

**REGULAR MEETING OF THE MAYOR AND BOARD OF TRUSTEES**  
**Gregory J. Bielawski Municipal Center, Carol Stream, DuPage County, Illinois**

**June 16, 2008**

Mayor Frank Saverino, Sr. called the Regular Meeting of the Board of Trustees to order at 8:00 p.m. and directed Deputy Village Clerk Wynne Progar to call the roll.

Present: Mayor Frank Saverino, Trustees Michael Drager, Don Weiss, Greg Schwarze, Matt McCarthy, Rick Gieser and Pam Fenner  
Absent: Village Clerk Beth Melody  
Also Present: Village Manager Joe Breinig, Assistant Village Manager Bob Mellor, Attorney Steward Diamond and Deputy Clerk Wynne Progar

Mayor Saverino led those in attendance in the Pledge of Allegiance.

**MINUTES:**

Trustee Schwarze moved and Trustee Drager made the second to approve the Minutes of the Meeting of June 16, 2008 as presented. The results of the roll call vote were:

Ayes: 5<sup>2</sup> Trustees Drager, Weiss, Schwarze, McCarthy & Gieser  
Nays: 0  
Abstain: 1 Trustee Fenner  
Absent: 0

**AUDIENCE PARTICIPATION AND PUBLIC HEARINGS:**

None

**CONSENT AGENDA:**

Trustee McCarthy moved and Trustee Fenner made the second to establish a Consent Agenda for this meeting. The results of the roll call vote were:

Ayes: 6 Trustees Drager, Weiss, Schwarze, McCarthy, Gieser & Fenner  
Nays: 0

Trustee Fenner moved and Trustee McCarthy made the second to put the following items on the Consent Agenda for this meeting. This does not include E1c. The results of the roll call vote were:

Ayes: 6 Trustees Drager, Weiss, Schwarze, McCarthy, Gieser & Fenner  
Nays: 0

1. For Information only: Text Amendment – Utility Structures –Cont. to 8/11
2. For information only: 745 N. Gary-SUP –Outdoor activities/ops-cont to 7/14
3. WRC Sand Filter Repairs
4. Award of Contract – WRC Air Line Repair
5. Local Agency Agreement-Federal Participation-Fullerton Ave, LAPP Project
6. Consultant Services- Fair Oaks Rd. Reconstruction Land Acquisition

7. Ordinance 2008-06-29: Amend Annual Budget
8. Resolution 2348: Authorize execution Agree.-VofCS/DPC-BATTLE
9. Resolution 2349: Support City of Chicago – 2016 Olympics
10. Request for extended Temp Parking – 915 Rocky Valley Way
11. Request from Frank Sacco/enter into agreement/water/sewer svc.
12. Regular Bills, Addendum Warrant of Bills – Treasurer's Report – 5/31/08

**Item E 1c:**

**VP Ventures, LLC – 200 W. North Avenue: Rezoning upon Annexation, Special Use Permit for Hotel, Shopping Plaza, Drive-up Service Window, Planned Unit Development, Preliminary PUD Plan, and Preliminary Plat of Subdivision:**

Trustee Weiss invited the petitioner's representative to appear before the Board. Attorney Gregory Dose appeared before the Board and introduced Bill Parsons, Bill Kanedes, Tom Matthews, Bill Chaffee, and Jim Caneff, saying that they would answer any questions. Trustee Weiss asked if there is a maximum amount of time anyone can stay at the hotel, stating that part of the survey shown indicates stays of 8+ weeks. Mr. Parsons said that it no defined limit since guest literally check and check in on a weekly basis, as long as they have made the proper payments, they can stay as long as they choose.

Trustee McCarthy asked what is the average weekly rate and was told that the average is \$270.00. He said that he has concerns that this may become an apartment and get rundown and dirty. Mr. Parsons said that there is maid service, not everyday, but it is available if someone chooses to have it more than every two weeks for an additional fee. He said that these are not substitutes for apartments, they are temporary residences and the nationwide average is about 48 days. Mr. Parsons said that they do not encourage this as a substitute for an apartment. Trustee McCarthy commented that they do not discourage the use either. Mr. Parsons said that they are after the business traveler, transition people that are building homes, working people and people that are recovering from disasters and family visitors. The rooms are for temporary stays, they are not that big, and there is no a lot of extra closet space. In regard to the market research, Trustee McCarthy asked how big an area did it survey and it was stated that is was a five to six mile survey and it looked for traffic counts, employers with over 200 employees and employers with transitional employees. He said that they would share the results of the survey if the Board wished.

