

MINUTES
November 13, 2012
Community Development Committee
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 Brown called the meeting to order at 7:47 pm.

1. Roll Call

Members Present: Chair Brown; Vice-Chair Wolff; Aldermen Sparks, Chanzit, Clark, Atac and Stark

Members Absent:

Also Present: Ald. O'Brien, Volk, Jungels, Frydendall, Liva, and Tenuta; Joel Strassman, Planning and Zoning Officer; Jeff Albertson, Building Commissioner; Scott Buening, Community Development Director; Bill McGrath, City Administrator; Gary Holm, Director of Public Works; Karen Young, Assistant City Engineer; Jason Bajor, Assistant City Administrator; and Jennifer Austin-Smith, Recording Secretary

2. Approve Minutes for September 11, 2012 and October 29, 2012

Motion: To approve the minutes for September 11 and October 29, 2012 minutes

Maker: Wolff

Second: Sparks

Voice Vote: 7 Ayes, 0 Nays, 0 Absent
All in favor. Motion carried.

3. Items Removed/Added/Changed

There were no items to be removed, added or changed.

4. Discussion: Annexation of Randall Road Detention Pond (Buening 11/9/12)

Buening reported that the Randall Road Detention Pond is completely surrounded by City limits. The property is owned by Kane County and staff has inquired whether Kane County would have any objections to the City of Batavia annexing this property. The County stated that they would remain neutral on the matter of annexation. Staff is questioning whether the Committee and Council would like to annex this property. If the City were to annex this property it would have to be under the Involuntary Annexation Statute, which means we have to publish a notice and have a technical public hearing in front of the City Council (CC) to annex the property into the City limits.

Buening continued that staff feels that annexing this property follows the goals and objectives of the Comprehensive Plan and the recommendation would be to proceed with the annexation process. Staff would then bring this back to the Committee and the CC for formal action.

Vice-Chair Wolff questioned if the City annexes this property if the County still retains ownership. Buening responded that the County would retain ownership of the property. Redevelopment issues would be discussed with the County.

Motion: To direct staff to proceed with the annexation of the Randall Road Detention Pond
Maker: Stark
Second: Wolff
Voice Vote: 7 Ayes, 0 Nays, 0 Absent
All in favor. Motion carried.

5. Ordinance 12-33: Conditional Use for Automobile Repair Services, Pep Boys, 837 North Randall Road (Strassman 11/9/12)

Strassman reported that Aetna Development Corporation is seeking approval of an ordinance for a conditional use and a separate approval for a minor change to a planned development. The conditional use would allow operation of a vehicle service establishment at 837 North Randall Road. The second request is for a minor change to the existing planned development to allow for modified building footprints and parking lot design from what was approved as part of the original planned development.

The property is zoned General Commercial (GC) as are all surrounding properties. The Comprehensive Plan classifies the property as General Commercial. The commercial area containing Wal-Mart and extending east to Randall Road was annexed in 2003 with an approval for a planned development. In addition to having preliminary site and landscape plans, the planned development established site specific lists of permitted, prohibited, and allowed conditional uses. Automobile service is allowed on the subject property with conditional use approval. The preliminary site and landscape plans show particular building footprints. Modifications to these plans for alternate building footprints such as what's now being proposed may be considered and approved by the City Council as a minor change. The Plan Commission (PC) is responsible for approving the specific building and landscape design through design review, based on a Council-approved minor change to the planned development.

Last week the PC held the public hearing for the requested conditional use. The Commission found that the proposed automobile use would be consistent with the approved planned development. Their findings are listed in draft Ordinance 12-33. No members of the public spoke at the hearing. By a vote of 8-0, the Commission recommended approval of the conditional use subject to the following conditions:

1. All vehicle diagnostic and repair services to be performed inside the building; and
2. No inoperable or unlicensed vehicles parked in the parking lot when the business is not open to the public.

The second item for the Committee's consideration is the requested minor change to the planned development. The approved preliminary site and landscape plans show building footprint and parking lot designs for the property. The exact buildings and uses, however, were not part of the planned development approval. The City Council can consider use and design alternates as a minor change to the approved planned development.

The proposed changes to the site plan include 2 buildings of different sizes to replace the 2 approved building footprints. These buildings would occupy roughly the same space as the ones in the planned development approval, and make use of the existing service drive to be shared with the multi-tenant building to the south. The parking lot would be modified to add access points from the internal roadways and to ease access to the 6 Pep Boys service bays.

Staff feels the proposed changes to the building footprints and parking lot design would be an appropriate fit in the context of the surrounding commercial area. Quality of building and landscape material, and City Code compliance would be part of the Plan Commission's subsequent design review and approval, and building permit review and approval.

