

**MINUTES
CITY OF ST. CHARLES, IL
PLANNING AND DEVELOPMENT COMMITTEE
MONDAY, MAY 11, 2015 7:00 P.M.**

Members Present: Stellato, Silkaitis, Payleitner, Lemke, Chairman Bancroft, Turner, Krieger, Gaugel, Bessner, Lewis

Members Absent: None

Others Present: Mayor Raymond Rogina; Mark Koenen, City Administrator; Rita Tungare, Director of Community & Economic Development; Russell Colby, Planning Division Manager; Ellen Johnson, Planner; Bob Vann, Building & Code Enforcement Division Manager; Matthew O'Rourke, Economic Development Division Manager; Christopher Minick, Director of Finance; Fire Chief Schelstreet, Asst. Chief Christensen; City Attorney John McGuirk

1. CALL TO ORDER

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

2. ROLL CALLED

Roll was called:

Present: Stellato, Silkaitis, Payleitner, Lemke, Bancroft, Turner, Krieger, Gaugel, Bessner, Lewis
Absent: None

3. COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT

- a. Review of Phase I Economic Incentive Application Proposal and Recommendation to Direct Staff to Draft Formal Incentive Agreement Documents (Fox Valley Volkswagen, LLC).

Mr. O'Rourke stated city staff, along with the applicant, would like to present the draft terms of a potential incentive agreement with Fox Valley Volkswagen. Staff will go over some of the high level items of the term sheet and the applicant has prepared a presentation to provide additional information with regards to the need for financial assistance as well as to provide their professional background. Mr. O'Rourke said that back in December of 2014, Fox Valley Volkswagen, LLC, represented by Emir Abinon, submitted a Phase I portion of an Incentive Application to relocate their existing Volkswagen dealership from their West Chicago location to St. Charles. They would like to purchase and redevelop the 6.8 acre site that is currently the DuPage Expo as well as the parking lot that surrounds that facility. There is a small building that is currently located on this property that will be removed.

In order to help facilitate this relocation, staff has been working with the applicant to create an incentive that mutually benefits both parties. The total amount of this Draft Incentive is \$1,500,000 and the term or length of the agreement is 15 years. This incentive package consists of 2 sections – part 1 and part 2. Part 1 would be an upfront loan in the amount of \$800,000. Mr. O'Rourke said this money would be lent to the applicant with interest which means as they pay back the loan to the City, they will also bear interest on the principal, so what the City ultimately receives back from that loan will more than \$800,000 that was paid off up front. During this portion of the proposed incentive, the City will collect 100% of all new sales tax generated by

motor vehicle sales or vehicle service. Mr. O'Rourke stated that 25% would go directly to the General Fund with the remaining 75% applied to the loan principal and interest. If the applicant relocates the dealership before the principal is repaid, the applicant shall repay the remaining principal balance of the loan.

Once the \$800,000 loan has been repaid to the City, Part II of the agreement will begin, said Mr. O'Rourke. Part II is a sales tax revenue sharing situation where 60 % of new sales tax that comes into the City will go to the applicant and 40% will be directed to the City's General Fund. Shared revenue will continue until the applicant receives a total of \$1,500,000 or until the agreement matures and reaches the 15 year term. Mr. O'Rourke stated that if the committee directs us to move forward with an agreement, staff will return with a formal agreement in a few weeks.

Mr. O'Rourke introduced Scott Richmond, the Attorney for Fox Valley Volkswagen, representing Emir Abinion and Shakiel Omar, who are the owners.

Mr. Richmond expressed his appreciation for Mr. O'Rourke, Ms. Tungare, Mr. Koenen and Mr. Minick for working through this process with them.

Mr. Richmond explained that the Fox Valley Volkswagen dealership is looking to move to St. Charles because they feel it is going to be a better fit long term for them as well as allow them to increase the size of the dealership – the sales and service departments that they currently have. They have been a dealership in West Chicago since 2006 so coming to St. Charles – this isn't a new entity, looking to start up from ground zero on this. Mr. Richmond confirmed they are purchasing a 6.8 acre site where the current DuPage Expo is and repurposing the property to generate significantly higher tax revenues for the City of St. Charles. In the year 2014, their sales total for new cars was \$17,740,000 and their service sales was a little over \$1.2 million. Today, that would generate, for the City of St. Charles, over \$200,000 in tax revenue. With this incentive plan, we are looking to partner with the City of St. Charles to accomplish a tax sharing program that would result in an incentive to the Volkswagen dealership to come to St. Charles that would total \$1.5 million dollars, said Mr. Richmond. The cost of this project for Fox Valley Volkswagen is \$8.3 million dollars. They are going to substantially gut and renovate the DuPage Expo and will be creating the new proto-type Volkswagen facility with a very modern look that Volkswagen is using at its other facilities. This will enhance the eastside of St. Charles as well as generate traffic for the Charlestowne Mall area and the various shopping areas in and around that. Mr. Richmond stated that when the dealership comes to St. Charles, it will be a known quantity. In 2012, this Volkswagen dealership won the Diamond Pin Award from Volkswagen International. This is an award that is given to 70 dealers worldwide and only 4 in the U.S. and Canada. They are consistently among the top VW dealerships in the United States. Emir and his business are local in terms of the Buick GMC Dealership that he currently owns and he wants to bring the VW dealership to St. Charles.

