

SYCAMORE CITY COUNCIL
AGENDA
December 19, 2005

City Council Committee Meetings
No Meetings are Scheduled

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Regular City Council Meeting
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 Regular City Council Meeting of December 5, 2005.
 - B. Payment of the Bills for December 19, 2005.
 - C. Plan Commission Minutes for the Meeting of November 14, 2005.
 - D. FY06 Budget Update.
7. **PRESENTATION OF PETITIONS, COMMUNICATIONS, AND BILLS.**
 - A. Presentation by the Sycamore Economic Development Commission. Commissioner Rose Trembl will introduce Vanessa and Aaron Leuer, franchise owners of Jimmy Johns in the Pappas commercial center across from Culver's, who will briefly introduce their restaurant and its cuisine.
 - B. Proclamation Declaring December as Drunk and Drugged Driving Prevention Month in Sycamore, Illinois.
8. **REPORTS OF OFFICERS**
9. **REPORTS OF STANDING COMMITTEES**

10. PUBLIC HEARINGS

A. Public Hearing on the Council’s Intention to Submit to Referendum the Question of a Real Estate Transfer Tax for the City of Sycamore.

On June 20 the City Council approved Resolution No. 461 which supported the recommendations of Mayor Mundy’s Ad Hoc Committee on Growth Management. These recommendations included support for a real estate transfer tax, as well as a 10.6% increase in School impact fees and revisions to Ordinance 2003.65. Since Resolution No. 461 was approved, the Council has increased School and Park impact fees by the recommended amount (Ordinances 2005.51 and 2005.52; September 19, 2005); the Council has replaced Ordinance 2003.65 with Ordinance 2005.60 (November 21, 2005) and a citizen committee, known as “Citizens for Education,” has been organized to promote the transfer tax referendum. The Committee is co-chaired by Stephen Nelson and Ken Anderson. A question-and-answer piece prepared by the Committee is attached for the Council’s review.

The proposed referendum is planned for the next general election on Tuesday, March 21, 2006. Resolution No. 465 on this Council agenda would formally submit the question of the transfer tax to Sycamore voters.

B. Public Hearing on the Annexation of the Whitwell Farm.

Background information relevant to this public hearing can be found in the staff reports for Ordinances 2005.69 and 2005.70.

C. Public Hearing on the Annexation of the Primm Farm.

Background information relevant to this public hearing can be found in the staff reports for Ordinances 2005.71 and 2005.72.

11. ORDINANCES

A. Ordinance No. 2005.63--An Ordinance Levying Taxes for the Corporate Purposes of the City of Sycamore for the Fiscal Year Commencing May 1, 2006 and Ending April 30, 2007. Second Reading.

The City Council held a public hearing on the proposed corporate levy on December 5 and considered the attached ordinance on first reading. The corporate levy of **\$2,993,177** includes a City levy of \$2,331,997 (+\$67,922 or 3%) and a Sycamore Library levy of \$661,180 (+\$48,976 or 8%). The proposed corporate levy will be \$116,898 (4%) higher than the 2004 corporate levy of \$2,876,279. Assuming a city-wide EAV of \$295,000,000 in 2005, the corporate tax rate should be \$1.014636 per \$100 EAV, a *decrease* of 8.5% from the 2004 corporate rate of \$1.09993 per \$100 EAV.

City Council approval is recommended.

B. Ordinance No. 2005.64—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 2006-2007. Second Reading.

The City Council considered this ordinance on first reading on December 5. According to the ordinance, all of the debt service (\$303,365.00) on the 2002 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 will levy \$303,365.00 and abate \$303,365.00, 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.

C. Ordinance No. 2005.65—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 2006-2007. Second Reading.

This ordinance was also considered on first reading on December 5 and concerns the debt service on the General Obligation Bond Series 2003, issued in September 2003. The levy of \$145,902.50 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.

D. Ordinance No. 2005.66—An Ordinance Abating the Debt Service Levy for the 2005 Refunding Bond Issue for the City of Sycamore, DeKalb County, Illinois for Fiscal Year 2006-2007. Second Reading.

