



DEKALB CITY COUNCIL AGENDA March 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. Citizens' Environmental Commission Review of 2018 Accomplishments and Presentation of Goals for 2019.**

City Manager's Summary: Commission chair Dan Kenney will present the highlights of the Commission's discussions and activities in 2018. A number of Commission recommendations regarding backyard chickens, electric charging stations, LED lighting and other matters will come before the Council for formal consideration in upcoming meetings. ([Click here for further information.](#))

F. APPOINTMENTS

G. CONSENT AGENDA

- [Minutes of the Regular City Council Meeting of February 25, 2019.](#)
- [Accounts Payable and Payroll through March 11, 2019 in the Amount of \\$3,371,210.09.](#)
- 3. Resolution 2019-050 Approving the Closure of a Portion of Illinois Route 38 Between First Street and Fourth Street on Monday, May 27, 2019 from 8:00 a.m. to 10:00 a.m. for the 2019 Memorial Day Parade.**

City Manager's Summary: The annual Memorial Day Parade falls on May 27 this year. The attached resolution seeks IDOT's approval for a time-limited closing of IL Rt. 38 for safety on the line of march.

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

H. PUBLIC HEARINGS

None.

I. CONSIDERATIONS

None.

J. RESOLUTIONS

1. Resolution 2019-048 Approving a Final Plat for the Egyptian Theatre Subdivision and Authorizing a Conveyance of Real Property.

City Manager's Summary: At the February 25 Council meeting, the City Council unanimously directed the City Manager to convene representatives of the Egyptian Theatre and several concerned neighbors to attempt to work out differences regarding the potential impact of the proposed Egyptian addition within what is presently public property in Palmer Court. A meeting was convened on Tuesday, February 26, at 1:00 p.m. at City Hall. Participants included Mayor Smith, City Manager Nicklas, the Egyptian's board chair, Dan Schewe, the Egyptian's executive director, Alex Nerad, Gavin Wilson, Larry and Kay Berke, and Dawn Harper of Irving Construction.

As reported in the local media in the days that followed that meeting, a uniquely collaborative and heartfelt cooperation resulted. The Council's judgment was correct: the face-to-face, candid and respectful mediation that occurred was a proper tonic for the frustration and emotion that had characterized earlier dialogue. The specific outcomes of the meeting, subject to Council approval, are as follows:

- a) The final plat proposed on February 25 and attached hereto, is supported by all parties to the February 26 mediation. This plat describes an area of 2,277.4 square feet of the present Palmer Court to be conveyed by the City to the Egyptian Theatre (see the attached "Final Plat of the Egyptian Theatre Subdivision").
- b) The Egyptian Theatre will separately sell a room-sized parcel on the west side of the present building to the Berkes for \$1 (see [Tract 3](#) on the attached survey plat from Survey-Tech). This parcel has not been maintained. The Berkes would like to turn it into a flower garden. A public access easement

will be added in the event of the need for emergency access. No Council action is necessary to effect this transfer between the Theatre and the Berkes.

- c) A small and unbuildable “notch” of approximately 465 square feet that falls immediately west of the proposed addition, and which contains a gas meter, several electrical transformer boxes, and some ash trees, will be sold by the City to the Berkes for \$1 (see [Tract 2](#) on the attached survey plat from Survey-Tech). This area would be an open buffer - as it is now - between the Berkes’ property and the new addition. The Berkes will maintain the small “notch” and the City will retain access easements.
- d) A narrow strip approximately 9 feet x 123 feet that borders the alley from First Street to the Berkes’ deck will be sold to the Berkes for \$1 (see [Tract 1](#) on the attached survey plat from Survey-Tech). This area lays between the alley curbing and the Berke building and has not been maintained by the City over the years. The Berkes would like to maintain it. The conveyance plat will include a utility easement that covers the entire area, so the City can maintain the several alley lights within the narrow parcel, and any or all utilities the City wishes to install or maintain in the future.

City Council approval of the final plat for the Egyptian Theatre Subdivision and the conveyance of the public real estate described in paragraph (a), above, is recommended.

As noted above, additional survey plats are attached that describe the three parcels noted in paragraphs (b), (c), and (d). In accordance with the TIF Act and City Code, the City’s intention to convey the two small City parcels to the Berkes requires a public advertising that could not be satisfied before this Agenda was posted. The conveyance of these two parcels will be on the Council agenda for March 25. ([Click here for further information.](#))

2. Resolution 2019-051 Authorizing a Final Development Incentive Agreement for the Renovation of the Egyptian Theatre, 135 N. Second Street.

