CITY OF CRYSTAL LAKE
AGENDA
CITY COUNCIL
REGULAR MEETING

City of Crystal Lake
100 West Woodstock Street, Crystal Lake, IL
City Council Chambers
December 3, 2024
7:00 p.m.

1. **Call to Order**

2. **Roll Call**

3. **Pledge of Allegiance**

4. **Approval of Minutes – November 19, 2024 Regular Meeting, November 12, 2024 Budget Workshop Meeting, October 22, 2024 Planning and Zoning Commission and City Council Workshop Meeting**

5. **Accounts Payable**

6. **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.

7. **Mayor's Report**

8. **City Council Reports**

9. **Consent Agenda**
   a. **Crystal Lake Academy Building Landmark Application**
   b. **Groundwater Restriction Ordinance for 110 and 120 East Street**
   c. **4202 Three Oaks Road - Annexation Referral**
   d. **8617 Ridgefield Road, Unincorporated Crystal Lake - County Zoning Request**
   e. **Resolution Approving 2025 City Council Meeting Schedule**
   f. **General Obligation Bonds, Series 2012 Abatement**
   g. **General Obligation Bonds, Series 2019 Abatement**
   h. **General Obligation Bonds, Series 2022 Abatement**
   i. **Special Service Area Number 47 Tax Levy**

10. **M'Lady Sales Tax Agreement**

11. **Allocation of State Motor Fuel Tax (MFT) Funds for Fiscal Year 2025**

12. **Proposal Award - Construction Engineering Services for the Three Oaks Recreation Area Trail Project**

13. Policy Approval – Property Owner Initiated Lead Service Line Replacement Reimbursement Program Revision 1

14. An Ordinance amending Section 467, Taxation, of the City Code

15. Public Hearing for the Annual Budget for the 2025 Fiscal Year; and Adoption of the Annual Budget Ordinance, Salary Ordinance, and Ordinance amending Section 515, Water and Sewer, of the City Code.

16. Property Tax Levy Ordinance/Truth in Taxation Public Hearing

17. Council Inquiries and Requests

18. 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

19. Reconvene to Regular Session

20. Adjourn

If special assistance is needed in order to participate in a City of Crystal Lake public meeting, please contact Melanie Gray, Executive Assistant, at 815-459-2020, at least 24 hours prior to the meeting, if possible, to make arrangements.

Agenda Item No: 9a

City Council
Agenda Supplement

Meeting Date: December 3, 2024

Item: Crystal Lake Academy Building Landmark Application

Action: Continued to the April 1, 2025 regular City Council meeting, no action or discussion to occur.

Staff Contact: Kathryn Cowlin, Director of Community Development
Elizabeth Maxwell, City Planner

Background:

The petitioner has requested to be placed on the April 1, 2025 regular City Council meeting agenda. Therefore, there will be no action or discussion on the request.

Kathryn Cowlin AICP

From: [redacted]
Sent: Friday, November 22, 2024 4:01 PM
To: Kathryn Cowlin AICP
Cc: Elizabeth Maxwell AICP; 'Jim Heisler'
Subject: Continuation Request

Stop - Look - Think - Decide: This email originated from outside of the City. Do not click on links or open attachments unless you recognize the sender and know the content is safe.

To whom it may concern:

This email is being written on behalf of Jim Heisler and myself, co-applicants for the Crystal Lake Academy Building landmark designation.

We are in agreement with the suggestion for the landmark designation consideration be continued for four months to the April 1, 2025 City Council meeting. Jim and I appreciate the willingness of all parties to allow the time for a building assessment by Landmarks Illinois as well as determine possible options for the future of the building. We truly believe this pause will enable everyone involved to re-evaluate the condition and future of the building, as we believe it is a significant part of our community's history and its future deserves proper and careful consideration.

It is important to reaffirm that we agree to this continuance with the understanding that the building will remain standing and cannot be demolished until a final decision is made by City Council.

Respectfully,

Diana Kenney
Jim Heisler

LAW OFFICES
ZUKOWSKI, ROGERS, FLOOD & MCARDLE
50 VIRGINIA STREET
CRYSTAL LAKE, ILLINOIS 60014

(815) 459-2050
JEFFREY E. HYMEN FAX (815) 459-9057
jhymen@zrfmlaw.com www.zrfmlaw.com

November 19, 2024

Crystal Lake Historic Preservation Commission
100 West Woodstock St.
Crystal Lake, IL 60014

Attn: Brittany Niequist, Chair

RE: St. Mary's Episcopal Church – Tarpley/Gates House

Ms. Niequist,

As you are aware, our office represents St. Mary's Episcopal Church ("St. Mary's" or "the Church") in regard to its property located at 210 McHenry Avenue, Crystal Lake, IL 60014 (the "Property"). This acknowledgement letter is written to the Crystal Lake Historical Preservation Commission ("HPC") following recent dialogue between St. Mary's, the City Council, and the Mayor of Crystal Lake (the "Mayor"). All parties recognize the challenges associated with maintaining the Tarpley House (the "Building"), or alternatively, obtaining financing to restore the Building. Therefore, this letter shall serve as a written acknowledgement between St. Mary's, the HPC, and the City Council in regard to the HPC's plan to explore alternative financing arrangements to restore or otherwise remediate the Building.

Accordingly, St. Mary's hereby agrees to pause its pursuit of Building demolition for a period of four months (the "Study Period"), which will permit the HPC to study the feasibility and cost of repairing and restoring the Building, moving the Building, or adaptive reuse. The Study Period shall commence on December 1, 2024, and will conclude on March 31, 2025. At the conclusion of the Study Period, no formal plan or strategy proposed by the HPC shall be initiated unless St. Mary's provides written consent. Therefore, as a result of the Study Period, the HPC and City Council hereby agree to remove the Building's landmark application from the City Council's meeting agenda on December 3. The City Council shall not vote on the Building's application for landmark until the Study Period has concluded.

The HPC hereby agrees that this acknowledgement is between only the HPC and St. Mary's, and does not include any private citizens. In other words, while the HPC is permitted to receive input from private citizens, the HPC agrees to conduct a study on potential financing options as well as explore the feasibility of remediating the Building. The HPC hereby agrees to not assign these

tasks to private citizens, such as the applicants for landmark designation. St. Mary's agrees to coordinate with Landmark Illinois, who may perform an assessment on the Building. The HPC further agrees that any building assessment conducted by Landmark Illinois will be arranged and scheduled by St. Mary's and performed in accordance with St. Mary's rules and regulations.

This letter provides the HPC with permission to seek fundraising and alternative financing arrangements *only* with regard to the Tarpley House. In essence, while the HPC may explore the feasibility and study the cost of remediating or restoring the Building, the HPC is not permitted to fundraise for St. Mary's, generally. In other words, there shall be no public dialogue or messaging insinuating or otherwise suggesting that St. Mary's is struggling financially, requires public support, or needs to be "saved." Therefore, the HPC hereby agrees to explore the feasibility of restoration and other potential alternatives only with respect to the Building, and not broadly solicit fundraising for St. Mary's. All public messaging and other dissemination from the HPC with regard to the Study Period must meet these requirements.

St. Mary's intends to provide the HPC with the Study Period to explore the cost of repairing and restoring the Building as well as the feasibility of other alternative solutions. In consideration of the Study Period, the City Council shall withhold its vote on the Building's landmark application until the Study Period has concluded. In conducting the Study Period, only the HPC shall study and consider the feasibility of restoration and other proposed alternatives, not public citizens. St. Mary's, the HPC, and the City Council hereby agree to abide by the terms contained in this acknowledgement letter for the duration of the Study Period.

If you have any questions regarding this acknowledgement letter, please feel free to contact me at (815) 459-2050.

Very truly yours,

Jeffrey E. Hymen

Agenda Item No: 9b

City Council
Agenda Supplement

Meeting Date: December 3, 2024

Item: Groundwater Restriction Ordinance for 110 and 120 East Street

Staff Recommendation: Motion to adopt an Ordinance restricting groundwater wells on 110 and 120 East Street

Staff Contact: Michael Magnuson, P.E., Director of Public Works and Engineering

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Trac Property Group, LLC, the owner of the property with addresses of 110 and 120 East Street, is seeking to obtain a No Further Remediation (NFR) letter from the Illinois Environmental Protection Agency (IEPA) for their property. Their property has groundwater contamination from an adjacent contaminant plume encroaching onto their property.

To issue an NFR letter, the IEPA is requiring that a Groundwater Restriction Ordinance (GRO) be enacted that restricts any future private or public wells be drilled in the Restriction Area, as illustrated on Exhibit A of the proposed ordinance. City Code prohibits the installation of private wells within the City limits, except for large nursery operations. IEPA does not accept the City Code and requires individual GRO's.

The proposed GRO is only for 110 and 120 East Street and does not impose a restriction on any other privately owned property.

Votes Required to Pass:
A simple majority vote

Ordinance #:
File

ORDINANCE PROHIBITING THE USE OF GROUNDWATER AS A POTABLE WATER SUPPLY BY THE INSTALLATION OR USE OF POTABLE WATER SUPPLY WELLS OR BY ANY OTHER METHOD WITHIN CERTAIN AREAS IN THE CITY OF CRYSTAL LAKE

WHEREAS, a certain property in the City of Crystal Lake, Illinois (the "City") has been used over a period of time for commercial/industrial purposes; and

WHEREAS, because of said use, concentrations of certain chemical constituents in the groundwater beneath the said property and certain properties listed and depicted in Exhibit A may exceed Class I groundwater quality standards for potable resource groundwater as set forth in 35 Illinois Administrative Code 620 or Tier 1 remediation objectives as set forth in 35 Illinois Administrative Code 742; and

WHEREAS, the City desires to limit potential threats to human health from groundwater contamination while facilitating the redevelopment and productive use of properties that are the source of said chemical constituents;

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF CRYSTAL LAKE THAT:

SECTION ONE: Recitals.
The foregoing recitals are incorporated as though fully set forth herein.

SECTION TWO: Use of groundwater as a potable water supply prohibited.
The use or attempt to use as a potable water supply groundwater from within the area depicted on Exhibit A and made part of this ordinance, by the installation or drilling of wells or by any other method is hereby prohibited. This prohibition expressly includes the City of Crystal Lake

Draft

SECTION THREE: Penalties

Any person violating the provisions of this ordinance shall be subject to a fine of up to $1,000 for each violation.

SECTION FOUR: Definitions

“Restriction Area”: As depicted in Exhibit A and described as follows:

LEGAL DESCRIPTION
PARCEL IDENTIFICATION NUMBERS (PINs): 14-33-356-(001,002)
110 AND 120 EAST STREET
CRYSTAL LAKE, ILLINOIS

LOTS 7 AND 8 IN SALVESEN SUBDIVISION, A RE-SUBDIVVISION OF BLOCKS 3, 4 AND 5 IN LINDSLEY’S ADDITION TO CRYSTAL LAKE, A SUBDIVISION OF PART OF THE SOUTHWEST QUARTER OF SECTION 33, TOWNSHIP 44 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED MARCH 29, 1948 AS DOCUMENT NO. 209705, IN BOOK 10 OF PLATS, PAGE 83, IN MCHENRY COUNTY, ILLINOIS.

"Person" is any individual, partnership, co-partnership, firm, company, limited liability company, corporation, association, joint stock company, trust, estate, political subdivision, or any other legal entity, or their legal representatives, agents or assigns.

"Potable water" is any water used for human or domestic consumption, including, but not limited to, water used for drinking, bathing, swimming, washing dishes, or preparing foods.

Draft

SECTION FIVE: Repealer

All ordinances or parts of ordinances in conflict with this Ordinance are hereby repealed insofar as they are in conflict with this Ordinance.

SECTION SIX: Severability

If any provision of this ordinance or its application to any person or under any circumstances is adjudged invalid, such adjudication shall not affect the validity of the Ordinance as a whole or of any portion not adjudicated invalid.

SECTION SEVEN: Effective date

This Ordinance shall be in full force and effect after its passage, approval, and publication in the manner provided by law.

APPROVED:

_____

Haig Haleblian, MAYOR

SEAL:

ATTEST:

_____

CITY CLERK

PASSED: December 3, 2024

APPROVED: December 3, 2024

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

Draft

EXHIBIT "A"
Proposed Limited Groundwater Ordinance Area

LEGAL DESCRIPTION

Lots 7 and 8 in SALVESEN SUBDIVISION, a re-subdivision of Blocks 3, 4 and 5 in LINDSLEY'S ADDITION TO CRYSTAL LAKE, a subdivision of part of the Southwest Quarter of Section 33, Township 44 North, Range 8 East of the 3rd Principal Meridian, according to the plat thereof recorded March 29, 1948 as Document No. 209705, in Book 10 of Plats, page 83, in Mchenry County, Illinois.

The tract contains 98,972 square feet / 2.27 acres, more or less.

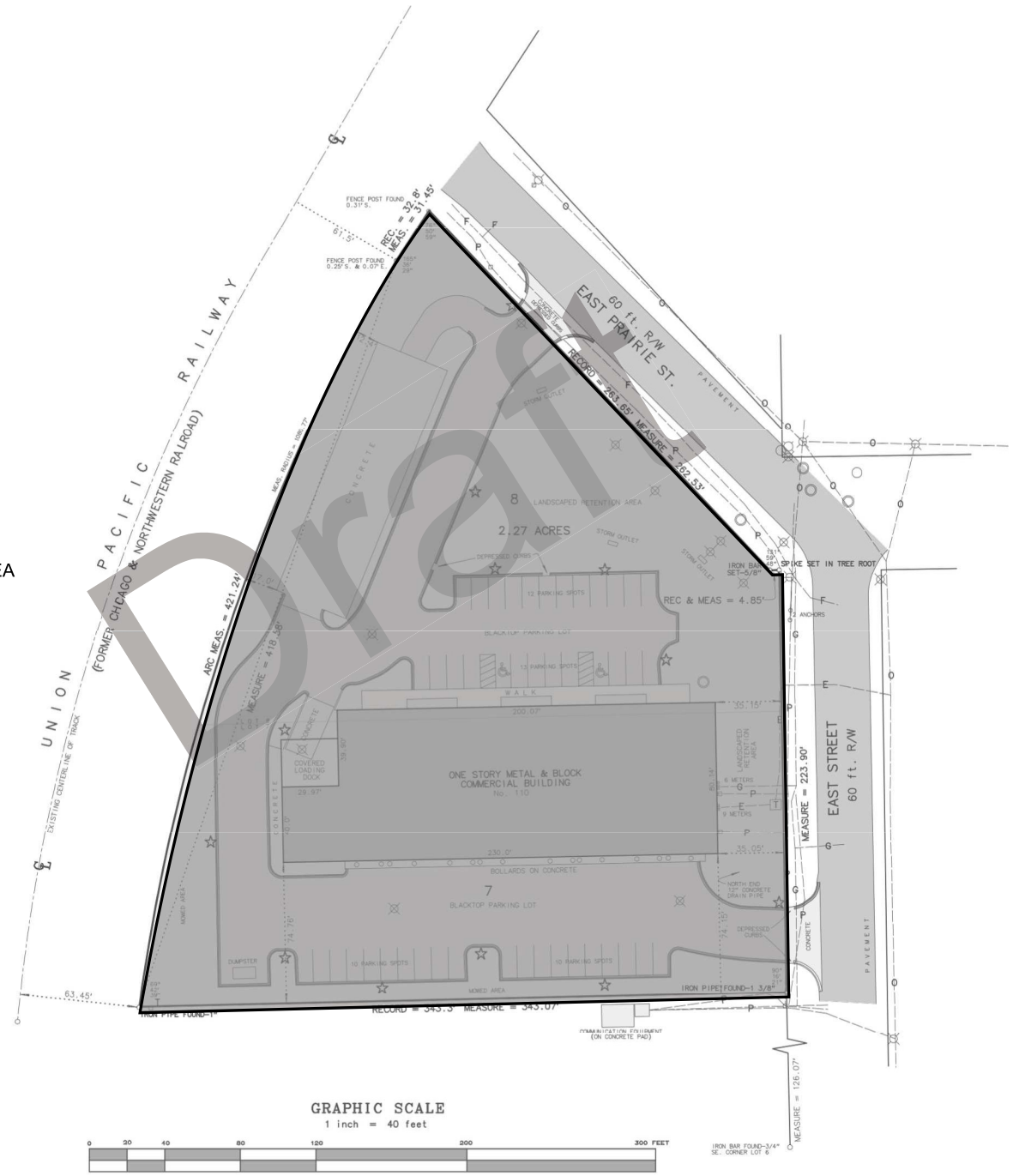
Tax Key Nos. Lot 7: 14-33-356-002
Lot 8: 14-33-356-001

Address: 110 East Street, Crystal Lake, IL.

