

MINUTES
August 11, 2020
Committee of the Whole
City of Batavia

Please **NOTE:** These minutes are not a word-for-word transcription of the statements made at the meeting, nor intended to be a comprehensive review of all discussions. They are intended to make an official record of the actions taken by the Committee/City Council, and to include some description of discussion points as understood by the minute-taker. They may not reference some of the individual attendee's comments, nor the complete comments if referenced.

Chair Wolff called the meeting to order at 7:00pm.

1. Roll Call

Members Present: Chair Wolff; Ald. Miller, Russotto, Beck, Knopp, Chanzit, Baerren, O'Brien, Callahan (on phone), Meitzler (on phone), Malay (on phone), Uher, Cerone and McFadden (on phone)

Members Absent:

Also Present: Mayor Schielke (entered at 7:13pm); Laura Newman, City Administrator; Andrea Podraza, Senior Civil Engineer; Chris Aiston, Economic Development Consultant (on phone); Joel Strassman, Planning and Zoning Officer (on phone); Rahat Bari, City Engineer; Scott Buening, Director of Community Development (on phone); Peggy Colby, Director of Finance (on phone); and Jennifer Austin-Smith, Recording Secretary

2. Reminder: Please speak into the microphone for BATV recording

3. Approve Minutes for July 14, 2020 and July 28, 2020

Motion: To approve the minutes for July 14, 2020 and July 28, 2020

Maker: Chanzit

Second: Uher

Roll Call Vote: **Aye:** Chanzit, Baerren, Wolff, O'Brien, Callahan, Meitzler, Malay, Uher, Cerone, McFadden, Miller, Russotto, Beck, Knopp

Nay: None

14-0 Vote, 0 Absent, Motion carried.

4. Items to be Removed/Added/Changed

Ordinance 20-46 was moved to item 13a to see if other aldermen join the meeting.

5. Matters From the Public (For Items NOT on the Agenda)

There were no matters from the public for items not on the agenda.

6. Consent Agenda

(The Consent Agenda is made up of items recommended by city staff that requires recommendation to the full City Council by the COW. This agenda is placed as a

separate item on the COW agenda. The items on the Consent Agenda are usually minor items, already budgeted, standard non-policy activities or outgrowths of earlier meetings and are voted on as a “package” in the interest of saving time on non-controversial issues. However, any council member may, by simple request, have an item removed and placed on the “regular” agenda.)

a. Resolution 20-96-R: Authorizing the Mayor to Execute an Intergovernmental Agreement Amendment with the Illinois Department of Transportation Related to Maintenance of Traffic Control Devices (GS)

Motion: To approve the Consent Agenda as presented

Maker: Chanzit

Second: Knopp

Roll Call Vote: **Aye:** Chanzit, Baerren, Wolff, O’Brien, Callahan, Meitzler, Malay, Uher, Cerone, McFadden, Miller, Russotto, Beck, Knopp

Nay: None

14-0 Vote, 0 Absent, Motion carried.

7. Presentation: Mahoney Creek Watershed Study Plan by HR Green (AMP 7/24/20)

Logan Gilbertson, HR Green, presented a PowerPoint Presentation on the Mahoney Creek Watershed Study Plan that contained the following information:

- History of Mahoney Creek – 1840 (pre-settlement)
- History of Mahoney Creek -1939
- History of Mahoney Creek – 2020
- What Has Changed?
- Stream Assessment Results
 - Stream bank exhibits
- Residential Survey Results
 - Concerns: Flooding, Creek Erosion, Wildlife Habitat, Trees
 - Watershed as a Whole: health of the stream
 - Negative Impact: Overgrown Vegetation and Debris
 - Opinion of Mahoney Creek: Amenity
- Potential Improvements: Stream and Riparian Restoration
 - Flint Creek – Barrington
 - Two-Stage Stream Channel Design
 - Woodland Restoration: Buffalo Grove
 - Native Vegetation
- High Priority Projects:
- Project 1: Michael Wild Park
- Project 2: Kirk Road Detention Expansion
- Project 3: Raddant Rd. to Shanahan Grove
- Project 4: Mahoney Creek Reach 11
- Project 5: Mahoney Creek Reach 1
- Project 6: Mahoney Creek Reach 5
- General Recommendations
 - Remove invasive species

- Plant native vegetation
- Residential rain gardens, native plant gardens, rain barrels
- Bio-engineered techniques
- Costs to improve entire waterway
- Funding Mechanisms
 - 319 Grant Program

Chair Wolff requested that City Engineering staff return to the Committee of the Whole with discussion on cost and a schedule.

