

SYCAMORE CITY COUNCIL
AGENDA
December 20, 2004

City Council Committee Meetings

No Meetings Are Scheduled

Regular City Council Meeting
At the Sycamore Center
7:00 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 for the City Council Meeting of December 6, 2004;
 - B. Approval of Closed Session Minutes for the City Council Meeting of June 7, 2004;
 - C. Release of Closed Session Minutes for the City Council Meetings of December 15, 2003; March 1, 2004; and June 7, 2004;
 - D. Payment of the Bills for December 20, 2004;
 - E. Plan Commission Minutes for the Regular Meeting of November 8, 2004.
7. **PRESENTATION OF PETITIONS, COMMUNICATIONS, AND BILLS.**
 - A. Presentation of City Service Awards for Employees with 5, 10, 15, 20, 25 and 30-plus Years of Service.
8. **REPORTS OF OFFICERS**

9. REPORTS OF STANDING COMMITTEES

10. PUBLIC HEARINGS--None

11. ORDINANCES

A. Ordinance No. 2004.60—An Ordinance Levying Taxes for the Corporate Purposes of the City of Sycamore for the Fiscal Year Commencing May 1, 2004 and Ending April 30, 2005. Second Reading.

This ordinance was heard on first reading on December 6. The proposed corporate levy of **\$2,876,279** includes a City levy of \$2,264,075 (+\$65,944 or 3%) and a Sycamore Library levy of \$612,204 (+\$28,597 or 4.9%). The proposed corporate levy will be \$94,541 (3.4%) higher than the 2003 corporate levy of \$2,781,738. Assuming a city-wide EAV of \$258,500,000 in 2004, the corporate tax rate should be \$1.11268 per \$100 EAV, a *decrease* of 3.55% from the 2003 corporate rate of \$1.15358 per \$100 EAV.

What about the City portion of the levy? **Based on an estimated City-wide EAV of \$258,500,000 in 2004, the proposed City levy of \$2,264,075 would result in a City tax rate of .87585 per \$100 EAV, a decrease of 4% and the lowest City rate since the late 1960s.** This should in turn result in little or no change in the actual City taxes paid by the average homeowner who makes no substantial home improvements. The tables below illustrate the recent history of City levy decisions, the breakdown of operational and pension obligations, and the impact on a theoretical homeowner:

Three Percent (3%) Levy Increase:

	1999	2000	2001	2002	2003	2004
Total Levy	1,934,593	1,973,285	2,032,484	2,134,108	2,198,131	2,264,075
Police Pension	73,200	77,600	87,300	152,883	169,045	167,080
Fire Pension	147,000	130,000	180,390	213,142	257,961	260,762
FICA/IMRF	189,000	205,000	220,000	247,500	275,000	302,225
Crossing Guards	20,000	20,000	20,000	20,000	20,000	20,000
General Operations	1,505,393	1,540,685	1,524,794	1,398,959	1,476,125	1,514,008
City-Wide EAV	172,022,591	185,519,631	201,706,953	216,389,113	241,138,805	258,500,000
City Tax Rate	1.1246	1.0648	1.0076	.98627	.91223	.87585

Resulting Impact on Single-Family Homeowner. The “Property EAV” is derived from the average price of all homes sold in Sycamore during the particular year.

	2000	2001	2002	2003	2004
Property EAV	45,150	46,550	47,800	52,437	54,909
City Tax Rate	1.0648	1.0076	.98627	.91223	.87585
City Tax Bill	480.76	469.04	471.44	478.37	480.92

Historic City EAV, City Levy, and City Tax Rate totals:

Year	EAV	City Levy*	City Tax Rate* Per \$100 EAV
1966	\$27,220,176	\$216,252	.7945
1976	\$44,278,153	\$679,882	1.5355
1986	\$56,800,908	\$934,248	1.6448
1996	\$145,647,122	\$1,792,999	1.2318
1997	\$155,861,773 (+7%)	\$1,822,000 (+2%)	1.1689 (-5%)
1998	\$165,664,346 (+6.3%)	\$1,896,660 (+4%)	1.1449 (-2%)
1999	\$172,022,591 (+3.84%)	\$1,934,593 (+2%)	1.1246 (-2%)
2000	\$185,519,631 (+7.85%)	\$1,973,285 (+2%)	1.0648 (-5%)
2001	\$201,706,953 (+8.7%)	\$2,032,484 (+3%)	1.0076 (-5.37%)
2002	\$216,389,113 (+7.28%)	\$2,134,108 (+5%)	.98627 (-2.1%)
2003	\$241,138,805 (+11.4%)	\$2,198,131 (+3%)	.91223 (-7.5%)
2004	\$258,500,000 (+7.2%)**	\$2,264,075 (+3%)	.87585 (-4%)**

*Excludes Sycamore Public Library and Sycamore Hospital.

