



AGENDA ITEM EXECUTIVE SUMMARY

Title:	Recommendation to Approve a Commercial Corridor and Downtown Business Economic Incentive Award for 116 W. Main Street (Dean Courser - Mixology)
Presenter:	Matthew O'Rourke, Economic Development Division Manager

Please check appropriate box:

	Government Operations		Government Services
X	Planning & Development (6/13/16)		City Council
	Public Hearing		

Estimated Cost:	\$25,000.00	Budgeted:	YES	X	NO	
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If NO, please explain how item will be funded:

Executive Summary:

Dean Courser, owner of the building located at 116 W. Main Street, has applied for a Tier 2 Commercial Corridor and Downtown Business Economic Incentive Program Award that exceeds the \$10,000 Tier 1 limit. Dean Courser will be installing necessary upgrades to the eastern portion of the former Vertical Drop space and are necessary to facilitate the occupancy of the new spa tenant Mixology. While there are a number of modifications required for this tenant, the proposed award will assist with the following modifications:

- The HVAC system is going to be replaced and modernized to accommodate a multiple tenant building. Since the previous tenant occupied the entire first floor, the original HVAC (furnace & air conditioner) are not sufficient to supply the proper amount of air flow to separate units. – Cost: \$38,000.00
- This Mixology portion of the building does not have the needed plumbing to supply water and sewer to this unit. The award will assist with supplying the rough plumbing needed to install bathroom, water service, etc. to this part of the building. – Cost: \$19,985.00

Staff has reviewed the grant eligible improvements and recommends approval of the award. The total cost of the improvements is \$58,485 and the City's share will be the program maximum of \$25,000.

Attachments: *(please list)*

Draft Commercial Corridor Downtown Business Economic Incentive Award Agreement.

Recommendation / Suggested Action *(briefly explain):*

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

<i>For office use only:</i>	<i>Agenda Item Number: 3b</i>
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City of St. Charles

Commercial Corridor and Downtown Business Economic Incentive Award Agreement

116 W. Main Street

DPC Properties, LLC. (Dean Courser - Mixology)

THIS AGREEMENT, entered into this 20th day of June, 2016, between the City of St. Charles, Illinois (hereinafter referred to as "CITY") and the following designated APPLICANT, to wit:

APPLICANT Name: **Dean Courser**

Address of Property to be Improved: **116 W. Main Street**

PIN Number(s): **09-27-376-002**

Property Owner's Name: **DPC Properties, LLC.**

WITNESSETH:

WHEREAS, the CITY has established a **Commercial Corridor and Downtown Business Economic Incentive Award Program** to provide matching grants for permanent Building Improvements within the Commercial Corridor and Downtown Business Economic Incentive Program Boundary Area of the CITY as described in Exhibit I; and

WHEREAS, DPC Properties, LLC., APPLICANT(S), desires to install related Building Improvements to the above-described property that are eligible for reimbursement under the Commercial Corridor and Downtown Business Economic Incentive Award; and

WHEREAS, said Commercial Corridor and Downtown Business Economic Incentive Program is administered by the CITY and is funded from the general fund for the purposes of improving the commercial building stock along the major commercial corridor and downtown area of the CITY and preventing blight and deterioration; and

WHEREAS, the above-described property for which the APPLICANT seeks a grant is located within the area eligible for participation in the Commercial Corridor and Downtown Business Economic Incentive Award Program.

NOW, THEREFORE, in consideration of the mutual covenants and agreements obtained herein, the CITY and the APPLICANT do hereby agree as follows:

SECTION 1: The APPLICANT understands and agrees that only the cost of eligible Building Improvements located on the parcels with the following PIN(s) 09-27-376-002, shall be considered reimbursable as described in Exhibit II. The CITY will reimburse the APPLICANT up to 50% of the cost of labor, materials and equipment necessary to install Building Improvements in accordance with the approved plans, specifications and cost estimates attached hereto as Exhibit “II” (the “Eligible Building Improvements Cost Estimate”), but in no event more than the maximum amounts as defined below:

Building Improvements cost: \$58,485.00 City’s Share @ 50% up to a maximum of \$25,000.00

Labor by the APPLICANT (“sweat equity”) is not a reimbursable expense. All Building Improvements shall be installed in accordance with approved building permit plans, subject to minor revisions as may be approved by a representative of the CITY due to field conditions not known at the time of design, and similar circumstances beyond the APPLICANT’s control.