This ordinance was considered on first reading on December 5 as well, and would abate the debt service on the 2005 refunding bond that refinanced the outstanding 1999 bond series at a lower interest rate. All of the 1999 bond series that remained outstanding at the time of the issuance of the \$2,965,000 2005 G.O. Bond were redeemed in June 2005. The debt service obligation for FY2005-2006 is \$342,651.50. The levy is \$155,000 and the abatement is \$187,651.50. The debt service will be paid from the 2005 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.

E. Ordinance No. 2005.68—An Ordinance Authorizing the Mayor to Sign an Economic Incentive Agreement with Driv-Lok, Inc. of Sycamore, Illinois. First and Second Reading.

Driv-Lok, Inc. of 1140 Park Avenue has been a producer of press pin fasteners in Sycamore since 1948. The company employs 118 persons who design, produce and ship a variety of items such as tubular spring pins, machine keys, dowel pins, knurled pins, grooved pins, clevis pins, and split hollow dowels to companies across the country and overseas. Among Driv-Lok's top customers are General Motors Corporation, Ford Motor Company, Harley Davidson, Siemens VDO Automotive Corporation, Allison Transmission, and Caterpillar. The markets that Driv-Lok serves include agriculture, the automotive industry, the appliance industry, medical equipment producers, sporting goods, and a variety of hardware providers.

Since its creation, the firm has been privately held, initially by founder H.R. “Pete” Hillstrom and presently by Mr. Hillstrom’s daughter, Karen Duffey, and her husband, Bud Duffey. Mr. Duffey is the company chairman. The Duffeys have retired to Florida and are interested in realizing the investment they have sustained in the company over the years. Rather than invite other firms to purchase the company assets and possibly risk the loss of Sycamore jobs, the Duffeys have invited the present executive management to purchase the company’s business and assets.

Discussions between the Duffeys and the management team have been ongoing for months, and have led to extensive negotiations with a number of local banks. At this writing, an association of banks including the American National Bank of DeKalb County have offered private assistance tied to collateral in the form of company assets. A financing gap of about \$350,000 exists, which represents less than ten percent of the financing needs, and the City of Sycamore has been approached to close the gap.

The attached economic incentive agreement would offer the level of city assistance requested by Driv-Lok, with some “clawback” provisions to protect the City’s upfront investment. The terms of the agreement are as follows:

The City agrees:

- a) To provide a grant of \$200,000 at the closing which accomplishes the transfer of the property from the Duffeys to the Driv-Lok management;
- b) To provide a loan of \$150,000 at no interest for a period of five years to be executed upon the closing of the property transfer noted in (a), above.

The Company agrees:

- a) To provide collateral for the City loan in the form of a first position on the property at 1221 Somonauk Street, and to keep the property in good repair at all times during the term of this agreement;
- b) To indemnify the City for the full amount of all grant and loan monies, for a period of ten years, in the event Driv-Lok moves their plant out of Sycamore or sells their plant to another entity, which results in the loss of jobs;
- c) It will not contest the equalized assessed valuation of the properties at 1140 Park Avenue or 1221 Somonauk Street as entered on the County’s Assessor’s rolls for a period of five years after the execution of this agreement.
- d) It will continue to achieve certification from National Quality Assurance, U.S.A. against the environmental management system standard ISO 14001:1996, or equivalent, as applicable to the press fit fastening and joining products they produce, for the term of this agreement.
- e) To maintain a local workforce comparable to the level of employment at the date of this agreement.
- f) During the five years of this agreement, and no later than July 1 of each year, the Company shall provide the City with audited financial statements for the previous year ending December 31.

The City is financially in the position to consider the proposed grant/loan offer because of the sales tax revenue it annually receives from American Aviation Supply and United Aviation Fuels. These monies are deposited in Fund 22, the Sales Tax Distributive Fund, and are designated for capital purposes. The attached spreadsheet shows how the fund would manage this outlay for the balance of the fiscal year.

City Council approval is recommended.

F. Ordinance No. 2005.69—An Ordinance Concerning the Recommendation of the Plan Commission Regarding the Petition of Margaret and Jack Whitwell and Whitwell Farms, LLC for an Annexation Agreement, Annexation and Rezoning to “R-1” One Family Residence District for a Planned Unit Development on a 261-Acre Property Located on Both Sides of Lindgren Road, Approximately One Mile East of Plank Road, in the City of Sycamore, Illinois. First and Second Reading.

