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MEMORANDUM

TO: City of Park Ridge City Council
FROM: Everette M. Hill, Jr.
DATE: October 26, 2007
RE: Ordinance for Executive Office Plaza Special Use

Attached please find a proposed ordinance for the establishment of the Special Use at Executive Office Plaza. This draft retains its "tie-in" to the Federal regulations with respect to senior lifestyle communities, but substitutes a 100% occupancy by a person 55 years of age or older rather than the prior 80%. It also provides that any subsequent sales of a unit be limited to occupancy by a person 55 years of age or older. The draft requires that this restriction be placed in the Association's Covenants and Declarations and that the Association must approve each transfer of title solely in accordance with those restrictions. The draft also permits the City to monitor compliance by requiring an Affidavit of Qualifying Occupancy before issuing a real estate transfer stamp for these units.

The new draft clarifies that the City Council must approve any change in the status of these units as senior housing. This draft still includes two so-called "out" clauses. One of the "out" clauses provides for a change in the status if the market for senior housing collapses. The other provides a 20-year "out" upon petition of the owners. However, in either instance, 100% of the owners must agree and the City Council has an absolute veto over any such change.

The proposed draft also addresses the issue of the Special Service Area for stormwater detention by requiring a waiver of the developer's right to object to the SSA "as it is established by the City." It contains the fail-safe provision that if,

for any reason an SSA is not established, the developer will otherwise provide for all of its detention in strict accord with City requirements. Since this City Council will establish the SSA, it can assure that the SSA covers every conceivable City expense.

While I have carefully read both Alderman Schmidt's and Alderman Wsol's memos with respect to this ordinance, I have included only those proposals on which I believe there was consensus of the City Council. The current draft does not require that each and every occupant be 55 years of age or older. It does require that one occupant be 55 years of age or older. It does not provide that units may be sold only to persons who are 55 years of age or older. It does require that occupants meet that standard. It also provides for possible occupancy by a non-qualifying resident upon transfer to that person by death or decree of divorce. However, any sale by that surviving owner must result in occupancy by a person 55 years of age or older.

The ordinance does not provide for the developer to pay the entire cost of the area wide detention facility with a right of recapture. It is meant to guarantee, however, that the City's taxpayers do not pay for any of the stormwater detention.

Likewise, the ordinance does not specify the cost of the senior lifestyle amenities, it only requires that they be provided.

The current proposed ordinance should not be taken as the expression of mine or the staff's opinion as to Alderman Schmidt's or Alderman Wsol's proposals. It is meant to incorporate those requirements that we believed were consensus requirements of the Council. Obviously, Alderman Schmidt or Alderman Wsol may ask that the ordinance be amended to include their proposals at the time it comes up for discussion.

Please contact me if any of you believe that this does not address the consensus requirements of the City Council.