

**MINUTES
CITY OF ST. CHARLES, IL
PLANNING AND DEVELOPMENT COMMITTEE
MONDAY, JUNE 11, 2012 7:00 P.M.**

Members Present: Chairman Carrignan, Ald. Stellato, Monken, Payleitner
Turner, Rogina, Martin, Krieger, Lewis, Bessner

Members Absent: None

Others Present: Mayor Donald P. DeWitte; Brian Townsend, City Administrator; Rita Tungare, Director of Community Development; Matthew O'Rourke, Planner; Russell Colby, Planning Division Manager; Chris Aiston, Director of Economic Development; Michael Mertes, Economic Development Coordinator; Chris Tiedt, Development Engineering Manager; Bob Vann, Building and Code Enforcement Manager

1. CALL TO ORDER

The meeting was convened by Chairman Carrignan at 7:00 pm.

2. ROLL CALLED

Roll was called:

Present: Stellato, Monken, Payleitner, Turner, Carrignan, Rogina, Martin, Krieger, Bessner, Lewis
Absent: None

3. BUILDING & CODE ENFORCEMENT

- a. Presentation of 2012 Property Maintenance Code and Proposed Amendments.

Mr. Vann showed a PowerPoint presentation of the City's code enforcement procedures, processes and challenges. The presentation included the Property Maintenance, Local Code Amendments, Enforcement, Violation Notification, Recent changes and future direction of Code Enforcement.

Mr. Vann noted that some of the restrictions and challenges they face are with the 4th and 14th Amendment of the Constitution, being search and seizure and the right of due process. He said that with the population getting older that it's become a challenge with properties falling into violation. He said that the City is trying to take the steps to try to take care of the issues, including training for elderly care processes. He said another challenge is mental health situations, but that staff is doing a good job of trying to correct these issues but that it is time consuming.

Mr. Vann said one of the major challenges and concerns in the last 5 years has been foreclosures. He said it has currently started to level out and the number of foreclosures hovers around the 450 mark and

has been consistent that about a quarter of them are vacant, which is currently at about 112 homes. He said City staff made a decision to control this and have been doing so but that it is a challenge.

Mr. Vann said the City has 23 nuisance properties which are assessed daily. He said the tools used for enforcement are adopted codes and Ordinances and also a code enforcement software tracking system that is used to keep track of all the properties being dealt with. He said the most significant tool used is mobile computers; it saves a great deal of time and resources. He said another tool used is the paging system for the code enforcement officer, and also the pre prosecution Administrative Adjudication Hearing system, which is done the third Thursday of each month.

Mr. Vann made a correction to his memo on page 2 regarding motor vehicles; "Vehicles that are in disrepair that make it incapable of being driven shall not be stored outside".

Aldr. Rogina asked who makes the case for the Administrative Adjudication Hearing. Mr. Vann said that is done by Staff, either Rob Surratt or himself.

Aldr. Lewis asked if this pertains to all properties. Mr. Vann said yes all properties within the City corporate limits.

Chairman Carrigan asked in regard to the nuisance properties, how is it taken to the next level. Mr. Vann said the owner or landlord is taken to the Administrative Adjudication Hearing, provides all documentation and pictures, and a fine is set for the next time they are not in compliance. Mr. Surratt said that also, instead of sending the letter, they just write out tickets issuing fines.

Aldr. Rogina asked in regard to rental properties and an issue with the 4th Amendment, if the issues is internal or external searches. Mr. Vann said a lot of time the renter will complain about an issue, but sometimes they just want to get out of their lease and use the City as leverage. He said most time access for internal is just by asking to come in, or being invited in, but that on a rare occasion access will be denied, and that is usually in the case of overcrowding issues. Ms. Tungare said forced entry cannot happen without probable cause.

Aldr. Stellato asked if there is any way to speed up the process to bring back the Ordinance before the fall of 2012 for Council approval. Mr. Vann said sure.

Aldr. Rogina asked if the International Property Maintenance Code is standard for most suburban cities. Mr. Vann said yes and codes are revised every 3 years but with not many changes.

Chairman Carrigan asked if Staff received enough feedback to move forward. Ms. Tungare said for the local amendment that if there are any other issues, staff can work with legal counsel to address these and incorporate them into the Ordinance.

Aldr. Rogina said in regard to internal searches on rental properties and feedback from the community on stepping too far, he would feel better if legal counsel, in a conversation, to say case law supports some of this as opposed to not supporting it and it being a violation of the 4th Amendment. Mr. Vann said whether the rental property program is approved or not this tool is still used to guide and write violations. Aldr. Rogina said he only mentioned it because it was raised as a concern/issue by staff. Ms.

