



VILLAGE OF SCHAUMBURG
PROGRESS THROUGH THOUGHTFUL PLANNING

TO: Committee of the Whole

FROM: Matt Frank, Director of Economic Development

RE: Recommendation to Approve the Redevelopment Agreement Between the Village of Schaumburg and Cook County

DATE: December 17, 2024

Introduction

The Cook County Maintenance Facility for District 1 located at 2325 Meacham Road is in unincorporated Cook County and has been a target for relocation for many years. The Village of Schaumburg approached Cook County President Todd Stroger in 2005 about annexing the property as part of the STAR Line TIF. Since then, several efforts have been made to engage Cook County to look at alternative sites as the Algonquin and Meacham Roads intersection serves as the gateway to Schaumburg and the Convention Center.

Cook County has recently become more receptive and engaged staff to identify a site central to the County Roadway system in District 1. Due to a hot industrial market, very few sites meeting the County’s criteria were found in District 1. The Hunter Foundry Machinery Corporation site at 2222 Hammond Drive became available and staff toured the Hunter facility with Cook County on March 16, 2021. As part of the County’s evaluation, they engaged an appraisal service, surveyed their current facility, worked with the Sheriff’s Office regarding the existing radio tower, and looked at the Hunter facility options.

Several meetings have been held over the past 3+ years between Cook County and Village of Schaumburg staff to evaluate the needs for a facility replacement at the Hunter site. Cook County asked the Village of Schaumburg to put forth an offer to help facilitate the relocation of the Maintenance Facility to the Hunter site.

The attached Term Sheet was negotiated and signed in April 2024. The Term Sheet set forth the details of the deal which included up to \$10,500,000 in TIF assistance for land acquisition, demolition and site work, and relocation. This set the framework to move forward with acquisition and drafting of a Development Agreement.

Discussion

The Village of Schaumburg acquired the property at 2222 Hammond Drive in July 2024 to setup the relocation of the Cook County Highway Maintenance Facility located at 2325 Meacham Road. The Purchase and Sales Agreement included acquiring the property at 2222 Hammond Drive for \$6,015,000, a leaseback agreement with Hunter Foundry for up to 18 months with a six-month extension, and relocation assistance of up to \$1,500,000 to assist them in moving to a new facility.

The attached Redevelopment Agreement builds up on the Term Sheet and Purchase and Sales Agreement to finalize the terms and conditions for 2325 Meacham Road and 2222 Hammond Drive. The Village of

Schaumburg shall provide up to \$10,500,000 to facilitate the relocation of the Cook County Maintenance Facility at 2325 Meacham Road to 2222 Hammond Drive. Cook County will provide the property at 2325 Meacham Road to the Village of Schaumburg after they have completed the construction of their new Maintenance Facility at 2222 Hammond Drive.

In addition to transferring of the properties, the Village of Schaumburg agrees to the following:

- Paying up to \$2,350,000 for demolition and sitework at 2222 Hammond Drive
- Paying up to \$2,135,000 for construction and relocation costs associated with the new facility
- Assisting in the review and permitting of the new development
- Maintaining the radio tower site and access at 2325 for the Cook County Sheriff's Office
- Taking the property at 2325 Meacham Road as is

Cook County has introduced the Redevelopment Agreement to their Board of Directors. The item will go to the Asset Management Committee and subsequent Board meeting. The December Cook County Board date is December 19th.

Below is a tentative schedule for the project:

