

**MINUTES
CITY OF ST. CHARLES, IL
PLANNING AND DEVELOPMENT COMMITTEE
MONDAY, JANUARY 13, 2014 7:05 P.M.**

Members Present: Silkaitis, Payleitner, Lemke, Turner, Stellato, Bancroft, Martin, Krieger, Bessner, Lewis

Members Absent: None

Others Present: Mayor Raymond Rogina; Mark Koenen, City Administrator; Rita Tungare, Director of Community & Economic Development; Russell Colby, Planning Division Manager; Chris Tiedt, Development Engineering Division Manager; Matthew O'Rourke, Planner; Bob Vann, Building & Code Enforcement Manager; Fire Chief Schelstreet; Acting Police Chief Huffman; Chris Minick, Director of Finance

1. CALL TO ORDER

The meeting was convened by Chairman Stellato at 7:25 P.M.

2. ROLL CALLED

Roll was called:

Present: Silkaitis, Payleitner, Lemke, Turner, Stellato, Bancroft, Martin, Krieger, Bessner, Lewis

Absent: None

3. POLICE DEPARTMENT

- a. Recommendation to approve a Resolution and amplification equipment for the 2014 St. Patrick's Day Parade.

Acting Chief Huffman said the Resolution is for the closing of Main St. on Saturday, March 15, 2014 for the parade. He said the Police Dept. is working with the Parade Committee to keep costs down and maintain safety for the participants and attendees, and the event will be substantially similar to events held in years past. He noted there was a typo in the Executive Summary-for 2013 the cost listed is \$6,607, and it should read \$7,225. He said 4th, 5th and 6th Streets will be closed for parade staging, 2 parking spaces will be coned off in the checkerboard parking lot for preparations, and the loud speaker permit is for the music as well as a viewing stand for the parade.

Aldr. Turner made a motion to approve a Resolution and amplification equipment for the 2014 St. Patrick's Day Parade. Seconded by Aldr. Bancroft and approved unanimously by voice vote. Motion carried.

4. FINANCE DEPARTMENT

- a. Recommendation to approve a Resolution Abating a Portion of the Tax Heretofore Levied for the City of St. Charles, Kane and DuPage Counties, Illinois.

Mr. Minick said the specifics of the abatement relate to the principal and interest payments for the general obligation bonds. He said as the Committee is aware, the city has a long standing history of abating or removing these property taxes from our tax levy, thereby removing them from the property tax bills of our residents and making payments out of the general revenue stream. He said the total of the abatement is approximately \$9.1 million, and staff recommends approval based on the prior policy direction.

Aldr. Turner made a motion to approve a Resolution Abating a Portion of the Tax Heretofore Levied for the City of St. Charles, Kane and DuPage Counties, Illinois. Seconded by Aldr. Silkaitis and approved unanimously by voice vote. Motion carried.

5. COMMUNITY & ECONOMIC DEVELOPMENT

- a. Recommendation to Approve a Minor Change to PUD Preliminary Plan - 2057 Lincoln Hwy.

Mr. O'Rourke said the applicant, Kolbrook Design, is looking to take the current Goody's Restaurant site and split it into a 2-tenant building; half will be Dunkin Donuts which will utilize the existing drive-thru. He said after reviewing the PUD, staff noted this is a permitted use, nothing will be changed in the parking lot or the design of the drive-thru, so it qualifies as a minor change.

Aldr. Krieger asked if the Dunkin Donuts on Main St. would stay open. Mr. O'Rourke said they are separate franchisees and all sites have to be approved by corporate Dunkin Donuts and they feel the spacing is adequate.

Aldr. Turner made a motion to Approve a Minor Change to PUD Preliminary Plan - 2057 Lincoln Hwy. Seconded by Aldr. Bancroft and approved unanimously by voice vote. Motion carried.

- b. Presentation of a Concept Plan for Foxwood Square PUD.

