

**SYCAMORE CITY COUNCIL**  
**AGENDA**  
**October 16, 2006**

**City Council Workshop Meeting**  
**6:00 P.M.**

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The City Council will consider a conceptual development plan for the Herst Farm in this workshop meeting.

**Background**

On September 19, 2005 the City Council approved the annexation of the 97.21-acre Freda Herst farm. The annexation was not prompted by any development interest, but by the City's interest in securing the dedication of a right-of-way to re-align Lindgren Road where it connects with Plank Road, a longstanding planning goal of both Sycamore and the County of DeKalb. The actual construction of the realigned roadway is the responsibility of B&B Development. The realignment is also a prerequisite for the planning and construction of a new elementary school in the Sycamore Creek subdivision, immediately south of the Herst farm.

In the annexation of September 2005, the Herst farm parcel was rezoned for commercial, single family and multiple family (townhouse) uses. The annexation provided for the creation of a 14.8-acre neighborhood commercial ("C-1") district along the realigned Lindgren Road (please see the attached Zoning Exhibit), as well as a transitional 11.20-acre townhouse area (zoned "R-3") that separates the commercial area from a larger, 71.21-acre single family zoning ("R-1") area to the north and east. A number of infrastructure improvements were outlined in the annexation agreement, in addition to the zoning requirements, and these improvements are noted below:

- The realignment of Lindgren Road and a portion of National Street that courses through the Herst property will be completed by B&B Development, at their sole expense. If and when a final plat is approved for any portion of the Herst farm, fifty percent (50%) of the cost of the new Lindgren roadway and that portion of National Street on the Subject Property will be recaptured by B&B Development.
- When warrants exist, traffic signals at the intersection of Plank Road and the realigned Lindgren Road will be installed by B&B Development. If and when a final plat for the

Herst farm property is approved, the developer will be responsible for reimbursing B&B Development for twenty-five percent (25%) of the cost of said signals.

- If and when the residentially-zoned areas of the property develop, the City will be reimbursed at the rate of \$50 per residential unit for upsizing costs associated with the sewer main serving the Herst property and additional properties nearby.
- If and when the Subject Property is developed, the installers of the 18-inch sanitary sewer main serving the property (B&B Development) will recapture a portion of their upfront cost based on the ratio that the estimated additional population bears to the total anticipated population served by the trunk line.

### **Concept Plan**

On August 14, 2006 the Sycamore Plan Commission considered a conceptual development plan for the Herst Farm from John Hall Homes of St. Charles, Illinois, a firm which has substantial experience in building mixed commercial and residential properties. The firm has suggested certain development features that are not common in our area but are readily visible in communities to the East. Further, some features are not anticipated in our development codes, but are embraced by such nearby communities as Wasco, Geneva and St. Charles. The Plan Commission favorably received the concept plan, but was aware that some variances might be necessary in terms of our Unified Development Ordinance provisions or, alternatively, the UDO might need to be amended to accommodate some of the proposed features. Accordingly, the Commission and the City staff welcome the Council's impressions and suggestions before formal engineering submittals are undertaken and reviewed.

According to the firm's literature, the developer's design criteria favor "smart" growth and technology that emphasize connections between uses, and between existing and newer neighborhoods. The attached concept plan illustrates this preference. Rather than create separate nodes of commercial and residential uses, the plan mixes them together in unique ways. Here are some examples:

- Condo units are located above the neighborhood commercial uses in buildings that mirror the low-profile design of nearby residential buildings.
- Two types of transitional housing blend architectural styles with the commercial buildings. Nearby townhouse units show their best face toward public spaces and orient their garages toward interior courts. As an alternative to the attached townhouses, "zero lot line" homes are shown on smaller lots which feature a small courtyard on one side of each unit. This alternative departs from the repetition in design and the close living quarters that typify local townhouse layouts.

