



**DEKALB CITY COUNCIL AGENDA
NOVEMBER 9, 2020
6:00 P.M.**

DeKalb Public Library
Yusunas Meeting Room
309 Oak Street
DeKalb, Illinois 60115

REGULAR CITY COUNCIL MEETING

COVID-19 Notice: This meeting will be conducted in-person with a physically present quorum and open to the public. The corporate authorities of the City of DeKalb intend to conduct this meeting in compliance with all applicable social distancing and public health requirements. All persons attending this meeting in-person shall be required to wear protective face masks/coverings. Furthermore, the corporate authorities of the City of DeKalb intend to conduct this meeting pursuant to Illinois Governor JB Pritzker's Executive Order 2020-62 dated October 23, 2020 (the "Executive Order"), which prohibits gatherings of more than 10 people, unless the City of DeKalb determines that it is necessary to invoke the Governmental Functions exemption contained in Section 4(c) of Executive Order 2020-43 "to ensure the operation of government agencies or to provide for or support the health, safety and welfare of the public."

As a convenience to the public, the City of DeKalb may also provide video, audio, telephonic or internet access for the public to monitor this meeting. The provision of any such remote means of access is not intended to provide for attendance by a means other than physical presence due to the COVID-19 public health emergency, nor is it intended to provide an opportunity for the public to address public officials, make public comment or otherwise participate in the meeting.

Persons wishing to provide public comment or otherwise address public officials in person during this meeting must comply with all applicable rules governing the conduct of this meeting including, but not limited to, the aforementioned social distancing and face covering requirements.

The City of DeKalb is providing the following conveniences for the public to monitor and participate in this meeting:

- Persons wishing to view the meeting from home or elsewhere can tune in to Channel 14 or by following the link provided [here](#).
- Persons wishing to provide public comment but are unable to attend the meeting in person or remotely may forward their comments by clicking on the link provided [here](#). Note that all submissions must be received no later than 12:00 p.m. on the day of the meeting in order to ensure dissemination to the City Council before the meeting convenes.
- Zoom Meeting Information
Join Zoom Meeting: <https://us02web.zoom.us/j/82431446727?pwd=Y0E0c0NnbmZ6MlVCUWE3WFIBWm9yQT09>
Meeting ID: 824 3144 6727
Passcode: 759014
One Tap Mobile: +13126266799,,82431446727#,,,,,0#,,759014# US (Chicago)
- For those participating via Zoom and wishing to comment during the public participation portion of the meeting, or prior to Council's discussion of a particular item, please click on the link provided [here](#) and add in the Comment Section that you wish to address Council verbally. Note that all submissions must be received no later than 12:00 p.m. on the day of the meeting in order to ensure your name is added to the list of remote speakers.

A. CALL TO ORDER AND ROLL CALL

B. PLEDGE OF ALLEGIANCE

C. APPROVAL OF THE AGENDA

D. PUBLIC PARTICIPATION

E. PRESENTATIONS – NONE

F. APPOINTMENTS

1. [Appointment of William Garver to the DeKalb Public Library Board for a Three-Year Term through June 30, 2023.](#)

G. CONSENT AGENDA

1. [Minutes of the Regular City Council Meeting of October 26, 2020.](#)
2. [Minutes of the Joint Review Board Meeting of July 31, 2020.](#)
3. [Accounts Payable and Payroll through November 9, 2020 in the Amount of \\$2,338,616.09.](#)

H. PUBLIC HEARINGS – NONE

I. CONSIDERATIONS – NONE

J. RESOLUTIONS

1. **Resolution 2020-121 Establishing an Estimated Annual Tax Levy Ceiling for the Tax Year 2020.**

City Manager's Summary: On an annual basis, the City collects property taxes which constitute its most stable general revenue source. Chapter 35, Section 200/18-60 of the Illinois Compiled Statutes requires that "not less than 20 days prior to the adoption of its aggregate levy, the City Council shall determine the amounts of money estimated to be necessary to be raised by taxation for that year upon the taxable property in its district." As the Council considers the 2020 corporate tax levy for taxes paid in 2021, the Truth in Taxation statute requires the City to present a comparison of the prior year extension to the current year levy. Any levy that is more than 105% of the amount extended in the prior year is subject to a public hearing. Although the proposed 2020 levy is not more than 105% of the 2019 levy, the City Manager recommends a public hearing in the interest of full transparency. A Truth in Taxation notice will be published in a timely manner and the public hearing and first reading of the levy ordinance will be held at the November 23, 2020 Regular City Council meeting.

