

**MINUTES
CITY OF ST. CHARLES, IL
PLAN COMMISSION
TUESDAY, OCTOBER 5, 2021**

Members Present: Chair Peter Vargulich
Colleen Wiese
Suzanne Melton
Zachary Ewoldt
Jeffrey Funke
Karen Hibel

Members Absent: Vice Chair Laura Macklin-Purdy
Jennifer Becker
Laurel Moad

Also Present: Russell Colby, Acting Director of Community & Econ. Dev.
Ellen Johnson, City Planner
Rachel Hitzemann, City Planner
Monica Hawk, Development Engineer
Court Reporter

1. Call to order

Chairman Vargulich called the meeting to order at 7:00 p.m.

2. Roll Call

Chairman Vargulich called the roll. A quorum was present.

3. Pledge of Allegiance

4. Presentation of minutes of the September 21, 2021 meeting of the Plan Commission.

Motion was made by Mr. Ewoldt, seconded by Mr. Funke and unanimously passed by voice vote to approve the minutes of the September 21, 2021 Plan Commission meeting.

**5. Charlestowne Mall Redevelopment (S.R. Jacobson Development Corporation)
Application for Concept Plan**

The attached transcript prepared by Planet Depos Court Reporting is by reference hereby made a part of these minutes.

6. Additional Business from Plan Commission Members or Staff - None

7. Weekly Development Report

8. Meeting Announcements

Minutes – St. Charles Plan Commission

Tuesday, October 5, 2021

Page 2

- a. Plan Commission
 - Tuesday, October 19, 2021 at 7:00pm Council Chambers
 - Tuesday, November 2, 2021 at 7:00pm Council Chambers
 - Tuesday, November 16, 2021 at 7:00pm Council Chambers

- b. Planning & Development Committee
 - Monday, October 11, 2021 at 7:00pm Council Chambers
 - Monday, November 8, 2021 at 7:00pm Council Chambers

9. Public Comment – None

10. Adjournment at 8:46 p.m.



Planet Depos[®]
We Make It *Happen*[™]

Transcript of Charlestown Mall Redevelopment

Date: October 5, 2021

Case: St. Charles Plan Commission

Planet Depos

Phone: 888.433.3767

Email: transcripts@planetdepos.com

www.planetdepos.com

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

BEFORE THE PLAN COMMISSION
OF THE CITY OF ST. CHARLES

-----x
In Re: Charlestowne Mall :
Redevelopment; Application :
For Concept Plan. :
-----x

HEARING
St. Charles, Illinois
Tuesday, October 5, 2021
7:00 p.m.

Job: 404172
Pages: 1 - 94
Transcribed by: Molly Bugher

Transcript of Charlestown Mall Redevelopment
Conducted on October 5, 2021

1 Hearing conducted via Zoom and at:

2 Council Chambers

3 2 E. Main Street

4 St. Charles, IL 60174

5

6

7

8

9

10 Pursuant to agreement, before John Clishem, Notary

11 Public in and for the State of Illinois.

12

13

14

15

16

17

18

19

20

21

22

23

24

Transcript of Charlestown Mall Redevelopment
Conducted on October 5, 2021

1 PRESENT:

2 PETER VARGULICH, Chair

3 COLLEEN WIESE, Member

4 JEFFREY FUNKE, Member

5 SUZANNE MELTON, Member

6 ZACHARY EWOLDT, Member

7 KAREN HIBEL, Member

8

9 ALSO PRESENT:

10 HOLLY CABEL, St. Charles Park District

11 JASON PEARSON, School District #303

12

13

14

15

16

17

18

19

20

21

22

23

24

Transcript of Charlestown Mall Redevelopment
Conducted on October 5, 2021

4

1 P R O C E E D I N G S

2 CHAIR VARGULICH: The Planning
3 Commission Mission will begin. Roll call.

4 (Inaudible) Purdy. Okay, not here.
5 Colleen Wiese?

6 MS. WEISE: Here.

7 CHAIR VARGULICH: Jeff Funke.

8 MEMBER FUNKE: Here.

9 CHAIR VARGULICH: Suzanne Melton?

10 MEMBER MELTON: Here.

11 CHAIR VARGULICH: Zachary Ewoldt?

12 MEMBER EWOLDT: Here.

13 CHAIR VARGULICH: Jennifer Becker?
14 Laurel Mode?

15 Karen Hibel?

16 MEMBER HIBEL: Here.

17 CHAIR VARGULICH: All right. If
18 everyone could please stand and join me in the
19 Pledge of Allegiance.

20 (PLEDGE OF ALLEGIANCE)

21 CHAIR VARGULICH: All right. And
22 presentation of the September 21, 2021, meeting of
23 the Plan Commission. Is there a motion to
24 approve?

Transcript of Charlestown Mall Redevelopment
Conducted on October 5, 2021

5

1 MEMBER EWOLDT: I'll make a motion.

2 CHAIR VARGULICH: Okay.

3 MEMBER FUNKE: Second.

4 CHAIR VARGULICH: Second. All those in
5 favor, yes?

6 IN UNISON: Aye.

7 CHAIR VARGULICH: Any opposed?

8 Item 5.

9 CHAIR VARGULICH: Charlestowne Mall
10 Redevelopment, S.R. Jacobson Development
11 Corporation is the applicant. So this is a
12 concept plan for the Charlestowne Mall
13 redevelopment submitted by S.R. Jacobson
14 development. The purpose of our concept plan
15 review is to allow an applicant to obtain informal
16 input on their concept development prior to filing
17 formal zoning applications and preparing plans and
18 drawings that are required. The concept plan
19 process also serves as a forum for our citizens
20 and neighboring property owners to answer
21 questions and express their views regarding this
22 potential development.

23 The procedure tonight will be to start
24 with a presentation from the applicant. After

1 that the Planning Commission will ask questions.
2 The members of the public who wish to speak will
3 be given a chance to do so. And then finally
4 members of the Planning Commission will offer some
5 closing feedback. The Planning Commission does
6 not take any action to approve or deny this
7 project at this stage.

8 After this meeting the concept plan will
9 next be discussed at the planning and development
10 committee of the city council. If an applicant
11 decides to pursue this project formal zoning
12 applications will need to be filed. There will be
13 a public hearing and notice will be provided to
14 the nearby property owners and people will get
15 another opportunity to address this project.

16 If anyone wishes to speak tonight, I ask
17 that you be recognized by me. Please stand at the
18 lectern only and then state your name, spell your
19 last, provide your address. Is the applicant
20 ready?

21 Before we -- before you start your
22 presentation, is there any additional questions by
23 the Planning Commission? All right. Please
24 proceed.

Transcript of Charlestown Mall Redevelopment
Conducted on October 5, 2021

7

1 MR. KIANICKY: Good evening. My name is
2 Manny Kianicky. I'm a principal at SR Jacobson
3 Developing Corporation, and the representative for
4 the development team that is proposing to
5 redevelop the Charlestowne Mall.

6 Before we discuss the redevelopment
7 plans, I thought I would like to tell you little
8 bit about the developers and the development team.
9 So the developers consists of a partnership with
10 the -- between two highly qualified firms with a
11 lot of experience in all facets of this
12 redevelopment plan and a long history of
13 successful projects.

14 SR Jacobson Development Corporation is a
15 residential expert and Lormax Stern Development
16 Company is the commercial expert. So SR Jacobson
17 has 43 years of experience developing, building,
18 managing both single-family and multifamily real
19 estate. The company was started by Scott Jacobson
20 in 1978 and has either acquired or developed over
21 100 residential communities and constructed more
22 than 12,000 homes and apartments in Michigan and
23 Illinois.
24 We were based in Bingham Farms, Michigan

1 about 25 miles north of Detroit. We've been
2 active in the Chicagoland market since 2011. And
3 about half of our activities are here. For the
4 past several years we've been entirely focused on
5 creating multifamily communities. And we recently
6 completed a ranch apartment community in
7 Naperville.

8 We currently have rent apartments,
9 townhomes, and garden style apartments under
10 construction in Romeoville, Montgomery, and Orland
11 Park. In Michigan we currently have townhomes and
12 garden apartments under construction in Royal Oak,
13 Ann Arbor, and Detroit.

14 Lormax Stern Development company is a
15 commercial real estate firm specializing in the
16 acquisition, development, and operation of
17 commercial properties throughout the U.S. since
18 1992. It's based in Bloomfield Hills, Michigan.
19 We are neighbors back in Michigan with a strong
20 relationship between our two companies and we will
21 often do projects together particularly if there
22 is a commercial component.

23 Lormax Stern has supervised the
24 acquisition and development of more than 50

1 commercial properties and retail centers across
2 the country in the past 29 years with a total
3 leasable square feet exceeding 30,000,000 square
4 feet. The firm has an in-house development team,
5 leasing specialists, property and asset managers,
6 and legal counsel.

7 The company's recent experience in the
8 redevelopment of the Evergreen Mall and Evergreen
9 Park Illinois would be invaluable in the
10 redevelopment of the Charlestowne Mall. More
11 information on our two companies can also be found
12 on the web -- on our websites.

13 So we retained the Downer's Grover firm
14 of Jacob and Hefner for site engineering. Matt
15 Kramer is here from the firm. This firm is very
16 familiar with the mall property. Has been working
17 on it since 2013, Matt just told me, and has
18 developed engineering plans for previous projects
19 at the site. It has detailed plans and
20 information regarding existing site utilities and
21 structures which were very valuable to us and is
22 well aware of how grading and utility plans were
23 neatly redesigned to accommodate the proposed use.
24 We've also retained the Oswego firm of

1 Shopping Design Associates for planning and
2 landscaping design. This firm was also involved
3 in previous attempts to redevelop the mall and is
4 familiar with all the challenges that the site
5 presents. Shopping Design Associates has wide
6 expertise in mixed-use multifamily municipal and
7 commercial projects since 1997. So it looks like
8 maybe we -- it seems like an -- ah, okay.

9 So the proposed redevelopment plan --
10 well first let's look at the -- what the mall
11 looks like today. So Charlestowne Mall opened as
12 an enclosed mall in 1991, anchored by regional
13 department stores and dominated by smaller, well-
14 run chain stores very typical of the many malls
15 that existed or were being developed around the
16 country at that time. But the retail conditions
17 that sustained enclosed malls and allowed them to
18 be successful for many decades have changed. And
19 like many of those malls, Charlestowne Mall has
20 become obsolete and largely abandoned.

21 There are only four commercial
22 operations left in the mall. Classic Cinemas and
23 Von Maur in the mall proper, and Cooper's Hawk
24 restaurant and Verizon Starbucks along the Main

1 Street frontage. The old Toys "R" Us over here,
2 which is not really within the mall, and we do not
3 own is also closed and vacant.

4 The malls no longer provide the shopping
5 experience that appealed to the needs of today's
6 customers. Shoppers either want upscale retail
7 experiences available at lifestyle type retail
8 centers, and specialty boutiques in a convenient
9 shopping environment or at least seek a value
10 oriented shopping available at big-box stores,
11 discount malls, and the internet.

12 So converting the mostly vacant
13 Charlestowne Mall property to an asset rather than
14 a detriment to the city of St. Charles requires a
15 complete redevelopment of the site by demolishing
16 those components that are no longer useful and
17 introducing new components that meet the current
18 needs of the community and the competitive demands
19 of the market.

