



## MEMORANDUM

**Date:** November 30, 2017

**To:** Shubhra Govind, AICP  
Community Development Director  
Village of Hanover Park

**From:** Konstantine T. Savoy, AICP, Principal, Teska Associates, Inc.  
Diane Williams, Principal, Business Districts, Inc.

**Subject:** Final Village Center TOD Plan – Phase One

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The development of Hanover Park's Village Center TOD Plan is and will continue to be a complex undertaking, requiring on-going commitment and flexibility to respond to changing conditions, while adhering to the basic vision and guiding plan principles established in the 2012 TOD Plan. Of the key guiding principles to be retained from the prior Plan is the importance of integrating the identity and historic resources of the Ontarioville Historic District, together with the development of a new downtown district. This report incorporates the investigation of site and market conditions provided by Teska, BDI, developers, stakeholder, and historic resources as the basis for final plan recommendations. These recommendations will be basis for updating the previous TOD Plan.

The Final Village Center TOD Plan – Phase One is intended to be an interim document to guide village planning and investment decisions in the near term, as the Village prepares the necessary studies, revisions and hearings to bring the 2012 TOD Plan into conformance with the 2017 Village Center TOD Plan Update. This Plan update presents the recommended refinements to the 2012 Village Center Plan and the Ontarioville Historic District, as the Village's long-term development guide for the development and preservation of the Village Center area.



Village of Hanover Park, Illinois

*Village Center and TOD Plan*

**2017 VILLAGE CENTER PLAN UPDATE**

August 30, 2017

**teska associates inc**

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## INTRODUCTION

The development of Hanover Park's Village Center TOD Plan is and will continue to be a complex undertaking, requiring on-going commitment and flexibility to respond to changing conditions, while adhering to the basic vision and guiding plan principles established in the 2012 TOD Plan. Of the key guiding principles to be retained from the prior Plan is the importance of integrating the identity and historic resources of the Ontarioville Historic District, together with the development of a new downtown district. This report incorporates the investigation of site and market conditions provided by Teska, BDI, developers, stakeholder, and historic resources as the basis for final plan recommendations. These recommendations will be basis for updating the previous TOD Plan.

## HISTORIC ONTARIOVILLE

From a Transit-Oriented Development perspective, the former Ontarioville rail stop, now Hanover Park's Metra station, represents a local connection to the Village's story and how the Village has grown and changed over time. Planning for the future of the Village Center TOD requires an understanding of the current status of Ontarioville's historic properties and how to protect this area's remaining vintage structures while supporting key opportunities for the TOD area. Multiple properties currently face ownership transitions with critical implications for the area's future.

## OVERVIEW

Ontarioville's origin dates to the 1830s along what was known as the Lake Trail (now Lake Street) to Galena. The Village's founder, Edwin Bartlett, donated much of the land for the train station site. The station opened in 1873, enabling the formation of a small village and providing rail access to markets for area farmers. Hanover Park expanded to its present day size and population as the result of exponential growth from 1960-1990.



Ontarioville was annexed into the Village in 1982. In the mid-1980s, Village officials examined Ontarioville's local historic significance and considered the possibility of a local historic preservation program. This work, including the 1985 Ontarioville Historic District: Plan and Program, included draft provisions for design review of proposed

changes to local historic properties, including demolition. A National Register district nomination for the area was also prepared during this time, but certain qualifying data needed by the Illinois Historic Preservation Agency (IHPA) to facilitate the district's approval was unavailable. A National Register district was never created or approved, and the proposed historic preservation ordinance was never adopted.

Recognizing Ontarioville's local importance, a historic zoning district specific to Ontarioville was implemented in 1992.<sup>1</sup> This zoning district includes permitted and special uses and basic design provisions using the U. S. Secretary of the Interior's Standards for the Treatment of Historic Properties. This district remains in place. The Village has also approved a 2017 ordinance establishing a historic commission. This 5-member commission will encourage local preservation activities, offer historic plaques to property owners, and conduct local research about the Village's history. No provisions for design or architectural review are included in this 2017 ordinance.

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## ONTARIOVILLE'S CURRENT CONDITIONS

A 1986 assessment of Ontarioville's historic resources<sup>2</sup> identified eight (8) structures that serve as visual reminders of the area's past and significance to what has become Hanover Park. The Village's available historical research and documentation about these eight (8) structures was reviewed as part of this assessment. The eight (8) structures identified as historic resources included:

- Edwin Bartlett House, 2016 Lake Street (demolished)
- Smyrna Baptist Church and Parsonage structures and the Cemetery, 7N728 Church Road (2 structures)
- Former Brixies Tavern, now Prairie Station Pub and Grill, 1951 Ontarioville Road
- Dairy Co-operative Building, 1900-1920 Ontarioville Road (demolished)
- Executive House, 27W250 Ontarioville Road
- Anna Marek's Law Office, 27W242 Ontarioville Road (under threat)
- Earl Rinne House, 2014 Lake Street (demolished)

Three (3) of these eight (8) structures have since been demolished. Anna Marek's Law Office, one of the most important remaining structures, is under threat of demolition, given the current owner's objectives for the property. The Village's historic district for Ontarioville provides limited protections for these properties. With a limited legal and regulatory framework to protect Ontarioville's small number of existing buildings, they will likely disappear.

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<sup>1</sup> According to the ordinance's legislative history.

<sup>2</sup> Ontarioville: Its Historical/Architectural Significance by architectural historian, Susan Benjamin, dated October 30, 1986.

The 1985 Plan and Program also describes additional structures on Ontarioville Road and Devon Avenue but identifies these five (5) structures as lacking historic and architectural significance. Village staff also includes these structures as part of a 2015 comparison with the 1985 Plan descriptions. These five (5) structures include:

- Former Newspaper Office, now A&A Music Academy, 27W281 Devon Avenue
- Former Factory, now Garage, 1961-1969 Ontarioville Road
- Office Building, 1945 Ontarioville Road
- House, 1931 Ontarioville Road
- House, 1909 Ontarioville Road

With the exception of 27W281 Devon Avenue, the above properties have multiple code violations and court actions against the owner, now deceased. The properties are now part of his estate. The Village also considered a possible purchase of 1909, 1931, and 1945 Ontarioville Road for parking and other community needs as recently as 2016.

A field assessment of the Ontarioville properties listed above was conducted on May 18, 2017. This assessment considered the visible condition of the exteriors of each of the area's properties. Ontarioville's existing buildings will require sensitive rehabilitations in the future. Many of the area's buildings have been remodeled in ways that mask their history and importance to the Village's story. These past alterations have also used materials and construction methods inappropriate for historic and vintage buildings. In a subsequent meeting with Village officials, details about the status of the Ontarioville properties were reviewed. Structural and property problems specific to the Marek Law Office were also discussed. These structural and property issues, combined with possible ownership changes, indicate that the Marek Law Office is under threat, as described above.

These current conditions indicate three (3) issues specific to Ontarioville's future that the Village needs to consider:

- A large proportion of Ontarioville's most historic properties have already been lost to demolition over time. The Marek Law Office's future is uncertain. If Village officials believe that Ontarioville is important to the Hanover Park community, this small collection of remaining buildings somehow needs greater protection from demolition and from continued inappropriate alterations and additions.
- Ontarioville's historic resources have been studied and acknowledged in the Village's planning efforts since the area's annexation in 1982. All of these studies recognize that Ontarioville represents a small number of properties and owners. At the same time, the Village staff has limited capacity to devote to the required hands-on work with property owners to ensure that these properties are improved, code compliant, and preserved with viable uses in upcoming years.