LEGEND

- O Denotes Iron Bar Set-5/8"
- O Denotes Overhead Utility Wires
- T Denotes Transformer Box
- S Denotes Electric
- ST Denotes Fiber Optics
- P Denotes Phone Line
- G Denotes Gas Line
- PHONE BOX
- MANHOLE
- FIRE HYDRANT
- WATER VALVE
- GAS OR ELECTRIC METER
- UTILITY POLE
- LIGHT POLE
- CATCH BASIN
- BOLLARD

PROPOSED LIMITED GROUNDWATER ORDINANCE AREA



GRAPHIC SCALE
1 inch = 40 feet

0 20 40 80 120 200 300 FEET

NO BEARING BASIS PER SUBDIVISION PLAT. ASSUMED N 00°00'00" E ON THE WEST LINE OF EAST STREET FOR THE PURPOSE OF THIS ALTA SURVEY

PROJECT No. 24120

Mark A. Bolender
P.L.S. No. S-1784

AMBIT LAND SURVEYING
8120 - 312th Avenue
Wheatland, wi. 53105
Phone: 262-537-4874
ambit@tds.net

MARK A. BOLENDER
035-2785
PROFESSIONAL LAND SURVEYOR
STATE OF ILLINOIS
WHEATLAND, WISCONSIN

This is to certify that this map or plat and the survey on which it is based were made in accordance with the 2021 Minimum Standard Detail Requirements for ALTA/NSPS Land Title Surveys, jointly established and adopted by ALTA and NSPS, and includes Items 1, 2, 4, 7(a), 8, 9, 11 and 19 of Table A thereof. The fieldwork was completed on August 23, 2024.

Mark A. Bolender
Mark A. Bolender, WI. P.L.S.
S - 1784

Dated September 13, 2024.

Draft

Agenda Item No: 9c

City Council
Agenda Supplement

Meeting Date: December 3, 2024

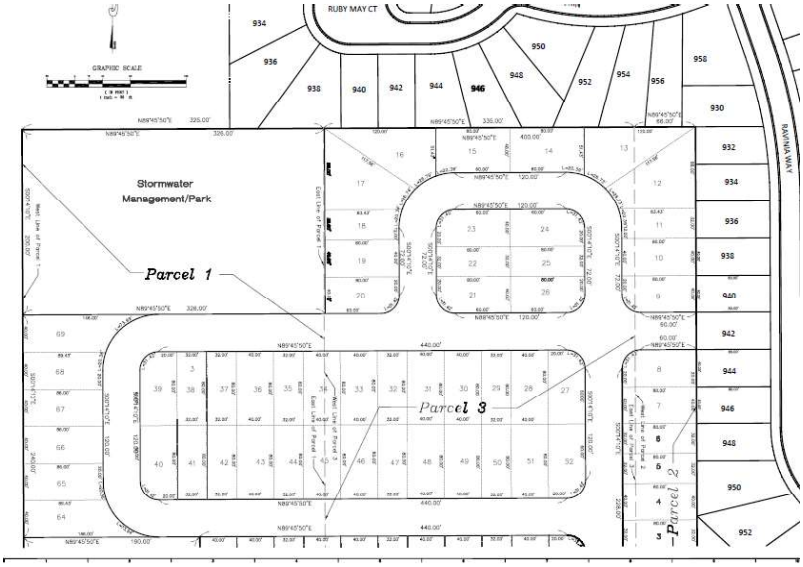
Item: 4202 Three Oaks Road - Annexation Referral

Recommendation: Motion to refer the petitioner's request to the December 4, 2024 Planning & Zoning Commission meeting for zoning consideration and to the December 17, 2024, City Council meeting for the annexation public hearing for 4202 Three Oaks Road.

Staff Contact: Kathryn Cowlin, Director of Community Development
Elizabeth Maxwell, City Planner

Background:

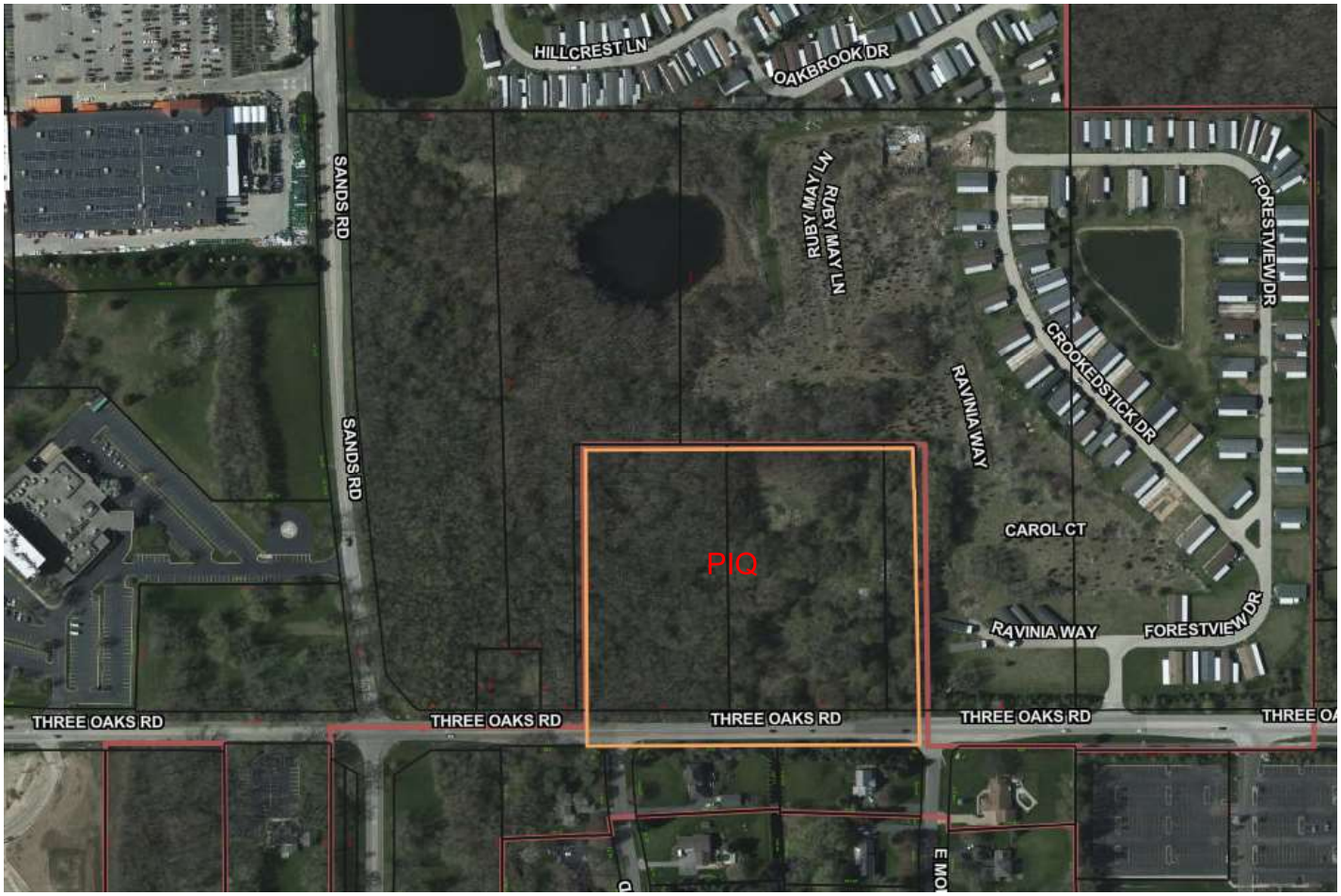
The petitioner is requesting annexation of three parcels that total approximately 9.5 acres. The parcel is vacant and adjacent to the existing Oakbrook Estates Development. The petitioner would like to annex as part of their request to develop the parcels by extending the manufactured home park.



The petitioner requests this matter be referred to the December 4, 2024 Planning & Zoning Commission meeting for zoning consideration and the December 17, 2024, City Council meeting for the annexation public hearing.

Votes Required to Pass: A simple majority vote.

PIQ Map
4202 Three Oaks Road



Agenda Item No: 9d

City Council
Agenda Supplement

Meeting Date: December 3, 2024

Item: COUNTY ZONING REQUEST
Conditional Use Permit to allow a Vacation Rental
8617 Ridgefield Road, Unincorporated Crystal Lake, IL

Recommendation: City Council's discretion.

a) Motion to object to the proposed Conditional Use Permit to allow a Vacation Rental, directing staff to proceed with an objection to the County Hearing Officer.
b) No action.

Staff Contact: Kathryn Cowlin, Director of Community Development
Elizabeth Maxwell, City Planner

Background:

- As is customary with County Zoning requests within the City's mile and a half planning jurisdiction, the City received notice of this request.
- The subject property in question is zoned "A1" Agriculture District.

Request:

- The petitioners are requesting a Conditional Use Permit to allow for a Vacation Rental (AirBnB/Tourist Home)





- The property is within the Crystal Lake Watershed. The building and improvements are existing. Staff does not have any concerns with this request.

Votes Required to Pass: A simple majority.

PIQ Map
8617 Ridgefield Road



IN THE MATTER OF THE APPLICATION OF ***BRENT HOLLENBERG*** FOR AN AMENDMENT OF THE UNIFIED DEVELOPMENT ORDINANCE OF McHENRY COUNTY, ILLINOIS FOR ***A CONDITIONAL USE***

) LEGAL NOTICE OF PUBLIC HEARING
) 2024-041

Notice is hereby given in compliance with the McHenry County Unified Development Ordinance, that a public hearing will be held before the **McHenry County Zoning Board of Appeals,** in connection with this Ordinance, which would result in a ***CONDITIONAL USE*** for the following described real estate:

THAT PART OF THE NORTHWEST QUARTER OF SECTION 25, TOWNSHIP 44 NORTH, RANGE 7 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF LOT 19 OF THE ASSESSOR'S PLAT OF SAID NORTHWEST QUARTER; THENCE WESTERLY ALONG THE NORTH LINE OF SAID LOT 19, A DISTANCE OF 275.00 FEET, TO THE PLACE OF BEGINNING; THENCE SOUTHERLY PARALLEL WITH THE EAST LINE OF SAID LOT 19, A DISTANCE OF 198.00 FEET; THENCE WESTERLY PARALLEL WITH THE NORTH LINE OF SAID LOT 19, A DISTANCE OF 214.50 FEET; THENCE NORTHERLY PARALLEL WITH THE EAST LINE OF SAID LOT 19, A DISTANCE OF 198.00 FEET, TO THE NORTH LINE OF SAID LOT 19; THENCE EASTERLY ALONG THE NORTH LINE OF SAID LOT 19, A DISTANCE OF 214.50 FEET TO THE PLACE OF BEGINNING, IN MCHENRY COUNTY, ILLINOIS.

ALSO

THAT PART OF THE NORTHWEST QUARTER OF SECTION 25, TOWNSHIP 44 NORTH, RANGE 7 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF LOT 19 OF THE ASSESSOR'S PLAT OF SAID NORTHWEST QUARTER; THENCE WESTERLY ALONG THE NORTH LINE OF SAID LOT 19, A DISTANCE OF 489.50 FEET; THENCE SOUTHERLY PARALLEL WITH THE EAST LINE OF SAID LOT 19, A DISTANCE OF 198.00 FEET TO THE PLACE OF BEGINNING; THENCE EASTERLY PARALLEL WITH THE NORTH LINE OF SAID LOT 19, A DISTANCE OF 489.50 FEET TO THE EAST LINE OF SAID LOT 19; THENCE SOUTHERLY ALONG THE EAST LINE OF SAID LOT 19, A DISTANCE OF 178.30 FEET; THENCE WESTERLY PARALLEL WITH THE NORTH LINE OF SAID LOT 19, A DISTANCE OF 489.30 FEET; THENCE NORTHERLY PARALLEL WITH THE EAST LINE OF SAID LOT 19, A DISTANCE OF 178.30 FEET, TO THE PLACE OF BEGINNING, IN MCHENRY COUNTY, ILLINOIS.

PIN #13-25-127-002 AND #13-25-127-007

The subject property is located ***on the south side of Ridgefield Road, at its intersection with Madison Street, with a common address of 8617 Ridgefield Road, Crystal Lake, Illinois, in Dorr Township.***

The subject property is presently zoned ***"A-1" Agriculture District*** and consists of approximately ***2.974 acres*** with ***"I-1" and "I-1V" Light Industrial zoning to the North, "A-1" Agriculture zoning to the East, "B-3CV" General Business zoning to the West, and the City of Crystal Lake to the South.***

The Applicant is requesting ***a CONDITIONAL USE PERMIT to allow for a Vacation Rental.***

Applicant and Contract Purchaser, ***Brent Hollenberg***, can be reached at 67 N. Williams Street, Crystal Lake, Illinois. The Officers and Directors of the ***McHenry County Jewish Congregation***, Owner of Record, may be reached as follows: Linda Trachsler, Vice President – 3620 Burton Trail, Crystal Lake, Illinois; Iza Celewicz, Treasurer – 28941 W. Navajo Trail, McHenry, Illinois; Dale Morton, Secretary – 2321 S. Cherry Valley Road, Bull Valley, Illinois; Bruce Weiss, Director – 846 N. Madison Street, Woodstock, Illinois; Howard Frank, Director – 8680 Shade Tree Circle, Lakewood, Illinois; and Scott Schwartz, Director – 10755 Wing Point Drive, Huntley, Illinois.

A hearing on this Petition will be held on the 5th day of December 2024 at 1:30 P.M. in the County Board Conference Room at the McHenry County Government Center/Ware Road Administration Building 667 Ware Road,

Woodstock, Illinois at which time and place any person desiring to be heard may be present. The McHenry County Government Center mailing address is 2200 N. Seminary Avenue, Woodstock, Illinois 60098.

DATED THIS 5TH DAY OF NOVEMBER 2024.

By: Linnea Kooistra, Chair
McHenry County Zoning Board of Appeals
2200 N. Seminary Avenue
Woodstock, IL 60098

Petitions for all Zoning Board of Appeals hearings can be accessed at the following link: www.mchenrycountyil.gov/county-government/new-meeting-portal and choosing the "Agenda" link for the specific meeting date.

Live audio streams of all Zoning Board of Appeals hearings can be accessed at the following link: www.mchenrycountyil.gov/county-government/new-meeting-portal and choosing the "Video" link for the specific meeting date.

McHenry County
Zoning Board of Appeals - Zoning Hearing
AGENDA

December 5, 2024, 1:30 PM
County Board Conference Room
Administration Building, 667 Ware Rd., Woodstock, IL 60098

Pages

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **NEW BUSINESS / PUBLIC HEARING**
   - 3.1 2024-041 Hollenberg, A1-A1C, Dorr Twp — 2
4. **OLD BUSINESS**
5. **PUBLIC COMMENT**
   Topics unrelated to public hearing - 3-minute time limit per speaker
6. **ANNOUNCEMENTS**
7. **ADJOURNMENT**

Staff Report for the McHenry County Zoning Board of Appeals

Application: #2024-041

PIN: 13-25-127-002 and 13-25-127-007

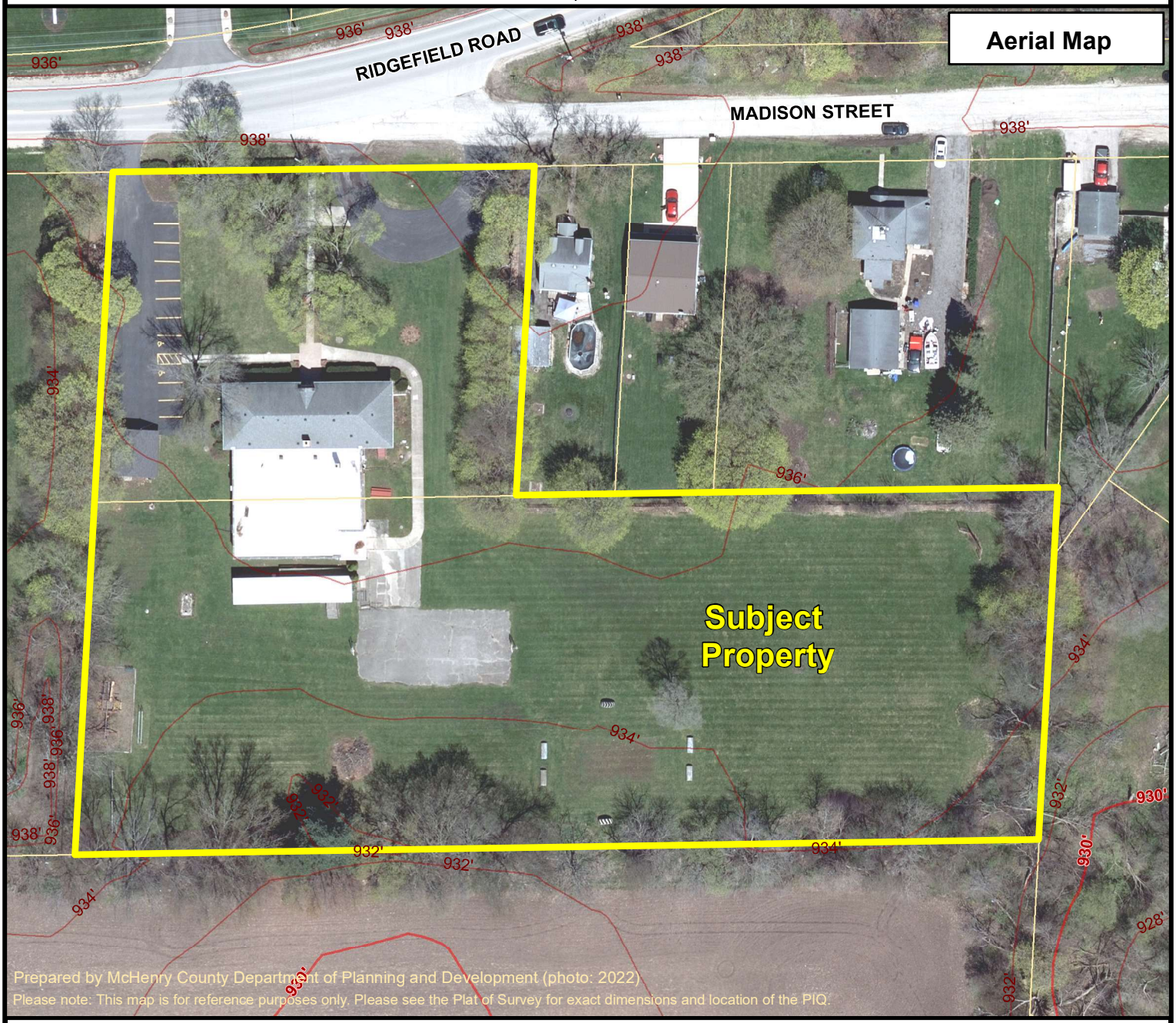
Address: 8617 Ridgefield Road, Crystal Lake

Applicant: Brent Hollenberg

Request: A-1 Agriculture District to A-1C Agriculture District with Conditional Use Permit for Vacation Rental

Hearing: December 5, 2024

Location: The 2.97 acre tract is located on the south side of Ridgefield Road, at its intersection with Madison Street, in Dorr Township.