20 The proposed redevelopment of the
21 Charlestowne Mall is designed to meet the goal as
22 stated -- I seem to be pressing on the keyboard.
23 See if I can get rid of this. Okay. Okay.
24 The design to meet the goals stated in

1 the city's comprehensive land-use plan, and that
2 goal is to create a dynamic mix of new pedestrian
3 oriented retail, restaurants, entertainment,
4 recreation, and residential uses in order to
5 create a vibrant and inviting destination.

6 So the conceptual redevelopment plan for
7 the mall includes the following elements. All of
8 the buildings will be demolished with the
9 exception of Classic Cinemas, Von Maur, and of
10 course Cooper's Hawk and Starbucks Verizon along
11 the frontage. Fortunately, those four operations
12 are doing relatively well, if somewhat battered by
13 the pandemic. But we expect that they will fully
14 recover.

15 Most of the internal drives in the
16 parking lots that are not needed to serve the
17 facilities being retained will be demolished.
18 Most of the underground sanitary storm water, gas,
19 electric, and communication facilities that
20 interfere with the development plan will be either
21 demolished or relocated.

22 The site needs to be extensively
23 regraded to accommodate the proposed reuses.
24 Currently there is about 18 to 19 foot ground

1 elevation difference around the existing buildings
2 that was originally necessary to provide both
3 lower and upper entrances for the previous two
4 level mall. While we will retain the upper level
5 entrances for the South and the West sides of Von
6 Maur, the area between Classic Cinemas and Von
7 Maur in this area will be at ground level.

8 This is going to require reconstruction
9 of the north wall of Von Maur and the south wall
10 of Classic Cinemas as the entrances to those
11 buildings from the upper level of the former mall
12 will no longer exist.

13 Keeping Von Maur and Classic Cinemas
14 open during redevelopment is also important. It's
15 going to be a challenge. We are working with both
16 of them to figure out the best way for this to
17 happen.

18 Now the existing storm water detention
19 basins in the Northwest, Northeast, and Southeast
20 portions of the property will be retained and will
21 be incorporated into the redevelopment plan. The
22 current entrances to the mall, the west insurance,
23 the entrance at the southwest corner, the central
24 entrance, and the entrance at the east will all be

1 retained.

2 And three of those are directly -- have
3 lights, have streetlights -- not streetlights.
4 I'm sorry. Traffic lights. And then if you
5 actually extend Stuarts Drive, there is also a
6 traffic light at Foxfield Road. So we have four
7 excellent access points to the mall that will be
8 retained and actually work very well with the
9 redevelopment plan.

10 New retail and restaurant outlets will
11 be created to accommodate a total of about 40,000
12 square feet of commercial uses. It will create a
13 hotel pad here to accommodate a proposed new hotel
14 of approximately 135 rooms. Then a lifestyle
15 community of three-story garden style apartments
16 in this area with attached -- I'm sorry -- will be
17 developed with approximately 324 units.

18 A lifestyle community of townhome
19 apartments in this area with attached garages will
20 be developed with approximately 208 units. And
21 that these two communities will share a community
22 central with a pool that will be centrally
23 located.

24 We will also have parks, open spaces,

1 and playgrounds designed within the site. All of
2 this will be interconnected with a system of
3 pedestrian walkways, not only with the residential
4 areas of the site, but also with the commercial
5 areas and with the perimeter walks that are
6 available around the mall.

7 Now one thing that we have been working
8 since we've submitted this; we were originally
9 going to put a plaza here. But we're going to
10 relocate this plaza. So is going to be located in
11 this area right here. And the intent there is
12 that it's at the meeting place, the middle of the
13 cinemas, Von Maur and the residential area and
14 will serve as a gathering place so that we can
15 draw the residence into the commercial area and
16 provide a place for someone that's going to the
17 theater, to a have seven ice cream sundae before
18 or after, and a place for shoppers at Von Maur to
19 take a break in the plaza area. We will talk a
20 little bit more about that later.

21 So as a new design, the mixed-use
22 environment with both residential and commercial
23 components, we put a lot of thought as to how to
24 integrate the different uses and yet provide each

1 area with its own identity. There is a good
2 traffic circulation pattern, but we didn't want it
3 to be too good. We did want to make sure that the
4 extension of Stuarts Drive would be a cut through
5 for people to get from there to Smith Road. So
6 created a few little bends and whatnot, but it's
7 still excellent circulation.

8 But we also didn't want people that were
9 coming from the east that are, let's say, townhome
10 residents that are driving through the garden
11 apartment section to feel like they're driving
12 through parking lots. So what we are envisioning
13 is that we will create a verge type of street
14 scape in the garden apartment areas for this road
15 here and also if you're coming in this way, for
16 this road here.

17 And you will notice there are no parking
18 lots on this road. It will have parallel parking
19 similar to a downtown village type of a
20 streetscape. We will carefully select streetlamps
21 to enhance that impression. We have done that
22 before on other properties and it has worked very
23 well.

24 So we talked about the clubhouse being

1 shared and we will have a playground next to that.
2 We also have some park areas, and we will have
3 some park areas are scattered, perhaps some
4 smaller parks, pocket parks throughout the
5 development. While we are not proposing a
6 connection to Foxfield Road and we don't feel one
7 is needed because we have excellent access points,
8 but we will defer to the city to determine if the
9 city would like to have some kind of an emergency
10 access for emergency purposes.

11 So the residential portions of the
12 development are targeted to meet the market demand
13 that is occurring from the shift in ownership and
14 living preferences from ownership to rental. This
15 growing demographic are known as renters by choice
16 rather than renters by need. Most of these
17 renters can afford to purchase a home, but they
18 prefer to lease for a variety of reasons.

19 Many of them have the flexibility to
20 move easily, take advantage of new career
21 opportunities. Many want the social interactions
22 available and the lifestyle type apartment like
23 community, neighborhood, with a community center.
24 And we have found that the stopper residents tend

1 to heavily support local restaurants and services
2 and they are a perfect component for mixed-use
3 development.

4 Our apartment homes in the three other
5 Chicagoland communities I mentioned that are
6 currently in the leasing stage are being leased as
7 quickly as the buildings are completed. And the
8 same is expected for the proposed communities in
9 the redevelopment plan. In Orland Park, for
10 example, before we delivered the first units in
11 June of this year, we had 95 signed preleases with
12 the deposits. And we did not even have a model
13 for people to walk through. That's an example of
14 the demand for these lifestyle type of communities
15 that we are finding.

16 The garden apartment community is
17 primarily intended for millennials and younger
18 professionals. These apartment units would have
19 the latest trends and appliances, finishes, and
20 technical features. Each building will have 12
21 ground spaces on the first floor with six at each
22 end of the building and then additional parking of
23 course available adjacent to the building in
24 parking lots and for a ratio of about two spaces

1 per apartment unit.

2 A market study will be done to provide
3 recommendations for the optimum unit size and mix,
4 amenities, and finishes. We've included some
5 conceptual floor plans and elevations for the
6 proposed garden apartments. The ones that you see
7 here are actually under construction in Troy,
8 Michigan and have been extremely well received.
9 Especially the younger people really like the
10 contemporary elevations. Have a little bit of a
11 closer look what they look like.

12 The townhomes will be attached primarily
13 in eight unit buildings. About 75 percent of the
14 townhomes will have a two car garage and the
15 remaining 25 percent will have a one car garage.
16 The driveways are designed to accommodate parking
17 in front of the garage doors but on the garage
18 aprons. So we will have a total of two spaces per
19 unit for the smaller townhomes and four spaces per
20 unit for the larger townhomes to accommodate
21 guests that come to the residence and townhomes.

22 The townhomes with one car garages will
23 contain about 1280 square feet of living space
24 plus 200 square feet of garage space. There will

1 be stored space or again on the first floor,
2 kitchen and living areas on the second floor and
3 the bedrooms with two baths on the third floor.

4 The townhouses with the two-car garages
5 will contain about 1,550 square feet of space but
6 also stored space down on the first floor.

7 Kitchen and living area is on the second floor and
8 two or three bedrooms with two bathrooms on the
9 third floor.

10 We are also finding that we have built
11 these as traditional elevations. But we are
12 finding there is really a trend that people much
13 prefer and are moving towards a contemporary
14 elevation. We haven't designed the exterior of
15 the clubhouse yet. Here is an interior view.
16 This is a clubhouse that we're building in
17 Michigan. It will probably somewhat similar.

18 This is the entrance. It's going to
19 contain exercise facilities, social gathering
20 places. A leasing center with on-site management
21 will be situated within the community buildings.
22 So there will be somebody there continually. We
23 will have a fitness area, meeting rooms, lounge
24 with kitchen and fireplace, men's and women's

1 bathrooms, shower areas, leasing offices, a dog
2 wash facility, which is very popular.

3 And the outside elements will include
4 eight deck with barbecues, tables, and seating
5 areas, and of course along with the swimming pool.
6 This is the swimming pool in our Troy development.
7 We will have parks and open spaces adjacent to the
8 community building.

9 The multifamily components will
10 substantially increase the demand we believe for
11 restaurant and commercial space in this eastern
12 gateway location to St. Charles. And we have
13 created areas in the retail portion to accommodate
14 that. We have some concepts. But in the end just
15 how that will consist -- or what that will consist
16 of will depend on the users we are going to be
17 able to attract. We would like to see additional
18 restaurants, particularly along Main Street as an
19 example.

20 And the -- our selection of the users
21 will be to complement Von Maur, Starbucks and the
22 Cooper's Hawk restaurants. So we have some
23 preliminary market evaluations that there is a
24 need for an upscale hotel in the area. We believe

1 that the revitalization of the site will provide
2 the appropriate environment to attract such a
3 hotel.

4 We've strategically located the hotel to
5 be visible from Main Street and easily accessible
6 from the central main entrance, but it is going to
7 be on a separate patch surrounded by landscaping
8 so that it doesn't feel like it's at the edge of a
9 retail parking lot.

10 The one I think we are going to focus a
11 lot of attention on is this plaza gathering area.
12 That area is important we believe to the
13 development. It provides a focal point and an
14 opportunity for festivities and events. And as I
15 mentioned, we decided to relocate this plaza so
16 that it is in that triangle between the
17 residential, Von Maur, and then the cinemas. We
18 want to draw the residence into the commercial
19 area, provide them with a place to me and hang
20 out. We want to provide a place for the
21 theatergoers to have some refreshments before or
22 after the show and a place for the shoppers to
23 take a break and relax.
24 So we want to design this plaza to make

1 it as great of an attraction as possible with
2 features such as a fire curtain and found perhaps,
3 sculptures. And one thing that -- this is
4 actually near my house, is an enclosed gazebo.
5 This is very popular. This is in the lifestyle
6 retail center. And this is heavily used for Santa
7 Claus and the Easter Bunny and other festivities.
8 So the plaza area will actually be a little bit
9 larger than this, but that's kind of going to be
10 the heart of the redevelopment plan.

11 Just a short note. A great challenge to
12 redeveloping a mall is a high cost of demolition
13 of the existing buildings, parking lots, and
14 underground utilities. For Charlestowne Mall, we
15 have actually some pretty good data where some of
16 these estimates have been prepared before and it
17 appears that it will be in the range of 25 to 30
18 million just for the demolition.

