



DEKALB CITY COUNCIL AGENDA February 11, 2019

DeKalb Municipal Building
City Council Chambers
Second Floor
200 S. Fourth Street
DeKalb, Illinois 60115

REGULAR CITY COUNCIL MEETING 6:00 P.M.

- A. CALL TO ORDER AND ROLL CALL
- B. PLEDGE OF ALLEGIANCE
- C. APPROVAL OF THE AGENDA
- D. PUBLIC PARTICIPATION
- E. PRESENTATIONS

1. Proudly DeKalb

- **P.R.I.D.E Awards: Inboden's Gourmet Meats and Specialty Market, and Matthew Boelk.**

City Manager's Summary: Each year the Citizens' Environmental Commission solicits nominations from the DeKalb community for **P.R.I.D.E. Awards** (People Responsible for Improving DeKalb's Environment Awards). These awards recognize local residents, organizations, or businesses that have significantly improved the quality of life in DeKalb. Nominees are eligible for P.R.I.D.E. Awards based on projects, activities, or programs emphasizing resource conservation, energy efficiency, beautification, waste reduction, or similar environmental improvements. Those conducting projects or programs aimed at increasing public awareness and knowledge of environmental issues are also eligible to be considered for P.R.I.D.E. Awards.

A special category of P.R.I.D.E. Awards is reserved for individuals and is referred to as the *Jim Grosklags P.R.I.D.E. Awards* in honor of James H. Grosklags, Ph.D., based on his long-term service to the community and his unwavering commitment to improving the environmental quality of DeKalb.

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The 2018 JIM GROSKLAGS P.R.I.D.E. AWARD is presented to Matthew Boelk, for his generous and practical contributions to sustainable gardens in DeKalb. Matt has worked tirelessly to improve the community gardens along Dresser Road in DeKalb. He tills dozens of the gardens annually and has installed a comprehensive watering system that is conveniently accessible to other gardeners. Matt also generously shares his harvest with others and has designed his garden to be accessible to all, including those using wheelchairs or walkers. In addition, he assists other gardeners in collecting their debris after harvest and mows plots wherever there is a need. All of these and his many other voluntary efforts support resource conservation, waste reduction, and local food production. Matt is truly a local environmental advocate.

The 2018 P.R.I.D.E. AWARD is presented to Inboden's Gourmet Meats and Specialty Market for its commitment to sustainable environmental practices. Inboden's Gourmet Meats and Specialty Market has undertaken numerous measures to reduce its carbon footprint and promote sustainable environmental practices in its DeKalb store. Within the last year, Inboden's reduced its electrical consumption by 20% by outfitting the entire store with LED lights and incorporating more efficient motors in all its refrigeration cases, walk-in coolers, and freezers. The store also saves energy and promotes sustainable practices by using night covers that pull down over deli and meat cases creating a thermal barrier that acts as insulation from warmer ambient air. The store's furnaces use an economizer system that saves energy, and other methods are employed to decrease the use of refrigerants, thereby reducing hydrofluorocarbon emissions. Even routine cleaning practices and food management procedures have been modified to minimize their environmental impact. In short, the owners of Inboden's have used a variety of innovative practices that encourage resource reduction, recycling, and reuse in their day-to-day activities. They are to be commended for their visionary commitment to environmentally friendly practices and should serve as a model for other specialty and general service grocery stores.

2. Recognizing and Congratulating Deputy Fire Chief Jim Zarek for 29 Years of Service to the City of DeKalb on the Occasion of His Retirement.

City Manager's Summary: Deputy Fire Chief Jim Zarek has served the Fire Department and the City of DeKalb very well for over 29 years. On February 15, at 5:00 p.m., he will retire from the City of DeKalb Fire Department. The Mayor and Council will honor his eventful and distinguished career.

3. Presentation by the DeKalb Firefighters Historical Foundation.

City Manager's Summary: Captain Todd Stoffa of the DeKalb Fire Department also serves as chair of the DeKalb Firefighters Historical Foundation. The Foundation was established in 2012 to collect, preserve, and display documents, artifacts and apparatus that explain the long history of the

Department. This year, the Department celebrates its sesquicentennial year (1869-2019). Captain Stoffa will inform the Council about some plans that the Foundation has to celebrate this milestone in 2019.

F. APPOINTMENTS

1. **Appointment of Fire Chief Jeff McMaster to the Fire Pension Board.**

City Manager's Summary: State Statute 40 ILCS 5/4-121 directs that the Chief Officer of the Fire Department shall sit on the Fire Pension Board. This statute is referenced in the City's Municipal Code under Chapter 5 "Fire Department," Section 5.12 "Firefighters Pension Fund." **The City Manager recommends the appointment of Fire Chief McMaster to the Fire Pension Board.**

G. CONSENT AGENDA

1. [Minutes of the Committee of the Whole Meeting of January 28, 2019.](#)

2. [Minutes of the Regular City Council Meeting of January 28, 2019.](#)

3. [Accounts Payable and Payroll through February 11, 2019 in the Amount of \\$2,103,155.39.](#)

4. **Resolution 2019-034 Authorizing a Waiver of Competitive Bidding and Payment to LiftOff in the Amount of \$40,459.20 for Renewal of the City of DeKalb Microsoft Office 365 Subscription.**

City Manager's Summary: The City currently maintains a subscription for the Microsoft Office 365 suite of applications through LiftOff, a third-party service provider. Office 365 includes a number of applications that are critical to City operations, including the ability to send and receive electronic mail (email). The current license subscription period has reached expiration and is now due for annual renewal in the amount of \$40,459.20. This is within the budgeted amount for this expense. Based on the immediate and critical need to maintain the City's license to use Office 365, the City Manager seeks approval to waive competitive bidding and renew the City's subscription for 2019 with LiftOff. [\(Click here for further information.\)](#)

5. **Resolution 2019-035 Authorizing the Staffing of Four Seasonal Public Works Maintenance Positions, One Airport Maintenance Position, and One Payroll and Compensation Analyst Position.**

City Manager's Summary: The FY2019 Annual Budget Ordinance included a provision prohibiting the filling of certain staff vacancies without prior approval from the City Council. Pursuant to that provision, staff seeks authorization to fill

several essential positions that have become vacant in recent months in order to sustain certain operations at an economical cost.

