

**MINUTES FROM THE MEETING OF THE ST. CHARLES CITY COUNCIL
HELD ON MONDAY, MARCH 6, 2017 – 7:00 P.M.
CITY COUNCIL CHAMBERS, IN THE CITY COUNCIL CHAMBERS
2 E. MAIN STREET ST. CHARLES, IL 60174**

1. **Call To Order By Mayor Raymond Rogina at 7:00 P.M.**
2. **Roll Call.**
 - Present:** Stellato, Silkaitis, Payleitner, Lemke, Turner,
Bancroft, Krieger, Gaugel, Bessner, Lewis
 - Absent:** None
3. **Invocation by Alder. Paylietner**
4. **Pledge of Allegiance.**
5. **Presentations**
 - Presentation by TCA Administrator, Stephanie Hanson and Chief Joe Schelstreet to Mayor Rogina of a Plaque to Memorialize the Accreditation of Tri City Ambulance.
6. **Motion by Krieger, seconded by Gaugel to approve the Omnibus Vote.**

ROLL CALL VOTE: AYE: Stellato, Silkaitis, Payleitner, Lemke, Turner,
Bancroft, Krieger, Gaugel, Bessner, Lewis
NAY: 0 ABSENT: 0
MOTION CARRIED
7. **Motion by Krieger, seconded by Gaugel to accept and place on file minutes of the regular City Council meeting held February 21, 2017 as amended.**

ROLL CALL VOTE: AYE: Stellato, Silkaitis, Payleitner, Lemke, Turner,
Bancroft, Krieger, Gaugel, Bessner, Lewis
NAY: 0 ABSENT: 0
MOTION CARRIED
- *8. **Motion by Krieger, seconded by Gaugel to approve and authorize issuance of vouchers from the Expenditure Approval List for the period of 2/13/2017- 2/26/2017 the amount of \$5,119,423.03.**

ROLL CALL VOTE: AYE: Stellato, Silkaitis, Payleitner, Lemke, Turner,
Bancroft, Krieger, Gaugel, Bessner, Lewis
NAY: 0 ABSENT: 0
MOTION CARRIED (Omnibus Vote)

I. New Business

- A. Motion by Gaugel, seconded by Turner to approve recommendation by Mayor Rogina to appoint Mr. Jeffery Funke to the Plan Commission.
VOICE VOTE UNANIMOUS MOTION CARRIED
- B. Motion by Lemke, seconded by Stellato to approve recommendation by Mayor Rogina to appoint Mr. John Wagner to the Building Board of Review
VOICE VOTE UNANIMOUS MOTION CARRIED
- C. Motion by Stellato, seconded by Bessner to approve a **Resolution 2017-14** Abating a Portion of the 2016 Property Tax Heretofore Levied or the City of St. Charles.
ROLL CALL VOTE: AYE: Stellato, Silkaitis, Payleitner, Lemke, Turner,
Bancroft, Krieger, Gaugel, Bessner, Lewis

NAY: 0 ABSENT: 0
MOTION CARRIED

Chris Minick

As the Council is aware, each year we abate or remove from property tax levy the amounts applicable to our general obligation bond series. And we did present to you an abatement resolution in January. However, in that abatement resolution, we inadvertently omitted a portion of one of the new bond issues and the resolution that is enclosed in your packet tonight corrects that issue. We inadvertently did not include the TIF refunding portion of our general obligation bond series 2016B. I do apologize for that error, we are setting it straight tonight. Staff does recommend approval.

Alder. Lemke

Any impact, financially by being a month or two late?

Chris Minick

No. The county is in the process of finalizing the levy which will occur over the next month. Once all the sign offs are received then the county takes all the final steps, the property tax bills are prepared. The tax bills have not been mailed. There is no financial impact. It's just one of those things that we caught.

- D.** Motion by Turner, seconded by Bancroft to approve a **Resolution 2017-15** authorizing publication and sale of the 2017 City of St. Charles official Zoning Map.

ROLL CALL VOTE: AYE: Stellato, Silkaitis, Payleitner, Lemke, Turner,
Bancroft, Krieger, Gaugel, Bessner, Lewis

NAY: 0 ABSENT: 0

MOTION CARRIED

II. Committee Reports

A. Government Operations

- *1. Motion by Krieger, seconded by Gaugel to approve the use of City Plazas/property and amplification license for the STC Live.