- The Village's 2014 Strategic Plan<sup>3</sup> observes that Hanover Park's residents, particularly young families, often self-identify with the seven (7) local school districts serving the Village versus with Hanover Park and its story. Hanover Park is also often perceived as a first, or starter, home community. Both factors complicate educating residents, particularly local youth, about the Ontarioville and Hanover Park stories and helping them identify with those stories. Longer-term residents, more familiar with the Village prior to its exponential population growth from 1970-1990, likely understand how Ontarioville's history intersects that of the Village.

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## PEER COMMUNITY REVIEW

Four (4) Chicago area suburbs were identified to examine local processes and regulations to protect historic resources located within their historic zoning or overlay districts. The communities considered include: Schaumburg, Orland Park, Barrington, and LaGrange. Like Hanover Park, three (3) communities have experienced rapid growth and retain a small historic core. Each has small numbers of buildings considered locally historic. These same communities also apply a zoning district or overlay to preserve local historic resources. Orland Park and Barrington are also Certified Local Governments (CLGs)<sup>4</sup>, based upon their high standards in preserving their local historic properties. LaGrange, while generally considered an older and more historic community, does not have a formal historic preservation program. Properties identified as historic in their downtown core and nearby neighborhood are reviewed for compliance with zoning and local design guidelines.

In evaluating these local approaches, five (5) activities present options for the Village and Hanover Park in considering how to manage Ontarioville's resources:

- **Design Guidelines.** Each community conducts some level of design review based upon established design guidelines specific to their historic district and its historic resources. As in Hanover Park, design review is typically completed at permit application. Hanover Park's current zoning district incorporates the U. S. Secretary of the Interior's Standards for Treatment of Historic Properties as design guidelines. These standards are used by the National Park Service in evaluating historic tax credit projects and are generally accepted as the basis for local design guidelines nationally. In practice, the Standards do not function as design guidelines for local communities. Local design guidelines require additional detail relevant to that community's local historic resources. This ensures that applicants understand what is appropriate and inappropriate work on their properties whether an individual landmark or within a district or overlay. Design requirements for new construction within the district or overlay are also codified within local design guidelines.

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<sup>3</sup> Village of Hanover Park, President & Village Board Strategic Plan 2014, pp.7-8.

<sup>4</sup> The Certified Local Government (CLG) program represents a partnership among federal, state, and local governments. The National Park Service administers it at the federal level. The program is structured to assist municipalities and counties in protecting their historic properties. These properties encompass a wide range of properties and stories--from famous public buildings to working class neighborhoods. For local governments, the primary benefits are the ability to apply for grant funding from their SHPO, or State Historic Preservation Office (IHPA in Illinois) and to access technical support, including for historic tax credit development, from their SHPO.

- **Uses.** The Village's overlay requirements provide an extensive list of permitted and special uses for Ontarioville properties. The other communities address uses in their ordinances or codes, but most are more general in their description, noting broader zoning categories. Related issues, such as parking, loading, signage, and landscaping are also components of the zoning or overlay ordinances, the companion design guidelines, or both.
- **Design Review.** As in Hanover Park, staff in one of the communities conducts all design review, and all communities provide for appeal to their City Council or Village Board, regardless of who conducts project review. One community requires review by staff and by a municipal contractor with expertise in historic preservation and architecture. In all communities, a local design, architectural, or preservation review commission conducts the review of larger projects. Some communities require a companion review, meaning that zoning and design review are conducted as parallel processes.
- **Demolitions.** All of the overlays include provisions for demolition review. This includes a demolition delay to consider other options for threatened properties.
- **Property Classifications.** All of the communities differentiate among the built resources within their overlay districts, generally applying terminology from the National Register of Historic Places guidelines. As an example, one community requires the two (2) National Register listed properties within their overlay to undergo a full review for any permit applications for interior and exterior work. Buildings that contribute to overall character are also reviewed, and owners of all properties within this same overlay are eligible for local incentives.

## RECOMMENDATIONS

Hanover Park is at a decision point for Ontarioville and its future. The fundamental question is--does the Village want to save what remains of the Ontarioville district? In particular, the Marek Law Office has an unknown future. Four (4) properties, while not considered historically or architecturally significant, have uncertain ownership and a history of code violations. New information obtained through research would be necessary to determine whether these properties are significant, given their current condition. The Village has also considered purchasing these same properties for parking and other community needs after demolishing the buildings. Three (3) of the Village's eight (8) most significant properties, identified in earlier studies, have already been demolished. Village officials recognize the area's history but are concerned about the costs to property



owners for necessary improvements. Village staff lacks the time and capacity to deal with the 'hands on' efforts needed to address this small area's complexities. Owners of the few remaining, more significant properties will likely retire within the next decade resulting in new ownership. These facts, individually and collectively, present major impediments to achieving the Village's goals for a historic Ontarioville. These facts also suggest these recommendations:

This fact set also suggests these preliminary recommendations:

- The current zoning district, as written, needs to be strengthened if the Village wants to retain the remaining Ontarioville resources. Design guidelines should be a companion to this stronger district and reflect Ontarioville's need for quality rehabilitation work and infill development. Design guidelines were formulated for Ontarioville in the 1980s, and in the interim, they could guide permit review. Updated guidelines will be crucial in how historic properties will be improved and how new construction can complement the historic properties in the future. In addition, the permitted and prohibited uses described for Ontarioville should be updated, incorporating flexibility and the Village's current planning objectives.
- For the remaining Ontarioville properties, complete historic survey data, including their permit histories, should be updated and available for each property. The histories completed in the 1980s and the Village's 2015 work can serve as the basis for this survey update. Updated research can confirm historical and architectural significance and include any potential new information. In addition to historic or architectural significance, some remaining older buildings likely contribute to Ontarioville's overall character as a district. Protecting these buildings may also be important. This information should also be conducted and available electronically. This survey will inform the Village about the current status of these properties. The newly formed Historical Commission could assist in this effort.
- Assuming a stronger zoning district and more defined design guidelines, the Village should consider retaining outside expertise to assist in reviewing projects for historic buildings in Ontarioville and any Hanover Park buildings or districts identified in the future. There are multiple Chicago area architecture firms with expertise on historic buildings that could assist Village staff with review.
- Ontarioville's context needs greater emphasis in decision-making. The expansion of Metra parking, the growth of area businesses, and the Village's interest in housing near the Metra station are important. If retaining Ontarioville's unique character also remains important to the Village, plans for growth and development will need to accommodate the area's historic resources, character, context, and footprints. Future uses and development should be of high quality and consistent with Ontarioville's size and scale.
- The Village has strong relationships with Ontarioville's property and business owners. These relationships should be maintained, particularly with the owners of the remaining significant properties. If the Village chooses to strengthen its protection of Ontarioville's historic resources, ongoing conversations with these owners will be important to

overcome past property owner concerns about any proposed guidelines and processes. These relationships should also become the basis for identifying potential local incentives to help property owners complete appropriate rehabilitations to their properties in the future.