In terms of the pace of any residential permits, the applicable regulatory framework is Ordinance 2003.65 (Ordinance 2005.60 was not approved until November of 2005). According to Ordinance 2003.65, building permits for residential construction may be issued annually as follows:

Number of Dwelling Units on the Preliminary Plan	Dwelling Units Permitted Per Year as a Percentage of the Total Lots on The Preliminary Plan	Time Limit Before New Building Permits Are Issued Following Annexation
0 to 50 dwelling units	No Limit	No Time Limit
51 to 100 dwelling units	No More than 35 per Year	One Year
101 to 200 dwelling units	25% or 40, whichever is lower	Two Years
201 to 300 dwelling units	20% or 50, whichever is lower	Three Years
301 to 400 dwelling units	18% or 60, whichever is lower	Four Years
401 to 500 dwelling units	15% or 70, whichever is lower	Five Years
Over 500 dwelling units	10% or 75, whichever is lower	Six Years

### Phasing and Zoning

Ordinance 2003.65 permits the phasing or sequential development of tracts which have less than 100 acres in total area. In this instance, the developer hopes to develop commercial uses simultaneously with the various types of residential units, but the market for the commercial uses may not evolve at the same pace as the demand for the residential units. Accordingly, the developer proposes two phases. The attached zoning exhibit shows the 2005 separation between the detached single-family zoning and the other uses in red lines; the two phases proposed by the developer generally coincide.

The developer has suggested a departure from the September 2005 zoning that better represents the Comp Plan’s expectations for mixed commercial and residential uses, namely, the “C-4” zoning designation. All of the proposed “C-1” and “R-3” zoning could be combined in the planned development format as a special use, “C-4” Mixed Use Commercial Business District. Such a zoning designation anticipates planned unit developments designed to accommodate compatible residential and commercial uses on larger tracts of land and to maximize opportunities for orderly economic development. Typical mixed use designs include a core of community facilities (e.g. not-for-profit agency offices, day care centers, etc.) small retail establishments (e.g. corner market, dry cleaner) and commercial office uses (e.g. dentists, attorneys, etc.) adjacent to, or surrounded by, a variety of housing types including single family detached homes or townhouses or zero lot line single family houses as depicted on the concept plan. In such zoning districts, public or open space to promote public gathering is encouraged, in contrast with utilitarian open space such as stormwater detention ponds or undevelopable areas such as floodplains or wetlands.

To permit the introduction of second floor condominium units in a “C-4” zoning district, the UDO would have to be amended (Table 5.3.1) to allow such uses by right or special use permit.

### Variations Requested

1. Minimum Yard Setbacks. It should be noted that the neo-traditional look proposed by John Hall Homes for the transitional “R-3” area introduces a number of features such as alleys and “old-town” frontage looks that conflict with the City’s conventional zoning setback requirements. The differences between the current code provisions and the developer’s proposals are shown in the chart below:

<b>Townhouses (“R-3”)</b>		
	UDO Requirement	Proposed
Front Yard	25’	25’
Corner Side Yard	25’	25’
Side Yard	7’	7’
Rear Yard	30’*	30’
<b>Zero Lot Line Houses (“R-3”)</b>		
	UDO Requirement	Proposed
Front Yard	25’	25
Corner Side Yard	25’	10’
Side Yard	7’	7’
Rear Yard	30’*	25’
<b>Single Family Detached (“R-1”)</b>		
Front Yard	25’	25’
Corner Side Yard	25’	20’
Side Yard	10’	7’
Rear Yard	25’	25’

\*20 feet if garage is attached to rear of unit for alley access. Detached garages may be 3 feet from any side or rear lot line.

2. Minimum Residential Lot Size. The zero lot line or “courtyard” homes would be unique in Sycamore. They are an alternative to rows of attached housing that have a repetitive look. Zero lot line houses align one building wall on a common lot line and set the opposite building wall off the adjacent lot line by at least the required seven feet in order to create a small courtyard between units. The walls built on the lot lines would have to be designed without windows for fire protection purposes. A depiction of these quaint houses is attached. If this approach is acceptable, a variance from the minimum lot size of 9,000 square feet would be required.

**Other Details**

The attached exhibits do not have sufficient detail to illustrate the location of bike paths. At the very least, a bike path would be necessary to connect the main entrance to the detached single family housing with the Lindgren Road bikepath that will be built on the south side of Lindgren Road. The preliminary plan would need to show how such pathways would be integrated with the required sidewalks and green space.

The planning firm that has developed the concept plan for John Hall Homes, is Land Vision. The firm’s work is familiar to the Council. Its principals also have credentials in the “new urbanism” school of planning that values creative mixes of commercial and residential uses in urban settings. Representatives of the firm will present the concept plan, with the principals of John Hall Homes, who would be doing business in Sycamore under a limited partnership known as Marco Partners LLC.