Michael Ciampi-Representing Michael Vincent Custom Homes-said they are under contract with the bank who owns the property at 309 S. 6th Ave. and they are looking to start the development over again, that the previous developer had unsuccessfully started. He said plans include taking down the existing Judd Mansion, developing 13-attached townhouse units and shrinking the size of the units themselves. He showed a PowerPoint presentation which showed the approved site plan from 2007 which included the Judd House with 5-existing buildings that surround it to the north, south and west, with a drive way cutting through the center of the area making it very cramped, with very little parking. He said the new site plan being proposed will have a 2-unit building that fronts 6th Ave. replacing the Judd House, which will allow for more parking of

about 8-10 guest spaces, and by shrinking the units it will allow for much more area in front of the garages before the driveways. He said by eliminating the Judd House it allows for a lot more open concept with a large green space in the center in the vestibule. He said it also allows for better snow removal on the property, much better emergency access if needed and much better garbage collection. He said there is currently 1-building on the property built by the previous developer which is around 2,500-3,000 sq. ft. per unit, and the plan being proposed would be 1,800-2,000 sq. ft. per unit. He said the proposed building would be a siding and brick combination and they think the design of their buildings fit it more to the neighborhood surrounding of single-family homes and developments.

Mr. Ciampi said they have some obstacles with the existing PUD and keeping the Judd House which include: the building being divided into a duplex, the high cost to completely gut and remodel those 2-units is about \$400,000 per unit, and the aesthetics of the old historic site will not be appealing for someone to purchase being surrounded by all brand new townhomes without having any mature trees. He said the mansion is very large and the placement on the property being directly in the center encroaches on any good use of development surrounding the area. He said they are trying to increase the density by 3-units, the existing dwelling units per acre on similar developments are 14 & 15 units and they are at 16-units. He said the Planning and Historic Commission brought up some points to possible move the building on the site, and they feel it would be very challenging and very expensive around \$200,000 and that combined with remodeling would not recoup any money.

Mr. Ciampi said they are looking for approval to rewrite the PUD agreement to remove the Judd House and adding 3 more units to the existing PUD agreement.

Chairman Stellato asked Staff if the amendment would be for the existing PUD in place from 2007 and that tonight is just for feedback, not a vote. Mr. Colby said correct, just for feedback and the PUD amendment would be required to remove the Judd House from the property since it was part of the findings for establishing the PUD, also increasing the number of units on the property and the density would require an amendment as well. Chairman Stellato asked if the PUD was for the standard 20-years. Mr. Colby said because construction had begun on the site and some of the site improvements were put in, the PUD remains permanently.

Aldr. Silkaitis said this is a landmark property and that without there being any proof, he has a problem with the Judd house being torn down. He said that Historic Preservation may recommend an assessment of the property and until he sees an assessment that states it's not worth saving, he will recommend keeping the building and until that's done he doesn't think it needs to be talked about anymore. Mr. Ciampi said they are working with the bank that owns the property and they have an independent assessor. Aldr. Silkaitis said the city will hire their own assessor to determine the value and the condition of the house, but until then he will vote no.

Aldr. Martin said it's unfortunate that the proposing developer has been put in this position but he has to go back to the original developers of the property and approach the approved plan. He said the original developers asked himself and Aldr. Krieger to meet with them prior to any progress on the property to get their opinion, which was to have the Judd house remain and be divided into 2-unit apartments and fix it up, and they accepted that. He said they objected to the townhouses being allowed to extend east of the front of the Judd house, and both him and Aldr.

Krieger voted no to the original concept, and it's inconceivable to accept anything less than that at this point. He said he would not approve of any plan at all that demolishes the building, and he supports Aldr. Silkaitis' request for an assessment, and until that's done he will not move anywhere.

Aldr. Krieger said she received many calls on Christmas Eve and Christmas day objecting to these changes, and among the ideas was to save the house and go back to the 2-unit townhomes. In the original agreement some of the design features of the house were to be incorporated into the townhomes, and she doesn't see any of that being proposed, and she cannot support this.

Aldr. Lemke said he took a personal interest in the property, voluntarily with a group of folks from the church. He said a commercial roofer was hired to properly roof the building, structural steel was put in to fix a sag and has been properly bricked in, and the soffit under the front porch was restored entirely, along with some internal work such that the building was occupied by an office, sales office and an office for the church. He said he can personally say the building was left in good condition.