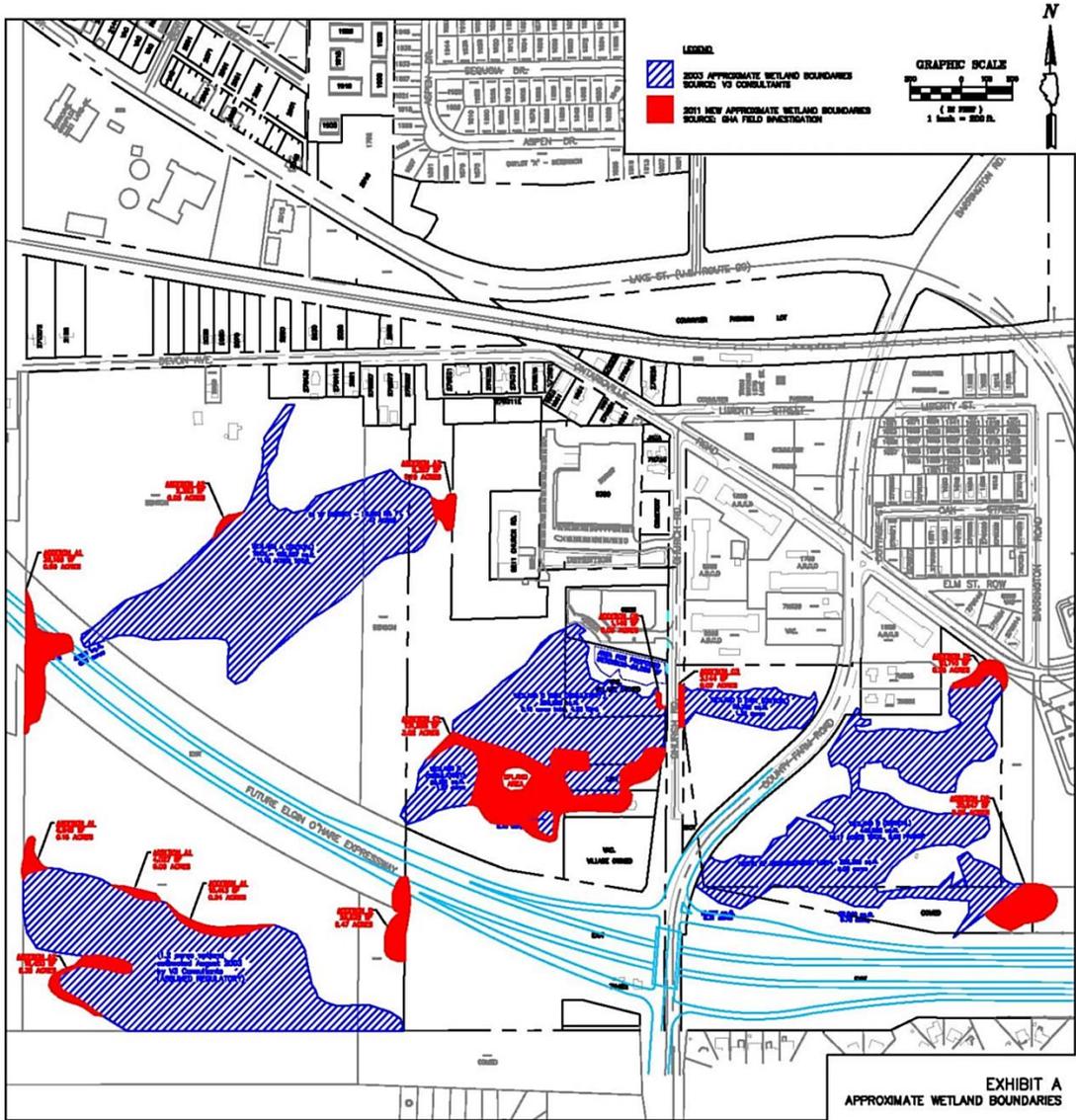
- In updating and strengthening processes for Ontarioville, the Village and the new Historical Commission should begin to identify other properties or areas within Hanover Park that could be important to the Village's history. Examples include vintage neighborhoods near Ontarioville and any residential developments from the Village's early growth years.

These recommendations have been formulated to focus on Ontarioville's future. The Village has identified certain goals for the area, reflecting the district's story. Determining whether or not to protect Ontarioville's history and properties represents the first step to achieving Village goals for the district and sustaining its importance to the community.

## CONCEPT DEVELOPMENT PLAN

The 2012 TOD Plan established several planning principles and design concepts that remain as the driving guidelines for this 2017 Plan update. An essential element of the Plan is the promotion of the Elgin-O'Hare Expressway/IL 390 western extension as a regional arterial boulevard with controlled points of access. The following are other elements that continue to be reflected in the 2017 Final Concept Plan, and that will guide the on-going planning and development review process: (See Exhibit B)

- While wetlands, drainage corridors, and other environmental features pose constraints to development, new projects will be designed in such a way as to turn these environmental features into unique public assets.
  - As wetlands occupy a large percentage of the Village Center, relocating a portion of the wetlands was necessary in order to take advantage of properties at prime locations that have significant economic potential due to good access to and visibility from major roads (See Exhibit A). The areas marked with a blue hatch are the approximate boundaries of the wetlands as per 2003 data by V3 Eng. consultant, while the ones marked in red are the 2011 boundaries as per a field investigation conducted by Gewalt Hamilton Associates. In addition, these wetlands are marked as either **critical or regulatory**. As per the DuPage County Wetland Ordinance, for critical wetlands a buffer of 100 feet needs to be created around the wetland boundary within which no development can take place. For regulatory wetlands this boundary is 50 feet. However, permanent wetland impacts can be mitigated **within DuPage County** at a minimum proportional rate of three to one (3:1) for critical wetlands and, one and one half to one (1.5:1) for regulatory wetlands.



- Except in limited instances where existing wetlands have been either modified or removed to enhance development potential, all existing wetlands have been maintained and/or expanded to provide for the necessary mitigation of modified wetlands. The Final Concept Plan identifies several locations, both east and west of County Farm Road, where existing wetlands can be expanded to compensate for the loss of wetland areas that are part of future development sites. These 'proposed' expansion areas will serve to improve existing conservation areas, and provide opportunities for creation of nature preserves assessable to the public providing a regional educational, wildlife and open space benefit.
- The connection to Church Street from County Farm Road creates a vista into historic Ontarioville while accentuating the corner parcels as potential commercial property.

- The historic character of Ontarioville is preserved and accentuated by additional community green spaces along Church Street and Devon Avenue creating central public gathering and festival spaces.
  - Civic Space: A civic space is planned around the historic church and cemetery in the Ontarioville historic district to serve as the focal point for Hanover Park's Village Center. A large community green space or 'commons' is introduced west of the historic district providing opportunities for larger community events.
- Connection from the Metra station area to developments and commuter parking north of the railway line will be maintained via a bridge at the second level for commuter traffic, while an underpass is provided for recreational, bicycle and pedestrian traffic.
- Pedestrian and bike path crossings can be accommodated along County Farm Road to connect them to bike trails to the south of the study area.
- Full access locations provided in IDOT's feasibility study are generally consistent with the Village's Plans, maintaining spacing of intersections approximately ¼-mile from another. The ¼ -mile intersection spacing is typically a minimum guideline for signalized access that allows traffic signals to be coordinated along the corridor so that traffic progresses efficiently.

### Residential Prototypes

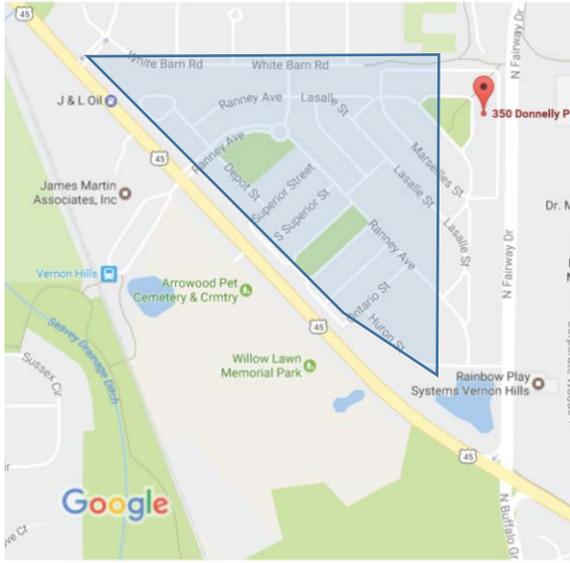
The introduction of a smaller single-family lot program is not intended to increase the number of affordable units in the Village, but to create high quality, walkable neighborhoods that encourage community interaction and creates a high-quality streetscape environment. These neighborhoods are envisioned to be custom homes, with full amenities, with access to significant open spaces, trails, commercial, civic uses, and commuter rail. Several new-urbanist Traditional Neighborhood Development (TND) neighborhoods built in the Chicago area, western Indiana and southern Wisconsin, serve as models for the standards that should be applied in Hanover Park. Centennial Crossing is one example of a TND neighborhood built to encourage walking near a Metra station.

