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MINUTES
CITY COUNCIL WORKSHOP
SPECIAL MEETING OF THE CITY COUNCIL
LORA A. VITEK, MAYOR
MONDAY, JULY 25, 2022 – 5:00 P.M.
MUNICIPAL CENTER, 2 E MAIN STREET

1. **Call to Order.**
   The meeting was called to order by Mayor Vitek at 5:00 pm.

2. **Roll Call.**

   Present: Ald. Silkaitis, Ald. Kalamaris, Ald. Payleitner, Ald. Bongard, Ald. Bancroft
   Ald. Pietryla, Ald. Wirball, Ald. Bessner, Ald. Weber
   Absent: Ald. Lencioni

   Mayor Vitek opened the meeting and shared that the discussion about the former Police Department site has been eagerly anticipated. St. Charles is fortunate to have a river running through the town and an opportunity to develop the adjacent land. St. Charles is a unique and desirable community and many people are excited for this development opportunity.

   In June 2020, the City discussed issuing a Request for Proposal (RFP) for the old Police Station site. However, due to the impact and uncertainties related to the COVID pandemic, the City Council paused the process. At the fall workshop on September 25, 2021, the Council directed staff to reissue a revised RFP that focuses on high-level concepts. This RFP was posted on November 15, 2021. Responses were due March 15, 2022. We received four proposals from proven development teams.

   Upon receipt of the proposals, staff reviewed the concepts relating to zoning, financing, timeline, and scope. Staff has spent time meeting as a group of directors to lend their expertise and knowledge to providing input to the technical aspects so that we as policy makers can make informed decisions. After vetting the plans, staff generated a list of follow-up questions that would allow the City Council to better compare and assess the proposals. Developers were sent follow-up questions on April 27, 2022, and responses were due on May 27, 2022.

   The intent of tonight's meeting is to discuss a vision for the site. Mayor Vitek encourages Council members to imagine what would be the best addition to the site for the future of St. Charles. Concept-level proposals were received, so there are many details of each project that will need to be discussed, but not all of these will be discussed this evening. The immediate goal is to have a council-based discussion and narrow the four proposals down to two. Before asking for each Alderperson's top two proposals, public comment will be allowed. More opportunities for community feedback will be available at the next, and subsequent, steps of the process. In addition, concept proposals and a video will be available to view on the City website.

After two developers are chosen, staff will meet with them to further clarify and refine plans based on Council feedback. The next step would be for the two developers to have a formal presentation to City Council, including an additional opportunity for public feedback. Following those presentations, Mayor Vitek will seek direction from City Council to engage one developer in a formal process. The designs will be refined according to the needs of the community, so comments this evening should be at a high level, and not focus too on specific details. Sje asks the Council to share comments centered around their vision for this site, which could mean a variety of things: do nothing, park land, mixed use development, residential, etc.

Mayor Vitek reiterated that the proposals do not consider the municipal building as a developable opportunity. I have communicated that this building will not be a part of this project. If Council members disagree with this, they should speak up during discussion. If there are any questions about the proposals or process, staff can answer those.

Derek Conley, Economic Development Director, stated that the Council had been provided a video, called Summary and Presentation of the Submittals for the Former Police Station Site. The following presentation will be a condensed version of that video, and includes the same PowerPoint presentation.

PD Site
Presentation & Sum

Derek reviewed the main elements of the project site area and the developers' background for each of the following. He then went through each proposal and details of all the components.

- Flaherty and Collins
- T2 Capital Management / Retown
- Murphy Development Group
- Frontier Development / The Prime Group

There were no immediate questions for Derek and Mayor Vitek asked Ald. Bancroft to lead the discussion.

Ald. Bancroft explained that this is a discovery phase and learning process for the Council. Four proposals were submitted. It's not a surprise that all of the proposals have a residential component, but some surprise on how high the rental rates are. That may be explained by the multi-family asset class being in demand and the existing housing shortage.

Each Alderperson shared their general thoughts about the four submissions, and the suggested uses for the property:

- Ald. Weber approached topic with an open mind. St. Charles has been built around entertainment, including the Arcada Theater which was built in 1926 and Pheasant Run. He

wanted a "wow factor" concept which also includes public use for this public property. He is not surprised by the residential-only proposals, and does want to see mixed-use and public uses, as well.