Aldr. Bessner said the last time this was visited the developer was sensitive to the architectural character and what the townhomes would incorporate as far as architectural character. He asked how the current proposal with having new structures compares to the 2-units currently there. Mr. Ciampi said in his opinion what is there now looks nothing like the Judd House, other than it having brick and stone on it. He said he thinks the proposed units also do not look like the Judd House either, but he thinks they fit in very well to the neighborhood and surrounding developments. Aldr. Bessner said he thinks what is being proposed is going to be a contrast to what is there now. Mr. Ciampi said that was brought up in another meeting, to try to take the current building with its commercial type stone and brick, and kind of blend that into the new development. He said they were choosing to get away from stone and brick as a cost savings. He said he has his broker license as well as being a builder and he looked up the last 12-months in St. Charles and there was 185 townhomes/condos sold, 140-under \$200,000 and 160-under \$300,000, and the units being proposed would be about \$360,000. He said their main focus is to not be like the previous developer, who was asking \$680,000 for the first building, which sat of course and just sold in 2010 for \$320,000. He said in looking at the overall economy in St. Charles and everything that is going on with First St., he thinks the proposed property, fully developed, would add to that and bring in people to support the businesses. He said they do not want to do something that is too expensive and will not sell because they would be closing the door themselves, like the previous developer.

Aldr. Lewis asked for an explanation for the difference between a townhouse and a condo. Mr. Ciampi said a condo is more of a stacked development having separate units with access to each through a common area. He noted that condos could also be 2-stories as long as it were all 1-unit. He said the townhomes have attached garages on the back for each unit, which the condo does not have. Aldr. Lewis said she read recently that this particular type of product is not selling. Mr. Ciampi said certain price points are not, but St. Charles themselves sold 185-units last year. Aldr. Lewis said she has fond memories of the Judd House from when she was young, it used to be a rest home for the elderly, and she would Christmas Carol there, and she does not support tearing it down. She said she feels there are better uses for the building, like possibly going back to a senior assisted living because it is ideally situated for that.

Nona Koivula- 407 S. 6th Ave.-resident for 28-years at same address, her and her husband followed the 2007 concept plan closely, they toured the Judd House seeing all 3-floors. She said she has 2-concerns with the concept plan: the density-the block she lives on has 6-structures/homes with approximately 14-people living in those 6-structures, whereas with the proposed concept plan there will be at least 30-people living in the same amount of space. She said her other concern is parking and even though there are 2-car garages for each unit, many families have more than 2-cars, and she is concerned about the parking on 6th Ave. which is a very narrow street and parents need to use that parking to drop their kids off to Lincoln School. She said it is a quiet, dog walking neighborhood, and if the development goes forward she would like to know what the developers will do to minimize the disruption to the quiet residential neighborhood during the construction. She mentioned how terrible things were during the North Ave. construction and now in considering this big project, she doesn't want to impede progress, but she hopes it will not disrupt the neighborhood and she would like to see the Judd House remain.

Chairman Stellato said the developer now has input from Committee and whether they decide to move forward is up to them, and if they do, a more formal process would take place at that point.

c. Presentation of a Concept Plan for First Street Redevelopment PUD Phase 3.

Robert Rasmussen-409 Illinois Ave.-Suite 1D-said the new concept is being kept within the envelope of the Old River Terrace parcel, which was the Phase III parcel, they continue to have building 1 and 2 be similar buildings which are for rent residential building, with building 3 being a for sale condo building. He said building 3 would be an additional story, making it a 5-story building and the sq. footage is being reduced from 212,000 sq. ft. to 159,930 sq. ft. He said a lot of that came from eliminating the 5th floor on all the buildings and the mezzanine above, as well as eliminating the 2nd floor office space where it is not living space in each of the 3-buildings. He said they are asking for comments from Committee on their desire to get the first floor space available for specific office uses so they can open their doors to more opportunity for leasing, not just the retail that has been focused on so far. He said the building concept is the 2-story parking garage as seen before, and right now they are presenting it as perpendicular parking instead of diagonal, the deck will remain the same but how it is striped can be changed at any time. He said with the first floor coming off of Illinois St., there has been concern discussed with Staff regarding if it can be full access, which will require more studies to be done on Illinois. He said it is not a make or break for them, he thinks right-in right-out would work fine because that is the way the parking garage is on Illinois as well, but he thinks it would be preferential for the public if it was full access, but they are open to whatever works the best.