Elevation
(feet above sea level)
10-foot contours
2-foot contours

ADID Wetland Map 2005
High Functional Value Wetland (hfvw)
High Quality Wetland (hqw)
Wetland (w)
Farmed Wetland (fw)

FEMA Flood Hazard Areas
0.2 % Annual Chance of Flood
1% Annual Chance of Flood
Floodway

Feet
30 15 0 30 60
1 inch equals 75 feet

STAFF COMMENTS

The following comments and conclusions are based upon staff analysis and review prior to this hearing and are to be considered viable unless evidence is established to the contrary. Staff may have additional comments based upon the testimony presented during the public hearing.

BACKGROUND & REQUEST SUMMARY

The applicant is requesting a Conditional Use Permit to allow the former McHenry County Jewish Congregation site to be used as a Vacation Rental. The almost three (3) acre site is located on the south side of Ridgefield Road at the intersection with Madison Street. The plat of survey depicts the main building, two detached accessory buildings, a circular driveway, a second driveway leading to a parking area, and an asphalt area behind the main building.

Staff research of the parcels has indicated that the northern parcel was created in the 1800's and therefore is deemed to be a legal, non-conforming parcel. The northern and southern parcels are considered to be a single legal, non-conforming zoning parcel as the main building straddles the lot line between the northern and southern parcels and the septic system is located on the southern parcel.

If the Conditional Use is granted then the County's Division of Transportation has indicated that, due to the change in use, a twenty-five (25) foot strip of land abutting Ridgefield Road will need to dedicated as road right-of-way. The Division has also indicated that the circular driveway could not long be used as access to the road.

MCHENRY COUNTY UNIFIED DEVELOPMENT ORDINANCE

- The applicant must meet the Approval Standards for Conditional Use Permit, listed in County Code Section 16.20.040.E of the McHenry County Unified Development Ordinance (UDO).
- The applicant must meet the Principal Use Standards of Section 16.56.30VV – Vacation Rental.

STAFF ANALYSIS

Current Land Use & Zoning

The almost three (3) acre subject property is zoned A-1 Agriculture. As noted above, the two (2) parcels are a single legal, non-conforming zoning parcel. Until recently, this property was used by a religious institution for worship purposes.

Properties to the east are zoned A-1 Agriculture and used residentially. Properties to the north are zoned I-1 Light Industrial and have a mixture of different uses – including industrial, office, and commercial. Properties to the south are incorporated into Crystal Lake and are used agriculturally. The property to the west is zoned B3CV for a commercial dog kennel.

2030 Comprehensive Plan Future Land Use Map

The 2030 Comprehensive Plan Future Land Use Map designates this property as **Government, Institutional, Utilities**. One of the properties to the east has this same designation. All other properties surrounding the subject property is designated as Mixed Use.

2030 Comprehensive Plan & 2030 and Beyond Analysis

The proposed use of the property is consistent with the 2030 Comprehensive Plan and 2030 and Beyond due to the facts that there are minimal impacts to the agricultural, natural, and water resources on the site. *(See comments below)*

McHenry County 2030 and Beyond, Adopted October 18, 2016

Big Idea #1 Let's make our communities healthy, active, and green

"We can make it happen by promoting development that is compact, contiguous to, or located within municipalities in order to preserve rural landscapes while providing greater mobility choice for all residents." (p.12)

- The subject property is already developed in a developed area which is adjacent to the City of Crystal Lake.

Big Idea #2 Let's build on our strengths

"We can make it happen by preserving our open space and agricultural landscapes, which provide recreational opportunities, including ecotourism, and sustain our rural lifestyle and agricultural industry." (p.14)

- The property in question is already developed with minimal improvements anticipated if the proposed use is approved.

Big Idea #3 Let's grow smarter

"We can make it happen by focusing development that is compact, contiguous to, or located within municipalities, and away from areas designated for agriculture and lacking infrastructure and services." (p. 16)

- The site is already developed and is adjacent to the City of Crystal Lake.

Big Idea #4 Let's expand our economy

"We can make it happen by facilitating new business and the expansion of existing businesses." (p. 21)

- The applicant has indicated that he does not intend to reside at this location but rather, will use the site solely for vacation rentals.

McHenry County 2030 Comprehensive Plan, Adopted April 20, 2010

Community Character & Housing

"Promote increased density and compact contiguous development." (p. 15)

- The proposed re-use of this site is adjacent to areas which are already developed.

Agricultural Resources

"Maintain and protect the most productive agricultural lands, where appropriate, by discouraging nonagricultural growth in these areas." (p. 29)

- There are no agricultural activities currently occurring on the subject property.

Greenways, Open Space & Natural Resources

"Promote land uses that […] minimize the impact on land, water, energy, and other natural resources…" (p. 43)

- The McHenry-Lake County Soil and Water Conservation District's Natural Resources Inventory letter has been received. As no new construction is being proposed, they determined that a full report is not necessary. Please refer to NRI L24-064-4620 for more information.

Water Resources

"…land use and development should be carefully examined and regulated within sensitive groundwater recharge areas to ensure that the water quality, quantity, and natural recharge functions of the area are safely maintained." (p.67)

- The property is located within the Sensitive Aquifer Recharge Area (SARA).

Economic Development

No applicable text.

Infrastructure

No applicable text.

Land Use

"Promote increased density and compact contiguous development." (p. 15)

- The proposed re-use of this site is adjacent to areas which are already developed.

STAFF ASSESSMENT

Strictly speaking, the requested Conditional Use Permit conflicts with the McHenry County 2030 Future Land Use map, which designates this area as developing with Government, Institutional, and Utilities uses. However, this designation was, undoubtedly, established to recognize the religious institution which is no long operating in this location. The

proposed use could be considered to be consistent with the Mixed-Use designation which otherwise surrounds this property. As the site is already developed, with minimal improvements contemplated, the property meets the 2030 Comprehensive Plan and its companion document, 2030 and Beyond's, policies related to compact development.

Regarding the Conditional Use Permit, staff offers the following conditions for consideration:

1. The Conditional Use shall expire ten (10) years from the date of approval by the McHenry County Board.

2. The Conditional Use shall substantially conform to the Official Site Plan dated October 23, 2024.

3. All other federal, state, and local laws shall be met.

McHenry County Unified Development Ordinance Section 16.20.040.E

E. *Approval Standards for Conditional Use Permits.* No conditional use permit may be granted unless the Zoning Board of Appeals and County Board makes specific written findings that the request meets each of the standards imposed by this section. These standards are as follows:

1. That the petitioner has demonstrated the ability to meet any applicable standards contained in Chapters 16.56 (Use Standards) and 16.60 (Site Development Standards).

2. That the site shall be so situated that the proposed use is compatible with the existing or planned future development of the area.

3. That the establishment, maintenance, or operation of the conditional use shall not be detrimental to or endanger the public health, safety, morals, comfort or general welfare of the neighboring vicinity.

4. That the conditional use shall not be injurious to the use and enjoyment of other property in the immediate vicinity for the purposes already permitted.

5. That the conditional use shall not substantially diminish and impair property value within the neighborhood.

6. That adequate utilities, access roads, drainage, and other necessary facilities have been or are being provided.

7. That adequate measures have been or will be taken to provide ingress and egress so designed as to minimize traffic congestion and hazard on public streets.

8. That the conditional use shall, in all other respects, conform to the applicable regulations of the zoning district in which it is located.

9. That the conditional use is reasonably in the interest of the public welfare.

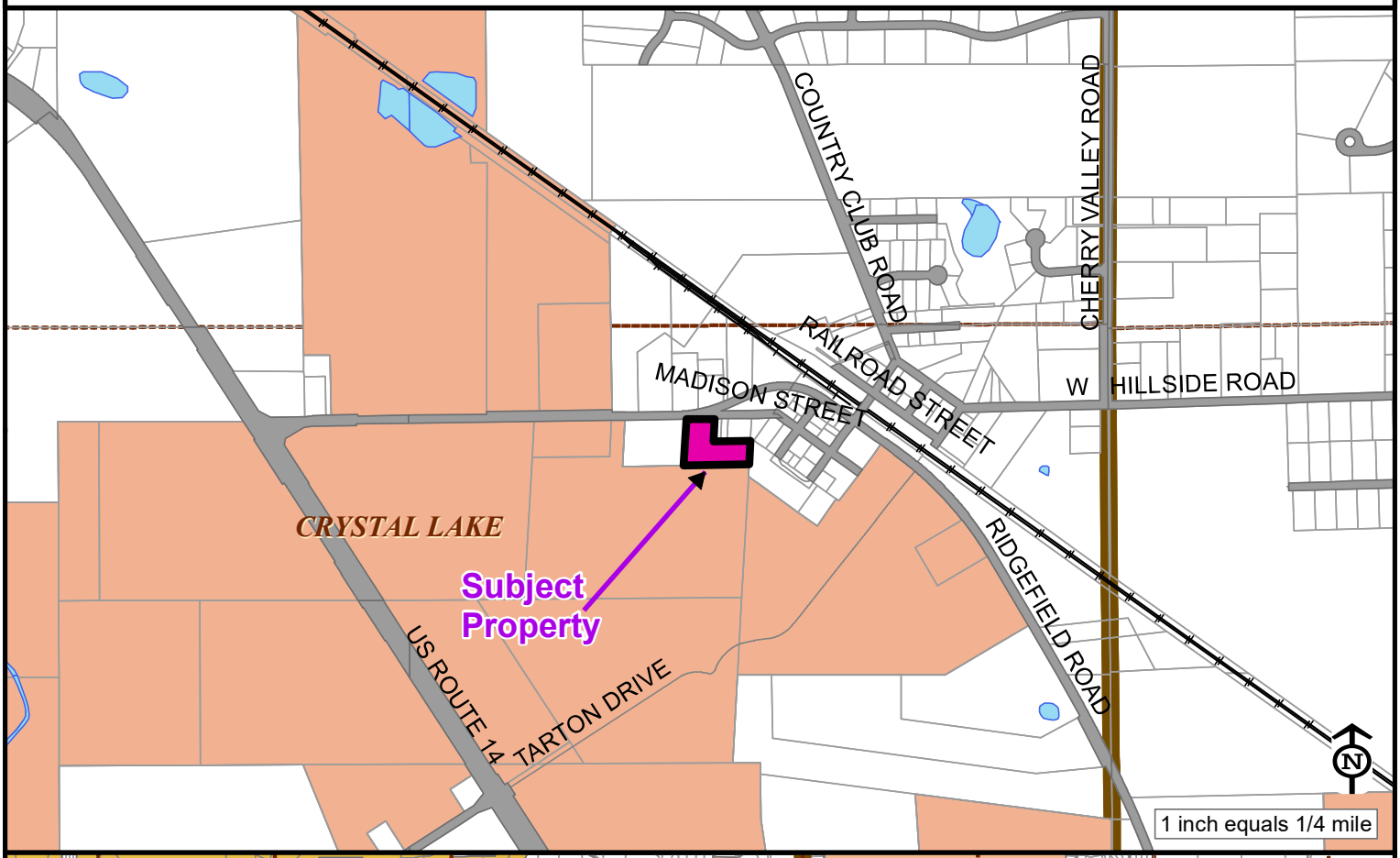
10. That adequate measures will be taken to provide protection to groundwater recharge and groundwater quality.

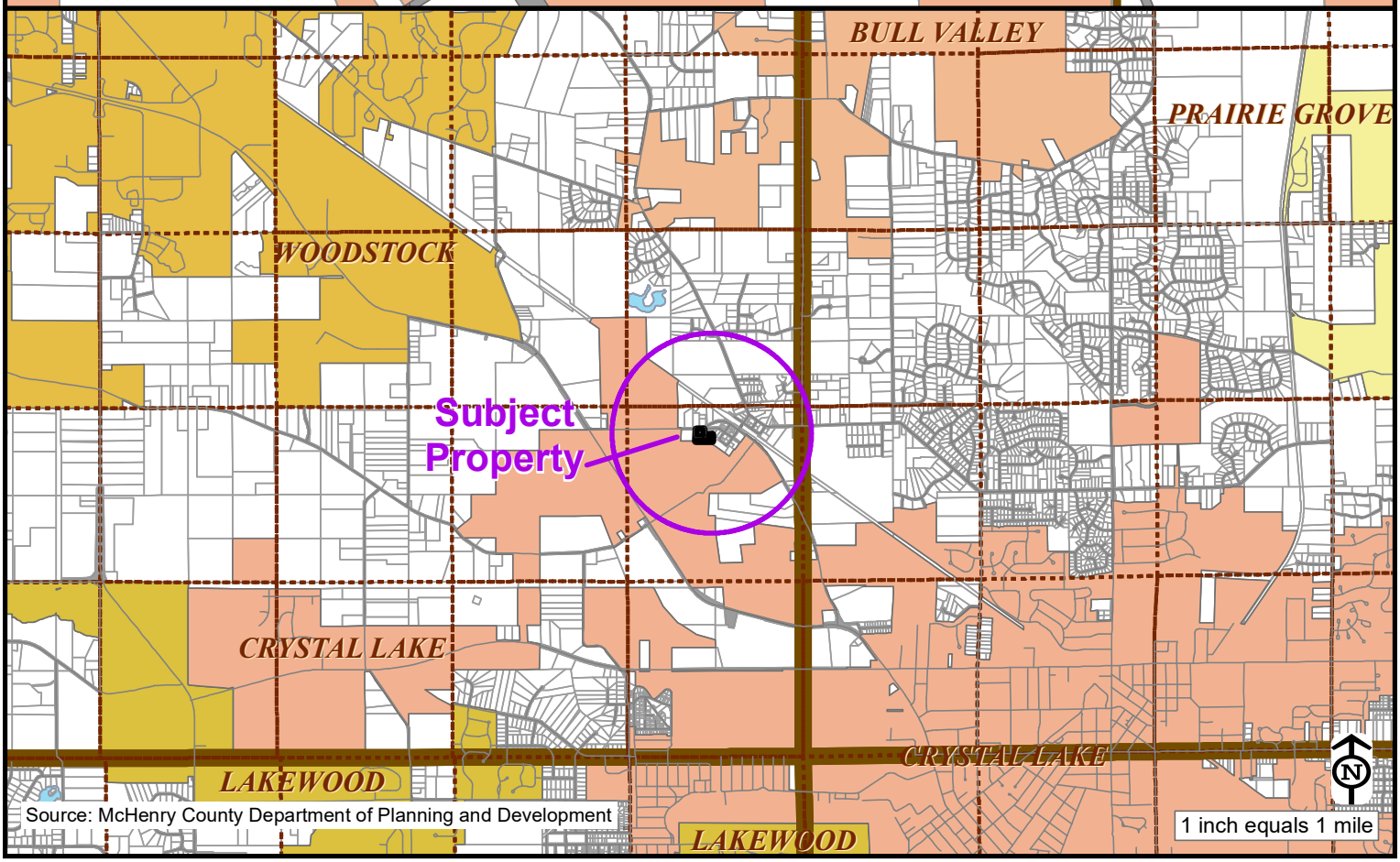
McHenry County Unified Development Ordinance Section 16.56.030VV

