

CITY OF WEST CHICAGO

WHERE HISTORY & PROGRESS MEET
MINUTES

Development Committee

February 11, 2013

APPROVED AT MAY 13, 2013 MEETING

1. Call to Order, Roll Call, and Establishment of a Quorum

Chairman Pineda called the meeting to order at 7:00 p.m.

Roll call found Aldermen James Beifuss, Sandy Dimas, Nicholas Dzierzanowski, H. Ronald Monroe, Ruben Pineda, John C. Smith, Jr. and Rebecca Stout present.

Also in attendance was Director of Community Development John D. Said.

2. Approval of Minutes

A. Development Committee of January 14, 2013.

Alderman Dimas made a motion, seconded by Alderman Beifuss, to approve the January 14, 2013 Development Committee Minutes.

Alderman Beifuss noted that on Page 5, middle of the page, the third sentence should read: "Alderman Beifuss commented that perhaps an approval overriding a denial of the Selection Committee should require a supermajority vote to award the grant similar to the requirement to override a Plan Commission denial."

Alderman Dzierzanowski noted that the footer on the page shows the date of November 12, 2012 and it should be January 14, 2013.

Voting aye: Aldermen Dimas, Beifuss, Monroe, Pineda, Smith and Stout. Voting nay: 0. Abstaining: Alderman Dzierzanowski. Motion carried.

3. Public Participation – None.

4. Items for Consent

A. Menards – 220 W. North Avenue, Final PUD Amendment

Chairman Pineda requested staff to provide a brief overview. Mr. Said stated that the proposal before you was reviewed by the Plan Commission and it is before this Committee prior to going to City Council. He noted that this is essentially the same

propane tank enclosure proposal that was reviewed several months ago. He noted further that the applicant incorporated the Committee's comments from the last meeting and also worked with staff. Mr. Said commented that the details are in the plans. He added that it is a propane tank enclosure facility for a 1,000 gallon tank and there is a canopy structure over it. He added further that there will be a 6' tall masonry wall on three sides and a solid screen brown composite fence on one side. He noted that the purpose of the tank enclosure is for gas grills as well as larger tanks for the store's forklifts and over-the-road vehicles. He noted further that Menards' long-term goals for the facility are to convert their own vehicles to an alternative fuel source.

Alderman Beifuss commented that the proposal is largely what was talked about at the last meeting and includes the upgraded materials.

Chairman Pineda stated that it looks great. He noted that the Committee's requests were followed and he is happy that only properly trained Menards employees will be permitted to operate the pump.

Alderman Dzierzanowski made a motion, seconded by Alderman Stout, to place Ordinance No. 13-O-0010, Final PUD Amendment, 220 W. North Avenue, on the February 18, 2013 City Council meeting. Voting aye: Aldermen Dzierzanowski, Stout, Beifuss, Dimas, Monroe, Pineda and Smith. Voting nay: 0. Motion carried.

B. Authorize the Seizing of Bishop Place Letters of Credit

Chairman Pineda requested staff to provide a brief overview. Mr. Said stated that staff is recommending that the Committee and then City Council approve seizing the letters of credit for this project. He noted that there are two letters of credit: one is for the site utilities in the amount of \$124,683.00 scheduled to expire in March and the other is for mass grading in the amount of \$86,408.00 scheduled to expire in September. He commented that there has been a long history with this project. Mr. Said added that in July 2004 preliminary PUD approval was granted and in June 2005 final PUD approval was granted with amendments granted in 2006, 2009 and 2011. He added further that the original mass grading permit was issued in 2006. He commented that work continued over the next few years but that ultimately the work stopped and essentially there has been no progress at all in the last three years. Mr. Said stated that staff has been providing written comments of outstanding items to the applicant and developer over the last three years. He noted that the outstanding items that remain incomplete are significant such as mass grading, utilities and public improvements, which is why staff is recommending seizing the letters of credit.

Alderman Beifuss acknowledged that the applicant is here and would like to speak.

Mr. Dave Doyle stated that he had a meeting last summer with Joanne Kalchbrenner, Jeff Harris, Sara Cooper and Rob Flatter. He added that they were planning to build the final building and discussed finishing the punch list. He added further that he did not sense

any urgency to get it done from the City. He noted that the financing did not come through so we needed to come up with an alternate plan. He noted further that he received a letter suggesting that the letter of credit be extended and then all of a sudden he got a call from John Said regarding pulling the letters of credit. Mr. Doyle said that he does not want the letters pulled and that he would like a little time to come up with an alternative plan.

