

SYCAMORE CITY COUNCIL
AGENDA
January 3, 2006

City Council Committee Meetings

6:15 P.M. Meeting of the Water and Sewer Committee.

On December 27 Well #9 began pumping into the City's water system after passing all quality tests. The Water and Sewer Committee will convene at Well #9 on Airport Road to view the new well in operation. All aldermen, media representatives, and interested citizens are of course welcome to attend.

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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 19, 2005.
 - B. Payment of the Bills for January 3, 2003.
7. **PRESENTATION OF PETITIONS, COMMUNICATIONS, AND BILLS.**
8. **REPORTS OF OFFICERS**
9. **REPORTS OF STANDING COMMITTEES**
10. **PUBLIC HEARINGS--None**

11. ORDINANCES

A. 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. Second Reading.

This ordinance was heard on first reading on December 19, 2005 and concerns a plan presented by Greg Derrico and John Cebrzynski 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 Plan Commission on December 12 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 petitioned the Council for a public hearing on an annexation proposal for the entire Whitwell farm on December 19.

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 Council 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, and has been inserted in the attached copy. City Council approval of the Plan Commission recommendation is requested.

Fiscal Impact

The favorable staff recommendation is also based upon a fiscal analysis of the impact of the proposed annexation and development on local taxing bodies. The independent fiscal analysis provided by the Center for Governmental Studies in March 2005 assumes that the School District alone will be financially challenged to meet its annual operating revenue needs based upon the City’s projected residential growth over the period 2005 to 2015. Based on city permit records, the study assumes that most new owner-occupied units will have four bedrooms and their average 2005 price (land included) would be \$331,429. The study further includes a \$1,000 per dwelling unit “voluntary” contribution from developers for each new residential unit. In contrast, the lowest selling price of a Derrico home on Merry Oaks Drive in the Heron Creek subdivision is presently \$631,000 (land included) and the required “voluntary” developer contribution is \$3,000. Will Mr. Derrico’s proposed homes pay for themselves in terms of the School District’s costs per student? On the basis of the City’s occupancy data which show, on average, less than one school-aged child per new household, it appears that they will on average. The math below illustrates this point:

School Operating Costs by Fund (from the District’s 2005-2006 Budget):

Education	\$23,535,437
O&M	\$ 3,664,287
Transportation	\$ 2,162,397
Retirement/SSI	\$ 758,906
Safety	\$ 650,000
Working Cash	\$ 30,000
Total	\$30,801,027* (*excludes Bond & Interest)

Number of Students Enrolled (Fall 2005): 3,463

Operating Cost per Student: \$8,894 (\$30,801,027/3,463)

Capital Cost per Student: \$875 (Bond & Interest of \$3,030,175/3,463)

School Property Tax Generated by Derrico Home (based on 2005 School Tax Rate of \$5.16192/\$100 EAV):

\$631,000/3 = \$210,333 x .0516192 = \$10,857* (*excludes \$3,000 “voluntary” fee and \$5,560 impact fee).

This calculation is rather conservative—i.e. it errs on the high side in terms of the District’s costs--because some new, large homes have more than one school-aged child, whatever the average may be across the range of new homes each year. Consequently, the math does not establish a “credit” for the District’s state and federal revenues (totaling an estimated \$9.1 million in FY06) or discount “constant” administrative costs that do not vary with the enrollment size. If such adjustments had been made, the estimated operating cost per student that is borne by local taxpayers might be lower.

B. 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. 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.

C. 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. Second Reading.

This ordinance was heard on first reading on December 19, 2005 and concerns a 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 on December 12 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 petitioned the Council for a public hearing on an annexation proposal for the entire Primm Farm on December 19.

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 assure that the west outlet to North Grove Road does not "aim" at any houses on the north side of North Grove Road.
- The collection of stormwater from the north side of North Grove Road should be designed 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.

D. 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. 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.

E. Ordinance No. 2005.76—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.

The attached ordinance revises the FY07 Budget to account for the \$350,000 grant/loan package awarded to Driv-Lok, Inc. by the City Council at the regular meeting of December 19, 2005. The terms of that business retention initiative 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.