8. Ordinance 20-45: Major Amendment to a Planned Development Overlay for One Washington Place Mixed-Use Development 111-133 East Wilson Street and 20 North River Street, 1 N. Washington, L.L.C., applicant (JLS 8/4/20) CD

Strassman and Newman overviewed the memo. Cerone stated that we did ask for retail but we could go back to the prior plan. To get retail, we lose parking. The developer has expressed concern with renting the storefronts. He's asking for incentives because he is not confident that we will get it. While it is great to want more retail, today's environment has changed dramatically over the past several years since this started. There is already a lot of vacancy. We could go back to the second plan if the cost of more retail is more than we think we could take on. Chanzit noted that there was a major change when we took the retail off. We lost a lot of votes.

David Patzelt, Shodeen, addressed the Committee. He stated that they have listened to the Committee's request, which was to get the retail back onto Wilson Street. He overviewed a slide of the PowerPoint presentation with the Committee. Winter of 2017 the total number of units in the building were 186. The April 2020 total number of units is 186. There has been no change in units. The retail square footage in 2017 was 14,590 square feet. In April 2020 we have 14,180 square feet. In 2017 there is 367 spaces and today there is 350 spaces. That is 17 spaces. We picked up 2,370 square feet of office space where we once had 0. That is major win. There is the unknown. However, we are partners and we heard your request and we wanted to do what you asked which was to get the retail back. We found the commercial space but will they come. He acknowledged that there is confidence in this room that they will come but some things have changed since we started working on this plan and that is why we are all sitting here with masks on tonight. We may need to use some incentive to get those tenants to come. We do not want vacant space down there so we may have to have another incentive, which is the sales tax rebate. The cost of the retail is the loss of 17 parking spaces and a potential sales tax rebate. The gain was bringing back the retail and the addition of office space. We have a good bank supporting this project and he does not want to wait too long so that the bank says no thanks. He concluded that this is a great position to be in.

O'Brien stated that every year we discuss the budget and we have lively discussions on ways to find revenue and not raise property taxes and this is a way to generate revenue. This is a game changer to the City as a way to generate revenue without having to raise property taxes. The project will pay for itself. Newman stated the taxing bodies establish a base EAV level and all of the taxing bodies continue to receive what they received when there was no project there at all. Wolff added that the School District would get money out of this project per student that is

generated by this development. Newman stated that up to 25% of the increments has to be made available for any school-aged children who are generated by the project. We have in our RDA that the developer is responsible for those costs, not the City. O'Brien wanted to make sure that it is understood that the project will pay for itself, it will not come out of our general fund, it will not come from property taxes, and we will not be raising taxes to the general population in property taxes. This is a good thing for the City.

Callahan stated that a lot of us want that land to be developed with residential. The concerns that residents have are: the size of the project, the impact to city services, traffic in that area, and parking. These have been concerns that have existed the entire time. When he no longer thought this project was in the best interest for our city was in 2017. He has a different view of the scope of this project. A slightly smaller project would not be a problem. But we are looking at factors that have been out of our control over the past five years. Things that did not exist while we were planning this project exists today. Other things that we once thought were home runs he does not know if that is true anymore.

Malay shared that when he arrived on the Council this project was already being discussed. Through all of this he has not heard one constituent in the fourth ward say we need to do this. He has heard countless people who are opposed to it. The returns of this project are pretty far out and the economy has changed right now for a project like this. He is not in support of this particular project.

Uher shared that he has struggled with the parking numbers the entire time. For this building to park itself and then what is left over is less than what we have now and that is an issue. People would embrace a project that was smaller in scale.

Baerren stated that she is not concerned about the parking. She continued that if you have the right amenities people would stay close by. People will shop and go to the stores close by. She thinks that this development will be the boost that our community needs. We are building for the future, the future of our community, and that is the important thing that we have to remember. We do have to make sure we keep River Street open and accessible.