First, there are a number of seasonal and part-time positions in the Public Works Department which include a total of four seasonal Public Works Maintenance positions and one regular, part-time Airport Maintenance position. By hiring seasonal and part-time workers for these positions, the City can reduce its benefit obligations and overall personnel costs.

The City also seeks to fill the recently vacated position of Payroll and Compensation Analyst. This is a full-time, non-exempt position within the City's Non-Bargaining Unit.

The attached memorandum from Assistant City Manager Ray Munch makes the case for each position. Funding for all these positions is already included in the FY2019 Annual Budget and there is no additional obligation to the Budget as a result of filling them. **The City Manager recommends City Council approval of the attached resolution to sustain operations at essential levels and at a reasonable cost.** ([Click here for further information.](#))

6. Resolution 2019-036 Designating Assistant City Manager Raymond Munch as the Authorized Agent of the City of DeKalb for the Illinois Municipal Retirement Fund Program.

City Manager's Summary: Every entity participating in the Illinois Municipal Retirement Fund (IMRF) is required to designate an Authorized Agent. Historically, the City's Finance Director or Human Resources Director has served this function. Those positions are not currently filled, so **the City Manager recommends that the Council appoint Assistant City Manager Ray Munch as the designated agent in behalf of the City of DeKalb.** ([Click here for further information.](#))

H. PUBLIC HEARINGS

No Public Hearings are scheduled.

I. CONSIDERATIONS

1. DeKalb Public Library Annual Report by Executive Director Emily Faulkner.

City Manager's Summary: State statutes (75 ILCS 5/4-10) require that within 60 days of the end of each fiscal year of the City, the Board of Trustees of DeKalb Public Library shall make a report of the condition of their financial condition to the City Council. A copy of the 2018 Library report is attached. Executive Director Emily Faulkner will summarize this report in behalf of the Board of Trustees for the past calendar year.

Under “Ordinances: First Reading” below, the Council will also consider the partial abatement of the Library levy for 2018. [\(Click here for further information.\)](#)

2. Request for Proposals for City Legal Services.

City Manager’s Summary: According to the Municipal Code (Section 3.17), the City Attorney works “under the supervision and direction of the Mayor and City Council.” Naturally, the City Manager works closely with the City Attorney in many areas of responsibility.

In September 2011 (Resolution 2011-087), the City entered an agreement with the law firm of Mickey, Wilson, Weiler, Renzi and Andersson for general legal services at a rate of \$150 per hour. One of the members of that firm, Dean Frieders, was assigned the principal duties with DeKalb. Within a few months, the City Manager then in office became concerned with the mounting hours of legal work at a fixed hourly fee. The law firm under contract was not interested in entertaining an alternative service delivery method and was released from its contract. Mr. Frieders left that firm and offered an initial flat monthly fee to the City. In May 12, 2012 (Resolution 2012-055), the City entered a contract for legal services with Frieders Law, LLC. According to that contract, Frieders Law was to be paid a fixed fee of \$17,000 per month, or three, eight-hour days at \$150 per hour plus attendance at City Council meetings. This monthly fee was increased by 2% in July 2013 (Resolution 2013-056) to \$17,340 per month.

The basic agreement with Frieders Law was revised again in September 2018 (Resolution 2018-132). At that time, the City Council formally assigned Mr. Frieders the duties of the City’s consulting TIF attorney at a new fixed fee of \$19,000 per month.

The current range of City legal needs covers the following subject areas:

- FOIA reviews with City staff.
- Prosecution. Mr. Frieders prosecuted over 2,000 cases in 2018, including 594 ordinance violations and several hundred traffic violations in the Circuit Court, and 771 administrative hearings.
- Litigation. In 2018, such cases included demolition cases, property liability cases, tort cases concerning alleged City failures to perform according to the City’s codes and ordinances, plus several appellate court cases.
- Contracts. These range from farm leases to service agreements with contractors, State of Illinois agencies, etc.
- Certifications and Assurances. These typically relate to financial assistance received from various state and federal agencies.

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- Ordinances and Resolutions. In 2018, the City Council considered 92 separate ordinances and 169 separate resolutions.
- Agendas. The City Attorney reviews all substantive items for their legality and enforceability.
- Development Agreements. The City Attorney prepares all annexation, planned development, and development incentive agreements.
- Attendance at all City Council and Committee Meetings.
- License Renewal and Approval. The City Attorney drafts and updates license regulations and performs legal reviews of all license requests.
- Insurance and Claim Review. The City Attorney works with the City's insurers and brokers in processing renewals, keeping coverages in line with labor agreements and City policies, etc. The City Attorney has also handled a number of liability claims, within the fixed fee, to help the City avoid additional defense costs from our insurers.
- Intern Supervision. The City Attorney mentors about 2-3 interns a year in association with the NIU College of Law.
- TIF. Since the Fall of 2018, Mr. Frieders has been the City's legal adviser regarding TIF districts, the JRB, etc.
- Internal Investigations. The City Attorney works with the City Manager and City staff when adverse personnel actions occur to mitigate City liabilities and defend against third party claims.
- General Legal Services. Collective bargaining and personnel issues are included in this subject area, as well as addressing general staff concerns. The more accessible the City Attorney is, the more likely city staff will be to ask for legal counsel. In 2018, the City Attorney addressed emails and phone calls 7 days a week, from all City departments.

