

**MINUTES**  
**CITY OF ST. CHARLES, IL**  
**\*SPECIAL\***  
**PLANNING AND DEVELOPMENT COMMITTEE**  
**MONDAY, FEBRUARY 17, 2015 7:05 P.M.**

**Members Present:** Silkaitis, Payleitner, Lemke, Turner, Stellato, Bancroft, Martin, Krieger, 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; Chris Tiedt, Development Engineering Division Manager; Bob Vann, Building & Code Enforcement Division Manager; Matthew O'Rourke, Economic Development Division Manager

**1. CALL TO ORDER**

The meeting was convened by Chairman Stellato at 7:25 P.M.

**2. ROLL CALLED**

Roll was called:

Present: Silkaitis, Payleitner, Lemke, Turner, Stellato, Bancroft, Martin, Krieger, Bessner (7:42PM), Lewis

Absent: None

**3. COMMUNITY & ECONOMIC DEVELOPMENT**

- a. Recommendation to approve a PUD Preliminary Plan for First Street Redevelopment PUD Phase 3

Mr. Colby said this project began as a vision for mixed-use downtown redevelopment that dates from the 2000 Downtown Strategy Plan that first identified this area as an opportunity for redevelopment within the downtown. He said there was a PUD approved by the city in 2006 and that approval also included plans for all the various phases of the project; and also included zoning deviations to allow the buildings that were proposed to be constructed. He said this project is a little different in that it is a public/private partnership, where the city owns some property and also will own the public improvements that are constructed as part of the project.

Mr. Colby then showed a Power Point presentation showing the overall site plan and boundaries of the First St. PUD and also the buildings that have been constructed thus far, including phases 1 and 2, which were completed by 2009 and included: the majority of utility and infrastructure work for the entire development; Building 4/parking deck; Blue Goose; and Building 7A, the BMO Harris and 16 apartments. He said a plan for phase 3 was approved back in 2006 and that plan has since expired and there is now a new plan being proposed for that portion of the project which was the discussion for tonight. He said additionally there are later phases of the project-phases 4 and 5 that include additional buildings of #6, #7B and #8 and timing for the development of those buildings is unknown. He then showed the location of the proposed PUD Preliminary Plan along with an aerial photo identifying the public spaces that surround the site along with the riverwalk, bi-level riverwalk and streetscaping improvements that are planned to

occur around the buildings. He then showed the original approved public space designs for the riverwalk, streetscape and also the adjacent East Plaza and stated that the new proposed plan fits within the boundaries of those planned public spaces.

Mr. Colby stated that this was a PUD Preliminary Plan review and he then outlined the process:

Historic Preservation Commission reviewed the impact of the proposed project and also the building architecture and recommended approval on 11/19/14 noting that the plan would have a positive impact on historic nature of downtown and there were a number of favorable design features sited.

Plan Commission reviewed the conformance to approved PUD Ordinances (#2006-Z-29, #2008-Z-22), conformance to other codes both zoning and subdivision standards and site and building design standards and recommended approval on 12/16/14.

Mr. Colby stated that what was being presented that evening for approval was:

For all 3 buildings and Parking deck

- Site and engineering plan with building footprints
- Development data (uses, square footage, height)

Architectural plans for:

- Building 1
- Building 2
- Parking Deck

He said future approvals would include:

- Final Plat of Subdivision-to divide the property into building lots
- Streetscape plans-for the improvement of the right-of-way adjacent to the buildings
- East Plaza plans
- Riverwalk plans
- Architectural Plans for Building 3

He said Staff has conducted a review of the PUD Preliminary Plan and has found the following:

- Proposal complies with PUD standards
  - Meets maximum building square footage, height
  - Meets design standards for buildings
- New building program constitutes a plan change
  - No change to permitted uses
- Ability to meet all codes for building, life safety, engineering
  - Subject to resolution of all staff comments prior to City Council action

He said there were also some suggested conditions:

- Resolution of all staff review comments prior to City Council action
- Subject to future PUD Preliminary Plan approval of:
  - Architectural plans for Building 3
  - Streetscape, East Plaza, and Riverwalk

Bob Rasmussen-409 Illinois Ave.-said they were there tonight to present their final version of the Preliminary Plan and that last fall the concept was presented to Historic and Plan

Commission who were both favorable. He said they have spent the last couple months with Staff trying to resolve many small engineering issues that needed to be taken care to put the final plan together; and he believes they are very close to a final plan.

Mr. Rasmussen discussed the parking deck. He said there were several concerns early on regarding the parking deck; which is very low, not very tall and very unobtrusive from the viewpoint coming across the bridge. He said there is an entrance from Illinois that goes down to the ground level parking as well as an entrance from First St. that takes a ramp up to the second floor of the deck. He said on the first level they have added a pedestrian and handicapped ramp on the north end of the parking deck which will download right into the open space that they now have on the river; as well as a staircase on the ground level which is a little below grade to come up from below to enter toward the river.

