

SYCAMORE CITY COUNCIL
AGENDA
July 1, 2002

City Council Workshop Meeting

6:30 P.M. Workshop Meeting to Discuss Financial Incentives for Small Business Improvements.

In recent years, an anecdotal record of public interest in incentives for existing businesses has been established. Some inquiries have been raised in the context of retention visits from members of the Economic Development Commission; others have arisen during contacts between the City Administrator and local business owners. Generally speaking, the interests are these: Will the City provide inducements for existing businesses to expand? and Will the City ever establish an incentive program that promotes improvements to building facades in the downtown business district? The attached letter from Rich and Roseann Para, owners of the Ben Franklin Store, is representative of the latter concern.

There are certainly models for us to consider. Downtown loan and grant programs are not uncommon in Illinois, and small business assistance programs exist at the local and state level in a variety of forms.

The key public policy questions are:

- a) Would such public inducements be consistent with the City's economic development goals?
- b) Would such a program be consistent with the current incentive program?
- c) Would any assistance programs be financially feasible?

The purpose of this workshop is to begin the exploration of the Council's views on incentives for local businesses. Further analysis and debate concerning the pros and cons will follow in later Council meetings.

Why Now?

Through some careful departmental spending and cautious revenue projections the City realized a surplus for the fiscal year ending on April 30, 2002. The size of that surplus will be determined as part of the FY02 independent audit that begins soon. Rather than deposit all of that surplus in the General Fund reserve, as we have been doing in recent years, we could consider using a portion of it to establish either a revolving downtown façade improvement program, or a revolving small business incentive program, or both. At this writing, it is likely that \$100,000 will be available to stimulate local economic development from existing businesses. Would such an investment be consistent with our efforts to attract new commercial and industrial businesses? The answer is in part philosophical and in part financial. First, most economists agree that more jobs and profits are generated by the expansion or retention of existing businesses than

investments from new market entries. This observation may not hold in any given year, but seems to be reliable over time in growing communities. In effect, then, the stimulation of further or continuing investment by existing businesses may be as positive an economic development tool as an incentive program for new businesses. Practically speaking, since the City has not had a “pool” of economic development funds in the past, there would be no competition with our incentives for new businesses. Such programs that exist are tied to the performance of new companies, as in the case of sales tax rebates or property tax abatements.

How Would Such Incentives Be Structured And Administered?

Again, the range of possibilities is wide and further investigation is necessary. For the sake of discussion, we might consider the following format:

- a) “seeding” a revolving loan fund with \$50,000 for downtown façade improvements.
- b) “seeding” a revolving loan fund with \$50,000 to promote small business retention.

The two initiatives would have different features but both would be oriented toward existing businesses or property owners. The attention to the downtown business district is consistent with our community’s self-image and our Comp Plan’s emphasis on keeping the central core of the city economically vibrant. The companion program aimed at any existing business in any part of the city might be a bit more elastic, with latitude to foster façade improvements or other small “capital” improvements on the interior or exterior of operating business properties.

The loans could be issued at low-interest or no-interest, payable in 24 months or less, with loan maximums of \$5,000. In effect, these would be signature loans, since most small businesses have already pledged the first collateral position on their most vital business assets.

It is possible that such loan programs could be enhanced with participation from local banks. Most of our local banks promote consumer loans for spring clean-up or other purposes with terms of a year or less at reduced interest. Perhaps a public program oriented toward local businesses would be considered a worthwhile adjunct to such loans.

The Finance office would have to administer such loans with appropriate documentation, reporting, and customer relations. To be certain that the identified improvements were made, the City could authorize payment only after the submittal of paid receipts and a report from the Building department that all work had been satisfactorily completed. Repayment schedules could vary, but monthly payments would replenish the fund more rapidly for additional loans.

City Council direction is requested.

