

209 Cedar Avenue Mixed-Use Development Developer Request for Qualifications (RFQ)

The Village of Lake Villa is requesting qualifications for:

Mixed Use Development

209 Cedar Avenue
Lake Villa, IL 60046

60,000 square foot lot in Downtown
Lake Villa

RFQ Issue Date: Feb 10, 2025

RFQ Submittal Deadline: Apr 4, 2025

Contact Information

Michael Strong
Village Administrator
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847-356-6100 ext. 209



Local Context

At the turn of the century when Downtown Lake Villa sprang up next to the Wisconsin Central Railroad's new station it was a bustling hub of activity. Visitors to Ernst Lehman's Lake Villa Hotel dined in its many restaurants and shopped in its quaint shops.

The Vision for Lake Villa's downtown is to recreate the dynamism of its early years and make it the cultural and entertainment hub of the Village. Similar to how other historic downtowns in the area have experienced renaissances, the key will be to preserving the historical charm of the buildings while creating a friendly, vibrant ambiance with outstanding retail and restaurant options and compelling community events.

The Village of Lake Villa has completed a Downtown Vision Plan which outlines the next steps to continue Downtown's revitalization. Projects include:

- Catalytic 209 Cedar Avenue Mixed-Use Development
- Extensive upgrades to Lehmann Park, including a performance shelter and amphitheater seating, redesigned parking, new athletic courts, new concessions stand, paddle board rental shack, and fishing dock
- Improvements to the Lake Avenue crosswalk (adjacent to 209 Cedar Ave)
- Enhancement to historic building facades and streetscape
- Street reconfiguration to increase sidewalk space for outdoor seating, landscaping, or other amenities and enhance the experience for events
- Parking & way-finding signage to direct visitors to free public parking lots and spaces at the Metra station, and addition of well-lit, highly-visible walkways between the parking lots and Cedar Avenue
- Village supported economic development and business recruitment
- Increase the frequency of community events hosted downtown