VV. *Vacation Rental.*

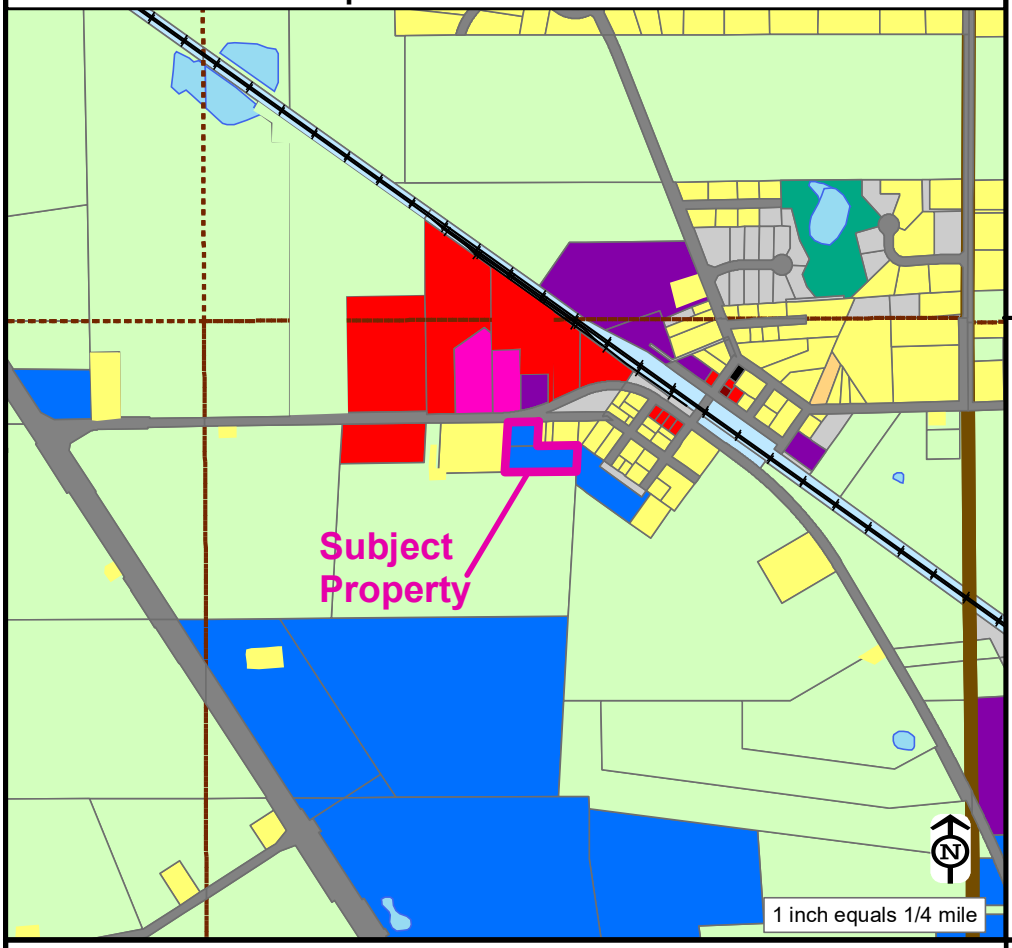
Dwelling units, or portions thereof, that are offered as vacation rentals for more than twelve (12) rentals per calendar year or more than ninety (90) days per calendar year shall obtain a conditional use permit prior to occupancy.

Location Map **8617 Ridgefield Road, Crystal Lake, Illinois** **Dorr Township**





Current Land Use Map



Current Land Use

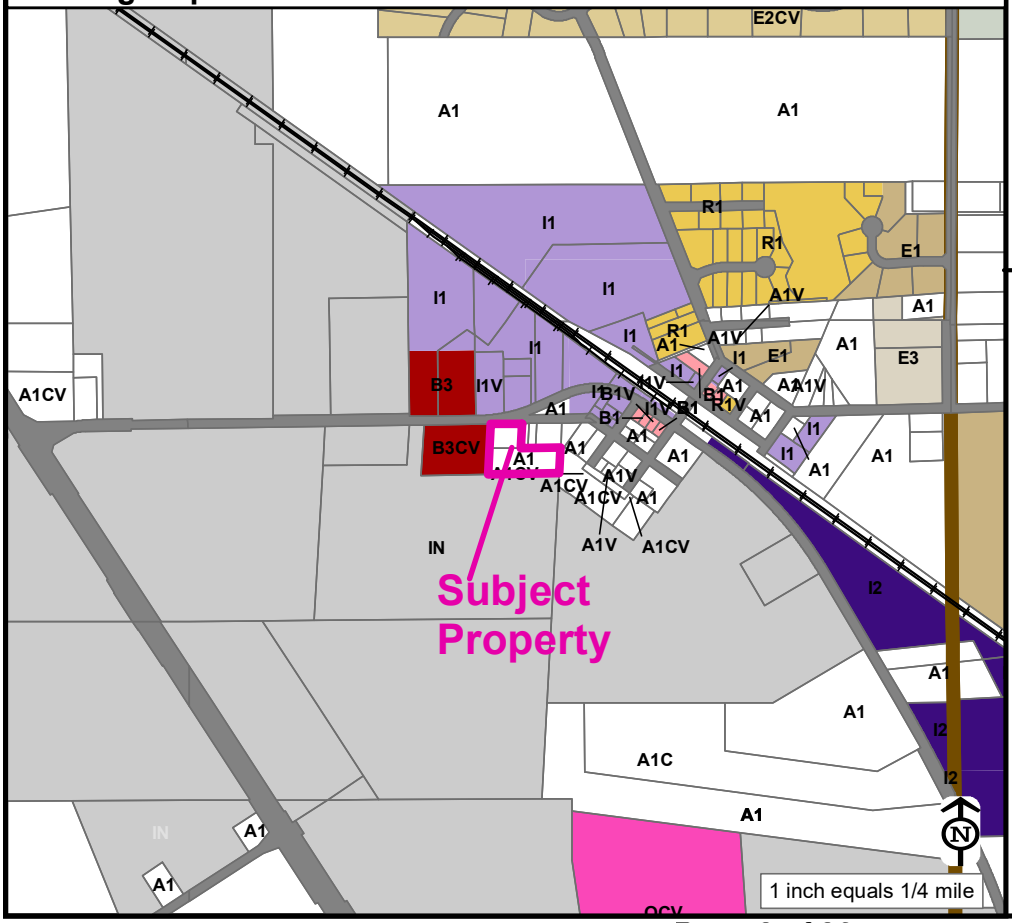
Government/Institutional

Adjacent Land Use(s)

North: *Industrial & Office*
South: *Agriculture*
East: *Single-Famiily Residential & Government/Institutional*
West: *Single-Family Residential*

- Agriculture
- MCCD Agriculture
- Single-Family Residential
- Multi-Family Residential
- Open Space
- Golf Course
- Commercial
- Office
- Industrial
- Mixed Use
- Earth Extraction
- Vacant
- Government / Institutional
- Transportation, Communication, Utilities
- Under Review

Zoning Map



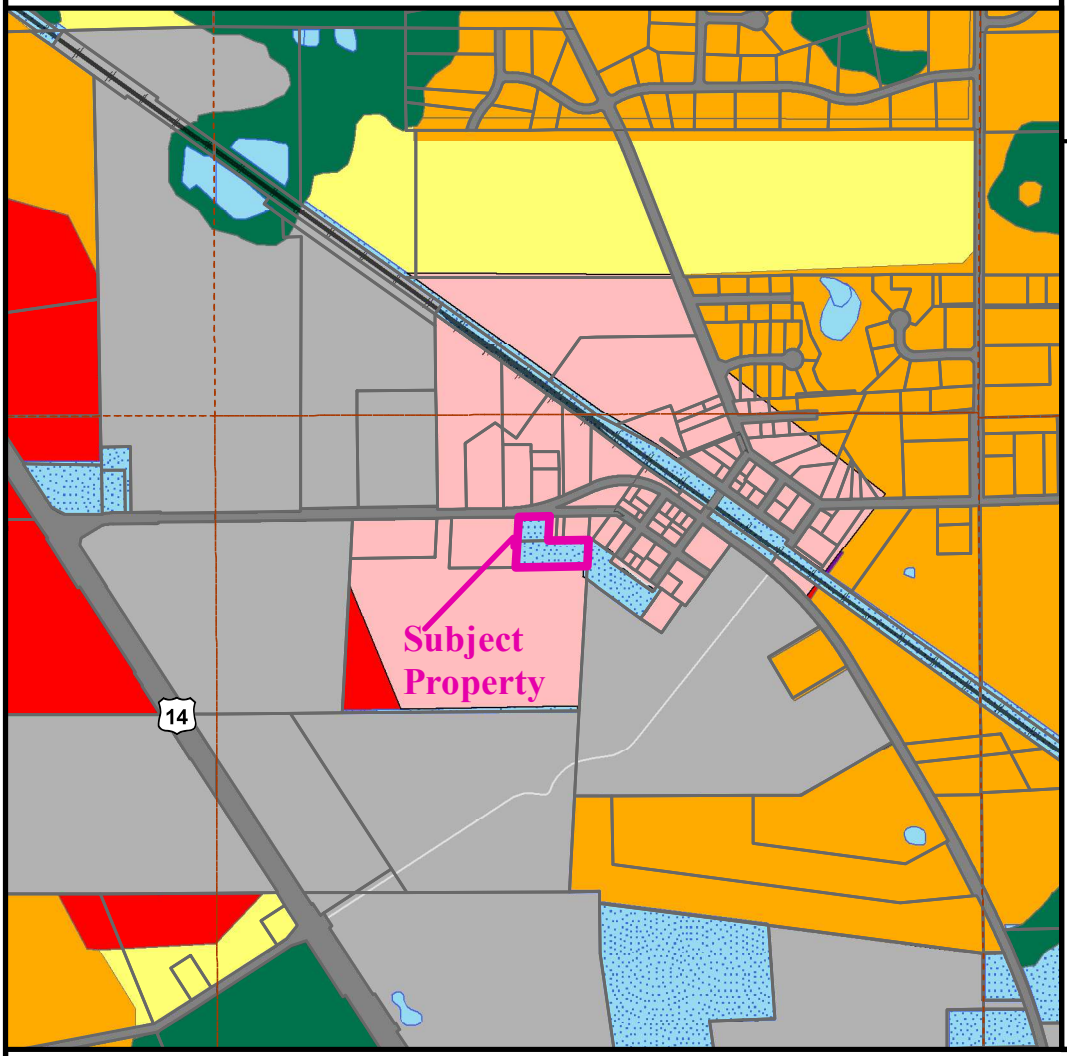
Current Zoning
A-1 Agriculture

Adjacent Zoning

North: I-1 and I-1V Light Industrial
South: Incorporated
East: A-1 Agriculture
West: Incorporated

- A-1 Agriculture
- A-2 Agriculture
- E-5 Estate
- E-3 Estate
- E-2 Estate
- E-1 Estate
- R-1 Single-Family Residential
- R-2 Two-Family Residential
- R-3 Multiple-Family Residential
- B-1 Neighborhood Business
- B-2 Neighborhood Business
- B-3 General Business
- O Office / Research
- I-1 Light Industrial
- I-2 Heavy Industrial
- PD Planned Development
- C Conditional Use
- V Variation
- Incorporated

McHenry County 2030 Comprehensive Plan Future Land Use Map



Future Land Use Map Designation

Goverment, Institutional, Utilities

- Agricultural
- Open Space
- Environmentally Sensitive Area
- Estate
- Isolated Estate
- Residential
- Isolated Residential
- Retail
- Mixed Use
- Office, Research, Industrial
- Gov't, Institutional, Utilities
- TOD Existing Rail Station
- TOD Future Rail Station
- Active Earth Extraction Site
- Municipality

Scale: 1 inch = 1/4 mile

Municipal / Township Plan Designations

City of Crystal Lake:	Urban Residential	City of Woodstock:	N/A
Village of Bull Valley:	N/A	Dorr Township:	N/A

McHenry County 2030 Comprehensive Plan — Text Analysis

Land Use

GOVERNMENT/INSTITUTIONAL – includes existing major government, institutional, airport, utility and other tax-exempt uses. (p. 135)

Sensitive Aquifer Recharge Areas

A portion of the site IS located in a zone with elevated contamination potential.

Sensitive Aquifer Recharge Areas (SARA)



Sensitive Recharge Area

PLAT OF SURVEY

That part of the Northwest Quarter of Section 25, Township 44 North, Range 7 East of the Third Principal Meridian, described as follows: Commencing at the Northeast corner of Lot 19 of the Assessor's Plat of said Northwest Quarter; thence Westerly along the North line of said Lot 19, a distance of 275.00 feet, to the Place of Beginning; thence Southerly parallel with the East line of said Lot 19, a distance of 198.00 feet; thence Westerly parallel with the North line of said Lot 19, a distance of 214.50 feet; thence Northerly parallel with the East line of said Lot 19, a distance of 198.00 feet, to the North line of said Lot 19; thence Easterly along the North of said Lot 19, a distance of 214.50 feet to the Place of Beginning, in McHenry County, Illinois. Also
That part of the Northwest Quarter of Section 25, Township 44 North, Range 7 East of the Third Principal Meridian, described as follows: Commencing at the Northeast corner of Lot 19 of the Assessor's Plat of said Northwest Quarter; thence Westerly along the North line of said Lot 19, a distance of 489.50 feet; thence Southerly parallel with the East line of said Lot 19, a distance of 198.00 feet to the Place of Beginning; thence Easterly parallel with the North line of said Lot 19, a distance of 489.50 feet to the East line of said Lot 19; thence Southerly along the East line of said Lot 19, a distance of 178.30 feet; thence Westerly parallel with the North line of said Lot 19, a distance of 489.30 feet; thence Northerly parallel with the East line of said Lot 19, a distance of 178.30 feet, to the Place of Beginning, in McHenry County, Illinois.

8617 Ridgefield Rd
Crystal Lake, IL 60014

Site Plan
Updated 10-23-2024
Hollenberg

RIDGEFIELD ROAD

TRAVELED CENTERLINE

Proposed 55 Foot right of way Dedication

Remove Access Soil & Gravel
Remove Asphalt

MADISON STREET

N LINE OF LOT 19 AS MONUMENTED & OCCUPIED

N89°34'42"E 275.00'(D/M)

NE CORNER OF LOT 19

N89°34'42"E 214.50'(D/M)

Remove 2 parking spots ROW MCDOT

PARKING

Sawcut along edge of roadway and remove driveway asphalt pavement and base material and replace with topsoil and grass. The driveway at the parking lot will be the only means of access.

S02°55'56"W 198.00'(D)

E LINE OF LOT 19 198.00'(D/M)

STORAGE

TWO STORY BRICK & FRAME BUILDING #8617

PROPOSED VACATION RENTAL

2.974± ACRES

1200 Gallon Tank

Current Field Septic

NEW Potential septic Field #2

NEW potential septic #1

Distribution Box

1 thru 5 Soil test Areas actual

N02°55'56"E 376.30'(D/M)

S02°55'56"W 178.30'(D/M)

E LINE NW 1/4 SECTION 25-44-07

S89°34'42"W 489.50'(D/M)

SET IRON BAR AT CORNER

FOUND IRON BAR 0.70'S & ON LINE

LOT

SCALE: 1" = 30'

NOTE: Only those Building Line Restrictions or Easements shown on a Recorded Subdivision Plat are shown hereon unless the description ordered to be surveyed contains a proper description of the required building lines or easements.

* No distance should be assumed by scaling.
* No underground improvements [illegible] unless shown and noted.
* No representation as to [illegible] or [illegible] shown hereon implied.
* This Survey and Plat of Survey are void without original embossed or colored seal and signature affixed.

