

**MINUTES  
CITY OF ST. CHARLES, IL  
GOVERNMENT OPERATIONS COMMITTEE  
TUESDAY, SEPTEMBER 6, 2016**

**1. Opening of Meeting**

The meeting was convened by Chairman Stellato at 7:48 p.m.

**2. Roll Call**

**Members Present:** Chairman Stellato, Ald. Silkaitis, Payleitner, Lemke, Bancroft, Turner, Krieger, Gaugel, Bessner, Lewis

**Absent:** None

**3. Omnibus Vote**

Budget Revisions – April 2016

Budget Revisions – August 2016

Motion by Ald. Bessner, second by Bancroft to recommend approval of Budget Revisions for April 2016 and August 2016.

**Voice Vote:** Ayes: Unanimous; Nays: None. Chrmn. Stellato did not vote as Chairman. **Motion Carried.**

**4. Inventory Control Division**

- a. Recommendation to approve an Ordinance Authorizing the Sale of Item of Personal Property Owned by the City of St. Charles.

**Chris Minick:** Enclosed is an ordinance of a transformer being declared as surplus and was requesting permission to sell that transformer off to the highest bidder. Once we decommission the transformer, we will pull it out of service and then sell it for scrap. Typically those items are refurbished and resold in a secondary market.

Motion by Ald. Lemke, second by Bancroft to recommend approval of an Ordinance Authorizing the Sale of Item of Personal Property Owned by the City of St. Charles.

**Voice Vote:** Ayes: Unanimous; Nays: None. Chrmn. Stellato did not vote as Chairman. **Motion Carried.**

**5. Finance Department**

- a. Recommendation to approve the funding request of the Downtown St Charles Partnership for FY 2016-2017 in the amount of \$214,129.00 for Operations and \$23,792.00 for the Branding Project Phase II.

**Chris Minick:** Each year a portion of the Special Service Area 1B tax levy is allocated to funding the activities of the Downtown St. Charles Partnership (DSCP). The DSCP is present tonight to make their annual funding presentation as a condition of receiving the funding from the City. They come forward each and every year to outline and give a status update on the prior objectives of the past fiscal year as well as request funding for the subsequent fiscal year and outline what they have to achieve with this particular funding request. This evening the DSCP is proposing that 90% of the SSA 1B collections be allocated for operations and that 90% level is consistent with the funding level they received for operations during FY2015/16; and they are requesting that the remaining 10% of collections from SSA 1B be allocated to Phase 2 of the Branding initiative. As the City is aware for the past two fiscal years, the City has allocated \$25K for the branding initiative in each of those years; so \$50K in total. Now the DSCP is requesting to move on to the next phase of that initiative and they'll outline the activities to be undertaken during their presentation.

Just so the committee is aware that the SSA taxes 1B – that tax extension equals \$237,921.00 and that equates to \$214,129.00 for operations at that 90% percent level; and the remainder 10% that would be used for Phase 2 of the Branding initiative will total \$23,792.00. Unless there are any initial questions of me, I'll turn it over to the DSCP.

**Ald. Turner:** So what happened to the other 10% last year? 90% went to them, where did the other 10% go?

**Chris:** It was utilized for the Façade Improvement Program in the downtown area, as well as the Holiday advertising reimbursement. We reimburse them approximately, \$7,500 on an annual basis for cooperative advertising and that's where the 10% went last year.

**Jenna Sawicki, Downtown St. Charles Partnership, 2 East Main Street and Chris Woelffer, President of DSCP, 2001 King Edwards Avenue, St. Charles.**

**Chris Woelffer:** Thank you for having us here tonight. As Chris mentioned we are here to present the 2015/16 accomplishments of the DSCP along with our plans for FY2016/17, and also a formal request for funding for FY2016/17. Our mission of the DSCP is to enhance the economic viability and preserve the character and beauty of St. Charles. As Jenna will talk about, we accomplish this through our work which is centered around marketing, promotion of downtown St. Charles, our business support and business education, and events. Our mission benefits all and we define "all" in many ways.

We define "all" as the business constituents of downtown benefits. All includes the individual constituents of St. Charles as a whole. All includes the local business community organizations that we all partner with and work very closely with to benefit economic activity throughout St. Charles. All also includes city government. One of the ways we do this is through branding. Branding, if used, benefits all. It brings people into downtown and it's a single voice. I'm going to ask Interim Executive Director, Jennifer Sawicki to go through the accounts of the Partnership and talk about branding.

**Jenna Sawicki:** The Downtown St. Charles Partnership has had a productive year and I thank you for the opportunity to highlight some of our accomplishments. One of the common themes you will see is the integration of the city side brand throughout all of our programming. The collective investment on branding has helped us to achieve greater success as we now speak from one voice about what downtown St Charles offers in the market place. Let's start with events. The Partnership organized six events throughout this past year.

