



CITY OF CRYSTAL LAKE

AGENDA

CITY COUNCIL REGULAR MEETING

**City of Crystal Lake
100 West Woodstock Street, Crystal Lake, IL
City Council Chambers
November 1, 2011
7:30 p.m.**

- 1. Call to Order**
- 2. Roll Call**
- 3. Pledge of Allegiance**
- 4. Approval of Minutes – October 18, 2011 Regular City Council Meeting**
- 5. Accounts Payable**
- 6. Public Presentation**
The public is invited to make an issue oriented comment on any matter of public concern not otherwise on the agenda. The public comment may be no longer than 5 minutes in duration. Interrogation of the city staff, Mayor or City Council will not be allowed at this time, nor will any comment from the Council. Personal invectives against city staff or elected officials are not permitted.
- 7. Mayor's Report**
- 8. Council Reports**
- 9. Consent Agenda**
 - a. Main Street Crossing Apartments Annexation Referral**
 - b. Ordinance designating items as surplus equipment and resolution authorizing execution of an agreement for the sale of the surplus equipment utilizing an on-line auction.**
 - c. Festival of Lights Parade and Parking Restrictions request.**
- 10. Curran Martial Arts Academy, 110 West Woodstock Street – Use Variation for Commercial Recreation physical fitness facility to allow a Martial Arts training facility in the R-3B zoning district.**
- 11. Bid award and resolution authorizing execution of a service agreement for the building mechanical systems maintenance and repairs program.**
- 12. Amendment to Ordinance #6657 to add new Economic Development Matching Grant Programs.**
- 13. Resolution referring a proposed text amendment that would separate gasoline service station EMCs for pricing from the standard EMC sign criteria to the Planning and Zoning Commission.**
- 14. Resolution authorizing execution of an Intergovernmental Agreement with the Illinois Department of Transportation for City participation in the upgrade of the IL Route 31 and Three Oaks Road intersection traffic signals.**
- 15. Snow Removal Ordinance for Downtown District.**
- 16. Discussion Only - Ordinance providing for the submission to the electors of the City of Crystal Lake, McHenry County, Illinois the question whether the City of Crystal Lake should have the authority under Public Act 096-0176 to arrange for the supply of electricity for its residential and small commercial retail customers who have not opted out of such program.**

- 17. Ordinance reallocating unused volume cap for private activity bonds.**
- 18. Council Inquiries and Requests**
- 19. Adjourn to Executive Session for the purpose of discussing matters of pending and probable litigation, the sale, purchase or lease of real property, collective bargaining, and personnel.**
- 20. Reconvene to Regular Session.**
- 21. Adjourn**

If special assistance is needed in order to participate in a City of Crystal Lake public meeting, please contact Brad Mitchell, Assistant to the City Manager, at 815-459-2020, at least 24 hours prior to the meeting, if possible, to make arrangements.



Agenda Item No: 9a

**City Council
Agenda Supplement**

Meeting Date: November 1, 2011

Item: #2011-53 Main Street Crossing Apartments Annexation Referral

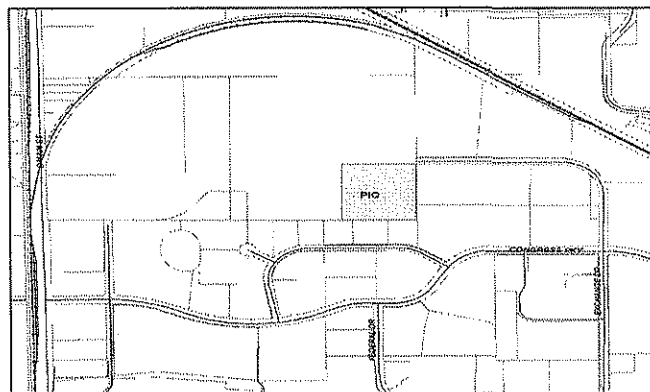
Chris Hooker, Banner Apartments, petitioner
500 Skokie Blvd., Suite 600, Northbrook, IL

Recommendation: Motion to refer the petitioner's request to the November 2, 2011, Planning & Zoning Commission meeting for zoning consideration and to the December 6, 2011, City Council meeting for the annexation public hearing.

Staff Contact: Michelle Rentzsch, Director of Planning & Economic Development

Background:

- This 5-acre property is located at the terminus of Exchange Drive and is being proposed for an apartment development.
- The petitioner is requesting annexation, comprehensive plan amendment, zoning, preliminary plat of subdivision, variations, and conceptual PUD approvals.
- The site would be constructed with workforce apartment housing for a total of 72 apartment units.
- The petitioner respectfully requests that this matter be referred to the November 2, 2011, Planning & Zoning Commission meeting for zoning consideration and the December 6, 2011, City Council meeting for the annexation public hearing.



Votes Required to Pass: A simple majority vote.



Agenda Item No: 9b

**City Council
Agenda Supplement**

Meeting Date:

November 1, 2011

Item:

Designation and Auction of Surplus Equipment

Staff Recommendation:

Motion to adopt an ordinance designating the items in Exhibit "A" as surplus equipment and a resolution authorizing the City Manager to execute an agreement with Obenauf Auction Service, Inc. for the sale of the surplus equipment utilizing their on-line auction.

Staff Contact:

Victor Ramirez, Director of Public Works

Background:

Attached is a proposed Ordinance designating the equipment listed in Exhibit "A" as surplus in order for it to be sold upon acceptance through a public on-line bidding process. This auction service is provided throughout the year and administered by Obenauf Auction Service, Inc. Exhibit "A" identifies a list of surplus vehicles and non-utilized pieces of equipment, which has been compiled by the Administration, Public Works, IT, Police, and Fire Rescue Departments. Items listed in Exhibit "A" with an asterisk will be utilized until their replacement can be implemented into the fleet. The replacements have been ordered. Once the replacements are employed into the fleet, the unit will be sold as surplus. It is staff's recommendation to participate in the auction for the following reasons:

- 1) Participation in the auction would minimize the costs and time required to sell the equipment through the bidding process and provide an additional avenue for the sale of surplus vehicles and equipment. These costs include advertising, publishing legal notification and staff time required to show the vehicles and equipment. The associated cost to the City by utilizing Obenauf Auction Service, Inc. is a 6% commission for all items sold.
- 2) Participation in the auction would provide an additional avenue for the sale of the surplus equipment and vehicles to increase the likelihood that the City will maximize its return on the sale of the vehicles.
- 3) It would allow the City the ability to clear-up space that is currently being occupied by the surplus equipment, which is no longer being utilized.

Recommendation:

It is staff's recommendation to designate the items in Exhibit "A" as surplus and authorize the City Manager to execute the agreement for the vehicles and equipment to be auctioned as administered by Obenauf Auction Service, Inc. with a 6 % sales commission for all items sold.

Votes Required to Pass:

Simple majority

DRAFT

RESOLUTION

BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF CRYSTAL LAKE that the items listed in Exhibit "A" are surplus and are to be disposed of through an on-line auction administered by Obenauf Auction Service, Inc.

DATED this _____ day of _____, 2011.

CITY OF CRYSTAL LAKE, an
Illinois municipal corporation,

By: _____
MAYOR

SEAL

ATTEST

CITY CLERK

PASSED: _____

APPROVED: _____



Agenda Item No: 9c

**City Council
Agenda Supplement**

Meeting Date: November 1, 2011

Item: Festival of Lights Parade and Parking Restrictions Request

Staff Recommendation: Motion to approve a variation to Section 379-4 of the Crystal Lake City Code to allow the Festival of Lights Parade to be held at night, and to approve parking restrictions on both sides of Caroline Street between Woodstock Street and Crystal Lake Avenue, on both sides of Paddock Street between Williams Street and Walkup Avenue, on the south side of Woodstock Street between Grant Street and Williams Street, on both sides of Williams Street between Woodstock Street and Crystal Lake Avenue, and the first two parking spaces on the east side of Grant Street just north of Crystal Lake Avenue on Friday, November 25, 2011, beginning at 5:30 p.m. until the end of the parade.

Staff Contact: Brad Mitchell, Assistant to the City Manager

Background:

Downtown Crystal Lake will host its annual Festival of Lights Parade on Friday, November 25, 2011 at 7:00 p.m. in Downtown Crystal Lake. The parade participants and vehicles will line-up at City Hall and utilize the far-east entrance/exit off of Woodstock Street into City Hall. Parade participants will be asked to utilize the Alexander Commuter Lot to park their personal vehicles during the parade. During the parade, the Fire Rescue, Police and Public Works Departments will utilize the west entrance/exit to City Hall. The parade route will be as follows: exit City Hall turning right on Woodstock Street, turn left (south) on Caroline Street, turn left (east) on Crystal Lake Avenue, turn left (northeast) on Grant Street, turn right (east) on Woodstock Street, and turn right (south) on Williams Street. The parade will officially end at the corner of Williams Street and Crystal Lake Avenue by the Downtown Christmas Tree. At this point, parade

vehicles will be required to follow the return route by continuing straight on South Williams Street, turning right (west) on Paddock Street, and then right (north) on Caroline Street back to City Hall.

The Downtown Crystal Lake organization is requesting a variation to Section 379-4 of the Crystal Lake City Code to allow the Festival of Lights Parade to be held on Friday, November 25, 2011 at 7:00 p.m. Section 379-4 of the Crystal Lake City Code does not contain provisions for parades to be held at night.

