

**MINUTES
CITY OF ST. CHARLES, IL
PLANNING AND DEVELOPMENT COMMITTEE
MONDAY, FEBRUARY 13, 2017 7:00 P.M.**

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

Members Absent: None

Others Present: Mayor Raymond Rogina; Mark Koenen, City Administrator; Rita Tungare, Director of Community & Economic Development; Russell Colby, Planning Division Manager; Matthew O'Rourke, Economic Development Manager; Chris Bong, Development Engineering Division Manager; Ellen Johnson, City Planner; Fire Chief Schelstreet; Asst. Chief Christensen; Chris Minick, Director of Finance; Peter Suhr; Director of Public Works

1. CALL TO ORDER

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

2. ROLL CALLED

Roll was called:

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

Absent: None.

3. COMMUNITY & ECONOMIC DEVELOPMENT

- a. Recommendation to approve a Minor Change to PUD Preliminary Plan for First Street Building #3- Sterling Bank.

Mr. Colby said back in September 2016, the City Council approved a PUD Preliminary Plan for First Street Building #3, which is now under construction. The southern portion of the building adjacent to Illinois Street is planned as bank and office space for Sterling Bank, who has submitted a Minor Change application to modify their portion of the building which was planned as 4 floors, with the upper floor having a two-story ceiling height. That section of the building is now planned as 5 floors but the overall height of the building is unchanged from the approved version. The building elevations have been modified due to the changes to the interior configuration of the building. The revised elevations were reviewed by the Historic Preservation Commission on 2/2/17 and the Commission approved a Certificate of Appropriateness for the updated design. This Minor Change would approve both the revised building elevations and a revision to the development data information, which is the table that lists the square footage of the buildings within First St. phase 3.

Assuming that the minor change is acceptable, an amendment to the RDA will be necessary to have documentation of the PUD approval as part of the agreement. The current redevelopment agreement is between the city and First St. Development II, LLC, so they will need to sign off on the modification to the RDA. In response to the change that's being proposed by Sterling Bank, First St. Development II is requesting that the city consider amending the RDA to incorporate restrictions for timing of parking in the new parking deck. The intent of these restrictions would be to prevent residents and office

tenants from adjacent buildings from parking within either level of the deck for the duration of the day while retail businesses are open. Currently the upper level of the new parking deck is restricted to short term parking during the day, and the First Street Development II, LLC proposal will be to extend that short term parking also to the lower level, which currently does not have a time restriction. Staff is seeking direction from the Committee as to whether there is support for memorializing such parking time restrictions within the redevelopment agreement amendment.

Aldr. Stellato said he had no problem with the minor change but asked if Sterling Bank was on board with the second part of the parking restrictions. Tom Russe, Sterling Bank-360 S. 1st St.- said he has had extensive conversation with First Street Development about their concerns over parking and the bank has no problem with the proposed restrictions to the parking deck.

Aldr. Lewis said she liked the idea of the 2 story and wondered why the change. Mr. Russe said further analysis by the board of directors and stock holders of Sterling Bank felt that we would want to grow into a 5 story office building as we grow and bring more lines of business into the area. He thinks the idea of having a 2 story 4th and 5th floor just didn't make sense in the long run. Aldr. Lewis asked if these offices would be for rent to the public or for Sterling's own purposes. Mr. Russe said currently for rent to the public but we anticipate over time needing to move into additional space.

Chairman Bancroft asked if putting a time restriction in an RDA is common, for parking. Mr. Colby said it's not common, typically the timing restrictions on a public parking lot/deck are set by the Council in the city code, it is unusual to have them in the RDA. Chairman Bancroft said his concern is having to go back in and amend the RDA every time we make an alteration, isn't this something that can be handled at the Police Dept. level. Ms. Tungare said if we place such a restriction in the RDA, the city will not be able to change the parking timing at its discretion, we would have to go back to First Street II, LLC every time to have them sign off on the change. Chairman Bancroft asked how we give them comfort that this will actually happen. Mr. Colby said staff has proposed to First Street II, LLC that if this is incorporated into the RDA, the restrictions that would prevent vehicles from parking there for the entire duration of the day, but the city would have some control over the actual hours that are set for the various spots located within the deck, provided that we do not permit a vehicle to be parked there for the entire day during business hours. Chairman Bancroft asked if that works and if staff were comfortable with that. Ms. Tungare said that is correct.

Aldr. Lemke asked if that were for all floors of the entire parking deck. Mr. Colby said yes, both floor 1 and 2 of the new parking deck. Aldr. Lemke asked if this were just during the day, if there were some possibility in 1 of the building for residential would they be restricted and unable to park in the deck. Mr. Colby said the request from First Street II LLC is specific to the day time hours out of concern for either resident vehicles remaining in the deck during the day or office workers parking there for the duration of the day.

Aldr. Payleitner said when we were in discussions about the bank and giving them permission to take over the first floor to take it out of retail/restaurant, it was supposed to be off-set by an entertainment section on the upper floors to still give business to our caterers and restaurant businesses, and she feels we lost out on that deal a bit here.

Aldr. Silkaitis asked what the restrictions are on the other floor. Mr. Colby said the lower level currently has no specific restrictions, the upper level there's short-term restrictions of 2 hour. Aldr. Silkaitis said that's not much time to park and shop downtown and he's not in favor of that, he doesn't think we should do the whole deck for a limit of 2 hours that was not the intent of the deck. Mr. Colby said the proposal is not specifically for 2 hours; First Street LLC would just like the agreement to be

written so a vehicle can't be parked there for the entire day; the spaces could be set for 2 to 4 hour parking at the discretion of the Council.

Aldr. Stellato suggested that if moving forward with this, we make it contingent upon taking a look at the wording on what staff is proposing; he understands trying to get comfortable with that, and he thinks the big key is it's at the discretion for the city to set those time limits.

Mr. Koenen said parking in downtown St. Charles is not a new phenomenon in terms of timing durations on how we manage it. The Police Dept. through the years has worked with downtown businesses, in particular the Downtown Partnership, on how long someone can park in a particular location and should be established, and those timing durations do change as businesses and demands come and go. He suggests continuing a practice that has been long standing in St. Charles to continue to work with the Police Dept. and the Downtown Partnership to establish the parking needs that are in the best interest of all users in downtown. He said the general gist is that the lower levels are shorter term parking and the upper levels in the older deck on First St. are the longer term parking locations, generally that's the case practiced today and he thinks we would want to practice that in the future; let the Police Dept. do what they do and he thinks they have done well for many years.

Chairman Bancroft asked if the language of the RDA would provide that flexibility. Mr. Koenen said correct. Aldr. Lewis said this would have to be managed, so would there be enforcement to chalk and ticket these cars. Mr. Koenen said yes, they would do the monitoring of that with a parking enforcement officer, but most important is that we don't have to do a lot of enforcement simply because we have always tried to find that balance between the needs of employees versus the needs of visitors in the downtown to not have to chalk a lot of cars.

Aldr. Lemke asked if we are saying we want restrictions all weekend, because he thinks the type of things that Sterling Bank would be concerned about is for businesses and maybe employees through the weekdays, and on weekends you might have people needing more time, and he would like more clarity on that before agreeing to that part of the resolution. Mr. Koenen said that's exactly what the Police Dept. would need to address, what are their needs on the weekend versus weekdays because those needs could be very different.

Chairman Bancroft said to Aldr. Stellato's suggestion, can we approve this subject to receiving some of that at least what the initial detail would be. Mr. Koenen said that makes sense.

Aldr. Turner made a motion to approve a Minor Change to PUD Preliminary Plan for First Street Building #3- Sterling Bank, as well as the minor change to the RDA, subject to receiving some of what the initial detail would be. Seconded by Mr. Aldr. Bessner.

Roll was called:

Ayes: Stellato, Silkaitis, Turner, Gaugel, Krieger, Bessner

Absent:

Nays: Payleitner, Lemke, Lewis

Recused:

Motion carried 6-3

- b. Historic Preservation Commission recommendation to approve Historic District designation for the Millington Historic District.

Mr. Colby said the Historic Preservation Commission has submitted a Historic District nomination for the proposed Millington Historic District, an eight-block area west of the Central Historic District bound by State Street to the north, 5th Street to the east, Illinois Street to the south, and 7th Street to the west. In accordance with the Zoning Ordinance, property owners within the proposed district were notified of the nomination and public hearing, which the Historic Preservation Commission held on 1/18/17. Of a total of 51 properties, four property owners within the district expressed opposition to the nomination either in writing or at the public hearing. The Historic Commission recommended approval of the District nomination with a vote of 7-0, based on the criteria listed in the attached resolution included in the packet.