**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 October 2, 2006.
  - B. Payment of the Bills for October 16, 2006.
  - C. Plan Commission Minutes for the Meeting of September 11, 2006.
  - D. Budget Report as of October 4, 2006.
7. **PRESENTATION OF PETITIONS, COMMUNICATIONS, AND BILLS.**
  - A. Sycamore Economic Development Commission member Ken Mundy will introduce Angela Nielsen, owner of the Scent Shoppe at 321 W. State Street, who will describe the goods and services her business provides.
8. **REPORTS OF OFFICERS**
9. **REPORTS OF STANDING COMMITTEES**
10. **PUBLIC HEARINGS--None**
11. **ORDINANCES**
  - A. **Ordinance No. 2006.40—An Ordinance Amending Title 7, “Public Ways and Property,” Chapter 1, “Streets, Sidewalks, and Public Ways, General Provisions,” Section 7-1-10, “Harmful Deposits; Litter,” to Add a New Section C, of the City Code of the City of Sycamore, Illinois. First and Second Reading.**

At the last regular Council meeting of October 2, the Council considered an ordinance draft that would provide guidelines for planting in the City’s parkways. Presently, the landscape provisions of the City’s Unified Development Ordinance prescribe the planting of street trees “in all parkways having a width of six (6) feet or more” (Section 6.6.2,F,2), but the City Code which typically contains regulatory language regarding the public ways is silent on what may or may not be planted in our parkways. The Council discussion pointed to some allowance for certain flowering plants in addition to parkway trees. Since the Council did not move to receive the ordinance on first reading, a new draft with some revised language can be substituted. The attached draft proposes new language as follows:

**“It shall be unlawful for any person to pave any area lying within a parkway or to place gravel, decorative stone, lava rock, paving brick, prairie grasses, or wildflowers in the parkway. Bedding plants shall be permitted in parkway areas if they are planted around mailboxes (in compliance with postal service regulations), street light poles, street sign poles, or approved trees in the parkway, provided they are maintained free of weeds and debris and do not obstruct traffic or the vision of motorists. Neither the City nor private utilities maintaining infrastructure within the parkways shall be responsible for damage to, or restoration of, plantings other than natural turf after construction or repair work within the parkway, even if such materials were lawfully installed.”**

For clarity, it should be noted that

- The ordinance does not permit vines that may grow around mailboxes (which would be forbidden by the Post Office) or street sign poles or utility poles.
- The ordinance “grandfathers” annuals that were planted this year, but would not permit annuals that would be planted next year except those that would be planted as defined in the ordinance.
- The ordinance “grandfathers” perennial plants (such as low-growing ivy or other perennial plants) that have been established, so long as they are maintained free of weeds and debris and do not obstruct traffic or the vision of motorists. However, such planting areas shall not be extended. This is the same logic the City applies to gravel and other unpaved parking spaces that were established before paved parking surfaces were required: we “grandfather” the well-tended and long-established departures from our present preference.

The City departments still prefer grass parkways with street trees of species, and at locations, approved by the city engineer. Such a position does not discourage residents and businesses from a nearly unlimited variety of plantings on the private side of the sidewalk. However, we believe the revised language presented above strikes a fair compromise with other points of view.

City Council direction is recommended.

**B. Ordinance No. 2006.41—An Ordinance Concerning the Recommendation of the Plan Commission With Regard to a Petition from Todd A. Curtis and Thomas Joseph to Rezone the Property at 246 W. Exchange Street from “R-3” Multiple Family Residence District to “C-2” Central Business District in the City of Sycamore, Illinois. First and Second Reading.**

Dr. Todd Curtis is interested in expanding his neighborhood dental practice to the residential property that abuts the rear yard of his present practice location at 124 N. California Street. It is his intention to demolish the single family structure at 246 W. Exchange and build an addition to his Victorian-style building.

The residential structure immediately north of Dr. Curtis’s present clinic is a three-flat apartment house. The property immediately south of Dr. Curtis is zoned “C-2” Central

Business and contains a public parking lot. The Stratford Inn is immediately south of that parking lot.

The expansion of Dr. Curtis’s clinic does not appear to involve any traffic congestion, noise, or other impact that would be a nuisance or detriment to the neighborhood. In addition, any building layout can be designed in such a way to preserve an adequate supply of light and air to the neighboring residential property at 240 W. Exchange Street. The clinic receives customers by appointment and in small numbers, and has been a good neighbor since its inception.

