



**ST. CHARLES**  
SINCE 1834

**AGENDA ITEM EXECUTIVE SUMMARY**

Title: Recommendation to approve funding for the Downtown St. Charles Partnership for FY13/4

Presenter: Chris Minick, Finance Director

*Please check appropriate box:*

XX	Government Operations (06/03/13)	Government Services
	Planning & Development	City Council
	Public Hearing	

Estimated Cost:	\$263,500	Budgeted:	YES	X	NO
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If NO, please explain how item will be funded:

**Executive Summary:**

Each year the City allocates funding from Special Service Area 1B to support the activities of the Downtown St. Charles Partnership (DSCP). Representatives of the DSCP will make a brief presentation on their activities, financial status, and the progress on goals outlined for 2012-2013.

Special Service Area 1B was initiated to provide funding for downtown revitalization initiatives, projects, and programs. The activities of the DSCP are consistent with the activities outlined in the ordinance establishing SSA 1B.

The level of funding requested is budgeted and represents a decrease from the current level of funding (\$275,000) and represents all of the proceeds from SSA 1B for the 2012 tax levy to be collected in 2013.

**UPDATE:**

**This item is continued from the April 15, 2013 Government Operations Committee Meeting. At that meeting, direction was given that the discussion be continued after the seating of the new City Council.**

**Attachments:** *(please list)*

- Funding request packet
- Unaudited 2012 financial statements
- 2013 Year to date financial statements (unaudited)

**Recommendation / Suggested Action** *(briefly explain):*

Recommendation to approve funding for the Downtown St. Charles Partnership for FY13/4.

*For office use only:*

*Agenda Item Number: 5b*

## **AGREEMENT**

**THIS AGREEMENT**, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2013, by and between the City of St. Charles, Kane and DuPage Counties, Illinois, an Illinois municipal corporation (the “City”), and The Downtown St. Charles Partnership, Inc., an Illinois not-for-profit corporation (the "Partnership"; the City and the Partnership each known individually as a “Party” and collectively as the “Parties”);

### **WITNESSETH**

**WHEREAS**, the City is desirous of preserving and revitalizing its central business district through planning, development and redevelopment activities; and,

**WHEREAS**, pursuant to Ordinance No. 1993-M-63 (the “SSA Ordinance”), the City established Special Service Area No. 1B (Downtown Revitalization) (“SSA1B”) to fund certain services specified therein, relating to economic development and promotional activities in the downtown area; and

**WHEREAS**, a map showing the current boundaries of SSA1B is attached hereto and incorporated herein as Exhibit “A”; and

**WHEREAS**, the SSA Ordinance provides for a maximum tax of 0.9% (\$0.90 per \$100) of the equalized assessed value of taxable property within the boundaries of SSA1B; and

**WHEREAS**, the City is a home rule unit as provided in the 1970 Illinois Constitution (Article VII, Section 6), and this Agreement is an exercise of its powers and performance of its functions pertaining to its government and affairs; and

**WHEREAS**, pursuant to the intergovernmental cooperation provisions of the Constitution of the State of Illinois (Article VII, Section 10), the City is authorized to contract or otherwise associate with individuals in any manner not prohibited by law or by ordinance; and

**WHEREAS**, the Partnership is interested in fostering the advancement of civic pride in the history and benefits of downtown St. Charles and is willing and able to provide the services authorized by the SSA Ordinance and desired by the City, pursuant to the terms and conditions of this Agreement.

**NOW, THEREFORE**, in consideration of the foregoing recitals and the covenants and conditions hereinafter set forth, and for other good and valuable consideration, the adequacy and sufficiency of which the Parties hereby stipulate, the Parties hereby agree as follows:

**Section 1. Services.** The Partnership shall provide the services described in Exhibit “B” attached hereto and incorporated herein, and such other services as are requested by the City and authorized by the SSA Ordinance. Such services shall be provided within the boundaries of SSA1B, as such boundaries may be modified from time to time.

**Section 2. SSA Tax.** In consideration of the foregoing services provided by the Partnership, the City agrees to pay to the Partnership 100% of the SSA1B property tax receipts, excluding Tax Increment Financing property tax proceeds, or \$263,500, whichever is less, received by the City during the term of this Agreement. Payment shall be made on a monthly basis starting July 1, 2013.

**Section 3. Indemnification.** To the fullest extent permitted by law, the Partnership hereby agrees to defend, indemnify and hold harmless the City against all loss, damages, claims, suits, liabilities, judgments, costs and expenses which may in anyway accrue against the City, its officials, agents and employees, arising in whole or in part or in consequence of the performance of this Agreement by the Partnership, its officials, agents and employees, except that arising out of the sole legal cause of the City, its officials, agents or employees, and the Partnership shall, at its own expense, appear, defend and pay all charges of attorneys and all costs and other expenses

arising therefor or incurred in connection therewith, and, if any judgment shall be rendered against the City, its official, agents and employees, in any such action, the Partnership shall, at its own expense, satisfy and discharge the same.