If the Historic District is approved, a Certificate of Appropriateness (COA) from the Historic Preservation Commission will be required prior to issuance of a permit for construction for exterior building permits within the District. While this proposal is pending the COA requirement is in effect and will continue up until 60 days after the Historic Preservation recommendation, ending on March 19, 2017. He noted that the Historic Commission Chairman along with some members were there to answer any questions or speak to the nomination itself.

Aldr. Silkaitis said he likes the idea of the Historic District; his only concern is including the Non-Contributing homes, he sees no point. Fred Norris Jr.-Historic Preservation Chairman-209 Auburn Ct. said when we have a district, we have a COA for property that is classified as a contributing or non-contributing and what's very important is the street, the whole neighbourhood, and the Historic Commission is very happy and honored to put this in the committee's hands to watch over these things. The contributing ones are very sensitive, and when those have modifications, we can be sure they are very sensitive to the district. The non-contributing are also important due to the foundations and central structure which can start off in the right direction, but if we don't have a process to review over them, they can get too big for the neighbors and cast shadows, where the Commission would like to review them to make sure they are sensitive to what we are trying to do in the district. Aldr. Silkaitis said he understands that, but some of these homes are built in the 70's and have no historical significance, so why do they need to be in there. Dr. Steven Smunt-Historic Preservation Commission member- said a lot of them are in between other homes that are contributing and it gets very difficult to gerrymander a boundary around buildings that are non-contributing; the non-contributing ordinance is very liberally applied to those properties, so they probably receive the least amount of impact, unless it comes to some tasteless architecture, we then at least have the chance to direct them in the right direction. It's difficult to draw a boundary that is consistent and definable and then gerrymander around multiple sites that are stuck in between significant contributing structures; it easier to have a definable boundary and then address non-contributing with the most lenient application of the ordinance, which directs us to be liberal in our interpretation. Aldr. Silkaitis asked if there is any kind mechanism to exempt them from that; his only concern is the non-contributing. Mr. Norris said the non-contributing is very specific, we don't ask them to come up to contributing; if they are non-contributing now they can stay there, if they want to tear the structure down then we really want to make sure we're looking over what will go there. But if they are non-contributing and they want to do something very simple, we've never stopped them in the case of over 2,000 COA's since 1994 and only 2 of those have ever come before the Council; we've always been able to work it out.

Aldr. Gaugel said his concern is also the non-contributing; going forward somebody in a non-contributing house that was built in the 1970's wants to paint their house, put new gutters, replace the windows or a new front door; what does this now mean for that homeowner. Dr. Smunt said there is an exemption list that does not require commission approval, rather it is an administrative approval, especially for non-contributing structures for items such as a re-roof or a change out of a fence, railing, door, etc., those can be done without even a COA, but they would still have to put forth the application

for the building permit. He said those are simple maintenance non-architectural issues, but for something like a bungalow type house that was maybe at one time a Sear's Craftsman structure that's been resided over with aluminium, and now you want to put on a 2.5 story addition that's way out of size and scale for the neighbourhood, the Commission would like to at least weigh in on that and direct them into a less imposing construction program, not necessarily tell them they can't, but let's negotiate something sensitive to the neighborhood, and if they are unhappy with that then have the right to address Council.

Aldr. Lewis said there is a letter in the packet from someone who owns a new home and would like to be removed/exempt from this district of this goes forward, she understands it's not possible to be removed but wanted to know how it would affect a brand new home and would they be considered non-contributing. Steve Gibson-Historic Preservation Commission member-243 Valley View Dr.-said the definition of contributing and non-contributing is somewhat fluid; a non-contributing house can be brought up by making changes to it that would then make it contributing, so a house that has been so severely modified that it no longer has any significance to us could be unmodified or remodified in a way that it would be contributing; that one of the reasons they cannot exempt a specific house. As far as a new house or vacant lot; we just had a house that's going to be built on a vacant lot in the Historic Dist. and those people came to the commission to ask for input to fit the size and scale for that neighborhood to respect of the rest of the neighborhood; the impact on everyone in that neighborhood is dependent upon the houses built. The good thing about is that the requirement is the contributing house, that's where we have the most restriction in what we are trying to maintain those houses so they continue to be contributing and significant. For a new house we would encourage them to make it fit the neighborhood as far as scale or architectural elements, but we certainly wouldn't say you have to build an old house in the new neighbourhood; the front of the house is what's important which is what impacts the street and the neighbors, the back of the house where additions are done is not as important so there is a lot of leeway with that.

Dan Marshall-Marshall Architects-812 E. Main St.-said he supports this and it does a lot of good for our town along with our zoning code allowing some control over what's built; it's great for the neighborhood.

David Amundson-500 Cedar St.-speaking for his wife who is a PhD in architectural history-is in support of this and will be the first to admit having a little hesitancy because she has a slight libertarian streak when it comes to her house and property, but she's willing to embrace it in large part because this is what she preaches at the school where she teaches-School of Architecture at Judson in Elgin. We constantly harp on students about placement and significant places to make new communities which usually implies more than just 1 individual building. Historic preservation in this country focused on monuments for a long time and letting everything else go to pieces and as time has progressed people have gotten more comfortable with the fact that it's actually the whole fabric; everything that makes the community. He lives in this district and it will impact him and there is a sense of history in our neighborhood and he would like that to be preserved. He said his love affair with St. Charles started in 1998 when he started dating his wife and he still remembers falling into the valley coming down Main St. and all of the sudden there's downtown in front of him which was this wonderful, nice, neat, quaint picturesque downtown. He said they walked around the neighborhood and over to Lincoln Park and it had this sense of place and something special, preserving the fabric is important in historic districts like this and this is one of the few ways that we have available to do so. One of the local publications named Geneva, St. Charles and Naperville as being the 3 places in the Chicago metropolitan area that were worth leaving the city to go see, and that's not just because of

Main St., Hotel Baker or the Arcada; the whole fabric makes the community more, and this is how we save it.

Chairman Bancroft said we are blessed with a particularly affective Historic Preservation Commission in his opinion so the implementation of a district like this upon their recommendation should be dually noted in how they work over the years and truly how affective they have been. Aldr. Lewis reiterated that, she went to the public hearing and she commends the commission on a job well done, they were very thorough, fair and open to everybody's comments. She noted that in the city's mission statement the first word is "heritage" and we should keep that in mind.

Aldr. Silkaitis said he does appreciate what the group has done but he does like the mechanism that they could repeal the Commission decision for the Council to make final decisions, which he doesn't want to do, but if comes to that then it comes to that, and he's in support of it.

Aldr. Krieger made a motion to approve Historic Preservation Commission recommendation to approve Historic District designation for the Millington Historic District. Seconded by Aldr. Stellato.

Roll was called:

Ayes: Stellato, Silkaitis, Payleitner, Lemke, Turner, Gaugel, Krieger, Bessner, Lewis

Absent:

Nays,

Recused:

Motion carried 9-0

- c. Recommendation to approve and execute an amended Service Agreement for the Home Rehabilitation and Accessibility Loan Program.

Ms. Johnson said last month committee recommended approval of an amendment to the city's existing home rehab loan program which to remove the single-family only restriction to open it up to townhome and condo units, as well as changing the name to "Home Rehabilitation and Accessibility Loan Program" to highlight the fact the program can be used for accessibility modification. Community Contacts currently administers the program on behalf of the city and has done so since the program began in 2010. Staff has now amended the service agreement with them to reflect the changes to the program.

Aldr. Turner made a motion to approve and execute an amended Service Agreement for the Home Rehabilitation and Accessibility Loan Program. Seconded by Aldr. Payleitner. Approved unanimously by voice vote. Motion carried. 9-0

- d. Recommendation to approve modifications to a Commercial Corridor and Downtown Business Economic Incentive Award (CCD) for 104 E. Main Street (Crazy Fox).