19 So we've assembled a professional team
20 of consultants. They have worked with the city
21 before and they are working to structure a tax
22 plan and finance district whereas a portion of the
23 taxes generated primarily by the new apartments
24 and townhomes will help pay for those demolition

1 costs over a 20 year period.

2 So to sum up, we believe the
3 redevelopment plan for the mall will provide a
4 vibrant, successful, attractive gateway to the
5 east approach to the city. Obsolete facilities
6 will be replaced by restaurant, commercial, hotel,
7 and multifamily uses in an environment for which
8 there is a strong market demand.

9 Also the addition of the residential
10 uses to the site means that is not going to be
11 abandoned during closing hours but will have
12 vitality around the clock. As I mentioned,
13 redevelopment of the former Evergreen Plaza Mall
14 by our commercial partner, it continues to
15 strongly attract multiple, different uses to serve
16 that community. It was done some years ago. And
17 even during the pandemic it's quite healthy,
18 demonstrating the sustainability of market demand
19 after a project completion of a well-designed
20 redevelopment.

21 New redevelopment of a major mall is a
22 challenging task, and it requires close
23 cooperation between the community and the
24 development team, and the development team has to

1 have the expertise and the financial ability to
2 succeed. I think we've demonstrated by our
3 history of successful projects and our current
4 projects under development, we have those
5 capabilities. And we look very much forward to
6 working with the city of St. Charles on this
7 exciting project. Thank you.

8 CHAIR VARGULICH: Thank you. Questions?
9 Comments?

10 MEMBER WEISE: Yeah.

11 CHAIR VARGULICH: Ms. Wiese.

12 MS. WISES: Can you tell me what's the
13 timeline?

14 MR. KIANICKY: Well, as quickly as we
15 can get this done. Realistically, probably it's
16 going to take I think the better part of a year to
17 get all of the entitlement and get the taxing from
18 the finance district established. It's a
19 complicated project. We have to do the
20 architectural plans, the engineering plans. We
21 have a good jump on it because, as I said, the
22 engineers worked on this a couple times already.
23 So we were -- we have a very good idea of where
24 the existing utilities are.

1 We do have to fine-tune some of what
2 we're going to do and how we're going to do it.
3 We actually have a meeting set up in a couple of
4 weeks with Von Maur. We're going to fly out to
5 Iowa, I think it is, to discuss how the
6 reconstruction of the north wall is going to be
7 handled and who is going to exactly design it,
8 whether it's our architects or their architects.

9 The Cross Family actually owns Classic
10 Cinema. It's being leased. But it's helpful
11 because we've already started discussions with
12 them about exactly how that's going to be
13 reconstructed. So all these pieces have to come
14 together. And then of course we have to apply for
15 permits.

16 So we are hoping that I don't know if we
17 can start demolition. Hopefully that we would
18 like to start demolition probably next fall. And
19 then followed by site work to accommodate our
20 uses, but probably vertical construction of the
21 units I'm going to guess is going to be the
22 following spring.

23 MS. MELTON: So what would you say is
24 your experience to modify in similar scope and

1 size and your timing would be?

2 MR. KIANICKY: Well, our Oakland Ridge
3 project is 294 units. And that was supposed to be
4 about -- the start of vertical construction, that
5 was supposed to be about the 24 month construction
6 period. But because of both material and labor
7 shortages, disruptions in the supply chain, it's
8 going slower than we had hoped. Right now we
9 are -- we've added about 4 to 5 months to that
10 schedule. So closer to 30 months. But again, I
11 think much of that was due to the pandemic.

12 So there is -- we are proposing 507
13 units here. So is going to be probably once we
14 start construction probably a three-year project.
15 We won't build all of it at once. We would build
16 in phases. We would build all of the residential
17 at once. And of course the demolition of the mall
18 has to be done. But again, because we have to
19 grade the whole site. We have to relocate all of
20 the utilities really in the beginning.

21 And then as uses come -- and we are
22 thinking that there would be interest long before
23 we are done with the residential for some of the
24 retail and commercial uses and restaurant uses.

Transcript of Charlestown Mall Redevelopment
Conducted on October 5, 2021

28

1 MEMBER WEISE: So do you see the
2 commercial side of it being phased in after the
3 residential is developed? Or are you going to try
4 to do it simultaneously?

5 MR. KIANICKY: We were -- well, once we
6 have the site demolished and ready for
7 development, then there is no reason why if a
8 hotel comes in and they couldn't start right away.
9 Or if a restaurant comes in the long Main Street
10 or even if the -- those out lots that you see
11 there west of the Von Maur building we can
12 accommodate that. So that's not a problem. That
13 would be more quick. It would be quicker to
14 develop than it would be for 532 apartment units.

15 MEMBER WEISE: So would you be building
16 the commercial? Or are you looking for someone
17 else to develop and build?

18 MR. KIANICKY: We -- Lomax Stern has
19 built to lease, but usually the users build their
20 own facilities. Usually Lomax Stern provides the
21 pad for them, the utilities, everything for them
22 to be ready to go to construction. Perhaps the
23 parking lots, because here, again, we can't really
24 build individual parking lots. So that may be

1 something that we may be able to do in order to
2 accommodate those uses. But the buildings
3 themselves are typically built by the users.

4 MEMBER WEISE: And when do you
5 anticipate -- what is the timeframe you see when
6 we start having a conversation about a
7 conversation with someone who is interested in
8 some of the commercial side of it while you're
9 building?

10 MR. KIANICKY: Lomax Stern is the
11 franchise holder for Mid-America Commercial
12 Initiative, which is probably the largest
13 commercial brokerage firm in Michigan. And they
14 have a very close relationship with Mid-America
15 Commercial firm in Illinois. They are constantly
16 talking back and forth. So they are not just
17 developers but they're also very well-connected,
18 very closely connected to the commercial leasing,
19 which gives them a real advantage. And they've
20 Artie been talking to people.

21 MEMBER WEISE: Okay. And so just to
22 make sure I heard right. So you think it's a year
23 before you're actually able to get started and
24 it's a three-year process after that development

1 for the residential?

2 MR. KIANICKY: I think so. I think
3 probably -- maybe it can be sooner. But I'm
4 thinking that demolition will probably be end of
5 next summer or next fall.

6 MEMBER WEISE: Okay. And --

7 MR. KIANICKY: And that's going pretty
8 fast, because it's -- there's a lot of pieces that
9 have to be put together.

10 MEMBER WEISE: And you did say that, so
11 you had that conversation then with the Classic
12 Cinemas and you're going to have -- so I'm just
13 curious --

14 MR. KIANICKY: Oh, we've already had.
15 Yes, we have the conference calls with Von Maur
16 and with Classic Cinemas. We are talking with
17 them. And they all have relationships with the
18 Cross family. And Charles May and Barbara are
19 here. They've all been involved with the Cross
20 family for many years. So yeah.

21 MEMBER WEISE: So they bought in on
22 this? Have they seen this?

23 MR. KIANICKY: Oh, they -- are you
24 talking about Von Maur and --

Transcript of Charlestown Mall Redevelopment
Conducted on October 5, 2021

31

1 MEMBER WEISE: Charlestowne.

2 MR. KIANICKY: Oh yeah, absolutely. I
3 mean, yeah, they can't wait. You know, they are
4 going to have 500 and something rooftops next to
5 them who are going to wander over to that plaza
6 and shop in their store. And the worst thing for
7 a facility like Von Maur or like the cinemas is to
8 be in a dead mall. So they can't wait to have
9 this new development. They are 100 percent on
10 board. They are enthusiastic and excited and
11 saying, what can we do to help.

12 MEMBER WEISE: Did Van Maur a stand
13 alone?

14 MR. KIANICKY: Sorry?

15 MEMBER WEISE: Is Von Maur a standalone
16 store?

17 MR. KIANICKY: I don't know. Do you
18 know Barbara?

19 MS. BRUCE: Yeah, they have some
20 standalone stores. They have one in Orville, Iowa
21 that is -- they built it and then later some of
22 the retail came along behind it and is now kind of
23 some sort of a -- more of a lifestyle center.
24 When they built the Von Maur, I'm going to say

1 it's probably be seven or eight years ago at
2 least. They were over by the river landing all by
3 themselves and it was incentive by the city of
4 Orville. But since then a lot of retails have
5 joined them; a lot of lifestyles like Anthropology
6 is opening there in a couple of weeks. And
7 they've got Chico's and probably 50 or so
8 restaurants that's joined them since then. But
9 they started out by themselves. But that's just
10 like a --

11 MR. KIANICKY: You know, one of the
12 things -- this is the area that's probably most
13 uncertain right in here. So we have shown some
14 out lots, but this could be developed in a number
15 of different ways. It could be that these could
16 be connected, and kind of like be a kind of
17 lifestyles and certain different stores. The one
18 thing is that this area here will probably be
19 about that I don't know. What do you think?
20 About 15 feet above the area behind it.

21 And we been talking about how -- whether
22 we do this on a slope or whether we do this with a
23 retaining wall. Right in here the grades go --
24 roughly match. And then as you come to the

1 surface this is going to say ground-level until it
2 comes to the plaza right here. But this has to
3 come up to the second level of Von Maur where it
4 is today.

5 But what we thought is we might have a
6 really cool stairway right in here, maybe it kind
7 of cuts back and forth that will get you from the
8 lower level to the upper level if you wanted to do
9 that by walking and not by driving. So you could
10 walk up and down the stairs depending on whether
11 you are coming home from the cinemas. And, if we
12 could get -- we would love to get like an ice
13 cream service, something in this so you could buy
14 your ice cream sundae and over to the Plaza. But
15 again, we will --

16 As this becomes redeveloped, it will
17 start the excitement. And Mid-America will start
18 getting calls. This right here we positioned kind
19 of strategically so that you're looking right at
20 it as you come in here from Main Street. This
21 could be a number of different uses. That's kind
22 of where we are today. We have to have enough
23 parking spaces. This is actually a little bit
24 more parking spaces than we need for Classic

1 Cinemas. So a little bit of this can be shared
2 with maybe some of these buildings. But again --
3 not a lot of -- so mostly this is going to be for
4 the lower level of Von Maur and for the Classic
5 Cinemas.

6 And then over here, Von Maur's got a lot
7 of property, more property than they need. So
8 this area of parking right here, we will figure it
9 out. But we can do different things with this
10 depending on the type of users that we can get.

11 MEMBER FUNKE: I've got a couple
12 questions. You -- you know, I think you've got a
13 great opportunity here to do something
14 spectacular. And I just think that you are kind
15 of off the mark maybe from a planning standpoint.
16 I think you have a lot of scattered buildings.
17 When you talked about creating a plaza atmosphere,
18 I don't see that anywhere. I know that you're
19 going to redesign this, but I think the buildings
20 need to talk to each other. I think you need to
21 create dialogue with these buildings. Right now
22 I'm just seen buildings kind of place haphazardly
23 around the site, right?
24 The connection from the east to the west

1 from Smith Road to Stuart Drive, I think that's a
2 missed opportunity. I think you could create a
3 nice boulevard there, right? Where people are
4 going to drive through there. They're going to go
5 from the east to the west. Why not create
6 connection points?

7 Why not create this as great boulevards?
8 Do something exciting with this property where you
9 can create those plazas and those -- the pictures
10 you showed are pretty exciting. That idea of the
11 outdoor amphitheater, which can be a great
12 opportunity for Von Maur where you have that sort
13 of the Spanish Steps of Rome.

