

**MINUTES
CITY OF ST. CHARLES
SPECIAL PLANNING & DEVELOPMENT COMMITTEE
MONDAY, AUGUST 22, 2022 - 7:05 PM**

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

Members Absent: None

Others Present: Heather McGuire; City Administrator, Russell Colby; Director of Community Development, Derek Conley; Director of Economic Development, Monica Hawk; Development Engineer, Rachel Hitzemann; City Planner

1. CALL TO ORDER

The meeting was convened by Chairperson Weber at 7:06 p.m.

2. ROLL CALL

Roll was called:

Present: Silkaitis, Kalamaris, Payleitner, Bongard, Bancroft (via Zoom), Lencioni, Pietryla, Wirball, Bessner, Weber

3. OMNIBUS VOTE

None

4. COMMUNITY & ECONOMIC DEVELOPMENT

- a. Plan Commission recommendation to approve a Special Use for PUD and PUD Preliminary Plan for River East Lofts.

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

Mr. Colby advised the Committee is being asked to make a recommendation to forward the zoning applications to City Council for consideration, this requires a motion and a majority vote from the committee. The plans require that at a minimum, certain portions of street right of way be vacated to accommodate at least the building foot print along Indiana Avenue. City Council action to vacate right away would require votes for approval by eight alderpersons per state statute. Therefore, the Committee is asked to individually weigh in on requests for both the right of way vacation as well as the project itself. Ald. Bongard is unable to vote on the PUD as it is partially located in the Central Downtown TIF however he would be able to vote on right of way vacation for property outside of the TIF boundary which would generally include Indiana Avenue and most of the triangular area to the south. Developer has discussed with staff as the next alternative, should there not be support of the project as proposed, they would look into developing the property by right which would be under the existing CBD1 zoning without a PUD and without a use of any City right of way.

Ald. Wirball asked about the traffic study, asking for explanation why Friday and Saturday night were not included in the study. Mr. Colby responded traffic studies typically look at the time period when there is peak traffic volume on the overall street network. The selected two times is where there would be the highest traffic volume generally in the area. The traffic study looks at the impacts from the proposed development on the overall transportation network so the analysis that was done, the Traffic Engineer thought those were appropriate times to capture the regional traffic volume. Our traffic engineer, HLR, reviewed the study and felt it was representative adequately enough for this analysis. Granted in the evenings and weekend there is more activity in the neighborhood from vehicles circulating around the site, but the regional traffic on the major roads that serve the site, those would be the periods that would the highest.

Ald. Wirball asked if this study is more geared to a regional traffic study rather than just activity around Indiana Avenue. Mr. Colby advised the study looks at traffic movements at intersections and the ability for those intersections to operate adequately to meet design standards.

Ald. Payleitner questioned that the Developer could build by right with no PUD and what else. Mr. Colby advised no use of city right of way. If they were to build by right it would be a project not being presented to City Council; it would require Historic Preservation Commission review and Certificate of Appropriateness and City building permit.

Chairperson Weber asked what kind of options would that encompass. Mr. Colby responded the property has CBD-1 Zoning, it includes mixed use so there can be residential units, the limits based on the site are about 20 residential units and the ability to add commercial square footage. The total square footage of the buildings has a limitation of 40,000 square feet per building, there are two parcels there today. The commercial uses include a range of uses such as office and service, also bars and restaurants could also be allowed there.

Chairperson Weber asked what parking would look like if they were to build by right. Mr. Colby responded existing off-street parking cannot be eliminated but they would not be required to add any additional parking.

Ald. Wirball asked for confirmation the option of the Developer, if they choose, is to build by right and none of the right of ways or streets would be included with that. Also, the current 37 parking spaces would be required to remain. Mr. Colby confirmed that is correct.

Chairperson Weber asked in regards to the triangle piece the easements would make it difficult to develop, is there anything that can be done above and beyond that to make sure it does not get developed. Mr. Colby responded that the easement restrictions would be recorded against the property and its typical that the City's utility and drainage easements to prohibit buildings or any types of structures. There will also be some utilities in that area which would make it functionally impossible to build upon. We could also in the PUD Ordinance for the project identify that area is open space and cannot be built upon.

