
**SYCAMORE CITY COUNCIL – REGULAR MEETING
MINUTES OF JUNE 20, 2005**

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.

INVOCATION

Pastor Jim Elliott of Harvest Time Fellowship gave the invocation.

PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

Motion

Aldersperson Maness moved to approve the agenda 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.

AUDIENCE TO VISITORS

Rose Treml, Sycamore Chamber Executive Director, said Rockford's Channel 17 wants to feature Sycamore as a Stateline Pride Community. They will come out and film and will broadcast July 18 through July 24.

Gary Cordes, 1437 Maria Court, said he would like to speak to the item regarding the vacation of a portion of Sacramento Street.

Matt Schmitt, President of DeKalb Area Realtors, said he would like to speak to the item regarding Transfer Fees.

Peter Barick, 433 W. High St., said all but one alderman has email and he thought they should all have it even if they City needed to support it. He said he was morally opposed to alcohol on the golf course and said if it passes he suggested no glass containers, only served in small-sized containers, limit to 2 drinks per person, a means to check id's, vend water and other beverages, track sales of alcohol on cart, radios or cell phones for cart operators, and training of cart operator to identify an intoxicated person. Mr. Barick said when he questioned Mr. Nicklas at Plan Commission about giving away the property the City is vacating on Sacramento St., Mr. Nicklas said that the piece of property was too small for anybody to be interested in buying. He said he thought the City should not be giving land away and there should be a token value at the least.

Aldersperson Kessler said she thought it was interesting that Mr. Barick used the word morality, integrity, and civility after what she considered a personal attack in the Chronicle. She said she was offended on many levels and said he needs to debate an issue and not attack a person. She said the City Manager works under the direction of City Council and they do not always agree, but they disagree on the issues and not on the person. She said Mr. Barick's attacks were out of line and with that she said she will not listen to his

remarks. She said his personal attacks must stop. She said the City Manager and the Council have Sycamore's best interest in mind.

Carolyn Watson, 1863 Kerrybrook Ct., said she spoke with several friends and neighbors and they did not see selling alcohol on the golf course as a major problem, but they did have some concerns. She said that alcohol and sports rarely work well together, there is a potential for poor behavior and bad accidents, a risk of dehydration and she thought monitoring for safety and liability would be a daunting task.

Curt Behrens, 705 Cambridge Place, said he moved to Sycamore in 1987 and alcohol on the golf course was an issue then. He said the Park District had a BYOB policy and then a no alcohol without a permit and none on the golf course. He said that NIU conducted a telephone survey regarding alcohol and the majority voted no to the club house and the golf course. He said the thought Council should reject this proposal until have the Park District does another survey.

Scott Short, 1742 Briggs, said he would like to see Council commit to raising impact fees 15% in order to anticipate the increase in land values over the next two years. He said that no new taxes or fees should be imposed on residents to pay for new development.

CONSENT AGENDA

- a. Approval of the Minutes for the Regular City Council Meeting of June 6, 2005.
- b. Plan Commission Minutes for May 9, 2005.
- c. Payment of the Bills for June 20, 2005 in the amount of \$1,216,870.36.

Motion

Aldersperson Bauer moved to approve the Consent Agenda and Aldersperson Maness seconded the motion.

Voice Vote

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

PRESENTATION OF PETITIONS, COMMUNICATIONS, AND BILLS.

- a. Presentation by the Sycamore Economic Development Commission. Commissioner Rose Tremi will present Penny and Gary Carter, owners of Carter's Alley at 326 West State Street, who will give a brief overview of their store's history and services.

Penny and Gary Carter said 4 or 5 years ago they were Christmas shopping in Geneva and realized they were spending a lot of money out of town. Ms. Carter said she was inspired to open a store after visiting a shop in Wasco. She said they are finding how kind the people are in Sycamore and how glad they are to support their own community. They carry many unique items such as glasses that are made from recycled wine bottles. She said they visited her hometown and found that its downtown had not survived and that was the defining moment when she became very solid in her unity to Sycamore and supporting the town. They are about to celebrate their 1st anniversary of their store and have recently created access through their courtyard in the back of the store. Mr. Carter said they think access off the alley will be good for the store and they are working to keep the alley clean.