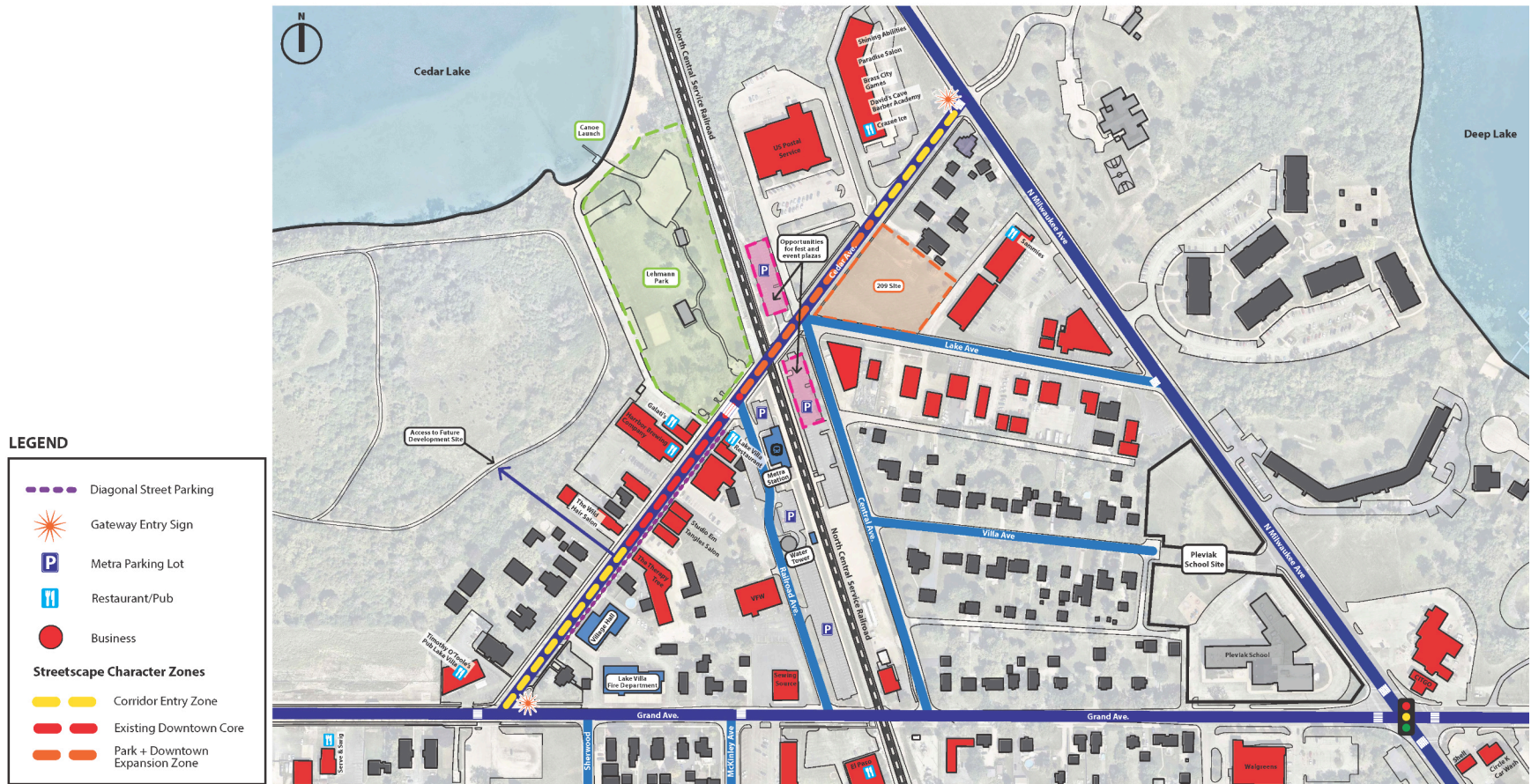


Downtown Lake Villa



Downtown Lake Villa

DOWNTOWN LAKE VILLA | EXISTING CONDITIONS AND OPPORTUNITIES MAP



Village of Lake Villa
Urban Design Concepts
 January 13, 2025

The Downtown Triangle, bounded by Cedar Avenue, the Milwaukee Avenue, and Grand Avenue, defines the larger Lake Villa downtown area.

The focus of the current revitalization effort is the historic district along Cedar Avenue, marked with the red and orange dotted line above.

As the Vision Plan is implemented, the Village will conduct additional visioning and planning for the remainder of the Downtown Triangle.

Mixed-use Development

The Village of Lake Villa invites experienced developers to submit qualifications to acquire and develop the Village-owned site located at 209 Cedar Avenue.

209 Cedar is a 60,000 square foot lot.

The Village provides a conceptual site plan and preliminary pro-forma in this RFQ for use by the selected developer(s).

We envision this development as a four-story mixed-use building aligning with the community's priorities as outlined in Downtown Vision Plan. The selected developer will demonstrate an ability to deliver innovative, high-quality projects that enhance the Village's character, meet economic goals, and provide long-term value.