The 2019 rate-setting EAV was \$585,726,839, an increase of \$37,779,152 or a 6.9% increase over the 2018 EAV of \$547,947,687. The City's 2019 levy of \$6,759,724 produced a tax rate of 1.1541%, inclusive of Fire pension (\$3,322,914), Police pension (\$2,946,735) and Library debt (\$490,075) levies. Overall, the levy only funded 84.75% of the minimum contributions required for the Fire and Police Pension Funds. This required the dedication of other General Fund revenue sources to fund the remaining \$1,128,289 in pension obligations.

According to Township and County assessment officials, the projected 2020 City levy, payable in 2021, will not capture the value of the Ferrara or Facebook starts in 2020. These will become “new construction” values as buildings are occupied in 2021. State statute provides a developer exemption prior to an occupancy certificate, and that exemption includes the increased land value. Next year’s City-wide EAV may jump by \$10 million or more because of the Ferrara and Facebook construction values alone, but this benefit is a year away.

The DeKalb Township multiplier for 2020 is 4.09. In addition, the estimated 2020 City-wide EAV will include about \$2 million in new construction value (owing primarily to Home2Suites and Plaza DeKalb), versus a new property value of \$766,275 in 2019. **The estimated 2020 rate-setting EAV for DeKalb is \$611,750,000.** Final EAV numbers are not released by the County Assessor until the Board of Review has ruled on all complaints concerning property valuations.

The Administration has also reviewed the actuarial report provided by Foster & Foster for the Fire and Police Pension Funds, which were received earlier in the year. The City funds the Police and Fire Pension Funds based on these reports. The City’s total actuarial obligation for 2020 is \$7,897,111 which includes \$4,282,230 for Firefighter Pensions and \$3,614,881 for Police Pensions. When combined, these numbers represent an increase of \$499,173 or 6.8%, over the overall 2019 funding level of \$7,397,938. This is largely a result of the state requirement of reaching the statutory funding level of 90% by 2040.

The City Manager developed four tax levy options and presented those options to the Finance Advisory Committee (FAC) on October 19. Those options were as follows:

- Option #1: Levy assumes a 2% inflationary increase in EAV, all new construction values, and recovered TIF EAV. Levy to fund the full City Fire and Police pension obligations (\$7,897,111) and the Library debt obligation (\$490,625) for **a total levy (less abatements) of \$8,387,736 and an estimated tax rate of 1.3711%**
- Option #2: Levy assumes a 2% inflationary increase in EAV, all new construction values, and recovered TIF EAV. Levy to fund the minimum City Fire and Police pension obligations to approximately maintain the present funding levels (\$6,865,743) and the Library debt obligation (\$490,625) for **a total levy (less abatements) of \$7,356,368 and an estimated tax rate of 1.2025%**. This option required the City’s General Fund to make up for the balance due for the full actuarial obligation on the Fire and Police pensions (\$1,031,368).
- Option #3: Levy assumes a 2% inflationary increase in EAV, all new construction values, and recovered TIF EAV. Levy to fund the minimum City Fire and Police pension obligations to approximately maintain the present funding levels (\$6,865,743) and fund 40% of the Library debt obligation (\$194,257) for **a total levy (less abatements) of \$7,060,000 and an estimated tax rate of 1.1541%** (identical with 2019). This option required the City’s General Fund to make up for the balance due for the full actuarial obligation on the Fire and Police pensions (\$1,031,368) plus \$296,368 to make up for the balance due for the Library debt payment in 2021.
- Option #4: Levy assumes a 2% inflationary increase in EAV, all new construction values, and recovered TIF EAV. This option required the City’s General Fund to make up for the balance due for the full actuarial obligation on the Fire and Police pensions (\$1,031,368) plus \$490,625 to make up for the full balance due on the

Library debt payment in 2021, for a **total levy (less abatements) of \$6,865,743 and an estimated rate of 1.1223%**.

The FAC recommended that Option #4 be adopted. In the interim between the FAC meeting on October 19 and the City Council meeting on October 26, the City Manager developed a “fifth option” that took fuller account of the impact of the DeKalb Township’s multiplier of 4.09% on the assessed valuations of all Township properties. **On October 26, the City Manager presented the Council with a recommendation as follows:**

- Capture an estimated 2% inflationary increase in EAV, all new construction values, and recovered TIF EAV.
- Levy a total of \$6,522,456 for the Fire pension (\$3,569,403) and Police pension (\$2,953,053) obligations, requiring a total General Fund transfer of \$1,374,655 to cover the balance due on the Fire and Police pension obligations, and a General Fund Transfer of \$490,625 to the Library Fund for the entirety of the 2021 debt service obligation. **The total levy of \$6,522,456 should result in a tax rate of 1.0662%.**

The City Council unanimously supported the City Manager’s “Option #5” or a levy recommendation of \$6,522,456 on October 26.

