

**MINUTES FROM THE PUBLIC HEARING OF THE ST. CHARLES CITY COUNCIL
HELD ON MONDAY, APRIL 17, 2017
CITY COUNCIL CHAMBERS, IN THE CITY COUNCIL CHAMBERS
2 E. MAIN STREET ST. CHARLES, IL 60174**

1. Call to Order by Mayor Raymond Rogina 6:45 P.M.

2. Roll Call.

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

Absent: Stellato, Lemke

3. Presentation.

By and between the City of St. Charles, Prairie Winds, LLC, a Delaware Limited Liability Company, contract purchaser, and Todd L. Dempsey Declaration of Trust, record owner, related to the 20.49-acre site generally located on the north side of Bricher Road, west of the Lowe's property in St. Charles, Kane County, Illinois.

Rita Tungare

At the April 10 Planning and development committee meeting, the committee recommended approval of the project and directed staff to conduct a public hearing for an amendment for the Bricher Commons Annexation agreement. Prairie Winds LLC has requested approval of rezoning from a BR Zoning district to RM3 which is a residential zoning district and a special use PUD for Prairie Winds of St. Charles which is a 150 unit, multi residential development. This development will be situated on a 20.49-acre site within the existing Bricher Commons PUD. This property is subject to the provisions of the Bricher Commons Annexation Agreement which needs to be amended in order to permit this development. The Bricher commons Annexation agreement will be amended to create a separate agreement specific to the Prairie Winds Property. The remainder of the Bricher Commons property will be subject to the existing annexation agreement which expires in 2019. The proposed annexation agreement has been reviewed and approved by the applicant and the City Attorney. The PUD ordinance attached to the annexation agreement as an exhibit is incomplete. There are some unresolved items which have been highlighted in yellow and these items will also appear on the Council agenda as well. There is an ordinance authorizing the signing of the agreement which is also listed on the City Council tonight for your consideration. With that, I would be happy to take any questions.

Jeff Ratzner, 40W210 Big Rock, Illinois

I wanted to share with you that since last Monday's meeting; we made a couple of tweaks to the site plan. Maureen Lewis and I did not see eye to eye on something. She was pointing to one area and I was pointing to another. She was right, I was wrong. On the northwest portion of the property by the two buildings, adjacent to the open green space, we added two sidewalks. The other thing which we did see eye to eye to on and disagreed, was the pedestrian walkway between our property and Meijer and Lowes. After talking internally, the chairman of our

property thought Maureen was right and I was wrong. So the new site has shown a pedestrian walk going through the northeast side of the property to walk to Meijer and Lowes.

Steve Rayman, Big Rock, Illinois

Good Evening Mr. Mayor. You have a very formidable chamber. It was your idea Maureen the sidewalk to Meijer. I am all for it. The reason I am here today is to thank you for the attention you have paid us on this manner. And I appreciate it, however it goes, you have done a fine job, very professional. When I first looked at the property, we were very excited about it. We wanted to know what the impact fees were going to be. That was our first question on the development of this nature. We know the price of the land is, we don't know what the assessments, impact fees. We budgeted about \$2.5 million. Your chamber helped us a great deal on one impact fee, the affordable housing amount. Thank you. The last remaining big issue is the assessment for the park district. I was taken aback by the amount that was calculated. I thought I should come and voice my concern over two things. Does anyone really appreciate the fact that this is like a sales tax of over 30% on top of the price I am paying for the property? That's a lot of money. And if it went to the poor, needy, hospital, research, maybe I could understand some of it. But a million two is a lot of park benches. I am here to suggest that you might want to look at the overall assessment concept and make it more palatable for a purchaser to take into consideration the impact fees. It would be better to charge for hospital and school and infrastructure, it may go down better than the park district. Having said that, we looked at the ordinance and I have had our law firm review it. I have a summary here that I won't bother you with the details of it, but the bottom line is the fair market value is the determining factor in assessing how much money one should pay for this particular fee. It seems that the fair market value has been predetermined notwithstanding the fair market value. And so even if you took the purchase price and calculated it, it would be less than what is being assessed to us now by a couple three hundred thousand dollars. So, we engaged in appraisal and it was submitted to the appropriate people. And the appraisal came out where the fair market value is more than half of the assessed value that is being proposed. From what I understand is that this value was established almost ten years ago. We all know what happened nine years ago with real estate values and in some cases, have not come back totally. So, fair market value is a good idea but it should be fair. We should look at comparable values, comparable sales and determine what individual land is worth today. And in doing so, we have a proposal of \$600,000/\$550,000 based on our understanding. However, when I gave the whole thing to the Council, he came up with a value of (just given to me today) \$368,000. I am going to discard that because I suggested \$600,000 as a fee that I would be happy to pay. I still stand by that. What I am asking the Council to do, because of our business and the weather, if we don't get in the ground shortly, we are not going to get very far this year. I have already commissioned the architects and engineers, many \$100,000s of professional dollars invested in this, and we want to get started so we can make a good showing and have housing available this year. But if it drags along to much, it pushes us down the road. We are anxious to get started today. I will abide by any decision the Council makes with regards to the park district issue. I suggest that you turn me loose and let me go to work. You can fill in the blanks in two weeks or so, to help resolve the issue with the park district. But I would like to know we have a

