

**MINUTES
CITY OF ST. CHARLES, IL
PLANNING AND DEVELOPMENT COMMITTEE
MONDAY, NOVEMBER 12, 2012 7:00 P.M.**

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

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 Tiedt, Development Engineering Manager; Bob Vann, Building & Code Enforcement Manager; Chris Minick, Director of Finance; Chris Aiston, Director of Economic Development

Robin Jones-City Attorney

1. CALL TO ORDER

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

2. ROLL CALLED

Roll was called:

Present: Stellato, Monken, Payleitner, Turner, Carrignan, Rogina, Martin, Krieger,
Bessner, Lewis

Absent: None

3. COMMUNITY DEVELOPMENT

- a. Recommendation to approve an Amendment to the Annexation Agreement for the Porter Business Park.

Mr. O'Rourke reviewed the Staff Report dated September 26, 2012. He said in 2006 a special use for a PUD, the Annexation, and the Annexation Agreement was approved by the City Council for Porter Business Park which is a 6 lot industrial park. He said the Annexation Agreement and the PUD contemplated the removal of an existing house that is still currently there. He said the thought was that by the end of 2010 the house would be demolished to make room for a building but due to the economy that hasn't happened. He said staff is recommending an approval to amend the Annexation Agreement to extend the time period to December 31, 2014.

Aldr. Turner made a motion to approve an Amendment to the Annexation Agreement for the Porter Business Park. Motion was seconded by Aldr. Rogina and approved unanimously by voice vote. Motion carried.

- b. Recommendation to approve a Plat of Easement between the Thatcher Property Group, LLC and the City of St. Charles.

Mr. Tiedt said the Plat of Easement prepared by the Thatcher Property Group will provide access and allow for maintenance on water, electric and stormwater improvements that were constructed as part of the redevelopment of the 1510 E Main St. property and staff is recommending approval of the Plat of Easement.

Aldr. Stellato made a motion to approve a Plat of Easement between the Thatcher Property Group, LLC and the City of St. Charles. Motion was seconded by Aldr. Monken and approved unanimously by voice vote. Motion carried.

- c. Recommendation to approve a Resolution authorizing the execution of the First Amendment to the Land Improvement Agreement for The Reserves of St. Charles by and between the City of St. Charles, Omni-Tech LLC, and The Ryland Group, Inc.

Mr. Tiedt said in 2009 the city entered into a Land Improvement Agreement with Omni-Tech LLC to ensure completion of all the land improvements in the Reserves of St. Charles subdivision. He said since that time Omni-Tech LLC has had difficulty selling the vacant lots and completing the remaining improvements and at this time they are requesting an amendment to the agreement. He said the amendment was reviewed by the city's legal counsel and will require Omni-Tech LLC to complete public streets and stormsewer punchlists in phase I by August 30, 2013, as well as grant a time extension for all other remaining improvements within the subdivision to October 31, 2016. Staff is recommending approval of the Resolution authorizing the execution of the first amendment to the land improvement agreement.

Aldr. Stellato asked if staff is comfortable with the amount the letter of credit is being increased to cover the maintenance, in case it does not happen by August of 2013. Mr. Tiedt said yes we are.

Aldr. Turner asked if they do not do all the required improvements by August 2013 if the city will then pull their letter or credit. Mr. Tiedt said yes, they have until August 30, 2013 to complete the roads in Phase I and until 2016 to finish the incomplete area where there not currently any homes.

Aldr. Rogina made a motion to approve Resolution authorizing the execution of the First Amendment to the Land Improvement Agreement for The Reserves of St. Charles by and between the City of St. Charles, Omni-Tech LLC, and The Ryland Group, Inc. Motion was seconded by Aldr. Monken and approved unanimously by voice vote. Motion carried.

4. ECONOMIC DEVELOPMENT

- a. Recommendation to approve TIF Redevelopment Agreement (RDA) between St. Charles – 333 North Sixth Street, LLC (Lexington Club redevelopment) and the City of St. Charles.