- Ald. Bessner is also surprised that the proposals were not more weighted on commercial/retail uses. He is more comfortable with a project that allows for more retail space.
- Ald. Wirball just received some of the information an hour earlier. Some of the proposals are too dense and do not include enough public amenities on this property that is currently public-owned. He has concerns that the 85,000 sq. ft. plaza will be owned by the developer. He would like to see some condominiums and likes the idea of restaurants. The building heights are too tall. Need to consider the impact on the neighborhood. There is potential and the concepts need to be refined. On the Frontier submission, there are two missing buildings on this plan, and he has concerns about accepting this proposal which includes property that is out of scope. Ald. Bancroft clarified that today's discussion is not about accepting or rejecting the proposals, the purpose is to review the proposals. Ald. Wirball's vision is for the space to be public use, with an amphitheater, a restaurant with views over the river, commercial space or a children's museum, and a plaza to host events such as a farmers' market. He does not prefer a hotel in this space, and expects that traffic will be an issue. Ald. Bancroft commented that the private sector has not submitted a public-use proposal similar to that vision. Ald. Wirball would like to ask the developers if they would be willing to include these types of items in their design. He does not want to rush the process and miss the opportunity to explore these other ideas. Ald. Bancroft stated that the Council cannot be accused of rushing this process.
- Ald. Pietryla's vision is that this property will include mixed-use development. He would like to settle on a proposal between the grand and humble designs. He wants to see open space and is not supportive of a hotel, but would look at study. Residential should be a component, plus commercial, and an amphitheater and a plaza. He would like to see more discussion on the concepts. Ald. Bancroft commented that the Council received consistent feedback from the developers that residential use will be a component of the site.
- Ald. Bongard is concerned about the size and scope, traffic, and proximity of the fire department. He is not interested in residential at the space, and we can meet those demands using other locations. He likes the idea of that space being a magnet to draw people into the City. In order to have a private developer offer green space and public use, the revenue component needs to work for them. Only one of the proposals sees to try to offer public space. The most appealing aspect of this project is the opportunity to create an anchor that other parts of the City can build on. This project should be the guiding vision of what happens along the river.
- Ald. Payleitner's vision is a project that compliments the municipal campus and which highlights the Municipal Building, and does not dwarf it. She would like to see the public amenity of the riverfront walking path, including benches and green space, to be maintained or increased. The municipal building is beautiful and historical. She likes the idea of amphitheater seating, access to the walking path and Pottawatomie Park. Some residential usage is needed. She has concerns about the financial cost to the City.
- Ald. Kalamaris is not opposed to mixed use, and would like to see more commercial, like the conference center idea. This is a unique opportunity to add to the portfolio of destinations

that draw people to St. Charles. He likes the amphitheater amenity. This is prime area that should have a signature development. These are not the final designs and he would like to morph some of them together into a final design.

- Ald. Silkaitis questioned Frontier Development's plan and the removal of the municipal building. He would like to see the property remain as it is, and be a park. At most, add a small restaurant. Three of the proposals are too large, and he is not in favor of a hotel. Parking needs to be addressed before and construction would be started. The project proposals should add green space. He is open to the ideas of his colleagues.

Ald. Bancroft summed up the comments by saying that most of the Council agrees on having some level of public amenity and walkability. It also seems that the council agrees on inclusion of a residential component in order to obtain private sector investment. The submitted proposals range between $50 to $150 million. He now asks each of the alderpersons about their thoughts on the ideal size of the project.

- Ald. Weber reminds the Council of the bold projects of the past. Memorable projects which made a statement, like Hotel Baker, Arcada Theater, and Pheasant Run, were very large and he would like to see something visionary which would stand the test of time.
- Ald. Bessner agrees with Ald. Weber and believes large scale development mirrors the projects undertaken on 1st Street. He is comfortable with $50-100 million. In addition, one of the developers did a great job mirroring the architecture of the municipal building.
- Ald. Wirball wants to be at the lower end of the cost range because it provides more opportunity for public amenities. It is prime public property and should be available for the community to enjoy it as a gathering space. An amphitheater, restaurant, entertainment, with a small residential component. He questions the value of the site and whether the community is getting use of it. Ald. Bancroft stated that the design proposals communicated that the site has no value, and it would be provided for free, and with incentives. This is a fairly common phenomenon. If the value is for the community's enjoyment, it's probable that a dollar figure cannot be assigned. Ald. Wirball is open minded and does want to see a sizeable public component. Something should be offered to the public/community, besides housing for the greater population, which could be located on property that is not prime location public space.
- Ald. Pietryla would like to see the development cost at the lower end of the range, around $50-75 million. He wants to offer amenities to the public.
- Ald. Bongard has concerns about the size of the footprint and lean towards the lower end of the cost range. The City has a history of doing bold things. There are a lot of parks and public space in St. Charles. He wants to see a development that complements the government/municipal space.
- Ald. Payleitner would like to minimize the City's expected financial contribution. She leans toward a $50 million price tag.
- Ald. Kalamaris is in favor of making a large calculated investment which provides a positive experience for visitors and cannot have a negative impact to the city, i.e. traffic and parking. This is an opportunity to make a statement on a signature piece of land. He is comfortable