Mr. Rasmussen said Historic Preservation had some immediate concerns wanting to be sure the building looked more historic with some more design details having brick and stone on the façade, eliminating the EIFS and changing the structure to look a bit more timely/old. He said in looking closely at the renderings, to the center some of the bays have been eliminate and the ones remaining are no longer EIFS but more of a painted box bay window. He said with the way the architect has detailed the brick and the cornice in the front entrance, and the way the balconies hang, it is starting to look more like the warehouse/lofty look which will he thinks the Historic

Commission will be happy with. He noted that Plan Commission had seen the new renderings, but Historic had not yet. He said the height of buildings 1 and 2 at the top of the parapet wall at the highest point is now 49 ft. 6 in. which is significantly lower than the 74 ft. that was previously approved in the 2006 PUD, and he thinks the buildings now being shorter will help with the tunnel feeling that was a concern a few years back.

Chairman Stellato said as far as phasing and building 1 being built first, is the intention to put all the infrastructure in for the other 2-lots, the parking deck, all the utilities, so they would be buildable lots, and should anything change, building 2 and 3 could be built, but all the infrastructure would be done. Mr. Rasmussen said yes, they plan to build buildings 1 and 2 simultaneously, about a 6-months spread between the two, but the infrastructure would have to go in around the parking garage because the garage has to go in with the first building, or none of it works.

Aldr. Krieger said in lowering the height of buildings 1 and 2, how would they compare to the building across the street. Mr. Rasmussen said he thinks it's roughly the same, about 54 ft. Ms. Tungare said she knows it's under 60 ft.

Aldr. Lewis said in looking at the renderings with the balconies all she can think of is towels hanging over, people sitting right overhead of people walking by, what type of plants and chairs would be out there. Mr. Rasmussen said to take a look at Milestone Row which is a similar project with very similar tenants. Aldr. Lewis said she did, but those balconies are recessed with just a little bit of an overhang. Mr. Rasmussen said they as landlords can restrict what is put on those balconies, and he thinks at Milestone Row they look pretty good all the time and they would do the same at the proposed buildings as well. Aldr. Lewis noted that it is a concern of hers. She said she also has the same concern, along the Historic and Plan Commissions, in regard to the parking. Mr. Rasmussen said they do as well, but he does not have a fear that they can accomplish the goal there, it just has not been shown yet, but he agrees it is a concern for everyone and that the next step is to have a rendering done. Aldr. Lewis said she is still not in favor of 5-stories and she wondered if there has been any tenant interest found at all. Mr. Rasmussen said they have not focused on any tenant interest on the first floor at all, at this point there focused on the upper floors and what it will take to get them to succeed. He said their objective is to make sure the buildings work with those floors leased, so they can go to work on the first floor and be a little more aggressive in their leasing. Aldr. Lewis asked if they would consider not putting balconies on the 2nd floor and starting them higher up. Mr. Rasmussen said that's a new thought, something to think about, but that the bottom of those 2nd floor balconies are 13-14 ft. in the air, on top of the first floor office/retail space being taller than the other floors.

Aldr. Bessner asked what the material would be of the base of the balconies. Mr. Rasmussen said steel. Aldr. Bessner said he likes the contrast of the balconies with the architectural style being shown, but they are being shown in black, is there any softer color that can be used. Mr. Rasmussen said that could be considered, and he thinks some samples of bricks, stone and a pallet of colors needs to be brought in for the Historic Commission to view because they need to be happy, and that he has worked well with them in the past.

