

**January 10, 2017**  
**Board Meeting**  
**Village of Sugar Grove**  
**6:00 PM**

President Michels opened the meeting at 6:00 PM and asked that Trustee Montalto lead the Pledge. The roll was then called.

**Present:** President Michels, Trustee Herron, Trustee Geary, Trustee Koch, Trustee Paluch, Trustee Montalto, and Trustee Johnson.

**Quorum Established.**

**Also Present:**

Clerk Galbreath, Finance Director McCaul, Public Works Director Speciale, Community Development Director Magdziarz, Chief Rollins, Utilities Supervisor Merkel.

**PUBLIC HEARINGS**

**Settlers Ridge Annexation Agreement Amendment – TRG Lots**

President Michels open the Hearing on the Settler’s Ridged Annexation Agreement Amendment and called for any public comment. Hearing no comments President Michels closed the public hearing.

**APPOINTMENTS AND PRESENTATIONS**

President Michels welcomed Peter Batitsas and swore him in as Sugar Grove Police Officer. President Michels then asked the Board to ratify the appointment of Matt Anastasia to the position of Village Finance Director. Motion made by Trustee Johnson and seconded by Trustee Paluch to ratify the appointment. All in attendance voted Aye in a voice vote.

**PUBLIC COMMENTS ON ITEMS SCHEDULED FOR ACTION**

President Michels called for any public comment. No member stepped forward and this portion of the agenda was closed.

**CONSENT AGENDA**

- a. Approval: Minutes
- b. Approval: Vouchers
- c. Resolution: Approving Settler’s Ridge Phase I Change Order #3
- d. Resolution: Amending an Engineering Agreement – Settler’s Ridge
- e. Resolution: Approving an Employment Agreement
- f. Resolution: Amending the Number of Liquor Licenses General Business
- g. Resolution: Amending Signatories

Trustee Geary **moved to Approve the Consent Agenda.** Trustee Herron seconded the motion. President Michels then called for a roll call vote.

AYE:	Koch	NAY:	None	ABSENT:	None
	Herron				
	Paluch				
	Geary				
	Montalto				
	Johnson				

Motion Carried

**GENERAL BUSINESS**

**Ordinance Amending Village Code Chapter 6 - Bus Parking**

Trustee Geary **moved to Adopt an Ordinance Amending Village Code Chapter 6 - Bus Parking.** Trustee Johnson seconded the motion. The Board reviewed the proposed amendments and agreed that were acceptable. President Michels then called for a roll call vote.

AYE:	Johnson	NAY:	None	ABSENT:	None
	Herron				
	Paluch				
	Geary				
	Montalto				
	Koch				

Motion Carried

**Ordinance Amending Zoning - Off-Street Parking Standards**

Trustee Johnson **moved to Adopt an Ordinance Amending Zoning - Off-Street Parking Standards.** Trustee Montalto seconded the motion. The Board reviewed the proposed amendments and agreed that were acceptable. President Michels then called for a roll call vote.

AYE:	Johnson	NAY:	None	ABSENT:	None
	Herron				
	Paluch				
	Geary				
	Montalto				
	Koch				

Motion Carried

**DISCUSSION ITEMS**

**Settlers Ridge Annexation Agreement Amendment – TRG Lots**

TRG Venture 2, LLC (TRG) the owner of 69 platted lots in Settlers Ridge Unit 1A and Unit 1B is requesting an amendment of the annexation agreement in order to facilitate construction of attached and detached single family dwellings on the lots they control. The amendment does not change the vision for Settlers Ridge but modifies the obligations of this owner with respect to existing undeveloped lots controlled by TRG.

The annexation agreement amendment applies only to lots and land owned by TRG in Settlers Ridge Unit 1A and Unit 1B. The amendment is mainly focused on TRG’s obligations for constructing residences on their lots in the development.

Community Development Magdziarz stated that there are a few details to work however the agreement is fairl simple and those details are not significant. The Representative from TRG thanked staff for working so hard to complete this amendment and that TRG looks forward to being in Sugar Grove. President Michels stated that he was glad to see that a nuisance escrow was included. The TRG Rep then asked the

Board if they had any questions. None were asked at this time and President Michels directed staff to place the amendment on the next consent agenda.

### **Quantum Signs Resubdivision**

Community Development Director Walter Magdziarz explained that Quantum Sign, located at 693 Heartland Drive, desires to expand their existing building on an adjoining lot they own. In order to accommodate the building expansion the current property line and drainage and utility easement between the lots needs to be removed. Approving the plat of resubdivision will accomplish this and clear the way for the building expansion.