Aldersperson Paulsen asked when the Maplewood and Route 23 intersection would be completed.

City Engineer Brady said they are working on the final surface and alignment and it should be done in 2 or 3 weeks.

Aldersperson Bauer asked when Freed Road would be closed for work at Hickory Terrace.

Engineer Brady said he was unsure, but it would happen before school starts in the fall.

Aldersperson Stowe said he read in the newspaper that former Aldersperson Drake died.

Mayor Mundy said he spoke with a friend of his while he was wiring the box for the traffic light at Maplewood and Route 23 and he said the lights would be in operation June 29. Mayor Mundy said he and Mayor Van Buer and Mayor Seyller met with Representative Pritchard and Senator Burzinski and discussed regional issues and they have agreed to meet again. Mayor Mundy said he received a call from Mojo Brew Co., a new business that sells ingredients to make beer and wine at home, requesting a license to sell their own labeled wine. He said the City does not have that type of license and placed the issue in the Ordinance Committee. He set a meeting date of July 5, 2005 at 6:30 p.m.

REPORT OF OFFICERS

Manager – Bill Nicklas thanked Brian Gregory for his first stint as an Acting City Manager last Friday. Mr. Nicklas said VAC is looking for a temporary pick up and drop off location for meals on wheels and he offered the Sycamore Center, but thought they found a better location with no stairs.

Engineer – John Brady said the Well #9 project has started and footings will be poured tomorrow.

Building & Zoning – Lyle Doty said he heard that one of the empty buildings at Sycamore Prairie Business Park has been rented. He said he has plans for a 20,000 sq.ft. addition to Menard's.

Fire Chief – Bill Riddle said a blood drive will be held at the Public Safety Building July 13. He said they will have a training fire at Peace and Route 64 on Saturday.

Treasurer – Brian Gregory said he and Intern Ryan Kelly spent much of their weekend tabbing newsletters and got them in the mail this morning.

Aldersperson Kessler said she was proud of the newsletter and she hoped they would build on that and the web page will be a source for updates.

Public Works Supt. – Fred Busse reported that he provided Tim Bronn of McMahon and Assoc. with 3 years of data to help him see where they've been and what direction they need to take with the facility plan for the waste water treatment plan. Superintendent Busse said the Street Department will be building a masonry fence on the new cement pad at the northwest corner of the Sycamore Parking Lot. He said they will be relying on Mike Schulz's skills to build the fence which will be less expensive and more durable than other options.

Water Supt. – Ebe Smith – no report

Police Chief – Don Thomas said the Police Department is recruiting for police officers and 65 applicants will take the test Saturday at the Sycamore Library. Chief Thomas suggested that people who don't know the non-emergency police telephone number dial 911 and the County will reroute the dispatch.

REPORT OF STANDING COMMITTEES

Finance – no report

Ordinance – Chairperson Barbara Leach said they will meet July 5, 2005 at 6:30 p.m.

Police & Fire – no report

Sewer & Water –no report

Streets & Walks – no report

PUBLIC HEARING

A. Public Hearing on the Proposed Annexation of the Simon Farm Property for Commercial Purposes.

Mayor Mundy opened the hearing and upon hearing no public comment closed the hearing.

ORDINANCES

A. Ordinance No. 2005.15—An Ordinance Amending Title 3, Business and License Regulations,” Chapter 2, “Liquor Control,” Section 3-2-1 “Definitions” and Section 3-2-6 “Classification of Licenses, Fees, Hours and Days,” to Permit the Sale of Alcoholic Beverages from Golf Course Beverage Carts When the Golf Course Is Open in the City of Sycamore, Illinois. Second Reading.

Larry Steczo, 116 W. Lincoln Street, Park Board President, said the Park District's main focus is to attract a few more golf outings per year. He said it is the golf outing bringing in \$2400 that is their goal and not the beer sales. He said the Park Board has already addressed all the issues presented. Mr. Steczo said the one year probationary period would be acceptable.

Aldersperson Knuth asked if the license could be restricted to only golf outings.

Mr. Steczo said they would need to define outing and he thought the one-year probationary period would be better.