**Estimate

As the table above shows, the City has aggressively reduced its portion of the property owner’s annual tax bill for the past seven years. Until the 2000 levy year when the levies of other local taxing bodies were legally capped, the City’s reduction in its tax rate in effect subsidized other taxing bodies by offsetting the impact of levies that exceeded the inflation rate. Today, the City’s property tax rate is lower than at any time since the late 1960s. By way of reference, in 1975 the City’s EAV was \$38,902,799 and the City levy was \$431,542, which resulted in a City tax rate of \$1.11 per \$100 EAV. Between 1975 and 2004 the City’s levy increased by \$1,766,589 (4.09 times, from \$431,542 to \$2,198,131) while operational spending increased \$7,994,942 (9.39 times, from \$851,400 to \$8,846,342). As a proportion of general operating revenues, the property tax constituted 50.7% in FY1976 and 19.93% in FY2005. Clearly, the long-term historic trend, accelerated in recent years, is toward less reliance on property taxes for essential services notwithstanding the rising demand for services.

As important, since capped taxing bodies continue to levy at their legal limits, the City’s continuing effort to reduce its portion (about 10.5% in 2003) of the overall tax rate is a key component of our community’s efforts to compete for new business, and to retain existing businesses. The aggregate tax rate for Sycamore Township in 2003 was \$8.67221 per \$100 EAV, which was about 4% higher than DeKalb’s and roughly 10-15% higher than the composite rate in competing cities in Kane County. With respect to the attraction of industrial businesses, Sycamore needs willing partners in the other taxing districts to reduce the composite tax rate. To the extent that our overall rate does not favorably compare with our competition, we must be prepared to consider tax abatement for worthy industrial companies that would otherwise consider our rate a disincentive.

City Council approval is recommended.

B. Ordinance No. 2004.61—An Ordinance Abating the Debt Service Levy for the 1999 Revenue Bond Issue for the City of Sycamore, DeKalb County, Illinois for Fiscal Year 2004-2005. Second Reading.

This ordinance was heard on first reading on December 6. It would abate the debt service on the 1999 refunding bond that refinanced a portion of the 1996 bond series at a lower interest rate. All of the 1996 bond series that remained outstanding at the time of the issuance of the 2003 G.O. Bond were redeemed in September 2003. The debt service obligation for FY2004-2005 is \$223,325. The levy is \$155,000 and the abatement is \$68,325. The debt service will be paid from the 1999 Bond Fund (Fund 19) which gets its revenue from transfers from the General Fund, the Water Fund, the Sewer Fund, the Motor Fuel Tax Fund, and the Road & Bridge Fund.

City Council approval is recommended.

C. Ordinance No. 2004.62—An Ordinance Abating the Debt Service Levy for the 2002 General Obligation Bond Issue for the City of Sycamore, DeKalb County, Illinois for Fiscal Year 2004-2005. Second Reading.

All of the debt service (\$303,183.75) on the 2002 Bond Series will be abated, and all of the debt service (\$330,990) on the 2003 Bond Series will be abated. This means that the City will continue its policy of paying the greatest share of its annual general obligation bond debt service from general revenues other than property taxes.

The attached ordinance, initially heard on first reading on December 6, will levy \$303,183.75 and abate \$303,183.75, so the extension will be \$0.00. The debt service will be paid by the 2002 Bond Proceeds Fund (Fund 24) which gets its primary revenue from General Fund and Capital Fund (Fund 6) transfers.

City Council approval is recommended.

D. Ordinance No. 2004.63--An Ordinance Abating the Debt Service Levy for the 2003 General Obligation Bond Issue for the City of Sycamore, DeKalb County, Illinois for Fiscal Year 2004-2005. Second Reading.

This ordinance concerns the debt service on the General Obligation Bond Series 2003, issued in September 2003, and was also heard on first reading on December 6. The levy of \$330,990 will be abated in its entirety. The debt service will be paid from the 2003 Bond Fund (Fund 26) which receives its primary revenue from Capital Fund, MFT Fund and 1999 Bond Fund transfers.

City Council approval is recommended.

E. Ordinance No. 2004.64—An Ordinance Concerning the Recommendation of the Plan Commission With Respect to the Petition of R.A. Fagenal Builders for the Final Plat for the Townhome Development Within the North Grove Crossing P.U.D. First and Second Reading.