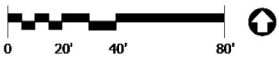
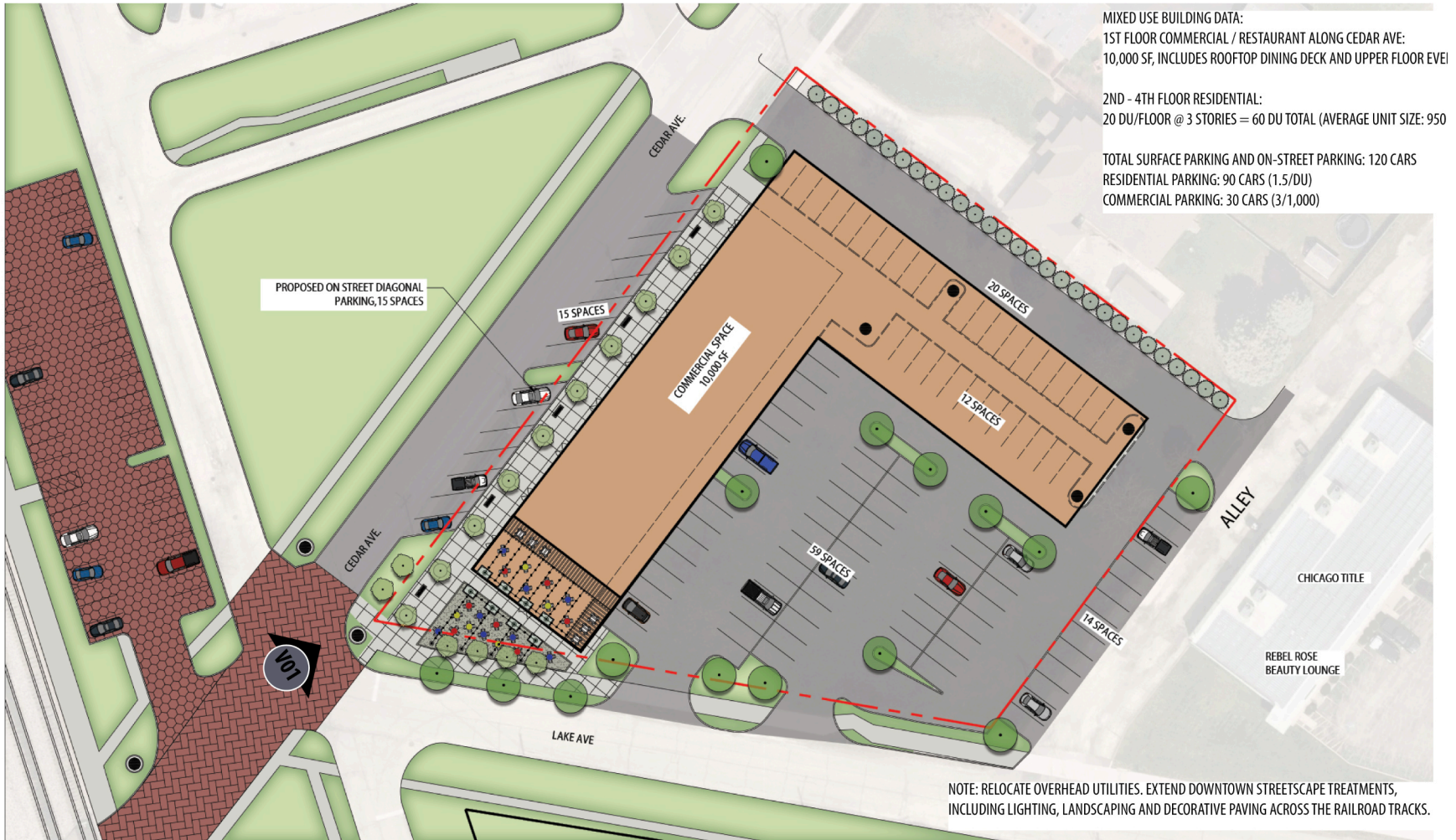


About the Project

The 209 Cedar Avenue site is owned by the Village of Lake Villa. This greenfield development opportunity and has an ideal location — adjacent to Downtown, the Metra Station, Lehmann Park, and Cedar Lake. The property is zoned Central Business District (CBD), permitting development ranging from 1 to 4 stories and accommodating retail and service uses. The Village is open to considering zoning modifications to support innovative proposals that align with community goals and the overall vision for the area.

This site is envisioned with 10,000 square feet of commercial space and 60 residential units.

The commercial space includes the full ground floor frontage along Cedar Avenue and an upper floor event space. The end cap anchor space is envisioned as a restaurant, which provides both the rooftop dining deck and an outdoor dining patio on the corner of Cedar Avenue and Lake Avenue.



- 1st Floor Commercial/Restaurant along Cedar Ave: 10,000 SF, includes rooftop dining deck & upper floor event space
- 2nd – 4th Floor Residential: 20DU/Floor @3 Stories = 60 DU Total (Average Unit Size: 950 SF)

- Total Surface Parking & On Street Parking: 120 cars
- Residential Parking: 75 cars (1.25/DU)
- Commercial Parking: 45 cars (4.5/1,000)

Design

The design should include brick and high quality finishes that are consistent with and complement the historical character of Cedar Avenue.