Mr. Richmond said there are two portions to this incentive program. One part is a loan – a partnership with the City of St. Charles. It is an \$800,000 figure which represents roughly about 10% of what the project cost is because the SBA (Small Business Administration), in terms of what the loan would be, requires a 10% upfront payment and this essentially covers that. What the City of St. Charles receives in return is almost \$200,000 in interest and they collect 100% of the sales tax during the term of this loan period. In addition, only 75% of the sales tax generated will be applied toward repayment of this loan, stated Mr. Richmond. If you calculate that, it

would take approximately 7 years to repay the \$800,000 – maybe a little less. If the interest earned is a little under \$200,000 and based on current sales figures from 2014 that would generate another \$335,000 in sales tax revenues. In all, by partnering with Fox Valley Volkswagen, the City will see over \$500,000 in sales tax revenues as part of this repayment plan.

Mr. Richmond stated that Part II of the incentive program contains a sales tax sharing agreement between the City and Fox Valley Volkswagen for another \$700,000 which would take about another 5 to 6 years to pay off in total. Fox Valley Volkswagen does not plan to stay at its current status-quo in terms of sales. Volkswagen is drastically ramping up its marketing in the U.S. The dealership expects to expand its new car sales and service facilities, therefore it is the hope and the plan to have substantially higher sales tax revenues that will not only pay the initial \$800,000 down a lot quicker but also max out the incentive plan faster than 15 years. Mr. Richmond said given the economic climate today, obviously this is a 15 year agreement to hedge against the ups and downs in the economy – however, based on the 8 year history of this Volkswagen dealership, we are fully confident that this will be paid at a maximum in 6 years and 7 months – not at a minimum but the 15 year plan does allow for fluctuations in the economy. Mr. Richmond stated that the sales tax sharing at a 60% - 40% split doesn't happen until the full \$800,000, plus the accrued interest at 6% is paid in full.

In addition, one of the other safeguards that will be put in the agreement states that if the Volkswagen dealership were to pull up and move out of town, anything remaining on that \$800,000 that had not been paid, plus the accrued interest, would have to be paid by that dealership, stated Mr. Richmond.

When the Volkswagen dealership comes to town, it will bring 53 jobs and another 15 within their first full year in operation at the St. Charles location. Mr. Richmond said overall they are confident that this will be a win-win for both the City and for the Fox Valley Volkswagen dealership. Mr. Richmond introduced Emir Abinion, one of the owners of Fox Valley Volkswagen, LLC.

Mr. Emir Abinion, 1421 E. Main Street, St. Charles, Illinois - thanked the council members, development committee and Mark, Rita, Chris and Matt for their time spent on creating this incentive. Mr. Abinion began by telling everyone about himself and his family as well as the organization that is interested in coming to St. Charles. In addition, Mr. Abinion stated they are always major supporters at community events such as River fest and for the past 8 years they have been the major sponsor for Scarecrow Festival. They are also big supporters of local charities such as Lazarus House, Northern Illinois Food Bank, Batavia Food Pantry and CASA, just to name a few. Last year, they donated a vehicle to raffle off for Habitat for Humanity and they raised over \$50,000. Mr. Abinion said this year they donated a vehicle to Cal's Angels, a local organization that helps children and their families stricken with cancer.

Mr. Abinion presented a video displaying their current dealership in West Chicago. This 6 year old building, with Volkswagen's old structure design, sits on 5 acres and is 24,000sf in size. They have outgrown the facility and their choices at this time are to continue renting from Volkswagen or find a new location. Mr. Abinion stated that they are the Number One Loyalty Volkswagen dealership in Illinois which means more people repurchase their vehicles from them than any other Volkswagen dealership in the state. They have had months where they have sold

100 new Volkswagens at that location. Their 2013 revenues are \$32,000,000 in total sales and in 2014, they did over \$33,000,000 in sales.

Mr. Abinon presented an aerial of where the proposed site would be located. When the building is completed it will be close to 39,000sf. An artist's rendering of what the new façade of the building will look like was also presented. It is a new design by Volkswagen called a 'White Frame Design' – a very clean, ergonomic design and are doing everything they can to make this a LEED Certified building.

Mr. Abinon said some of the benefits that Fox Valley brings to St. Charles is currently they have 1200 to 1400 vehicles serviced at their West Chicago store each month. This will bring more traffic to the east side and help other businesses in the area. They have 45 full-time employees and 53 total including part-time employees and they plan on adding 15 additional employees by the time they open the new facility. Within the next 3 years, they will look at having 75 employees working there. Mr. Abinon stated that this will renovate and improve an under-utilized portion of the City that is located at the DuPage Expo Center. In addition, they are projected to be close to \$55 million in sales over the next few years and that will certainly generate significant income to the City of St. Charles for years to come.

Alderman Lewis asked if they will use a type of lighting that will deflect from around the neighborhood. Mr. Richmond stated that they will use LED lighting. When they submit a lighting plan, the light has to decrease as it reaches the edge of the property.

Alderman Bessner asked if there was anything that was not working in West Chicago. Mr. Abinon said their current location served the purpose with having a brand new dealership there 8 years ago. When they were awarded that store, there hadn't been a Volkswagen dealership within 10 miles – with one located in Schaumburg and another in Naperville, so all of this business had been going to one of these locations, stated Mr. Abinon. In West Chicago, they exceed their expected sales volume with their DSI (Dealers Sales Index) at 167% – selling 67% more vehicles than they were anticipated to sell. What is not working is the current size of the building. At the new facility, they will have conference rooms available for their customers and the community to use. Alderman Bessner asked what \$30 million in sales equates to in the number of vehicles. Mr. Abinon said it is approximately 750 new vehicles and 650 pre-driven vehicles with about 1200 customers per day coming in for service. Alderman Bessner verified that with the 15 year agreement - the economy - the way it is now - if it's stable or gets better and with what you are doing and what your expansion is going to create – we are talking half that time as a target. Mr. Richmond replied that at current sales numbers, which is the sales tax generated off of the 2014 numbers, would be \$200,771. If we take 75% of that, because the City is going to keep the other 25% without applying that to the loan, that is a little over \$150,500 a year. If that is calculated out with the interest, it would take 6 years and 7 months to pay off.

