

**MINUTES
CITY OF ST. CHARLES, IL
PLANNING AND DEVELOPMENT COMMITTEE
MONDAY, MARCH 14, 2022 7:00 P.M.**

Members Present: Silkaitis, Balla, Payleitner, Bongard, Bancroft, Lencioni, Pietryla, Wirball, Bessner, Weber

Members Absent: None

Others Present: Mayor Vitek, Heather McGuire; City Administrator, Russell Colby; Director of Community Development, Derek Conley; Director of Economic Development, Ellen Johnson; City Planner, Rachel Hitzemann; City Planner, Monica Hawk; Development Engineer, Allen Fennell; Building & Code Enforcement Manager, Peter Suhr; Director of Public Works/Engineering, Bill Hannah; Director of Finance, Asst. Fire Chief Christensen

1. CALL TO ORDER

The meeting was convened by Chair Weber at 7:00 p.m.

2. ROLL CALLED

Roll was called:

Present: Silkaitis, Balla, Payleitner, Bongard, Bancroft, Lencioni, Pietryla, Wirball, Bessner, Weber

Absent: None

3. OMNIBUS VOTE

*4a. Recommendation regarding 2022 Inclusionary Housing Fee.

*4c. Historic Preservation Commission recommendation to approve a Façade Improvement Grant Agreement for 214 Chestnut Ave.

*4i. Plan Commission recommendation to approve a Land Banked Parking Request for BEMA Inc., 3620 Ohio Ave.

*4j. Plan Commission recommendation to approve a Final Plat for St. Charles Prairie Centre Fifth Resubdivision.

Ald. Lencioni made a motion to approve omnibus items *4a, *4c, *4i. and *4j on the agenda. Seconded by Ald. Bancroft.

Roll was called:

Ayes: Silkaitis, Balla, Payleitner, Bongard, Bancroft, Lencioni, Pietryla, Wirball, Bessner

Absent:

Recused:

Nays:

Motion passed 9-0

4. COMMUNITY & ECONOMIC DEVELOPMENT

- b. Presentation regarding Historic Preservation initiatives and proposed revisions to Façade Improvement Grant Program.

Ms. Hitzemann presented the Executive Summary and materials posted in the meeting packet.

Ald. Lencioni asked for clarification regarding the value of the rear entrance improvement. Ms. Hitzemann explained that previously businesses that put up an addition were not eligible for grant funding. The improvement now allows them to receive up to \$10,000 for the addition if it includes a rear public entrance.

Ald. Payleitner said the presentation showed projects done in 2020 that looked like paint projects and asked if they were actually more than that. One project involved some iron work and masonry work on the chimneys along with the paint job. The other one was just a paint job. Ms. Hitzemann said the Historic Commission looks at the extent of the paint job since some of the older brick buildings need additional work done with those paint jobs.

Ald. Payleitner asked about the September 1st date. Ms. Hitzemann said they wanted to give priority to the older buildings whose owners would most likely take advantage of the prime construction season during the summer months. Most of those applications would have been submitted earlier in the year.

Ald. Payleitner liked the notation regarding restoration versus renovation.

Ald. Pietryla asked if there were any mechanisms in place to address a request prior to Sept. 1st from someone who is ready to start their project, but whose building may not qualify as a priority building. It would depend on how many other applications have been received. If they haven't gotten as many as anticipated, they may not have to wait until the Sept. 1 date.

Ald. Silkaitis asked who determines what is considered maintenance. Ms. Hitzemann stated it is usually something that doesn't require a building permit and would fall under the Historic Preservation Commission's discretion as to what qualifies or does not qualify as maintenance.

Ald. Silkaitis suggested including some type of definition of maintenance instead of just saying no maintenance allowed.

Ald. Lencioni asked how they came up with the concept of letting one third of the year pass before letting newer buildings apply. Kim Malay, Historic Preservation Commission Chair, provided some background information. Ald. Lencioni asked how much money is generally left over after Sept. 1. Ms. Hitzemann said funding for commercial buildings ran out at the end of the first month in this last fiscal year. He asked how many years has the money lasted over one month and if this would preclude properties under 50 years from participating in this program. Ms. Malay said when they had bigger budgets there was money still left in December. Ms.

Hitzemann also noted it depends on the types of projects they receive. There are no guarantees that these will be for 50 year plus projects. Many of the projects in the last few years have not been for 50 year plus old buildings.