Aldersperson Kessler said she grew up at the Park because her dad was the greens keeper for 24 years. She said she discussed this issue with him and he said the BYOB policy incidents were in the back 4 ball diamonds and underage drinkers on the course after hours. She said the Park District is no longer attracting the big outings and she thought this would be a good opportunity for the Park District to attract those outings. Ms. Kessler said she would agree to a one year probationary period.

Aldersperson Maness said the golfers she spoke with did not think there would be a problem with alcohol on the golf course. She said she called 3 establishments that serve alcohol and they said they did not think this

would take away their business. She said she thought they should give the Park District this opportunity to raise money and place them on one-year probation.

Mr. Steczo said there is water at 8 of the 18 holes and it is free. He said they are simply asking to level the playing field and to provide an amenity.

Mayor Mundy said there has been beer in the Clubhouse for one year.

Mr. Steczo said they have had no incidents around the alcohol in the Clubhouse.

Aldersperson Knuth asked if they anticipated this eliminating people from bringing their own alcohol.

Mr. Steczo answered that it probably would not, but it might curb it. He said the beverage cart loses money every time it goes out and maybe they would lose less with alcohol sales.

Motion

Aldersperson Maness moved to approve Ordinance 2005.15 and Aldersperson Kessler seconded the motion.

Amended Motion

Aldersperson Knuth moved to amend the motion by adding a one-year probationary period to the ordinance and Aldersperson Paulsen seconded the motion.

Aldersperson Bauer asked if they wanted to restrict this to special events.

Aldersperson Paulsen said he thought that would be burdensome for the Liquor Commissioner and the Park staff.

Aldersperson Stowe said he did not know they would add a probationary period in an ordinance unless they would set a sunset date.

Attorney Foster said they would need to set a sunset date to review in one year.

Voice Vote for amended motion

Mayor Mundy called for a voice vote to approve the motion. Five Alderspersons voted aye with Alderspersons Stowe, Adee, and Bauer voting nay. Motion carried 5 - 3.

Voice Vote for motion

Mayor Mundy called for a voice vote to approve the motion. Five Alderspersons voted aye with Alderspersons Stowe, Adee, and Bauer voting nay. Motion carried 5 - 3.

B. Ordinance No. 2005.16—An Ordinance Amending Title 3, “Business and License Regulations,” Chapter 2, “Liquor Control,” Section 3-2-11, “Building and Location restrictions,” Paragraph A of the City Code of the City of Sycamore, Illinois. Second Reading.

Manager Nicklas said a more suitable description for the golf course is needed for this ordinance.

Motion

Alderson Maness moved to approve Ordinance 2005.16 and Alderson Bauer seconded the motion.

Voice Vote

Mayor Mundy called for a voice vote to approve the motion. Seven Aldersons voted aye with Alderson Stowe voting nay. Motion carried 7 - 1.

C. Ordinance No. 2005.17—An Ordinance Concerning the Recommendation of the Plan Commission With Regard to the Petition of US Bank, NA for an Annexation Agreement for Property on the South Side of Illinois Route 64, Being East and West of Peace Road, and the Subsequent Annexation and Rezoning of Said Property to “C-3” Highway Business District. First and Second Reading.

Manager Nicklas said this item concerns the Simon farm including approximately 35 acres at the southwest corner of IL Rt. 64 and Peace Road and approximately 44 acres on the east side of Peace Road, south of the Hove property. He noted the key features as follows:

1. Upon the approval of the annexation agreement, the Owner or assigns agrees to
 - Pay all applicable annexation fees, as they may change from time to time, only as final plats are submitted and approved.
 - Incur the expense for the recording of the annexation agreement and annexation ordinance, and for the preparation and recording of any plats pertaining thereto.
 - Within thirty (30) days of the approval of the agreement, the Owner agrees to execute a non-exclusive easement for sewer and water service (see Exhibit C) covering a twenty-five foot (25') strip as described on Exhibit D (attached).
 - Pay recapture fees for the extension of Sarah Drive and related utilities westward from Peace Road and south of the common property line with the Artery Farm, at such time as the area of the Subject Property adjoining the Artery Farm is developed.
2. Upon the approval of the annexation agreement, the City agrees to
 - Enact a valid and binding ordinance annexing the property and zoning it “C-3” Highway Business District.
 - Pay the cost of the survey associated with the preparation of a legal description and plat for the sewer and water easement.
 - Abate any City real estate tax on the Subject property unless or until it is developed.
 - Extend the sanitary sewer that exists at a point approximately 1,400 feet west of Peace Road on the south side of Illinois Route 64 along the south side of IL Rt. 64 to 600 feet east of the center line of Peace Road (see Exhibit D), at the City's sole expense.