In this period of constrained general revenues, the City government is obliged to periodically review its professional contracts. The City Manager is seeking the Council's approval to pursue a Request for Proposals (RFP) for the legal services outlined above. The City contracts with a different consulting firm for its Worker's Comp and Liability administration. This recommendation is not based on concerns about the performance of Mr. Frieders in his current role. He generates many more hours of quality work per week than any of his contracts have contemplated. If the Council approves, the City Manager will prepare and widely circulate an RFP with a deadline for proposals of March 11.

J. RESOLUTIONS

1. **Resolution 2019-037 Authorizing an Intergovernmental Agreement with the DeKalb Road District for Contribution of Funds for Improvements to the Intersection of Annie Glidden Road at Fairview Drive.**

City Manager's Summary: The attached Resolution authorizes an Intergovernmental Agreement (IGA) with the DeKalb Road District (DRD) to formalize the DRD's one-time, lump-sum contribution of \$70,000 to reimburse a portion of the City costs associated with roadway improvements at the intersection of Annie Glidden Road and Fairview Drive in 2018.

With the help of a previously earmarked Federal grant in the amount of \$799,215 the City staff and WBK Engineering (WBK) planned and completed the improvements listed below:

- The addition of a dedicated left turn lane on the south leg of Annie Glidden.
- The addition of a right turn lane on the east leg of Fairview Drive.
- The addition of a dedicated left turn lane on the north leg of Annie Glidden.
- The reconfiguration of traffic signals to accommodate new turn lanes and radius improvements.
- Drainage capacity improvements for the culvert crossing Annie Glidden north of Fairview.
- Asphalt patching of roadway base, a complete surface overlay and striping of the improved area.

The DeKalb Township Road Commissioner has also requested conveyance of those portions of ROW adjacent to their area of roadway jurisdiction in order to have control and maintenance of the ROW. There is a small portion of ROW directly adjacent to Fairview Drive which the City will retain. All separate portions have been identified by legal description and illustrated on an exhibit attached to the proposed IGA. The Mayor and City Manager would also be authorized to execute the documentation necessary to formally transfer jurisdiction over the ROW parcels, as required by the Illinois Department of Transportation.

City Council approval is recommended. [\(Click here for further information.\)](#)

2. **Resolution 2019-038 Authorizing an Intergovernmental Agreement with the DeKalb Township Road District Pertaining to Snow Removal through May 1, 2020.**

City Manager's Summary: For the past several years, the City has enjoyed a collaborative relationship with regard to snow removal with the DeKalb Township Road District. Because the District and City jurisdictions often overlap, the parties have found that it is more efficient to allow the District to plow certain City streets and the City to plow certain District streets, as a swap of services. This avoids the District having to travel over City streets with their plows up to reach their areas of responsibility, and vice-versa.

Under the Agreement, both parties share responsibility for plowing Fairview Road from Route 23 to Annie Glidden, Gurler Road from Route 23 to South First Street, and Peace Road from Fairview Drive to Gurler Road. The District and City then each also agree to plow portions of roadways under the other's jurisdiction, and to engage in deicing activities. This results in operational efficiencies for both agencies. This agreement has been in place for several years and has worked well. It expired in May of 2018 and is being renewed for the balance of 2019 and 2020. **City Council approval is recommended.** [\(Click here for further information.\)](#)

3. **Resolution 2019-039 Authorizing the Initiation of Project DKB-4556 to Replace the Existing Visual Approach Slope Indicator (VASI) Units on Runway Ends 2, 20 and 27 with Precision Approach Path Indicator (PAPI) Units at the DeKalb Taylor Municipal Airport at a Total Estimated Cost of \$731,000 with a City Contribution Towards Costs in an Amount Not to Exceed \$40,000, and Authorizing a Professional Services Agreement with Crawford, Murphy and Tilly, Inc. for Architectural/Engineering Planning and Special Services.**

City Manager's Summary: This Resolution pertains to a project to replace the 20-year old visual navigation aids (VASI units) at the DeKalb Taylor Municipal Airport. The project has been high on the list of projects that have been part of the City's FY2018-FY2022 Transportation Improvement Plan (TIP) that was amended at the January 28 Council meeting. The VASI units would be replaced with the next generation Precision Approach Path Indicator (PAPI) units on runway ends 2, 20 and 27.

VASI and PAPI units are visual navigational aids located alongside the runways to assist pilots in landing. These units project beams of red and white lights at a specific angle, approximately three degrees, for the pilot to maintain clearance and the correct glide path onto the runway. The new PAPI unit for runway 27 will also keep the aircraft at the right glide path and altitude over the Town of Cortland to help alleviate any noise complaints of low flying aircraft.