Chairman Carrignan explained the order in which the discussion for this Agenda item would proceed and that the discussion tonight would be focused on the TIF Redevelopment Agreement. He said that if anyone were there to discuss traffic, density or any other issues that were part of the PUD Agreement for Lexington that those issues have left the Planning & Development Committee and have moved on the City Council.

Chairman Carrignan noted for public record that in addition to the presentation by staff that Committee had received about 60 pages of information; one email page, 58 pages of petitions and then 2 more pages of an editorial from Mr. Amundson.

Mr. Aiston said the question before Committee tonight is whether or not the city should enter into a tax increment financing redevelopment agreement with a certain property owner/developer in support of the proposed Lexington Club redevelopment of the former Applied Composites industrial property. He said Committee is not being asked to consider the merits of the proposed land use or the zoning entitlements due to those discussions already occurring in the spring through public hearings before the Plan Commission as well as public meetings before the Planning & Development Committee.

Mr. Aiston said he wanted to remind the committee of the subject properties recent and current state of blight, disrepair, environmental contamination and status with respect to being TIF district designation eligible. He said the central point is the properties relative state of blight, disrepair, and contamination including what was there and documented before the property was acquired, but since was demolished or removed, that has caused the property to become disadvantaged within the areas market place and not economically feasible to redevelop without some form of public financial assistance. He said the need for such financial assistance is to reimburse the developer for the extraordinary cost associated with removing the conditions in the effort to create a residential development-ready site consistent with the city's adopted land use plan for the property. He said with respect to the city's financial commitment exposure, the proposed redevelopment agreement has as its central principle that the city is assuming no risk. He said the TIF agreement is predicated on the "pay-as you-go" premise, the city will issue no debt and put no up-front money for this project, instead the city will issue notes to the developer that may be redeemed only to reimburse actual costs of demolition, environmental cleanup, and leveling the property to become development ready, and the reimbursement shall only be made from, and at such time as moneys are available from the TIF fund based on new incremental taxes derived from the development itself.

Mr. Aiston then showed a PowerPoint presentation listing reasons to support the project and utilizing the TIF to address the extraordinary cost associated with the prior and existing site conditions.

- Site has been abandoned for years and has fallen into blight disrepair. Mr. Aiston mentioned that back in 2005 it was noted as a "possible brownfield redevelopment opportunity" and TIF was discussed as potential opportunity prior to acquisition of site.
- Building presented a threat to the public health, safety and welfare.

Mr. Aiston then showed some photos of the building conditions from 2006.

- Evidence of environmental contamination on site
- Deed restrictions prohibiting residential use on some of the property

- Western area mounds contain fiberglass, plasticizers and other debris
- Contaminated soils from leaking underground storage tanks containing gasoline (ethyl benzene, xylenes) and polynuclear aromatic hydrocarbons.
- Site must be enrolled in IEPA Site Remediation Program and be cleared for residential use.
- Facilitate redevelopment that will implement the City's Comprehensive Land Use Plan.

Mr. Aiston then showed some aerial photos from 2012 for the post-demolition activities for the site. He noted that there was a recommendation for approval by the Planning & Development Committee in May of 2012 for the development plan.

Mr. Aiston then listed, if approved, the Developer's obligations:

- Demolish existing structures
- Remediate environmental hazards
- Level property to create development-ready site

Construct residential development

- 102 Townhomes
- 28 Single-family homes

Construct certain off-site public improvements

- Public watermain
- Reconstruct 9th Street from State Street to site.
- Construct sidewalk along State Street from 7th to 9th Streets.
- Construct missing sidewalk segments on 7th Street.
- Convey .09-acre parcel fronting 9th Street to Park District to enhance Belgium Town Park
- Pay \$717,597 to Park District (per code).
- Pay \$440,971 to School District (per code).
- Prior to the 65th Occupancy permit, pay \$200,000 to City for off-site street and intersection improvements.
- Seek opportunities to finance affordable housing units as part of project.

Mr. Aiston then listed, if approved, the City's obligation;

- Prioritize TIF disbursements as follows:
 - Set-asides for school and library districts.
 - City costs (professional consulting, legal, financial, and administrative, etc.).
 - Pay interest & redemption payments to reimburse developer costs (not exceed \$6 million) for:
 - Demolition of buildings and structures
 - Environmental remediation
 - Leveling of the site
- Reimburse developer for eligible costs on "pay as you go" basis
 - No financial risk assumed by City
 - Reimburse developer from TIF proceeds, as they are generated.

