

**AGENDA ITEM EXECUTIVE SUMMARY**

Agenda Item number: IIC2

Title:

Motion to approve An Ordinance Approving and Authorizing the Execution of the Second Amendment to the City of St. Charles Central Downtown Tax Increment Financing Redevelopment Agreement by and between First Street Development II, LLC and the City of St. Charles, Kane and DuPage Counties, Illinois (First Street Project)

Presenter:

Rita Tungare

Meeting: City Council

Date: February 21, 2017

Proposed Cost: N/A

Budgeted Amount: N/A

Not Budgeted: ☐**Executive Summary** (if not budgeted please explain):

On February 13, 2017, the Planning and Development Committee reviewed a proposal for a Minor Change to First Street Building #3 for Sterling Bank.

The property is subject to a Redevelopment Agreement between the City and First Street Development II, LLC. An amendment to this agreement will be necessary to document the Minor Change approval.

In response to the Minor Change proposal from Sterling Bank, First Street Development II, LLC has requested that the City amend the redevelopment agreement to incorporate time restrictions for the new parking deck. The intent of the restrictions would be to prevent residents and office tenants from adjacent buildings from parking within the new parking deck for the duration of the day while retail businesses are open.

At the meeting on Feb. 13, the Committee recommended approval of the proposed Minor Change in a 6-3 vote, and asked that staff draft language for the Redevelopment Agreement that would still provide the City with discretion to manage the parking timing in a similar manner to other downtown parking facilities.

Staff has drafted language that reserves this discretion for the City, but also prioritizes use of the parking deck during the daytime for the retail and restaurant businesses within the adjacent buildings:

Public Parking Deck Time Management. *The City shall manage the timing of parking within the public parking deck to meet the needs and demands of businesses within the adjacent buildings, with a priority placed on meeting the needs of short term parking during daytime hours for customers of the retail and restaurant businesses.*

Attachments (please list):

Ordinance, with Redevelopment Agreement attached as an Exhibit

Recommendation/Suggested Action (briefly explain):

Motion to approve An Ordinance Approving and Authorizing the Execution of the Second Amendment to the City of St. Charles Central Downtown Tax Increment Financing Redevelopment Agreement by and between First Street Development II, LLC and the City of St. Charles, Kane and DuPage Counties, Illinois (First Street Project)

City of St. Charles, Illinois
Ordinance No. 2017-M-____

**An Ordinance Approving and Authorizing the Execution of the Second
Amendment to the City of St. Charles Central Downtown Tax Increment
Financing Redevelopment Agreement by and between First Street
Development II, LLC and the City of St. Charles, Kane and DuPage Counties,
Illinois (First Street Project)**

WHEREAS, the City of St. Charles, Kane and DuPage Counties, Illinois (the “City”) entered into a certain City of St. Charles Central Downtown Tax Increment Financing Redevelopment Agreement, dated as of March 5, 2015, and First Amendment to City of St. Charles Central Downtown Tax Increment Financing Development Agreement, dated as of September 6, 2016 (collectively referred to as the “Agreement”) with First Street Development II L.L.C., an Illinois limited liability company (the “Developer”) for purposes of redevelopment of a portion of the Central Downtown Redevelopment Project Area (the “Redevelopment Area”); and

WHEREAS, the Developer and Corporate Authorities of the City find it is in the best interest of the Developer and the City to further amend certain terms and provisions of the Redevelopment Agreement (the “Second Amendment to Redevelopment Agreement”); and

WHEREAS, the Corporate Authorities of the City find that the Second Amendment to the Redevelopment Agreement does not involve redevelopment of or conveyance of any interest in any City owned real property not included in the Agreement.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and City Council of the City of St. Charles, Kane and DuPage Counties, Illinois, as follows:

1. That the foregoing recital clauses to this Ordinance are adopted as the findings of the Corporate Authorities of the City of St. Charles and are incorporated herein by specific reference.