City Manager’s Summary: On December 18, 2018, the City Council reviewed and approved a “Preliminary Development Incentive Agreement” for the Egyptian Theatre, Inc. (the “Owner”). A proposed “Final Development Incentive Agreement” is attached for the Council’s review. The essential terms have been substantially revised to provide certain sureties in the event the Egyptian fails to perform as defined in the Agreement.

The specific terms are as follows:

- a) The Owner’s proposed capital improvements are, and will remain, consistent with the City’s planning objectives and zoning. The Final Agreement contains an Exhibit B with revised conceptual plans for an addition with a footprint of

2,277.4 square feet. The addition will contain a full basement largely dedicated to mechanical equipment associated with a new air-conditioning system. The conceptual plans also delineate roof-top condensing units for the new air-conditioning system (see the Recitals).

- b) The Owner commits to invest “not less than Four Million Dollars (\$4,000,000)” to the completion of the project depicted on the conceptual plans (Article VI, B). The City shall provide “a total Development Incentive of Two Million Five Hundred Thousand Dollars (\$2,500,000).” The total incentive “shall be an amount not to exceed the lesser of: 1) \$2,500,000; or, 2) the sum of all TIF Eligible Costs” (Article VI, B).
- c) “TIF Eligible Costs” include “all costs of property acquisition and closing costs; demolition, environmental remediation and site restoration costs; professional design and engineering fees; costs of utility service, installation or relocation, including without limitation underground storm water pipes, sanitary runs or pipes, relocation of electric services and equipment, grease traps; interim financing and construction bridge loan interest costs; legal and other professional fees; costs associated with processing lien waivers and payment of project expenses; contractor, subcontractor and materialmen costs; mobilization, site-heating, temporary utility or other construction related costs; permit fees, tap-on, connection or recapture fees; delivery expenses; costs of permanent fixtures, furnishings and equipment; costs of constructing any public improvements that are directly associated with the completion of the project (e.g. sidewalks, driveway aprons, lighting); and other costs that are directly related to the construction on the Property and the improvements contemplated by the approved final plans” (Article VI, C).
- d) Should the costs for the completion of the project be less than the anticipated \$4,000,000, the City shall not diminish the amount of the Development Incentive. The Owner shall be required to deposit such savings (calculated as \$4,000,000 minus the actual total project costs) in a segregated account for future capital expenditures relating to the improvement of the Theatre property. The Theatre shall provide the City with documentation of such funds in a form and content acceptable to the City (Article VI, B).
- e) The Development Incentive shall be a forgivable grant. The Owner is required to sign a promissory note and mortgage to ensure that it will use the monies as the Council intends, and satisfy all conditions of the grant within the forgiveness period, which shall extend for thirty (30) years, beginning on the last day of payment of any City TIF monies from an escrow account established for such allocation purposes. If the Owner fails to perform or fails to maintain theatre operations in that 30-year period, the City may initiate action to foreclose on its mortgage (Article VI, E).

- f) The Egyptian Theatre shall agree to cooperate with the City in establishing a Backup Special Service Area to assure regular facility maintenance (Article II, B). In the event the Theatre does not provide for the regular care of its facilities and grounds, the City will have the right to undertake any necessary maintenance and activate the SSA to provide sufficient funds to reimburse its costs.
- g) During construction, the Theatre is obligated to comply with all applicable codes and ordinances. An additional surety in the form of a letter of credit, cash escrow, or bond may be required by the City if the Theatre and/or its contractors do not make a good faith effort to comply with those ordinances that protect the welfare of its neighbors and the general public (Article II, D).

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

3. Resolution 2019-052 Authorizing the Award of a Bid to Curran Contracting Company in the Amount of \$33,040 for 1,300 Square Yards of Various Pavement Removal on Joanne Lane, Golfview Place and Ilehamwood Drive, with Staff Authority to Approve Change Orders Up to a Combined Total of \$36,344.

City Manager's Summary: On February 25, the Council approved \$743,500 in Water Funds to replace 4,100 feet of water main on Joanne Lane, Golfview Place, and Ilehamwood Drive, as well as a related construction engineering agreement with Fehr-Graham not to exceed \$75,000. Before the excavations for the water main project begin, the upper layer of asphalt on the affected roadways needs to be milled away. Bids for the milling of the street surfaces were advertised on February 15 and the following bids were received on February 25:

Company Name	Base Bid
Curran Contracting Company	\$33,040.00
Martin & Company Excavating	\$69,627.68

The low bid by Curran in the amount of \$33,040 for the base bid is less than the engineering estimate of \$50,000. The City Engineer has reviewed all bids and verified Curran as the lowest responsible bidder.