Aldr. Bessner asked in regard to the “pay as you go” element, if the project were to cease to exist half way through, where it would leave everything. Mr. Aiston said if all of the reimbursable expenses were completed and if the increment does not reach the amount of money to pay back the developer, they will not be paid back. He said they will be in this for approximately \$6 million early on in terms of cost and they have already spent a considerable amount of money on demolition and leveling the site. He said if all of that is accomplished, it would be hard to believe the increment will ever reach the amount to pay them back. He said not only is all the risk on the developer, but there is an incentive for them to build the project due to the amount of money put in that they will not get paid back because there is no increment. Ms. Jones said the redevelopment agreement has a date the project must be completed by and if it is not met the city has the ability to terminate the agreement which would result in ceasing all payment to them.

Chairman Carrigan asked if the reimbursement does not start until the properties go on the tax rolls to create a property tax. Mr. Aiston said there might be some natural inflationary increment to the tax but the current taxes are generating “X” amount that’s being spread throughout all the districts. He said the increments are different as in the date of the agreement and the next tax year that change in assessment will go towards the TIF fund, but the real increment is in the construction of the project.

Aldr. Rogina asked what the obligations are by the City and the owner in respect to remediating contaminated property absent of any consideration of a TIF. Mr. Aiston he doesn’t believe there are any building code issues; the property is abandoned and in order to get permits to construct on it and realize any new development value out of it, it would have to be cleaned up, but that he cannot think of any obligation the City can require as far as clean up. He said right now it is a de facto deed restriction. Ms. Jones said she is not an environmental lawyer but that unless the property otherwise violates other existing city codes, there would be no action the City could take. Aldr. Rogina said he asked because he has had citizens come forth stating that if their property sat in that condition, it certainly would be cited, but that he is asking the question absent consideration of the TIF.

Aldr. Turner asked what happens if the Final Plat is not approved. Mr. Aiston said there has not been an approval of the PUD, the entitlements have only gone to Committee and not yet to Council, but that he thinks he knows the developer well enough that without the TIF district, there would be no TIF agreement, and without the agreement, the development would not occur. He said if the development is not approved it’s either back to the drawing board or they walk away. Aldr. Turner said it’s a concern to him because there are a lot of questions with the development and that now a year later a lot of the same comments and concerns exist. He said he is afraid in granting a TIF before approving the final plan some leverage will be taken away from the City. Mr. Aiston said it will not be presented in that way to Council, but that the TIF district needs to be designated first. Ms. Jones said right, and that everything is intended to happen simultaneously with three ordinances that state everything to establish the TIF and then additionally approve the land improvement agreement and zoning for preliminary approval. The development agreement requires a submittal of a full final application within 60 days of the zoning approvals and if it that is not done then they would default under the agreement. Mr. Aiston said the PUD ultimately becomes an exhibit to the redevelopment agreement so the agreement exclusively needs to be approved first. Aldr. Turner said he would rather have the PUD agreement with the exact number of how many single-family homes etc. will be built before a TIF is approved. He said he will not vote on the TIF until he sees a plan he likes. Mr.

Aiston asked if Aldr. Turner is saying the establishment of the district or this specific redevelopment agreement. Aldr. Turner said he realizes the TIF is on the land but he feels it's one of the few pieces of leverage the city has to get the developer to correct some of the shortcomings that have been presented. Mr. Aiston said the majority of the Committee recommended approval of the PUD with certain conditions and the redevelopment agreement will not be brought in front of committee for approval until an approved Preliminary PUD for entitlement is considered. Aldr. Turner said he voted to move it out of Committee to Council so there could be some closure and seriousness about it because he has not seen any real change for the project. Mr. Aiston said he was not there to present on the project. Aldr. Turner said nothing was approved, only moved out of Committee to Council. Ms. Jones said the Preliminary PUD establishes the basic number of homes and the development agreement is contingent upon that approval, but it is intended that it will happen the same night as the development agreement and the TIF, the PUD will also be approved.

