MINUTES FROM THE MEETING OF THE ST. CHARLES CITY COUNCIL
HELD ON MONDAY, APRIL 18, 2011 – 7:00 P.M.
CITY COUNCIL CHAMBERS, IN THE CITY COUNCIL CHAMBERS
2 E. MAIN STREET ST. CHARLES, IL 60174

1. **Call To Order By Mayor Don DeWitte At 7:21 P.M.**

2. **Roll Call.**
   Present: Stellato, Monken, Penny, Carrignan, McGuirk, Turner, Martin, Krieger, Bessner, Lewis
   Absent: None

3. **Invocation Alder. Penny.**

4. **Presentation: 2011 St. Patrick's Day Parade Awards:**
   Children Category
   1st Place: St. Pat's Girl Scouts – Bernee Gredzieleski
   2nd Place: Kyuki-Do Martial Arts – Carolyne & Chris Koffenberger

   Business
   1st Place: The Filling Station – Mandy Lutz /Peter Milligan
   2nd Place: Royal Real Estate – Elyece Miller

   Not For Profit
   1st Place: STC Library – Penny Walsh
   2nd Place: Lazarus House – Donna Bauer

5. **Motion by Martin, seconded by Krieger to approve the Omnibus Vote as presented.**
   ROLL CALL VOTE: AYE: Stellato, Monken, Penny, Carrignan, McGuirk, Turner, Martin, Krieger, Bessner, Lewis
   NAY: 0 ABSENT: 0
   MOTION CARRIED

*6. **Motion by Martin, seconded by Krieger to accept and place on file minutes of the regular City Council Meeting held on April 4, 2011.**
   ROLL CALL VOTE: AYE: Stellato, Monken, Penny, Carrignan, McGuirk, Turner, Martin, Krieger, Bessner, Lewis
   NAY: 0 ABSENT: 0
   MOTION CARRIED (Omnibus Vote)

*7. **Motion by Martin, seconded by Krieger to approve and authorize issuance of vouchers from the Expenditure Approval List as of April 14, 2011 in the amount of $866,747.66 and the Hand-Issued List of April 14, 2011 in the amount of $1,481.42.**

ROLL CALL VOTE: AYE: Stellato, Monken, Penny, Carrignan, McGuirk, Turner, Martin, Krieger, Bessner, Lewis
NAY: 0 ABSENT: 0
MOTION CARRIED (Omnibus Vote)

*8. **Motion by Martin, seconded by Krieger to accept and place on file the City Treasurer's Report for period ending January 31, 2011 and City Treasurer's Report for period ending February 28, 2011.**
ROLL CALL VOTE: AYE: Stellato, Monken, Penny, Carrignan, McGuirk, Turner, Martin, Krieger, Bessner, Lewis
NAY: 0 ABSENT: 0
MOTION CARRIED (Omnibus Vote)

I. New Business

A. Mayor DeWitte read the proclamation for recognition of service to SPC Thomas Fullmer for service in the United States Army.

B. Motion by Carrignan, seconded by Penny to recommend approval of a proclamation declaring April 29, 2011 as Arbor Day in the City of St. Charles.
VOICE VOTE UNANIMOUS MOTION CARRIED

C. Motion by Carrignan, seconded by Penny to approve recommendation from Mayor Donald P. DeWitte to re-appoint Brian Townsend as City Administrator for Fiscal Year 2011/12.
ROLL CALL VOTE: AYE: Stellato, Monken, Penny, Carrignan, McGuirk, Turner, Martin, Krieger, Bessner, Lewis
NAY: 0 ABSENT: 0
MOTION CARRIED

D. Motion by Carrignan, seconded by Penny to approve recommendation from Mayor Donald P. DeWitte to re-appoint the staff officers as recommended by City Administrator Brian Townsend for Fiscal Year 2011/12.
ROLL CALL VOTE: AYE: Stellato, Monken, Penny, Carrignan, McGuirk, Turner, Martin, Krieger, Bessner, Lewis
NAY: 0 ABSENT: 0
MOTION CARRIED

E. Motion by Carrignan, seconded by Penny to approve recommendation from Mayor Donald P. DeWitte to re-appoint Tina Nilles as Deputy City Clerk for Fiscal Year 2011/12.
ROLL CALL VOTE: AYE: Stellato, Monken, Penny, Carrignan, McGuirk, Turner, Martin, Krieger, Bessner, Lewis

