
HICKORY GROVE

JEFF FIEGENSCHUH, CITY MANAGER



HISTORY

- Hickory Grove is owned by OCCCA – Ogle County Civic Center Authority
- OCCCA was established in mid 80s by Ogle County through a \$2.5 million grant from the state funded by race track revenues for Civic Center Authorities
- The purpose was to redevelop the Vagabond Resort
- No local tax funds were used to update the Hickory Grove facility in 1987
- OCCCA does not have any taxing authority



HISTORY

- Revenue is generated through the lease of space to Abraham's Bar & Grill and Rochelle Swim & Fitness
- OCCCA is responsible for all building maintenance & utilities
- OCCCA is not required to pay property taxes
- Lease payments are inadequate to continue operation



2012-2013

\$33,000

HOTEL/MOTEL FUND



2016

\$30,000

SOLID WASTE FUND

CITY OF
ROCHELLE
GRANTS

OTHER FINANCIAL ASSISTANCE

- In Kind City Services (staff time, legal, signage, parking lot, other) \$50,000 (2011 forward)
- City of Rochelle-Structural Study \$25,000 (2011)
- City of Rochelle RMU- Energy HVAC grant (\$25,000,
- City of Rochelle RMU utilities \$100,000+

STRUCTURAL ANALYSIS

- Structural Analysis conducted in 2011 noted the following costly maintenance issues:
 - Condition & operation of existing heating, ventilating and air conditioning systems
 - Location of primary electrical equipment in corrosive environments
 - Condition of the pool deck and deck support beams
 - Condition of the existing roofing system
 - Several non-compliance issues with the Illinois Accessibility Code
 - General building enclosure systems
 - Several foundation cracks



IMPROVEMENT COSTS: 2011 (NOT COMPLETED)

Site Improvements	\$35,000
Roof Replacement	\$450,000
Exterior Improvements	\$200,000
Interior Improvements	\$155,000
Structural Improvements	\$108,000
HVAC Improvements	\$1,700,000
Electrical Improvements	\$960,000
Plumbing Improvements	\$260,000
TOTAL	\$3,868,000