This project has three phases: the design phase, the bid phase and the construction phase. This Resolution would approve the initiation of the entire Federal/State/Local project and the design phase professional services agreement. Crawford, Murphy and Tilly, Inc. is under contract with the City for

such design services. CMT will design the project so IDOT-DOA can approve the design and put this project out to bid. After the bids are received by IDOT-DOA, they will award the project to the lowest bidder. At that time IDOT-DOA will send a master construction agreement to the City of DeKalb with the full project cost, which is estimated at \$731,000. That bidding will also determine the 5% City share for the project. The master construction agreement will be brought before the City Council for approval at that time, with the exact 5% cost contribution being known. The Federal and State funding for this project is programmed and secure. This project has been approved by the FAA and IDOT-DOA.

The City's 10% local share is likely to be under \$40,000. The funding for this local share would come from the City's TIF#1 Fund. **City Council approval is recommended.** [\(Click here for further information.\)](#)

4. Resolution 2019-040 Authorizing the City Manager to Execute Six Farm Lease Agreements for 413.79 Acres of Land and Two Grain Bins at the DeKalb Taylor Municipal Airport for a Period Not to Exceed 36-Months (March 1, 2019 – December 31, 2021).

City Manager's Summary: This item includes six different farm lease agreements for undeveloped land at the DeKalb Taylor municipal Airport (DTMA).

On January 11, 2019 the Public Works department released an invitation for bids for the use of two grain bins with a 30,000-bushel capacity and approximately 356.89 acres (Exhibit A) of farming land at the DeKalb Taylor Municipal Airport (DTMA) for a period not to exceed 36-months.

Background

In previous years, the price per acre determined the winning bidder. However, due to higher demand and the fact that the previous winning bidder did not utilize the grain bins, the City Manager recommends awarding separate contracts to the highest bidder for the grain bins and the 356.89 acres of land. Awarding the bids to Don Halverson for \$185.50 per acre and awarding the grain bins to Old Elm Farms, LLC for \$3,875 will annually generate the most revenue for the DTMA as shown in the table below.

Bidder	Price per Acre of Land	Annual Revenue for 356.89 Acres	Bid for Two (2) Grain Bins	Annual Revenue for the 56.9 Acres	Total Annual Revenue Generated
Halverson	\$185.50	\$66,203.10	\$1,000	\$8,616.48	\$75,819.58

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Old Elm Farms LLC	\$180.00	\$64,240.20	\$3,875	\$8,560.65	\$76,675.85
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In addition to the 356.89 continuous acres of farm land, the DTMA also has an additional 56.9 acres of irregularly shaped pieces of land that the DTMA acquired as runway protection and wildlife buffer zones through various federal and state grants. Due to their irregular shape and size, these pieces of land have traditionally been farmed by smaller farmers and the local FFA chapters. Their rate per acre is determined by the bids received for the 356.89 acres of land. The table below shows total the revenue for the 56.9 acres of land based on the Halverson bid.

Farmer	Total Acreage	Total Annual Revenue
*DeKalb High School	20.3	\$1,882.83
Winters	7.3	\$1,354.15
Larson	5.5	\$1,020.25
Diehl	14.5	\$2,689.75
Wells	9	\$1,669.50
		\$8,616.48

* The rate for the DeKalb High School is reduced to \$92.75. The land is used for educational purposes.

City Council approval of the City Manager’s recommendation is requested. ([Click here for further information.](#))

- 5. Resolution 2019-041 Authorizing a Three-Year Agreement for Engineering Services with Fehr-Graham & Associates, LLC for the 2019-2021 General Street Maintenance Programs, with an Initial Fee for Fiscal Year 2019 Not to Exceed \$165,000, and Subsequent Years to be Negotiated and Approved Individually.**

City Manager’s Summary: Early in 2018 the City participated in the Quality Based Selection (QBS) process established by Illinois statute for the annual selection of engineers from a pre-qualified list. Once such a list is established—in our case for 3 years—the City can select an engineering firm it believes is best qualified to perform unique responsibilities for the City. A total of 29 firms responded to the City’s Request for Qualifications (RFQ/QBS) in January 2018 and six firms were pre-qualified for the period 2018-2020.

The City is presently interested in an engineering firm that could provide construction supervision for the annual street maintenance program. In 2019, the street maintenance program has a budgeted allocation of \$165,000. This includes about \$135,000 for on-site, daily construction supervision by qualified personnel from an engineering firm on the QBS list, plus another \$30,000 for pavement testing services.

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The top three engineering firms on the City's QBS list were considered:

- Fehr-Graham of Rochelle;
- Hampton, Lenzini & Renwick (HLR) of Elgin; and
- WBK Engineering of St. Charles.

In past years, the City has worked with all three firms and believes each can professionally complete the construction supervision required.

Fehr-Graham performed the construction supervision for the \$1.5 million 2018 street maintenance program for a price of \$165,000 (11%), which included subcontract fees for testing services. Public Works Director Tim Holdeman was pleased with the firm's performance in 2018.

The intent of the attached resolution is to establish a base agreement for the provision of engineering services over a three-year period. This would presumably level the pricing in the second and third years and take advantage of the firm's familiarity with the City's program and standards. The second and third years of service will require the approval of an addendum to this Agreement to include that year's scope of work, applicable billable rates for Contractor's personnel, and a specified not-to-exceed price. Such approval for years 2 and 3 of this agreement will require future action of the City Council. Initial approval of this Agreement constitutes approval of the scope of services attached as Exhibit A, the hourly rates schedule attached as Exhibit B, and the not-to-exceed price of \$165,000, for services to be completed following execution of this Agreement and prior to January 31, 2020. In FY2019, the engineering fees will be paid from the Motor Fuel Tax Fund (\$65,000) and Capital Projects Fund (\$100,000).