NAY: 0 ABSENT: 0
MOTION CARRIED

F. Motion by Carrignan, seconded by Penny to approve recommendation from Mayor Donald P. DeWitte to re-appoint City Attorney Gerald Gorski of Gorski & Good Law Offices of Wheaton, IL.
ROLL CALL VOTE: AYE: Stellato, Monken, Penny, Carrignan, McGuirk, Turner, Martin, Krieger, Bessner, Lewis
NAY: 0 ABSENT: 0
MOTION CARRIED

G. Motion by Carrignan, seconded by Penny to approve a **Resolution 2011-39** Providing for the Adoption of the City of St. Charles Annual Budget for Fiscal Year 2011/12.
ROLL CALL VOTE: AYE: Stellato, Monken, Penny, Carrignan, McGuirk, Turner, Krieger, Bessner, Lewis
NAY: Martin ABSENT: 0
MOTION CARRIED

Mayor DeWitte stated the following:

Since 2008, the like many communities and municipalities in Illinois and across the country, City of St. Charles has experienced increased fiscal challenges. In St. Charles, we attribute the source of these challenges to two specific issues:

1. Our community is maturing, resulting in a decline in new development activity that expands the tax base and generates higher levels of revenue.
2. The continued sluggishness of our local and national economic conditions.

In March, 2010, the City Council expressed a need for an analysis of the City's "core competencies" and a desire to address, what many describe, as the structural deficiencies of our budget in a comprehensive fashion. The City of St. Charles developed the St. Charles Sustainability Initiative (SSI), a program that aligns directly with the vision of the City's strategic plan, and will result in a balanced, sustainable financial plan for the foreseeable future. The program was established to obtain input from a variety of stakeholders via a collaborative, open approach. In response, over 130 ideas and suggestions were submitted for consideration. Based on feedback received, the City Administrator and Department Directors will begin formulating plans for their implementation and will be formulating a strategy to strategy to reach fiscal sustainability moving forward. That will continue to be our focus during FY11-12.

Also since 2008, the City of St. Charles has taken careful steps to manage spending and implement other measures to address difficulties, resulting from the economic downturn.

The highest level of General Fund expenditures, which funds the majority of City services, occurred for FY2007-08 when the City expended $42.7 million. The City's actual expenditure amount for the fiscal year ending April 30, 2010, this year, will be $37.7 million, representing an

operating reduction of 12%. In addition during FY 2007-08, the City employed 352 full-time equivalent employees. This year, we project there will be 284 FTEs, representing a 19% decrease in our workforce.

These efforts have allowed us to maintain financial operational stability as confirmed by our continued unchanged Moody's bond rating of AA1. It has allowed us to avoid the more extreme steps that other communities have been required to take, such as drastic service reductions, employee layoffs, cancellation of traditional community festivals and events, and significant tax increases.

The adoption of the FY11-12 budget presented this evening represents a carefully crafted and collaboratively developed financial plan. I want to thank City Administrator Brian Townsend, all the department directors, my colleagues here on the City Council, and all of the residents of the community and employees of the organization who have contributed to this year's budget process. St. Charles is a community that is admired by our peers for the quality of services that we provide. We are also an organization that is respected for our proactive preparation, our resourceful responses, and implementation of best practice business principles. We should all take pride in these facts and realize how fortunate we all are.

The budget for FY 2011/2012 has two main themes.

1. We will maintain our commitment to service of the residents of St. Charles, and
2. We will continue to enhance the physical infrastructure of the community to meet future demands.

These themes are a testament to the City's ongoing efforts to fulfill the mission that is laid out in our community's strategic plan of preserving our heritage, fostering opportunity, building community, and enhancing quality of life for all. This budget plan being presented this evening will allow the City to continue those efforts. In the best interests of our residents, our business owners, and those who will choose to invest here.

