



City Council Work Session Memo

Crest Hill, IL

Meeting Date: June 16, 2025

Submitter: Community and Economic Development Director Patrick Ainsworth, AICP
Community and Economic Development Consultant, Ron Mentzer

Department: Community Development

Agenda Item: Ordinance extending Ordinance 1990, an ordinance granting a special use permit and setback variations with respect to certain real property located within the corporate boundaries of Crest Hill

Background:

On July 15, 2024, the City Council passed City Ordinance #1990 to approve a special use permit, a front-yard building setback variation, and a rear yard parking setback variation that would allow Midwest Industrial Funds and their assignees (the "Applicant") to construct a 150,000+/- sf. office, industrial, and warehouse building on Lot 17 in the Crest Hill Industrial Park (the Subject Property).



City Council Meeting
June 16, 2024
Ordinance approving Ordinance #1990 Extension Request

The Applicant has been unable to consummate its purchase of the Subject Property or construct the approved project due to ongoing litigation and legal disputes between the owner of record and the original developer of the Crest Hill Industrial Park and its business partners.

Section 12.7-9 of the Zoning Ordinance contains specific regulations and requirements regarding the validity period for special use approvals. This section of the Zoning Ordinance states:

In any case where a special use has been granted, and where no special use development has taken place within one (1) year of granting thereof, then without further action by either the Plan Commission or the City Council, said special use variation shall become null and void, unless the owner/applicant submits a formal request in writing seeking an extension. Written requests for extension must be submitted thirty (30) days prior to expiration date.

On June 9, the City Council considered the Applicant's formal request for the approval of a 24-month extension to the validity period for Ordinance #1990 at a Work Session Meeting. The Applicant explained the challenges that have prevented it from acquiring the Subject Property and its continuing strong desire to purchase the Subject Property and develop it with the project approved in Ordinance #1990. The City Council directed staff and the City Attorney to prepare the attached PUD Extension Ordinance. Applicant representatives will attend the June 16, 2025, City Council meeting to address questions regarding this request and their project.

Staff Conclusion and Recommendation: Based on staff's ongoing interaction with the Applicant over the past year, the circumstances that have prevented them from acquiring this site are not the result of their action or inaction. Staff recognizes that the Applicant has successfully developed a similar high-quality project in Crest Hill and remains fully committed to purchasing this site and developing the project approved by Ordinance #1990 once the seller's legal disputes are resolved. Based on this knowledge and experience, staff supports the City Council's approval of the requested 24-month extension to the validity period of Ordinance #1990.

Council Action Requested: Approval of An Ordinance Extending Ordinance 1990, An Ordinance Granting a Special Use Permit and Setback Variations with Respect to Certain Real Property Located Within the Corporate Boundaries of Crest Hill.

Financial Impact: Approval of this ordinance, and the ultimate construction of this project, would generate approximately \$150,000 in one-time building permit fee revenue, a one-time \$150,000 transportation network improvement contribution, and a yet to be determined amount of new reoccurring property tax revenue for the City.

Funding Source: N/A

Budgeted Amount: N/A

Attachment:

- Exhibit A: Ordinance extending Ordinance 1990, an ordinance granting a special use permit and setback variations with respect to certain real property located within the corporate boundaries of Crest Hill.