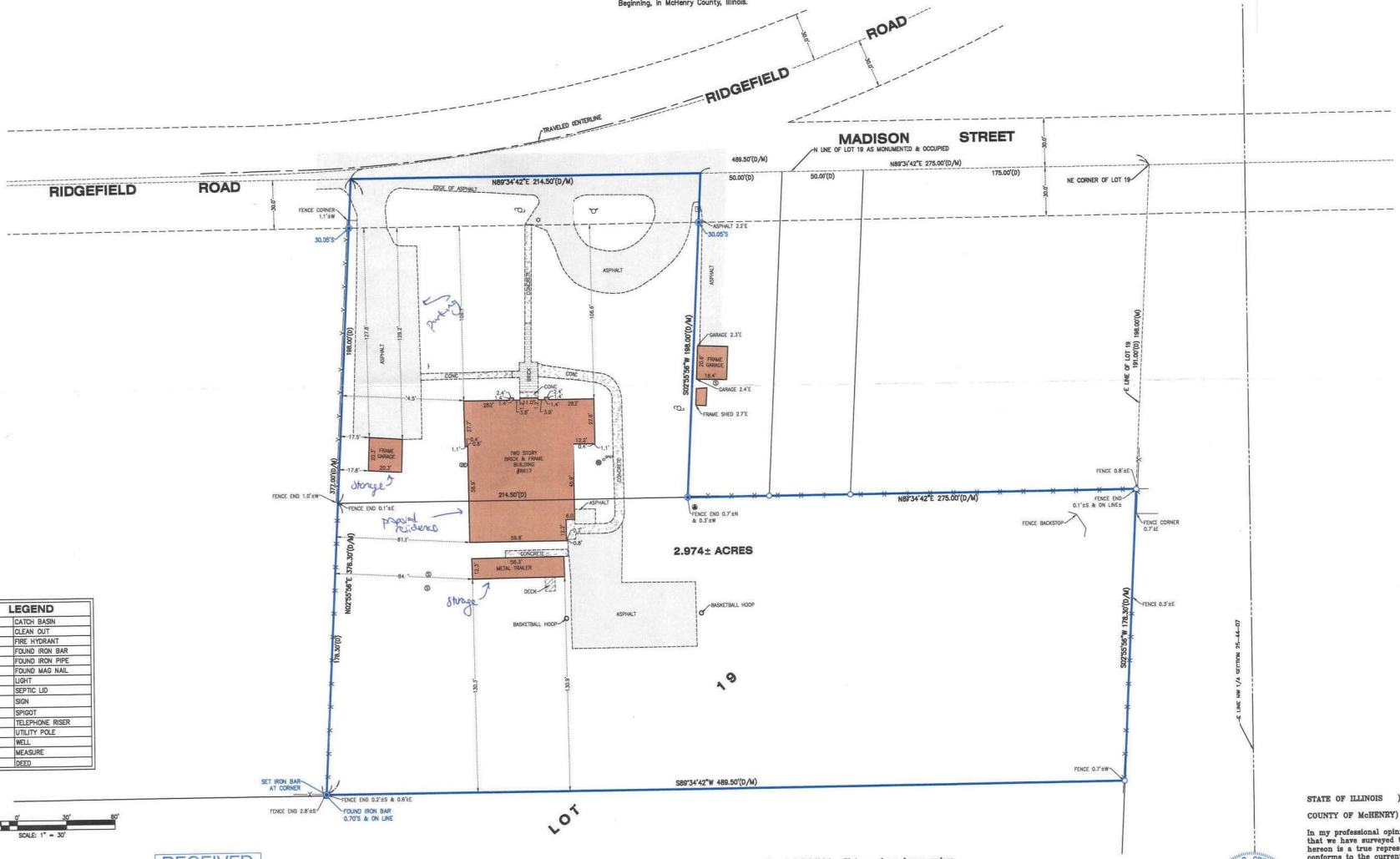
Compare your description and site markings with this plat and AT ONCE report any discrepancies which you may find.

ARTHUR P. GRITMACHER
035-003857
PROFESSIONAL LAND SURVEYOR
STATE OF ILLINOIS
EXP. 11/30/2024
WOODSTOCK ILLINOIS

PLAT OF SURVEY

Vanderstappen
Land Surveying, Inc.
www.vandersinc.com
1316 N. Madison St.
Woodstock, Illinois 60098
ph. 815-337-8310 fax 815-337-8314
"Always faithful to the property line"

That part of the Northwest Quarter of Section 25, Township 44 North, Range 7 East of the Third Principal Meridian, described as follows: Commencing at the Northeast corner of Lot 19 of the Assessor's Plat of said Northwest Quarter; thence Westerly along the North line of said Lot 19, a distance of 275.00 feet, to the Place of Beginning; thence Southerly parallel with the East line of said Lot 19, a distance of 198.00 feet; thence Westerly parallel with the North line of said Lot 19, a distance of 214.50 feet; thence Northerly parallel with the East line of said Lot 19, a distance of 198.00 feet, to the North line of said Lot 19; thence Easterly along the North of said Lot 19, a distance of 214.50 feet to the Place of Beginning, in McHenry County, Illinois. Also
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LEGEND	
●	CATCH BASIN
●	CLEAN OUT
▽	FIRE HYDRANT
●	FOUND IRON BAR
○	FOUND IRON PIPE
⊗	FOUND MAG NAIL
☼	LIGHT
⊕	SEPTIC LID
⊢	SIGN
SPRF	SPIGOT
⊡	TELEPHONE RISER
⊸	UTILITY POLE
●	WELL
(M)	MEASURE
(D)	DEED

CLIENT: ZUKOWSKI, ROGERS, FLOOD & MCARDLE
DRAWN BY: PJD CHECKED BY: APG
SCALE: 1"=30' SEC. 25 T. 44 R. 7 E.
BASIS OF BEARING: IL EAST ZONE NAD83 (2011)
P.I.N.: 13-25-127-002, 007
JOB NO.: 240493 I.D. LSS
FIELDWORK COMP.: 07/03/24 BY. PG.
ALL DISTANCES SHOWN IN FEET AND DECIMAL PARTS THEREOF CORRECTED TO 68° F. REF:

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JUL 15 2024
ZONING DIVISION

NOTE: Only those Building Line Restrictions or Easements shown on a Recorded Subdivision Plat are shown hereon unless the description ordered to be surveyed contains a proper description of the required building lines or easements.

* No distance should be assumed by scaling.
* No underground improvements have been located unless shown and noted.
* No representation as to ownership, use, or possession should be hereon implied.
* This Survey and Plat of Survey are void without original embossed or colored seal and signature affixed.

Compare your description and site markings with this plat and AT ONCE report any discrepancies which you may find.

STATE OF ILLINOIS)
) S.S.
COUNTY OF McHENRY)

In my professional opinion, and based on my observations, I hereby certify that we have surveyed the premises above described, and that the plat hereon is a true representation of the said survey. This professional service conforms to the current Illinois minimum standards for a boundary survey.

Dated at Woodstock, McHenry County, Illinois 07/03 A.D., 20 24.

ARTHUR P. GRITMACHER 035-003857 PROFESSIONAL LAND SURVEYOR STATE OF ILLINOIS EXP. 11/30/2024 WOODSTOCK, ILLINOIS

Vanderstappen Land Surveying Inc.
Design Firm No. 184-002792

By: _____
Illinois Professional Land Surveyor No. 3857

MCHENRY COUNTY PLANNING AND DEVELOPMENT
2200 N. SEMINARY AVENUE, WOODSTOCK, IL 60098
815-334-4560

Office Use Only

Petition #/Permit # 2024-041

APPLICATION FOR ZONING PETITION, ADMINISTRATIVE VARIATION OR SITE PLAN REVIEW

OWNER INFORMATION:

Name McHenry County Jewish Congregation

Address 8617 Ridgefield Road

City, St, Zip Crystal Lake, IL 60012

Daytime Phon [redacted]

Email [redacted]

ATTORNEY or AGENT CONTACT INFORMATION (If Applicable):

Name Jonathan B. Kaman, Zanck, Coen, Wright & Saladin, P.C.

Address 40 Brink Street

City, St, Zip Crystal Lake, IL 60014

Phone 815-459-8800

Email jkaman@zcwlaw.com

APPLICANT (If other than owner):

Name Brent Hollenberg

Address 67 N. Williams Street

City, St, Zip Crystal Lake, IL 60014

Daytime Phone [redacted]

Email brent@reclaimedcl.com

TRUSTEE/BENEFICIARY/OFFICERS/DIRECTORS/CONTRACT PURCHASER (please use separate page for additional information):

Name Dale Morton

Address 8617 Ridgefield Road

City, St, Zip Crystal Lake, IL 60012

Phone [redacted]

Email [redacted]

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JUL 15 2024
ZONING DIVISION

PARCEL INFORMATION:

Address 8617 Ridgefield Road

City Crystal Lake Zip 60012

Parcel/Tax Number 13-25-127-002 and 13-25-127-007

Number of Acres 2.98

Applying For: (Check all that apply)	☒ Reclassification	Current Zoning: A1 Requested Zoning: E2
	☒ Conditional Use & Site Plan Review	CUP Request: vacation rental
	☐ Variation, Administrative ☐ Variation, Zoning	Variation Request:
	☐ Site Plan Review	Type:
	☐ Text Amendment	UDO Section(s):
	☐ Appeal	Type:

Please provide additional information on the back of this page.

NARRATIVE: Please use this space to explain your request in detail.
Currently, the property is used as a place of worship and gathering for the McHenry County Jewish Congregation. Its current zoning
classification is A1 with a conditional use for a place of worship. The applicant intends to convert the structure to one single family home.
With this change of use, the current zoning classification must be changed. E2 is appropriate due to the size of the parcel, the structure's
intended use, the parcel's location relative to the infrastructure and services accessible in the area, and McHenry County's 2030 Plan.
The applicant ultimately intends to list the entire single family home as a vacation rental for individual families.

CONSENT

I/We hereby authorize that the aforementioned applicant, attorney, and agent may act and testify on my behalf as my agent in the matter of this zoning application regarding the property listed above that is the subject of this application.

VERIFICATION

I/We hereby verify and attest to the truth and correctness of all facts, statements and information presented herein.

C.K. atty for Owner
Owner's Signature

Craig S. Krandel
Print Name

Signature

Brent Hollonberg
Print Name

SUBSCRIBED and SWORN to before me
this 11 day of July, 2024.

NOTARY PUBLIC

OFFICIAL SEAL
JONATHAN B KAMAN
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:12/29/24

RECEIVED
JUL 15 2024
ZONING DIVISION

RE: Site plan narrative

8617 Ridgefield Road, Crystal Lake, IL

Applicant: Brent Hollenberg

RECEIVED
JUL 15 2024
ZONING DIVISION

Currently, the property is used as a place of worship and gathering for the McHenry County Jewish Congregation. Its current zoning classification is A1 with a conditional use for a place of worship. The applicant intends to convert the structure to one single family home. With this change of use, the current zoning classification must be changed. E2 is appropriate due to the size of the parcel, the structure's intended use, the parcel's location relative to the infrastructure and services accessible in the area, and McHenry County's 2030 Plan. The applicant ultimately intends to list the entire single-family home as a vacation rental. As such, applicant also seeks a conditional use of "vacation rental" to accommodate his intended use.

To do this, the applicant does not intend to make any substantive exterior changes but will renovate the interior from a worship space to a comfortable living space, including adding up to 4 separate bedrooms. There are no public restrooms on site or proposed. All floor drains are as existing in the structure and discharging into the onsite septic system. The septic system has been recently inspected and found to be functioning as intended. At any given time, there may be a single employee on site preparing the home for guests. Applicant will advertise the entire home for rental by a single customer/ guest and would expect a maximum of 8-10 individuals on site at one time. There are currently 12 parking spaces on site, including 2 handicapped spots. The applicant does not intend to add any additional parking believing it highly unlikely for there to be any more vehicles on site. Ideally, the home would be rented most days of a week, however, it is expected that weekend stays would be most common.

CONSENT TO ON-SITE INSPECTION

I/We are the owners of record of the real estate which is the subject of this application. Owners of the described real estate do hereby freely and voluntarily consent to inspection of the site of the parcel in question for purposes of determining the appropriateness of the pending proposed zoning petition by the Zoning Enforcement Officer and/or designated representative, McHenry County Zoning Board of Appeals or where applicable, the McHenry County Hearing Officer, and hereby release such persons from any liability based in whole or in part on the inspection of the parcel in question. That in exchange for the above actions by the Applicant(s), McHenry County agrees that the Zoning Enforcement Officer and/or designated representative, member of the Zoning Board of Appeals or, if applicable, the McHenry County Hearing Officer, will inspect the parcel in question prior to considering the evidence presented upon the above application. In the case of Conditional Use applications, if approved by the McHenry County Board, the Zoning Enforcement Officer and/or designated representative many inspect the property periodically to ensure compliance with the adopting ordinance and any conditions therein.

ACCEPTANCE OF FEES FOR TRANSCRIPTION SERVICES

I/We, the applicant(s), verify that I/we are aware of the use of a transcription service utilized by McHenry County to prepare a record of public hearings. Applicant(s) agree to directly reimburse the Department of Planning and Development for all incurred transcript fees and associated costs for hearings before the McHenry County Zoning Board of Appeals or where applicable, the McHenry County Hearing Officer unless determined otherwise by McHenry County. The applicant(s) further recognizes failure to fully reimburse the County prior to the scheduled County Board Date will grant McHenry County the unconditional right to withhold the application from McHenry County Board action. Applicant(s) further understand that transcripts shall be retained by McHenry County as part of the permanent zoning application file.

ZONING APPLICATION INTERPRETATION

I/We understand that the McHenry County Department of Planning and Development Staff will review and evaluate this application per the text of the McHenry County Unified Development Ordinance, the Official Zoning Maps, and any relevant documentation provided by the applicant and otherwise available to the Department, and consult with other staff to create a Legal Notice and staff report.

ACCEPTANCE OF FEES FOR NOTIFICATION

I/We, the applicant(s), authorize the McHenry County Department of Planning and Development Staff to produce the Legal Notice of Public Hearing to be published and mailed per the requirements of Chapter 16.16 (Zoning Application Process) of the McHenry County Code of Ordinances. I/We agree to reimburse the County for the cost of certified mailing and publication to the newspaper, prior to a vote by the McHenry County Board, in order to meet the notification requirements for a public hearing by Illinois State Statute.

Owner's Signature

Craig S. Krandel Counsel for
Print Name McHenry County Jewish Congregation

Signature

Grant Hollenberg
Print Name

SUBSCRIBED and SWORN to before me
this 3 day of July, 2024.

Christina Walker
NOTARY PUBLIC

OFFICIAL SEAL
CHRISTINA WALKER
NOTARY PUBLIC STATE OF ILLINOIS
MY COMMISSION EXPIRES 05/05/2026

RECEIVED
JUL 15 2024
ZONING DIVISION

MCHENRY COUNTY PLANNING AND DEVELOPMENT
2200 N. SEMINARY AVENUE, WOODSTOCK, IL 60098
815-334-4560

Office Use Only

Petition #/Permit # 2024-041

CORPORATE DISCLOSURE

Applications shall be brought in the name of the record title owner or the owner(s) of the beneficial interest through authorized agents. If application is made by a corporation or partnership for any zoning map amendment, variation, or conditional use permit, the application and notice shall identify the names and addresses of all officers and directors and all shareholders/stockholders owning an interest in excess of seven and one-half percent (7.5%)

If an owner, officer, director, shareholder/stockholder is another legal entity and not an individual, we require the same information (name, title, address) for that entity.

Name of Entity: McHenry County Jewish Congregation

Name	Title (officers, directors, shareholders/stockholders)	Address (address, city, state, zip)	Percent of ownership interest
McHenry County Jewish Congregation		8617 Ridgefield Rd Crystal Lake, IL 60012	100%
Linda Trachsler	Vice President	3620 Burton Trail Crystal Lake, IL 60014	—
Iza Celewicz	Treasurer	28941 W. Navajo Trail McHenry, IL 60051	—
Dale Morton	Secretary	2321 S. Cherry Valley Rd Bull Valley, IL 60098	—
Bruce Weiss	Director	546 N. Madison St. Woodstock, IL 60098	—
Howard Frank	Director	8680 Shade Tree Circle Lakewood, IL 60014	—
Scott Schwartz	Director	10755 Wing Point Dr Huntley, IL 60142	—

Please attach additional information, if needed.

*Extracted from Title 16: Unified Development Ordinance §16.16.020 §§ A1-4 (2014).

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ZONING DIVISION

Approval Standards for Conditional Use

(McHenry County Unified Development Ordinance §16.20.040E)

This form must be completed for requests for conditional use. Yes and No answers are insufficient, please provide a minimum one or two sentence explanation.

1. Please describe how the conditional use meets all applicable standards of UDO §16.56 (Use Standards) and §16.60 (Site Development Standards)?

Applicant intends to convert the existing structure to one single family dwelling unit. He then intends to list the home as one short-term vacation rental on sites like Airbnb, VRBO, or other similar listing sites. There is an existing structure on the property, and it will remain as a single residential dwelling structure when renovations are complete.

2. Is the conditional use compatible with the existing or planned future development of the area?

Yes. The area currently consists of a mix of residential, commercial and agricultural uses. McHenry County's 2030 Plan cites this area, including the subject parcels, as mixed use. The plans for this structure and site are for it to become one single family residence available for short term rental by one renter at a time.

3. Is the conditional use detrimental to or endanger the public health, safety, morals, comfort or general welfare of the area?

No. The conditional use is for a vacation rental of a single family residence. Reasonable use restrictions will be imposed on guests by the applicant such that public health, safety, morals, comfort and general welfare will be protected.

4. Will the conditional use be injurious to the use and enjoyment of other property in the area?

No. The conditional use will have no impact on others' use and enjoyment of their property. All actively on the subject property will be residential in nature and restricted to the boundary lines.

5. Will the conditional use substantially diminish and impair property value in the area?

No. The applicant intends to make substantial improvements to the property such that its value is likely to increase. Welcoming others to the area will increase its general appeal.

6. Are adequate utilities, access roads, drainage, and other necessary facilities provided?

Yes. The property has ample existing access, utilities, and drainage.

7. Has conditional use operation been designed to provide ingress and egress to minimize traffic congestion and hazard on the public streets?

Yes. It is intended that the entire property be rented as a single-family home. As such, no more than normal residential ingress/ egress would be expected.

8. Will the conditional use conform to the applicable standards of the underlying zoning district?

Yes. Simultaneous with this conditional use application, the applicant has requested a reclassification of the underlying zoning district from A1 to the more appropriate E2 classification. Once converted to a single-family home, E2 will be the most appropriate zoning district, and the proposed conditional use is allowed.

