

**MINUTES
CITY OF ST. CHARLES, IL
PLANNING AND DEVELOPMENT COMMITTEE
MONDAY, JUNE 13, 2016 7:00 P.M.**

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

Members Absent: None

Others Present: Mayor Raymond Rogina; Mark Koenen, City Administrator; Rita Tungare, Director of Community & Economic Development; Russell Colby, Planning Division Manager; Bob Vann, Building & Code Enforcement Division Manager; Matthew O'Rourke, Economic Development Manager; Chris Bong, Development Engineering Division Manager; Ellen Johnson, City Planner; Fire Chief Schelstreet; Asst. Chief Christensen; Lt. Brian Byrne

1. CALL TO ORDER

The meeting was convened by Chairman Bancroft at 7:00 P.M.

2. ROLL CALLED

Roll was called:

Present: Stellato, Silkaitis, Payleitner, Lemke (7:03PM), Bancroft, Turner, Gaugel, Krieger, Bessner, Lewis

Absent: None

3. COMMUNITY & ECONOMIC DEVELOPMENT

- a. Recommendation to approve an Economic Development Incentive for Doran Scales, Inc.

Mr. O'Rourke said this is a draft incentive agreement for manufacturing company-Doran Scales who is looking to relocate to St. Charles.

Mark Podl-3131 E. Francis Circle- gave a brief history of the company and what they would be bringing to St. Charles.

- 40 years ago his father started the business.
- Manufacturer of scales
- Medical and Industrial Markets (Neo-natal care application as well)
- 250 dealers in US
- Known for heavy duty equipment, a long time in food processing environments with a wide range of products from physician offices to hospitals.
- Reason for the move-bringing items back to US from China which will increase their work force and they are excited about that.
- He and his wife really focus on culture and training
- Focus on high end products that are solution oriented for their customers-they have a lot of Engineers on staff to do so.

Project Summary

- Location - Legacy Business Park
- Build 33,000 sq. ft., 26-28' clear building

- Project approximate cost \$3,125,000 – \$3,500,000
- Timeline is immediate- start doing due diligence now on the land
- Completion estimated June of 2017-little lead time getting the pre-cast concrete walls
- Elevation will fit right in with Legacy's look and feel

Community Benefits

- 21 Employees and Growing
- Front office
 - 11, including 5 electrical and software engineers
 - Average Annual Compensation \$75,772
- Production area
 - 8, including 3 service technicians
 - Average Annual Compensation \$34,406
- External Sales – 2, located in in PA and CO
 - Average Annual Compensation \$84,000
- 401K and health insurance

Aldr. Stellato asked if they had approached the School District. Mr. Podl said yes, they have progressed nicely with them and are in final discussions with 1 paragraph needing some fine tuning. Aldr. Stellato clarified that the city's share of the bill is estimated around \$8,000 over 3 years. Mr. Podl said correct.

Aldr. Turner said he knows their product well; he worked at Johnson Controls so is in favor of their good product.

Aldr. Lewis asked if there were room to add on if they continue to grow. Mr. Podl said the land owner didn't want to sell them just the one lot, so in between the building is a shared wall for tenant 2 and they would plan to take that down at some point to grow.

Aldr. Stellato made a motion to approve an Economic Development Incentive for Doran Scales, Inc.. Seconded by Aldr. Payleitner. Approved unanimously by voice vote. Motion carried. 9-0

- b. Recommendation to approve a Commercial Corridor and Downtown Business Economic Incentive Award for 116 W. Main Street (Dean Courser - Mixology).

Mr. O'Rourke said Mixology would be taking the eastern 1/3 of the building and the property owner has applied for this grant to help pay for some major system upgrades that would be needed to facilitate that becoming more than 1 tenant space. Modifications include the HVAC system and plumbing for bathrooms; with the total applied for being close to \$58,000, but the owner would be putting a lot more than that into the facility, which brings it up to the maximum of the tier 2 grant of \$25,000. Staff has reviewed that and finds that those improvements are in line with the grant and recommend approval.

Aldr. Stellato said he thinks the tenant is also putting in a lot of money. Mr. Courser said correct.

Aldr. Stellato made a motion to approve a Commercial Corridor and Downtown Business Economic Incentive Award for 116 W. Main Street (Dean Courser - Mixology). Seconded by Aldr. Turner. Approved unanimously by voice vote. Motion carried. 9-0

- c. Recommendation to Approve a Commercial Corridor and Downtown Business Economic Incentive Award for 11 N. 3rd Street (Robert Mondri – Abby’s Kitchen Expansion).