Mr. O'Rourke said this is for modifications to an existing CCD award; last October Council approved a tier 2 award for Pete Zaikowski-the building owner as well as the business owner, for a number of items, which included rough plumbing in the kitchen and around the bar as well as the installation of a new water heater. However, when the repairs were started city staff discovered some other code modifications needed included a grease trap and some additional floor drains under the sink, which

really increased the cost of the plumbing estimate. As Mr. Zaikowski went through these changes he decided it wasn't feasible to do both the water heater and the required changes, so he did not do the water heater. The purpose of this amendment would be to essentially take that approximate \$4,000 that was designated for the water heater and shift it toward the extra plumbing costs, which are all eligible improvements out of the program, it just wasn't specifically laid out this way in the original estimates.

Aldr. Gaugel asked if this could have been caught before the application submittal. Mr. O'Rourke said it just wasn't something that could be seen until the existing kitchen equipment was pulled out; it's all stuff that happens under the floors, staff did not see it during pre-inspection nor did the building owner's contractor. Aldr. Gaugel asked if it occurred post permit. Mr. O'Rourke said correct, it was something the plumbing inspector noted during the inspection.

Aldr. Lewis said she is confused on what the total dollar is. Mr. O'Rourke explained the original amount was approved for \$20,250 and it stays that amount; the funds are just being shifted where they were being allocated for.

Aldr. Lemke asked if there are any problems with the hot water that might have encouraged them to replace it, or was it an upgrade as long as the work was being done. Peter Zaikowski-1572 Knoll Crest, Bartlett-said the water heater was going to be an upgrade but when they did the final inspection with the city they noticed the grease trap wasn't where it was supposed to be so they had to tear up the whole floor put a new one in and redo all the drains. The cost was the same, we just didn't upgrade the water heater, we did what the city inspector told us to do, but yes we do have adequate hot water, we wanted to upgrade for better but this was more important for the city so we just allocated the money there. Aldr. Lemke said he appreciates that, thank you.

Aldr. Stellato made a motion to approve modifications to a Commercial Corridor and Downtown Business Economic Incentive Award (CCD) for 104 E. Main Street (Crazy Fox). Seconded by Aldr. Turner. Approved unanimously by voice vote. Motion carried. 9-0

- e. Recommendation to approve a Minor Change to PUD Preliminary for CVS PUD Lot 2, 1601 S. 14th St.

Ms. Johnson said the applicant Lou Morelli has applied for a Minor Change for approval of changes to the plans for lot 2 of the CVS PUD in order to accommodate a restaurant rather than the retail building that was originally approved for that lot. The proposed site layout is similar to the approved plan, although the proposed building is smaller than the planned retail building and additional parking has also been added to the site. The building elevations have been modified and meet all design standards, a landscape plan has not yet been submitted but a landscape plan which substantially conforms to the approved plan will be required at the time of permit. The plans seen in the packet tonight show a sidewalk along the west side of the building but the applicant intends to eliminate that sidewalk in order to shift the building to the west by a few feet, which is required to allow for a 10 ft. separation between the east wall of the building and the watermain that runs along the east property line, and that sidewalk was not included on the originally approved plan. Staff recommends approval subject to resolution of staff comments prior to council action.

Aldr. Lewis said she never likes when sidewalks are being removed and would like know why it has to be removed. Ms. Johnson said the building is currently placed less than 10 ft. from the existing watermain along the east side so the building, so it needs to be shifted to the west and in order to do so without impacting the existing drive aisle location, they needed to get a few feet in to

allow for the shifting of the building, and have done so by eliminating the sidewalk to buy them about 4 ft. Aldr. Lewis asked what would be there, just road. Ms. Johnson said no, it will be the edge of the building and about 3 ft. of landscaping and then the parking, the sidewalk along the front of the building will remain which is along the accessible handicapped parking spaces to still have an accessible route into the public entrance. Aldr. Lewis asked if there will be any other landscaping around the building, because CVS has none. Ms. Johnson said yes there will be along that west side, a 3 ft. buffer, as well as the north and east side, but not on the south side of the building, but the landscape plan will be provided. Aldr. Lewis asked what kind of restaurant it is. Lou Morelli-said he hasn't bought it yet but is under contract with the due diligence expiring shortly, this will be a fast casual bistro and Italian eatery, emphasis on pizza but also Italian dishes; pastas, salads etc. Aldr. Lewis she doesn't think there's anything like that in that area. Mr. Morelli said not this casual, but there will be no drive-through, they thought of it but the building foot print is too small for that.

Aldr. Payleitner asked how the patrons would safely get to the entry without the sidewalk. Mr. Morelli said they'd park and walk up the back through the parking lot, he said the parking is kind of odd there, other than the 3 spots in front which are handicapped, nothing adjacent to the building would allow that. People on the west end of the building would have to park along 14th St. and people going south toward Rt. 38 would have to get out of the cars and walk. Aldr. Payleitner said she sees the sidewalk on the north side of the building, but there is no entry there, there's no sidewalk to get to the entry part. Mr. Morelli said there would be, CVS has a sidewalk that connects and the street that runs parallel to 14th St. connects to CVS. Aldr. Payleitner said she gets the pedestrian end of it, but there's not a safe way to go from your car to the front door. Mr. Morelli said only those first 3 spots by the door. Aldr. Payleitner said she must be misreading the plans because it looks like there are 8-12 spaces without sidewalk access. Mr. Morelli said that's correct, because the sidewalk will be eliminated.

Aldr. Turner made a motion to approve a Minor Change to PUD Preliminary for CVS PUD Lot 2, 1601 S. 14th St. Seconded by Aldr. Bessner.

Roll was called:

Ayes: Stellato, Silkaitis, Payleitner, Lemke, Turner, Gaugel, Krieger, Bessner,

Absent:

Nays: Lewis

Recused:

Motion carried 8-1

- f. Recommendation to approve a Minor Change to PUD Preliminary Plan and Plan Commission recommendation to approve a Final Plat of Subdivision for Doran Scales, Legacy Business Center PUD Lots 8 & 9, 883-884 Enterprise Ct.

Ms. Johnson said the Legacy PUD was approved in 2006 with approved plans showing a single building on each of the 2 lots and Mark Podl of Doran Scales has applied for Final Plat of Subdivision and Minor Change to PUD to consolidate the 2 lots into 1 single lot in order to construct a single building on the property. The building will be a single story, about 33,000 sq. ft. for Doran Scales and also another tenant. The Plan Commission recommended approval of the Final Plat and a recommendation for approval on the should be subject to resolution of outstanding staff comments.

Aldr. Stellato made a motion to approve a Minor Change to PUD Preliminary Plan and Plan Commission recommendation to approve a Final Plat of Subdivision for Doran Scales, Legacy Business Center PUD Lots 8 & 9, 883-884 Enterprise Ct. Seconded by Aldr. Gaugel. Approved unanimously by voice vote. Motion carried. 9-0

- g. Plan Commission recommendation to approval a Final Plat of Subdivision for Silverado Senior Living, Lot 7 Pheasant Run Crossing.

Ms. Johnson said last year a Map Amendment was approved to rezone the southern part of the property to allow for Silverado Senior Living facility, a Preliminary Plat of Subdivision was also approved at that time showing division of the property into 2 lots. Perry Devlin of Silverado has now applied for Final Plat approval which is in conformance with the approved Preliminary Plat showing division of the property-Lot 7A for Silverado (west of the Hilton Garden Inn), and then Lot 7B for future development behind the Silverado lot. Plan Commission recommended approval of the Final Plat subject to resolution of outstanding staff comments.

Aldr. Lemke asked if we have provided access to lot 7B should there be development on the site, without impacting the Volkswagen dealership. Ms. Johnson said yes, there is a cross-access easement through both lots for their mutual benefits to provide a means of access to lot 7B and also to allow Silverado to access their rear parking lot. Aldr. Lemke said so they might access the rear parking lot through 7B. Ms. Johnson said yes. Aldr. Lemke said how about through the Hilton Garden Inn. Ms. Johnson said no, they will not be connected.

Aldr. Lewis noted that the Plan Commission resolution for Silverado and Legacy showed no votes for Mr. Doyle rather than an absent vote. Ms. Johnson said thanked her for pointing that out and that those would be changed.

Aldr. Stellato made a motion to approve a Final Plat of Subdivision for Silverado Senior Living, Lot 7 Pheasant Run Crossing. Seconded by Aldr. Turner. Approved unanimously by voice vote. Motion carried. 9-0

- h. Plan Commission recommendation to approve a Special Use for PUD and PUD Preliminary Plan for Prairie Center.