Alderman Monroe commented that he is concerned with the utilities and the safety of Augusta Street. He noted that there are beautiful streetlights on Augusta and the residents want to know why they do not come on. He noted further that they have not been connected yet. He added that this is a real issue for him.

Alderman Dimas commented that she is new regarding the process with this project but as she read over the information and noted the June 6, 2012 deadline, she was curious as to why the applicant did not come forward sooner if he knew there were issues instead of waiting for the City to send a letter.

Mr. Doyle responded that every time the City sent a letter, they would respond and the letter of credit would be extended within a month. He added that they did have a meeting last summer.

Chairman Pineda stated that there has always been a sense of urgency with this project and he can not agree with Mr. Doyle's statement. He added that the City has been very lenient on the whole project almost from day one. He added further that they were given extensions and more extensions. He noted that the commercial portion was supposed to be constructed and the applicant came forward saying it was not going to work and the bottom dropped out of the economy. He noted further that an extension was given at that time. Chairman Pineda commented that they asked for approval to build more houses and the City allowed the construction of more houses before the commercial portion was built. He added that now we come to the point where the letter of credit is due and we can not even get the streetlights working or the mass grading done. He added further that the project has been in shambles for a long time. He noted that residents live in the area and there is commercial property on Roosevelt Road. He noted further that everyone sees it. He commented that there has not been anything happening at the site for years and years and now you want to request another extension. He stated that he finds it hard to give another extension. He added that if the City seizes the letters of credit, the work will get done. He added further that he can not grant an extension for another year when no work has been done in the last three years. He noted that this is his opinion and there are six other aldermen here and another seven aldermen on the City Council. Chairman Pineda stated that something has to be done and the City can not wait another year. He noted that if there had been a little more effort to get work done on the site, then everybody would have a different opinion.

Alderman Smith stated that he is also new to this particular issue and project but it seems like there has been an awfully long length of time and secondarily he has not heard any

great extenuating circumstance that would cause the City to think differently about this other than to pull the letters of credit. He added that he has not heard of an extenuating circumstance that is so great that the City would ignore this rather lengthy amount of time.

Mr. Doyle responded that he has been a silent partner in the project. He added that at this point he has taken over and is trying to work something out.

Alderman Dzierzanowski asked where he has been before. He stated that in 2009 he did not want to give an extension and he voted no to the extension. He added that in 2011 he voted no on the extension. He added further that he remembers for a couple of meetings that no one for the project even showed up and did not even take it seriously. He noted that it had to be continued to another meeting just to get someone here to answer questions. He asked where he has been.

Mr. Doyle responded that he was working on financing.

Alderman Dzierzanowski commented that the he finds it troubling that the streetlights are not working. He added that he did not know they were not working until today when Mr. Guttman told him. He added further that it is troubling that people are living there and the streetlights are there but they are not working for how many years. He asked if Mr. Doyle would like to live there like that. Mr. Doyle responded that the streetlights should be on.

Alderman Stout asked how long the previous Community Development Director has been gone and Mr. Said responded since December 2011. She commented that this could not have been discussed last summer then and means it has been sitting for an even longer time. She added that she is having a hard time granting another extension when nothing has been done in that amount of time. Mr. Said commented that actually it has been about three years since there has been any progress based on the information that the City engineer provided.

Alderman Monroe made a motion, seconded by Alderman Dimas, to authorize the seizing of two Bishop Place Letters of Credit.

Alderman Beifuss questioned what would happen if an extension for the letter of credit is not given and it expires in March. Mr. Said responded that there would then be no financial guarantee. He added that the City could pursue the developer in court but it does not ensure the completion of the project and it does not ensure timeliness. He added further that there could be questions as to why the City did not act sooner if the letter of credit was set to expire. Alderman Beifuss commented that the letter of credit is pulled so there are funds to do the improvements and Mr. Said responded that is correct.

Alderman Beifuss asked if there was any reason why you would pull one letter of credit and not the other one. Mr. Said responded that the difference in the due dates is most likely due to previous extensions. He added that the concern in pulling one and not the

other is that typically the mass grading work has to be done before the utility work. He added further that if you only pull the letter of credit for the utility work you are still waiting for the mass grading work and you get into some real project management problems. He noted that there would be some difficulties completing a project if you are waiting for an outside party that you do not have control over. He noted further that if the second letter of credit is not pulled until September, you might lose another construction season. Mr. Said commented that the worse case scenario that might be out there is the order of the work, the project management and the extenuating circumstances of the City not controlling the project. Alderman Beifuss noted that the write-up includes occupancy for the commercial buildings expiring in June. Mr. Said commented that the zoning issue comes up in June and that it is a separate issue. He added that the zoning issue by itself does not carry with it the issues that this does. He added further that if the applicant wanted to pursue construction of the second commercial building, they would need to reapply for the zoning approval. He noted that the zoning approval is not a financial matter. Alderman Beifuss commented that the utilities and mass grading are public improvements that would then be dedicated to the City and Mr. Said responded yes.

