



**CITY OF CRYSTAL LAKE**  
**AGENDA**

**CITY COUNCIL**  
**REGULAR MEETING**

**City of Crystal Lake**  
**100 West Woodstock Street, Crystal Lake, IL**  
**City Council Chambers**  
**March 4, 2014**  
**7:30 p.m.**

1. **Call to Order**
2. **Roll Call**
3. **Pledge of Allegiance**
4. **Proclamations**
  - a. **Alpha Star**
  - b. **Mayfair Furniture and Carpets**
  - c. **Heisler's Bootery**
5. **Approval of Minutes – February 18, 2014 Regular City Council Meeting**
6. **Accounts Payable**
7. **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.*
8. **Mayor's Report**
9. **Council Reports**
10. **Consent Agenda**
  - a. **Doherty Properties, north and south of Route 176, east of Route 31 – Annexation Public Hearing Continuation.**
  - b. **St. Thomas the Apostle Church – Request to close Lake Street between Washington Street and the eastern portion of the St. Thomas the Apostle Church property on April 18, 2014 during the reenactment of the Stations of the Cross.**
  - c. **Knights of Columbus Council #10678 Class 16 Temporary Liquor License request.**
  - d. **Resolution supporting the appointment of Abigail Wilgreen as an Alternate Member of the McHenry County Stormwater Management Commission.**
  - e. **Ordinance revising the Fire and Police Commission's role in the disciplinary process for sworn police officers.**
11. **St. Elizabeth Ann Seton Church Temporary Use Permit request for a Friday night fish fry Special Promotion and waiver of the Temporary Use Permit fee.**
12. **City Square, 110 West Woodstock Street – Ordinance granting a one-year extension to the Preliminary Planned Unit Development approval.**
13. **817 Village Road – Variation to allow an encroachment into the required rear yard setback of 20 feet to allow a setback of 13 feet for an addition to the residence.**
14. **175 and 179 Edgewater – Simplified Residential Variation to allow an open "wrought iron" style 4-foot fence in the front yard setback for lakefront houses.**

15. **Bid award and resolution authorizing execution of a contract for Wastewater Treatment Plant #3 Aerobic Digester #1 Demolition with a 10% contingency for unforeseen expenses.**
16. **Bid award and resolution authorizing execution of an agreement for Sanitary Sewer Pipe Lining and Grouting Services.**
17. **Bid award and resolution authorizing execution of a contract for Illuminated Street Name Signs and allowing for a 10% contingency.**
18. **Enhanced Sales Tax Incentive Program Ordinance Amendment.**
19. **Resolution authorizing the development of a plan for the refunding of the Illinois Environmental Protection Agency Revolving Loan and authorizing execution of agreements for services related to the refunding of the IEPA Revolving Loan.**
20. **Council Inquiries and Requests**
21. **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.**
22. **Reconvene to Regular Session**
23. **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: 10a**

**City Council  
Agenda Supplement**

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- Meeting Date:** March 4, 2014
- Item:** Doherty Properties Annexation Public Hearing Continuation  
Patrick Doherty, petitioner
- Recommendation:** Motion to continue the petitioner's request to the April 15, 2014, City Council meeting for the Annexation Public Hearing.
- Staff Contact:** James Richter II, Planning & Economic Development Manager
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**Background:** The petitioner is requesting annexation of four parcels that total approximately 2.5 acres, located north and south of Route 176, east of Route 31. The parcels are improved and unimproved, with Discount Flooring Warehouse, commercial buildings and a vacant parcel.

City staff and the petitioner are finalizing details concerning recapture and utility locations. In addition, State law prohibits an annexation hearing from occurring before any primary election to be held within the municipality affected thereby and after the time for filing petitions as a candidate for nomination to any office to be chosen at the primary election. Due to these reasons, the petitioner respectfully requests that this matter be continued to the April 15, 2014, City Council meeting for the Annexation Public Hearing.

**Votes Required to Pass:** A simple majority vote.



**Agenda Item No: 10b**

**City Council  
Agenda Supplement**

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<b><u>Meeting Date:</u></b>	March 4, 2014
<b><u>Item:</u></b>	St. Thomas the Apostle Church Street Closure Request
<b><u>Staff Recommendation:</u></b>	Motion to approve the closure of Lake Street between Washington Street and the eastern portion of the St. Thomas the Apostle Church property on Friday, April 18, 2014, from 3:00 p.m. to 7:00 p.m. during the reenactment of the Stations of the Cross.
<b><u>Staff Contact:</u></b>	Brad Mitchell, Assistant to the City Manager

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**Background:**

The City has received a request from St. Thomas the Apostle Church for the closure of Lake Street between Washington Street and the eastern portion of the St. Thomas the Apostle Church property on Friday, April 18, 2014, from 3:00 p.m. until 7:00 p.m. for the safety of those attending the reenactment of the Stations of the Cross on Good Friday. This reenactment will take place from 5:00 p.m. to 7:00 p.m. on the Church grounds only. The performers will begin set-up around 2:00 p.m. Approximately 250 persons are expected to watch this performance. St. Thomas the Apostle Church has sent letters to all affected property owners along Lake Street regarding the closure. The City Council approved a similar request in 2013.

City staff has reviewed the petitioner's request and does not have concerns regarding the closure of Lake Street, providing the following conditions are met:

- 1) City-owned barricades must be used to block off the street closure sections. Barricades shall be placed to allow access to existing crosswalks. In addition, a "Local Traffic Only" sign must be temporarily placed at the entrance to Lake Street from Dole Avenue. The petitioner must complete and submit a Barricade Borrowing Application.
- 2) The petitioner must send a notice to all affected property owners along Lake Street.

- 3) The petitioner must contact the school districts in the area in case there are any bus routes that may utilize Lake Street.
- 4) 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.
- 5) Emergency access to the Church must be maintained throughout the event. The petitioner must provide a plan of the Stations of the Cross layout on the Church grounds for the event.
- 6) Local traffic access to Lake Street must be maintained throughout the event. Volunteers should be available to remove barricades to allow property owners on the roadway, if necessary.
- 7) All debris created by the event shall be cleaned up during and after the event.
- 8) 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.
- 9) If tents or canopies will be used, the petitioner shall contact the Fire Rescue Department for further review.
- 10) Any additional permits or requests for signage shall be made through the Community Development Department.
- 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 requesting approval for the closure of Lake Street and a map indicating the portion of the roadway to be closed have been attached for City Council consideration.

**Votes Required to Pass:**

Simple majority vote of the City Council



**Agenda Item No: 10c**

**City Council  
Agenda Supplement**

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<b><u>Meeting Date:</u></b>	March 4, 2014
<b><u>Item:</u></b>	Temporary Liquor License – Knights of Columbus Council #10678
<b><u>Staff Recommendation:</u></b>	Motion to approve issuance of a Class “16” Temporary Liquor License to the Knights of Columbus Council #10678
<b><u>Staff Contact:</u></b>	Eric T. Helm, Deputy City Manager

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**Background:**

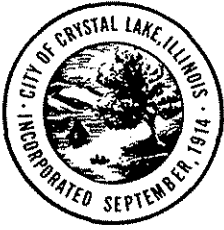
The City has received a request from the Knights of Columbus Council #10678 for the issuance of a Class “16” Temporary Liquor License in order to sell beer and wine at their Irish Fest event being held at the St. Elizabeth Ann Seton Church Community Center, located at 1023 McHenry Avenue, on March 15, 2014 from 5:00 p.m. to 11:00 p.m.

