

 <p>CITY OF ST. CHARLES ILLINOIS • 1834</p>	AGENDA ITEM EXECUTIVE SUMMARY		Agenda Item number: 4h
	Title:	Consideration to Approve a Resolution Authorizing Business Improvement Grant Agreement with The Office	
	Presenter:	Derek Conley, Economic Development Director	
Meeting: Planning & Development Committee		Date: May 13, 2024	
Proposed Cost:		Budgeted Amount: \$	Not Budgeted: <input type="checkbox"/>
TIF District: None			
Executive Summary (if not budgeted, please explain):			
<p>The Office is a restaurant/pub located at 201 E Main Street. Due to the rise in popularity in outdoor dining, the Office is interested in making improvements to their existing outdoor dining space in remain competitive in the market. The Office is eligible for the City’s Business Improvement Grant program for \$10,000 to be disbursed once the work is completed.</p> <p>The Business Improvement Grant offers financial assistance to businesses looking to invest in the property and enhance their operations. The grant reimburses applicants for 50% of eligible costs up to a maximum of \$10,000. This grant is administrated and approved by the Economic Development Director. The grant program outlines eligibility for an additional \$15,000 in grant funds if the project meets certain criteria and is approved by City Council.</p> <p>The Office is requesting the City increase the total grant amount to \$25,000. The Office meets the special criteria for this request as the business is located in the Downtown Retail Overlay District. Regardless of the City Council decision on the request, the Office would still receive the \$10,000 grant.</p> <p>The work consists of light demolition, new brick pavers in areas, plumbing, electrical, concrete, and other miscellaneous work all which would contribute to a enhancing the outdoor dining area and improving its functionality. The total project costs are \$107,013.78m of which \$74,188.78 is eligible.</p> <p>Per the grant guidelines, the work is not supposed to commence before grant approval. In this case, the applicant is nearing completion of the project and the additional \$15,000 has not been approved by the City Council. The applicant wanted to complete the project as soon as possible in order capture the favorable weather.</p> <p>Additionally, it is important to note, that the City has already approved three \$10,000 grants this fiscal year. In order to fund the additional grant request, City staff will need to do a budget add of \$30,000. The City will also not have any other funds available for future grant requests in this fiscal year even if the additional requests are denied.</p>			
Attachments (please list):			
Business Improvement Grant Agreement with The Office			
Recommendation/Suggested Action (briefly explain):			
Consideration to Approve a Resolution Authorizing Business Improvement Grant Agreement with the Office			

City of St. Charles
BUSINESS IMPROVEMENT GRANT
Award Agreement

201 E Main St., St. Charles, IL 60174
(The Office – Mike Carney)

THIS AGREEMENT, entered into this _____ day of _____ 2024, between the City of St. Charles, Illinois (hereinafter referred to as "CITY") and the following designated APPLICANT, to wit:

APPLICANT Name: **Mike Carney**

Address of Property to be Improved: **201 E Main St, St. Charles, IL 60174**

PIN Number(s): **09-27-390-006 and 09-27-390-008**

Property Owner's Name: **201 MAIN ST PARTNERS LLC**

WITNESSETH:

WHEREAS, the CITY has established a **BUSINESS IMPROVEMENT GRANT** program to provide matching grants for permanent Building Improvements for eligible businesses as defined in the Program Guidelines; and

WHEREAS, APPLICANT(S), desires to install related Building Improvements to the above-described property that are eligible for reimbursement under the Business Improvement Grant Award; and

WHEREAS, said Business Improvement Grant 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 Business Improvement Grant 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) **09-27-390-006 and 09-27-390-008**, shall be considered reimbursable as described in Exhibit I. 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 "I" (the "Eligible Building Improvements Cost Estimate"), but in no event more than the maximum amounts as defined below:

Total improvement costs: \$107,013.78
Eligible Building Improvements cost: \$74,188.78
City's Share @ 50% up to a maximum of \$25,000

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 Business Improvement Grant 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 Economic Development

ATTEST: _____

City Clerk

Applicant contact information:

Phone: _____

Fax: _____

Email: _____

Property Owner's information, if different than applicant:

Phone: _____

Fax: _____

Email: _____

Exhibit I – Grant Application



CITY OF
ST. CHARLES
ILLINOIS • 1834

BUSINESS IMPROVEMENT GRANT
Application Packet
Updated July 2021

AWARD APPLICATION FORM

1. APPLICANT INFORMATION:

Name: MICHAEL CARNEY
Home Address: 10 ILLINOIS ST #4B
Phone/email: 630-240-6000 MTC7231@GMAIL.COM
Name of Business: H+C HOSPITALITY
Business Address: 201 E MAIN ST.
Federal Tax ID Number: 87-2045990

(All awards are subject to Federal and State taxes, and are reported to the Internal Revenue Service on Form 1099 (W-9). You are required to provide your taxpayer ID number or social security number as part of the Business Improvement Grant. Property owners and tenants should consult their tax advisor for tax liability information.)

