

VILLAGE OF DOWNERS GROVE
Report for the Village
12/17/2019

SUBJECT:	SUBMITTED BY:
A discussion of the Facilities Replacement & Sustainability Plan (FRSP)	David Fieldman Village Manager

SYNOPSIS

A discussion of the Facilities Replacement & Sustainability Plan (FRSP).

STRATEGIC PLAN ALIGNMENT

The Long Range Plan for 2019-2021 identifies *Create a Facilities Replacement & Sustainability Plan* as a Priority Action Item.

FISCAL IMPACT

The FRSP will include a preliminary budget and preliminary financing plan. The fiscal impact will be determined as the FRSP is prepared over the next several months.

RECOMMENDATION

Staff recommends that the Village Council prepare and approve a Facilities Replacement & Sustainability Plan by April 2020.

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BACKGROUND

The Village owns and operates seven major buildings that must be properly maintained. Five buildings are in a maintainable condition of *Excellent, Good* or *Fair*. The 40-year old Police Station and 90-year old Village Hall are in *Below Average* condition and do not provide modern work spaces that allow for efficient and effective interactions among employees and customers. Both facilities have outdated major building systems that will require significant investment to replace. The 2012 Facility Condition Assessment identified over \$10 million of recommended improvements for the Police Station and Village Hall. Maintenance activities in the Police Station and Village Hall has been very limited since 2012 in anticipation of improvements to or replacement of these buildings. These two buildings are in need of replacement.

2019-21 LONG RANGE PLAN EXCERPT

Issues	<p>The 40-year old Police Station and 90-year old Village Hall are in Below Average condition and do not provide modern work spaces that allow for efficient and effective interactions among employees and customers. Both facilities have outdated major building systems that will require significant investment to replace. These two buildings are in need of major renovation or replacement.</p> <p>The 2012 Facility Condition Assessment identified over \$10 million of recommended improvements for the Police Station and Village Hall</p> <p>Maintenance activities in the Police Station and Village Hall has been very limited since 2012 in anticipation of improvements to or replacement of these buildings</p>
Strategies & Solutions	<p>By Q2 2020, create a plan to replace the existing Police Station and Village Hall Building and to ensure long term sustainability for these buildings.</p> <ul style="list-style-type: none"> • Redevelop the Civic Center property with: <ul style="list-style-type: none"> ○ New Police Station ○ New Village Hall ○ Combined Police Station and Village Hall • Explore other uses on the Civic Center Property which reduce the financial impact of the project and/or help to achieve other Village goals and objectives: <ul style="list-style-type: none"> ○ Private sector development (apartments, condos, office) ○ Parking for downtown users ○ Space for future Village use or other government agencies • Explore alternative locations for new buildings <i>only</i> if the locations result in a better financial situation than constructing at the Civic Center property, and/or addresses other Village goals and objectives. • Pay for the improvements by utilizing: <ul style="list-style-type: none"> ○ Existing revenue sources ○ Revenues generated by private sector development on the property (if any) ○ And/or the use of new revenue sources and increases to existing revenue sources • Issue bonds as a financing mechanism to align the cost of the facilities with the residents (taxpayers) benefiting from the use of the facilities.

COMPONENTS OF THE FRSP

Key Question	Response and Deliverable
What will be constructed?	<p><u>Project Scope (Village)</u> listing the elements of the project.</p> <p><u>Space Program</u> indicating the approximate size of the new Police Station and Village Hall.</p> <p><u>Project Scope (Development Partner)</u> for any private or public sector partner development listing the general land use and approximate size of the development.</p>
Where will construction take place?	<p><u>Preliminary Site Plan</u> indicating the location of the Village project and development partner project, if applicable.</p>
When will the project take place?	<p><u>Preliminary Project Schedule</u> including all steps and aspects of the project such as planning, design, public input, zoning approval, demolition, construction and closeout. It will likely be expressed in terms of quarters of a year.</p>
How much will the project cost?	<p><u>Preliminary Project Cost Estimate</u> including the estimated cost range of all aspects of the project. It will be prepared by staff and a professional consultant based on the project scope, space program and preliminary site plan. It will include allowances for any environmental sustainability components of the project.</p>
How will the Village pay for the project?	<p><u>Preliminary Project Budget</u> including a range of project costs and revenues.</p> <p><u>Preliminary Financing Plan</u> outlining sources of funds (debt and equity), debt instruments, preliminary debt service payment schedule, revenue sources and amounts.</p>

FRSP SCHEDULE

The FRSP should be developed over a series of five monthly meetings beginning in December and continuing through April according to the following schedule.

Meeting Date	Topic and Action
December 17, 2019	Introduce the project Confirm the project process, schedule and deliverables
January 21, 2020	Present the scope, site plan, budget and financing plan for multiple development options
February 18, 2020	Discuss the options
March 17, 2020	Identify and develop the preferred option
April 21, 2020	Approve the FRSP

Upon completion and approval of the FRSP in April, staff will begin implementing the plan as directed by the Village Council. The plan is expected to take about 24 months to complete.

RECOMMENDATIONS

In late 2018, the Village received an unsolicited offer from Location Finders International to purchase and redevelop a portion of the Civic Center property with a medical office building. Shortly after the Council approved the key terms of a redevelopment agreement, LFI rescinded their offer and stopped all work on the project. During this process, the Village made significant progress on the design of the Village facilities and the preparation of the project site plan. Village staff gained valuable insights which led to the development of the following recommendations for the FRSP.

- Continue to improve the efficient use of the Civic Center property to create a portion of the property which can be used for a private sector development which generates revenue (sale of land and property taxes) to be used to offset the project cost.
- Explore opportunities for public sector partners to share in the project cost and reduce the overall cost to residents and taxpayers.
- Consider relocating commuter parking spaces currently located in the downtown parking garage to the Civic Center property if the Council would like to increase the supply of parking spaces available in the central area of the downtown
- The Village should be the primary driver of the project and should develop a site plan and schedule which meets all of its goals and objectives.
- Avoid temporarily relocating Village Hall and Police Station operations during construction.
- The project scope should not include the relocation of the vehicle fleet garage. Relocating the fleet garage as part of this project would significantly increase the complexity, duration and cost.
- The Village portion of the Civic Center redevelopment project should proceed first with any private sector partner development to commence when the Village portion of the project has been completed. This approach will allow the Village to continue to provide services during the construction project, provide flexibility in the project schedule and minimize the likelihood that Village Hall operations would have to be temporarily relocated during the project.
- Develop concept site plans early in the process. The concept site plans should take into consideration the challenges of the Civic Center property such as the large grade change, the vehicle fleet garage operational impacts and the presence of the communication tower.
- Establish the process for obtaining public input on the design of the project during the preparation of the FRSP.
- If the FRSP includes a private sector development partner, the FRSP should include one preferred private sector partner development. This will allow the Village to select the developer and development project in an expeditious manner.

ATTACHMENTS