

NARRATIVE

Update on the Weber Crossings Residential Development Proposal

HISTORY

Heidner Properties, Inc. first had interest in the Weber Crossings property located on the Northwest corner of Division Street and Weber Road (the “Property”) in 2016. The Property area is 77.5 acres and is undeveloped. Issues with the Weber Road improvements rendered the proposed development in 2016 as unfeasible. The Project was then resurrected in 2020 with the City of Crest Hill’s Tax Increment Financing District in process. The original proposal for the residential portion of the Property consisting of approximately sixty-three acres was for a rental development with a clubhouse. Heidner Properties, Inc. has been pursuing development of the Property since that time, preparing and presenting to the City four formal plans and numerous iterations of those plans to illicit feedback from the staff and the Council.

In 2021, the final draft of a development plan for the commercial property adjoining the single-family property consisting of 14.5 acres was completed. Based on the feedback from the City, the original plan for an all-rental community has been substantially amended to add a component of 99 single family homes for sale and 308 high-quality rental units. That plan is attached as Exhibit A. Adding age targeted single family homes would appear to be a simple matter but finding a developer willing to build nearly one hundred single family residential units was a daunting task. Fortunately, Ocean Atlantic Management Group, LLC, a large residential developer, and West Point Builders Inc., a local builder for 65 years, have been procured and are under contract to purchase the land and develop the single-family components of Weber Crossings.

FINANCIAL PROJECTIONS

The financial projections for the residential development of the Property, including both costs and expected revenues, were previously provided to the staff.

DEVELOPER AND BUILDER REQUIREMENTS FOR FEASIBILITY

After an extensive study and discussion with the City, the developer is requesting several terms in the development agreement, which will provide feasibility, funding, and development of the Property. These items will solely benefit the developer and not Heidner Properties.

1. SPECIAL SERVICE AREA

The developer will need a Special Service Area (“SSA”) established on the Property for the multi-family portion of the residential development. It should be noted there are essentially three types of SSAs. One is called a backup SSA which allows the City to tax the parcels of property in the event an association or developer fails to care for detention areas and other common area improvements of the property. The second type of SSA is a means of reducing the purchase price for the sale of the single-family homes by having the buyers pay back infrastructure costs over many years through bonds with a line item on their tax bill. Neither of these are the type of SSA required.

The owner of the multi-family component of the Property will need approximately \$7 million dollars to finance the construction of necessary on-site improvements. By establishing an SSA, the developer can utilize its bank to purchase the SSA bonds and then have them paid back on the tax bill over a period of 30 years. This is an attractive financing arrangement for the developer and the bank with tax and pricing benefits. It is important to note that these bonds are revenue bonds, not general obligation bonds, and the City will never be liable for their repayment. The economic risk lies with both the developer and its bank, and the property is the sole collateral with zero risk to the City. There are numerous examples of this type of financing, including one in Willow Springs.

2. UNDERLYING PERMIT, TAP-ON, AND IMPACT FEES

The City's current impact fees, tap-on fees, and building permit fees structure would result in a cost to the developer of approximately \$15,000.00 per unit. That number is unacceptable to the builder of the property from an economic point of view. It is also far more than adjoining fee structures for other villages and cities in the Joliet area. Heidner Properties and the builder of the Property would require a structure paying no more than \$7,500.00 per unit. It is important to note that in addition to the increased real estate taxes on the property, the City will realize nearly \$3 million in fees just from the initial development of the Property.

3. TAX INCREMENT FINANCING NOTE

While the Property would be included in the Tax Increment Financing District, Heidner Properties, Inc. has not requested any substantial TIF benefits for its development, other than as shown above. Originally, a discussion with the City included a TIF note for that purpose. The only requirement for TIF benefits would be reimbursement, through the TIF District for such items as signage, landscaping, entry monuments, water features including fountains, site improvements and building upgrades, and other improvements that exceed the minimum City requirements for such improvements. That benefit would be repaid over a period of time with a TIF note having both a principal repayment based on increment and an interest component.

4. DEVELOPMENT PROPOSAL

The developer is proposing that the entire residential component of Weber Crossings be done as a Planned Unit Development ("PUD") working with the staff to finalize a plan utilizing the four-step PUD process: Staff review and consultation, plan commission, public hearings, and, finally, Council action.

ADDITIONAL SUBMISSIONS

Attached hereto as Exhibit B are proposed elevations and plans as requested by staff. And attached hereto as Exhibit C are the projected residential real estate taxes.

We invite the entire Council and staff to join us to view similar elevations of single-family units by Ocean Atlantic Oswego (the South Burry development) and similar rental units by same architect in Naperville (the Tapestry development), and we can provide a tour and transportation to these two locations if staff and the Council members would like to join us.

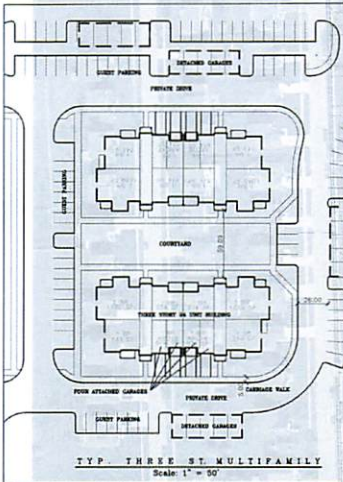
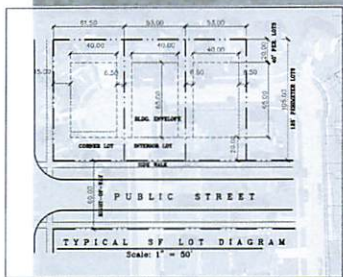
Respectfully submitted,

HEINDER PROPERTIES, INC.

By: /s/ Rick Heidner

Rick Heidner, President

EXHIBIT A



SITE DATA
Phase I

For Sale Single Family
Total Lots 99
Lot Dimensions 53' Wide x 105' Deep

Phase II
Three Story Rental Multifamily
Total Units 308
Attached Gar. Spaces 82
Detached Gar. Spaces 90
Surface Spaces 412
564 Spaces (1.8 unit)

Total Residential Units
Total Multifamily Rental 308
Total For Sale SF 99
Total Units 407
Total Site Area 77.5 Ac.
Residential Phase I 30.1 Ac.
Residential Phase II 32.9 Ac.
Total Residential 63.0 Ac.

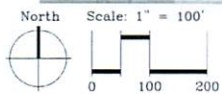
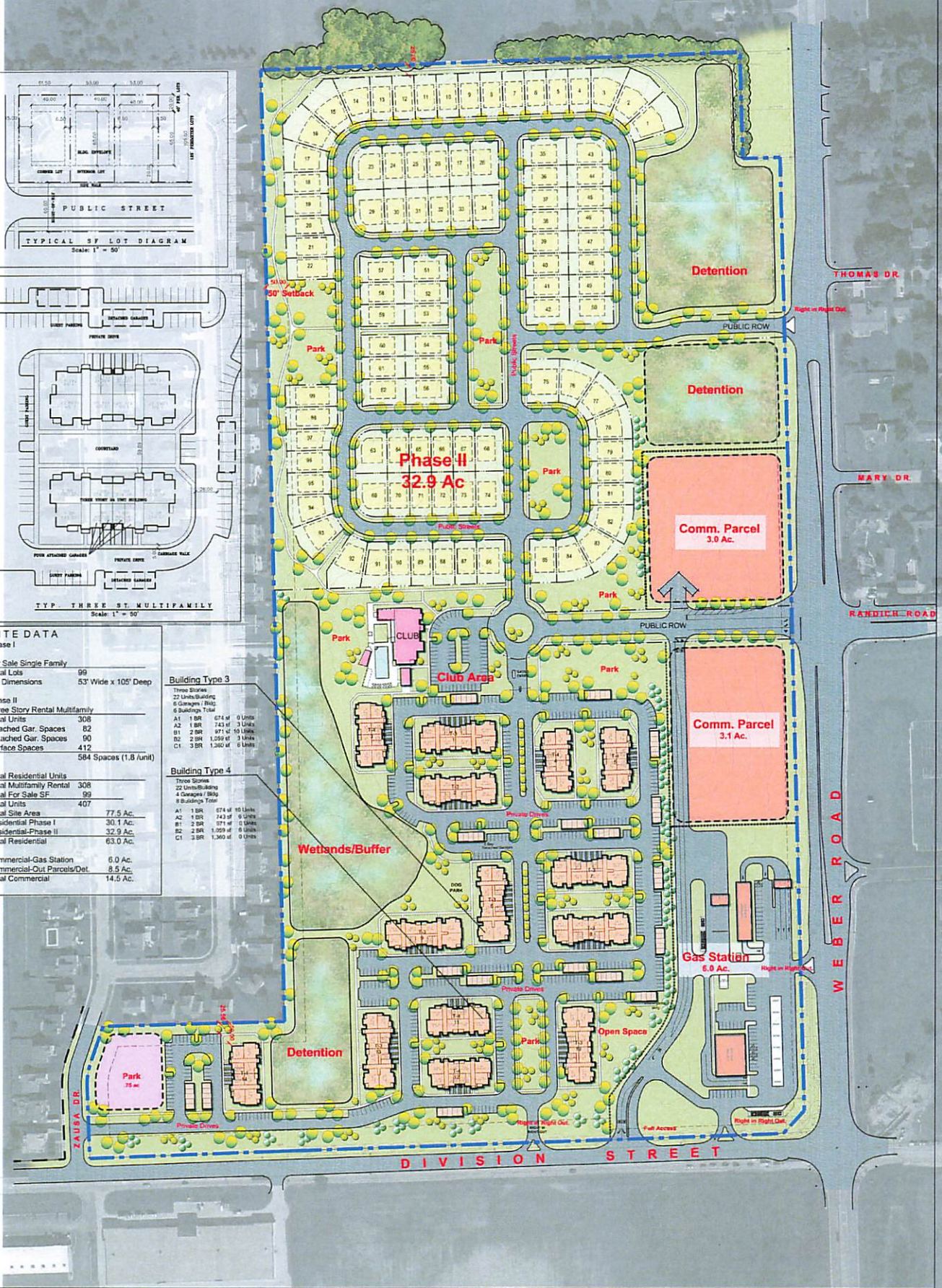
Commercial-Gas Station 6.0 Ac.
Commercial-Out Parcels/Det. 8.5 Ac.
Total Commercial 14.5 Ac.