Quality finishes, surface treatments, and vertical elements will enhance aesthetics, durability, and sense of place.



Programming

The Village envisions this development as a vibrant commercial hub that attracts residents and visitors and is synergistic with the existing downtown businesses. The tenants should include a curated mix designed to create a dynamic and engaging destination.



Through market research it has been determined that there are opportunities in this market for the following types of commercial tenants:

- Full-service restaurant
- Gym or fitness studio
- Bakery or specialty food shop
- Two boutique retail spaces

Commercial Spaces

Restaurant	3,600 SF
Gym / Fitness Studio	1,800 SF
Bakery / Specialty Food Shop	1,500 SF
Boutique #1	1,200 SF
Boutique #2	900 SF



Project Incentives

The Village will sell the property for \$1 to the selected developer.

Downtown Lake Villa is part of a Tax Increment Financing District, which allows the Village to contribute tax revenues back into projects with community interest. These funds can be used to offset eligible expenses such as site preparation, public infrastructure improvements, façade enhancements, or other project-related costs. **The anticipated TIF contribution to the project is between \$2M and \$4M.**

The Village is committed to collaborating with the selected developer and will prioritize expediting the approval process to ensure timely project advancement.

Project Pro Forma

A project pro-form has been completed to provide projections of the project costs, potential project programming, revenue, and cash flow, and sales and property tax impacts. The pro-forma is based on good faith estimates compiled based on research of current market costs and conditions. Actual costs will vary.

It is anticipated that the total construction costs of the 209 site will fall within a range of \$15M and \$20M.

Site Specs

Commercial Square Footage	10,000
Multi-family Square Footage	57,000
Parking Square Footage	39,000
Common Area Square Footage	2,500

Construction Rates

Commercial Construction Rate	\$	325.00
Multi-family Construction Rate	\$	200
Parking Construction Rate	\$	4.50
Common Area Construction Rate	\$	100.00

Construction Costs

Property Acquisition	\$	1.00
Developer's Fee	\$	480,000
Commercial Construction Costs	\$	3,250,000
Multi-family Construction Costs	\$	11,400,000
Parking Construction Costs	\$	175,500
Common Area Construction Costs	\$	250,000
Total Construction Costs	\$	16,055,501

Capital Stack

Equity	\$	801,936
Debt	\$	11,238,850
TIF	\$	4,014,714
Total Project	\$	16,055,501

Returns on the project were calculated based on the assumed construction costs, lease rates, and interest rates. The annual cash flow is estimated to be between \$100K and \$200K, providing an annual return on investment of 12% to 25%.

Additional Information

Additional information about the project site can be found at <https://www.lake-villa.org/egov/apps/document/center.egov?view=item&id=2980>, including:

- Downtown Vision Plan
- Plat of Survey - Lots 8 and 9
- Plat of Survey - Lots 5 and 6
- ALTA Phase I Report

Questions must be addressed to Michael Strong at mstrong@lake-villa.org by March 10, 2025.

Responses to questions asked, and any addendum, will be posted to <https://www.lake-villa.org/egov/apps/document/center.egov?view=item&id=2980> on March 14, 2025.

Return on Investment – Lease Scenario		
Retail Lease Rate (+++)	\$	22.00
Apartment Lease Rate	\$	2.50
Average Commercial Vacancy		6%
Average Residential Vacancy		4%
Commercial Annual Revenue	\$	206,800
Residential Annual Revenue	\$	1,641,600
Interest Rate		6.5%
Management Fees	\$	110,904
Annual Cash Flow	\$	148,770
Project ROI		18.6%

Selection Process

Optional Site Tour

Prospective developers are invited to participate in an optional guided site tour of the 209 Project Site on February 18 from 3:00 to 4:30 p.m. CT. This tour will provide an opportunity to view the property firsthand, assess its potential, and ask questions about the site and surrounding area.

