

AUTHORIZING AN OPTION TO ENTER INTO A REDEVELOPMENT AGREEMENT WITH NORTHERN ILLINOIS UNIVERSITY FOUNDATION FOR THE DEVELOPMENT OF THE NIU CENTER FOR GREEK LIFE AT W. HILLCREST DRIVE AND BLACKHAWK ROAD, DEKALB, ILLINOIS.

WHEREAS, the City of DeKalb (the "City") is a home rule unit of local government and may exercise any power and perform any function pertaining to its government and affairs pursuant to Article VII, Section 6, of the Illinois Constitution of 1970; and

WHEREAS, the Northern Illinois University Foundation (the "NIU Foundation") is an Illinois not-for-profit corporation with the purpose and mission to promote the interests of Northern Illinois University; and

WHEREAS, Article VII, Section 10, of the Illinois Constitution of 1970, and the Intergovernmental Cooperation Act, 5 ILCS 220/1, *et seq.*, authorize the City to contract with corporations in any manner not prohibited by law or ordinance; and

WHEREAS, NIU desires to acquire a portion of the City's vacant and surplus real estate in the area generally located at the intersection of West Hillcrest Drive and Blackhawk Road of the former Campus Cinema lot for the development of the NIU Center for Greek Life (the "Redevelopment Project"); and

WHEREAS, the City desires to give NIU an exclusive, non-assignable, and non-transferrable option to enter into a Redevelopment Agreement for the Redevelopment Project, subject to the provisions of this Resolution (the "Option"); and

WHEREAS, the City and NIU desire to mutually cooperate and reasonably assist each other to effect the Redevelopment Project; and

WHEREAS, the City is not prohibited by law or ordinance from entering into the Option; and

WHEREAS, the City's corporate authorities find that it is in the City's best interests to approve the Option pursuant to the provisions of this Resolution for the protection of the public health, morals and welfare; and

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF DEKALB, ILLINOIS:

SECTION 1: The recitals to this Resolution are true, correct, material, adopted and incorporated as Section 1 to this Resolution.

SECTION 2: The City's corporate authorities, by a vote of three-fourths of those then holding office, approve and authorize the Option, subject to the following conditions:

- a. NIU shall exercise the Option by giving written notice to the City Manager by September 29, 2023, or such time as may otherwise be mutually agreed in writing by the Parties (the "Notice");
- b. The City and NIU shall enter into a redevelopment agreement for the Redevelopment Project within 90 days of the City's receipt of the Notice, subject to the final approval of the City's corporate authorities in the manner provided by law and the City's Municipal Code (the "Redevelopment Agreement");
- c. The Redevelopment Agreement shall be a necessary condition precedent to effecting the Redevelopment Project and any duties, entitlements, or obligations which may result from the Option;
- d. The City and NIU shall cooperate in the preparation of a proposed plat of subdivision that describes the real property to be conveyed by the City to NIU for the Redevelopment Project and which shall be attached and incorporated as an exhibit to the Redevelopment Agreement, subject to the final

approval of the City's corporate authorities in the manner provided by law and the City's Municipal Code (the "Plat");

- e. The City and NIU shall cooperate in the preparation of a proposed conceptual building and site plan for the Redevelopment Project that shall be attached and incorporated as an exhibit to the Redevelopment Agreement, subject to the final approval of the City's corporate authorities in the manner provided by law and the City's Municipal Code (the "Plans");
- f. The City shall sell the property described in the Plat to NIU for a purchase price in an amount that is not less than \$200,000.00 plus all closing costs (excluding the City's attorney's fees) within 90 days of the effective date of the Redevelopment Agreement or such time as may otherwise be mutually agreed in writing by the Parties;
- g. NIU shall obtain all required building permits and zoning/subdivision approvals for the Redevelopment Project, which shall not be unreasonably withheld by the City, within 90 days of the effective date of the Redevelopment Agreement or such time as may otherwise be agreed in writing by the City Manager; and
- h. NIU shall construct, develop, maintain and obtain final occupancy permits for the Redevelopment Project in compliance with applicable laws, regulations, ordinances and resolutions by December 31, 2024, or such time as may otherwise be mutually agreed in writing by the Parties.