A ten percent (10%) contingency of \$3,304 is requested to address any minor and unforeseen costs or scope adjustments associated with these older streets. The total cost, if the Council approves the Curran bid, would be \$36,344. The street repairs would be funded by the City's Motor Fuel Tax Fund.

Bids will soon be requested for the final restoration of the asphalt street surfaces after the water main construction is completed. These bids will be brought before the Council when they are received.

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

4. Resolution 2019-053 Authorizing the Expenditure of Motor Fuel Tax Funds in the Amount of \$215,000 for Surface Maintenance on the Peace Road Bridge as Part of Intergovernmental Agreement 4254-2.

City Manager's Summary: On February 12, 2018, Council approved [Resolution 2018-012](#) authorizing an intergovernmental agreement (IGA) with the Illinois State Toll Highway Authority (ISTHA) to define required maintenance responsibilities and the City's estimated cost for surface repairs to the Peace Road Bridge (PRB). Work on the bridge was completed last summer and the City has received its first invoice in accordance with the above resolution. By approving this resolution, the Council authorizes \$215,000 in Motor Fuel Tax (MFT) funds for the City's share of the surface maintenance performed by the Toll Authority. These monies were budgeted in FY2018.

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

5. Resolution 2019-054 Authorizing the City Manager to Execute an Agreement with DeKalb County for Membership in the DeKalb County Fiber Optic Network and Amending an Agreement with Northern Illinois University for Associated Fiber Optic Connections.

City Manager's Summary: The City of DeKalb is participating in a county-wide public safety radio project spearheaded by DeKalb County. This project requires private, secured communication lines between the radio systems and computer-aided dispatching systems (CAD2CAD) at the City and County. To accomplish this, the City will need to join the DeKalb County Fiber Optic Network (DATA) to complete a connection to the County facilities. The City will connect to the DATA network using a stretch of fiber optic cable owned by Northern Illinois University (NIU), which the City currently utilizes for our primary (LEADS) and secondary internet service connections.

The attached Agreement provides for annual DATA membership and annual connection fees at a fair "subscription" price of \$13,650 per year. Two connections will be needed because the radio connection must be separate from the CAD connection. In addition to the City's intergovernmental agreement with the County which was approved on January 28 (Resolution 2019-033), NIU has agreed to provide what is known as the "last mile" connection. There is a stretch of NIU fiber optic cable required to bring the service from the DATA connection to the DeKalb Police Department building. These connections all involve expenses to support the connection, use of equipment, and bandwidth. The additional services offered by NIU are formalized through the addendum to the existing agreement reached between the City and NIU in March 2018.

City Council approval of these agreements and the total annual support costs of \$13,650 is recommended. [\(Click here for further information.\)](#)

K. ORDINANCES – SECOND READING

None.

L. ORDINANCES – FIRST READING

1. Ordinance 2019-029 Publishing the Official Zoning Map of the City of DeKalb.

City Manager’s Summary: The Illinois Municipal Code (65 ILCS 5/11-13-19) requires municipal authorities to annually publish an Official Zoning Map. The attached map reflects the changes that were reviewed and approved by the Planning and Zoning Commission (PZC) and City Council throughout the course of the past year. This is also the time that any map errors that may have been identified can be corrected.

The table below identifies the changes in the Official Zoning Map and related ordinances:

Case Name	Ordinance	Action
850, 890 and 930 Pappas Drive	2018-021	Amendments to Ordinance 1996-033 to add permitted and special uses.
1114 Blackhawk Road – Sigma NU Fraternity	2018-022	Amendments to Ordinance 2017-028 to eliminate the requirement for a commercial kitchen and amend the final plans.
701 W. Lincoln Highway – Pizza Hut	2018-028	Rezoning from GC to PD-C.
Home2 Suites Hotel – Southwest corner of S. Annie Glidden Road and Knolls Avenue S.	2018-047	Rezoning from LC to PD-C.
1786-1792 Sycamore Road	2018-051	Rezoning from GC to PD-C.
1211 and 1215 Sycamore Road – Adventure Works	2018-068	Rezoning from MFR1 and SFR2 to PD-R.

