

## **Committee-of-the-Whole Agenda**

**6:30 p.m.**

**Tuesday, September 25, 2012**

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### **Proclamations**

- Request from QC DollarWi\$e Coalition to declare September 24-28, 2012, as QC DollarWi\$e Week.
- Request from Moline Public Library to declare September 30-October 6, 2012, as Banned Book Week.

### **Reappointment to Commission**

Mayor's reappointment of Janet Zam to the Moline Youth Commission for a full four year term to expire August 31, 2016.

### **Electronic Attendance Request**

A Request from 3<sup>rd</sup> Ward Alderman, Scott Raes, and 6<sup>th</sup> Ward Alderman, Kevin Schoonmaker, to attend the October 2, 2012, Committee-of-the-Whole and City Council meetings by electronic means due to being out of town on City business attending the Fire & Police Pension Conference.

### **Informational**

Presentation by Genesis Health System on the proposed Genesis 41<sup>st</sup> Street Wellness Campus project (Ray Forsythe, Planning & Development Director and Ken Croken, Genesis)

### **Questions on the Agenda**

### **Agenda Items**

- 1. Approval of the Terms of a Development Agreement with Genesis Health System for the proposed Genesis 41<sup>st</sup> Street Wellness Campus project (Ray Forsythe, Planning & Development Director)**
- 2. Relocation of Railroad Depot (Lew Steinbrecher, City Administrator)**
- 3. Other**

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# Explanation

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## 1. Approval of the Terms of a Development Agreement with Genesis Health System for the proposed Genesis 41<sup>st</sup> Street Wellness Campus project (Ray Forsythe, Planning & Development Director)

**Explanation:** Staff has negotiated a performance based rebate with Genesis Health System for the proposed Phase I of the Genesis 41<sup>st</sup> Street Wellness Campus project. Phase I includes public amenities, infrastructure improvements and a 50,000 square foot medical office building and parking. The rebate will reimburse the developer for increased costs of developing on the site as well as public infrastructure improvements and amenities. Additional documentation attached.

**Staff Recommendation:** Approve  
**Fiscal Impact:** Increased Property, Sales and Use Taxes  
**Public Notice/Recording:** N/A  
**Goals Impacted:** Quality Neighborhoods; Desirable Place to Live

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## 2. Relocation of Railroad Depot (Lew Steinbrecher, City Administrator)

**Explanation:** Included in the Draft Environmental Impact Study, the Illinois Department of Transportation originally recommended the demolition of the railroad depot after acquiring the property from the City of Moline for right-of-way for the new I-74 Bridge. Members of the Moline Historic Preservation Advisory Commission asked the City Council to petition the Illinois DOT to save and relocate this depot. A site was located on the Western Illinois University Quad Cities Riverfront Campus to move this structure. On May 8, 2012, an estimated cost to move this building was presented to the Committee-of-the-Whole, in the amount of \$1.29 million with an identified cost of \$289,663 to the City of Moline. The City Council expressed no interest in contributing City funds toward these relocation costs, but did offer the Historic Preservation Advisory Commission with time and opportunity to raise funds from the community by August 31, 2012, to cover all costs assigned as the City's responsibility. The City Council was presented with information on railroad depots in the Quad Cities and a revised cost estimate on August 28, 2012, in the amount of \$154,776, but no mention was made regarding efforts to raise funds for this project. The question before the City Council is whether or not to relocate the depot using some, all, or none of the \$140,000 in sale proceeds, or sell the depot along with the property to the State of Illinois where it would be expected that the Illinois DOT would demolish the depot. Additional documentation attached.