Section 329-5-P of the City Code permits the issuance of a Class “16” Temporary Liquor License for the retail sale of beer and wine for consumption upon the premises specified in the license where sold. The license shall be issued to not-for-profit corporations qualified to do business in the State of Illinois. The license shall be for a period not to exceed three (3) days, and shall be issued only for special events sponsored by the not-for-profit corporation requesting the license.

Attached for City Council review is a copy of all support documentation regarding this request.

**Votes Required to Pass:**

Simple majority



**Agenda Item No: 10d**

**City Council  
Agenda Supplement**

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<b><u>Meeting Date:</u></b>	March 4, 2014
<b><u>Item:</u></b>	Resolution Supporting the Appointment of Abigail Wilgreen as an Alternate Member of the McHenry County Stormwater Management Commission
<b><u>Staff Recommendation:</u></b>	Motion to approve a resolution supporting Abigail Wilgreen as an alternate member of the McHenry County Stormwater Management Commission.
<b><u>Staff Contact:</u></b>	Michelle Rentzsch, Director of Community Development

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**Background:**

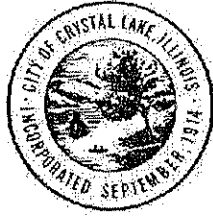
The McHenry County Stormwater Management Commission is a body of representatives from McHenry County that oversees stormwater management issues on a Countywide basis and coordinates stormwater management with neighboring counties. The Commission is made up of twelve members. The Chairman of the County Board appoints six of the members, and the other six are representatives of municipalities in the six County Board districts. Mayor Aaron Shepley was appointed as a member to the Commission in 2006, when the Commission was first formed.

According to the Commission's by-laws, alternate members can also be appointed. Alternate members must be approved by a majority vote of the Commission, and are non-voting members, unless authorized to be a voting member by unanimous consent of the Commission.

The staff would like the City to petition the Commission to have Crystal Lake's City Engineer appointed as an alternate member of the Commission, and petition the Commission to approve her as a voting member. Previously, City Engineer Erik Morimoto was the appointed alternate for the City. However, with Mr. Morimoto's departure from the City to a different municipality, naming Ms. Wilgreen as the alternate maintains this function with the City Engineer.

**Votes Required to Pass:**

Simple majority of City Council present.



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**The City of Crystal Lake Illinois**

**A RESOLUTION TO SUPPORT THE APPOINTMENT OF ABIGAIL  
WILGREEN AS AN ALTERNATE MEMBER TO THE McHENRY COUNTY  
STORMWATER MANAGEMENT COMMISSION**

**BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE  
CITY OF CRYSTAL LAKE** that they fully support the appointment of Abigail  
Wilgreen as an alternate member of the McHenry County Stormwater Commission

**BE IT FUTHER RESOLVED** that upon appointment, Abigail Wilgreen be  
granted full voting rights.

**DATED** this fourth day of March, 2014.

CITY OF CRYSTAL LAKE, an Illinois  
Municipal Corporation

BY: \_\_\_\_\_  
Aaron T. Shepley, Mayor

SEAL

ATTEST:

\_\_\_\_\_  
Nick Kachiroubas, City Clerk

PASSED: March 4, 2014

APPROVED: March 4, 2014





**Agenda Item No: 10e**

## **City Council Agenda Supplement**

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**Meeting Date:** March 4, 2014

**Item:** Ordinance revising the Fire and Police Commission's role in the disciplinary process for sworn police officers.

**Staff Recommendation:** Motion to adopt an Ordinance revising the Fire and Police Commission's role in the disciplinary process for sworn police officers.

**Staff Contact:** Ann Everhart, Director of Human Resources

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**Background:**

Attached is an ordinance that allows for a revision to the Board of Fire and Police Commissioner's role in the disciplinary process for sworn police officers. This change corresponds to the agreement made during the last negotiations process with the Metropolitan Alliance of Police that will allow disciplinary actions involving police officers to be taken through an arbitration process rather than to be heard by the Board of Fire and Police Commissioner. The Board will still maintain its role in the promotional processes of sworn police and fire personnel and it will retain disciplinary authority in regard to sworn public safety personnel who are not represented by a collective bargaining agreement. Firefighter Paramedics and Fire Lieutenants have not been under the authority of the Board in regard to disciplinary action per their collective bargaining agreement since their initial contract was signed in 2001.

Also attached is a strikethrough/underline format version of the Board of Fire and Police Commissioners Rules and Regulations that reflects these changes. The Board of Fire and Police Commissioners have reviewed and approved these changes and after the required publication of the changes, will adopt the final version of changes in their revised Rules and Regulations.

**Votes Required to Pass:** Simple majority

**An Ordinance Amending Section 11-1. Board of Fire and Police Commissioners, of the Crystal Lake Municipal Code**

WHEREAS, the City of Crystal Lake, McHenry County, Illinois, is a home rule municipality as defined under Article VII, Section 6, of the Constitution of the State of Illinois, and the passage of this Ordinance constitutes an exercise of the City's home rule powers and functions as granted in the Constitution of the State of Illinois.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and the Members of City Council of the City of Crystal Lake, McHenry County, Illinois, as follows:

Section I: Recitals.

The foregoing recitals are hereby incorporated as though fully restated herein.

Section II: That Section 11-1, Board of Fire and Police Commissioners, of the Crystal Lake Municipal Code shall be amended as follows:

- Additions are shown as underlined, deletions are shown as strikethroughs

11-1 D. Powers and Duties.

(1) Adoption of Division 2.1. The Board of Fire and Police Commissioners shall have such powers and duties as may be prescribed by ordinances of the City and in the provisions of Division 2.1 Board of Fire and Police Commissioners of the Illinois Municipal Code (Chapter 65 of the Illinois Compiled Statutes): 5/10-2.1-1, 5/10-2.1-2, 5/10-2.1-3, 5/10-2.1-10, 5/10-2.1-11, 5/10-2.1-15, 5/10-2.1-16, 5/10-2.1-17, 5/10-2.1-18, 5/10-2.1-19, 5/10-2.1-20, 5/10-2.1-21, 5/10-2.1-22, 5/10-2.1-23, 5/10-2.1-24, 5/10-2.1-25, 5/10-2.1-26 (as applicable to this chapter) and 5/10-2.1-29. In addition, 5/10-2.1-5, Rules-Publications, is adopted, except that, pursuant to the applicable collective bargaining agreement, such section shall only apply to promotions and the conduct of hearings on charges brought against certain members of the Police and Fire Rescue Departments and on promotions in the Fire Rescue Department and not the conduct of examinations for original appointments.

(2) Exceptions. The City adopts the regulations, provisions, penalties, conditions and terms in each section of Division 2.1 as provided in Subsection D, except as follows:

1. Section 5/10-2.1-15: Sworn police officers (as appropriate per applicable collective bargaining agreements) on the promotional eligibility register selected for supervisory positions shall serve on a probationary basis for a period of 12 months. If the sworn officer does not meet the qualifications as established or fails in his or her performance of the functions of the supervisory position during the probationary period, the Chief may demote the sworn officer to the rank previously held without loss of seniority. If warranted, the City has the right to seek the sworn member's dismissal as provided in Division 2.1.