ROLL CALL VOTE: AYE: Stellato, Silkaitis, Payleitner, Lemke, Turner,
Bancroft, Krieger, Gaugel, Bessner, Lewis

NAY: 0 ABSENT: 0

MOTION CARRIED (Omnibus Vote)

- *2. Motion by Krieger, seconded by Gaugel to approve street and parking lot closures and amplification license for the Fine Arts Show May 27 & 28, 2017.

ROLL CALL VOTE: AYE: Stellato, Silkaitis, Payleitner, Lemke, Turner,
Bancroft, Krieger, Gaugel, Bessner, Lewis

NAY: 0 ABSENT: 0

MOTION CARRIED (Omnibus Vote)

3. Motion by Stellato, seconded by Gaugel to approve a proposal for a new Class E-4 temporary liquor license for a special event, "Unwind Wednesdays" to be held on the 1st Street Plaza.

ROLL CALL VOTE: AYE: Stellato, Silkaitis, Payleitner, Lemke, Turner,
Bancroft, Gaugel, Bessner, Lewis

NAY: Krieger ABSENT: 0

MOTION CARRIED

4. Motion by Stellato, seconded by Silkaitis to approve a proposal for a new Class E-1 Temporary Liquor License for a special Event, "Hops for Hope 5K," to be held at Mt. Saint Mary Park –

May 20, 2017.

ROLL CALL VOTE: AYE: Stellato, Silkaitis, Lemke, Turner,
Bancroft, Gaugel, Bessner

NAY: Payleitner, Krieger, Lewis ABSENT: 0

MOTION CARRIED

- *5. Motion by Krieger, seconded by Gaugel to accept and place on file minutes of the February 21, 2017 Government Operations Committee meeting.

B. Government Services

1. Motion by Turner, seconded by Lewis to move this motion to Select the Rt. 31 and Red Gate Road Site as the new location for the Police Facility to after D. Executive Session.

VOICE VOTE UNANIMOUS MOTION CARRIED

2. Motion by Turner, seconded by Bessner to approve a **Resolution 2017-16** Authorizing the Mayor and City Clerk of the City of St. Charles to approve a Professional Services Agreement for the Bidding and Construction Engineering Phase of the Phosphorus Removal and Digester Improvement Project to Trotter and Associates.

ROLL CALL VOTE: AYE: Stellato, Silkaitis, Payleitner, Lemke, Turner,
Krieger, Bessner, Lewis

NAY: Bancroft, Gaugel ABSENT: 0

MOTION CARRIED

Alder. Payleitner

Want to be sure regarding the timing. That the phosphorus part will be the very last minute possible before we start that.

Mayor Rogina

To clarify, you want assurances from Staff.

Alder. Payleitner

There are two projects, the digester and the phosphorous. Seeing as things are, the deck is being shuffled down state, the non-funded mandates, which this phosphorous project is, may not come to fruition. We got assurances from Staff last week that we are watching the deadline.

Mayor Rogina

Chief Keegan and I are going to Springfield next week and we can look into this as well.

Peter Suhr

Point taken and we will delay that project as much as we can.

- *3. Motion by Krieger, seconded by Gaugel to approve a **Resolution 2017-17** Authorizing the Mayor and City Clerk of the City of St. Charles to award the Bid for a Three Reel Trailer to Sauber Manufacturing Company.

ROLL CALL VOTE: AYE: Stellato, Silkaitis, Payleitner, Lemke, Turner,
Bancroft, Krieger, Gaugel, Bessner, Lewis

NAY: 0 ABSENT: 0

MOTION CARRIED (Omnibus Vote)

- *4. Motion to approve a **Resolution 2017-18** Authorizing Application for Kane County Development Funds and Execution of all Necessary Documents for the 7th Avenue Creek Project.