Ald. Wirball asked if the Historic Preservation Commission's preference is option 1. Ms. Malay said it's more of a hybrid of everything.

Ald. Pietryla made a motion to approve the Historic Preservation Commission's proposed revisions to the Façade Improvement Grant Program subject to including a definition of maintenance. Seconded by Ald. Payleitner.

Roll was called:

Ayes: Silkaitis, Balla, Payleitner, Bongard, Bancroft, Lencioni, Pietryla, Wirball, Bessner

Absent:

Abstain:

Nays:

Motion passed 9-0

- d. Recommendation to approve amendments to City Code Section 12.04.102 "Outdoor cafes and food carts in public places" regarding Sidewalk Cafes.

Mr. Colby presented the Executive Summary posted in the meeting packet.

Mr. Conley said there are five businesses impacted by the new fee. Four of the five are very understanding and positive about the fee. One expressed disappointed and noted the business climate for restaurants is still very poor.

Ald. Bessner asked why there are two 100-day periods. This was done to comply with IRS guidelines.

Ald. Payleitner said she wants the public amenity back. The plaza needs to be more than a pass-through. It is unique, shaded and a great place for public gatherings. The other plaza is not shaded and will have construction going on. She does not want to lose this amenity. She said it was a great thing to do for businesses when indoor dining was restricted and understands it's hard to pull back on the privilege that was granted. However, it is costing a public amenity for the benefit of four businesses and she felt it wasn't fair to other businesses. She wants to keep it fair and have the plaza back for public use.

Ald. Wirball asked for clarity on 12.04.102 - Outdoor cafes and food carts in public places, line 2 where it says "as determined by the City Administrator". Mr. Colby explained the overall layout may be presented to the Council on a yearly basis if there are changes. Ald. Wirball wanted to know if that meant it was going to come back to the City Council for approval and asked if they needed to add some language stating that. He felt the current wording meant the City Administrator would be making the decision. Mr. Colby said they could clarify that in the code.

Ald. Silkaitis agreed with Ald. Payleitner. He felt the space should be open to everyone. He is fine with the fees.

Ald. Lencioni said this was a great compromise and a decent thing to do for this year, but he would like to see a plan for the future. Ms. McGuire said they discussed what the boundaries might be for usable space. Since the plaza isn't complete yet, they are still dealing with unusable space for a large portion of it. The idea was to make a presentation to the Council to get a fee structure in place. Once the plaza is complete, they can decide what, if any, space is made usable by other businesses. Ald. Lencioni said if the outdoor space is that popular, perhaps some of the buildings should consider adjustments to their building.

Ald. Payleitner noted some of the businesses will be able to use the new walkway instead of the plaza when it is completed. Mr. Colby said they are envisioning moving some of the dining currently on the plaza onto First Street. It will open up the central corridor going through the west plaza.

Ald. Wirball asked if a business has the option to use only a portion of the square footage available to them. Mr. Colby confirmed that is correct.

Ald. Pietryla expressed support of the fees.

Ald. Bancroft asked about the past analysis that was done that showed some things being pushed to the street versus the plaza. Mr. Colby said that was done as an interim layout. They had looked at trying to relocate some of the areas to the street, knowing that the street was going to be closed. They have layouts for the proposed improvements there and as part of the process for taking those plans before the Plan Commission and the Planning & Development Committee for approval, they will be presenting options for areas that make sense based on the layout. The actual design aspects will need to be developed once the space is defined. Ald. Bancroft felt that is more critical than a one-year plan and fee structure. He felt they couldn't lose sight of the space plan and the standardization because it could quickly get out of control. It should be driven by the Council and not the business community since it is public space. He said he would support the plan for one more year, but businesses should know it is just for one year and it could change. He doesn't want businesses making huge financial commitments thinking it's going to be a certain way when it is still under review.

Ald. Bessner supported standardization and letting businesses know about it.

Ald. Balla agreed with one more year and the fee structure. However, he said he's worried that it has gotten out of control and would like a plan for the future. In fairness to other business in town that own their private area, they can't forget about them. These businesses invested in their land to host these same events.

Ald. Payleitner asked about the plan for tents. Mr. Colby said they are only focusing on the summer season and tents were not allowed over the last summer.

Ald. Bongard asked what activity was like in this space prior to COVID. Mr. Colby said there were periodic planned events which took place mostly on the weekends.