To ensure compliance with the Truth in Taxation statute, the 2020 Estimated Tax Levy must include all aggregate and special purpose levies of the City, which include the following levies: Corporate, IMRF, Social Security (FICA), Fire Pension, Police Pension, and the Library. Should those estimated levies, in total, exceed 105% of the prior year’s extended levy, the City is required to publish a Truth in Taxation notice and hold a public hearing.

The 2020 Estimated Tax levy amount including the Library levy is \$8,888,834. This represents a 4.14% increase from 2019 as detailed in the following table:

2020 Aggregate & Special Purpose Levies	2019 Tax Levy Extensions (\$)	2020 Tax Levy After Abatements (\$)	Increase / Decrease Over Prior Year’s Extension (\$)	Increase / Decrease Over Prior Year’s Extension (%)
Corporate	\$0	\$0	\$0	0.00%
IMRF	\$0	\$0	\$0	0.00%
Social Security	\$0	\$0	\$0	0.00%
Fire Pension	\$3,322,914	\$3,569,403	\$246,489	7.42%
Police Pension	\$2,946,735	\$2,953,053	\$6,318	5.37%
Public Library (pass-through)	\$2,265,717	\$2,366,378	\$100,661	4.44%
Total Aggregate & Special Purpose Levy	\$8,535,366	\$8,888,834	\$353,468	4.14%

The 2020 Estimated Tax Levy (\$8,888,834) excluding the pass-through Library levy (\$2,366,378) and including the Library debt levy (\$0.0) constitutes the corporate levy of \$6,522,456, which will result in a corporate tax rate of 1.0662%, which is 7.62% lower than the City rate in 2019.

Proposed Abatements

While they are not a consideration in determining whether the levy increase meets the threshold of requiring a Truth in Taxation notice and public hearing, the City also levies for special service areas (SSA) and debt service. These levies are not a component of the aggregate levy; however, there is value in including them separately in the Estimated Tax Levy resolution to be transparent with the public.

In 2020, the City will levy for seven SSAs, which is an increase of two from 2019. SSA #29 was activated in April 2020 to fund road repairs in the Market Square Shopping Center. SSA #30 will be activated in November to fund public safety and security improvements at Hunter Ridgebrook. All other SSAs are levied at the same amounts as 2019 as detailed in the following table:

2020 Estimated Tax Levy	2019 Tax Levy Extensions (\$)	2020 Tax Levy After Abatements (\$)	Increase / Decrease Over Prior Year's Extension (\$)	Increase / Decrease Over Prior Year's Extension (%)
<i>Special Service Area Levies</i>				
SSA #3 - Heritage Ridge	\$1,000	\$1,000	\$0	0.00%
SSA #4 - Knolls	\$5,501	\$5,501	\$0	0.00%
SSA #6 - Greek Row	\$16,400	\$16,400	\$0	0.00%
SSA #14 - Heartland Fields	\$2,500	\$2,500	\$0	0.00%
SSA #28 - 924 Greenbrier	\$8,704	\$8,704	\$0	0.00%
SSA #29 - Market Square	NA	\$200,000	NA	NA
SSA #30 - Hunter Ridgebrook	NA	\$100,000	NA	NA
Total Special Service Area Levies	\$34,105	\$334,105	\$0	0.00%

The City is also required to levy for the principal and interest of bonds issued by the municipality. It is standard practice to abate all debt service levies immediately after their adoption, with the exception of debt related to the 2013 Library expansion project. **For the 2020 levy year, the debt service payment (\$490,625) for the Library debt will be abated and the debt will be paid from General Fund revenues, in order to hold the City tax rate down in light of DeKalb Township's 4.09% multiplier.**

For the 2020 levy year, the debt service levies will be adjusted to reflect the Council's recent debt management decisions. The Refunding Bond of 2020,

approved by the Council on September 28, 2020 (Ordinance 2020-063) “scooped” the January 1, 2021 and July 1, 2021 debt service on four of the City’s GO bonds payable from the General Fund and “tossed” them to 2028, 2029, and 2030 when the principal was sharply less. This will result in one fiscal-year hiatus in GO debt payments to digest the harsh fiscal impacts of the COVID-19 pandemic. The City’s current GO Debt payable from the General Fund is briefly summarized below:

- **GO Refunding Bonds of 2010C.** In December 2010, the City issued \$5,415,000 of General Obligation Refunding Bonds to refinance prior debt at a lower interest cost. The original obligations were issued to finance storm sewer construction, road reconstruction, park land, and initial costs for the Police station.
- **GO Bonds of 2012A.** In October 2012, the City issued \$9,905,000 of G.O. Refunding Bonds for the purpose of construction of the new Police Station on West Lincoln Highway.
- **GO Bonds of 2013B.** In June 2013, the City issued \$2,380,000 of G.O. Bonds for the purpose of completing construction of the new Police Station.
- **GO Refunding Bonds of 2019.** In October 2019, the City issued \$3,925,000 of G.O. Refunding Bonds to refinance the 2010B bonds at a lower interest cost.
- **GO Refunding Bond of 2020.** On November 19, 2020 the City will issue \$1,900,000 of GO Refunding Bonds. See description above. The debt impact of the Refunding Bond of 2020 based on the fiscal year is provided in the table below:

General Fund Supported Debt			
Fiscal Year	Principal	Interest	Aggregate
2020	\$1,380,000	\$371,532	\$1,751,532
2021	\$0	\$0	\$0
2022	\$1,535,000	\$318,291	\$1,853,291
2023	\$1,595,000	\$256,919	\$1,851,919
2024	\$1,650,000	\$212,841	\$1,862,841
2025	\$1,680,000	\$181,121	\$1,861,121
2026	\$1,715,000	\$148,782	\$1,863,782
2027	\$1,750,000	\$115,256	\$1,865,256
2028	\$1,375,000	\$83,244	\$1,458,244
2029	\$1,405,000	\$52,211	\$1,457,211
2030	\$1,440,000	\$18,000	\$1,458,000
	\$15,525,000	\$1,758,197	\$17,283,197

The 2020 levy will extend the debt service for the TIF General Obligation Refunding Bonds of 2010A, and then abate the levy. The last year of debt service (2021) on the 12-year amortization schedule will be paid from TIF #1 before the TIF #1 termination on December 31, 2021.

The table on the next page illustrates that 100% of all GO bond debt service levies will be abated in levy year 2020.

Series	Fund	2019 Levy Year		2020 Levy Year		Notes
		Levy	Abatement	Levy	Abatement	
2010A	TIF	\$1,195,000	100%	\$1,190,800	100%	Matures 12/1/2021.
2010C	General	\$834,700	100%	\$795,545	100%	Certificate of abatement to be filed for 7/1/21 interest refunded. Still need to levy and abate 1/1/22 P&I.
2012A	General	\$130,682	100%	\$65,341	100%	Certificate of abatement to be filed for 7/1/21 interest refunded. Still need to levy and abate 1/1/22 P&I.
2013A	Library 2019/ General 2020	\$490,075	0%	\$490,625	100%	Paid from Library debt service levy in 2019 but will be paid from General Fund in 2020.
2013B	General	\$769,100	100%	\$756,175	100%	Certificate of abatement to be filed for 7/1/21 interest refunded. Still need to levy and abate 1/1/22 P&I.
2014	Water & Airport	\$350,327	100%	\$0	100%	Matures 1/1/2021.
2019	General	\$91,435	100%	\$70,536	100%	Certificate of abatement to be filed for 7/1/21 interest refunded. Still need to levy and abate 1/1/22 P&I.
2020	General	NA	NA	\$23,055	100%	No levy filed for capitalized interest through 7/1/21. Still need to levy and abate 1/1/22 interest.

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

K. ORDINANCES – SECOND READING – NONE

L. ORDINANCES – FIRST READING

1. Ordinance 2020-067 Authorizing the Northern Illinois University Annual Contribution for Integrated Transit Services.

City Manager's Summary: According to the Intergovernmental Agreement (IGA) between the City and Northern Illinois University (NIU) for integrated transit services that was approved in October 2018, NIU agreed to contribute a minimum of 40% of the total costs associated with fixed route transit expenses on an annual basis. For the period January 1, 2021 through December 31, 2021, the anticipated NIU contribution amount is \$2,064,674.43.

The anticipated total cost and NIU share for FY2021 consolidated transit services as defined in the IGA is \$5,275,955.89 and includes all fixed route and paratransit services that will be provided by Transdev. The anticipated NIU contribution for FY2021 is \$2,064,674.43.