Alderman Gaugel verified that the property they are currently in, they are leasing from Volkswagen and they would retain that ownership. Gaugel asked, if another Volkswagen dealership could go in that property – how does Volkswagen govern what dealerships go where? Mr. Abinon stated that their current lease with Volkswagen was a 10 year initial lease with (3) five year options. They had an option to purchase the West Chicago facility but could not come to terms so Volkswagen will hold on to that property for now. There is only one dealership in

this location for Volkswagen and by Illinois franchise laws they cannot put another Volkswagen dealership within a 10 mile radius.

Alderman Gaugel asked if Mr. Abinion had an agreement with them where you will be the Volkswagen dealership or can they say you are done with Volkswagen, and they open the West Chicago location back up and you are on your own? Mr. Abinion stated they just received the conditional approval letter from Volkswagen and what manufacturers usually do is look for a 10 to 25 year commitment for site control. Therefore, with approval to relocate to St. Charles received, they cannot make that store a Volkswagen store.

Alderman Stellato confirmed with Mr. Abinion that they service 1200 customers per month instead of 1200 per day, as he originally stated. Alderman Stellato asked Mr. Richmond if he has done any research on what the real estate tax implication would be. Alderman Stellato stated that according to his calculations, they will generate about a quarter of a million dollars after it is built, what is it generating today and what would the increase be on that. Mr. Richmond said he did not have that information, as they have been focusing on the sales tax. Having a new LEED certified building on this site will drastically increase the property taxes. Mr. Richmond said he will provide the Council with numbers on this. Alderman Stellato said he would like to see what they are earning today and what could be earned once the property is improved.

Alderman Silkaitis said the more competition the better and he thinks this is a good idea.

Alderman Payleitner stated that she had several questions however; a great presentation had all her questions answered.

Alderman Lemke confirmed with Mr. Abinion that the West Chicago site is about 5 acres in size and proposed site will be just less than 7 acres. Alderman Lemke asked if part of the old building will be saved. Mr. Richmond stated that part of the shell will be saved but the entire interior will be different.

Alderman Turner stated that he is perfectly fine with this.

Chairman Bancroft said he would like to commend staff and the applicant for a really creative plan that aligned interests and expanding an existing relationship. Chairman Bancroft confirmed with Mr. O'Rourke that staff is looking for a motion to direct staff to draft a formal incentive agreement. Mr. O'Rourke replied that this was correct and that this would be a recommendation to have staff prepare formal documents to bring back to Council.

Chairman Bancroft asked the audience if there are any questions. There were none.

Alderman Stellato made a motion to approve. Seconded by Alderman Krieger.

Roll Call:

Ayes: Stellato, Silkaitis, Payleitner, Lemke, Turner, Krieger, Gaugel, Bessner, Lewis

Nays:

Absent:

Abstain:

Motion Carried. 9-0

b. Presentation of a Concept Plan for Hillcroft Townhomes.

Alderman Stellato stated he would like the record to show that he recused himself from discussion on this. Alderman Stellato left the meeting.

Ms. Johnson said the subject property is a 1.8 acre parcel located on Geneva Road directly north of the Oaks Townhome development. Staff analysis of the Concept Plan and comments from the Plan Commission's review can be found in the Staff Report and in the Executive Summary. The developer is here to make a presentation on the Concept Plan.

Mr. Dan Marshall – Marshall Architects - 812 E. Main Street, St. Charles, IL

Mr. Marshall stated there is a big hill on this site creating challenges. They are proposing to move the entrance to create a T-shaped private driveway, gated, with 12 townhouse units in 4 buildings. There are two, 2 unit buildings that would be located on the east side of the site on Rt. 31 and there would be two, 4 unit buildings on the west side of the site. The 2 unit buildings are first floor master, story-and -a -half townhouses. They have a second story but it is located up in the attic with a look-out basement so the grade falls away with some basement windows provided. Mr. Marshall said the west buildings are 3-stories from the driveway side, with parking on the ground level.

Mr. Marshall presented a concept drawing of the buildings with the east side of the 2-unit building displaying the look-out basements and dormers and a view of the 4-unit building, driveway side. The exterior materials used on these buildings would be cement stucco and stone with multi-layered asphalt roofs. Mr. Marshall stated that the great thing with these buildings is they are taking advantage of the hill they are dealing with. There is a strong tree line located on the west side along the neighboring property line. Their plan includes seeking professional help to save as many trees as possible. Mr. Marshall said they would be fighting traffic and traffic noise and they would space buildings to allow distance from the west property line as well as allowing enough distance in the driveways to allow guests to park there as well. Each unit would have a 2 car garage.

Mr. Marshall stated that there would be storm water detention in the lower part to make sure they are not putting any more storm water off of the site than what is occurring now. There are plans to add a sidewalk to the existing sidewalk located along Geneva Road into the development.

