



AMENDED

(Titles are Highlighted)

DEKALB CITY COUNCIL AGENDA NOVEMBER 12, 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

Veteran's Day Recognition – "God Bless the USA."

B. PLEDGE OF ALLEGIANCE

C. APPROVAL OF THE AGENDA

D. PUBLIC PARTICIPATION

E. PRESENTATIONS

1. DeKalb Fire Department Recognition.

City Manager Summary: On Friday, November 1, the DeKalb Fire Department responded to a report of a vehicle in the Kishwaukee River near the 300 block of West Lincoln Highway. The first crews to arrive found an SUV in the middle of the Kishwaukee River at the base of the bridge over West Lincoln Highway, on the south side. The Fire crews prepared for a water rescue with five personnel donning water rescue suits and setting up a low angle rope rescue system. Two firefighter-paramedics entered the river current and approached the vehicle to assess the patient who remained inside the vehicle. When all systems were in place, the patient was removed from the vehicle and placed on a backboard then into a stokes basket.

Fire Department crews that were staged on the shore assisted by sliding the patient upon a horizontal ladder positioned between the vehicle in the water and the shore, lifting the patient up a steep embankment, and conveying the

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patient to the ambulance. The patient was further assessed in the ambulance and transported to Northwestern Kishwaukee Community Hospital. Two firefighters later assisted a tow truck driver in retrieving the vehicle from the river. The City Manager and Fire Chief want to recognize the clear thinking and unhesitating initiative of the following Fire department personnel:

Deputy Fire Chief Bart Gilmore, Battalion Chief Jeff Jossendal, Captain Todd Stoffa, Lieutenant Chris Ziola, Lieutenant Wade Schneck, Lieutenant Tom Conley, Firefighter/Paramedic Steve Cruz, Firefighter/Paramedic Noah Millard, Firefighter/Paramedic Trevor Chilton, Firefighter Sean Freeman, Firefighter/Paramedic Joe Fisher, Firefighter/Paramedic Greg Thornton, Firefighter/Paramedic Robert Terry, Firefighter/Paramedic Joe Wempe, and Firefighter/Paramedic Joe Long.

F. APPOINTMENTS

1. [Appointment of Gregory J. Perkins as Fourth Ward Alderman Until His Successor Qualifies and Takes Office.](#)
2. [Appointment of India Washington to the DeKalb Public Library Board for the Completion of a Term through June 30, 2021.](#)

G. CONSENT AGENDA

1. [Minutes of the Joint Review Board Meeting of July 26, 2019.](#)
2. [Minutes of the Committee of the Whole Meeting of October 28, 2019.](#)
3. [Minutes of the Regular City Council Meeting of October 28, 2019.](#)
4. [Accounts Payable and Payroll through November 12, 2019, in the Amount of \\$1,554,409.87.](#)
5. [Fire and Police Pension Fund Municipal Compliance Reports for the Fiscal Year Ending December 31, 2018.](#)

H. PUBLIC HEARINGS

None.

I. CONSIDERATIONS

None.

J. RESOLUTIONS

1. Resolution 2019-148 Establishing an Estimated Annual Tax Levy Ceiling for the Tax Year 2019.

City Manager Summary: On an annual basis, the City collects property taxes which are perhaps its most stable 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 2019 corporate tax levy for taxes paid in 2020, 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 2019 levy is not more than 105% of the 2018 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 25, 2019, Regular City Council meeting.

The 2018 rate-setting EAV was \$547,947,687, an increase of \$18,318,223 or 3.46% increase over the 2017 EAV. The City’s 2018 levy produced a tax rate of 1.1883%, inclusive of Corporate, Debt, IMRF, Fire and Police Pension, and Social Security levies. The rate resulted in a levy of \$6,511,427, after abatements, with \$494,194 of that levy dedicated to the Library debt payment. Overall, the levy only funded 91% 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 \$565,631 in pension obligations.