Building Type 3
Three Stories
22 Units/Building
6 Garages / 180 sq ft
6 Buildings Total

A1: 1 BR 674 sq ft 0 Units
A2: 1 BR 743 sq ft 3 Units
B1: 2 BR 971 sq ft 10 Units
B2: 2 BR 1,059 sq ft 3 Units
C1: 3 BR 1,360 sq ft 6 Units

Building Type 4
Three Stories
22 Units/Building
4 Garages / 180 sq ft
8 Buildings Total

A1: 1 BR 674 sq ft 16 Units
A2: 1 BR 743 sq ft 6 Units
B1: 2 BR 971 sq ft 0 Units
B2: 2 BR 1,059 sq ft 8 Units
C1: 3 BR 1,360 sq ft 0 Units



Ocean Atlantic/West Point Builders

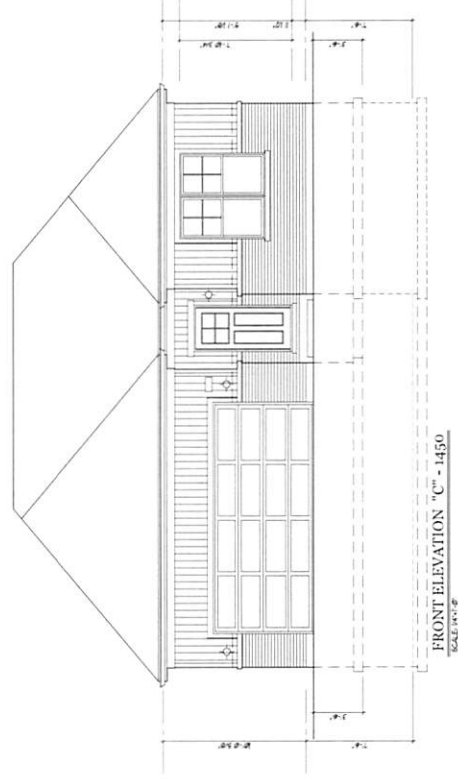
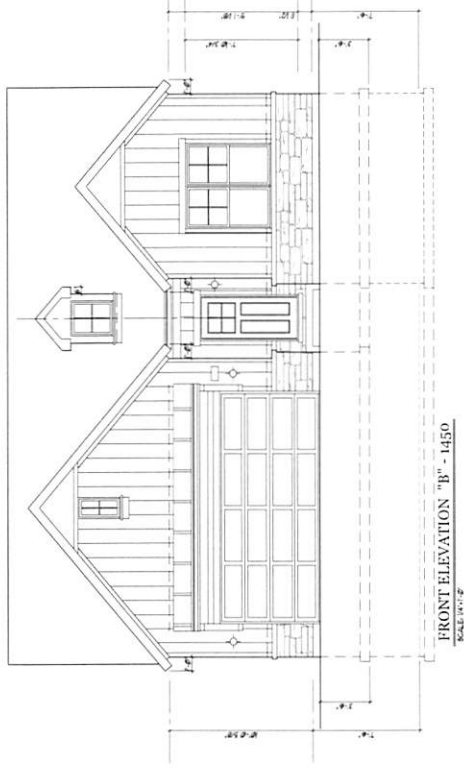
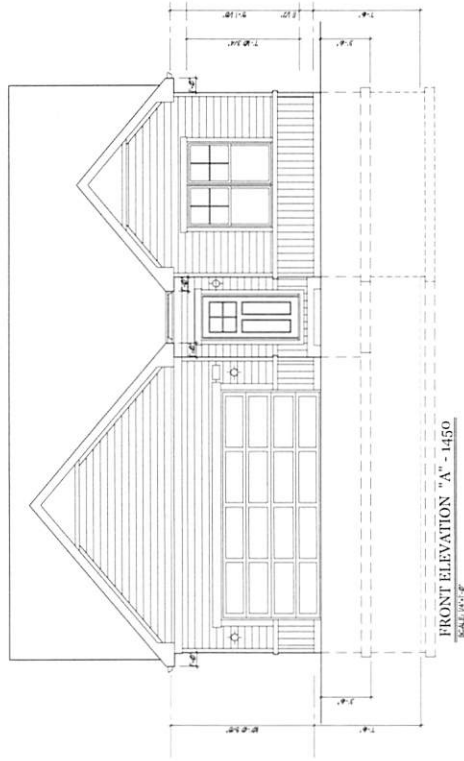
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Revised Concept Plan - Option Two
WEBER CROSSINGS
Crest Hill, Illinois

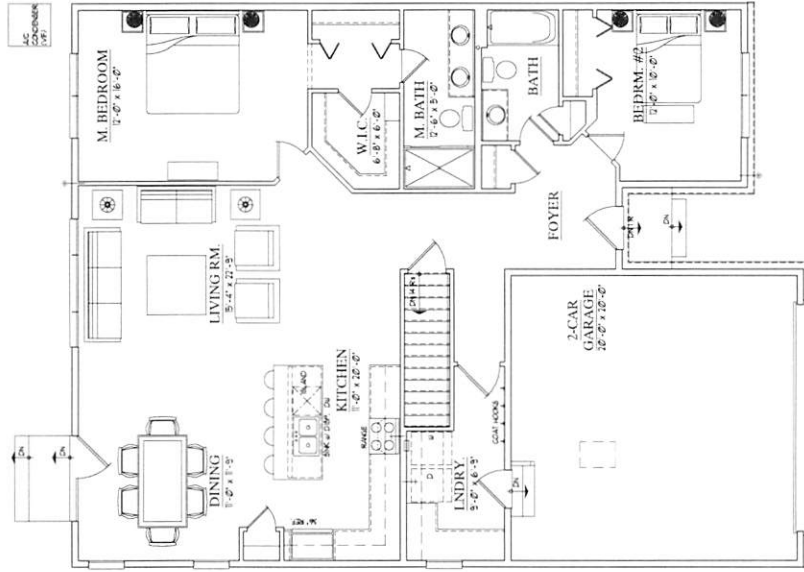
Date: July 25, 2022



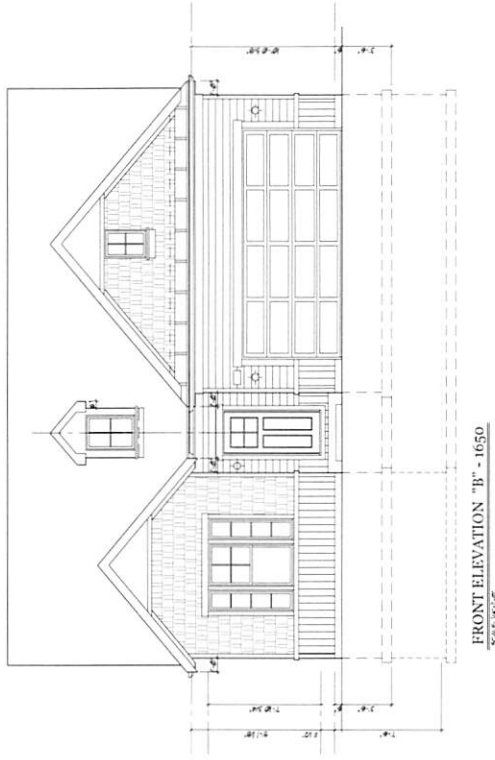
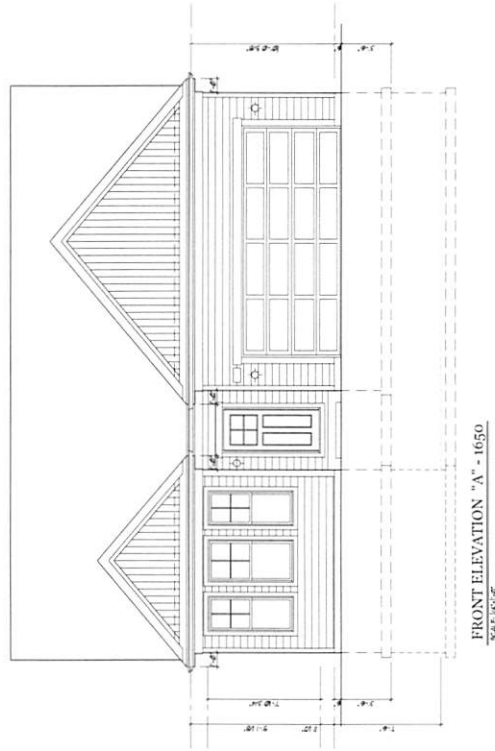
EXHIBIT B



1450 PLAN

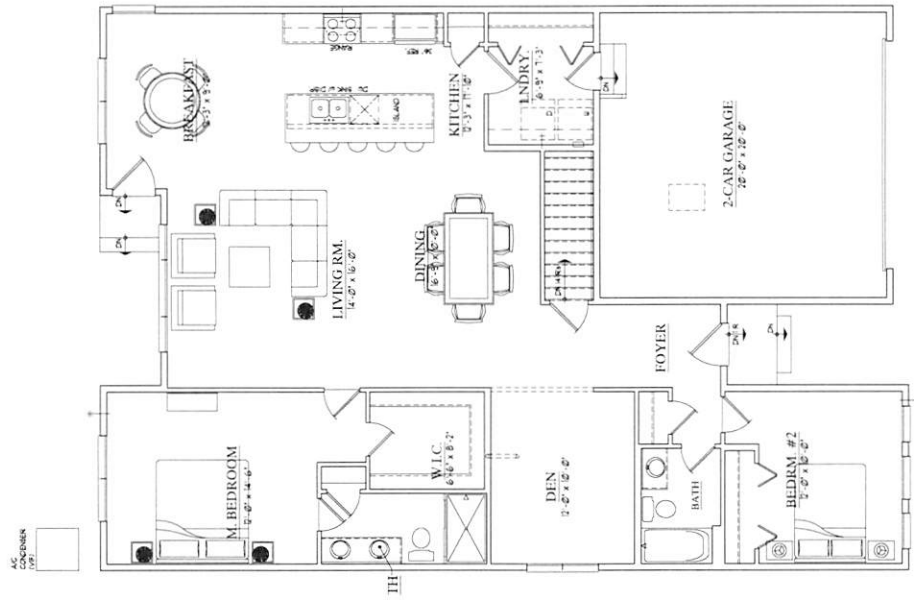


FIRST FLOOR PLAN ELEVATION "A" - 1450
SCALE: 1/8" = 1'-0"