Chairman Carrigan said this is the next step in the process where a number of different agreements will come together and then at Council it is addressed. He said the Committee's portion is to address each issue separately.

Aldr. Rogina said if he is not satisfied with the plan as it is and why would he vote for the TIF. Mr. Aiston said to establish the TIF district is to adopt the redevelopment plan, not this specific plan, creating the boundary of the TIF district. He said there are plenty of TIF's created without any plan on the table. He said all that is happening is enabling a TIF redevelopment agreement to occur, as long as it's eligible and the redevelopment plan is adopted, which already went through the Joint Review Board. The TIF district can be created without binding yourself to any agreement specifically with the developer. He said in adopting a TIF district you are establishing the basis and the context for a redevelopment agreement. He said the three Ordinances that create the TIF can be adopted and still not approve the redevelopment agreement, but if the PUD is approved, then the redevelopment can be approved that same night because the PUD is an exhibit to the agreement itself and that is what commits the City to the money. He said he does not want the Committee to think if the TIF is passed all bets are off, he said the TIF would be adopted to address a blighted area to make it an opportunity for redevelopment and enable this tool to be in place for the city to incentivize or otherwise pay the cost that makes the property unmarketable.

Aldr. Lewis asked what happens if the project goes sour half way through. Ms. Jones said the development agreement has a completion date which is not the full 23 years of the TIF, its December 31, 2021. Mr. Aiston said the developer has substantially committed to completing all the public improvements by October of 2016 and also agreed to complete the project within the range of about two homes by December 31, 2021, and if they default on either one of those, they can be declared default and the agreement will be null in void.¹ Ms. Jones said the developer also has to get the site enrolled in the IEPA's environmental remediation program within eight months of passing the zoning entitlements. Aldr. Lewis asked if they could come back and ask for an extension. Mr. Aiston said yes that would be an amendment to the agreement.

Aldr. Bessner asked if the TIF agreement were approved tonight and the PUD still has to go to Council, and if it didn't pass, where everything would be left at that point. Mr. Aiston said if the PUD does not pass he is not sure that the TIF redevelopment agreement could be acted on because the proposed PUD is an exhibit to the agreement. He said it is important to note that

there has been some modification in the developer's proposal changing from 142 units to 130, and that changes the incremental difference between profitability and therefore the commitment was increased slightly. He said if the plan is not approved at Council there will have to be discussion of whether or not this TIF agreement will work.

Tracey Kasson-Rathje & Woodward- said the TIF agreement specifically recites and states that as a precondition there is a PUD Ordinance that has been passed, so if the PUD is not approved then there is no development agreement. He said it is just a matter of trying to get all the parts to the Council to be considered. He said he doesn't see how any leverage would be lost in looking at the openness of the proposed agreement.

Chairman Carrigan clarified that when this leaves Committee it goes to Council as a bundle; a PUD and a redevelopment agreement that will be voted on independently but on the same night which will then reopen the discussion to the TIF redevelopment agreement. Ms. Tungare said that is correct.

Chairman Carrigan asked for an explanation for the increase in the TIF. Mr. Aiston said there was enough justifiable cost associated with the demolition, environmental and leveling which came to about \$6.4 million and originally it was contemplated to be about a \$5.2 million TIF, but when the number of households was reduced, the expected overall assessment was also reduced, which pays the increment. He said decreasing the units increased the delta between profitability and non-profitability. He said a gap analysis was done and it was proved up that increasing the amount of the TIF needed to be looked at and as long there was still enough estimated costs associated with the three activities, the amount of the TIF needed to be increased.

Aldr. Turner said if the developer were to decrease the density even further the TIF could go even higher depending on the style of homes put in and that the value of the TIF will not be known until there is a final approval from Council for the number of units allowed to be put on the parcel. Mr. Aiston said the pro forma and gap analysis were done based on the 102 townhomes and the 28 single-family homes and the expected market value of those homes when sold and it was the best estimate they could get.