Mr. Colby said Shodeen Group, LLC has filed applications for approval of a Planned Unit Development (PUD) for the Prairie Center project, which is mixed use redevelopment of the former St. Charles Mall property. A Concept Plan application for the project was reviewed by the City in January 2016 which included 609 residential units. The currently proposed PUD plan has similar land uses to that Concept Plan, including commercial uses along Rt. 38, an area of mixed use buildings, and an area of residential buildings to the north. The site plan has been modified since then; most notably to include a central north/south drive through the site that is now an organizing feature for the streets within the development, and optional mixed use buildings are now planned along the central drive and Prairie St. The plan includes:

- 670 residential units (including 61 affordable “bonus” units)
- A range from 83,000 to 116,000 square feet of commercial uses (depending on whether certain buildings are constructed as mixed use and not residential only)

Mr. Colby then shared a brief summary of the review process thus far:

Affordable Housing: On 11/17/16, the Housing Commission reviewed and recommended approval of the applicant's request for a variance to the Inclusionary Housing Ordinance requirement to permit the required affordable units to be located within one or more buildings (as opposed to being distributed throughout the site). The applicant represented that they are working with an affordable senior housing developer, although the variance as requested could apply whether the affordable units are senior or not.

Plan Commission review: The Plan Commission conducted public hearings regarding the PUD on 10/18/16, 12/6/16, and 1/10/17. On 1/17/17, the Plan Commission recommended approval of the project, subject to conditions relating to:

- Building architecture, to encourage greater variation in building design, particularly where two buildings could be attached together, as shown on the site plan. (During the public hearing, the architecture was changed to the Prairie style at the request of the Plan Commission.)
- Phasing, to require that the north-south boulevard be substantially installed with the first phase of the project.

*The Plan Commission resolution with their findings and conditions is attached.

Park District: The applicant and staff have engaged in discussions with the St. Charles Park District regarding a park site donation within the project. The Site Plan shows a park site located adjacent to the on-site detention basin. The Park District has expressed an interest in accepting a park site donation at this location, but this has not been finalized. *The most recent letter from the Park District is attached.

PUD ordinance: Staff and the applicant are engaging in discussions regarding the PUD ordinance for the project. *The attached memo summarizes the key provisions of the draft PUD Ordinance. The developer's proposal for utility connection fee credits remains unresolved.

Mr. Bong summarized the main points and concepts of the civil engineering studies for the Prairie Center development. In March of 2016 Shodeen asked city staff to hire and manage a group of consulting engineers to produce civil engineering capacity studies. The scope of these studies was to understand what infrastructure is necessary to accommodate this development. Shodeen provided a deposit to cover these development related costs. City Council reviewed the scope and approved the contracts on March 21, 2016 so the City could then engage the consultants.

Mr. Bong said that over the past few months these studies have been presented by the consultants at a public hearing and the complete reports are posted on the project web site. He then gave a brief overview of each of these studies.

Watermain Modeling- by Trotter & Associates- The proposed internal site watermain is plugged into a computer model of the City's watermain system. The system is then run through various scenarios. The result of this analysis is that adequate fire flows will be available at all proposed internal site buildings and fire hydrants to meet 2015 International Fire Code.

Stormwater Report-by Applicants Engineer ESM, reviewed by WBK Engineering- The development will provide a new onsite detention pond and will also expand and improve th

existing 14th Street detention pond behind the Saddlebrook Office building. This development will be required to follow the Stormwater Ordinance, which requires a maximum runoff release rate of 0.1 cfs/acre, which is less than the existing release rate. The City is requiring that all of the required 12 acre-feet of detention is provided within these 2 ponds.

Sanitary Sewer Study-by WBK Engineering-The scope of the study was to determine a before and after evaluation of the proposed development to determine its impacts on the downstream sanitary sewer system. Estimated new sewer flows from Prairie Centre are added to existing background flow monitoring data and analyzed to determine the capacity of the downstream pipes pre- and post- development.

Mr. Bong then gave a lay of the land and referred to a map showing the sanitary sewer pipe segments that were studied. This is what we call the Gray Street Trunk line; it travels down Gray St to Roosevelt Street to Rt. 31 to a siphon that crosses the river. The reason these pipe segments specifically were studied was because they will be the direct downstream route of the new sanitary sewer flows from the Prairie Centre development. The existing flows from Jewel and surrounding buildings, as well as what was the old mall, currently flow down the sewer shown in blue, known as the Davis School trunk line. This is the trunk line that flows down Fellows St and eventually connects to the Gray St. trunk line. The new Prairie Centre flows and the Jewel and surrounding flows will be rerouted to the Gray St. trunk line by way of this connection point (shown on the Power Point).

In summary, Prairie Center adds wastewater flow but does not significantly change the sanitary system. Some of the far downstream pipes are currently above 90% of capacity during heavy rain events. Prairie Center development will use an additional 2% of the available pipe capacity of the Gray Street trunk line.

He said the study recommends routing all the new flows to the Gray St. Trunk line during the first phase of the development. The study also contemplates a future project to replace some of the far downstream Gray St. Trunk-line pipes, and also recommends continuing with the City's CMOM-Capacity Management Operations and Maintenance Plan, as information from that plan could help define project details.

Traffic Impact Study-by HLR Engineering-The scope of the study was to follow the industry standard traffic impact study methodology which consists of data collection, analysis, and recommendations. Data was collected at the intersections surrounding the site, as well as 2 intersections at Prairie St. at 7th St and Prairie St. at 3rd St.

Traffic volumes were developed for 3 scenarios: Existing 2016 traffic, then projecting existing traffic 10 years into the future to the year 2026, and then finally future traffic in 2026 with the fully developed Prairie Centre added. These volumes are then run through industry standard traffic modeling software, Highway Capacity Software and Synchro.

Another area of analysis was checking traffic signal warrants at three intersections on Prairie St: 14th St, 7th St, and 3rd St. Signal warrants are guidelines published in the Manual on Uniform Traffic Control Devices to aid in the decision to install traffic signals at an intersection. These

are guidelines and meeting a warrant does not require signal installation. Often, traffic signals are not the best option.

Based on the analyses, the study reported findings and contemplates recommendations. In general, the area roadways can absorb the impact of the site generated traffic and where there are problems, typically they are existing ones. At Randall & Prairie, the main issue is the existing westbound left turn lane clearing onto Randall Rd. during peak times. Kane County has plans to widen Randall Road in this area from 4 lanes to 6. This widening is expected to address the issues at this intersection.

At the other three Prairie Street intersections 14th, 7th and 3rd, although traffic signals are already warranted under existing traffic, the analysis shows remaining capacity. At the development's main exit on to Rt. 38, the study recommends the addition of a left turn lane and signal arrow to the existing traffic signal as well as optimization of the signal timing in the area of the site. This is a kind of calibration of the signals to make them work together as efficiently as possible.

He then referred to a picture of the impact of the addition of the Prairie Centre traffic at the Prairie and 14th Street intersection. The green is the projected length of peak hour vehicle queuing in 2026 without the development and the red is the additional queuing attributable to Prairie Centre, which is less than 1 vehicle length, and is similar for Prairie and 7th as well as Prairie and 3rd intersections.

He said In addition to the City's review, KDOT and IDOT were sent copies of the traffic impact study since Randall Road is a county road and Rt. 38 is a State Road. The county's only recommendation was the traffic signal optimization. The State is requesting a right turn lane on Rt. 38 into the main entrance. This differs from the recommendations of the HLR traffic impact study, mainly because the capacity improvement gained from the creation of new right turn lanes is generally modest. Nevertheless, IDOT may require this as a condition of their permit.

Chairman Bancroft referred to the February 10th Staff memo which states the details of current ongoing discussion with staff, which items are outstanding and still being negotiated, as well as ongoing discussions with the Park Dist., therefore he feels there is significant work that still needs to be done. He said staff has also stated that a revised PUD ordinance draft was submitted last Friday which is not part of this packet, and from that standpoint, he thinks questions today regarding the studies is the most productive use of committee's time, however he does open the floor to any comments.

Aldr. Payleitner said she would like to see wording in the ordinance for the affordable housing that the variance will be granted as long as it is applied to senior housing. Chairman Bancroft clarified that to the extent that there are units being provided as part of the PUD and overall development concept, as long as those are going to some sort of senior housing use, the condition is that will allow all of those to be located in 1 section, otherwise they would have to be spread out. He said he personally agrees with that.