On July 11, 2005 the Plan Commission reviewed a concept plan presented by Greg Derrico and John Cebrynski for the residential development of the 261-acre Whitwell farm which straddles Lindgren Road at the northeast edge of the area slated for residential development on the 2003 Comp Plan. Based on the guidance of the Commission and with due consideration for the Council’s revised standards for managing the pace of permits in new residential subdivisions, Mr. Derrico (representing Whitwell Farms, LLC) and the Whitwells have petitioned the Council for a public hearing on an annexation proposal for the entire Whitwell farm.

The Preliminary Plan

The proposed plan has the following features:

1. Land Uses. The following table depicts the various land uses:

	Acres	Percentage
Single Family Lots	126	48%
Private Parks & Conservation Areas	76	29%
Public Park Land	6	2%
Public Road Right-of-Way	53	21%
Total	261	100%

2. A gross area of 261 acres and a gross density of 1.46 units per acre;
3. A total of 381 single-family detached home lots. Based on the provisions of the City’s permit constraints (Ordinance 2005.60), the first permit could not be issued until 2010, and no more than 50 permits could be issued per year.
4. Two main entrances on Lindgren Road and one on Swanson Road;
5. A circulation of traffic through the subdivision via seven outlets, including the main entrances.
6. An arrangement of private park space and publicly dedicated park space as is typical of the adjacent B&B developments. Park District action on the proposed dedication has not yet occurred. If the District determines that a public park is not in the District’s interest, the park area would be built but maintained by the homeowner’s association.

The Annexation Agreement

The principal terms of the annexation agreement are as follows:

1. The Name. "Whitwell Farms" ties the development to its historic family farm roots.
2. The Term. The agreement runs for twenty years.
3. Performance Guarantees. The developer shall provide an irrevocable letter of credit for the public improvements on the site.
4. School Contribution. As with the B&B annexation agreements approved in October, the proposed agreement acknowledges the current public/private initiative in behalf of a new funding source for the School District's operational priorities (Paragraph 15). The Commission is aware of the recent work of Mayor Mundy's ad hoc Committee on Growth Management and its support for a real estate transfer tax. Based on a review of all Sycamore real estate transactions in 2004, the ad hoc Committee believes it is reasonable to assume that the proposed transfer tax, with exemptions, will generate sufficient new revenue to annually offset the projected imbalance in school operating funds over the next ten years. Since the proposed tax can only be imposed by a referendum and the next general election is March 21, 2006, the annexation agreement must anticipate both a successful and an unsuccessful referendum to assure that a comparable level of school funding is provided. How can this be done? The Developer agrees to pay a \$3,000 per unit "voluntary fee" to the School District in addition to any applicable impact fee.

The \$3,000 threshold is based on the findings of a recent independent fiscal study and City and School data. Based on the 2000 Census data and more recent occupancy data collected by the City's Building department over the past 20 months, the City's new households have an average of .7 students (about two-thirds of all new households have no children). The average new household is thus about 2.7 persons. The independent fiscal study presented in the spring of 2005 reports a net School operating imbalance of \$8,469,503 over the period 2005 to 2015. At the 2004-2005 enrollment level, this would be a funding shortfall of \$2,777 per student (\$8,469,503/3050). The developer has agreed to "round up" the "voluntary" donation to \$3,000 per home, payable at the time of permitting in the same manner as impact fees. If the planned referendum on a transfer fee is successful, this contribution would be a "credit" against any transfer fee obligation. If the referendum is unsuccessful, every house permit would generate a \$3,000 voluntary donation to be applied to School operating needs.

5. Impact Fees. Impact fees shall be assessed at the rate in effect at the time a permit is issued, allowing the rates to float upward over time as the City Council determines their appropriate levels with the advice of local taxing bodies.
6. Park Contribution. The developer will comply with the UDO requirements relative to the Park District land-cash ordinance.
7. Water and Sewer Main Extensions. The developer shall provide proper storm sewer, sanitary sewer and water main systems in accordance with the City's standards and at the developer's sole expense.
8. Variations. There are no proposed variations from City policies or practices.

The Traffic Study

See the attached memorandum from City Engineer John Brady.