Mayor Saverino said that people then go to where they can afford to stay and asked if that is the reason to call it Value Place. Mr. Parsons said that the Mayor is correct. This hotel will not be in competition with the Hampton or the Holiday Inn since those places present the guest with a pool, a workout room or a restaurant.

Trustee Drager asked what the occupancy limit is per unit. It was stated that each guest is given an access card for the specific unit and entry doors only after presenting a photo ID and that the card is only valid for one week. A studio unit would have one occupant, a small unit would be for two and the largest unit that has two double beds would have occupancy of four. All entry and exits are monitored with the card and are also camera monitored so that "extra guests" are not allowed entry. In response to the question by Trustee Drager, no pets are permitted with the exception of service animals.

Trustee Gieser asked about the two weeks between cleaning the rooms and was told that unless the guest is changing rooms, a room with the same occupant is cleaned every two weeks, but when a room is vacated, it is cleaned before another guest occupies it. Trustee Gieser asked if he could call and reserve a room for three months and Mr. Porter explained that rooms are rented on a weekly basis. The reason for this is

relationship building with the tenant, to get to know them and how they are doing. A person can stay for three months, but they will have to let management know every Friday that they are checking back in and on Saturday the transaction must be completed. Trustee Gieser said that his questions are in regard to the undesirable guest who may be a threat to the community and who could use this type of hotel for a permanent residence. Mr. Porter said that the same problem could occur at any hotel that provides long term stays.

Trustee Schwarze asked how many full time staff are on site at all times and what kind of training do they have. The answer was there are three guest safety personnel on duty 24/7. There is a safety person that checks the property on a frequent basis. During the day the manager checks the property, in the evening and during the night, a safety person checks the property. The property manager received two months of training by shadowing another manager, and then they spend from 4 to 6 weeks in Wichita for very intensive training. Then they are put into a property and are shadowed by another two months. Each of the property employees report to the property manager and it is the company goal to recruit that property manager close to the community. The property manager does not generally reside on the property, but three people will, so there are at least two people on the property 24/7. Every employee has a six panel drug test, and a criminal background check, which if there is a felony of any kind, anywhere in their record, they are not employed. Every guest must have a government issued picture ID.

Trustee Fenner asked Mr. Diamond if guests are checked in and out on a weekly basis, will the hotel/motel tax still apply every week, no matter how long the occupant stays. Mr. Diamond said that if that is their practice, it could be a part of the annexation agreement the fact that they would continue that practice or that they would pay the hotel/motel tax as if they were on a daily basis, which they have agreed to, or another way would be to modify the ordinance. Trustee Fenner asked if the hotel would accept housing vouchers or housing subsidies for tenants that come in and she was told that they do not do that.

Mayor Saverino commented that he is looking at this in a different way and that his concern is the retail component to this development. He asked if there are any tenants lined up for the retail units. It was stated that there have several parties that have shown interest, but the question is when will it be built. The answer is, when it is approved.

Jennifer Howard, who attended the national brokers meeting, said that a lot of interest was shown, especially for the quick service businesses, a fitness center, cellular store and breakfast places. However, no one is will to make a commitment until they are sure that the retail segment will be built. Mayor Saverino said that his main concern is retail sales tax because we do not have a property tax. Mr. Parsons said that members of his group come from retail development and they are buying the entire site in order to put the retail center up and the way they designed the site was, certainly they could have put alternate uses on there, or placed the Value Place in a line, but they designed the Value Place around the retail development. They think that the Value Place will help the other hotels in the area with the retail center. In response to the question of commitment by any retailer, Mr. Parsons said that will not commit to something not built and they do not even own the property at this point in time,

Trustee McCarthy commented that the survey that was done concluded that the occupancy rate for this type of hotel would be rather high and asked what the occupancy rate for the Extended Stay Hotel In Bloomingdale is and Mr. Porter answered that he does not remember that particular hotel shared their information or not.