Aldr. Lewis asked where all the cars are coming from for the projections without the development in the traffic study for the year 2026. Mr. Bong said what is shown in green is base traffic for the future in 2026. Aldr. Lewis said if nothing is developed why is there more traffic. Mr. Bong explained that there was not a shorter line shown for the current traffic in 2016, but the projections for 2026 come

from CMAP. Aldr. Lewis said there is no place to build anything so she doesn't understand why it gets so much longer with no building and only gets a little shorter if it is built.

Alex Garbe-Traffic Engineer with HLR-380 Shepard Dr., Elgin-explained that the green line is not indicating a change or increase in queue; it's not stating that without the development there is going to be 75 ft. increase in queue in the left northbound turn. If you went out there right now you'd maybe see 1 or 2 cars waiting to make the left; the green line portrays that queue and what it might be in 2026 based on CMAP's direction, and that number can come from any number of things in the region. Aldr. Lewis said there is nothing there. Mr. Garby said they are looking at a much larger area than just this specific intersection, and he thinks they estimate a 1% increase at Prairie St. over 10 years, which can be through traffic and new trips generated by development farther west. Aldr. Lewis said it seems like an awful lot of growth to her for something we don't even know about, and very little growth for something that we do know about.

Chairman Bancroft said he doesn't think its growth necessarily, but existing conditions brought out to 2026, there would be green there regardless because things all around are using that traffic. Aldr. Lemke referred to the Charlestowne Mall traffic study, which showed current information as well as what the growth would be, and he thinks a clear illustration is missing in this study to see if CMAP has applied generally a number that in an area where its residential and there are no new houses, that may not be applicable, and he'd like to see the existing graphic. Aldr. Stellato said to visualize using 3 colors, with green being today and yellow is the future, would it be 1% a year or total. Mr. Garbe said 1% total. Aldr. Stellato asked what the red line indicated on Prairie, what percentage. Mr. Bong said one thing not shown here is the current traffic, which would be a different colored line which would be most of the green line and the future 2026 with Prairie Center is just an incremental increase in red and about 1 car. Aldr. Lewis said with 670 units what would the figure be for actual cars. Mr. Bong said the total traffic at the peak in 2026- the green line- is 1,361 total cars and then adding in Prairie Center would add 129 cars. Aldr. Lewis said we are going from 1,381 to 1,450. Mr. Bong said 1,490. Aldr. Lewis said that's less than 100 cars for a 670 apartment complex, why are we providing all these parking places. Mr. Garby said the majority of the traffic will travel Rt. 38.

Aldr. Bessner asked if there were anything to report in regards to any significant increase in waiting and queue times, timing of it versus just talking cars in terms of delay. Mr. Garbe said adding the development increases the delay of course, but they didn't find anything that the system doesn't seem to be able to afford. Aldr. Bessner said in the 1 photo we talk about an increase in 1 or 2 cars which visually doesn't worry him, but he wondered if the wait time increases way out of ratio to what we're looking at. Mr. Bong said the wait times are related to the queuing, the more of a wait time you will have more cars backed up; we don't have that exact information but we can get it.

Aldr. Bessner said in regard to sanitation, what is considered a heavy rain; is it 4-5 times per year or a flood every 5-10 years. Mr. Bong said the industry standard way to define that is the 10 year storm event, so it's referring to a heavy rain event as something out of the ordinary that's not happening once or twice a summer. Aldr. Turner added that we're at 92% capacity anyway and his understanding is that's a future project with or without this development coming, especially replacing the pipe in the Rt. 31 area. Mr. Bong said yes those pipes are reaching the end of their service life so that would be occurring sometime.

Aldr. Lemke said he understands doing origin and destination being a normal way of studying traffic, there are a lot of people and new position growth east of the river, as well as a lot of residential west of

the river, and he could expect a lot of queuing along Rt. 38, and he sees that during rush hour. If we were to look at the remainder of Prairie St. he doesn't necessarily see that all of that traffic will choose Prairie St. with some of its tight spots, he sees queuing going to Elburn during rush hour, and he's perplexed by almost no increment but all kinds of queuing along Prairie St. right now, it's unusual. He thinks we need to know what's there now to make the incremental understanding that there would be no impact from this. Another thing heard in the Plan Commission hearing is Randall Rd. and Prairie St.; if you need a right and a left turn to get to Rt. 38 there will be a right and left to get on to Randall to reduce some of the queuing, and the increment is to make the light back up worse until Kane County does something about it and he feels a contribution is in order. This was a problem in the traffic study when the tall buildings were proposed; the impact was on the light at Randall Rd. and Prairie and he thinks we are looking at the wrong issue; to assume people would come out of the subdivision to go east to head north and go left. Yes there will be some of that but he doesn't see that's really the issue and he thinks it's taking away from the Randall and Rt. 38 issues.

Aldr. Silkaitis asked if committee needed to give staff direction on the unresolved issues. Chairman Bancroft said given that there ongoing discussions and committee is not completely in the loop, as well as items that came in last Friday, he personally is not prepared to comment on some of those items. Aldr. Silkaitis said her understands and will wait to share his comments.

Aldr. Lewis said looking back at the presentation of the concept plan a year ago, Committee asked for a market analysis/study and she wondered if that was ever completed to state whether we need an apartment complex this size. David Patzelt-Shodeen Group- 77 N. First St., Geneva-said the studies have found there is no demand for commercial, internal studies have shown that there is a demand for residential. Aldr. Lewis asked if Committee could see those studies for residential. Mr. Patzelt said those have not been shared with staff. Aldr. Krieger asked why. Mr. Patzelt said because there are other competitors proposing apartment buildings within the St. Charles area and if those are shared it could fall in the hands of a competitor, and he believes that committee is seeing response to that need for apartment now not only from us but from others. Aldr. Silkaitis said that's hard to justify without seeing numbers, approving all these apartments and he would like to have some basis; is it feasible, what will the buildout be, that's what a market study would show us, he'd like to see a study for this project before making a decision.

Chairman Bancroft asked what is the pro forma absorption to build out. Mr. Patzelt said 10 residential units a month, 120 a year, so 5-6 years.

Peter Bazos-Elgin-Attorney representing the owner-Towne Center Equities and the developer-Shodeen Group-said this 26 acre site was first purchased in 1996 and in 2000 the city created a TIF dist. and sold bonds to make available monies to demolish the building on the site with the hope of an auto mall with the TIF increment repaying the bonds. The site was then rezoned in 2002 with the final buildings demolished in 2003; however we were not able to find automobile users to come to the site, which is similar to what has happened in Elgin at Randall Rd. and 90. The focus then shifter to the Towne Center development, beginning in 2007 and ending in May 2010, there were multiple Plan Commission meetings which resulted in the commission recommending to Council the approval of the project, but May 2010 Council rejected that plan. Since 2003 when the last building was demolished and 14 years later, the site sits vacant and underutilized, with the city subsidizing the bond repayments to its tax revenues from its general fund. He then showed some slides of the site and noted that the surrounding zoning classification of RM-3 to the east and north. In 2015 the developer approached the city regarding the proposed development of this site as a mixed use business residential zoning PUD, which