In addition, the Downtown Crystal Lake organization is requesting "no parking" restrictions on both sides of Caroline Street between Woodstock Street and Crystal Lake Avenue, on both sides of Paddock Street between Williams Street and Walkup Avenue, on the south side of Woodstock Street between Grant Street and Williams Street, on both sides of Williams Street between Woodstock Street and Crystal Lake Avenue, and the first two parking spaces on the east side of Grant Street just north of Crystal Lake Avenue from 5:30 p.m. until the end of the parade (at approximately 8:30 p.m.). The Crystal Lake Police Department will place "no parking" signs along Caroline Street and Paddock Street and the Downtown Crystal Lake organization will place City-owned barricades and parking cones to restrict parking along Williams Street, Woodstock Street, and the first two parking spaces on the east side of Grant Street just north of Crystal Lake Avenue for the parade.

It should be noted that this is the same staging location and parade route used for the Festival of Lights Parade the past two years. The Downtown Crystal Lake organization has contacted impacted businesses in the downtown area regarding the parking restrictions request. Signage and advertising will be posted to promote other parking areas such as Z-lots, commuter lots, bank lots, etc. Also, the Crystal Lake Police Department will post signs in the Alexander Commuter Lot prior to the parade date to notify commuters of the closed portion in the Alexander Commuter Lot and barricades will be used on the date of the parade to close the portion of the lot that will be used for the parade participants to park their personal vehicles. The Downtown Crystal Lake organization has notified both Metra and Union Pacific of this route and proposed use of the west end of the Alexander Commuter parking lot for participant parking.

City staff has reviewed the petitioner's request, and does not have concerns regarding the parade and the parking restrictions, providing the following conditions are met:

- 1) The Downtown Crystal Lake organization shall coordinate with the Crystal Lake Police Department and the Crystal Lake Public Works Department regarding staffing, signage, and other needs for the parade.
- 2) Signs shall be posted restricting parking on both sides of Caroline Street between Woodstock Street and Crystal Lake Avenue, on both sides of Paddock Street between Williams Street and Walkup Avenue, on the south side of Woodstock Street between Grant Street and Williams Street, on both sides of Williams Street between Woodstock Street and Crystal Lake Avenue, and the first two parking spaces on the east side of Grant Street just north of

Crystal Lake Avenue. The signs shall be removed after the parade has concluded.

- 3) City-owned barricades and parking cones will be used by the Petitioner to block parking on the south side of Woodstock Street, both sides of Williams Street and the first two parking spaces on the east side of Grant Street just north of Crystal Lake Avenue. The petitioner must complete and submit a Barricade Borrowing Application.
- 4) Petitioner must adhere to the required City insurance provisions for the use of City-owned property by providing a certificate of insurance naming the City as additional insured, and sign the required Indemnity/Hold Harmless agreement.
- 5) Any vendor present at this event, or present within the immediate area during the event, must have permission and approval from the Downtown Crystal Lake / Main Street organization, along with the appropriate proof of insurance and a vendor license.
- 6) All debris created by the event shall be cleaned up during and after the event. In addition, MDC Environmental Services, Inc., the City's refuse contractor, will conduct a special collection following the parade.
- 7) If tents or canopies will be used, the petitioner shall contact the Fire Rescue Department for further review.
- 8) Any additional permits or requests for signage shall be made through the Engineering and Building Department.
- 9) Emergency vehicle access must be maintained throughout the event. Items should not be placed on the roadway to prohibit access, and volunteers should be available to remove barricades to allow emergency vehicles on the roadway if necessary.
- 10) The Petitioner must meet any requirements by the Fire Rescue Department and the Building Division.
- 11) In the case of inclement weather, an alternate date can be approved by the City Manager.

The petitioner has agreed to meet these conditions. The letter from the Downtown Crystal Lake organization requesting approval of a variation to Section 379-4 of the Crystal Lake City Code and the parking restrictions, and a map of the parade route are attached for City Council consideration.

Votes Required to Pass:

Simple majority vote of the City Council.



Agenda Item No: 10

**City Council
Agenda Supplement**

Meeting Date: November 1, 2011

Item: REPORT OF THE PLANNING & ZONING COMMISSION

#2011-47 Curran Martial Arts Academy

Use Variation for Commercial Recreation physical fitness facility to allow a Martial Arts training facility in the R-3B zoning district.

Jeremy Lin, petitioner
221 Liberty Drive

PZC Recommendation: Motion to approve the Planning and Zoning Commission recommendations and to adopt an ordinance approving the Use Variation for Commercial Recreation at 110 West Woodstock Street for Curran Martial Arts Academy Inc.

Staff Contact: Michelle Rentzsch, Director of Planning and Economic Development

Background:

- Curran Martial Arts Academy is currently located at 221 Liberty Road. They were granted a Special Use Permit for this facility in 2008. Curran Martial Arts Academy provides training for general martial arts, Jui Jitsu, Muay Thai kickboxing, wrestling and a weight/work-out gym area.
- 110 West Woodstock Street was rezoned in early 2008 to R-4 (presently R-3B per the UDO redistricting) to allow a PUD for a 57-unit townhome development. This development has not been constructed and has been granted an extension until 2013. This site is currently occupied by a variety of service, office and manufacturing tenants.
- Since the property is zoned R-3B, the commercial recreation use is not permitted, requiring the Use Variation.
- The Physical Fitness commercial recreation use requires 6.4 spaces per 1,000 GFA requiring 66 spaces. There are approximately 100 spaces on site, providing sufficient parking for this use and other existing uses. The parking lot will be re-stripped within 6 months by the property owner.

Planning and Zoning Commission Highlights:

- Discussed the floor plan layout and asked about other exit doors for emergency purposes.
- Expressed that no large-scale tournaments are permitted where occupancy and parking requirements would be violated.
- One Commission member notice vehicles parked overnight at this location and questioned if spaces were being rented to the apartment residents. The Police Department did observations on two separate evenings and found no vehicles parked in the parking lot registered to any of the apartment residents.
- Requested that the previous conditions of approval for the 221 Liberty Street SUP be applied to this request. Staff has reviewed these conditions and finds that they are not applicable. The previous approval ordinance is attached for the City Council's review.

The Planning and Zoning Commission recommended **approval (8-0)** of the petitioner's request with the following conditions:

1. Approved plan, to reflect staff and advisory board comments, as approved by the City Council:
 - A. Application (Curran, received 09/23/11).
 - B. Floor Plan (Curran undated, received 09/23/11).
2. The Use Variation applies only to Curran Martial Arts Academy.
3. The parking lot shall be restriped within ~~1-year~~ **6 months** to ensure the striping is visible and customers have a clear understanding on where to park. **(Changed by PZC)**
4. The petitioner shall address all of the review comments of Engineering and Building, Fire Rescue, Police, Public Works, and Planning and Economic Development Departments.
5. **A fence shall be installed along the west property line to protect the apartments from lights and other late night activity.** (Added by PZC)

Votes Required to Pass:

A simple majority vote.

DRAFT

ORDINANCE NO. _____
FILE NO. _____

AN ORDINANCE GRANTING A USE VARIATION
AT 110 W. WOODSTOCK STREET

WHEREAS, pursuant to the terms of a Petition (File #2011-47) before the Crystal Lake Planning and Zoning Commission, the Petitioner has requested the granting of a Use Variation to allow a commercial recreation use for Curran Martial Arts Academy within the R-3B zoning district; and

WHEREAS, it is in the best interests of the CITY OF CRYSTAL LAKE that the Use Variation be granted as requested in said Petition.

BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF CRYSTAL LAKE, McHENRY COUNTY, ILLINOIS, as follows:

Section I: That a Use Variation be granted to allow a commercial recreation use for Curran Martial Arts Academy within the R-3B zoning district

at the property commonly known as 110 W. Woodstock Street, City of Crystal Lake.

Section II: That the Variation be granted with the following conditions:

1. Approved plan, to reflect staff and advisory board comments, as approved by the City Council:
 - A. Application (Curran, received 09/23/11).
 - B. Floor Plan (Curran undated, received 09/23/11).
2. The Use Variation applies only to Curran Martial Arts Academy.
3. The parking lot shall be restriped within 6 months to ensure the striping is visible and customers have a clear understanding on where to park.
4. The petitioner shall address all of the review comments of Engineering and Building, Fire Rescue, Police, Public Works, and Planning and Economic Development Departments.
5. A fence shall be installed along the west property line to protect the apartments from lights and other late night activity.

Section III: That the City Clerk be and is hereby directed to amend the official zoning map of the City of Crystal Lake and all pertinent records of the City of Crystal Lake to show the granting of a Variation in accordance with the provisions of this Ordinance, as provided by law.

DRAFT

Section IV: That this Ordinance shall be in full force and effect from and after its passage and approval as provided by law.

DATED at Crystal Lake, Illinois, this _____ day of _____, _____.

MAYOR

ATTEST:

CITY CLERK

Published in pamphlet form by the authority of the Mayor and City Council of the City of Crystal Lake.



Agenda Item No: 11

**City Council
Agenda Supplement**

Meeting Date: November 1, 2011

Item: Building Mechanical Systems Maintenance & Service Contract

Staff Recommendation: Motion to award the bid for the building mechanical systems maintenance & repairs program to the lowest responsible and responsive bidder, Althoff Industries, and adopt a resolution authorizing the City Manager to execute a service agreement with Althoff Industries for a period of four years.