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- 2. Section 5/10-2.1-17: ~~When a sworn police officer is found guilty of charges, t~~The Board of Fire and Police Commissioners may discharge, demote or suspend ~~such~~ certain sworn members for not exceeding 30 days without pay. Except as otherwise provided by an applicable collective bargaining agreement, ~~T~~the appropriate Chief may suspend, without pay, a certain sworn staff members for up to 10 calendar days. The Board of Fire and Police Commissioners shall be notified in writing of any such suspension. Any sworn member so suspended may appeal the suspension to the Commissioners within five calendar days after such suspension has been issued.

Section III: If any section, paragraph, subdivision, clause, sentence or provision of this Ordinance shall be adjudged by any Court of competent jurisdiction to be invalid, such judgment shall not affect, impair, invalidate or nullify the remainder thereof, which remainder shall remain and continue in full force and effect.

Section IV. All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

Section V. This Ordinance shall be in full force and effect upon its passage, approval and publication in pamphlet form (which publication is hereby authorized) as provided by law.

APPROVED:

\_\_\_\_\_  
Mayor Aaron T. Shepley

(SEAL)  
ATTEST: \_\_\_\_\_  
City Clerk Nick Kachiroubas

Passed: \_\_\_\_\_

Approved: \_\_\_\_\_

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**

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**Meeting Date:**

March 4, 2014

**Item:**

St. Elizabeth Ann Seton Church Temporary Use Permit request for a Friday night fish fry Special Promotion.

**Recommendation:**

Motion to approve the Temporary Use Permit, pursuant to the recommendations listed below, and waive the Temporary Use Permit fee.

**Staff Contact:**

James Richter II, Planning and Economic Development Manager

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**Background:** For the past several years, St. Elizabeth Ann Seton Church has hosted a Friday night fish fry during Lent as a fundraiser for their Youth Group. A Temporary Use Permit is required for this event.

The UDO allows Special Promotions for a period of not more than three days in a calendar month. The Ordinance states that only four special promotions by the same business shall be approved by the City Council within a calendar year on the same property. This would be the first request by St. Elizabeth Ann Seton Church for a Special Promotion activity this year.

The UDO allows temporary signs to be displayed for periods not exceeding 39 days, four (4) times per calendar year. The applicants have requested that the sign be displayed for 36 days (from March 8, 2014 to April 12, 2014). The UDO also states that a temporary sign is not to exceed 16 sq. ft. The applicants are proposing a sign that is double-sided and approximately 12' wide by 4' tall, or 48 sq. ft. per side. The requested sign is the sign they used in previous years and it will also be placed in the same location.

The applicant is requesting a waiver from the \$40.00 Temporary Use Permit application fee since this is a fundraiser for the Youth Group.

If the request is approved, the following conditions are recommended:

1. The Temporary Use Permit shall be valid per the attached site plan for the Friday evenings between March 14, 2014 and April 11, 2014 from 2:00 p.m. until 9:00 p.m.
2. Any requests for additional signage shall be made to the Building Division.

A. The 4' by 12' double-sided sign shall be allowed per the sketch provided. The sign shall be located at least 50' from the intersection of Dartmoor Drive and McHenry Avenue and at least 10' from the property line.

B. The sign shall be allowed to be displayed from March 8, 2014 through April 12, 2014.

3. Comply with the requirements of the 2005 National Electrical Code.
4. Comply with all requirements and conditions of the 2006 International Fire Code and Fire Prevention Review as well as the conditions listed in the application.
5. The no parking fire lane restrictions shall be observed along the driveway. The entrance and exit doorways to the building cannot be blocked.
6. Ensure the proposed sign location is not within a Municipal Utility Easement or blocking the line of sight of vehicles entering onto McHenry Avenue from Dartmoor Drive.
7. McHenry County Health Department approval shall be obtained prior to the event.
8. A site inspection by the Fire Prevention Bureau is required prior to the first fish fry, when the temporary structures are erected and equipment is set up.

The applicant has been made aware of these recommended conditions and advised to attend the March 4, 2014 City Council meeting to answer any questions.

**Votes Required to Pass:** A simple majority vote.



**Agenda Item No: 12**

**City Council  
Agenda Supplement**

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<b><u>Meeting Date:</u></b>	March 4, 2014
<b><u>Item:</u></b>	2007-108 City Square Preliminary PUD Extension
<b><u>Recommendation:</u></b>	Motion to approve the ordinance granting a one-year extension to the preliminary PUD approval for City Square at 110 West Woodstock Street.
<b><u>Contact:</u></b>	James Richter II, Planning and Economic Development Manager

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**Background:**

- History: The City's Unified Development Ordinance sets expiration time periods for certain approvals. A preliminary or final planned unit development approval is valid for two years, unless extended by the City Council.
- History: City Square was approved in January 2008 for 57 townhome units with variations to the rear and side yard setbacks and the density. The Preliminary PUD approval was valid for 2 years.
- Previous Approvals:
  - The City had approved a Comprehensive Extension for all PUD, SUP and Plat applications that extended this approval to May 2013.
  - The petitioner was granted their first one-year extension to May 2014.

**Key Factors:**

- Request: To request a second one-year extension of the City Square Preliminary PUD approval to May 2015.
- UDO Standard: The City Council has the authority to grant (3) one-year extensions.

**Votes Required to Pass:** A simple majority vote.



**Agenda Item No: 13**

**City Council  
Agenda Supplement**

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**Meeting Date:** March 4, 2014

**Item:** REPORT OF THE PLANNING & ZONING COMMISSION  
#2014-06 Iafigliola 817 Village Road

Variation to allow an encroachment into the required rear yard setback of 20 feet to allow a setback of 13 feet for an addition to the residence.

Chris Iafigliola, 817 Village Road, petitioner

**PZC Recommendation:** Motion to approve the Planning and Zoning Commission recommendation and adopt an ordinance granting a variation at 817 Village Road

**Staff Contact:** James L. Richter II, Planning and Economic Development Manager

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**Background:**

- Zoning: "R-1" Single-Family Residential.
- Details: Existing conforming lot with a lot area of 10,152 square feet. Improved with a two-story-frame residence with an attached garage.
- Request: Variation to allow an addition to the rear of the residence that would be as close as 13 feet to the rear yard.

**Land Use Analysis:**

- Details: The applicant is proposing to remove the existing deck along the rear of the property and adding a 14-foot x 22-foot addition. The addition will encroach into the required 20-foot rear yard setback. The addition will have a 2-foot overhang, which will be as close as 13 feet from the rear property line, an encroachment of 7 feet. The petitioner will be adding a new deck to the south of the addition. The deck will meet the setback requirements.
- Hardship: The petitioner has indicated that their hardship for seeking a variation is that the lot is located on a cul-de-sac and is relatively shallow.

### **PZC Highlights**

- At the Planning and Zoning Commission meeting on February 5<sup>th</sup> the Commission expressed concerns with the proposed request, particularly because no details for the elevations were provided. The Commission felt that they needed additional details before making a recommendation.
- Per the PZC's direction, the petitioner provided additional information including elevations.
- Following discussion, the PZC felt that the petitioner met the Findings of Fact and recommended **approval (8-0)** of the request.