The Plan Commission considered this rezoning request at its last regular meeting of October 9 and voted to recommend the Council’s approval by a vote of 7-0. City Council approval of the Plan Commission recommendation is requested.

**C. Ordinance No. 2006.42—An Ordinance Concerning the Recommendation of the Plan Commission With Regard to a Final Plat for Unit Two of the Sycamore Creek Planned Unit Development in the City of Sycamore, Illinois. First and Second Reading.**

The 220-acre Sycamore Creek planned development was approved by the City Council on August 5, 2002. This development was unique for a number of firsts:

1. the development set aside 15.12 acres for an elementary school site.
2. the development donated an additional 8 acres to the School District as a “development credit.”
3. the development offered a “voluntary” contribution of \$1,500 per lot over and above the required impact fee, to be paid at the time of permitting. This would yield the School District an estimated \$528,000 over the build-out of the subdivision, which in turn would offset the “credit” typically owed the developer for the price of the land dedicated for the school at \$75,000 per acre. The credit in this case would have been about \$525,000.

The overall development area has the following features:

Single-Family Homes	95.13 Acres
Private Park, Detention & Conservation Areas	52 Acres
Public Park Area	7.12 Acres
School Dedication	15.12 Acres
Bike Pathways	2.88 Acres
Townhouse Area	4.09 Acres
Public Road Right of Way	43.87 Acres
Total	220.21 Acres

These home permits are counted in the School District’s “Development Notebook” and in the City’s “timeline” for development. At the time of the annexation, the developer—B&B Development LP of St. Charles--volunteered to delay any development of lots until 2005 and kept that commitment.

The plan also features a dedicated school site of approximately 15 acres and the realignment of Lindgren Road.

On April 18, 2005, the first final plat for this residential development was approved, comprising 101 of the 352 lots as well as a large central park and a considerable share of the overall detention facilities. The second final plat includes 33 single family lots.

On October 9, the Plan Commission recommended the Council's approval of the second final plat by a vote of 7-0. City Council approval of the Plan Commission recommendation is requested.

**D. Ordinance No. 2006.43—An Ordinance Concerning the Recommendation of the Plan Commission With Regard to a Plat of Right-of-Way Dedication for 0.162 Acres of the Simon Farm at the Northwest Intersection of Sarah Drive and Peace Road in the City of Sycamore, Illinois. First and Second Reading.**

The attached dedication plat provides sufficient right-of-way for the safe configuration of the northwest corner of the intersection of Sarah Drive and Peace Road. This intersection will be one of two signalized intersections serving the Sycamore Crossing retail development planned by First Rockford Group and the proper configuration is of course critical for the safety of motorists who may use it.

The Plan Commission recommended the Council's approval on October 9 by a vote of 7-0. City Council approval of the Plan Commission recommendation is requested.

**12. RESOLUTIONS**

**A. Resolution No. 475—Resolution for Maintenance of Streets and Highways by the City of Sycamore Under the Illinois Highway Code from May 1, 2001 to April 30, 2002.**

The Illinois Department of Transportation is supposed to perform an audit of municipal expenditures of motor fuel tax monies every year. This audit is in addition to the annual independent audit of the City's funds, including our Motor Fuel Tax Fund. However, the state's last audit was five years ago, owing to internal state staffing issues and the re-assignment of Sycamore to a different IDOT district. During the recent MFT audit, the City was informed that the state now expects an annual resolution to authorize interfund transfers of MFT monies for debt service or purposes other than actual road improvements. To square our interfund transfers with MFT guidelines since the last audit in 2001, Resolutions 475 through 480 are offered for the Council's approval. These resolutions may be taken in omnibus fashion.

City Council approval is recommended.

**B. Resolution No. 476--Resolution for Maintenance of Streets and Highways by the City of Sycamore Under the Illinois Highway Code from May 1, 2002 to April 30, 2003.**

See Resolution No. 475.

**C. Resolution No. 477--Resolution for Maintenance of Streets and Highways by the City of Sycamore Under the Illinois Highway Code from May 1, 2003 to April 30, 2004.**

See Resolution No. 475.