Staff Contact: Victor Ramirez, P.E., Director of Public Works

Background:

On October 20, 2011, the City of Crystal Lake publicly opened and read aloud bids received for the Building Mechanical Systems Maintenance & Service Program for the Municipal Complex and Three Oaks Recreation Area and the Downtown Train Depot. In total, seven (7) vendors submitted bids for the contract. The breakdown of bids received is attached.

The bid document requested vendors to provide a flat fee for the routine maintenance of the HVAC systems and annual backflow preventer inspection and certifications for the facilities noted above. In addition, the vendors were asked to provide the City with a standard labor rate and parts markup price for any additional, or non-routine, maintenance or repairs.

Recommendation:

The Public Works Department has reviewed all bids received for completeness and accuracy in accordance with the invitation to bid document. It is the recommendation of staff to award the bid to the lowest responsible and responsive bidder, Althoff Industries, for the Building Mechanical Systems Maintenance & Services Program in accordance with the terms and conditions of the invitation to bid document. Althoff Industries has provided these services for the City in the past and proven to be very responsible.

Votes Required to Pass:

Simple Majority

Mechanical System Maintenance

		Period 1	Period 2	Period 3	Period 4	TOTAL
Althoff Industries Crystal Lake, IL	Complex	\$ 26,200.00	\$ 19,300.00	\$ 19,590.00	\$ 19,885.00	\$ 84,975.00
	TORA	\$ 1,720.00	\$ 1,350.00	\$ 1,370.00	\$ 1,390.00	\$ 5,830.00
	Backflow	\$ 2,700.00	\$ 2,741.00	\$ 2,783.00	\$ 2,824.00	\$ 11,048.00
\$ 101,853.00	Rate (Reg)	\$ 100.00	\$ 101.50	\$ 103.00	\$ 104.60	
15% Markup	Rate (OT)	\$ 133.00	\$ 135.00	\$ 137.00	\$ 139.00	

Mechanical Inc Freeport, IL	Complex	\$ 22,910.00	\$ 22,910.00	\$ 23,960.00	\$ 23,960.00	\$ 93,740.00
	TORA	\$ 2,100.00	\$ 2,100.00	\$ 2,200.00	\$ 2,200.00	\$ 8,600.00
	Backflow	\$ 3,300.00	\$ 3,300.00	\$ 3,300.00	\$ 3,300.00	\$ 13,200.00
\$ 115,540.00	Rate (Reg)	\$ 92.00	\$ 92.00	\$ 94.00	\$ 94.00	
15% Markup	Rate (OT)	\$ 138.00	\$ 138.00	\$ 141.00	\$ 141.00	

Hayes Mechanical Chicago, IL	Complex	\$ 24,240.00	\$ 24,960.00	\$ 25,992.00	\$ 26,760.00	\$ 101,952.00
	TORA	\$ 1,728.00	\$ 1,776.00	\$ 1,836.00	\$ 1,896.00	\$ 7,236.00
	Backflow	\$ 5,196.00	\$ 5,340.00	\$ 5,496.00	\$ 5,832.00	\$ 21,864.00
\$ 131,052.00	Rate (Reg)	\$ 105.00	\$ 108.00	\$ 111.00	\$ 115.00	
15% Markup	Rate (OT)	\$ 157.50	\$ 162.00	\$ 167.00	\$ 172.00	

Monaco Mechanical Lisle, IL	Complex	\$ 29,251.00	\$ 30,128.00	\$ 31,032.00	\$ 31,963.00	\$ 122,374.00
	TORA	\$ 3,432.00	\$ 3,535.00	\$ 3,641.00	\$ 3,750.00	\$ 14,358.00
	Backflow	\$ 7,875.00	\$ 8,269.00	\$ 8,682.00	\$ 9,117.00	\$ 33,943.00
\$ 170,675.00	Rate (Reg)	\$ 114.89	\$ 120.32	\$ 126.34	\$ 132.66	
15% Markup	Rate (OT)	\$ 149.32	\$ 156.78	\$ 164.62	\$ 172.85	

MG Mechanical Serv. Woodstock, IL	Complex	\$ 37,996.00	\$ 39,136.00	\$ 40,310.00	\$ 41,520.00	\$ 158,962.00
	TORA	\$ 3,740.00	\$ 3,852.00	\$ 3,967.00	\$ 4,086.00	\$ 15,645.00
	Backflow	\$ 4,389.00	\$ 4,500.00	\$ 4,656.00	\$ 4,795.00	\$ 18,340.00
\$ 192,947.00	Rate (Reg)	\$ 95.00	\$ 97.00	\$ 100.00	\$ 103.00	
10% Markup	Rate (OT)	\$ 142.50	\$ 145.50	\$ 150.00	\$ 154.50	

Skirmont Mechanical Elgin, IL	Complex	\$ 54,450.00	\$ 55,335.00	\$ 56,220.00	\$ 57,105.00	\$ 223,110.00
	TORA	\$ 4,530.00	\$ 4,630.00	\$ 4,730.00	\$ 4,830.00	\$ 18,720.00
	Backflow	\$ 3,000.00	\$ 3,000.00	\$ 3,060.00	\$ 3,121.00	\$ 12,181.00
\$ 254,011.00	Rate (Reg)	\$ 122.00	\$ 124.00	\$ 126.00	\$ 128.00	
10% Markup	Rate (OT)	\$ 183.00	\$ 186.00	\$ 189.00	\$ 192.00	

Maratin Petersen Co Kenosha, WI	Complex	\$ 54,302.00	\$ 56,967.00	\$ 59,765.00	\$ 62,704.00	\$ 233,738.00
	TORA	\$ 6,692.00	\$ 7,027.00	\$ 7,378.00	\$ 7,747.00	\$ 28,844.00
	Backflow	\$ 4,000.00	\$ 4,200.00	\$ 4,400.00	\$ 4,600.00	\$ 17,200.00
\$ 279,782.00	Rate (Reg)	\$ 102.00	\$ 102.00	\$ 112.00	\$ 112.00	
10% Markup	Rate (OT)	\$ 138.00	\$ 138.00	\$ 148.00	\$ 148.00	

DRAFT

RESOLUTION

BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF CRYSTAL LAKE that the City Manager is authorized to execute a Service Agreement between the CITY OF CRYSTAL LAKE and Althoff Industries for the Building Mechanical Systems Maintenance & Services Program.

DATED this _____ day of _____, 2011.

CITY OF CRYSTAL LAKE, an
Illinois Municipal Corporation,

By: _____
MAYOR

SEAL

ATTEST

CITY CLERK

PASSED: _____

APPROVED: _____



Agenda Item No: 12

**City Council
Agenda Supplement**

- Meeting Date:** November 1, 2011
- Item:** Amendment to Ordinance #6657 to add new Economic Development Matching Grant Programs.
- EDC recommendation:** Motion to approve the New Retailer and Manufacturer Job Creation and Investment Programs and the Existing Retailer Expansion and Relocation Program.
- Staff Contact:** James Richter II, Assistant Director of Economic Development
-

Background: On April 19, 2011, the City Council approved an Ordinance for the Retailer Façade and Commercial Tenant Improvement Program for new and existing retailers, as well as the Manufacturer Building & Equipment Improvement Program.

Considerable success has been achieved in utilizing these programs to attract businesses to Crystal Lake by offering one or more of these incentives to qualifying businesses. The matching grant program allows staff to get involved in the attraction process and helps to close deals with prospective Crystal Lake businesses.

PREVAILING WAGE REQUIREMENTS

Recent legislative action by the State of Illinois has dictated that any improvements funded by a public body are deemed "public work" and, therefore, the recipient of public funds must pay prevailing wage on their improvement project. Unfortunately, the prevailing wage requirement adds between 15% and 40% to the overall costs of the project, depending upon the scope of work, thereby diluting the benefit of the \$10,000 matching grant. This threatens the continued success of our program.

CURRENT FISCAL YEAR APPLICATIONS

For the current fiscal year, the City has approved matching grant applications for Kyoto Restaurant and for the Aptar Group. Both of these applications were for significant fire suppression system improvements that will be completed by union labor, due to the extensive scope of work. Applications for Fresh Market and Ross Dress for Less were withdrawn, and the application by Chen's King Wok has been suspended due to the sizable impact that paying prevailing wage would have on these projects.

Throughout the attraction process, the City has offered matching grants to future businesses for the former Colonial Café. It would be prudent to adjust our programs not only to see through our incentive offers, but also to make the matching grant programs viable for the future.

PROPOSED PROGRAM STRUCTURE

City staff has researched a number of ways by which our grant programs can be restructured to offer the same financial benefits to new businesses by eliminating the reimbursements for “improvements”, and instead, reimburse business owners for job creation and for furniture, fixtures and equipment. As a result, staff and the Economic Development Committee are proposing the New Retailer and Manufacturer Job Creation and Investment Programs and the Existing Retailer Expansion and Relocation Program.