Miller stated that there is a place where this could be developed but he is still stuck on the look of it. He does not think that the size of it fits our downtown. Knopp stated that nothing that he has heard tonight has changed his position. In fact, some things that he has heard tonight and from the people who reached out for the fourth ward have helped solidify his position. This is too big for our downtown. It does not say Batavia when you look at it; it says Shodeen when you look at it. It is the same style and shaped building of every Shodeen building in all of these other towns. We need to say Batavia and not Shodeen. He is solidly against this.

Cerone asked if there were any comments from the public and there were none at this time.

Motion: To recommend approval of Ordinance 20-45: Major Amendment to a Planned Development Overlay for One Washington Place Mixed-Use Development 111-133 East Wilson Street and 20 North River Street, 1 N. Washington, L.L.C., applicant

Maker: O'Brien

Second: McFadden

Roll Call Vote: **Aye:** O'Brien, Cerone, McFadden, Russotto, Beck, Chanzit, Baerren, Wolff
Nay: Callahan, Meitzler, Malay, Uher, Miller, Knopp
8-6 Vote, 0 Absent, Motion carried.

9. Ordinance 20-51: Authorizing Execution of the Third Amended and Restated Redevelopment Agreement for One Washington Place (LN 8/6/20) GS

David Patzelt, Shodeen, stated that starting the architectural plans is critical to the schedule. The duration of the TIF process, if it moves forward tonight, scheduling out all of the various meetings that are required to finalize that TIF it may not be approved until somewhere within late November to early January. The thought is if we get started now with architectural plans, we could be drawing over the three to four month period, which would expedite us starting construction in spring. If we don't start those plans until the TIF is approved that would push the timeline back requiring three to four months to get the plans drawn. The estimated cost of the drawings is \$400,000-\$500,000 total. The concern is putting that investment out there when we do not control the final vote.

Aiston noted that the builder is not going to build the building if there is no TIF in place. The builder will start drawing the plans based on the RDA. If the TIF does not get approved, reimbursing the builder for the time spent towards creating the plans seems like a good compromise because that gets the plan going.

Knopp asked if in the event the City did terminate for reasons within the City's control and there were reimbursement costs that went to cover the cost of those drawings, who owns the intellectual property, the City or the developer? Patzelt answered they would have no problem conveying that intellectual property to the City.

Cerone stated that the developer isn't ready to take a risk but is the City ready to take a risk. Chanzit asked if it was a deal breaker if the project were delayed three to four months. Patzelt stated that it is not a deal breaker. The lender would have to wait longer and there is a concern that we lose the lender. Chanzit asked if the drawings part is not a deal breaker, is the sales tax part a deal breaker as in you do not want to move forward unless we give that to you tonight. Patzelt stated that sales tax is not coming to him so he can say it is not a deal breaker but when there is empty retail down there he would like the option to entice tenants to come in. Chanzit stated that he does not believe that sales tax rebate belongs as part of the RDA. If our economic development department determines that you have empty storefronts and we want to use that tool separately we should be allowed to do that. Patzelt stated that he wants to make sure that they are up front with all of the issues going on and one of the issues is trying to fill retail. Newman stated that the City is willing to offer those types of incentives if there are vacancies and have

those discussions to incentivize. Chanzit stated that he would fully support the incentive if it were for the right tenant.

The Committee discussed sales tax incentives that were offered in the past. Aiston commented that sales tax incentives are a legal tool that most retailers are aware of. Callahan stated that the sales tax incentive should not be in the RDA. Chanzit observed that it seems that people are in favor of utilizing a sales tax incentive as a tool. The Committee discussed amending the ordinance to not include the sales tax incentive in the RDA. Newman noted that the two provisions are not included in the RDA so the motion would be to add the provisions to the RDA. The Committee discussed the SSA, TIF, bonds, sales tax incentive and reimbursement of construction drawing costs.

Motion: To recommend approval of Ordinance 20-51: Authorizing Execution of the Third Amended and Restated Redevelopment Agreement for One Washington Place and to NOT include the two items requested by the developer: reimbursing the construction drawing costs in the event the new TIF is not approved by the City and sales tax abatement for retail space

Maker: Wolff

Second: O'Brien

Roll Call Vote: **Aye:** Wolff, O'Brien, Cerone, McFadden, Russotto, Beck, Chanzit, Baerren

Nay: Miller, Knopp, Callahan, Meitzler, Malay, Uher
8-6 Vote, 0 Absent, Motion carried.