City Council approval of a three-year, professional services agreement with Fehr-Graham is recommended. ([Click here for further information.](#))

K. ORDINANCES – SECOND READING

- 1. Creating the Central Business District Tax Increment Financing and Omnibus Approval of the Following Ordinances:**
 - a. Ordinance 2018-070 Adopting Tax Increment Allocation Financing for the DeKalb Central Business District Redevelopment Project Area. (*Second Reading*)**

City Manager's Summary: The attached Ordinances are in omnibus form and would result in the modification of the City's existing Tax Increment Financing (TIF) districts, and the creation of a new TIF district to be referred to as the Central Business District (CBD) TIF, or TIF 3. The first reading of these Ordinances took place during the November 13, 2018 Council meeting and was approved by a vote of 6-2.

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Background

Public discussion related to the creation of the CBD TIF (TIF 3) started more than a year ago. The following chart provides a chronological order to the meetings and TIF designation process that have taken place since September 2017:

Date	Meeting
September 19, 2017	C.O.W. regarding TIF 1 & TIF 2 Phase Out.
December 11, 2017	Approval of contract with SB Friedman for TIF 3 Eligibility Study.
January 22, 2018	C.O.W.: FY18 TIF Process and Policies.
February 12, 2018	Approval of Interested Parties Registry.
June 5, 2018	Eligibility Report received by City.
June 27, 2018	Public Meeting with residents.
July 9, 2018	Dates set for JRB and Public Hearing.
August 7, 2018	First meeting of JRB.
September 4, 2018	Second meeting of JRB.
September 7, 2018	Third meeting of JRB.
September 10, 2018	TIF 3 Public Hearing opened and continued.
October 8, 2018	TIF 3 Public Hearing conducted.
November 9, 2018	Fourth meeting of the JRB.
November 13, 2018	CBD TIF Ordinances presented to City Council, First Reading passed 6-2.
October-December, 2018	Multiple informal working group meetings with taxing districts.
December 10, 2018	City Council reviews proposed Chapter 37 Ordinance.
December 17, 2018	State's Attorney Press Conference.
December 18, 2018	City Council approves certain TIF 2 projects with preliminary agreements.
January 25, 2019	Expanded, televised JRB meeting with all affected taxing districts.
February 1, 2019	Second expanded, televised JRB meeting with all affected taxing districts.

The City believes that creation of TIF 3 is instrumental to the future and continuing development of the Central Business District and its revitalization as the core of the City. While there have been a number of important projects undertaken or currently underway, that forward momentum is critical to maintain and perpetuate with other transformative projects. As a result, the

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City has worked to develop a proposal to address concerns regarding past use of TIF funds.

Since December, the City has worked closely with other taxing districts in reviewing the proposed "Chapter 37 TIF Regulations" on this agenda and has developed a set of binding internal requirements for the careful accounting of TIF expenditures in FY19 and beyond. The City is also collaborating with the DeKalb County State's Attorney on a forensic audit of past TIF expenditures, in order to bring transparency to the past TIF practices of the City.

The creation of TIF 3 is premised upon the SB Friedman study which is based on an assessment of property tax valuations utilizing the most current (calendar year 2018) property tax assessments. In March of each year, the new calendar year property tax assessments are certified. If the City does not take action to create TIF 3 prior to the certification of new property tax assessments, the SB Friedman study will no longer be valid for the creation of the new TIF and the City would have to repeat a substantial portion of the TIF study process at a cost of tens of thousands of dollars.

Recommendation

While the City continues to work with local taxing districts with respect to the conclusion of TIF 2 and the remaining years of TIF 1, the City Manager believes that it is imperative to create TIF 3 at this time in order to preserve the utility of the SB Friedman study, to avoid incurring additional unnecessary study expenses, and to provide for the continuing redevelopment of the Central Business District. **The City Manager has discussed this with the JRB, and there has not been any continuing objection made to the creation of TIF 3.**

The ordinances required to establish TIF 3 are in the form required by law and have passed first reading. If the City does not pass them on second reading prior to the certification of the calendar year 2019 property tax values, the City will not be able to establish TIF 3 without further study and significant expense. DeKalb County officials expect the re-assessment process to be completed by mid-February.

The attached ordinances also amend the boundaries of TIFs 1 and 2, to remove property from TIFs 1 and 2 that would now be included in the CBD TIF. While TIF 2 had an estimated date of completion in 2018, given that the City will be receiving the final year of TIF 2 increment in FY19, it is recommended, nonetheless, to formally pass the ordinance amending TIF 2 and removing property from it.

City Council approval of Ordinances 2018-070, 2018-071, 2018-072, 2018-073, and 2018-074 in omnibus fashion is recommended. ([Click here for further information.](#))

- b. **Ordinance 2018-071 Approving the City of DeKalb, Illinois DeKalb Central Business District Redevelopment Project Area Tax Increment Financing District Eligibility Study and Redevelopment Plan and Project. (*Second Reading*)**

City Manager's Summary: See 1.a. above.

- c. **Ordinance 2018-072 Designating the Proposed DeKalb Central Business District Redevelopment Project Area Pursuant to the Tax Increment Allocation Redevelopment Act. (*Second Reading*)**

City Manager's Summary: See 1.a. above.

- d. **Ordinance 2018-073 Adopting an Amendment to the City of DeKalb Central Area Tax Increment Financing District. (*Second Reading*)**

City Manager's Summary: See 1.a. above.

