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## Village and Kensington Development Partners Advance Major Redevelopment Project



Kensington plans to redevelop the property at Lake Cook and Route 83 into a mixed-use development with a national grocery store, retail, restaurants and high-end multi-family residential.

**Buffalo Grove, Illinois** – Buffalo Grove’s first walkable, mixed-use development is taking one step closer to reality. Kensington Development Partners (Kensington) proposes to redevelop the 20-acre Town Center property into a new, modern central entertainment and residential district anchored by a national grocery store, retail shops, a park, restaurants and luxury multi-family residential. Featuring walkability, contemporary building design, as well as upscale tenants, this new district will be a unique destination for residents and visitors alike. The ambitious plan includes 65,000 square feet of experiential retail space with a total project cost of \$150 million.

On Monday, November 1, the Village Board will consider a Memorandum of Understanding (MOU) with Kensington to facilitate the project.

Kensington is under contract to purchase the property and proposes two phases of redevelopment. The first phase includes the southern and central sections of the site with a new 37,500 square foot nationally renowned grocery store with an innovative format to meet the demands of today's consumers. North of the grocer will be a 7-story, 275- to 300-unit high-end apartment building with 18,000 square feet of commercial space on the ground floor. Distinctive from traditional multi-family complexes, the proposed "next generation" apartment building represents the latest trends in the luxury rental market, where the focus is on creating an amenity-rich, convenience-filled environment.

The plan also features more than 65,000 square feet of retail and restaurants scattered throughout the site. A "Central Park" will sit in the middle of the site and can be programmed for concerts, the arts and other civic events. Phase 2 of the plan would revitalize the remaining 34,000 square feet located on the northern portion of the site, creating new opportunities for existing and future tenants. Under the terms of the MOU, Kensington will pursue Phase 2 within five years of the construction of Phase 1.

"The proposed plan would be an exciting addition for BG – you could live, shop and dine, enjoy the park, and sample some of BG's local flavor – all in one place!" said Village President Beverly Sussman.

The agreement between the Village and Kensington is the latest step in redeveloping the 30-year-old center. The process first began with the Lake Cook Corridor Plan, which was adopted in 2018 and laid out a community-driven vision. Kensington was attracted to the plan's bold vision, as well as the corridor's Tax Increment Financing (TIF) district, established in 2020. In July 2020, Kensington went under contract with the Town Center owners to purchase the property, and with the Village, has been refining the plan and negotiating a public-private partnership since that time.

The MOU specifies Kensington's obligation to purchase and redevelop the property, per the agreed upon vision. In doing so, the Village will provide eligible TIF funds and 50-percent of the new sales tax growth in an amount not to exceed \$24.75 million. The agreement is structured such that only the funds generated by the redevelopment project will be provided or shared over the life of the TIF district, ensures a timely redevelopment process and minimizes financial risk to the Village.

"The agreement with Kensington creates a catalyst for the ongoing redevelopment of the Lake Cook Road corridor and delivers a much-needed gathering place for our community," said Village Manager Dane Bragg. "We are proud of all the challenges we have overcome to help turn this vision into a reality."

If the MOU is approved, Kensington will proceed with finalizing their plans and enter into a formal redevelopment agreement with the Village. Construction is anticipated to start in the summer of 2022. More information and details will be forthcoming.

To learn more about the Kensington plan, please visit [www.vbg.org/redevelopment](http://www.vbg.org/redevelopment) Stay up-to-date on Village news and activities by signing up for the Village's ENews at [www.vbg.org/ewssignup](http://www.vbg.org/ewssignup).

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