

City Council Follow-Up from Oct. 28, 2019 Budget Workshop #1

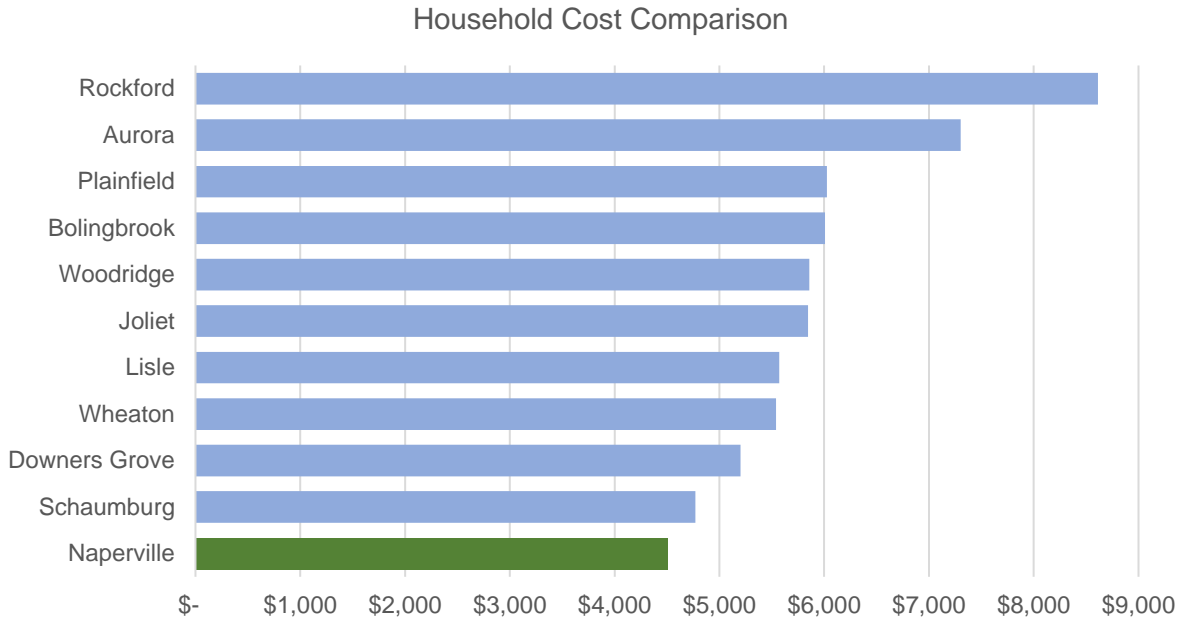
Below is a list of questions and topics that were raised by various members of the City Council during the October 28, 2019 Budget Workshop.

1. Please provide information on efficiencies and cost saving actions the city has taken in recent history.

Please see the attached document for an updated review of efficiencies and cost-saving actions from 2017-2019.

2. Please provide a look at the cost of residency in Naperville and how that cost compares to surrounding and comparable communities.

See below for a chart outlining the household cost comparison between Naperville and surrounding/comparable communities as well as factors considered in putting together the comparison. Staff will provide further details on how these expenses were calculated and assumptions utilized during the second budget workshop on Nov. 18.



Service Charge or Tax	Factors	Naperville
Property Taxes	Home Value of \$409K	\$861.22
Electric Charges	844 kWh Use	\$1,291.20
Water/Wastewater Charges	750 Cubic Feet/5,610 Gallons	\$944.88
Refuse Collection	65 Gallon Cart	\$159.72
Yard Waste	2x Bags for 39 Weeks	\$175.50
Motor Fuel Tax (State & Local)	1,130 Gallons	\$474.60
State Sales Tax	\$37,378 Eligible Sales	\$373.78
Home Rule Sales Tax	\$23,346 Eligible Sales	\$175.10
Food & Beverage Tax	\$5,015 Eligible Sales	\$50.15
Stormwater Charges	Varies	\$ -
TOTALS		\$4,506

3. Please outline the estimated change in sales tax based upon the change in funding distribution for sales tax and local use tax. (Sullivan)

The Illinois Retail Merchants Association (IRMA) estimates new laws related to online sales will generate approximately \$460 million in additional sales revenue for Illinois. Of the additional revenue, approximately \$92 million will be redistributed to municipalities through retail sales tax and local use tax.

Based on the history of state disbursements, Naperville receives approximately 1% of sales tax revenue distributed to municipalities, which would account for \$920,000. Half of the \$920,000 will be collected through the local use tax distribution, per state ordinance, totaling \$460,000. At the beginning of July 2020, marketplace facilitators will shift collections under retail sales tax requirements. At this point, the City anticipates receiving approximately \$567,791, which adjusts the anticipated sales for per capita income levels, as well as the additional home rule sales tax generated from purchases (see below).

Additional Sales Tax		
Statewide	\$92,000,000	
Naperville Portion (1%)	\$920,000	
Total Additional Revenues	\$1,027,791	

Calculated Estimate		
Quarterly Receipts	\$230,000	\$920,000 / 4
Post July 1 Receipts	\$567,791	
<i>Retail Revenue (Adjusted for per capita income)</i>	<i>\$324,452</i>	<i>\$230,000 * 141.07%</i>
<i>Additional HRST (0.75%)</i>	<i>\$243,339</i>	<i>\$324,452 * 0.75%</i>

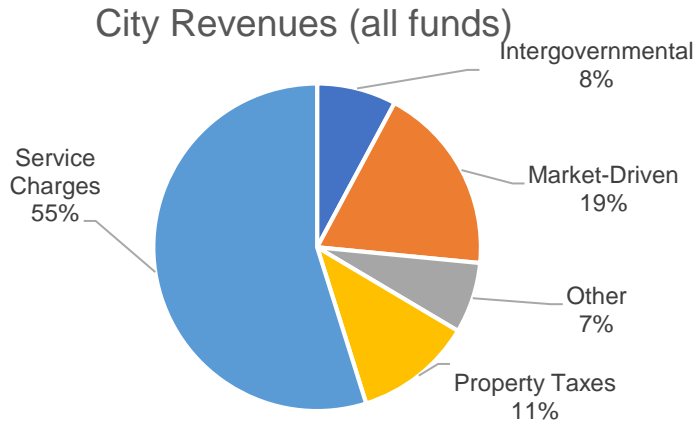
Starting January 1, 2020, marketplace facilitators will be required to collect use tax from remote or out-of-state retailers. Marketplaces will be required to collect state and locally-imposed sales taxes starting July 1, 2020, which is also when remote retailers will be required to collect both state and locally-imposed sales taxes. The local rate will be determined by delivery destination or pick-up location. Remote retailers will be authorized to allow certified service providers to collect and remit state and local sales taxes on behalf of the retailer to assist in collection of locally-imposed taxes. Further details on the change in state sales tax collection can be found through the Illinois Municipal League: <https://www.iml.org/file.cfm?key=16124>