- e. **Ordinance 2018-074 Adopting an Amendment to the City of DeKalb Tax Increment Financing District No. 2. (*Second Reading*)**

City Manager's Summary: See 1.a. above.

2. **Ordinance 2018-085 Adopting Chapter 37 "Tax Increment Financing Regulations". (*Second Reading*)**

City Manager's Summary: On January 5 and again on February 1, the DeKalb TIF Joint Review Board (JRB) met in public session to discuss a number of topics of common interest, including the business of the JRB moving forward, and how that business would be conducted.

The proposed Chapter 37 Amendments that the City Council considered on November 26, 2018 have been the focus of that procedural discussion. The attached Ordinance reflects the JRB's consensus, which is nearly identical with the language that the Council considered on First Reading in November 2018, then continued for later consideration.

The substantive points of the proposed Chapter 37 are as follows:

1. JRB meetings shall be held on a quarterly basis (37.03,a).
2. Ten (10) days in advance of each JRB meeting, members of the JRB shall be provided with a detailed financial report for each existing TIF district.

These reports shall compile all expenditures in the quarter with reference to the statutory citation authorizing such expenditures (37.03,b). As a practical matter, they would typically be one month in arrears.

3. The draft ordinance calls for the televising of all JRB meetings (37.03,g).
4. Project Performance. JRB representatives who spoke to this point stated they were not interested in advising the City about whether a particular project was complying with the City's zoning or building codes, or the terms of a development agreement. However, they were interested in whether a project was worthy in terms of the overall goals of the TIF district's redevelopment plan. Naturally, the Council would be interested both in the conformance of a proposed project with the City's development regulations and the relevant TIF redevelopment plan. The JRB joins the Council in requiring an annual accounting of the property tax performance of a particular project (37.05).
5. Administrative Expenses. Based on conversations by the JRB last fall and many public comments, all administrative expenses will be highlighted in the financial reporting described in Section 37.06,a.
6. Infrastructure Expenses. The draft Chapter 37 provisions generally discourage "stand-alone" maintenance of TIF-district infrastructure. However, Section 37.06,b allows the Council to fund stand-alone repairs and maintenance if, in the opinion of the majority of the JRB, such maintenance is merited. For instance, deficient water main pressure that can discourage projects which will rely on sprinklered spaces might qualify for remedy. In addition, certain streetscape improvements might have merit-not decorations and crack-filling, but sidewalk and stormwater repairs, re-surfacing, etc. that require significant investment in public infrastructure that a developer might not be willing to make (37.06,b). Of course, nothing would prevent the City from using other capital sources to make the aforementioned repairs in the TIF districts.
7. Return on Investment. The Council has required "ROI" assessments of proposed projects and this preference was agreeable to the JRB as well (37.06,c).

City Council approval of the proposed Chapter 37 Amendments on Second Reading is recommended. ([Click here for further information.](#))

3. Ordinance 2019-006 Amending Chapter 2 "City Council." (Second Reading)

City Manager's Summary: For the Council meeting of January 28, City Attorney Dean Frieders prepared some minor revisions to Chapter 2 of the DeKalb

Municipal Code regarding the conduct of City Council meetings. The proposed changes are red-lined. There are also a number of non-substantive modifications intended to clarify or simplify existing language.

In addition, there are some substantive modifications as follows:

- Clarifies the ability of Council to approve the Consent Agenda and to approve a waiver of second reading and approval of ordinances with a single motion.
- Amends the process for public comment at public meetings. Rather than separating public comment between “Public Participation” (for items not on the agenda) and discussion at the time of individual agenda items, all public comment would be offered under “Public Participation,” with the exception of persons who have a unique standing relative to a given item for separate action, such as the petitioner in a zoning matter. Such persons could be recognized by the Mayor to speak at the time of the action if desired. This approach also allows members of the public the ability to provide their comment at the very beginning of the meeting for their convenience (rather than waiting until much later in the meeting) and allows the Council a more orderly flow for agenda items.

Some concerns have been raised about whether the proposed language regarding public participation in meetings would somehow limit public participation. To the contrary, the Council has an established practice of televising meetings and providing all the materials that Council members receive on the City’s website well in advance of any Council meeting. All Council members are approachable through email, texts, phone calls, and in-person conversation. It is the staff opinion that a pause to invite unique public comment at each of possibly 20-25 items considered on a meeting Agenda has meant that the Council as a body never gets a rhythm to deliberate as a body. The Council is intended, fundamentally, to be a deliberative body and only meets on a regular basis twice a month. Time is needed by Council members to consider each other’s comments and engage over differences. When evening meetings on long business days take 3-4 hours, the natural tendency is to eschew comment and debate. No other elected body in the county conducts business in such a disconnected fashion. Council discussion in the past two meetings has been engaged, interactive, and collegial, and no one has risen to complain.

- Eliminates the quarterly Discussion, Planning, and Vision Meetings. The Council has not adhered to the requirement of conducting these meetings on any regular schedule since this code provision was adopted. However, as an alternative, at the January 28 meeting the Council discussed the possibility of having an annual retreat to formulate annual, strategic goals for the city organization.

- Removes the language permitting imposition of penalties for Council members who do not attend meetings. The Council has not previously utilized this language.
- Updates the provisions relating to approval of meeting minutes to be compliant with the requirements of the Illinois Open Meetings Act.
- Explains that the Council has adopted Robert's Rules of Order under its home rule authority, which gives clarity to the legal effect of votes taken by Council under certain circumstances. For example, where fewer than all members of the Council are in attendance at a meeting and an ordinance is approved by a vote that is a majority of those present, but not the concurrence of a majority of the full Council, under Robert's Rules (as interpreted by recent Illinois case law), the vote would be effective. In the absence of this amendment, the outcome is not as reliable.