On March 15, 2004, the City Council approved the final plat for Phase One of the North Grove Crossing P.U.D., which included about one-half of the “R-1” One Family Residence

zoning in the planned development. On June 21, 2004, the City Council approved a revision to that plat that depicted all of the “R-1” zoning (164 detached homes) in order to provide more flexibility in marketing the project as well as the incorporation of all of the open space features in the initial phase of the development.

The attached plat depicts the twenty-five (25) four-unit townhouse buildings that comprise the roughly 11-acre “R-3” Multiple Family Residence portion of the planned development (the preliminary plan permitted 106 townhomes). This subdivision is subject to the provisions of Ordinance 2003.04 which was approved in June 2003 and regulated the pace of permitting prior to the passage of Ordinance 2003.65 in November 2003. According to the terms of Ordinance 2003.04, Mr. Fagenal is restricted to 50 dwelling units per year, or 20% of the overall number of units shown on the preliminary plan (269), whichever is greater. No units have been permitted as yet, but earth-moving is underway in the development area and some permits are likely to be issued early in 2005, as soon as all-weather road surfaces are installed. The developer reports that his units will range from 1,450 square feet to 1,950 square feet, feature two bedrooms predominantly (with a third bedroom or study option in the larger units), and be priced to start at about \$155,000.

City Engineer John Brady has reviewed the attached final plat and considers it in conformance with the City’s codes and ordinances with one exception: the interior subdivision streets are not named. Some street designations for the north-south and east west roadways will be necessary before recording.

The Plan Commission reviewed this plat at its regular meeting of December 13 and recommended its approval by a unanimous vote of 12-0. City Council approval of the Plan Commission recommendation is requested.

F. Ordinance No. 2004.65--An Ordinance Concerning the Recommendation of the Plan Commission With Respect to Proposed Amendments to Sections 8.02, 8.03, 9.01, and 12.04 of the Sycamore Zoning Code to Create a “Hospital Hospitality House” Use. First and Second Reading.

At the regular City Council meeting of November 15, the City Council approved Ordinance 2004.58 which instituted licensing and code enforcement standards for “hospital hospitality houses.” A “hospital hospitality house” would serve families with loved ones undergoing treatment at local hospitals, such as Kindred Hospital on Edward Street in Sycamore. This ordinance addresses the remaining zoning issues relating to the zoning districts where such special uses could be located, and the parking requirements for such uses.

Specifically, the attached ordinance would revise sections 8.02 (R-2 Two Family District), 8.03 (R-3 Multiple Family District) and 9.01 (Neighborhood Commercial District) of the Sycamore Zoning Code to allow a “hospital hospitality house” as a special use. Section 12.04, “Schedule of Parking Requirements,” is also revised to specify “hospital hospitality houses” and to require the same number of parking spaces as would apply to a bed and breakfast guest home. The most important zoning requirement would be the public hearing on requests for “hospital hospitality houses” at the Plan Commission and Council levels as

part of the special use process. This requirement would invite the widest public participation in the decision-making process.

The Plan Commission favorably recommended the proposed Zoning Code changes on December 6 by a vote of 11-0-1 (Hamilton abstaining). City Council approval of the Plan Commission's recommendation is requested.

G. Ordinance No. 2004.66--An Ordinance Concerning the Recommendation of the Plan Commission With Respect to the Petition of Mary Lou Eubanks and the Langsdorf Trust for a Special Use Permit for the Property at 719 Somonauk Street in the City of Sycamore, Illinois. First and Second Reading.

The Langsdorf Trust has been established to own and operate the property at 719 Somonauk Street. Ms. Eubanks, co-owner of the trust and trustee, has petitioned the Plan Commission for consideration of a special use request to convert the single family residence to a "hospital hospitality house." At the City Council meeting of November 15, the Council adopted licensing and code enforcement requirements for "hospital hospitality houses". A copy of Ordinance 2004.58 is attached. Essentially, the ordinance's provisions parallel the provisions of the bed and breakfast codes adopted in 1999. In Item F, above, the Council is asked to act on relevant changes to the Zoning Code. If Ordinance 2004.65 is approved, action on this special use request can proceed.

The particular request brought by Ms. Eubanks concerns an architecturally unique single family home on Somonauk Street, proximate to Kindred Hospital. The building has been inspected by Lyle Doty, the City's Building Commissioner and Zoning Officer, and he has determined that it can be remodeled to comply with the newly-adopted code provisions for "hospital hospitality houses."

The Plan Commission reviewed this petition on December 6 and recommended the City Council's approval by a vote of 11-0-1 (Hamilton abstaining). City Council approval of the Plan Commission recommendation is requested.