**4. Please provide a breakdown of sales tax received by type over the past several years.
(Brodhead)**

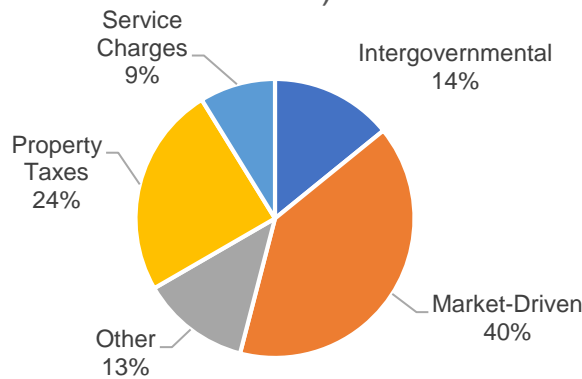
Categories	Data	2015	2016	2017	2018	2019 (6-mo)
General Merchandise	Amount	1,973,827	1,734,850	1,695,023	1,661,175	737,671
	% Change		-12.11%	-2.30%	-2.00%	
Food	Amount	3,537,170	4,030,651	4,277,657	4,126,207	2,020,012
	% Change		13.95%	6.13%	-3.54%	
Drinking and Eating Places	Amount	3,433,778	3,843,978	4,047,681	4,115,550	2,098,891
	% Change		11.95%	5.30%	1.68%	
Apparel	Amount	1,152,420	1,210,325	1,203,706	1,174,381	527,597
	% Change		5.02%	-0.55%	-2.44%	
Furniture & Household	Amount	2,231,986	1,959,765	1,885,972	1,869,238	865,913
	% Change		-12.20%	-3.77%	-0.89%	
Lumber, Bldg, Hardware	Amount	1,709,368	1,667,454	1,694,172	1,739,712	892,218
	% Change		-2.45%	1.60%	2.69%	
Automotive & Filling Stations	Amount	12,870,415	12,566,087	12,688,204	13,091,973	6,405,989
	% Change		-2.36%	0.97%	3.18%	
Drugs & Misc. Retail	Amount	3,205,869	3,904,515	3,904,594	3,561,337	1,771,690
	% Change		21.79%	0.00%	-8.79%	
Agriculture & All Others	Amount	2,576,081	1,866,766	1,997,162	2,220,590	957,539
	% Change		-27.53%	6.99%	11.19%	
Manufacturers	Amount	561,411	534,413	478,725	639,803	318,235
	% Change		-4.81%	-10.42%	33.65%	
Total Amount		33,252,325	33,318,803	33,872,895	34,199,963	16,595,756
Total % Change			0.20%	1.66%	0.97%	

5. Please provide the breakdown of the City's revenue categories. (Chirico)

The City has five major revenue categories: service charges (electric, water and refuse collection), market-driven (retail sales tax, food and beverage tax, and real estate transfers), property taxes, intergovernmental taxes (income tax, motor fuel tax, local use tax) and other (interfund transfers and bond issuances). A breakdown of the city's revenues is provided below.



City Revenues (minus Utilities/Special Funds)



6. Please provide a breakdown of the City's current Hotel/Motel Tax Agreements. (Hinterlong)

Below is a breakdown of the City's current hotel/motel tax rebates.

Hotel/Motel and Sales Tax Rebate Details					
Hotel	Max Rebate	Max Years	Inception Date	Expiration Date	Total Est. Rebates at Expiration
Embassy Suites	\$7,472,000	20	7/22/2015	7/22/2035	\$7,309,937
Citygate/Hotel Arista	\$7,500,000	20	9/5/2008	9/4/2028	\$4,601,489
Marriott	\$10,000,000	20	4/2/2012	4/2/2032	\$8,573,504
Water Street/Hotel Indigo	\$7,500,000	20	1/1/2018	12/31/2037	\$7,249,039

7. Please provide a breakdown of the City's credit card fees over the past few years as well as non-payment/collection fees. (Sullivan)

Credit Card Fees

Below is a breakdown of the City's credit card fees dating back to 2017. The city continues to see an increase in fees as residents utilize credit cards.

Vendor	2017	2018	2019 (P)	2020 (B)
Credit Card Fees	945,115	1,275,573	1,168,904	1,168,800

Non-Payment/Collection Fees

The City's collections agency currently has \$2,177,336 in outstanding payments owed to the City. The agency has collected \$457,063 since their contract began in 2015. The collection agency charges a 17% fee to the City on total dollars retrieved through their services.

Vendor	2017	2018	2019	2020
Bank Collections	\$8,033	\$12,818	\$19,510	\$30,000

Collection Data			
Year	Filed	Money Owed	Money Collected
2016	1,500	\$273,445	\$59,117
2017	2,151	\$561,886	\$41,498
2018	4,329	\$1,181,148	\$119,497
2019	2,379	\$776,243	\$116,544

8. Please provide an update on the performance of the new Water Tower West parking lot. How can we incentivize commuters using Pace, and what would increasing rates look like? (Krummen)

The new parking spaces at Water Tower West opened Oct. 23, 2019. Staff anticipates spaces in the lot will be fully occupied on a regular basis by the end of 2019. On Oct. 29, 2019, staff checked the lot following the first budget workshop and recorded a 94% occupancy. Typically, lots take several months to grow in usage; however, the \$2 rate and ongoing permit audit likely expedited the growth period.

For comparison, the City's last new lot was opening at 190 E. 5th Avenue in May 2017. Spaces for the lot were priced at \$5 and use steadily grew from 31% in June 2017 to 88% by December 2017. The lot has been full on a regular basis during the past year.

Rate Study

A Commuter Parking and Access Work Plan was approved June 4, 2019 (see attached). Included in the study was several goals touching on items such how to encourage permit holders to relinquish unneeded permits, encouraging commuters to increase use of the Route 59 station, and how to make the Pace Bus system more cost competitive and attractive to commuters.

The study suggested the City consider an increase in permit fees to make holding unused permits more cost prohibitive. A fee increase may incentivize individuals to abandon rarely or non-used commuter parking permits. Regarding use of the Route 59 Station, the work plan suggested evaluating the quarterly permit and daily fee pricing structure to equalize the total cost of commuting between the two stations.

Suggestions for increased bus use included evaluating an increase in parking fees to make Pace equal the cost of or become less costly than parking at stations. The additional revenue from the increased permit fees could then be used to promote and subsidize Pace services. The plan also suggested the City identify opportunities and needs for Free Ride promotions to encourage bus ridership.

9. Please explore what a signage, banner, and lighting program for the downtown and Ogden Avenue areas to celebrate patriotic holidays (e.g. Memorial Day, Fourth of July, and Veteran's Day) would entail. (Chirico)

Public Works will work with the Downtown Naperville Alliance on a pilot program for signage, banners, and/or lighting in the downtown. Staff will research infrastructure needs (poles, banner hardware, banners, lights, etc.) and pricing for different options that could be deployed on a few blocks in the downtown area and provide an update to Council.

10. Regarding the expense for a contractor to perform text amendments related to the comprehensive plan, would it be more cost effective to hire an employee to perform these activities in-house? (Coyne/Krummen)

As part of the Comprehensive Plan Update, the City's consultant Houseal Lavigne was asked to identify current and future development trends, wants, needs and policies related to new trends in senior housing; strategies for aging commercial areas; new trends/future of the commercial, office, and industrial markets; recommended uses for transitional zones located in proximity to major roadways; and new trends in housing markets, including multi-generational housing, granny flats, millennial flats, maintenance-free living, transit-oriented design, mixed-use development and affordable housing.