**Regular City Council Meeting
7:30 P.M.**

1. **CALL TO ORDER**
2. **INVOCATION**
3. **PLEDGE OF ALLEGIANCE**
4. **APPROVAL OF AGENDA**
5. **AUDIENCE TO VISITORS**
6. **CONSENT AGENDA**
 - A. Approval of the Minutes of the Regular City Council Meeting of June 17, 2002;
 - B. Payment of the Bills for July 1, 2002.
 - C. Minutes of the Board of Zoning Appeals for April 23, 2002.
7. **PRESENTATION OF PETITIONS, COMMUNICATIONS, AND BILLS.**
 - A. Presentation by Annie Goddard of the Heartland Blood Centers regarding the Center's blood drive on Monday, July 15.
8. **REPORTS OF OFFICERS**
9. **REPORTS OF STANDING COMMITTEES**
10. **PUBLIC HEARINGS--None**
11. **ORDINANCES**
 - A. **Ordinance No. 2002.10—An Ordinance Concerning the Recommendation of the Plan Commission With Regard to the Request of B&B Development LP, an Illinois Limited Partnership, as Developer, and Fisk Farm Partnership, an Illinois Partnership, as Owner, for Approval of an Annexation Agreement for a Planned Unit Development Known as Sycamore Creek with Zoning Classifications of “R-1” One Family Residence District and “R-3” Multiple Family Residence District in the City of Sycamore, Illinois. Second Reading.**

At the City Council meeting of June 17, the Sycamore Creek planned unit development was reviewed by the City Council on first reading only. The development proposal was recommended by the Plan Commission on a 5-4 vote on June 10. On June 18, the Sycamore Park Board reviewed the proposal and unanimously (5-0) supported the property's annexation to the Park District.

At the Council meeting of June 17, none of the Council members present and voting expressed any dissatisfaction with the development plan or the annexation agreement. The Council was reluctant to move to second reading for several reasons. Some

Council members wanted to hold the matter over for several weeks to invite further public opinion. Several members were reluctant to move to second reading until clearer direction was given by the School Board with respect to the fiscal impact of this development in particular, and the future impact of annexed but as yet unplatted residential property in general.

On June 26, representatives of B&B Development met with School Superintendent Bob Hammon, Business Manager Luke Glowiak, and the City Administrator to discuss B&B's development plan and the School administration's view of its merits and fiscal impact. School Superintendent Hammon reiterated the School Board's "neutral" position on residential development as a whole, along with its abiding interest in the pace of future development. Mr. Hammon also expressed his own support for the B&B plan and the firm's positive track record in working with the School District and other taxing bodies. During the ensuing discussion, Ken Blood--one of the principals in B&B Development--volunteered his firm's willingness to dedicate an elementary school site of at least 12 acres on the Sycamore Creek site, and offered to contribute the cost of the rough grading, any related stormwater detention, and landscaping for the school site at the developer's expense. He also indicated the firm's willingness to discuss further voluntary monetary contributions to the District over and above the requirements of the School impact fee and land/cash ordinance. At the close of the meeting the School District representatives and Mr. Blood agreed to continue discussion over the details of this B&B initiative, with the possibility of some tentative understanding, subject to approval by the School Board, in advance of the City Council meeting on July 1.

1. The Development Plan

The Sycamore Creek development plan comprises 220.21-acres to the east of the Heron Creek planned unit development. The parcel is presently within DeKalb County, is bounded on the north by Lindgren Road, and aligns on the west with the future extension of Airport Road. The developer is of course known for the Heron Creek development that was annexed in February 1999 and has since been under development in several phases of single-family homes. B&B Development intends to create a planned unit development that is compatible with the housing development it has had under development to the west.

The Sycamore Creek P.U.D. primarily features "R-1" One Family Residence zoning with detached single-family homes, with the exception of a 4.09-acre area to be zoned "R-3," Multiple Family Residence District—an area that would be reserved for townhouses to provide a compatible transition to the townhouse development that John Castle, Jr. recently brought before the City Council. The development plan has a number of "signature" B&B features, including abundant open space, neighborhood parks, the careful treatment of the Heron Creek watershed, and custom-built homes.

A. The Preliminary Plan.

- a) Overall Area. The plan depicts a development of 220.21 acres.
- b) Land Uses. The table below displays the land uses in the proposed plan:

Single-Family Homes	102.54 Acres
Private Park, Detention & Conservation Areas	55.75 Acres
Public Park Area	7.12 Acres
Bike Pathways	2.88 Acres
Townhouse Area	4.09 Acres
Public Road Right of Way	47.83 Acres
Total	220.21 Acres