The following conditions are recommended:

- 1) Approved plans, to reflect staff and advisory board comments, as approved by the City Council:
  - A. Application, Iafigliola, received 1-20-14
  - B. Plat of Survey/Site Plan, Decker, dated 6-7-99, received 1-20-14
  - C. Plans/Elevations, Jackowski, received 2-13-2014
- 2) The proposed addition shall be architecturally consistent with the existing residence with respect to style, building materials, roof lines and colors.
- 3) The addition, including the overhang/eave can be located no closer than 13 feet to the rear property line.
- 4) All existing grading and drainage patterns must be maintained as originally designed and built and no adverse drainage impacts to the neighboring property are permitted.
- 5) Location of any rear yard underground utility services must be confirmed to avoid any potentials conflicts with the proposed addition.
- 6) The faux windows underneath the addition will be lined with a translucent film to minimize the visual impact of the storage from neighboring properties.
- 7) The petitioner shall address all comments of the Community Development, Public Works, Fire Rescue and Police Departments.

### **Votes Required to Pass:**

A simple majority vote.



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ORDINANCE NO. \_\_\_\_\_

FILE NO. \_\_\_\_\_

AN ORDINANCE GRANTING A VARIATION  
AT 817 VILLAGE ROAD

WHEREAS, pursuant to the terms of the Application (File #2014-06) before the Crystal Lake Planning and Zoning Commission, the Applicant has requested the granting of a Simplified Residential Variation to allow an encroachment in to the required rear yard setback of 20 feet to allow a setback of 12 feet for an addition to the residence; and

WHEREAS, it is in the best interests of the City of Crystal Lake that the Variation be granted as requested in said Application.

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

SECTION I: That a Variation be granted from the Crystal Lake Unified Development Ordinance to allow an encroachment in to the required rear yard setback of 20 feet to allow a setback of 12 feet for an addition to the residence

at the property at 817 Village Road (19-19-153-005), Crystal Lake, Illinois.

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

1. Approved plans, to reflect staff and advisory board comments, as approved by the City Council:
  - A. Application, Iafigliola, received 1-20-14
  - B. Plat of Survey/Site Plan, Decker, dated 6-7-99, received 1-20-14
  - C. Plans/Elevations, Jackowski, received 2-13-2014
2. The proposed addition shall be architecturally consistent with the existing residence with respect to style, building materials, roof lines and colors.
3. The addition, including the overhang/eave can be located no closer than 13 feet to the rear property line.
4. All existing grading and drainage patterns must be maintained as originally designed and built and no adverse drainage conditions to the neighboring property are permitted.
5. Location of any rear yard underground utility services must be confirmed to avoid any potentials conflicts with the proposed addition.

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6. The faux windows underneath the addition will be lined with a translucent film to minimize the visual impact of the storage from neighboring properties.

7. The petitioner shall address all comments of the Community Development, Public Works, Fire Rescue and Police Departments.

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 Simplified Residential Variation in accordance with the provisions of this Ordinance, as provided by law.

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: 14**

**City Council  
Agenda Supplement**

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<b><u>Meeting Date:</u></b>	March 4, 2014
<b><u>Item:</u></b>	REPORT OF THE PLANNING & ZONING COMMISSION  #2013-33 Rumford and Buelow
<b><u>Request:</u></b>	Simplified Residential Variation to allow an open “wrought iron” style 4-foot fence in the front yard setback for lakefront houses.  Michael Rumford and Robert Buelow 175 and 179 Edgewater
<b><u>PZC Recommendation:</u></b>	The PZC reaffirmed their motion to deny the petitioners’ request
<b><u>Staff Contact:</u></b>	James Richter II, Planning and Economic Development Manager

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**Background:**

- **Timeline:** The following illustrates the timeline of the request by the petitioner:
  - July 17, 2013, the request was heard at the PZC; they voted 6-2 to deny the request.
  - August 6, 2013, the request was heard by the City Council. The Council tabled the item until they could review the full UDO text amendment for lake lots.
  - November 12, 2013, the PZC reviewed the UDO text amendments. They approved the changes to the clarification on how building height is measured, allowing accessory structures subject to the Limited Use criteria and the 4-foot open style fence amendment by a vote of 7-0.
  - November 19, 2013, the Council reviewed the UDO text amendments. The Council was split on the various amendments. The following shows the changes:
    - ◇ Council approved the clarification that building height is measured at the street side by a vote of 6-1.
    - ◇ Council approved the changes to allow accessory structures in the lake front yard subject to the Limited Use criteria by a vote of 6-1.
    - ◇ The motion to approve the open-style 4-foot fence failed 4-3.
  - December 17, 2013, Council referred the petitioner’s request back to the PZC for further consideration.
  - February 19, 2014, the Planning and Zoning Commission reaffirmed their previous motion of denial by a vote of 8-1.

### **Key Factors:**

- Request: To construct a 4-foot fence along both property lines from the house to the seawall, requiring a variation for the fence height in the front yard setback.
- UDO Standard: Fences, walls or screening in any front yard or yard abutting a street shall not exceed 3 feet in height.
- Past Lakeside Fence Variations: A variation at 611(formerly 615) Leonard Parkway was approved in 2005. It allowed a 6-foot solid fence along the boat launch and a 4-foot solid fence along the other side of the lot to the water's edge. This is the only other fence variation approved on a lake side lot. The meeting minutes are attached.
- Fence Variations:
  - Over the past 20 years, 47 petitioners throughout the City have requested fence variations. 36 of these variations have been approved.
  - Of these 36 variations, 13 were for double-frontage lots – 10 of these were along Walkup Avenue due to the road widening project. Double-frontage lots have a roadway on both the front and back of the house or, in the case of lake lots, a roadway and the lake. An exhibit illustrating the double frontage lots around the lake with fence variations is included.
  - The remaining variations were for corner lots. The attached map illustrates the fence variations in relation to the 15,000 housing units in the City.

### **PZC Highlights:**

The Planning and Zoning Commission had the following discussion about the item:

- Commission Member Greenman stated that he felt the petitioners had a hardship and their lots, including the other lake lots, were unique and not common to other R-2 or double frontage lots. The other Commission members did not agree.
- The Commission did not want to reopen the item for discussion and did not want to take new action.

The Planning and Zoning Commission recommended **denial (7-1)** of the petitioners' request.

If the Council chooses to make a motion to approve, the following conditions are recommended:

1. Approved plans, reflecting staff and advisory board recommendations, as approved by the City Council:
  - A. Application (Rumford & Buelow, received 06/21/13)
  - B. Plat of Survey 175 Edgewater (Luco Construction, dated 01/05/07, received 06/21/13)
  - C. Plat of Survey 179 Edgewater (Luco Construction, dated 10/02/12, received 06/21/13)
  - D. Wrought Iron fence details
2. The fence must remain open/see-through and not a solid fence. Any landscape materials in the front yard near the fence must remain 3 feet or less in height.
3. No fill is permitted in or around the fence. Any spoils from the fence posts must be removed from the property.

4. The petitioner shall address all of the review comments and requirements of Community Development, Public Works, and Fire Rescue Departments.