Staff anticipates the zoning code will need to be amended in response to the recommendations being made and adopted, which will be part of implementing the Comprehensive Plan update. The updated code could include new or amended zoning districts, new housing options, and an amended approach to parking requirements. Similar zoning code amendments were previously made following adoption of the Ogden Avenue Enhancement Initiative (B3 amendments, amendments to setback requirements) and Downtown Naperville 2030 plan (B4, B5 and TU amendments, design guidelines).

While prior amendments were completed in-house, staff expects amendments recommended by the current plan update will be more comprehensive and extensive in nature and will require workload efforts which exceed current staffing levels. However, staff does not expect the work will be sustained beyond 2020 and, therefore, will not require a permanent FTE.

11. Provide a history and update on the status of the Ogden Avenue Pole Sign Program. (Coyne)

On April 17, 2018, Councilman Coyne directed staff to develop options that may be used to eliminate non-conforming pole signs along East Ogden Avenue during the new business portion of the City Council meeting. Staff brought an agenda item for Council consideration on September 4, 2018. The recommended action was to provide direction regarding options that may be used to address existing non-conforming pole signs located along East Ogden Avenue (see attached).

Included in the recommendation was an option to legislatively require elimination of all pole signs by a specific date. According to the September 4 minutes, Council discussed the existing pole signs, administrative review, a definitive date to have all signs down, appropriateness of a waiver or moratorium on fees, the possibility of a grant program, and intent of the 2008 ordinance. City

Attorney Michael DiSanto discussed cases upholding amortization periods, defensible economic situations, length of time to comply and how offering more options to comply will put the City in a better position to withstand legal challenges.

TED Deputy Director Allison Laff explained there had been no determination on responsibility to pay for conforming signs. Council discussed hardships for owners and, if the ordinance is burdensome, it may cause a chilling effect to potential tenants. Laff explained a Council-approved standard for signs on Ogden Avenue and businesses will have options. Council discussed having the Chamber of Commerce and property owners collaborate with staff on a solution.

Ultimately, Council chose to not mandate elimination of pole signs and authorized a grant program and provided a zoning code administrator authority to administratively grant variances to expedite pole sign removal transactions.

Staff will provide an update on the pole sign program at the beginning of 2020 and review business participation.

12. What are the most frequently accessed data sets on the Open Data Portal? (Sullivan)

Top 10 Stories by Visits

Datasets	Visits
Emerald As Borer	8,141
Economic Development	5,823
Public Safety	5,714
2016 Citizen Survey	5,503
Financial Stability	5,410
Bulk Curbside Leaf Collection	4,016
High Performing Government	3,933
About Open Data Naperville	3,516
Enhancing Online Services	3,472
Environmental Sustainability	3,197

Top 10 Stories by Download

Datasets	Visits
Police Department Incidents (2010 – Current Year)	13,991
Current Employees Names, Salaries and Position Titles	13,363
Building Permits	3,516
Headcounts by City Department	885
Fire Department Incidents (2010 – Current Year)	880
Service Requests	579
Citizen Survey 2016	466
Expenditures (2018 – Current Year)	353
CY2018 – CY2022 Capital Improvement Program (CIP)	157
Vendor List (2018 – Current Year)	115

13. Provide an overview of the ongoing recruiting challenges the City is experiencing and the City’s strategy for addressing this issue. (Krummen/Sullivan)

Human Resources continually reviews several items related to the City’s competitiveness in attracting personnel. Below is an overview on the strategy applied for a total compensation program.

Salary

When requested, HR completes a review of pay grades for existing positions, or newly created positions, to determine internal equity and market rate. HR has recommended salary range increases for the last two years to maintain the current wage structure and attempt to keep salary ranges near market. HR makes these recommendations based on data gathered from various salary surveys such as World at Work, PublicSalary, and Salary.com/CompAnalyst.

Time Off

The time off plan for new hires since 2011 (PTO-11) was identified by employees and many recruits as deficient. Certain portions of the City's other time off plans (Traditional and TOP) could be adopted for PTO-11 participants. Recommendation for changes to PTO-11 include:

- Add three floating holidays per year to match the Traditional and TOP plans. The day would be a “use it or lose it” benefit; no cash out option or other financial impact would be included.
- Add sick leave benefits that mirror most of the TOP plan, which will be easier to understand and communicate to employees and applicants and to administer for Payroll/HR:
 - **Two-day elimination period:** Prior to taking sick time, an employee must use PTO or floating holidays for the first two days, which is identical to TOP plan requirements.
 - **Total of four weeks sick time per year:** Each PTO-11 employee would have access to the four weeks at the beginning of the year, but the sick bank would not carry over and would have no cash out value at separation or retirement. The feature is different than both the TOP and Traditional plans, which allow for a carryover and a contribution at retirement to a health savings plan (RHSP) or carryover sick accruals. TOP and Traditional plans also allow a portion of sick accruals to be used towards IMRF credit, as permitted by IMRF.
 - **Eliminate the bridge to IMRF disability:** The program provides PTO-11 employees with insufficient PTO accruals. The City currently provides additional paid leave for the number of days needed to reach 30 days or “bridge” to IMRF disability, which is paid at 50% of salary.
 - **Sick Leave 401(a) Incentive:** If an employee uses three days or less of sick time in a year, a contribution would be made into their 401(a) account ranging from 8 hours to a maximum of 16 hours based on years of service. This is identical to TOP plan incentive. In 2019, \$91,122 was paid for sick leave incentive to TOP participants. If 100% of PTO-11 employees were eligible to receive the sick leave incentive, the cost would have been \$58,526.

Recruitment (October 2018 – October 2019)

Over the past year, the City has undertaken 79 unique recruitments for both union and non-union positions. Recruitments may be for multiple positions, including one recruitment for two part-time customer care specialists. A total of 59 recruitments were completed, including some multiple hire positions, such as one recruitment for two Public Works equipment operators. The recruitments do not include sworn public safety positions.

The City has experienced some challenging recruitments. Examples include an electrical engineering position for the Electric Utility and a network security engineer for Information Technology. The electrical engineer position was posted from October 2018 to August 2019. A total of 102 applications were received and less than 10 interviews were held, as no viable candidates were found. The listing was re-worded and reposted in September 2019. Thirty-one applications were received and interviews are being scheduled.

The network security engineer was approved to be added to IT as part of the 2019 budget. The position was posted February 2019 through March 2019, with 31 applications received. However, no interviews were held. Due to multiple department staffing changes, IT decided to wait on the position and re-posted from July 2019 to August 2019. A total of 26 applications were received and four interviews were held. Several candidates chose to rescind their applications due to

inadequate salary. No viable candidates were found, as skills and experience were lacking. Currently, options for temporary, contract, or contract-to-hire are being pursued.

Generally, recruiting challenges for the city reside in certain technical or specialized positions. The City's preferred skillsets are broader and unique, which occasionally limit the applicant pool of qualified candidates. Additionally, the City's salary and benefits are below market for certain technical and specialized positions.