Tungare said it's not so much an issue but is the legal framework staff has to work with, which is established by constitutional rights, property maintenance codes and the adjudication system. She said code enforcement is a balancing act and as much as the best efforts are put forward it is not something that can ever be 100% in compliance. Ms. Tungare noted that there is already a property maintenance code in place but that moving to the next level will enhance efforts.

4. COMMUNITY DEVELOPMENT

- a. Recommend approval of a Comprehensive Update to Title 16 of The City Code (Subdivisions and Land Improvement).

Mr. O'Rourke reviewed the Staff Report dated June 1, 2012.

Aldr. Lewis asked what the state monuments requirement in subdivisions is. Mr. O'Rourke said that is part of the Illinois state law that is a requirement for new subdivisions. A monument is a concrete block inserted into the ground listing the longitude and latitude for surveyors.

Aldr. Stellato made a motion to approve a Comprehensive Update to Title 16 of the City Code (Subdivisions and Land Improvement). Motion was seconded by Aldr. Rogina and passed by unanimous vote.

- b. Presentation of annual St. Charles Housing Affordability update.

Mr. O'Rourke showed a PowerPoint presentation explaining the purpose for the analysis, the terms and methodology, affordability for the City in 2011-2012, a summary of the housing and income trends, and the 2011 owner-occupied and rental affordability charts.

Aldr. Rogina asked if it is correct that 38% of the households in St. Charles are income-wise below the 80% AMI cut off. Mr. O'Rourke said that is correct.

- c. Recommend approval of a General Amendment to Title 17 of the City Code to Regulate Donation Boxes (City of St. Charles).

Mr. O'Rourke reviewed the Staff Report dated June 1, 2012. He said a windshield survey was done and there are quite a few of these boxes around town without any regulation in the Zoning Ordinance. He said Staff is presenting a detailed recommended Zoning Ordinance amendment to regulate the boxes. What is being proposed is that the boxes only be permitted as accessory uses in the BC and BR zoning districts and also, based on comments from the Plan Commission, for them to be further limited to shopping centers. He said there would be a number of placement and location restrictions including: must be on a hard surface, cannot take up an off street parking stall, cannot be in any of the parking or building setbacks, and that the name, address and contact information is supplied for the owner of the box so they can be contacted with issues. Mr. O'Rourke said a building permit is not included in the Amendment but that there has been a significant amount of discussion that one be required, but is not something that Title 17 would regulate, so it's just a question being presented, if it's something that should be required for the boxes.

Aldr. Stellato asked if Staff was looking for just feedback at this point. Mr. O'Rourke said no, the standards that are being proposed for the Zoning Ordinance are going through the process for a General Amendment and Staff is looking for a motion tonight.

Aldr. Stellato said he doesn't have a problem with the permit but he does have a problem charging a fee for a non-for-profit group that is benefiting from it. He said he can handle a \$25-50 permit fee, but he has heard that other towns charge up to \$250 for a box and he personally has a hard time with that. Mr. O'Rourke said setting the fee for that would be at the Council's discretion.

Aldr. Rogina asked if the reason this is being looked at is because there have been complaints to Staff. Mr. O'Rourke then showed some pictures taken by Staff which showed items placed outside the boxes and also one instance where one is placed in a spot that is visually impairing for motorists turning onto Rt. 64.

Aldr. Rogina asked why there were 2 nay votes from Plan Commission, and why Schaumburg chose not to allow these. Mr. O'Rourke said nothing was stated at Plan Commission as to the nays, and that Staff at this point is not aware as to why Schaumburg does not allow these.

Aldr. Rogina said he feels that there are plenty of opportunities for people who want to make donations, there are even charitable organizations that will come to your house for pick up. He said given what he sees he will probably vote no on the propositions as it is.

Chairman Carrignan asked the difference between nonprofit and for profit pickups, and for a nonprofit having a different rate structure than for profit. Mr. O'Rourke said aside from the entity that collects, there really is not a difference, but that as far as the rate structure, Staff would need to look into that, but that there cannot be discrimination between the two as far as allowing the boxes. Chairman Carrignan said he would be interested in the difference in the rate structure for the two.

Aldr. Payleitner clarified with Aldr. Rogina that he would be a no vote because he wants to completely eliminate the boxes. Aldr. Rogina said that is right because of all the other opportunities to donate which include drop off and pick up.

Aldr. Stellato made a motion to continue the General Amendment to Title 17 of the City Code to Regulate Donation Boxes (City of St. Charles), and have Legal Counsel review the difference between profit and nonprofit rate structures. Motion was seconded by Aldr. Monken and passed by unanimous vote.