2. That upon receipt from the Developer of four (4) executed copies of the Redevelopment Agreement, the Mayor is hereby authorized to execute, and the City Clerk is hereby authorized to attest to, the Redevelopment Agreement in substantially the form of such agreement appended to this Ordinance as Exhibit “A,” with such changes therein as shall be approved by the officials of the City executing the same, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from and after the execution and delivery of such Redevelopment Agreement.

3. That the officials, officers and employees of the City are hereby authorized to take such further actions and execute such documents as are necessary to carry out the intent and purpose of this Ordinance and of the Redevelopment Agreement.

4. That after the adoption and approval hereof, the Ordinance shall (i) be printed or published in book or pamphlet form, published by the authority of the Council, or (ii) within

thirty (30) days after the adoption and approval hereof, be published in a newspaper published in and with a general circulation within the City of St. Charles.

PRESENTED to the City Council of the City of St. Charles, Kane and DuPage Counties, Illinois this 21st day of February, 2017.

PASSED by the City Council of the City of St. Charles, Kane and DuPage Counties, Illinois this 21st day of February, 2017.

APPROVED by the Mayor of the City of St. Charles, Kane and DuPage Counties, Illinois this 21st day of February, 2017.

Raymond P. Rogina, Mayor

ATTEST:

Nancy Garrison, City Clerk

Council Vote:

Ayes:

Nays:

Absent:

Abstain:

APPROVED AS TO FORM:

City Attorney

DATE:_____

EXHIBIT “A”

**SECOND AMENDMENT TO CITY OF ST. CHARLES CENTRAL DOWNTOWN
TAX INCREMENT FINANCING REDEVELOPMENT AGREEMENT
(FIRST STREET PROJECT)**

**SECOND AMENDMENT TO CITY OF ST. CHARLES CENTRAL DOWNTOWN
TAX INCREMENT FINANCING REDEVELOPMENT AGREEMENT
(FIRST STREET PROJECT)**

THIS SECOND AMENDMENT TO CITY OF ST. CHARLES TAX INCREMENT FINANCING REDEVELOPMENT AGREEMENT, (the “Second Amendment”) is made and entered into and effective _____, 2017 by and between the City of St. Charles, an Illinois municipal corporation (“City”), and First Street Development II, LLC, an Illinois limited liability company (the “Developer”).

R E C I T A L S

- A. The City and the Developer are parties to that certain City of St. Charles Central Downtown Tax Increment Financing Redevelopment Agreement, dated as of March 5, 2015, and First Amendment to City of St. Charles Central Downtown Tax Increment Financing Development Agreement, dated as of September 6, 2016 (collectively referred to as the “Agreement”).
- B. The City and the Developer desire to amend the Agreement, as set for and stated below.

IN CONSIDERATION of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

- 1. Incorporation of Recitals. The foregoing recitals are hereby incorporated as if fully rewritten.
- 2. Definitions; Amendment Controls. Capitalized terms used, but not defined herein, shall have the same meaning ascribed to such terms in the Agreement. To the extent any of the terms and conditions set forth in this Second Amendment shall conflict with any of the terms and conditions of the Agreement, the terms and conditions set forth in this Second Amendment shall at all times supersede, govern and control. In all other respects, this Second Amendment shall supplement the terms and conditions of the Agreement.
- 3. Public Parking Deck Time Management. The City shall manage the timing of parking within the public parking deck to meet the needs and demands of businesses within the adjacent buildings, with a priority placed on meeting the needs of short term parking during daytime hours for customers of the retail and restaurant businesses.
- 4. Scope of Project. Exhibit D-2, entitled “Scope of Project,” of the Agreement is hereby deleted in its entirety and in lieu thereof insert new Exhibit D-2, attached hereto as and made a part hereof.
- 5. Governmental Requirements. Exhibit D-3, entitled “Governmental Requirements,” of the Agreement is hereby amended to incorporate the PUD Minor Change ordinance attached as Exhibit D-3, attached hereto as and made a part hereof.