**D. Resolution No. 478--Resolution for Maintenance of Streets and Highways by the City of Sycamore Under the Illinois Highway Code from May 1, 2004 to April 30, 2005.**

See Resolution No. 475.

**E. Resolution No. 479—Resolution for Maintenance of Streets and Highways by the City of Sycamore Under the Illinois Highway Code from May 1, 2005 to April 30, 2006.**

See Resolution No. 475.

**F. Resolution No. 480--Resolution for Maintenance of Streets and Highways by the City of Sycamore Under the Illinois Highway Code from May 1, 2006 to April 30, 2007.**

See Resolution No. 475.

**G. Resolution No. 481—Approving an Obligation Retirement Resolution Concerning Certain Municipal Indebtedness Involving Motor Fuel Tax Funds.**

This resolution specifically authorizes the expenditure of MFT monies for the retirement of the 1996 general obligation bond series from May 1, 2002 through April 30, 2007. The Council's appropriation ordinances covering budgets in this period effectively did the same and are filed with the State of Illinois Comptroller's Office, but this resolution more explicitly establishes the Illinois Department of Transportation's concurrence.

City Council approval is recommended.

**H. Resolution No. 482—Authorizing a Temporary Construction Entrance Onto Illinois Route 23.**

The District 3 office of the Illinois Department of Transportation just announced that, hereafter, it will require engineers in local jurisdictions (e.g. cities, towns, counties, townships) to get their boards and councils to approve temporary construction entrances onto state highways. Since the inception of the state department of transportation, local engineers have been able to authorize such temporary access points provided they ensure that such entrances are safely located in terms of their proximity to intersections and curves, and do not adversely interrupt drainage in roadside ditches. Such haul roads are of course a local benefit since they re-direct heavy construction traffic away from local intersections and neighborhood streets. This new state directive will require a Council resolution whenever a temporary access point is requested, and will also place the responsibility for guaranteeing the work on the City. The introduction of such a bureaucratic directive presumably grows from some trend in unacceptable construction practices in other jurisdictions. In any case, this resolution is required to permit the

contractor working on John Pappas's commercial subdivision north of the intersection of Peace, Plank and Rt. 23 to install a haul road to be able to begin the water and sewer work.

City Council approval is recommended.

### 13. CONSIDERATIONS

#### **A. Consideration of an Administration Recommendation to Create a Business District in the City of Sycamore, Illinois.**

In keeping with the Council's interest in the successful redevelopment of the Sycamore Plaza shopping center, formerly the location of a Kmart store, the City staff have explored a number of strategies over the past few months to stimulate development interest and return this underutilized commercial property to a productive asset of our community. One option is the creation of a tax increment district. The 10-acre site may well qualify as a TIF conservation area. It has a number of blighting characteristics including severe cracking in large areas of the parking lot, water damage to the exterior and interior of the main building, chronic roof leaks in the former Kmart area, inoperable HVAC units in the main building, and lagging EAV growth overall. However, if a TIF district was created other taxing bodies would have to defer the collection of property taxes generated on any incremental increased valuation.

State law offers an alternative method of generating additional revenue from the redevelopment of a site without deferring the return of incremental tax revenues to other taxing bodies. This method is a "business district." The guidelines for a business district can be found in the Illinois Business District Act (65 ILCS 5/11-74.3-1 through 3-6). Business districts are well-defined geographical areas that are targeted for redevelopment in conformance with a community's Comprehensive Plan, and by virtue of certain blighting conditions. The Illinois Business District Act is reproduced in its entirety in the attached qualification analysis prepared by PGAV Urban Consulting of St. Louis.

According to state guidelines, a home rule community may impose a higher home rule sales tax within the boundaries of the business district, and the incremental tax revenue generated by the additional tax rate may be used within the designated district for redevelopment purposes. The special tax may not exceed 1% of the gross receipts from the sales generated in the district, and can be imposed in 0.25% increments. As with home rule taxes in general, this tax may not be imposed on most foods consumed off the premises where it is sold, prescription and nonprescription medicines, and a variety of medical appliances and testing materials. The taxes collected are remitted to the Department of Revenue by the retailer and later disbursed to municipalities.