Chairman Carrignan asked if the Committee would be interested in an Ordinance that would eliminate donation boxes entirely. Aldr. Rogina and Aldr. Payleitner said they would. Aldr. Martin said he concurs with Aldr. Rogina that the City has two of the finest organizations with Salvation Army and Goodwill and that we do not need the donation boxes, that they are an eye sore.

Aldr. Martin made a motion for a continuance for this item to have staff examine an Ordinance eliminating the donation boxes.

Roll Call Vote:

Ayes: Payleitner, Turner, Rogina, Martin, Bessner, Lewis

Nays: Stellato, Monken, Krieger

Absent: None

Motion Carried.

Chairman Carrignan clarified that staff would come back with two Ordinances, one for management of the current process and one to eliminate drop boxes throughout the City of St. Charles. Mr. O'Rourke said correct. Ms. Tungare said that as of right now there are no regulations in place.

Chairman Carrignan asked the Committee if they would like to go with an Ordinance managing what is in place now to Aldr. Stellatos motion and then come back at a later point in time and amend the Ordinance for both fees and the application use. Aldr. Krieger said she thinks that's a great idea. Aldr. Rogina asked if that would put something in place for the short run. Chairman Carrignan said correct, and that he thinks it takes 10 days for an Ordinance to go into effect after approved by City Council. Mr. Vann said from a code enforcement standpoint what would happen is the City would notify certain property owners where the boxes are located, along with the entity or company who owns the box to tell them the restrictions. He said and if Council moves forward with getting rid of them all together, then the City goes back through that same process again to tell them they are not allowed to have anything at all.

Chairman Carrignan noted that there will not be a July Planning & Development meeting due to Staff training and that this topic would not be addressed until at least August, and in order to manage the boxes over the summer that it should be voted on at this time and have staff come back at end of summer/early fall. Aldr. Lewis asked how many boxes are in town. Mr. O'Rourke said he is not sure, but he personally counted upwards of 20. Ms. Tungare said they are increasing in number since last year and they are from all different companies both profit and non-profit.

Aldr. Stellato made a motion to approve the general amendment to Title 17 of the City Code to Regulate Donation Boxes (City of St. Charles) as presented tonight, but to have legal Counsel review the difference between profit and nonprofit rate structures. Motion was seconded by Aldr. Monken. Aldr. Rogina opposed. Motion Carried.

- d. Recommend approval of an extension for recording a Final Plat of Subdivision for Pine Ridge Park-Lot 19.

Aldr. Stellato made a motion to approve the extension for the recording of a Final Plat of Subdivision for Pine Ridge Park-Lot 19. Motion was seconded by Aldr. Monken and passed by unanimous vote.

- e. Recommend approval of a General Amendment for temporary signs during construction projects (City of St. Charles).

Mr. Colby reviewed the Staff Report dated May 25, 2012.

Aldr. Krieger made a motion to approve the General Amendment for temporary signs during construction projects. Motion was seconded and passed by unanimous vote.

- f. Recommend approval of a Facade Improvement Grant Agreement for 117 W. Main St. (117 W. Main LLC).

Mr. Colby said this grant is for the Szechwan building which is undergoing a significant rehabilitation, the proposed grant would fund a new Main St. store front for the building and also new store fronts along the west elevation facing 2nd St. He said the cost of the grant is \$18,650, and the cost of work is estimated to be \$50,000plus.

Aldr. Stellato made a motion to approve the Façade Improvement Grant Agreement for 117. W. Main St. Motion was seconded by Aldr. Monken seconded and passed by unanimous vote.

5. ECONOMIC DEVELOPMENT

- a. Presentation of Charlestowne Mall Market Study (Melaniphy & Associates, Inc.).

Mr. Mertes reviewed the City Council approval of the contract with Melaniphy & Associates, Inc. He then introduced John Melaniphy to review the findings of the study.

John C. Melaniphy-6333 N. Milwaukee Ave.-Chicago-Said that he has seen a lot of sick malls but that Charlestowne Mall is fairly well maintained even though a considerable amount of tenants have been lost. He then showed a PowerPoint presentation showing the St. Charles retail sales by category including: department stores, food stores, drinking and eating places, apparel and accessories, furniture and electronics, home improvement, automobile and miscellaneous stores. He said in contrast the numbers do not look any different from any other suburb in the area.

Mr. Melaniphy then reviewed the numerical change by year, stating that the general merchandise, which includes dept. stores declined in 2011 and apparel and accessory stores sales in 2011 have gone up. He said another growing category is the drugs and misc. retail stores. He said he thinks that the consumer is a bit turned off with not only dept. stores but also with big box retailers and are going back to the specialty retail stores and apparel and accessory stores.