Alderman Bessner asked Mr. Marshall if the roof lines on the 2-story and 3-story buildings, based on the topography - is the height on these buildings close in nature. Mr. Marshall stated that the 2-story buildings are about a story shorter than the 3-story. Buildings three and four have a higher roof line than buildings one and two. Alderman Bessner asked if he knew how the roof line on buildings three and four compared to the single-family homes located just to the west. Mr. Marshall said he did not, however when he looked at them during a recent visit to the property, he said they looked higher along there. Alderman Bessner said he believed the Plan Commission suggested trying to move those units facing Rt. 31 closer. Mr. Marshall stated they have not made any changes yet as they wanted feedback from everyone first. They would prefer to not move them any closer as they are close to a state highway, with expensive decks that would be a part of each unit, and they feel that is something they would be selling around

already. They are trying to fit 12 units on this site and this density would bring a lot to the downtown in terms of property tax and shoppers. It fits in very nice in this area with high density to the east and south of this site. Alderman Bessner verified with Mr. Marshall that by saving as many trees as possible, does this mean saving all of them. Mr. Marshall said unfortunately trees are not an exact science so there are steps that can be taken such as pruning and providing the trees with nutrients as well as looking into the retaining walls to see which would have the least impact on the high side. They understand this is a big issue and they would like to do as much as they can without moving the buildings.

Alderman Lewis asked how far the buildings would be from the street. Would they be in line with the Oakes Townhomes and other existing structures? Mr. Marshall stated they have not designed their buildings to be in line with the Oaks and the buildings would begin 40ft. from the property line. Alderman Lewis stated that the buildings would be positioned forward already. Mr. Marshall said yes, and they are trying to work with the topography on this site as well. The diagram presented, displayed a long driveway to come in to the property which works well to get the grade up along the driveway without it becoming too steep. Mr. Marshall confirmed the backyards would be 24 ft. to the property line. Alderman Lewis asked if there were any plans to keep the Lilac bushes located along Rt. 31. Mr. Marshall said they have not gone that far in the landscaping plans as yet and acknowledged her concern with them.

Alderman Gaugel asked how the density with this development compares with the Oaks and property located across Geneva Road. Ms. Johnson stated that at this time she did not know the exact density numbers but could provide that information. The zoning to the south (the Oaks Townhomes) is RM 2 which is a higher density zoning with the zoning of the townhome development along the west side of the river being is the same – RM 2.

Mr. John Thornhill – lives in the Oaks. Mr. Thornhill is an advocate for this project. The issue of density for the Oaks was set back in 1967 when the PUD ordinance that approved Foxglade, Units 1 and 2 along with Unit 3 which became part of Willowgate – established a 4-dwelling unit per acre density on the portion west of the Oaks. The Oaks was given 8- dwelling units per acre which corresponds with the current request for RM 1. The portion of Willowgate that was owned by Kimball Hill at the time, was granted the density of 17- dwelling units per acre so the Hillcroft project would certainly fall within the 8-dwelling units per acre.

Alderman Krieger asked how close the building(s) would be to the neighbors that are located on McKinley, in the court area that this development would back up to. Mr. Marshall said 24 feet from the property line. Alderman Krieger asked Mr. Marshall if they were planning on saving those trees along that property line. Mr. Marshall stated those are the trees that they will have to work at saving. There are a lot of big trees in that location and they would work with an arborist to do their best in saving those. There are large pine trees that they plan to relocate from another area on this property to place along the south end there.

Alderman Lemke asked if the tree line is as regular as is shown and if it can be strengthened. Mr. Marshall stated that is the area where some of the larger pine trees would be placed. Alderman Lemke asked about the area to the north as well as to the south of the site, that based on the elevations that exist on the property – it looks like a retaining wall would be in place at these locations. Mr. Marshall stated that yes, there would be a series of terraced stone walls that would create terraces of landscaping. Alderman Lemke asked what the squiggle displayed in the

driveway area. Mr. Marshall stated that represents a fire truck. In earlier meetings, the Fire Department expressed concern about having proper accessibility to the buildings. Mr. Marshall said that the Fire Department is pleased with this diagram. Alderman Lemke asked if the pockets displayed on the drawing are for parking or for turning. Mr. Marshall stated that they are for turning, backing out and for snow piling.

Alderman Silkaitis stated he is not a fan of having a gated community in St. Charles. What is the reason for this?

Mr. Maurice McNally – 36W442 Hunters Gate Road, St. Charles, IL

Mr. McNally stated that the reason for the gates, with the style of the units that would be in place and for the people that would be interested in these units – the empty nesters or the baby boomers – some of these people may only live there 6 months of the year. The remainder of the time they would spend in warmer weather climates. The people that Mr. McNally has talked with, really like the idea of the security a gate would bring. Alderman Silkaitis asked if there are any other gated communities in St. Charles and staff did not know of any others.

Mr. McNally said he would like to address the issue of the trees on this property. He reiterated that he would like to save as many of the trees as possible and has contacted a company called Big Trees who has a 110 inch tree spade and has the ability to relocate some of the larger trees. In addition, Mr. McNally has met with some of the owners on McKinley and he realizes the concerns they have with some of the trees – in particular along the west tree line. He plans to take 3 of the big evergreens that are located on the property and relocate them to the southwest corner of McKinley to provide as much privacy as possible.

Alderman Lewis asked about the Lilac bushes as well as the stone pillars that are there. McNally said he is not able to guarantee the Lilac's would be saved but he would like to save the stone pillars and relocate them to the new main entrance.

Alderman Lemke stated that the construction of the buildings would contain stone – what is meant by concrete material. Mr. McNally said it would be concrete stucco and it is applied over plywood.

Chairman Bancroft asked if there were any questions or comments from the audience.