Mayor Vitek said residents are very, very happy with the space and noted they are only talking about the space for 2022 at this time. She said it would be valid for staff to start to look at what the impact was before and what the impact would be with the changes. She also felt they needed

to look at this in a holistic way, but realized that it is hard to visualize it right now by just looking at the diagrams. Many things will still need to be discussed. She asked if the focus can be on the present year.

Ald. Wirball made a motion to approve amendments to City Code Section 12.04.102 “Outdoor cafes and food carts in public places” regarding Sidewalk Cafes subject to language stating “approved by City Council” on Item number 2 (approval of the plaza café layout). Seconded by Ald. Pietryla.

Roll was called:

Ayes: Silkaitis, Balla, Bancroft, Pietryla, Wirball, Bessner

Absent:

Abstain: Bongard, Lencioni

Nays: Payleitner

Motion passed 6-0

- e. Plan Commission recommendation to approve a Zoning Map Amendment for 15 S. 3rd St.

Ms. Johnson presented the Executive Summary posted in the meeting packet.

Ald. Pietryla made a motion to approve a Zoning Map Amendment for 15 S. 3rd St. Seconded by Ald. Wirball.

Roll was called:

Ayes: Silkaitis, Balla, Payleitner, Bongard, Bancroft, Lencioni, Pietryla, Wirball, Bessner

Absent:

Abstain:

Nays:

Motion passed 9-0

- f. Plan Commission recommendation to approve an Amendment to the Corporate Reserve of St. Charles PUD to allow a Development Identification Sign.

Ms. Hitzemann presented the Executive Summary posted in the meeting packet.

Ald. Bancroft made a motion to approve an Amendment to the Corporate Reserve of St. Charles PUD to allow a Development Identification Sign. Seconded by Ald. Bessner.

Roll was called:

Ayes: Silkaitis, Balla, Payleitner, Bongard, Bancroft, Lencioni, Pietryla, Wirball, Bessner

Absent:

Abstain:

Nays:

Motion passed 9-0

- g. Recommendation to approve an Inducement Resolution for Pheasant Run TIF District.

Mr. Colby presented the Executive Summary posted in the meeting packet.

Ald. Pietryla referenced a memo from this past June where staff noted a great deal of work that had to be done with the electric service and he wanted to know why they were now discussing a TIF. He questioned the timing. Mr. Colby said as a municipal utility we have unique requirements that developers are not that familiar with so there are typically a lot of comments. It was a concept plan level review so they did not receive the level of information to know what service was going to be required for the individual buildings. The size of those services is what drives what type of power needs to be brought to the site. They acquired that information through electric service applications later in the engineering process where it became apparent that there was an inadequate supply surrounding the site.

Ald. Wirball asked wouldn't the developer do their due diligence prior to buying the property to know all that information. He said the property is already being torn up and it seemed very odd that the developer is coming back after the project has already started. Mr. Colby said it is somewhat of a function of the fact that the city has their own municipal electric utility. With that utility, we are at zero standard utility which means any user has to pay the full cost to bring the service to the site and sometimes that is not well understood until we are far along in the engineering process. Ms. McGuire said the developer has been working with the public works department to determine if there was going to be sufficient capacity with our existing electric loads to get them the power they needed. Those details have just recently been developed.

Ald. Wirball asked if the developer would consider sustainable site planning if the TIF moved forward. The developer, Jeff Possin, noted they would consider solar depending on how it could get on the grid and be used. He said future users might have different rooftop needs that may prohibit larger areas for the solar panels. Ald. Wirball said it is an opportune time to look into something like this due to the amount of money being asked for and what it is being used for. He asked if this would benefit them on the load. Peter Suhr, Director of Public Works, said there is certainly a benefit with solar, but the load requirement they need is still going to need to be the same load requirement from the electric utility because the sun doesn't shine all the time. Even though there are benefits to solar, it will not reduce the load on the utility.

Ms. McGuire said this is a significant development coming to the City with large square footage of property that would be difficult to develop otherwise due to its proximity to the airport. Based on their expectations, this will generate a significant amount of tax revenue and increment for the City that will make it available to potentially incentivize some frontage on that property. This is going to be a relatively short payback on a significant investment for the City.

Ald. Bongard asked what would happen without the financial incentive request. Mr. Colby said it would be up to the developer, but they have identified that this is a significant enough cost that they would not proceed with the project.

Ald. Bessner asked what might be a short time period of payback. Staff confirmed it would be about 5-10 years.