**Votes Required to Pass:**  
PZC's motion for denial.

A super majority vote (**5 votes**) is required to overturn the



**Agenda Item No: 15**

**City Council  
Agenda Supplement**

**Meeting Date:** March 4, 2014

**Item:** Aerobic Digester #1 Demolition

**Staff Recommendation:** Motion to award the bid for the Aerobic Digester #1 Demolition at Wastewater Treatment Plant #3 to the lowest responsive, responsible bidder, R.J. O'Neil, Inc., and adopt a resolution authorizing the City Manager to execute a contract with R.J. O'Neil, Inc., in the amount of \$27,980 with a 10% contingency for unforeseen expenses.

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

**Background:**

The process unit in Aerobic Digester #1 at Wastewater Treatment Plant #3 (400 Knaack Boulevard) is currently out of service and is in need of a complete rehabilitation. The concrete tank and fiberglass roof will be re-used as part of the rehabilitation; however, the mechanical components have failed beyond the point of restoration and many of the structural components within the tank are significantly deteriorated.

On February 25, 2014, the City publicly opened and read aloud the bids received for the demolition of Aerobic Digester #1 at Wastewater Treatment Plant #3. The following is a summary of the bids received:

<b>Company</b>	<b>Total Bid Cost</b>
√R.J. O'Neil, Inc. Montgomery, IL	\$27,980.00
Marc Kresmery Construction, LLC Elgin, IL	\$38,446.00
Gaskill & Walton Construction Inc. Chicago Heights, IL	\$64,800.00
Boller Construction Company Inc. Waukegan, IL	\$99,400.00

√ Indicates the lowest responsive and responsible bidder

As part of the Wastewater Treatment Master Plan, H.R. Green recommended the rehabilitation of this digester, and Baxter & Woodman has subsequently outlined several rehabilitation options. Funding is available for the demolition portion of this project. The rest of the project will be completed at a later date as funding allows.

The demolition project will include the removal and disposal of all interior components of the digester including piping, valves, flanges, and the catwalk system. The contractor will be responsible to safely remove the fiberglass cover for re-use when the digester is put back into service.

**Recommendation:**

Staff has reviewed the bids received for completeness and accuracy in accordance with the Invitation to Bid document, and verified the references for R.J. O'Neil, Inc. It is the recommendation of staff to award the bid for Aerobic Digester #1 Demolition services to R.J. O'Neil, Inc. in the amount of \$27,980.00 with a 10% contingency for unforeseen expenses.

Sufficient funds have been budgeted for this project.

**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 City Manager is authorized to execute a service agreement with R.J. O'Neil, Inc. for the Aerobic Digester #1 Demolition in the submitted bid amount with a 10% contingency for unforeseen expenses.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

CITY OF CRYSTAL LAKE, an  
Illinois municipal corporation,

By: \_\_\_\_\_  
MAYOR

SEAL

ATTEST

\_\_\_\_\_  
CITY CLERK

PASSED: \_\_\_\_\_

APPROVED: \_\_\_\_\_





**Agenda Item No: 16**

**City Council  
Agenda Supplement**

**Meeting Date:** March 4, 2014

**Item:** Sanitary Sewer Lining & Grouting Services

**Staff Recommendation:** Motion to award the bid for sanitary sewer pipe lining and grouting services to the lowest responsive and responsible bidder, Insituform Technologies USA, LLC, and to adopt a resolution authorizing the City Manager to execute a service agreement with Insituform Technologies USA, LLC in the submitted bid amounts.

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

**Background:**

On February 11, 2014, the City of Crystal Lake publicly opened and read aloud the bids received for the lining and grouting of the City's sanitary sewer infrastructure. The completion of this project will address notable structural deficiencies, and eliminate documented sources of inflow and infiltration (I&I) to the City's wastewater collection systems. The following is a breakdown of the bids received:

Bidder	Base Bid CIPP Lining	Alternate Grouting*	Expected Total
✓ Insituform Technologies USA, LLC Chesterfield, MO	\$79,845.00	\$89,961.70	\$169,806.70
Visu-Sewer of Illinois, Inc. Bridgeview, IL	\$103,782.50	\$66,802.00	\$170,584.50
Hoerr Construction, Inc. Peoria, IL	\$142,895.00	\$88,494.59	\$231,389.59
Michels Pipe Services Brownsville, WI	\$143,520.00	\$113,386.00	\$256,906.00

✓ Indicates lowest responsive and responsible bidder

\*Alternate grouting prices listed are calculated based on an expected 25% joint failure rate

The base bid is for a cured-in-place-pipe (CIPP) lining program, which is used to address deficiencies in the actual pipe that have the potential to create flow issues and system failures, thus resulting in surcharging of the system. The City has identified 2,095 total feet to be CIPP lined, which is comprised of 1,730 feet along Virginia Street and 365 feet along North Shore Drive. As part of the work on North Shore Drive, six service line connections will be reinstated.

The lining program will be paired with a grouting program to address leaking joints in the sewer sections. By grouting the joints, the volume of I&I within the sanitary sewer system will be reduced, which will ultimately reduce operating costs and restore capacity to the collection system and wastewater plants. I&I puts a great burden on the City's wastewater treatment plants during heavy rain events. Because grouting focuses on the pipe joints rather than the whole pipe, it typically costs a fraction of the price of CIPP lining; however, it is more effective at removing I&I.

The grouting program was included as an alternate in the bid document, to be completed as funding allowed. The bid identified five key areas for grouting, including portions of North Shore Drive, Lake Street, Oak Court, Crandall Avenue, and Baldwin Avenue. Each sewer joint will be pressure tested to identify leaks and then grouted as necessary. The total amount of grouting to be performed will be based on the joint failures identified during the pressure testing.

### **Recommendation**

The Public Works Department has reviewed all bids received for completeness and accuracy in accordance with the invitation to bid document. The Public Works Department recommends that award of Sanitary Sewer Lining & Grouting services be awarded to the lowest responsive and responsible bidder, Insituform Technologies USA, LLC, for the submitted bid amount. The City has worked with Insituform Technologies USA, LLC in the past with favorable results. The rehabilitation of these sewer lines are a FY 13/14 Budget Goal, and funds are available.

### **Votes Required to Pass:**

Simple majority

RESOLUTION

DRAFT

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 with Insituform Technologies USA, LLC for sanitary sewer pipe lining and grouting services in the submitted bid amounts.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

CITY OF CRYSTAL LAKE, an  
Illinois municipal corporation,

By: \_\_\_\_\_  
MAYOR

SEAL

ATTEST

\_\_\_\_\_  
CITY CLERK

PASSED: \_\_\_\_\_

APPROVED: \_\_\_\_\_



**Agenda Item No: 17**

**City Council  
Agenda Supplement**

**Meeting Date:**

March 4, 2014

**Item:**

Illuminated Street Name Sign Program Year One Installation Bid Award

**Staff Recommendation:**

Motion to award the Illuminated Street Name Sign bid to the lowest responsive and responsible bidder, Lyons Electric Company, Inc., in the bid amount of \$31,945.00, and adopt a resolution authorizing the City Manager to execute a contract with Lyons Electric Company, Inc in the amount of \$31,945.00, and allowing for a 10 percent contingency.