ELIGIBILITY CRITERIA

The proposed programs would contain eligibility criteria to meet the City’s intent for implementing incentives for business development. For the New Retailer Job Creation and Investment Program, the following eligibility criteria are proposed:

PROGRAM	ELIGIBILITY	MAX AWARD	AWARD CALCULATION
New Retailer Job Creation and Investment Program (Proposed)	<p>New retail sales tax revenue-generating businesses that:</p> <ul style="list-style-type: none"> • Occupy vacant space or construct and occupy a new building, and one or both of following: • Hire new employees • Purchase furniture, fixtures, or equipment (FFE) 	\$10,000	<ul style="list-style-type: none"> • Recipient receives \$2,500 for each new full-time employee hired upon start-up • Recipient receives \$1,000 for each new part-time employee hired upon start-up • 50% matching grant for eligible FFE costs
New Manufacturer Job Creation and Equipment Investment Program (Proposed)	<p>New manufacturers (and professional service providers - per EDC) that:</p> <ul style="list-style-type: none"> • Occupy vacant space or construct a new building, and one or both of the following: • Hire/bring new employees to their Crystal Lake location • Purchase new furniture, fixtures, or equipment (FFE) 	\$10,000	<ul style="list-style-type: none"> • Recipient receives \$1,000 for each new full-time employee hired upon start-up • 50% matching grant for eligible FFE costs
Existing Retailer Expansion and Relocation Program (Proposed)	<p>Existing retail sales tax revenue-generating businesses that:</p> <ul style="list-style-type: none"> • Expand their current retail location, or relocate to larger buildings, or construct a new building, and one or both of the following: • Hire new employees • Purchase furniture, fixtures, or equipment (FFE). 	\$5,000	<ul style="list-style-type: none"> • Recipient receives \$1,000 for each new full-time employee hired for the expansion/relocation • 50% matching grant for eligible FFE costs

- (i) The program is open to any new sales-tax revenue generating business that will occupy vacant retail space or a building or that will construct a new building for its business.
- (ii) Applicant must meet minimum annual taxable sales threshold of \$100,000.
- (iii) Applicant’s business must provide a stocked retail showroom for retail products.
- (iv) Applicant must provide written proof of employment recruitment and of FFE costs.

- (v) Applicant must file an application for grant funding prior to commencing improvements.
- (vi) Grant recipient may re-apply after 5 years from the date of recipient's previous award.
- (vii) Eligible FFE includes, but is not limited to, shelving, racks, tables, chairs, furniture, point-of-sale systems, fixed computer equipment used in business operation, televisions located in dining rooms or showrooms, office furniture, and appliances.
- (viii) Applicant's business must be new to Crystal Lake city limits; in-town relocations are ineligible.
- (ix) Applicants are required to complete and submit an Illinois Department of Labor Authorization to Release Sales Tax Information form to City Staff as part of the required application documentation.
- (x) Award calculations may include both new employees and FFE costs, up to maximum award amount.
- (xi) Approved applicants shall be required to maintain their employment levels and FFE for the duration of the Grant Agreement with the City of Crystal Lake, which shall be the lesser of four years or the time by which the grant award has been recovered by the City through sales taxes.

FUNDING

Funding levels for the matching grant programs would not change as a result of adding these programs. Currently, \$80,000 has been allocated for our existing matching grant programs. Staff recommends retaining the existing "improvement-based" programs in place, both to appease the Illinois Department of Labor and to offer grants to those businesses who would be paying prevailing wage anyway. The proposed programs would offer additional funding opportunities while sharing from the existing \$80,000 source.

EVALUATION OF APPLICATIONS

In order to objectively evaluate all applications, the following review criteria can be approved:

- 1) Analysis of the Application
 - a. Aesthetic Improvement Value and Occupancy
 - i. Improvement in overall site appearance
 - ii. Impact to area
 - b. Scope of new employment and investments proposed
 - i. Number of new full-time and part-time employees to be added and wages to be paid
 - ii. Value of fixtures, furniture, and equipment to be purchased
 - c. Potential Economic Impact
 - i. Use of the subject property as a result of the new business activity
 1. Ways it will contribute to the economic vitality of the community
 2. How the use is compatible with and/or compliments mix of existing uses

EDC RECOMMENDATION

As proposed, the programs would continue to serve sales tax revenue generating retailers and new manufacturers bringing full-time jobs to Crystal Lake. The Economic Development Committee has recommended that the New Manufacturer Job Creation and Equipment Investment Program include professional services provider as eligible recipients for these funds.

While service-based businesses provide benefits to the community, such as job creation and an

increase in daytime traffic, our grant programs have historically served sales tax generating businesses who occupy highly-visible vacant retail space and who collect sales tax revenues that ultimately replenish the accounts that fund this program.

Staff feels that if we allow professional service providers to receive grant funds, the majority of our program funds would be utilized in a short time-frame, due to the moderate level of activity the City is seeing in new salons, insurance offices, medical offices, and financial service providers. Additionally, staff would like to maintain the program's focus on serving businesses who occupy highly-visible vacant retail space.

Votes Required to Pass: A simple majority vote.



DRAFT

**AN ORDINANCE AMENDING ECONOMIC DEVELOPMENT
MATCHING GRANT INCENTIVE PROGRAMS**

WHEREAS, the City has the authority, pursuant to the laws of the State of Illinois and its home rule authority, to promote the health, safety, and welfare of the City and its residents, to encourage private development in order to enhance the local tax base, to increase employment, and to enter into contractual agreements with third parties for the purpose of achieving these purposes; and

WHEREAS, to promote the vitality of the City's commercial business areas, the City established its Economic Development Matching Grant Programs; and

WHEREAS, the current Retailer Façade and Commercial Tenant Improvement and Manufacturer Building Improvement and Equipment Programs are made available to provide a positive impact on the exterior and interior of commercial buildings, thus improving the marketability of the community; and

WHEREAS, the current Retailer and Manufacturer Job Creation and Investment Programs and Existing Retailer Expansion and Relocation Program provide financial assistance to building and business owners who occupy vacant space and facilitate job creation in Crystal Lake; and

WHEREAS, the City Council has found and determined that increased participation in the Retailer and Manufacturer Job Creation and Investment Programs and the Existing Retailer Expansion and Relocation Program will encourage the maintenance and improvement of businesses within the City and will stimulate economic activity in the City, including the creation and maintenance of jobs and the attraction of consumers to the City and will otherwise generally benefit the well-being of the residents of the City by stimulating commercial growth, and provide crucial economic support to allow the City to continue to provide the level of municipal services to its commercial and residential citizens; and

WHEREAS, the City is authorized to expend public funds for a public benefit and by participating in the Retailer and Manufacturer Job Creation and Investment Programs and the Existing Retailer Expansion and Relocation Program, the City will provide a benefit to the public, generally;

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE
CITY OF CRYSTAL LAKE, ILLINOIS:**

SECTION 1: Chapter 228 of the Crystal Lake City Code, titled Economic Development Incentive Program, is amended with the addition of the following:

ARTICLE II: New Retailer and Manufacturer Job Creation and Investment Programs and the Existing Retailer Expansion and Relocation Program

§ 228-22. Program Description.

The City of Crystal Lake, in its continuing effort to support the development and redevelopment of the community, has created a matching grant reimbursement program for a limited number of new and existing retail business and manufacturing business owners and operators in the City.

§ 228-23. New Retailer Job Creation and Investment Program

The City intends to encourage and support job creation and further investment in the Crystal Lake business community by building and business owners. This program is designed to facilitate job creation and to assist business owners in occupying vacant retail space in the City. Through this program, the City will award grants to new retail businesses collecting retail sales taxes for hiring new employees and for offsetting the purchase of furniture, fixtures, and equipment. The City will award a retail business owner \$2,500 for each new full-time employee (minimum 37.5 hours per week) hired upon commencement of operations and \$1,000 for each new part-time employee hired upon commencement of operations. Additionally, the City will award 50 cents for each dollar spent by a retail business owner who purchases eligible fixtures, furniture, and equipment for its new business. The total award for new employees and FFE expenditures may not exceed \$10,000 for a new retail business occupying a vacant retail space. All awards are subject to financial limitations established by the City's appropriation ordinance from time to time.

ELIGIBILITY CRITERIA

- (i) The program is open to any new sales-tax revenue generating business that will occupy vacant retail space or a building or that will construct a new building for its business.
- (ii) Applicant must meet minimum annual taxable sales threshold of \$100,000.
- (iii) Applicant's business must provide a stocked retail showroom for retail products.
- (iv) Applicant must provide written proof of employment recruitment and of FFE costs.
- (v) Applicant must file an application for grant funding prior to commencing improvements.
- (vi) Grant recipient may re-apply after 5 years from the date of recipient's previous award.
- (vii) Eligible FFE includes, but is not limited to, shelving, racks, tables, chairs, furniture, point-of-sale systems, fixed computer equipment used in business operation, televisions located in dining rooms or showrooms, office furniture, and appliances.
- (viii) Applicant's business must be new to Crystal Lake city limits; in-town relocations are ineligible.
- (ix) Applicants are required to complete and submit an Illinois Department of Labor Authorization to Release Sales Tax Information form to City Staff as part of the required application documentation.

- (x) Award calculations may include both new employees and FFE costs, up to maximum award amount.
- (xi) Approved applicants shall be required to maintain their employment levels and FFE for the duration of the Grant Agreement with the City of Crystal Lake, which shall be the lesser of four years or the time by which the grant award has been recovered by the City through sales taxes.