ROLL CALL VOTE: AYE: Stellato, Silkaitis, Payleitner, Lemke, Turner,
Bancroft, Krieger, Gaugel, Bessner, Lewis

NAY: 0 ABSENT: 0

MOTION CARRIED (Omnibus Vote)

- *5. **Motion by Krieger, seconded by Gaugel to approve a Resolution 2017-19** Authorizing Application for Kane County Development Funds and Execution of all Necessary Documents for the IL Route 31 Culvert/Sidewalk Project.
ROLL CALL VOTE: AYE: Stellato, Silkaitis, Payleitner, Lemke, Turner,
Bancroft, Krieger, Gaugel, Bessner, Lewis
NAY: 0 ABSENT: 0
MOTION CARRIED (Omnibus Vote)

C. Planning and Development

- *1. Motion by Krieger, seconded by Gaugel to approve a **Resolution 2017-20** Authorizing the Mayor and City Clerk of the City of St. Charles to Execute an Amendment to a Commercial Corridor and downtown Business Economic Incentive Award between the City of St. Charles and Tom Staroske (201 & 203 S. Third Street).
ROLL CALL VOTE: AYE: Stellato, Silkaitis, Payleitner, Lemke, Turner,
Bancroft, Krieger, Gaugel, Bessner, Lewis
NAY: 0 ABSENT: 0
MOTION CARRIED (Omnibus Vote)
- *2. Motion by Krieger, seconded by Gaugel to accept and place on file Plan Commission Resolution No. 1-2017 A Resolution Recommending Approval of Applications for Special Use for PUD and PUD Preliminary Plan for Prairie Center (former St. Charles Mall site) (Shodeen Group, LLC).
ROLL CALL VOTE: AYE: Stellato, Silkaitis, Payleitner, Lemke, Turner,
Bancroft, Krieger, Gaugel, Bessner, Lewis
NAY: 0 ABSENT: 0
MOTION CARRIED (Omnibus Vote)
- *3. Motion by Krieger, seconded by Gaugel to accept and place on file Housing Commission Resolution No. 1-2016 A Resolution Recommending Approval of a Variance Regarding the Location of Affordable Units for the Prairie Center Project.
ROLL CALL VOTE: AYE: Stellato, Silkaitis, Payleitner, Lemke, Turner,
Bancroft, Krieger, Gaugel, Bessner, Lewis
NAY: 0 ABSENT: 0
MOTION CARRIED (Omnibus Vote)
4. Motion by Bancroft, seconded by Turner to approve an **Ordinance 2017-Z-5** Granting Approval of a Special Use for Planned Unit Development and PUD Preliminary Plan (Prairie Centre PUD – former St. Charles Mall site)
ROLL CALL VOTE: AYE: Stellato, Silkaitis, Turner,
Bancroft, Gaugel, Bessner,
NAY: Payleitner, Lemke, Krieger, Lewis ABSENT: 0
MOTION CARRIED

Rita Tungare

At the February 21 planning and development committee, the committee recommended approval of this project. One comment that Staff identified had to do with the water main layout. Since that time, we have obtained additional information regarding the condition of the City's water main system that are proposed to remain in the development. We recognize that some of water mains in this project have been in a deteriorating condition. Staff as prepared a layout for the removal and replacement of some of the water mains in the development. An exhibit has been attached to your ordinance which demonstrates which water mains are to remain and which are to be replaced. The developer has graciously agreed to split the cost of the removal and replacement of the water mains with the City, a 50/50 split. The estimated cost of this is approximately \$130,000. Staff is

recommending that the replacement for the water mains happen during the first phase of the development. The funds for this part of the project, the \$130,000 will have to occur in fiscal year 2017-2018. These will be budgeted at capital improvement for the upcoming fiscal year. All other outstanding Staff comments have been addressed to Staff satisfaction at this time. One other element that was discussed was the inclusionary housing component of project. Pursuant to the direction from the committee, there is language in the PUD ordinance that address what we believe is the direction that we heard that night. Specifically, what the ordinance states is that the developer will have three years to reserve building sites for proposed senior affordable development within the project. During this three-year period, no affordable units will be required to be provided within any buildings within the project. After the three year period, has passed, the developer may request that the City Council consider amending the affordable housing agreement which is attached to the PUD ordinance. The City Council at that time will have full discretion to decide whether or not you wish to amend the agreement, whether or not you accept free and new, or if you require the developer to provide units on the property. After the three year period has passed, if the agreement is not amended, the City Council decides not to amend the agreement, the required affordable units will be need to be provided either grouped in a senior project on the site or dispersed among the remaining buildings that are to be constructed. All are to be constructed at an accelerated rate based upon the number of units that are remaining in the project in order to comply with the affordable unit requirement of 10% within the project. I know that was a lot of information. I would be happy to answer questions.