deal so I can finish plans and get ready to start for the construction, but for the amount I pay the park district. And when you determine what that amount should be, I will abide by it. Thank you.

Holly Cabel, 924 S. Third Street, St. Charles.

I have prepared a statement for you on behalf of St. Charles Board of Park Commissioners and the park district. It was about a week ago the park district was made aware of, via the St. Charles City website, that Prairie Winds LLC had formally submitted an objection to the per acre land value set in the City code, along with an appraisal for unimproved land. Also listed was the City's response to the applicant requiring an appraisal be submitted that met the conditions of the ordinance. Specifically, an appraisal that included improved land. This information was part of the packet in the planning and development meeting on April 10. Based on developer's assurance that they provide this update as requested I understand that planning and development approved that 4-2 and that's why it is moved forward tonight. As stated in the City ordinance, that while the fair market value of land shall be decided upon by the City Council other information may be submitted by the park district. The request by the park district is to do exactly that, to submit additional information for the Council's consideration. The district would like to provide input in this process as it significantly impacts the open space and recreational opportunities for this project. The park district is requesting to adequately respond to an approved appraisal. It is my understanding at this time that there has not been an appraisal received that has met these conditions as stipulated by the City. Please note that the park district is not against this development. But we do have an issue with not having adequate involvement in the process. The park district would like to ask that the City Council not take any action on the fair market value used in the park contribution calculation before an approved appraisal is submitted and an additional appraisal is secured by the park district and there is appropriate time to review and provide comment. A secondary concern of the proposed development is the Prairie Winds LLC's request for private amenities receiving credit toward the land cash ordinance. As the City code states that a portion of the public park site requirements may be provided in the form of private recreation. The extent shall be determined by the City Council and based upon the needs of the projected residents and available park land within the development. As a park district, we understand the recreational needs of our community. We serve them every day. Well planned and appropriate sized amenities contribute to resident favorability and should be considered when developing a park or placing value on park land. Allowing a residential developer opportunity to design and receive park space simply designated on a site plan, does not lawfully consider or meet the recreational needs of the future of these residents. It is the park board of commissioners' recommendation that the square footage of the private amenities proposed of Prairie Winds LLC not be counted towards the 5.28 acres of cash in lieu calculated on the park land worksheet. Furthermore, it is requested that the acceptance of the second appraisal for improved land by the City Council for the purpose of decreasing the land value dollar amount be delayed until the park district has the opportunity to have an accurate review of the proposed appraisal and provide an appraisal of our own for discussion purposes. That is our request.

Kathy Hewell, 519 Wing Lane, St. Charles

I am a 30-year resident of St. Charles. I also have been on the school board for 15 years and am currently serving as board president. I am certain I am speaking for the rest of the board members, although not many of them know that this is up for consideration. I know that at this point you have been talking about the park district numbers, but I think this has the potential to affect our school district also. If the land value is changed, our numbers would go down. I do apologize for not as being prepared as expected. We just learned about this. Dr. Schlomann told me at 6:48 on Friday night with the first email. I responded, and then we talked this afternoon. We felt that the school district should speak up. From that perspective, I haven't had much time to prepare but how things affect the school district are pretty clear. We are concerned that if the equation be changed, other communities will ask if their equations could be changed also. We are also concerned that future developments will all want this detail. We all know that the community is looking at hundreds and hundreds of apartments and each are trying to get their own best deal. We are concerned about that. There are thousands of current residents who have homes and have moved here, bought homes, and those homes were part of the land cash ordinance at that time. They all have done it. The people who are here in not fairly newer homes have already paid that money so it seems to me to be unfair to be dropping that requirement for people who are just moving in. They will continue to demand services like everyone else and changing the rules seems like there should be a fairer way to go about it. I think that Miss Cabel referred to some things that I have seen very quickly here, that the numbers don't seem to be apples to apples. It's what I have heard. We have consideration on land cash ordinance on raw versus improved land. Dr. Scholmann tried to explain to me quickly that you have to know what you are talking about. It is the improved land is the key as far as assessing the fees. In your packet, there is a letter from the Hoschiete and McGuirk firm that does talk about this. From that perspective, I would really like you to take the time to ensure we are making the right decision. I would also like to point out that our bodies all work together. And monthly there is an intergovernmental meeting and Mayor Rogina and Miss Payleitner attend as do I. We just had one of those meetings Thursday morning at 7:30 in the morning and nobody said anything about this and then to get an email on Friday night seems like a very rushed proposal to put forward. The school district is asking to take some time to make sure we are all our speaking for our own bodies and communities and do what is best for St. Charles.