Ald. Lencioni asked if we were to put a public easement on private property what would it take to remove or release that easement, because if we had a public easement in perpetuity what would it take to change that easement in five years when there is a totally different Council. Mr. Colby responded it would have to come before the City Council for the City to release the easement rights. There would be an analysis done to determine if it's appropriate to release those easement rights. Since there is a utility there we would be inclined to deny that request. If the easement also granted the rights to other utilities that have installation and franchise rights to operate in St. Charles utility easements, we would also have to secure their approvals. If they had utilities running through that area they would have to be relocated.

Ald. Lencioni asked what would be the difference between changing the easement, or if the City owned the property and sell it. Would it be similar, requiring majority vote from City Council in both cases? Mr. Colby confirmed yes, both would require a vote from City Council.

Ald. Lencioni asked for explanation of the difference between how difficult it is to make changes to straight zoning or a PUD and can you explain the difference between a PUD and the law and how it works in straight zoning. Mr. Colby stated with a PUD you are required to go through a process with the city, which this development project has, it started as a Concept Plan, which is required under the City Ordinance. Then goes through an application and public hearing process where notice is provided to adjacent property owners. A public meeting is held. At the public hearing citizens are allowed to speak and add comments on the project, comes before the City Council to make a decision on whether to approve or deny the request. With a straight zoning request, it's a submittal for a building permit, the only layer of review besides staff reviewing to confirm it conforms to city codes is in this case it would need to go before Historic Preservation Commission to review and issue a Certificate of Appropriateness.

Ald. Lencioni asked if after a PUD is put in place and voted on, does it have the same force of law and actually a little bit more requirement once the PUD is put in place if you want to change that PUD, just like straight zoning, that zoning is the law. Mr. Colby confirmed that once a PUD is put in place, to amend that PUD it would have to go through the same process as to establish that PUD which is a public hearing to establish you are meeting certain findings.

Ald. Wirball commented that he would not support vacating the triangle public green space. He sees no benefit to the residents vacating that. He thinks there is uncertainty for the residents that live in that area. The Comprehensive Plan shows a building going on that triangle green space and they are very concerned about that. The only sure thing is for that space to remain in City ownership. Second is Indiana Avenue, I think that should remain in City ownership. While I am open to working something out or maybe they can use it for seasonal things. The building, in my opinion, there is enough room with the unit mix because they increased the two bedrooms and reduced the one bedroom to move that building a little north to open up Indiana Avenue and I think it could be used by them, but for me, that needs to be City owned so it gives the people that live over there the peace of mind that nothing will be built on it. There

should be a restriction on the roof. No penthouses, no swimming pools, no decks. That has to be in the PUD. The building itself architecturally I think looks nice, I like the materials, I like the way they laid it out, I like that they removed the ATM machine. I think there's an opportunity to move the building a little bit to the north off of Indiana Avenue. But the triangle green space, that's to remain completely in City ownership and Indiana Avenue is to remain in City ownership. I'm open to working with the developer if they need to use it for certain things.

Ald. Lencioni asked with straight zoning on this property would it be allowed to put a penthouse or commercial use on the top floor of the building? Mr. Colby responded that yes it would be allowed, you are allowed to build up to fifty feet and you're allowed to have 20% projections above the roofline which could include a penthouse.

Chairperson Weber asked the Committee to share thoughts on just the PUD alone so the Developer could get an idea of where the Committee stands.

Ald. Bessner responded he is in favor of it as of this point. The Developer has modified his plans from 60 units to 42 units so he is working with what works best for the neighborhood and what works for him. Also, they have moved the property to the point where they are going to prevent some of the shadowing effects that seemed to be of concern in the neighborhood. So, he has followed through in making improvements that are going to work for the neighborhood, himself, and the development.