Trustee Weiss asked what the room amenities would be and it was stated that is a microwave, a 16 cu.ft. Refrigerator and some utensils. It was noted that most guests purchase what they need locally.

Bill Pace, VP Ventures said that while doing the marketing studies, they also looked at where the revenues will be generated and in the analysis, they believe that the Village of Carol Stream, on retail services tax revenue and the head tax revenues, based on an occupancy of an average weekly room rate of \$269, should generate approximately \$72,000 a year in taxes. There residents will be generating other taxes for the Village by gasoline sales, dry cleaning, and food. It was also indicated that the retail center will be built at the same time as the hotel. There was discussion regarding the North Avenue Corridor regulations regarding the exteriors of both the hotel and retail center and the changes that have been made from the first proposal and in regard to the subjective architectural guidelines that are in the regulations. Mr. Diamond commented that the annexation agreement can provide that the retail building has to be built at the same time as the hotel, not that they can guarantee tenants, but it would have to be built. Mr. Diamond asked if this would be built out to the maximum size in terms of units, asking the number of units being proposed, which was noted as 121 units. All of these terms can be put into the annexation agreement. Mr. Pace commented that if the Board decided to hold up the hotel until the retail is established, the Village would be losing a great deal in the head tax revenue. He added that if a preliminary plan for the retail was being sought, dealing with the façade and all that, but so often the actual footprint and some of the façade details are dependent upon the intent of the tenant, particularly larger tenants or national tenants have a lot to say about the footprint and VP does not want to preclude those possibilities and have a building that no one wants to occupy.

Trustee Fenner asked if the group owns any other Value Place Hotels and was told that they have other territories in Wisconsin. VP became a franchisee about one year ago and they have not built one yet. She said that she is looking at tenant reviews and that they are absolutely terrible on every place that she has looked at so far. Mr. Porter said that when you are starting a chain and begin to feel your way around the market, and he mentioned other sites, Travelocity and Hotel.com that will give some good news too. The goal is to make it perfect.

Mayor Saverino asked where the closest hotel is and he was told that it would be in Indianapolis or Bloomington. Mayor Saverino said that that is probably one of the biggest problems this Board has, is that there is no where that we can go to look at the hotel, experience how it is run and meet the manager. There has never been a proposal like this before. An invitation was issued to the Board that Value Place will provide free accommodations at any of their facilities and not notify the manager prior to the visit.

Trustee Fenner asked if the Board could accept the offer and Mr. Diamond said that they could because it would be a part of the analysis of the proposal. He added that this land is subject to an annexation agreement and so the Village does have extraordinary powers in relationship to deciding if it wants to go in this direction.

Trustee McCarthy said that in looking at the reviews on the internet, something popped up three different times, there was no staff, guests couldn't find anyone. It was stated that the office in the hotel is open from 8:00 a.m. to 6:00 p.m. during the week, has limited hours on Saturday and closed on Sunday. One has to be in the hotel to find staff and the complaints were for people who were trying to come in and there is no desk and there is no one there. The guests must have a reservation; there is no walk-up check-in unless they are open. That is one way of eliminating an undesirable element.

Mr. Breinig said that staff still needs to have direction in regard to two issues. He said that he hopes the petitioner understands the urgency on the Board's part to see the commercial development and as the negotiations for the annexation agreement go forward, there must be a way to address that concern. The second question is, in regard to the hotel/motel tax and whether it is VP's preference to work something into the annexation agreement or to more comprehensively address it consistently through out

the ordinance for all hotels. Mayor Saverino said that he likes their method of check out each week and the tax is paid. Mr. Breinig said that it can be tied into the annexation agreement, but the only question is that there will be some people staying for similar periods of time, but in theory, someone could be staying for the same period of time in another hotel and not be paying the tax. He noted that what was suggested by legal counsel was the alternative of going into the ordinance and take it from 30 days for the permanent guest to a longer period of time. Staff is not advocating one way or the other, but if this goes forward, and if we are going to change the Code, they would like to start working on the amendment, if that is what the Board prefers. Mayor Saverino explained to VP representatives is that the Village will get the hotel/motel tax, but doesn't receive any part of the property tax and that is why is it so important to have a retail component to this development. Mr. Diamond stated that the resolution of this can be done in either manner. He said that this matter could then be added to the Consent Agenda with the statement that staff is directed to go forward in attempting to bring an annexation agreement back to the Board. This matter can come back to the Board on an interim basis, if there are problems; otherwise it would come back to the Board as a part of the public hearing process of the annexation agreement. In terms of the Consent Agenda, this matter was taken off temporarily; the motion would be, on the Consent Agenda, to instruct staff to proceed to bring an annexation agreement before the Board and then all of the items would be approved on the Consent Agenda.