Aldr. Turner asked if the re-did Downtown Overlay included the ground floor of First St. Ms. Tungare said no, it did not because First St. has its own regulations for the PUD. Aldr. Turner asked if building 3 can be separated out, because it seems it will be the only 5-story building and will be built in the future, years away. Mr. Rasmussen said that is correct and the architecture on that building will have to come back through this entire process seeing as it is a PUD. Aldr. Turner asked if in making his comments on the concepts, if those are just based on building 1 and 2. Mr. Rasmussen said yes, but as well as the fact that there is a third building there, and here's how big it is. Aldr Turner said except for some architectural tweaks here and there, he would say move forward with it.

Aldr. Lemke said he agrees to move forward, but he did feel that the black balconies stand out predominantly against the rest of the buildings fascia; he think a more complimentary color would work. He asked if the internal parking lot is partially below ground level. Mr. Rasmussen said it is below street level, just about 2 ft. because it allows them to get under the buildings with the ramp for the parking under the buildings, as well as keeping the 2nd floor of the parking garage not too tall as well. He said the total of the 2nd level above street parking is about 8 ft. above First St. which will have a parapet wall around it which will be another 3-4 ft., so up about 11-12 ft. total. He said there was concern from the Plan Commission about the apartments looking down on the parking garage; he does not have that concern because every apartment looks down on a parking lot, this just happens to be one that is 8 ft. in the air. He said his concern remains on the façade of the parking garage next to the open dining that will be seen in crossing the river, and he doesn't want a small parking garage or corner to take away from that, but that they will get that addressed. Aldr. Lemke asked if that allows for the ramp to not be too steep to the various levels. Mr. Rasmussen said correct and that is why they dropped it, it barely makes it in each area, but it works, and he believes the grade going up is 8%. Aldr. Lemke said the market study done by Tracy Cross is an old one, and when will a new market study be done for the current situation. Mr. Rasmussen said the Tracy Cross study was recently done by the city a couple months ago, and they had a study done in February of 2012, and the 2-studies do concur on the rental residential. He said buildings 1 and 2 in the rental community is extremely viable and the city is undersupplied in the market, the last significant development was Amlis in 1999, but as far as building 3-the for sale condo market remains extremely stressed. He said eventually it will be viable, hopefully sooner than later, and he feel sooner than the Tracy Cross study suggests, simply because there is some demand for that type of product, with that type of view in this location. He said he doesn't feel any study can quantify that because there is nothing to compare it to, and for the last 5-6 years the absorption rates have been horrific. Aldr. Lemke asked if the studio units are a gap in the market that will make it complete. Mr. Rasmussen said the rental lot buildings are designed with a good mix of an equal amount of studios, 1-bedroom and 2-bedrooms and they feel it meets the market that both studies have shown, and they also own 56-units within 4 blocks and they know what has been renting. He said the studios will get the younger population; the 2-bedrooms will be the middle to upper age, empty nesters and families. Aldr. Lemke asked if Milestone Row has studios. Mr. Rasmussen said no, the smallest unit there is 2-bedroom, it's actually a "for-sale" condominium building, and they just had to rent a bunch of units to keep it afloat.

Aldr. Payleitner said she looks forward to the clarification and tweaking with the parking garage, and to also what the Historic Preservation Committee says.

Aldr. Silkaitis asked when building 3 would be built. Mr. Rasmussen said the buildings will take about 18-months to build and the 2nd building will be about 6-months after that, which is about 2-years out, and hopefully there will be some pre-sales, so about 2 ½-3 years from now. Aldr. Silkaitis said it looks like a good concept plan but he is concerned about the first floor businesses because the plans of First St. have always been based as a shopping area, not office. Mr. Rasmussen said it was strongly heard from Plan Commission that they did not think that retail could be “ordinanced” in, but that people can be “ordinanced” in, and with people we will get retail, restaurants and success. He said as of today we cannot ordinance in a specific use for that area because that use may not be able to happen in this town right now, we are severally struggling in the building across the street and will continue to in the near future. He said there are going to be some things going dark there, things are just not succeeding and it is an equation of getting people into our downtown. He said Wok n Fire has 6-locations and St. Charles is the top performing because it’s a great product that meets our market and we need to continue to get the best of the products, but there has to be the people there. He said Neo’s is also doing well, it’s a great product and unique to the area, but getting retail in there is going to be very difficult, but he thinks with the expansion and the changes to the Charlestowne Mall it will affect it as well. Aldr. Silkaitis said he understands the point but the original concept was for retail businesses, not office space, and he is not opposed to it, he is just concerned with it. Mr. Rasmussen said small retailers are becoming few and far between but he still believes strongly in restaurants and he feels all the needs have not by met for more in the downtown area.