**Slide 3:** The Electric Christmas and St. Patrick's Parades each had record-breaking attendance, once again. The increased number of sponsorships demonstrates the growing commitment to downtown on the part of local businesses, and allows us to self-fund and continue quality events that people know and expect.

Holiday Homecoming festivities brought over 25,000 people to downtown during the weekend. The Community discovered their festive side all weekend long. We had

- 23,000 people in attendance for the parade,
- We promoted Small Business Saturday with a selfie scavenger hunt,
- There were approximately 900 visits to Santa,
- More than 345 horse-drawn trolley riders,
- 700 attendees at the Holiday Movie,
- 800 attendees at Lighting of the Lights, and to top it off
- St. Charles was voted Number 1 Christmas town in the state of Illinois by Onlyinyourstate.com.

**Slide 4:** Switching gears, we invited people to discover their Lucky Side this year for the St. Patrick's Parade. The St. Patrick's Parade attendance estimated at 19,250. There were an additional 650 people at the Dance Show, and the parade was at capacity with 80 entries.

**Slide 5:** The Fine Art Show brought an estimated 30,000 people to downtown St. Charles over Memorial Day weekend. We had reports by local businesses of increased sales.

Jill Card, owner of Jeans and a Cute Top shop stated "We saw an increase in foot traffic due to the Fine Arts Show, as well as every other DSCP event! We never miss an opportunity to jump on board with an event that the Downtown St. Charles Partnership puts on. It always brings great fun and action to the downtown."

The Park District recently approached us about cross marketing Sculpture in the Park at the Fine Art Show in the future. Increasing exposure for both events and unifying our brand messaging.

**Slide 6:** Jazz Weekend was also very successful in 2015, with 12 music venues. We survived participating businesses and 100% of respondents reported an increase in business during their scheduled performances. All plan to participate again this year with the addition of venues like Rox City Grill. This is an example of how individual brands and "City Side brand" can align.

**Slide 7:** We also continued STC Live! delivering free, live entertainment throughout downtown on Wednesday and Friday evenings during the summer. Through social media engagement and integration, it is clear that this is a program that the community has embraced. More importantly, businesses such as Puebla and Neo have indicated they need to increase staff on the evenings of STC Live due to increased business.

**Slide 8:** Chair-ity which, we have presented tonight, brought interest, engagement, and people to downtown St. Charles. Residents more actively utilized our social spaces and raised a total of \$4,400 for public improvements.

All of our events saw an increase in sponsorship. Through brand integration and sponsorship materials, we were able to better communicate to our sponsors the value of the brand in terms of reaching their intended market. When our goals and markets align, it provides more opportunity to sell and deliver valuable sponsorships.

**Slide 9:** We conduct regular retention visits with new and existing businesses, in order to understand their needs and best assist them. We infuse the City Side brand into all of our communication with the businesses.

- We did this through providing ideas and assistance with in-store events,
- We wrote and distributed business specific press releases,
- Organized Business Exchanges,
- We educate through *Retail Minded* magazine and our Business Newsletter,
- Our storefront Improvement Grant helped six businesses this year including; The Finery, Button Man Printing, Two Wild Seeds, Karen Shap Designs, Le Belle Donne, and Gym Chic,
- We give free marketing through our website, *What's Up Downtown*, and social media,
- We organized Online Grand openings,
- We created 15-second videos – featuring what you can discover in downtown, and
- We updated the Kiosks and the Vacant Storefront Panels.

**Slide 10:** Here you can see a sample of our Collaboration with the City's Economic Development Department with the branded holiday advertising campaign. We will once again partner with the City to promote downtown St. Charles during the holiday season, starting in November. This is another example of a partnership with the City that strengthens the brand message.

**Slide 11:** This brings us back to the subject of branding, which will continue to be a major focus as we move forward. It is the unified message which compels our target markets to shop, dine and engage in downtown to increase economic activity. Everything we do at the Partnership is in support of our mission. Branding is a major tool by which we accomplish this.

**Slide 12:** As you know, we worked with community branding experts North Star who have worked with over 200 very different organizations and municipalities to brand states, communities, cities, and towns. Their success is based on an integrated process called Community Brandpoint. Community Brandpoint is based on extensive research that identifies communities best assets and communicates that in a unified message. North Star states that successful communities ensure that all touch points for consumers (including residents, tourism industry businesses, major employers, infrastructure and culture) are sending the same strong message. Our City Side brand is our one voice.

**Slide 13:** Two examples of partnerships that have been created through the City Side brand are the Chamber of Commerce's "Discover your Culinary Side" event and the collaboration with the History Museum when they participated in both parades. The Museum's complementary family activities not only added to the festive spirit, but also brought hundreds of people through the museum. We are only 1-1/2 years into our brand, and there many more opportunities like this.