Mr. O’Rourke said Abby’s Kitchen would be expanding into the unit direct east of them and in order to do so they require a significant amount of upgrades; in particular to the electrical systems, water, sewer and gas plumbing systems. The applicant is proposing well over \$200,000 in improvements and though many of those were eligible for the program, staff has picked the most significant ones that would have the most lasting effect. He said the ones included in the grant application to receive city funding are highlighted in the agreement in the packet materials provided. He said their request is at the maximum \$25,000-tier 2; staff has reviewed and it is in compliance with the grant and recommend approval.

Aldr. Lewis said she thinks it’s wonderful that a business that’s only been there a year is already expanding and she agrees that this building definitely needs the improvement and she supports it.

Aldr. Stellato made a motion to approve a Commercial Corridor and Downtown Business Economic Incentive Award for 11 N. 3rd Street (Robert Mondri – Abby’s Kitchen Expansion). Seconded by Aldr. Silkaitis. Approved unanimously by voice vote. Motion carried. 9-0

- d. Corridor Improvement Commission Recommendation to Approve a Corridor Improvement Grant for 11 N. 3rd Street (Terry Grove).

Mr. O’Rourke stated that this is the same building that Abby’s Kitchen is located in, and this grant is with the property owner who has a number of small landscaping areas (all 4 sides) around the building and they propose to add a number of perennials and bushes to create more visual interest. The Corridor Commission reviewed the grant on May 4th and recommends approval, the total cost is \$4,000 of which the city’s share would not exceed \$2,000.

Aldr. Turner said he would vote for this but said he thinks we are getting into the area of a façade improvement versus a corridor improvement. Mr. O’Rourke said this grant is just for landscaping and the materials so he thinks these improvements definitely fit into the corridor improvement program. He also noted that this building also did receive a façade grant for more building specific items.

Aldr. Stellato made a motion to approve a Corridor Improvement Grant for 11 N. 3rd Street (Terry Grove). Seconded by Aldr. Turner. Approved unanimously by voice vote. Motion carried. 9-0

- e. Plan Commission recommendation to approve a Final Plat of Subdivision for Metro Storage, 2623 Lincoln Hwy.

Ms. Johnson said this past January the City Council approved a PUD Ordinance for development of a Metro Self Storage facility and the final plat that has been submitted is in conformance with the preliminary plat that was approved with the PUD Ordinance. Plan Commission recommended approval of the plat contingent upon resolution of staff comments which are outlined in the staff report.

Aldr. Turner made a motion to approve a Final Plat of Subdivision for Metro Storage, 2623 Lincoln Hwy. Seconded by Aldr. Lemke. Approved unanimously by voice vote. Motion carried. 9-0

- f. Presentation regarding the Façade Improvement Grant Program.

Mr. Colby said a couple months back committee discussed the downtown incentive program and there were some questions regarding the status of the Façade Improvement Program. He then shared the background of the program as well as a PowerPoint presentation.

Façade Improvement Program:

- Started in 1994
- 50% reimbursement for exterior improvements
- \$10,000 per 30 ft. building frontage
- Max. \$20,000 per building in 5 year period
- Available to commercial properties in SSA 1B and Central Historic District
- Historic Preservation Commission review for the appropriateness of the architecture and also the scope of work being submitted to be sure it's a good investment of the city's funds.

Benefits of the Program:

- Assisted funding reinvestment in Downtown buildings over past 20 years
- Tool for:
 - Economic Development
 - Historic Preservation
 - Property Maintenance over and above what's required by minimum code standards
 - Improving community image
- Advances the City's mission of valuing the *Heritage* embodied in downtown buildings

Major projects over the past 5 years:

- 117 W. Main St.- new storefronts
 - Forever Yogurt, Diamondaire, Small Cakes
- 320 W. Main St- new storefronts
 - Two Wild Seeds, B-Shique Brow Boutique
- McNally's Irish Pub-major façade project
- Hotel Baker historic window restoration-grants over last 2 years to assist with restoring windows.

He said 117 W. Main St. (Szechwan) and 320 W. Main St. (former Park Side liquors) are both good examples where the storefronts were restored back to a state that was more typical of when the buildings were constructed and have also been successful business locations, as where before they were more tired and not as attractive to new businesses.