Trustee McCarthy asked if that action at this point would direct staff to bring back an annexation agreement and then if we are not happy with it, we can turn around and flush it down the drain later on. Mr. Breinig said that if you want to flush it down the drain, we should share that tonight, they would rather be thumped over the head now, then later. Mr. Diamond noted that this would require a vote of 5 of the 7 Board members, and commented that having this go forward at this time does not bind the Board in any way. Trustee McCarthy said that he would like to vote on this matter separately, and not have it on the Consent Agenda. Mr. Diamond stated that in order to put something on the Consent Agenda, there must be a unanimous vote by the Board, so the Mayor can call for a motion in regard to the Consent Agenda with this matter off. Trustee Weiss asked if a separate motion would be called for. Mr. Diamond said that in terms of the process of the Board Meeting, because it was said that there was a question regarding this matter, the Board has only created the Consent Agenda, so the motion would be to approve the Consent Agenda without item E 1 (c). Trustee Fenner made a motion to approve the Consent Agenda without item E 1 (c) and Trustee McCarthy made the second. The results of the roll call vote were:

Ayes:	6	Trustees Drager, Weiss, Schwarze, McCarthy, Gieser & Fenner
Nays:	0	

Trustee Schwarze moved and Trustee Gieser made the second to approve these items on the Consent Agenda for this meeting. The results of the roll call vote were:

Ayes:	6	Trustees Drager, Weiss, Schwarze, McCarthy, Gieser & Fenner
Nays:	0	

The following is a brief description of those items approved on the Consent Agenda for this meeting.

**WRC Sand Filter Repairs:**

The Board waived the formal bidding process and awarded a contract to A-1 Filter Rehab Contracting Corp for the necessary repairs to tertiary sand filter in an amount not to exceed \$22,600.00.

**Award of Contract – WRC Air Line Repair:**

The Board waived formal bidding process and awarded a maintenance contract to Lino & Poli Plumbing, Inc. of Itasca, IL in the amount of \$27,890.00.

**Local Agency Agreement-Federal Participation-Fullerton Ave, LAPP Project:**

The Board authorized the execution of an agreement between the Village and the Illinois Department of Transportation that establishes guidelines for the contract and funding of the project.

**Consultant Services- Fair Oaks Rd. Reconstruction Land Acquisition:**

The Board approved a contract for land acquisition service for Fair Oaks Road Reconstruction to Santacruz Associates at a cost not to exceed \$61,750.

**Ordinance 2008-06-29: Amend Annual Budget:**

The Board adopted Ordinance 2008-06-29, AN ORDINANCE AMENDING THE ANNUAL BUDGET FOR THE VILLAGE OF CAROL STREAM FOR THE YEAR COMMENCING MAY 1, 2008 AND ENDING APRIL 30, 2009.

**Resolution 2348: Authorize execution Agree.-VofCS/DPC-BATTLE:**

The Board adopted Resolution 2348, A RESOLUTION AUTHORIZING THE EXECUTION OF AN INTERGOVERNMENTAL AGREEMENT BY AND BETWEEN THE VILLAGE OF CAROL STREAM AND DUPAGE COUNTY BATTLE (BEAT AUTO THEFT THROUGH LAW ENFORCEMENT).

**Resolution 2349: Support City of Chicago – 2016 Olympics:**

The Board adopted Resolution 2349, A RESOLUTION SUPPORTING THE CITY OF CHICAGO'S BID FOR THE 2016 OLYMPIC AND PARALYMPIC GAMES

**Request for extended Temp Parking – 915 Rocky Valley Way:**

The Board approved an extended Temporary Parking Variance at 915 Rocky Valley Way until July 11, 2008.