**Section 4. Mutual Cooperation.** The Parties shall utilize their best efforts to share and communicate relevant information in a timely and effective/efficient manner, and work together to accomplish their common and mutual goals. The Parties shall do all things necessary or appropriate to carry out the terms and provisions of this Agreement and to aid and assist each other in furthering the objectives of this Agreement.

**Section 5. Performance Measures.** In furtherance of the common goals and mission of the City and the Partnership, the performance measures attached hereto and incorporated herein as Exhibit "C" shall be utilized by the Partnership in conjunction with the services previously outlined in Exhibit "B" and by the City in assessing the quality of the Partnership's performance under this Agreement. The Partnership shall report on the status of each of the measures in a presentation to the corporate authorities of the City on April 14, 2014.

**Section 6. Recordkeeping.** The Partnership shall maintain records of all of its activities performed under this Agreement for a period of at least seven years, which records shall upon request be subject to inspection and copying by the City or its designated agent at the City's sole expense at any reasonable time or times during the operation of this Agreement and for a period of six years thereafter. This Section shall survive termination of this Agreement.

**Section 7. Monthly Financial Report.** The Partnership shall provide City with a monthly financial report including a profit and loss statement, along with an annual balance sheet. The current profit and loss statement, along with a summary of activities undertaken

regarding the Partnership's services hereunder, shall be provided to the City within thirty (30) days after the end of the month for which the statement is prepared.

**Section 8. Compliance with City's Policy.** In addition to the requirements set forth in this Agreement, the Partnership shall comply with the provisions of the City's Policy Regarding Funding for External Agencies, as such policy is in effect from time to time.

**Section 9. Return of Unused Funds.** Upon termination of this Agreement, any funds paid to the Partnership hereunder and not used or otherwise subject to pending contract requirements of the Partnership shall be returned to the City.

**Section 10. Relationship of the Parties.** Nothing contained in this Agreement nor any act of the City or the Partnership shall be deemed or construed by any of the Parties, to create any relationship of principal or agent, or of limited or general partnership, or of joint venture, or of any association or relationship involving the City or the Partnership. The Partnership shall not enter into any relationship, contractual or otherwise, which will subject the City to any liability and shall have no authority to bind the City in any matter.

**Section 11. No Third Party Rights.** Nothing in this Agreement, whether express or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any person other than the Parties hereto and their respective permitted successors and assigns, nor is anything in this Agreement intended to incur or discharge the obligation or liability of any third person to any Party, nor shall any provision give any third person any right of subrogation or action over or against any Party to this Agreement.

**Section 12. Amendment.** This Agreement may be amended by mutual consent. Any such amendment shall be effective only if evidenced by a written instrument executed by the Parties.

**Section 13. Notices.** All notices hereunder shall be in writing and must be served either personally or by registered or certified mail to:

A. The City at:

City of St. Charles  
2 East Main Street  
St. Charles, IL 60174  
Attention: City Administrator

B. The Partnership at:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

C. To such other person or place which either Party hereto, by its prior written notice, shall designate for notice to it from the other Party hereto.

**Section 14. Integration.** This Agreement together with all Exhibits and attachments thereto, constitute the entire understanding and agreement of the Parties. This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the Parties with respect to all or any part of the subject matter hereof.

**Section 15. Assignment.** Neither of the Parties may assign its rights and privileges or its duties and obligations under this Agreement without the written consent of the other Party. This Agreement shall inure to the benefit of each Party and their respective successors and assigns.

**Section 16. Governing Law.** This Agreement and the application of the terms contained herein shall be governed by the laws of the State of Illinois.

**Section 17. Remedies for Default.** In addition to all other remedies that may be available under law, in the event of a default by either Party under this Agreement, the other

Party may elect to terminate the Agreement by serving ten-day written notice upon the other Party.

**Section 18. Non-Waiver.** Any failure or delay by any Party in instituting or prosecuting any actions or proceedings or in otherwise exercising its rights hereunder shall not operate as a waiver of any such rights or to deprive it of or limit such rights in any way. No waiver in fact made by a Party with respect to any specific default by the other Party shall be considered or treated as a waiver of the rights of the waiving Party with respect to any other defaults by the defaulting Party or with respect to the particular default except to the extent specifically waived in writing.

**Section 19. Headings.** The headings contained in this Agreement are for convenience of reference only and shall not limit or otherwise affect in any way the meaning or interpretation of this Agreement.

**Section 20. Invalidity.** Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be valid under applicable law, but if any provision of this Agreement shall be held to be invalid or prohibited hereunder, such provision shall be ineffective to the extent of the prohibition or invalidation, but shall not invalidate the remainder of such provision or the remaining provisions of this Agreement.

**Section 21. Term of Agreement.** Unless sooner terminated by agreement of the Parties or otherwise pursuant to the provisions of this Agreement, this Agreement shall be effective upon the execution by both Parties thereto and shall continue in effect through April 30, 2014.

**Section 22. Counterparts.** This Agreement may be executed in multiple, identical counterparts and all said counterparts shall, taken together, constitute this integrated Agreement.

