



Legislation Details (With Text)

File #: 19-153 **Version:** 1

Type: Public Hearing **Status:** Agenda Ready

File created: 2/8/2019 **In control:** City Council

On agenda: 2/19/2019 **Final action:** 2/19/2019

Title: Conduct the public hearing for the establishment of Special Service Area No. 31 for streetscape improvements near the southwest portion of Block 423 in the downtown area in the City of Naperville (Item 1 of 2)

Sponsors:

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Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
2/19/2019	1	City Council	closed	Pass

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Conduct the public hearing for the establishment of Special Service Area No. 31 for streetscape improvements near the southwest portion of Block 423 in the downtown area in the City of Naperville (Item 1 of 2)

DEPARTMENT: Transportation, Engineering and Development

SUBMITTED BY: William J. Novack, Director of TED/City Engineer

BOARD/COMMISSION REVIEW:

NA

BACKGROUND:

Jefferson & Main LLC is redeveloping the building at 41 W. Jefferson Avenue, located at the northeast corner of Jefferson and Main Street. As the City has done with other property owners when redeveloping their property in the downtown the City has required that the property owner upgrade the streetscape improvements adjacent to their property to the current standards.

The streetscape improvements at this location will cost significantly more than the other lots in the downtown. This is a corner lot, so the streetscape improvements are about eight times what an interior lot would pay. Additionally, these improvements include the conversion of the parking spaces so the property owner will also be paying for the parking spaces. This is an expensive improvement for a single property owner to assume.

Because of the high cost to this single owner the City Council has considered using a Special Service Area (SSA) to help fund these improvements. Basically, the owner will install and pay for the

improvements, but after the SSA is established the City will reimburse the owner for the costs of the improvements, which are estimated to cost \$292,000. The owner will then pay those costs plus interest back to the City over the fifteen-year life of the SSA.

DISCUSSION:

On December 18, 2018 the City Council passed Ordinance 18-157 which proposed the establishment of SSA No. 31 and scheduled a public hearing for February 19, 2019. The public hearing was scheduled more than 60 days prior to the hearing, notification was posted in the newspaper greater than 15 days before the hearing, and letters were sent to all affected property owners, in this case just one, more than 10 days prior to the hearing.

The City Council needs to open and conduct the public hearing, and listen to any and all testimony. After the public hearing has been closed, if the City Council is comfortable with establishing the SSA then they should direct staff to bring back an ordinance after 60 days establishing the SSA. If more than fifty-percent of the property owners object during the 60 day period, then the SSA cannot be established. If fifty-percent or fewer object, then staff will bring back an ordinance establishing the SSA on May 7, 2019.

FISCAL IMPACT:

While the City will have to borrow an additional \$292,000 to fund the SSA, the full amount plus interest will be repaid to the City over the fifteen-year term of the special service area.