



Memorandum

To: Rick Boehm, Village Manager

From: John Houseal & Dan Gardner
Houseal Lavigne Associates

Date: October 27, 2015

Re: Western Annexation Area
Impact Analysis & Design Guidelines

A handwritten signature in black ink, appearing to read 'John Houseal', is written over the 'Date' and 'Re:' fields of the memorandum.

In follow up to our October 13 meeting, we have outlined a preliminary approach to 1) prepare a fiscal analysis to address a potential development plan for property under consideration for future annexation to the Village of Palos Park, and 2) preparing Design & Development Guidelines for future development of newly annexed properties. It is understood that the exact mix of uses that will be included in the development and construction phasing is still uncertain. The guidelines are intended to guide development and ensure high quality construction and design, rather than dictate architecture.

Phase One: Fiscal Analysis:

The fiscal analysis will be based on a stabilized development at build-out. Current tax rates for residential and commercial property will be utilized to estimate property tax revenue generation. Sales tax estimates attributed to the retail component of the project will be based on the Village's current rate. This analysis is not intended to represent a detailed project proforma or proforma assessment, but rather an understanding of potential impact.

Step 1.1: Project Initiation Meeting

Before the project begins, a meeting will be held with Village staff and project representatives. The purpose of the meeting will be to review the latest development plan and other relevant information.

Step 1.2: Meeting with Village Staff and Developer(s)

In order to provide an assessment and prepare impact estimates it is necessary to have some baseline understanding of potential development plans. Confidential meetings will be held with Village staff and the developer(s) and property owner(s) to better ascertain development plans. It is understood that plans are not yet finalized and impact may be based on a range as opposed to a specific development program.

Step 1.3: Interviews

Separate meetings will be conducted with representatives of each School District, Library, Village department heads, and others to discuss anticipated future needs and potential project impacts.

Step 1.4: Estimate Project Revenue and preliminary impacts

Based on information obtain in Step 1.2, we will prepare estimates of stabilized property tax revenue resulting from the development. Sales tax will be estimated based on the prescribed development program and a benchmark sales per square foot. Additional expenditures will be estimated according to anticipated activity associated with the project. Impacts on municipal services will be estimated based on per capita benchmarks for employees, workers and visitors associated with new development. As previously mentioned, this is likely to be presented as a range.

Step 1.5: Meeting with Village Staff

We will meet with Village staff to review the results of the analysis and prepare any necessary revisions. Following that meeting an updated final report will be prepared. Depending on the desire of Village staff and officials, we will be available for an additional meeting with the Village Board.

Step 1.6: Annexation Agreement/Development Plan Review

This step is difficult to assess at this time given the uncertainty of development plans and the corresponding level of effort required. As annexation and development agreements are prepared for consideration, Houseal Lavigne Associates will review the preliminary agreements and plans and make recommendations for amendments and improvements to be considered by the Village.

Phase Two: Design and Development Guidelines:

The Design and Development Guidelines would address components of design and development related to building massing, placement and orientation, building materials, architectural style and monotony, transportation and roadways, roofs and rooflines, doorways and windows, signage, site landscaping and improvements, perimeter treatments, and more. The intent of the guidelines is to ensure a high quality and compatible development, but not to dictate the architectural style of buildings.

Step 2.1: Review & Discuss Preliminary Development Plans and Concepts

Confidential meetings will be held with Village staff and the developer(s) and property owner(s) to better ascertain development plans. It is understood that plans are not yet finalized, but this meeting will give us an understanding of the overall character and product to be produced by the development. This step could be undertaken as Step 1.2, as identified above.

Step 2.2: Prepare Design Guidelines Framework & Review with Village

Based on discussion with Village representation and property owners, we will prepare a framework for the design guidelines to be prepared. The initial framework will be reviewed and discussed with Village staff.

Step 2.3: Prepare Draft Design & Development Guidelines

Based on feedback from staff on the guidelines framework, we will prepare draft Design & Development Guidelines for review and consideration. The guidelines will be very visual and cover a wide range of development and design related components.

Step 2.4: Meeting(s) with Village Staff and Developers/Property Owners

A meeting(s) will be held with Village staff and developers/property owners to review and discuss the design and development guidelines. The intent is to reach agreement on the guidelines by all parties involved so that the guidelines can be approved and accepted as part of the annexation agreements for the subject properties.

Step 2.5: Final Design & Development Guidelines

Based on review and discussion by stakeholders in Step 2.4, final Design and Development Guidelines will be prepared.

Timing and Cost

It is anticipated that the *Fiscal Analysis* and *Design & Development Guidelines* would be completed within **twelve (12) weeks** from the date of engagement. The cost for undertaking the estimated budget at this time would be \$24,800 for the Fiscal Analysis and \$24,500 for the Design and Development Guidelines, for a total “not to exceed” amount **\$49,300**, including direct expenses.