**Staff Contact:**

Abigail Wilgreen, City Engineer

**Background:**

On February 20, 2014, the City opened and publicly read the bids received for the first part of the Illuminated Street Name Sign program. The City received two bids and the results are tabulated below.

<i>Firm</i>	<i>Amount of Bid</i>
Lyons Electric Company <sup>1</sup> LaGrange, IL	\$31,945.00
Meade Electric Company, Inc. McCook, IL	\$37,699.96

<sup>1</sup> Indicates Recommended Lowest Responsive and Responsible Bidder

The Illuminated Street Name Sign program was discussed and presented to the City Council at the 2012/2013 and 2013/2014 Budget Workshops with the intent to install illuminated street name signs on traffic signal mast arms throughout the U.S. Route 14 corridor and at the Main Street and Congress Parkway intersection. Illuminated street name signs assist visitors to our community in finding key intersections as they travel in night time conditions. Illuminated street name signs were previously installed at the Congress Parkway and Pingree Road intersection in 2012. This year's program will install illuminated street name signs at two intersections along

Main Street: the Route 14 intersection and Congress Parkway intersection. The program will be spread over the next six years.

Specifications were mailed to various contractors and standard bid advertisement procedures were followed. Lyons Electric was the City's traffic signal maintenance contractor between 1995 and 2007. The City received high quality and responsive service from Lyons Electric; however, they were not the low bidder with subsequent contracts.

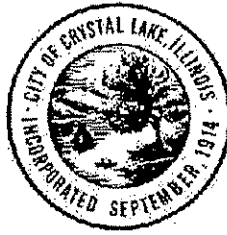
### **Recommendation**

The Community Development Department has reviewed all bids received for completeness and accuracy in accordance with the Invitation to Bid document. It is staff's recommendation to award the contract for illuminated street name signs to Lyons Electric Company for the prices listed in the bid document. Motor Fuel Tax (MFT) Funds have been allocated for this project.

### **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 the contract with Lyons Electric Company, Inc., for the Illuminated Street Name Signs Program in the amount of \$31,945.00. The City Manager is additionally authorized to approve up to 10 percent in justifiable contract amendments from a contingency allowance.

**DATED** this fourth day of March, 2014.

CITY OF CRYSTAL LAKE, an Illinois  
Municipal Corporation

BY: \_\_\_\_\_  
Aaron T. Shepley, Mayor

ATTEST:

\_\_\_\_\_  
Nick Kachiroubas, City Clerk

PASSED: March 4, 2014

APPROVED: March 4, 2014



**Agenda Item No: 18**

**City Council  
Agenda Supplement**

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**Meeting Date:** March 4, 2014

**Item:** Enhanced Sales Tax Incentive Program Ordinance Amendment

**Staff recommendation:** Motion to approve amendments to the Enhanced Sales Tax Incentive Program Ordinance.

**Staff Contact:** James Richter II, Planning and Economic Development Manager

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**Background:** The City has experienced great success utilizing our incentive programs to attract and retain businesses ever since the City Council adopted these programs in 2009. Each year, we review our programs to address funding levels, to facilitate the intent of the programs, and to reflect changes within the market.

**Discussion:** Through the administration of our ESTIP program, several policy decisions have consistently been made by the City Council for Sales Tax Rebate Incentives. The proposed amendments would codify the Council's past decisions and provide clarification to future ESTIP applicants.

The first amendment confirms thresholds for the maximum cost-participation by the City in auto dealership projects. Specifically, the City could approve rebates for the lesser of \$1,000,000, or 50% of the total project costs.

A second change would clarify the application documentation that the City requires for improvement projects that apply for ESTIP. The amendment would specify that accurate, written cost estimates of eligible improvement expenses be provided by qualified contractors, subcontractors and/or vendors. These would be verified by staff for accuracy.

The final change would codify a retroactive provision that would essentially disqualify improvement projects for which construction has commenced prior to submitting a full and complete application for ESTIP.

**Recommendation:** The City's ESTIP program continues to serve as important economic development tools for business attraction and retention. City staff recommends that the City Council approve the amendments to the Enhanced Sales Tax Incentive Program Ordinance.

**Votes Required to Pass:** A simple majority vote.



**AN ORDINANCE AMENDING CHAPTER 228 OF THE CODE OF  
THE CITY OF CRYSTAL LAKE.**

**WHEREAS**, the City Council desires to establish an economic development incentive program as a business assistance program, the purpose of which is to recruit and retain businesses within the City of Crystal Lake, thereby stimulating the economy of and within the City, providing employment for residents of the City and others, further expanding the goods and services available for purchase and consumption by businesses and residents of the City, and further increasing the sales and use taxes collected by the City; and

**WHEREAS**, the City Council has found and determined that providing economic incentives to encourage the establishment or expansion of businesses within the City 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 providing economic incentives for the establishment or expansion of businesses within the City will provide a benefit to the public, generally; and

**WHEREAS**, the City Council finds that increased tax collections realized in connection with such a program will enable the City to provide expanded and improved municipal services to and for the benefit of the City, while at the same time providing public-related improvements to the City and its taxpayers and residents; and

**WHEREAS**, the City Council finds that the creation of an economic development incentive program is consistent with the City's powers as a home rule municipal corporation and that exercise of said powers in the manner provided in this Ordinance is in the furtherance of the public health, safety and welfare.

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

**SECTION I:** Chapter 228, Economic Development Incentive Program, the Code of the City of Crystal Lake, is ~~added to~~ **revised** as follows:

**ARTICLE I:** Enhanced Sales Tax Incentive Program



**§ 228-1. Established.**

There is established within the City an Enhanced Sales Tax Incentive Program (“ESTIP”).

**§ 228-2. Purpose.**

The purpose of the Enhanced Sales Tax Incentive Program created by this chapter is to encourage the recruitment, retention, establishment and/or substantial expansion of sales tax generating businesses within the City, thereby stimulating the economy of and within the City, providing employment for residents of the City and others, further expanding the goods and services available for purchase and consumption by businesses and residents of the City, and further increasing the sales taxes collected by the City, which increased sales tax collections will enable the City to provide expanded and improved municipal services to and for the benefit of the residents of the City, while at the same time providing public or public-related improvements at no cost, or at deferred cost, to the City and its taxpayers and residents.

**§ 228-3. Definitions.**

As used in this chapter and all sections thereof, the following phrases shall have the following meanings:

*New Retailers* – new sales tax generating businesses, other than Existing Auto Dealerships and New Auto Dealerships, which have no physical facility within the City limits of Crystal Lake for the display and sale of merchandise as of the date of the adoption of this Ordinance and which commence the sale and display of merchandise from a physical location within the City limits of the City of Crystal lake following the adoption of this Ordinance.

*Base amount* shall be an amount to be negotiated by the City Manager or the City Manager’s designee, and agreed upon by the applicant, provided, however, the City Manager shall use as a basis for negotiation an amount which is not less than the annual average of the sales tax sales receipts attributed to applicant’s business operated upon the subject property over the three previous calendar years, unless such lesser base amount is approved by the City Council. In the case of a newly established business, the base amount shall be determined by the City Manager, based upon the City Manager’s review of the newly established business’s business plan or other documentation reasonably required by the City Manager to determine the amount of sales taxes which would likely be generated from the new business without the participation by applicant in the ESTIP.