6. Ratification of Agreement. Except as supplemented, amended or modified herein by this Second Amendment, the Agreement is hereby ratified to be in full force and effect.
7. Counterparts. This Second Amendment may be executed in any number of counterparts, each of them appending all necessary signatures to constitute one and the same instrument.

IN WITNESS WHEREOF, this Second Amendment has been duly executed by the parties hereto as of the date first written above.

CITY OF ST. CHARLES,
an Illinois municipal corporation

FIRST STREET DEVELOPMENT II, LLC,
an Illinois limited liability company

By: _____
Its Mayor

By: _____

Attest: _____
Its Clerk

Its: _____

<u>EXHIBITS</u>	<u>Revision</u>
A. REDEVELOPMENT PROJECT AREA	No revision
A-1. MAP OF REDEVELOPMENT PROJECT AREA	No revision
B. LEGAL DESCRIPTION - CITY PROPERTY	No revision
B-1. MAP OF CITY PROPERTY	No revision
C. LEGAL DESCRIPTION – CONVEYED PROPERTY	No revision
C-1. MAP OF CONVEYED PROPERTY	No revision
D-1. SITE PLAN	No revision
D-2. SCOPE OF PROJECT	Deleted & Replaced
D-3. GOVERNMENTAL REQUIREMENTS	Add to Exhibit D-3
E. CONSTRUCTION PHASING SCHEDULE	No revision
F-1. DEVELOPER PUBLIC IMPROVEMENTS	No revision
F-2. CITY DEVELOPMENT PUBLIC IMPROVEMENTS	No revision
F-3. CITY PUBLIC IMPROVEMENTS	No revision
G. PROPERTY CONVEYANCE SCHEDULE	No revision
H. REIMBURSEMENT APPLICATION	No revision
I. CERTIFICATE OF SUBSTANTIAL COMPLETION	No revision

EXHIBIT D-2

SCOPE OF PROJECT

Private Development Program				
Phase	Timing	Buildings	Development Program Summary	
<u>1</u>	<u>Construction</u> 7/1/15-12/31/16	Building #1-Retail/Office	Retail/Commercial Office	11,865 SF 35,595 SF
			Underground Private Parking	27 Spaces
		City-Owned Public Parking Deck	Public Parking Spaces	110 Spaces
<u>2</u>	<u>Construction</u> 10/31/16-12/31/17	Building #3- Commercial/Condominium	Bank/office	31,937 SF
			For-Sale Residential	33,432SF 12 to 20 Units
			Underground Private Parking Spaces	27 Total Spaces
<u>3</u>	<u>Construction</u> 4/30/18-10/31/19	Building #2-Retail/Apartment	Retail/Commercial Residential Apartment	11,898 SF 36,000 SF 36 Units
			Underground Private Parking Spaces	27 Total Spaces

EXHIBIT D-3

GOVERNMENTAL REQUIREMENTS

Minor Change to PUD Ordinance

City of St. Charles, IL
Ordinance No. 2017-Z-__

**An Ordinance Granting Approval of a Minor Change to
PUD Preliminary Plan for First Street Building #3 – Sterling Bank
(10 Illinois Street)**

WHEREAS, a request for a Minor Change to the PUD Preliminary Plan approved by Ordinance No. 2016-Z-18 “An Ordinance Amending Ordinance 2006-Z-29 (First Street Redevelopment PUD) regarding first floor bank/office uses and approving a PUD Preliminary Plan for First Street Building#3 (10 Illinois Street)”, was filed by Sterling Bank Corporation (“Applicant”) for a portion of First Street Building #3, said realty being legally described in Exhibit “A” attached hereto and incorporated herein as the “Subject Property”; and,

WHEREAS, the City Council of the City of St. Charles has determined that under Section 17.04.430 B. of the St. Charles Zoning Ordinance, this request constitutes a minor change to the approved PUD Preliminary Plan;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ST. CHARLES, KANE AND DUPAGE COUNTIES, ILLINOIS, as follows:

1. That passage of this Ordinance shall constitute approval of a Minor Change to PUD Preliminary Plan, such that the following documents and illustrations are hereby approved, a reduced copy of which is attached hereto and incorporated herein as Exhibit “B”, subject to compliance with such conditions, corrections, and modifications as may be required by the Director of Community and Economic Development and the Director of Public Works to comply with the requirements of the St. Charles Municipal Code:

- Development Data for Phase 3, dated 2/7/17
- Architectural Elevations for Building #3, Sheets A-2 to A-9, prepared by Marshall Architects, dated 12/22/16

2. That the Subject Property may be developed and used only in accordance with all ordinances of the City now in effect or hereafter amended.