H. Motion by Carrignan, seconded by Penny to approve a **Resolution 2011-40** Approving an Amendment to the Capitalization Policy for the City of St. Charles, Kane and DuPage Counties, Illinois.
ROLL CALL VOTE: AYE: Stellato, Monken, Penny, Carrignan, McGuirk, Turner, Martin, Krieger, Bessner, Lewis
NAY: 0 ABSENT: 0
MOTION CARRIED

II. Committee Reports

A. Government Operations

*1. Motion by Martin, seconded by Krieger to accept and place on file the minutes of April 4, 2011 Government Operations Committee meeting.
ROLL CALL VOTE: AYE: Stellato, Monken, Penny, Carrignan, McGuirk, Turner, Martin, Krieger, Bessner, Lewis
NAY: 0 ABSENT: 0
MOTION CARRIED (Omnibus Vote)

B. Government Services
None

C. Planning and Development

*1. Motion by Martin, seconded by Krieger to approve Corridor Improvement Agreement for 521 W. Main Street (McDowell Inc.).
ROLL CALL VOTE: AYE: Stellato, Monken, Penny, Carrignan, McGuirk, Turner, Martin, Krieger, Bessner, Lewis
NAY: 0 ABSENT: 0
MOTION CARRIED (Omnibus Vote)

*2. Motion by Martin, seconded by Krieger to approve Corridor Improvement Agreement for 2625 E. Main Street (Hometown Storage, Inc.).
ROLL CALL VOTE: AYE: Stellato, Monken, Penny, Carrignan, McGuirk, Turner, Martin, Krieger, Bessner, Lewis
NAY: 0 ABSENT: 0
MOTION CARRIED (Omnibus Vote)

*3. Motion by Martin, seconded by Krieger to approve Corridor Improvement Agreement for 904 E. Main Street (Reber Foley).
ROLL CALL VOTE: AYE: Stellato, Monken, Penny, Carrignan, McGuirk, Turner, Martin, Krieger, Bessner, Lewis
NAY: 0 ABSENT: 0
MOTION CARRIED (Omnibus Vote)

*4. Motion by Martin, seconded by Krieger to approve Corridor Improvement Agreement for 2601 E. Main Street (Warwick Publishing Companies).
ROLL CALL VOTE: AYE: Stellato, Monken, Penny, Carrignan, McGuirk, Turner, Martin, Krieger, Bessner, Lewis
NAY: 0 ABSENT: 0
MOTION CARRIED (Omnibus Vote)

*5. Motion by Martin, seconded by Krieger to approve Corridor Improvement Agreement for 1650 and 1660 W. Main Street (Gabby's Kitchen and Phillips 66).
ROLL CALL VOTE: AYE: Stellato, Monken, Penny, Carrignan, McGuirk, Turner, Martin, Krieger, Bessner, Lewis
NAY: 0 ABSENT: 0
MOTION CARRIED (Omnibus Vote)

*6. Motion by Martin, seconded by Krieger to approve an **Ordinance 2011-M-13** Reserving Volume Cap in Connection with Private Activity Bond Issues and Related Matters.

ROLL CALL VOTE: AYE: Stellato, Monken, Penny, Carrignan, McGuirk, Turner, Martin, Krieger, Bessner, Lewis
NAY: 0 ABSENT: 0
MOTION CARRIED (Omnibus Vote)

*7. Motion by Martin, seconded by Krieger to approve the Economic Development Incentive for GMC/Buick Dealership at 1421 E. Main St. and Direct Staff to Prepare Retail Sales Tax Reimbursement Agreement Between Emir Abinion and the City of St. Charles.
ROLL CALL VOTE: AYE: Stellato, Monken, Penny, Carrignan, McGuirk, Turner, Martin, Krieger, Bessner, Lewis
NAY: 0 ABSENT: 0
MOTION CARRIED (Omnibus Vote)

8. Motion by Stellato, seconded by Monken to approve the Economic Development Incentive for Sears Appliance Showroom, Foxfield Commons, Direct Staff to Prepare Retail Sales Tax Reimbursement Agreement Between Sears Authorized Hometown Stores, LLC and the City of St. Charles.
ROLL CALL VOTE: AYE: Stellato, Monken, Penny, Carrignan, McGuirk, Turner, Martin, Krieger, Bessner, Lewis
NAY: 0 ABSENT: 0
MOTION CARRIED

Chris Aiston
You will recall this matter was brought before the planning and development committee last week where it was unanimously recommended for approval. However at the time there was no representatives from Sears present to answer questions, etc. They are here tonight. Sears would like to occupy space formerly occupied by Blockbuster, 5300 square feet.

