



Legislation Text

File #: 19-156, **Version:** 1

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Conduct the public hearing for the establishment of Special Service Area No. 30 for streetscape improvements on portions of blocks 429 and 430 of 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:

On December 18, 2018 the City Council passed Ordinance 18-156 scheduling a public hearing for the establishment of Special Service Area (SSA) No. 30 for streetscape improvements on portions of blocks 429 and 430 of the downtown. This was done at the request of Mr. Steve Rubin, a majority property owner in block 429. He and several of his neighbors in blocks 429 and 430 have noticed the deteriorating condition of the streetscape and desired to make improvements now.

The improvements would include the streetscape and parking on the south side of Jefferson Avenue between Webster and Main along with both sides of Main Street between Jefferson and Jackson. Streetscape improvements would also include small portions of Webster and Jackson adjacent to these blocks.

DISCUSSION:

Since the December 18th City Council meeting staff has checked with all other stakeholders, including public and private utility companies operating in the downtown to see what improvements they anticipate making in the future. It was discovered that there is a lot of planned upcoming work in these two blocks.

DPU-Electric plans to extend an underground ductbank on the south side of Jefferson Avenue from Main Street to Webster Street. DPU-Water needs to replace their watermain on both Jefferson and Main Street since the existing pipes are 107 and 53 years old respectively. Between this needed utility work and the realignment of parking from angled spaces to parallel spaces all of Main Street and the south half of Jefferson Avenue will need to be reconstructed.

While the scope of the SSA improvements has not changed, the overall work that should be done in the area has grown significantly and will require capital dollar funding from DPU-Electric, DPU-Water and TED. All of these additional improvements, and more importantly the staging and coordinating

with all of the downtown property owners, will take a significant amount of time to complete. It was initially hoped that the streetscape improvements could be completed in 2019 after the SSA was established. Due to the necessary additional work construction cannot take place until 2020.

Staff continues to recommend conducting the public hearing and directing staff to bring back an ordinance establishing the SSA after more than 60 days have passed following the public hearing if no more than fifty-percent of the property owners object to the SSA. This action will secure the commitment of the adjacent property owners and allow reimbursement for professional services already completed by Mr. Rubin's engineer and landscape architect. Because of the magnitude of the associated improvements and the overall complexity of this entire project it now looks like the City of Naperville will bid and award the improvements rather than the property owners as initially discussed.

One item that needs City Council discussion and direction on at the public hearing is City cost participation on the streetscape improvements. When this initially came to the City it was believed that the property owners would pay for all of the streetscape improvements, which were estimated to cost all-in with design, construction and contingency \$2.2 million. As Mr. Rubin has been talking with his neighbors and they have looked at the impact of fully funding the \$2.2 million, they have come to the realization that they cannot fund it all themselves.

Through his discussions with the property owners Mr. Rubin believes he can get the majority to support the SSA if the City paid for the basic parkway improvements, such as the cost of a regular sidewalk and lights. The property owners would pay for all of the additional amenities and upgrades, such as ornamental lighting, brick paving, planters and streetscape furniture. If this city paying the basic and the property owners paying the upgrade formula was used, it would result in the City paying approximately 45% and the property owners paying the other 55%. The City's share of the \$2.2 million streetscape would be \$1 million. The City would pay for all of the improvements initially, and would then be reimbursed the property owner's share of \$1.2 million plus interest over the next fifteen years.

FISCAL IMPACT:

The City will have to borrow \$2.2 million to fund the streetscape improvements, and will be reimbursed \$1.2 million plus interest from the property owners over the fifteen-year term of the special service area. The electric and water work will be paid for by each utility as part of their 2020 capital improvement program. The cost to reconstruct half of Jefferson Avenue and all of Main Street will be funded as part of the annual street maintenance improvement program.