3. That after the adoption and approval hereof, the Ordinance shall (i) be printed or published in book or pamphlet form, published by the authority of the Council, or (ii) within thirty (30) days after the adoption and approval hereof, be published in a newspaper published in and with a general circulation within the City of St. Charles.

PRESENTED to the City Council of the City of St. Charles, Kane and DuPage Counties, Illinois this 21st day of February, 2017.

PASSED by the City Council of the City of St. Charles, Kane and DuPage Counties, Illinois this 21st day of February, 2017.

APPROVED by the Mayor of the City of St. Charles, Kane and DuPage Counties,
Illinois this 21st day of February, 2017.

Raymond P. Rogina, Mayor

Attest:

Nancy Garrison, City Clerk

Vote:

Ayes:

Nays:

Absent:

Abstain:

Date: _____

APPROVED AS TO FORM:

City Attorney

DATE: _____

EXHIBIT "A"

LEGAL DESCRIPTION

THAT PART OF LOT THREE IN THE RESUBDIVISION OF THE RESUBDIVISION PHASE III FIRST STREET REDEVELOPMENT SUBDIVISION ACCORDING TO THE PLAT THEREOF RECORDED OCTOBER 4, 2016 DOCUMENT 2016K053789 AND CERTIFICATE OF CORRECTION RECORDED OCTOBER 14, 2016 AS DOCUMENT 2016K056016 OF PART OF THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION TWENTY-SEVEN AND THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION THIRTY-FOUR, TOWNSHIP FORTY NORTH, RANGE EIGHT EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING ABOVE A VERTICAL PLANE OF 689.18 FT. (NAVD 88) BOUNDED AND DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHWEST CORNER OF SAID LOT 3; THENCE NORTH 11 DEGREES 54 MINUTES 51 SECONDS WEST, 79.00 FT.; THENCE NORTH 78 DEGREES 05 MINUTES 09 SECONDS EAST, 21.39 FT.; THENCE SOUTH 11 DEGREES 54 MINUTES 51 SECONDS EAST, 2.83 FT.; THENCE NORTH 78 DEGREES 05 MINUTES 09 SECONDS EAST, 7.08 FT.; THENCE NORTH 11 DEGREES 54 MINUTES 51 SECONDS WEST, 2.83 FT.; THENCE NORTH 78 DEGREES 05 MINUTES 09 SECONDS EAST, 44.54 FT.; THENCE SOUTH 11 DEGREES 54 MINUTES 51 SECONDS EAST, 79.00 FT.; THENCE SOUTH 78 DEGREES 05 MINUTES 09 SECONDS WEST, 5.33 FT.; THENCE SOUTH 11 DEGREES 54 MINUTES 51 SECONDS EAST, 0.67 FT.; THENCE SOUTH 78 DEGREES 05 MINUTES 09 SECONDS WEST, 6.67 FT.; THENCE NORTH 11 DEGREES 54 MINUTES 51 SECONDS WEST, 0.67 FT. TO A POINT OF CURVE IN THE SOUTH LINE OF SAID LOT 3; THENCE SOUTHWESTERLY 42.31 FEET ON THE SOUTHERLY LINE OF SAID LOT 3, BEING A CURVED LINE CONCAVED TO THE NORTH HAVING A RADIUS OF 30.50 FEET, WITH A CHORD DISTANCE OF 39.00 FT AND A CHORD BEARING OF SOUTH 78 DEGREES 05 MINUTES 09 SECONDS WEST; THENCE SOUTH 11 DEGREES 54 MINUTES 51 SECONDS EAST, 0.67 FT.; THENCE SOUTH 78 DEGREES 05 MINUTES 09 SECONDS WEST, 6.67 FT.; THENCE NORTH 11 DEGREES 54 MINUTES 51 SECONDS WEST, 0.67 FT.; THENCE SOUTH 78 DEGREES 05 MINUTES 09 SECONDS WEST, 15.34 FT.; TO THE POINT OF BEGINNING, ALL IN KANE COUNTY, ILLINOIS.