§ 228-24. New Manufacturer Job Creation and Equipment Investment Program

The City intends to encourage manufacturers to locate their businesses in Crystal Lake. This program is designed to facilitate job creation and to assist business owners in occupying vacant manufacturing space in the City. Through this program, the City will award grants to new manufacturers for hiring new employees and for offsetting the purchase of furniture, fixtures and equipment used in every-day operation. The City will provide manufacturing business owners with a grant for \$1,000 for each new full-time employee (minimum 37.5 hours per week) hired upon commencement of operations. Additionally, the City will provide a 50% matching grant to business owners who purchase eligible fixtures, furniture, and equipment for their new manufacturing facility. New manufacturers occupying vacant retail space are eligible for up to a \$10,000 maximum grant award. Subject to the financial limitations as established by the City's appropriation ordinance, the City will match \$.50 fifty cents per dollar on a business owner's investment in eligible fixtures, furniture, and equipment for the interior of a manufacturing facility.

ELIGIBILITY CRITERIA

- (i) The program is open to any new manufacturer or professional service provider that will occupy vacant manufacturing space or a building, or that will construct a new building for its business.
- (ii) Applicant's business must: develop and manufacture finished goods, provide technological products, equipment, or software, or professional services, such as insurance, accounting, finance, legal or medical services.
 - (i) Applicant must provide written proof of employment recruitment and of FFE costs.
 - (ii) Applicant must file an application for grant funding prior to commencing improvements.
 - (iii) Grant recipient may re-apply after 5 years from the date of recipient's previous award.
 - (iv) Eligible FFE includes, but is not limited to, shelving, racks, tables, chairs, furniture, point-of-sale systems, fixed computer equipment used in business operation, manufacturing/assembly equipment used in every-day operation of the business, and office furniture.
- (v) Applicant's business must be new to Crystal Lake City limits; in-town relocations are ineligible.
- (vi) Award calculation may include both new employees and FFE costs, up to maximum award amount.
- (vii) Approved applicants shall be required to maintain their employment levels and FFE for the duration of the Grant Agreement with the City of Crystal Lake, for a term of four years.

§ 228-25. Existing Retailer Expansion and Relocation Program

The City intends to encourage and support job creation and further investment in the Crystal Lake business community by its' current building and business owners. This program is designed to facilitate job creation and to assist business owners in their efforts to expand and/or relocate within Crystal Lake. Through this program, the City will award grants to existing Crystal Lake retail businesses collecting retail sales taxes for expanding their existing retail store-fronts or for relocating within the City limits at a larger retail space. This grant program will provide financial assistance to retailers for hiring new employees to accommodate the expansion and for offsetting the purchase of furniture, fixtures and equipment used in the expansion. The City will provide retail business owners with a grant for \$1,000 for each new full-time employee (minimum 37.5 hours per week) hired to accommodate the expansion or relocation upon commencement of operations. Additionally, the City will provide a 50% matching grant to retail business owners who purchase eligible fixtures, furniture, and equipment for their business. Retail businesses occupying vacant retail space are eligible for up to a \$5,000 maximum grant award. Subject to the financial limitations as established by the City's appropriation ordinance, the City will match \$.50 fifty cents per dollar on a business owner's investment in eligible fixtures, furniture, and equipment for the interior or exterior of a retail property. A maximum of \$10,000 will be available for all new retail business applications occupying vacant retail space. The building or business owner who is hiring new employees or who has funded the investment in the furniture, fixtures, and equipment must first apply for and be approved in order to receive the grant from the City.

ELIGIBILITY CRITERIA

- (i) The program is open to any existing Crystal Lake sales-tax revenue generating business that will:
 - a. Expand its current location into vacant space by at least 20% in gross floor area, or
 - b. Relocate to vacant space of larger than its current location, in a new building or into a different existing building not within the same shopping center.
- (ii) Applicant must meet minimum annual taxable sales threshold of \$100,000.
- (iii) Applicant's business must provide a stocked retail showroom for retail products.
- (iv) Applicant must provide written proof of employment recruitment and of FFE costs.
- (v) Applicant must file an application for grant funding prior to commencing improvements.
- (vi) Grant recipient may re-apply after 5 years from the date of recipient's previous award.
- (vii) Eligible FFE includes, but is not limited to shelving, racks, tables, chairs, furniture, point-of-sale systems, fixed computer equipment used in business operation, televisions located in dining rooms or showrooms, office furniture, and appliances.
- (viii) Award calculation may include both new employees and FFE costs, up to maximum award amount.
- (ix) Applicants are required to complete and submit an Illinois Department of Labor Authorization to Release Sales Tax Information form to City Staff as part of the required application documentation.
- (x) Approved applicants shall be required to maintain their employment levels and FFE for the duration of the Grant Agreement with the City of Crystal Lake, which shall be the

lesser of four years or the time by which the grant award has been recovered by the City through sales taxes.

§ 228-26. Eligible Furniture, Fixtures and Equipment Expenses.

Eligible investments for **new and existing retailers** include, but are not limited to, shelving, racks, tables, chairs, furniture, point-of-sale systems, non-mobile computer equipment used in business operation, televisions located in dining rooms or showrooms, office furniture, and appliances. Eligible investments for **new manufacturers** include, but are not limited to, shelving, racks, tables, chairs, point-of-sale systems, fixed computer equipment used in business operation, manufacturing/assembly equipment used in every-day operation of the business, and office furniture. Furniture, fixtures, and equipment not included within the eligibility list above are subject to approval by the City Council.

§ 228-27. Ineligible Projects.

The Retailer Job Creation and Investment Program and the Existing Retailer Expansion and Relocation Program will not provide grant funds to businesses who do not collect sales taxes or who do not meet the minimum taxable sales threshold of \$100,000 in taxable sales. Furniture, fixtures, and equipment shall not include: working capital, debt refinancing, inventory acquisition, application fees, permit fees, legal fees, or signage.

§ 228-28. Grant Agreement.

For applications that receive City Council approval, applicant(s) must enter into a grant agreement with the City. The grant agreement will specify occupancy time-frames, requirements for proof of employment, and early termination provisions.

§ 228-29. Administration.

Any eligible building or business owner who wishes to apply for an improvement grant can obtain an application from the City. All applications for matching grants will be accepted on a first-come-first-served basis and will be subject to the financial limitations established by the City's annual appropriation ordinance and from time to time. Only completed applications that include all required submittal documents and information will be accepted. The City's Planning and Economic Development Department will review each application for accuracy and will determine if it meets the requirements for funding. If the application is determined to meet the requirements of the program, then the application will be sent to City Council for review.

Matching grant funds will be disseminated to grant recipient only after the recipient's business receives a Final Certificate of Occupancy and provides the City with proof of employment and furniture, fixture, and equipment costs.

If all available grant funds for a current funding cycle, as established by the City's annual appropriation ordinance or from time to time, have been fully distributed, then applicants may be

placed on a waiting list to be considered for a grant when funds become appropriated and available.

§ 228-30. Required documentation.

Eligible applicants who apply for the New Retailer and Manufacturer Job Creation and Investment Programs and the Existing Retailer Expansion and Relocation Program will be required to provide documentation, drawings, specifications, and estimates for the acquisition of furniture, fixtures, and equipment. Applicants also will be required to provide a signed Illinois Department of Labor Authorization to Release Sales Tax Information form.

Applicants must provide proof of employment information, including but not limited to W-2 and the Employer's Contribution and Wage Report Form UI-3/40.

After the applicant's business has obtained a Final Certificate of Occupancy, proof satisfactory to the City of purchase of, and payment for, the furniture, fixtures, and equipment must be provided to the Planning & Economic Development Department, including receipts, cancelled checks, or other certifiable proof.

§ 228-31. Review of Proposals.

Every project will be evaluated for the value of the project improvements, the overall scope and extent of the proposed work, the potential economic impact of the project, and other relevant criteria. The staff review will consider the following aspects for its proposal review:

- 1) Analysis of the Application
 - a. Aesthetic Improvement Value and Occupancy
 - i. Improvement in overall site appearance
 - ii. Impact to area
 - b. Scope of new employment and investments proposed
 - i. Number of new full-time and part-time employees to be added and wages to be paid
 - ii. Value of fixtures, furniture, and equipment to be purchased
 - c. Potential Economic Impact
 - i. Use of the subject property as a result of the new business activity
 1. Ways it will contribute to the economic vitality of the community
 2. How the use is compatible with and/or compliments mix of existing uses

SECTION 2: This ordinance shall be in full force and effect from and after its passage and approval according to law.

SECTION 3: All ordinances and parts of ordinances in conflict herewith are hereby repealed.

DRAFT

DATED at Crystal Lake, Illinois, this ____ day of _____ 2011.

APPROVED:

MAYOR

ATTEST:

CITY CLERK

PASSED:
APPROVED:

Published in pamphlet form by the authority of the Mayor and City Council of the City of Crystal Lake.



Agenda Item No: 13

**City Council
Agenda Supplement**

Meeting Date:

November 1, 2011

Item:

Referral of a Text Amendment to the Planning & Zoning Commission that would separate gasoline service station EMCs for pricing from the standard EMC sign criteria.

Recommendation:

Motion to adopt a resolution referring the proposed text amendment to the Planning and Zoning Commission for review.