- CENTENNIAL CROSSING, Vernon Hills, IL



(Price Range \$400k+; Lot Sizes: 7,500 sq. ft. average)

TND Subdivision, Vernon Hills IL



Map data ©2017 Google 500 ft

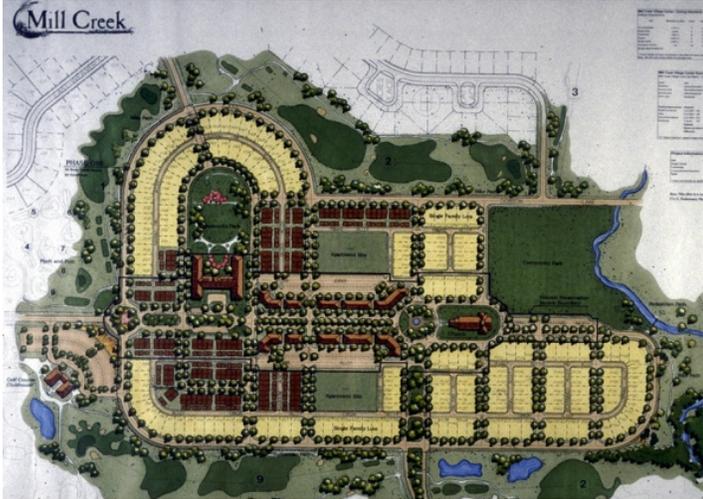
Other local and nearby residential TND projects include:

- PRAIRIE CROSSING, Grayslake, IL
- THE GLEN, Glenview, IL
- VILLAGE AT MILL CREEK, Geneva, IL



Mill Creek Single-family homes (Price range: \$330k - \$500k; most floor plans over 2,000 sq. ft.)





- MIDDLETON HILLS, Middleton, WI
- COFFEE CREEK CENTER, Chesterton, IN
- THE VILLAGE IN BURNS HARBOR, IN



Burns Harbor Single-family homes (Price range: \$150 - \$300k; Most floor plans over 2,000 sq. ft.)



Village Center Mixed-Use Core Area

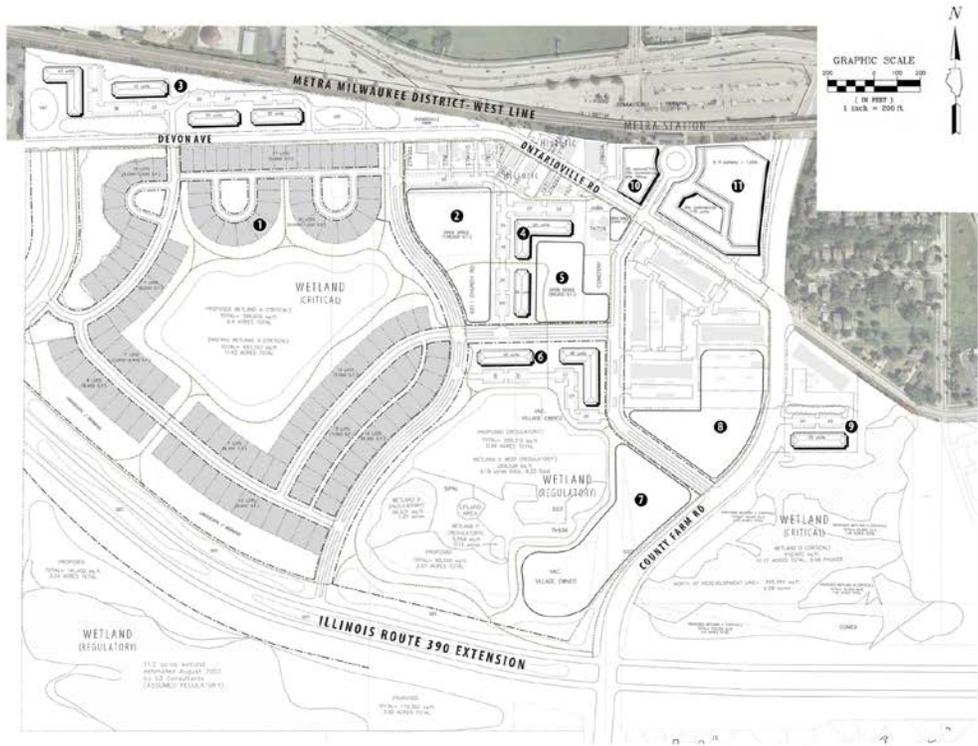
The Village Center/TOD core area is designed as a vital, pedestrian and transit-oriented mixed-use district, supporting a variety of retail, commercial, employment and residential and entertainment/restaurant uses. As a mixed use district, the Village Center core district combines access to the existing commuter train station with residential, employment, commercial, transit and civic uses into a fully integrated central focal point for civic, social, and shopping needs, while creating a “sense of place” and identity for Hanover Park residents. It will be a vibrant 24-hour center that offers lifestyle options and opportunities to accommodate work, play, and living in a high quality urban environment. Opportunities for community life abounds in the Village Center in outdoor cafes, restaurants and in public plazas where festivals, farmers markets, art fairs, and other community events occur. Images provided are from other similar mixed-use center projects, many in the Chicago area.



# Exhibit B: Conceptual Development Plan 2017



## Final Concept Plan



Site	Land Use	Site Area	Lot Sizes / (# Lots)	Building (gross sq ft)	Dwelling Units	Floors	*Parking
#1	Single-Family Residential	36.5 AC	5,000-8,400 s.f. / (129)				
#2	Open Space	4.1 AC					65 Public
#3	Multi-Family Residential	8.6 AC		194,000	135	3	170
#4	Multi-Family Residential	3.4 AC		140,000	95	4	134
#5	Open Space	2.0 AC					
#6	Multi-Family Residential	3.6 AC		114,500	80	3	110
#7	Commercial	7.0 AC		75,000		1	300
#8	Commercial	4.5 AC		30,000		1	240
#9	Multi-Family Residential	1.4 AC		48,000	35	3	44
#10	Mixed-Use Commercial Office	0.88 AC		90,000 15,000 60,000		3 1 2-3	3 (30) *(230)
#11	Mixed-Use Residential Commercial *Office Parking for Site #12 Commuter Parking	4.3 AC		550,000 158,000 30,000	115	4 2-4 1	1,200 (145) (90) (230) **(735)

\*Parking Ratios:  
Residential: 1.0 min - 1.25 max spaces/unit  
Commercial: 3 spaces/1000 s.f.