*Enhanced sales tax* means the amount of sales tax (as hereinafter defined) collected by the City in a calendar year over and above a base amount as defined herein.

*Existing Auto Dealerships* – new titled motor vehicle, recreational vehicle, and watercraft franchises which has no physical facility within the City limits of Crystal Lake for the display and sale of such vehicles or watercraft as of the date of the adoption of this Ordinance.

Dealership ownership changes that occur without adding new franchises are considered existing auto dealerships.

*New Auto Dealerships* – new titled motor vehicle, recreational vehicle, and watercraft franchises which has no physical facility within the City limits of Crystal Lake for the display and sale of such vehicles or watercraft as of the date of the adoption of this Ordinance and which commence the sale and display of such vehicles or watercraft from a physical location within the City limits of Crystal Lake after the adoption of this Ordinance.

*Owner or applicant* means the record owner or potential record owner of real property upon which one (1) or more businesses is operated.

*Local Sales Tax shall* mean the 1% Municipal Sales Tax charged for retail sales within the City.

**§ 228-4. Basis for participation.**

Participation in ESTIP shall be based upon approval by the City Council of the City of Crystal Lake, exercising its legislative discretion in good faith. ESTIP is intended to provide an economic incentive to eligible Existing Auto Dealerships, New Auto Dealerships and New Retailers which intend to engage in projects for Improvements, as defined by this Ordinance and which meet the minimum project costs and annual minimum taxable sales thresholds listed in table 228-4(A) below, and the criteria for approval set for in Section 228-9.

Table 228-4(A)

	Minimum Taxable Sales	Minimum Project Costs	Maximum City Cost Participation in a Project
Existing Auto Dealerships	\$5,000,000	\$1,000,000	50% of total eligible project costs, not to exceed \$1,000,000
New Auto Dealerships	\$5,000,000	\$250,000	50% of total eligible project costs, up to an amount to be negotiated with the City
New Retailers	\$3,000,000	\$500,000	

In order to be considered for inclusion in the ESTIP, prior to commencing a development project an Existing Auto Dealership, New Auto Dealership or New Retailer must submit an application to the City on forms to be provided by the City, which application must contain documentation deemed sufficient by the City Manager, establishing the business’s likelihood to generate taxable retail sales in excess of the minimum taxable sales thresholds listed in table 228-4(A) during the first year of operation of the business following completion of the Improvements. **The application shall contain accurate, written cost estimates of eligible improvement expenses provided by qualified contractors, subcontractors and/or vendors, all of which are to be verified by the City to ensure completeness.**

**§ 228-5. Approval of agreement; conditions; effect.**

Approval by the City Council of an agreement implementing this ESTIP shall entitle the successful applicant to share in such percentage of enhanced sales taxes derived from applicant's property as may be determined by the City Council and incorporated into such agreement; provided, however, that applicant shall use said amounts only for improvements such as those specified in Section 228-6 and which are expressly approved by the City Council at the time of consideration of the application. The time period in which said enhanced sales taxes may be shared shall not commence until all public or public-related improvements are completed and meet City standards, and shall be limited by the City Council, in its discretion, to the earlier to occur of 1) the date as may be specified by the City Council in such agreement; or 2) the date on which the maximum payments allowed by such agreement have been paid by the City to the applicant. **The applicant must file a complete ESTIP application prior to commencing improvements. The City cannot retroactively approve an ESTIP agreement if the improvements have already begun prior to the City receiving a complete application.**

**§ 228-6. Permitted uses of funds.**

A. The uses to which any shared enhanced sales taxes may be put by an applicant shall be strictly limited to those improvements installed or constructed by the applicant.

B. As used in this chapter, "*Improvements*" shall include, but is not limited to, public improvements, including, but not limited to streets, sidewalks, curbs, gutters, pedestrian malls, street lights, drainage facilities, public utilities, landscaping, decorative structures, redevelopment of existing properties, occupancy of existing vacant space, public art, fountains, identification signs, traffic safety devices, bicycle paths, off-street parking facilities, benches, restrooms, information booths, public meeting facilities, principal buildings, building additions, and all necessary, incidental, building facades, architectural enhancements, and appurtenant structures and improvements, together with the relocation and improvement of existing utility lines, and any other improvements of a similar nature which are specifically approved by the City Council.

C. Nothing contained herein shall limit the City Council from appropriating additional capital improvement funds for capital improvements directly or indirectly affecting the property in question as a part of the City's regular appropriation, capital improvement, or budget process.

**§ 228-7. Incremental payments.**

The amount of the Enhanced Sales Taxes relative to any party participating in the ESTIP shall be determined by the City annually. If in any calendar year sales taxes generated by the applicant's business operated upon applicant's property do not at least equal the base amount so as to create enhanced sales taxes for such calendar year, then no funds shall be shared with the applicant for such calendar year, and no funds shall be shared until the deficit for such calendar year, and any other cumulative deficit from prior calendar years have been met.

**§ 228-8. Existing tax revenue sources unaffected.**

A. It is an overriding consideration and determination of the City Council that existing sources of City sales tax revenues shall not be used, impaired, or otherwise affected by this Enhanced Sales Tax Incentive Program. Therefore, the City Council conclusively determines that only enhanced sales taxes generated by the properties described in an application, and a subsequent agreement, shall be subject to division under this Article.

B. It shall be the affirmative duty of the Finance Director of the City of Crystal Lake to collect and escrow such enhanced sales taxes payable to the owner in a separate account apart from the sales taxes generated by, and collected from, any other sales tax generating sources within the City and to provide an accounting system which accomplishes the overriding purpose of this Section. Interest earnings on such account shall accrue to the City. Such funds shall not be considered City funds for purposes of any ordinance or resolution allocating sales tax monies from particular sources to particular purposes but shall be applied exclusively to this Program.

C. The City Council of the City of Crystal Lake conclusively states that this Article would not be adopted or implemented but for the provisions of this Section.

**§ 228-9. Criteria for approval.**

Following the comprehensive staff review of the required application documents, city staff shall present the complete application and draft of the Agreement required in Section 228-10 the City Council for its consideration. Approval of an application for inclusion in this ESTIP shall be given by motion adopted by a majority of the City Council, at a public meeting held as a portion of a regularly scheduled City Council meeting. In addition, the threshold standards set forth in Section 228-4; the City Council shall also consider the following factors in determining whether to approve the application:

A. The amount of enhanced sales taxes which are reasonably to be anticipated to be derived by the City through the expanded or new retail sales tax generating business;

B. The public benefits which are provided by the applicant through public works, improvements, additional employment for City residents, etc;

C. The quality of the proposed development;

D. Whether the proposal utilizes an existing building(s);

E. Whether the proposal represents redevelopment to an area or building in the City;

F. Whether the proposal represents job diversity in industry sectors and is part of a growing industry;

G. The proposal's contribution to the diversity of retail within the City;

H. Whether the proposal brings a value added result to the City or a development within the City (for example, by moving the company's corporate headquarters to the City);

I. The amount of the business assistance is as a percentage of new revenue anticipated to be created by the proposal (for example, by relocation, of the company to Crystal Lake);

J. The amount of expenditures which may be deferred by the City based upon improvements to be completed by the applicant at the applicant's expense;

K. The conformance of the applicant's property or project with the comprehensive plan, zoning ordinances and building codes of the City; and

L. The agreement required by Section 228-10 having been reached, which agreement shall contain and conform to all requirements of Section 228-10.