Mr. Rasmussen summarized the building program. He said building 1 and 2 have footprints just shy of 12,000 ft. and are 4-story buildings and will be just shy of 48,000 sq. ft.; building 3 is a 5-story building similar in footprint at 11,966 ft. and 60,000 sq. ft. He said building 1 is a first floor retail building with the top 3 floors being occupied with their partners ALE Solutions; building 2 will be a “for rent” residential building on the top 3-floors to bring bodies into downtown on a daily and nightly basis, and will be a significant impact to the current businesses and also the ones on the first floor; and building 3 will be 4-floors of “for sale” residential/condominiums and first floor retail.

Mr. Rasmussen described the site design. He said the new proposed plan nestles in nicely and will be a pretty view coming across the river. He said the street elevation for Building 1-ALE building- has been designed with the intent of grabbing some of the old Piano Factory looks of trying to recreate the loft look and infill the old factory windows with today’s windows and he feels they have done a good job of trying to recreate that look and Historic Commission was excited with what was created. He said the ramp coming from First St. heading to the second level of the parking garage has a pedestrian sidewalk on the south edge to allow for walking up and down from the ramp. He said in looking at the overview it’s really important to see all the open space that has been created due to shrinking the project and they anticipate seeing a couple of significant restaurants on the first floor on the north end of buildings 1 and 3. He said the second level of the parking garage is not as tall as the first floor of the buildings so it remains pretty low; and the streetscape coming out of basically the back door of ZaZa’s will be the future plaza on the north end of the buildings where they anticipate a great restaurant with some outdoor dining space. He said they tried to add some articulation and different looks to look like the lofts that were created downtown with balconies that protrude which are really common in redevelopment areas. He said that Dan Marshall had a great idea to make the ALE Solutions building look like the Wok n Fire corner to be a little more inviting in moving the entrance from the middle to the end to make the corners prominent and he thinks it’s going to be a great addition for that building. He noted that a significant number of employees for ALE would use that entrance which is very close to the parking garage across the street where they would park their cars on a daily basis and that from a landscaping standpoint it would not take much to keep that area looking pretty and not like a parking garage.

Aldr. Silkaitis asked if the entrance to the parking deck on Illinois would be right in/right out, or a full access. Mr. Rasmussen said a full access.

Aldr. Lewis said she went back to the minutes from last January and she still has the same concerns with the balconies; she doesn't see a change from what they were a year ago to now and she asked how wide they are. Mr. Rasmussen said about 10ft. from left to right and 4ft. in depth. Aldr. Lewis said her concerns were there being a lot of things on the balconies and she remembers that Mr. Rasmussen stated that as landlords they can restrict what is put on those balconies; she asked if people would be grilling and stated she wanted there to be some strong restrictions. Mr. Rasmussen pointed out that down the street at Milestone Row and at building 7A there are a ton of balconies exactly like these and he doesn't believe that in 9-years that there has been a complaint. He said every single day in managing their properties they make sure things are kept neat and clean; they do not allow storage of bikes and if it does happen they quickly contact the tenant; so he does not have a fear of that because it can be controlled through their leasing and management. He said he also believes the city's code enforcement officer Rob would instantly contact them and he would tell you he has no issue with any of his units and they have 54 residential rentals between here and Heritage Square. Aldr. Lewis stated that this is not the same as the Harris Bank building where those balconies are, this is right along the river on both sides of the building and she just really wants to be sure they stay well kept. Chairman Stellato said he did reach out to both in-house and outside counsel about what the city has in place to help monitor; they would have to be given a license to be able to build those balconies over the sidewalk and the city would then have a say so in what happens on those balconies. He suggested that Mr. Rasmussen bring Aldr. Lewis up to speed with whatever covenants he has in place while he is drafting those; and also that the city has the second layer. Aldr. Lewis said she lives in an older neighborhood, not a PUD, and it can quickly get out of control at some of the properties and she would hate to see that happen on our jewel over at First St.

Aldr. Payleitner said she echoes Aldr. Lewis concerns and she's glad they are being addressed and her question is in regard to the little brick wall for the parking garage; she asked if it were high enough to cover a car. Mr. Rasmussen said the parapet wall that goes up beyond the second floor is not as tall as an SUV, but from ground level you probably will not see the top of the car.

Aldr. Krieger said in regard the balcony issue, she drives by the Illinois and 5<sup>th</sup> Ave. apartments all the time and all she ever sees is Christmas decorations which have always been taken down in a timely fashion; same with the Oaks on 15<sup>th</sup> St. and theirs are always very clean too and she feels there is enough in the Ordinance to properly maintain that and she is comfortable with them.