SECTION 3: The City's corporate authorities further authorize, approve and direct the City Manager and City Attorney to take such actions and execute such documents as may be necessary to effect the Option.

SECTION 4: This resolution and each of its terms shall be the effective legislative act of a home rule municipality without regard to whether such resolution should (a) contain terms contrary to the provisions of current or subsequent non-preemptive state law, or (b) legislate in a manner or regarding a matter not delegated to municipalities by state law. It is the intent of the City's corporate authorities that to the extent that the terms of this resolution should be inconsistent with any non-preemptive state law, that this resolution shall supersede state law in that regard within its jurisdiction.

SECTION 5: This resolution shall be in full force and effect from and after its passage and approval as provided by law.

PASSED BY THE CITY COUNCIL of the City of DeKalb, Illinois, at a Regular meeting thereof held on the 10th day of July 2023 and approved by me as Mayor on the same day. Passed by a 7-0-1 roll call vote. Aye: Zasada, Larson, Perkins, McAdams, Verbic, Walker, Barnes. Nay: None. Absent: Smith.




COHEN BARNES, Mayor

ATTEST:

Ruth A. Scott, Executive Assistant



NORTHERN ILLINOIS UNIVERSITY FOUNDATION

September 15, 2023

Bill Nicklas
City Manager's Office
164 East Lincoln Highway, Room 210
DeKalb, IL 60115

RE: Property located at W. Hillcrest Drive and Blackhawk Road in DeKalb, Illinois.

Dear Bill:

In follow up to our conversation on August 10th, this letter is to provide an update in preparation for the upcoming City Council meeting, and to provide written notice of request to extend the Option provided in Resolution 2023-067.

We are excited about this project and are deeply appreciative of the City Council's support. We look forward to exploring this purchase with the intent to develop a successful project that is mutually beneficial for NIU/NIU Foundation and the City of DeKalb.

We are especially grateful for your generous guidance on the next steps in the process. A brief recap of the items we discussed with you on 8/10, with status updates:

1. The NIU Foundation will develop an RFP for architectural and engineering firms and will endeavor to select a firm prior to the September 25th City Council meeting.
 - a. An RFP was issued, and three firms were selected to be interviewed. Interviews were conducted on 9/14, and a firm will be selected by the City Council meeting on 9/25.
2. Expectations and timing of the project require flexibility different than may typically be expected of a commercial developer. NIU Foundation will commence to secure funding, which includes developing and implementing a philanthropic campaign.
 - a. Plans to execute a campaign to raise the necessary philanthropic support for the project are under way.
 - b. A campaign consulting firm, which expertise in capital fundraising for Greek organizations, has been retained by the NIU Foundation for the purpose of assisting with project.
 - c. The fundraising committee, which will be led by NIU Foundation board member and Greek alum Jeffrey Liesendahl, is currently in formation.
3. Purchase of the property will be distinctly separate from any potential development agreement; in which case the purchase price would reside in escrow.
 - a. We will continue to work with you on this step.



NORTHERN ILLINOIS UNIVERSITY FOUNDATION

4. The NIU Foundation will provide an update at the next City Council meeting on September 25, 2023.
 - a. Both Matt Streb and I will be present at the September 25th meeting and are prepared to address questions related to the points in this memo.

Additionally, we have reviewed Resolution 2023-067 passed by City Council on July 10, 2023, which outlines the Option for "NIU" to give written notice to the City Manager by September 29, 2023. We request that the Resolution be updated to reflect the following:

1. The NIU Foundation will be the purchaser of the property, in relevant sections.
2. As we discussed, we would like to extend the Option to March 31, 2024, to allow the NIU Foundation to perform appropriate due diligence and pursue the appropriate financing, with the flexibility to extend the Option as needed.
3. The NIU Foundation's preference is an option to purchase rather than a redevelopment or development arrangement, which would be developed following the completion of due diligence and contingent upon relevant NIUF governing board approvals.

If you agree with these elements, please send us a draft of the updated Resolution prior to its submission so that we can review and approve.

We look forward to further discussing this project with you and working in collaboration to bring this important project to fruition for the benefit of NIU's Greek community and the City of DeKalb's Annie Glidden North neighborhood.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Catherine Squires'.

Catherine Squires, CFRE
President & CEO, NIU Foundation