SECTION 2: The Director of Community & Economic Development, or designee, shall inspect the Building Improvements installed pursuant to this Agreement and shall include any required permit inspections by the CITY. All work that is not in conformance with the approved plans and specifications shall be remedied by the APPLICANT and deficient or improper work shall be replaced and made to comply with the approved plans and specifications and the terms of this Agreement.

SECTION 3: Upon completion of the Building Improvements and upon their final inspection and approval by the Director of Community & Economic Development, or designee, the APPLICANT shall submit to the CITY a properly executed and notarized contractor statement showing the full cost of the Building Improvements as well as each separate component amount due to the contractor and each and every subcontractor involved in furnishing labor, materials or

equipment in the work. In addition, the APPLICANT shall submit to the CITY proof of payment of the contract cost pursuant to the contractor's statement and final lien waivers from all contractors and subcontractors. The CITY shall, within thirty (30) days of receipt of the contractor's statement, proof of payment and lien waivers, and “before” and “after” pictures of the property, reimburse the APPLICANT for the 50% of the actual construction and materials cost or the maximum amount specified in this Agreement, whichever is less.

At its sole discretion, CITY may reimburse APPLICANT in two payments. The first reimbursement may be made only

1) Upon completion of Building Improvements representing 40% or more of the maximum reimbursement specified in Section 1 hereof and,

2) Upon receipt by CITY of the all invoices, contractor's statements, proof of payment and notarized final lien waivers for the completed Building Improvements and,

3) Upon a determination by the Director of Community & Economic Development, or designee, that the remainder of the Building Improvements are expected to be delayed for thirty days or more following completion of the initial work due to weather, availability of materials, or other circumstances beyond the control of the APPLICANT. The second, final reimbursement payment shall be made by CITY only upon submittal of all necessary documents as described herein.

SECTION 4: All Building Improvements must be completed within 270 days after the approval of this Agreement. Extensions may be approved by the Director of Community & Economic Development, prior to the expiration of the said 270 days. Projects which have not received an extension and have not been completed within 270 days will not receive funding.

SECTION 5: If the APPLICANT or his contractor fails to complete the Building Improvements provided for herein in conformity with the approved plans and specifications and the terms of this Agreement, then upon written notice being given by the Director of Community & Economic Development to the APPLICANT, by certified mail to the address listed above, this Agreement shall terminate and the financial obligation on the part of the CITY shall cease and become null and void.

SECTION 6: Upon completion of the Building Improvements pursuant to this Agreement and for a period of five (5) years thereafter, the APPLICANT shall be responsible for properly maintaining such Building Improvements in finished form and without change or alteration thereto, as provided in this Agreement, and for the said period of five (5) years following completion of the construction thereof, the APPLICANT shall not enter into any Agreement or contract or take any other steps to alter, change or remove such Building Improvements, or the approved design thereof, nor shall APPLICANT undertake any other changes, by contract or otherwise, to the Building Improvements provided for in this Agreement unless such changes are first approved by the Director of Community & Economic Development, Designee, or City Council, whichever the case may be. Such approval shall not be unreasonably withheld if the proposed changes do not substantially alter the original design concept of the Building Improvements as specified in the plans, design drawings and specifications approved pursuant to this Agreement.

In the event that any of the Building Improvements are removed during the term of this agreement the APPLICANT and/or the Owner shall repay the CITY all grant funds received pursuant to this Agreement and shall pay any costs and fees including reasonable attorney's fees incurred by the CITY to collect said grant funds. The amount of repayment required to be paid by the APPLICANT and the OWNER shall be reduced by 20% for every full year that this Agreement has been in effect at the time of the required repayment.

If within the 5-year maintenance period improvement is damaged by automobiles, wildlife, acts of nature, or stolen or any other cause, the APPLICANT shall install and pay for replacements.

In the event of inadequate maintenance, the CITY shall give the owner reasonable notice of conditions to be corrected. In the event that substandard maintenance still exists after thirty (30) days, OWNER shall repay the CITY all grant funds received pursuant to this Agreement and pay all costs and fees, including attorney fees, of any legal action taken to enforce the maintenance of the Building Improvements.