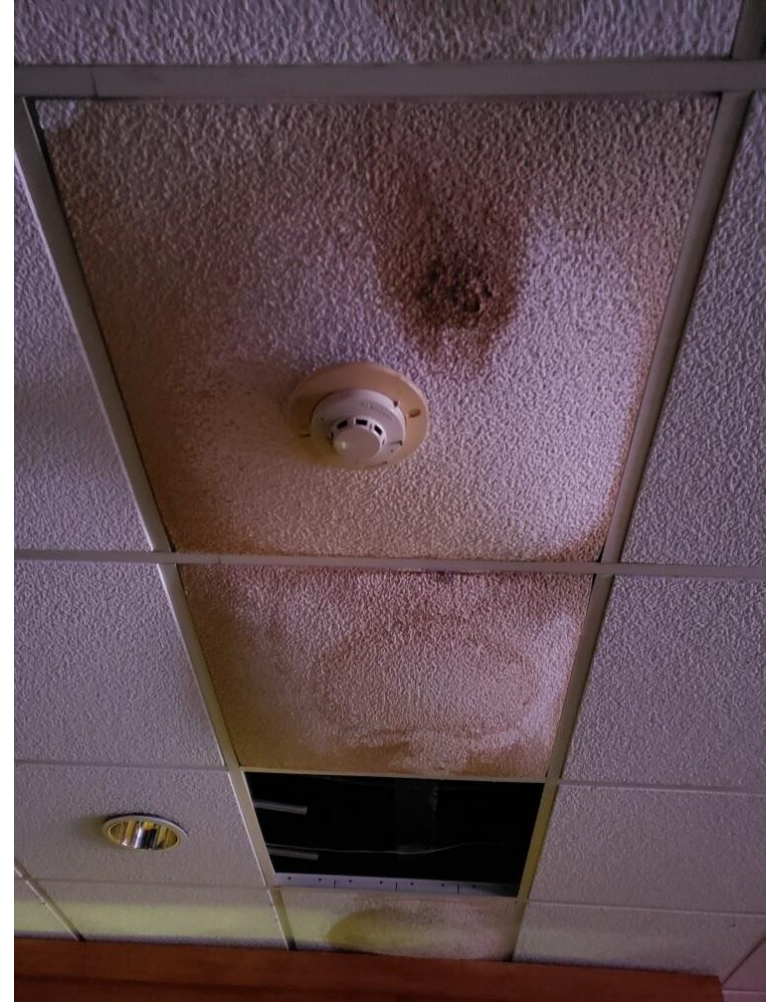
FOUNDATION CRACKS & CORROSION



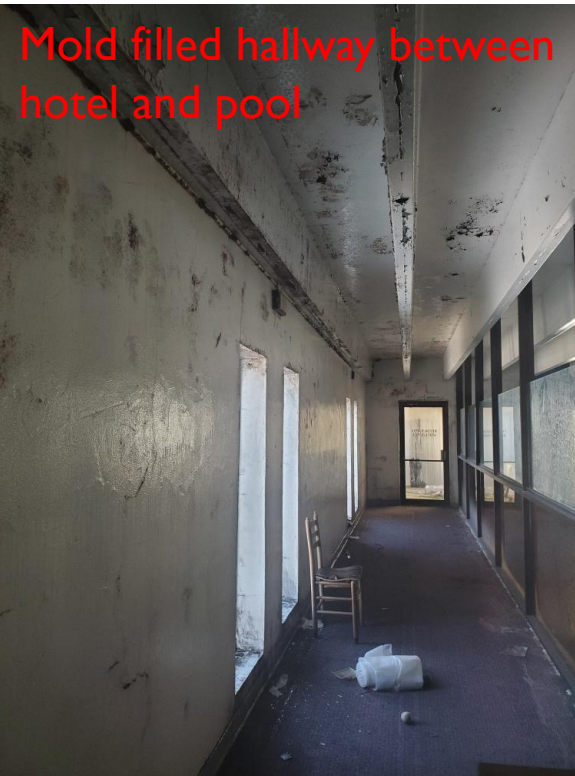
SUPPORT BEAMS & CORROSION



CEILING CONDITION



INTERIOR CONDITIONS



INTERIOR CONDITIONS



Bad Plumbing



Bad Plumbing



Air duct system antiquated

EXTERIOR CONDITION



PROPOSAL

- Purchase Hickory Grove for \$1
- Demolition costs-approximately \$250,000 (Reimbursed by TIF)
- Engineering estimates-approximately \$50,000 (Reimbursed by TIF)
- Private developer interested in site for banquet facility
- City carrying costs (utilities, insurance, misc.) \$12,000
- Brings property back onto property tax roll
- City Manager will oversee the RFP and development process as top priority over the next two years
- Overall goal is property redevelopment and long-term sustainability
- City to be reimbursed 100% through TIF



TIMELINE

- February 10 – 11 - City & OCCA approve the purchase
- March 1 - March 15 - City closes on the facility (depending upon due diligence)
- March-July – City Manager will ensure that booked events are held as planned through June 30th
- July 19 - Hickory Grove closes, City to auction off all materials and equipment in facility to recoup costs
- July 1-15 - Willet Hoffman conducts last asbestos and mold inspection
- October 15 - Demolition Begins
- Fall/Winter 2020 - City works with potential developer to acquire and develop site in 2020/2021
- Fall/Winter 2020 - Demolition and site preparation completed

POTENTIAL INCREMENT

- 2022 Project Market Value \$1.5 million
- 2022 EAV \$500,000
- 2022 estimated increment generated \$48,200 (based on tax rate of \$9.647 for 2018)
- City collects 100% of all incremental revenues

Q&A