- c) Density. The density of the single-family zoning is 1.76 units per acre (381 single-family units divided by 216.12 acres). The allowable density of the area is three (3) units per acre.
- d) Open Space. The Comp Plan requires low-density, single family planned developments to provide a minimum open space of ten percent of the gross land area. The proposed development provides open space equivalent to 52.5 percent of the gross land area of the single family zoning (which includes rights-of-way).
- e) Single-Family Homes. A total of 381 single family detached homes are planned. The average lot size is 11,724 square feet. By way of comparison, the average lot size in the recently-approved Wiseman-Hughes project was 10,800 square feet. The first phase of home building is not expected until 2005. It is estimated that an average of 45 house lots will be sold each year.
- f) Townhouse Area. The 4.09-acre townhouse site backs up to the 7.6-acre townhouse development approved by the City Council on April 15, 2002. As the Council will recall, the developer of the adjacent townhouse area—John Castle Builders—has provided access easements to the proposed “R-3” zoning on the B&B plan.
- g) Commercial Uses. None.
- h) Public Park Space. One large publicly-dedicated park area is shown roughly in the center of the development plan, with street access around most of its perimeter as well as a bike path connection to the natural or conservation area featuring the Heron Creek watershed. A smaller public park with access around its entire perimeter is shown in the northeast quadrant. The developer proposed their dedication to the Park District, which accepted the dedication on June 18, pending the preparation of the proper annexation documents.
- i) Private Park Space. In addition to the public park area, B&B Development proposes 4 neighborhood parks comprising about 4 acres, plus a large conservation area that surrounds Heron Creek to the south.
- j) Bike Paths. One bike path runs along the south side of Lindgren Road and along Plank Road. It would be ten feet in width and would serve both bicyclists and pedestrians. Another bike path connects the public parks with Presidential Parkway and the trails in the large conservation area to the south. The internal bikeway and trail system will also serve a regional purpose. It will eventually be linked with the bikeway that the Land Use Plan dedicates

on the east side of the future Airport Road extension, which will ultimately connect the development with the Great Western Trail.

- k) Detention basins. The plan includes a system of drainage basins that would provide regional storm water storage that includes the runoff from the development area and the storm release from the Heron Creek basin.
- l) Lindgren Road Widening and Reconstruction. Rather than have the developer improve only one-half the width of Lindgren Road—i.e. that half adjoining the subject property—the City staff and the developer have agreed that the developer will complete the entire width of Lindgren Road from Plank Road eastward to the east side of Presidential Parkway, which is the main entrance to the subdivision. The eventual developer(s) of property east of this point and on the north side of Lindgren Road will be asked to approach their public responsibility in the same fashion in order to provide a more finished roadway.
- m) Water Mains. The proposed plan would loop the northeastern reaches of the existing system serving the Heron Creek subdivision.
- n) Maintenance of common areas. A homeowners association will be responsible for the maintenance of the plan’s large open spaces and common areas not otherwise dedicated to the Park District.

2. The Annexation Agreement.

The key points in the agreement are as follows:

- a) The term is 20 years.
- b) The City agrees to hold a public hearing for the “R-3” zoned property at such time as a mini-development plan is proposed for this area.
- c) The developer will provide an irrevocable letter of credit for the public improvements on the site.
- d) The developer is responsible for additional widening and reconstruction of Lindgren Road, and its re-configuration to better align with Plank Road and the future North Grove Road in accordance with the direction of the County Engineer.
- e) The developer is responsible for phased payments to DeKalb County for the construction of their portion of Airport Road abutting the property.
- f) The developer is responsible for a proportional share of the cost of traffic signals at Airport Road and Plank Road when they are warranted.
- g) The developer will be responsible for a proportional share of the cost of installing signals at the intersection of Plank Road and Lindgren Road when the traffic warrants are established.

3. The Traffic Study.

The developer has provided a traffic study performed by Kenig, Lindgren, O’Hara and Aboona of Rosemont, Illinois. A summary is attached as well as a review by City Engineer John Brady. The firm projects 3,535 vehicles per day from the single-family area (3700 were projected from the Wiseman-Hughes project). The City Engineer believes the traffic engineers underestimated the traffic that would head west on Peace Road, lessening the impact on southbound movements on Il Rt. 23.