Motion

Alderson Kessler moved to hear Ordinance 2005.17 on first and second reading 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.

Motion

Alderson Kessler moved to approve Ordinance 2005.17 and Alderson Bauer seconded the motion.

Aldersperson Kessler said that Fire Chief Riddle mentioned they are doing fire practice on this property. She commended the owner for his commitment to the City because that is an invaluable part of firefighter training.

Aldersperson Stowe said he did not see any mention of sidewalks.

Mr. Nicklas said this is just an annexation and the City will press for sidewalks when the petitioner comes back for a Planned Unit Development. Mr. Nicklas also relayed that the owner did not want to annex and that the City pushed for this.

Roll Call Vote

Mayor Mundy called for a roll call vote to approve the motion. Alderspersons Knuth, Leach, Maness, Paulsen, Stowe, Adee, Bauer, Kessler, and Mayor Mundy voted aye. Motion carried 9 - 0.

D. Ordinance No. 2005.18—An Ordinance Annexing the Property Known as the Simon Farm in the City of Sycamore, Illinois. First and Second Reading.

Manager Nicklas said this ordinance is for recording purposes.

Motion

Aldersperson Maness moved to hear Ordinance 2005.18 on first and second reading and Aldersperson Paulsen seconded the motion.

Voice Vote

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

Motion

Aldersperson Paulsen moved to approve Ordinance 2005.18 and Aldersperson Kessler seconded the motion.

Roll Call Vote

Mayor Mundy called for a roll call vote to approve the motion. Alderspersons Knuth, Leach, Maness, Paulsen, Stowe, Adee, Bauer, Kessler, and Mayor Mundy voted aye. Motion carried 9 - 0.

E. Ordinance No. 2005.19—An Ordinance Concerning the Recommendation of the Plan Commission With Regard to the Petition of the Chicago Title Insurance Company for the Vacation of a Portion of South Sacramento Street Adjoining 441 West High Street in the City of Sycamore, Illinois. First and Second Reading.

Manager Nicklas said the Plan Commission reviewed this petition and unanimously recommended the Council's approval. He said as far as assigning value to the land, the owners have maintained it and paid property taxes on it for years paying more than the property would be worth.

Motion

Aldersperson Maness moved to hear Ordinance 2005.19 on first and second reading and Aldersperson Stowe seconded the motion.

Voice Vote

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

Motion

Alderson Maness moved to approve Ordinance 2005.19 and vacate Lot 5 to present owner of property or to assigns and Alderson Stowe seconded the motion.

Alderson Bauer said this is similar to the ordinance he voted against for PJ's to expand on the principle that a token amount should be paid.

Alderson Leach said on principle they have been paying taxes and maintaining the property for over 100 years and have paid in excess of the value of the land.

Gary Cordes, 1437 Maria Court, attorney for the petitioner, said the title work shows all of Lot 5 titled since 1869. He said the owners have paid taxes from the tax map that shows all of Lot 5 with the 95 feet in question.

Voice Vote

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

F. Ordinance No. 2005.20—An Ordinance Concerning the Recommendation of the Plan Commission With Regard to the Petition of Bethany Road Development, LLC, Pappas Development, LLC and Bethany Business Condominiums, LLC to Rezone Property Fronting on Both Sides of Mediterranean Drive from “M-1” Light Manufacturing to “C-3” Highway Business District in the City of Sycamore, Illinois. First and Second Reading.

Manager Nicklas said the Plan Commissioners agreed with the staff report that this change will actually promote further development of this commercial center.

Motion

Alderson Stowe moved to hear Ordinance 2005.20 on first and second reading and Alderson Paulsen seconded the motion.

Voice Vote

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

Motion

Alderson Stowe moved to approve Ordinance 2005.20 and Alderson Paulsen seconded the motion.

Voice Vote

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

G. Ordinance No. 2005.21—An Ordinance Ascertainning the Prevailing Wages for Public Works in the City of Sycamore, Illinois. First and Second Reading.