DeKalb County provided EAV estimates for 2019 in early October. The initial DeKalb EAV estimate came in at \$572,865,507. That figure did not include the recovery of EAV resulting from the expiration of TIF #2 and the creation of TIF #3. Working with the DeKalb County Tax Extension Office, the Administration has determined that an additional \$19,919,395 in EAV will return to the regular tax rolls in 2019. This includes \$14,762,821 from the expiration of TIF #2 and \$5,157,067 from the TIF base year adjustment for TIF #1 parcels that will become a part of TIF #3 effective January 1, 2020. Accordingly, **the estimated DeKalb EAV for 2019 is \$592,785,395.**

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 employer-required funding for 2020 is \$7,397,938, which includes \$3,920,907 for Fire Pensions and \$3,477,031 for Police Pensions. When combined, these numbers represent an increase of \$815,167, or 12.38%, over

2019 funding levels. This is largely a result of the state requirement of reaching the statutory funding level of 90% by 2040, coupled with poor investment returns in 2018.

Keeping in mind the need to target a tax rate that does not increase the tax burden on local residents, the City Manager’s Office developed four tax levy options and has presented those options to the Finance Advisory Committee (FAC) and the City Council. Those options are as follows:

1. Levy to capture full EAV growth and recovered TIF EAV.
2. **Levy to capture a 2% inflationary increase in EAV, new construction EAV, and recovered TIF EAV.**
3. Levy to capture only new construction EAV and recovered TIF EAV.
4. Levy according to policy and fully fund Fire/Police Pensions and IMRF.

The FAC recommended that Option #2 be adopted. On October 28, the City Council accepted that recommendation and directed staff to draft a 2019 property tax levy aligned with Option #2.

Based on that direction, we determined the 2019 Estimated Tax Levy to ensure compliance with the Truth in Taxation statute. That estimate 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 2019 Estimated Tax levy amount including the Library levy is \$8,535,366. This represents a 4.73% increase from 2018** as detailed in the table below:

2019 Aggregate & Special Purpose Levies	2018 Tax Levy Extensions (\$)	2019 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	\$3,220,117	\$3,322,914	\$102,797	3.19%
Police Pension	\$2,796,623	\$2,946,735	\$150,112	5.37%
Public Library	\$2,132,754	\$2,265,717	\$132,963	6.23%
Total Aggregate & Special Purpose Levy	\$8,149,494	\$8,535,366	\$385,872	4.73%

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The 2019 Estimated Tax Levy (\$8,535,366) excluding the pass-through Library levy (\$2,265,717) and including the Library debt payment (\$490,075) constitutes the corporate levy of \$6,759,724, which will result in a corporate tax rate of 1.403%, which is 4% lower than the City rate in 2018.

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 2019, the City will levy for five SSAs, which is an increase of one from 2018. SSA #28 was activated in 2019 to repay a loan issued to the owner of 924 Greenbriar Road for the installation of a fire sprinkler system in Greek housing. All other SSAs are levied at the same amounts as 2018 as detailed in the table below:

2019 Estimated Tax Levy	2018 Tax Levy Extensions (\$)	2019 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 Greenbriar		\$8,704	N/A	N/A
Total Special Service Area Levies	\$25,401	\$34,105	\$0	0.00%

The City is also required to levy for the principle 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. The same will hold true this year as detailed in the table on the following page:

2019 Estimated Tax Levy	2018 Tax Levy Extensions (\$)	2019 Estimated Tax Levy Before Abatements	2019 Tax Levy After Abatements (\$)	Increase / Decrease Over Prior Year's Extension (\$)	Increase / Decrease Over Prior Year's Extension (%)
<i>Debt Service Levies</i>					
G.O. Bonds 2013A - Library	\$494,117	\$620,000	\$490,075	\$(4,042)	-0.82%
G.O. Bonds 2013B & 2012A	\$0	\$900,000	\$0	\$0	0.00%
G.O. Bonds 2010A - TIF	\$0	\$1,423,675	\$0	\$0	0.00%
G.O. Bonds 2010B & 2010C	\$0	\$1,350,000	\$0	\$0	0.00%
G.O. Bonds 2004	\$0	\$391,875	\$0	\$0	0.00%
G.O. Bonds 2000	\$0	\$410,963	\$0	\$0	0.00%
G.O. Bonds 2014	\$0	\$391,875	\$0	\$0	0.00%
Total Principal & Interest Levies	\$494,117	\$5,488,388	\$490,075	\$(4,042)	-0.82%