West Point
BUILDERS, INC. SINCE 1957

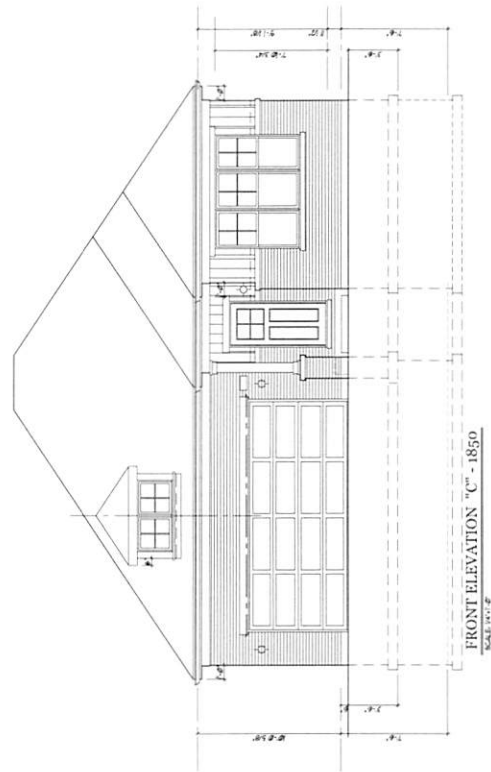
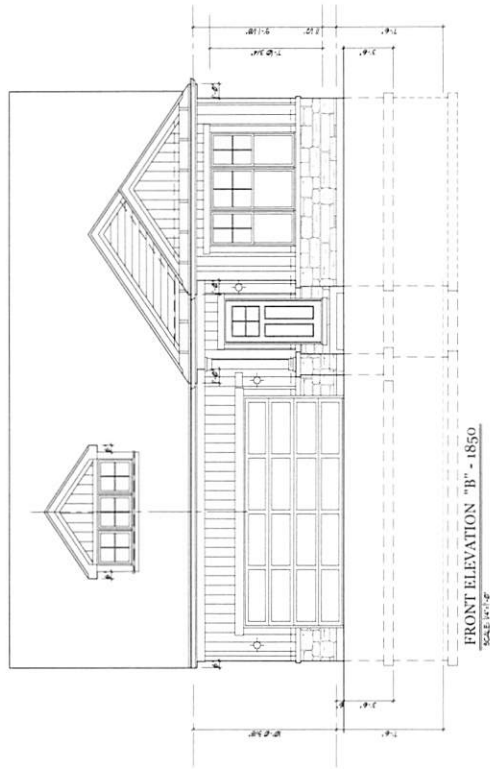
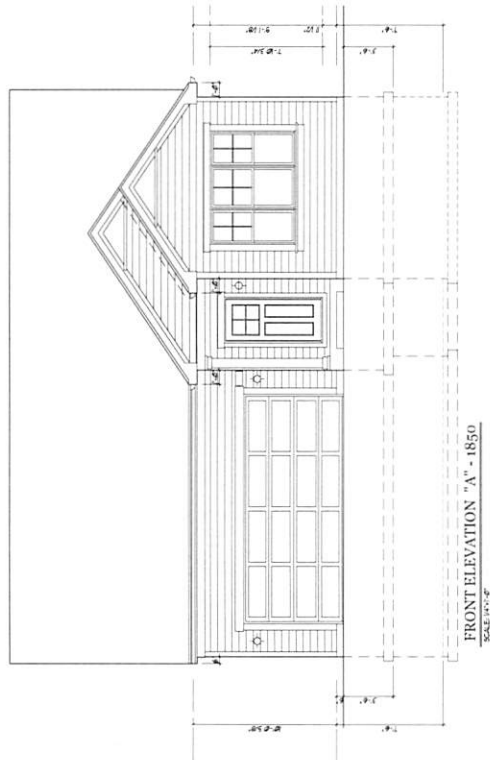
SCHWARZ & LEWIS
Design & Drafting, Inc.
1100 Spring Hill Drive NW
Atlanta, GA 30318
404.525.1111
www.schwarz-lewis.com



FIRST FLOOR PLAN - 1650
 SCALE: 1/4" = 1'-0"

SCHWAB & LINTS

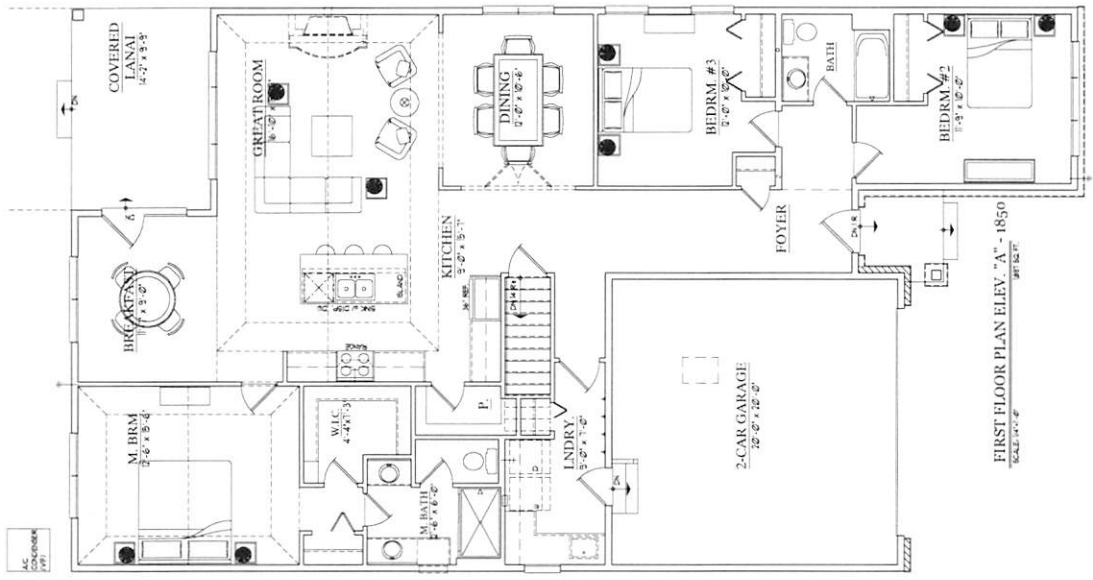
4080 127th Street
Des Moines, Iowa 50325
(515) 281-1111
www.schwabandlints.com



1850 PLAN

West Point
BUILDERS, INC. SINCE 1957

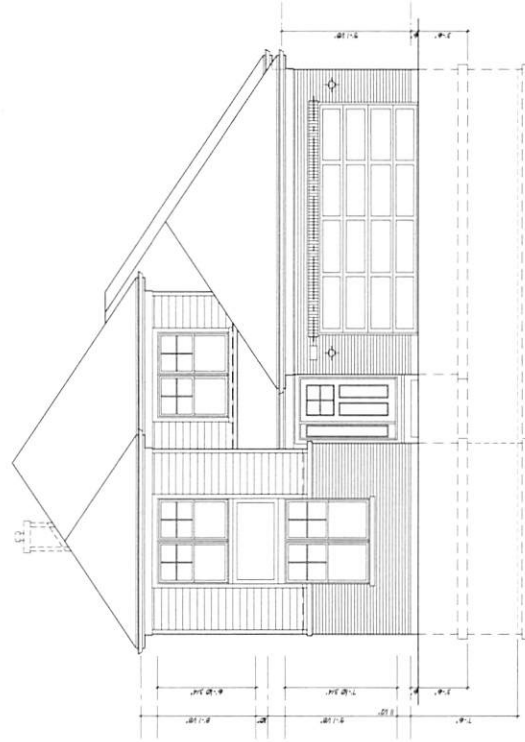
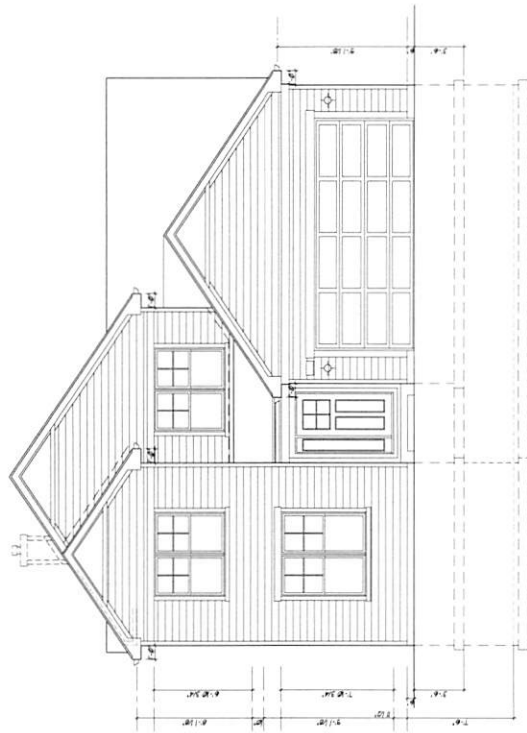
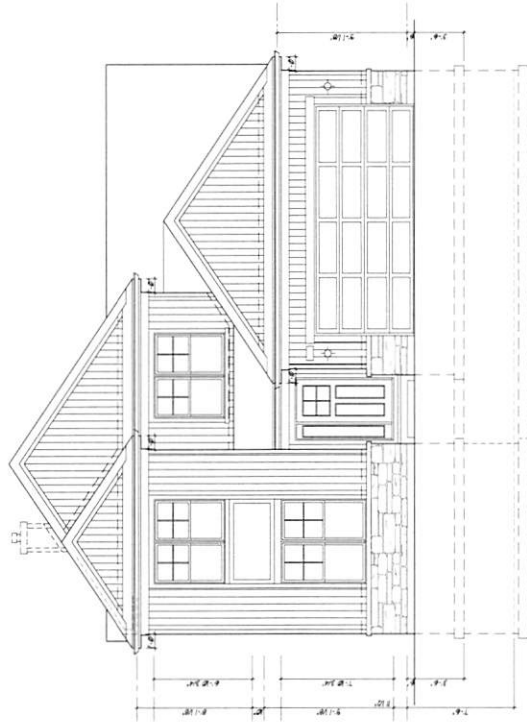