Mr. Melaniphy then showed a slide listing the percentage changes annually by individual category, and it again for accessories and apparel shows 134% increase.

Chairman Carrigan asked if in looking at apparel and accessories and dept. stores, where would VonMaur or Carson's qualify. Mr. Melaniphy said general merchandise, but that he classifies VonMaur as a limited line dept. store, but that Carson's and Kohl's would be general merchandise.

Mr. Melaniphy then showed an aerial map of the mall and the areas surrounding. He said the movie theatre has been generative throughout the whole process, but the problem is there is nowhere for people seeing a movie to eat before or after a show, they must leave the mall to do so.

He said that the remaining dept. stores, including the former Sears which is now vacant, are smaller than what is typically seen, and that currently there are 12 occupants left out of 120.

Mr. Melaniphy said there are 600,000 people within 10 miles of the mall, and that average area household income within the area are over \$100,000 and the only competition is Randall Rd. He said the mall is easily accessible and has good dept. stores, especially a unique store like VonMaur, but lacks an expressway. He said consumers know where the mall is located but it's a sad chain of circumstances that led to this problem.

Mr. Melaniphy then showed a map reflecting 10, 20 and 30 minute driving time to the mall and the average household incomes for those areas.

Mr. Melaniphy then covered the findings:

- Existing mall ownership has done little.
- New aggressive mall ownership is needed.
- Mall needs major big changes.
- Change the name of the mall.
- Create whole new image.
- Change what the consumer sees.
- Add new players and attractions (possibly a Macys or Bloomingdales-Specialty stores).
- Governmental agencies to fill vacant store space.
- Tear down vacant Sears's space.
- Re-grade site for one or more big boxes.

Mr. Melaniphy then listed the possible players to be contacted: Cabellas, Bass Pro-Shop, Mariano's, Woodman's, Plum Markets, DSW Shoes, Burlington Coat Factory, ½ Priced Books, Goodman's, Abt Electronics, Major Fitness Center.

Mr. Melaniphy said retail would be best for the space but to fill space possibly a University, Trade Schools or government agencies. He said since the cinema is doing great he recommended some sort of a restaurant street/park nearby with a possible retention pond with the restaurants around it. He also recommended some sort of entertainment venue like Dave and Busters or multi-family housing to the rear of the property.

Chairman Carrignan asked why internet loss wasn't factored into the equation in regard to the loss of general merchandise sales which pulls from brick and mortar. Mr. Melaniphy said those number are not in the equation because his numbers are real set retail sales numbers as to what happened and does not reflect what people did as far as buying on the internet. Chairman Carrignan said he feels that from 2006 onward there has been a significant shift to the internet. Mr. Melaniphy said yes but on the other hand there was a terrible recession, but that yes internet sales have been growing and pulls from brick and mortar.

Chairman Carrignan said he was disappointed because most of the information has already been discussed and been regurgitated a number of times. He said in regard to competition and as far as mileage for Stratford and Fox Valley malls being less than 10 miles but more than 5 miles, they were not in the report as competition. Mr. Melaniphy said he knows of all the competition but was trying to minimize the number of slides. Chairman Carrignan said he would rather have really sound information than minimize the slides because the City is paying a lot of money for this and it is important stuff. He said everything east of the center of St. Charles and take a 2 ½ mile swath on either side of Route 64 to County Line Rd. including the airport, there's no people there and there is a major demographic hole to the south and east. He said again that he is very disappointed in the presentation, but that he felt the restaurant idea was an ok idea but the rest is just rehashing what's been discussed the last 5 years. Mr. Melaniphy said in defense we would be talking about all of the other things because that is what is addressed when you look at the market for major retail, but that he is sorry to disappoint and that hopefully their report will not disappoint.

Aldr. Rogina asked why big boxes are being recommended when the chart shows that specialty stores are tremendously increasing. Mr. Melaniphy said change must be created and putting in big boxes was just a generative solution to bring people to the mall.

Aldr. Rogina asked for an example where an educational institution has worked out. Mr. Melaniphy said Palo Alto, CA, where HP took over a mall and turned it into a headquarters, but that he doesn't see that happening here, but that something where a major corporate entity that would take a significant portion. He also mentioned hospitals and it being an economic benefit.