14. Provide an overview of requested data security position and what the cost comparison is between an in-house staff member versus a contracted employee. (Coyne)

The data security position will be responsible for installing, upgrading, troubleshooting, and repairing a variety of software, hardware, and infrastructure. The position will focus on the following items:

- Overseeing firewalls, routers, switches, servers, storage, Voice over IP (VoIP) phone system, data backup and virtual infrastructure;
- Monitoring security advisory guidance to ensure all necessary network security updates, patches, and preventive measures are in place to continuously test for and address vulnerabilities;
- Monitoring security advisory guidance to ensure all necessary network security updates, patches and preventive measures are in place and continuously test for and address vulnerabilities;
- Installing, maintaining, monitoring, and troubleshooting firewalls, intrusion prevention/detection systems and other network and server infrastructure to ensure security and integrity of the City's information systems; and
- Acting as lead staff for network implementation and security related projects and providing backup support to Network Administrators.

A contracted employee for this position will cost approximately \$187,200 based on a billing rate of \$90 per hour over 2,080 hours annually. Staff would prefer to hire this position in-house to reduce costs. The market range for the position is between \$85,000 and \$110,000 for a person with five-years experience. IT budgeted the salary at the mid-point of the City's range, which is \$82,000, not including benefits.

15. For the PC technician request, would hiring an intern be more cost-effective and practical? (Krummen)

Interns for the IT department are well-defined positions with low risk tasks. These positions receive limited system access with clearly identified support. Due to class schedules, interns are not available for full-time positions and work hours need to be scheduled around classes and when mentor and/or experienced team members are available for supervision. Interns are treated as supplemental resources and typically need at least four months training due to the complex environment. Internship duration is mostly one and a half years due to graduation, which makes them a poor fit for Public Safety due to their need for stability and continuity.

The requested PC technician will provide tier-one support to the public safety department's hardware devices and enterprise software applications. Examples include:

- Police: More than 60 in-squad outfits that include Toughbooks running citation software, CAD and RMS software, LEADS interface, wireless connectivity components, in-car printers, microphones, in-car cameras and DVR for video recording, and license plate reader cameras.

- Fire: Ten in-ambulance outfits that feature tables running EMS applications and wireless connectivity components
- Community Service Officers: mobile devices with parking citation software
- PSAP: Sixteen positions with radio management consoles; 911 call taking system; NICE recording application; CAD software; and fire station alert control module

The duties for the position also includes managing the lifecycle of PCs, laptops and Toughbooks, including mobile devices from installation of all applicable Public Safety software and configuration. The person will be responsible for inventory management, assisting the customer service team manager with procurement, coordinating refresh schedules and removing the old equipment.

The PC technician position for public safety was added in March 2017. The City originally contracted a full-time PC Technician for the public safety departments through an agency. Prior to the hiring, PC services for public safety departments were handled by multiple temporary employees. In March 2018, the public safety PC technicians were hired internally. The start and end time for the two public safety technicians can be coordinated to provide better coverage for the public safety departments.

Regarding internships, Human Resources is discussing an internship and co-op opportunities with North Central College for the Finance and IT departments. The first meeting on this potential partnership occurred in September 2019.

16. Please provide the multi-year plan for the leaf collection program. (Hinterlong/Kelly)

The curbside leaf collection program continues to be a difficult project to manage due to aging equipment, unpredictability of weather and the public safety need for adequate winter preparation.

In 2019, staff was tasked with developing a plan for future management of the program. On April 16, 2019, staff recommended a transition of the annual bulk curbside leaf collection program to a four-week, two-cycle program beginning in fall 2019. City Council did not approve the change and directed staff to examine alternative methods to continue the existing six-week, three-cycle program in a more efficient and effective manner. Council specifically asked staff to evaluate new equipment, contractor assistance, and daily hours of operation to complete the program on time and before winter becomes an issue. Council noted the leaf program is one of the most important services the City provides to residents.

Based on Council's feedback, Public Works developed a five-year plan from both an operational and equipment standpoint to bolster the existing program in coming years. Public Works projected the total cost of the enhanced program to increase from \$1.6 million to \$1.9 million annually, starting in 2019. On June 18, 2019, Council approved a budget amendment of \$274,000 to provide to annual bulk curbside leaf program. The increase expenditures for 2019 provided funding for additional contractor assistance (\$150,000), equipment rental and contracted semi-truck services (\$124,000).

To optimize leaf pick-up during good weather, Public Works recommended budgeting for 10-hour workdays during the week and 10-hour workdays on five Saturdays during the program and the day following Thanksgiving. The additional hours for both the 51-full time and 12 temporary employees would be paid at overtime rates with a cost of \$157,365 to the operating budget in 2020 and beyond. Additional hours worked during good weather allows DPW to minimize program conflicts that occur as winter weather strikes.

Each year, DPW's leaf equipment continues to age and become less reliable. Finding replacement parts is a challenge since many pieces of equipment are discontinued. When parts are found, they are costly due to the need to modify through prefabrications and retrofitting.

DPW utilizes the following equipment to administer the program:

- Dump trucks: 22
- John Deere tractors: 6
- Front end loaders: 4
- Leaf loaders: 5
- Suction units: 4
- Vacuum unit: 2
- Contractors: 3 (one for leaf pick-up and the other two for leave disposal)

Since the City will continue a six-week, three-cycle program well into the future, DPW determined all leaf equipment will need to be replaced over a five-year period. The plan helps ensure both immediate and long-term success of the program for decades. The vacuum unit is nine years old, the five suction units are 11 years old and the five leaf loaders are 22 years old. Leaf loaders pick up most of leaves (nearly 80%), but also require follow-up street sweeping to clean debris.

DPW is renting a trackless leaf loader for the last two cycles in 2019 to evaluate if the equipment can eventually replace the five leaf loaders. Renting the trackless will cost the City approximately \$20,000 in 2019. If the trackless unit is effective, DPW will seek to replace one leaf loader with a trackless unit in 2020 at a cost of approximately \$240,000. DPW will then request replacement of two additional leaf loaders and two suction units over from 2021 to 2024.

The equipment replacement program will result in a transition to the use of the following leaf equipment shown in the chart below:

CY19	CY20	CY21	CY22	CY23	CY24
5 Leaf Loaders	4 Leaf Loaders	3 Leaf Loaders	3 Leaf Loaders	2 Leaf Loaders	2 Leaf Loaders
4 Suction Units	4 Suction Units	4 Suction Units	3 Suction Units	3 Suction Units	2 Suction Units
2 Vacuum Units	2 Vacuum Units	2 Vacuum Units	3 Vacuum Units	3 Vacuum Units	3 Vacuum Units
4 Front End Loaders	4 Front End Loader	4 Front End Loaders	4 Front End Loaders	5 Front End Loaders	5 Front End Loaders
N/A	1 Trackless	2 Trackless	2 Trackless	2 Trackless	3 Trackless
15 Units	15 Units	15 Units	15 Units	15 Units	15 Units

Replacements are subject to change based on evaluation and capabilities of the trackless and front-end loaders in 2019 and development of future technology.

17. Regarding winter operations, please provide information around salt conservation efforts and past innovations considered to reduce consumption. (Krummen)

Salt conservations efforts: Public Works is taking measures to limit the use of salt due to the high cost and environmental impacts. Over the years, Public Works changed procedures for salting cul-de-sacs, while also lowering application rates when warranted. Public Works also postpones salt on residential streets, including cul-de-sacs, until plowing is completed in some circumstances. The operational changes resulted in an average reduction of nearly 5,000 tons per year. Beginning in 2019, Public Works is retrofitting the salt spreader control systems on all

plow trucks. The two-year upgrade program will allow supervisors to control salt spread remotely and ensure operational consistency and adherence to best practices for environmentally-sound snow and ice removal.

