

CITY OF WARRENVILLE

MEMORANDUM

To: Mayor Brummel and City Council
From: Ronald Mentzer, Director of Community and Economic Development ^{RM}
Subject: AGENDA SUMMARY FOR JULY 13, 2020, COMMUNITY DEVELOPMENT COMMITTEE MEETING
Date: July 9, 2020

Please contact the City Administrator or the corresponding Department head by noon on the day of the meeting if you have questions pertaining to agenda items or this summary.

F. BUSINESS OF MEETING

1. Civic Center Redevelopment Site #1 Off-site Environmental Remediation Results (Attachment)

In January 2020, V3 was hired by the City to remediate the petroleum product at 28W708 and 28W726 Ray Street that had remained from the City's 2014 CCRS #1 remediation effort. The steam injection procedure was performed in March 2020. Following the procedure, analytical results indicated that the condition of the off-site soils had significantly improved. V3 will be submitting a report to the IEPA this month. While the IEPA could disagree with V3's analysis, V3 is confident the IEPA will issue the 4(y) letter, which would signify that the City is no longer responsible for preventative or corrective action at the site.

Senior Civil Engineer (SCE) Hocking's summary memo for this issue is included with the agenda backup materials. SCE Hocking will provide additional details and address questions at the meeting.

Committee Action Requested: For informational purposes only.

Staff Recommendation: Not applicable.

Budgetary Impact: Not applicable.

Other Resources Required: Not applicable.

Strategic Plan Goal: Not applicable.

2. Revised Intergovernmental Agreement for Continued City Sanitary Sewer Service to Fermilab (Attachment)

In 1986, the City entered into a contract to provide sanitary sewer service to the Fermilab area known as the "Village," formerly known as the Town of Weston. City Council passed Ordinance No. 2135 in 2004, which requires an intergovernmental agreement (IGA) to be in effect in order for the City to provide utility services outside its corporate limits. City Council passed Resolution No. 2010-05 in March 2010, approving an IGA executed on August 15, 2010, by and between the City of Warrenville and Fermilab, to provide sanitary sewer service to the Village area of Fermilab. Because the IGA expires on August 15, 2020, the City and U.S. Department of Energy staff negotiated another 10-year IGA for sanitary sewer service, which is included with the agenda backup materials.

The terms of the proposed agreement are largely consistent with the original 1986 contract, except that provisions have been added for Fermilab to address its current infiltration and inflow (I/I) issues, and for it to monitor and maintain its system to address future I/I issues. A 50% surcharge was added in the event Fermilab does not address its current and future I/I issues. Additionally, a provision was added that allows the City to terminate the agreement with a one-year notice.

Deputy Public Works Director Kuchler will provide a brief presentation of this agreement and be available to answer questions at the meeting.

Committee Action Requested: Recommend the City Council pass a resolution approving an intergovernmental agreement between the City of Warrenville and the U.S. Department of Energy for Fermilab Village sanitary sewer service.

Staff Recommendation: Deputy Public Works Director Kuchler recommends this action.

Budgetary Impact: None. The City will continue to bill Fermilab for sanitary sewer service at the rates it bills its other customers.

Other Resources Required: Staff time to monitor sanitary sewer flows from Fermilab and coordinate with Fermilab staff on infiltration and inflow issues.

Strategic Plan Goal: Not applicable.

3. Acquisition of Former Citgo Property and Consideration of Terracon Environmental Consulting Proposal (Attachment)

The City completed its acquisition of the former Citgo gas station property located at the northeast corner of Warrenville Road and Batavia Road on July 1, 2020. Community and Economic Development Director (CEDD) Mentzer prepared a July 7, 2020, memorandum to summarize the various “next step” actions he is recommending the City implement in order to begin addressing the contamination issues on the property and enable the City to secure the maximum amount of outside funding assistance possible for this work.

The summary memo is included with the agenda backup materials. CEDD Mentzer will provide additional details and address questions at the meeting.

Committee Action Requested: Recommend the City Council approve the July 6, 2020, Terracon Consultants Task Order and authorize staff to implement the follow-up actions outlined in Community and Economic Development Director Mentzer’s July 7, 2020, Old Town Redevelopment Site #2 Next Step Recommendations Memo.

Staff Recommendation: Community and Economic Development Director Mentzer recommends this action.

Budgetary Impact: Implementing the staff recommended actions would involve an approximately \$27,000 FY 2021 expenditure. The FY 2021 budget includes the funding necessary to cover these specific expenses.

Other Resources Required: Staff and environmental attorney time to coordinate the recommended follow-up actions.

Strategic Plan Goal: #1 Economic Development and #3 Open Space and Environment.

4. Consideration of Former Citgo Property Parking Restrictions

After the City took ownership of the former Citgo gas station property (OTRS #2), staff began taking steps to manage the City's liability exposure associated with the property. One of the more obvious items the City still needs to address as part of this process is what, if any, private party parking and access will be allowed on the property in its current state. In order to address this issue efficiently, City Council direction on the issue is required.

