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**SYCAMORE CITY COUNCIL – SPECIAL MEETING WITH SCHOOL BOARD  
MINUTES OF MAY 19, 2005**

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**ROLL CALL**

Mayor Ken Mundy called the meeting to order and Clerk Candy Smith called the roll. Those Alderpersons present were: Grace Adee, Alan Bauer, Terry Kessler, Darren Knuth, Barbara Leach, Cheryl Maness, Pete Paulsen, and Chuck Stowe. Also in attendance were School Board members Jim Dombek, Dannie Stanbery, Don Clayberg, Barb King, Jay Montgomery, Dave Shipley, and Diane Tyrrell.

**APPROVAL OF AGENDA**

**Motion**

Alderson Leach moved to approve the agenda and Alderson Maness seconded the motion.

**Voice Vote**

Mayor Mundy called for a voice vote to approve the motion. All Aldersons voted aye. Motion carried 8 - 0.

**NEW BUSINESS**

**A. Presentation of the Community Fiscal Impact Study Prepared by the NIU Center for Governmental Studies.**

City Manager Bill Nicklas explained that the study was commissioned by the City Council on September 20, 2004 at a cost of \$39,500. Mr. Nicklas introduced Roger Dahlstrom, Senior Research Associate for the Center of Governmental Studies.

Roger Dahlstrom said he looked at two separate scenarios projected over 10 years. He said the 4 service units under consideration are the City, School District, Park District, and Library and all 4 were subjected to the same analytical procedure. He said they started with the Comprehensive Plan and the calculated future development was 3,000 acres neighborhood, 490 acres commercial, 670 acres office research, and 290 acres industrial. He said rural residential was not counted. He said these are gross acreage figures and will allow them to calculate the public service demands. Mr. Dahlstrom said they link the land development process to fiscal impact analysis with a fiscal impact land use (FILU) model.

Mr. Dahlstrom said the first scenario he was presenting was the 1260 acres of approved active development. At the end of 10 years the impact balance on the 4 service units would be \$8,745,813 for the City, \$200,000 for the Park District, \$575,000 for the Library, and -\$19,000,000 for the School District. He said the second scenario adds commercial, industrial, and office research development and some additional residential to the 1260 residential totaling 2100 acres. The impact balance at the end of 10 years for this scenario is \$3,000,000 for the City, \$2,293,000 for the Park District, \$1,780,215 for the Library, and -\$8,400,000 for the School District. He said the second scenario is much more realistic than the first. He said this should not be the primary tool for each individual development. Mr. Dahlstrom said this study is a planning tool not an accounting tool and will be important to growth management.

Bill Davey asked why he used the first scenario with all houses and Mr. Dahlstrom said it is information and an instructional exercise but not realistic.

Tom Meyer asked what Mr. Dahlstrom recommended to lure more businesses. Mr. Dahlstrom said residential most likely occurs before commercial, office research and industry. He said that office research and industry are looking at how a community is managed and at their quality of life.

Roger Hopkins said that all budgets Mr. Dahlstrom used seem to start in a deficit and yet realistically they are not running on a deficit.

Mr. Dahlstrom said this study starts them at ground zero and not taking into account what is already in the ground. He said they have simply isolated 10 years. He said there is a bulge in the system at the front end of the projection and they are considering that commercial is coming in phases rather than in a smooth incremental fashion. He said the trend line is a pretty good indication of where the City is going.

Diane Tyrrell asked if the City should try to attract a certain type of business and he said they should try to maintain balance. He said they were conservative in their numbers because the land use map calls for 12% commercial land use and they projected only 6%.

Barbara Leach said the key is to protect the commercial and industrial space. Mr. Dahlstrom said based on the Comprehensive Plan in place now, they have a well balanced community.

Terry Kessler asked if he used pacing mechanism in his calculations and Mr. Dahlstrom said that is effective years 5 through 10.

Dave Faganel said it looks like the high end residential homes support themselves. He asked if no growth might cost residents more for repairs and updates to the existing infrastructure.

Mr. Dahlstrom said a properly designed impact fee system will support the system.

Roger Hopkins asked if impact fees alone were enough to pay for capital improvements like schools, parks, and firehouses.

Mr. Dahlstrom said the community should not depend on impact fees for capital projects. He said the impact fees can help to pay the debt service for those projects.

Tom Meyer said assuming the school district is already behind on top of the \$8 million dollar deficit impact balance, besides impact fees how would that be made up.