EXHIBIT “B”

PUD PRELIMINARY PLANS

- Development Data for Phase 3, dated 2/7/17
- Architectural Plans for Building #3, Sheets A-2 to A-9, prepared by Marshall Architects, dated 12/22/16

FIRST STREET PHASE 3 DEVELOPMENT DATA
2/7/17

<u>Building No.</u>	<u>Type</u>	<u>Floor Level</u>	<u>Area/Units</u>
Building 1	Parking	Basement	29 spaces
	Retail/Commercial	1 st level	11,865 sf
	Office	2 nd level	11,865 sf
	Office	3 rd level	11,865 sf
	Office	4 th level	11,865 sf
	Total Office		35,595
<u>Total Building area</u>			<u>47,460 sf</u>
Parking Deck	Parking	1 st level	57 spaces
	Parking	2 nd level	53 spaces
	<u>Total Parking Count</u>		
Building 2	Parking	Basement	27 spaces
	Retail/Commercial	1 st level	11,898 sf
	Residential	2 nd level	12,000 sf
	Residential	3 rd level	12,000 sf
	Residential	4 th level	12,000 sf
	Total Residential (12 Studio, 12 1-Bedroom, 12 2-Bedroom)		36 units
<u>Total Building area</u>			<u>47,898 sf</u>
Building 3	Parking	Basement	28 spaces
	Bank/office	1 st level	13,092 sf
	Office/residential*	2 nd level	12,542 sf
	Office/residential*	3 rd level	13,245sf
	Office/residential*	4 th level	13,245sf
	Office/residential*	5 th level	13,245 sf
Total Residential (Bedroom Count TBD)			12 to 20 units
<i>*Split between office/residential square footage as shown on Architectural Plans dated 12/22/16</i>			
<u>Total Building area</u>			<u>65,369 sf</u>

- 206 INTERNATIONAL ENERGY CONSERVATION CODE:
1. THE BUILDING SHALL BE DESIGNED TO MEET THE REQUIREMENTS OF THE 206 INTERNATIONAL ENERGY CONSERVATION CODE.
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FIRST FLOOR SQUARE FOOTAGE	
GROSS SQUARE FOOTAGE	41,078 S.F.
UNIT A - BANK	14,773 S.F.
UNIT B - OFFICE	14,773 S.F.
UNIT C - OFFICE	11,532 S.F.
NORTHWEST VESTIBULE	4,244 S.F.
EAST VESTIBULE	4,440 S.F.
SOUTH VESTIBULE	4,471 S.F.
	12,178 S.F.

NOTE: SQUARE FOOTAGE IS BASED ON THE EXTERIOR FACE OF THE WALLS AND CENTER OF GRAVITY OF THE WALLS.

WALL TYPE KEY	
1	EXTERIOR WALL - 12" CMU WITH 1" POLYSTYRENE INSULATION
2	INTERIOR WALL - 12" CMU WITH 1" POLYSTYRENE INSULATION
3	GLASS WALL - 12" CMU WITH 1" POLYSTYRENE INSULATION
4	GLASS WALL - 12" CMU WITH 1" POLYSTYRENE INSULATION
5	GLASS WALL - 12" CMU WITH 1" POLYSTYRENE INSULATION
6	GLASS WALL - 12" CMU WITH 1" POLYSTYRENE INSULATION
7	GLASS WALL - 12" CMU WITH 1" POLYSTYRENE INSULATION
8	GLASS WALL - 12" CMU WITH 1" POLYSTYRENE INSULATION
9	GLASS WALL - 12" CMU WITH 1" POLYSTYRENE INSULATION
10	GLASS WALL - 12" CMU WITH 1" POLYSTYRENE INSULATION

FIRST FLOOR PLAN

NOTE: THE WALLS SHOWN ARE THE EXTERIOR WALLS. THE WALLS SHOWN ARE THE EXTERIOR WALLS. THE WALLS SHOWN ARE THE EXTERIOR WALLS.