To participate, please meet at the Village Hall at 65 Cedar Ave, Lake Villa, IL at 3:00 p.m. on February 18.

Optional Video Call Meeting

An informational session for Respondents to ask questions about the RFQ and related planning/zoning/incentives will be held via Teams video call on February 19 from 1:00 p.m. to 2:30 p.m. CT.

Link to Join the Meeting: <https://tinyurl.com/LakeVillaRFQ>

Meeting ID: 219 462 576 47

Passcode: TM2yT9sp

If you would like the calendar invite with meeting link forwarded to you, please email mstrong@lake-villa.org.



Estimated Timeline

February 10, 2025

RFQ Published

February 18, 2025

Optional Site Tour

February 19, 2025

Optional Video Call Meeting

March 10, 2025

Question Deadline

March 14, 2025

Addendum & Q&A Published

April 4, 2025

RFQ Responses Due

April 22-24, 2025

Interviews & requests for additional information

May 19, 2025

Selection of the developer

Questions

Questions must be addressed to Michael Strong at mstrong@lake-villa.org by March 10, 2025.

Responses to questions asked, and any addendum, will be posted to <https://www.lake-villa.org/egov/apps/document/center.egov?view=item&id=2980> on March 14, 2025.

Submission

Development qualifications are **due at 4:30 p.m. CST on April 4, 2025**.

Qualifications packages should be submitted electronically in PDF format to Michael Strong, Village Administrator, at mstrong@lake-villa.org.

The **email subject** must be “Development Qualifications: 209 Cedar Ave”.

Please note that email submissions must be limited to a maximum file size of 20 MB. If your electronic submittal exceeds this limit, we request that you provide a secure direct link to a Dropbox, Box, or similar file-sharing platform for download. Ensuring easy and secure access to your materials will help facilitate a smooth review process.

Evaluation & Selection

After reviewing submitted qualifications, the Village may seek clarification via interviews or requests for additional information from April 22 to April 24.

The Village intends to select the firm that best aligns with its public interests for the project by May 19.

Confidential Information

All responses are subject to public disclosure under the Public Records Law. If a Respondent has information that it desires to make available to the Village but that it believes constitutes a trade secret, proprietary information, or other information exempted from disclosure pursuant to the Freedom of Information Act, then the Respondent shall submit any information that the Respondent would like to remain confidential should be e-mailed under separate cover to mstrong@lake-villa.org. The e-mail subject must be “PROTECTED: Development Qualifications: 209 Cedar Ave”.

Submission Requirements

1. Letter of Introduction

Include a summary of the respondent's qualifications and reasons for interest in this opportunity. The letter should be signed by a principal or authorized officer for the entity.

2. Team Members

Identify members of the development team and provide a brief description of each team member's role including the following:

- Principals involved in the Project
- Resumes of key team members

3. Relevant Project Experience & References

Provide relevant development experience, especially vertically integrated mixed-use new construction. Provide information on at least three, and no more than five projects. Each comparable development should detail the following information:

- Location and name of project
- Scope and scale of development program, and duration of development process
- Photos/illustrations of completed project
- Name, title, entity, telephone number, and email of references that may be contacted with respect to current and past project experience

Evaluation Criteria

Respondents will be evaluated to determine whether the team can meet the public interests for the project and if they are able to realize the project in a reasonable time frame. Village staff will analyze responses, contact references, and coordinate interviews as necessary.

The following criteria will be used to assess responses:

- Ability of the development team to design, permit, construct, and operate development projects of similar scale and complexity
- Development experience, particularly in formulating and implementing successful development projects of similar scope and character
- Demonstrated understanding of project vision, and ability to deliver the envisioned project
- The demonstrated ability to secure funding and to execute a project of this scale and complexity in a reasonable timeframe

4. Project Plan

Include sufficient information regarding proposed or potential uses, tenants, and/or concept or architecture to provide the Village with a clear understanding of what the developer intends the final development to include and look like:

- A statement of your understanding of the Village’s vision for the project
- Any concerns or adjustments you would want to make to the project plan (outlined on pages 4–6 of this RFQ)
- Any additional information that supports the likelihood of a successful outcome for the project with this Respondent

5. Financial Capacity

- A summary of the Respondent’s capability to source the capital necessary to successfully fund and/or finance the proposed concept. If selected as one of the finalists, you will be expected to provide a description of the anticipated financing structure to be utilized to finance the anticipated project and specific evidence will need to be provided to support proof of the ability to fund a project of this size.

