

**MINUTES  
CITY OF ST. CHARLES, IL  
PLANNING AND DEVELOPMENT COMMITTEE  
MONDAY, APRIL 8, 2019 7:00 P.M.**

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

**Members Absent:** None

**Others Present:** Mark Koenen, City Administrator; Rita Tungare, Director of Community & Economic Development; Russell Colby, Community Development Division Manager; Ellen Johnson, City Planner; Rachel Hitzemann, City Planner; Bob Vann; Building & Code Enforcement Division Manager; Fire Chief Schelstreet, Asst. Fire Chief Christensen; Chris Minick, Finance Director; Peter Suhr, Director of Public Works

**1. CALL TO ORDER**

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

**2. ROLL CALLED**

Roll was called:

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

Absent: None

**3. OMNIBUS VOTE - None**

**4. COMMUNITY & ECONOMIC DEVELOPMENT**

- a. Plan Commission recommendation to approve a General Amendment to Title 17 of the St. Charles Municipal Code (Zoning Ordinance) pertaining to food trucks.

Ms. Johnson said the proposal is to add zoning provisions for food trucks to the ordinance. The current ordinance does not specifically address food trucks. The amendment pertains only to private property. Proposed is to define food truck in the ordinance as *a wheeled vehicle from which food is sold; that typically contains cooking facilities where food is prepared*. Food trucks would be permitted under four circumstances on private property:

1. At private events not open to the public (fundraisers, private parties, weddings).
2. At special events that require a permit approved by the City (Scarecrow Fest, Craft Brew Festival).
3. In association with a Temporary Outdoor Sales permit approved by the City. The operation of the food truck would be limited to 2 days in a 7 day period during normal business hours of the permanent business.
4. In association with a restaurant or bar, including breweries, where the food truck is offered in conjunction with the permanent business. The operation of the food truck would be limited to 2 days in a 7 day period during normal business hours of the permanent business.

The proposal also includes narrowing the definition of “Temporary Outdoor Sales” to sale of goods related to the principal business on the property or seasonal products such as Christmas trees. This would clarify that food trucks are not included as a type of temporary outdoor sales, but rather a separate category.

The Plan Commission held a public hearing on this item on April 2 and voted 8-0 to recommended approval.

David Spoerl is a food truck operator who spoke in favor of the amendment. The street food community would like to be a recognized entity in town and not be shut down due to a lack of a permit type for food trucks. Aldr. Lemke asked Mr. Spoerl if he had and any issues with the time restrictions in the proposal. Mr. Spoerl did not. He said most events are usually 2-3 hours. They rarely extend to two days.

**Aldr. Stellato made a motion to approve a General Amendment to Title 17 of the St. Charles Municipal Code (Zoning Ordinance) pertaining to food trucks. Seconded by Aldr. Payleitner. Approved unanimously by voice vote. Motion carried 9-0.**

b. Presentation of the Active River Project Economic Impact Analysis.

Ms. Tungare said a workshop was held on February 11<sup>th</sup>, where HVS Consulting provided a progress report on the economic analysis. They presented demographic data and information from some comparable case studies related to demand and attendance projections. At that time, the study was missing the economic impact analysis and cost benefit analysis. This same information was presented to the Plan Commission in March for use as they work on the Downtown Comprehensive Plan update.

Ms. Tungare noted there is no action needed from the Committee tonight, but asked the Committee to consider the following options in an effort to provide guidance and direction in terms of the next steps for Staff:

- Deliberate further at a subsequent Committee meeting.
- Defer action on the Active River Project until the Comprehensive Plan update has been concluded.
- Make a decision if they feel they have enough information.

Tom Hazinski, President and Managing Director of HVS Convention, Sports & Entertainment Facilities Consulting, gave a summarized presentation on their study. The central question was to determine if this investment was worth it and how to measure its benefit. The study schedule and scope of services provided were:

- Market Assessment-drive time populations, age, education, how they behave and whether they would spend on recreational services.
- Participation Trends in the sports that would be attracted by the development.
- Trail System – how are they used?
- Seasonality of Use.
- Stakeholder Interviews.

Mr. Hazinski stated they looked at comparable destinations and how they were developed. The development in St. Charles will contain all the features of these developments making this a premier type of development. The destination analysis ranked St. Charles at the top of the list in comparable similar sized cities. This list shows how likely the population is to participate in the sports being offered.

Economic Impact Methodology:

- Determine how much new income is being imported into the community from the project.
- Two considerations when determining which attendees have an impact:
  - (1) How much impact is there over the base line?
  - (2) Of those, how many are new to the market?
- Start with a level of net new demand to avoid over-counting.
- Use an input-output model that models the St. Charles economy.
- The primary utilization of the recreational opportunity would be local attendees. Therefore, the economic impact would not be enough to justify the investment. The fiscal impact includes tax revenue generated at approximately \$21,000 per year.
- The more important factor is how it could be a catalyst for downtown redevelopment. Of the comparable cities studied, it was typically part of overall plan for downtown redevelopment. The amount of development that occurred, and the improvement in existing land values, looks enormous in most of these cities.

Mr. Hazinski said St. Charles has a great number of parcels along the river that have potential for redevelopment. Anthony Davis, Associate with HVS, presented further information as to how they identified the underutilized parcels and explained their potential for development that would increase utility and taxable value.