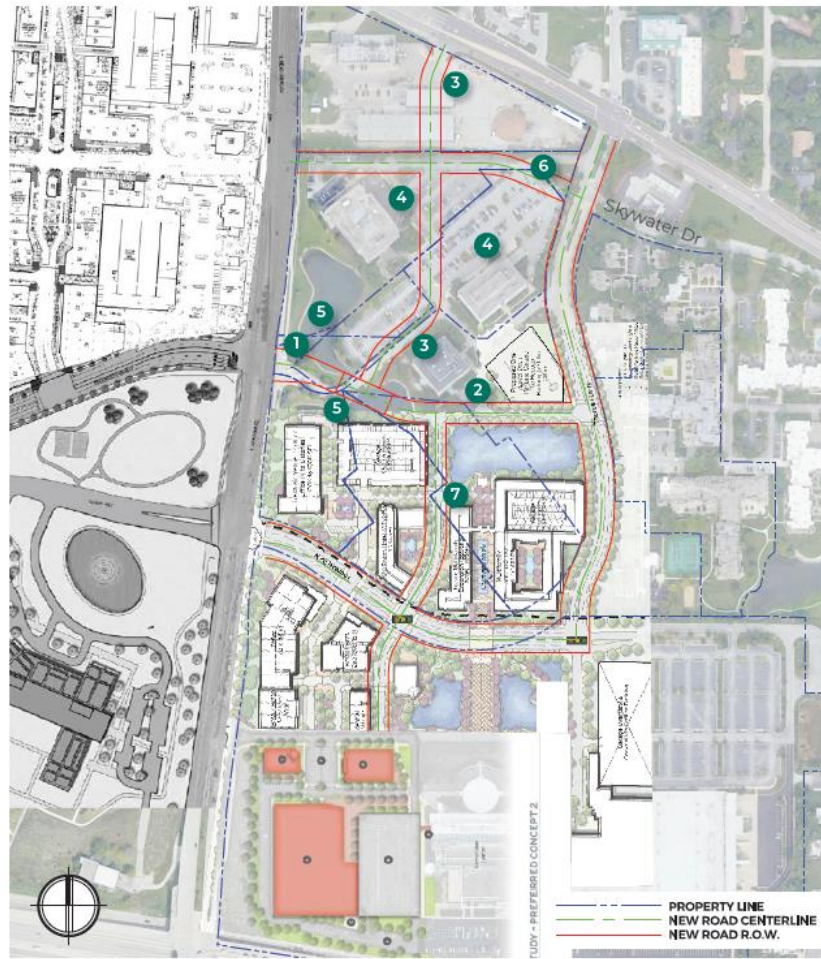
- January 2025 – Development Agreement is executed
- February 2025 – Cook County design and construction procurement begins
- June 2025 - Cook County starts design of new facility
- December 2025 – Hunter’s 18-month lease is up
- January 2026 – Schaumburg pays Hunter Foundry for relocation assistance
- March 2026 – Schaumburg begins demolition of 2222 Hammond
- September 2026 – Schaumburg has 2222 Hammond site ready for Cook County
- October 2026 – Schaumburg reviews Cook County Maintenance Facility plans
- December 2026 – Cook County completes development review and gets project approved
- January 2027 – Cook County starts construction
- July 2028 – Cook County completes construction
- August 2028 – Schaumburg pays Cook County for relocation assistance
- September 2028 – Schaumburg takes ownership of 2325 Meacham

Development Impacts on TIF

Once Schaumburg has control of the 2325 Meacham Road site, the property will be annexed into the Village. Future development at 2325 Meacham will enhance the North Schaumburg area and provide additional amenities at Algonquin and Meacham Roads.

Economic Development staff worked with SB Friedman to assess what the 2325 Meacham Road property could generate in TIF increment with a hotel, restaurant and retail development. Upon redevelopment of the Cook County District 1 Maintenance Facility, the new development could generate \$1.9 million in TIF increment annually. If this property gets annexed into the North Schaumburg TIF, this could generate close to \$14 million in increment before the TIF expires in 2038. The Village of Schaumburg would also benefit from sales tax, food and beverage tax, and hotel tax revenue from this development estimated to amount to \$1 million annually.

Staff also engaged Ginkgo Planning & Design to evaluate future connections to the Cook County site with the future Entertainment District. The below plans show a connected framework of new public streets that could integrate the existing AVMA, Embassy Suites and 1933 Meacham buildings with the Entertainment District to the south and redevelopment of the Cook County site to the north.



The Development Agreement is a significant opportunity to transform the intersection of Meacham and Algonquin and enable Cook County to build a modern Maintenance Facility nearby.

Recommendation

The Village Manager recommends that the Committee of the Whole recommend the Village Board approve the Redevelopment Agreement and resolution between the Village of Schaumburg and Cook County and authorize execution of by the Village Manager and Village Clerk.