Aldr. Rogina asked if the TIF district is approved tonight will it be for \$6 million. Mr. Aiston said the district designation is not up tonight, just the redevelopment agreement.

Kim Malay-526 S. 16th Street-said one thing not mentioned that evening, and that she is referring back to the May 14, 2012 meeting minutes, was that it was said over and over again that this was to go to the Joint Review Board once the final numbers came back for the TIF. She said she spoke to Mr. Aiston and that he stated that it was not going back to the Joint Review Board and she questions that because due to the spirit of transparency, it should go back to the Joint Review Board to be sure all the taxing bodies are on board with this as well. She said in agreeing with Aldr. Turner that it needs to be realized that if these numbers are not final that it should not be carried on until that is certain, and if Council is considering reducing the plan even further that discussion needs to happen first. Chairman Carrigan said Committee passed the number of houses and this TIF agreement is predicated upon that number and at some point they will get married but at the Council level. He said the numbers are there, it is just a matter of redevelopment agreement catching up to it and from Council the discussion opens up again. Ms. Malay said she doesn't feel the Committee was ever informed that this would go back to the

Joint Review Board and it clearly states in the minutes per Mr. Stillwell and Mr. Aiston that it would. Chairman Carrignan said that's a completely different issue and originally it did go to the Joint Review Board but not since the increment change. Ms. Malay asked that this item be tabled to discuss it at a further level. Ms. Jones said had the Council approved the TIF and there were a budget increase over a certain amount it would have to go back to the Joint Review Board, but since it has not been approved it is not required to go back before the Board.

David Amundson-500 Cedar St.-said in regard to Aldr. Rogina's comment about leverage, that he has been on the phone with the IEPA for hours and that any citizen can file a complaint against the owner of the property and the IEPA would take action. He said given budget circumstances in Illinois and the reality and priority of the situation, because the site is really not that contaminated but mainly more garbage than environmental contamination that needs to be remediated that it could take the IEPA years to take action.

Mr. Amundson said he wanted to remind everybody that D303 voted on approving \$4.96 million for TIF funds and not a dime more than that and if they are overridden he is not sure where the politics goes with that. He can understand and does not have a problem with the developer asking for more TIF money due to the argument of decreasing the amount of units they can sell based on the changes made for the last PUD submission and therefore having denied them profit opportunity, but that he does have a problem understanding the justification of asking for \$1.1 million more in TIF funding based on a denial or loss of opportunity for profits between \$250,000-\$300,000. He said he understands TIF's and feels there are good applicable places for the funding, but he is not sure this site is one of them, and he is not a believer in giving away the farm before negotiations even begin. He also said as far as the "pay as you go" that D303 will be shorted on funds for the kids because of that development, which will then be passed on to other tax payers in town. Chairman Carrignan said that is not accurate, that the first thing in the redevelopment agreement is a "set aside" which means as students are put into the district, the district can go in and take money out of that to offset those costs. Mr. Amundson said the "set aside" is 30% and 60% of his tax bill goes to D303, which will leave the district with a 50% shortfall on a per student/household basis. He said property taxes will just be reallocated and it has to roll back on someone, and it will be the tax payers.

James Zukowski-PO Box 252-St. Charles-said in looking at \$6 million, over 130 units, put it at over \$45,000 per housing unit and its going to take a little time to recoup that from the rest of the tax payers. He said any change in the housing units seems to change the amount of reimbursements and also that one thing being assumed is that there will be an increase in taxable assessed value, and that has not been happening in the past couple years and what will happen if there is a tax decrement. He said he wondered if that could push things off farther into the future as far as any sort of reimbursement or recoupment, and will that have an influence on the viability and profitability of the project. Chairman Carrignan said the property is currently valued at about \$4 million, the way it sits today, and to improve it and build it out the expected market numbers are about \$57 million. He said he doesn't see the numbers going below \$4 million as a viable conclusion, but that there is no pay out or TIF money until those properties are on the tax rolls and the city is receiving money from them. Mr. Zukowski asked if it's a percentage of the taxes that offsets the TIF, or the entire value. Chairman Carrignan said the value of the property is set and locked in and then the difference between the value and the new assessment is what goes toward paying off the TIF. He said the School Dist. will always pick up property taxes for what it is worth now and the Park Dist. is the same plus their land-cash.