SECTION 7: The APPLICANT covenants and agrees to indemnify and hold harmless the CITY and its officials, officers, employees and agents from and against, any and all losses, claims, damages, liabilities or expenses, of every conceivable kind, character and nature whatsoever arising out of, resulting from or in any way connected with directly or indirectly with the Commercial

Corridor and Downtown Business Economic Incentive Award(s) which are the subject of this Agreement. The APPLICANT further covenants and agrees to pay for or reimburse the CITY and its officials, officers, employees and agents for any and all costs, reasonable attorneys' fees, liabilities or expenses incurred in connection with investigating, defending against or otherwise in connection with any such losses, claims, damages, liabilities, or causes of action. The CITY shall have the right to select legal counsel and to approve any settlement in connection with such losses, claims, damages, liabilities, or causes of action. The provisions of this section shall survive the completion of said building improvement(s).

SECTION 8: Nothing herein is intended to limit, restrict or prohibit the APPLICANT from undertaking any other work in or about the subject premises, which is unrelated to the Building Improvements provided for in this Agreement.

SECTION 9: This Agreement shall be binding upon the CITY and upon the APPLICANT and its successors and assigns with respect to the property on which the Building Improvements are installed, for a period of five (5) years from and after the date of completion and approval of the building improvement provided for herein. It shall be the responsibility of the APPLICANT to inform subsequent owners and lessees of the provisions of this Agreement.

IN WITNESS THEREOF, the parties hereto have executed this Agreement on the date first appearing above.

APPLICANT

PROPERTY OWNER
(if different from APPLICANT)

CITY OF ST. CHARLES: _____

Mayor or Director of Community & Economic Development

ATTEST: _____

City Clerk

Applicant contact information:

Phone: _____

Fax: _____

Email: _____

Property Owner's information, if different than applicant:

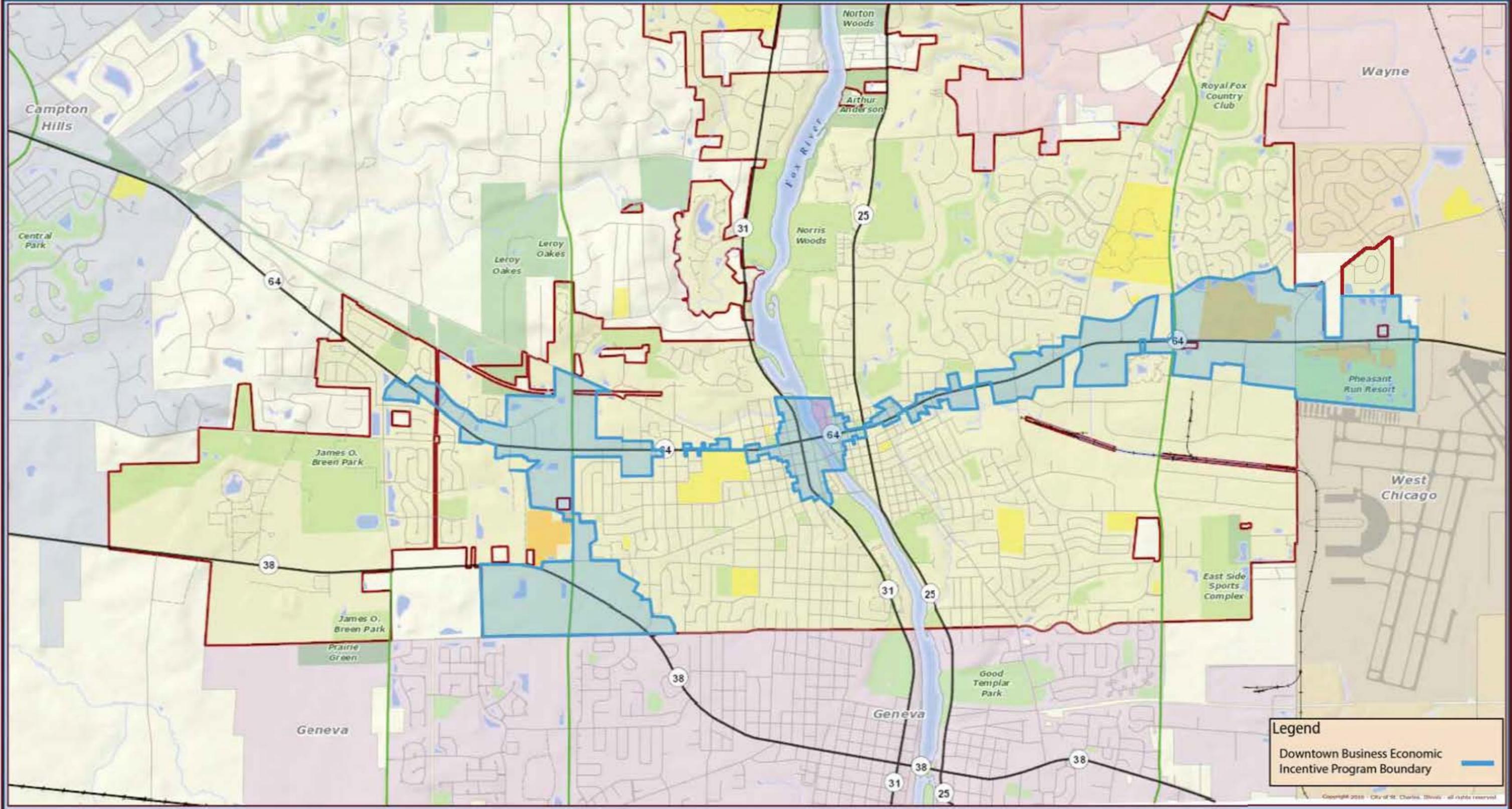
Phone: _____

Fax: _____

Email: _____

Exhibit I

Map of the Downtown Economic Incentive Program Eligible Properties Boundary



Legend

Downtown Business Economic Incentive Program Boundary —

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Data Source:
City of St. Charles, Illinois
Kane County, Illinois
DeWitt County, Illinois

Coordinate System: Illinois State Plane East
Projection: Transverse Mercator
North American Datum 1983

Printed On: May 2, 2010 02:17



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Exhibit II

Eligible Building Improvements Cost Estimate

Proposal

Klinkey Heating & Sheet Metal, Inc.

Exhibit II

P.O. Box 1013
608 S. First Street
St. Charles IL 60174
(630)584-2591 Phone (630)584-2592 Fax

<p>Proposal Submitted To</p> <p>DPC Properties P.O. Box #183 St. Charles IL 60174</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;">Date:</td> <td>4/6/2016</td> </tr> <tr> <td>Phone:</td> <td>630/444-1447</td> </tr> <tr> <td>Job Name:</td> <td>116 W. Main, St. Charles</td> </tr> <tr> <td>Job Location:</td> <td>Vertical Drop Ski & Patio 116 W. Main Street St. Charles, IL 60174</td> </tr> </table>	Date:	4/6/2016	Phone:	630/444-1447	Job Name:	116 W. Main, St. Charles	Job Location:	Vertical Drop Ski & Patio 116 W. Main Street St. Charles, IL 60174
Date:	4/6/2016								
Phone:	630/444-1447								
Job Name:	116 W. Main, St. Charles								
Job Location:	Vertical Drop Ski & Patio 116 W. Main Street St. Charles, IL 60174								

We hereby submit specifications and estimates for:	Qty	Total
<p>Vertical Drop First Floor, East Side</p> <p>We will furnish and install (2) new split-system heating and cooling units consisting of (2) 100,000 BTU furnaces and (2) 5-ton cooling systems. This includes all new spiral ductwork throughout the first floor area, new furnaces and automatic economizers will be mounted in equipment room. Condensers will be mounted on North side of building.</p> <p>Installed</p> <p>This does not include: Removal of old boilers and piping Gas piping Line voltage electric Framing of structural penetrations</p>	\$	38,500.00

We Propose hereby to furnish material and labor - complete in accordance with the above specifications, for the sum of: **As Above**
 Payment to be made as follows: **Upon Completion**

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alterations or deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance. Our workers are fully covered by Workman's Compensation Insurance.

Authorized Signature

Note: This proposal may be withdrawn by us if not accepted within 30 days.

Acceptance of Proposal -
The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Signature _____

Signature _____

Date of Acceptance _____

H.R. STEWART, INC.
'YOUR HOME TOWN SOURCE'

52 WEST CRYSTAL STREET
CARY, IL. 60013-2792

**PLUMBING
DIVISION**

(847) 639-3331
(815) 356-9060
FAX: (847) 639-0738

ATTN: Dean Courser
SCOPE: Plumbing improvements
LOCATION: 100 west Main St.
St Charles Ill. 60147

DATE: 05/11/16

Dean

We are proposing to install new water and sewer as requested and as per our design.