FIRST FLOOR PLAN ELEV. "A" - 1850
SCALE: 1/8" = 1'-0"

SCHWABE & LUTZ

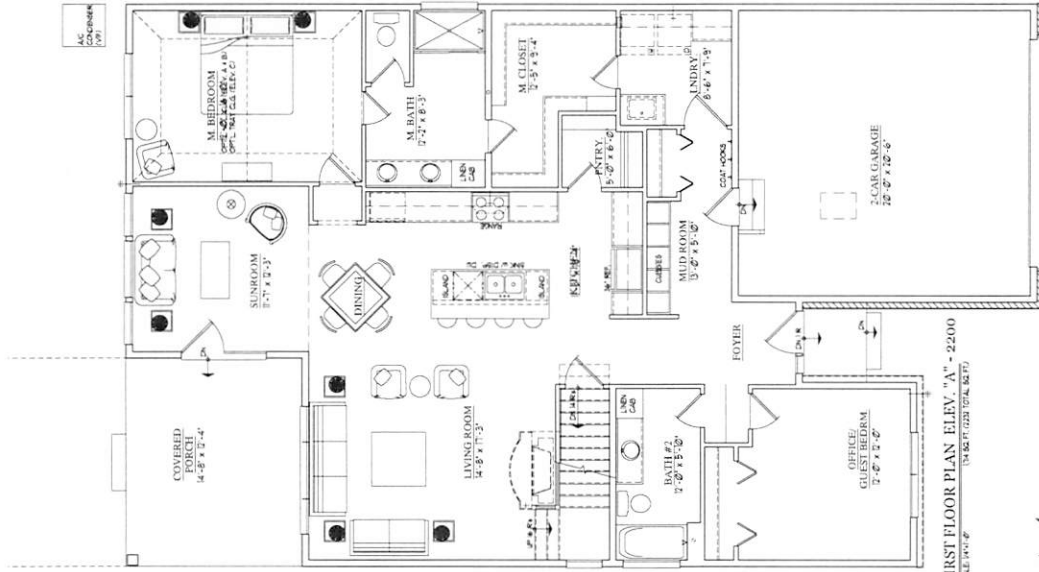
SCHWABE & LUTZ
Architects
1115 West 1st Avenue, Suite 100
Orem, Utah 84057
(801) 225-1111
www.schwabe-lutz.com



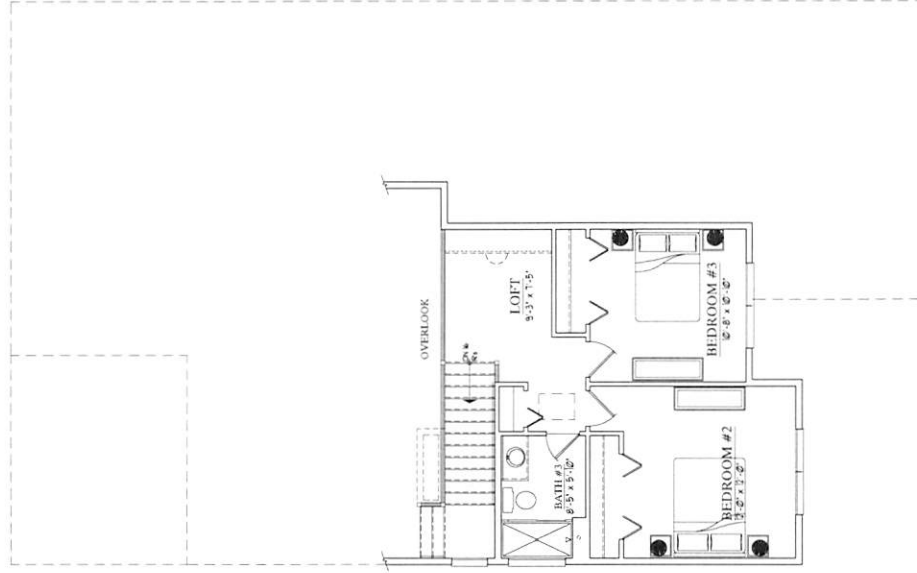
2200 PLAN

West Point
BUILDERS, INC. SINCE 1957





FIRST FLOOR PLAN ELEV. "A" - 2200
SCALE: 1/4" = 1'-0"



SCHWARZ + LEWIS

ARCHITECTS

1115 PINE AVE., SUITE 100
OAK PARK, IL 60452
(312) 371-1144
www.schwarz-lewis.com

2200 PLAN

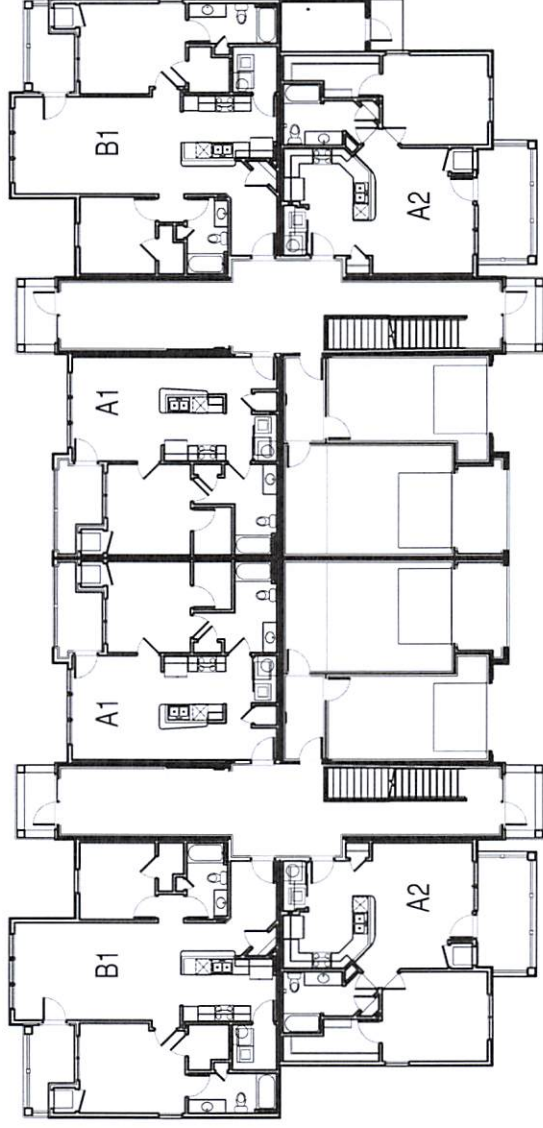


COVER SHEET

GARDEN - GP-005

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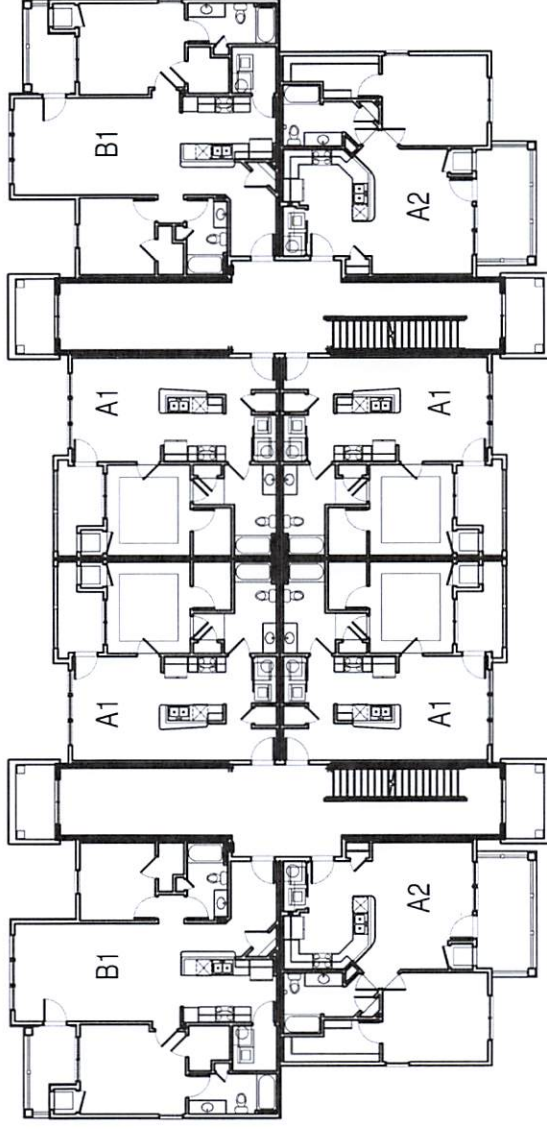