Staff Contact:

Michelle Rentzsch, Director of Planning & Economic Development

Background:

- At the October 19, 2011, PZC meeting, the Commissioners made a motion to ask the City Council to consider a text amendment that would allow gas stations to have EMCs, as long as the UDO criteria are met, without having to obtain a Special Use Permit. The attached resolution would refer this matter to the Planning & Zoning Commission, as is required for an amendment to the UDO.
- The proposed text amendment to Article 2 of the UDO, would alter the language for gasoline service stations, permitting an EMC without the need to pursue an SUP, and in the EMC section, allowing gas stations the ability to display an EMC for pricing without the necessary SUP.

Votes Required to Pass: A simple majority vote.

DRAFT

RESOLUTION

WHEREAS, the Mayor and City Council of the City of Crystal Lake have determined that the Planning and Zoning Commission consider an amendment to the Unified Development Ordinance, regarding Article 2 Land Use to permit Electronic Message Centers for pricing only for gasoline service stations, without requiring a Special Use Permit.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF CRYSTAL LAKE, MCHENRY COUNTY, ILLINOIS, as follows:

SECTION I: That the Mayor and City Council request the Planning and Zoning Commission, pursuant to Article 9-100 of the Crystal Lake Unified Development Ordinance, to conduct a hearing to consider the abovementioned text amendment to the Unified Development Ordinance.

SECTION II: That the Mayor and City Council request the Planning and Zoning Commission to make those recommendations with regard to this matter within the time established by the Unified Development Ordinance to the Mayor and City Council.

SECTION III: That the City Clerk is directed to file a copy of this Resolution to the Chair of the Planning and Zoning Commission for appropriate consideration and hearing.

Dated at Crystal Lake, Illinois, this 1st day of November 2011.

CITY OF CRYSTAL LAKE, an
Illinois municipal corporation,

By: _____

MAYOR

DRAFT

SEAL

ATTEST

CITY CLERK

PASSED: _____

APPROVED: _____



Agenda Item No: 14

**City Council
Agenda Supplement**

Meeting Date:

November 1, 2011

Item:

Intergovernmental Agreement with the Illinois Department of Transportation for City Participation in the Upgrade of the IL Route 31 and Three Oaks Road Intersection Traffic Signals

Staff Recommendation:

Motion to adopt a resolution authorizing the City to enter into an agreement between the City of Crystal Lake and the Illinois Department of Transportation for the upgrade of the intersection of IL Route 31 and Three Oaks Road traffic signals.

Staff Contact:

Erik D. Morimoto, Director of Engineering and Building

Background:

On October 19, 2011, the Illinois Department of Transportation (IDOT) requested City participation for upgrading the traffic signal at the intersection of IL Route 31 and Three Oaks Road. The intersection is under joint jurisdiction; IL Route 31 is under the State's jurisdiction, and Three Oaks Road is under the City's jurisdiction. Under the current maintenance agreement, IDOT handles maintenance of the intersection, with the City contributing its proportionate share.

The proposed upgrade would convert the current incandescent bulbs to LED modules, and would add an uninterrupted power supply (UPS) battery backup. The improvement has many benefits as LED modules are more energy efficient and last longer than incandescent bulbs. In addition, the UPS battery backup will allow the signals to remain operational during short-term power interruptions. The City similarly upgraded almost all of the traffic signals under its maintenance jurisdiction in the past year. The remaining signals will be upgraded as part of planned improvements.

Under this agreement, the City will only be responsible for five percent of the cost of the improvement. A State funding program will fund 90 percent of the cost, with IDOT funding the remaining 5 percent. The estimate for the City's total contribution is \$1,725.00. The improvement should be completed in early 2012. The City will use MFT funds to pay for this

upgrade, and has budgeted sufficient funds for traffic signal maintenance and repair to pay for this improvement.

Votes Required to Pass:

Simple majority

DRAFT



The City of Crystal Lake Illinois

RESOLUTION

BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF CRYSTAL LAKE that the City Manager be authorized to execute an agreement with the Illinois Department of Transportation for the traffic signal upgrades at the intersection of Illinois Route 31 and Three Oaks Road.

DATED this First Day of November, 2011.

CITY OF CRYSTAL LAKE, an Illinois
Municipal Corporation

BY: _____
Aaron T. Shepley, Mayor

ATTEST:

Nick Kachiroubas, City Clerk

PASSED: November 1, 2011

APPROVED: November 1, 2011

Published in pamphlet form by the authority of the Mayor and City Council of the City of Crystal Lake.



Agenda Item No: 15

**City Council
Agenda Supplement**

Meeting Date:

November 1, 2011

Item:

Snow Removal Ordinance for Downtown District

Recommendation:

City Council discretion

- a) Motion to approve the snow removal ordinance for the Downtown District.
- b) No action.

Contact:

Michelle Rentzsch, Director of Planning & Economic Development
Rick Paulson, Building Commissioner

Background: City staff has been working with the Downtown Crystal Lake organization and individual business owners to address some concerns about snow removal in the Downtown District. There are two main issues: 1) the build-up of snow at the edge of the sidewalk by the curb, known as the "hump" of snow, which visitors to downtown must climb over, and 2) the few property owners that make no attempt to clear the sidewalk in front of their properties.

The hump of snow can be addressed by permitting property owners to push the snow into the street before the City plows arrive, removing the snow from the area. Our Public Works staff feels that this would help to better remove the majority of snow during an event, creating a cleaner and safer pedestrian environment.

While the vast majority of businesses Downtown shovel their sidewalks, some do not. City staff worked with the Downtown Crystal Lake's Design Committee to develop a snow removal ordinance that would provide the same type of protection for all businesses. An ordinance would provide businesses and the City with an effective means to deal with those who are able to shovel their walks but do not do so, ensuring the safety of all shoppers, diners and visitors to Downtown. The unsafe condition of city sidewalks in the winter is a serious safety hazard and deterrent to visitors and an ordinance appears to be the only way to solve this ongoing problem.

An explanatory letter and the attached brochure were sent to all the property owners that would be held to the new ordinance requirements. Three responses were received, all seeking clarification or some language tweaks.

The City's insurance provider, IRMA, reviewed the draft ordinance from a risk management perspective and found it acceptable. The attached ordinance was reviewed by the City Attorney.

Votes Required to Pass: A simple majority vote.

DRAFT

ORDINANCE NO. _____

FILE NO. _____

AN ORDINANCE AMENDING CHAPTERS 248 & 451
OF THE CITY OF CRYSTAL LAKE MUNICIPAL CODE
SNOW REMOVAL

WHEREAS, the City of Crystal Lake is a home rule municipality, having all of the powers and authority granted to such municipalities pursuant to Article VII, Section 6 of the Illinois Constitution of 1970, including the right to exercise any power and perform any function pertaining to its government and affairs, and;

WHEREAS, the Corporate Authorities of the City of Crystal Lake find that the sidewalks located in the downtown business area of the City are used by more persons than sidewalks located in other areas of the City; and

WHEREAS, more persons use the downtown business area sidewalks due to the high pedestrian traffic, close proximity to the Downtown Metra Station, and high concentration of retail businesses in the area; and

WHEREAS, the Corporate Authorities of the City of Crystal Lake find that when snow and ice are allowed to remain on sidewalks located in the downtown business area of the City, the snow and ice create a hazard and endanger the public safety by making it more difficult for people to use public sidewalks, and making it more likely that people using public sidewalks will be injured; and

WHEREAS, the Corporate Authorities of the City of Crystal Lake find that because a sidewalk located in the downtown business area within the City is likely to be used more by pedestrians than sidewalks located in other areas of the city, the accumulation of snow and ice on sidewalks located in business areas creates more of a hazard to the public safety than does the accumulation of snow and ice on sidewalks located in other areas of the City; and

WHEREAS, Section 11-80-13 of the Illinois Municipal Code (65 ILCS 5/11-80-13) provides that the Corporate Authorities "may require the owner or occupant of any premises to keep the sidewalks abutting the premises free from snow and other obstructions"; and

WHEREAS, the Corporate Authorities of the City of Crystal Lake find that it is necessary in order to promote and protect the public safety and that it is otherwise in the best interests of the City and its residents, for the City to require the owners of property located in the downtown businesses area to keep the sidewalks abutting their property free and clear of snow and ice;

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF CRYSTAL LAKE, McHENRY COUNTY, ILLINOIS, as follows:

Section 1: That PART II, General Legislation, Chapter 451, of the Crystal Lake Municipal Code, entitled "Snow Removal" be and is hereby amended as follows:

§ 451-2. Depositing snow on public streets.

No person, firm or corporation shall shovel, plow or otherwise remove snow from private property and deposit it upon the streets or public right-of-way of the City, except for owners of property within the downtown business area, herein defined, may shovel, plow or otherwise remove snow from the public sidewalk and deposit it upon the street or public right-of-way within the downtown business area.

Section 2: That PART II, General Legislation, Chapter 451, of the Crystal Lake Municipal Code, entitled "Snow Removal" be and is hereby amended to add a new section 451-3, to read in its entirety as follows:

§ 451-3. Removal of Snow and Ice.

(A) Definitions

1) "Downtown business area" is defined as the area comprising of the east ROW line for Main Street between Prairie Street and the UPRR ROW; the west ROW line for Main Street from the driveway for 110 N. Main Street to the UPRR ROW; the north ROW line for Railroad Street from Main Street to Grant Street; the south ROW line for Woodstock Street between Grant Street and Williams Street; the west ROW line for Williams Street from Woodstock Street to Crystal Lake Avenue; the east ROW line for Williams Street from Woodstock Street to 19 N. Williams Street; the west ROW line for Grant Street from Crystal Lake Avenue to Brink Street; the east ROW line for Grant Street from Crystal Lake Avenue to Woodstock Street; the north ROW line for Brink Street from Grant Street to the alley behind 51 N. Williams Street; and the south ROW line for Brink Street from Grant Street to Main Street.