Ald. Payleitner confirmed the TIF area is the whole Pheasant Run property and asked what happens if they need money for demo or other issues down the road. Mr. Colby said the district would be established over all the properties. The concept is once the TIF district is in place, the potential increment being generated by the properties in the district could be used for improvements on any of the properties that are within the district.

Ald. Silkaitis asked about the obligation to do the study and what happens if it doesn't qualify. Mr. Colby said preliminarily the TIF consultant has advised that it would qualify, but the study needs to be completed to identify which parcels can be included and meet the eligibility requirements. Ald. Silkaitis would like to see which parcels are included and not included before approving this.

Ms. McGuire said it's important to know what the developer would do without the TIF. Since we have run our own electric utility, the cost for actually providing electric to sites is much different than a ComEd run property. They would subsidize the cost of running new or increased electrical loads for these developments over several years so the developer is not often required to fund it up front. The City does not operate the same so we are asking the developer to do something that is not typical in the development world. That is part of the rationale for recommending this.

Ald. Lencioni asked if there would be anything stopping them from creating a TIF as needed for adjacent areas. Mr. Colby said the district being proposed is the area that was the former resort property so these are properties that have interrelated issues and constraints with redevelopment. It wouldn't preclude an adjacent property from being designated as a TIF district, but the intent with this was to capture all what was the former resort because they inherently have similar issues.

Ald. Bancroft said an inducement resolution is just to start the process and doesn't commit them to creating a TIF district or signing an RDA. They should be considering what the increment is that is generated in terms of the repayment part of this. Mr. Colby said it expected to be 5-10 years. Ald. Bancroft said that is a fairly expedited TIF.

Ald. Wirball asked where they got the TIF interest number from. Mr. Colby said it was a calculation provided by the developer as part of the incentive application. It will need to be reviewed and defined.

Ald. Bancroft made a motion to approve an Inducement Resolution for Pheasant Run TIF District. Seconded by Ald. Bongard.

Roll was called:

Ayes: Silkaitis, Balla, Payleitner, Bongard, Bancroft, Lencioni, Pietryla, Wirball, Bessner

Absent:

Abstain:

Nays:

Motion passed 9-0

- h. Recommendation to approve a contract with Kane McKenna for Professional Services associated with the establishment of the Pheasant Run TIF district.

Mr. Colby presented the Executive Summary posted in the meeting packet.

Ald. Bancroft made a motion to approve a contract with Kane McKenna for Professional Services associated with the establishment of the Pheasant Run TIF District. Seconded by Ald. Bongard.

Roll was called:

Ayes: Silkaitis, Balla, Payleitner, Bongard, Bancroft, Lencioni, Pietryla, Wirball, Bessner

Absent:

Abstain:

Nays:

Motion passed 9-0

- k. Recommendation to approve an amendment to Title 15 of the City Code for Building Permit Fees.

Mr. Fennell presented the Executive Summary posted in the meeting packet.

Ald. Wirball made a motion to approve an amendment to Title 15 of the City Code for Building Permit Fees. Seconded by Ald. Bessner.

Roll was called:

Ayes: Silkaitis, Balla, Payleitner, Bongard, Bancroft, Lencioni, Pietryla, Wirball, Bessner

Absent:

Abstain:

Nays:

Motion passed 9-0

- l. Update regarding status of Redevelopment Agreement with STC Lot 4, LLC regarding First Street Building #8.

Mr. Colby presented the Executive Summary posted in the meeting packet.

Chair Weber asked what happens if someone else shows up later asking to do something with this property. Mr. Colby said if they leave the agreement in place as is, the City would have the ability to review that proposal and decide whether or not to continue with the redevelopment agreement. If the developer provides a schedule that's a reasonable timeframe where they are seeing construction over the next year or two, he would suggest not amending the redevelopment agreement because if they do, it commits the City to a new schedule for the developer to hit certain milestones for completion. That would limit the options if an alternate proposal came in.

Support was given to asking the developer for a new schedule.

- 5. PUBLIC COMMENT – None**
- 6. ADDITIONAL ITEMS FROM MAYOR AND CITY COUNCIL MEMBERS-None**
- 7. EXECUTIVE SESSION – None**
- 8. ADJOURNMENT - Ald. Wirball made a motion to adjourn at 8:10 p.m. Seconded by Ald. Pietryla. Approved unanimously by voice vote. Motion Carried.**