**Staff Recommendation:** This has not been a staff-initiated agenda item, but rather a request from members of the Historic Preservation Commission.  
**Fiscal Impact:** At least \$154,776 in City costs, but no identified source of funds  
**Public Notice/Recording:** N/A  
**Goals Impacted:** Desirable Place to Live

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**CITY OF MOLINE  
MEMORANDUM**

**TO:** Lew Steinbrecher, City Administrator

**CC:** Mayor Don Welvaert and City Council

**FROM:** Ray Forsythe, Planning & Development Director

**DATE:** September 20, 2012

**RE:** Phase I Genesis 41<sup>st</sup> Street Wellness Campus

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Genesis Health Systems approached the City in the fall of 2011 to discuss the property that had been controlled by them for several years. They previously have cleaned up significant fill and debris from the site and prepared it for future development. The property was rezoned in 1998 in anticipation of constructing a medical park to serve the area. The property is Zoned Office/Research Park and Technology District (ORT) and the proposed development is a permitted use.

The City Council approved Resolution 1115-2012 on January 17, 2012 which provided for the completion of a feasibility study related to a proposed redevelopment project area and induce development interest within the area. The City Council also approved a Prefunding Agreement and Genesis forwarded the funds to the City. The Tax Increment Financing Redevelopment Plan & Project study is completed and the area is qualified for a TIF District. The process for creating the TIF is ongoing with the Joint Review Board Meeting scheduled for September 25<sup>th</sup> and a Public Hearing scheduled for October 23, 2012.

Staff including Lew Steinbrecher, Maureen Riggs and Ray Forsythe has met several times with representatives of Genesis, including the developer's team, legal counsel, architects and construction company staff to discuss the project and negotiate terms of a performance based agreement.

Genesis Health System has an overall vision for the site which includes:

- Welcoming, easy to navigate site layout and wayfinding.
- Site and buildings designed to promote healthy living.
- Multiple building sites in their own peaceful setting.
- Reduced views of large parking lots with generous landscaping and healing areas.

- Upscale design elements including signage, walking areas, and community gathering places.

Development Summary:

- Frauenshuh Building – 50,000 gsf/250 parking spaces
- Building 1, 18,000 gsf/90 parking spaces
- Building 2, 40,000 gsf/200 parking spaces
- Building 3, 40,000 gsf/200 parking spaces
- Building 4, 40,000 gsf/200 parking spaces

Total Wellness Campus, 188,000 gsf/940 parking spaces identified on the Wellness Campus Master Plan:



**WELLNESS CAMPUS MASTER PLAN**

Genesis Medical Center - Illinois  
41st Street Campus

08.20.2012

11781-00

Phase I of the project includes the Frauenshuh Building and parking as well as street and utility instillation.



**LANDSCAPE THEME AREAS**  
Genesis Medical Center - Illinois  
41st Street Campus  
08.20.2012  
11781-00

This development will allow for a medical center providing healthcare services to Moline and the surrounding community.

Staff would propose the following terms and conditions for a performance based rebate.

**Genesis Health Systems/ Frauenshuh HealthCare Real Estate Solutions** will construct a 50,000 square foot building with 250 parking spaces, landscaping, stormwater detention and necessary street, signage, utility and other improvements both onsite and adjacent to the site, meeting all City codes and ordinances. Phase I budget is \$10,373,740. The initial phase will include necessary improvements to 41<sup>st</sup> Street to provide for turning lanes and signalization of the intersection of 41<sup>st</sup> Street and 28<sup>th</sup> Avenue as well as infrastructure improvements to allow for future phases of the development to connect to sewer and water mains that will be extended.

**The City** will complete the Tax Increment Financing District process including all the necessary public hearings, consideration of ordinances and notices. It is anticipated that the TIF District will be established in October of this year.

**Maximum TIF Payment.** The City's total payment paid from the net incremental real estate tax generated by the Redevelopment Project shall not exceed fifteen percent (15%) of the total costs for this Phase of the development.

The estimated total project cost for Phase I of the Redevelopment Project is separated into two (2) categories as follows:

Building I (Frauenshuh Building):	\$ 8,310,240
Genesis Health Systems Site Improvements:	<u>\$ 2,063,500</u>
Total Phase I Project Cost:	\$10,373,740

Fifteen percent (15%) of such total project costs equals One Million Five Hundred Fifty Six Thousand and Sixty One Dollars (\$1,556,061). In the event that the total project cost is less than the amount shown above, then fifteen percent (15%) of the reduced project cost will be the maximum amount paid to the Developer through the term of the Agreement.