Budget:

- \$40,000 for FY 16-17
 - Similar to previous few years
 - Funding has run out in May the last two years (start of the grant year)
- Late 1990s/early 2000s: \$150,000+ year
 - No per-building grant cap-which means there were some fairly large project that the city funded.

Current Projects:

- Approved
 - 102 E. Main St., Riverside Pizza- windows, \$950
 - 11 S. 2nd Ave.- awnings, \$1525
 - 116 W. Main St., Mixology Aveda Salon: Construct new storefront, \$15,000
- Requested
 - 221 W. Main St.: Repaint/restore brick façade, \$4000
 - 311 N. 2nd Ave., Charleston Center: Misc. repair of building façade, \$20,000
 - 225 W. Main St., Homebrew Shop: Remove failing EIFS and replace with stucco and stone base, \$20,000

He said the amount of funding that is being requested is in excess of the program budget, there's an unusual situation where 2 grant applications that are considered equal in terms of eligibility on the same day were received, but if both approved would exceed budget.

Questions from staff:

- Seeking direction on increasing the program budget to cover current grant requests
 - 6 grants (3 approved, 3 under review)
 - \$61,475 requested
- Feedback for next year's program

Possible program changes:

- With a limited program budget:
 - 25% for "routine" maintenance
 - 50% reimbursement for "new" improvement or materials/methods unique to historic preservation
- Alternately, restructure as a competitive program based on criteria
 - Prioritize specific buildings or types of projects-applicants ranked based on having an application deadline.

Mr. Colby said he knows this has been discussed at various points in time but has remained as a first-come, first-serve grant program. Certain properties are prioritized if they have not had grants in the past, but the current situation is that for the most part, most buildings in the downtown have received a grant in the past. Typically they are not new applicants but may be new projects that come connected to a business or an opportunity that arises, so it can be difficult to try and separate those out in terms of priority.

Aldr. Bessner asked if there is a definitive line on what's being improved on the façade or any kind of maintenance that isn't the front of the façade. Mr. Colby said it has to be improvements related to the exterior, so the visible exterior of the wall or any kind of improvements related to the stability or condition of the wall; it must be exterior and visible from the street. Aldr. Bessner asked if the Hotel Baker's windows are all the ones fronting Main St. or the river. Mr. Colby said the grant was for all the windows on the front, side and rear elevation because all of those are visible from off-site of the property; it was kind of a unique situation where all 3 sides are visible.

Aldr. Lewis said if the committee supports the funding for this current year to cover all applications if that meant any additional coming in. Mr. Colby said no, only all applications that

have been submitted to date, because the ones received all represent the first round of applications that were submitted at the beginning of this grant year; staff is not suggesting extending anything beyond that unless committee had an interest in doing so.

Aldr. Lewis commented that she thinks the city is fine where we are at and it would be alright to honor both of the applicants this year, but she has served on other committees and there is only so much money to go around so she's not sure she is comfortable to keep expanding it because money then has to be taken from something else.

Aldr. Payleitner asked if committee were in the position to say no to one of those applications before us; Council discretion. Mr. Colby said yes, Council has the ability to approve or not approve the grant requests. Aldr. Payleitner said she feels committee should entertain some of the suggestions from staff and she sees this as not just helping with maintenance but as helping out a landlord or property owner to bring back historic charm and its original luster; but just because someone hasn't painted a building for 10 years, it's not the same category as someone who wants to return the historic image of their building. She questions if the 25% for maintenance should even be in there.

Aldr. Stellato said in looking back to the glory days when there were \$150,000 in the budget, they realized a lot of money would be given out in the first couple years and as the improvements were made less would be given every year because all the buildings would be improved, but that's not the case, he gets it. He said he doesn't mind for this year, if they qualify, to make an exception for the 2 applications that came in on the same day. He added that he thought there was a discussion to expand the area going forward, and if that is done, the criteria should be set up as far as new maintenance and routine maintenance and that would probably require further discussion, but for now he is okay with giving staff the flexibility to expand the program this year because of the 2 applications, if its determined they qualify.

Chairman Bancroft said he welcomes this problem, great to have too much going on. He said to the extent of going forward to improve the program, all the suggestions by staff are fine, and from a personal standpoint, artificial limits on dollar amounts are always tough if you have good projects and he thinks the program should be focused on what we want to focus on and then be executed on.