Pace of Development. A spreadsheet depicting the number of allowable permits per year is attached. The spreadsheet places the proposed development in the context of all current developments.

Recommendation

The proposed development conforms to the City's Land Use Plan and satisfies the City's codes and ordinances, including the recently-adopted Ordinance 2005.60. The Plan Commission considered the Whitwell petition on December 12 and voted 10-1 to recommend the Council's approval, with the condition that the annexation agreement be revised to require the payment of the \$3,000 voluntary fee to the School District at the time of final platting, rather than individually as each lot is permitted (see Section 15). This provision conforms to the wording in the three agreements that B&B Development brought to the Council in October. City Council approval of the Plan Commission recommendation is requested.

G. Ordinance No. 2005-70—An Ordinance Annexing the 261-Acre Property Located on Both Sides of Lindgren Road, Approximately One Mile East of Plank Road, in the City of Sycamore, Illinois. First and Second Reading.

If the Council approves Ordinance 2005.69, the Council's support for the attached ordinance is also requested. This ordinance separately considers the act of annexation for recording purposes.

City Council approval is recommended.

H. Ordinance No. 2005.71--An Ordinance Concerning the Recommendation of the Plan Commission Regarding the Petition of Charles and Betty Primm and John Pappas for an Annexation Agreement, Annexation and Rezoning to "R-1" One Family Residence District and "C-3" Highway Business District for a Planned Unit Development on a 99-Acre Property Located West of Illinois Route 23 and South of North Grove Road in the City of Sycamore, Illinois. First and Second Reading.

On September 12, 2005 the Plan Commission reviewed a concept plan presented by John F. Pappas for a mixed commercial and residential development on the 99-acre Primm Farm, located west of Illinois Rt. 23 and south of North Grove Road. Based on the guidance of the Commission and with due consideration for the Council's revised standards for managing the pace of permits in new residential subdivisions, Mr. Pappas and Charles and Betty Primm have petitioned the Council for a public hearing on an annexation proposal for the entire Primm Farm.

The Preliminary Plan

The proposed plan has the following features:

1. Land Uses. The following table depicts the various land uses by their relative area:

	Acres	Percentage
Commercial Lots	24.29	24.53%
Single Family Lots	48.09	48.57%
Private Parks & Conservation Areas	8.15	8.23%
Public Park Land	0	0
Public Road Right-of-Way	18.49	18.67%
Total	99	100%

2. The commercial zoning has a gross area of 24.29 acres and features 9 commercially-zoned lots including the Primm residence. The Primms intend to reside on Lot 302 for the present, but once they relocate the lot will be dedicated to commercial uses.
3. The residential zoning has a gross area of 48.09 acres and a gross density of 2.22 units per acre. There are a total of 107 single-family detached home lots. Based on the provisions of the City's permit constraints (Ordinance 2005.60), the first permit could not be issued until 2010, and no more than 35 permits could be issued per year.
4. The commercial uses would primarily be served by the intersection of Northgate Drive and IL Rt. 23. The residential uses would primarily be served by North Grove Road and Frantum Road.
5. A circulation of traffic through the subdivision via seven outlets, including the main entrances.
6. A regional bike path extension along the south side of North Grove Road that extends south on Primm Drive to the commercial uses and then to the Camden Crossings subdivision. There is also a walking path around the main detention pond.
7. The rural design for improvements to North Grove Road, except that portion that will fall within IDOT's intersection design standards, means that North Grove Road rather than Whipple Road will be the northern edge of the City's future development on the west side of IL Rt. 23. Given the diminishing capacity for further sewer hookups in the northeast quadrant, the staff believe the Comp Plan's expectations for low density residential growth north of North Grove Road and west of IL Rt. 23 are no longer realistic.
8. Consistent with rural roadway design noted in Item #7, the entry feature planned for the intersection of IL Rt. 23 and Whipple Road has been relocated southward to Lot 301. Should Mr. Pappas come into control of the Johnson property at the southwest corner of IL Rt. 23 and North Grove Road, the entry feature can be moved northward to that property. A significant landscaped entry feature for Sycamore's northgate has been a part of the Comp Plan since 2000. If the Council approves this development, the City's north-central boundary and its entry feature would be moved to the vicinity of North Grove Road.
9. Frantum Road will be rebuilt to an urban standard to conform with the existing design of Frantum to the south.