Alder. Silkaitis

When does the three-year clock start?

Rita Tungare

The three-year clocks starts at the passage of ordinance. Typically passage of the ordinance is initiated about 10 days after Council approval.

Alder. Lemke

We had a question about the detention area which includes some detention and some recreational area. There was supposed to be a certain amount of land high and dry above the bounce of the pond. I wonder it that has been resolved with the park district.

Rita Tungare

Preliminary plans show one acre of land that is high and dry. Now the details of how this land will be used will be determined later in the process during final engineering.

Alder. Lemke

Where is second, offsite detention facility? I have had a concern about that.

Rita Tungare

I will defer to Chris Bong our development engineering manager.

Chris Bong

The second detention pond is what we call the 14th Street pond. It's on 14th Street behind Saddlebrook office building. That pond is proposed to be expanded to also assist with detention for the entire site.

Alder. Lemke

That is part of the site agreement that there is a reimbursement for us for creating this detention for the site?

Chris Bong

Actually, it's a private detention pond not owned by the City, I believe owned by the developer.

Alder. Lemke

So no additional increment to aid with traffic mitigation at this point? We talked about the impact to traffic on Prairie, nominally some stop signs but the traffic light is scheduled to be replaced at

Prairie and Randall Road maybe is due for inclusion and maybe a widening of Randall Road and a portion of traffic, particularly in the left turn area, maybe some additional lanes down Prairie. Is there anything being done about that?

Rita Tungare

No contributions are being required of the developer at this time. Traffic study did not indicate that these improvements would be required.

Alder. Payleitner

The developer has told us repeatedly that this project will be built as the market warrants. We all heard it will be a market driven project. My concern is that the mixed-use portion will be delayed, perhaps indefinitely, as we wait for the right market. Mr. Patzil has shared that retail will not work on this site. So I worry that because he felt his hand was forced to provide the mixed use portion that he will give it a low priority for the construction and filling of these buildings. What protections do we have within the PUD agreement that the development will be built as presented in a timely manner. I have read in exhibit E where he is protected, but I didn't see where we were. That is just won't be apartment buildings that all that the whole site will be developed.

Mayor Rogina

Is your questions, you are concerned that if the market doesn't drive retail, that somehow the buildings that would be devoted to retail would be converted to apartments?

Alder. Payleitner

I know that is already the case for first couple of mixed uses.

Mayor Rogina

But would you agree that the total number of apartments is defined in the plan.

Alder. Payleitner

Yes but looking at the whole plan and how it is not just supposed to be a clump of apartment buildings, there is supposed to be a mixed use portion. I think the mixed use is just as important to that neighborhood feel. I just want to make sure we had assurances that those are going to be completed.

Rita Tungare

You are correct in indicating that the developer has consistently indicated that this is going to be a market driven approach in terms of how the property will be developed. The checks and balances in place, at this point, are provided through the preliminary plan. The preliminary plan that would be approved to pass the PUD ordinance determines, and is set in stone what the land uses will be for the various buildings. In terms of when those get constructed there is not a phasing plan attached since the developer has presented that it is going to be market driven.

Alder. Payleitner

I understand that if anything gets built in a certain spot, it will be a mixed use. But what if nothing gets built there, do we have any protection against that?

Rita Tungare

I will defer to the developer to respond. There is nothing in the PUD ordinance to respond to your question that states when specific buildings will be built on the project.

Peter Bazos, Attorney for the Developer

The first three buildings immediately behind the retail on Route 38 are required to remain mixed use. We don't know when they will be built. Above the first floor will be residential. The developer believes there is strong demand for residential. If there is perceived demand for first floor retail, they will build a building. And if it goes well with the first-floor retail we will build the second one. We just can't commit to when that will happen. I know they want to build this project as quickly as they can.

