

ORLAND PARK

Inducement Agreement: Wrigley Hospitality (Hampton Inn by Hilton)

Committee of the Whole

June 21, 2021

History

- Wrigley Hospitality, Inc. is planning to develop a 5 story, 158 room, 85,000 SF Hampton Inn by Hilton hotel on 3.88 acres located at 16160-16168 LaGrange Rd.
- The project previously petitioned with the Village but has been delayed due to market conditions caused by the COVID-19 pandemic.



Incentive Request

- The developer has requested to participate in the following incentive programs:
 - Hotel Incentive Program (New Hotels) – applicant receives 40% of transient occupancy tax generated onsite for up to 10 years.
 - Commercial Impact Program – 25% permit and water tap fee waivers. Payment due at the point of occupancy.
- The developer has also requested a sales tax sharing incentive:
 - Applicant receives 50% of sales taxes generated onsite for up to 10 years.



Summary of Proposed Terms

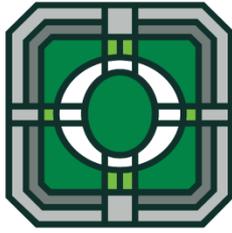
- Est. project cost = \$15,000,000
- 40% sharing of Village's transient occupancy tax
- 50% sharing of Village's sales tax
- 10 year term (consistent with previous deals)
- 25% reduction on permit/water tap fees
- Max. return to developer = 25% certified project costs or \$3,750,000
- 25-30 new FTE jobs



Summary of Proposed Terms Continued

- The 10 year tax sharing “clock” starts no later than March 1, 2023.
 - Last tax rebate to developer no later than March 1, 2033.





**ORLAND
PARK**

Questions/Comments