Aldr. Stellato asked how many of the identified parcels already exist within a TIF the city has set up. Mr. Davis said approximately 8%, so there will be a negligible change in part of taxing value. Aldr. Stellato asked if the other parcels that have been identified are adjacent to/or could be incorporated/expanded into a TIF. If the City needs to partner on this, and if they take tax dollars that would be appropriated here and put that to help pay off bonds to fund this project, the City would also be partnering with the schools and parks and everyone else because they would be using the bundle of tax dollars. In order to collect that, the City would have to set up a TIF and use that money to pay off the bonds. In using Aldr. Stellato's calculations, \$1 million per year at a 23 year TIF would be about \$15 million in present day value to finance this project. Mr. Hazinski said he would review how they analyzed costs later in the presentation.

Aldr. Turner said he and Mr. Minick analyzed \$22 million at 5% over 20 years and he has numbers on that including a tax increase that would be necessary.

Cost Benefit Analysis:

- Zip Line costs (optional element): \$500,000 for development
- WBK Engineering construction costs: \$20-\$22 million (in 2017 dollars)

Chairman Bessner asked if the river is set up to do it now. Mr. Hazinski said based on conversations with WBK, it is physically feasible to do it.

Mr. Hazinski said these facilities are not very expensive to operate. They assumed the City would have a third party operate the Zip Line, if included.

Unquantifiable Impacts:

- Resident experience and recreational infrastructure – primary benefit of project.
- Downtown destination.

- Environmental impacts: improve dam safety and fish population.

Chairman Bessner reviewed Ms. Tungare's guidelines and noted when this vision first started, there were three entities that were interested in doing this together. They should consider how much further they want to move along, either knowing, or not knowing, if the City is going to be the only one funding this project.

Aldr. Payleitner said the impact of this on the Q Center was going to be done and she expressed disappointment that it was not included in report.

Aldr. Lemke said HVS previously mentioned the type of development that was done in Yorkville and asked where these new buildings were located. They are mostly near Rt. 47.

Aldr. Lewis asked if they took into consideration the impact the project would have on the police and fire departments. Would there be more calls and need for more staffing in these departments? What is the cost of this to the City? Mr. Hazinski said it was not considered.

Aldr. Stellato said he expects to see an analysis on the borrowing of the money. Aldr. Bancroft questioned whether it makes sense to spend \$24 million to make approximately \$2.2 million a year. Aldr. Stellato said that is why he would like to see further analysis on this. He'd like to determine if they already have partners on this deal. He noted the school and park districts would automatically be rebating their real estate taxes to help fund this which in a sense creates a partnership.

Ms. Tungare said the properties that are north of Main St. within the study area are not part of any TIF. They would be new TIF's and would require further financial analysis. That is currently outside the scope of this study. Mr. Minick said 7 of the underutilized properties already exist in TIF #4 and #7.

Aldr. Lemke said they need to do a net present value assessment. Saying the project would immediately generate \$2 million flow every year was not a fair assumption. He believes there would be a delay and noted they have seen that kind of delay with the First Street project.

Aldr. Turner said he was in favor of TIF districts, but further analysis would need to be done. No developers have come forward in the last 5 years to build this river plan. He noted the First Street project was supposed to have been done 12 years ago. There are still 2-3 empty lots and there is a balloon payment due in 7 years. He asked where that money would be coming from. Before any funds get spent on any river construction, he felt they need to determine if the TIF district can actually produce this money. He said there is plenty of interest in every vacant lot in the City of St. Charles, but that does not transfer into a plan or money. He said they need to bring in an independent, unbiased firm to determine why the landowners and the development community have not come forward to say they have a plan and they have money. Find out if having whitewater activity, or just a pond, would make a difference.

Aldr. Silkaitis noted the study showed they would be removing all the surface parking and expressed concern as to where all the additional people would park.

Aldr. Vitek suggested they figure out at what point to bring in the tentative partners to determine what they project as their commitment to this project is. She felt the next step would be to bring everyone together to discuss this further.

Ms. Tungare noted representatives from the Park District and the Active River Task Force were present.

Aldr. Bancroft said it's been proven time and time again that an investment in an infrastructure of this nature will increase property values, property taxes, and economic impact. This is the only thing they have to invest in and it's a worthwhile opportunity.

Aldr. Lewis would like to wait until after the Comprehensive Plan open house to see what kind of feedback they receive.

Aldr. Payleitner asked if the City has any sense of timing from the State of Illinois to remove the dam. Mr. Suhr said there is not.

Aldr. Turner said they really need to get the studies done and get commitments.

Chairman Bessner asked about the consequence of removing the dam. Mr. Suhr said the engineering study is the next phase.

Aldr. Bancroft said they have to decide if they want to lead this charge. They have to be excited about it in order to get others excited. Otherwise it is a waste of time.

- c. Announcement of Downtown Comprehensive Plan Open House; Wednesday, April 24, 2019, 6:00 pm to 8:00 pm, Council Chambers

Mr. Colby said the open house will include interactive stations set up to collect feedback from attendees. At the conclusion of the open house, the information will be compiled in a report for use by the Plan Commission to start developing recommendations to amend the Comprehensive Plan.

**5. ADDITIONAL BUSINESS - None**

**6. EXECUTIVE SESSION - None**

**7. ADDITIONAL ITEMS FROM MAYOR, COUNCIL, STAFF OR CITIZENS- None**

**8. ADJOURNMENT- Motion was made and seconded to adjourn at 8:16 pm. Approved unanimously by voice vote. Motion Carried 9-0.**