10. Resolution 20-097-R: A Resolution Expressing Official Intent Regarding Certain Expenditures to be Reimbursed from the Special Tax Allocation Fund, from proceeds of an obligation issued, if any, or other sources from such fund in connection with a Proposed Tax Increment Financing District commonly described as the Near East Downtown Redevelopment Project Area (LN/CA 8/6/20) GS

Chanzit overviewed the memo.

Motion: To recommend approval of Resolution 20-097-R: A Resolution Expressing Official Intent Regarding Certain Expenditures to be Reimbursed from the Special Tax Allocation Fund, from proceeds of an obligation issued, if any, or other sources from such fund in connection with a Proposed Tax Increment Financing District commonly described as the Near East Downtown Redevelopment Project Area

Maker: Chanzit

Second: Baerren

Roll Call Vote: **Aye:** Chanzit, Baerren, Wolff, O'Brien, Cerone, McFadden, Russotto, Beck

Nay: Miller, Knopp, Callahan, Meitzler, Malay, Uher
8-6 Vote, 0 Absent, Motion carried.

11. Presentation: TIF Redevelopment Plan and Program

Chris Aiston presented a PowerPoint presentation remotely utilizing 'GoToWebinar' and spoke over speakerphone to the Committee.

Aiston's presentation titled 'Near East Downtown District TIF Redevelopment Plan and Program' contained the following information:

- Redevelopment Project Area
- Feasibility Study Findings establish, per State TIF Act, the RPA can be designated as a Conservation Area TIF
- Redevelopment Plan and Program Findings
- Redevelopment Plan and Program Objectives
- RP&P Planned Land Use
- RP&P Planned Land Use
- Plan's Estimated Potential Build-Out
- Moving Forward
 - Adopt an Inducement Resolution
 - Adopt Ordinances
 - Publish Notice Requesting Alternative Proposals
 - Joint Review Board
 - Public Notice and Public Hearing
 - Consider Ordinances

*Alderman Cerone exited the meeting at 10:44pm

The Committee discussed the redevelopment plan and the fact that no vote is needed tonight.

12. Resolution 20-099-R: Approving a contract with eX2 Technology (eX2) for the design engineering of a communications shelter at Paramount substation for an amount not to exceed \$30,351.31 (RB) PU

O'Brien overviewed the memo. Bari discussed the design engineering with the Committee.

Motion: To recommend approval of Resolution 20-099-R: Approving a contract with eX2 Technology (eX2) for the design engineering of a communications shelter at Paramount substation for an amount not to exceed \$30,351.31

Maker: Miller

Second: Chanzit

Roll Call Vote: **Aye:** Miller, Russotto, Beck, Knopp, Chanzit, Baerren, Wolff, O'Brien, Callahan, Meitzler, Malay, Uher, McFadden

Nay:

13-0 Vote, 1 Absent, Motion carried.

CONSENT AGENDA

13. Resolution 20-100-R: Approving a contract with Sargent and Lundey for design and construction engineering services of 34kV breaker replacements at Northeast, Southeast and Main Substation for an amount not to exceed \$309,862 (RB) PU

O'Brien summarized the memo. Bari discussed the design and construction engineering services with the Committee.

Motion: To recommend approval of Resolution 20-100-R: Approving a contract with Sargent and Lundey for design and construction engineering services of 34kV breaker replacements at Northeast, Southeast and Main Substation for an amount not to exceed \$309,862

Maker: Knopp

Second: Chanzit

Roll Call Vote: **Aye:** Knopp, Chanzit, Baerren, Wolff, O'Brien, Callahan, Meitzler, Malay, Uher, McFadden, Miller, Russotto, Beck

Nay:

13-0 Vote, 1 Absent, Motion carried.

CONSENT AGENDA

14. Project Status

Newman stated that due to the damage of the widespread storms many have contacted the City asking for an additional brush collection. Based upon what we have seen, the debris is widespread and throughout the City. The estimated cost of the additional brush pick up is between \$30,000-\$35,000. The Committee discussed the severity of the widespread storm and consensus was in favor of an additional brush pick up.

Newman commended all of the departments of the City for their efforts during this PDS storm.

15. Other

Chair announced that the clock at Batavia Avenue and Wilson Street is running once again thanks to Michael Marconi and former City employee John West.

16. Adjournment

There being no other business to discuss, Chair Wolff asked for a motion to adjourn the meeting at 11:11pm; Made by O'Brien; Seconded by Knopp. Motion carried.