H. Ordinance No. 2004.67--An Ordinance Concerning the Recommendation of the Plan Commission With Respect to the Petition of Norm Adshade for a Final Plat for the Brickville Estates Subdivision. First and Second Reading.

On July 6, 2004 the City Council approved a preliminary plat for a 6.17-acre infill development known as the Brickville Estates Subdivision. This residential subdivision, zoned "R-1," One Family Residence District, includes eleven (11) single family detached homes with a gross density of 1.63 units per gross acre. The house lots vary from 10,767 square feet to 19,681 square feet. The storm water detention is located along the Brickville Road frontage.

The attached final plat complies with the City's essential plat requirements and conforms with the approved preliminary plan, with the exception that the large retention area should be shown as an easement. This can be remedied with a revised plat that is reviewed by City Engineer John Brady prior to recording. The Plan Commission reviewed the plat on

December 6 and recommended its approval by a vote of 12-0. City Council approval of the Plan Commission recommendation is requested.

I. Ordinance No. 2004.68—An Ordinance Approving a Collective Bargaining Agreement Between the City of Sycamore and AFSCME Council 31, AFL-CIO, On Behalf of AFSCME Local 3957. First and Second Reading.

The current five-year agreement between the City of Sycamore and AFSCME Council 31 expires on April 30, 2005. During the past month, negotiations between the City and AFSCME Labor Council, which represents Local 3957, have yielded a tentative agreement on the provisions of the attached contract. Since the essential fabric of the AFSCME contract had not changed in five years, the focus of the negotiations was twofold: (a) benefits that may have been gained by the City's two other union locals as well as the management group, and (b) wage adjustments to re-establish internal parity as well as a relative equity with comparable classifications in comparable northern Illinois municipalities.

The key features of the proposed contract are as follows:

- A term of three years (from May 1, 2005 through April 30, 2008).
- A clarification of the positions represented by Council 31 in Article 1. One new classification—community services officer—has been added.
- An increase in the maximum number of comp time hours that may be accrued from year to year from 80 to 120.
- The addition of language to Article XVII dealing with Family and Medical Leave (FMLA) provisions to clarify that paid time off for recuperation from a work-related or non-work related injury or serious health condition shall run concurrently with FMLA.
- A revision to the sick leave provisions to bring the AFSCME contract in line with the benefit enjoyed by all other City union and management employees. The revised Article XX allows the accumulation of 9 sick days per year, versus the current six days per year.
- A revision to the vacation provisions to permit the “cashing” of up to one week’s vacation per year once an employee has served nine years. Currently, management, the FOP, and IAFF have cash-out provisions. This benefit has evolved since senior employees in the City’s departments often have limited opportunities to use the vacation they have earned because of work requirements and scheduling constraints. Some employees regularly lose accumulated vacation days on an annual basis. This is particularly true of AFSCME employees and management employees who will continue to be held to a “use it or lose it” policy.
- One-time increases in the entry wage steps in FY06 to bring the local’s classifications closer to comparable pay ranges in comparable cities and the private sector. In FY07 and FY08, pay increases will be limited to 2.5% per year. Another reason for the one-time adjustment in pay ranges in FY06 is the fact that many of the AFSCME classifications have parallels in the organized construction trades where prevailing wages are, and will remain, substantially higher. This circumstance has traditionally constrained the City’s ability to attract strong candidates for some of these classifications. In addition, the City’s benefit package

is no longer a magnet that offsets the negative pay differential, since the organized construction trades now offer comparable health and retirement benefits.

AFSCME Local 3957 ratified the attached contract on December 8. City Council approval is recommended.

J. Ordinance No. 2004.69—An Ordinance Amending the Collective Bargaining Agreement Between the City of Sycamore and IAFF Local 3046. First and Second Reading.

On April 5, 2004 the City Council approved a new four-year labor agreement with IAFF Local 3046 (from May 1, 2004 through April 30, 2008). This agreement included, among other features, a 3% base wage increase in Year 1, a 4% base wage increase in Year 2, and a re-opener after January 1, 2006 to bargain over wages and health benefits for the last two years of the contract. In May of this year, following the promotion of Fire Lieutenant Cary Niewold to the new position of Assistant Fire Chief, the department's three lieutenants petitioned for recognition as bargaining unit members. Since that time, the City and IAFF Local 3046 have been discussing the essential wages and conditions that would apply to the City's three Fire lieutenants as members of the bargaining unit. These discussions were formalized in August and have recently concluded with a tentative agreement on the attached contract.