Ms. Jeanette Musser – 40 McKinley Street, Lot 3, St. Charles, IL

Ms. Musser provided photos of the tree line as it is today along the west side of the site. Ms. Musser stated that she attended the last Plan Commission Meeting with two of her neighbors. They realized at that meeting that this development will not be single-family; it will be a multi-family situation and they would like to work the developer. Their concerns are the height of the building, the setback and endangering the trees. Ms. Musser said they met with Mr. McNally and he had shown them an illustration of what the height would be like compared to the home that is on the property now and it will be a little lower. The reality is the width of the house compared to what is there now - puts all of their homes that face this property looking at a wall of buildings 24 feet away. In addition, the patios and the decks are protruding even closer to their property. Ms. Musser stated that one of the Plan Commission members suggested moving everything

forward 10 feet. This would alleviate many of their concerns as well as take it further away from the tree line. During Mr. McNally's visit, Ms. Musser expressed concern with four oak trees ranging from 23 inches to 34 inches in diameter. An area of concern with these trees is that three of these four trees are on the property line but belong to Ms. Musser. If these trees are damaged, they would be left with the cost of taking them down. Mr. McNally has agreed to hire a certified arborist that specializes in the preservation of old Oak trees. Ms. Musser pointed out that the drip line from the oldest Oak tree is about 24 feet and would extend right up to those buildings. As a result, Ms. Musser and her neighbors are very interested in having this project moved further towards the road. The decks could possibly be relocated from the front of the homes to the side so they would not have their deck right on the road.

Mr. Larry Rakunas – 1150 Willowgate Lane, St. Charles, IL

Mr. Rakunas said he has lived in Willowgate, which is the property directly to the east, across Rt. 31, since 2000. He currently serves as President on their Board of Directors and has been very involved in the drainage issue that has been presented to the City concerning their detention ponds. Willowgate is a PUD, so they are directed by the guidelines that had been put into place in 1994. About 80 acres of St. Charles drains through Willowgate on the north end as well as to the middle, which goes into their detention ponds. Mr. Rakunas says he is happy to see that this proposed development would have a detention pond; however there will be considerably less grass and soil to soak up some of the water. What concerns Mr. Rakunas is the setback. Willowgate is in the process of trying to reconfigure their ponds. Mr. Rakunas is asking the City to look at the drainage through Willowgate very closely. He would like to see permeable Pavers put in place to keep the water on site while helping the environment.

Ms. Terry Spears – 15 Horne Street, St. Charles, IL

Ms. Spears said she is located directly behind in the northwest corner. The landscaping was discussed last week. There is one deciduous tree in that corner, however the landscaping Mr. McNally is referring to on that further wall preceding- there is a low lying fence in place. Ms. Spears would like to see that bermed quite high to eliminate their view of overlooking that parking area. Currently, they live in a home that is glassed off and they enjoy their view. The future will bring a view of a driveway and cars. Ms. Spears feels a development consisting of 12 units at this location will cause a lot of congestion in this area as it relates to traffic. There are many accidents already at Rt. 31 and Horne Street. In addition, 12 units on 1.8 acres is too much. Ms. Spears said some of the things they like best about St. Charles is the old trees, the charm, the green space and the Lilac bushes – the old-time charm. All the neighbors in the area are just devastated by what is being proposed. Ms. Spears stated she is pleased that there is a high-end builder coming in with such great architecturally designed homes. She believes at least one of the buildings need to be removed from the overall plan and to reconfigure the layout of the entire development to create more green space.

John Thornhill – the Oaks in St. Charles

Mr. Thornhill stated that their board has not had a meeting since the proposal notices went out, so there has never been a formal position taken. However Mr. Thornhill said the board members are completely behind this project. When they embarked on the storm water management project in the Oaks, they were aware of problems involving downstream property owners. Much of the

material they were receiving came from McKinley Street they and Willowgate had no control over. Mr. Thornhill stated that the portion of pollution that the Oaks contributed has been taken care of so the net effect on Willowgate has been positive.

Chairman Bancroft stated that the applicant has requested feedback on the Concept Plan and staff has provided a short list of considerations that include: change in land use from single-family to townhomes, proposed number of units, building architecture and site layout.

Alderman Lewis asked if there is literally a gate that will go up and down. Mr. McNally replied yes. Alderman Lewis then asked if there was a traffic study done and if this would cause any backup on Rt. 31 with people waiting to enter through the gate. Mr. McNally said there is enough room from pulling in on Rt. 31. Alderman Lewis asked about delivery trucks or garbage trucks accessing the property. Chairman Bancroft stated this is a Concept Plan so they won't have results from all of the studies.

Alderman Lewis says she does have a bit of an issue with all of the ridge lines. She is trying to imagine the two different levels. Mr. McNally stated that basically it is not two different ridge lines – it is the steps. There are two steps with only one step to each building in the back. They were trying to follow the topography of the property with the steps on the ridge lines. Alderman Lewis stated she would like to see a drawing displaying this. Alderman Lewis asked why they changed direction from a single-family development to a multi-family. Mr. McNally stated that he feels empty nesters are looking more for townhomes instead of a single-family home. Alderman Lewis said she would like to see the density come down a little and to offer more green space.

Alderman Bessner said with regards to townhomes, he believes this would be a good buffer to have in this area. As far as having 12 units, Alderman Bessner said 12 might be pushing it a little and the height is a little bit of a concern as well in particular, how it relates to the McKinley properties in that cul-de-sac in the back. The building architecture is solid and wonderful. Alderman Bessner strongly recommended that they listen to the comments made by the Plan Commission about moving the property up as far as they can to Rt. 31.