Mr. Zukowski asked about some of the areas legally not being able to be redeveloped for residential use due to contamination. Chairman Carrignan said that is currently but once it is remediated that would go away.

Mr. Zukowski said \$6 million seems to be a very small number to remediate heavy contaminations including gasoline and other types of leaks. Chairman Carrignan noted that Mr. Amundson feels that there is very little contamination out there and that \$6 million is a big number and that just goes to show that there are differences in opinions. He said experts have come in to assess the site and the results were heard in April and May of 2012. Ms. Jones said the developer has submitted a budget which shows where the \$6 million comes from, but they are obligated to clean up the site. If it goes above \$6 million they have to pay it, and if it's below \$6 million they will not be reimbursed for anything more than they actually paid.

Joe Masokias-23 N. 7th St.-Chairperson for 2R2R said that the Committee received copies of the petition against the TIF. He said there were 659 signatures with 75 more that will be submitted at a later point. He said most signatures are not from the 2R2R area but a widespread opposition to the TIF. He said tonight was the first time he had heard, from Mr. Aiston, that from the beginning Lexington was going to ask for a TIF. He said it was not until this particular proposal that they have asked for the TIF money and he thinks some things may be misconstrued because he feels there are developers out there interested in the property, if Lexington were to sell, who would not ask for TIF money. He said he knows for a fact of someone who is interested in purchasing the property but cannot reveal his name.

Vanessa Bell-Lasota-1610 Howard St.-said granted that the Illinois state statute doesn't compel the City to return the TIF at this point in the process back to the Joint Review Board, the 5% would apply if it were a finished TIF, but the fact that a \$1.1 million increase, being such a large amount in comparison to the size of the TIF, that it seems more a matter of allowing the taxing bodies to reconsider the implications of that. She said she's not sure if it's even allowable in the process to be able to send the TIF back since the Joint Review Board will reconvene soon, but that it might be a reasonable thought if there are still remaining questions among Council. She said there is a statement that says there is an allowance for inflation and unforeseen costs and as a resident that concerns her due to it going from \$5 million to \$6.27 million and how much further could that go and be allowable in the course of the TIF. Ms. Jones said once it is approved and if an increase is wanted for the budget of more than 5% after adjustment for inflation, the whole process would start over. She also noted that this budget increase does not need to go back to the Joint Review Board, all the taxing districts will receive notice of that change in the plan so there is no transparency issue but it is just to inform them but does not allow for input.

Aldr. Turner said if this decreases down to 90 units, can the TIF be increased by no more than 5%. Ms. Jones said no, what the 5% relates to, once the plan is passed, if it were needed to be amended later to increase the budget by more than 5%, it would have to go through the Joint Review Board proceedings again. Aldr. Turner said in using the word inflation there is already a clause in there that states \$6 million could go up by inflation. Ms. Jones said the statutory provision that says if you increase by more than 5% after adjusting for inflation, because the TIF is in place for 23 years, so what the statute recognizes is that inflation could drive certain costs up over that time. She said they try to build in ability for what they view to be a minor change

without having to start the process all over again, but that it would still have to be amended if the developer wanted more money, it is just a matter of what process it would have to go through to amend it.

Brian Lavolpe-1219 Dean St.-asked how much input the city has on the choice of contractors used for the remediation to control and keep costs down. Ms. Jones said the contract does not specify who they will be but it does require the developer to get three competitive proposals.

Mr. Lavolpe said TIF districts are supposed to benefit a city and he doesn't see how this development will do that besides putting some track homes and townhomes up. He said the residents do not want townhomes so it doesn't benefit other than just putting something there. He said he heard the City can create a TIF wherever they want to and he suggested the City doing things separately from Lexington as far as doing our own study and figure remediation costs and offer that amount to the developer, and the property owner can take it or leave it. There will be no more incurring costs because it is not the City or the tax payer's job to make the company profitable. He said he was all for the TIF going to the Joint Review Board but that now he feels the developer is getting greedy and wanting more for every little thing that changes and he is not happy about that and would rather not give them anything. He again suggested the City creating its own TIF Dist. separate from Lexington. Chairman Carrigan said it is extraordinarily difficult to create a TIF Dist. and relative to the City independently establishing a TIF, he is not familiar with that. Ms. Jones said the City's consultant did the study, it was not the developer, and the statute does not require that a consultant do the study it just requires that the Council make those findings, but Councils do not have that expertise without input from a professional consultant.