is what's before us tonight, or just straight residential zoning RM-3. Beginning in 2015 by encouragement of staff, 3 public meetings were held for members of the public to come in and see alternate plans of either straight residential zoning or PUD mixture of commercial and residential. Then in January 2016 a concept review went before the Plan Commission and then City Council to review those plans, thereafter the developer made certain changes to the PUD based on feedback, and in August 2016 the developer filed 2 separate applications. The first was the mixed PUD and the other is for straight rezoning most of the site, along Rt. 38 which would remain BR, but everything north of that-the second petition seeks to rezone to RM-3 or just straight multi-family residential, not mixed use. They have suspended the processing of the straight rezoning petition pending the resolution of this PUD application, because it was generally believed and they continue to feel that this is the superior plan. If this PUD plan is approved the developer will retract/withdraw that straight rezoning petition; this PUD contemplates 609 residential units with a density bonus of 10% for affordable onsite units, with the maximum onsite units being 609 + 61 with a total of 670. The Plan Commission held 3 public hearings beginning October 2016 and ending January 10, 2017, as part of that review a great deal of time and attention was paid to how the proposed PUD project complies with the Comprehensive Plan. He said per a Plan Commission members request they gave a point by point statement as to how or not this complies with the Comprehensive Plan and the result of that was a 26 page analysis which is part of the record and the end result was that it was recommended by Plan Commission. He said the plan shows connectivity between Rt. 38 and Prairie with a boulevard type private street with special design features and traffic calming features, as well as cross access from the site to the west from the Jewel side and to the east by Binny's. A park area next to the detention pond may or may not be dedicated to the Park Dist., that's still under discussion; other onsite recreational facilities include a pool as well as recreational facilities that will likely be built inside the buildings. Notably this project is described as upscale because 50% or more of the parking will be underground, which reduces the number of surface parking to leave more area for greenspace. Due to comments regarding possibly increasing retail square footage within the project, buildings B1, B2 and B3, if there is sufficient demand for additional retail, the developer could then put retail on the first floor and residential above. The Plan Commission also spent a significant amount of time discussing architecture, they wanted something special here, and there was the recommendation of a Frank Lloyd Wright type Prairie style be used, so our architects OKW came back with a couple of iterations for the mixed use buildings which include retail on the lower level and residential above. He then showed some slides of the Prairie style architecture as well as landscaping, lighting and touches that would be consistent with the Prairie style theme of the project. Before the filing of the application in August 2016, the Council adopted the Inclusionary Housing Ordinance in February 2016, Title 19 of the Municipal Code, and the developer is prepared to comply with the ordinance by either onsite units or to pay the fee-in-lieu, if the onsite units aren't feasible. He noted that right now we are lucky enough to be working with a reputable senior affordable housing developer who is interested in the 2 buildings on the site, which would be financed in part through tax credit financing with the Illinois Housing Development Authority (IHDA). They award tax credits to a number of projects each year and the developer is then able to sell the tax credits to raise equity financing which along with bank financing results in the developer being able to build the building; don't confuse it with Section 8, it is tax credit financing, which would be for a senior affordable housing project if this developer were to get the IHDA awards. IHDA has announced that due to the change in tax climate it will only have 1 round of awards in 2017, so all those who wish to participate need to be ready to make their preliminary applications on March 3rd, 2017, which gives us a very short time for this site to be able to be preliminarily approved by the city so the developer can tell IHDA that the site is available if IHDA will simply award it the tax credits. If we lose this round the developer will not be able to resubmit until the 2018 round which not only postpones development of the site but also burns off another year of waning 23 years of TIF, the sooner something can be built there the

quicker the city will start enjoying TIF revenues to pay off the bonds. However if the senior project doesn't go, the developer would need the right to pay a fee-in-lieu instead of putting in affordable units on site, if the developer were to do that with respect to the entire 10% we would then fall back the maximum 609 units, not the extra 61. Ultimately on January 17, 2017 after much hard work and 3 sessions of public review and public hearing, the Plan Commission made a unanimous recommendation of approval to Council, he feels and hopes committee will agree that this project has been very thoroughly vetted. We hope that given the fact that this property has sit for 14 years as a drain on the tax payers, and given all the changes made to the project since the concept review, that this will be moved forward and approved at the next meeting.

Vanessa Bell-Lasota-1610 Howard St.-said her comments are pertinent to the traffic study and she recommends the city request the Police Dept. crash report data, the traffic study states that there are no contributions to new issues but just adding to the current issues. There's a study of the 5 top crash sites in the city, she hasn't seen a recent one but requests that the city take a look at that as they say no new signalization is warranted, especially at Prairie and Randall. She noted that Kane County has stalled the project currently on the Randall corridor improvements due to lack of funding. The traffic study suggests a traffic circle at the 7th and 3rd intersection and she would like to suggest that committee take a look at the current success of traffic circle at 16th and Prairie. The developer wishes the PUD application to allow for adding horizontally to the residential building as the market allows in the future, and she doesn't know if this was the revision that was submitted on Friday, but she attended all the public hearings except for January 17th and that was brought up by the developer at the close of the public hearing. The Park Dist. has really committed to a study that the population in this area exceeds proper access to recreational outlets; one reflection of the Park Dist.'s commitment to develop park property in the area is the 19th St. park redevelopment, which has been completely gutted and has an incredible plan. They did a session with the community on the property to ask what people wanted, so they do know that Park Dist. property would be essential on this land because they can't currently serve the rental residential population; current population exceeds park assets in this particular area. Regarding the IHDA tax credits, would it be possible that as the developer is phasing in different aspects of the development that if you miss the boat on the 2017 credit, could they not meet it next year but still continue on another aspect of the development.

Kim Malay -526 S. 16th St.-said she lives in the neighborhood and is at the Prairie/Randall turn every single morning and sometimes sits 2 full lights-3 minutes a piece, waiting, so something definitely needs to be done, as well as a widening for the Prairie intersection because when its icy it's very dangerous to turn. Regarding the market analysis, she was before committee last year requesting this and has given them all a letter with her comments and she really cannot say enough that the city needs to have a third party doing this analysis making sure that we are looking at the true numbers, especially since we do have at least 1 other apartment complex being proposed in the area, if not more.

David Amundson-500 Cedar St.-said it's been reclad, seems like a veneer and looks cheap, he thinks we can do better.

Joe Masokias-23 N. 7th St.-said Lexington might contribute to the additional traffic, if and when it's built, there will be all those cars heading up 7th and down Prairie. He uses the intersection of 14th and Prairie himself, 2-3 times a day, and he only lives 2 blocks from where Lexington will be.

Mr. Bazos said that Mr. Patzelt has indicated that they have done an internal study and he's heard and understands the comments. The financial risk of spending millions of dollars is on the developer, they

wouldn't take a project like this if they didn't think it would be absorbed, also if the project wasn't approved and this goes straight zoning, there would be no traffic studies required with respect to straight zoning. It's been over 2 years vetting of this project and we have run out of time. Over these 2 years working with staff, who have been fabulous to work with, Plan Commission and appearance with Committee have always been cordial and we have always tried to be very truthful. He said he was provided with an email from an earlier speaker-Ms. Malay, that was sent to all of Committee that states on the top of page 2 that "the developer has several other large projects in the works in many nearby communities and is in litigation with Aurora over their project in that city". One thing you work hard to get, and if you lose it you lose it, is your reputation, and Mr. Patzelt is the president of this company and he tells me in no uncertain terms that not only is there not litigation with any part of Aurora, but there never has been, and it troubles us that this kind of untruth is being floated out there and that it is not true.

Chairman Bancroft said with respect to the affordable senior housing, he wondered if staff had any interaction or was aware of the March 3rd deadline. Ms. Tungare said she knows the applicant has requested a letter from the city indicating where we were at in the process and that they would be seeking the tax credit and she believes the city has provided that letter to the developer.

Aldr. Gaugel said his biggest concern is the sewer being at 90% capacity once this goes in and he hopes that can be addressed; he thinks Aldr. Turner already mentioned the fact that we are looking to replace those lines downstream. He likes the discussions had with the park, he likes the design of including the park there and he encourages those continued discussions. He also credits the applicant and Plan Commission for working together and taking some of their suggestions; he feels that is a testament of the collaboration in working together and he appreciates it.

Aldr. Turner gave kudos to Plan Commission, he knows this was difficult and he fully supports the plan. When it comes to the density, if it's going to take that many units to get 60 affordable units in the city, so be it. The buildout being 5 years he feels is an advantage to allow the adjacent areas to adjust, and from an overall perspective if there will be no development we're going to have to tax, so it's one or the other and he's all for this.

Aldr. Lewis said in reviewing her notes from a year ago, in her opinion, she doesn't think there isn't anyone who doesn't want to see this go forward and most of what's been given is positive, but it seems to keep getting bigger even though we've been asking for smaller. Now the buildings are a block long even though we've asked to reduce the footprint and the numbers, we've said 609 is too many and now we are at 670, which is exactly what was rejected 6-7 years ago. While she wants to move forward and keep working, she wants to get to that compromise, and while it has been going on for 2 years and she has been taking notes, but it seems like everything keeps growing. We want more mixed use, urban design is where you can live, play and work, we have 13 residential buildings and only 3 of those buildings have mixed use in them, and that's not a healthy balance; we keep talking about this balance and there is no balance there, it's all residential. She said she's frustrated and wants to move forward but somehow we have to come to a better understanding of what this community is asking for and she thinks the community has come farther to say as much as people want open space, park land and big boxes, we have realized that is not what's going to be there. There so much she likes about it but the block long buildings is all just an apartment complex and she will have to keep working with them on that.