The operational changes resulted in a greater than 30% reduction in salt used per event. The chart below shows the amount of salt per event used over the past seven years:

Winter	Events	Tons of Salt Used	Average Per Event
2012-13	21	13,686	651.71
2013-14	38	21,964	578.00
2014-15	23	11,768	511.65
2015-16	18	7,707	428.17
2016-17	18	8,574	476.33
2017-18	34	14,681	431.79
2018-19	25	14,317	572.68*

*The average amount of salt per event was higher in 2018-19 because of the increased number of icing events.

Past innovative products: The City experimented with many different blends of deicing additives, including beet juice, over the years. Our experience has been that calcium chloride is the most effective additive at helping reduce salt use, because of its superior melting ability at all temperatures and the added benefit of being 20% less expensive than other additives. Staff continues to research innovative methods of clearing streets and parking lots.

City of Naperville Efficiencies and Cost-Saving Measures

As requested by the City Council at the Oct. 28, 2019 Budget Workshop #1, please find below a listing of cost-saving actions and efficiencies from the 2017- 2019 timeframe delineated by department.

City Clerk's Office

- Transitioned Social Service and CDBG grants to the same online application system used for SECA in 2018, eliminating all paper applications.
- Eliminated a part-time FTE in 2018 through an office reorganization.
- Developed a text amendment in 2017 for the taxi licensing ordinance to reduce the application, review, and approval process for licenses from six to two months. This amendment eliminated 32 steps from the 40-step process.

City Manager's Office/Communications

- Expanded electronic meeting management system to boards and commissions to provide a more transparent resource to residents and more efficient system for City Council and staff and subsequently launched online board and commission application system.
- Maximized the website governance experience through automation of how department updates are submitted via the website Content Management System.
- Assumed communication responsibilities during large-scale snow events, freeing Snow Command employees to focus on coordinating snow removal efforts and improving the timing and consistency of messaging with the community.

Electric Utility

- Saved customers \$2.85 million between 2016 and 2018 through Conservation Voltage Reduction (CVR), which provides optimum voltage settings in the electric system based on real-time data provided by electric meters.
- Utilized cable injection to extend the life of cables at significant cost savings. At one-third the cost of cable replacement, the cable injection process extends the life of cable for a minimum of 20 years and helps prevent future cable failures and power outages. The cost savings for cable injection versus replacement was \$1.5 million in 2018.
- Utilized the automatic and remote capabilities of the electric Automated Metering Infrastructure (AMI) system to perform disconnects/reconnects of electric service and to perform final reads for customers closing their electric account. In 2018, staff performed 7,713 disconnects/reconnects and 12,297 final reads remotely for a total savings of \$250,000.
- Implemented a Demand Response (DR) Program for peak periods in 2018. When electricity use spikes during peak demand periods, the utility is charged for additional demand. When a peak demand period is predicted with DR, the program is implemented to reduce the demand spike. Savings are captured in estimated savings for CVR.
- Developed the Empower online utility dashboard in-house for an estimated savings of \$750,000.
- Utilized Distribution Automation in 2018 to trouble shoot the electrical system remotely and isolate outages in smaller sections. The system allows field crews to reduce impacted areas, improving restoration time and producing a cost savings to customers. Reduced outages savings were approximately \$709,000, and the SAIDI efficiency savings is 11.56 minutes.
- Oversaw the Illinois Municipal Electric Agency (IMEA) energy efficiency award program for LED projects, which resulted in a total energy savings of 3.88 million kilowatt-hours.

Finance

- Improved budget data entry for individual departments through ERP software, allowing more options for data submittal, including justifications and the ability to tie requests to City ends policies.
- Shifted from a paper-based submittal process for check requests to an electronic submittal process in August 2018. Since that time the City has processed more than 2,000 requests this way, saving time and providing quicker payment to vendors.
- Transitioned the procurement card approval process to an entirely paperless system.
- Implemented the payroll module in July 2019, improving data entry time and increasing the quality control around payroll. Staff has seen an increase in payroll accuracy and a half a day reduction in processing time.

Fire Department

- Implemented an ambulance reduction program, which is estimated to save \$1.7 million over 10 years.
- Adopted a Power Shift model that reallocated four shift personnel to a 40-hour work week schedule. The change created efficiencies in service levels to residents during peak weekday hours when call volume, training, inspections, and public education are high. The system required no additional employees and allows up to two additional ambulances to be in service.
- Implemented a rescue vehicle program that allows the department to respond to non-emergency calls with one person in a rescue vehicle rather than dispatching three to four people in large equipment.
- Participates in a dropping borders program with the Warrenton Fire Protection District, which sends the closest vehicles to emergency calls for service regardless of jurisdiction.
- Collaborated with the Naperville Fire Protection District to purchase a fire engine and install a hydrant in a challenging unincorporated response zone.
- Completed installation of new technology for replacement of the fire station alerting system to improve call handling and response times.
- Negotiated a new contract for the Fire Alarm Monitoring Program, saving \$18,000 per year.
- Joined forces with the Police Department to merge dive teams, resulting in greater efficiencies while continuing to operate as the area's elite water rescue team.
- Established an Assistant Fire Marshal position for succession planning by utilizing an existing vacant position.
- Reconfigured the old Household Hazardous Waste (HHW) facility for a fire training academy, eliminating the need for a new training facility. Also, initiated a training program allowing employees to attend fire classes in-house, reducing third-party vendor costs and transportation costs.
- Established cost reporting for Ground Emergency Medical Transport (GEMT) supplemental funding program for Medicaid reimbursements, which will potentially lead to significant increased revenues.
- Reoutfitted an ambulance scheduled for replacement to be used for incident support, NEMA and other multi-departmental purposes.
- Procured a surplus fire engine from a neighboring community to be used for training purposes, which reduces wear and tear on existing fleet vehicles.
- Adjusted operational vehicle deployment to two trucks and two squad lineups rather than a three-truck lineup.

Human Resources

- Implemented electronic enrollment for benefits in 2019 through the ERP to improve cost effectiveness.
- Saved more than \$100,000 through changes to dependent coverage identified by the 2018 dependent audit.
- Reduced spending by more than \$500,000 through healthcare program modifications in medical plans (deductibles, out of pocket maximums [medical and pharmaceutical] and co-pay adjustments) since 2017.
- Reduced spending by more than \$500,000 through elimination of the consumer-driven health plan in 2019.
- Saved more than \$750,000 by charging Medicare-eligible retirees full premium cost of the City's medical insurance plans and offering a Medicare supplement plan as a substitute since 2016.
- Reduced the cost of prescription drugs on the PPO plans by approximately \$400,000 in 2018 through use of a pharmacy benefit manager and group manager.
- Introduced CRX International as pharmaceutical alternative for 2020.
- Offered telemedicine as a lower cost alternative to in-person medical visits in 2019.
- Saved more than \$17,000 through reduction of software maintenance on human resources processing software for 2020.
- Saved \$6,000 by eliminating Employee Manual Software in 2017.