As part of its design review, the Commission discussed the site, landscape, and building plans that were distributed to the Committee with the draft ordinance, finding them to be generally in keeping with the approved planned development and a good fit in the context of the surrounding commercial area. The Commission noted that the revised Pep Boys building proposes a good balance of corporate identity and contextual design. The Commission suggested that hip roofs be added above the corner elements to the proposed multi-tenant building to better relate to the other multi-tenant buildings in the planned development. The Commission continued the design review to its meeting scheduled on November 28th allowing for consideration of their design suggestion and to give time for staff to review the plans shown that were debuted at the hearing. Staff notes that in general, these plans address most issues staff had identified with the original submittal. Issues unaddressed will be discussed with the applicant in preparation for the November 28th resuming of the Plan Commission's design review.

Staff recommends the Committee recommend approval of Ordinance 12-33 for the automobile service conditional use. The draft ordinance includes use conditions recommended by the Plan Commission.

Staff also recommends the Committee recommend approval a minor change to the Southwest Corner of Fabyan and Randall Planned Development, consistent with the proposed site plan. Again, approval of the specific designs for the buildings and landscape is the responsibility of the Plan Commission through its design review approval.

David Mangurten, project architect, addressed the Committee. Mangurten presented to the Committee a three dimensional scale model, the footprint prototype, elevations, and the proposed Pep Boys building. He explained the activities that would be performed in the Pep Boys service area, number of employees, hours, and architecture (height, branding, and masonry). Mangurten stated that the second building would be a retail building, smaller in size with the same color

awnings as the buildings to the east of the structure. Mangurten discussed the landscape plan (perennial plantings, trees, shrubbery), and parking.

The Committee discussed parking, details on the Ordinance and whether the two buildings would be built at the same time. Mangurten stated that the buildings will be built simultaneously.

Motion: To recommend to Council approval of Ordinance 12-33: Conditional Use for Automobile Repair Services, Pep Boys, 837 North Randall Road

Maker: Stark

Second: Chanzit

Roll Call Vote: **Aye:** Brown, Wolff, Sparks, Chanzit, Clark, Atac, Stark

Nay: None

7-0 Vote, 0 Absent; All in favor, motion carried.

6. Approval: Minor Change to the Southwest Corner of Fabyan and Randall Planned Development (Ordinance 03-15) 837 and 849 North Randall Road (Strassman 11/9/12)

Strassman noted that the Committee would be recommending approval of a minor change to Ordinance 03-15. This is the process specified in this Ordinance to approve a minor change.

Motion: To recommend to Council approval of a minor change to Ordinance 03-15 for the properties at 837 and 849 North Randall Road, consistent with the site plan proposed for the property.

Maker: Stark

Second: Chanzit

Roll Call Vote: **Aye:** Brown, Wolff, Sparks, Chanzit, Clark, Atac, Stark

Nay: None

7-0 Vote, 0 Absent; All in favor, motion carried.

7. Draft RFP for 2 East Wilson Street (Thomle Building) (Bajor 11/13/12)

Bajor discussed with the Committee the redevelopment goals as it relates to this particular RFP. He stated that staff would like to stress some type of mixed-use (commercial and residential) component if appropriate for this location. Discussions have also been held regarding combining 2 and 4 East Wilson which would also be desirable. The desire of the City is for the building to remain in place. Bajor stated that we are looking to get this property back into private ownership and back to generating revenue for the City. If needed, the building could be used as a business incubator until the market improves.

The Committee discussed details of the building, the importance of the return on investment, and the timeline. Bajor stated that they would have the RFP out before the end of 2012. Staff envisions a deadline by the end of the first quarter in 2013. Staff would like to give the development market sufficient time to review and deliver a quality proposal to the City.

Motion: To direct staff to proceed with the RFP for 2 East Wilson Street

Maker: Wolff

Second: Chanzit

Voice Vote: 7 Ayes, 0 Nays, 0 Absent
All in favor. Motion carried.

McGrath added that staff may be returning in the next couple of months with an RFP for the Baptist Church Property. Discussions on possible RFPs will be held regarding the southeast corner of River and Wilson Street and the empty lot at the corner of Spring and Wilson Street at a future Committee meeting.