**§ 228-10. Agreement with City; required; contents.**

Each application for approval submitted to the City Council shall be subject to approval by the City Council solely on its own merits. Approval of an application shall require that an agreement be executed by the owner and the City, which agreement shall, at a minimum, contain:

A. A list of those public or public-related improvements which justify the applicant's approval, and the amount which shall be spent on such improvements;

B. The maximum amount of enhanced sales taxes or fees to be shared, and the maximum time during which the agreement shall continue, it being expressly understood that any such agreement shall expire and be of no further force and effect upon the occurrence of the earlier to be reached of the maximum time of the agreement (whether or not the maximum amount to be shared has been reached) or the maximum amount to be shared (whether or not the maximum time set forth has expired);

C. A statement that the agreement is a personal agreement ~~which is not transferable~~ and which does not run with the land;

D. A statement that the agreement shall never constitute a debt or obligation of the City within any constitutional or statutory provision;

E. The base amount which is agreed upon by incremental period, and the fact that if, in any incremental period as specified, sales taxes received from the property do not at least equal said amount, that there shall be no sharing of enhanced sales tax funds for said incremental period, and that any deficit for any such period shall be carried over to succeeding periods until the difference between the base amount and the amount of sales tax actually paid is recovered by the City;

F. A provision that any enhanced sales taxes subject to sharing shall be escrowed in the event there is a legal challenge to the ESTIP or the approval of any application therefore;

G. An affirmative statement that the obligations, benefits and provisions of the agreement may not be assigned in whole or in any part without the expressed authorization of the City Council, and further that no third party shall be entitled to rely upon or enforce any provision hereof;

H. That the agreement shall be subject to the annual appropriation of sufficient funds for payments as provided in this Chapter;

I. Any other provisions agreed upon by the parties and approved by the City Council.

**§ 228-11. Findings.**

A. The City Council has enacted this Article as a joint benefit to the public at large and to private owners for the purposes of: Providing the City with increased sales tax revenues generated upon and by properties improved as a result of this Program; Encouraging the construction of public improvements by private owners without debt obligations being incurred by the City; and Allowing applicants an opportunity to improve properties which generate sales activities, which improvements make those properties more competitive in the marketplace and further provide to applicants additional contingent sources of revenues for upgrading said properties.

B. The City Council specifically finds and determines that creation of this ESTIP is consistent with the City's powers as a Home Rule Municipal Corporation, and that exercise of those powers in this Article promotes the public health, safety and general welfare. Notwithstanding any provision hereof, the City shall never be liable or responsible for any debt or obligation of any participant in ESTIP.

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

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

DATED at Crystal Lake, Illinois, this        day of       , 2014.

APPROVED:

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

**DRAFT**

PASSED:  
APPROVED:

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



**Agenda Item No: 19**

**City Council  
Agenda Supplement**

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**Meeting Date:** March 4, 2014

**Item:** Resolution for the Refunding of the IEPA Revolving Loan

**Staff Recommendation:** A motion adopting a resolution authorizing the development of a plan for the refunding of the IEPA Revolving Loan and authorizing the City Manager to execute agreements for services related to the refunding of the IEPA Revolving Loan.

**Staff Contact:** George Koczwara, Interim Director of Finance

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**Background:**

In June 2003, the City made its first payment toward its Illinois Environmental Protection Agency (IEPA) loan. The proceeds of the IEPA loan were used to pay for the \$15,820,000 upgrade of Wastewater Treatment Plan #2 facility located at McHenry Avenue and Dartmoor Drive that was completed in 2003. The upgrade included increasing the capacity of the plant from a 4.5 million gallon per day to a 5.8 million gallon per day design average flow facility. The upgrade was the first phase of the planned plant expansion and was anticipated to serve the community through 2020.

The IEPA loan has an outstanding balance of \$7,858,257 at an interest rate of 2.535%. Currently, interest rates on bonds are lower than the interest rate the City is paying for the IEPA loan. Based on current market conditions, the attached financial analysis indicates that the City could realize a total net savings of \$176,848 over the remainder of the term of the loan after payment of the bond issuance costs. The financial analysis assumes the City maintains its Standard & Poor's rating of AA+.

**Recommendation**

In order to proceed with the refunding plan, it is recommended that the City Council approve the attached resolution authorizing the development of a plan for the refunding of the IEPA Revolving Loan and authorizing the City Manager to execute agreements for services related to the refunding of the IEPA Revolving Loan.



The agreement for services related to the refunding of the IEPA Loan include:

- Bond Counsel – Chapman and Cutler. \$20,000
- Rating Service – Standard and Poor’s. \$13,000
- Financial Advisor – PMA Securities, Inc. \$13,131.48
- Online Auction – Grant Street. \$3,000
- Bond Registrar/Paying Agent. \$650

The City of Crystal Lake has successfully utilized the above firms for previous bond issuances with the most recent issuance being in 2013. In 2012, the City’s Financial Advisor was approved following a competitive RFP process. The fees for PMA Securities, Inc. follow those submitted during the RFP process.

It is anticipated that the bond sale will occur on April 1, 2014 and the approval of the sale will be presented to the City Council at the April 1, 2014 City Council meeting.

**Votes Required to Pass:**

Simple Majority



DRAFT

**RESOLUTION AUTHORIZING THE DEVELOPMENT OF A PLAN FOR THE REFUNDING OF THE OUTSTANDING ILLINOIS ENVIRONMENTAL PROTECTION AGENCY LOAN OBLIGATION, OF THE CITY OF CRYSTAL LAKE, ILLINOIS**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CRYSTAL LAKE, ILLINOIS, AS FOLLOWS:

**Section 1. Findings.** The Mayor and City Council of the City of Crystal Lake ("City") have previously entered into a loan agreement with the Illinois Environmental Protection Agency in the original principal sum of \$15,820,000 which financed improvements to the City's Wastewater Treatment Facility #2 (the "Wastewater IEPA Loan") which such loan is repayable at the option of the City at any time without premium.

**Section 2. Refunding Plan.** The City Manager and the City Interim Finance Director, together with PMA Securities, Inc., the City's Financial Advisor, and Chapman & Cutler, the City's Bond Counsel, are authorized to prepare and present to this City Council, a plan for the refunding of the Wastewater IEPA Loan with the goal of providing the City with debt service savings from the refunding of the Wastewater IEPA Loan.

**Section 3. Service Providers.** The City Manager be and he is hereby authorized and directed to execute agreements for services related to the refunding of the IEPA Loan including:

- Bond Counsel – Chapman and Cutler. \$20,000
- Rating Service – Standard and Poor's. \$13,000
- Financial Advisor – PMA Securities, Inc. \$13,131.48
- Online Auction – Grant Street. \$3,000
- Bond Registrar/Paying Agent. \$650

Fees paid to the bond refunding service providers will be part of the bond proceeds.

DATED this 4<sup>th</sup> day of March, 2014

CITY OF CRYSTAL LAKE, an  
Illinois Municipal Corporation,

By: \_\_\_\_\_  
MAYOR

SEAL

ATTEST

\_\_\_\_\_  
CITY CLERK