9. Will the conditional use be reasonably in the interest of the public welfare?

Yes. The conditional use will allow for needed upgrades and improvements to the structure and will bring visitors to the area for enjoyment of the many amenities in the surrounding communities.

10. Will there be adequate measures taken to provide protection to groundwater recharge and groundwater quality?

Yes. As a single-family residence used for short-term rental, the impact on groundwater recharge and quality is excepted to be minimal and in line with normal residential use.



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JUL 15 2024
ZONING DIVISION

Natural Resource Information Report Application

McHenry-Lake County Soil and Water Conservation District

1648 S. Eastwood Dr., Woodstock, IL 60098 Voice: (815) 338-0099 Fax: (815) 338-7731

For office use only

File Number:_____ - _____ - _____ Date Received: _____ 20_____

Fee:_____ (*Please make check payable to McHenry-Lake County SWCD.*)

The McHenry-Lake County SWCD has thirty (30) days to complete this report after receipt of **ALL** the following items and after presentation to SWCD Board of Directors at their regularly scheduled meeting: Board meetings are scheduled for the first Tuesday of each month at the SWCD office.

Application Check List

Plat of Survey: X **Petition:** X **Fee:** X

Tentative plat:____ **Intensive Soil Survey:** ____ **Tile Investigation:** ____

Certified Wetl and Determination/Delineation: ____

Processing of the NRI report will not begin until all of the required items have been received by the M LCSWCD (office unless otherwise indicated by SWCD Staff)

Fee: Full report: $400.00 for 1-3 acres and $25.00 for each additional acre or part thereof.

Letter: $100.00 *SWCD will determine when letter or full report format will be necessary.*

Petitioner's Name: Brent Hollenberg **Phone :** (312) 800 - 3977

Address : _____

Contact Person : Jonathan B. Kaman, jkaman@zcwlaw.com **Phone :** (815) 356 - 2649

Address : 40 Brink Street, Crystal Lake, IL 60014

Parcel Ind ex Number(s): (1) 13 - 25 - 127 - 002 (2) 13 - 25 - 127 - 007

(3) ___ - ___ - ___ - ___

Aggregate parcel size_____ **(acres)**

Current Zoning : A1 **Requested Zoning :** E2

Description of Zoning Request: Change of use to single family residence requires change of zoning.

Proposed Improvements:

_____Dwellings on Slabs	_____Common Open Space	_____Drainage Ditches/Swales
_____Dwellings with Basements	_____Sewers	_____Wet Retention Basin
_____Commercial Buildings	_____Individual Wells	_____Storm Sewers
_____Park/Playground Areas	_____Community Water	_____Dry Detention Basin
_____Conservation Easements	_____Septic Systems	_____Other_____

Unit of Government Responsible : xxxx **County of Mc Henry** _____ **County of Lake**

_____ **City/Town of** _____

Is the parcel within 1 mile of a Village or City Boundary? (Yes) / No (circle one)

If yes , which (City/Town/Village)? Crystal Lake

It is understood that filing this application allows a district representative the right to conduct an onsite investigation of the parcel(s) described above. Furthermore, this report becomes subject to the Freedom of Information Act after presentation to the Distri ct Board of directors at their regularly scheduled meeting.

Contact person or Petitioner's signature : _____ **Date:** 7 / 10 /2024

McHENRY-LAKE COUNTY SOIL & WATER CONSERVATION DISTRICT

1648 S. Eastwood Dr. Woodstock, Illinois 60098 (815) 338-0444 ext. 3 www.mchenryswcd.org

July 31, 2024

Jonathan B. Kaman
Zanck, Coen, Wright & Saladin, P.C.
40 Brink Street
Crystal Lake IL 60014

Re:	Parcel # 13-25-127-002, 13-25-127-007
Common Location:	8616 Ridgefield Road, Crystal Lake, IL 60012
NRI#	L24-064-4620
Zoning Change:	A1 to E2

Dear Mr. Kaman:

The McHenry-Lake County Soil and Water Conservation District has carefully reviewed your application for a Natural Resource Information Report on the Brent Hollenberg property as applied for in Report #L24-064-4620. Due to no new construction proposed on the site, the SWCD finds that impact to natural resources from the proposed use is minimal for the purposes of the NRI report. A full Natural Resource Information Report will not be necessary, but we would like to highlight a few resources on the property.

Maps indicate the presence of hydric soils throughout the entirety of parcel 13-25-127-007 and in the majority of parcel 13-25-127-002. Digital wetland inventories are for informational and planning purposes only. Any proposed drainage work, in wet areas, requires a certified wetland delineation. If drainage work is to occur, please contact the Army Corps of Engineers and McHenry County Department of Planning & Development for permit information.

This letter fulfills your requirement to notify the SWCD of land use changes as per the Illinois Compiled State Statutes, Chapter 70, Par. 405/1 et seq. Illinois Revised Statutes, Ch. 5, Par 106 et seq. and the McHenry County Stormwater Ordinance. If you have any questions concerning this letter, feel free to call our office.

Sincerely,

Ryan Bieber

Ryan Bieber
Urban Conservation Specialist

Cc: Kim Charlow, McHenry County Department of Planning and Development, KBScharlow@mchenrycountyil.gov

McHenry County

Staff Plat Review - Public Meeting

MINUTES

August 21, 2024, 8:30 AM
County Board Conference Room
Administration Building, 667 Ware Rd., Woodstock, IL 60098

Members Present: Adam Wallen, Jeff Levato, Renee Hanlon, Steve Gardner, Representing Water Resources Ed Varga and Bradley Burgermeister, Planning liaison Anna Kurtzman.

Members Absent: Ray Beets, Patricia Nomm, Stoyan Kolev

---

1. CALL TO ORDER

Meeting called to order at: 8:31 by Adam Wallen

2. PUBLIC COMMENT

None.

3. DRAFT MINUTES FOR APPROVAL

Approve previous minutes

3.1 Approval of July 3, 2024, meeting minutes

Mover: Renee Hanlon
Seconder: Steve Gardner

revisions by Jeff Lavato

Approved by Voice

4. SITE PLAN REVIEW

4.1 2024-041 Brent Hollenberg/McHenry County Jewish Congregation - Dorr Twp

The applicants present were Jonathan Kaman and Brent Hollenberg.

The applicant stated that they originally thought they needed reclassification for a vacation rental. The reclassification is not necessary, but a conditional use will be required for the Vacation Rental.

Ms. Hanlon stated that the Vacation rental is allowed in an A-1 zoning with a CUP. However, as the building has not been used as a residence for many years the A-1 zoning cannot be used. As the property is less than 40 Acres a residence cannot be re-established without a different residential type zoning.

The applicant stated the space is not being used as a residential space or single family. The space will only be used as a vacation rental.

Ms. Hanlon suggest getting the rezoning to then make the vacation rental into a residential property.

The applicant stated that the building will be converted into two separate spaces, and the bathrooms will be converted into single toilet normal bathrooms. The two classrooms will be converted to bedrooms. There will be a separate room for indoor glamping. The property is 6000 sq.ft. and the rental will only be rented to one family at a time.

WATER RESOURCES- Ed Varga

Mr. Varga went over Mr. Kolev's written comments.

BUILDING DIVISION- Steve Gardner

Mr. Gardner went over his written comments.

Mr. Gardner stated that a permit will need to be applied for the alterations. If the value of the work is more than 50 percent of the value a handicap restroom would be required.

PLANNING DIVISION- Renee Hanlon

Ms. Hanlon went over her written comments.

ENVIRONMENTAL HEALTH- Jeff Levato

Mr. Levato went over his written comments.

The applicant stated it will be 32% occupancy and 8-10 people at a time.

Mr. Levato would like to see the specific septic location and have the soils borings done. Do an evaluation to know if this septic is in condition enough for the current project. If there is new construction, then the well and septic will need to meet new construction standards. Having water testing and soil borings done at the property. The septic will need to meet current standards.

MCDOT

Mr. Wallen went over MCDOT's written comments in their absence. Required to apply with MCDOT and to change the site plan to show the revision of the parking space, the right of way, and the closing of the circle drive.

Mr. Wallen summarized that revisions to the site plan will be to show where the septic field is located and a replacement area. Soil borings would be recommended to have if a new septic field will be required. Show the general area of the soil, and the existing field on the site plan.

Mover: Renee Hanlon
Seconder: Steve Gardner

Motion to acknowledge receipt of site plan with suggested modifications done to be approved administratively.

Approved by Voice

4.2 2024-021 Salvador Olivo - Dunham Twp

Agenda Item No: 9e

City Council
Agenda Supplement

Meeting Date: December 3, 2024

Item: Resolution Approving 2025 City Council Meeting Schedule

Staff Recommendation: Adoption of the Resolution Approving 2025 City Council Meeting Schedule

Staff Contact: Eric T. Helm, City Manager

Background:
This Resolution approves the 2025 schedule of City Council meetings. The Illinois Open Meetings Act requires the annual approval and publishing of the City Council meetings.

Votes Required to Pass:
Simple majority

Res.

The City of Crystal Lake

RESOLUTION

BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF CRYSTAL LAKE that pursuant to the Illinois Open Meetings Act, 5 ILCS 120/2, which requires public notice of an annual meeting schedule, the City Council approves the attached 2025 Calendar of Regularly Scheduled Meetings and authorizes its publication.

DATED this 3rd day of December, 2024.

CITY OF CRYSTAL LAKE, an
Illinois municipal corporation,

_____
Haig Haleblian, MAYOR

SEAL

ATTEST

_____
CITY CLERK

Passed: December 3, 2024
Approved: December 3, 2024

Draft

CITY OF CRYSTAL LAKE 2025 CALENDAR OF REGULARLY SCHEDULED MEETINGS

The following schedule designates the place, time, and date of all regularly scheduled meetings of the City Council, Boards and Commissions. For further information, please call the City Manager's Office at (815) 459-2020.

CITY COUNCIL

Place: Aaron T. Shepley City Hall, City Council Chambers, 100 W. Woodstock Street
Date: 1st and 3rd Tuesday
Time: 7:00 p.m.

January 7, 21	**April 1, 15**	**July 1, 15**	**October 7, 21**
February 4, 18	**May 6, 20**	**August 5, 19**	**November 4, 18**
March 4, 18	**June 3, 17**	**September 2, 16**	**December 2, 16**

Workshop Meetings

Place: Aaron T. Shepley City Hall, City Council Chambers, 100 W. Woodstock Street
Date: 2nd and 4th Tuesday
Time: 7:00 p.m.

January 14, 28	**April 8, 22**	**July 8, 22**	**October 14, 28**
February 11, 25	**May 13, 27**	**August 12, 26**	**November 11, 25**
March 11, 25	**June 10, 24**	**September 9, 23**	**December 9, 23**

Draft

Agenda Item No: 9f

City Council
Agenda Supplement

Meeting Date: December 3, 2024

Item: General Obligation Bonds, Series 2012 Abatement

Staff Recommendation: Motion to adopt the Abatement Ordinance for the 2012 General Obligation Bond Issue

Staff Contact: Jodie Hartman, Director of Finance

Background:

In 2012, General Obligation Bonds were issued to finance the cost of flood mitigation improvements and for various water and sewer projects. At the time of issuance, dedicated revenue streams were identified that would provide for the repayment of this obligation. Water and Sewer user fees will be used to repay water and sewer improvement costs. Home Rule Sales taxes provide the funding for the flood mitigation efforts. As such, the City has abated the levy for these bonds each year since issuance, instructing the County not to levy for the annual payment.

Under the terms of the bond agreement, the City obligates the full faith and credit of the City if dedicated revenues fall short. If dedicated revenues fall short or no alternative sources are available, the City is required to collect property taxes as a means to repay the debt obligation. Since dedicated revenues and/or other sources will be available, City staff recommends that the City Council approve the attached abatement ordinance that provides official direction to the County Clerk to defray collecting property taxes next year for this bond issue.

This action is an annual procedural requirement. McHenry County requires the City to provide them the attached ordinance for the abatement to occur.

Votes Required to Pass:

Simple majority

Ord. No.
File No.

The City of Crystal Lake

AN ORDINANCE ABATING THE TAX HERETOFORE LEVIED FOR THE YEAR 2024 TO PAY THE PRINCIPAL AND INTEREST ON $9,235,000 GENERAL OBLIGATION BONDS, SERIES 2012 OF THE CITY OF CRYSTAL LAKE, MCHENRY COUNTY, ILLINOIS

Draft

WHEREAS, the Mayor and City Council (the "Corporate Authorities") of the City of Crystal Lake, McHenry County, Illinois (the "City"), by Ordinance adopted on the 18th day of September, 2012 (the "Ordinance"), did provide for the issue of $9,235,000 General Obligation Bonds (the "Bonds"), and the levy of a direct annual tax sufficient to pay the principal of and interest on the Bonds; and

WHEREAS, the City will have money in the "Bond Fund" established pursuant to Section 16 of the Ordinance for the purpose of paying the principal of and interest on the Bonds up to and including December 31, 2025; and

WHEREAS, it is necessary and in the best interests of the City that the tax heretofore levied for the year 2024 to pay the principal of and interest on the Bonds be abated.

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

Section 1. Abatement of Tax. The tax heretofore levied for the year 2024 in the Ordinance is hereby abated in its entirety.

Section 2. Filing of Ordinance. Forthwith upon the adoption of this Ordinance, the City Clerk shall file a certified copy hereof with the County Clerk of the County of McHenry, Illinois, and it shall be the duty of said County Clerk to abate said tax levied for the year 2024 in accordance with the provisions hereof.

Section 3. Effective Date. This Ordinance shall be in full force and effect immediately upon its passage by the Corporate Authorities and signing and approval by the Mayor.

DATED at Crystal Lake, Illinois, this 3rd day of December, 2024.

Passed by the Corporate Authorities on_____
Approved _____

City of Crystal Lake, an
Illinois municipal corporation

_____
Haig Haleblian, MAYOR

Draft

AYES:

NAYS:

ABSENT:

Recorded in the City Records on

SEAL

ATTEST:

_____
CITY CLERK

Passed: December 3, 2024
Approved: December 3, 2024

MINUTES of a regular public meeting of the Mayor and City Council of the City of Crystal Lake, McHenry County, Illinois, held at 100 W. Woodstock Street, Crystal Lake, Illinois, in said City at 7:00 o'clock p.m., on the 3rd day of December, 2024.

The Mayor called the meeting to order and directed the City Clerk to call the roll.

Upon the roll being called, the following Council members answered present:_____

_____.

The following were absent from the meeting:_____

_____.

The Mayor announced that the next item of business before the City Council was the consideration of the adoption of an ordinance abating the tax heretofore levied for the year 2024 to pay the principal of and interest on the $9,235,000 General Obligation Bonds, Series 2012 of the City. Following a full and complete discussion thereof, including a public recital of the nature of the matter being considered and such other information as would inform the public of the business being conducted, Councilmember _____ presented an ordinance as follows:

Passed by the Corporate Authorities on:

AYES:

NAYS:

ABSENT:

Recorded in the City Records on

ATTEST:

_____

CITY CLERK

STATE OF ILLINOIS)

Draft

) SS
COUNTY OF MCHENRY)

CERTIFICATION OF ORDINANCE AND MINUTES

I, the undersigned, do hereby certify that I am the duly qualified and acting City Clerk of the City of Crystal Lake (the "City"), and as such official am the keeper of the records and files of the City and the City Council (the "Corporate Authorities") thereof.

I do further certify that the foregoing constitutes a f true and complete transcript of the minutes of the meeting of the Corporate Authorities held on the 3rd day of December, 2024, insofar as the same relates to the adoption of Ordinance No. _____ entitled:

ORDINANCE abating the tax heretofore levied for the year 2022
to pay the principal of and interest on $9,235,000 General Obligation
Bonds, Series 2012 of the City of Crystal Lake, McHenry County, Illinois

a true, correct and complete copy of said Ordinance as adopted at said meeting appears in the foregoing transcript of the minutes of said meeting.

I do further certify that the deliberations of the Corporate Authorities on the adoption of said Ordinance were conducted openly, that the vote on the adoption of said Ordinance was taken openly, that said meeting was held at a specified time and place convenient to the public, that notice of said meeting was duly given to all of the news media requesting such notice, that said meeting was called and held in strict compliance with the provisions of the Open meetings Act of the State of Illinois, as amended, and with the provisions of the Illinois Municipal Code, as amended, and that the Corporate Authorities have complied with all of the provisions of said Act and said Code and with all of the procedural rules of the Corporate Authorities in the passage of said Ordinance.

IN WITNESS WHEREOF, I hereunto affix my official signature and seal of the City this 3rd day of December, 2024.