Alder. Payleitner

So we don't have assurances that they will be built?

Mr. Bazos

No, other than I can't imagine the developer would walk away from the residential above even if the retail below is a tough sell. So I think that is maybe your best assurance. The residential above is much more easy to market and rent you are going to be sure to get those three buildings on the lower level. And you know there are possibilities of expanding. But we can't tell you when exactly.

Alder. Payleitner

I am not looking for a when, I am looking for that they will be built.

Mr. Bazos

I think it's extremely unlikely that they won't be built. I can't give you a when

Alder. Payleitner

You understand that Mr. Patzil was pretty clear that he does not see that this property has any marketability for retail and that is my concern. That those would be the last built, if built.

Mr. Bazos

I actually don't think he was that strong about it. I think he felt that, interior wise, when there was discussion of putting more retail interior. And there is a possible mixed use building in the middle. I know he is skeptical for demand for retail in the interior of this project, but I don't think he negative or pessimistic for retail along Route 38 and perhaps not even the first row that is mixed use. That's why they designed them that way.

Alder. Payleitner

I do see that exhibit E does protect that if he doesn't see market for mixed use B1, B2 or B3, they can become all residential.

Mr. Bazos

That is correct. They get more rent for retail. So, if the rents better, they will build it.

Alder. Payleitner

My concern is I am looking for it how it was approved by the planning and development committee by project, not piecemeal.

Mr. Bazos

It was clear throughout the whole process that it would be market driven.

Alder. Payleitner

That's my concern. I am just not comfortable now without those assurances.

Alder. Lewis

I also share Alder. Payleitner's concerns. And I have a question. In your mind, do you see the inner buildings being built before the buildings along Route 38? Will they start in the interior of residential only and will those be the first buildings built?

Mr. Bazos

I think Mr. Patzil believes that once this project get approved there will be very quick interest for some pure retail along Lincoln Highway. And we also optimistic that the senior housing project will get approved, the Illinois Housing Authority for the tax credits. We think that will get approved.

Alder. Lewis

But not in this year. Probably in year two, that's what you had said.

Mr. Bazos

We are hoping that they will get their tax credits awarded in August of this year. And they won't start building unit 2018. We are hoping that will get off the ground. That is near the Prairie street side of the project. So when will the first mixed use or pure residential building get built, I can't tell you. I know that's why they are in this to build upscale apartment buildings here. I would think you would see a building going up fairly quickly.

Alder. Lewis

I took some time to read the vision statement in our comp plan. I am really interested in how it relates to the Prairie Center PUD. There are a few quotes from that vision. The former St. Charles Mall site has been redeveloped with visible uses that are an asset to the surrounding neighborhoods. I want to feel confident that this will have viable uses and are an asset. It also states that multifamily housing development with a higher proportion of owner occupied units contributes to the great character and image of the community. All neighborhoods share a common goal of strengthening local character through high quality housing, easy connections and mobility to surrounding amenities and a pride in the assets that helps establish the identity of St. Charles. And another quote says that residents of all ages are accommodated by a variety of housing types that allow longtime residents to age in place. Does this plan fit this vision that we have in our comp plan? Is this what St. Charles is supposed to look like in the year 2028? Does 670 apartments fit this vision? Do no sidewalks along Route 38 or no connectivity fit this vision? We have many positive things in place and we have many wonderful businesses and we are moving forward but we will St. Charles be this community that described in this vision of 2028. My experiences with America In Bloom I have observed many successful communities. The ones with a clear vision, the ones that stay focused are the ones that are successful. As we take a vote on this tonight, I hope that we will keep our vision for the residents of St. Charles of what we will be in 2028.