This will include:

- Connection to the existing sanitary sewer in the boiler room
- Installation of a 2x1 1/4" tee in the water main manifold near the meter
- Install a new 1 1/4" cold water main to the new unit and also connect the existing restroom so the entire unit is fed off of one line.
- The water and sewer will be under each area that will need plumbing with no connections cut in (tenant work)
- We will have a sewer on the east and west side of the beam from the Gallery to the end of the shampoo area to maintain head room in the basement
- The Cold, hot and hot water return will only be on one side of the beam
- We will install a hot water return loop on the hot water to maintain hot water temperature at the far end from the water heater
- We will have water and sewer under the Beverage center and both of the Spa sinks
- We will have water and sewer under the Mechanical room for the required equipment and floor drains for water heater and furnaces

Cost \$ 19,985.0000

Not Included:

- Any takeoff fittings for fixtures
- Any pipe insulation
- Any vent pipe
- Any holes through the floor

PROPOSAL
Mark Handrock



ACCEPTED BY

TERMS

_when complete _

DATE

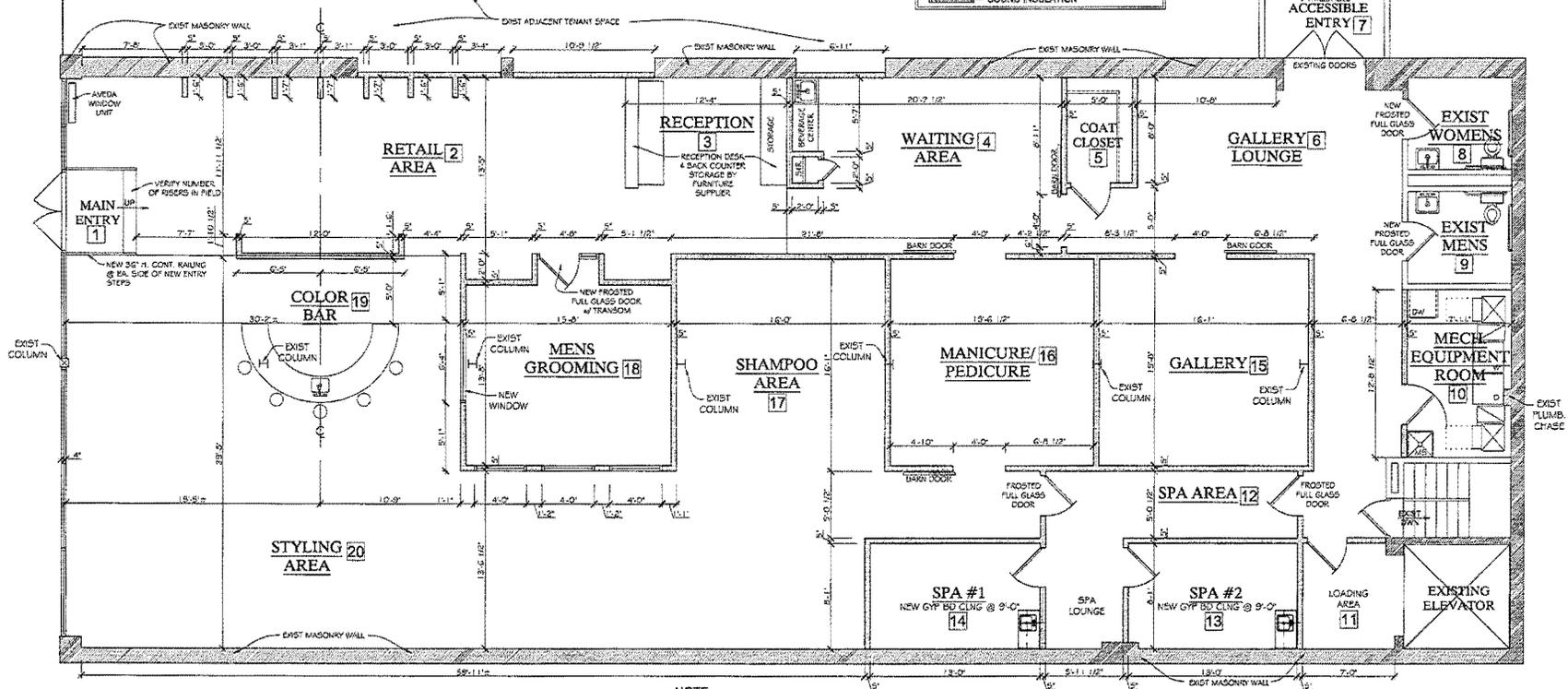
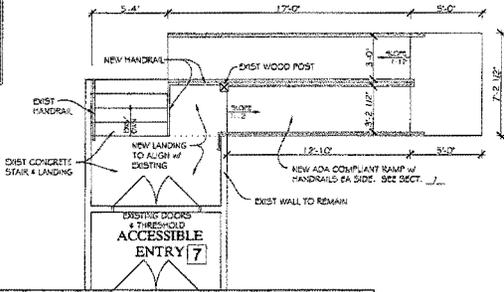
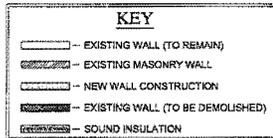
FLOOR FINISHES	
112-01	NEW 1/4" THICK POLYURETHANE TILE FLOOR
112-02	EXIST WOOD TILE FLOOR
112-03	EXIST COLOR BAKED TILE FLOOR
112-04	EXIST POLYURETHANE TILE FLOOR
112-05	EXIST POLYURETHANE TILE FLOOR