Mr. Lavolpe asked how many TIF's the city has right now and how those are doing. Mr. Minick said the current TIF's are:

- Hotel Baker, which the city is not currently subsidizing.
- Moline/Foundry Park Property, which is turning a profit and returning roughly \$100,000 per year into the general fund.
- St. Charles Mall
- First Street
- St. Charles Manufacturing on the east side.

Mr. Minick said the last 3 TIF's are currently being subsidized for about \$116,000 per year out of the general fund. He said the difference between those TIF's and the proposed TIF's is the "pay as you go"; there will be no general obligation bond.

Chairman Carrigan said all of those TIF's were created before 2007 and the projections on those TIF's at that time were based on EAV's continuing to go north. He said based on what happened in 2008 and 2009, there is probably one more year of EAV degradation before it curves back up. Mr. Minick said two of those were created in the 1990s and First St. in 2006.

Mr. Lavolpe said if there was to be a TIF he would like to see a cap at a much lower and reasonable amount and to have a little more input. He asked if a TIF were created if a new roadway would be created out of the development so the traffic will not come through the neighborhood. He said with how contaminated the soil is he does not want trucks running up his street because the kids in the area do not need to be breathing in the carbon monoxide from the

vehicles. He suggested either a road exiting the development or an out through the Timbers so Dean will not be used.

Tom Bosko-909 Manley Rd. (Timbers)-asked how many units were in the original proposal. Chairman Carrignan said 175 units. Mr. Bosko said on a density basis if that is an acceptable density for the given piece of land based on other developments. Chairman Carrignan said City Council had already been passed anything relative to density and that this was a financial discussion.

John Caruso-113 Carroll Rd. (Timbers)-said that he would like to remove his name from the petition that was distributed earlier that evening and that he is in favor of the subdivision and that he felt there were some misinformation in the petition as far as an access road into the Timbers and some tax issues. He said he thinks it's a good use of TIF funds and that the development will not go forward without the cooperation of the City and he would like to see the area contamination cleaned up. He said he wanted to congratulate the Director of Finance for the Moline and Porter business park which turned out great.

Ms. Bell-Lasota- said Mr. Caruso's statement is discrediting a petition that nowhere states anything about a road.

Lowell Bike-406 Millington Way (Timbers)-said he has a fear of the unknown, the unknown being the extraordinary cost of cleanup and if the \$6 million TIF is agreed upon, making the City a partnership, it could end up being a bad marriage and end up costing more, and where does it end. Chairman Carrignan said it ends at \$6 million and for anything to go higher the developer would have to come back and ask. Mr. Bike said and at that point Committee could say we are almost there why not another \$3 million. He said there needs to be diligence with the cost and he doesn't want there to be a situation where there's underestimated cost and overestimated revenue. Ms. Jones reiterated that the development agreement requires the developer to do the clean up and if it costs more than \$6 million, they are obligated to pay those costs.

Aldr. Stellato said that he feels, seeing as though this TIF has increased by about 23%, that it is imperative, as elected officials, to give the other taxing bodies the opportunity to weigh in on this, not with a letter but with public input. He said he wants to be sure that at some point there will be a general understanding of what the amount is. He said there are two aspects of this TIF that are very different and unique than anything ever before done in the community; the "pay as you go", which he feels that's the way they should all be done in the future because there is no money up front and if nothing happens there is not a trigger point for the development unless the development continues to make money and it's a good thing for any TIF. The second aspect is that this is the first time the City has done a purely residential TIF that will generate students and he feels the School District should be able to weigh in on this. He said this has been going on so long that it shouldn't be a problem to take this back to the Joint Review Board and get public input and then move forward from there.