Ald. Wirball responded he is comfortable with the building, architecturally and materials are fine, layout is fine. Vacating of Indiana Avenue and the triangle greenspace, absolutely not on the triangle green space as it is not needed to build this building, it is not a requirement. Indiana Avenue in my opinion should be City owned. I am open to collaborating and working on if they need to use it on an occasion. The other areas I am open on working with them on but those 2 specific areas need to remain city owned. I know the other option is to go straight zoning, that is their option, and a lot of residents provided positive feedback on that, so I am just putting that out there if some kind of compromise can't be worked out.

Ald. Pietryla responded he is very much in agreement with his colleague, I would be in favor of quite a few limitations. I like the structure; the changes were nice however the PUD would be moot because I am not in favor of the vacation.

Ald. Lencioni responded I love the plan the way it looks and appreciates the owner has listened and brought the building down 1 story. I believe that what the residents are trying to accomplish will not be accomplished by moving to straight zoning. You can have by right, more intensive uses on that property. I don't think vacating that street is a big deal and you are going to get a better use of green space with the plan as is now. We don't need as a city to own it, it's off the property tax rolls, we have to pay to maintain it, any time that a private interest can maintain a property, as it's required to, that's a good thing. Even with some of the things we're looking at where you can put a public easement where PUD is actually law and developer can't do whatever they think. I believe the Alderman of that ward may have missed informing the residents of exactly the rights that they have and the amount of control that the

property has if it happens that way because any City Council could later decide to sell that property, there's not really peace of mind. If you put an easement on it, which prohibits the use of it, it's the same and it's better for everybody. The amount of things the residents like better about this, you want to have guarantees about the green space, that works. You don't want to vacate, is that because of traffic or because you want to have security for the future. I would vote for this. If we built something by right and later I found out that the neighborhood could have had something better I'm going to be very disappointed because I do not believe the things the neighborhood is asking for are best represented by the option they are in favor of. So, I would love to see what's here built with restrictions put in so there aren't penthouse commercial uses. I'm hoping people come together and can encourage their representation to see things in a different way and realize that what I'm saying is true and their interests are best represented by some additions and languages and restrictions to the plans put forth.

Ald. Payleitner responded I agree that there were concessions on both sides. I had 3 strong issues and all of them were addressed with this new plan. I was a little taken back that there were threats being made. The last time we had this kind of an issue where the developer said fine, then this is what we're going to do, it was not pretty and we ended up with a PUD that the developer wrote, that was very detrimental to the City. So, I'm wondering, who is writing this PUD? Mr. Colby advised it is being written by the City.

Ald. Kalamaris concurred with everything Ald. Lencioni stated. The one question I have is the parking. In the green space it seems there are some parking spaces that go into that area. If that was left untouched is there a reconfiguration or loss of parking that occurs? Mr. Colby responded that parking could still be installed in the right of way through a license agreement or other agreement that would allow the developer to construct that parking and have use of that parking. Alternately it could be constructed by the developer and made available as public parking. It would ultimately be up to the developer to decide if they were not going to have ownership and control over that area if they would still want to construct the parking.

Ald. Kalamaris added I am trying to wrap my brain around quantifiable data that tells me whether or not the City should still have a place in that street and the green space. For me, unless I have a better quantifiable perspective I support the plan as is.

Ald. Silkaitis responded I do have 3 concerns. First, the density is double what we allow there, so if we built it as zoned we could only have 20 units. So that would be 20 less units and 30 less cars on the street so that would help the parking situation. We are talking about paying to maintain that little triangle, you cut the grass every other week. I am not in favor of giving away that green space. In talking to the residents, they are not in favor of it either. I cannot support vacating the street either, I don't think it benefits the City, it benefits the developer.

Ald. Bancroft responded I think the developer has gone above and beyond in terms of spending time with residents' concerns. I would be in favor of a PUD and I would be in favor of both of the adjustments, to the triangle and Indiana. The one thing I want to caution is they own the property and they are going to have to do something with it so eventually it will be developed. In terms of what Ald. Silkaitis just said I would

like to note the development as a whole benefits the city and I think the idea of vacating that triangle piece is a small cost to get this development built in terms of all its benefits to the City. I would be supportive of the plan as presented.