with the cost at the higher end of the range, and believes the return will be much greater than the investment.

- Ald. Silkaitis would like to stay at the low end of the cost range, and is not looking for a "wow factor." He would like to see a development that fits the character of St. Charles, and incorporates the past, the present, and the future.

Ald. Bancroft summarized that the four submissions all reflected a residential element. The Council has modest to mid-level investment expectations and wants public amenities. It's important to note that only four proposals were submitted, which is disappointing and tells the Council about the site. In order to move to the next level, he suggests the Council should choose two developers to continue to dialogue with. That would be the only commitment being made at this time, and allows staff to engage in meaningful conversation with the remaining developers and avoids wasting time and resources. He asked for input from the Council.

Ald. Pietryla reminded the Council about the change from an application process to a concept proposal. He suggests that the Council could open up to more proposals. Ald. Bancroft doubts that a lot more would be received. He thinks working with the existing proposals to adjust the plans is the best way to proceed. By engaging with a couple of developers, there will be learnings and the plans will be refined, or else they will not work. Mayor Vitek mentioned that Staff agrees with this strategy. City Administrator McGuire added that this will allow staff to get Council's questions addressed and further develop the proposals.

- Ald. Wirball would like to narrow down to three developers, and he would choose Murphy, Frontier, and Flaherty/Collins.
- Ald. Pietryla would like to talk with all four developers.
- Ald. Weber stated that Murphy and Frontier would be his top two. Flaherty & Collins asked for 20% from the City and has no plan for parking. T2/Retown's proposal has three phases which will take too long.
- Ald. Bessner chooses Frontier and Murphy. He likes the architectural style of Frontier's proposal and Murphy's proposal mirrors the style of 1st Street.
- Ald. Pietryla chooses Murphy because of the green space, and Frontier's more grand vision.
- Ald. Bancroft chooses Murphy and Frontier.
- Ald. Bongard chooses Murphy and Frontier, and is also interested in Flaherty/Collins.
- Ald. Payleitner chooses Murphy.
- Ald. Kalamaris chooses Frontier and Murphy because of the open spaces along the river.
- Ald. Silkaitis chooses Murphy and Flaherty/Collins.

Ald. Lencioni had submitted a letter to Council, and stated that Frontier and Murphy were his top two choices.

In considering the opinions of Council, Ald. Bancroft suggests that staff work with Murphy and Frontier to continue the discovery. If staff would like to also talk with Flaherty, that would be fine, too. If the fourth developer would like to continue the conversation, staff would entertain any new information they would like to provide.

Mayor Vitek opened public comment, and reminded the audience that this meeting is solely for exploration, and there will be more opportunities to give feedback.

Many people stepped forward to provide input, and the following summarizes their comments:

- Historic/landmark buildings (City Hall) needs to be saved as it is. (3 people mentioned this)
- Amenities should be for residents, not only available to apartment/hotel people.
- Proposed buildings are too large (massive).
- Developers are not willing to pay for riverfront property.
- There should be a "nod" to historic district that backs up to this development, new buildings should be compatible with neighboring buildings. (2 people mentioned this)
- Designs need to take advantage of the river.
- Want residential parking to be part of the residence structure.
- There are too many massive parking garages in St Charles.
- Should tie in "old world charm" with Romanesque architecture of nearby buildings, also Gothic revival and Tudor revival, less modern.
- Look at removing the dam (consider repair costs). Ask developers to include dam removal since it will not be able to be done after the PD site is redeveloped, and have them consider the Active River Project ideas in their next proposal.
- Add native plantings, walking trails, open space for public.
- Wells need to be included in drawings or explain cost to replace, effect of construction on radium treatment facility. (2 people mentioned this)
- Hotel is good idea, Pheasant Run replacement, supplement Hotel Baker, brings new people every day or two. (2 people mentioned this)
- Consider Daniel Burnham and Phil Elstrom philosophies to improve residents' quality of life.
- Consider walkable bikeable east-west (UPRR).
- Concern about $10-20 million asked by developers.