**IN WITNESS WHEREOF**, the undersigned have hereto set their hands and seals this  
\_\_\_ day of \_\_\_\_\_, 2013.

CITY OF ST. CHARLES

By: \_\_\_\_\_  
City Administrator

ATTEST:

\_\_\_\_\_  
City Clerk

THE DOWNTOWN ST. CHARLES  
PARTNERSHIP, INC.

By: \_\_\_\_\_  
\_\_\_\_\_

ATTEST:

\_\_\_\_\_  
\_\_\_\_\_



**EXHIBIT "B"**

**PROGRAMS AND ACTIVITIES TO BE PROVIDED**

**Downtown St. Charles Partnership  
Fiscal Year 2013-2014  
Program of Work**

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***Marketing & Promotions***

- Begin developing a branding strategy to position downtown St. Charles, aligning core messaging for each of our stakeholder groups.
  - Build on our collaboration and partnership with the city's Economic Development Department in order to maximize resources and programming for the benefit of downtown.
  - Drive traffic into downtown businesses through downtown promotions.
  - Support the marketing efforts of our downtown businesses through our communications channels, marketing and promotions.
  - Improve the image of downtown St. Charles through regular, positive communications about business openings, milestones, improvements; downtown promotions and activities; and other positive, newsworthy information.
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***Business Development & Education***

- Have regular communication with DSCP constituents about the DSCP program of work, educational and marketing opportunities, and business and property owner needs.
  - Provide educational opportunities for our downtown business owners as a way to support retention efforts downtown.
  - Support the city and property owners' efforts to attract new businesses downtown.
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## *Events*

- Strengthen the events review process for downtown events.
- Produce events that have a positive impact on the economics and/or image of downtown St. Charles.

## EXHIBIT "C"

### PERFORMANCE MEASUREMENTS

## **Fiscal Year 2013-2014 Performance Measurements**

The Downtown St. Charles Partnership has built a program of work focused on enhancing the economic viability of the business and property within the downtown business district, and will continue to build on our recent successes. We will continue to support and complement the efforts of the City of St. Charles, providing additional resources for the downtown district, centered on the following areas: Marketing and Promotions, Business Development and Education, and Downtown Events.

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### ***Marketing & Promotions***

- Drive branding initiative, working in partnership with the City of St. Charles, and involving our stakeholders and other vested community organizations.
- Through an RFP process, assess and recommend a third-party partner for brand research and development
- Partner with ED to develop an advertising campaign aimed at shopping, dining, entertainment and recreation in downtown St. Charles.
- Continue to promote a Shop Local message, and support the city's Shop Local Challenge through our communication vehicles.
- Communicate with ED regularly in the interest of information sharing and collaboration, where appropriate.
- Organize the second annual Jazz Weekend in September.
- Implement STC Live! This pairs up downtown businesses and local talent in order to create vibrancy and a family-friendly atmosphere downtown.
- Organize Art Around the Corner, starting the weekend of the Fine Art Show.
- Update the following materials in order to provide more up-to-date information about downtown amenities:
  - Downtown Business Directory, both in print and online
  - Bike Maps
  - Parking Kiosks
- Regularly update our website and ensure it is mobile-friendly for ease of use by consumers.

- Grow our e-newsletter and Facebook audiences, with a continued emphasis on shopping, dining, entertainment and recreational opportunities downtown.
- Distribute regular press releases to local media about local business achievements.
- Provide press releases and story ideas which highlight shopping, dining, and entertainment amenities and options downtown.
- Deliver regular press releases regarding downtown events and promotions.

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### ***Business Development & Education***

- The staff will continue conducting regular business retention visits as a touch point for connecting with our constituents, taking the pulse of the business community, and addressing questions or concerns of business owners.
- Meet with new downtown business owners as soon as possible to get them engaged in the downtown business community, provide information on opportunities, and begin marketing support.
- Distribute our Business Newsletter every other week, providing information on advertising and marketing opportunities, links to educational information and Talking Points for front line staff about downtown.
- Conduct surveys with downtown businesses to assess their education and marketing needs, which will drive future DSCP programming.
- Organize five Business Exchanges during the course of the year, with content being driven by the outcome of our business survey.
- Continue our *Retail Minded* Partner Program, delivering four electronic magazines and eight business tools throughout the year.
- Provide small group training, with topics selection based on business survey data.
- Implement a Mystery Shopper program in order to provide feedback to owners on their individual businesses' strengths, weaknesses and opportunities for improvement.
- Implement a mentor program, which can be used by any business in need of specific and individual coaching.

- Provide window panels for vacant storefronts, promoting shopping, dining, entertainment and recreation downtown.
  - Meet with prospective business owners, when appropriate, to share information on support services available through the Downtown St. Charles Partnership.
  - Ensure that property owners are receiving regular communications.
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### *Events*

- Tweak the process during the first year of evaluations to ensure a positive experience for event organizers
  - Provide prospective event organizers feedback on how to most effectively work with downtown businesses to ensure a mutually beneficial experience.
  - Organize the Fine Art Show, Holiday Homecoming, and St. Patrick's Parade with funding from sponsorships and other related event fees.
  - Provide business owners with ideas on how to best capitalize on foot traffic created by the events.
  - Facilitate partnerships between sponsors and businesses, where appropriate.
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