Ald. Payleitner asked staff where are we on our parking study. Mr. Colby responded RFP draft has not yet been issued. We have funds budgeted to conduct it during this fiscal year, we expect to be starting that soon.

Conrad Hurst, Frontier Development, applicant/developer, said without the vacation of Indiana this building does not work. The greenspace, I understand the concerns and I am willing to continue the conversations around that because it's not a critical component to our development other than I want the opportunity to improve it because I think it's valuable to us and the community. Without the vacation of Indiana there's no difference than by right, it's not a small move, it is about 18 feet to get out of the right of way, so I will lose 6 units and probably another few hundred square foot of retail, I'm already down about 1,000 square feet from the last redesign.

Ald. Wirball asked the plan that you had in March or April had 27 one bedroom and 16 two bedrooms, now you're at 12 one bedroom and 30 two bedrooms. Why can't you reduce a few of the two bedrooms to one bedroom since you were at such a dramatic difference in the previous plan that worked there, to be able to move the building just a little bit off of Indiana Avenue.

Mr. Hurst responded he took another unit out. It started at 48, then 43, now 42. The economics only goes so far. When you start taking units out I crossed the threshold where I cannot make that work anymore. Now you want me to take 6 more units out to move it 20 feet to get out of the right away, it comes to a point I have to stay stop.

Ald. Wirball asked but if you kept the count the same but turned the 2 bedrooms back to what you had in March. Mr. Hurst responded the rents are different. The economics works out differently.

Ald. Wirball asked what would the straight zoning plan look like. I've heard you will have commercial on one, you would have office on 2, you would have residential on 3 and 4. Would they be condos on 3 and 4? Mr. Hurst responded he doesn't know if it would be condos on 2 and 3 or 3 and 4, I don't know how many square feet of office I'm going to end up having, I don't know how many condos I'm going to end up having, not going to have more than 20 but they will be larger for sale units. They would be condos.

Ald. Wirball added, he is just conveying what he has heard from a lot of residents, that they would be supportive of something like that. Mr. Hurst responded that is not considering the development as a whole. I think taking the residential density into a silo and not considering it alongside the commercial uses is not giving the impact on the community of a whole scale look.

Ald. Lencioni added there is a lot of things to think about for all of us. If we say the neighborhood would be supportive of you doing what you have the right to do is similar to me saying to any single homeowner that I'm supportive of you fixing your

garage. What you do under zoning is none of my business. You own that and it's our right to protect property owner's rights. We need to understand where our responsibilities to each other are. We also have a larger question. I had a conversation with a long time business man in town on Saturday, discussing what the future of St. Charles looks like. My family has run a small business in town for a long time. We have to have a reasonable amount of growth in this town for independent businesses to continue to do well and to keep the independent character of our town. Otherwise you end up like less successful towns where you get national chains that are not invested in your town, that are putting property on the outskirts of your town, like Randall and Kirk. St. Charles has been run by people who make an investment in this town and I am petrified of losing that, if we do not develop in the right way, add a little bit of density here and a little bit of density there, you're also going to lose the local business character that we've always enjoyed, the things that have gotten St. Charles to where we are. Think of the towns that don't have a downtown area. We have to do the right things and find the right business partners to keep and re-invest in the character of our town because it is changing. We were going in directions that weren't working for quite a bit of time. I'm encouraged to see we have great developers looking to and we really need to work with them and find common ground otherwise we're not going to continue to encourage regional, independent-sized businesses to make St. Charles their home. We are talking about a neighborhood that is 2 blocks out of city center, we have to make some of these compromises like keeping schools in downtown because they anchor neighborhoods. Things like this are very important to maintaining and anchoring the integrity, the character, commercial, civic, and residential character that blends in St. Charles. This is a bigger conversation than just this building at this time.