Aldr. Stellato said in regard to the owners of the mall that they did not know the area well, and when they picked the site by demographics and put the 3 mile ring on the site, they picked up Wayne, which is higher dollar household income, which forced them to pick the current site, and that the mall should have been put on Randall Rd. in the first place. He said we may be trying to fix something that has been broken for 20 years, but he is not sure anyone will look to buy the mall with the economy the way it is and maybe the answer is to re-grade the entire site and start over.

Mr. Melaniphy said they did look at that option, but he's not sure what to do with it from there, but he sees usable space that needs to be fixed and needs change. Aldr. Stellato said that from the beginning the City requested that the carousel be facing Main St. so the lights would be visible. He asked Mr. Melaniphy if he thought realistically, a bank today would give out a loan on that site to build an enclosed mall. Mr. Melaniphy said it depends on what it is, and that they thought about opening up the mall, but that the mall is very bright and he feels has reuse. Aldr. Stellato said he is leaning toward the recommendation of regrading it and a short term goal to fill the Sear's spot, but that it's a tough order to fill the other 100 something stores that are vacant, and he feels the City needs to start looking at the site as a blank piece of paper. Mr. Melaniphy said but you want revenue and the way to get that is through retail because they pay sales and property taxes. He said step #1 is to make it relative to retail so it's viable to those taxes.

Aldr. Martin said he has not learned anything he did not know already and he is disappointed with the results of the study and that he was hoping to hear that the recommendation was to blow the place up so there was a place to start from.

Aldr. Turner said he doesn't feel the density is there and the site should be looked at as a blank piece of paper, as if the mall is not even there. He said the people do not want the density even in the 10 mile radius and what is being proposed will not work here.

Aldr. Stellato said if at one point someone wants to put a big box here, they will have to come before Committee and decide if we want our political future on the line to help out one big box for the entire mall and if it would make a difference, and that he doesn't feel it would. He said one store will only be a band aid, but if someone comes in and wants help with a really different idea, that would be easier for him to accept and as tax payers and elected officials it would really need to be something stupendous. Mr. Melaniphy said he did not mean just one big box by themselves, but a program to improve the entire site of which they would be part of.

Chairman Carrigan said they are passionate about this, and it is on the radar as far as the welfare of the City and it needs to be worked on harder to decide what will be done.

Aldr. Turner said he is glad the study was done and it reinforced what everyone on the committee already knew.

Chairman Carrigan asked for clarification on the 2nd phase of the project with Houseal Lavigne. Ms. Tungare said Houseal Lavigne will conduct a public visioning workshop for the east side on Charlestowne Mall to find out if the intent is for a clean slate or put a band aid on what exists today. She said this workshop would take place sometime in July.

Chairman Carrigan said a motion was needed to accept the study and asked if the \$24,750 included the Houseal Lavigne portion. Mr. Aiston said the study itself will be a document delivered the first week or so in July. He said he Mr. Melaniphy heard the Committees comments loud and clear in terms of analysis and he suspects will be reflected in the final study, but that the Houseal Lavigne is a different contract all together and that the \$24,750 is strictly for the Melaniphy study and the Houseal Lavigne portion will be \$8,500.

Aldr. Rogina asked if the community had been outreached during the Comprehensive Plan meetings in regard to the east side and has input been received. Ms. Tungare said the upcoming workshop will be focused on the mall and then Houseal Lavigne will take the work that Melaniphy has done and take that into consideration and open it up for the visioning workshop.

Aldr. Krieger asked if the Committee wanted to wait until the next item on the Agenda was discussed, which was also in regard to the mall, before going any further on this item.

Chairman Carrigan said relative to the \$24,750 that it was already authorized. Mr. Aiston said correct that's under contract with Melaniphy and that there is still a report forthcoming.

Aldr. Rogina asked where the \$8,400 is coming from for the Phase 2 portion. Ms. Tungare said that was not part of the original scope, but that under Community Development the Comprehensive Plan was budgeted and there was some contingency to adequately cover the cost of the additional visioning exercise, and it is budgeted and not an add on.

Aldr. Krieger said she thinks she knows how everyone feels about the mall. Aldr. Stellato said the 24,750 has already been spent and he would like to see what the public has to say in an unbiased forum, he has no problem with it as long as it's capped at this dollar amount.

Aldr. Rogina said that we cannot do anything until the owner wants to sell it, and he asked if there was any movement in that direction. Mr. Aiston said it has not been publicly put on the market, and there has been very limited, if any discussion over the past several months, but there is reason to believe the owner would sell at a given price, everything is for sale at some juncture. He said it was bought at a highly discounted price and he doubts they are making any money on it.

Aldr. Turner said he would like to see the Phase 2 go forward, but feels that when asking the community/anyone for feedback to rephrase the question to "what would you like to see happen at this site", instead of "what would you like to see happen to the mall".