6. Disclosures

- Disclosure of any potential conflicts of interest that could be relevant to this project in any manner
- Disclosure of whether the Developer or any officer, director, or owner thereof has had litigation within the past 10 years for breach of contracts, governmental or nongovernmental construction, or development

Developer’s Project Plan

The Village of Lake Villa has included a conceptual site plan, example images, and a preliminary pro forma within this RFQ for the convenience of interested developers. However, the Village anticipates that developers may propose changes to the approach and adjust the pro forma based on their professional expertise. Such adjustments are encouraged, provided the proposed project aligns with the intent and vision for the 209 development outlined in this document.

Terms & Conditions

The Village of Lake Villa reserves the right to accept or reject any proposals or addendums submitted to the Village pursuant to this RFQ and may also reject any or all Development Firms if they are deemed to be unacceptable.

The Village reserves the right to consider the type and number of Development Firms it deems will be necessary to provide the appropriate level of services to the Village at any particular time.

The Village reserves the right to request clarification of information contained in qualification statements and to request additional information from any proposing firm.

A Firm may withdraw its Proposal at any time prior to the submission deadline. Any proposals not withdrawn by this time shall constitute, for a period of 90 days, an irrevocable offer to provide the services described in the firm's proposal.

The contracted firm shall not assign any interest in the contract and shall not transfer any interest without the prior express written consent of the Village.

No report, information, or data given to, or prepared by, the contracted firm shall be made available to any individual or organization without the prior express written approval of the Village.

The Village of Lake Villa considers real estate development services to be a professional service and exempt from standard bidding requirements.

The Village reserves the right to select or reject Development Firms based on a subjective evaluation of the criteria described above in full compliance with applicable law.

The cost of preparing the Response and any costs incurred at any time before the Submission Date, including costs incurred for travel, interviews, presentations, or other costs associated with submission of the Response negotiation, shall be borne by the Respondents.

RFQ Conditions

Rights Reserved

The Village of Lake Villa reserves the right, in its sole discretion, to revise, modify, or change the RFQ at any time before the Response Due Date. Addenda will be posted on: https://www.lake-villa.org/egov/apps/document/center.egov?eGov_searchDepartment=73

The Village reserves the right to request clarification or additional information from respondents, reject submittals, or waive irregularities in any submittal in its sole and absolute discretion.

Should the Village not receive qualified proposals of interest by a submittal deadline, it reserves the right to extend that deadline until qualified proposals of interest are received.

This RFQ and selection process does not constitute any type of offer and creates no contractual or other liability to the Village.

The Village shall not be responsible for any costs and/or obligations incurred by a potential developer in preparing, submitting, or participating in any part of this RFQ or the development process in its entirety.

Information included in this RFQ is believed to be accurate but should be independently verified by potential respondents prior to reliance upon.

Confidential Information

All responses are subject to public disclosure under the Public Records Law. If a Respondent has information that it desires to make available to the Village but that it believes constitutes a trade secret, proprietary information, or other information exempted from disclosure pursuant to the Freedom of Information Act, then the Respondent shall submit any information that the Respondent would like to remain confidential should be e-mailed under separate cover to mstrong@lake-villa.org. The e-mail subject must be "PROTECTED: Development Qualifications: 209 Cedar Ave".

The provisions of the Freedom of Information Act, and other applicable Laws shall control in the event of a conflict between the procedures described above and the applicable Law.

Cost of Submission

The cost of preparing the Response and any costs incurred at any time before the Submission Date, including costs incurred for travel, interviews, presentations, or other costs associated with submission of the Response negotiation, shall be borne by the Respondents.