City Council approval on Second Reading is recommended. ([Click here for further information.](#))

L. ORDINANCES – FIRST READING

1. **Omnibus Approval of Ordinances Establishing Backup Special Service Areas as Follows: Ordinance 2019-008 Fatty's/Culvers (SSA 15); Ordinance 2019-009 Popeye's (SSA 16); Ordinance 2019-010 University Village (SSA 17); Ordinance 2019-011 University Plaza (SSA 18); Ordinance 2019-012 First Rockford/Nelson (SSA 19); Ordinance 2019-013 Casey's (SSA 20); Ordinance 2019-014 Cornerstone (SSA 21); Ordinance 2019-015 Sonic (SSA 22); Ordinance 2019-016 Bandit's Castle (SSA 23); Ordinance 2019-017 1114 Blackhawk Road (SSA 24); Ordinance 2019-018 Home2 Suites (SSA 25); Ordinance 2019-019 1792 Sycamore Road (SSA 26); Ordinance 2019-020 Plaza DeKalb (SSA 27); and Ordinance 2019-021 Establishing an Active Special Service Area for 924 Greenbrier Road (SSA 28). (*First Reading*)**

City Manager's Summary: A Special Service Area (SSA) is a special taxing district created for a specifically defined geographic area. The municipality creating the SSA has the ability to levy a specific tax on the area or property, in order to fund a unique service. In the case of the SSAs proposed here, they relate to specific property developments and secure the obligation of the owner to maintain the property, maintain stormwater detention systems, and otherwise keep the property in good condition.

By law, an SSA can be initiated by the City or by a private property owner. The City initiates the SSA by passing an ordinance proposing its creation. Thereafter, the City holds a public hearing with regard to the proposed creation of the SSA. Notice of that public hearing must be mailed to the affected owners

(at least 10 days in advance of the hearing) and published in a local newspaper with a general circulation (at least 15 days in advance of the hearing). After the hearing, the City has the opportunity to pass ordinances formally creating the SSAs. By law, the property owners have up to 60 days to object to the creation of the SSA after the public hearing.

In the case of the proposed SSAs noted in the ordinance title, the required public hearing was held on December 10, 2018. The objection period ended on February 8, 2018. No objections were received, as each of the affected property owners have previously consented, through the approval of their development agreement, to the creation of the SSA.

The proposed SSAs are for the following properties:

- Fatty's/Culvers
- Popeye's
- University Village
- University Plaza
- First Rockford/Nelson
- Casey's
- Cornerstone
- Sonic
- Bandit's Castle
- 1114 Blackhawk Road
- Home2 Suites
- 1792 Sycamore Road
- Plaza DeKalb
- 924 Greenbrier Road

In the case of properties that are developed very intensively, maintenance concerns are further complicated by the need for stormwater management. Stormwater management systems are installed to prevent the newly constructed impervious surfaces on a given parcel from creating an adverse condition, or flooding, on an adjacent or downstream parcel. Stormwater detention basins and underground stormwater structures require regular inspection and periodic maintenance to ensure that they continue to function as designed, are not overloaded with silt, and do not present an attractive habitat for mosquitoes or undesirable species of plants or animals. In order to address this potential concern, the City has been incorporating provisions into development agreements requiring the owners to consent to the creation of a backup or dormant special service area (SSA).

All but one of the SSAs listed above are backup or dormant SSAs. That means that the City does not intend to levy a tax on the SSAs each year. Rather, the SSA remains inactive but available. In the event that the owner failed to maintain the property in a future year, the City could elect to provide a special

service (e.g. mowing private property or maintaining a private stormwater detention basin) and levy a tax through the SSA to provide payment for the costs of the service.

This agenda item also includes the establishing of one “active” SSA for the Phi Kappa Sigma property at 924 Greenbrier Road. In 2018, the Council approved of an incentive agreement providing for the funding of a sprinkler system for this property, to be repaid as a loan subject to interest, and funded through an annual SSA tax levy. The ordinance for this property is thus slightly different in form, as the SSA will have a tax levied each year for the first five years of levy eligibility.

There is no financial impact at this time for thirteen of the fourteen SSA’s. Should the City later choose to provide special services to the affected areas based upon the failure of the owner to do so, the SSA would provide a source of funding to cover expenses associated with those services. The SSAs are restricted in purpose to only be utilized to fund those special services contemplated in the proposing and enabling ordinances. The SSA for 924 Greenbrier Road will provide a source of funding to reimburse the water fund for sprinkler installation expenses previously approved and reimbursed.

The City Manager recommends approval of this omnibus ordinance. [\(Click here for further information.\)](#)

2. Ordinance 2019-022 Amending Chapter 15 “Refuse, Recyclables and Waste Collection”, Section 15.10 “Collection, Processing and/or Disposal of Refuse, Recyclables and Landscape Waste in the Central Business District.” (First Reading)

City Manager’s Summary: At the City Council meeting of January 28, the Council considered the “Downtown Central Refuse Program” specifically intended to serve the 100-399 blocks of East Lincoln Highway, 122 North First Street, 110 and 122 South First Street, 100-135 North Second Street, 102-140 South Second Street, 106-155 North Third Street, and all of Palmer Court.