Aldr. Payleitner asked if there had been any other input other than a letter from the City to the other taxing bodies. Mr. Townsend said there are monthly intergovernmental meetings where the City sits down with the School Dist., Park Dist., Library, St. Charles Township and Kane County, the most recent being last Thursday, where they were updated and made fully aware of where the project stands as far as the redevelopment agreement and the amount for the TIF

support that is being proposed. Aldr. Stellato said but the public was not invited for input and he feel the Committee has an obligation for the citizens to allow input.

Mr. Townsend said the next JRB meeting is December 5, 2012 and that is the annual meeting to review the progress on the five existing TIF's and the Agenda has already been established. Because Lexington has not been approved, it is not a TIF dist. that requires an annual update.

Aldr. Rogina said if going back to the JRB is the wish of Committee, he supports that, but as far as claims of the developer bailing out, the process being tainted, or the TIF as being not appropriate, in his view those are inaccurate. He said it is not the Committee's job to make the developer a profit but that he hopes it is profitable. He said he believes residents really want the property remediated even though the property may not be developed for a while.

Aldr. Rogina mentioned the City's survey for 2011 which stated that vast majority of the community wanted the Red Gate Bridge despite the ones against it and Council vote 10-0 in favor of the bridge. He said the survey says at this time that multifamily townhomes/condos are not needed by almost 50% and the other 32% are neutral or against.

Aldr. Rogina said he will not vote for a TIF only because he is not comfortable with the development as its proposed, but that does not mean he is against a TIF, he would support the TIF if it were something put on that site that everyone could embrace.

Aldr. Stellato made a motion to table this item until it can be brought back before the Joint Review Board with public input to decide the increase in the TIF and whether or not it is warranted. Motion was seconded by Aldr. Turner.

Chairman Carrignan asked Aldr. Stellato to change his motion from tabled to continuance. Aldr. Stellato agreed. Aldr. Turner also agreed and seconded the motion.

Aldr. Rogina clarified that in accepting the motion that Committee is saying they want the increase from \$4.7 to \$6 million for the TIF to be reviewed by the Joint Review Board. Aldr. Stellato said correct.

Roll was called:

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

Nays:

Absent: None

Motion Carried.

Chairman Carrignan asked Mr. Townsend to be sure this item will be put on the December 5, 2012 Joint Review Board meeting agenda.

5. ADDITIONAL BUSINESS

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

Mr. Colby said the Comprehensive Plan Task Force will be meeting Weds., Nov. 14 at 7PM to review a draft of the Comprehensive Plan document and the purpose of that is to have review

before the final Open House, which is Nov. 28 at 6PM. He said the Open House is to review the entire draft document and take in comments. He said the plan is for the Task Force to complete their work in December and forward the plan to Council which would then direct the Plan Commission to formally review the document, which is a requirement of state statute. He said following the conclusion of the Plan Commission recommendation, the document would come before Committee in February.

Mr. Colby mentioned that staff could supply printed copies for anyone of the Committee members.

Aldr. Rogina said he had gone to the last Task Force meeting and asked if a conclusion was made as to how Corporate Reserves should be treated relative to its current zoning as office and what it may be zoned in the new plan. Mr. Colby said there was not a clear conclusion but that would be discussed at the upcoming meeting which they would have the land use plan in front of the Task Force.

Aldr. Stellato said he also went to the last meeting and that the format of the meeting was difficult to follow. Mr. Colby said the plan for the next meeting is to use the projector so it's easier for attendees to follow.

6. Executive Session

- Personnel
- Pending Litigation
- Probable or Imminent Litigation
- Property Acquisition
- Collective Bargaining

7. EXECUTIVE SESSION

Motion was made and seconded to go into Executive Session to discuss land acquisition.

Roll was called:

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

Aldr. Monken made a motion to adjourn from Executive Session at 9:00 PM. Motion was seconded by Aldr. Turner and approved unanimously by voice vote. Motion carried.

8. ADJOURNMENT

Aldr. Bessner made a motion to adjourn at 9:05 PM. Motion was seconded by Aldr. Monken. No additional discussion. Approved unanimously by voice vote. Motion carried.