14 Why not create an amphitheater there on
15 that -- you know, the north side? But the
16 buildings need to create that space. They need to
17 be closer together, right? They can't just be
18 scattered in the middle of a parking lot, right?

19 So I think you've got a lot of
20 opportunities. The entrances to the -- off of
21 North Avenue, I think you have these large
22 entrances, but then they just die into, really
23 into parking lots. So why not create better flow,
24 better connections, better relationships with the

1 building, better visibility where the people
2 driving down North Avenue can actually see the
3 excitement going on in that plaza? Maybe there is
4 an opportunity there.

5 You have all these detention ponds but
6 you're really not doing anything with them. Why I
7 create streams or walkways or paths that create
8 that flow, create that pedestrian center that you
9 are talking about? So in my mind, I think the
10 ideas are there. The images that you're showing
11 are great images.

12 But I just think that you need to go
13 back to the drawing board and think about how
14 these buildings relate to each other and think
15 about how the cars are moving through this too.
16 So you know every car is going to residential
17 neighborhoods, having seen than -- a good thing
18 from the east to the west, but if you create that
19 Boulevard, you can subset the neighborhoods off
20 that Boulevard to where you are directing traffic
21 and it's a safer means of -- from that direction
22 from the east to the west.

23 So I appreciate everything that you are
24 doing. And I think that there is still a lot that

1 can be done. So --

2 MR. KIANICKY: I think I need to have a
3 meeting with Mike Chopry, our planner.

4 MR. VARGULICH: Other comments?

5 MEMBER EWOLDT: I have a few. Going
6 back to the plaza where you are talking about
7 access, I think -- I think it's especially there.
8 We're talking about (indiscernible) one or two
9 things (indiscernible) it takes away some of the
10 parking. There's a lot of excessive parking
11 spaces. You know, people think of apartments and
12 some commercial spaces. There is more than what's
13 required by the city in a lot of instances. So I
14 think that could be repurposed into different
15 functions, whether that's green space or plazas or
16 more commercial uses.

17 As for like some of those homes, I think
18 (indiscernible) right there around Stuart I think
19 that might pose some issues with traffic
20 congestion as people would be entering into the
21 area to leave the theatre and into the
22 neighborhood from a driveway standpoint I could
23 see residents not wanting to rent right there.
24 That's just my opinion from what I've seen.

1 And then I have some concerns about one
2 of the of the North Avenue entrances, by where the
3 Starbucks is. That's a fairly congested point.
4 So if you're going to be at the hotel and other
5 businesses and all these apartments right there,
6 how's that going to function with traffic flow?
7 Starbucks, that's out and around almost In some
8 respects out there and around (indiscernible)
9 during rush hour. So if you're putting 500
10 apartments there and Starbucks is right there, I
11 can see that just being extremely congested in
12 that area.

13 MR. KIANICKY: Well, we'll be doing a
14 traffic study. I think that's required as part of
15 the preliminary plan, Russ?

16 MR. COLBY: Yeah.

17 MR. KIANICKY: But those are good
18 points.

19 MEMBER WEISE: Have you had
20 conversations or are aware of the Springs?

21 MR. KIANICKY: Oh, yeah.

22 MEMBER WEISE: Because that is another
23 (indiscernible), I mean it's roughly 140 units,
24 right? So are you -- did you take that into

Transcript of Charlestown Mall Redevelopment
Conducted on October 5, 2021

1 consideration based on what you're developing and
2 the type of use you're developing here and --

3 MR. KIANICKY: Russ, is this something
4 that we discussed at this point or --

5 MR. COLBY: Yes, I think in the context
6 of the question and the commission.

7 MR. KIANICKY: Okay. We were completely
8 taken by surprise by the Springs project. And we
9 are very well aware of Continental Spring project.
10 We do an excellent job. We've been following
11 them. We've talked to their contract with Verizon
12 about perhaps building some of our stuff. And
13 they are great. We have no problem with them.

14 However, to put that many units in one
15 area at the same time is extremely alarming. So
16 it has the potential of basically preventing us
17 from going ahead, to be perfectly honest with you.
18 We were unhappy with the financing and actually
19 had talked to their development manager. I forget
20 his name. He called me the next day asking
21 whether we would delay our phase. And I said
22 we're not going to do that. We can't do that.
23 We're going full steam ahead and we're going to do
24 everything all at once.

1 Now what we did do is a market study.
2 And got consent of the city a couple days ago,
3 last week. And the market study shows that there
4 isn't room for both of us. That if the supply and
5 demand will be pretty well-balanced with just our
6 units. As a matter of fact, it will be a tiny bit
7 of an oversupply, but I think they're being
8 conservative. But there will be a massive
9 oversupply if their 340 units are added to our 500
10 and -- what is it -- 32 units.

11 So what we basically said to the city
12 is, you've got to make a choice. Why would you
13 annex property into the city that isn't in the
14 city when you have a major problem to solve that
15 at best is going to be very challenging, very
16 difficult, and very expensive. Doing that on a
17 greenfield that's just a farmer's field that's
18 never been developed before compared to an
19 absolutely vacant model that has \$30 million worth
20 of demolition costs, is not going to work.

21 So that's what our position is right
22 now. I don't believe that there is any
23 configuration of apartment or townhome units that
24 we can do that are going to be different enough

1 that there is room for all of us at the same time.
2 We all going to be competing for the same
3 customers.

4 MEMBER WEISE: So you were surprised?

5 MR. KIANICKY: Totally.

6 MEMBER WEISE: I think I'm a little
7 confused. So there's this has been sitting
8 vacant, right, for as long as I've been in
9 (indiscernible). Not even entering the mall
10 property. Not vacant, but you know what I'm
11 saying. It's needed work for 10 years or more.
12 So you are surprised that a development came in to
13 do something in a similar area? I mean, do they
14 know that this has happened? This has been quiet
15 for so long.

16 MR. KIANICKY: Well, the way this
17 started, we actually wanted to do our development
18 on the piece immediately north of this versus in
19 the City of St. Charles. And we -- the seller of
20 that property kind of couldn't decide. We were
21 both at about the same price, et cetera. And
22 decided to go with D.R. Horton and they're doing
23 for sale products. So we thought okay, we can
24 compete with for-sale products because that's

1 really a different buyer.

2 But why was -- so we thought we knew
3 everything that was going on in the city. And we
4 did. The Continental Springs project is not in
5 the city. It's in DuPage -- unincorporated in
6 DuPage County. So we never been considered that
7 as a possibility that somebody would do something
8 in an unincorporated DuPage County and then
9 request to be annexed into City of St. Charles.
10 It wasn't on our radar. So when that happened, we
11 were completely taken aback.

12 So again, we expressed our concern
13 immediately and then we went ahead and
14 commissioned a market study to see if it could
15 be -- if it was possible to accommodate both. And
16 the market study clearly showed that's not. So I
17 think it's going to be -- so the city is going to
18 have to make a decision, do you want to redevelop
19 an obsolete mall or do you want to add -- annex
20 greenfield property that isn't even in the city
21 today before this mall problem is resolved.
22 It's -- to come down to it, it's as simple as
23 that.

24 MS. MELTON: I've got a couple questions

1 or comments, and I agree with Commissioner Funke,
2 in that when I first looked at the plans I feel
3 like it's a little disjointed. I love the idea of
4 housing and retail and having all connected. I
5 don't necessarily -- and maybe it's just the plans
6 now, but more sidewalks and things that are
7 needed.

8 MR. KIANICKY: Oh, yeah.

9 MEMBER WEISE: Because of I want to move
10 there, I want to build a walk to Cooper's Hawk,
11 and I want to be able to -- I don't want to have
12 to get into my car. So I would like to see more
13 of that.

14 A quick question, you mentioned the Toys
15 "R" Us, that property; is there any discussion of
16 purchasing that and making it part of the whole
17 development? Because it seems like it would be
18 the one standalone kind of eyesore that would be
19 remaining.

20 MR. KIANICKY: We looked at that. It's
21 our understanding, I believe, and Barb you know
22 more about it, but that has been sold for auto
23 related use?

24 MEMBER WEISE: Yes.

1 MS. BRUCE: Back when it was auctioned
2 we tried to buy it over a year ago and there was
3 an auction and --

4 MEMBER WEISE: Did it go to the -- just
5 for the people who -- for the (indiscernible).

6 MS. BRUCE: I'm drawing a blank now.
7 It's a major car organization or they said, I
8 can't think of the name. But they were intending
9 to convert the Toys "R" Us into a after lease
10 luxury car. I think you've heard their plan, that
11 came to the planning commission or planning
12 development, I think a year or so ago, and that
13 was declined. So they were going to do a car
14 leasing site there and they're going to keep the
15 building up but reskin it and start the -- so now
16 obviously the pandemic and there are no cars to
17 sell. And we don't aren't (indiscernible), where
18 they purchased it. We didn't have a chance to buy
19 it.

20 So we have to check and see what their
21 plans are now. I wouldn't think it's going to be
22 a horizon of six or seven months before cars are
23 going to become available again to maybe then
24 thinking about it. But that's not within our

1 ownership at this time. Although, we did try.

2 MEMBER WEISE: I think the only other
3 point I want to make was about the idea of the
4 hotel, the upscale hotel. I think with our
5 (indiscernible) to revitalize our (indiscernible)
6 people do want to come to St. Charles and spend
7 the night in a nice hotel. But I also think that
8 with the loss of Pheasant Run and having hotels
9 that have meeting rooms and things that could be
10 utilized during the week would be beneficial as
11 well. So I don't know what plans you have, but
12 just a comment.

13 MR. KIANICKY: Okay. Yeah. Yeah, and
14 I'm hearing what you're telling me. You know
15 the -- particularly the retail was kind of hastily
16 put together. We were working on it, but to be
17 honest when Continental announced as they came in
18 for special approval, we thought, oh boy, we got
19 to get going. So we prepared our plan and it's
20 going to take more thought and we will be working
21 it and what -- we're going to see the next phase
22 is going to be much more refined than this. So we
23 appreciate the comments and suggestions you are
24 giving us, and we realize that this is not our

1 final draft.

2 MEMBER EWOLDT: One more comment. I'd
3 like it to be noted that if you have intentions to
4 bring pressure on this area, I think it needs to
5 (inaudible) add a space for outside seating. In
6 this community it's a big thing in this area. You
7 know, (inaudible) has some outside seating, you
8 know, where permitted. But that's a St. Charles
9 thing. But I want to see an opportunity for
10 businesses to hatch. Some of them may (inaudible)
11 per se. Or you know, in an area where
12 (inaudible).

13 Mr. KIANICKY: Right. Most outdoor
14 seating today has been kind of an afterthought to
15 these facilities, and I think the last couple of
16 years have shown that it really use to be designed
17 right into a restaurant facility from the start
18 and it is important.

19 CHAIR VARGULICH: Next, some questions
20 and comments and concerns regarding how the plan
21 has developed so far.

22 But I will have to say I appreciate that
23 you are here at the table, that you're making the
24 effort. Understand that that there's some

1 challenges with respect to getting the TIF
2 established, understanding why. Certainly that's
3 going to be something city finance and all those
4 entities will have to work on. But I think that
5 is an element is also going to be an interesting
6 topic because of the school district and park
7 district.