Both historically and currently, employees and customers of the various businesses that operate near OTRS #2 have used it for overflow parking. In addition, the businesses that operate on the adjacent auto service property use the east edge of OTRS #2 for access to parking and storage yard areas on their site. CEDD Mentzer has confirmed these businesses desire to retain use of this portion of OTRS #2.

CEDD Mentzer feels it would be both desirable and appropriate to accommodate this type of continued private use on OTRS #2 as long as it is clearly defined, appropriately controlled, safe, and the City obtains appropriate liability protections. In order to satisfy these requirements, staff recommends the businesses that desire such use be required to enter into a license agreement with the City that documents the responsibilities, obligations, and rights attached to such use.

Committee Action Requested: Recommend the City Council authorize staff and the City Attorney to develop license agreements with those property owners and businesses that desire to continue using OTRS #2 for private parking and access purposes.

Staff Recommendation: Community and Economic Development Director Mentzer recommends this action.

Budgetary Impact: A relatively limited amount of City Attorney time will be required to finalize the recommended license agreements.

Other Resources Required: Staff and City Attorney time to finalize license agreements with interested parties.

Strategic Plan Goal: #1 Economic Development.

5. Consideration of an FY 2021 Hotel Tax Grant for Warren Tavern (Attachment)

In January 2020, City Council authorized the removal of the Warren Tavern from the Hotel Tax Grant program administered by the Tourism and Arts Commission, with direction to staff to develop a process for funding future capital maintenance requests. Due to the COVID-19 pandemic, staff has not finalized the details of a new process for future grant years. However, in the meantime, the Warren Tavern would like to move forward with its FY 2021 projects.

Included with the agenda back-up materials are (i) the January 27, 2020 Public Safety and Finance Committee meeting minutes, (ii) the Warren Tavern FY 2021 grant application outlining the expenses, and (iii) a grant recommendation spreadsheet detailing staff's endorsement of the FY 2021 Warren Tavern grant. Assistant City Administrator White will provide additional details and address questions at the meeting.

Committee Action Requested: Recommend the City Council approve \$10,000 in hotel tax grant funding for the Warren Tavern to use in FY 2021.

Staff Recommendation: Assistant City Administrator White recommends this action.
Budgetary Impact: The FY 2021 budget includes \$10,000 for the Warren Tavern grant.
Other Resources Required: None.
Strategic Plan Goal: Not applicable.

6. Consideration of a Food and Beverage Establishment Revenue-Sharing Assistance Program (Attachment)

A Warrenville resident recently contacted CEDD Mentzer to inquire if the City offered any economic development assistance that could make it more feasible for a small entrepreneur to improve a building and open a restaurant within the Old Town/Civic Center TIF #3 area. This individual is interested in leasing and remodeling approximately 1,000 square feet of vacant space located along the Manning Avenue frontage of the former Oakbrook Bank Building at the northwest corner of Manning Avenue and Batavia Road into a sandwich and ice cream shop at a total estimated cost of more than \$225,000. CEDD Mentzer informed this individual that TIF #3 had not yet generated any surplus revenue stream and therefore the City had not yet established such a program; however, he would discuss the subject with the City Council's Economic Development Representatives (EDR).

The EDR subsequently met on two separate occasions to discuss this opportunity and information regarding assistance programs Plainfield, Winfield, St. Charles, Wheaton, and West Chicago have each implemented to encourage this type of business development and façade improvement. At its last meeting, the EDR reviewed the framework for a potential new revenue-sharing assistance program specifically designed to encourage food and beverage establishments to locate, upgrade, grow, and improve the exterior facades of commercial buildings in the City's Old Town/Civic Center Subarea. The EDR unanimously agreed to recommend the City Council authorize staff to finalize the details of a new Food and Beverage Establishment Revenue-Sharing Assistance Program substantially consistent with the July 8, 2020, program framework included with the agenda back-up materials. Establishment of such a program would be consistent with the high priority implementation actions outline in the Old Town/Civic Center Subarea Plan and Objectives #6 and #7 of the City's Economic Development Plan.

CEDD Mentzer will provide additional details and address questions on the recommended new program at the meeting.

Committee Action Requested: Recommend the City Council authorize staff to finalize the details of a new Food and Beverage Establishment Revenue-Sharing Assistance program substantially consistent with the July 8, 2020, draft program framework.

Staff Recommendation: Community and Economic Development Director Mentzer recommends this action.

Budgetary Impact: None at this time.

Other Resources Required: Staff time to finalize proposed program details.

Strategic Plan Goal: #1 Economic Development.

7. Report on Status of all Active Grant-Funded City Projects (Attachment)

SCE Hocking prepared a July 8, 2020, memo to provide a status update on all active grant-funded City projects. Project information to be discussed includes scope, type of grant, cost

of construction, and anticipated construction year. The construction value of all grant-funded projects that have, and will be, implemented in the community totals approximately \$8 million. Of this total, the City's investment will be \$2.4 million, or 31%.