Cornerstone DeKalb	2018-081	Amendment to Ordinance 2017-011 to add additional services facilities to the list of permitted commercial uses and to increase the maximum square footage allowed for professional service offices.
Plaza DeKalb	2018-082	Amendment to Ordinance 2017-036 to add additional service facilities to the list of permitted commercial uses and to increase the maximum square footage allowed for professional service offices.
SunVest Solar Garden – North Side of Gurler Road, 500 Feet East of S. 1 st Street	2019-002	Rezoning from HI to PD-I.
2600 N. Annie Glidden Road – DeKalb County Rehab and Nursing Center	2019-003	Amendments to Ordinances 1998-037 and 1998-038 to allow for additions and renovations.
Northland Plaza Shopping Center – Sycamore Road	2019-004	Amendments to Ordinances 2002-045 and 2002-046 to add permitted and special uses, amend the sign regulations and approve a plat of re-subdivision.

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

2. Ordinance 2019-030 Approving the Final Plans for Plaza DeKalb, Pursuant to Ordinance 2017-036, for Property Located on the Northeast Corner of 2nd Street and Lincoln Highway. (First Reading)

City Manager’s Summary: Plaza DeKalb was approved by the City Council on August 14, 2017. Work on the project at the northeast corner of Lincoln Highway and Second Street has progressed systematically, moving from east to west. Improvements were first made to the façades of the two eastern buildings, accommodations for Gaming Goat were completed, and two upper level “penthouse” apartments were completely renovated. With that work complete, it was then possible to move on to the build-outs for the “Professional Suites” and Jamrah Restaurant. With those renovations on pre-existing buildings nearing completion, attention can now be focused on approving plans for the reconstruction of the new four-story corner building, which is taking the place of an already demolished one-story building previously occupied by Diamond Golf. After some careful engineering analysis, the foundation and basement of that building were able to be preserved and enhanced to support the new structure.

Because only concept plans for the corner building were available at the time of approval, the Agreement authorized as part of Ordinance 2017-036 required that final plans be submitted for review and approval by the City staff and Council prior to construction. Plans have been submitted and reviewed by the City staff and the Kishwaukee Water Reclamation District. They have been reviewed for conformance with City Codes and the Development Agreement, and are being forwarded to Council for approval, subject to compliance with the conditions outlined in the ordinance.

In compliance with the Agreement, the proposal includes 21 new apartment units on three floors above the first-floor which will feature a grocery store tenant. The overall Plaza DeKalb project includes 23 apartments, including the two renovated spaces above 223 and 229 East Lincoln Highway.

The attached ordinance identifies each plan document that is part of the Final Plan approval and includes conditions of approval where appropriate and in order to comply with the approved Agreement.

One condition of the Agreement requires that a Parking Agreement be executed as part of the Final Approval. This Agreement specifies the locations where commercial tenants and residents will park pursuant to their leases, and a fee that will be paid by the Developer. Amendments to Downtown Parking regulations as a whole are being prepared by staff for consideration by Council in the near future but are not yet ready to include with this Final Plan approval. The ordinance therefore indicates that the Parking Agreement shall be completed prior to the issuance of any certificates of occupancy.

Downtown parking has been a topic of interest for the Council and various downtown stakeholders for some time. A revised approach has been vetted with downtown merchants and the Chamber, but a public meeting to involve downtown residents in particular has not been held. Such a public meeting will be held on March 19 from 6:00 p.m. to 8:00 p.m. at the DeKalb Public Library. A summary of the comments from this meeting and earlier meetings with other downtown stakeholders will be provided to the Council in the Committee of the Whole meeting on March 25.

The emerging stakeholder consensus - subject to the results of the March 19 meeting – will address both on-street parking and parking in the Van Buer and Embree parking lots. Merchants and their employees will be encouraged to park in the public lots one block north of the Van Buer lot, where unrestricted day-time parking would be offered on a first-come, first-served basis, as in many downtowns. Residents of the Plaza apartments will need to secure permits in designated spaces within those same lots. It is anticipated that the Developer will purchase parking permits in those lots to accommodate his residential tenants. As part of the upcoming parking recommendations, there will be a total of 40 designated spaces available in the Glidden, Ellwood, and Haish parking lots

available for resident parking permits. All three lots are located in the blocks just north of Locust, or one block north of the block the Plaza DeKalb project is located in.

City Council approval of the Plaza DeKalb final plans 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](#)