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

2. Resolution 2019-149 Authorizing the Sale of Real Property Located at 402 Gurler Street (P.I.N. 08-23-403-002) in the Amount of \$7,000.

City Manager Summary: On August 12, the Council authorized the City Manager to list a number of City-owned parcels for sale ([Resolution 2019-122](#)). The City Manager was authorized to enter into an agreement with a properly licensed real estate broker based on a contingency fee agreement for the marketing and listing of these city-owned properties. All listings were to be advertised through the MLS system to afford access to any interested broker. The Council further restricted any contingency fee agreement to a fee not exceeding five percent (5%) if any city property is sold through the broker without another real estate broker involved, or not exceeding six percent (6%) if sold with the involvement of a second brokerage firm.

A listing agreement was signed with Miller Real Estate on August 15. Since that time, the City Council has authorized the sale of a fragment of land along the Kishwaukee River near N. First Street to Robert Carlson in the amount of \$800.00 (August 16), the sale of a commercially zoned City property at the southeast corner of N. First Street and Locust Street to Plaza DeKalb, LLC for the list price of \$119,500 (September 9), the sale of the vacant food and fuel service station at 1101 N. First Street to Kumar Chaudhary in the amount of \$80,000, and the sale of 822 E. Lincoln Highway to Kelly Diehl.

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One other City parcel authorized for sale on August 12 has recently received interest – the small and narrow residentially-zoned parcel at 402 Gurler Road. The interested party, Tony Smith, has offered to purchase the City lot for \$7,000. The footprint for any residence on this property is somewhat constrained by the required yard setback from the existing alley.

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

3. Resolution 2019-150 Authorizing the Sale of Real Property Located at 1015-1017 Market Street (P.I.N. 08-23-256-011) in the Amount of \$10,500.

City Manager Summary: The City-owned property at 1015-1017 Market Street was acquired by the City through a demolition lien in 2018. It once held two residential structures which had fallen into extreme disrepair. The property has been graded and restored by the City to a vacant, buildable lot with a frontage of 90 feet and a depth of about 150 feet.

A prospective buyer, Martin Garcia, has offered \$10,500 for this lot and provided earnest money in the amount of \$1,000. His intent is to build a new single-family home.

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

4. Resolution 2019-151 Approving a Real Estate Contract for the Sale of Real Property Located at 1101 N. First Street (P.I.N. 08-14-305-018) and the Closing of the Transaction.

City Manager Summary: By Resolution 2019-139 approved on September 23, 2019, the Council directed the staff to move forward on the sale of the City-owned property located at 1101 N. First Street (PIN 08-14-305-018) for a price of \$80,000. This property consists of a vacant food and fuel service station located at the corner of N. First Street and Locust Street. It has environmental problems for which further remediation will be needed. The purchaser (Kumar Chaudhary & Associates) is aware of the involvement of the IEPA and the State Fire Marshall in this property and the remaining mitigation responsibilities. The purchaser also reports that he has a history of redeveloping other service station parcels with similar remediation requirements.

On September 23, 2019, the City Attorney advised the Council that a real estate sale contract should be brought back to the Council for approval with language addressing the remaining environmental issues and the remediation of the property. This contract has been prepared, approved by the purchaser, and is now submitted to the Council for its consideration and approval. The contract includes the following terms pertaining to the environmental condition of the property.