Chairman Pineda commented that for clarification the City can not pull the utility letter of credit only. Mr. Said responded that the two projects are not easily separated. He added that the utility and mass grading work are so integrated now that you have to look at it in tandem. He added further that the two letters of credit serve the developer because often you are dealing with mass grading first. He noted that now because there is only partial completion of the project, it would be very difficult to pull one and not the other.

Chairman Pineda stated that there is one paragraph in the Engineering History that jumps out that indicates there were over a dozen field changes that had to be reviewed by City staff, the developer's construction practices were generally lacking and not in compliance with industry standards, the developer failed to call for inspections for much of the storm sewer that was installed and failed to install trench backfill over water mains in some future driveway locations; in addition, the site has not generally been kept clean during construction and the streetlights are not currently functioning. He noted that it seems very little effort was put into this project after the City granted extensions. He noted further that here we are now with an incomplete project and even if the City completes the utilities and mass grading, the project is still incomplete.

Voting aye: Aldermen Monroe, Dimas, Beifuss, Dzierzanowski, Pineda, Smith and Stout. Voting nay: 0. Motion carried.

5. Items for Discussion – None.

6. Unfinished Business

- A. Alderman Stout commented that Alderman Dimas and she brought up the Action Pawn Shop at the last meeting and she learned that there is nothing the City can do regarding the sign. Mr. Said responded that that is correct. He added that it

was researched and that is the one location that was grandfathered in. He added further that the zoning was changed some years ago to limit that use significantly. He stated that at this point we do not have an opportunity to do anything about the sign.

Chairman Pineda commented that he wished we would have an opportunity to talk to the owner. He noted that the owner was being nice about it when Mayor Kwasman was around but three days after the Mayor's passing, the owner applied for a new sign permit. He stated that fortunately the City adopted regulations regarding stolen products. He added that if something happens to the business, the City would not renew the pawn shop license.

Alderman Beifuss stated that he believes the City provided funding for the previous sign. Mr. Said commented that he does not know if funding was provided. Alderman Beifuss commented that the records should be checked because he recollects the City funding a portion of the upgraded sign previously.

Chairman Pineda commented that he does not think there is anything the City can do at this point.

7. New Business – None.

8. Reports from Staff

- A. 151 W. Washington Street - Mr. Said stated that the Historic Preservation Commission as well as members of the public had an opportunity to walk through the building on Saturday. He added that there were approximately 30 people and some of them took pictures. He noted that the RFQ responses are due March 4, 2013 and that is a separate process. He noted further that the Historic Preservation Commission is reviewing the Certificate of Appropriateness whether or not to keep the building or demolish it. Mr. Said commented that if the building is kept through a response to the RFQ, they can do whatever they want to the inside and that is not something the City, Historic Preservation Commission or City Council has any control over. He noted that the Historic Preservation Commission would review any changes to the exterior only.

Chairman Pineda commented that realistically someone could gut the inside of the building and not bring it back to its original state and Mr. Said responded that is correct.

- B. Old Time Pottery – Mr. Said stated that Old Time Pottery has submitted for building permits. He added that it is his understanding that they are going to occupy the entire building, approximately 80,000 square feet. He added further that it is a destination-retail type store for house wares, linens, pet supplies and much more. He noted that it may overlap with Hobby Lobby but in some cases

clothing stores want to be near other clothing stores and restaurants want to be near other restaurants. Mr. Said commented that this type of store will bring in people from all over and that is a good thing for the sales tax. He noted that in addition it will spur additional interest in the area as well as boost gas sales and surrounding businesses such as Jimmy John's. He noted further that this will be their third store in Illinois and this is the first one in the Chicagoland area, which is a nice distinction for the community.

- C. Former Arby's site – Mr. Said commented that Hardee's is looking at this site.
- D. Traffic light – Mr. Said noted that the traffic light just west of the former Arby's site is proceeding. He noted further that from an access perspective, the light will be helpful to that area.

9. Adjournment

Alderman Stout made a motion to adjourn, seconded by Alderman Dimas. The members unanimously agreed. Motion carried. The meeting adjourned at 7:35 p.m.

Respectfully submitted,

Linda Ericksen