Information Technology

- Eliminated the need for tape purchases and maintenance on backup hardware by completing backups on the Microsoft Azure Cloud.
- Increased Azure-based virtual machines from 10 to 23 to decrease pressure on servers based in the City datacenter.
- Configured outbound Internet connections to work in an active/passive or "failover" state to ensure connectivity.
- Converted inbound and outbound calls to VOIP SIP Trunks, replacing time-and-distance charges for long distance calls with significantly lower monthly fees.
- Moved GIS mapping applications, GIS mapping services, and GIS data for highly-utilized maps to the cloud, allowing IT to provide residents with more efficient maps and a better experience.
- In 2018, completed installation of wireless access points in all City buildings, allowing City staff to remain on the network at other City locations.
- In 2018, completed migration from end-of-life, on-premises SharePoint and network file shares to SharePoint Online. The resulting environment provides centralized locations for items like employee benefits, policy manuals, project updates, and employee news.
- Improved business efficiency operations for Public Safety by automating overnight parking application workflows, allowing officers to check real-time status while in the field.
- Automated 5G small cell approval process, which enabled staff to take on additional workload and still meet time requirements.
- Migrated HR and Payroll modules from Naviline to Tyler Munis, enabling the City to discontinue annual maintenance costs in Naviline and save \$17,000 annually.
- Removed IBM Cognos, resulting in annual software maintenance savings.

Legal

- Worked with DuPage County Circuit Court to increase the county's transparency and accuracy. The effort followed a review of the City's traffic and municipal code violations and how fines on City cases were assessed and revenues transferred to the City.
- Assisted with legal research and drafting of an ordinance updating the City's municipal code concerning telecommunications and an ordinance creating an administrative hearing process for claims pursuant to the Public Safety Employee Benefits Act (PSEBA).

Police Department

- Merged Aurora and North Aurora Emergency Telephone System Board (ETSB) with Naperville's.
- Collaborating with Fire for Public Safety records centralization.
- Hired temporary civilian employees to complete background investigations for both sworn and civilian applicants, freeing up sworn police officers who previously conducted these background checks. The employee pool is made up of retired police officers with an aptitude to conduct these investigations for the department. It takes approximately 40 hours on average to conduct a background investigation.
- Purchased a Drug Terminator in 2018 to destroy seized narcotics and cannabis on site at the Police Department. Previously, items were sent to an offsite location for destruction, requiring a half day trip for a sergeant and forensics technician. Saved similar time on the destruction of firearms through the Gunbuster program, which resulted in the destruction of 40 firearms in 2018.
- NTAs-Patrol officers can now electronically generate local ordinance tickets instead of hand writing, reducing required call time for citations and helping records with data entry and transmittal to the county.
- Enhanced Connect for Life initiative with grant funding and completed seven interventions for members in the community.
- Hired a deputy director to lead the newly created Administrative Services Division. The position allows for management and technical oversight within the Records, Communications, Accreditation, Crime Analysis and Public Safety IT areas. The position allowed the records department to reduce staff by two FTEs, including elimination of a supervisor position with an estimated cost savings of \$150,000.
- Participated in Complex Coordinated Terrorist Attacks (CCTA) grant training with Aurora, involving several practical exercises. Estimated cost savings from the grant reimbursements was \$262,000 since 2018. Training included 4,051 classroom hours and was used during the Henry Pratt Manufacturing Plant situation on February 15, 2019.

Public Works

- Initiated Tree Cost Share Program, resulting in \$132,000 in revenue per year.
- Restructured custodial services, saving more than \$100,000.
- Reduced average amount of salt used per storm event by 66% since 2012, reducing costs.
- Reduced cartage by \$10,000 to \$20,000 per year for leaf disposal via contractor picking up leaves for composting.
- Reduced mowing/herbicide by \$50,000 by changing cycles and adjusting for weather.
- Hired Fastenal Vending Machine as custodial contractor with 15% savings, or about \$4,000 per year.
- Save several thousand dollars annually through electronics recycling drop-offs.
- Through a re-organization of workload, Public Works worked with the Water Utility to assume the management of the citywide restoration program. This allowed the water utility

to re-purpose a position to a needed project management role versus hiring an additional FTE at approximately \$80,000.

- Performed evaluations and created long-term maintenance programs to flatten expenses and reduce repair costs for elevators, roof maintenance, garage floors, HVAC units, etc.
- Implemented Adopt-A-Drain program, resulting in storm drain inlets getting cleaned quicker pre- and post-storms. There are 231 registered users and 352 adopted drains as of 2018.
- Implementing dashboards for all departments using Fleet Services to reduce the number of vehicles down at one time.
- Entered into long-term contract with Groot Disposal for residential refuse and recycling collection. The new contract incorporated an annual cost per resident for Christmas tree collection and curbside bagged leaf collection. The new contract saved \$467,260 per year compared to the previous contract.
- Implemented the LED streetlight conversion project to improve visibility and safety, reduce light pollution and environmental impact through energy reduction, and provide the City with maintenance and re-lamping fee savings. The project is estimated to save \$4.5 million over 10 years with payback starting after four years.
- Starting in fall 2018, oversaw a 50/50 cost share program for tree replacements. On average, the City replaces approximately 800 trees per year and generates \$132,000 annually in revenue.
- Determined the Hobson Mill Culvert was eligible for lining instead of replacement, saving \$190,000 and keeping the road open to prevent resident disruption.
- Transitioned the EAB program to a three-year cycle on 25% of the large trees, saving \$50,000 per treatment cycle and reducing treatment needs.
- Managed demolition of the Water Tower West building in 2019, which was rapidly deteriorating. A full restoration would have cost an estimated \$675,000, and ongoing maintenance was \$40,000 per year. The building was demolished and converted to a commuter parking lot, creating a revenue of \$10,000 per month.
- Completed a condition assessment of 57 City facility roofs and developed a scheduled roof replacement program. Roofs are renovated when possible, saving 40% against a full replacement and providing an additional 20 years of use.
- Incorporated four electric vehicles into the City fleet, which are expected to save \$17,500 over the life of the vehicle in fuel and maintenance costs.
- Purchased equipment to reduce man hours for certain tasks. Examples include a grapple truck for forestry operations, resulting in less time for tree removals and downed limb removal; new paving equipment that can handle alleys and small patching throughout the city, allowing for more in-house paving and reducing outside contractor need; and an alignment machine to move alignment maintenance services in-house, saving approximately \$7,500 per year. The machine will also increase tire life due to more even wear and will reduce down-time for vehicles.
- New trucks purchased in 2019 are outfitted with Force America GPS and Salt Control solution, which provides real-time data transmission and integrates seamlessly into the City's GIS solution. The data will allow supervisors to control salt spread remotely with anticipated reduction in use by up to 25%.

Transportation, Engineering, and Development (TED) Business Group

- Worked with the Water/Wastewater Utilities in 2018 to have a utility technician present on certain construction sites to conduct water and sewer inspections so fewer City employees have to visit construction sites. The technician performs inspections and records results into a computer to save trips by a TED inspector.