Aldr. Turner said when you have something like repairing awnings or paint a building, you can kind of question that, but if you go to 225 W. Main where wall face is failing, those should be done. He thinks landlords should be more proactive when it comes to maintenance. He said he's not sure where we'd get the money but he would say yes to all 3 applicants, but they really need to be looked at as to whether its maintenance or is the building falling apart, because it's good for the city to not have a structure that is falling down.

Chairman Bancroft said the request is to provide a recommendation directing staff to increase the program budget.

Aldr. Silkaitis asked where we get the \$21,475 from; something else will have to be cut because it has to come from somewhere. Mr. Colby said staff needs to determine that. Aldr. Lemke asked for staff to make a recommendation to committee as to where that might come from. Aldr. Silkaitis said we can talk about it but he's not going to approve anything until he knows where the money is coming from.

Aldr. Krieger said she supports the new improvements over the maintenance and she would like to see some additional information on that, she also hates to say no to those who have applied and suggested some budgetary guidance on that. She is in favor of reworking, fine tuning and restructuring the program for next year and at that time consider raising the budget a little bit depending on what it looks like next year.

Aldr. Stellato made a motion for a recommendation to Council that states “subject to staff finding the source of the budget change”. Seconded by Aldr. Silkaitis.

Roll was called:

Ayes: Payleitner, Lemke, Turner, Krieger, Gaugel, Bessner, Lewis, Stellato, Silkaitis

Absent:

Nays:

Abstain:

Motion Carried 9-0

Ms. Tungare said that staff would work with the Finance Department to find the source.

Chairman Bancroft clarified that is not approving any particular grant; just the budget increase subject to further information at the Council level.

Aldr. Lewis commented that she feels we do need to be careful because there are many groups that ask us for more money than we have to give and we need to think through this very carefully.

Aldr. Lemke said until it's decided what to do about the grants on the table, we may want to close off additional consideration or advise additional applicants that we are already subscribed.

Aldr. Gaugel said in looking at some of the projects funded with this, they are all very successful; it's a program that works, the former Parkside liquor building, Szechwan, Diamondaire and McNally's are now tremendous assets to downtown; the end result is what we want to accomplish. He said all the questions and issues being brought up are very valid, but to keep in mind what the end result is-productive properties, it has worked. Aldr. Payleitner said right, but she sees what has been done on those properties as a definite improvement, there was construction done, so she would put all those examples in the improvement category, not maintenance. Aldr. Gaugel said he agrees that we need to find where the money is coming from but he is in favor of moving forward to give the opportunity and not discourage anyone from coming forward if the end result is what we have seen so far, it's a good thing.

- g. Historic Perseveration Commission recommendation to approve a Façade Improvement Grant for 221 W. Main St. (Darius Grigalunias).

Mr. Colby said this is a grant to assist with some updates to the elevation of the building including the removal of awnings, power washing the building, tuckpointing, priming and painting of brick, window trim and door painting. This was reviewed by the Historic Preservation commission and recommended for approval, the total cost is \$8,000 and the grant would fund up to \$4,000 of the cost.

Aldr. Payleitner asked if there were new awnings or just removal. Mr. Colby said removal; there will no longer be awnings.

Aldr. Krieger made a motion to approve a Façade Improvement Grant for 221 W. Main St. (Darius Grigalunias). Seconded by Aldr. Gaugel. Approved unanimously by voice vote. Motion carried. 9-0

- h. Historic Preservation Commission recommendation to approve a Façade Improvement Grant for 311 N. 2nd St. (Charleston Center).

Mr. Colby said the grant request includes repair, cleaning, painting of wood siding, soffit repair, masonry cleaning and tuckpointing. This has been reviewed by Historic Preservation Commission and they recommend approval, total cost of work is estimated around \$43,000 and the grant would cover up to \$20,000.

Aldr. Payleitner said she has an issue with this one; she doesn't see anything changing, new or improved. Mr. Colby said that is correct, and currently the program requirements do not make any distinction between the different types of projects, they are all eligible improvements. Aldr. Krieger said that needs to be looked at more closely and revised. Mr. Colby agreed and said if we are looking at changes to the program they would start with the eligible improvements list to identify what might be identified as routine maintenance versus new improvement.

Aldr. Payleitner asked how old the building is. Mr. Colby said 1990.

Aldr. Stellato asked if this were contingent upon finding the money. Mr. Colby said yes, it would be advisable to include that condition.

Aldr. Stellato made a motion to approve a Façade Improvement Grant for 311 N. 2nd St. (Charleston Center) contingent upon staff finding the funding for the grant. Seconded by Aldr. Lemke.