Mayor Mundy said this is a compliance issue for Council.

Motion

Alderson Maness moved to hear Ordinance 2005.21 on first and second reading and Alderson Paulsen seconded the motion.

Voice Vote

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

Motion

Alderperson Paulsen moved to approve Ordinance 2005.21 and Alderperson Kessler seconded the motion.

Voice Vote

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

H. Ordinance No. 2005.22—An Ordinance Requesting Permission of the Illinois Department of Transportation to Close Illinois Route 64 from Main Street to Sacramento Street from 6:00 A.M. Until 4:00 P.M. on July 31, 2005 to Allow for the “Turning Back Time” Car Show in Sycamore, Illinois. First and Second Reading.

Motion

Alderperson Kessler moved to hear Ordinance 2005.22 on first and second reading and Alderperson Maness seconded the motion.

Voice Vote

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

Mayor Mundy said this is the 6th annual car show and thanked the committee for their work.

Motion

Alderperson Maness moved to approve Ordinance 2005.22 and Alderperson Stowe seconded the motion.

Voice Vote

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

I. Ordinance No. 2005.23--Amending the Combined Annual Budget and Appropriation Ordinance for the Fiscal Year 2005-2006 in the City of Sycamore, Illinois. First and Second Reading.

Manager Nicklas listed the proposed revisions as follows:

1. 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.
2. Fund 6, “Capital Assistance Fund.” Create a new Line Item 06-8334, “Census Services,” with \$227,000 transferred from the General Fund reserve.
3. 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.
4. 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.
5. 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. The Architectural Review Committee will ask the Council to dedicate the \$10,000 presently in this line item to an FY05 grant request from Jesus Romero (see “Considerations, Item B” on this Agenda).

Aldersperson Bauer asked if this would have any impact on the bond rating.

Mr. Nicklas said the only matter of interest for Moody's is the reserve for the general fund.

Motion

Aldersperson Bauer moved to hear Ordinance 2005.23 on first and second reading 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.

Motion

Aldersperson Maness moved to approve Ordinance 2005.23 and Aldersperson Paulsen seconded the motion.

Roll Call Vote

Mayor Mundy called for a roll call vote to approve the motion. Alderspersons Knuth, Leach, Maness, Paulsen, Stowe, Adee, Bauer, Kessler, and Mayor Mundy voted aye. Motion carried 9 - 0.

RESOLUTIONS

A. Resolution No. 460—Authorizing the Mayor to Sign a Memorandum of Understanding with the U. S. Bureau of the Census to Authorize a Special Census in the City of Sycamore, Illinois.

Motion

Aldersperson Bauer moved to approve Resolution 460 and Aldersperson Paulsen seconded the motion.

Aldersperson Leach asked if the City had to provide space and Mr. Nicklas said the City will send \$127,000 to Washington, D.C. and we will hire the enumerators with the remaining \$98,000.

Voice Vote

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

B. Resolution No. 461—Supporting the Proposals of the Mayor's Ad Hoc Committee on Growth Management.

Dave Juday, 11208 North Grove Road, Chairman of the Board of Ideal Industries, said this is a good place to live and the secret is out, because people want in and will pay a lot of money to get in. He said this has been met with a couple of different reactions either let them in or slam the door. He said both of those initial reactions are not terribly useful and ended up in a shrill debate about what we didn't want. He said they need to focus on what we do want. Mr. Juday said the fiscal impact study provided some remarkable data and he said they need to be careful not to confuse fiscal issues with management issues. He said the results of the study show that most taxing bodies will do just fine, but the School District will face a challenge with a shortfall over a period of time. He said the School District is currently doing well producing a product better than average at a cost that is average or less compared to other districts. He said the Committee has looked at several options to address that shortfall. He said tonight Council will be called on to support a Transfer Tax, and though he does not think it will be the ultimate answer, he thinks that will be the first significant step

to fill in the gap the School District will be facing over the next ten years. He said that will put us in a position to be marketable commercially and industrially. He urged Council to support this resolution.

Matt Schmitt, President of DeKalb Area Association of Realtors, said the realtors feel that this proposal puts the burden of additional school funding solely on one segment of the community and sets a dangerous precedent for other taxing bodies to come to the City to gain new revenues without exploring their own cost-cutting measures. He said they fear this will impede the development of workforce housing. He said the realtors look forward to being involved in future discussions on the subject.