SCE Hocking's memo is included with the agenda backup materials. SCE Hocking will provide additional details and will address questions at the meeting.

Committee Action Requested: For informational purposes only.

Staff Recommendation: Not applicable.

Budgetary Impact: Not applicable.

Other Resources Required: Not applicable.

Strategic Plan Goal: #3 Open Space and Environment and #4 City Infrastructure.

8. Zip Code Realignment Request in Southwest District (Attachment)

In early January, the City appealed the U.S. Postal Service (USPS) Central Illinois District's November 2019 denial of the City's August 2019 request to change the zip code in the area located in the very southwest quadrant of the City (the affected area), from a Naperville zip code (60563) to the Warrenville zip code (60555). On June 8, 2020, the City received a final determination letter from the USPS's Manager of Rural Delivery at its Washington DC headquarters. The letter confirms the USPS has determined the zip code in the affected area will remain 60563, but it will implement a "Preferred Last Line (PLL) accommodation." The PLL accommodation will allow postal customers in the affected area to use the city name of either "Warrenville" or "Naperville" in their mailing address. The Naperville post office is updating its systems and technology to ensure proper and efficient delivery of mail sent to addresses in the affected area regardless of which City name is used.

Before the PLL accommodation goes into effect, the USPS Central Illinois District has requested the City of Warrenville send a letter notifying the affected City residents and postal customers that the USPS PLL accommodation was provided at the request of the City of Warrenville. Once the City of Warrenville issues this letter, the USPS Central Illinois District will issue a follow-up letter to confirm when the PLL accommodation will go into effect, which will likely be sometime in the first half of August.

The USPS's June 8, 2020, letter is included with the agenda backup materials. CEDD Mentzer will provide additional details and address questions on the recommended new program at the meeting.

Committee Action Requested: For informational purposes only.

Staff Recommendation: Not applicable.

Budgetary Impact: Not applicable.

Other Resources Required: Not applicable.

Strategic Plan Goal: Not applicable.

9. City Council Survey Responses for Southwest District Redevelopment Site #1 (Attachment)

At the March 9, 2020, Community Development Committee of the Whole meeting, staff distributed a survey document that allowed each City Council member to provide detailed input on their expectations and priorities for the future of the 7.25-acre vacant redevelopment site the City owns at the northeast corner of Routes 59 and 56 (Southwest District Redevelopment Site #1/SDRS #1). The input provided by the Mayor and Alderman was used to prepare a March 27, 2020, City Council feedback summary document, which also includes additional staff commentary and recommendations.

The summary document is included with the agenda backup materials. CEDD Mentzer will provide additional details and address questions on the information and recommendations contained in this document at the meeting.

Committee Action Requested: Recommend the City Council pass a motion to formally rescind the “Preferred Purchaser and Developer” designation the City assigned to Two Brothers Brewing Company for SDRS #1.

Staff Recommendation: Community and Economic Development Director Mentzer recommends this action.

Budgetary Impact: Not applicable.

Other Resources Required: None at this time.

Strategic Plan Goal: #1 Economic Development.

10. Economic Development Activity Report (Attachment)

The Quarterly Economic Development Activity Report, dated July 9, 2020, summarizes the various “pieces” of economic development-related information staff has forwarded to the City Council since early March, 2020. Its distribution also affords the City Council a formal opportunity to discuss, in detail, any of the individual economic development-related updates it has received since this information was last presented.

A copy of the report is included with the agenda backup materials. CEDD Mentzer will be available to address questions at the meeting.

Committee Action Requested: For informational purposes only.

Staff Recommendation: Not applicable.

Budgetary Impact: Not applicable.

Other Resources Required: Not applicable.

Strategic Plan Goal: #1 Economic Development.

11. Community Development Department FY 2021 Work Plan Update (Attachment)

The FY 2021 work plan identifies the specific projects and initiatives Community Development Department staff expects to advance during FY 2021.

The Department has prepared a spreadsheet-based document to track progress on the various components of its FY 2021 work plan. The work program update spreadsheet is included with the agenda backup materials. CEDD Mentzer will address questions at the meeting.

Committee Action Requested: For informational purposes only.

Staff Recommendation: Not applicable.

Budgetary Impact: Not applicable.

Other Resources Required: Not applicable.

Strategic Plan Goal: Not applicable.

12. Bi-Monthly Code Enforcement Activity Report (Attachment)

The Code Enforcement Activity Summary Report for the months of May and June 2020, is included with the agenda backup materials. CEDD Mentzer will address questions at the meeting.

Committee Action Requested: For informational purposes only.

Staff Recommendation: Not applicable.

Budgetary Impact: Not applicable.

Other Resources Required: Not applicable.

Strategic Plan Goal: Not applicable.

RM/ds