4. The Fiscal Impact Study.

The City Administrator completed a fiscal impact study using the new impact fees and updated assumptions based on recent City and School budgets. The development is projected to have a positive fiscal impact on School District finances because of the relatively high equalized assessed value for each home. In terms of operations, the fiscal impact on the City is also positive on an annual and on a cumulative basis. However, as the attached spreadsheet shows, if the heavy cost of the City's largest relevant capital expense--full street replacement--is included, based on a twenty-year amortization, the revenues generated from the development cannot offset the capital cost. This calculation probably skews the City's fiscal impact model and is not generally included in fiscal impact studies. However, it is instructive in indicating the need for recurring capital dollars based on revenue from commercial and industrial property as well as residential property. So long as the City must reduce its property tax rate to keep the composite property tax rate down or stable, it must look to substantial annual increases in sales tax revenues, grants, and other funding sources to help offset the cost of street maintenance over time.

A copy of the Wiseman-Hughes fiscal impact analysis is attached for contrast. The Wiseman-Hughes spreadsheet has been modified to spread the impact of the development over the same number of years as the Sycamore Creek development for a more fair comparison. Clearly, the higher EAV of the Sycamore Creek development and the slower "build-out" of the B&B plan makes a major positive difference in terms of fiscal impact.

5. The Park District Review and Annexation.

The developer's plan for annexation was considered by the Park Board on June 18. The Park Board agreed to accept the dedication of the two public park areas shown on the plan, but deferred any decision on the dedication of portions of the large conservation area abutting Heron Creek until final plats more clearly indicate the layouts of the retention areas and other open spaces.

6. Proposed Variations From Policy or Past Practice.

None.

Recommendation

The proposed plan conforms with the land use vision of the Comp Plan of May 2000 and the annexation agreement exceeds the expectations of the Land Use Plan in terms of the re-configuration of Lindgren Road, improvements to the Heron Creek basin, and open space. The developer has proposed a land use and a development plan that is very compatible with the nearest contiguous development to the west, and for all intents and purposes is an extension of the Heron Creek plan. The development plan affords amenities (neighborhood parks; a large conservation area; an integrated bike path and trail system) and infrastructure improvements (e.g. the looping of the present dead-end water mains serving Heron Creek; road realignments; the extension of

Airport Road) that will enhance public services for residents of adjacent developments exclusively at the developer's expense. Finally, the likely deferral of development of the Sycamore Creek project until late 2005 and the projected pace of annual building permits (about 45) will be in line with the manageable pace established in the Heron Creek development phases.

None of the Plan Commissioners or the Council members who have reviewed the B&B plan have raised any substantive criticisms about the land use, traffic impact, density, or open space design of the development. No one has disputed the positive fiscal impact of this specific development on the School District, owing to the relatively high EAV of the homes to be built in the subdivision. The main concern appears to be how the aggregate of annexations since about 1996 may affect public bodies at some future point. The key variables for the School District will be the pace of new lot development over time, and the geographical distribution of those lots. How can we predict the pace? The past has to be our guide since our estimates of future growth are much influenced by variables beyond our control, such as interest rates, the absorption of housing demand by other communities, household incomes and the affordability of various types of housing, etc. Both school enrollments and the number of annual housing units permitted over the past five years have been steady and level regardless of the inventory of annexed acres with as yet unplatted lots. The table below shows the numbers:

Fiscal Year	New Housing Units	Percent Change	Overall Enrollment	Percent Change
1995-1996	112	-	2966	-
1996-1997	98	-12.5%	2966	0.00
1997-1998	140	+42.9%	2953	-.4%
1998-1999	143	+2%	2959	+.2%
1999-2000	128	-10.5%	2921	-1.2%
2000-2001	144	+12.5%	2986	+2.2%
2001-2002	155*	+7.6%	2995	+.3%
Average	132		2964	

*Projected

An average of 132 housing units have been permitted each year since 1996. Overall school enrollment has been level at about 2964 children during the same period. The School District's enrollment has not been even across all elementary schools, since most of the new housing units have been built on the northeast side of the City in recent years. The measures the District might take, including possible re-districting, to address the geographic distribution of new development are unclear at this point. Prior to 1996, much of the new construction was on the southwest side of the City, particularly in the Woodgate and Foxpointe subdivisions, which led to spikes in the enrollments at West Elementary and South Prairie. This growth led to a subsequent re-distribution of school resources to balance class sizes at the elementary school level. A recent concern for the Sycamore School District has been the relatively faster pace of new lot development within Cortland's planning jurisdiction, which will tend

to raise the enrollments at South Prairie School. Cortland does not presently impose impact fees on new development.