Chairman Carrigan said that he agrees with Aldr. Krieger, that the next item for the East Gateway is very much part of this discussion. He said he hopes there will be more detail in the study from Melaniphy.

Aldr. Lewis said she would like to see the study before she accepts it. Chairman Carrigan said that by contract, Melaniphy will have to deliver the report and even if they do not like the report the City will still pay for it due to the contract.

Aldr. Turner made a motion to recommend that the City Council accept the results of the Charlestowne Mall Market Study and authorize staff to proceed with Phase 2 of the project with Houseal Lavigne. Aldr. Bessner seconded the motion.

Aldr. Martin asked that the motion be broken up into 2 parts.

Aldr. Turner made a motion to recommend that the City Council accept the results of the Charlestowne Mall Market Study. Aldr. Bessner seconded the motion.

Roll Call Vote:

Ayes: Stellato, Monken, Payleitner, Turner, Rogina, Krieger, Bessner, Lewis

Nays: Martin

Absent: None

Motion Carried.

Aldr. Turner made a motion to authorize staff to proceed with phase 2 of the project with Houseal Lavigne in the amount of \$8,400.00. Aldr. Bessner seconded the motion.

Aldr. Lewis said this is not being done through the Comprehensive Plan correct. Chairman Carrigan said no the information gathered will be put into the plan.

Roll Call Vote:

Ayes: Stellato, Monken, Payleitner, Turner, Rogina, Bessner, Lewis

Nays: Martin, Krieger

Absent: None
Motion Carried.

b. Presentation of East Gateway Business District Eligibility Study (Ehlers).

Mr. Aiston said that phase 1 has been completed which was a contract for \$12,000 for the eligibility study, the next step is phase 2. He then spoke about the increasing vacancies in the East Gateway Commercial corridor and the negative impact on the City's overall sales tax revenue stream which was exacerbated by the recession that began in late 2007. He said Phase 2 is to prepare a business plan with the Comprehensive Plan and the possibility of imposing additional sales and hotel tax. He said Phase 3 would deal with drafting ordinances and holding public hearings. He said Phase 2 in no way requires the City to designate the business district nor require the City to impose any additional taxes affecting the district if it is so designated. He introduced Nancy Hill.

Nancy Hill-Financial Advisor -Ehlers and Assoc.-550 Warrenville Rd., Lisle- explained the meaning and intent of a business district. She said it is a finance tool to help local Governments finance improvements needed for attraction, like building renovation and rehab. She said unlike a TIF district, a business district can be used for new construction. She said there is anywhere from 5-20 new business districts created a year. Ms. Hill then showed a map of the study area which runs along east Main St. and goes from Oak Ave. on the east to 6th Ave on the west and overall runs around 720 acres and 250 parcels of properties/PIN numbers.

Ms. Hill said the objective of their review of the area was to determine the eligibility of the business district under the business district act and outline potential next steps the City may take should they choose to move forward enacting a business district in the study area. She said as part of the review they did a number of thing in terms of methodology with a variety of data inputs including a field survey of conditions in the area, previously prepare reports, plans and studies, analysis of tax maps, County and township records and contact with City officials including the Police Dept., Public Works Dept. and Economic Dev.

Ms. Hill said there are 6 criteria and only one needs to be met but she feels that the City meets all 6. Ms. Hill then reviewed the definitions, qualifications and the findings for each of the criteria.

- Predominance of defective, non-existent, or inadequate street layout.
- Unsanitary or unsafe condition.
- Deterioration of site improvements.
- Improper subdivision or obsolete platting.
- Existence of conditions which endangers life or property by fire or other causes, or any combination of those factors.
- Retards the provision of housing accommodations or constitutes an economic or social liability, and economic underutilization of the area, or a menace to the public health, safety, morals, or welfare.

Ms. Hill reviewed the table showing the amount of automobile accidents in 2011 and the intersections at which they took place; she did note that the survey was done before the Route 64 construction.

Aldr. Rogina asked if the accidents were operator related accidents or the result of inadequate street layout. Aldr. Krieger noted that Route 64 is currently being completely redone and that this information will be old come 2013. Ms. Hill said you cannot control operator related accidents or the fact that there are some issues on east Main St. due to the condition of the property. She said she does not feel that the number of traffic accidents would qualify for the particular criteria but coupling it with some of the other conditions she feels it becomes an issue. She gave an example of a condition on the 1400 block of east Main St. that has a frontage road that ends and goes to nowhere, which is a missed opportunity to connect to the shopping center to allow some cross access. She also noted issues with poorly laid out parking lots, numerous conflict points, limited cross access through and between properties.