Aldr. Bessner said regarding the architectural styles, what was the thought process in having 2 buildings with 2 different styles versus what is currently there and what was originally planned. He said he is looking at 2 buildings that were originally going to mirror each other and now it seems there are 3 different architectural styles; not that they are bad, he is just curious on the thought process. Mr. Rasmussen said they mixed the architecture up with some historical and infill like would be seen in any urban setting where no 2 buildings are the same; it was done on purpose and he thinks the third building needs to be different as well.

David Amundson-500 Cedar St.-asked how wide the sidewalks are compared to the sidewalks already built on First St. Mr. Tiedt said about the same size. Mr. Amundson asked if they could be at least 3ft. wider because he feels one of the failings of First St. as it exists is not enough room for urban theater for merchants to pull things out for sidewalk sales and café tables, between the planting beds and the sidewalk there is not room for vibrancy there. He said this is urban theater and grills with people cooking out and people watching people is what we want;

we don't want old TV's and things like that, but if the balconies are made too sterile it will not be inviting; and he thinks if the city is too onerous on what they can and cannot do we will shoot ourselves in the foot.

Kim Malay-526 S. 16<sup>th</sup> St.-said she has watched this project from its conception to now and she was not thrilled with the original proposal of the architecture of the buildings; but she really thinks they have now come up with a nice plan and from a Historic Preservation Commission end of things they were really happy to see it and she thinks it's a better plan all the way around.

Tom Anderson-712 Horne St.- said retail on both sides of the street is very exciting; he has been part of the Downtown Partnership for years and that's a factor to really have shoppers go back and forth and having businesses there to send people to the local restaurants. He said design wise he has always likes Dan Marshall's work and he thinks he has some nice creations with what the buildings look like. He suggested in regard to the sidewalk that maybe something could be done differently with the landscape or treescapes to have it flow easier. He said building 3 looks like it overhangs the existing wall that goes down to the 2<sup>nd</sup> level, so it looks like you would have to cantilever around the second level and what is going to happen along the river in particular on the north east corner building 3. He asked if they are planning a nice upper level walk and a nice lower level walk which is there now and could be used more. Chairman Stellato stated that building 3 would be discussed in the future. Mr. Rasmussen said that the building 3 footprint is exactly the way it was before so it doesn't get anywhere near the retaining wall and it's still the same amount of upper walk way, close to 20 ft. Mr. Anderson said his comment was that an upper and lower walk would be a nice element to have; but his big concern is overall downtown parking; as soon as ALE moves and that building is empty there will be people in there and the lots across the street. He said it depends on the tenant base and this is all public and the city is responsible to manage the parking lots because the residents are not going to be excited about coming to a place that just is not convenient to them for parking. He said there's a mixed use of all day parkers who are working and then the shoppers coming and going; so the element we have here is 2 parking lots-Illinois and First St.-for the shopper and day people it will be a dead end parking lot; there is no flow. He suggested signage to say "lot full" or "2-stalls left" to manage the parking.

Paul Lencioni-300 S. 2<sup>nd</sup> St.-Said this is 2-3 decades of hopes, dreams and vision and he took a second to commend everybody in the room and said to not lose sight of all the sacrifices that people have made to get us here; all the great work that has gone in to getting all these plans here; he commended the developers, city leadership and everybody who has had the vision to take on a very difficult project. He said that he will do everything he can and talk to everyone he can to help really bring this in with the support of the city and the community because that will be the difference between success and failure; how much all of us support the things that happen here to give good honest comment and then stay out of the way; nothing will ever be perfect but it will be good if we allow you to make it good and do your jobs. He said he is there to pledge his support and say thank you for getting this far right now, he is excited to see what is done and he can hardly wait to enjoy the restaurants and meet all the new people who will occupy the new spaces and keep up the good work, everybody.

Vanessa Bell Lasota-1510 Howard St.-said as a resident who as followed this project and lived here for some time, she was a tough sell on anything being higher than the Hotel Baker with her view of the town's history, but she is really sold on the new appearance and the hard work and character that has gone into it. She noted that the Comprehensive Plan does state that "we want

to create pedestrian flow” and as she looks forward to the streetscape that is coming and to some urban aspects, like urban gardens or urban green, to soften the edges around to make the gathering places more warm because the one thing we lost on Main St. could be gained here and she sees a lot of promise and congratulations.

**Aldr. Turner made a motion to recommend approval of a PUD Preliminary Plan for First Street Redevelopment PUD Phase 3. Seconded by Aldr. Bancroft.**

Roll Call:

Ayes: Silkaitis, Payleitner, Lemke, Turner, Bancroft, Martin, Krieger, Bessner, Lewis

Nays:

Absent:

Abstain:

Motion Carried. 9-0.