- What would St Charles Park District do with the land if the City donated it? Same for Kane County Forest Preserve and Illinois Park Commission. Pursue all possible opportunities, not just economic development.
- Open up opportunities for philanthropy at the site.
- Urbanization is growth factor and consistent with previous decisions by City Council.
- Need more parking on east side.
- Need more people in downtown– attract with restaurants, commercial businesses. Additional spending is good.
- Add condos, not just apartments.
- Rental apartments are a good component.

Other comments submitted in writing before the meeting:

Lora, Heather, Russ, Alderpersons,

I'm sorry I couldn't be with you for the workshop. I am writing to provide my initial thoughts on the proposals we have received for redevelopment of the former Police Department site. Please share these
thoughts during discussion of proposals and partners to take on this project.

My ranking is based on the plans and teams which 1) best fit into our plans for the future of Downtown St Charles 2) provide the best public use of our beautiful downtown riverscape 3) provide the best augmentation of downtown parking 4) Provide the best opportunity for long-term civic contribution as this project, the ownership, and the team managing the undertaking will be taking on a fundamental role in our city for the decades to come.

The best proposal by a wide margin is from Frontier Development. From creating a mind-blowingly spectacular public space on our river front to providing the greatest augmentation of downtown parking to making a great contribution to the mixed use character of our downtown this plan has everything I could have hoped for. The innovative spirit of this plan is incredible. Additionally, the plan is rooted in the efforts of current St Charles residents and firms who have already shown their extraordinary talent and already have their future firmly rooted in the success of our town. These residents have also included in their team some really exciting world class talent. I find this plan truly exceptional. I'm curious to hear how the classical architecture blends with the art deco and Spanish architecture which already exists in our downtown but I think in total this is a bold

and inspired plan which will without any doubt significantly increase the profile and success of our city.

My second ranked proposal is from Murphy Development. I was impressed by the level of concept they included which spoke to our goals for Downtown St Charles. I appreciated that Murphy took a very flexible and concept-based approach that I believe communicates their willingness to work with us to find the best final plan. I very much liked that they maintain ownership of their project properties and would be a long- term citizen of our community thereby taking long-term accountability for what they develop. I liked that they included 6000 sq ft of commercial space. Another positive, Murphy communicated their intention to make artistic and cultural contributions through their choices of accents to the project. I was impressed with the design of their other projects and how those projects included innovative and thought-provoking design elements. I was glad to see the parking count of 177 spaces. The Murphy plan also included an accessible and interesting riverscape although there was not an augmentation of public space from the current use. Some other thoughts - I was not in favor of 6 story buildings which the majority of their massing concepts included. The project is a bit bulky and didn't "flow" into the existing cityscape. Finally, I wasn't sure about the raised central open space. My initial thought was this area would decrease public accessibility to the riverscape but I found it to be an interesting idea.

Thank you all for listening to my initial thoughts.

Best,
Ald. Paul Lencioni

To Our Elected City Counsel Members:
As a long time St. Charles resident, I am totally against plans to tear down any landmarked building. Apparently it wasn't in the initial area for redevelopment, but now plans suggest tearing down the red brick 1882 "City Building." Structures like that make our city beautiful, historic, and interesting. They have value and I really hope that they are preserved. Thank you.
Mary Hill

3. **Adjournment**
Motion by Ald. Wirball, second by Ald. Weber to adjourn the meeting at 6:32 pm.
Roll Call Vote: Ayes: Ald. Silkaitis, Ald. Kalamaris, Ald. Payleitner, Ald. Bongard, Ald. Bancroft, Ald. Pietryla, Ald. Wirball, Ald. Bessner, Ald. Weber; Nays: None.
Motion Carried

ADA Compliance

Any individual with a disability requesting a reasonable accommodation in order to participate in a public meeting should contact the ADA Coordinator, Jennifer McMahon, at least 48 hours in advance of the scheduled meeting. The ADA Coordinator can be reached in person at 2 East Main Street, St. Charles, IL, via telephone at (630) 377 4446 or 800 526 0844 (TDD), or via e-mail at jmcmahon@stcharlesil.gov. Every effort will be made to allow for meeting participation. Notices of this meeting were posted consistent with the requirements of 5 ILCS 120/1 et seq. (Open Meetings Act).