Ms. Hill reviewed the table showing the EAV history of Study Area and stated that the property values in EAV are lagging in the last few years and that the impact will start to be seen now. She said the EAV of the study area is declining at a faster rate than the balance of the City.

Ms. Hill reviews the table showing the EAV history of Charlestowne Mall parcels and said that she thinks the study area is declining at a faster rate because the EAV of the mall properties have dropped 35% in the last 5 years, in comparison the City has increased about ½%.

Ms. Hill said their findings show that the area does meet the requirements of the Business District Act, she noted that she doesn't feel this area is bad or a is not a good place to do business, it just means that there are conditions in the study area that a business or property owner would have to overcome or would have some extraordinary expenses to deal with those conditions. She added that she does believe there is enough eligibility criteria present in the study area that the City could make a finding that the area would not be anticipated to develop or redevelop solely as a result of private investment.

Ms. Hill said the recommended next step would be to prepare a Business District Plan Document, and once it is developed then a public meeting could be hosted, which would include a public hearing which is required by state statute and once public input is gathered the necessary Ordinances could be adopted to help encourage development and redevelopment in the study area.

Aldr. Stellato said we already knew the area was blighted but he didn't think it met all 6 criteria. He asked if the ultimate goal is to generate revenue from this district for this district only. Do the business owners, besides a public hearing, have a say so on whether they are in or not. Mr. Aiston said they cannot individually vote themselves in or out, if they are within the district and the district is designated and imposes the tax by Ordinance; they will not have an option but to collect it to benefit those properties strictly within the district. Aldr. Stellato asked if the properties chosen would be at the discretion of the Council. Mr. Aiston said any or all of the money can be utilized that's collected within district and then put into the special fund to benefit properties within the district and can be utilized in any one place notwithstanding the amount of the tax at that place actually generated in that fund.

Aldr. Stellato said it is similar to a TIF district, and asked what the experience has been when it comes to the public hearing and having business owners come forward and say if it's a good or bad idea. Ms. Hill said she has experienced both but most recognize that an economic tool needs to be put in place to help the district otherwise the decline will continue.

Mr. Aiston noted that this is unlike the TIF district because it is not money that is diverted from other taxing districts; this money is generated from the consumer and put into a special fund. He noted that if Council did not want to do the entire 720 acres, one location could be focused in on as long as the location is contiguous.

Aldr. Payleitner said she appreciates the work done but that it seems like eligibility was being looked for not determining eligibility. She said she feels a lot of the pictures used as examples for the findings were farfetched as far as accidents at large intersections and a blighted property that is going to be demolished any day. She said in regard to the area, she would feel better if a specific area were chosen and she cannot justify one store paying for the entire mall to be fixed up and she is having a hard time having little businesses pitching in to help their neighbors and she hopes the next step will be determining the projects. Mr. Aiston said that is a valid point, it is a large district and they should look at what is eligible and use the maximum amount of distance to find out if there is eligibility so this can be done on a case by case basis.

Aldr. Rogina asked what optional benefits may accrue from this and will it be included in the business plan. Mr. Aiston said the business plan does include a budget which talks about both project cost as well as revenue.

Aldr. Krieger asked if a small business on the very edge of the district can they opt out before the plan ever moves forward. Mr. Aiston said they could go to the Council and say they do not want to be part of the district and as long as they are not skewing the eligibility, and it's not creating a non-contiguity and is before the Ordinance is passed, but once you are in that's it.

Aldr. Lewis said we are spending \$8,000 for public input. Chairman Carrigan said he believes that is for the business plan and asked if the date will be used from Houseal Lavigne. Ms. Hill said as part of the plan and creation they are looking to utilize information from Houseal Lavigne to supplement a lot of other information for the legal requirements for the Business District Plan as it relates to the City's Comprehensive Plan. Aldr. Lewis asked if business owners would partake in the Comprehensive Plan workshops. Chairman Carrigan said there would also be a public hearing involved to put this in place and the business owners will be notified of that. Ms. Hill noted that they were happy to partner with Houseal Lavigne for all the input they have been gathering as part of their public process that could be utilized for a seamless transition.

Aldr. Lewis said she was concerned about the comment made in regard to even though there is negativity, it needs to be disregarded and move forward. Ms. Hill said what she means is there are conditions in the study area that would cause a property owner or a developer to have some extraordinary expenses that would prohibit the area from being the economic engine that the City needs it to be.

Chairman Carrigan said relative to the tax and how it impacts the auto business, the City has not seen anything from new cars, but we would from the service side. Mr. Aiston said that is correct, title properties cannot be taxed with this tax.