Public Transit Service Type:	Total Cost	NIU Cost
Contracted Fixed Route w/Fuel:	\$4,512,840.85	\$1,805,136.33
Contracted Paratransit Service w/Fuel:	\$105,146.00	\$42,058.40
Contracted Elburn Bus Service (Route 12):	\$105,903.42	\$42,361.37
Contracted Park 88 Bus Service (Route 19):	\$228,539.66	\$45,707.93
Contracted Late Night Ride Service:	\$323,525.96	\$129,410.40
Total Cost of Services	\$5,275,955.89	\$2,064,674.43

Route 19, which operates in the south side of DeKalb and Park 88, is meant to provide residents and students with access to employment and other available resources in an area of DeKalb that otherwise has limited public transit services. The Route 19 ridership consists primarily of residents of DeKalb; for this reason, NIU has agreed to provide a 20% local match. If ridership data shows increased usage of the route by NIU OneCard holders, the NIU share will be reviewed.

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

2. Ordinance 2020-068 Approving a Special Use Permit for 2022 Sycamore Road for a Video Gaming Establishment (CJ's Gaming).

City Manager's Summary: The petitioner, Randi Hoffstead (CJ's Gaming), is requesting a special use permit to establish a video gaming establishment in the first floor of the building located at 2022 Sycamore Road. The subject site is zoned "GC" General Commercial District, which requires a special use permit for a video gaming establishment (stand-alone facility). CJ's Gaming is currently located at 1406 Sycamore Road and is planning to move to this new location by January 2021.

The Municipal Code (Chapter 38 - Intoxicating Liquors) has a limit of 10 stand-alone video gaming establishments; however, CJ's is re-locating so there is no need for the City Council to consider amending the Municipal Code. According to the Illinois Gaming Board website, CJ's Gaming had the largest net terminal income of any video gaming establishment in the City from January 2020 to September 2020. The UDO requires a minimum distance of 500 feet between video gaming establishments. The nearest video gaming establishment is Lucky Poker at 1812 Sycamore Road which is about 1,125 feet away from the proposed location for CJ's.

The establishment will be occupying approximately 1,800 square feet of gross floor area and take up the entire first floor at the proposed location. The proposed hours will match the hours at their current location which are 8:00 a.m. to 1:00 a.m., Monday through Wednesday, 8:00 a.m. to 2:00 a.m., Thursday through Saturday, and 10:00 a.m. to 1:00 a.m. on Sundays.

The proposed new location shares a parking lot with 2020 Sycamore Road to the south, which formerly contained a Hertz car rental business. There is an internet auto sales operation proposing to locate in the building at 2020 Sycamore Road. The total gross square footage of the tenant space for the video gaming establishment is about 1,800 sq. ft. The floor plan indicates six video gaming machines, kitchen, bar, snack bar and seating area. As Principal Planner Dan Olson writes in his background memorandum, the proposed parking satisfies the UDO parking requirements.

The special use permit approved for the video gaming establishment along S. Fourth Street in 2018 (Maisy's) and the video gaming establishment approved in July of 2019 at 122 E. Hillcrest Drive (Chip's) had language restricting the hours. For both, the sale of alcohol may not occur at the video gaming establishment before 10:00 a.m., Monday through Sunday. Regarding signage, no advertising related to the sale or presence of alcohol or video gaming is permitted. The special use permit approved for the video gaming establishment at 1704 Sycamore Road (Athena's Palace) in November 2019 did not have hour or signage restrictions.

The Planning & Zoning Commission believed the signage restrictions were not warranted based upon the proposed location of the video gaming establishment in

relation to Sycamore Road and nearby residential areas. Mr. Olson did not recommend additional restrictions on hours or signage for the proposed location of CJ's based upon the location along the Sycamore Road commercial corridor and there has been no opposition from the public. Mr. Olson recommended two conditions: (a) a handicap sign needs to be placed in front of the handicap space by the building and (b) the trash dumpster will need to be screened with a 6-foot high sight-proof fence. Staff recommended both conditions be addressed within 30 days of any Council approval.

The Planning & Zoning Commission considered the special use request at their regular meeting on November 2, and by a vote of 6-0 recommended Council approval subject to the conditions outlined by the City staff (see Agenda background).

City Council approval of the Planning & Zoning Commission recommendation is requested. [\(Click here for additional information\)](#)

M. REPORTS AND COMMUNICATIONS

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

N. EXECUTIVE SESSION

Approval to Hold an Executive Session in Order to Discuss:

1. **Personnel as Provided for in 5 ILCS 120/2(c)(1); and**
2. **Pending or Imminent Litigation as Provided for in 5 ILCS 120/2(c)(11).**

O. ADJOURNMENT

[FULL AGENDA PACKET](#)