2) "Removal costs" is defined as the expenditures incurred by the City pursuant to §451-5.

(B) Duty of Downtown Business Area Property Owners. Every property owner or other responsible person with property located in the downtown business area, which lot contains, abuts or fronts on a paved public sidewalk, shall remove and clear away, or cause to be removed and cleared away, snow and also accumulations of ice, sleet, or freezing rain that results in an unsafe condition for

pedestrians. The accumulation may be from any source including precipitation and drifting. After initial clearance, the responsible person shall maintain the sidewalk in a safe condition for pedestrians.

All snow, ice, or freezing rain that results in an unsafe condition for pedestrians prior to 6:00 am on a public sidewalk adjacent to property utilized for commercial purposes shall be removed by the property owner or other responsible person by noon of the same day. This requirement does not apply to Sundays and major holidays and in the case of a major blizzard event, this requirement shall be relaxed. Immediately after the accumulation of ice on such sidewalk, it shall be treated with sand, salt or other substance to prevent it from being slippery along the entire length and the entire width of the public sidewalk (or a clear 4-foot path in the case of wider sidewalks) which is upon, fronts or abuts the property. For owners of property most closely abutting sidewalk ramps, owners shall clear the ramps in the same fashion as the sidewalk.

In the event snow, ice, sleet or freezing rain on a sidewalk has become so hard that it cannot be reasonably removed without damage to the sidewalk, or is otherwise largely impractical to remove, the person responsible for said removal shall cause enough sand or other abrasive material to be put on the sidewalk to make travel thereon reasonably safe, and shall maintain the sidewalk in such condition until weather permits the owner to comply with this section.

- (C) Breach of Duty. In the event that a downtown business area property owner fails to comply with Section (B), the City may remove or cause to be removed, all accumulated snow and ice from any sidewalk abutting the property.

§ 451-4. Notices of violation and abatement by City.

- (A) The City shall serve or cause to be served a notice upon the owner of the property that is in violation of this chapter, the City may cause said snow, ice, sleet or freezing rain to be removed or appropriately treated without further notice.
- (B) It shall also be the duty of the City to serve or cause to be served a notice upon the owner or occupant of the downtown business area property that is in violation of the provisions of this chapter. If the person so served does not abate the nuisance within a timely fashion, the City may cause snow removal/treatment to create a safe condition for pedestrians without further notice.

§ 451-5. Charges.

If snow and/or ice are removed and/or appropriately treated by this municipality or by someone directed to on behalf of this municipality, charges for such removal/treatment activities shall be a lien upon the premises for snow removal and other appropriate treatment and use of City

equipment. City staff will modify the snow removal/treatment fee schedule annually per the local consumer price index.

§ 451-6. Sale of property for nonpayment of charges.

Property subject to a lien for unpaid snow removal/treatment charges shall be sold for nonpayment of the same, and proceeds of such sale shall be applied to pay the charges after deducting costs, as is the case with the foreclosure of statutory liens. Such foreclosures shall be in equity in the name of the City. The City Attorney is hereby authorized and directed to institute such proceedings, in the name of the City, in any court having jurisdiction over such matters.

§ 451-7. Penalty.

In addition to the charges and actions set forth in §§ 451-5 and 451-56, any person violating any of the provisions of this chapter shall be fined as set forth in Chapter 248, Fines, for each offense. A separate offense shall be deemed committed each day during or on which a violation continues or occurs.

Section 3: That PART II, General Legislation, Chapter 248, of the Crystal Lake Municipal Code, entitled "Fines" be and is hereby amended as follows:

§ 248-2 Fines enumerated

Code Section	Violation	Fine		Term of Imprisonment
		Minimum	Maximum	
451-3	Snow removal violations	\$50 <u>100</u>	\$1,000	

Section 4: That this Ordinance shall be in full force and effect from and after its passage and approval as provided by law.

Section 5: That if any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity thereof shall not affect any of the other provisions of this Ordinance.

Section 6: That all ordinances or parts of ordinances in conflict herewith are, to the extent of such conflict, hereby repealed.

ADOPTED this 1st day of November, 2011.

MAYOR

ATTEST:

DRAFT

CITY CLERK

Published in pamphlet form by the authority of the Mayor and City Council of the City of Crystal Lake.



Agenda Item No: 16

City Council Agenda Supplement

Meeting Date: November 1, 2011

Discussion Only: Providing for the submission to the electors of the City of Crystal Lake, McHenry County, Illinois the question whether the City of Crystal Lake should have the authority under Public Act 096-0176 to arrange for the supply of electricity for its residential and small commercial retail customers who have not opted out of such program.

Staff Contact: George Koczwar, Deputy City Manager

History

On December 16, 1997, the State of Illinois implemented a plan to deregulate Commonwealth Edison ("Com-Ed"). Under this plan, Com-Ed no longer generates electricity for its customers but continues to provide power generated by others through its distribution system. Deregulation means that power can be purchased through any of the Illinois Commerce Commission approved power suppliers with Com-Ed continuing to distribute the power.

On August 10, 2009, Governor Quinn signed into law Public Act 096-0176, amending the original Illinois electric deregulation legislation. The new law allows City Councils to transfer their residents' and small business owners' electric accounts to alternative electric suppliers. Municipalities may select to do this in hopes that they may secure a lower electrical rate for their residents and small business owners. If accounts are transferred to a different generator company, Com-Ed would remain the distributor of all electricity (i.e. residents would still receive their electricity bills from Com-Ed and would call Com-Ed for power outages); however, a company other than Com-Ed would actually provide the electric power.

This municipal aggregation is a strategic means of leveraging the buying power of many. By aggregating the electric load of the entire community and then soliciting and negotiating competitive bids from suppliers, a municipality can secure even more aggressive rates for the benefit of individual residents. As an example, fifteen Northern Illinois Municipal Collaborative (NIMEC) communities have already completed the entire aggregation process. These 15 Illinois communities have locked in 20% - 25% lower electrical supply rates for their residents. Savings average \$175 per year per household.

Process

The City of Crystal Lake may adopt an ordinance under which it may aggregate, in accordance with the Illinois Power Agency Act, 20 ILCS 3855/1-92, residential and small commercial retail electrical loads located, respectively, within the City and, for that purpose, may solicit bids and

enter into service agreements to facilitate for those loads the sale and purchase of electricity and related services and equipment. The City may also exercise such authority jointly with any other municipality or county. Two or more municipalities or counties, or a combination of both, may initiate a process jointly to authorize aggregation by a majority vote of each particular municipality or county as required by this Section. Representatives of municipalities in McHenry County, along with representatives from McHenry County, have been meeting to consider becoming a single customer to power companies. Should the municipalities want to go forward with that, each would need voter approval in a referendum.

The City must determine, at the outset, whether it wants to operate the aggregation program as "opt-out" or as "opt-in." Without having to go to a referendum, Crystal Lake residents can today opt-in, or choose an alternate energy supplier.

Current Opt-In Option

Electricity service is made up of three parts: (1) the electricity itself is provided by an electricity generator and is sometimes referred to as electricity "supply" or "generation", (2) the "transmission" of that electricity from the generation facility to your local utility, and (3) the "distribution" or "delivery" of the electricity by the utility over the electric lines that lead to your business or home. In the past, ComEd provided all three parts of the electric service (supply, transmission, and distribution). The Illinois Electric Service Customer Choice and Rate Relief Law of 1997 restructured the State's electric service industry to allow a choice of electric suppliers. With electric choice, the electric supply may now be provided by different companies known as Retail Electric Suppliers (RESs).

The Illinois Commerce Commission (ICC) has added an Offer Comparison Matrix to its "Plug In Illinois" website at PluginIllinois.org. The new listing enables residential electric customers in the ComEd service territory to more easily compare their electric supply options. The Offer Comparison Matrix lists competing electric supply offers as well as the utility's "Price to Compare" in order to give a broad overview of the offers available to residential customers.

Opt-Out Option

The opt-out option affords Crystal Lake residents and small business owners a greater ability to save on their supply of electricity because of the pooling of accounts. In order to operate an opt-out program, which will net all residential and small commercial retail users not already using an alternative electricity provider, the City must first submit a referendum to its residents to determine whether or not the aggregation program shall operate as an opt-out program. In 2011, 24 communities in the ComEd territory placed referendums on ballots, 21 of which were approved including Oak Brook, Lincolnwood, Grayslake and Oak Park.

The referendum language for an opt-out program must be in substantially the following form: "Shall the City of Crystal Lake have the authority to arrange for the supply of electricity for its residential and small commercial retail customers who have not opted out of such program?" If the referendum fails, then the City would not operate an aggregation program and, instead, residents would be able to individually opt-in.

The deadline to adopt a referendum question for the March 20, 2012 ballot is December 30, 2011.

Public Hearings

After determining which type of aggregation program the City will operate, the City must then develop a plan of operation and governance for the aggregation program with the Illinois Power Agency. The City must hold two public hearings regarding this plan before it is adopted, and notice must be published for two consecutive weeks before the hearing. The Act also sets forth details regarding the bidding process and notices that must be given when the opt-out or opt-in aggregation program is fully implemented. If the bid results are not favorable, the city will not aggregate.