ROOM FINISH SCHEDULE														
NO.	NAME	SOFT	FLOOR	BASE	NORTH WALL		EAST WALL		SOUTH WALL		WEST WALL		CEILING	REMARKS
					MAT.	FIN.	MAT.	FIN.	MAT.	FIN.	MAT.	FIN.		
1	MAIN ENTRY	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	
2	RETAIL AREA	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	
3	RECEPTION	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	
4	WAITING AREA	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	
5	COAT CLOSET	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	
6	GALLERY LOUNGE	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	
7	ACCESSIBLE ENTRY	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	
8	EXIST. WOMEN'S ROOM	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	
9	EXIST. MEN'S ROOM	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	
10	MECH. EQUIPMENT ROOM	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	
11	LOADING AREA	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	
12	SPA AREA	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	
13	SPA #2	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	
14	SPA #1	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	
15	GALLERY	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	
16	MANICURE / PEDICURE	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	
17	SHAMPOO AREA	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	
18	MEN'S GROOMING	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	
19	COLOR BAR	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	
20	STYLING AREA	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	
21	UNFINISHED BASEMENT STORAGE	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	112-01	

NOTE:
 1. EXISTING AUTOMATIC SPRINKLER AND FIRE ALARM SYSTEMS SHALL BE MODIFIED BY OTHERS FOR THE CLASSETT TENANT LAYOUT.
 2. ALL EXISTING EXIT DOORS SHALL BE EQUIPPED WITH EXIT DOOR HARDWARE ALLOWING EGRESS AT ALL TIMES.

FIRE ALARM SYSTEM NOTES:
 1. The fire alarm system to remain. Verify w/ City of St. Charles.
 F.D. that no changes are required.
 2. Approved manual pull stations shall be installed in appropriate locations, and tied to an approved monitoring system service per local code.
 3. Approved audio and visual alarm devices shall be installed in approved locations so all occupants may effectively hear them.

HOLD HARMLESS STATEMENT
 The Architect is not overseeing the construction of this building. The use of these drawings by any Contractor, Subcontractor, Builder, Mechanic, Tradesman or Worker shall constitute a Hold Harmless Agreement between the drawing User and the Architect. The User shall in fact agree to hold the Architect harmless for any responsibility in regard to construction means, methods, techniques, sequences or procedures and for any safety precautions and programs in connection with the work and further shall hold the Architect harmless for costs and problems arising from the negligence of Contractor, Subcontractor, Builder, Mechanic, Tradesman or Worker. The use of these Drawings also makes that the Architect shall take no responsibility for the plan user's failure to carry out the work in accordance with the Drawing or Contract Documents.



NOTE:
 1. CEILING HEIGHT IS 12'-1" TO EXISTING PLASTER FINISH
 2. ALL NEW WALLS EXTEND UP TO EXISTING CEILING

FLOOR PLAN
 SCALE: 1/4" = 1'-0"

REVISIONS BY:

ARCHITECTURAL RESOURCES
 W. Alex Toth, Architect
 Robert M. Akers - Architect
 427 West State St. Geneva, Illinois 60134
 (630) 232-1774
 walextoth@psd.com / robertakers@beglab.net

FLOOR PLAN
 Built-out for:
 MIXOLOGY AVEDA SALON SPA
 116 W. Main Street
 St. Charles, Illinois 60174

Date: 05/06/16
 Scale: AS NOTED
 Drawn: R.M.A.
 Job: 16-250B
 Sheet
A1.0
 Of 3 Sheets