Mr. Patzelt said him and Aldr. Lewis have had a lot of conversations on this project and Towne Center and a couple things that need to be kept in mind. Between the concept stage and the preliminary plan stage, the city reenacted the affordable housing ordinance, so they are now required to meet that. What that requirement did at the time at the \$72,000 a unit fee, times the 609 units, put a \$4.4 million burden on this project and you just can't absorb a \$4.4 million burden and say "let's move on with life". To relieve that burden and meet the ordinance we now need a 10% bonus to try to obtain that, in addition to that we went out and tried to find a developer who was experienced in tax credits, and that developer is now in hand, but are now hit in the knee caps by the change to IHDA guidelines, which is coming as a result of the new President and an opinion that these tax credits are falling in value and there may not be any market for those other than commercial business. We originally thought we would have 2 opportunities in calendar year 2017 to seek tax credits but there will only be 1 this year, so now we have to get this moving; there is also a concern that in 2018 they may not have tax credits available and we could then totally lose this if we drag it out any longer. He said him and Aldr. Lewis have had discussions regarding mixed use which is where he implemented this idea of the B1, B2 and B3; his studies and findings going to market is that there is not a demand for the commercial use, but they are willing to implement and incorporate that commercial use if the demand comes and that's why you hear a window of how much additional commercial could be added. This project will take 5-10 years, maybe longer, to develop and he believes that once we have a project to approve we can get out to market that we may find some other uses, and maybe a year or 2 from now he may be back to the city with an adjustment that suggests some other uses here where he may have to back out some residential units to make room for that. He cannot give the city a commitment that will happen, but he believes getting out to the market and showing a project that's approved, could lead others to want to be here, and those others being commercial users. He said he is in the commercial business and would very much welcome those users, but as indicated and as our pending application is, if this is not approved they understand, but he will be back with a BR along Rt. 38 and straight residential zoning, they will be happy to do that because they know there is a strong market for residential. He believes he is offering a better quality product here and the only way to get those units into this product without growing it vertically, which was a big concern, was to grow it horizontally.

Aldr. Lewis asked about a comment Mr. Patzelt made in the packet regarding the parking being decreased because he felt that at any given time he would have vacancies, and she thought that was an odd way to start in not being worried about parking because there will always be vacancies, she finds that an odd comment. Mr. Patzelt said any business, whether commercial, residential or manufacturing, you can't run a widget maker at 100% production all the time, there will not be 100% occupancy of the residential units, a typical residential developer hopes to push to a 93-94% occupancy at the end of any particular year, so that leaves a 6-7% vacancy on residential. Commercial would probably be at a 10% vacancy at any point in time throughout the development, and that's 1 tenant coming and 1 leaving and leaves you a gap at the end of year to probably have a 10% vacancy. Aldr. Lewis said so in building some of these first buildings and they find there's a large vacancy will they continue to build other buildings. Mr. Patzelt said no. Aldr. Lewis said then it will sit empty again. Mr. Patzelt said they have stated this will be market driven. Aldr. Lewis said maybe they are starting off with too many units to build in the first place, maybe 670 is not what the plan should be around, maybe 500 is a better plan where those you know can be rented. Mr. Patzelt said if he's at 100% and he's at 609, will committee allow him to go to 700-800. Aldr. Lewis said she doesn't have an answer for him. Mr. Patzelt said there are other developers coming in here wanting to do apartments and he firmly believes, and feels other are telling you, that there are a big demand for apartments, and he is so prepared that in the event the city doesn't want this plan, they will take out the mixed use portion and just come back with straight residential zoning and they believe they will fill it. Aldr. Lewis asked if the out buildings

around Rt. 38 were part of the PUD or straight zoning. Mr. Patzelt said in this application they are all included within the PUD.

Aldr. Stellato asked Mr. Minick to come up to answer some financial questions, but he agrees the Plan Commission has done a wonderful job getting it to this point, but in their process they can really only do findings of fact, at some point it gets to Council here and other elements need to be brought in, like the financial element of the TIF. He reminded everyone of the difference in the 2 TIF's for proposed site and Lexington; this TIF was done years ago and back then TIF's were set up as the city would make a pledge, float bonds and take risk for faith and credit risk of the city to pay those bonds off, and as we know the clock is ticking and that time is coming down. The incentive is that this development is putting pressure on the general fund to the tax payers; Lexington on the other hand, although we'd all like to it developed, but if it doesn't we are not out any money because it's a pay as you go TIF, it was a hybrid brought in about 5-7 years ago when cities got away from floating those bonds and taking those risks. He said we do have development that sits there vacant and we all know something needs to be done but if it doesn't happen, financially it's not hurting us, but we are not getting the tax revenue we would get if there were a development there, but we are also not paying off any bonds. Long lead in, long epilogue; prolong to get to this point of "what are we paying for this TIF, what has it cost us so far and what does it cost us per year".

Mr. Minick said the debt service on the TIF runs roughly \$250,000-275,000 per year; the incremental revenue to date is roughly \$150,000-175,000 per year, so we are subsidizing it to the tune of a little less than \$100,000 per year over the last few years. Since this TIF was instituted approximately 17 years ago, the gaps were not quite as big in the initial years of the TIF however there has accumulated about a \$1.1 million subsidy that's accrued from the general fund over to the TIF because nothing has developed. Aldr. Stellato said so if this project is approved and starts to develop, in whatever way, shape or form, what is the TIF deadline year and can it be extended. Mr. Minick said the TIF ends with the 2023 levy for the city which will be collected in the calendar year 2024, so it has about 6 years to run. As far as an extension, if the Council were to be in a position to request a formal TIF extension, it can be granted for a period of up to 12 years and requires the approval of the state legislature, which is a condition of any TIF extension in the state of Illinois. Typically, they do request approval of the overlapping taxing districts as part of that process. Aldr. Stellato said he just wanted to bring that element up, he knows we've talked about architectural, parking and utilities, but one of his motivations is that at some point we need to something here which he thinks everyone understands and agrees, but what it looks like when it's done is the topic tonight, but he'd like to get something done to not have this debt obligation.

Aldr. Krieger asked about the unresolved utility issues listed in the staff memo and wondered where those are at as far as solving those issues for electric, sewer and water. Mr. Minick said he thinks there is an ongoing negotiation right now with the developer. Mr. Colby said the February 10th memo has the current status with respect to the connection fees, there's calculations that show what would have been paid in 1979 when the mall was constructed, the value that the fees would be today in 2017, and then what the connection fee would be if this was a new building being constructed today, basically the old mall under the 2017 rates. Staff has provided a proposal of 50% of the 1979 value of the connection fees, the developer is of the position that they would like to have a credit for the connection fee for the old mall at the 2017 rate, which would be the \$435,000 figure; staff suggested the \$173,000. With respect to electric, staff has identified the potential for a credit for the electric equipment that was installed at the time the mall was constructed and that would be based on replacement value and staff has suggest that given the fact that the equipment was not being utilized with services and wasn't

paying into the utility fund, that the credit would be reduced to a certain amount, similar to the connection fees, but that hasn't been calculated yet. There is a disagreement with the developer in principle on whether they are entitled to the full value or reduced based on the fact that there weren't active services, which is a similar issue to the utility connection fees.

Aldr. Payleitner said carrying on with what Aldr. Stellato said in moving forward, she wondered in regard to the unknown items that came in on Friday, what of those issues prevents committee from voting tonight. Chairman Bancroft said personally, he thinks we have to have a form of a PUD agreement that staff is saying it is done, and he thinks that until these items are resolved we will not have that. Aldr. Payleitner said the item has a recommendation for approval of a Special Use for PUD. Mr. Colby said the recommendation came from Plan Commission to approve the PUD; everything is in place in terms of the process we went through with the PUD to have it set for approval of the zoning. The issues that remain relate to utility connection fees which are things that are being negotiated at the staff level and staff has not concluded those negotiations, they are open ended items. Mr. Patzelt said they have been working on the sanitary and the water and are confident that they can get those dollars worked out, as far as electric they are waiting to hear back from the electric dept. as to what those actual dollars are before we start that discussion. In the end the calculation method will be the same whether it's sanitary, water flow or electric and they are confident we will get through those. One of the other issues is the Park Dist., discussions through the entire project were initially that they didn't want to have any park land within this development, he understand there's been testimony stating otherwise from the public, but that is not necessarily so. In response to the most recent request from the Park Dist., the park has been reworked to try to make more of that land useable as they have repeatedly asked for 1 acre high and dry, out of the high water elevation of the pond during a large storm event, and he believes they are right at that 1 acre. Engineering recently submitted to staff shows that and staff is just completing their review to make sure that they concur with the storm water calculations, and if it does, he will go back to the Park Dist. to let them know they have the 1 acre they asked for. He thinks they are very close and it's not a large issue, hang-up or debate, but none of these issues may matter if Committee doesn't want the land use or the PUD. He said if Committee wants the PUD and if they could vote tonight and make the recommendation, and before the next Council meeting, he's confident those last issues could be resolved with staff and address those at Council, but if the use or the number of units is not wanted there is no sense in talking about the items that need to be finalized.

