



Legislation Text

File #: 18-1107, Version: 1

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Receive the report regarding a Special Service Area and Cost Sharing Agreement for the R. R. Breitwieser Corner Subdivision located at 41 W. Jefferson Avenue.

DEPARTMENT: Transportation, Engineering and Development

SUBMITTED BY: Bill Novack, Director

BOARD/COMMISSION REVIEW:

Not Required.

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. Staff has been working to update the standards but they have not been sent to City Council for formal approval yet.

The property owner is willing to install the proposed new standards which will include concrete and brick paving, raised planters, decorative lights and appurtenances and converting the angled parking spaces on the east side of Main Street to parallel spaces so that a wider parkway can be accommodated.

Most downtown property owners can afford these improvements due to the narrow street frontage for most properties. 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.

DISCUSSION:

Proposed Special Service Area No. 31

While the property owner did secure financing for the improvements, they would like to establish a special service area so that portion of their loan can be paid down earlier. The property owner would contract and pay for the improvements initially. After the special service area is established and the improvements completed, the City of Naperville would reimburse the property owner for those improvements which are estimated to cost \$292,000. The City would recover all the reimbursement along with interest over the fifteen-year period of the special service area.

Cost Sharing Agreement

For the property owner to properly construct the new streetscape and parking spaces the east half of Main Street will need to be repaved. The cost sharing agreement commits the City of Naperville to paying for that repaving along with a new apron into the adjacent alley, which the City deleted from its parking lot contract this summer so it could be completed in coordination with this work. Also included is the relocation of the City's street lighting controller and some associated storm sewer improvements. The City's share of those costs (\$142,000) are in addition to the \$292,000 in improvements discussed above and will be funded from the 2019 street maintenance improvement program.

FISCAL IMPACT:

While the City would 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. The cost sharing agreement commits the City to reimburse the developer up to \$142,000 which will be funded through the 2019 street maintenance improvement program.