Chairman Stellato stated that the next item on the agenda for discussion tonight is the redevelopment agreement which will make both sides promise what they are going to do and deliver to get this project done; it's the business aspect of this plan.

- b. Recommendation to approve a Redevelopment Agreement with First Street Development II, LLC regarding First Street Redevelopment PUD Phase 3.

Ms. Tungare said the city had entered in to a redevelopment agreement with the developer for First Street in 2006 and that original agreement was terminated in 2014. She said what is now before Committee is a new Redevelopment Agreement that staff and the developer have negotiated to facilitate the development of the plan that was just approved as the previous agenda item. She said this has been a joint effort between city staff, legal counsel and the developer. She said the Redevelopment Agreement outlines the developer's obligations, the city's obligations as well as certain business terms.

Ms. Tungare shared a few salient items of the Redevelopment Agreement:

-This agreement will only pertain to the phase 3 property.

-The city owns and controls all of the property within the phase 3 site; including the Harris Bank piece which was recently conveyed over by the developer to the city.

-Construction schedule for all 3-buildings:

-Building 1-ALE Solutions and the parking deck will commence spring/summer of 2015.

-Developer intends to commence site work in spring 2015.

-Commence work by July 2015 on building 1 and the parking deck.

-Work will commence on building 2 in spring 2016.

-Work will commence on building 3 along the river in spring 2017.

Ms. Tungare said dates have already been established in the agreement and the developer is to open up a construction escrow with the city as well as to commence construction; so in addition to the construction schedule with the target start dates and target completion dates, there are also defaults that have been outlined in the redevelopment agreement. She also shared certain business terms- The land will be transferred to the developer on a building by building basis at no cost, the city will not be conveying all the property at one time to the developer. She said there are certain conditions that the developer has to meet in addition to the construction schedule for the land to be transferred over the developer and those preconditions have been established and outlined in the agreement. She said the city is agreeing to pay up to a maximum

of \$1.9 million for the public parking deck which is the cap in the agreement and the deck shall be constructed by the developer in accordance with plans and specifications that will be approved by the city. She said the city and developer have always been aware that there is some environmental remediation that will be required on the phase 3 site and Chris Tiedt with city staff has been working with Huff & Huff over the past several weeks as a third party consultant to determine the cost of disposing of bad soils and environmental remediation and the city's contribution in the redevelopment agreement has been capped at \$60,000 for buildings 1, 2 and 3. She said the agreement also outlines the city's obligation to pay the Kane County Transportation Impact Fee for the phase 3 property and that has been capped at \$60,000 and she gives credit to Chris Tiedt who has been in communication with Kane County's Dept. of Transportation, who have agreed to the original fee that was calculated in 2006, which is consistent with the city's commitment in the original redevelopment agreement. She said there is a lot of meat and substance to the agreement but the above are salient features and at this time staff is respectfully requesting that Committee recommend approval of the Redevelopment Agreement contingent on resolution of all staff comments prior to final City Council action on March 2, 2015 for both the PUD Preliminary Plan and the Redevelopment Agreement as the developer is looking to start breaking ground on this project as soon as possible.

Chairman Stellato clarified that the Kane County Transportation Impact fee would only be paid as each building is completed; so to divide that by 3 it would be the \$60,000 cap divided by 3 to be roughly \$20,000 per building. Ms. Tungare said correct; the redevelopment agreement actually does include the impact Kane County Transportation Impact fee building by building. Chairman Stellato clarified that in regard to the environmental remediation that the entire site would be cleaned even if the developer only builds one building and goes away the site will be cleaned, the parking deck done and the city will then have 2 buildable pads on a clean site. Ms. Tungare said correct.

Aldr. Turner asked who owns the land for buildings 6, 7B and 8, the ones that will still be vacant after this. Ms. Tungare said the remaining phases of the development are not part of this redevelopment agreement but the city owns that land.

Tom Anderson-asked about the schedule which states 2015 there would be a new building built and 2016 and 2017 and he thinks that's pretty aggressive; will it happen. Mr. Rasmussen said yes.

**Aldr. Turner made a motion to recommend approval of a Redevelopment Agreement with First Street Development II, LLC regarding First Street Redevelopment PUD Phase 3, subject to resolution of all staff comments. Seconded by Aldr. Bessner.**

Roll Call:

Ayes: Silkaitis, Payleitner, Lemke, Turner, Bancroft, Martin, Krieger, Bessner, Lewis

Nays:

Absent:

Abstain:

Motion Carried. 9-0.

Chairman Stellato commended staff/dept. heads on a fantastic job and wanted to thank them personally.

**4. ADDITIONAL BUSINESS-None.**

5. **ADJOURNMENT - Aldr. Bessner made a motion to adjourn at 8:07 PM. Motion was seconded by Aldr. Silkaitis. No additional discussion. Approved unanimously by voice vote. Motion carried.**