FIRST FLOOR PLAN

GARDEN - GP-005

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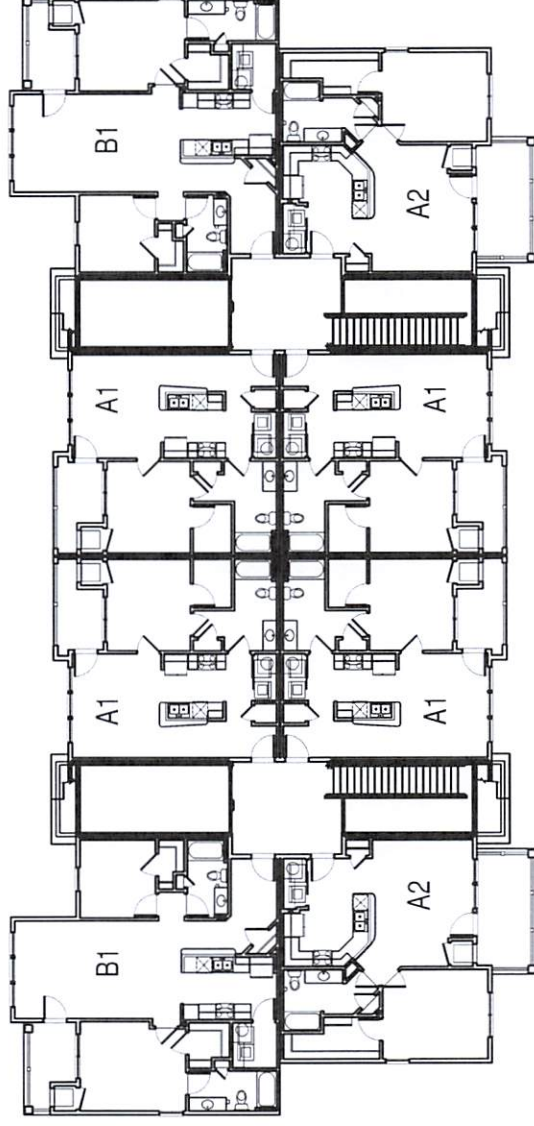
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SECOND FLOOR PLAN

GARDEN - GP-005

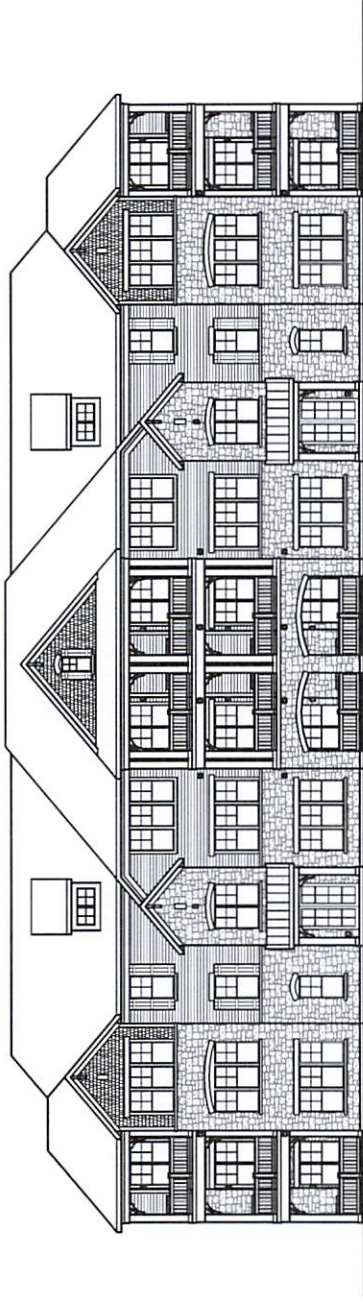
August 8, 2018



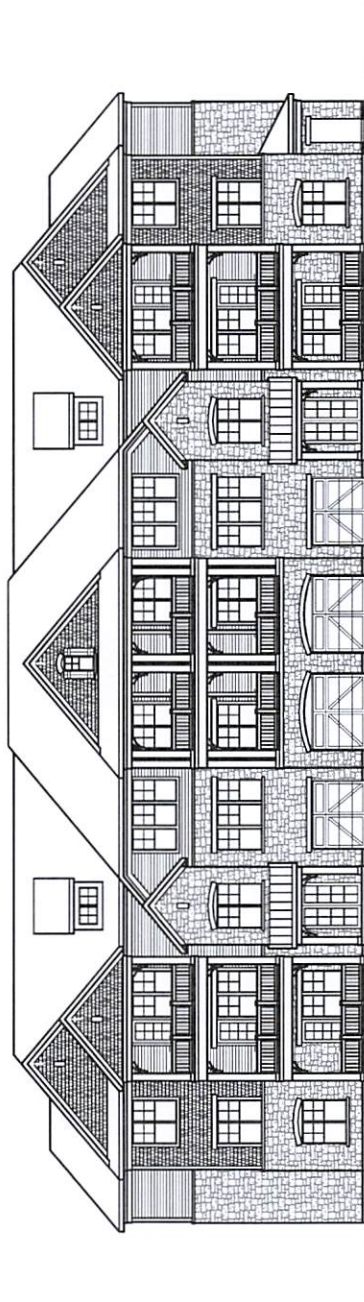
THIRD FLOOR PLAN

GARDEN - GP-005

August 8, 2018



REAR ELEVATION

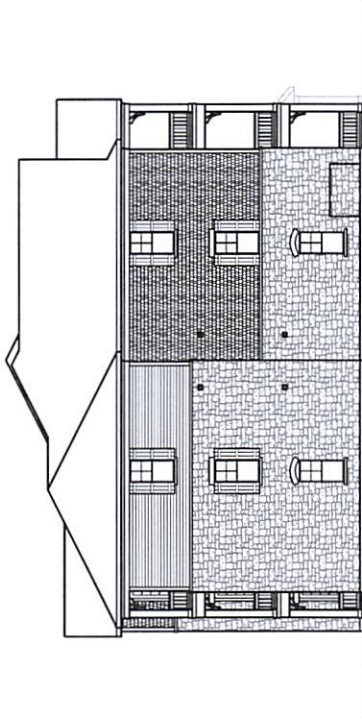


FRONT ELEVATION

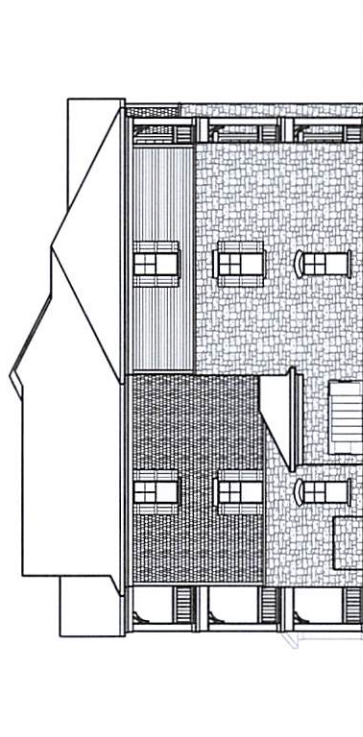
GARDEN - GP-005

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LEFT ELEVATION



RIGHT ELEVATION

GARDEN - GP-005

August 8, 2018

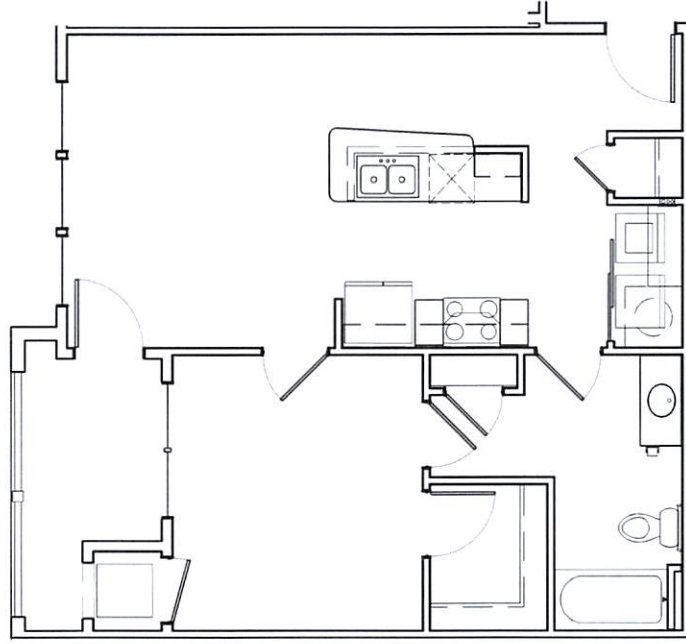
UNIT DATA GP-005

MARK	DESCRIPTION	QTY	BLDG.					NET HEATED (SF)		UNIT MIX
			1	2	3	4	5	PER UNIT	TOTAL	
APARTMENTS										
A1	ONE BEDROOM	10	10					674	6740	45.45 %
A2	ONE BEDROOM	5	5					743	3715	22.73 %
A2 TYPE A	ONE BEDROOM	1	1					743	743	4.55 %
B1	TWO BEDROOM	6	6					1059	6354	27.27 %
	SUB-TOTAL:	22							17,552	100.00 %

NET HEATED = Exterior face of stud at unit envelope.