\*\*Commuter Parking  
Structured Parking: 735 (+209 spaces)  
Existing Surface Parking: 176 (removed)

Note: Structured Parking on 1st - 4th floor Roof  
Assuming 350 s.f. per space

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## MARKET ISSUES AND OPPORTUNITIES

To understand how current market conditions affect the planning principles and assumptions of the previous 2012 TOD Plan, interviews were held with several property/business owners of well-established business in the Ontarioville area, and local developers who have experience in commercial, residential industrial development and TOD mixed-use development. Below is a summary of the findings from these interviews. (Also see Appendix A)

- Strengths
  - Access to public transportation options
  - Proximity to O'Hare airport western gateway
  - Availability of land
  - Character of Ontarioville (strong 'neighborhood' feel); walkable district
  - Village regulations not unreasonable; Village easy to work with
  - Several strong, local businesses that serve as anchors, with interest in expansion and improvement. Committed to Hanover Park location.
  - Village financial assistance in place. Will need to extend TIF.
  - Village aggressive marketing and economic development outreach program – open, friendly, welcoming
  
- Weaknesses
  - Home values and rent levels do not support higher density, more expensive housing projects. Future multiple-family residential projects will be limited to 4 stories due to the economics of construction costs.
  - Expansion of residential uses will need to drive smaller scale village center retail near TOD core.
  - Extensive wetlands limit development potential
  - Multiple property ownerships, and relocation of existing businesses
  - Uncertain future of construction/access to IL 390 western extension (puts a 'cloud' over the area)
  - Limited properties under control of Village
  - Many properties facing parking deficiencies, with the greatest pressure being experienced by the animal hospital.
  - Vertical mixed-use projects more difficult to lease
  - School district (Elgin U-46)
  
- Opportunities
  - Industrial and multiple-family development most active growth sector of the local economy. Typical residential building programs need a minimum of 1-acre sites, and do not exceed 300 dwelling units to maintain economic viability.
  - New residential will strengthen market for existing entertainment and service businesses.
  - Long-term potential for commercial along County Farm. Commercial to focus on entertainment (fast casual restaurants) and services.

- Expansion and improvement of existing businesses within Ontarioville Historic District.
- Be prepared for a long-term planning and development process.
- Need to create zoning flexibility through a PUD or similar process that removes barriers to development.
- Most attractive sites in the near-term are north of railroad.
- Need a central commons, park, civic center and focal point for area to serve as a community gathering space for events that in turn support local businesses.
- Explore opportunities for hotels. Industry focus on extended stay hotels.

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## IMPLEMENTATION PROGRAM

As stated in the previous TOD Plan, the successful implementation of the plan is dependent on an action plan to be undertaken by the Village with the involvement and support of transportation agencies, property owners, developers and other community partners. The recommended strategies and related tasks are initiatives that the Village may undertake in the near and long-term to create the necessary conditions for success, particularly as the economy rebounds and results in a more favorable environment for development.

The purpose of this process is to assist the Village in developing a work program to address the changes to the Plan that will be necessary to accommodate new uses, to further examine the viability of the Historic District, and to put in place the tools required to facilitate the revitalization and redevelopment of the entire Village Center planning area.

### Implementation Strategies

The recent recession and associated real estate market collapse will delay implementation of the Village Center plan, as market values in the Chicago area still lag behind several areas of the country. Although that delay may frustrate community leaders, it will have the important benefit of preventing competitive developments as Hanover Park puts supportive plans, policies, and regulations in place. The Village has already made significant progress in the determination of feasibility and alignment of the most important factor affecting the future of the TOD areas - finalization of the Elgin O'Hare Expressway's - Route 390 western extension. Commitments from the Illinois Tollway Authority to extend IL 390 to County Farm Road will remove barriers that have inhibited interest from private investors. This delay also provides time for continued marketing of this opportunity to national developers. The proposed scale of development may require a nationally significant partner with the ability to finance projects of this large size.

While the present economy suggests that development may not be immediate, there are still many steps that can be accomplished in the near-term. The existing TOD Plan established a series of core strategies that need to be implemented in order to ensure the concepts and recommendations detailed in this Plan are achieved. This report serves to update the most relevant strategies. The Village of Hanover Park will assume primary responsibility for each task, with the potential to partner with other organizations or agencies, such as the RTA, Metra, Pace, Illinois Department of Transportation (IDOT), Illinois Tollway Authority (ITA), and property

owners. Many of the tasks can be supported by the funding sources and support resources described in the Village Center TOD Plan.

The phasing component of the implementation strategies utilizes the following timeframes and cost guidelines:

- Short-Term Tasks (0-3 years)
- Mid-Term Tasks (3-5 years)
- Long-Term Tasks (5+ years)
- \$ - Low cost (under \$10,000)
- \$\$ - Moderate cost (\$10,000 – \$25,000)
- \$\$\$ - High cost (\$25,000+)

**Strategy 1: Seek funding for the Elgin-O’Hare west extension as a “Boulevard” Road.**

Task	Potential Partnerships	Phasing
<b>The establishment of the alignment for the new roadway provides the foundation for development in the next phase. The Village must develop a strategic funding plan and aggressively pursue the construction of Elgin-O’Hare Boulevard extension. (Potential funding sources identified in Village Center TOD Plan)</b>	Bartlett, Streamwood, IDOT, RTA, IDNR, Property Owners/Developers, CMAP, DuPage County; Transportation Consultant	Long-Term \$\$\$
<b>Modify the existing TIF district to expand redevelopment area to include the Bensen property, Metra properties, and other properties included in the Village Center TOD Plan. Address alternative approaches to making the TIF District a viable, long-term funding source for road construction and related infrastructure improvements. (See below for expanded discussion of TIF funding options)</b>	Village, Property Owners, Other Taxing Districts	Short-Term \$\$

**Strategy 2: Site Preparation**

Task	Potential Partnerships	Phasing
<b>Establishment of ‘development ready’ sites is an important element to the marketing of the TOD area. Due to the natural resource constraints for several development sites, more detailed delineation and topographic studies are needed to further define environmental features that must be accommodated or mitigated.</b>	Environmental consultant; property owners	Short-Term \$\$\$
<b>Consult with DuPage County wetland jurisdictional agencies to determine existing data on wetlands and to present preliminary site and roadway plans.</b>	DuPage County, IEPA	Short-Term \$

<b>Undertake a water and sewer study to determine utility conditions, capacity, and infrastructure needs to support planned land uses.</b>	Village, property owners	Short-Term \$\$
<b>Develop a strategic property acquisition plan that targets key properties that are necessary to facility development; and consider other acquisitions in cases where the property owner(s) are willing to sell at reasonable cost. Consider securing purchase options on sites that are not financially feasible.</b>	Property owners, real estate development consultant	On-going \$\$
<b>Explore the feasibility of providing an additional signalized intersection access to the Village Center on County Farm Road, south of Ontarioville Road.</b>	DuPage DOT	Short-Term \$
<b>Pursue the acquisition of lands identified on the Village Center for wetland mitigation and public open space areas. Identify and contact property ownerships to determine availability.</b>	Village, Environmental management firms	Mid-Term \$\$\$
<b>Strategy 3: Build awareness of the development opportunities offered by the Village Center.</b>		
<b>Task</b>	<b>Potential Partnerships</b>	<b>Phasing</b>
<b>Reach out to local newspapers and real estate trade journals to submit press releases and articles relating to the development prospects offered by the Hanover Park Village Center.</b>	Local newspapers; real estate trade journals	Short-Term \$
<b>Create promotional materials, such as brochures and newsletters, to circulate around the region and among development companies and professional organizations to help attract developer and business tenant interest.</b>	Real estate trade journals; real estate brokerages	Short-Term \$
<b>Create a project website dedicated to implementation of the Village Center/TOD with possible options for posting of media releases, announcements, property and ownership information, etc.</b>	Village, Chamber of Commerce, Choose DuPage	Short-Term \$
<b>Continue to promote the Village Center project at trade shows, like the International Council of Shopping Centers (ICSC).</b>	Village, Chamber of Commerce, Choose DuPage	On-going \$
<b>Establish an RFQ/RFP process to accept and review development proposals for consolidated properties under control or contract by the Village.</b>	Village	Mid-term \$\$