It should be noted that in the period 1996 to the present, the equalized assessed value of property within the School District has grown more steadily than school enrollments. Though an increase in EAV per student means less general state aid per student, the offsetting increase in property tax revenues has contributed to rising account balances in the District's operating funds.

In the Administrator's opinion, the continuing investment in residential development is more of an opportunity than a threat so long as the pace is moderate and digestible, as it has been for many years. The availability of lots for new housing construction has been a benefit to those local families who have been looking to move up to newer housing with the most up-to-date amenities, and has also been of critical importance to commercial retail businesses searching for profitable investments in our region. The close relationship between rooftops and commercial retail interest is more than a slogan; it is a principal focus of commercial brokers and national retailers comparing our community against our neighbors.

So how do we manage the pace? By practice, if not design, the market for new housing in the City of Sycamore has rolled along at a pace governed by the capacity of the City's Building department to review plans and inspect new units. If there is an incremental increase in the number of permitted lots this fiscal year it will reflect the additional inspection capacity afforded by the second member of that department since June, 2001. Communities with larger inspection staffs that are likewise in the path of residential growth have employed other means, such as arbitrarily imposing a maximum number of permitted lots per year. This approach, if tested in the courts, might not stand since it cannot operate without a disproportionately negative impact on some builders and developers, whether they are the last to apply in any given year or if they are possibly involved in smaller projects where an arithmetical limit on units has an economically harsh impact. Larger developments might be profitable after the initial substantial investment in earthmoving and utilities and infrastructure with an allowance of, for instance, 40-50 permits per year, but smaller townhouse developments and other subdivisions typically undertaken by local developers would be more adversely affected if they had to invest in the same upfront improvements and then be constrained from selling lots or units in numbers that the market demands.

Another brake on the pace of residential development is found in the community's zoning powers. For instance, a border of estate-sized lots on a community's fastest-growing edges would slow development because the market for the grand homes that would be built on such lots is limited, even though real estate assets are as attractive to investors as the equity market these days. However, the downside of this approach is that it would effectively create an economic border to the community beyond which further growth is uncertain. From a fiscal standpoint, is the City at a point in its development that it can say "no" to further geographic growth? What would such a

message say to commercial interests who have the choice of other communities in which to invest, including some close at hand, or existing businesses who are equally reliant on an expanding network of potential consumers? Until Sycamore has to worry about “too much” commercial growth, the “no” strategy is very risky.

During open houses and other public forums over the next six months, the key question we will pose to our community is “what do we want?” Based on the recent discussions before the Plan Commission and the City Council, it is safe to assume that we will want to see low-density housing in the area where B&B hopes to develop. It is also safe to assume that we will want residential development with abundant open spaces that are linked to points within the subdivision and to other parts of our community; custom-built homes that reflect the diversity of our housing tastes; developers that show a sincere interest in the fiscal needs of our taxing bodies even while they are tending their bottom line; an overabundance of caution when it comes to stormwater management; and a quality in the home construction and infrastructure construction that stands the test of time. We are in a position to “choose” B&B, since our approval is needed for their annexation and preliminary plat. We could wait for another plan at a later time from another firm, but would we see the same attention to our wants, as we have defined them in planning documents for the past three years?

On its present merits, and apart from any additional concessions the developer may wish to offer to the School District, the development plan proposed by B&B Development meets or exceeds all regulatory and planning guidelines, and represents the studied, complimentary “go slow with style” approach to development that local residents are increasingly hoping to see. City Council approval of the Plan Commission recommendation is requested.

If information coming from the School District or the developer prior to the July 1 meeting indicates that the preliminary plan will soon be revised to depict a school site or other volunteered amenities, the City Administrator may ask the Council to postpone the consideration of the annexation until the July 15 meeting.

B. Ordinance No. 2002.11--An Ordinance Concerning the Recommendation of the Plan Commission With Regard to the Request of B&B Development LP, an Illinois Limited Partnership, as Developer, and Fisk Farm Partnership, an Illinois Partnership, as Owner, for Approval of the Preliminary Plan and Plat for a Planned Unit Development Known as Sycamore Creek in the City of Sycamore, Illinois. Second Reading.