Mr. Dahlstrom said that is a policy issue about the role of the community.

Peter Barick asked if the study could be made dynamic by real data rather than hypothetical.

Mr. Dahlstrom said now that the study is completed progress can be monitored.

Jim Dombek said the School District uses a 10-year real-time model to monitor variables.

Dave Juday said if the Comp Plan calls for 12% commercial why did they only use 6%.

Mr. Dahlstrom said the whole area would not build out over 10 years.

Mr. Juday said that if we really want to impact the outcome, those would be the areas to look at quickly.

Mr. Nicklas said one reason he feels the study is a good base in which to develop policy is that it does not paint a rosy view of revenue and uses cautious projections.

Roger Hopkins said one of the policy issues he is striving at is trying to get the taxing bodies to be willing to give something up in the short run in order to attract businesses to balance the tax base.

Cheryl Maness asked if another 6% commercial would get developed can we assume all the taxing bodies would be in the black.

Mr. Dahlstrom said when they talk about commercial they are describing retail that produces sales tax. He said they even separate office research and industrial. He said certainly increasing non-residential development would increase revenues without using many services. He said they can plug in numbers to show that.

Tom Meyer said that by rebating sales tax and abating property taxes they run the risk of losing out if the businesses close down or pull out.

Terry Kessler explained there is a clause of right to recover abatement if the business fails in Sycamore.

Dave Shipley asked what type of capital improvement Mr. Dahlstrom used for the School District.

Mr. Dahlstrom said they considered only bricks and sticks and did not include furnishings. He said there is a formula for a certain number of students per square feet and he did include operational and capital projections when calculating the \$8,000,000 deficit.

Bill Davey asked what percentage of the school's budget would that -\$8,000,000 be over the 10 years.

Mr. Dahlstrom said he does not have those numbers.

Ms. Kessler asked the cost of student per year.

Bob Hammon said there is a formula used that calculates \$7581 per student per year.

Ken Andersen asked how many students per house were calculated.

Mr. Dahlstrom said it varied by the type of housing and number of bedrooms.

Mr. Andersen asked if the school district has done a survey to calculate the number of students per house.

Luke Glowiak said they use the Illinois Consulting Service and have sophisticated software that calculates between .7 and .8 students per dwelling.

Carolyn Watson asked how to fix the \$8,000,000 deficit.

Mr. Dahlstrom said they have suggested 5 basic alternatives for addressing funding.

**B. Consideration of an Ad Hoc Committee on Growth Management, Appointed by Mayor Mundy, to Investigate and Recommend Options to Help Resolve Fiscal Imbalances Due to the Projected Pattern of Economic Growth in the Period 2005-2015.**

Mayor Mundy appointed the following members to the Committee: Ken Mundy and Bill Nicklas, City of Sycamore; Jim Dombek and Luke Glowiak, School District; Larry Steczo, Park District; Sarah Tobias, Library; Bill Davey, Plan Commission; Rose Treml, Chamber of Commerce; Jim Huntley, Economic Development Commission; Dave Juday, DeKalb County Economic Development Corporation; Ken Andersen, DeKalb County Building and Development Association; and John Lewis as moderator. He also invited the Farm Bureau and CARE group to attend the meetings. Mayor Mundy asked that the committee members appoint alternatives to sit in for them if they cannot make a meeting.

**Motion**

Aldersperson Maness moved to approve the appointments and Aldersperson Kessler seconded the motion.

**Voice Vote**

Mayor Mundy called for a voice vote to approve the motion. All Alderspersons voted aye. Motion carried 8 - 0.

Mayor Mundy set the first Committee meeting for Wednesday, May 25, 2005 at 4:00 p.m. in the Community Room at the Sycamore Center at 308 W. State Street. He asked the committee members to review the School District options in the agenda before coming to the meeting. He thanked Roger Dahlstrom for his presentation and the National Bank & Trust Company for the use of their facility and all the people for attending.

**ADJOURNMENT**

**Motion**

Aldersperson Stowe moved to adjourn the meeting at 8:19 p.m. and Aldersperson Leach seconded the motion.

**Voice Vote**

Mayor Mundy called for a voice vote to approve the motion. All Alderspersons voted aye. Motion carried 8 - 0.

Approve:

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Mayor – Ken Mundy

Attest:

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City Clerk – Candy Smith