The existing easement contains no utility facilities. The Applicant will be responsible for obtaining signatures on the plat from all the utility companies prior to recording the plat. The current lots comply with the underlying zoning district requirements and the consolidated lot also will comply.

The Board reviewed the request and had no questions. President Michels directed staff to place the item on the next consent agenda.

### **Rezoning 142 S. Main St.**

Community Development Director Walter Magdziarz explained that the property at 142 Main Street is improved with a principal residential building and accessory detached garage and is used for a single family residence. The Applicant, Craig and Melia Zabel, is requesting reclassification of the property in order to accommodate expansion of the animal hospital off-street parking in the rear yard on the subject property. The property immediately north of the subject property was rezoned in 2008 for the same purpose. The property would remain used for single family purposes until such time another use permitted in the B-1 District is established on the premises. While the Zoning Ordinance permits off-site off-street parking, it does not permit off-site parking for a use that is not permitted in the underlying zoning district.

The rezoning is consistent with the Downtown/Main Street Plan, the Comprehensive Plan, and the current improvements on the property comply with the bulk requirements of the requested B-1 District. The Planning Commission recommended approval of the requested rezoning.

Dr. Zabel addressed the Board and stated that his intention are to leave the property resident for now and if needed in the future to have a groomer work out of this location should his business expand even more.

The Board approved of the rezoning and President Michels directed staff to place the item on the next consent agenda for approval.

### **Special Use for 130 and 142 S. Main St.**

Community Development Director Walter Magdziarz explained that the properties at 130-142 Main Street are each improved with a principal residential building and accessory detached garage and are used for a single family residence. The Village Board previously granted a temporary use permit for pet grooming on the premises at 130 Main Street but that use was never established at that location and the temporary use permit has long since expired.

The Applicant, Craig and Melia Zabel, the operator of the Sugar Grove Animal Hospital, is requesting a Special Use for pet grooming in either 130 or 142 Main Street. Pet grooming currently exists in the Sugar Grove Animal Hospital and may be relocated to one of the structures at 130 or 142 Main Street.

The Special Use is consistent with the Downtown/Main Street Plan, the Comprehensive Plan. The Planning Commission recommended approval of the Special Use Permit subject to certain conditions.

The Board approved of the Special Use and President Michels directed staff to place the item on the next consent agenda for approval.

### **Minor PUD Amendment - First Secure Community Bank**

Community Development Director Walter Magdziarz explained that the First Secure Community Bank of Sugar Grove, located at 470 N. Sugar Grove Parkway, is requesting a minor PUD amendment in order to add additional outdoor illumination on the building on the premises. The additional illumination will be directed on the building and is intended to accentuate the architectural features of the building.

The Architecture Resources and Review Group reviewed the proposal and recommended any fixtures that are used and attached to the building trim be white in color to match the building trim.

The Planning Commission recommended approval of the requested minor PUD amendment subject to certain conditions, namely:

- That the light fixtures and appurtenances visible to the naked eye be white in color to match the building trim color.
- That no more than eight (8) fixtures be used.
- That the light fixtures shall be directed downward.
- That the maximum wattage of each LED fixture shall not exceed 50 watts.
- That only the front building elevation (facing Sugar Grove Parkway) may be so illuminated.

Trustee Koch stated that the building elevation was nice looking and that this type of lighting would definitely enhance it. The Board reviewed and approved of the amendment and President Michels directed staff to place the item on the next consent agenda for approval.

### **Economic Development Agreement – Culvers**

Community Development Director Walter Magdziarz explained that the Mr. Jeff Newkirk, the Culver's franchisee, is considering a facility in Sugar Grove and is requesting economic development assistance in the form of a sales tax inducement agreement in order to establish and operate a Culver's restaurant on Lot 1 in The Landings Commercial Center.

Culver's has very specific site selection criteria and has determined Lot 1 satisfies their requirements. However, Lot 1 has some limitations to overcome, specifically direct access to Sugar Grove Parkway (IL 47). Lot 1 lies between the Dunkin Donuts lot (under construction) and Walgreen's. Access agreements benefitting the subject property exist on the Dunkin Donuts and Walgreen's parcels but Culver's would prefer to have direct access to Division Drive (because direct access to IL 47 is not possible).

To accommodate an access drive to Division Drive, Culver's will need to cross the detention basin located at the rear of the property along Division Drive. Crossing the detention basin and maintaining the storage volume can be accomplished but not without extraordinary cost. The cross-connection between Dunkin Donuts to the north and Walgreen's to the south also will be maintained.