8 Because as I understand it, certainly no
9 TIF expert, but you know you're delaying their
10 revenues also.

11 Mr. KIANICKY: Not schools. We can't
12 capture any school revenues, as I understand it.
13 Is that correct, Russ?

14 MR. COLBY: That's the statute. There's
15 a set-aside based on school population. There's a
16 formula for that but the school district portion
17 of the tax increment does get allocated as part of
18 the TIF.

19 CHAIR VARGULICH: Okay. All right. But
20 still a touchy subject for various taxing bodies.

21 MR. KIANICKY: Right.

22 CHAIR VARGULICH: So I think that will
23 be an interesting conversation.

24 MR. KIANICKY: Right.

1 CHAIR VARGULICH: As you move forward.
2 On some of the application forms that you
3 submitted I was a little surprised that it's
4 proposed that you're not proposing to achieve a
5 higher green area requirement than is currently
6 with the current PD, which is only 20 percent.
7 Now, by the nature of your project converting --
8 if you go back to the aerial photograph,
9 converting basically surface lots into multi-
10 family and other uses has to be higher than 20
11 percent. So I just thought there was an
12 interesting commitment.

13 MR. KIANICKY: We didn't measure it.

14 CHAIR VARGULICH: Well, I didn't have to
15 measure it, but an interesting lack of commitment
16 to the green space.

17 MR. KIANICKY: It's more. It's
18 definitely more.

19 CHAIR VARGULICH: So I'm sure if you
20 went to a preliminary you would have to produce
21 those calculations.

22 MR. KIANICKY: Of course.

23 CHAIR VARGULICH: Based off storm water
24 and those kinds of things.

1 MR. KIANICKY: Right, of course.

2 CHAIR VARGULICH: So those would just be
3 some interesting kind of things to see go forward.
4 And I understand with respect to the Peckus
5 property I think there's a fair argument to be
6 made to the city and for us to as a body, but
7 obviously our elected officials, which some are
8 here, to address and to think about as far as
9 prioritizing. And maybe taking a look at your
10 market assessment to see whether, if you will,
11 we're in agreement with that.

12 I mean numbers can be numbers, but
13 numbers can also be something else.

14 MR. KIANICKY: Right.

15 CHAIR VARGULICH: So I would think that
16 we would want to look at that. At a high level I
17 don't have any problem with the usage you're
18 proposing, from a residential standpoint I think
19 that it should be clear to everyone both in the
20 audience and for us that you're talking about an
21 all rental community?

22 MR. KIANICKY: Yes.

23 CHAIR VARGULICH: Everything. The
24 townhomes, obviously the apartments, but that the

1 townhomes are rental.

2 MR. KIANICKY: Yes.

3 CHAIR VARGULICH: Do you as a practice,
4 design your projects, design your units that you
5 may change them into for sale?

6 MR. KIANICKY: No, not usually. In
7 order to do that you would have a plat where each
8 unit would have an individual lot, right Matt?
9 And we don't do that because we never intend to
10 convert them to for sale.

11 CHAIR VARGULICH: Okay.

12 MR. KIANICKY: So --

13 CHAIR VARGULICH: So your intent would
14 be to always hold this property, obviously things
15 can change, and et cetera.

16 MR. KIANICKY: Yeah. Right.

17 CHAIR VARGULICH: But your intent would
18 be to hold the property, manage it, and
19 incorporate it into your institutional portfolio?

20 MR. KIANICKY: Yes. Right. Yeah. So
21 that's the -- they're not intended to be converted
22 or -- I mean, we track trends in the U.S. very,
23 very closely because it's hugely important for our
24 business and we believe the market going forward

1 for leasing will be stronger and stronger for a
2 very long time to come. That's -- I mean half of
3 the units in Europe are leased. That's kind of
4 the trend there. And it's growing in the U.S. for
5 a whole bunch of reasons.

6 There's been lots of studies as to why
7 and what's causing it, but we are very firmly
8 convinced and so are our lenders, that there is no
9 need to design these things like they used to be
10 15 or 20 years ago; well, if it doesn't work we'll
11 sell them. We're not doing that.

12 CHAIR VARGULICH: Okay. Just again,
13 it's how you guys approach this as a user -- as an
14 owner. I think that as a project there's a lot of
15 good things that come out of this for the city,
16 obviously. But I think from an execution
17 standpoint, I find the site plan, candidly, very
18 weak. And I'd like to give you some examples of
19 wine, and how I don't quite seem to be able to
20 rectify what's shown on the plan, admittedly a
21 concept plan, but what's shown on the plan as it
22 relates to market, as it relates to our zoning
23 requirements, and trying to understand why, if you
24 could.

1 As an example, in the apartment if you
2 look at the four buildings on the north side,
3 those four buildings represent about 152 units of
4 which the required parking is about 230.

5 MR. KIANICKY: Here?

6 CHAIR VARGULICH: Yeah, the four
7 buildings all along the north, and one is running
8 parallel east to west.

9 MR. KIANICKY: Are you including the 12
10 units within each building?

11 CHAIR VARGULICH: Twelve?

12 MR. KIANICKY: Twelve parking spaces
13 that --

14 CHAIR VARGULICH: Yeah.

15 MR. KIANICKY: You are? Okay.

16 CHAIR VARGULICH: And so, in looking at
17 that, I did some takeoffs just so that I could
18 kind of understand because my impression was
19 there's the property in general is excessively
20 over parked. And I'm trying to understand why you
21 would demolish everything and then put back this
22 much. And so here is what kind of further
23 bothered my issue with this question. You have
24 four buildings; required is about say 230 to 250,

1 you have 4 garage spaces, potentially 48 tandem
2 spaces. You have 26 parallel spaces along the
3 street, and 309 surface spaces on the north of
4 those buildings for a total of somewhere between
5 383 and 430 spaces. So that's 150 to almost 200
6 spaces more than what would be required,
7 understanding you still might need to remarket
8 conditions but that seems extremely excessive.

9 MR. KIANICKY: Well, let's see.

10 CHAIR VARGULICH: And so I'm just trying
11 to -- in that example I'm trying to understand why
12 you would want to do that and how that is driving
13 your site plan, back to some other comments,
14 specifically Mr. Funke's with the inability to
15 create interesting relationships, to convert space
16 that currently is parking lot to build new parking
17 lots instead of more open space.

18 And I would like to also bring that to a
19 separate, but related topic of your land cash
20 sheets. You owe the Park District 10.5 acres,
21 based on 1,050 people being added to our city.
22 You show no parks. You shall park areas, but no
23 dedicated parks. So I guess -- I think that's an
24 important conversation because in the nearest park

1 is the Charlemagne Kingwood Park up to your north
2 and east, of which, is totally surrounded already
3 using that park.

4 And not that people will use the spaces,
5 but it also seems that there's an opportunity to
6 maybe not the 10 acres, which is a sizable piece,
7 but maybe a 3 acre, or 5 acre parcel could be
8 interested in if it was consolidated and in a
9 place where they can program it and actively use
10 it. The way you have designed the park areas now
11 is a series of small strung together areas that I
12 can imagine the Park District wanting to take
13 ownership of because of the challenges with them
14 maintaining it or programming it for anything
15 other than casual open space.

16 Which casual open space as a value but I
17 think from a Park District standpoint they don't
18 think that that will, especially when you're
19 adding over 1,000 people to our community and
20 where did they go? So I think that's an important
21 thing to work on. To have a conversation with the
22 Park District and their appropriate staff to take
23 a look at that.
24 I think that there is a reason to,

1 hopefully, D.R. Horton is going to come back and
2 want to develop the property to your north and
3 east of there, understanding it is a different
4 product line, for sale, et cetera. I think there
5 should be a thought about a connection.

6 MR. KIANICKY: Yeah.

7 CHAIR VARGULICH: At a minimum
8 pedestrian, possibly vehicular, and hints, the
9 sole roadway configuration, I think again you're
10 stripping the site down to zero, which is needed,
11 no disagreement there, I think that there's some
12 things that could be done from a roadway
13 alignment. And I guess, I'm a little surprised
14 that none of this is intended to be public right
15 of ways.

16 As far as I can tell, these are all
17 going to be private street managed by some master
18 association and sub associations, or however
19 you're going to do that. Right? Because
20 otherwise who's going to maintain all these
21 driveways that aren't directly associated with a
22 parking lot?

23 MR. KIANICKY: Would the city prefer
24 public street?

1 CHAIR VARGULICH: I think in certain
2 cases. I think that rental properties, maybe for
3 the apartment -- for the specific apartments, the
4 garden apartments, probably not. But that doesn't
5 mean a public street couldn't go through in some
6 configuration. Maybe through the townhomes, as an
7 example.

8 I think that some little things that
9 were standing out to me, with specifically again
10 the apartments over here on the eastern side was
11 that there are no gathering spaces. Which the
12 only gathering space right now that you guys have
13 right now in this project is your clubhouse with a
14 little bit of open space on the north, and some on
15 the east where you have a proposed playground
16 element. Hopefully, your gathering space will
17 become a much more interesting than it is today
18 and be that hub that would help that.

19 But other than that, there is no --
20 especially in the apartments there's no real
21 gathering space. You have parking lots with a
22 driveway between other buildings, and so it is a
23 series of buildings stamped with a little bit of
24 green around them; I mean, it's the overarching

1 thing that I see when I look at the site plan for
2 the apartments.

3 I think that the townhomes, as a design
4 element and as a product are fine. I think the
5 thing that you didn't provide us is in the images
6 of the back of the units. And I believe -- the
7 reason I say that is that you showed the front and
8 side, but in fact, the street system that you
9 designed it will only see the back of the units.
10 So as people drive through this property the only
11 thing you see is garage door after garage door,
12 after garage door.

13 MR. KIANICKY: We haven't designed the
14 backs yet.

15 CHAIR VARGULICH: Well, but I'm saying
16 based on the floorplans you provided the only
17 thing that is facing the street is a garage door.

18 MR. KIANICKY: Right.

19 CHAIR VARGULICH: And the decks that are
20 hanging out over the garage from what would
21 literally be the second floor. And I guess, I
22 find as an experience that could be extremely
23 undesirable. I mean, there's no real opportunity
24 for trees to be planted because of the closeness

1 of the garage doors.

2 Staff has commented that the street
3 through the townhomes, specifically, whether they
4 are rental or ownership almost to me is
5 immaterial. As a residential component to our
6 community you don't see townhomes; you don't see
7 it in Kingswood, as an example the nearest ones.
8 You certainly don't see it in Stuarts Crossing
9 directly to your north and west a little bit. Now
10 those have public street, but they have sidewalks,
11 they have street trees.

12 There's no way for that to happen given
13 the product that you are showing in the
14 configuration that is being laid out. And it
15 would seem that that product is more geared at
16 what's called a courtyard product, if you know
17 what I'm talking about. And it would seem this
18 product would be more geared to that layout where
19 the auto court areas are back-to-back and that the
20 front of the units are face-to-face.

21 And then you come in off of whether it's
22 a public or private street, and then you walk in
23 and there's parking in the back for some people,
24 but people will park on the street. And now,

1 without having all these driveway cuts people can
2 actually park on the street and then walk into the
3 units. So the density isn't the problem for me,
4 anyways, for the apartments or the townhomes, it's
5 more the execution, if you will.

6 From a circulation standpoint I think
7 that it's going to be a challenge, for the fire
8 department to agree to basically eliminate 80
9 percent of the circulation around the theater.
10 How would they fight a fire?