- Buyer's acknowledgement that they have received the City's environmental reports listed in Exhibit B.
- Buyer's acceptance of the property "as is" with full knowledge of the pre-existing hazardous materials on the property.
- The City, as Seller, makes no representation or warranty that: (1) the environmental reports provided to the Buyer present a true and correct analysis of the condition of the property; (2) the property is fit for any particular purpose; and (3) the buyer will be able to obtain a No Further Remediation letter from the IEPA.
- Buyer accepts all risks associated with the remediation of the property in compliance with federal and state regulations.
- Buyer's agreement to remediate, clean-up and remove the hazardous materials in accordance with environmental laws at Buyer's sole cost and expense.
- The Buyer has the sole responsibility to pursue a No Further Remediation letter from the State at its sole cost and expense.
- Buyer's agreement to defend, indemnify and hold harmless the City against claims and losses arising from any hazardous materials.
- The above contract provisions only involve the contractual relationship between the Buyer and the City. These provisions would not preclude the possibility of any State or Federal Enforcement action if the Buyer does not remediate the problem. However, as the City is currently in the chain of title, it would be subject to the possibility of an enforcement action whether the property is sold or not.

The Resolution also authorizes the City to close the transaction selling this property. **City Council approval is recommended.** ([Click here for further information](#))

K. ORDINANCES – SECOND READING

- 1. Ordinance 2019-069 Amending Chapter 23, "Unified Development Ordinance," Article 5, "Zoning District Regulations," and Article 7, "Supplementary District Regulations," of the City of DeKalb, Illinois Municipal Code as it Pertains to Adult Use Cannabis.**

City Manager Summary: At the Regular City Council Meeting of October 28, the Council approved Ordinance 2019-069 on First Reading with direction to (a) revise the map exhibit to sharpen the 250-foot buffer delineations and (b)

re-word the reference to other types of cannabis establishments so as not to discourage interest in their development in conformance with state statute.

The attachments are offered in response to this guidance. The attached map more clearly delineates those limited commercial parcels that are a minimum of 250 feet from any NIU property. Regarding cannabis business establishments, the City Attorney has offered the following revised language for Section 17.18.07,2:

~~No Adult-Use Cannabis Craft Grower, Adult-Use Cannabis Cultivation Center, Adult-Use Cannabis Infuser Organization, Adult-Use Cannabis Processing Organization, Adult-Use Cannabis Transporting Organization, or Medical Cannabis Cultivation Center shall be permitted within the City's corporate limits. The terms and conditions for the location of a cannabis dispensary pursuant to a special use shall not be applicable to other types of cannabis businesses, including but not limited to, Adult-Use Cannabis Craft Growers, Adult-Use/medical Cannabis Cultivation Centers, Adult-Use Cannabis Infuser Uses, Adult-Use Cannabis Processing Uses, or Adult-Use Cannabis Transportation Uses unless otherwise approved by a subsequent amendment. Any type of cannabis business other than a cannabis dispensary that wishes to locate in DeKalb may propose a text amendment to the City's Unified Development Ordinance as part of a zoning application that is in compliance with all State of Illinois statutes and regulations for legislative consideration and evaluation by the Planning and Zoning Commission and the City Council.~~

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

L. ORDINANCES – FIRST READING

1. Ordinance 2019-071 Amending Chapter 38 “Intoxicating Liquors,” Section 38.18(a) “Caterer Event Permits.”

City Manager Summary: Chapter 38 of the Municipal Code regulates the sale of alcoholic beverages within DeKalb. Under Chapter 38, the City regulates the sale of alcoholic beverages at catered events by issuing an annual “Caterer Permit” to those DeKalb businesses holding a valid City-issued Bar, Restaurant, Hospitality, Grocery/Drug Store or Liquor Production liquor license. Those businesses holding a valid Caterer Permit are then required to submit an application to obtain a Caterer Event Permit for each event they intend to hold. At present, there are only two liquor license holders in the City maintaining a valid Caterer Permit.