UNIT MATRIX

GARDEN - GP-005

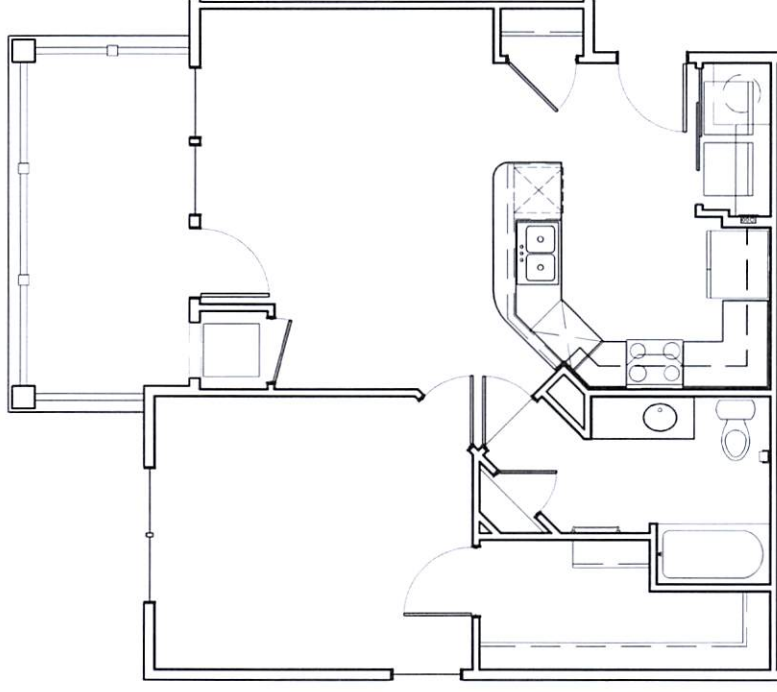


UNIT A1 TYPE B PLAN

GARDEN - GP-005

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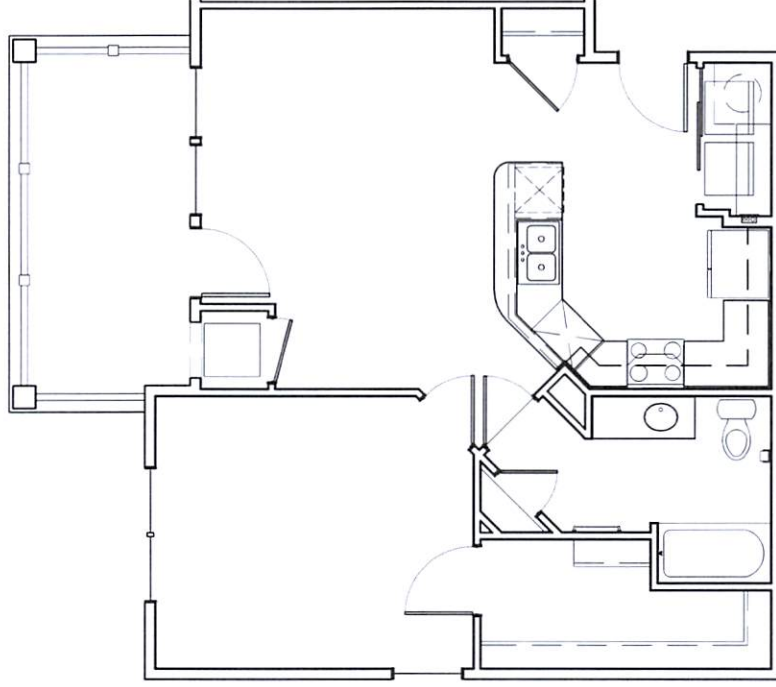


UNIT A2 TYPE B PLAN

GARDEN - GP-005

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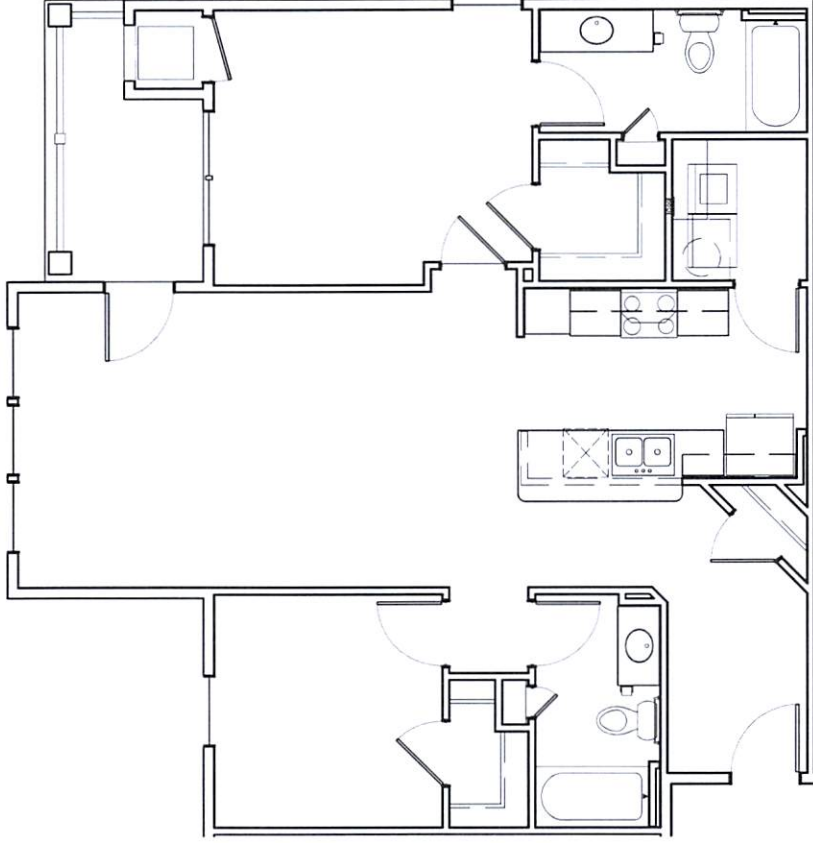


UNIT A2 TYPE A PLAN

GARDEN - GP-005

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UNIT B1 TYPE B PLAN

GARDEN - GP-005

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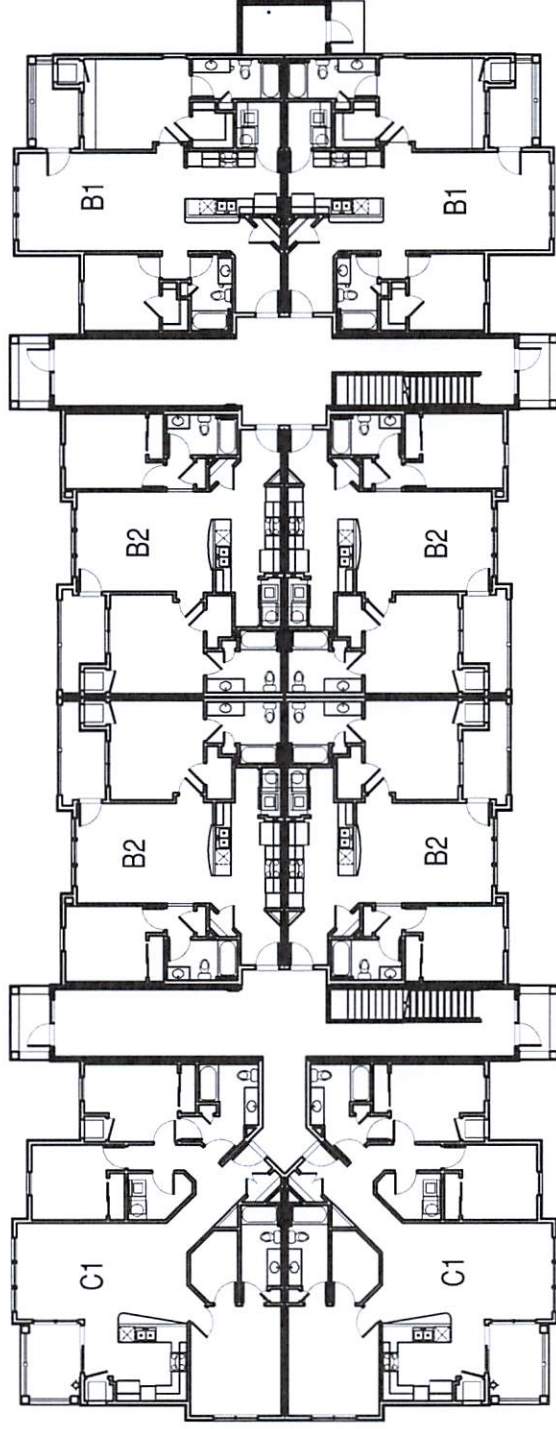


COVER PAGE

GARDEN - GP-006

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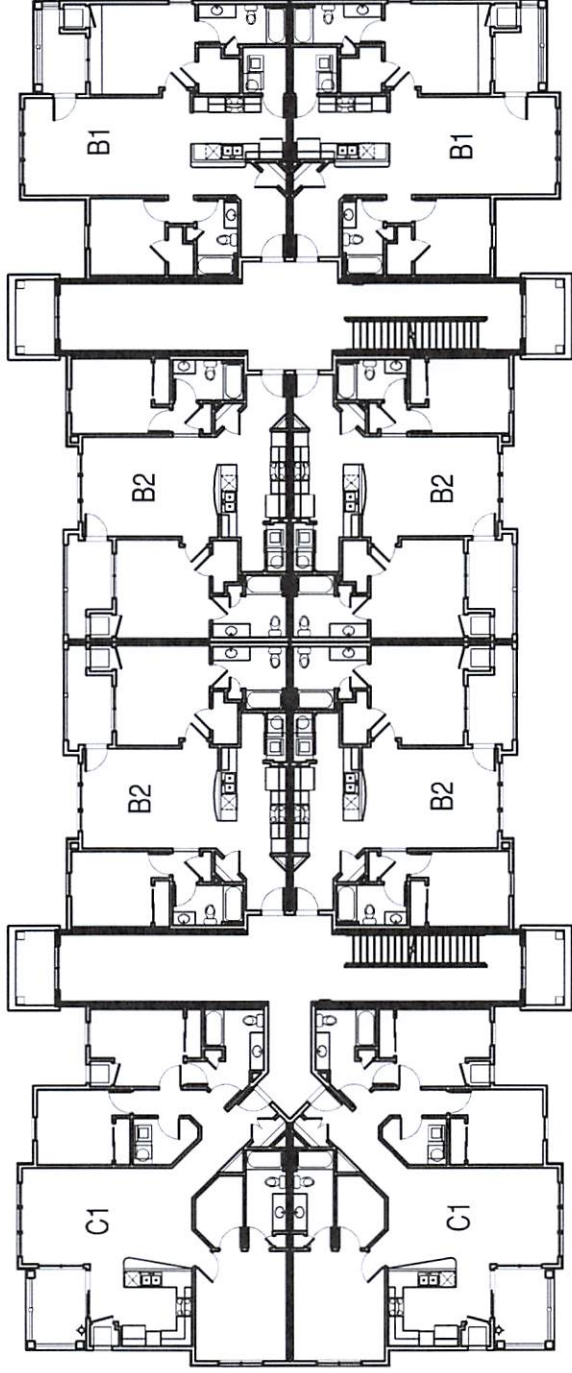