Roll was called:

Ayes: Lemke, Turner, Krieger, Gaugel, Bessner, Lewis, Stellato, Silkaitis

Absent:

Nays: Payleitner

Abstain:

Motion Carried 8-1

- i. Historic Preservation Commission recommendation to approve a Façade Improvement Grant for 225 W. Main St. (Homebrew Shop).

Mr. Colby said the proposal is to remove the EIFS/dryvit material that is covering the west and south elevations and replace it with a stucco material that is expected to hold up better than the EIFS material. He said there would also be a stone veneer wall added at the base along 3rd St. and Historic Preservation has reviewed this grant and recommends approval with the total cost being estimated at \$51,000 with the grant covering up to \$20,000.

Aldr. Turner asked if this one were approved without the contingency of finding money; does it fit in the budget of \$40,000. Mr. Colby said yes, a substantial portion would. Aldr. Turner clarified that the only one contingent upon finding money then would be the one on 2nd St. Mr. Colby said correct.

Aldr. Turner made a motion to approve a Façade Improvement Grant for 225 W. Main St. (Homebrew Shop). Seconded by Aldr. Krieger.

Roll was called:

Ayes: Lemke, Turner, Krieger, Gaugel, Bessner, Lewis, Stellato, Silkaitis, Payleitner

Absent:

Nays:

Abstain:
Motion Carried 9-0

- j. Plan Commission Recommendation to approve a General Amendment to Title 17 of the St. Charles Municipal Code (Zoning Ordinance) pertaining to multiple provisions applicable to residential and manufacturing zoning districts.

Ms. Johnson said this meant to address several issues with existing provisions in the zoning ordinance that staff has encountered, the amendments are detailed in the staff report but are related to the following: stoop encroachments, patio encroachments, definition of stories of a building, clarifying building coverage in relation to cantilevered portions, extending nonconforming walls is permitted only when an existing wall remains intact, rear yard coverage limitations, attached garage width and setbacks are measured and allowing fences and landscape buffer yards in the M2 district. She said the Plan Commission held a public hearing and recommended approval by a vote of 8-1 with the 2 conditions; which staff has modified the proposal to align with those conditions which are detailed in the staff report.

Aldr. Lewis said the basement concerns her a bit and asked if a house can now be built taller than before. Ms. Johnson said no, it's related to how we define a basement; currently the zoning ordinance counts a basement as a story of a building but the height limitation in the zoning ordinance for residential districts is based on the number of stories. She said so for most residential districts, a maximum of 2 stories is allowed and if you count the basement, then technically you could only have a basement on a 1 story building, which is not how it's been enforced in the past.

Aldr. Lemke said it seems we have some places where the basement is really out and they are using it as a garage so you end up with a 3 story; they throw dirt against the front of it to say "that's the front door, but nobody goes in and out" and he would be against calling that a 2 story. If you have a garage in the basement and full out garage upon one wall as far as he's concerned that's a 3 story walk up, you could have an elevator, and he would be in favor of making any allowance for any basement that has a garage.

Aldr. Stellato made a motion to approve a General Amendment to Title 17 of the St. Charles Municipal Code (Zoning Ordinance) pertaining to multiple provisions applicable to residential and manufacturing zoning districts. Seconded by Aldr. Bessner.

Roll was called:

Ayes: Turner, Krieger, Gaugel, Bessner, Lewis, Stellato, Silkaitis, Payleitner

Absent:

Nays: Lemke

Abstain:

Motion Carried 8-1

4. ADDITIONAL BUSINESS-None.

5. EXECUTIVE SESSION-None.

- Personnel – 5 ILCS 120/2(c)(1)
- Pending Litigation – 5 ILCS 120/2(c)(11)
- Probable or Imminent Litigation – 5 ILCS 120/2(c)(11)
- Property Acquisition – 5 ILCS 120/2(c)(5)
- Collective Bargaining – 5 ILCS 120/2(c)(2)
- Review of Executive Session Minutes – 5 ILCS 120/2(c)(21)

6. ADDITIONAL ITEMS FROM MAYOR, COUNCIL, STAFF OR CITIZENS-NONE.

7. ADJOURNMENT- Aldr. Turner made a motion to adjourn at 8:21pm. Seconded by Aldr. Silkaitis. Approved unanimously by voice vote. Motion Carried. 9-0