- Worked with the Police in 2018 to use light-duty police employees to perform TED data entry, saving approximately 350 hours of data entry by TED staff.
- Joined elevator inspection co-op contract with other municipalities, saving more than \$26,000 in the first year. A fee structure change will result in further reductions in future years compared to the existing contract.
- Launched electronic development plan review for projects requiring entitlements. The e-plan review eliminates thousands of pounds of paper and physical transmittal of hundreds of submittals between city facilities. Annually, approximately 850 development plan reviews are now being done electronically.
- Consolidated required right-of-way permits and building permits into a single “small cell permit” routed electronically, reducing staff processing time by more than 60% per location. Approximately 5,000 small cell permits are expected over the next five years due to 5G. A total of 17,500 hours of staff time is expected to be saved.
- Implemented a one-time expenditure for traffic counting equipment equal to one season of traffic counter employees’ salary with a return on investment of one year. Future intersection traffic counts will be a \$20,000 savings and more reliable due to using equipment rather than college students.

Water/Wastewater Utilities

- Completed odor control upgrades at the North Pump Station in 2017 and Northwest Pump Station in 2018. Combined, the two projects saved \$22,120.
- Completed three ADS leak surveys between 2017 and 2019 with a total savings of \$4 million in elimination of water leaks.
- Implemented several projects to extend the lifespan of equipment and reduce energy expenses. Projects included installation of variable-frequency drives on water supply booster pumps; soft starting well pumps; new digester mixers for blowers, saving \$70,000 in annual chemical costs; using the SCADA system to monitor energy use; and upgrading bar screening equipment to allow cycling during low flow periods. Staff also adjusted the valve selection process to minimize maintenance and increase the lifespan of equipment and specified high efficiency motors on all equipment.
- Eliminated one FTE in 2018 through a department review of department needs.
- Expanded use of Cityworks for new construction inspections and asset management use.
- Leveraged the SCADA system to remotely monitor system components, reducing the need for staff travel.
- Partnering with the Electric Utility for siting solar arrays at Springbrook.
- Reconfigured plant drains to discharge upstream of bar screens to remove debris that would damage equipment. Staff is also installing stainless steel pipe materials in lift stations to increase the lifespan of equipment.
- Developing a non-revenue water tracking dashboard. Staff hopes implementation of an AMI/AMR system will improve the quality of data collected to better evaluate potential areas of water loss. The AMI/AMR system will also reduce meter reading costs.
- Staff is calibrating and updating a water model to eliminate the need for field hydrant tests.
- Staff is developing a sanitary sewer hydraulic model to determine where hydraulic deficiencies exist and aid in determining rehabilitation and remediation efforts; a watermain asset management plan to better target repair and maintenance projects; developing a facilities plan and asset evaluation for Springbrook, including preparation for phosphorus improvements; and implementing American Water Works Association programs for effective utility management and utility benchmarking to better assess the system.

Commuter Parking and Access Work Plan

Parking Supply and Demand Management			
Goal	2019	2020	2021
Modify the permit holder registration requirements and carpool program to eliminate potential for secondhand permit transfers.	Require permit holders to submit vehicle registration information to demonstrate the vehicles included in the account are registered to their address. Eliminate option to designate carpools through commuter permit account and establish a process to allow call-in exemptions once per quarter for up to two weeks. (Rules & Regulations/City Manager)	N/A	N/A
Regularly audit permit holders to eliminate potential for secondhand permit transfers.	Conduct spot field audits each month when the commuter counts are completed by randomly selecting ten vehicles per Naperville Station lot, noting and photographing the tag and license plate, then verifying a match in the office. If necessary based on the results, conduct a more extensive field audit. (Staff)	Ongoing audits. (Staff)	Ongoing audits. (Staff)
Improve permit offer acceptance rates by requiring active account management to discourage commuters from unnecessarily remaining on the waitlists.	Conduct a waitlist audit during the fourth quarter of 2019. Include notifications of change to active account management. (Staff)	Require all waitlisted commuters to re-apply each year beginning in 2020. Position on the waitlist will be maintained if application process is followed. Process will be conducted in the fourth quarter each year to prepare for first issuance of following year. (Rules & Regulations/City Manager)	N/A
Encourage permit holders who no longer have a regular commuting need to cancel their permits.	N/A	Following the elimination of carpool, offer an incentive for canceling permits in the form of an allowance to be placed at the top of the waitlist if a commuting need arises within a defined number of years of canceling the permit. (Rules & Regulations/City Manager)	N/A
		Consider an increase in permit fees to make holding an unused permit more cost-prohibitive. (TAB, City Council)	

Commuter Parking and Access Work Plan

Goal	2019	2020	2021
Encourage higher utilization of the Route 59 Station.		Identify Burlington/Parkview/Kroehler permit holders residing in close proximity to Route 59 and offer an incentive to switch to Route 59. (TAB, City Council)	N/A
		Evaluate the quarterly permit and daily fee pricing structure to equalize the total cost of commuting between the two stations. (TAB, City Council)	
Implement technology to allow commuters to make space reservations online.	Evaluate available online reservation technology. (Staff)	Conduct an online reservation pilot for a limited number of parking spaces. (TAB, City Council)	Expand online reservation pilot. (TAB, City Council) Begin process to shift permit management from quarterly permits to online reservations. (TAB, City Council)
Transit and Multi-modal Access			
Goal	2019	2020	2021
Emphasize multi-modal access to the Naperville Station.	Promote complimentary City programs, such as the Guaranteed Ride Home Program. (Staff)	Ensure that any modifications to the station area enhance Pace operations and do not diminish the viability of the service. (TAB, City Council)	Continue 2019 and 2020 tasks.
	Work with Pace to market available services, particularly on routes with declining ridership. (Staff)	Designate rideshare spaces to reduce mode conflicts when considering modifications to the station area. (TAB, City Council)	
Make Pace Bus more cost competitive and attractive to commuters.	N/A	Evaluate an increase in parking fees to make Pace equal in cost or less costly than parking at the station. Use added revenue to fund transit promotions and subsidize Pace service. (TAB, City Council) Identify opportunities and needs for Free Ride promotions to encourage Pace ridership. (Staff)	Identify opportunities to make service more efficient and responsive to the needs of commuters. (Staff)



Legislation Details (With Text)

File #: 18-649 **Version:** 1

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File created: 7/30/2018 **In control:** City Council

On agenda: 9/4/2018 **Final action:**

Title: Provide direction regarding options that may be used to address existing non-conforming pole signs located along East Ogden Avenue.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Ogden Pole Signs

Date	Ver.	Action By	Action	Result
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CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Provide direction regarding options that may be used to address existing non-conforming pole signs located along East Ogden Avenue.

DEPARTMENT: Transportation, Engineering and Development

SUBMITTED BY: Allison Laff, AICP, Deputy Director

BOARD/COMMISSION REVIEW:

Not required.

BACKGROUND:

Under new business at the April 17, 2018 City Council meeting, Councilman Coyne directed staff to develop options that may be used to eliminate non-conforming pole signs along East Ogden Avenue (from Washington Street to the City’s eastern boundary).