Aldr. Bancroft said he would be interested to see what it looks like without building 3. Mr. Rasmussen said it’s an open air deck and right now the plan for the side is a brick façade with an open space of about 6 ft. and on the end of it they intend close part of it up with landscaping in anticipation of the building covering up the rest of that deck.

Tom Anderson-712 Horne St.-said he has been in town for a long time and has seen a lot of Main St. changes and he thinks the City has an obligation to support the existing businesses for parking. He said the First St. building, the deck and the Plaza have been a great addition to Main St. with enough parking but he is not sure why parking has been added into the open space towards the river. He said his concern is in looking at the current lot at Illinois and First St. at Blue Goose, which is destined to have another building on it, is currently jammed with parking all day, and if there is another building built, where will those people park. He said his other concern is the plan for the building at Main St. and First St. (former Manor restaurant), where would the parking be for that building. He said the parking needs to be addressed, and the dollars so far spent on the deck and the VFW lot is good, but there are still concerns. He said he thinks the uses for the proposed project are fine, getting traffic in and out is needed, and having the living upstairs is the right direction for sure. Mr. Rasmussen said he understands the concern for parking but this particular part of the development has been shrunk in square footage by 25% and parking by 15, so the new scenario is better parked than it was before.

Aldr. Lewis asked where the restaurants would be in building 2. Mr. Rasmussen said the best 2 opportunities would be by the outdoor dining areas in both building 2 and 3. Aldr. Lewis asked what happens if building 3 never gets built. Mr. Rasmussen said he thinks it will be built; it just may need to be changed to a “for rent” building instead of “for sale”. He said it would have to be relooked at in the next 12-18 months, but there would be no reason to not build additional buildings because the market study says we can rent more and more. He said the rental buildings

are not that profitable, so it's not the best thing to do, but it needs to be built, the downtown needs it. Aldr. Lewis said she would hate to see building 3 not get built and it end up an open air parking lot. Mr. Rasmussen said he agrees.

d. Update on First Street Phase 3-Information only.

Mr. Colby gave a brief update and stated that First Street, LLC filed their concept plan application and after tonight's meeting the concept plan review process will be complete. The developer can now proceed with filing the PUD Preliminary Plan application to provide further detail on the plans presented tonight; they will then seek approval of those plans. He said regarding the Redevelopment Agreement Amendment, Staff and legal Counsel are working on preparing an initial draft to use to negotiate with the developer regarding the changes to phase 3. He said regarding the SMN Development piece, they have communicated with Staff that they have market data put together and are working on having a report narrative to go along with that. He said they are also working with a design building firm to value engineer the building to essentially see if they can construct the building for a lower cost, and they have requested a meeting with Staff which is scheduled for early February to go over the results. He said there was a representative from SMN present, along with Mr. Rasmussen, for any questions.

6. ADDITIONAL BUSINESS –None.

7. EXECUTIVE SESSION

- Pending Litigation
- Land Property Acquisition
- Personnel

Aldr. Turner made a motion to go into Executive Session at 8:28PM. Motion was seconded by Aldr. Bancroft.

Roll Call:

Ayes: Payleitner, Lemke, Turner, Bancroft, Martin, Krieger, Bessner, Lewis, Silkaitis

Nays:

Abstain:

Motion Carried. 9-0.

Aldr. Martin made a motion to adjourn from Executive Session at 9:03 PM. Motion was seconded by Aldr. Krieger. No additional discussion. Approved unanimously by voice vote. Motion carried.

- 8. ADJOURNMENT-Aldr. Martin made a motion to adjourn at 9:05PM. Seconded by Aldr. Turner. No additional discussion. Approved unanimously by voice vote. Motion carried.**