_____
CITY CLERK

(SEAL)

Draft

Agenda Item No: 9g

City Council
Agenda Supplement

Meeting Date: December 3, 2024

Item: General Obligation Bonds, Series 2019 Abatement

Staff Recommendation: Motion to adopt the Abatement Ordinance for the 2019A and 2019B General Obligation Bond Issue

Staff Contact: Jodie Hartman, Director of Finance

Background:

In 2019, General Obligation Bonds were issued to finance the cost of storm water and water main improvements in addition to provide for the refunding of Series 2009A Build America Bonds and Series 2009B Recovery Zone Bonds. Series 2009 bonds were originally issued to provide financing for the construction of the Three Oaks Recreation Area project and various water and sewer system improvements.

At the time these 2019 bonds were issued, dedicated revenue streams were identified that would provide for the repayment of this obligation. Water and Sewer user fees will be used to repay storm water and water main improvement costs. In the case of the Three Oaks Recreation Area project, home rule sales tax and incremental TIF property taxes, if available, will be transferred from time to time to the Bond Fund and utilized to abate the pledged taxes. As such, the City has abated the levy for these bonds each year since issuance, instructing the County not to levy for the annual payment.

Under the terms of the bond agreement, the City obligates the full faith and credit of the City if dedicated revenues fall short. If dedicated revenues fall short, the City is required to collect property taxes as a means to repay the debt obligation. Since dedicated revenues will meet expectations, City staff recommends that the City Council approve the attached abatement ordinance that provides official direction to the County Clerk to defray collecting property taxes next year for this bond issue.

This action is an annual procedural requirement. McHenry County requires the City to provide them the attached ordinance for the abatement to occur.

Votes Required to Pass:

Simple majority

Ord. No.
File No.

The City of Crystal Lake

AN ORDINANCE ABATING THE TAX HERETOFORE LEVIED FOR THE YEAR 2024 TO PAY THE PRINCIPAL AND INTEREST ON $9,025,000 GENERAL OBLIGATION BONDS, SERIES 2019A AND TO PAY THE PRINCIPAL AND INTEREST ON $5,305,000 GENERAL OBLIGATION BONDS, SERIES 2019B OF THE CITY OF CRYSTAL LAKE, MCHENRY COUNTY, ILLINOIS

Draft

WHEREAS, the Mayor and City Council (the "Corporate Authorities") of the City of Crystal Lake, McHenry County, Illinois (the "City"), by Ordinance No. 7554 adopted on the 18th day of June, 2019 (the "2019 Bond Ordinance"), did provide for: (a) the issue of $9,025,000 General Obligation Bonds (the "Series 2019A Bonds"), and the levy of a direct annual tax sufficient to pay the principal of and interest on the Series 2019A Bonds; and (b)the issue of $5,305,000 General Obligation Bonds (the "Series 2019B Bonds"), and the levy of a direct annual tax sufficient to pay the principal of and interest on the Series 2019B Bonds (collectively, the Series 2019A Bonds and the Series 2019B Bonds are hereinafter referred to as the "Bonds"); and

WHEREAS, the City will have sufficient moneys in the "Bond Fund" established pursuant to Section 13 of the 2019 Bond Ordinance for the purpose of paying the principal of and interest on the Bonds up to and including December 31, 2025; and

WHEREAS, it is necessary and in the best interests of the City that the taxes heretofore levied for the year 2024 to pay the principal of and interest on the Bonds be abated.

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

Section 1. Abatement of Tax for Series 2019A Bonds. The tax heretofore levied in the 2019 Bond Ordinance to pay for principal and interest of the Bonds for the year 2024 is hereby abated in its entirety.

Section 2. Abatement of Tax for Series 2019B Bonds. The tax heretofore levied in the 2019 Bond Ordinance to pay for principal and interest of the Bonds for the year 2024 is hereby abated in its entirety.

Section 3. Filing of Ordinance. Forthwith upon the adoption of this Ordinance, the City Clerk shall file a certified copy hereof with the County Clerk of the County of McHenry, Illinois, and it shall be the duty of said County Clerk to abate the taxes levied under the 2019 Bond Ordinance for both the Series 2019A Bonds and the Series 2019B Bonds for the year 2024 in accordance with the provisions hereof.

Section 4. Effective Date. This Ordinance shall be in full force and effect immediately upon its passage by the Corporate Authorities and signing and approval by the Mayor.

Draft

DATED at Crystal Lake, Illinois, this 3rd day of December, 2024.

Passed by the Corporate Authorities on:_____
Approved: _____

City of Crystal Lake, an
Illinois municipal corporation

_____
Haig Haleblian, MAYOR

AYES:

NAYS:

ABSENT:

Recorded in the City Records on

SEAL

ATTEST:

_____
CITY CLERK

Passed: December 3, 2024
Approved: December 3, 2024

Draft

MINUTES of a regular public meeting of the Mayor and City Council of the City of Crystal Lake, McHenry County, Illinois, held at 100 W. Woodstock Street, Crystal Lake, Illinois, in said City at 7:00 o'clock p.m., on the 3rd day of December, 2024.

The Mayor called the meeting to order and directed the City Clerk to call the roll.

Upon the roll being called, the following Council members answered present _____

_____

The following were absent from the meeting: _____

_____

The Mayor announced that the next item of business before the City Council was the consideration of the adoption of an ordinance abating the tax heretofore levied for the year 2024 to pay the principal of and interest on the $9,025,000 General Obligation Bonds, Series 2019A and to pay the principal of and interest on the $5,305,000 General Obligation Bonds, Series 2019B of the City. Following a full and complete discussion thereof, including a public recital of the nature of the matter being considered and such other information as would inform the public of the business being conducted, Councilmember _____ presented an ordinance as follows:

Passed by the Corporate Authorities on:

AYES:

NAYS:

ABSENT:

Draft

Recorded in the City Records on

ATTEST:

_____

CITY CLERK

STATE OF ILLINOIS)
) SS
COUNTY OF MCHENRY)

Draft

CERTIFICATION OF ORDINANCE AND MINUTES

I, the undersigned, do hereby certify that I am the duly qualified and acting City Clerk of the City of Crystal Lake (the "City"), and as such official am the keeper of the records and files of the City and the City Council (the "Corporate Authorities") thereof.

I do further certify that the foregoing constitutes a full, true and complete transcript of the minutes of the meeting of the Corporate Authorities held on the 3rd day of December, 2024, insofar as the same relates to the adoption of Ordinance No. _____ entitled:

> ORDINANCE abating the tax heretofore levied for the year 2024 to pay the principal of and interest on $9,025,000 General Obligation Bonds, Series 2019A and to pay the principal of and interest on $5,035,000 General Obligation Bonds, Series 2019B of the City of Crystal Lake, McHenry County, Illinois

a true, correct and complete copy of said Ordinance as adopted at said meeting appears in the foregoing transcript of the minutes of said meeting.

I do further certify that the deliberations of the Corporate Authorities on the adoption of said Ordinance were conducted openly, that the vote on the adoption of said Ordinance was taken openly, that said meeting was held at a specified time and place convenient to the public, that notice of said meeting was duly given to all of the news media requesting such notice, that said meeting was called and held in strict compliance with the provisions of the Open meetings Act of the State of Illinois, as amended, and with the provisions of the Illinois Municipal Code, as amended, and that the Corporate Authorities have complied with all of the provisions of said Act and said Code and with all of the procedural rules of the Corporate Authorities in the passage of said Ordinance.

IN WITNESS WHEREOF, I hereunto affix my official signature and seal of the City this 3rd day of December, 2024.

_____

CITY CLERK

(SEAL)

Draft

Agenda Item No: 9h

City Council
Agenda Supplement

Meeting Date: December 3, 2024

Item: General Obligation Bonds, Series 2022 Abatement

Staff Recommendation: Motion to adopt the Abatement Ordinance for the 2022B and 2022C General Obligation Bond Issues

Staff Contact: Jodie Hartman, Director of Finance

Background:

In 2022, General Obligation Bonds were issued to finance the cost of storm water and water main improvements, in addition to provide for the refunding of Series 2013A General Obligation Bonds. Series 2013A bonds were originally issued to provide financing for various water and sewer system improvements as well.

At the time these 2022 bonds were issued, dedicated revenue streams were identified that would provide for the repayment of this obligation. Water and Sewer Fund user fees will be used to repay the water and sewer improvement costs. As such, the City plans to abate the levy for these bonds each year, instructing the County not to levy for the annual payment. The 2022A Bonds were paid in full December 2023, so an abatement is no longer necessary for the 2022A Series.

Under the terms of the bond agreement, the City obligates the full faith and credit of the City if dedicated revenues fall short. If dedicated revenues fall short, the City is required to collect property taxes as a means to repay the debt obligation. Since dedicated revenues will meet expectations, City staff recommends that the City Council approve the attached abatement ordinance that provides official direction to the County Clerk to defray collecting property taxes next year for this bond issue.

This action is an annual procedural requirement. McHenry County requires the City to provide them with the attached ordinance for the abatement to occur.

Votes Required to Pass:

Simple majority

Ord. No.
File No.

The City of Crystal Lake

AN ORDINANCE ABATING THE TAX HERETOFORE LEVIED FOR THE YEAR 2024 TO PAY THE PRINCIPAL AND INTEREST ON $6,740,000 GENERAL OBLIGATION BONDS, SERIES 2022B, AND TO PAY THE PRINCIPAL AND INTEREST ON $6,770,000 GENERAL OBLIGATION BONDS, SERIES 2022C OF THE CITY OF CRYSTAL LAKE, MCHENRY COUNTY, ILLINOIS

Draft

WHEREAS, the Mayor and City Council (the "Corporate Authorities") of the City of Crystal Lake, McHenry County, Illinois (the "City"), by Ordinance No. 7810 adopted on the 19th day of April, 2022 (the "2022 Bond Ordinance"), did provide for: (a) the issue of $1,020,000 General Obligation Bonds (the "Series 2022A Bonds"), and the levy of a direct annual tax sufficient to pay the principal of and interest on the Series 2022A Bonds; and (b) the issue of $6,740,000 General Obligation Bonds (the "Series 2022B Bonds"), and the levy of a direct annual tax sufficient to pay the principal of and interest on the Series 2022B Bonds and (c) the issue of $6,770,000 General Obligation Bonds (the "Series 2022C Bonds"), and the levy of a direct annual tax sufficient to pay the principal of and interest on the Series 2022C Bonds (collectively, the Series 2022A Bonds, the Series 2022B and the Series 2022C Bonds are hereinafter referred to as the "Bonds"); and

WHEREAS, the City will have sufficient moneys in the "Bond Fund" established pursuant to Section 13 of the 2022 Bond Ordinance for the purpose of paying the principal of and interest on the Bonds up to and including December 31, 2025; and

WHEREAS, it is necessary and in the best interests of the City that the taxes heretofore levied for the Year 2024 to pay the principal of and interest on the Bonds be abated.

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

Section 1. Abatement of Tax for Series 2022B Bonds. The tax heretofore levied in the 2022 Bond Ordinance to pay for principal and interest of the Bonds for the Year 2024 is hereby abated in its entirety.

Section 2. Abatement of Tax for Series 2022C Bonds. The tax heretofore levied in the 2022 Bond Ordinance to pay for principal and interest of the Bonds for the Year 2024 is hereby abated in its entirety.

Section 3. Filing of Ordinance. Forthwith upon the adoption of this Ordinance, the City Clerk shall file a certified copy hereof with the County Clerk of the County of McHenry, Illinois, and it shall be the duty of said County Clerk to abate the taxes levied under the 2022 Bond Ordinance for both the Series 2022B Bonds and the Series 2022C Bonds for the Year 2024 in accordance with the provisions hereof.

Section 4. Effective Date. This Ordinance shall be in full force and effect immediately upon its passage by the Corporate Authorities and signing and approval by the Mayor.

DATED at Crystal Lake, Illinois, this 3rd day of December, 2024.

Draft

Passed by the Corporate Authorities on:_____
Approved: _____

City of Crystal Lake, an
Illinois municipal corporation

_____
Haig Haleblian, MAYOR

AYES:

NAYS:

ABSENT:

Recorded in the City Records on

SEAL

ATTEST:

_____
City Clerk

Passed: December 3, 2024
Approved: December 3, 2024

Draft

MINUTES of a regular public meeting of the Mayor and City Council of the City of Crystal Lake, McHenry County, Illinois, held at 100 W. Woodstock Street, Crystal Lake, Illinois, in said City at 7:00 o'clock p.m., on the 3rd day of December, 2024.

The Mayor called the meeting to order and directed the City Clerk to call the roll.

Upon the roll being called, the following Council members answered present _____

_____

The following were absent from the meeting: _____

_____

The Mayor announced that the next item of business before the City Council was the consideration of the adoption of an ordinance abating the tax heretofore levied for the Year 2024 to pay the principal of and interest on the $6,740,000 General Obligation Bonds, Series 2022B and to pay the principal of and interest on the $6,770,000 General Obligation Bonds, Series 2022C of the City. Following a full and complete discussion thereof, including a public recital of the nature of the matter being considered and such other information as would inform the public of the business being conducted, Councilmember _____ presented an ordinance as follows:

Passed by the Corporate Authorities on:

AYES:

NAYS:

ABSENT:

Recorded in the City Records on

ATTEST:

_____

CITY CLERK

STATE OF ILLINOIS)
) SS
COUNTY OF MCHENRY

Draft

CERTIFICATION OF ORDINANCE AND MINUTES

I, the undersigned, do hereby certify that I am the duly qualified and City Clerk of the City of Crystal Lake (the "City"), and as such official am the keeper of the records and files of the City and the City Council (the "Corporate Authorities") thereof.

I do further certify that the foregoing constitutes a full, true and complete transcript of the minutes of the meeting of the Corporate Authorities held on the 3rd day of December, 2024, insofar as the same relates to the adoption of Ordinance No. _____ entitled:

> AN ORDINANCE ABATING THE TAX HERETOFORE LEVIED FOR THE YEAR 2024 TO PAY THE PRINCIPAL AND INTEREST ON $6,740,000 GENERAL OBLIGATION BONDS, SERIES 2022B, AND TO PAY THE PRINCIPAL AND INTEREST ON $6,770,000 GENERAL OBLIGATION BONDS, SERIES 2022C OF THE CITY OF CRYSTAL LAKE, MCHENRY COUNTY, ILLINOIS

a true, correct and complete copy of said Ordinance as adopted at said meeting appears in the foregoing transcript of the minutes of said meeting.

I do further certify that the deliberations of the Corporate Authorities on the adoption of said Ordinance were conducted openly, that the vote on the adoption of said Ordinance was taken openly, that said meeting was held at a specified time and place convenient to the public, that notice of said meeting was duly given to all of the news media requesting such notice, that said meeting was called and held in strict compliance with the provisions of the Open meetings Act of the State of Illinois, as amended, and with the provisions of the Illinois Municipal Code, as amended, and that the Corporate Authorities have complied with all of the provisions of said Act and said Code and with all of the procedural rules of the Corporate Authorities in the passage of said Ordinance.

IN WITNESS WHEREOF, I hereunto affix my official signature and seal of the City this 3rd day of December, 2024.

_____

CITY CLERK

(SEAL)

Draft

Agenda Item No: 9i

City Council
Agenda Supplement

Meeting Date: December 3, 2024

Item: Special Service Area Number 47 Tax Levy

Staff Recommendation: Motion to adopt the Ordinance for levying Special Service Area Number 47 taxes for tax year 2024

Staff Contact: Jodie Hartman, Director of Finance

Background:

The Crystal Lake Watershed Stormwater Management Program Implementation Plan (the "Implementation Plan") imposes certain responsibilities upon the City to inspect, maintain and repair stormwater maintenance facilities within residential developments constructed in the Watershed and that the responsibility for the cost of such inspection, maintenance and repair of such stormwater maintenance facilities be the responsibility of homeowners through the adoption of a Special Service Area.

Habitat for Humanity of Northern Fox Valley has developed a residential development within the City upon the property generally described as 431 S. McHenry Avenue, and a special service area has been created in accordance with the Implementation Plan to provide for the cost of inspection, maintenance and repair of the stormwater management facilities within the Watershed Easement to be created within the Subject Property.

City staff recommends that the City Council approve the attached Ordinance that provides official direction to the County Clerk to levy taxes for the 2024 tax year. Said taxes shall be utilized for the purpose of inspection, maintenance and repair of stormwater management facilities in Special Service Area (SSA) Number 47. This is the seventh year of the SSA; the City must adopt the attached ordinance annually in order to collect funds for stormwater management.

Votes Required to Pass:

Simple majority

Ord. No.
File No.

The City of Crystal Lake

AN ORDINANCE LEVYING TAXES FOR SPECIAL SERVICE AREA NUMBER 47 IN THE CITY OF CRYSTAL LAKE, MCHENRY COUNTY, ILLINOIS FOR TAX YEAR 2024

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WHEREAS, the Mayor and City Council (the "Corporate Authorities") of the City of Crystal Lake, McHenry County, Illinois (the "City"), by Ordinance adopted on the 1st day of May, 2018 (the "Ordinance"), did provide for establishing Special Service Area Number 47 and the imposition of a tax at a rate sufficient to pay the cost of providing special services in and for such area.

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

Section 1. There is hereby levied over all taxable property within the City of Crystal Lake Special Service Area Number 47 the total sum of $1,200.00 for the 2024 tax year. The approximate street location for the area is on the East side of McHenry Avenue south of the intersection with Lake Street.