Chairman Bancroft said at this point he doesn't feel we are there, but that doesn't prevent a motion and a second. Aldr. Lewis agreed and said we are not there and these are issued that need to be resolved and let staff have everything in place for Committee to make the decision. She doesn't feel this is something that we should just hope falls in place; it's too big of a project and is something that should be all set in front of us before voting.

Aldr. Bessner asked staff how long this could take and if it could be cleared up before next Council meeting like Mr. Patzelt stated. Ms. Tungare said between negotiations as well as formal approval from the Park Dist. it could be brought back to the March 13 P&D, unless Committee would like to schedule a special P&D meeting. Aldr. Bessner said the direction was that if this were voted on tonight and approved all the issues could be resolved next Tuesday, February 21st Council meeting. Ms. Tungare said that is cutting it close.

Mr. Koenen said he thinks it would be good to understand the IHDA process and he is guessing that the March 3rd date heard tonight is just one of a variety of dates that needs to be met; he is not certain that's

the final application. Another piece to help move this project along is if the Council is comfortable with what Mr. Colby has outlined as far as how we will deal with waste water, electric, and water connection fees to offer direction that we should proceed in that way it will help in the negotiation process tremendously. The last conversation with the developer they were very firm that they were not interested, granted there was probably some anxiety because they did not have a lot of background on that, but we didn't make progress and maybe they have warmed to that idea since that conversation last week. The Park Dist. also needs to be talked about, for months they have been clear they need 1 acre of land, he doesn't know where they are at right now, he's heard .9 and .7, but they have represented consistently they would like 1 acre and he think that's fair on the behalf of the developer. Inclusionary Housing is the other issue, he's heard a couple different comments tonight as far as it being tied to senior housing but he has not heard feedback from the developer on that. Aldr. Payleitner said she recommended just the variance be marked for senior only. Mr. Koenen also noted that staff along with 2 or 3 officials are touring this senior development tomorrow and he thinks that will be healthy feedback as far as what it looks like and if it will be a good fit for St. Charles. He said there is also the issues regarding items that came in last Friday afternoon; he has not even reviewed that yet, nor has the Planning Dept., relative to preparing for tonight's meeting. He said there are some open items but if we can get direction on some of these it would be very helpful in moving forward.

Aldr. Stellato suggested that if Committee felt comfortable putting it to the next P&D in March, he would hate to just jump 30 days ahead and not have updates along the way, and as chair of Government Operations, and Aldr. Turner as chair of Government Services, maybe we could have a couple updates along the way between now and then to continue to give feedback to the developer on these issues as they come up. Chairman Bancroft said we have done something like that before but he is also happy to add a special P&D meeting, whatever works. He said he appreciates what Mr. Koenen is asking for in terms of direction but he is not exactly sure how that direction comes from Committee to him in this meeting, other than polling the Council to say "resolution of the items in the February 10th memo; if resolved the way he has suggested they should be resolved, and is everyone okay with that". Chairman Bancroft said it seems to him that everybody but 1 nodded that the resolution of the items in the February 10th memo that Mr. Colby has set forth is something we are all willing to live by here. There is also the Inclusionary Housing Ordinance, which personally to him it's very important that the senior development get built and be part of this PUD, to him the development is large enough and is a great attribute for it and is a big selling point. He said with respect to the variance, if we don't have a senior development there he is not going to be amenable to segregating that whole affordable component somewhere else, nor will he be amenable to the discretion of the Council granting the fee-in-lieu, which makes the senior development that much more critical to this and our approval.

Aldr. Krieger left at 9:17PM.

Aldr. Lemke said the Plan Commission wanted to vary the architecture and he doesn't see any reason to do that as long as it truly is some Prairie style architecture, with not a foot or inch of overhang but overhang that is consistent with some of the drawings seen. The developer owns property in the area immediately by Randall and Prairie and he thinks that may be required to add extra lanes, like a double left turn lane because we cannot ignore this and prior traffic studies showing the impact on the light at Prairie St. This may not be dealt with right away but he thinks some land needs to be allowed, which is really not an out of pocket, and as far as the size of the building he doesn't see any reason to connect what already are large buildings, he doesn't see the gain, and those are his big unresolved issues.

Aldr. Turner said that Mr. Patzelt is not going to give on this number or the architecture, this is what we're looking at, one or the other, so someone can talk to him until they are blue in the face, but this is needed for the PUD. Mr. Patzelt said the Prairie style architecture being incorporated is not a problem. There was a difference of opinion on the Plan Commission as to every building looking the same like it's a business campus; say they all have orange brick, the same color trim and shingles, and his understanding was that was not desired. They could all have the same similar prairie style architecture but don't make the buildings all the same color and all the roofs the same color to not look like a business campus which he agrees with, to not have monotony across the entire development. Aldr. Turner said the main point is it will come down to the numbers; you really need these numbers to make it work with the affordable housing component. Mr. Patzelt said yes, he then shared the IHDA schedule which is on their calendar:

- March 3, 2017-- Pre-application submittal date where they need a letter from the city stating they are interested in affordable housing in their community and we have letter signed by Mayor Rogina.
- April 21, 2017--Complete approval needed from the city of architecture and a lot graded for this parcel.
- June 23, 2017--Full submittal with full architectural plans, as well as full engineering plans approved by the city. The packet is about 10" thick that has to go to IHDA and has to be on their doorstep on 6/23/17. All the things needed could take an engineer or architect at least 60-90 days to come back for approval, resolve all pending comments and have a clean bill of health to their doorstep by June 23rd.

Mr. Patzelt said in regard to why the buildings need to be connected; this is a senior living facility and in this case they are proposing approximately 70 units for that and it is critical that they are all under 1 roof to be under management by 1 staff. Aldr. Lemke asked if they are elevator buildings, would there be 1 elevator or 2. Mr. Patzelt said they are elevator buildings but he is not sure the need or make up for 70 units, it's their product and he is touring tomorrow as well and will see how many elevators are in the building. His training has told him that you need 1 per 100 units in a building, so just because it's stretched out doesn't mean they may have more than 1 elevator. Mr. Bazos added that at Plan Commission it was discussed that in the event of a connection, the buildings they wouldn't be butted head to head; there would be architectural connection. Aldr. Lemke said he appreciates the animation and again the overhanging roof that gives it a Prairie look and not just a tight vertical that has a non-flat roof.

Mr. Patzelt said if we miss March 3rd and April 21st we are dead in the water and we will talk about it in 2018.

Aldr. Lemke asked if it's possible to have a P&D committee added to the next Council meeting to keep apprised of the progress. Chairman Bancroft said he would commit to a special P&D meeting next Tuesday, February 21, 2017.

Aldr. Payleitner asked if this could be resolved for a vote next Tuesday. Chairman Bancroft said resolved means outstanding issue that were identified in the memo and we are on board and gave clear direction on the Inclusionary Housing.

Aldr. Lewis asked how much landscaping has to be included before taking the final vote on this because she is not happy with the landscaping plan, but she thinks we can work on that. Chairman

Bancroft said that probably is more a final document. Aldr. Stellato said that would be 3 weeks out, March 6.

Aldr. Lewis said one other issue she has is a bike path along Rt. 38.

City Attorney clarified that nothing needed to be tabled because a motion was not made.

- 4. ADDITIONAL BUSINESS-None.**
- 5. EXECUTIVE SESSION-None.**
- 6. ADDITIONAL ITEMS FROM MAYOR, COUNCIL, STAFF OR CITIZENS-None.**
- 7. ADJOURNMENT- Aldr. Gaugel made a motion to adjourn at 9:27 pm. Seconded by Aldr. Stellato. Approved unanimously by voice vote. Motion Carried. 9-0**