As explained at the December 19 Council meeting, the funding for the grant and loan will come from the Sales Tax Distributive Fund (Fund 22). The revised fund budget is attached for the Council's review.

City Council approval is recommended.

F. Ordinance No. 2005.77—An Ordinance Approving a Lease Agreement Between the City of Sycamore and Le Print Express. First and Second Reading.

Le Print Express, owned and managed by Nancy Perkins, has agreed to lease the first floor retail space in the Sycamore Center. The firm presently operates in the WalMart store in DeKalb and will continue to operate a portion of its business out of that location. Le Print Express offers custom graphic services including the design and production of posters,

business cards, labels, invitations, desktop copying, binding and laminating. Gift items such as T-shirts, mouse pads, mugs, plaques and calendars are also available and are sold at retail. The business relies on high-tech digital equipment, fast product turn-around, and short-run printing. Although the business would have more foot-traffic at WalMart, it is limited to 840 square feet of space. Ms. Perkins is much impressed with our building and the feel of our downtown, and believes the expanded line of services she can provide in our space will benefit her business and our community.

The principal terms of the triple-net lease are as follows:

- Term: The base lease is for five (5) years, with an option to renew for two additional five-year terms upon the mutual consent of the parties;
- Rent: \$1,167 per month (\$11.67 per square foot) plus utilities, taxes, and insurance for the first three years, with an escalator in each of the fourth and fifth years equal to 5% or the increase in the Consumer Price Index, whichever is greater. A similar escalator would attend any year in a renewal period.
- Taxes, Insurance and Utilities: The tenant will pay \$20 per month for trash removal, and a pro-rata share of the gas and electric costs associated with the private spaces within the building. The tenant will also carry property, casualty and liability insurance for the leased space.

If the Council approves this lease, Ms. Perkins will arrange to have some leasehold improvements installed in the month of January, at her sole expense, in preparation for an opening in February. City Council approval is recommended.

G. Ordinance No. 2005.78—An Ordinance Addressing and Amending Various Code Provisions Relating to Quasi-Criminal Activities Within the City of Sycamore, Illinois. First and Second Reading.

Chief Thomas has forwarded the attached ordinance to “clean up” some passages in the City Code that have posed some enforcement issues for the Police department. As Chief Thomas explains in the attached memorandum, the proposed revisions generally either (a) mirror actual state statutory language or (b) clarify local offenses and respective penalties which may be understood but not properly defined in the City Code.

City Council approval is recommended.

12. RESOLUTIONS--None

13. CONSIDERATIONS

A. Consideration of a Semi-Annual Report by the Sycamore Chamber of Commerce Regarding Ongoing Tourism and Community Development Activities of the Chamber.

According to the terms of the grant agreement between the City of Sycamore and the Sycamore Chamber of Commerce, the Chamber is obliged to provide oral presentations twice a year regarding ongoing tourism and community development activities of the Chamber. Rose Treml will be present to provide such a report and to answer any Council questions.

B. Consideration of a Report by City Intern Ryan Kelly Regarding His Research Into How the City of Sycamore Assesses the Potential Fiscal Impact of Residential Development.

City Intern Ryan Kelly will complete his graduate work in the Public Administration program of NIU's Political Science department this spring. As part of his degree requirements, he must prepare a "star" paper that represents a unique and original contribution to the field of public administration. Mr. Kelly has chosen a topic which is of particular interest to communities in DeKalb County, and was recently an agenda item at the DeKalb County Regional Planning Commission meeting of November 10. Specifically, Mr. Kelly will attempt to update the data which informs the "Table of Estimated Ultimate Population per Dwelling Unit" generated by the firm, Illinois School Consultants, and frequently used by communities wishing to determine the number of school-aged children in residential developments. The Table was created in 1996 and has not been updated since. Mr. Kelly aims to create a table that is statistically more accurate in terms of Sycamore's demographic data, and he also hopes to suggest a model for other communities to follow.

Mr. Kelly will be on hand to present his research topic.

14. APPOINTMENTS

15. ADJOURNMENT