Broker/Consultant

The City has worked with the Northern Illinois Municipal Electric Collaborative (NIMEC) since 2006 for the purpose of procuring electricity through a cooperative pool in order to receive a more competitive price on electricity for water and wastewater operations as well as for street lighting. The City is one of 140 Illinois municipal and other governmental entities who have worked with NIMEC for the cooperative purchasing of electricity.

As part of a municipal aggregation effort, City staff recommends that a broker/consultant be utilized because of the complicated nature of this procurement process. The broker/consultant will develop a Plan of Operation and Governance, conduct the RFP process and coordinate with the Illinois Commerce Commission, Illinois Power Authority, Attorney General's Office and Commonwealth Edison. There is no cost to the City for utilizing a broker/consultant. Instead, the broker/consultant is compensated by the winning electric supplier. In the event that the referendum does not pass, there will be no charge to the City. A final determination on the broker/consultant will occur at a future City Council meeting.

Recommendation

If the Council has not objections to the referendum, this matter will be placed on the November 15, 2011 City Council agenda for approval of the referendum question.

Votes Required to Pass:

None – Discussion Only

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ORDINANCE NO.

ORDINANCE PROVIDING FOR THE SUBMISSION TO THE ELECTORS OF THE CITY OF CRYSTAL LAKE, MCHENRY COUNTY, ILLINOIS THE QUESTION WHETHER THE CITY OF CRYSTAL LAKE SHOULD HAVE THE AUTHORITY UNDER PUBLIC ACT 096-0176 TO ARRANGE FOR THE SUPPLY OF ELECTRICITY FOR ITS RESIDENTIAL AND SMALL COMMERCIAL RETAIL CUSTOMERSWHO HAVE NOT OPTED OUT OF SUCH PROGRAM

Recitals

1. Recently the Illinois Power Agency Act, Chapter 20, Illinois Compiled Statutes, Act 3855, added Section 1-92 entitled Aggregation of Electrical Load by Municipalities and Counties. (Hereinafter referred to as the "Act")

2. Under the Act, if the City of Crystal Lake seeks to operate the aggregation program under the Act as an opt-out program for residential and small commercial retail customers, then prior to an adoption of an ordinance to establish a program, the City must first submit a referendum to its residents to determine whether or not the aggregation program shall operate as an opt-out program for residential and small commercial retail customers. If the majority of the electors voting on the question vote in the affirmative, then the Mayor and City Council may implement an opt-out aggregation program for residential and small commercial retail customers.

3. The Mayor and City Council hereby finds that it is in the best interest of the City of Crystal Lake to operate the aggregation program under the Act as an opt-out program and to submit the question to the electors in a referendum pursuant to the Act.

BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF CRYSTAL LAKE, MCHENRY COUNTY, ILLINOIS, AS FOLLOWS:

SECTION ONE: The Mayor and City Council of the City of Crystal Lake finds that the recitals set forth above are true and correct and includes the recitals in this Ordinance.

SECTION TWO: The Mayor and City Council find and determines that it is in the best interests of the City of Crystal Lake to operate the aggregation program under the Act as an opt-out program.

SECTION THREE: In the event such question is approved by a majority of the electors voting on the question at the regular election on March 20, 2012, the Mayor and City Council

may implement an opt-out aggregation program and if the Mayor and City Council adopts the program, the City of Crystal Lake shall comply with all the terms and provisions of the Act.

SECTION FOUR: The City Clerk is directed to immediately certify and submit the following question to the McHenry County Clerk to be placed on the ballot for the general election to be held on March 12, 2012, in the following form:

Shall the City of Crystal Lake have the authority to arrange for the supply of electricity for its residential and small commercial retail customers who have not opted out of such program?	Yes
	No

SECTION FIVE: In the event the State of Illinois amends the Act to revise the form of the question to be placed on the ballot, the Mayor is authorized to direct the County Clerk to change the form of the question to conform with the amended Act, if required.

SECTION SIX: The City of Crystal Lake has elected to work in collaboration with the Northern Illinois Municipal Electric Collaborative, Inc. (NIMEC) who will use their professional expertise to develop a Plan of Operation and Governance, conduct the RFP process and coordinate with Illinois Commerce Commission, Illinois Power Authority, Attorney General's Office and Commonwealth Edison on behalf of the City of Crystal Lake. The City Manager be and he is hereby authorized and directed to execute a contract with Northern Illinois Municipal Electric Collaborative, Inc. for consultant and broker services should the City pass a referendum in March 2012 authorizing the City to aggregate its residents electric load to procure lower electric rates.

SECTION SEVEN: This ordinance shall be in full force and effect from and after its passage and approval as required by law.

PASSED this 1st day of November, 2011

AYES: _____

NAYS: _____

ABSENT: _____

APPROVED this 1st day of November, 2011

SIGNED: _____

Aaron T. Shepley, Mayor

ATTEST: _____

Nick Kachiroubas, City Clerk

SEAL



Agenda Item No: 17

**City Council
Agenda Supplement**

Meeting Date:

November 1, 2011

Item:

Private activity bond volume cap reservation.

Recommendation:

Motion to adopt an ordinance reallocating unused volume cap for private activity bonds.

Staff Contact:

Michelle Rentzsch, Director of Planning & Economic Development
James Richter II, Assistant Director of Economic Development

Background: The City of Crystal Lake receives volume cap from the State of Illinois to be allocated for tax-exempt, private activity bonds that are normally issued as Industrial Revenue Bonds. For 2011, each home rule municipality is authorized a volume cap amount equal to \$95 per capita. Using this formula, Crystal Lake's allocation equals \$4,007,100, based upon the State's assigned population of 42,180.

At this time, there have been no official applications from private businesses for the City to allocate our volume cap in the form of Industrial Revenue Bonds. According to the State Office of Management and Budget, after the volume cap has been reserved, the municipality is supposed to allocate the amount allocated for private activity bonds by December 31 of that year. If the City does not allocate our volume cap by December 31, we can request to transfer our amount or carry-over our allocation for up to three years for a variety of different projects, but not for qualified small issue bonds, including Industrial Revenue Bonds.

The City was approached by the Upper Illinois River Valley Development Authority with a request to reallocate unused volume cap to UIRVDA to be used on other projects outside of Crystal Lake. According to the structure of our proposed agreement, should the volume cap be used by UIRVDA before the end of the year, the City would receive a 1% fee from a borrower in exchange for using it to secure tax exempt bonds, up to \$40,071. If the City finds a user in Crystal Lake prior to UIRVDA's allocation, the City can receive 100% of our unused volume cap at no charge to the City.

Votes Required to Pass:

A simple majority vote.

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ORDINANCE NO. ____
FILE NO. ____



AN ORDINANCE AUTHORIZING REALLOCATION
OF UNUSED PRIVATE ACTIVITY BOND VOLUME CAP ALLOCATION

WHEREAS, the Internal Revenue Code of 1986 provides that the amount of private activity bonds which may be issued by the City of Crystal Lake (the "City") as a constitutional home rule unit of local government is equal to its population multiplied by \$95.00; and

WHEREAS, the Illinois Private Activity Bond Allocation Act (30 ILCS 345/1 *et seq.*) provides, among other things, that the corporate authorities of any home rule unit may reallocate to a state agency or unit of local government any portion of its unused allocation of private activity bond volume cap; and

WHEREAS, the City has available its Year 2011 private activity bond volume cap ("*Unused Volume Cap Allocation*") and desires to use the Unused Volume Cap Allocation in cooperation with the Upper Illinois River Valley Development Authority (the "*UIRVDA*") to support projects that will create jobs and expand the City's tax base; and

WHEREAS, the City has reserved its Unused Volume Cap Allocation pursuant to Crystal Lake Ordinance #6651 on or before May 1, 2011;

NOW THEREFORE, BE IT ORDAINED by the City Council of the City of Crystal Lake, Illinois:

Section I. Reallocation to UIRVDA of Unused Volume Cap Allocation. The City hereby reallocates to the Upper Illinois River Valley Development Authority the City's Unused Volume Cap Allocation in the amount of \$4,007,100.00. The Unused Volume Cap Allocation being reallocated to the UIRVDA must be used to support projects that will provide job opportunities and new investments.

Section II. Letter of Agreement. The City Manager is hereby authorized to execute a letter of agreement with the UIRVDA, in the form attached to this Ordinance as Exhibit A, providing for the terms of use by the UIRVDA of the Unused Volume Cap Allocation, including among other things the transfer of the Unused Volume Cap Allocation back to the City under certain

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circumstances and collection of a one percent fee from borrows. The City Manager also is hereby authorized to enter into transfer fee arrangements as the City deems in its best interests.

Section III. Maintaining Records. The City Finance Director is hereby authorized to maintain a proper record of the reallocation for the term of the bonds issued pursuant to the Unused Volume Cap Allocation.

Section IV. Notice. The Mayor shall provide notice of the reallocation authorized by this Ordinance to the Office of the Governor.

Section V. Effective Date. This Ordinance shall be effective from and after its passage.

DATED at Crystal Lake, Illinois, this 1st day of November, 2011.

MAYOR

ATTEST:

CITY CLERK

Published in pamphlet form by the authority of the Mayor and the City Council of the City of Crystal Lake.