8. Proposed Assistance for River Street Businesses (Bajor 11/13/12)

McGrath stated that staff is no longer proposing assistance for River Street businesses. Staff had suggested some utility bill relief. There were issues relating to “proof” of impact. Some businesses’ utility bills are a smaller part of their operations. There was the issue of record keeping and the ability to accurately estimate impacts. There was also the issue of drawing boundaries which is always difficult. On the same hand, there is the reality that different businesses along River Street are impacted because of the way in which they choose to deal with the streetscape project. Staff has determined that we simply can’t see a way to set up a support program that can satisfy all of the reasonable concerns that arose. The hope is that the businesses will benefit greatly from the City’s streetscape project. The Committee accepted staff’s recommendation to no longer propose assistance for River Street businesses.

9. Discussion: City Development Incentive Programs (Bajor 11/13/12)

Bajor reported that staff is aware that there are concerns with the development incentive programs. Staff would like to hear insights and dialogue with the City Council members and take the concerns and make them into changes within the programs. Bajor discussed the programs that the City currently has: the Façade Grant Program, Downtown Improvement Grant Program, Redevelopment Agreements, Utility Funded Programs, State Funded/Locally Administered Programs, and the Micro-Loan Program. Bajor asked for input from the Committee.

Sparks expressed that he is not against economic development or grants. He explained that his concern is with how the City distributes the grants. He is concerned that the City is putting money towards business-specific items with grant funding. He questioned how do we determine what is business-specific or not.

In regards to the Façade Grant, Sparks feels that maintenance should be part of the grant to help people maintain the buildings and help it look good. When the buildings look good, our streetscape looks good; this will bring people to the downtown. Sparks fully supports the Façade Grant and the TIF grants because they are for redevelopment. He feels that the Downtown Improvement Grant are good for sprinklers and items that the business owner did not know that he or she would encounter. Examples of these items are ADA accessibility, code compliance issues, and code upgrades. He suggested developing a standardized evaluation system for applicants such as a sliding scale to determine the value-added of the business (will it bring in foot traffic, retail tax, etc.). We should be focusing on businesses in the downtown area that will bring more people in. He would like to see more attention made towards retail businesses versus office space.

Stark assessed that it is important that businesses have a strong business plan. She would like to see businesses that have a strong business and financial plan in the form of one, three and five years. Stark stated that having come from a small business background and owning two of her own businesses without any City funded support, she wants to make sure that the City using money with some form of ROI. The ROI could be in the form of some sales tax revenue or a micro-loan in which the City gets its money back. She would like to see something stronger than what we are currently doing. Additionally, she feels that there needs to be stronger criteria for need. Stark suggested that staff share with the Committee the criteria in which staff looks for with applicants for funding. She added that she is not looking for a list of items but a general overview of what staff looks for in applicants.

Stark continued that she would like to have updates on past grants and if the grant money helped the businesses and the City or not. She would like to know if grants have been lost because they were too business-specific. McGrath noted that it is staff's responsibility to review business plans. Stark agreed that reviewing business plans should be staff's responsibility. Stark would like to see more follow-throughs regarding the investments the City has made. She would like to hear success stories and know that the funding is benefiting businesses and the community.

Tenuta is supportive of fine-tuning the Downtown Improvement Grant. The inquiry she has received from business owners is what the City does to control duplicate businesses in close proximity of each other. She would like to have a conversation on whether the City should control how many of the same type of business resides in Batavia. Volk stated that it is up to the market to decide what business is successful and how many of the same businesses the City will support. All businesses should be treated equally and have a decent plan. Staff should be filtering the businesses and coaching them prior to addressing the Committee with business prospects. Chanzit stated that maintaining programs like this and keeping the restrictions down as low as possible will allow the market to determine which duplicate business will stay open. By keeping the bar low and letting the market figure things out should be something the City continue.

The Committee discussed the difference between start-up businesses and established businesses, as well as loan criteria. Chanzit discussed lending centers and suggested getting lenders to discuss how loans get approved and how the City can help. Bajor agreed and stated that staff is interested in reevaluating the SBA loan process.

Buening shared that his experience with TIF in the several communities he has worked in mostly focused on enhancing the tax-based value. At the end of the TIF, the communities wanted to make sure that the school districts and everyone else benefits from these projects. The TIF grants the other communities focused on were façade improvements and redevelopment agreements. Buening explained that they wanted to make sure that the money was used towards enhancing the buildings and the downtown itself. The communities did not focus on contributing towards business development. The only exception was for items that were for code improvements, such as a sprinkler system, ADA accessibility, and building code violations. Signs were another thing that the communities gave grants to. Funding for signs allowed for people to be more creative and have better signs such as wood carved signs versus boxed signs. Redevelopment grants were used towards building a new building or a substantial addition to a structure. Those were the

items that were enhancing the value and improving the downtown by making it look better and more attractive for people to come and patronize those businesses.