How does the creation of a business district compare with the City's current commercial incentive policy? According to the current policy, the City Council may consider sales tax rebates to offset the cost of off-site public improvements that are essential to a commercial retail development. This policy has been an effective incentive in the case of new developments, new buildings, or new building additions to be served by new infrastructure. In the case of the former Kmart site, the offsite infrastructure in the form of turn lanes on

IL Rt. 23 and Oakland Drive, public water and sewer main extensions, etc. is already in place. In essence, a sales tax rebate under the current policy would not be consistent with prior Council actions.

However, the imposition of a higher tax to be imposed solely within the Sycamore Plaza area to offset building renovations on site could be a constructive incentive to redevelopment would not conflict with past practice. As with the current rebate policy, it ties the pace of any reimbursement to the success of the redevelopment. The City would not defer any of its current 1.75% share of gross receipts in a cost-sharing relationship. Further, if the special charge matched the City of DeKalb's home rule rate of 1.25%, which is charged against gross sales in the major retail centers immediately south of the former Kmart site, it is unlikely that shoppers would notice the surcharge on purchases.

To proceed with the concept of a business district for the former Kmart site, a final report on the blighting characteristics of the site is needed, followed by two public hearings. A preliminary report was drafted at the request of the City Manager to investigate the feasibility of this concept. Copies have been distributed to the Council and are available through the City Clerk's office. The feasibility study demonstrates several key points:

- a) According to the provisions of state statutes, the proposed business district is a blighted area by reason of the deterioration of various site features and building factors;
- b) The proposed business district as a whole has not been subject to growth through investment by private enterprises and it is likely not to be redeveloped without the adoption of a business district plan.

In terms of EAV, the chart on page 2-6 in the appended study shows that the proposed business district area has been an economic liability to the City and other taxing districts in its present combination of uses, particularly as compared with commercial real estate in the Sycamore/DeKalb area. Between 1998 and 2005 the assessed valuation for the area dropped by approximately 21% (Kmart closed in the spring of 2002). By way of comparison, the 2005 EAV for the community shopping center of similar size immediately to the south was nearly \$3.2 million, or about \$31.44 per square foot of building space. Sycamore Plaza, with a 2005 EAV of about \$1.12 million, was valued at only \$8.24 per square foot of building space.

In terms of annual sales performance, the economic stagnation of Sycamore Plaza is more profound. The most recent 12 months of sales tax data obtained from the Department of Revenue for Home Now, along with an estimate of Radio Shack sales, suggests that the average annual sales tax volume was less than \$13 per square foot. The Midwest average for a community shopping center of comparable size is \$214 per square foot. As the PGAV study concludes, the City of Sycamore is losing a considerable amount of potential annual sales tax revenue so long as Sycamore Plaza remains in its current underperforming state.

To pursue the creation of a business district, further technical services are needed to follow the formal review and approval process defined in the Illinois Business District Act. A contract for such services is described in Item B, below.

**B. Consideration of an Administration Recommendation to Award a Professional Services Contract to Peckham Guyton Albers & Viets, Inc. (“PGAV”) to Assist the City of Sycamore in Establishing a Business District.**

The consulting firm of Peckham Guyton Albers and Viets, Inc. (“PGAV”) has had a consulting relationship with the City of Sycamore since the late summer of 1999. On September 7, 1999 the City Council awarded a consulting contract to PGAV after soliciting proposals from TIF consulting firms for the purpose of assessing the financial feasibility of a TIF district for the block bounded by Park Avenue, Edward Street, Stark Avenue and DeKalb Avenue, as well as the block bounded by Sacramento Street, State Street, California Street, and DeKalb Avenue. This area consisted of about 30 acres and about 40 tax parcels, and included an assortment of mixed commercial, residential, and industrial uses in varying condition. PGAV’s task was to determine whether the area, in whole or in part, could be classified as a blighted area or a conservation area, as defined by state TIF statutes. PGAV’s feasibility report to the Council in January 2000 confirmed that the area would qualify as a TIF conservation area and the firm was hired to proceed with the preparation of a TIF redevelopment plan in March 2000. In August 2000 the plan was complete and, after the requisite public hearings and a final report, the Council adopted the TIF plan on August 21, 2000. Since that time, PGAV has annually prepared written updates on any pertinent changes in Illinois TIF legislation at no cost to the City, and has been available for phone consultations to address City staff questions, also at no cost to the City. In considering the concept of a business district, the City Manager contacted Mike Weber of the PGAV staff. Mr. Weber has worked with the City staff since 1999 and is familiar with the City’s tax base and development potential. He is also familiar with the state’s business district legislation and applicable court cases. As noted above, Mr. Weber has prepared a draft feasibility study and believes the former Kmart site will qualify as a business district.