**Strategy 4: Strengthen Ontarioville as a unique business destination and historic center that preserves the identity to the Village Center area.**

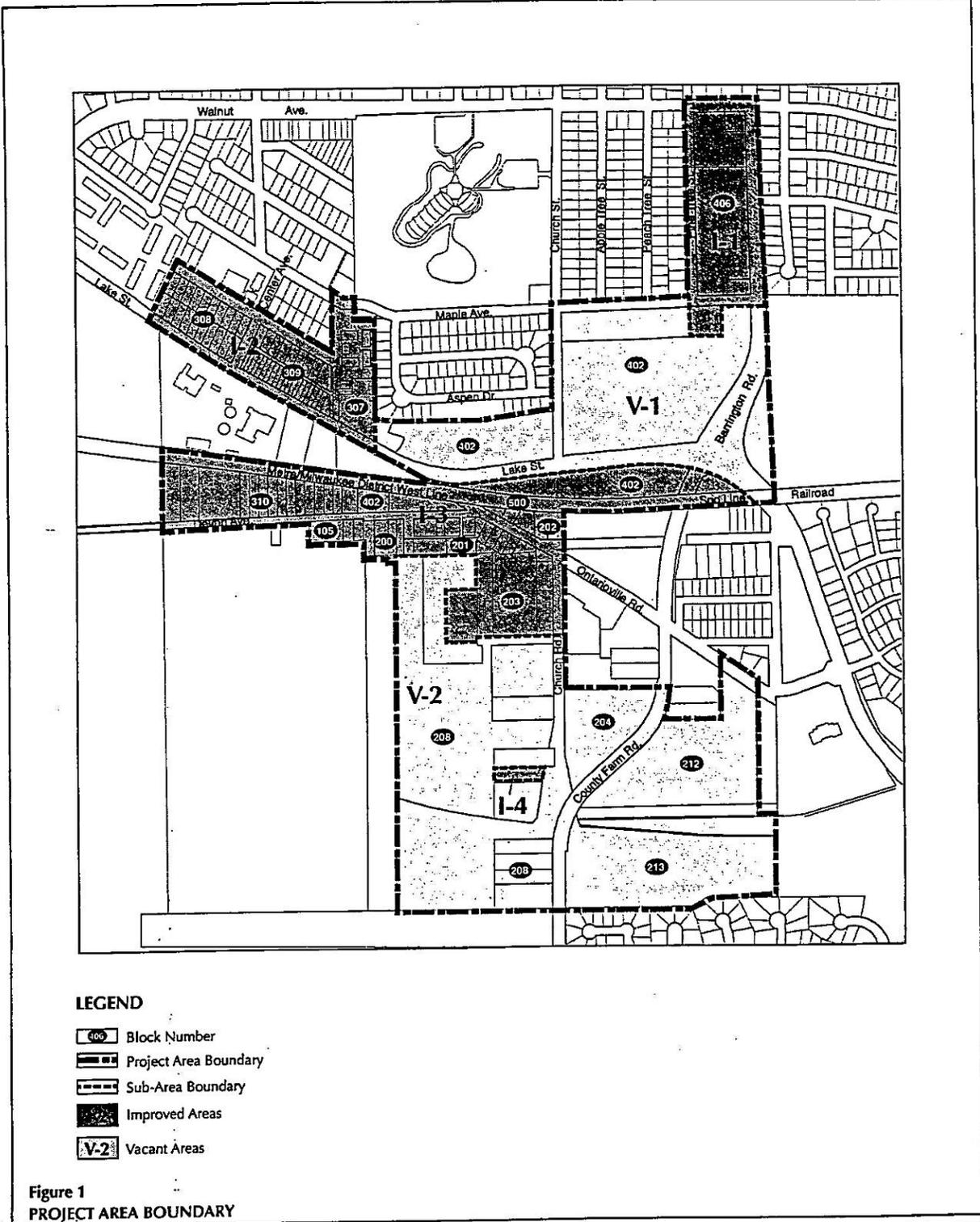
Task	Potential Partnerships	Phasing
<p><b>Complete a historic survey for the remaining properties in the historic district, to provide the basis for further preservation efforts and funding. The newly formed Historical Commission could assist in this effort.</b></p>	<p>Historical Commission</p>	<p>Short-term \$\$</p>
<p><b>Amend the current Village Center zoning district to incorporate design guidelines to ensure quality rehabilitation work and infill development. In addition, the permitted and prohibited uses described for Ontarioville should be updated, incorporating flexibility and the Village’s current planning objectives.</b></p>	<p>Village, Illinois Historic Preservation Agency</p>	<p>Short-Term \$</p>
<p><b>Secure professional assistance in the evaluation of changes to existing buildings and new projects which specialize in historic restoration and design.</b></p>	<p>Historic preservation architect/consultant</p>	<p>Short-Term \$</p>
<p><b>Work with local banks; provide low interest loans or grants for building rehab, façade improvements or new infill construction that meets Historic District design standards.</b></p>	<p>Village, local banks</p>	<p>Mid-Term \$</p>

**Review of Village Plans & Policies**

With its Comprehensive Plan, Municipal Code, and Zoning Map already in place, the Village of Hanover Park has the necessary tools to regulate the development of the Village Center and TOD area. These regulating documents will ensure development meets the Village’s standards and reflect the community’s character and identity. To ensure consistency between the Village Center development concepts and the Village’s existing plans and regulations, it is recommended that the Village adopt this Village Center & TOD Plan as an amendment to the Comprehensive Plan, and further consider further modify zoning regulations to ensure the vision can be carried out.

**Village Center Tax Increment Financing District (TIF)**

In early 2000, the Village recognized that the improvement of the Village Center and surrounding areas is a complex undertaking, requiring a well-organized development and revitalization strategy to bring about interest and investment on a coordinated basis. Realization of the Village Center redevelopment will require commitment by the Village, property owners, residents and developers, supported by reliable, long-term financial sources. The adoption of the Village Center TIF District #3 in 2001 (Figure 1 below) and associated Redevelopment Plan and Program provides the necessary funding source to address significant barriers to development, including environmental remediation, infrastructure improvements, and property acquisition. The use of Incremental property taxes permits the Village to direct and coordinate public improvements and activities to stimulate private investments on a comprehensive basis.



- LEGEND**
- Block Number
  - Project Area Boundary
  - Sub-Area Boundary
  - Improved Areas
  - Vacant Areas

Figure 1  
PROJECT AREA BOUNDARY

**Village Center** **Village of Hanover Park, IL**

Tax Increment Financing Redevelopment Project Prepared by: Trkla, Pettigrew, Allen & Payne, Inc.

However, limitations imposed on TIF districts to end the district after 23 years provides a narrow window of opportunity to achieve plan goals. In the case of Hanover Park, much of the progress for the Village Center was and is dependent on the decision to construct the Elgin-O'Hare west extension (now IL Route 390). Current efforts by the Village, IDOT and Illinois Tollway Authority have established a final roadway alignment and commitment to extend Route 390 to County Farm Road. No funding commitments are in place for the extension of Route 390 west of County Farm Road. It is anticipated that this funding will come from a variety of sources, including State and Federal Grants, developer contributions, and TIF revenue. With only seven years remaining in the Village Center TIF district, and no significant pending development proposals, the district will not generate sufficient revenue to address public improvements. As the principal funding source for the Village Center, Hanover Park must now evaluate the issues associated with the extending, terminating, or recreating the existing Village Center TIF.