In the summer of 2018, the City Council approved a five-year contract with Lakeshore Recycling Systems that contained a maximum overall monthly revenue for the Downtown Refuse program as shown on the following table:

Central Business District Collection	City’s Cost Per Month
September 1, 2018 to August 31, 2019	\$1,600
September 1, 2019 to August 31, 2020	\$1,640 (+2.5%)
September 1, 2020 to August 31, 2021	\$1,681 (+2.5%)
September 1, 2021 to August 31, 2022	\$1,723 (+3%)
September 1, 2022 to August 31, 2023	\$1,766 (+2.5%)

Assistive services available upon request.

Hearing assistance devices are available in the Information & Technology Office, which is located to the right, just before entering Council Chambers.

Chapter 15, Section 15.10, "Downtown Central Refuse Program," of the DeKalb Municipal Code permits the waste hauler to "invoice all properties according to the rates in effect at the time of service" and requires all properties to pay for collection services. As reported at the January 28 meeting, residents and businesses in the Central Business District have not been invoiced for waste and recycling services afforded them by the various waste enclosures in the Downtown area.

On January 28, the Council considered a proposed user fee system that had been vetted by the Downtown Merchants Association and explained to Downtown residents and businesses through a certified mailing in December, as well as two public meetings before the December holidays.

The following monthly, tiered rate system (which was described in the mailings to Downtown businesses and residents) was proposed to the City Council on January 28:

Tier 1	Restaurant (10)	\$50
Tier 2	Business Commercial (48)	\$15
Tier 3	Residential Apartment (76)	\$5

The City Manager and City staff recommend the Council's approval. If approved, property owners will be billed on their bimonthly water bills. The billing will be prospective and not retroactive. [\(Click here for further information.\)](#)

3. Ordinance 2019-023 Amending Chapter 38, Section 38.01 "Definitions", Section 38.07 "Classification of Liquor Licenses", and Section 38.13 "Restrictions Applicable to Hospitality Sales". (First Reading)

City Manager's Summary: The City has received an inquiry from James Mason, owner of 1500 Sycamore Road, regarding the potential to create an indoor sports simulation facility in a currently vacant commercial space within the building. The proposal includes the inclusion of a warming kitchen and take-out pizza area, a full bar with video-gaming, and a sport simulation area with 7 bays for sports simulators. Sport simulators are a combination of video, camera and computer equipment that allow participants to simulate engagement in a number of different sports indoors, including golf, soccer, and other games.

The owner's concept is to permit the bar area to be utilized by those 21 and older, and to permit the pizza take-out and sports simulation areas to be used by all ages. Persons within the sports simulation area would be permitted to consume alcoholic beverages if they were of legal age.

The concept proposed is similar to the orientation of bowling alleys within the City, where there is a permitted area for bar sales, but patrons are also permitted to bring alcoholic beverages out to the bowling lanes to consume

while bowling. The inclusion of a staffed counter in the sports simulation area provides the owner the ability to supervise the consumption of alcoholic beverages in that area, and to ensure that no persons under 21 are being served.

Current City liquor codes permit this sort of premises for a bowling alley, but not for indoor sports simulation facilities. Mr. Mason requests consideration of an amendment to the Liquor Code to permit a hospitality license to issue for indoor sports simulation facilities. If the Council supports this amendment, then Mr. Mason will proceed to apply for a zoning special use permit (to allow the proposed facility at 1500 Sycamore Road), as well as a liquor license. Please note that approval of this item does not constitute approval of a license for the proposed premises at 1500 Sycamore Road, and the proposed amendments to the Liquor Code are not specific to that location.

Under the amendments, indoor sports simulation facilities are added to the list of entities that may apply for a hospitality liquor license, and a definition for such facilities is created. The restrictions applicable to hospitality sales are amended to add such facilities to their regulations, and the provisions are also revised to make it clear that the bowling or sports simulation areas can remain open even outside of permitted hours for bar liquor sales. The permitted hours of sale for bar and hospitality sales are 6:00 a.m. to 1:00 a.m., Monday through Thursday; 6:00 a.m. to 2:00 a.m. Friday through Saturday; and 10:00 a.m. to 1:00 a.m. on Sundays.

City Council approval is recommended. [\(Click here for further information.\)](#)

4. Ordinance 2019-024 Abating Taxes Levied for Library and Corporate Purposes of the City of DeKalb for Tax Year 2018 (Library and Bonds). (First Reading)

City Manager's Summary: The DeKalb Public Library, as a component unit of the City of DeKalb, collects property taxes through the City's annual levy. In 2015, the Library increased its levy amount for the 2015 Tax Year (collected in 2016) by \$500,000 in order to cover payments due on a construction loan related to the library expansion project. The increased levy was required at that time because payment of a grant due to the Library was delayed by the State of Illinois budget stalemate. Full payment of that grant was delayed until early 2018, thus requiring two full years of increased levies to cover the loan payments. As was promised when the levy was first increased in 2015, the Library now seeks to return tax dollars, which were collected during the 2015 and 2016 Tax Years, to property owners. The amount to be returned to taxpayers is \$992,550. This ordinance contemplates the return of those funds via partial abatement of the 2018 Library levy in that amount.

City Council approval is recommended. [\(Click here for further information.\)](#)

M. REPORTS AND COMMUNICATIONS

- 1. Council Member Reports**
- 2. City Clerk Report**
- 3. City Manager Report**

N. EXECUTIVE SESSION PURSUANT TO 5 ILCS (120/2)

O. ADJOURNMENT

[CLICK HERE FOR FULL AGENDA PACKET](#)