2. PROPERTY INFORMATION:

Address: 201 E MAIN ST.
Property Identification Number: 09-27-390-006 + 09-27-390-008

3. ARCHITECT/DESIGN PROFESSIONAL:

Name: MANHEIM ARCHITECTURE
Address: 40 W 892 KINGS MILL DRIVE, ST. CHARLES, IL 60175
Phone/email: 630-921-0315 NICK@MANHEIMARCHITECTURE.COM

4. CONTRACTOR(S):

Name: YORK CONSTRUCTION + MANAGEMENT SERVICES, LLC
Address: 902 S. RANDALL ROAD C. 277 ST. CHARLES, IL 60174
Phone/email: 630-240-6000 MCRANBY@YORKUTILITYSERVICES.COM



5. SCOPE OF PROJECT (INCLUDE THE FOLLOWING WITH YOUR SUBMITTAL):

- A. Building Plans accurately drawn to scale, showing proposed improvements.
- B. Cost estimates for materials and labor. (There should be two cost estimates submitted, one for the estimated costs of all improvements to the building and one that highlights only the costs for eligible improvements).

4. STATEMENT OF UNDERSTANDING:

- A. I agree to comply with the guidelines and procedures of the St. Charles Business Improvement Grant.
- C. I understand that I must submit detailed cost documentation, copies of bids, contracts, invoices, receipts and contractors' final waivers of lien upon completion of the approved improvements before any reimbursement payment will be authorized. "Before" and "After" pictures of the project must be submitted before funds will be released.
- D. I understand that work done before a Business Improvement Grant Agreement is approved by staff or the City Council is not eligible for an award.
- E. I understand that Business Improvement Grant reimbursement awards are subject to taxation and that the City is required to report the amount and the recipient of said awards to the Internal Revenue Service.

Signature of Applicant:

Michael E. [Signature]

If the applicant is someone other than the owner of the property, the owner(s) must complete the following certificate:

I/We certify that I/we own the property identified on this application and that I/we hereby authorize the applicant to apply for a reimbursement award under the City of St. Charles Business Improvement Grant and undertake the approved improvements.

Signature of Owner(s): *Michael E. [Signature]* Date: 4/15/24

EXHIBIT II - Eligible Expenses Cost Estimate

Item	Vendor	Estimate	
Design & Permitting	Mannheim	\$7,900.00	
Permit Fee	City of St. Charles	\$875.00	Not eligible
Plumbing & Waterlines	Tyson Guthrie	\$4,000.00	
Demolition	Tyson Guthrie	\$1,400.00	
Pergula Materials	The Office	\$6,000.00	
Bar Labor	Ken Macon	\$7,000.00	
Bar Top	Riverstone Concrete	\$5,682.10	
Gutters	Mr Gutter	\$1,000.00	
Electric (includes Paver Removal & Replacement)	Point Electric	\$22,642.87	
Tree top Removal	Charlie's Tree Services	\$950.00	Not eligible
Furniture	The Office	\$5,000.00	Not eligible
Misc. Bar Equipment	The Office	\$10,000.00	Not eligible
Glassware/Plates	The Office	\$2,000.00	Not eligible
Beer Hookups	The Office	\$1,000.00	Not eligible
TV's	The Office	\$3,000.00	Not eligible
Roll Down Doors	Chicago One	\$10,380.00	
Low Voltage	Orbis	\$2,740.00	
Low Voltage	The Office	\$400.00	
POS Equipment	Toast	\$0.00	Not eligible
Painting	NR Painting	\$0.00	Not eligible
Misc. Concrete work	Riverstone Concrete	\$4,343.81	
Fans	Lamps Plus	\$700.00	
Contingency		\$10,000.00	Not eligible

Totals: \$107,013.78

Elgible Work \$74,188.78



March 15, 2024

The Office Dining & Spirits
201 East Main Street
St. Charles, IL 60174

RE: Exterior Bar Renovations

Dear Mr. Headley:

York Utility Services is pleased to submit a proposal for construction services in St. Charles, IL.

General Scope of Work:

- Procure, review architect and design.
- Submit all permits and addendums as needed.
- Provide General Contracting Services to complete exterior bar renovations at 201 E. Main Street, St. Charles, IL 60174.
- Project is to be completed per Architectural plan and per city code and permit requirements.

Specific Scope of Work:

- Supply all materials.
- Remove tree hanging over patio pergola.
- Demo and remove (4) fire pits. Replace pavers underneath with a concrete base.
- Remove pavers, dig two trench approximately 40' total and install water lines, low voltage cables and electric cables. Restore pavers to like condition.
- Convert existing pergola into new bar structure per plan.
- Install new electric sub-panel and place new electric throughout bar area per plan.
- Install concrete bar top, TV's, roll down doors and electric heaters.
- Remove fan and all old electric cables.
- Replace bathroom floor with concrete.
- Install low voltage wiring for POS system.





Lump Sum: \$89,000.00

SDVOSB Certified:

York Utility Services is certified by the U.S. Small Business Administration (SBA) Department of as a Service-Disabled Veteran-Owned Small Business (SDVOSB). This certification is accepted by most municipalities as part of their supplier diversity program.

Regards,

Michael Carney



Exhibit IV

Checklist for Eligible Improvements & Reimbursements

Improvement Item	Estimated Cost	Work Completed (Yes/No)	Money Spent per Final submittal	Amount Reimbursed
Remove existing deck and replace with new deck	\$107,013.78	Yes		
<u>Total of all eligible improvements</u>	\$74,188.78			
<u>Amount of anticipated grant @ 50% of eligible cost of improvements</u>	\$25,000.00			