Alderman Gaugel said overall, he has a favorable opinion of the site. He agrees that this would be a good buffer with townhomes and he thinks the number of units is fair, but no more. The architecture is fantastic. The site layout is the only area of concern. The RM zoning they are going for - there are 3 areas where they would not comply. Those areas are the minimum lot width – they are short by 1.7 feet, the building height maximum is 35 feet and they are at 38 feet and 41.6 feet. The last area would be the rear yard, which is the biggest concern for him. Alderman Gaugel stated that they have had success with builders and developers who have approached the neighbors and worked out an agreement that everyone was happy with. Lastly, he strongly encouraged them to listen to what the Plan Commission has said with regards to adding to that rear buffer as well.

Alderman Krieger stated she is very concerned about the number of units and the McKinley cul-de-sac – she would like to see things moved forward. Her preference would be to see 8 townhomes instead of 12. In addition, Alderman Krieger would like to see the trees remain – moving trees can be very risky and they very rarely survive more than a year if that. Once again, the design is very pretty and Mr. Marshall always does a great job so there is no concern about

that. In addition, Alderman Krieger is concerned about the water run-off. She has been in a few meetings with the Viewpointe neighbors years ago and they work very hard to keep their site clean. She would like to see a few tweaks to the design and save the trees without moving them.

Alderman Turner would like to see the project moved 10 feet toward Rt. 31.

Alderman Lemke stated that he is concerned about the preservation of the trees. He suggested not moving forward without some type of a bond or assurance that if those trees should die in a year or two, that the homeowners are not on the hook for what this development does. Alderman Lemke suggested 8 to 10 units on this site with the entire project evenly spaced between the lot lines of Geneva Road and McKinley. Regarding the street access, he is assuming that these will be private streets so the residents will have to do their own plowing as well as retain private trash collection. Alderman Lemke said he was talking with individuals in the building industry about Dryvit with regards to the issues they have had with this product. A reduction in the use of Dryvit would be beneficial. Mr. McNally replied that they will not be using Dryvit in any of these units – they would use natural stucco. Alderman Lemke said stucco is concrete over some type of masonry and if this is applied over plywood, he questioned the longevity of a product like this.

Alderman Payleitner asked for confirmation regarding the roof line comparison between what they are proposing to what the existing roof line is. Mr. McNally said over on the northwest corner, the high ridge roof line is approximately 8 feet lower than the existing home that is there right now. Alderman Payleitner concurs with her colleagues on the conversations thus far. She stated that she always encourages new developments be good neighbors and appreciates the steps they have taken in this direction. Alderman Payleitner expressed importance with the back buffer, the view and the trees.

Alderman Silkaitis stated that he feels the project should be moved closer to Rt. 31. He likes the design and architecture and can see that this would be a high-end product. Alderman Silkaitis also encouraged them to work with the neighbors as they presented valid points to consider. The gated community remains a concern for him.

Chairman Bancroft asked if the feedback they received was helpful. Mr. McNally stated that it was. Chairman Bancroft stated that he liked the project very much – with the architecture being terrific. His experience with the gates is they become much more decorative and much less security over time.

Mr. McNally thanked everyone for their time and insight into this project.

- c. Recommendation to approve an Amendment to Special Use for a Place of Worship for 1710 S. 7th Ave. to include 1202 Pomeroy Ct. (Salvation Army).

Alderman Stellato rejoined the meeting.

Ms. Johnson stated that this is a Special Use Amendment for 1202 Pomeroy Ct., the Salvation Army. A Special Use for a Place of Worship was approved for 1710 S. 7th Avenue in 1962. The Salvation Army purchased the property in 1992, and then in 2002, constructed a new facility on the property. The Salvation Army Tri-City Corp. has applied for an amendment to the Special

Use to include the property located at 1202 Pomeroy Ct. for the purpose of expanding their parking lot. Proposed is a 20 stall parking lot in place of the existing family home on the property, which would be demolished. The lot would be accessed from the existing Salvation Army access point off of S. 7th Ave. Landscape screening is proposed along 7th Ave. and Pomeroy Ct. and a 6ft. screen fence is proposed along the east property line adjoining the residential neighbor to the east. The Plan Commission held a Public Hearing on the Special Use Amendment on May 5th. At the Public Hearing, neighboring residents expressed concern for the potential impacts of the use on the residential neighborhood as well as concern about the possibility of Salvation Army expanding further in the future. The Plan Commission recommended approval with a vote of 6 to 1 with 4 conditions:

1. No access to the property be provided from Pomeroy Ct.
2. Lighting fixtures shall not exceed 15 ft. in height
3. The applicant work with staff to screen the property and maintain the residential character of the neighborhood
4. The parking lot be shifted to the west to allow for additional landscaping on the east side along the fence

Ms. Johnson said that in response to this application, the applicant has submitted a revised plan. They have added additional landscaping along Pomeroy Ct. and have shifted the lot a couple feet to the west to allow for landscaping along the fence on the east side. The applicant has also expressed agreement to the first two conditions as well, which would restrict access to Pomeroy Ct. and also that lighting fixtures will not exceed 15 ft. in height.

Chairman Bancroft asked if there were any questions.

Alderman Gaugel asked if the applicant was present. Ms. Johnson stated that a representative was present.