The City has recently received requests from catering businesses outside DeKalb holding a State of Illinois liquor license wishing to cater events at

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commercial businesses. This amendment is not intended to take business away from DeKalb catering businesses that hold a valid City-issued liquor license. However, it would allow DeKalb businesses to hold events on their property with the caterer of their choice.

The proposed ordinance would create an annual “Caterer Event Permit” with the following criteria:

- a. Proof of a valid State of Illinois-issued liquor license; and
- b. A Certificate of Insurance (Dram Shop) naming the City of DeKalb as an “additional insured” for General and Liquor Liability.

Once permitted, such businesses would be required to submit a Caterer Special Event Permit application 14 days prior to any catered event and provide the following documentation:

- a. A copy of the agreement or other written documentation of agreement with the business owner regarding the event; and
- b. A floor plan and description of the area to be utilized, noting any proposed sound amplification and or live entertainment, entry and exit paths, utility services, restroom facilities, and alcohol service and storage areas. Such notes will be reviewed by the Liquor Commissioner and City departments to ensure that the special event will be safe and convenient for adjacent property owners.

If this amendment is approved, the caterer would be required to pay a non-refundable application fee of \$372 to obtain an annual Caterer Permit, as well as a non-refundable application fee of \$53 per event. Approving this amendment would not result in any significant new revenue. Similarly, the administrative cost of this change is minimal.

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

- 2. Ordinance 2019-072 Amending Chapter 38 “Intoxicating Liquors”, Section 38.27(c)8 “Gambling Devices”, by Revising the Number of Liquor Licenses for Establishments that Qualify as Video Gaming Establishments to Include the Property Located at 1208 E. Lincoln Highway.**

City Manager Summary: On October 28, the City Council reviewed an unforeseen dilemma faced by the owners of 1208 E. Lincoln Highway. The property owners had maintained a successful auto dealership (McLean’s Auto Station) on this commercial-zoned lot for many years. They are retiring and closing their dealership but wish to create a new business at the location for

their family to operate. They had worked with City staff for almost two months and engaged an architect to create plans for the conversion of their dealership office to a video-gaming establishment in the belief that one of the ten video-gaming licenses authorized by the Council in May 2019 was in play.

The unforeseen and unintended dilemma was that without detailed criteria established to determine how one applies for “the last” opening, there was no objective way to determine where the starting gate was for the open competition, or how one could get to the finish line first in a fair race. Currently, we have two petitioners working on parallel tracks, both in good faith, for one available video-gaming liquor license. Neither petitioner has erred, and both are legitimate contenders for the final license as it now stands.

At the recommendation of the City Manager, the Council consensus was to resolve this dilemma in the short run, with a longer-term solution in sight. The plan is as follows:

1. To amend the Municipal Code to allow for one additional (11th) license until one of the existing licenses allows for the reduction to 10, assuming the Council wants to stay with 10 licenses over time. Given the history of such license – two vendors initially failed to open in the past two years – we are likely to see the opportunity to restore the limit of 10 in due course.
2. To task the City Manager to require a new, detailed application with a reasonable sunset clause (e.g. 90 days) and ensure that if fewer than 10 licenses exist, no more than one application can be processed for each available license at the same time.

The attached Ordinance creates the additional license. A revised application is also attached that is designed to prevent such a two-horse race from occurring again.

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

3. **Ordinance 2019-073 Authorizing the Implementation of Impact Fee Waivers for New Construction Permits for Attached Single Family Townhomes in the Wineberry, South Pointe Greens, and River Mist Subdivisions.**

City Manager Summary: On October 28, the Council supported the City Manager’s recommendation to waive City impact fees for attached single family townhomes in the Wineberry, South Pointe Greens, and River Mist residential subdivisions. The attached ordinance authorizes such waivers.

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

- 1. Approval to Hold an Executive Session in Order to Discussion the Purchase or Lease of Real Property as Provided for in 5 ILCS 120/2(C)(5).**

O. ADJOURNMENT

[FULL AGENDA PACKET](#)