11 MR. KIANICKY: Oh that's a -- and no, we
12 have to have circulation all the way around the
13 theater the way -- admitted, it's not. That was
14 left off the thing but we're aware of that.

15 CHAIR VARGULICH: Yeah, let me --

16 MR. KIANICKY: And you're right.

17 CHAIR VARGULICH: I would find that they
18 would have a real hard time with agreed to that.

19 MR. KIANICKY: Yeah. Yeah.

20 CHAIR VARGULICH: Considering that they
21 have it now, and I'm pretty sure it's part of
22 their life safety that they would get there and
23 fight the fire efficiently. Otherwise -- and
24 then, but adding the fire lane, then kind of

1 starts to diminish the parking areas that are on
2 the east and west sides, specifically, that you're
3 showing in the plan.

4 I think we have had some comments about
5 the Stuarts Drive connection. I would propose,
6 probably, not to the approval of people from
7 Charlemagne, some of which are here, but I think
8 you need to put back the driveway that goes along
9 the retention pond and connect to Fox Field Drive,
10 so that there is an access way to the north, to
11 the west, and create almost an intersection there.

12 And the reason being, is I think to add
13 this much residential traffic to run it by the
14 Jewel service area, the Jewel little driveway, it
15 has a very short stacking area to make a left-hand
16 turn to get over to --

17 MR. KIANICKY: Fox Field?

18 CHAIR VARGULICH: Or to Kirk Road.

19 MR. KIANICKY: Okay.

20 CHAIR VARGULICH: To the signal at Kirk.
21 There is a very short stacking zone. So you add
22 all of this traffic trying to get out the same way
23 to head to the West and to the Northwest I think
24 you need to put the driveway back that was removed

1 and make that connection so that night you would
2 have the opportunity to go to the light to the
3 north. That aligns with the school, Fox Chase
4 Drive, or you can go to the West and get over on
5 Foxfield Drive to the light at Kirk. I think just
6 from a circulation standpoint I think that makes
7 sense.

8 I'm sure your traffic people look at
9 that and advise you accordingly, but I think that
10 works. And it also goes to the amount of traffic
11 that's in front of that one building which Zach
12 was already talking about. It seems like a lot of
13 people turning in and doing things in front of
14 your one -- for couple of units in there.

15 So I would be also interested in how the
16 parking relates to the cinema. I think you've
17 already commented that the cinema is maybe over
18 parked. I'm not really sure what their seat count
19 is. I don't know if, Russ, if we have that or
20 not?

21 MR. COLBY: No.

22 CHAIR VARGULICH: No. Okay. I mean I
23 know the requirement is for one parking space for
24 every four seats. But I would be interested to

1 see how that parking count because I think they
2 have over there, there is 600 and some spaces.

3 MR. KIANICKY: Yeah.

4 CHAIR VARGULICH: That are, not
5 necessarily dedicated, but so they have proximity
6 and seem to be working. I offered that that might
7 be a bit -- I think that the reduced runoff, that
8 would be part of this project as it is finished I
9 think is worth a consideration to modifying and
10 enhancing the existing ponds. They have been let
11 go, even before the mall became a non-real mall.
12 Because of what they were intended for for that
13 mall.

14 But now, you are introducing residences,
15 you know it's intended to be a more user oriented
16 thing, and I think the ponds should receive a
17 level of enhancement that says hey, we understand,
18 and we will treat them as an asset rather than
19 what the mall did, which was a requirement. And
20 so I would encourage that because of the reduced
21 bounce that will happen, which I'm pretty sure
22 your engineer could agree with that if you reduce
23 the amount of surface runoff I've got to believe
24 that the bounce that was approved is no longer

1 necessary.

2 UNIDENTIFIED SPEAKER: It's a double
3 edged sword.

4 CHAIR VARGULICH: Well yes, but I would
5 offer that the current site slopes, especially on
6 the sides of the ponds that relate to the
7 residential should maybe looked at to be tapered
8 and to have a lesser slope so that access could be
9 improved. And then, maybe your path system, as
10 you develop it further, as we have asked you, and
11 as staff has commented on, then maybe there is a
12 path that runs along at least the sides with the
13 residential, kind of creating kind of a crescent
14 that runs through there, and maybe even connects
15 to Foxfield drive so that there is a way for
16 people who live in Charlemagne or other
17 neighborhoods that can walk and come in and use
18 this path system to walk all the way to the
19 mall -- or not the mall, but Von Maur or to the
20 theater or things like that.

21 MR. KIANICKY: Right.

22 CHAIR VARGULICH: So I think that there
23 are things to do there. The staff has asked for
24 you to look at a cross access with the Jewel

1 shopping center to the west. I think that's a
2 valuable thing to do. I share that that's
3 probably a challenge because I'm not sure what
4 their interest and benefit would be. But I think
5 it's worth at least looking at if you could.

6 The great -- and I guess it's a
7 question, and I mean you have touched on it a
8 little bit related to removing the mall as it
9 passes between the theater and Von Maur. So
10 there's an upper level entrance to Von Maur on the
11 west and the south.

12 MR. KIANICKY: That will remain, yes.

13 CHAIR VARGULICH: And then, there is a
14 lower level entrance on the east.

15 MR. KIANICKY: Right.

16 CHAIR VARGULICH: Will that remain?

17 MR. KIANICKY: Yes.

18 CHAIR VARGULICH: And so there is a
19 service area that you're not really addressing on
20 the northeast corner of Von Maur; I think it's a
21 truck loading, et cetera. So I think that should
22 be looked at and addressed.

23 MR. KIANICKY: Yeah.

24 CHAIR VARGULICH: So is it your intent

1 that the north additional access to Von Maur would
2 be, I'm assuming, at the lower level?

3 MR. KIANICKY: Yes. So that area
4 between the cinema and Von Maur was all going to
5 be at essentially, ground level. So that would be
6 level with the residential, with the entrances
7 to -- the lower entrance to the cinema. So the
8 present entrance to the cinema is at the lower
9 level.

10 CHAIR VARGULICH: Yes.

11 MR. KIANICKY: And so on the north and
12 the east we'll have ground-level entrances to Von
13 Maur and on the south and west we will have second
14 level entrances to Von Maur. And then, there will
15 be a slope that will go -- you know, however that
16 configuration is you know where these buildings
17 right here are?

18 CHAIR VARGULICH: Uh-huh.

19 MR. KIANICKY: That's going to be on
20 that second level and this parking lot right now
21 slopes up towards those. And then, behind there
22 is going to be a drop that we have, you know, it
23 will be a retaining wall, a slope combination,
24 maybe something cool. But the intent is that you

1 will have a ground-level circulation that's going
2 to go from this parking lot, through here.

3 We have to get around this plaza, but we
4 don't have to have two roads that are going to go
5 around the plaza, so the part of this road, I
6 would guess, and then this will just be a big
7 pedestrian plaza.

8 CHAIR VARGULICH: Okay. I think that
9 the hotel is a fine idea assuming there's a market
10 for it which I'm sure you want and hope for,
11 because I think selling off is probably a fair
12 thing to do.

13 I, to Jeff and some other people's
14 comments, I think it might be an opportunity to
15 look at how the hotel relates to these other
16 restaurants. To me, they are kind of like on the
17 wrong side of Von Maur. You have a bunch of
18 restaurants, and then you have a hotel, but you
19 have a bunch of hotel users, not to say that there
20 will be some food service at the hotel, depends on
21 what that is.

22 But it would seem that they would
23 want -- that the hotel might be better fit from a
24 design element and from a site element on the

1 other side. And that maybe, some of the
2 residential could shift around to fill that
3 relationship and since you're selling off pad
4 sites for, I'm assuming, all of these sites,
5 right? A through H or whatever? These are all
6 basically from your perspective probably pad
7 sites?

8 MR. KIANICKY: Could be individual pad
9 sites. Might not be individual pad sites, it
10 depends upon the users. Could be built to lease,
11 could be a whole number of different ways that
12 would be developed. You know, the restaurants
13 love their own sites right on the main frontage.

14 CHAIR VARGULICH: Right.

15 MR. KIANICKY: So it's just -- and I'm
16 not the commercial expert, I wish Dan Stern were
17 here to talk about that because they have done
18 that so many times and he will be here for future
19 meetings. But I will relay your concerns.

20 CHAIR VARGULICH: Well, I can -- given
21 that I believe a better opportunity to take, as an
22 example, E, F, and G that -- whether it's a single
23 mass or pad sites and flip them down closer to
24 Main Street for that whole visibility conversation

1 and put the parking on the other side so that now
2 they have that visibility from Main Street which I
3 agree, that most guys want.

4 I think that would be -- and then, how
5 does that relate to a gathering space or the
6 plaza?

7 MR. KIANICKY: I guess the limited
8 amount of room there because Cooper's Hawk owns
9 their facility, so that is not part of what we
10 were able to purchase.

11 CHAIR VARGULICH: Well, I would say on
12 the north side of the Collect-n-Ride.

13 MR. KIANICKY: Oh, okay.

14 CHAIR VARGULICH: So I'm talking about
15 there. I mean, to me you almost could realign
16 part of the collector road between pad site C and
17 Cooper's Hawk to get all of Cooper's Hawk
18 parking -- required parking which I think is 115
19 spaces on their side of the road. Right now, a
20 bunch of people park across because the spaces
21 that are there are insufficient given any one
22 particular weekend or a Sunday or, you know,
23 whatever.
24 And so people park north of their lot

1 and walk across. And if you're going to tear the
2 lot and redo it why not realign the actual roadway
3 by pushing it -- I mean, I see you have -- connect
4 to the entrance, the far east entrance point,
5 which comes in. But at a little bit to the north
6 so that all of their parking could be adjacent to
7 them, directly to their east instead of people
8 constantly having to walk across the driveway to
9 get there. Meaning, you know -- it was where it
10 was when it was approved and how it was done but
11 since we're leveling the site it seems like there
12 might an opportunity to do that.

13 Do you know, will -- on an architectural
14 standpoint, and Jeff is much better at this, will
15 the Von Maur or the theatre redo their look? Do
16 you know?

17 MR. KIANICKY: I don't know the answer
18 to that.

19 CHAIR VARGULICH: Okay.

20 MR. KIANICKY: I don't know.

21 CHAIR VARGULICH: I mean, given the
22 opportunity --

23 MR. KIANICKY: Right.

24 CHAIR VARGULICH: I mean, the only

1 façade for Von Maur or the theatre is only one
2 side that's impacted because of the relationship
3 to the mall where it comes down.

4 MR. KIANICKY: Right.

5 CHAIR VARGULICH: But it seems with all
6 this newness, and the more -- and you're leaning
7 towards a more contemporary and stylized version
8 for your product that maybe an update to their
9 facades.

10 MR. KIANICKY: We'll know more after we
11 meet with them as to what they're envisioning but
12 I don't know at this point.

13 CHAIR VARGULICH: Okay. All right. And
14 I guess I would also like to -- it was submitted,
15 is Laurel Moad sent some comments. So I don't
16 know if you've received this from her, but I think
17 it's worthwhile to just provide those to you as
18 part of our discussion. She's a plan commissioner
19 who wasn't able to attend today.