The remaining 7 years for the current Village Center TIF provides limited potential revenue from hoped for new projects to fund the extensive infrastructure and wetland mitigation costs necessary to support new development, particularly south of Lake Street. It is anticipated that the timing and phasing of projects as envisioned for the TOD area south of Lake Street will be long term, requiring a long-term financing plan to be in place. Provided below are alternatives and associated strategies the Village should consider in the evaluation of the future of the TIF district.

**Alternative #1: Maintain the Existing TIF District North of Lake Street & Create a New TIF District South of Lake Street.** The area north of Lake Street has the infrastructure in place and includes several completed projects which are generating TIF revenue. Thus, the TOD plan continues to support the redevelopment of this area in the first phase of implementing the Village Center Plan. The remaining 7 years in the TIF District may be sufficient to finance redevelopment efforts north of Lake Street. Creating a new TIF district south of Lake Street will take advantage of a likely much lower tax base EAV today than the base EAV established when the TIF District was created. Issues to consider then pursuing Alternative #1 include:

- Funds from properties in the existing TIF area south of Lake may need to be distributed to all taxing districts when the new TIF district is created. This may limit funds available to pay any current obligations until such time that the new district generates sufficient revenues to cover the loss. Maintaining a least one parcel as part of the existing TIF could resolve this issue.
- Fund revenue will accrue more quickly and more money will be available over the life of the TIF District if the south portion of district is established at a lower EAV.
- Funds from the new TIF district can be shared with the remaining existing TIF District assuming that both districts share boundaries.
- A new TIF district south of Lake Street could now include the Bensen parcel, the Metra Station area, and the existing apartments to facilitate the development as envisioned in the TOD Plan.

**Alternative #2: Create a New TIF District North and South of Lake Street.** As discussed above, all properties benefit from a longer timeline and financing stream, with more revenue potential due to lower assessed values. The expected continued development of property north of Lake Street will also generate funds that may be used for projects south of Lake Street.

**Alternative #3: Extend the Existing TIF District.** Extending the TIF District for an additional 12 yrs. requires special legislation and approval of all taxing districts. Such extension will provide for a total of 19 years which may be sufficient to secure additional tax revenue from new projects to fund potential incentives and public improvements. Further analysis of the timing and tax revenue potential of new projects, and input from taxing districts is necessary to fully evaluate the benefits of this option.

## One Year Action Plan

Provided below is a recommended near-term action plan program based on the recommended strategies provided above.

- Fall 2017
  - Revise the TOD Plan to incorporate recommended plan changes. (Teska)
  - Public Review of TOD Plan update (Teska)
- Winter/Spring 2017
  - Create architectural guidelines and review process for the Historic District. (Teska, BDI)
  - Create streetscape and wayfinding/signage identity plan and façade program focusing on the Historic District (Teska)
  - Evaluate the existing TIF District and explore options (Teska, TIF Attorney)
  - Create a new Village Center zoning district to implement the guidelines of the TOD plan and historic guidelines. (Teska)
    - New zoning standards to include specific design standards based on the recommendations of the TOD Plan guidelines, for such conditions as setbacks, right-of-way and roadway design (including bikeways), landscaping, architecture for various building types, and other related design issues.
    - New regulations may include one or more zoning districts to distinguish between peripheral residential areas, and the core mixed-use center.
    - Explore the use of formed based code elements or planned development district to control the type and quality of development proposals.
- Summer/Fall 2017
  - Update the marketing program for Village Center (Teska, BDI)
    - Develop marketing brochures/video to distribute to local and national developers, and to use at development networking conferences
  - Establish new or extend existing TIF District (Teska, TIF Attorney)
  - Retain wetland consultant to verify location and quality of wetlands, and provide guidance on the creation of a local wetland bank.

# Appendix



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Tuesday, May 30, 2017

# Stakeholder Interview Questions

Village Hall | Hanover Park

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## Overview of 2012 TOD Plan Principles

- Land Use/Phasing Plan

## Session #1: Business/Property Owners

- Nature of business, length of time in Hanover Park
- Why Hanover Park as location – advantages, disadvantages
- Access/Parking – Issues with current operation of businesses
- Long term plans – recent investments, expansion plans
- Interest in redevelopment/relocation – sale/partnership

## Session #2: Developers

- Previous experience/work in the area
- Observations of Hanover Park market potential – strengths/weaknesses/barriers
  - Access
  - Property availability
  - Utility status
  - Financing
  - Market Segments that will work (short and long term)
- TOD Plan Observations
- Implementation Guidance (Conditions for success)

## Session #3: Transit Agencies

- Discussion of their existing plans/routes
- Long range and short range plans

## Session #4: Village Staff and Officials

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Tuesday, May 30, 2017: Village Hall | Hanover Park

# Stakeholder Interviews

Property/Business Owners/Real Estate Brokers

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## Overview of 2012 TOD Plan Principles

- Land Use/Phasing Plan

## Participants:

**Business Owners, Property Owners, Real Estate Brokers:**

## Discussion items:

- Nature of business, length of time in Hanover Park
- Why Hanover Park as location – advantages, disadvantages
- Access/Parking – Issues with current operation of businesses
- Long term plans – recent investments, expansion plans
- Interest in redevelopment/relocation – sale/partnership

## Positive Comments:

- High traffic area (want to make business more prevalent throughout the area including Hanover Park, Bartlett, Elgin, and surrounding areas.
- Like the mixed use aspect with residential above and business below – which is convenient (this is currently allowed in the Historic District)
- Very close to Metra which helps some of their customers get to their business location
- Quiet neighborhood

## Negative comments:

- Wanted to get rid of the gravel trucks that utilize Devon Avenue for both a safety and noise reason
- Freight trains fly by their property at night and shake the building; they are very noisy and keep people awake
- Need more parking
- Support multi-family with retail below along Devon
- Maintenance on some of the surrounding properties is less than adequate and poses several problems for the image of the area and the safety of its residents

- Mentioned that the deteriorating buildings surrounding their property are decreasing property values
- Anna Marek property – what is being doing with it? The building is falling apart and is dangerous (trespassing and arson has occurred here)
- There are many properties that have been vacant or for sale for a while; they claim that there are often too many barriers for buyers in this area between the Historic District regulations, the condition of some properties, and the location.
- The Westline Apartments were renovated but include a lot of subsidized housing; many residents had to vacate because they were “making too much money.”

**Comments about Historically Significant Properties:**

- Marek building had the 3rd circuit court in it but it may take too much money to upkeep
- Ries’ Real Estate Office was the original Post Office.
- Barriers – not too restrictive on historic structure requirements – e.g. vinyl siding, not single pane windows – triple pane ; blight decline – remove/maintain properties
- Encourage complimentary businesses – entertainment/restaurants, butcher shop, other service/unique specialty retail businesses
- Animal Hospital should not be in the Historic District

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Tuesday, May 30, 2017: Village Hall | Hanover Park

# Stakeholder Interviews

Property/Business Owners/Real Estate Brokers

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## Overview of 2012 TOD Plan Principles

- Land Use/Phasing Plan

## Participants: Metra and Pace

### Discussion items:

- Discussion of their existing plans/routes
- Long range and short range plans

### Metra

(David Kralik and Demetri Skotis)

- This Metra line is a full service rail line and they want to make it more successful
- They are currently focusing their financial resources on the Milwaukee-West Line Z100 One-Track wide rail bridge (TIGER Grant)
  - They want to replace the bridge and widen it to two tracks to mitigate the current bottleneck issues they experience today on this rail line
  - Project will take approximately 2-3 years to complete
- They do not have any plans to alter train schedules at all in the area
  - **Concern of Commuters:** Some employees working in the Hanover Park industrial centers who could use the train are not able to use the train given their starting time and the train schedule.
  - **Concern of Metra:** Moving train schedules slightly causes issues downline for all stops
- Employment opportunities could be available depending on the land use in the area
- Partnered with Uber as a marketing approach
- Alternative and multi-use options were considered for the existing at-grade Metra Commuter parking lots both north and south of the tracks
  - Currently there are 1,373 available spots for Metra commuters (approximately 200 are permitted) and roughly 900 spaces are used
  - They mentioned that existing lots could accommodate additional development including, but not limited to, multi-use development (retail on bottom, parking in the middle, and apartments on top), high-rise residential development, or a multi-modal transportation hub in coordination with Pace and other transit agencies.