Mayor Rogina

Just as a point of order, I did mention it at our meeting on Thursday, the passage of this particular item at committee and indicated there were outstanding issues by the park district at that time. I did mention it.

Mrs. Hewell

It was kind of vague, and now we are talking specifics. Yes we know that the project was out there, but we didn't know. And it has the potential to affect our school district if you change the value. Please consider that in your deliberations.

Steve Rayman, Big Rock, Illinois

There was one point I should make it has to do with the change in our society. It is a nationwide observation. The population is changing. The millennials don't want to get married, buy a house

or have a mortgage. And they want to live downtown. There are some that almost want to live downtown, but don't want to raise their kids downtown and they come to the suburbs. And if you drive to around St. Charles there is not much to rent. They don't want to own, they will pay the rent. They don't want the commitment. To provide quality rental property, this is as nice as any condo in town. It's going to be country club facilities with indoor pool, health club, outdoor pool, barbeque areas, playgrounds, dog runs, this is all on the plan. This is what the millennial future is looking for. You can continue to reject the concept of rental properties, but the demand is going to dictate to you that you have these facilities or your town is not going to have a full opportunity for all the new people that want these things. They will be stuck renting a house or a condo, they are not going to buy. I think that this is a phenomenon that is going on all over the country. You are close enough to Chicago to know what is going on there. I think as a prosperous town that you are, you should look at this concept and the demand is coming is here and you don't have the product for it. And I am offering it.

Jeff Ratzner, 40W210 Big Rock, Illinois

I wanted to say as far as the school district goes, I know that the fair market value goes hand in hand, but we have never asked for a credit from them. Their calculations are a lot less and more palatable. But we have not asked for a school credit. Their calculation is \$487,000 and we have not asked for any concession there and still are not asking for a concession. In a different approach than Miss Cabel, the park district knew that we were challenging the fair market value in December. I don't know where the April 10 date came from other than the fact that we submitted the formal. We had meetings with them and we talked. As far as that .93 acres that we are looking for as recreational facilities on our property, I was asked by the park district to go to schematics as to what I was going to do. This is the playground, park, actual amenities, the \$20,000 jungle gym. I was asked to design for another \$3,500, a dog park. This has two doggie water fountains, trash bags, ramps so the dogs can get their exercise, as well as park bench. The reason I bring this up is I find it insulting that we, who own over 6,000 apartments with over 10,000 residents don't know how to supply recreational amenities, which is what they are saying.

Mayor Rogina

I will ask Council to reserve their comments to when we get to the agenda, if that is acceptable to you. As far as Council is concerned that time is appropriate. Rita, anything else?

Rita Tungare

I would offer as a point of clarification, how the per acre land value affects the school and the park districts. The per acre land value is data driven number. It is based on data which is the fair market value of improved property in the City of St. Charles. So, if there is any change to that number, it would impact both the school and park district. I will defer to the City Attorney to clarify that.

John McGuirk, City Attorney

We set a value, per acre, for improved value in the City of St. Charles. That is in our ordinance. That is an established amount. What we are talking about here today is how can that be changed. One process is an objection by the developer. Whatever that number ends up to be is plugged

into both calculations, park district and school district, is run off of that number. There is certain amount of land described for the park district and school district. And in this instance, the school district comes out less. That is not always the case. It just depends on the population. When the developer says, he is satisfied with the school district, well that is not how our ordinance works. Our ordinance sets the value and the value is calculated per the other terms of the ordinance. Once we put the value in there, the school district will be whatever the calculation is, not what was in the application because now that has changed.

Mayor Rogina

Thank you. I have comments but I will defer to that part of the City Council meeting when action items will be discussed.

4. Adjournment.

Motion by Bessner, seconded by Turner, to adjourn meeting

VOICE VOTE UNANIMOUS MOTION CARRIED

Meeting adjourned at 7:45 P.M.

Nancy Garrison, City Clerk

CERTIFIED TO BE A TRUE COPY OF ORIGINAL

Nancy Garrison, City Clerk