**Request from Frank Sacco/enter into agreement/water/sewer svc.:**

The Board approved an agreement authorizing connection to Village utilities with Frank Sacco/ Chicago Motor Car Corporation.

**Regular Bills, Addendum Warrant of Bills – Treasurer's Report – 5/31/08:**

The Board approved the payment of the Regular Bills in the amount of \$732,440.24. The Board approved the payment of the Addendum Warrant of Bills in the amount of \$728,590.86.

The Board received the Treasurer's Report for the month ending May 31, 2008.

**REGULAR MEETING:****Item E 1c:****VP Ventures, LLC – 200 W. North Avenue: Rezoning upon Annexation, Special Use Permit for Hotel, Shopping Plaza, Drive-up Service Window, Planned Unit Development, Preliminary PUD Plan, Preliminary Plat of Subdivision:**

Trustee Weiss moved and Trustee Schwarze made the second to direct staff, with regard to agenda item E 1 (c) , based on recommendations from the Plan Commission hearings and tonight's meeting to authorize staff to go forward and to attempt to bring an annexation agreement back to the Board. The results of the roll call vote were:

Ayes:	3	Trustees Drager, Weiss, Schwarze
Nays:	4	Trustees McCarthy, Gieser, Fenner and Mayor Saverino

The motion fails.

Mr. Diamond explained that the vote has been taken and the action of the Board, at least for the moment , is not willing to go forward with the information that is currently before them. The status is that there has been a hearing before the Plan Commission and it is up to the applicant, if they wish to continue, to provide additional information to the Board. Mr. Diamond noted that it does take five votes to annex property into the Village and there are now four no votes, so unless there is additional information, you can talk to staff, but it appears that the request was made and the Board does not seem likely to pass it, they should let you know now and they let you know.

Attorney Dose asked the Board if there is any additional information that can be provided that could change someone's mind. Mayor Saverino said that there were a lot of unanswered questions and seeing what was on the web sites, it made for a lot of pros and cons on many things. He said that he is most interested in retail sources of income for the Village. There have been many promises about commercial development by other developers and none of them have come to fruition. The North Avenue Corridor is important to the Board because it is Carol Stream. Mayor Saverino said that he is concerned that the property manager would not live here. It was stated that the manager will be from the area and Mayor Saverino said that there is a big difference of being from the area and being a resident. It was stated that the manager may not come from the area, but he will live in Carol Stream. Mr. Dose said that they expected to come to this Board meeting and be able to give a full presentation and it has only been a question and answer session. Mayor Saverino said that he is not sure if the Board has seen enough and heard enough and there are just too many gray areas, and a split vote is very uncommon. It was the consensus of the Board that the representative from VP stated that they did not want to have the retail development tied to the hotel development, and that if the Board does not like that idea, then they should say so now. Mr. Porter asked what is about Value Place that the Board does not like, is it just not likes, or is the appearance or the retail. Mayor Saverino said that the concern is that there has always been another example of the proposal to look at. He said that he is most concerned about the retail and he has not heard anything but a negative about the retail development and the Board is not willing to make any compromise in regard to retail development. The Board is willing to make a commitment, but a commitment has not been forthcoming from the developer.

Trustee Fenner explained that she voted no simply because you turned around and said that if the Board is not sure, tell us now, let us down now, and she is not sure. She is not

comfortable with the proposal, but I would have let it go past, except for that comment. There is a chance, that down the road, I may still say no, but right now I am on the fence. The reviews did not influence her, the fact that there was not a full presentation is what has influenced her. Trustee McCarthy and Trustee Gieser concurred with Trustee Fenner.

Mr. Diamond said that someone could make a motion to reconsider. He also noted that if they wanted to present other information, it could come back before the Board again.

Mr. Breinig asked that if the petitioner is willing to make a more thorough presentation, would that compromise the public hearing at a later date. Is the Board getting dangerously close to having a public hearing without the notice and the other requirements, if it would be a de facto public hearing. Mr. Diamond said that he does not think so, because the law requires that this could not be done without a public hearing and if this was a 300 acre project, there often are several times that the matter could come back before the Board. This is being done at a public meeting in any case.