Clark shared that she liked the details Buening discussed and stated that if a business wants something business-specific they could get a loan from the City but not a grant. She believes need should be considered as well. Clark explained that grants should be based on need. Stark and Clark agreed that allowing signs within the grant program should be discussed.

O'Brien noted that he visited the Kluber building recently and it is a great example of public private partnerships. He feels that we should encourage that. However, staff needs to set parameters to sift through subjective information. We need to keep encouraging grants and supporting local businesses.

Bajor discussed possibility of forming an economic development commission. He will confer with staff and return to CDC with more details on how this would be set up and how it would operate.

In summary, the Committee's discussion of the City's grant programs led to the following suggestions by individual Committee members:

- Grants not to be used towards business-specific items
- Have loans available for business-specific items
- Discussion should be held regarding loan programs
- Grants should be used towards building maintenance, sprinkler systems, code compliance issues, ADA accessibility, code upgrades and business signage
- Grants should have some form of ROI
- Grants should be based on need
- Encourage public/private partnerships
- Updates from staff on past grants
- Develop a standardized evaluation system for grants
- Businesses should have a strong business and financial plan
- Attention should be focused on retail businesses

10. Discussion: Streetscape Program Priorities (WRM 11/9/12)

McGrath shared that future streetscapes cannot be done the same way as River Street in terms of putting resources in them. The cost estimates of Houston Street indicate that we cannot go on if we want to get the real value of the TIF resources available to the City. McGrath created a matrix to start the conversation on measurements of safety, economic development, utilities, aesthetic values and other items. These have been put together for the Committee to review and help to prioritize what is needed for future streetscapes. McGrath stated that there is no need for any upgraded utilities in the downtown except for the water main on Houston. The goal is to stretch the TIF money out and place it where it is most needed. Safety issues are the highest priorities on the matrix. McGrath discussed the safety issues on Houston, Water and First Street. McGrath asked the Committee to consider what are the important elements or priorities of future streetscapes.

Due to the late hour of the meeting, Brown suggested that the Committee consider the matrix and what was discussed and hold a discussion on this matter at an upcoming Committee meeting. McGrath stated that he will return at either the November 27th or December 11th Committee meeting.

11. Resolution 12-110-R: Authorizing Easement Agreement Related to Public Parking and Valley Sheltered Workshop (WRM 11/13/12)

McGrath reported that this is a request to enter into an easement agreement with Tom and Felice Jones, the owners of property along Main Street to 1) allow a portion of paved City parking lot to remain where it is in the rear of the south 100 block of Batavia Avenue, 2) to obtain a second easement which connects that City lot to the rear of the Valley Sheltered Workshop so that its clients and deliveries bringing materials for the clients to work with can more safely access the building as well, and 3) to contribute \$2,500 (matching the Workshop's \$2,500) to share in the paving costs for the driveway. There is no compensation being asked for by the Jones'. The parking area behind the businesses on the west side of the south 100 block of Batavia Avenue has always been confusing at best. A host of strange lot lines, alleys, easements surround a City parking lot on the far west edge of the open area, used partially as driveway and for parking. During the investigation by the Workshop to obtain a walkway/driveway easement to serve its rear entry, it was discovered that the City has paved and has been tacitly allowing others to use someone else's property, being the Jones', who own the small industrial-type building just west of the alley entry to the lot off Main Street.

Motion: To recommend to Council approval of Resolution 12-110-R
Maker: Wolff
Second: Chanzit
Voice Vote: 7 Ayes, 0 Nays, 0 Absent
All in favor. Motion carried.

12. Streetscape

There was no discussion held on this agenda item.

13. Project Status Update

Buening reported that Chick-fil-A will be opening at the beginning of February.

McDonald's will be opening on November 28th.

Wal-Mart has started construction. Internal work has begun so far.

Golden Corral expected to open next week.

Phillips 66 on Houston and Batavia are working on a Certificate of Appropriateness for the Shell conversion.

BP on Randall Road is working on a Design Review for a relocation of their car wash. They are buying the Salt Creek BBQ site to allow additional access to that site and then lease the property to someone interested in a restaurant or commercial venture.

The Plan Commission will be reviewing Walgreens variances. Pep Boys will be on the agenda as well as a Conditional Use approval for an accelerated physical therapy next to the Delnor site.

14. Other

There were no other items to be discussed at this time.

15. Adjournment

There being no other business to discuss, Chair Brown asked for a motion to adjourn the meeting at 10:03pm; Made by Stark; Seconded by Clark. Motion carried.

Minutes respectfully submitted by Jennifer Austin-Smith.