Chair Weber opened the floor to public comment.

Jeff Meisner, Resident, commented Mr. Hurst doesn't own Indiana Avenue, he shouldn't try to develop that. I see things where we are going to look like Naperville, you can't see the river in Naperville because people built on both sides of the river and I don't want that in this town.

Martha Gass, Resident, read a letter for public record submitted to the Planning and Development Committee dated August 8, 2022 and included in the packet for August 22, 2022 meeting.

Mayor Vitek thanked Frontier Development and City Council for the work they have put into this project. Ultimately this might not be the dream of dreams, and I'm not saying we should settle, but it is a really good plan. The residents should understand, once this gets out of PUD, Frontier Development will not come back with another plan in a PUD.

Ald. Payleitner asked Mr. Hurst if there was any scenario if the project moves on as is, but you do not have ownership of the green triangle? The City retains ownership but you develop it? Mr. Hurst responded that he willing to have that conversation. But this development doesn't move forward without the opportunity to build into the right of way (Indiana Ave.).

Greg Taylor, Resident, read a letter submitted for public record to the Planning and Development Committee on August 8, 2022 and included in the packet for the August 22, 2022 meeting.

Robert Altergott, Resident, stated he is against the closing of Indiana Avenue and the giving away of the green triangle. Why can't we stay with what is allowed without giving away extras. If you are going to do this, request land between Illinois and 25 and Riverside get regulation parking so we don't have cars blocking the intersections.

Mark Shulski, Resident, stated from day one this project came in using city property and city roads, it didn't work without it. Another common theme has been parking. A high-density building is going to compound the parking troubles. When there was pushback the developer commented they would then put in 2 buildings or restaurant. I have no trust the developer will do what he is saying and in 5 years do something different. I see no benefit to the city to give away the street or land to the developer.

Ms. McGuire asked to clarify comments to the PUD. The purpose of a PUD is to have give and take, there is variation from the zoning code. But without the city participating in any give, in the process there is really no purpose of entering into a PUD, at that point the developer's only option is to build whatever they are allowed to build on that property. Giving away the green triangle and street and right of way, there are several million dollars of improvements going into that triangle and right of way, including beautification and stormwater improvements, water main and sanitary. It is not a situation where we are giving away free land; its part of the entirety of the package that's coming along with the PUD, along with that give and take process.

Bob Rasmussen, Resident and Developer, stated the developer has done a tremendous job. I sit across from this site and I think we need to look at it from a city perspective and understand this is probably the best use of this site. We need people downtown and we need parking downtown. This will bring people downtown. The world has changed in apartments, they are a higher end thing now. The use of for-rent units makes a lot of sense. I don't think there is a reason to give the green triangle, give the developer the land he needs to make this development but don't give away land he doesn't need. Last 8 parking stalls and green space on the triangle should be left public.

Ald. Payleitner asked if there will be a sidewalk along Riverside to the park? Mr. Hurst confirmed there will be a sidewalk.

Chairperson Weber asked why the plan had been redrawn so many times. Mr. Hurst responded he lives in the area and wanted to do what's right for the community.

Ald. Lencioni stated there are certain things we have to do to keep a local character in our town. We are lucky to have people that will make an investment in this town. The number one goal of all of us is to keep this a hometown.

Ald. Lencioni made a motion to approve the PUD the way it is written. Seconded by Ald. Bessner.

Roll was called:

Ayes: Lencioni, Bessner, Kalamaris, Payleitner, Bancroft

Absent:

Nays: Pietryla, Wirball, Silkaitis

Abstain: Bongard

Motion passed 5-3

5. PUBLIC COMMENT

None.

6. ADDITIONAL ITEMS FROM MAYOR, COUNCIL OR STAFF

None.

7. EXECUTIVE SESSION

None.

8. ADJOURNMENT

Ald. Wirball made a motion to adjourn at 8:42 p.m. Approved unanimously by voice vote. Motion Carried.