Mayor Rogina

Thank you to plan commission and the Staff. There has been a lot of effort put carefully into this project. I have never heard architecture discussed in any project as much as I heard in this project. I want to say thank you for the carefully crafted way they brought us to this particular point tonight. I have ultimate faith that if this is past tonight that the developer, and we will hold the developer to this, will provide a west gate to St. Charles that will be much more graceful than what we currently have out there. Alder. Lewis makes a good point, stay focused. We have been focused on this project for a long time. As an alderman and mayor, I have had plenty of people ask when is the time for having the rubber meet the road. Alder. Stellato has numerous times talked about millennials and their habits. I believe, I agree with the developer, that there is a strong market for rentals at this time. The market issue, with respect to retail, is just that market. If that developer could have, he would have had retail in there. There is no reason not to have it if the market is there. So, to Alder. Payleitner's point, there are certain issues associated to whether or not retail will be there, but my thinking is these apartment units will beget some demand for certain kinds of services. I would like to emphasize to the community, and this has been said clearly by our finance department, over \$1 million has been poured to this site as part of a TIF and that time clock contains a tick. Bottom line stay focused but for how long, as this money continues to go away to nothing? My big question to myself, are the benefits going to outweigh the costs? Are their costs there, sure. And lot of good people have brought up some of the possible costs associated with this development. I think the benefits outweigh the costs and it's time for us to move forward. If this fails, I was know what is next, it has been clearly made by the developer, a request to go to a 400 unit apartment complex and if we were to balk at that, we would go to court over the process. After having that property sit there for so long I can understand that.

Motion passed.

Mayor Rogina

Thank you to the Staff and the Plan Commission. And to our residents, I make this promise to you, we intend to provide a thorough and complete oversight as the work on this development as it begins and continues. I think Directory Tungare made it very clear on the Council's options on

inclusionary housing so that I don't need to expound on that any further. So in a project of 670 units, my personal view, in a project this size inclusionary housing is a must. So thank you.

- *5. Motion by Krieger, seconded by Gaugel to accept and place on file minutes of the February 13, 2017 Planning & Development Committee meeting.

ROLL CALL VOTE: AYE: Stellato, Silkaitis, Payleitner, Lemke, Turner,
Bancroft, Krieger, Gaugel, Bessner, Lewis

NAY: 0 ABSENT: 0

MOTION CARRIED (Omnibus Vote)

- *6. Motion by Krieger, seconded by Gaugel to accept and place on file minutes of the February 21, 2017 *Special Planning & Development Committee meeting.

ROLL CALL VOTE: AYE: Stellato, Silkaitis, Payleitner, Lemke, Turner,
Bancroft, Krieger, Gaugel, Bessner, Lewis

NAY: 0 ABSENT: 0

MOTION CARRIED (Omnibus Vote)

D. Executive Session

Motion by Turner, seconded by Lemke to enter into Executive Session to discuss land purchase at 7:47 pm.

ROLL CALL VOTE: AYE: Stellato, Silkaitis, Payleitner, Lemke, Turner,
Bancroft, Krieger, Gaugel, Bessner, Lewis

NAY: 0 ABSENT: 0

MOTION CARRIED

Motion by Turner, seconded by Lemke to return from Executive Session at 8:33 pm.

VOICE VOTE UNANIMOUS MOTION CARRIED

Motion by Turner, seconded by Lewis to postpone the motion to select the Rt. 31 and Red Gate Road Site as the new location for the Police Facility until May 1, 2017.

ROLL CALL VOTE: AYE: Stellato, Silkaitis, Payleitner, Lemke, Turner,
Bancroft, Krieger, Gaugel, Bessner, Lewis

NAY: 0 ABSENT: 0

MOTION CARRIED

9. Additional Items from Mayor, Council, Staff, or Citizens

- **Alder. Lemke**

The concern that we have in the historic balance in the comprehensive plan, although this development that we approved tonight may not tip the balance, it raises the question of how many more of these types of apartments are we going to have because it is the current shiny object and our long-term plan has been to achieve a balance. It does concern me. Maybe it is worth revisiting our comprehensive plan knowing we have this much, maybe time to revisit portions of the comprehensive plan to make sure that we keep the balance.

- **Mayor Rogina**

This group has the power to do exactly what you have mentioned, to set policy.

10. Adjournment

Motion by Bessner, seconded by Gaugel, to adjourn meeting
VOICE VOTE UNANIMOUS MOTION CARRIED
Meeting adjourned at 8:35 P.M.

Nancy Garrison, City Clerk

CERTIFIED TO BE A TRUE COPY OF ORIGINAL

Nancy Garrison, City Clerk