

**MINUTES
CITY OF ST. CHARLES
PLANNING & DEVELOPMENT COMMITTEE
MONDAY, JUNE 13, 2022 - 7:00 PM**

Members Present: Silkaitis, Payleitner, Bongard, Bancroft, Lencioni, Pietryla, Wirball, Bessner, Weber

Members Absent: None

Others Present: Heather McGuire, City Administrator; Russell Colby, Director of Community Development; Derek Conley, Director of Economic Development; Rachel Hitzemann, City Planner; Fire Chief Swanson; Asst. Fire Chief Christensen

1. CALL TO ORDER

The meeting was convened by Chair Weber at 7:00 p.m.

2. ROLL CALL

Roll was called:

Present: Silkaitis, Payleitner, Bongard, Bancroft, Lencioni, Pietryla, Wirball, Bessner, Weber

Absent: None

3. OMNIBUS VOTE

*4a. Recommendation to approve a Final Plat for Pride of Kane County Subdivision.

Ald Payleitner made motion to remove item *4a from Omnibus Vote in order to ask staff questions.

*4b. Recommendation to approve Final Plat for Pheasant Run Industrial Park Subdivision.

Ald. Bessner made a motion to approve omnibus item *4b on agenda. Seconded by Ald. Bancroft with a unanimous voice vote.

4. COMMUNITY & ECONOMIC DEVELOPMENT

- a. Recommendation to approve a Final Plat for Pride of Kane County Subdivision.

Ald. Payleitner asked is the Final Plat attached to the PUD and to the plan.

Mr. Colby answered the preliminary plat of subdivision for Pride of Kane County was approved with the PUD in 2020. In terms of the scope of the review, it's a

requirement of the PUD approval that a final subdivision plat be submitted. The review is limited to compliance of the PUD preliminary plan, the subdivision plat that is attached to the PUD, and compliance with the subdivision code. Staff has reviewed those documents and is recommending approval.

Ald. Lencioni made a motion to approve the Final Plat for Pride of Kane County Subdivision. Seconded by Ald. Wirball.

A voice vote was taken

Ayes: Bongard, Bancroft, Lencioni, Wirball, Bessner, Silkaitis

Absent:

Nays: Payleitner, Pietryla

Motion passed 6-2

- c. Plan Commission recommendation to approve a PUD Preliminary Plan and Special Use for a Drive-Through Facility, 2600 E. Main St., Foxfield Commerce Center PUD

Ms. Hitzemann presented the PUD Preliminary Plan and Special Use for Drive-Through Facility and materials posted in the meeting packet for the item.

Ald. Payleitner made a motion to approve the PUD Preliminary Plan and Special Use for a Drive-Through Facility at 2600 E. Main St., Foxfield Commerce Center PUD. Seconded by Ald. Bongard.

A voice vote was taken

Ayes: Bongard, Bancroft, Lencioni, Pietryla, Wirball, Bessner, Silkaitis, Payleitner

Absent:

Nays:

Motion passed 8-0

- d. Recommendation to approve a Sales Tax Sharing Agreement with McGrath 4085, Inc.

Mr. Conley presented the Sales Tax Sharing Agreement with McGrath 4085, Inc. and materials posted in the meeting packet.

Ald. Wirball asked if the utilities for the site would be paid for by McGrath or the City. Mr. Conley responded that utilities would be paid for by McGrath per the project budget.

Ald. Wirball asked on the claw back provision, for example if they close in 10 years, what is the process for recouping that money. Also, the tax revenue, the first \$250,000 goes to the city and then 50% after that? Mr. Conley answered it is prorated, the longer he is in business the less he has to give back. The process would be, if the business was to close, the City of St. Charles would notify him advising how much needs to be paid back. If there was a dispute it would end up in the courts. Clarifying

the amount to the City, the first \$250,000 would go to the City of St. Charles, the second \$250,000 would go to McGrath, then anything after that would be split 50/50.

Ald Pietryla asked for confirmation on the past utility incentive, that only pertains to the Honda parcel, not to the Kia parcel? Mr. Conley confirmed that is correct.

Ald. Bongard asked what other types of businesses use a revenue shared model in the city. Mr. Conley answered it would be businesses that produce a high amount of sales tax.

Ald. Bongard asked what the use of the space on this parcel would be if not a Kia dealership. Mr. Conley responded the property would be marketed and whatever a developer thought they could put there, it would probably be something commercial, but would probably produce less in sales tax.

Ald. Bessner commented the City did something similar for the Volkswagen Dealership which is going okay. Mr. Colby responded that he doesn't have the specific details on it, but the City has been able to follow through and Volkswagen is open and generating sales tax.

Ald. Lencioni asked how this would compare to other deals given to auto dealerships. Mr. Conley advised a \$2.6 million incentive was given to the Audi Dealership but City also had to commit to \$1.5 million to improvements to Woodward Drive. He said he wanted to keep this incentive amount equal to the Honda Dealership and not go over that.

Ald Bancroft stated the structure of the agreement, it aligns interest, awards performance and there's a consequence if there is a change in circumstance. It is really well done.

Ald. Payleitner commented there was a similar agreement with the Sears Appliance store and they ended up having to do the claw back. It was a five year agreement and they left before.

Ms. McGuire added this is new revenue to the city, money the city didn't have before. Even giving back 50% it is still an influx of a great revenue source for the City.

Ald. Bongard made a motion to approve the sales tax sharing agreement with McGrath. Seconded by Ald. Bancroft.

A voice vote was taken

Ayes: Bongard, Bancroft, Lencioni, Pietryla, Wirball, Bessner, Silkaitis, Payleitner

Absent:

Nays:

Motion passed 8-0

- e. Recommendation to approve a Façade Grant Agreement for 105 N. 2nd Ave.

Ms. Hitzemann presented the Façade Grant Agreement for 105 N. 2nd Ave. and the materials posted in the meeting packet.

Ald. Pietryla made a motion to approve the Façade Grant Agreement for 105 N 2nd Ave. Seconded by Ald. Wirball.

A voice vote was taken

Ayes: Bongard, Bancroft, Lencioni, Pietryla, Wirball, Bessner, Silkaitis, Payleitner

Absent:

Nays:

Motion passed 8-0

- 5. PUBLIC COMMENT - None**
- 6. ADDITIONAL ITEMS FROM MAYOR, COUNCIL, STAFF - None**
- 7. EXECUTIVE SESSION - None**
- 7. ADJOURNMENT - Ald. Wirball made a motion to adjourn at 7:26 p.m. Seconded by Ald. Bessner. Approved unanimously by voice vote. Motion Carried.**