Jim Dombek, School Board President, said Council should realize there was a lot of discussion at the committee level regarding this resolution. He said it was disturbing that a representative from the real estate community did not attend the meetings. He said if the recommendations do not go forward, he would ask for direction to consider at the next committee meeting.

Mayor Mundy asked if these recommendations were discussed at the School Board meeting.

Mr. Dombek said recommendations 1 through 5 were agreed to by consensus and #6 was approved by a motion.

Mayor Mundy asked Cortland Mayor Seyller if he had had any conversation with the Sycamore School Board.

Cortland Mayor Seyller said there had been no formal discussion.

Mr. Dombek said there had been positive response informally.

Cortland Mayor Seyller said that Cortland is close to putting together a deal with DeKalb and they are discussing both transfer and transition fees. He said Cortland does not have the authority to impose transfer fees. He said DeKalb's numbers are much larger than Sycamore's. He suggested at this point he did not like the discrepancy between single-family and single-family attached housing impact fees. He said he would like to get together with Mayor Mundy.

Mayor Mundy said he appreciated that Cortland covers three school districts and have an equity issue. He said we appreciate the communication.

Cortland Mayor Seyller said they are collecting fees and have a site for a school in the Sycamore School District section of Cortland.

Aldersperson Kessler asked what their impact fees are currently.

Cortland Mayor Seyller said for a 3-bedroom home they are \$3,000 and \$5,000 for a 4-bedroom and above. He said if land is given the impact fee is reduced.

Manager Nicklas said it is critical they stick to the facts. He said there is a Sycamore/Cortland Boundary agreement and was determined on our ability to serve sewer. He said that Cortland can absolutely match Sycamore's impact fees through their annexation agreements. He said that DeKalb's impact fees are larger because they are not considering a transfer fees.

Mr. Nicklas said there has been talk about solving the problem by a referendum to raise the School District levy. He said that would add to the annual property tax bills where selling a home is optional. He said many people may never pay a transfer fee and some may pay several. He said the national turnover for home sales per individual is 6 years. Mr. Nicklas listed the 10 common transfer tax exemptions as follows:

1. Buyers who presently live in Sycamore and are moving to another residence in Sycamore
2. Deed which secure debt or other obligation
3. Deeds to property acquired by any governmental body or from any governmental body
4. Deeds which, without additional consideration, confirm, correct, modify or supplement a deed previously recorded.
5. Tax deeds
6. Deeds of release of property which is security for a debt or other obligation
7. Deeds of partition
8. Deeds made pursuant to mergers, consolidations or transfers of substantially all of the assets of corporations pursuant to plans of reorganization.
9. Deeds made by a subsidiary corporation to its parent corporation for no consideration other than the cancellation or surrender of the subsidiary's stock
10. Deeds issued pursuant to a mortgage foreclosure proceeding or pursuant to a transfer in lieu of foreclosure.

Mr. Nicklas said the other items under consideration are less controversial than the Transfer Fees. He raised the question whether the good schools are a community challenge or simply a challenge for the newcomers.

Aldersperson Leach said she was thankful for the extra time and has received positive response from the community. She especially liked the #1 exception to the Transfer Tax. She said that all along she has been all for new growth paying its fair share, but the reality is that the purchases of existing homes are impacting the city as well.

Aldersperson Paulsen said he agreed with looking at the exemption. He said he would like to see the Transfer Tax imposed on the buyers. He said he thought they need to support this and actually #6 is the key to the whole thing because commercial and industrial expansion will take the pressure of the residents.

Aldersperson Kessler said she likes the communications that is happening. She said she will support this resolution and is committed to the City and other taxing bodies working together.

Aldersperson Stowe wanted to know if the Transfer Tax was passed would the School District support a unified incentive program.

Mr. Dombek said the basic idea behind incentives is revenue based and if the Transfer Fees provide the anticipated revenue, then the School Board would reconsider that petition. He said the School Board is trying to cooperate, but have revenue concerns.

Aldersperson Stowe said he is hearing "if" this is enough money, and he wanted to know is this enough money.

Mr. Dombek said no.