20 MR. KIANICKY: Oh, I have not seen it.

21 CHAIR VARGULICH: Yeah. So from Laurel.
22 She applauds the development and bringing up us
23 this concept plan. She suggests that the very
24 units of the townhomes of the buildings should

1 have less than eight units. Apparently she
2 doesn't like the length. She feels that they are
3 a little too long. The rental units, she says,
4 will attract families and children and while the
5 concept plan shows some recreational space she
6 suggested that you work with the Parks District on
7 a specific parcel of land, given the number of
8 people that are being added to our community.

9 She would like to, as some people have
10 already commented, make sure that there is a
11 thorough network of sidewalks, not only directly
12 adjacent to the unit, but also connecting people
13 to the retail and other opportunities that are
14 there.

15 MR. KIANICKY: Oh, yes.

16 CHAIR VARGULICH: Which I think you
17 started. I think it probably needs a bit more
18 evolution if you will. She asks if bike lanes are
19 being considered at all, and she also would like
20 to see all-wheel access added in connection to
21 Foxfield Drive. And so those were her comments.

22 MR. KIANICKY: Okay.

23 CHAIR VARGULICH: I think at this
24 point --

1 MEMBER FUNKE: I wanted to say one more
2 thing.

3 CHAIR VARGULICH: Okay.

4 MEMBER FUNKE: Just I think you have,
5 like I said before, an exciting opportunity here
6 and I think you should be -- I'm more partial
7 to -- I teach Florence renaissance architecture
8 but the idea of creating a ring road perimeter,
9 you know, that boulevard, the idea of -- I mean, a
10 boulevard's actually a pretty big street but it
11 gives you room for pedestrian and so -- and it
12 directs the traffic, and it protects the inner
13 circle.

14 So the idea of just shutting people off
15 from one side to the other I don't think -- you
16 know, I think you need to create that flow. You
17 want to create a flow, so you bring the traffic in
18 because you're going to have a lot of traffic in
19 there. So the idea that a ring road around the
20 perimeter would be pretty exciting to be honest
21 with you because then people can drive all the way
22 around the perimeter and then they can -- it would
23 make the property more valuable.
24 And when I'm designing I always think

1 of, from a conceptual standpoint, what's the big
2 idea? What's the big idea here. And you touched
3 on it with that plaza ideas so if that becomes the
4 central node, how do things to break off from
5 that? How do things relate from that, to that,
6 the access point, your connection to your -- the
7 pool house, that could be on an access.

8 One city to look at is Seaside, Florida,
9 they have done a great job. That's a master-
10 planned community.

11 MR. KIANICKY: Oh yeah, I've been there.

12 MEMBER FUNKE: But that whole town
13 center, the axis that are created, the cues to
14 the -- when you enter the town you see the ocean
15 right away and you're still far away from the
16 ocean so the thinking of those -- I mean just
17 thinking about this. You have so many great
18 opportunities that you can get, really, a lot of
19 people excited if you just create that spark.

20 And I think it could be beautiful and it
21 could be awesome. I mean, you have the density
22 here so why not, like Daniel Burnham said, and he
23 used a lot of boulevards, you know make no small
24 plans, they have no magic. I appreciate

1 everything you're doing, and I appreciate the
2 density, but I think you can have more density and
3 figure out how to keep the cars separate from the
4 green spaces and emphasize that, those
5 opportunities.

6 MR. KIANICKY: Thank you.

7 CHAIR VARGULICH: I appreciate
8 everything. I'm going to open it up and see if
9 there is some public comments. We have some
10 people. If there is anyone who would like to
11 speak?

12 UNIDENTIFIED SPEAKER: We're overwhelmed
13 a bit.

14 CHAIR VARGULICH: Well, please come up.
15 If you would like to speak, provide us with your
16 name and address.

17 MR. LEMKE: My name is Arthur Lemke. I
18 live that 3214 Blackhawk Trail for about 30 years
19 now. So I'm familiar with the site and some other
20 things that we've done, or not done in the past.
21 So if I heard the last comment correctly; is the
22 developer here only the parcel up for the theatre
23 and the four, maybe also -- the four parcels that
24 are not part of this, Cooper's Hawk, the theater,

Transcript of Charlestown Mall Redevelopment
Conducted on October 5, 2021

75

1 the Von Maur, I know they own it themselves.

2 MR. KIANICKY: Only the Classic Cinemas,
3 but that's been leased to an operator.

4 MR. LEMKE: Oh, that's right.

5 MR. KIANICKY: The Cross family have
6 owned, and I believe still does.

7 MR. LEMKE: Is there a plan to buy them?

8 MR. KIANICKY: No. They -- the plan is
9 to continue its operation as is and incorporate it
10 into the development plan.

11 MR. LEMKE: Okay.

12 MR. KIANICKY: It's actually quite
13 lucrative.

14 MR. LEMKE: So what we're seeing here,
15 but for the theatre, which hopefully is included,
16 is you own that part?

17 MR. KIANICKY: No, we don't. The Cross
18 family will continue to own that and there the
19 sellers --

20 MR. LEMKE: So just the theater? Or the
21 whole thing?

22 MR. KIANICKY: No, just the theatre.
23 Von Maur owns their own building. Cross continues
24 to own Classic Cinemas; they did not sell that to

1 us. And then Cooper's owns theirs and Verizon
2 Starbucks owns theirs.

3 MR. LEMKE: Owns theirs. That's what I
4 though. So what we have is mostly -- well, let me
5 say a little bit. I know we have the TIF
6 possibility in St. Charles is familiar with TIFs.
7 We usually go to an outfit here, I think it's S.B.
8 Freedman that does -- they never see a TIF. They
9 don't want them.

10 We have one across the street here,
11 South First Street Redevelopment; it's 20 years
12 now in the making. These things don't happen real
13 quickly. We did have discussion about part of it
14 being a hotel. What I did find out -- I'm a
15 former member of the city council so I have some
16 history in this and as a member of the -- what we
17 call now the Alliance -- the St. Charles Business
18 Alliance, previously the Downtown Partnership, and
19 the Convention and Visitors Bureau, we found that
20 it hasn't brought us --

21 Even when they were operating probably a
22 large part of their footprint was not in
23 inventory. There were hotel rooms, but they
24 weren't in inventory. So -- and right now, nobody

1 has expressed an interest in the part of that will
2 stay so I really wonder. We have a wonderful
3 opportunity across from the Baker, that's one.
4 That was a good project (indiscernible) that went
5 across the sky.

6 So they've never seen one they didn't
7 like but these things take 20 years. The
8 population we're talking about here; I know if you
9 have a hammer everything requires hammering. We
10 do have a lot of apartments not only on this side,
11 and we do look at this as one market. It's not
12 like a lot of apartment just out (indiscernible).
13 I don't want to buy by a rental or one thing out
14 by Randall Road we have a lot of apartments
15 approved that have not been or are in the process
16 of being -- it's a long process to rent those.

17 Halfway we had a couple of possibilities
18 in the senior housing that has been successful.
19 But there is not only, the parcel on Smith Road,
20 there is also a parcel on Foxfield. So the
21 Foxfield is Albert Hoffman is the current owner.
22 And this property -- and on each of them we have
23 tried to, and we think that there is a market for
24 what I would call single family, and we adjusted

1 that in city council as late as last year.

2 We could look back 20 years and say
3 there's a lot of people that have the intent of --
4 well, I'm choosing to rent because the interest
5 rates are what they are. Well, right now we're
6 having a city who in fact, yesterday talked about
7 refinancing a lot of its debt because the interest
8 rates are good. And that's why I think that that
9 context if I looked at it that way, 20 or 30
10 property owners just north of there -- a lot of
11 them have just -- they're liquid. They're movable
12 and have been able to sell, mostly because of
13 interest rates.

14 And if you look back at the whole trend
15 you might see something different, but what we're
16 seeing now; a guy in the building that just bought
17 a house to sell because the market is good. And
18 we have been a destination community for a lot of
19 people moving out that are already have and have
20 been able to sell and are able to buy a home. So
21 I wonder about that we need this many more units.

22 With this many more units, if you add
23 Kingswood and Charlemagne together I don't think
24 we have as many units as we've talked to, and we

1 have a nice-sized park. So I would argue that --
2 there could walk over to the Kingswood Charlemange
3 Park. I think we're talking about a park donation
4 here. And in all of this what we're seeing is we
5 have a good plan.

6 We do like it and what we're trying to
7 do is without saying no we're trying to give
8 opportunities for improvement. Things that will
9 help bring us more to a -- maybe a change in the
10 zoning and so -- that's probably just scratching
11 the surface.

12 Other issues have been talked about
13 today but the -- oh there is a couple of things
14 I'll mention about just like we said, I saw this
15 too. To have another building next to Cooper's
16 Hawk, a lot of that parking adjacent around 64 is
17 being used by Cooper's Hawk now which is why
18 there's some spillover into the area north of
19 there.

20 They're throwing another box there and
21 throwing a box immediately across from Cooper's
22 Hawk seems kind of odd. So I think it says maybe
23 that corner of the parcel and that part of the
24 ring road need to be reconsidered and that in all

1 of this we hope there could be opportunities for
2 improvement and if this thing were to move forward
3 we welcome it or recognize that what our market is
4 and what our process is, and at this point we hope
5 you can take into consideration the things that
6 have been said. Thank you.

7 CHAIR VARGULICH: Thank you. Any other
8 residents that would like to speak?

9 MS. GARDAPHE: Good evening. My name's
10 Nancy Gardaphe, I live at 3736 King George Lane.
11 And speaking on behalf of being a resident of St.
12 Charles and Kingswood for 29 years. I do agree
13 with Jeff and to your -- I feel when I'm looking
14 at this I'm going through a maze.

15 You know, if I was to live in the
16 apartments and try to get to -- simply get to
17 Jewel because people are going to take the path of
18 least resistance and they don't want to deal with
19 stoplights. So they're going to go and get
20 their -- go through the maze to get to Jewel. So
21 I do agree, I like that concept of a beautiful
22 boulevard with trees in the middle, a divided
23 street, which brings me to point number 2.
24 You know, everybody today talks about

1 being environmentally friendly and the green
2 space, but I don't see that here at all. And I
3 think that this developer, or any corporate
4 business, or any business needs to be
5 environmentally friendly. And I just don't see it
6 in this particular plan.

7 I wasn't too clear; the apartment
8 parking spaces. You said, and I could have got my
9 notes and down wrong, but you said it's about two
10 parking spaces --

11 MR. KIANICKY: Per unit.

12 MS. GARDAPHE: Per unit. Okay. So what
13 is it exactly, like, 1.75?

14 MR. KIANICKY: Well, I think right now
15 we have more than two.

16 MS. GARDAPHE: Okay.

17 MR. KIANICKY: And I think that Mr.
18 Vargulich was saying is we have too many parking
19 spaces, which is great news because we've cut it
20 back. I don't -- we would probably resist cutting
21 it back to lesser than two per unit because we
22 have found that even though many ordinances permit
23 less that it creates a problem. And that two per
24 unit is usually what works pretty well, and it's

1 usually, unless you're in a very urban
2 environment, where hardly anybody drives, that's
3 kind of pretty much what you need.

4 So if we do have too many, we can cut
5 those back and put them in a green space, that
6 would be great. But we seriously discuss whether
7 or not we cut them on more than two per unit.

8 MS. GARDAPHE: Well, in this day and
9 age, people downsize or simplify, but they don't
10 seem to downsize and their cars. So you have to
11 take into consideration the size of the cars. I'm
12 just saying.