FIRST FLOOR PLAN

GARDEN - GP-006

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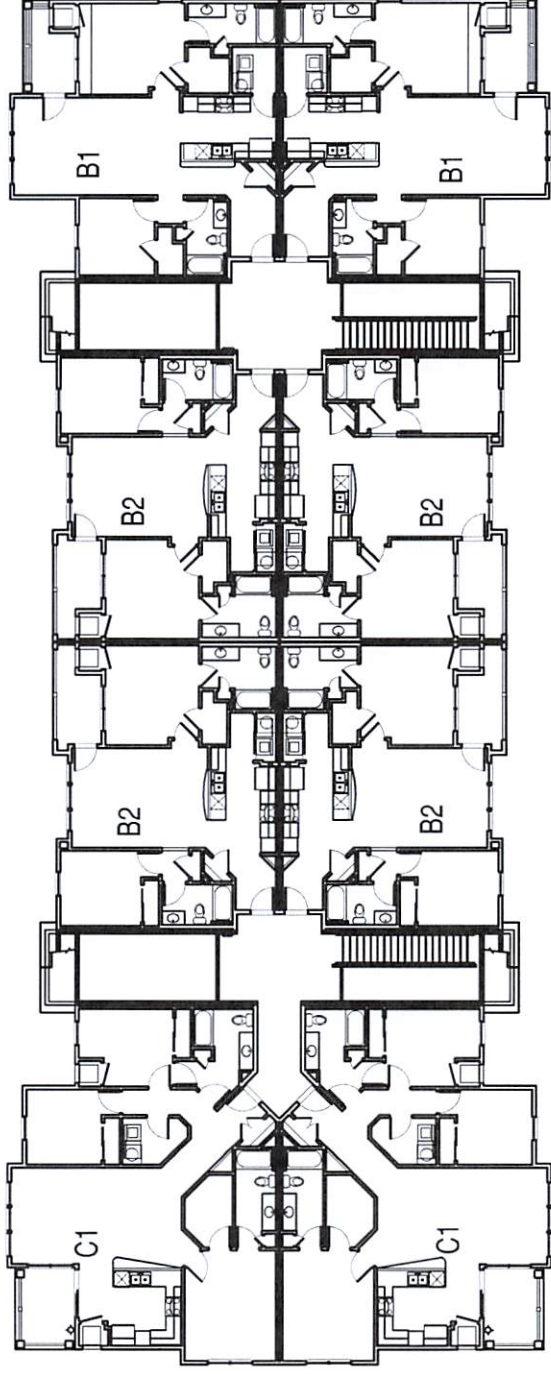


SECOND FLOOR PLAN

GARDEN - GP-006

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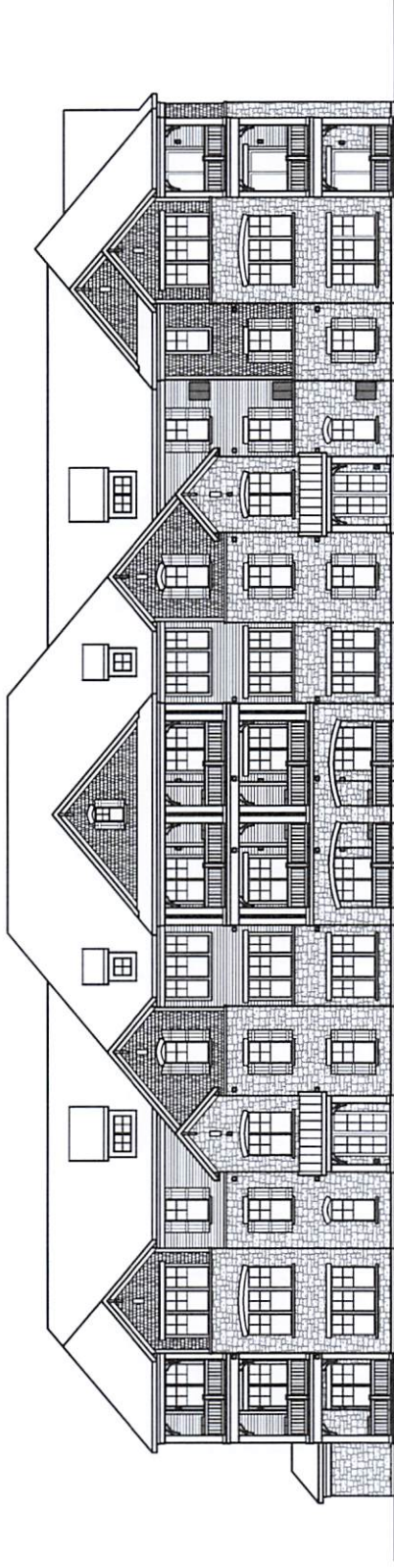


THIRD FLOOR PLAN

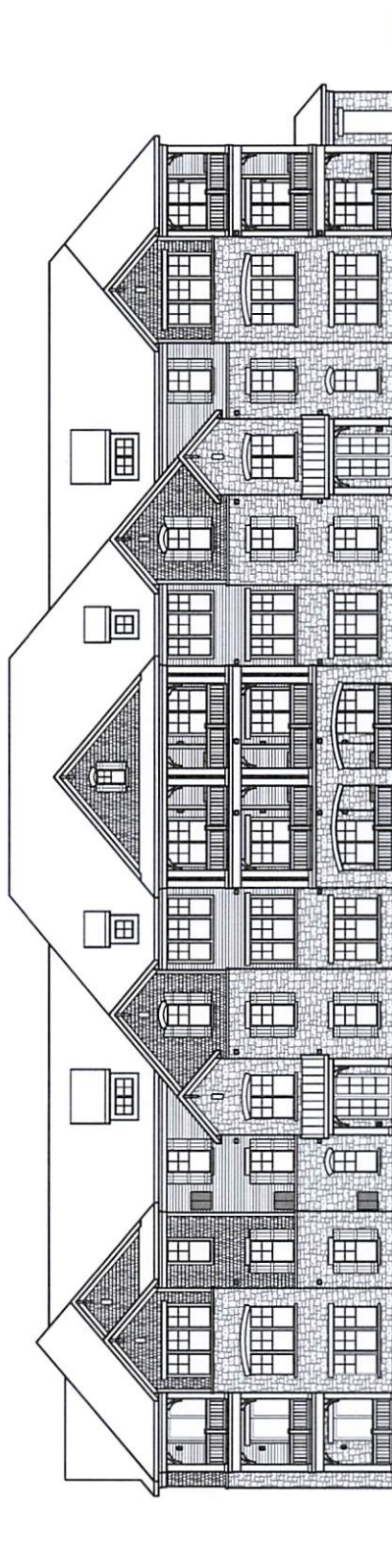
GARDEN - GP-006

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REAR ELEVATION

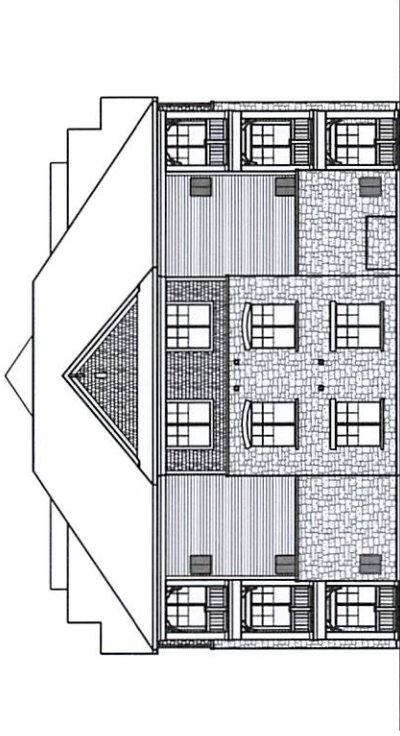


FRONT ELEVATION

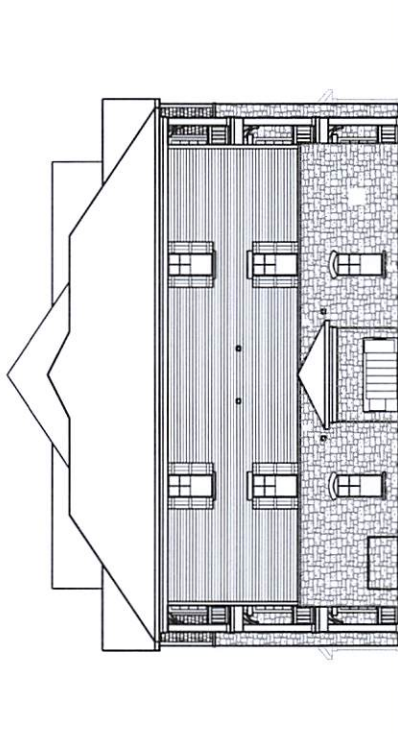
GARDEN - GP-006

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LEFT ELEVATION



RIGHT ELEVATION

GARDEN - GP-006

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UNIT DATA
GP-006

MARK	DESCRIPTION	QTY	BLDG.					NET HEATED (SF)		UNIT MIX
			1	2	3	4	5	PER UNIT	TOTAL	
APARTMENTS										
B1	TWO BEDROOM	6	6					971	5826	25.00 %
B2	TWO BEDROOM	11	11					971	10681	45.83 %
B2 - TYPE A	TWO BEDROOM	1	1					1059	1059	4.17 %
C1	THREE BEDROOM	6	6					1360	8160	25.00 %
	SUB-TOTAL:	24							25,726	100.00 %

NET HEATED = Exterior face of stud at unit envelope.