DEC. 22, 2016 - REVISED FOR CONSTRUCTION



Sheet: A&B
of 12

BLDG. 3

ST. CHARLES, ILLINOIS 60114

FIRST STREET DEVELOPMENT, LLC

PROPOSED NEW OFFICE/RESIDENTIAL CONDOMINIUMS:

FIRST STREET - BLDG. 3

ST. CHARLES, ILLINOIS 60114

FIRST STREET DEVELOPMENT, LLC

DATE: 12/22/2016

BY: [Signature]

FOR: [Signature]

CONSTRUCTION: 2016

DATE: 12/22/2016

BY: [Signature]

FOR: [Signature]

ST. CHARLES, ILLINOIS 60114

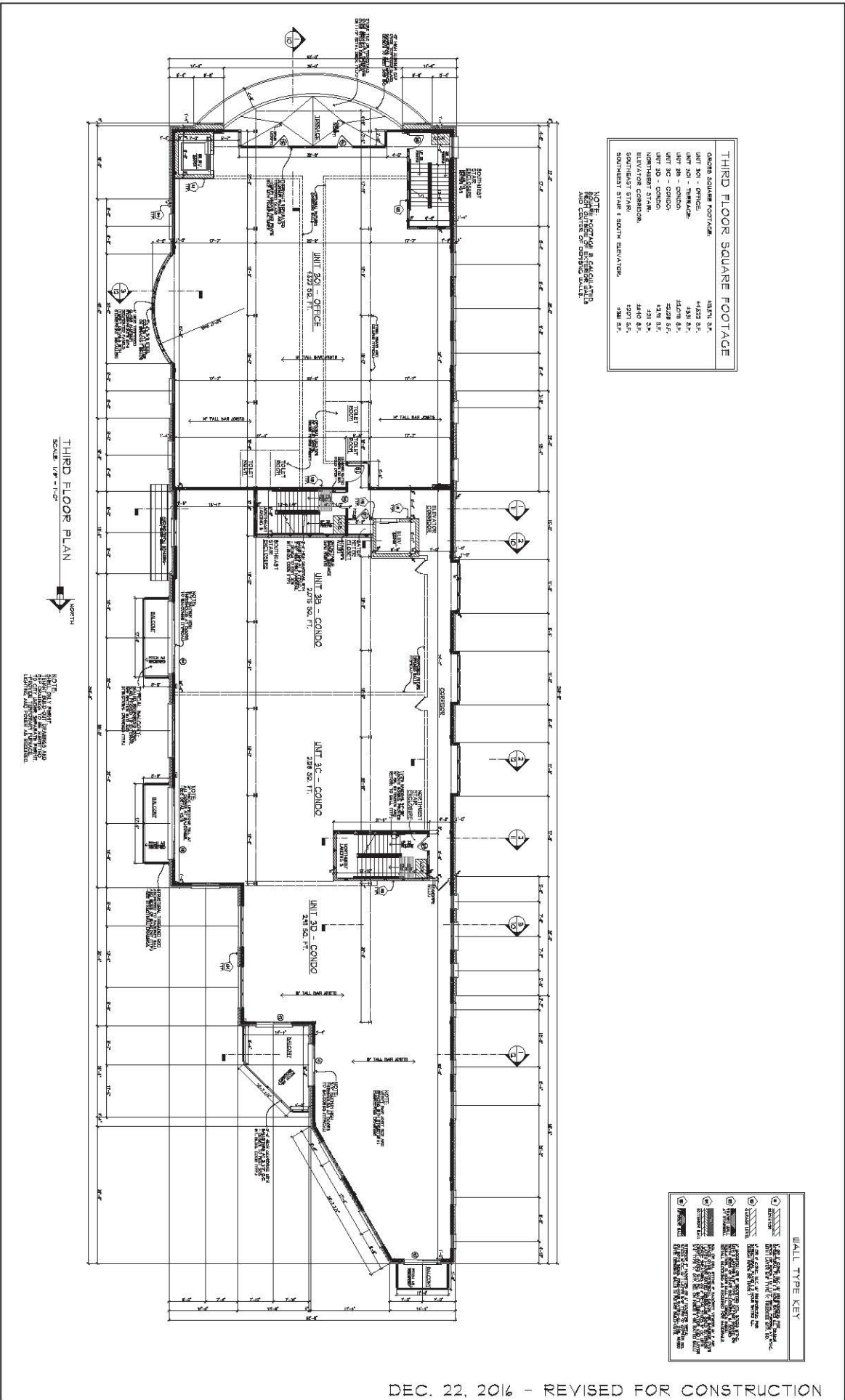
FIRST STREET DEVELOPMENT, LLC