The net incremental annual real estate taxes shall be used by the Developer only to pay for eligible redevelopment costs allowed under the Act (65 ILCS 5/11-74.4-3). The base year for computation purposes of the net annual increment is agreed to be the annual real estate taxes for parcels 07-12585, 07-12586, 07-12587, 07-208-6, 07-208-7, 07-208-8-A, 07-208-8, 07-208-3, 07-208-12, 07-208-9, 07-208-11, and 07-208-13; the base Equalized Assessed Valuation (EAV) for the base year 2012 is \$561,820. The property tax rebate period will start with assessment year 2014 and payment year 2015.

If Council is supportive of the proposed performance based incentive, staff will draft the Development Agreement and bring it to a future Council Meeting for consideration.

Council has established a Strategic Plan including 2015 Goals including:

- Strong Local Economy – The Confidence to Invest
- Financially Strong City with Cost-Effective Services
- Moline – Desirable Place to Live
- Upgrade City Infrastructure and Facilities

To implement these goals, staff continues to work with the private sector to facilitate development opportunities within the City of Moline. As you are aware, TIF is an important Economic Development tool that the City can utilize to facilitate redevelopment of the privately owned properties in the Redevelopment Areas. It is the intent of the City to induce the investment of significant private capital in the Redevelopment Areas, which is expected to have a positive economic impact on the community as a whole.

Should you have any questions on the plans, please do not hesitate to ask.

**MEMORANDUM OF AGREEMENT  
AMONG  
THE FEDERAL HIGHWAY ADMINISTRATION,  
THE ILLINOIS DEPARTMENT OF TRANSPORTATION,  
THE CITY OF MOLINE,  
WESTERN ILLINOIS UNIVERSITY,  
AND THE ILLINOIS STATE HISTORIC PRESERVATION OFFICER,  
REGARDING THE  
INTERSTATE 74 QUAD CITIES PROJECT FROM 23<sup>RD</sup> AVENUE IN MOLINE,  
ILLINOIS TO 53<sup>RD</sup> STREET IN DAVENPORT, IOWA, INCLUDING A NEW BRIDGE  
CROSSING OF THE MISSISSIPPI RIVER  
IN THE CITY OF MOLINE, ROCK ISLAND COUNTY, ILLINOIS**

**WHEREAS**, the Federal Highway Administration (FHWA), the Illinois Historic Preservation Agency (IHPA), and the Illinois Department of Transportation (IDOT), executed a Memorandum of Agreement (MOA) on May 21, 2008 for the Interstate 74 (I-74) Quad Cities project from 23<sup>rd</sup> Avenue in Moline, Illinois to 53<sup>rd</sup> Street in Davenport, Iowa, including a new bridge crossing of the Mississippi River (“the Project”); and

**WHEREAS**, this MOA supersedes the agreement executed on May 21, 2008 among the FHWA, the IHPA, and the IDOT; and

**WHEREAS**, the Federal Highway Administration (FHWA) may fund the Project thereby making the Project an undertaking subject to review under Section 106 of the National Historic Preservation Act (NHPA), 16 U.S.C. Section 470f, and its implementing regulations, 36 C.F.R. Part 800; and

**WHEREAS**, the Project will have an adverse effect on two historic properties in Illinois: the Knights of Pythias Lodge Hall, 2011 6<sup>th</sup> Avenue, Moline, Illinois and the Davenport, Rock Island & Northwestern Depot (“the Depot”), 2021 River Drive, Moline, Illinois; and

**WHEREAS**, the Illinois State Historic Preservation Officer (SHPO) and the Iowa SHPO have entered into an agreement that the Iowa SHPO has the lead responsibility for the Iowa Illinois Memorial Bridge, with the documentation of that historic property covered under a MOA between the FHWA and the Iowa SHPO; and