13 Also too, it just seems like, in looking
14 at Springs, and now looking at yours, everybody is
15 going to this contemporary, or farm look. Now can
16 you jazz it up a little and have a little variety
17 in the combination of contemporary and
18 traditional? Because it's like every -- you know,
19 I go down 59 going to West Chicago and they've
20 built all of these townhomes and it looks used
21 industrial. I'm just -- this is just my opinion
22 here. And I was really disappointed to hear, too,
23 about 1000 plus units are going to be all rental
24 units. That's a lot of rental units.

Transcript of Charlestown Mall Redevelopment
Conducted on October 5, 2021

83

1 MR. KIANICKY: 532.

2 MS. GARDAPHE: Oh, okay. Thank you for
3 clarifying. But you said the townhomes are going
4 to be rentals too?

5 MR. KIANICKY: Yes.

6 Ms. GARDAPHE: So between the apartments
7 and between the --

8 MR. KIANICKY: Townhome apartments and
9 garden style apartments.

10 MS. GARDAPHE: So how many total?

11 MR. KIANICKY: Well, you can see in the
12 upper right-hand corner there, so there's 324
13 proposed 3 story apartments and 208 proposed
14 townhouses.

15 MS. GARDAPHE: Okay. Yeah. I'm just
16 disappointed that it's all rental. And then, I
17 mentioned about this yet, the Stuarts Drive, I
18 realize it's going to Jewel and that will be a
19 major backup. So. And that's it. Thank you very
20 much.

21 CHAIR VARGULICH: Thank you. Any
22 additional comments from our public?

23 MS. HITZEMANN: We have two zoom
24 comments that I'm not sure if's (indiscernible)

1 for us. But Brian Harris said that this
2 redevelopment was excellent and a growing concern
3 that the city is considering about the
4 (indiscernible) to fund this project; is that
5 correct? Has the developer asked for TIF funds
6 for the residential budlings? I understand the --
7 for the commercial areas, but not a residential.
8 It would be a significant burden on the taxing
9 bodies; school district, park district, et cetera.
10 Please you address this question? Thank you.

11 And then, he followed up with, I think
12 Russ, to your comment; the school district portion
13 of the TIF does not even come close to paying for
14 the students education over a period of 23 years.
15 It is the Naperville formula in the statute, it is
16 completely inappropriate; it costs approximately
17 \$15,000 per student to educates students in
18 District 303, take that times 23 years the formula
19 does not come close to paying for those estimated
20 students in these units. Please address and
21 clarify that.

22 MR. COLBY: Sure. And I can just
23 respond to that first question. We do not have a
24 formal TIF request into the city. The only

1 information we have thus far is what was indicated
2 in the project narrative that was submitted, the
3 concept plan application, and some type of TIF
4 request will likely be necessary for the project
5 to move forward.

6 And in the second point, the school
7 district issue, we don't have the specific
8 information on this TIF request or any information
9 about the -- how big a cost to the school
10 districts would be accounted for with respect to
11 this TIF set aside. So I believe that the comment
12 that is being made is that that formula that is in
13 the statute may not cover the cost of educating
14 the students and that is something that we need to
15 explore further. And the TIF request is discussed
16 by the city council. But just to clarify that
17 point.

18 CHAIR VARGULICH: Thank you.

19 MS. HITZMANN: And there was a second
20 comment from John Burris looking for us to clarify
21 and answer this is whether the dollar amount of
22 the TIF being sought, obviously it's not at that
23 stage yet, so that's the answer to that question.
24 He asked that.

1 CHAIR VARGULICH: That's it?

2 MS. HITZMANN: Yeah, thank you.

3 CHAIR VARGULICH: Thank you very much.

4 All right.

5 So we can provide our final comments, if
6 we have any additional ones that that we haven't
7 already -- or if we thought of additional ones as
8 we have sat here and heard comments from our
9 residents and from the zoom. So Zach, if you
10 would like to start, do you have any final
11 comments?

12 MEMBER EWOLDT: Yeah. I would just like
13 to thank you for coming here today and submitting
14 a plan. This is something big for the community,
15 it's long awaited and if our opportunity to get it
16 right. So I think you should really take into
17 consideration some of the comments from the
18 residents and fellow members of this commission.
19 And really focus on any changes and some
20 improvements such as a destination.

21 CHAIR VARGULICH: Okay.

22 MEMBER MELTON: I also am super excited
23 about the project so I'm glad you're here. And I
24 agree with all the comments that have been made,

1 this is a great opportunity, and I would just like
2 to say to that, if you use Cooper's Hawk as an
3 example, if you build it they will come. I mean
4 that places just packed all the time. So I'm
5 excited to see where else this goes. Thanks.

6 CHAIR VARGULICH: Jeff?

7 MEMBER FUNKE: About the opportunity and
8 I appreciate you guys actually wanting to do
9 something with it and moving forward with it. And
10 I look forward to seeing the next iteration. So
11 good luck.

12 MR. KIANICKY: Thank you.

13 MEMBER WIESE: Thank you for bringing
14 the plans. I think there's been some great input
15 here. I get the sense that perhaps this came
16 together based on the surprise that you stated.
17 So I think some of the input that the
18 commissioners gave you that perhaps this can get
19 message and be more thoroughly put together so
20 that it addresses a wide variety of concerns,
21 because I do think there's a huge opportunity here
22 for the city. And there are a lot of ways that
23 this can be improved, but it's exciting to know
24 that you're ready to get moving on it. So thank

1 you for bringing this to us and starting the
2 process.

3 MEMBER HIBEL: Yes. You know, this
4 hearing, all the commentators, there's just a lot
5 of personas here and you mentioned your
6 collaborating with Von Maur, and I think it's
7 using the comments here, the different personas
8 here, that will tell what I am going to do if I am
9 a resident of St. Charles, where do I want to go
10 in terms of how the layout is. Just as we
11 continue the conversation. So thank you.

12 CHAIR VARGULICH: All right. And I also
13 am really happy, honestly, about the opportunity
14 here. It's -- the plan was put together in 2017,
15 was kind of a were going to take down part of the
16 mall, keep part of the mall and I think the
17 community indicated that unless there was a real
18 reason they didn't really care about keeping the
19 mall. Obviously, the current operators aside that
20 are still wanting to be here, the theater and Von
21 Maur, specifically. Obviously, the out lots are
22 the out lots along Main Street.

23 I think that the synergy that could
24 happen between -- you know, as you guys, assuming

1 you will come forward with a preliminary plan and
2 you're going to do further market study, and also
3 integrate the traffic conversations, technical and
4 aesthetic on how the site is managed.

5 But I think if you are able to have
6 retailers and/or more restaurants for these out
7 parcels to have kind of an entertainment area,
8 right? Because I mean Von Maur is Von Maur and
9 has its own reach from a clientele standpoint.
10 But the theater combined with a group of
11 restaurants made into a space where there is a
12 gathering space, whether it's at the nexus or
13 somewhere else.

14 I think if you can further look at this,
15 and potentially the hotel as a part of that
16 because I think that is something that if you stay
17 at a hotel, it might be on business, it might be
18 because you have family in just like staying at a
19 hotel. Some people don't have enough room at
20 their house, or they just don't like, you know, to
21 stay at other people's houses, and they like to
22 use the hotel. But the idea that they could -- if
23 they came home they could go oh, we can catch a
24 late movie, or we can go over to so and so because

1 they have an outdoor patio/bar space that we would
2 like to go to. I think that can be really
3 interesting and exciting.

4 I think that one other option is this
5 detention pond in the southeast corner. I think
6 you have an out lot down there, but I think there
7 is certainly an opportunity for an outdoor space
8 kind of overlooking the pond. You have, I think,
9 thus Spotted Fox directly across the street, they
10 built an outdoor space that overlooks the
11 detention pond that is that there. And so that,
12 at a minimum, could probably utilize that that as
13 an asset.

14 And maybe, if you -- understanding
15 grading and mass grading, and moving detention
16 ponds, if you will, is an expensive undertaking,
17 especially if you have existing ones that are
18 already there.

19 But I think that when we look at how the
20 apartments are done and maybe if there was a
21 cluster of out lots or converting parking areas
22 into non-parking areas doesn't mean that, again,
23 if market is there it doesn't mean there shouldn't
24 be another pad site, or another group for two or

1 three restaurants to combine or be near each
2 other.

3 And then, again, using that pond as an
4 element to have as an overlook and people could go
5 there and sit out. I think over at the Geneva
6 Commons the Plaid Owl, which is closed, has the
7 same opportunity. If you go in the Lombard,
8 Fountain Square on Butterfield Road does that with
9 three restaurants that back up. I think it used
10 to be a Champs and a Weber Grill, and a P.F.
11 Chang's, and they all utilize that adjacent
12 detention pond as a something that you can allow
13 people to sit out, and some of them they have them
14 screened in to eliminate that topic of, there's
15 too many bugs.

16 And so I think there's some really fun
17 things that still could be done and I hope that
18 you will take our feedback as feedback and work
19 with your design team both engineering and plan to
20 look at this. Whether lots of people are in
21 agreement or not I'm still okay with the density
22 that you're talking about because I think a good
23 design trumps density. And so I would like to see
24 you guys take another shot at this and come back.

Transcript of Charlestown Mall Redevelopment
Conducted on October 5, 2021

92

1 Thank you.

2 MR. KIANICKY: Thank you.

3 CHAIR VARGULICH: All right. That is
4 conclusion of Item 5. And so now we have
5 additional business? I'm assuming we don't have
6 any new business, Russ?

7 MR. COLBY: Not at this point.

8 CHAIR VARGULICH: All right. You've all
9 seen our weekly development report. We have a
10 meeting scheduled on the 19th. Will we have
11 agenda items?

12 UNIDENTIFIED SPEAKER: Yes, we will.

13 CHAIR VARGULICH: Okay. Good. The
14 public is gone. So that's everything.

15 And so at this point is there a motion
16 for adjournment?

17 UNIDENTIFIED SPEAKER: I make that
18 motion.

19 CHAIR VARGULICH: Second?

20 UNIDENTIFIED SPEAKER: I'll second.

21 CHAIR VARGULICH: Second. All in favor?

22 IN UNISON: Aye.

23 CHAIR VARGULICH: All right. The
24 Planning Commission of St. Charles is finished at
.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

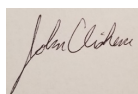
(Off the record at 8:46 p.m.)

1 I, John Clishem, Notary Public of the Illinois,
2 do hereby certify that I am neither counsel for,
3 related to, nor employed by any of the parties
4 to this case and have no interest, financial
5 or otherwise, in its outcome.

6

7 IN WITNESS WHEREOF, I have hereunto set my hand and
8 affixed my notarial seal this 12TH day of October,
9 2021.

10



11

12 John Clisehm

13

14

15

16

17

18

19

20

21

22

23

24

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

CERTIFICATE OF TRANSCRIBER

I, Molly Bugher, do hereby certify that the foregoing transcript is a true and correct record of the recorded proceedings; that said proceedings were transcribed to the best of my ability from the audio recording and supporting information; and that I am neither counsel for, related to, nor employed by any of the parties to this case and have no interest, financial or otherwise, in its outcome.



Molly Bugher, CDLT-161

DATE: October 12, 2021