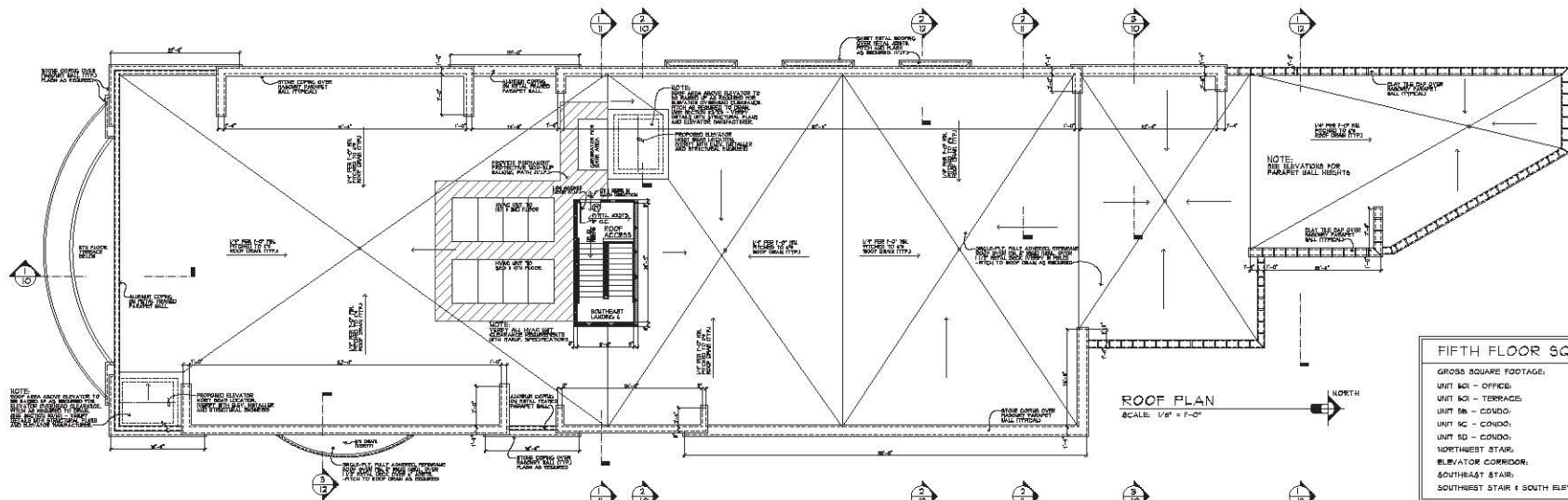
ST. CHARLES, ILLINOIS 60114

FIRST STREET DEVELOPMENT, LLC

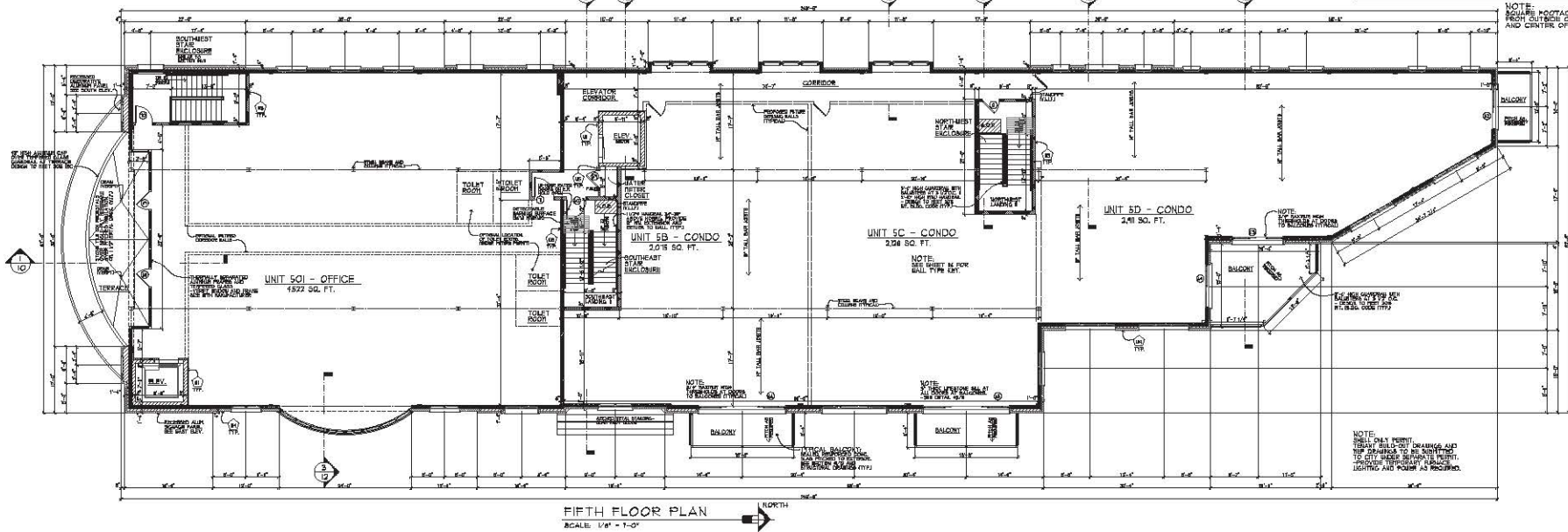
STATE OF ILLINOIS
DECEMBER 31, 2011
REGISTRATION NUMBER
M4002347



DEC. 22, 2016 - REVISED FOR CONSTRUCTION



FIFTH FLOOR SQUARE FOOTAGE	
GROSS SQUARE FOOTAGE:	19,874 S.F.
UNIT 501 - OFFICE:	14,922 S.F.
UNIT 501 - TERRACE:	458 S.F.
UNIT 501 - CONDO:	42,018 S.F.
UNIT 501 - CONDO:	12,028 S.F.
UNIT 501 - CONDO:	428 S.F.
NORTHWEST STAIR:	1840 S.F.
SOUTHEAST STAIR:	1501 S.F.
SOUTHWEST STAIR & SOUTH ELEVATOR:	2801 S.F.



DEC. 22, 2016 - REVISED FOR CONSTRUCTION

STATE OF ILLINOIS
DIVISION OF FIRE PROTECTION AND PREVENTION
REGISTRATION NUMBER: 16-0000000

PROPOSED NEW OFFICE/RESIDENTIAL CONDOMINIUMS:
FIRST STREET - BLDG. 3
ST. CHARLES, ILLINOIS 60114
FIRST STREET DEVELOPMENT, LLC

BLDG. 3

Revision:

DATE: 12/22/2016

Drawn By: GDC

FIFTH FLOOR
1. ROOF PLAN

Sheet:

A7

of 12

[illegible]