Mr. Parsons said, in regard to the retail, one of the reasons they have been hesitant because it has been emphasized to us, is that it is not just about the retail. It's about who is in the retail, if it is a service organization that is not paying sales tax, it doesn't do the Village a lot of good. There may be a restaurant of some sort, and if that is part of what they need to do, then that is our goal. Mayor Saverino reiterated that retail sales tax is primary and esthetics for the North Avenue Corridor is another.

Mr. Diamond said that the petitioner was asking for an annexation agreement and the Board has said not to do that, so if the Board wants to give another direction, it should be made in a motion.

Trustee McCarthy asked if the Board can request the petitioner to come back and give the Board their presentation and then vote on the annexation agreement after that. Mr. Diamond said that could be a motion to have them come back at the next meeting, or at a special meeting to give them a couple of hours to present their concept to the Board. The Board could also direct them to bring additional items, such as a video of other means of presenting their operation. The motion would be to invite the applicant to come to a Board meeting that can be mutually arranged, to make a more full presentation of their proposal. Trustee McCarthy made that proposal. Trustee Fenner made the second. The results of the roll call vote were:

Ayes:	5	Trustees Drager, Schwarze, Weiss, McCarthy & Fenner
Nays:	1	Trustee Gieser

#### **REPORT OF OFFICERS:**

Trustee Drager commented that the 4 day event went as well as could be expected with the weather as it was. He congratulated staff, police and public works for their great work and reminded everyone to come to the Thursday night concerts. He asked everyone to pray for our troops.

Trustee McCarthy echoed those same thoughts. He noted that the Youth Council had about 14 bands at their stage and attendance was about 200 to 300 kids.

Trustee Fenner said that she did miss the 4 day event, but it was for her daughter's wedding and family rules. She mentioned that one of Carol Stream residents was killed while riding his bicycle and urged all motorists to watch for people on bicycles and give them space.



Trustee Gieser thanked the Board for passing the Resolution supporting the Chicago bid for the 2016 Olympic Games, and noted that we are among the first municipalities in DuPage County to do so. He dittoed the other comments in regard to the 4 day festival. Trustee Gieser said that float and walkers are still welcome for the 4<sup>th</sup> of July Parade and can get an application at carolstreamparade.com. He said he had lunch with Megan Ney, the recipient of a Comcast Leaders and Achievers Scholarship, and her family at Dominican University and congratulated her and other young people in the Village that attain so many wonderful things.

Trustee Schwarze also thanked all of the staff, specifically Mike Scaramella and the volunteers for the great job they did at the 4 day event. He thanked the Fire Protection District for the First Aid Station that they manned and reminded everyone to shop Carol Stream.

Trustee Weiss said that he wanted to recognize the member of the Plan Commission, David Michaelson, Anthony Manzzullo, Angelo Christopher, Ralph Smoot, Lateef Vora, Dee Spink and Joyce Hundhausen and thank them for the great job they do as an advisory Board to the Village Board.

Deputy Clerk Wynne Progar said that Clerk Beth Melody was absent tonight to take care of her youngest daughter, Missy following surgery on her leg and send get well soon wishes to Missy. Mayor Saverino and the Board added their good wishes as well.

Mr. Breinig thanked everyone, on behalf of the staff, for the compliments given by the Mayor and Trustees, and said that it was too bad that the weather did not cooperate. He said that the internal critique is going on and it will be presented at a workshop prior to the July 7<sup>th</sup> meeting. Mr. Breinig said that music for Thursday will be Roy and the Orbitz and the food vendor will be Alberto's.

Mayor Saverino reminded everyone about the 4<sup>th</sup> of July Parade coming up soon. He said it was a shame that the weather prevented a lot of people from coming out to enjoy the 4 day event. He said the Relay for Life also was plagued with weather problems and he thanked everyone that turned out for all of the events and for the support of staff, Mike Scaramella and Public works and the Police and Fire Departments.

At 9:35 p.m. Trustee McCarthy moved and Trustee Fenner made the second to move to Executive Session to discuss Acquisition of Real Property and to adjourn directly from the Executive Session without taking any further action.

FOR THE BOARD OF TRUSTEES

Minutes approved by the President and Board of Trustees on this

16 day of July, 2008.

*Beth Melody*

Village Clerk