Charles Peterson, applicant and representative for Salvation Army Tri-City Corp., – 407 S. 10th Street, St. Charles, IL

Alderman Gaugel asked the applicant if his intent was to grow or expand this facility. Mr. Peterson said that if the opportunity would exist to purchase additional homes along Pomeroy Ct., they would certainly consider that. Alderman Gaugel said his concern with that is this is not the place to grow; however, he believes whole heartedly in what the Salvation Army does. It is the location that is the issue being this is a residential neighborhood. Alderman Gaugel stated that if their intent is to expand at this facility, this isn't the neighborhood to do it in. The Comprehensive Plan has designated this area as single-family homes. Concern has been expressed from many residents about this- if that next property to the east becomes available, is that going to become a parking lot; even with this, you are below what the minimum requirement is for parking. Mr. Peterson stated that one of the reasons they were attempting to do this was to take a lot of the parking off of 13th Ave. as well as Pomeroy Ct. We do not plan to expand our building in any way. Alderman Gaugel asked Mr. Peterson to explain his statement made earlier about the opportunity presenting itself to expand, what would you do. Mr. Peterson said one of the long-range programs is to create open space as well as playground space which they currently do not have. They would like to provide more

as they have a large daycare program that is growing. Mr. Peterson stated that their monthly food distribution has doubled over the past few years since 2008. They have more people coming to the building and using the building and they are trying to facilitate that.

Chairman Bancroft confirmed that the issue at hand is this new property becoming a parking space to satisfy an existing deficiency, correct? Mr. Peterson said that, as he understands it, is a deficiency that came about because their parking was prior to the present zoning code and they were permitted a certain amount of parking spaces on the street at that time and the zoning code does not permit that now. Mr. Colby agreed. Chairman Bancroft stated that what they are dealing with on this is the addition of a parking lot to satisfy the Special Use. Mr. Peterson said any additional expansion would have to come back before the Plan Commission.

Alderman Krieger stated she is concerned that there might be a precedence being set as there are other churches that have become landlocked and they may see this as an opportunity to purchase or demolish homes around them.

Alderman Lemke said there is clearly not as much space between the parking and the existing home. That is where the landscape belongs – not between the parking and the street. Move the landscape between the parking and the existing residential and make it a permanent easement so that there is no misunderstanding that this is going to become more parking at some point.

Alderman Payleitner said she disagreed and feels the landscaping hides the parking lot from the neighborhood. Alderman Payleitner asked staff if all of the Plan Commission's recommendations were addressed. Ms. Johnson said the two that were addressed were adding additional landscapes screening along Pomeroy Ct. and then also shifting the parking lot closer to 7th Ave. to allow for landscaping along the east side, along the fence. From the last plan they have added a significant amount of landscaping on those sides. Ms. Johnson stated the other two issues – one being access to Pomeroy Ct. – this would be written into the amended ordinance stating access would be restricted to Pomeroy Ct. and the light height would be written in and a lighting plan would be required at time of building permit.

Alderman Stellato said this is a land use issue and he has a concern about this. Pomeroy Ct. now goes from having a house as a gateway when you pull into it to a parking lot. This is equivalent to spot zoning as you begin to get this use that really isn't compatible with any pieces of property around it. If the lot were further in the back and you could expand without broadcasting to everyone that pulls into that neighborhood that there is a parking lot here, that would be better. Alderman Stellato commended Mr. Peterson for doing all they can and for listening to the Plan Commission. At the end of the day, it comes down to a land use issue and he cannot support it.

Chairman Bancroft asked if there were any comments from the audience.

Tim Nagengast – 1211 Pomeroy Ct., St. Charles, IL

Mr. Nagengast stated that he did speak to the Plan Commission a week ago about the following concerns. This is a residential area and even with landscaping, it still remains a parking lot. Currently, when looking out his living room window, he sees a nice neighborhood - not a parking lot with lights and landscaping to try to hide the parking lot. Mr. Nagengast said the Salvation Army stated at the meeting last week that their goal is to buy up as many properties

as they can so they can expand the services that they want. This would set dangerous precedent and this would be the beginning of purchasing other homes in the area. Mr. Nagengast said Major Miller came to his home and spoke with him personally and stated they want to buy the house to expand their services and they need the space to put people in the house and they would consider filling in the pool in the back and put parking there. Approximately two months later, he received a letter stating they are going to tear the house down and put in a parking lot.

Alderman Payleitner asked Mr. Nagengast if he sees any parking issues along Pomeroy Ct., 7th Ave. and 13th Ave. Mr. Nagengast said there are cars parked in Pomeroy Ct. at times and he does see a lot of people turning around in the circle because they do not know it is a court. There is a lot of activity here already – a lot of kids in the area and with more parking that will just worsen the problem.

Chairman Bancroft asked if there were further comments from the audience.

Alderman Lewis asked Mr. Kessler, Vice Chair of the Plan Commission, who was in the audience, if he could state why he did not support this.

Mr. Tim Kessler, Vice Chair of the Plan Commission – 1203 Main Street, St. Charles, IL

Mr. Kessler said the issue was directly around the land use issue. In 2002, when the new facility was constructed, there may have been some shared on street parking. Mr. Kessler said there is a need and desire for them to expand in this residential neighborhood. There is a problem that needs to be corrected. There is a 3 parking spaces per seat requirement for this facility and it requires 56 spaces, and even with this parking, we are correcting a problem that exists that was allowed to occur. Mr. Kessler stated this is a residential neighborhood and this facility cannot continue to grow in a residential neighborhood. They have great ideas and offerings; however, they will have to find another facility.

Chairman Bancroft asked for a motion to recommend the approval of an Amendment of a Special Use to include 1202 Pomeroy Ct. There was no motion. Chairman Bancroft stated it looks like it fails for lack of a motion.