## Pace

(Erik Llewellyn and David Tomzik)

- The IL-390 (Elgin-O'Hare Expressway) corridor is part of their Strategic Plan
  - Have recently funded a study for the IL-390 corridor
  - Considering rapid transit options along this route as the environment allows
- Mentioned that the land use is not adequate and does not sufficiently support bus transit
- There are many short markets (e.g., short trips [10-15 minutes]) that are difficult to adequately service currently; discussed the idea beyond designing the service to accommodate the market needs and the level of service associated with local buses versus express buses:
  - **Local Buses** would handle shorter trips within Hanover Park and the surrounding areas; includes more stops to increase accessibility for its users
  - **Express Buses** would handle longer trips to and from Hanover Park from/to distant areas like Chicago with fewer stops and quicker service time
- Ideas for further bus transportation:
  1. Connecting Metra riders to employment centers via Pace buses
    - This idea has been explored but is not actively pursued
    - Pace mentions that their studies suggest that most individuals are local and are not using the train to get to work
  2. Creating a multi-modal transit hub center with Metra and Pace
    - This would use the existing Metra station as a long-term connection for bus rapid transit along Lake Street
    - Pace would initially operate 3-4 routes out of this proposed complex and require approximately 6 bus bays for pick-up/drop-off and staging areas.
    - Location: They would like to locate this facility south of Lake Street, north of the Metra tracks, and west of County Farm Road on the existing Metra commuter permit parking lot
      - Pace would want access to a stoplight onto Lake Street and to be close to Metra station to minimize the distance transfer transit users would have to travel
      - This could work given that Metra mentioned this permit lot is only  $\frac{3}{4}$  full during the week (207 spaces used of 368) and their long-term projections do not call for growth behind the current footprint
      - Displaced parking here could help utilize existing triangle-shaped commuter lot next to the police station which is currently barely used.

Mutual Idea: Pace and Metra would like to see this area to be an employment center.

# Stakeholder Interviews Developers Summary

Hanover Park



## Hamilton Partners

TOD Experience: Elk Grove town center, Orland park, Vernon Hills, Wheeling, D Park; Partnered with REVA Development for multiple-family projects.

### Market Factors:

- Hanover Park lack destination, attraction, amenities, reasons why buyers/renters will choose this location as this time.
- Current sales and rent levels do not support higher density, more expensive construction over 4 stories
- Land control/ownership is key to successful redevelopment
- Area has low visibility
- Office market is not growing, replacing/improving current buildings
- Key challenge is limited access without IL390 west extension
- Limited local market activity for commercial, need to scale back retail
- Low vacancies in industrial parks
- For initial phase (5-10 yrs.) focus on multiple-family opportunities. 150-200 units projects are the target for developers as they provide the greatest economy of scale, with maximum of 300 units due to sales volumes.
- REVA market analysis – rents, 7% return for rental; condo return – higher 8+ percent, speck office – 9-10% return, \$275-300 sq. ft. class A office - \$30 net rents to achieve this level - \$15 difference in current rents for office – not including financial assistance.
- The rent levels at the Station West Apartments will not support redevelopment. Need 1.65 rents with 3 story stick built construction, currently rents at \$1.10- 1.30
- Construction type must be wood to keep cost in line with market
- Current market: studio apartment - \$2000/mo. min rents, \$3000/mo. in other communities
- To keep cost low need to use non-union projects. Is this acceptable? Union labor adds 15%

- Office growth – tied to job growth. Regional jobs not growing. No speck office built in last 10 yrs. and nothing planned in next 5 yrs. Built to suit office projects more likely.
- Commercial opportunities have traditionally been grocery anchored centers – Marianos not building new sites (rehabbing old Dominick's), Whole Foods over built - 365 concept ending. Potential growth – Aldi-Trader Jos, Ledtal grocery?
- Continued planning important for Village. Need to update long-term vision based on market realities.
- Need to establish downtown zoning, remove any barriers
- Consider alternative uses, such as more expensive, move-up housing on vacant land
- Need plan/study of utility conditions, availability and improvements to support redevelopment

### **Flaherty & Collins (Indianapolis, IN headquarters)**

- Expanding in Chicago area, particularly focusing on TOD project in more difficult, middle income markets. Local project - #9750 Orland Park multiple-family 5 story (concrete), with modest 5,000 sq. ft. retail; Downers Grove recent project – 5 stories with wood construction
- 90-95% of their projects involve public-private partnerships
- Involved with multiple market segments, with focus on urban infill, multiple-family and retail. Project often include grocer component of 30k to 45k sq. ft.
- Provide affordable and market rate housing, or blending of incomes. Experience with work-force housing programs (80-85% of median income)
- Interested in serving as Master Developer – assisting with planning/design/marketing/development. Often include retail partners in projects.
- Key challenge – low rent levels to support development without subsidy. First project in may require larger financial subsidies to prove market.
- Market opportunities to consider: hospitality/hotel, entertainment retail, row-homes, multiple-family

### **Lexington Homes**

- Focus of firm – infill and closer in Chicago area communities
- Suburban single-family home prices in most markets not rebounding enough for new higher quality construction
- Sales prices in area too low to be attractive for developers of single-family homes

- Data: Recent single-family homes sales in Hanover Park last year - \$327k average, a few sold for \$435k and \$640k, with most at \$283k and lower.
- Current market supports modest homes at 1,800 sq. ft., no frills (\$165k construction costs, not including land, utilities). Likely sales prices \$295k - \$300k
- School District (Elgin U46) – not desirable

### **Holladay Properties (Indianapolis, IN)**

- Diverse portfolio of projects – industrial, hotel, retail/restaurant, multiple-family urban residential; recent project – Downers Grove rental; focus on market opportunities for multiple-family sites in TOD areas
- Successful mixed-use project require zoning flexibility (PUD or other)
- Hanover Park market attractive due to good access via Lake Street, IL390
- Uncertainty of IL390 extension limits potential
- Near term opportunity: site west of Starbucks retail center for multiple-family with ground-floor retail
- Historic District provide a unique asset, sense of place
- Access across railroad key to knit together north and south sides of TOD area
- Current TIF not sufficient, need longer time line for financing
- Need a central place/park/central green space as part of TOD to be a community resource, to bring people together and to support retail/entertainment uses.
- Vertical mixed use difficult to market, support
- Retail/entertainment opportunity to focus on restaurants, fast casual dining and service businesses; other opportunities include hotel (extended stay), boutique hotel
- Multiple-family projects – need minimum 75 du (1 acre site), with maximum size of 250 du
- Rent levels low - \$1.20/sq. ft. vs \$2.20/sq. ft. in Downers Grove (no TIF support)
- Key ingredients to success:
  - TIF financing
  - Developer outreach, developing (village has done very well)
  - Open, friendly, welcoming process (village has done very well)
  - Acquisition of critical properties (this was done in Downers Grove and Portage IN)