The preliminary plan and plat for Sycamore Creek has been reviewed above. The Plan Commission reviewed the plat in detail at its regular meeting of June 10 and recommended its approval.

City Council approval of the Plan Commission recommendation is requested.

C. Ordinance No. 2002.12--An Ordinance Concerning the Recommendation of the Plan Commission With Regard to the Request of B&B Development LP, an Illinois Limited Partnership, as Developer, and Fisk Farm Partnership, an Illinois Partnership, as Owner, for the Annexation of the Planned Unit Development Known as Sycamore Creek in the City of Sycamore, Illinois. Second Reading.

If the Council approves the annexation agreement and the preliminary plat and plan for the Sycamore Creek planned unit development, it will be obliged to approve the annexation of the property. The Plan Commission voted to recommend the City Council's approval of the annexation.

City Council approval of the Plan Commission recommendation is requested.

D. Ordinance No. 2002.16—An Ordinance Concerning the Recommendation of the Board of Zoning Appeals With Regard to the Request of Dale and Anita Cappel for a Variance from Section 11.04.4, “Prohibited Signs,” of the Zoning Code of the City of Sycamore, Illinois. First and Second Reading.

The Board of Zoning Appeals met on Tuesday, June 25 to hold a public hearing on a variance request from Dale and Anita Cappel. The Cappels own the Sycamore RV Resort on North Avenue and petitioned the Board to permit an off-site directional sign to alert traffic on North Main Street about their remote location. An exhibit depicting the proposed sign is attached, including the findings of fact and a brief description of the Board's deliberations.

By a vote of 5-0, the Board recommended the Council's approval of the variance. The Board reasoned that prior Board decisions in behalf of off-premises signs for Walgreen's, Blumen Gardens, and the Sycamore Truck Center were sufficiently similar to justify the petitioners' request.

City Council approval of the Board recommendation is requested.

E. Ordinance No. 2002.17—An Ordinance Establishing the Bank Depositories for the City of Sycamore, Illinois. First and Second Reading.

The attached ordinance updates the listing of financial institutions used by the City of Sycamore in the course of its business. City Council approval is recommended.

F. Ordinance No. 2002.18—An Ordinance Approving Execution of a Collective Bargaining Agreement Between the City of Sycamore and the Illinois Fraternal Order of Police Labor Council, Representing the City of Sycamore F.O.P. Lodge No. 133, Effective May 1, 2002 to April 30, 2004 in the City of Sycamore. First and Second Reading.

Since February the City administration and the Illinois Fraternal Order of Police, in behalf of FOP Lodge 133, have been engaged in collective bargaining. The impetus for the bargaining rounds was the provision in the agreement signed in 2000 that required a re-opening of the sections on wages and health benefits. Tentative agreement on a revised two-year agreement was reached with the Illinois FOP after

the intervention of a mediator assigned by the Federal Mediation and Conciliation Service. The FOP membership ratified the proposed provisions on June 12. Since the Lodge's ratification, revised copies of the Agreement have been produced for review and because of their length they were forwarded to the City Council under separate cover. Copies are available in the City Clerk's office for public review. The proposed wage schedule is attached for reference.

The principal terms of the contract are as follows:

- The agreement will be retroactive to May 1, 2002 and extend through April 30, 2004.
- New step schedules for patrol officers and telecommunicators have been created. In the first year of the new contract, the average step progressions were substantially adjusted to bring both officers and telecommunicators closer to the pay levels of comparable agencies in northern Illinois. The one-time adjustments for the period May 1, 2002 to April 30, 2003 averaged 7.3%. In the second year of the contract the average annual pay increase is 2%.
- "Officers in charge" will be compensated for their extra responsibilities at a rate roughly comparable to the sergeant position for those hours during which they assume a sergeant's level of duties. In year one their extra compensation will be \$1.20 per hour and will increase to \$1.25 per hour in year two.
- Training officers—the traditional field training officers who work with new patrol officers and those who train new telecommunicators—will receive extra compensation of \$1.20 per hour in year one and \$1.25 per hour in year two for the hours during which they assume a higher level of responsibility.
- The clothing allowance for detectives will increase to \$1,100 per year in year one and \$1,200 per year in year two.
- The life insurance coverage for all members will increase to \$25,000, in line with other full-time City employees.
- When new patrol officers arrive with full certification as a police officer, they will start at the second step of the wage schedule.
- Employees ordered in to work on holidays that fall during the employee's time off will receive double their rate of pay for hours worked.