Chairman Carrigan said he is concerned with how far west this will reach due to all the small businesses it will impact and that maybe somewhere near Tyler could be the cut off but bring Tin cup

Pass into it. He said he needs further information to vote for a business tax, and that through a public hearing he will need to know how this will impact the businesses and the he would vote yes to move this along to see how this business district will help invest in the community to help the east side.

Aldr. Stellato made a motion to recommend that the City Council accept the results of Phase 1 of the East Gateway Business District eligibility study and authorize the Director of Economic Development to execute and agreement with Ehlers to complete phase 2 of the project. Aldr. Monken seconded the motion.

Roll Call Vote:

Ayes: Stellato, Monken, Payleitner, Turner, Rogina, Bessner

Nays: Martin, Krieger, Lewis

Absent:

Motion Carried.

- c. Recommendation to approve Land Purchase and Sale Agreement between City of St. Charles and Tyler/Production, LLC (1-Acre Property for Stormwater Management).

Aldr. Stellato made a motion to approve the Land Purchase and Sale Agreement between City of St. Charles and Tyler/Production, LLC (1-Acre Property for Stormwater Management). Motion was seconded by Aldr. Monken and passed by unanimous vote.

Gene Kalley-510 Long Meadow Circle-asked why the City is buying land from a private owner in order for the City to fix the drainage when that is presently the private owner's responsibility to fix that drainage. Mr. Aiston said this property and the subject drainage that is being referred to is part of the regulatory floodplain and also a part of the floodway, so it is the responsibility and the authority of the state of Illinois that monitors and regulates the floodplain. He said it is the City's responsibility to ensure that water flows through floodplain unimpeded and that it does not backup and cause drainage problems. He said the City has done this all over town because it is making a public improvement that will benefit a much larger piece of property than the particular 1 acre, it's all part of the flood prone 7th Ave water shed.

Mr. Kalley said he checked with the City Engineer(s) and was told that with private land, it's the private owner who is responsible for the drainage. Aldr. Stellato said this particular property is not causing the drainage problem and that what is causing the drainage problem is the fact that there is not enough retention in that area. He said both Mr. Monken and himself are Alderman for the ward and he cannot begin to say what Tyler Rd. looks like when it floods, you can barely move your car up and down Tyler Rd. He said the thought is that since the 7th Ave creek is flooding, which is east of there, the City needs to go upstream to buy property and create more retention to hold the water longer wherever they can so it does not cause problems flooding people's basements that live further west. Aldr. Stellato explained that the property is not causing the problem and that the City is buying the property to prevent the problem.

Mr. Kalley told Aldr. Stellato that what he explained is at odds with the City Engineer and that he was told that the fix is to put in an open ditch and not a retention pond. Aldr. Stellato said he felt they were

talking semantics and that whatever needs to be done to get it fixed should be. Mr. Kalley said he was told that as of right now the drainage is plugged and is the responsibility of the private owner to fix it. Aldr. Stellato asked if Mr. Kalley was saying that all the years of flooding was caused by just a clogged drain. Mr. Kalley said he was not saying that but just repeating what was told to him by the City Engineer. Aldr. Stellato asked if Mr. Kalley was really trying to say that the City Engineer was saying that all the years of flooding has been caused by one clogged drain. Mr. Kalley said it means that this one clogged drain contributes and if the fix is that it needs more retention right now, that the private owner has the responsibility to put in more. Aldr. Stellato said you cannot go on someone's private property and tell them to put in more retention because they have a clogged drain. He told Mr. Kalley he should check his facts.

Mr. Kalley then started to ask another question in which Aldr. Stellato said to withhold the question, there is a motion on the floor. The motion was seconded.

Mr. Kalley asked why Mr. Stellato was afraid to have the discussion.

A Motion was made to call the question and vote on Mr. Stellato's original motion. The motion was seconded.

Voice Vote:

Ayes: Stellato, Monken, Payleitner, Turner, Rogina, Martin, Bessner, Lewis

Nays: None

Absent: Krieger

Motion Carried.

The Committee then voted on Aldr. Stellato's motion to approve the Land Purchase and Sale Agreement between City of St. Charles and Tyler/Production, LLC (1-Acre Property for Stormwater Management).

Voice Vote:

Ayes: Stellato, Monken, Payleitner, Turner, Rogina, Martin, Bessner, Lewis

Nays: None

Absent: Krieger

Motion Carried.

6. ADDITIONAL BUSINESS

- a. Update on the Comprehensive Plan Project-Information only.

Chairman Carrignan passed on this item.

7. ADJOURNMENT-9:52PM