The Annexation Agreement

The principal terms of the annexation agreement are as follows:

1. The Name. "Primm Prairie Subdivision."
2. The Term. The agreement runs for twenty years.

3. Performance Guarantees. The developer shall provide an irrevocable letter of credit for the public improvements on the site.
4. School Contribution. As with the Whitwell agreement, the proposed agreement acknowledges the current public/private initiative in behalf of a new funding source for the School District's operational priorities (Paragraph 15). Since the proposed transfer tax can only be imposed by a referendum and the next general election is March 21, 2006, the annexation agreement must anticipate both a successful and an unsuccessful referendum to assure that a comparable level of school funding is provided. The Developer agrees to pay a \$3,000 per unit "voluntary fee" to the School District in addition to any applicable impact fee.
5. Impact Fees. Impact fees shall be assessed at the rate in effect at the time a permit is issued, allowing the rates to float upward over time as the City Council determines their appropriate levels with the advice of local taxing bodies.
6. Park Contribution. The developer will comply with the UDO requirements relative to the Park District land-cash ordinance.
7. Water and Sewer Main Extensions. The developer shall provide proper storm sewer, sanitary sewer and water main systems in accordance with the City's standards and at the developer's sole expense.
9. Variations. There are no proposed variations from City policies or practices.

The Traffic Study

See the attached memorandum from City Engineer John Brady.

Pace of Development. A spreadsheet depicting the number of allowable permits per year is attached. The spreadsheet places the proposed development in the context of all current developments.

Recommendation

The proposed development conforms to the City's Land Use Plan and satisfies the City's codes and ordinances, including the recently-adopted Ordinance 2005.60. The Plan Commission considered the Pappas and Primm petition on December 12 and recommended the Council's approval by a vote of 8-3, with the following conditions:

- The annexation agreement should be revised to require the payment of the \$3,000 voluntary fee to the School District at the time of final platting, rather than individually as each lot is permitted (see Section 15). This provision conforms to the wording in the three agreements that B&B Development brought to the Council in October.
- The preliminary plan should be revised to show the residential street, "Settler Way," ending at Coneflower Drive, and Grassland drive should be extended to North Grove Road at a point where the lights of traffic will not be directly opposite any of the homes on the north side of North Grove Road.
- The collection of stormwater from the north side of North Grove Road should be designed as to ease the progress of overland or piped flows to the south side of North Grove Road, without causing any backup or ponding of water on the north side. This can be accomplished by lowering the reconstructed North Grove Road

and by installing new precast box culverts under North Grove Road to replace existing, undersized culverts.

City Council approval of the Plan Commission recommendation is requested.

I. Ordinance No. 2005.72—An Ordinance Annexing the 99-Acre Property Located West of Illinois Route 23 and South of North Grove Road in the City of Sycamore, Illinois. First and Second Reading.

If the Council approves Ordinance 2005.71, the Council's support for the attached ordinance is also requested. This ordinance separately considers the act of annexation for recording purposes.

City Council approval is recommended.

J. Ordinance No. 2005.73—An Ordinance Concerning the Recommendation of the Plan Commission Regarding the Petition of Brooks and Rebecca Hepker for a Zoning Change from "C-2" Central Business District to "R-3" Multiple Family Residence District for the Property at 336 N. Sacramento Street in the City of Sycamore. First and Second Reading.

The Hepkers have purchased a two-family rental property on North Sacramento Street which has the anomalous zoning classification of "C-2" Central Business. It lies in a predominantly residential area, with the Bowen condominiums on the west side and a mix of one-family and two-family residences on the east side. The singular exception is the former sheet metal shop immediately south of the residence at 336 N. Sacramento which is currently occupied by Powell Excavating.

The Hepker request derives from an interest in providing their lender security in the event the property was severely damaged and could not be re-built as a residential use in the current commercial zoning. In addition, the Hepkers would like to add a third rental unit to the rear of the building. Aside from the zoning and building issues, such an alteration carries a higher off-street parking requirement. Each one-bedroom rental unit would need to provide one off-street space per unit plus .75 guest spaces per unit for a total of six, new off-street spaces. The attached conceptual site plan was prepared by Mr. Hepker to help the Council and adjacent property owners assess whether a greater residential density and substantial back yard parking is desirable.