Mr. Colby asked if there was a motion. Chairman Bancroft stated there was no motion. Alderman Stellato asked if a motion to deny is needed. Mr. Colby said that would be appropriate. Staff will be looking for direction from the Committee on advancing the application to Council and with a motion to deny, staff would prepare an ordinance that is for denial, in the event the applicant requests the Council to take action on it.

Alderman Stellato made a motion to deny the request. Seconded by Alderman Gaugel.

Roll Call:

Ayes: Stellato, Silkaitis, Payleitner, Lemke, Turner, Krieger, Gaugel, Bessner, Lewis

Nays:

Absent:

Abstain:

Motion to deny carried, 9-0

- d. Recommendation to approve a revised Final Plat of Subdivision for the Quad St. Charles – Unit 1 Resubdivision (theater lot).

Mr. Colby stated that item d is the Final Plat of Subdivision regarding the request that has been submitted by the owners of The Quad – St. Charles. They are requesting a revision to the plat that was approved to create a building lot for the theater. After the subdivision was approved and recorded, the owners realized that the theater lot included a small area that is in access to a loading dock to the mall building. They would like to retain that as part of the mall's ownership. Since the lot has already been subdivided, they are going to be splitting off that small parcel. Staff has reviewed the proposed subdivision and found it in compliance with the PUD. Staff is asking the note be added to the Plat that this small lot that is being created will not be a buildable lot on its own but could be built on in combination with the adjacent lots.

Alderman Silkaitis made a motion to approve. Seconded by Alderman Lemke. Approved unanimously by voice vote. Motion carried. 9-0

- e. Recommendation to approve a Facade Improvement Grant Agreement for 111 E. Main St. (Riverview Counseling Services)

Mr. Colby said the project scope includes replacement of the deteriorated wood store front on the lower level with brick below the windows and Dryvit/EIFS material above, which would match the rest of the store front. The grant would cover \$10,000 and the Historic Commission has recommended approval of the grant.

Alderman Stellato made a motion to approve. Seconded by Alderman Krieger. Approved unanimously by voice vote. Motion carried. 9-0

- f. Recommendation to approve a Facade Improvement Grant Agreement for 11 N. 3rd St.

Mr. Colby said this property is also known as Old St. Charles Place. This is a multi-tenant commercial building. The project scope includes replacement of deteriorating wood trim elements on the building, replacement of doors, windows, sign panels and also re-roofing a portion of the building. The grant would cover up to \$20,000 of the repairs. The Historic Commission has recommended approval of this grant.

Alderman Stellato made a motion to approve. Seconded by Alderman Krieger. Approved unanimously by voice vote. Motion carried. 9-0

- g. Recommendation to approve a Facade Improvement Grant Agreement for 100 W. Main St. (Hotel Baker)

Mr. Colby said this grant is for the completion of the Hotel Baker Window Restoration & Repainting Project. They received a grant in 2014. They completed the work on the south and

east elevations of the building. This grant would cover the remaining work on the windows for the north and west elevations of the building. This property is listed on the National Register of Historic Places, under the Facade Improvement Program, it is entitled to some additional funds provided they are spent on architecturally significant features. The Historic Commission has recommended that the windows are architecturally significant features of the building and therefore warrant additional funding. They have recommended approval of the grant that should cover up to \$10,000 of the cost of the work.

Alderman Lewis asked Mr. Colby if this is it for 5 years for the Hotel Baker. Mr. Colby said yes and the grant amount is limited over a 5 year period of no more than \$20,000. For properties listed on the National Register of Historic Places, that could be increased to \$30,000. Last year, the Hotel received \$15,000 and with the approval of this grant, they will receive \$10,000 so they will be up to \$25,000. Potentially they could receive a grant for the following year for \$5,000 if it was for something that was determined to be architecturally significant. Alderman Lewis confirmed with Mr. Colby that they would have to wait 5 years before receipt of another grant as they would have reached the maximum amount awarded based on the requirements of the program.

Alderman Krieger made a motion to approve. Seconded by Alderman Lemke. Approved unanimously by voice vote. Motion carried. 9-0

- h. Recommendation to approve a Corridor Improvement Grant Agreement for 700 E. Main St. (T&J, LLC)

Mr. O'Rourke said this grant is for enhancements along E. Main Street, between the building and the road. Much of this will be used to replace what was damaged with the widening and road construction that occurred along E. Main Street as well as to enhance the overall appeal of the site. The City's share of the proposed grant would be \$5,405. The Corridor Improvement Commission recommends approval of this grant.

Alderman Stellato made a motion to approve. Seconded by Alderman Gaugel. Approved unanimously by voice vote. Motion carried. 9-0

- i. Recommendation to approve a Corridor Improvement Grant Agreement for 2422 W. Main St. (KMK Global Investments, LLC)

Mr. O'Rourke stated the applicant will be adding new landscape enhancements around both their monument sign and landscape islands in front of the building- located between the building and the road as well as directly in front of the building. Basically, they will be replacing the landscape between the front of the building to the street. The City's share of this grant will be \$4,749. The Corridor Improvement Commission recommends approval of this grant.

Alderman Stellato made a motion to approve. Seconded by Alderman Gaugel. Approved unanimously by voice vote. Motion carried. 9-0

4. Additional Business
There was none.

5. Executive Session
There was none.

6. Adjournment

Alderman Stellato made a motion to adjourn. Seconded by Alderman Krieger. Approved unanimously by voice vote. Motion carried 9-0.

Meeting Adjourned at 9:00pm.