Mr. Nicklas said the School District may need to see a track record before making a decision on revising their incentive program.

Larry Steczo, Park Board President, said nobody has a crystal ball, so they need to look at today's values.

Alderson Stowe said he was tired of everything falling back negatively on the City and the City being at fault.

Mayor Mundy said without the support of the Council, the Committee will lose its cohesiveness. He said they have to give this time to work before we can get a unified incentive plan. He said he thought this was a good fit and not excessive.

Alderson Leach asked where the exemptions would be discussed.

Mr. Nicklas said the Ad Hoc Committee for Growth Management could take up that discussion.

Motion

Alderson Maness moved to approve Resolution 461 and to have Committee discussion regarding exemptions for the Transfer Tax and Alderson Kessler seconded the motion.

Alderson Paulsen said he wanted to increase the Park District impact fees and asked Larry Steczo to take that to the Park Board.

Alderson Knuth asked what would happen if the Transfer Fee does not pass.

Mr. Nicklas said they would need to go back to the table and discuss other remedies.

Voice Vote

Mayor Mundy called for a voice vote to approve the motion. Seven Aldersons voted aye with Alderson Stowe voting nay. Motion carried 7 - 1.

CONSIDERATIONS

A. Consideration of a Plan Commission Review of the Intent of Ordinance No. 2003.65 With Respect to Multiple Developments on the Same Farm Property.

Manager Nicklas said he wanted to confirm the intent of the portion of this ordinance referring to timing of first permit. He referred to the example in the background which states as follows:

260-acre farm parcel; potentially 390 dwelling units.

If Developer "X" purchases 80 acres of a larger 260-acre farm parcel with the intent of developing 120 dwelling units, the Developer can submit a preliminary plan and annexation petition for the 80 acres and may, upon approval, receive no more than 35 permits per year after waiting one year. A preliminary plan and petition for annexation of the remaining 180 acres and 270 dwelling units may not be submitted for another five years, unless the City Council waives this restriction by a two-thirds vote.

He said that in the drafting of this ordinance in the fall of 2003 it was the staff intent to prevent a skirting of the permit restrictions in Ordinance 2003.65, but not to control the timing of private sales and purchases so long as the five-year waiting period was observed. If a development firm chose to test the Sycamore market

by purchasing a portion of a farm, the precise interpretation of this passage would be important in the staff and Commission review. Mr. Nicklas said this was the understanding of the Plan Commission at their June 14th meeting.

Aldersperson Bauer said he did not think it was ever the intention to be able to break something up and parcel it out to develop it faster.

Motion

Aldersperson Maness moved that the City Council concur with the Plan Commission in the recommendation by the staff of Ordinance 2003.65 and their interpretation there of 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.

B. Consideration of a Recommendation from the Architectural Review Committee.

Manager Nicklas presented a rendering of the awning for Taxco Restaurant and said two Committee members suggested reconsidering the blue color. He said if Council would approve the \$10,000 amount, the Committee could decide on color.

Motion

Aldersperson Stowe moved to approve the recommendation of \$10,000 to Taxco Restaurant and Aldersperson Bauer seconded the motion.

Voice Vote

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

C. Consideration of an Administration Recommendation to Award the Contract for Painting the Cornice of the Sycamore Center to Moline Painting & Decorating in the Amount of \$5,675.00.

Motion

Aldersperson Paulsen moved to award the contract to Moline Painting & Decorating, Inc. for \$5,675.00 and Aldersperson Bauer seconded the motion.

Voice Vote

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

D. Consideration of an Administration Recommendation Concerning the City's Annual Audit.

Manager Nicklas thanked Brian Gregory for spearheading the RFP. He recommended going with Siepert & Co. because of the familiarity they have with the City's records since they use to perform our audits.

Mayor Mundy said going with an auditor that is familiar is invaluable to staff in terms of time and money.

Motion

Alderson Maness moved to award the contract to Siepert & Co. for \$27,000 and Alderson Paulsen seconded the motion.

Voice Vote

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

APPOINTMENTS

None

ADJOURNMENT

Motion

Alderson Stowe moved to adjourn the meeting at 10:04 p.m. and Alderson Paulsen seconded the motion.

Voice Vote

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

Approve:

Mayor – Ken Mundy

Attest:

City Clerk – Candy Smith