The Plan Commission considered this rezoning request on December 12 and recommended its approval by a vote of 10-1, with the understanding that none of the new off-street parking stalls would abut the property line to the north. City Council approval of the Plan Commission recommendation is requested.

K. Ordinance No. 2005.74—An Ordinance Concerning the Recommendation of the Plan Commission Regarding Certain Amendments to Section 4.4.2F of the 2005 Unified Development Ordinance to Revise the Allowable Pace of Permits for Residential Dwelling Units in New Subdivisions in the City of Sycamore.

On November 21 the City Council implemented Ordinance 2005.60 to replace Ordinance 2003.65 and introduce a new regulatory framework to manage the pace of residential growth in Sycamore consistent with the position that the Council majority took regarding the B&B developments in October. The key features of Ordinance 2005.60 are as follows:

1. the elimination of the “bank” of permits that Ordinance 2003.65 allowed the developer to carry over from one development year to the next.
2. the establishment of a threshold of January 1, 2010 for the first permits for any future subdivision approvals.
3. a commitment by the Council to review any future annexation agreements with the expectation that the timing and number of permits would conform to the fiscal standard of an average of 250 dwelling units per year.
4. a reduction in the allowable number of permits that can be issued per year, at each threshold in the regulatory schedule.
5. the removal of the confusion pertaining to the subdivision of larger tracts.

The relevant passages from the text of the proposed ordinance are shown below:

Number of Dwelling Units on the Preliminary Plan	Dwelling Units Permitted Per Year	Time Limit Before New Building Permits are Issued Following Annexation*
0 to 50 dwelling units	No More than 25 per Year	No Time Limit
51 to 100 dwelling units	No More than 30 per Year	One Year
101 to 200 dwelling units	No More than 35 per Year	Two Years
201 to 300 dwelling units	No More than 40 per Year	Three Years
301 to 400 dwelling units	No More than 50 per Year	Four Years
401 to 500 dwelling units	No More than 60 per Year	Five Years
Over 500 dwelling units	No More than 65 per Year	Six Years

***For planned unit developments and all other subdivisions annexed after November 1, 2005, no permits shall be issued until January 1, 2010.**

This provision shall apply to planned unit developments and all other subdivisions annexed after November 1, 2005. The annual allowance for the issuance of dwelling unit permits shall commence on January 1 of each year.

In its consideration of new residential annexations after November 1, 2005, the Sycamore City Council will only consider annexation agreements that adjust both the timing and the number of new housing permits in any given year in order to achieve an overall average of 250 dwelling units per year in the City of Sycamore, from 2010 onward.

The City Council may consider a petition for annexation and preliminary plat approval involving less than the full acreage of a tract of 100 or more contiguous acres. However, in order to plan for orderly growth and to discourage the submittal of a series of annexation plats and preliminary plats from the same tract of 100 or more acres, the Council will only consider one additional petition for annexation and preliminary plat approval involving the balance of land in said tract, and such Council action may only occur after five years has elapsed from the approval of the initial development plat. The Council may only waive this provision by a two-thirds vote of the corporate authorities.

The Council unanimously approved this ordinance on November 21 in order to clarify its consensus on how to pace the permitting in new subdivisions, and was aware that in so

doing it was sending a clearer message to development firms known to be preparing submittals for future City consideration. The two development proposals on this agenda are cases in point.

Although the Council adoption of Ordinance 2005.60 becomes the City standard, there is another standard still on the books, so to speak. The Unified Development Ordinance (“UDO”), adopted in May 2005, incorporated Ordinance 2003.65 as the framework for pacing growth in Chapter 4, Article 4.4, “Planned Developments.” On December 12, the Plan Commission voted 11-0 to recommend the Council’s revision of Section 4.4.2F, which makes reference to Ordinance 2003.65, to replace the existing language with the language of Ordinance 2005.60, noted above.

City Council approval of the Plan Commission recommendation is requested.