The attached contract engages PGAV to prepare a Business District redevelopment plan in conformance with state statute, which would include revenue projections once the redevelopment project is completed. The plan will assume an increase of 0.50% in the home rule tax imposed at this site only, and will consider several scenarios in terms of retail space. The contract has a not-to-exceed price of \$15,000 plus reimbursable expenses and would be funded by the Sales Tax Distributive Fund (22-8331). Upon the completion of the plan, public hearings would be held to invite public inquiry into the business district concept and its application at the Sycamore Plaza site.

City Council approval is recommended.

**C. Consideration of a Police Department Recommendation to Hire a New Police Officer.**

As the City Council is aware, patrol officer Ann Carlson and her reserve unit will soon be deployed to Germany for about one year out of the country. This deployment will have an

adverse effect on the Police department's shift scheduling and budget. It has been the City's policy to cover the difference between an employee's regular wage and the compensation extended by the branch of the service with which the employee is deployed on active duty. Without a replacement, the department would need to fill officer Carlson's shifts with call-back personnel, at overtime rates, or reduce its shift levels and hence its service capability. An alternative would be the advance hiring of a new police officer. It is the City Manager's intention to expand the number of full-time patrol officers to 17 in FY08 (i.e. after May 1, 2007) in order to assure a 6-person shift (allowing for vacations and other absences). This is the shift coverage recommended by the five-year Police plan approved by the Council in January 2003 (and does not include officers assigned to investigative or school resource functions).

The City Manager and Police Chief recommend the hiring of a new police officer in early December to fill the shift vacancy left by patrol officer Carlson. Balancing the savings in overtime against the additional regular hours, the General Fund would see an overall increase of \$13,499.42 in wage and benefit costs for the period December 11 to April 30 (see the attached breakdown). Some of these costs (\$3,499.42) will be absorbed by the Police department; the balance will involve an increase in the overall General Fund expenditures by \$10,000. This additional appropriation can be made when budget revisions reflecting the FY06 audit are presented to the Council in November.

Favorable action in behalf of the additional hire is recommended.

#### **D. Consideration of an Administration Recommendation Regarding a Nepotism Policy.**

The field of public administration has long clung to the ideal of "what you know," rather than "who you know" in its promotion of professional management in the public arena. Historically, communities that embrace professional managers to conduct the business of government have codified objective standards and procedures to achieve this ideal, particularly in terms of hiring practices. Such practices typically include "transparency" in the open and public solicitation of candidates, fairness in the sense of equal opportunity, and consistency in the manner of interviewing. Public administrators may still encounter dilemmas after a non-discriminatory hiring procedure that can lead to conflicts of interest within the workplace. An example would be the hiring of immediate relatives of employees in regular or full-time positions where (a) one relative would have the authority to supervise or discipline the performance of the other; (b) a relative would be responsible for auditing the work of another; or (c) relatives might work in circumstances of actual or foreseeable conflict between the City's interest and their own.

The attached nepotism policy is presented for the Council's review and guidance. For the purposes of this discussion, "immediate relative" means spouse, mother, father, sister, brother, child, step-parents, step-children, grandparents, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, aunt, uncle, or first cousin.

Any employment relationship existing among immediate relatives at the time of the adoption of this policy would not be subject to the restrictions set forth in this policy.

Should a relationship involving immediate relatives be established subsequent to the adoption of this policy and a potential conflict arises, the City Manager would endeavor to resolve the conflict on a case-by-case basis by conciliation, transfer, or other appropriate action, taking into consideration the best interest of the City.

This policy would not apply to the employment of paid-on-call Firefighters, auxiliary Police Officers, any volunteer position with the City, or any employee candidates whose employment falls within the jurisdiction of the Board of Fire and Police Commissioners.

Naturally, this policy would be subject to all anti-discrimination requirements and affirmative action obligations as may be applicable to the City under Federal or State laws and regulations, or with respect to particular projects, grants, or contracts funded by other governmental agencies.

City Council direction is requested.

**14. OTHER NEW BUSINESS**

**15. APPOINTMENTS**

**16. ADJOURNMENT**