DISCUSSION:

Ordinance History

Pole signs are defined as a type of ground sign which is supported by a pole structure extended from the ground. While pole signs have been largely prohibited in the City since the early 2000s, an exception was created for Ogden Avenue whereby pole signs remained a permitted improvement. However, in 2008, new pole signs were prohibited Citywide, including along Ogden Avenue, and all pole signs in existence at the time of the code amendment were deemed existing non-conforming structures.

Non-Conforming Regulations

Per the Sign Code, the following regulations apply to non-conforming signs:

1. Ordinary repairs and maintenance, including removing and replacing of the outer tenant panels shall be permitted (except in those cases when the revision of the display of commercial speech is due to a change of the business tenant). No structural alterations, or other similar work shall appreciably extend the normal life of the sign.
2. No repair, alteration, or replacement which increases the size of the sign shall be permitted.
3. No sign shall be moved in whole or part to any other location on the same or any other lot unless every portion of such sign is made to conform to all regulations of this Chapter and other applicable regulations of the City.
4. A nonconforming sign which is destroyed or damaged by fire or act of nature to the extent that the cost of restoration shall exceed fifty percent (50%) of the cost of the replacement of the entire sign, shall not be restored unless said sign shall conform to all of the regulations of this Chapter and other applicable regulations of the City of Naperville.
5. If a nonconforming sign is discontinued for a continuous period of one hundred eighty (180) days, it shall be removed, and any subsequent sign shall conform to all of the requirements of this Chapter and other applicable regulations of the City of Naperville.
6. Any nonconforming sign which violates any provision of this Section shall be considered a nuisance and removed within thirty (30) days.

Existing Pole Signs

Since pole signs became prohibited in 2008, several have been removed and replaced with monument signs, as follows:

- 215 E. Ogden (New Multi-Tenant Strip Center with Starbuck's)
- 300 E. Ogden (State Farm/Russian School of Mathematics)
- 335 E. Ogden (Nicky's Hot Dogs - received Ogden Grant)
- 450 E. Ogden (Andy's Frozen Custard - former Grandma Sally's)
- 915 E. Ogden (NTB*)
- 1032 E. Ogden (Metropolitan Asian Family Services*)
- 1097 E. Ogden (Enterprise Rent-a-Car)
- 1154 E. Ogden Avenue (HomeWerks - former Chuck E. Cheese)
- 1299 E. Ogden (CVS - former Pizza Hut)

**Each of these properties received City Council approval of a variance to permit continued use of a non-conforming pole sign. The variance approval included a 2-year sunset clause. The pole signs were replaced with monument signs following expiration of the sunset.*

However, even with the improvements noted above, there continue to be **49 pole signs** located within the East Ogden Avenue Corridor. An inventory of the existing pole signs, as well as pictures of each sign located along the Corridor, can be found in the attached.

Options to Increase Compliance

The greatest opportunity for removal of existing pole signs is often in conjunction with the redevelopment of a property. If City Council wishes to reduce the number of pole signs in a more expedited manner (or on those properties that are not likely to be redeveloped), this could be achieved through additional regulations, incentives, or a combination of both, as provided below. When considering these options, it is important to note the following:

- Adequate and highly visible signage is an important (and often required) improvement for many commercial businesses.
- Many sites along this Corridor will have limited locations on their property in which a code-compliant monument sign can be located by right.
- There is a significant cost to remove an existing pole sign and replace it with a monument sign.
- A non-conforming pole sign could be replaced with monument sign that, per code, could include an electronic message board (EMB) on 50% of the sign's face. Given the frequency of signs along the Corridor, this could also potentially have undesired aesthetic implications.

Additional Regulation: Stricter Non-Conforming Regulations

The current non-conforming regulations allow for alteration of a pole sign's panels provided that the business does not change. For example, if Joe's Flower Shop has a new logo, they can replace their old tenant panel with a new tenant panel. However, if Joe's Flower Shop sells to Bob's Shoe Repair, the pole sign must be removed. In the case of multi-tenant pole sign, new panels can be added as new tenants occupy the shopping center; in these instances, the pole sign would be required to be removed only if damaged beyond 50% replacement or voluntarily taken down. The Code could be amended to require removal of the pole sign at any time that a tenant panel is changed, thereby resulting in stricter standards for compliance and less flexibility with tenant changes. For single-tenant signs, this code change could have the unintended consequence of outdated or dilapidated sign panels, as the replacement of these panels would trigger pole sign removal.

Additional Regulation: Elimination of Ogden Avenue Corridor Pole Signs within a Specified Timeframe

As described above, there is a documented public interest in the elimination of pole signs throughout the City. In addition, there is a history of efforts by the City to improve the Ogden Avenue Corridor. The current pole signs along the Ogden Avenue Corridor have been nonconforming uses under the City's Code, albeit legal nonconforming uses, for a decade. The Illinois Municipal Code, 65 ILCS 5/11-13-1, provides that provision may be made for the gradual elimination of uses, buildings and structures which are incompatible with the character of the districts in which they are located. In addition, since this issue clearly pertains to a matter of local government and affairs, the City's home rule authority also supports the City's right to take action. Therefore, so long as a reasonable timeframe is provided for, and particularly if the City takes one or more of the steps described below to mitigate the impact on affected property owners, the City may require the elimination of pole signs along the Ogden Avenue Corridor.

Incentive: Grant Program

Given the costs associated with removal and replacement of a pole sign with a monument sign, the City may offer a grant to complete this work. It is reasonable to assume that a monument sign could cost approximately \$20,000 on average. If, for example, a \$5,000 grant were offered per property, the City would need a budget of approximately \$245,000 to fund this grant program. It should be noted that the City previously offered a grant for certain aesthetic improvements, including façade, landscaping, and signage upgrades, undertaken to properties located along Ogden Avenue. This program did have limited interest and participation in the years it was administered. However, staff believes that a more targeted and simplified grant program which is specific to signs only, particularly if new regulations are imposed, may yield more success.

Incentive: Administrative Variance Approval

As noted above, many properties along the East Ogden Corridor will not be able to site a monument sign on their property in compliance with all code requirements. This is due to many factors, including limited existing setbacks between the parking lot and the property line, limited property depth, existing lot widths which may not meet code minimums for a monument sign, inability to meet the required setback from the interior property lines, and inability to remove on-site parking for the sign based on minimum parking requirements. Requiring a variance to replace a pole sign with a monument sign can be costly and time-consuming, thereby deterring a property owner from making the request. To counteract this, the Code could be amended to allow the Zoning Administrator the ability to administratively grant variances to permit the installation of a monument sign provided that the proposed sign complies with items such as the East Ogden Avenue sign design guidelines and sight distance requirements. For those properties that could not meet these requirements, the Code could be amended to permit additional wall sign allowances to ensure the provision of adequate business signage or allow for administrative approval to reduce on-site parking spaces below code minimums without the need for a variance (provided a parking problem would not be created).

City Council Feedback & Next Steps

At the September 4, 2018 meeting, City Council should provide staff with specific direction regarding the options noted above that may be used to address existing non-conforming pole signs located along East Ogden Avenue. For any option that includes an amendment to the Naperville Municipal Code, a public hearing will be required before the Planning and Zoning Commission with final approval by City Council. For any option that results in additional/stricter regulations, the City is required to directly notify all impacted property owners (i.e., those with existing non-conforming poles signs) of the proposed amendment.

FISCAL IMPACT:

To be determined.