**WHEREAS**, the City of Moline and Western Illinois University (WIU), notified the IDOT that there is interest in relocating the Depot to the WIU campus in Moline, Illinois; and

**WHEREAS**, the FHWA, in consultation with the Illinois SHPO, has invited the IDOT, the City of Moline, and WIU to participate in consultation and to become a signatory to this MOA;

**WHEREAS**, execution and implementation of this MOA evidences that FHWA has satisfied its Section 106 responsibilities for the Project; and

**NOW, THEREFORE**, the FHWA and the Illinois SHPO agree that the Project shall be implemented in accordance with the following stipulations to ensure that potential effects on historic properties are taken into account.

## **STIPULATIONS**

The FHWA, the IDOT, the City of Moline, WIU, and the Illinois SHPO agree that the following steps will be undertaken for the Project:

### **I. The Depot, 2021 River Drive, Moline**

A. The IDOT, the City of Moline, and WIU agree to collaborate to move the Depot from its existing location to a permanent location on the WIU campus, no later than September 30, 2014.

B. The IDOT will be responsible for the following, at a cost not to exceed \$1,000,000:

1. Purchase the existing depot property from the City of Moline based on the fair appraised market value of the property.

~~2.~~ Fund and complete any required environmental treatment to the Depot, including asbestos removal and lead paint remediation.

~~2.3.~~ Provide funding to the City of Moline to prepare and physically move the Depot to its new location on the WIU campus, including costs associated with addressing physical obstructions, such as utilities, that may obstruct relocating the Depot from its current location to its new location.

~~3.4.~~ Provide funding to the City of Moline for the design and construction of ~~to provide~~ a structural foundation to support the Depot on its new location on the WIU campus.

C. The City of Moline will be responsible for the following:

~~1.~~ Fund and complete any required environmental treatment to the Depot, including asbestos removal and lead paint remediation.

~~2.1.~~ Fund plumbing and electrical mechanical systems in the Depot.

~~3.2.~~ Fund the disconnection of utilities at the existing location of the Depot.

~~4.3.~~ Reconnect utilities at the new location of the Depot.

~~5.4.~~ Procure and manage the contract required to physically move the Depot.

6.5. Coordinate all moving plans with the Illinois SHPO and obtain agreement on the plans prior to initiating the move of the Depot.

D. WIU will be responsible for the following:

1. Take ownership of the Depot and provide a permanent site for the Depot on the WIU campus in Moline, Illinois as approved by SHPO.
2. Rehabilitate and maintain the Depot in accordance with the Secretary of Interior's Standards for Rehabilitation (36 CFR part 63).
3. Coordinate all rehabilitation plans with the Illinois SHPO and obtain agreement on the plans prior to initiation of any construction activities.

E. If the Depot is not relocated to the WIU campus on or before September 30, 2014, and in accordance with these stipulations, then IDOT will complete the following;

1. The Depot will be documented in accordance with the Illinois Historic American Building Survey (IL HABS) standards.
2. The IDOT will consult with the SHPO prior to initiation of work for mutual agreement on document formatting and specific graphic generation requirements. Level III HABS documentation will be required.
3. The Depot may be demolished after the IL HABS documentation is completed.

## **II. Knights of Pythias Lodge Hall, 2011 6<sup>th</sup> Avenue, Moline, Illinois**

- A. The Knights of Pythias Lodge Hall will be documented in accordance with the IL HABS standards.
- B. The IDOT will consult with the Illinois SHPO prior to initiation of work for mutual agreement on document formatting and specific graphic generation requirements. Level III HABS documentation will be required.
- C. The Knights of Pythias Lodge Hall may be demolished after the IL HABS documentation is completed.

## **III. DURATION**

This MOA will be null and void if its stipulations are not carried out within ten years from the date of its execution. In such an event, the FHWA shall so notify the parties to this

MOA and, if it chooses to continue with the Project, then it shall reinstate review of the Project in accordance with 36 CFR Part 800.