L. Ordinance No. 2005.75—An Ordinance Amending the Combined Annual Budget and Appropriation Ordinance for Fiscal Year 2005 to 2006 in the City of Sycamore, Illinois. First and Second Reading.

Under separate cover, a revised FY2005-2006 Budget has been circulated to the City Council and local media. The fiscal year budget originally approved on April 18, 2005 has been revised to replace estimated year-end numbers for FY2005 with actual audited numbers, and to update spending in the FY2006 budget in line with Council direction.

Among the more important revisions to the FY2006 Budget are:

- Fund 1, “General Fund.” Transfer \$227,000 from the unrestricted reserve to the Capital Assistance Fund to pay for the City’s costs associated with the special census.
- Fund 2, “Water Fund.” An equity transfer of \$675,000 from the Water Fund Reserve to the Water Impact Fee Fund to pay about one-half of the set-up costs for the installation of zeolite treatment facilities at Wells 6, 8 & 9. The set-up costs are as follows: Well #6: \$375,000; Well #8: \$460,000; and Well #9: \$460,000.
- Fund 3, Water Impact Fee Fund. Commit \$650,000 from the Water Impact Fee Fund reserve to pay the other half of the set-up costs associated with the installation of radium treatment equipment. Twenty percent (20%) of the set-up cost for Well #6 (\$75,000) will be taken from the Water Impact Fee Fund, since over the next twenty years Well #6 is expected to account for about 20% of the annual gallons pumped. Twenty-five percent (25%) of the set-up cost for Well #8 (\$115,000) will be taken from the Water Impact Fee Fund by virtue of that well’s proportional pumping. All of the set-up costs associated with Well #9 will be taken from the Water Impact Fee Fund because the new Well #9 principally serves new growth areas on the City’s southeast side.
- Fund 5, “Sewer Impact Fee Fund.” Increase Line Item 05-8633, “Sanitary System Improvements,” from \$75,000 to \$100,000 to finance the sewer extension to the southeast corner of IL Rt. 64 and Peace Road.
- Fund 6, “Capital Assistance Fund.” Create a new Line Item 06-8334, “Census Services,” with \$227,000 transferred from the General Fund reserve.
- Fund 9, “Hotel/Motel Tax Fund.” Increase Line Item 09-8331 from \$0.00 to \$80,000 to finance the contract with The Daley Group.

- Fund 9, “Hotel/Motel Tax Fund.” Transfer \$25,000 to Fund 13, “Downtown Revolving Loan Fund,” Line Item 13-8418, “Downtown Grants,” to expand the allocation for FY06.

Spending within the FY2006 Budget totals \$41,941,266, inclusive of all City funds. The General Fund expenditure budget remains \$9,815,573. These expenditures are offset by \$9,846,808 in anticipated General Fund revenues. The General Fund operating reserve or starting fund balance totals \$5,239,002 or 53% percent of the planned General Fund expenditures for FY2006.

City Council approval is recommended.

12. RESOLUTIONS

A. Resolution No. 465—A Resolution Regarding the Submission to the Voters of the Question of Whether the City of Sycamore, Illinois Shall Impose a Real Estate Transfer Tax in Accordance with its Home Rule Powers for the Supplementary Financial Support of the Sycamore School District.

As noted in the “Public Hearing” portion of this agenda, on June 20 the City Council approved Resolution No. 461 which supported the recommendations of Mayor Mundy’s Ad Hoc Committee on Growth Management. These recommendations included support for a real estate transfer tax at a rate of one-half of one percent (.005), to be paid by the buyer of the real estate transferred. As a home rule municipality, the City of Sycamore may impose such a tax if approved at a referendum held in a general election. The next general election is March 21, 2006. In order to get the transfer tax question on a referendum at the March 21 election, the Council must first approve the attached enabling resolution.

Some notable features of the proposed transfer tax are listed below:

- The tax would be paid by the buyer of the real estate transferred.
- Sycamore homeowners would be exempt from the tax. This means that a current Sycamore homeowner wishing to purchase another lot or house in the City of Sycamore would not have to pay the tax. Further, there is no limit to the exemption in terms of the number of lots or houses bought by Sycamore homeowners over time, provided the property becomes their domicile and are located within the Sycamore corporate limits.
- The tax would be used solely for the purpose of providing supplementary financial support for the Sycamore School District.