During the discussion, eighteen articles were opened for discussion and five new pages of text were added to the agreement. In addition, a tentative wage package has been negotiated for the lieutenants. No changes were negotiated for the basic wage structure affecting the firefighters represented by Local 3046. The key features of the revised agreement are as follows:

- Freezing of the lieutenants' current salaries until the end of the current fiscal year, when their annual compensation will involve a base wage as with other members of the bargaining unit (see wage schedule, p. 47). The FY06 base wage (beginning May 1, 2005) will result in pensionable gross wages, less bonuses, that are 6.64% lower than the current salary in order to account for the fact that the lieutenants will be able to accrue overtime beginning on May 1, 2005. Presently, the lieutenants are receiving the level of management salaries they received in the last fiscal year (FY04).
- A detailed article on promotions (Article 39). Recent state law has made the promotions process a matter for collective bargaining.
- A detailed article concerning fitness examinations (Article 49).
- A more detailed education policy upgrading the tiers of classes firefighters and lieutenants must take to advance to higher certifications.

The IAFF local ratified the attached contract on December 13. City Council approval is recommended.

12. RESOLUTIONS--None

13. CONSIDERATIONS

A. Consideration of a Proposed Contract Between the City of Sycamore and the Sycamore Chamber of Commerce for Economic Development and Tourism.

On February 3, 1997, the City Council approved a hotel-motel tax of five percent (5%) of the rent charged for the use of a hotel or motel room in the City of Sycamore for each 24-hour period. This tax went into effect on May 1, 1997. State statute permits a municipality to use the proceeds from this tax for general operating purposes. However, since the FY1999-2000 Fiscal Budget was approved in the Spring of 1999, the City Council has chosen to use these tax proceeds to fund a variety of annual events, promotional brochures and marketing, small capital items (e.g. kiosks, entrance signs, historic markers, banners, etc.) and, more recently, a downtown façade improvement program to attract visitors, particularly overnight visitors, to Sycamore. In addition, since May 1, 2000 the annual Hotel-Motel Tax Fund allocation has included a grant of \$15,000 to help fund a coordinator or director position associated with the Chamber's Discover Sycamore Group.

In FY2000, the City simply reimbursed the Chamber for a variety of marketing expenses. In FY2001, the Council moved to bring more direction to the annual tourism allocation and worked out a three-year contract with the Chamber for a more specified list of annual tourism activities, allocating \$60,000 for such purposes. The \$60,000 allocation was continued in FY2002 and FY2003 then reduced to \$45,000 in FY2004 and FY2005. In FY2004 and FY2005 the Chamber's Discover Group director has played an expanded role in terms of "community development," namely a more focused attention on the vitality of the City's downtown core. This role has included a closer relationship with downtown merchants and business owners in particular, to promote their businesses and to attract new businesses.

The Sycamore Chamber recently hired a new Discover Group director, Kayte Sparkman, and has directed her to continue the combined focus on visitor attraction and community development. It was not unexpected that the Chamber's commitment to the downtown's commercial vitality would include an interest in a renewed, formal partnership with the city government in terms of a contract for services. The attached three-year contract generally identifies the performance objectives of a service agreement with the City, in much the same manner as our annual service agreement with the DeKalb County Economic Development Corporation. It should be noted that this proposal, as with the DCEDC contract, does not detail expenditure categories. It is assumed that the Chamber and, more particularly, the Discover Sycamore Group, has established a performance record in recent years that will inspire confidence in their ability to use any City grant monies wisely and in the City's best interest. To assure that this would be so, the contract calls for quarterly written reports identifying the uses of grant funds as well as the number and nature of commercial inquiries concerning available Sycamore retail space. In addition, the proposed contract requires semi-annual oral reports before the Council to summarize Discover Sycamore activities and to address any concerns the Council might have.

In terms of an annual allocation in support of the Discover Group's efforts, the proposed contract would maintain the current level of annual funding (\$45,000) and allocate these grant monies in two equal annual installments by May 15 and December 15 of each fiscal year that the contract is in effect. The City Manager, the city's chief financial officer,

would receive the written quarterly financial and programmatic reports and make them available to the Council for further review.

The City Manager recommends this orderly approach. A continued financial partnership is valuable to the city government and the community for several reasons. First, the monies have been put to good use in recent years, and for a variety of activities that otherwise would fall to the City at probably a greater personnel cost. Second, the Chamber and its membership of more than 300 businesses is a key funnel for inquiries from potential visitors and business prospects because of the historic role of the Chamber of Commerce in addressing the needs of these constituencies. Rather than attempt to duplicate their local success, it is recommended that the City support a partnership with the Sycamore Chamber that permits them to be more successful and merges their success with the City's goal of a dynamic downtown business district.

If the Council supports the City Manager's recommendation, the contract can be placed on the next Council agenda for action.

14. APPOINTMENTS

15. ADJOURNMENT