Additionally, land costs are higher than what Culver's is accustomed to paying for state highway frontage. Culver's will be expected to pay the Kane County Road Impact Fee which is a cost not normally encountered by the restaurant. The franchisee also intends to construct an upgraded building inside and out as shown in the attached photograph.

Culver's is requesting a sales tax inducement agreement similar to those the Village has approved for Ace Hardware, Dunkin Donuts and Graham's Market, that is non-home rule sales tax rebate only for a maximum term of 7 years with a declining share of sales tax (i.e., 75% year 1 and 2, 50% years 3- thru 5, 25% year 6 and 7). Based on Culver's anticipated annual sales for this location, the value of the incentive would be a maximum of \$105,000. The franchisee would like to begin construction in March 2017.

Mr. Jeff Newkirk addressed the Board and explained his family's philosophy on owning a franchise, how they do business, Culvers values and the need for the incentive.

Trustee Koch stated that he was not in favor of providing an incentive at this time. The other members of the Board were in favor. President Michels asked staff and Mr. Newkirk work together to obtain a hard cost for the roadway/detention work that will need to be done to provide the access to the site and to bring back the incentive when the cost had been obtained.

### **6 Month Budget Update**

Interim Finance Director McCaul gave an overview of the budget as of October 31, 2016. Staff has projected revenues and expenditures for the General Fund, the Capital Projects Fund, Infrastructure Capital Projects Fund, the two TIFs, Debt Service, Sugar Grove Center, the Waterworks and Sewerage Fund and Refuse Fund through the end of fiscal year 2016 – 2017.

The General Fund revenues are expected to be higher than budget by approximately \$115,000 and expenditures are expected to be lower than budget by approximately 47,000. This is projected to result in an increase to the fund balance by about \$167,000, as compared to the budget increase of \$4,120. Notable variances to budget include:

1. Building Permits are expected to exceed budget by \$25,000 due to robust home improvement activity and more industrial development.
2. Plan Reviews revenue will exceed budget by \$13,000 due to volume increase, but will be offset by increased costs for these reviews as the Village began using a vendor to perform permit plan reviews.
3. State Income Tax receipts are expected to be \$28,000 higher than budget.
4. State Sales Tax receipts are expected to be \$34,000 higher than budget.
5. Rental Income will be higher than budget by about \$11,000 due to the new tenant at 140 S. Municipal Drive.
6. Total expenses for the Police Division are anticipated to be lower than budget by \$55,000 due to the timing of filling a full-time officer position coupled with lower than expected legal fees.
7. The Finance Division expenses will be over budget due to temporary staffing for the finance director position.

The General Capital Projects Fund is on target with the budgeted revenues and expenses.

In the Tax Increment Financing District #1, capital expenses for streets and ROW are higher than budget because of a \$24,000 invoice for the Dugan Road North project.

In the Tax Increment Financing District #2, other professional services are favorable to budget because the fiber installation project has not started.

The Sugar Grove Center Fund budgeted \$23,000 for weed control. However, the entire project will not be completed in FY 17 so expenses are favorable to budget.

The Waterworks and Sewerage Fund operating water and sewer sales revenue are expected to be \$35,000 higher than budget due to usage. Expenditures are anticipated to be in line with budget.

The Water Capital expenses are expected to be under budget due to timing of project costs.

The Refuse Fund expenses are nearly \$24,000 lower than budgeted due to favorable costs for refuse and recycling collection.

President Michels asked if there was any way to show how the Village accrues sales tax. He also asked that staff consider additional portable signs in the budget.

## **REPORTS**

President Michels thanked staff for working to fix all the main breaks that seem to be occurring. Utilities Supervisor Merkel stated that the break in Dugan was due to severe deterioration in the main. It will need to be replaced in the near future.

Engineer Piotrowski stated that the work on the main project is going well and being sampled now. Direction boring will occur under the creek, Route 56 and Galena Boulevard.

Trustee Koch asked if the Village would consider purchasing a plaque for the bell that was rescued for the Normal School sight. The Board director the Clerk to work with Trustee Koch on this.

## **PUBLIC COMMENTS**

A resident of Sugar Grove asked when sidewalks would be extend o the homes that are isolated. The children have to walk to the bus stop on the street. President Michels stated that the intention is to infill the subdivision when building begins again and that the resident frustration

## **AIRPORT REPORT**

None

## **ADJOURNMENT**

Meeting adjourned by Trustee Johnson and seconded Trustee Geary at 7:20 p.m.