**Slide 14:** At this time I would like to share a North Stars success Story. Here are some economic development highlights from Columbus, IN, a community not that different from St. Charles. These highpoints happened after all community stakeholders embraced the brand and the path that North Star laid out for them.

**Slide 15:** Here are some examples of what we have done to date to integrate the brand. Which is just the tip of the iceberg.

**Slide 16:** So, how do we continue to create unity though our brand and continue to grow and maximize St. Charles investment on branding? To do this we go back to Community brand experts, North Star, and continue on the success path that they laid out for us in their Community Brandpoint.

**Slide 17:** The City Side brand puts into words what makes downtown St. Charles different from other communities, and provides a unified, compelling message to our target markets. It is a special invitation to shop, dine and engage in our downtown community. With this objective in mind, we focus the branding strategy on the markets that will be most receptive to the brand communication. Furthermore, the brand strategy increases awareness of these attributes, and unifies economic development, economic activity, and individual business market strategy. The next slide outlines our goals for the coming year.

**Slide 18:** There are four elements on this slide, the first is a compelling 5-minute branded video. This video will be used as education for potential businesses. It will tell the story of downtown St. Charles as we look towards the future.

The outcome will be: A visual and engaging tool to help onboard new businesses and invite them to be a part of the "City Side" Movement. This will be a video that all community groups will be able to use.

Next, we have a Market Summit. This will be an event where businesses learn brand integration, as well as create synergy, create market cohesiveness, and two-way dialogue in the business community.

The outcome will be an on-boarded business community that utilizes the “City Side” brand in their own messaging. Creating business brand ambassadors that ensures that we are delivering the same strong message.

We will also be using Co-Op Branded Mailers. With the success of our summer mailers, there is an opportunity to expand this among the businesses. These co-op mailers allows for smaller businesses to be able to be a part of a large reach marketing collective that their budgets might not otherwise afford. This will promote individual downtown businesses under the City Side brand.

The outcome will be unified marketing and a reminder to the residence about what businesses are downtown.

Lastly, we have plans for a One-on-One Campaign, which are individual visits for new and existing businesses. We will work one-on-one with the downtown businesses and together develop a plan of action on how to integrate the City Side brand into their marketing. This would include a “Welcome to Branding” packet that officially invites business to participate in the “City Side” brand, including success stories

The outcome will be a stronger collective voice and relationship among the businesses by providing brand education and integration.

**Slide 19:** As stated before, we are only 1-1/2 years into the branding. On this slide you can see future goals for the brand beyond this year. These are also from the brandpoint that North Star provided us.

**Slide 20:** As we started this journey with our new brand, we knew this would be an on-going effort for years to come. We have invested over \$100,000 in the brand, \$50,000 of that was a contribution from the City. We want to make sure that we continue to capitalize on this investment and achieve our goal to make sure that the City Side brand is the guiding principle for our collective future, not just a logo. In order to accomplish this we need to continue our efforts now on the brand investment we have all made. The best way to achieve this success is to insure that we collectively continue to drive the brand through all we do and become a fully integrated branded community.

This is the reason that we respectfully request funding in the approximate amount of \$213,000. With an additional request of approximately \$23,800 for specific branding programs.

Thank you, Chris and I will take questions at this time.

**Ald. Lewis:** What’s the total that you’re asking for branding?

**Jenna:** We're requesting the 10% for branding at \$23,800. There was no other number.

**Ald. Bessner:** Is there any reason to specifically ask for this money for branding now with your funding versus separately?

**Chris W:** It's more about timing as to where we are in the budget year. We've been working on branding and it's been in our plans for this year. Going through the process this summer and understanding everything we wanted to do in plan, that's where we came up with the figure.

**Ald. Bessner:** I'm only asking that if we are going to continue to do 10% cuts in the funding we give to outside organizations, I don't want this to foggy it up.

**Ald. Bancroft:** So I view branding as a continued investment by the City and this to me was sort of segregated out from just the funding of an organization that we're supportive of and a brand will only succeed if you continue to invest to further it. I like the way this split out here and it makes a lot of sense and I want to thank the Partnership for really going above and beyond your mission statement in terms of establishing and maintaining the brand. I think you've done a terrific job and I think this bodes well for our future.

**Ald. Turner:** This is for Chris Minick. Last year we did the Façade Program and the Christmas advertising from that left over 10%. So this year we've already given out the Façade grant – where's that money coming from if all the money is going to them?

**Chris M:** I mentioned in the memo that staff was not aware of the branding initiative when we put the budget together back last winter. We did allocate the additional 10% for the same purposes again this year: the holiday advertising and façade reimbursement. The branding initiative money up for this particular year would need to either come out of a revenue average of the General Fund or the Reserve account. Ultimately it all ends up in the Reserves, so it's probably just easiest to say it comes out of the Reserves so that's where the funding would come from.