City Council approval of the new contract provisions is recommended.

G. Ordinance No. 2002.19—An Ordinance Amending the City Code of the City of Sycamore, Illinois, Title 3, "Business and License Regulations", Chapter 2, "Liquor Control," Section 6, "Classification of Licenses, Fees, Hours, and Days," to Insert a New Paragraph E, "Catered Special Events," in the City of Sycamore, Illinois. First and Second Reading.

The attached ordinance would add a new subsection to the liquor control provisions of the City Code to detail the requirements for catered special events. According to the proposed ordinance, such events are public or private and are sponsored by individuals or organizations that intend to hire a liquor licensee to provide alcoholic beverages at an event within the premises of that individual or organization, but not out of doors.

In the draft circulated at the June 17 Council meeting there were no limits to the number of days that such events may be sponsored in a given year. Though unlikely, a not-for-profit organization could have conducted dinners or events involving the consumption of alcohol every week or several days a week, which would have inched them toward a commercial enterprise that might not be appropriate in terms of a neighborhood's zoning or in terms of the restrictions imposed on other established commercial businesses. In addition, though intended to permit the serving of alcoholic beverages at church-related functions, the reference to "private individual" in the draft was elastic. Again, however unlikely, it would have been possible for a homeowner to establish a fairly regular commercial enterprise in a residential area by simply giving notice to the City Clerk fourteen (14) calendar days in advance of the event. To fix these potential loopholes, it was necessary to limit the catered special events to either commercially-zoned areas, or residentially-zoned lots with special use permits to conduct special activities, such as churches, professional offices, etc. The attached draft makes these changes in paragraph E, 1.

City Council approval is recommended.

H. Ordinance No. 2002.20—An Ordinance Amending the City Code of the City of Sycamore, Illinois, Title 6, "Motor Vehicles and Traffic," Chapter 4, "Traffic Schedules," Section 18, "Limited Load Streets," to Add a 20,000 Pound Weight Limit to Ottawa Street from West Main Street to Park Avenue. First and Second Reading.

At the Ordinance Committee meeting of June 17, the Committee heard a report from Police Chief Don Thomas about the neighborhood meeting held on June 13 to discuss parking and traffic issues on Ottawa Street. As the attached report from the Chief indicates, the consensus of the adjacent propertyowners is that no changes should be made to the parking regulations for Ottawa Street, but that a ten-ton weight limit should be imposed to keep semi-trailers off this residential street (except, for example, moving vans with local purposes). It was also recommended that crosswalks and stop bars be painted at appropriate locations, which can be accomplished by our Street Division with no change in regulations.

The attached ordinance establishes the ten-ton weight limit on Ottawa Street. City Council approval is recommended.

12. RESOLUTIONS--None

13. CONSIDERATIONS

A. Consideration of Proposals to Perform the City's Legal Services.

A request for proposals to perform the City's legal services was circulated in late May (please see the attached). The proposals were due by 11:00 a.m. on Friday, June 21. A public notice was also published in a newspaper with a general circulation. Four proposals were received and are detailed in the table below:

Name of Firm	Retainer Fee	Additional Per Hour Fee	Other Costs	Estimated Annual Fee
Smith, Tucker, Brown (Sycamore)	\$53,650 (+1.6% vs FY02)	\$110.00 (+4.76% vs FY02)	\$8,219*	\$101,469
Timothy Johnson (Sycamore)	\$39,000	\$110.00	n.a.	\$78,600**
Jeffrey Krasner (Sycamore)	\$48,000	\$95.00	\$120 to \$200/hr for labor matters and litigation+	\$102,350**
Gorski & Good (Wheaton)	No proposal	\$150.00	n.a.	\$136,500++

*Health insurance costs for Peter Smith in FY02 were \$6,849.48. The FY03 estimate anticipates a 20% increase in the City's premium costs.

**Assumes an average of 360 hours beyond the retainer, including 310 hours of litigation and labor matters, based on previous year totals.

+Averages fee at \$160 per hour.

++Based upon an average of about 910 billable hours per year.

The unaudited cost of legal services in FY02 included \$88,841 in billing expenses plus \$6,849.48 for health insurance for a total of \$95,690.48.