The terms of reimbursement are such that the party is requesting a 50% reimbursement of their City's $.01 sales tax for a period of five years. The estimated value of total is about $20,000 a year based on $2,000,000 estimated sales, so that the 50% would represent about $10,000 a year in reimbursement. The total estimated tax from the $2,000,000 in sales is $40,000 to the City therefore this marks about 25% of their total tax to be reimbursed to Sears. There were a couple of conditions you recall. The Council recommended that until such time as Sears proves out $1.6 million or more in sales there will be no reimbursement. At that point then all of those monies and beyond will be reimbursed at 50% until maxed out at $10,000. Secondly, the total maximum for the five year period is to be $50,000 in reimbursements.

Brandon Garten, 1941 Broadsmore Drive, Algonquin
Jacob, 1729 East Jonquil, Arlington Heights.
Does Sears want to be in St. Charles, yes we absolutely do. Unfortunately that the economic situation unfolded with our store in Charlestown Mall took place. It was not profitable to keep it there. So we are very glad that we have an opportunity to put one of our most innovative formats back into St. Charles which is our home appliance showrooms. There are 61 nationwide and we are continuing to grow.

Alder. Stellato.
Question about product mix, what do you find sells well in our area, what kinds of appliances?
Brandon Garten
Partial to Kenmore but other brands are Samsung, LG, Whirlpool and Maytag line. We have washers and dryers. The store format has all major appliances including all your cooking appliances, refrigeration, and food storage. We hope to introduce some small kitchen appliances as well.

Alder. Penny
I have a docking question. If you order the item at your store and it is delivered to your home is that correct. Would people be taking things from that location?
Brandon Garten
Typically not, but that could occur. Most of the time we would use Sears home delivery. But if someone buys a close out or vacuum cleaner or bags, they would carry it out.

Mayor DeWitte
Thanks for coming out this evening. I am glad to have Sears back in St. Charles as one of our business partners. So welcome and wish you the best.

9. Motion by Stellato, seconded by Monken to accept and place on file minutes of the April 11, 2011 Planning & Development Committee Meeting.
VOICE VOTE UNANIMOUS MOTION CARRIED
   - Alder Bessner stated I want to make one correction, in our discussions that evening we were talking about the comprehensive plan and contract for services and there was one question asked of me regarding the budget and minutes should read that Alderman Bessner was aware of our budget.

10. Motion by Stellato, seconded by Penny to approve a **Resolution 2011-41** Authorizing the Execution of a Land Improvement Agreement between the City of St. Charles and K. Hovnanian T&C Homes an Illinois, LLC (Regency Estates).
ROLL CALL VOTE: AYE: Stellato, Monken, Penny, Carrignan, McGuirk, Turner, Martin, Bessner, Lewis
NAY: Krieger ABSENT: 0
MOTION CARRIED

11. Motion by Stellato, seconded by Penny to approve an **Ordinance 2011-Z-4** Granting Approval of an Amendment to an Existing Special Use for a Planned Unit Development, Approval of a PUD Preliminary Plan, Approval of a Final Plat of Resubdivision and Related Matters – Regency Estates PUD.
ROLL CALL VOTE: AYE: Stellato, Monken, Penny, Carrignan, McGuirk, Turner, Martin, Bessner
NAY: Krieger, Lewis ABSENT: 0
MOTION CARRIED

- Alder. Lewis asked if this is the one that they presented to us? Mayor DeWitte responded yes this is Town and Country on the former Regency Estates site on West Main Street.
- Alder. Turner said this is good development for the west side of the City and hope it bodes well for the housing market in the future.

D. No Executive Session

E. No Additional Items from Mayor, Council, Staff, or Citizens

F. Adjournment

Motion By Carrignan, Seconded By McGuirk, To Adjourn Meeting
VOICE VOTE UNANIMOUS MOTION CARRIED
Meeting adjourned at 7:51 P.M.

Nancy Garrison, City Clerk

CERTIFIED TO BE A TRUE COPY OF ORIGINAL

Nancy Garrison, City Clerk