**Ald. Turner:** What concerns me we have an SSA 1B and a certain amount of dollars, but what's going on now is what was paid last year out of the SSA, namely the Façade Program and Christmas advertising is now coming out of the general property tax instead of just the SSA?

**Chris M:** It would come out of the General Fund revenues. Except for the SSA's we don't identify specific tax revenues generally for specific programs, however, with the SSA it's a bit of a different animal. It's a special funding vehicle and we have to identify those purposes and so we did identify those consistently with what we had done last year and the remainder for this coming fiscal year, the current year we're in, we will need to take it out of the General revenue stream.

**Ald. Turner:** Okay, so the General revenue stream is now paying for something that the SSA used to pay for last year – namely the Façade Program and the Christmas advertising?

**Chris M:** You could look at it at that way. It could also be identified that the branding would come out of the General revenue. One or the other has to come out of the General revenue stream.

**Ald. Turner:** We've always had a specific motion for the branding, so now we're just folding that in and what used to be covered by the SSA is now just in the General Fund.

**Chris M:** May I also remind you that there was a time that the Partnership got 100% of the SSA funding and the façade grants did come out of the General revenue stream. When the decision was made to reduce the funding for outside organizations to 90%, that's when staff made the decision and allocated the Façade Program and Holiday Advertising Program back into the SSA. Those two specific purposes are identified in the ordinance that establishes SSA 1B, so we essentially took the money that had been paid by the General revenue stream and shifted it over to the SSA when the Partnership received that 90% allocation.

**Ald. Turner:** Okay and for the Partnership, you haven't had a director for a while, is that a positive towards your budget? Is there a lower cost now than last year because you don't have an active director at the moment?

**Chris W:** We have an interim director at the moment and we are quickly moving through the process of interviewing for a new Executive Director and that should be culminated in the next week.

**Chrmn. Stellato:** One thing that rang through with me is you said the cross promotion and really marketing for all of downtown, and I have to give kudos to Lynne coming on board years ago and working with John, former members, and Paul Lencioni who is here tonight and yourself Chris, and some of the folks that have been around a while on the Partnership board and really turning this into an organization, it does work with other organizations in the community. So I don't look at this as \$23K for the Partnership, but look at it as money for downtown, working with CVB, I'm hearing good things in working with the Chamber, the Arts Council, etc., and all of you are working together and that means a lot. You're doing a good job of cross promoting and helping all of downtown. I'm in favor of the way you did it and I'm in favor of the program and I give you kudos on the slides you did tonight.

**Ald. Lemke:** Doing co-op advertising makes double use of the money.

**Ald. Turner:** We've heard from our new CVB director and I think she's much more open to synergy between the organizations and hope you will continue on that path. I think now that you're in the same building together, I hope you're talking more than you use to and just keep that up and I would make a motion to approve.

Motion by Ald. Turner, second by Bancroft to recommend approval of the funding request of the Downtown St Charles Partnership for FY 2016-2017 in the amount of \$214,129.00 for Operations and \$23,792.00 for the Branding Project Phase II.

**Roll Call:** Ayes: Gaugel, Bessner, Lewis, Silkaitis, Payleitner, Lemke, Turner, Bancroft, Krieger. Nays: None. Chrmn. Stellato did not vote as Chairman. **Motion Carried.**

**Ald. Payleitner:** Should that be two motions or no. That was combined?

**Chrmn. Stellato:** Chris are you okay with one motion or do you need two?

**Chris M:** As long as I understand that includes the \$23K for branding, I'm fine with it.

**All:** Agreed.

Motion by Ald. Bancroft, second by Turner to go into Executive Session to discuss Pending Litigation, Probable or Imminent Litigation, and Review of Minutes of the Executive Sessions at 8:15 p.m.

**Roll Call:** Ayes: Gaugel, Bessner, Lewis, Silkaitis, Payleitner, Lemke, Turner, Bancroft, Krieger. Nays: None. Chrmn. Stellato did not vote as Chairman. **Motion Carried.**

**7. Executive Session – None.**

- Personnel 5 ILCS 120/2(c)(2), 5 ILCS 120/2(c)(5)
- Pending Litigation 5 ILCS 120/2(c)(4)
- Probable or Imminent Litigation 5 ILCS 120/2(c)(4)
- Property Acquisition 5 ILCS 120/2(c)(3)
- Collective Bargaining 5 ILCS 120/2(c)(1)
- Review of Minutes of Executive Sessions 5 ILCS 120/2(c)(14)

**8. Additional Items from Mayor, Council, Staff or Citizens.**

**9. Adjournment**

Motion by Ald. Lemke, second by Ald. Turner to adjourn meeting at 8:47 p.m.

**Voice Vote:** Ayes: Unanimous; Nays: None. Chrmn. Stellato did not vote as Chair. **Motion Carried.**

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