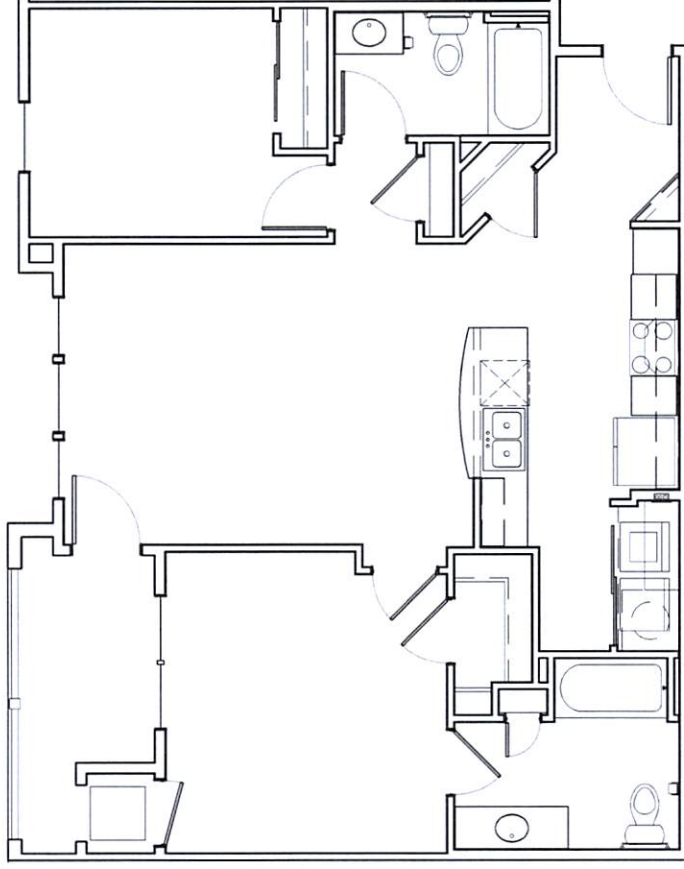
UNIT MATRIX

GARDEN - GP-006

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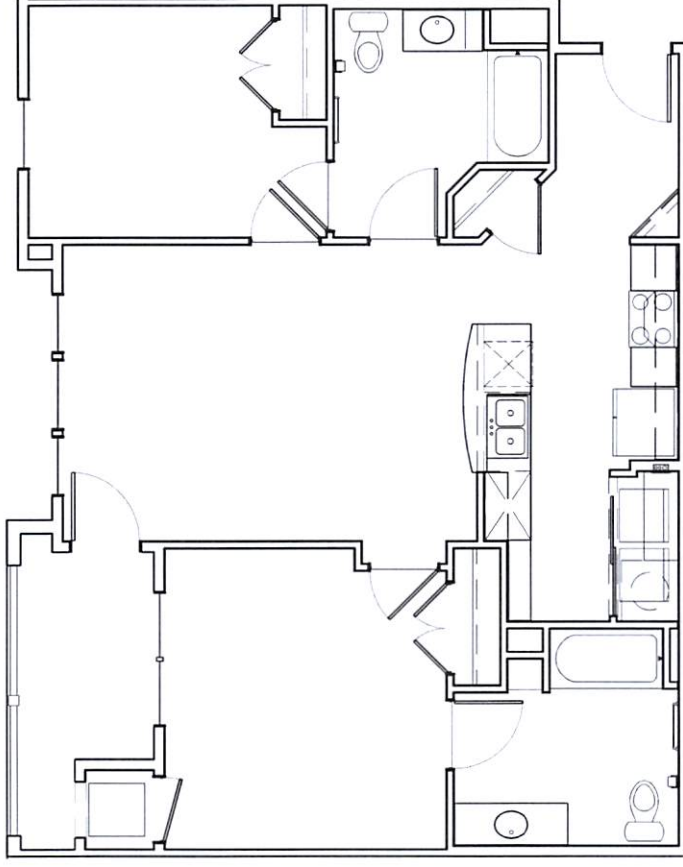


UNIT B2 TYPE B PLAN

GARDEN - GP-006

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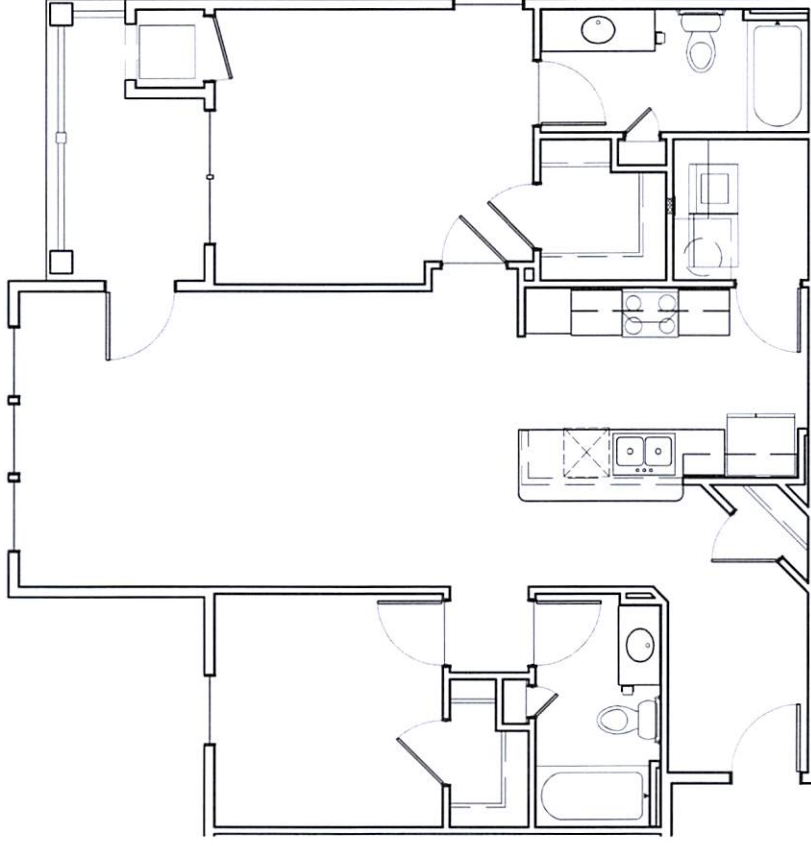


UNIT B2 TYPE A PLAN

GARDEN - GP-006

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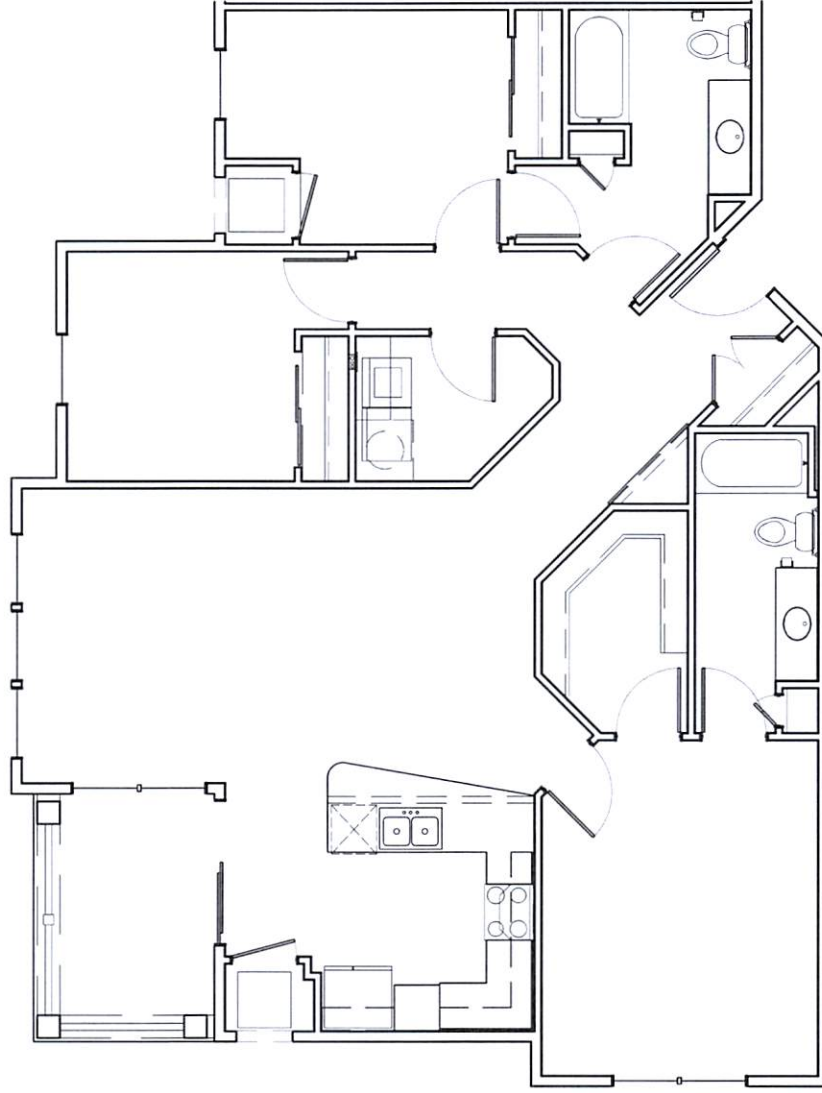


UNIT B1 TYPE B PLAN

GARDEN - GP-006

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UNIT C1 TYPE B PLAN

GARDEN - GP-006

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August 8, 2018

EXHIBIT C

EXHIBIT C

PROJECTED RESIDENTIAL REAL ESTATE TAXES

99 Single-family Homes	\$8,500 per house	\$841,500
308 Multi-family Homes	\$3,000 per unit	<u>\$924,000</u>
Total Projected Initial Real Estate Taxes to TIF:		\$1,765,000