sites to entertainment amenities (restaurants, bars, community theater, etc.) would create an entertainment district. The Village should take the lead in marketing this area to establish the niche. An official recognition of Ontarioville as an entertainment*

*district could be a catalyst. Marketing the area along the Metra line could also help draw activity.*

### Long-Term Recommendations

- Continue to work with IDOT to expedite the planning of the extension of IL-390 (Elgin O’Hare Expressway) westward through Hanover Park so that a definitive roadway location is established and the Village can determine funding and timing. *Identifying the exact location of the future roadway will help land planners determine the boundaries of opportunity sites. The unknown roadway configuration is a detriment to any current land planning efforts.*
- Repurpose planned roadway extension as a “collector road”, not a boulevard. *The ULI panel did not see the need for this road to be a full boulevard. A boulevard would take a larger amount of land away from future development opportunities and would also encourage higher rates of automobile speed through the area. A collector road would require less land, a lower speed limit and would attract local traffic.*
- Once the location of roadway extension is set, market the Benson property as an opportunity for higher-end single family homes to support neighborhood commercial. *The ULI panel felt that this site is an attractive site for higher-end single family homes. The close proximity to the train station is also an amenity for the single family home market, and currently Hanover Park is lacking higher-end SF homes. At the appropriate time, an RFQ could be released to larger production home builders in the area for this type of product.*



**Church Street Station  
Townhome Development  
near the Metra Station**