To fairly contrast the differing fee proposals, some further analysis of the types of legal costs incurred by the City in recent years was undertaken. The request for proposals offered some latitude in defining what might be included under a "retainer." Three of the four proposals lumped the same general activities under a retainer, such as attendance at City Council, Plan Commission, and other board meetings; the drafting of ordinances and resolutions; counsel to the Mayor in his capacity as liquor commissioner; consultation on the legal aspects of borrowing and financial operations; and the enforcement of City ordinances. These duties are typically those of a "corporation counsel." Another grouping of legal functions were considered uniquely "billable" by three of the four parties. These functions include litigation, counsel in collective bargaining and other labor matters; review of annexation agreements and other documents relating to the development process; and special projects. During the past two years, an average of 550 hours has been included under the retainer, and an average of 360 hours has been included under billable hours.

Under the current contract, Smith, Tucker & Brown bill the City at the discounted rate of \$105 per hour. Their standard billing charge is \$150 per hour. Based on the present retainer cost of \$52,800, their earned hourly rate for the retainer (averaging 550 hours) has been \$96 per hour. This discount is not noted in the table, above.

The firm of Smith, Tucker & Brown provided timely, thorough, and very competent legal assistance during FY02. City Council direction is requested.

B. Consideration of a Fire Department Request to Award the Contract for a Replacement Ambulance to Foster Coach Sales in the Amount of \$106,363.

The Fire department presently has two ambulances: a 1996 Ford/Med Tec unit and a 1999 Ford Med/Tec unit. In early May the Fire department invited proposals for a new ambulance to replace the 1996 ambulance (IDA-22). The specifications for both the chassis and the box were detailed (see attached), as is typical with such sophisticated equipment. One proposal was received from Foster Coach Sales, Inc. in the amount of \$106,363. The Foster bid specified a Ford chassis with a MedTec box, which is consistent with the last two ambulances purchased by the City.

The purchase of the new ambulance will accomplish several objectives. First, because of the heavy wear on ambulance engines and transmissions, the Fire department has maintained a 6-7 year replacement schedule. If the Council authorizes the purchase of the new ambulance, the department will keep to this schedule, which is common in the fire service. Second, with the replacement of the 1996 ambulance there is an opportunity to keep a third unit for parts and limited service during extraordinary circumstances, which will extend the life of the entire fleet. With the department's present fleet of two ambulances, it is not uncommon to have both ambulances in service. The City has never retained an older ambulance as a third or backup unit to replace one that is put out of service because it has never had the storage space to do so. With the relocation of the Street Division to the new Public Works facility this summer, such space will become available. The Fire department intends to retain the 1995 ambulance and store it in one of the vacated garages.

The bid submitted by Foster Coach is under the estimate (\$120,000) identified in the 2002 Bond Fund budget. City Council approval is recommended.

As the Council is aware, the City departments are bidding vehicles and equipment (e.g. the Police squads, the Public Works mower and tractor) that were identified as smaller capital items in the recent general obligation bond offering. Most of the equipment and vehicles were needed but unfunded over a period of years, so we will see more bid packages at the Council level through the summer and fall.

C. Consideration of the Schedule for Neighborhood Open Houses to Discuss Sycamore's Comp Plan and Recent Development Trends.

The City of Sycamore will host four public open houses in July to invite public opinion on possible objectives for further municipal development. With the generous cooperation of the Sycamore School District, these open houses will take place in our community's elementary schools on the following dates:

North School Library
Southeast School Library

Thursday, July 11, 7:00 P.M.
Thursday, July 18, 7:00 P.M.

West School Library
South Prairie School Library

Wednesday, July 24, 7:00 P.M.
Wednesday, July 31, 7:00 P.M.

The purpose of these open houses will be to listen to residents, not to debate. The present City land use map and some mapping exhibits will provide reference points for the participants in these open meetings. Following the summer open houses, the public questions and comments will be summarized for further review by the City's Economic Development Commission, Plan Commission, Board of Zoning Appeals, the City Council, and other local taxing bodies. Out of this body of opinion and subsequent debate, the City Council will consider revisions to the City's Comprehensive Plan, which is our blueprint for managing growth in Sycamore.

D. Consideration of an Administration Recommendation for a Closed Session to Discuss Personnel Matters and Land Acquisition.

14. APPOINTMENTS

15. ADJOURNMENT