Other common questions and answers concerning this tax are considered in the attachment. City Council approval is recommended.

13. CONSIDERATIONS

A. Consideration of a Presentation by Tim Bronn of McMahon Associates, Inc. Who Will Provide a Progress Report on His Firm’s Assessment of the City’s Treatment Plant Capacity and Future Community Wastewater Treatment Needs.

On May 16, 2005 the Council approved a professional services contract with McMahon Associates in the amount of \$70,000 for a facility plan update to guide the City’s planning

for future treatment plant expansion and collection system improvements. Funding for this project was allocated in the FY06 Budget in April (05-8331). The firm was selected after qualifications were requested in March and five firms were interviewed in April. The firm's contract had the following scope of work:

1. Treatment Plant Capacity.

- a) review the performance of the existing wastewater treatment processes;
- b) determine flow and load parameters that would need to be incorporated in future treatment facility expansion, based on the residential, commercial and industrial growth assumptions in the 2003 Sycamore Land Use Plan;
- c) consider future water quality requirements, particularly anti-degradation and nutrient removal regulations.
- d) consider prospects for simplifying the treatment process to achieve higher energy efficiency, lower equipment and maintenance costs, and lower labor costs.
- e) consider biosolid processing, storage and volume reduction strategies.

2. Collection System and Wastewater Transport.

- a) include reviews of the current collection system;
- b) analyze potential loadings from the various drainage basins within the service area;
- c) project potential growth areas and population densities, based on the City's Comprehensive Plan of 2003.

Tim Bronn has been the principal representative of McMahon Associates and will be present at the December 19 meeting to apprise the Council of the firm's progress to date.

B. Consideration of an Administration Recommendation to Apply for U.S. EPA Grant Assistance to Continue Cleanup Activities at the Harvester Square Site on South Avenue.

In the summer and early fall of this year, the Region 5 of the U.S. EPA provided contractual support for the removal of a wide variety of drums and other containers containing hazardous wastes from the former Harvester Square facility on South Avenue. A final report on the federal removal efforts has not been received, but it is estimated that the federal agency expended several hundred thousands of dollars in this cleanup effort, which effectively prepared the city-owned space for demolition this winter.

With the assistance of Marlin Environmental, Inc. the firm which has consulted with the City throughout its cleanup efforts, the City Manager has become aware of a possible source of additional federal assistance offered to participants in a brownfield program. As the Council will recall, the City was enrolled in the Illinois EPA Brownfield program in May, 2004 and was awarded an initial brownfield grant of \$119,479 and a follow-on grant of \$77,093 in May 2005 to reimburse assessment costs associated with the environmental cleanup of the roughly two-acre site controlled by the City. The additional federal assistance sought under the Federal Cleanup Grant program would help the City accomplish the following:

- a) The removal and abatement of the asbestos in the former boiler room (which is adjacent to the structures owned by Blumen Gardens). This room is about 45 feet by 25 feet by 25 feet high;
- b) The abatement (i.e. removal) of light ballasts and fixtures remaining in the City-owned complex that may have lead or other contaminants prior to demolition; and
- c) If funds remain after points (a) and (b) are addressed, the demolition of the remaining structures on the City-owned parcels. These structures comprise an area about 378 feet by 117 feet by 18 feet high. The demolition would leave the existing concrete floors in place as a temporary “engineered” barrier for any impacted soils beneath.

The City is eligible for up to \$200,000 in federal funds under the Cleanup program but the process is very competitive in view of the limited monies allocated for this purpose nationwide. City Council approval of this grant request is recommended. Property owners adjacent to the Harvester Site will be informed of the City’s application for federal funding by written notice (see the attached copy).

C. Consideration of a Police Department Request for Council Authorization to Replace a Patrol Officer.

Patrol Officer Patrick Lozeau has resigned his position with the Sycamore Police department, effective December 31, 2005. The City Manager requests the Council’s authorization to proceed with the hiring of a replacement officer from the hiring list which recently became effective on November 1. Assuming the Council agrees with this request, the City Manager will notify the Fire and Police Commission and the Commission will proceed with the appropriate hiring steps.

14. APPOINTMENTS

15. ADJOURNMENT