#### **IV. DISPUTE RESOLUTION**

Should any signatory to this MOA object at any time to any actions proposed or the manner in which the terms of this MOA are implemented, FHWA shall consult with such party to resolve the objection. If FHWA determines that such objection cannot be resolved, FHWA will:

- A. Forward all documentation relevant to the dispute, including the FHWA's proposed resolution, to the Advisory Council on Historic Preservation (ACHP). The ACHP shall provide FHWA with its advice on the resolution of the objections within thirty days of receiving adequate documentation. Prior to reaching a final decision on the dispute, FHWA shall prepare a written response that takes into account any timely advice or comments regarding the dispute from the ACHP and signatories and provide them with a copy of this written response. FHWA will then proceed according to its final decision.
- B. If the ACHP does not provide its advice regarding the dispute within the thirty day time period FHWA may make a final decision on the dispute and proceed accordingly. Prior to reaching such a final decision, FHWA shall prepare a written response that takes into account any timely comments regarding the dispute from the signatories to the MOA and provide them and the ACHP with a copy of such written response.
- C. The FHWA responsibilities to carry out all other actions subject to the terms of this MOA that are not the subject of the dispute remain unchanged.

#### **V. AMENDMENTS**

This MOA may be amended when such an amendment is agreed to in writing by all signatories. The amendment will be effective on the date a copy signed by all of the signatories is filed with the ACHP.

**VI. TERMINATION**

If any signatory to this MOA determines that its terms will not or cannot be carried out, that party shall immediately consult with the other parties to attempt to develop an amendment. If within thirty days an amendment cannot be reached, any signatory may terminate the MOA upon written notification to the other signatories. Once the MOA is terminated and prior to work continuing on the undertaking, FHWA must request, take into account, and respond to the comments of the ACHP under 36 CFR § 800.7. The FHWA shall notify the signatories as to the course of action it will pursue.

Execution of this MOA by the FHWA, the Illinois SHPO, the City of Moline, Western Illinois University, and IDOT and implementation of its terms evidence that FHWA has taken into account the effects of this undertaking on historic properties and afforded the ACHP an opportunity to comment.

**FEDERAL HIGHWAY ADMINISTRATION**

By: \_\_\_\_\_ Date: \_\_\_\_\_

**ILLINOIS STATE HISTORIC PRESERVATION OFFICER**

By: \_\_\_\_\_ Date: \_\_\_\_\_

**INVITED SIGNATORIES**

**ILLINOIS DEPARTMENT OF TRANSPORTATION**

By: \_\_\_\_\_ Date: \_\_\_\_\_

**CITY OF MOLINE**

By: \_\_\_\_\_ Date: \_\_\_\_\_

**WESTERN ILLINOIS UNIVERSIY**

By: \_\_\_\_\_ Date: \_\_\_\_\_

## City

Water/Sewer/Disconnect/Connect/Boiler	\$62,140
Ventilation/Air Conditioning	\$35,225
Electrical (Fire Alarm, Code Issues)	\$52,100
Roof Tile /Gutter Repair	\$48,400
Window Removal/Disposal	\$11,616
Window replacement (32 windows)	\$42,400
Subtotal	<u>\$251,881</u>
15% Contingency	\$37,782
<b>City Total</b>	<b>\$289,663</b>

## WIU

Remodeling of Depot (3900 sq ft @ \$80)	\$312,000
15% Contingency	\$46,800
<b>WIU Total</b>	<b>\$358,800</b>

## IDOT

Mobilization (allowance)	\$25,000
Move Contract (allowance)	\$200,000
Associated Move Costs (permits,road prep, etc)	\$52,500
Excavation & Foundation @ new site	\$225,000
Utility Disconnect/Connect	\$25,000
Asbestos Abatement	\$24,400
Building Repair after move (allowance)	<u>\$10,000</u>
Subtotal	\$561,900
15% Contingency	\$84,285
<b>IDOT Total</b>	<b>\$646,185</b>

Project Total **\$1,294,648**