Section 2. Filing of Ordinance. Forthwith upon the adoption of this Ordinance, the City Clerk shall file a certified copy hereof with the County Clerk of the County of McHenry, Illinois.

Section 3. Effective Date. This Ordinance shall be in full force and effect immediately upon its passage by the Corporate Authorities and signing and approval by the Mayor.

DATED at Crystal Lake, Illinois, this 3rd day of December, 2024.

Passed by the Corporate Authorities on_____
Approved _____

City of Crystal Lake, an
Illinois municipal corporation

_____
Haig Haleblian, MAYOR

AYES:

NAYS:

ABSENT:

Recorded in the City Records on

SEAL

ATTEST:

_____
City Clerk

Passed: December 3, 2024
Approved: December 3, 2024

Draft

MINUTES of a regular public meeting of the Mayor and City Council of the City of Crystal Lake, McHenry County, Illinois, held at 100 W. Woodstock Street, Crystal Lake, Illinois, in said City at 7:00 o'clock p.m., on the 3rd day of December, 2024.

The Mayor called the meeting to order and directed the City Clerk to call the roll.

Upon the roll being called, the following Council members answered present:_____

_____.

The following were absent from the meeting:_____

_____.

The Acting Mayor announced that the next item of business before the City Council was the consideration of the adoption of an ordinance levying taxes for Special Service Area Number 47 in the City of Crystal Lake. Following a full and complete discussion thereof, including a public recital of the nature of the matter being considered and such other information as would inform the public of the business being conducted, Councilmember _____ presented an ordinance as follows:

Passed by the Corporate Authorities on:

AYES:

NAYS:

ABSENT:

Recorded in the City Records on

ATTEST:

_____

CITY CLERK

Draft

STATE OF ILLINOIS)
) SS
COUNTY OF MCHENRY)

CERTIFICATION OF ORDINANCE AND MINUTES

I, the undersigned, do hereby certify that I am the duly qualified and acting City Clerk of the City of Crystal Lake (the "City"), and as such official am the keeper of the records and files of the City and the City Council (the "Corporate Authorities") thereof.

I do further certify that the foregoing constitutes a full, true and complete transcript of the minutes of the meeting of the Corporate Authorities held on the 3rd day of December, 2024, insofar as the same relates to the adoption of Ordinance No. _____ entitled:

> ORDINANCE levying taxes for Special Service Area Number 47 in the City of Crystal Lake, McHenry County, Illinois for tax year 2024

a true, correct and complete copy of said Ordinance as adopted at said meeting appears in the foregoing transcript of the minutes of said meeting.

I do further certify that the deliberations of the Corporate Authorities on the adoption of said Ordinance were conducted openly, that the vote on the adoption of said Ordinance was taken openly, that said meeting was held at a specified time and place convenient to the public, that notice of said meeting was duly given to all of the news media requesting such notice, that said meeting was called and held in strict compliance with the provisions of the Open meetings Act of the State of Illinois, as amended, and with the provisions of the Illinois Municipal Code, as amended, and that the Corporate Authorities have complied with all of the provisions of said Act and said Code and with all of the procedural rules of the Corporate Authorities in the passage of said Ordinance.

IN WITNESS WHEREOF, I hereunto affix my official signature and seal of the City this 3rd day of December, 2024.

_____
CITY CLERK

(SEAL)

Draft

Agenda Item No: 10

City Council
Agenda Supplement

Meeting Date: December 3, 2024

Item: M'Lady Sales Tax Agreement

Mayor's Recommendation: Move to approve a resolution authorizing the Mayor to sign the M'Lady Nissan enhanced sales tax incentive agreement for 5656 Northwest Highway.

Contact: Eric Helm, City Manager
Kathryn Cowlin, Director of Community Development
Heather Maieritsch, Economic Development Manager

Background:
In 2009 the City Council approved an array of economic development tools as outline in Chapter 228 of the City Code. Since that time, many new businesses have taken advantage of these and have opened or improved their businesses within Crystal Lake. M'Lady was awarded a grant in 2010 and is now looking to expand and enhance the existing dealership, which will generate additional sales tax revenue into the City of Crystal Lake.

The M'Lady Nissan dealership, located at 5656 Northwest Highway, is one of the top performing Nissan dealerships in the tristate area. For the past few years, it has received the honor of being the top performing Nissan dealership in the Midwest. In order to better meet the needs of their existing customers and provide an enhanced environment to attract future customers, M'Lady is planning a complete redevelopment of the existing dealership. The entire showroom area will be remolded and expanded. The work bays will also be expanded and new office and service areas for customers. The complete overhaul of the dealership will be done in phases as they still want the existing dealership to be open and operational at some capacity during the renovations.

In keeping with the City's Enhanced Sales Tax Incentive Program (ESTIP), an incentive agreement is proposed that would aid in ensuring this expansion takes place. The purpose of the City's Enhanced Sales Tax Incentive Program is to:

- Encourage the recruitment, retention, establishment and/or substantial expansion of sales tax generating businesses within the City, thereby stimulating the economy within the City;

- Provide 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;

- Further increase 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;

- Encourage the construction improvements by private owners without debt obligations being incurred by the City; and

- Allow applicants an opportunity to improve properties which generates sales activities which improvements make those properties more competitive in the marketplace and further provide to applicants additional contingent sources of revenue for upgrading said properties.

The proposed building redevelopment would include the complete renovation and expansion of the showroom, complete overhaul of the offices and customer waiting areas and the expansion of work bays. The new Nissan image is a modern style with an all-around clean contemporary looks, with a construction cost estimate of $2,700,000.

The proposed sales tax agreement would provide the following stipulations:

- The new Nissan dealership would be constructed, meeting all the City's codes and ordinances, as approved by the City.
- After its completion, the City would share the enhanced sales tax revenue from this property on a 50/50 basis with its owner. The refund is based on the amount of sales tax that is generated by this dealership.
- The refund schedule would continue for ten years or until up to one million dollars has been rebated, whichever occurs first.
- If, for some reason, the dealership were to close or be abandoned, a refund payment schedule has been included that would require repayment of the reimbursement payments that had been made to date, based on a sliding scale.
- The agreement allows for another Nissan or a new franchised motor vehicle dealership (a flag currently not operating in the City) to assume the benefits of the proposed incentive agreement, assuming that the new dealership operates at a level that is comparable to the existing Nissan dealership.
- This agreement also contains a non-compete provision, not allowing M'Lady to open a competing Nissan dealership within 10 air miles during the life of the agreement and also not allowing a competing M'Lady Nissan dealership within 10 air miles 3 years after the termination of this agreement or for nine years after the initial payment, whichever occurs first, unless the total amount of the refund payments have been paid back to the City.

The proposed agreement has been reviewed by legal counsel and is in an acceptable format.

Votes Required to Pass: Simple majority.

CITY OF CRYSTAL LAKE

REDEVELOPMENT AND ENHANCED SALES TAXES INCENTIVE AGREEMENT BETWEEN THE CITY OF CRYSTAL LAKE AND 5656 NORTHWEST HIGHWAY, LLC INCLUDING VARIOUS COVENANTS

THIS REDEVELOPMENT AGREEMENT (this "*Agreement*") is made and executed this ____ day of December, 2024, (the "*Effective Date*") by and between the CITY OF CRYSTAL LAKE, an Illinois home rule municipal corporation, (the "*City*"), and 5656 NORTHWEST HIGHWAY, LLC, an Illinois limited liability company doing business as M'Lady Nissan in Crystal Lake (the "*Owner*");

W I T N E S S E T H:

WHEREAS, the Owner operates a successful Nissan automobile dealership within the corporate limits of the City; and

WHEREAS, in order for the business of the Owner to continue to prosper and grow, the Owner has determined that it is in its best interest to expand its presence in Crystal Lake at 5656 Northwest Highway on property owned by Owner and located within the municipal boundaries of the City, and legally described in Exhibit A attached hereto and incorporated herein (hereinafter, the "*Property*"), in order to expand Owner's existing business; and

WHEREAS, the City desires to assist the Owner in the redevelopment of the Property by reimbursing some of the costs of the redevelopment; and

WHEREAS, the City Council of the City specifically finds that entering into this Agreement will encourage the substantial expansion of a retail sales tax generating business within the City, thereby stimulating the economy of and within the City, providing employment for residents of the City and others, expanding the goods available for purchase and consumption by residents of the City, and further enhancing the tax base of the City, and increasing sales taxes which the City uses to provide essential municipal services collected by the City; and

WHEREAS, the City Council finds that the redevelopment of the Property is necessary to promote the public welfare including the expansion of a retail sales tax generating business and expanded employment opportunities; and

WHEREAS, the parties believe that, in light of the Estimated Project Costs, the redevelopment of the Property would not be possible if not for this Agreement; and

WHEREAS, the parties hereto wish to set forth in full their agreement as to the general nature and extent of the improvements which shall be constructed and installed by Owner within and upon the Property, and the method for and extent of the reimbursement to Owner for such

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construction and installation costs through Reimbursement Payments (as hereinafter defined); and

WHEREAS, the parties wish to memorialize all aspects of their agreement in this Agreement;

NOW THEREFORE, the parties hereto, in and for the consideration of the performance of the mutual covenants and promises set forth herein, the receipt and adequacy of which are hereby acknowledged, do hereby covenant and agree as follows:

1. Authority. This Agreement is entered into in compliance with the powers of home rule communities as set forth in Article VII of the Illinois Constitution, and the provisions of the City of Crystal Lake Municipal Code (the "*City Code*").

2. Definitions. The following terms have the meanings herein ascribed to them.

"Actual Project Costs" means the actual costs incurred by the Owner for the Renovation Project as determined pursuant to Section 8 of this Agreement.

"Reimbursement Payment" means payments made by the City to the Owner from Enhanced Sales Tax, in accordance with the terms of Section 7 of this Agreement.

"Approved Plans" means the plans for the Renovation Project, which plans shall be in general conformity with the plans prepared by MeritCorp and attached hereto as Exhibit B, and in a final form to be approved by the City Manager or the City Manager's designee.

"Base Amount" means $0.00.

"Business Commencement Date" means the first day of the Calendar Quarter after the last to occur of the following: (i) completion of the Renovation Project, and (ii) issuance of a final occupancy permit for the renovated and expanded building on the Property.

"Calendar Quarter" means a three-month period beginning on January 1, April 1, July 1, or October 1.

"Corporate Authorities" means the Mayor and City Council of the City of Crystal Lake.

"Effective Date" means the date on which the last signature is affixed to this Agreement.

"Enhanced Retail Sales Facility" means the Property, and the building and improvements thereon, after completion of the Renovation Project.

"Enhanced Sales Taxes" means the Local Sales Tax receipts: (i) that are attributable to the Owner's sale of automobiles, other motor vehicles, parts, and other retail items from the Enhanced Retail Sales Facility; (ii) that are actually received by the City during a Reimbursement Year; (iii) that exceed the Base Amount; and (iv) for which the City

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receives official documentation demonstrating that such Local Sales Tax receipts are specifically attributable to retail sales from the Property.

"Estimated Project Costs" means the estimated project costs that will be incurred by the Owner for the construction of the Renovation Project as more fully described in Exhibit C attached hereto.

"Local Sales Tax" means the portion of the State Sales Tax that the City actually receives from the State based on the retail sales generated on all or any portion of the Property as reported to Illinois Department of Revenue. The Local Sales Tax does not include any Municipal Sales Tax.

"Maximum Cumulative Payment" means the lesser of 100% of the Actual Project Costs or $1,000,000.00. The Maximum Cumulative Payment may not exceed $1,000,000.00 under any circumstances.

"Municipal Sales Tax" means any local sales taxes imposed by the City pursuant to its home rule authority or the authority granted by the Illinois Municipal Code, 65 ILCS 5, including any local business district sales taxes that may be imposed by the City pursuant to Section 11-74.3-6 of the Illinois Municipal Code, 65 ILCS 5/11-74.3-6.

"New Franchised Motor Vehicle Dealership" means a new automobile dealership not owned by the Owner that is engaged in the sale of new automobiles pursuant to a franchise agreement with one or more motor vehicle manufacturers.

"Party" or "Parties" means the City or Owner or both as the context requires.

"Reimbursable Expenses" (see Section 3).

"Reimbursement Payment" means payments made by the City to the Owner from Enhanced Sales Tax, in accordance with the terms of Section 7 of this Agreement.

"Reimbursement Year" means the 12-month period preceding either the Initial Payment Date or an Annual Payment Date.

"Renovation Project" means the redevelopment, renovation, and/or expansion of the building, related site improvements, and other elements on the Property in compliance with the Approved Plans.

"Property" means the M'Lady Nissan Dealership at 5656 Northwest Highway, Crystal Lake as legally described in Exhibit A, where the Owner operates as of the Effective Date a Crystal Lake automobile facility, selling and servicing Nissan vehicles.

"State Sales Taxes" means any and all taxes imposed and collected by the State of Illinois pursuant to the Use Tax Act (35 ILCS 105), Service Use Tax Act (35 ILCS 110), Service Occupation Tax Act (35 ILCS 115), or Retailer's Occupation Tax Act (35 ILCS 120), as

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any of such taxes may be amended from time-to-time, but not including any Municipal Sales Taxes.

"State" means the State of Illinois.

"Termination Event" means the Owner's abandonment, closure, transfer, sale, relocation of the point of sale, or termination of the Enhanced Retail Sales Facility after completion of the Renovation Project.

3. Purpose. The parties hereby mutually agree that in connection with the Owner's redevelopment of the Property and the construction of the Renovation Project, the Owner shall construct, or cause to be constructed, the Renovation Project in substantial conformity with the Approved Plans. It is the intention of this Agreement to provide a mechanism whereby the City may reimburse the Owner for expenses incurred in connection with the Renovation Project as approved pursuant to Section 8 of this Agreement ("*Reimbursable Expenses*"), and that such Reimbursable Expenses shall be paid from Enhanced Sales Taxes. The parties covenant and agree that the improvements to be constructed as part of the Renovation Project, as well as the additional employment opportunities and tax revenues to be generated by the redevelopment of the Property and the operation of the Enhanced Retail Sales Facility, are significant benefits to the City and its residents, and that the reimbursements contemplated by this Agreement are for a valid and important public purpose.

4. Plan Submittal and Evidence of Title. The Owner shall submit final development and other plans for the Renovation Project to the City, and the City shall approve such plans as the "Approved Plans" if they are (i) generally consistent with the plans attached as Exhibit B to this Agreement, and (ii) consistent with the applicable ordinances and regulations. Thereafter, the Owner shall submit all required plans and information, consistent with the Approved Plans, for issuance of building and other related construction permits and approvals in accordance with the codes, ordinances, and regulations of the City and applicable laws of other governmental bodies.

5. Release of Information. The Owner agrees to execute a power of attorney in such form as may be approved by the Illinois Department of Revenue ("*IDOR*") or such other documents acceptable to IDOR authorizing IDOR to release to the City records of State Sales Taxes and Municipal Sales Taxes related to the Property, including such taxes specifically attributable to the sale of automobiles or other motor vehicles and of any other retail sales (the "*Tax Information*"). If IDOR cannot provide the Tax Information for any reason, then the Owner shall furnish or cause to be furnished to the City copies of all applicable reports or other applicable tax reports, verified by sworn statements, as may be required to be filed with the State for the purpose of providing the Tax Information to the City. The City shall have no obligation under this Agreement to make Reimbursement Payments hereunder until such Tax Information is either received from the State or timely filed with the City. The City will rely on Tax Information, which is to be submitted directly to the City by the Owner or submitted to the City by or through IDOR. If IDOR is for some reason unable to supply any Tax Information, the Owner shall summarize, recapitulate and provide the Tax Information to the City in a form acceptable to the City. Direction as to the form of such reports shall be reasonably exercised by the City. The Owner agrees that it will make a good faith effort to ensure that it conducts itself

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and all of its activities within the City in such a manner that it will at all times comply with the terms and provisions of any and all statutes and regulations issued by the State and IDOR that apply to such activities.

6. Limited Obligation. This Agreement and the Reimbursement Payments due hereunder are a limited obligation of the City. The City's obligation to make Reimbursement Payments pursuant to this Agreement is limited to payment by the City from Enhanced Sales Taxes. The City shall be under no obligation to make payments required herein from any other source or funds held by the City. This is not to be construed as a full-faith and credit or general obligation of the City for any purpose.

7. Reimbursement Payments; Partial Fee Waivers.

(a) Payment Schedule.

(i) On the first anniversary of the Business Commencement Date (the "*Initial Payment Date*"), the City shall make, subject to the terms of this Agreement, a first reimbursement payment (the "*Initial Reimbursement Payment*") to the Owner. On the anniversary of the Initial Payment Date (the "*Annual Payment Date*"), and for not more than nine years after the Initial Payment Date and not to exceed the Maximum Cumulative Payment, the City shall make additional annual reimbursement payments (each an "*Annual Reimbursement Payment*") to the Owner. The Initial Reimbursement Payment and the Annual Reimbursement Payments all are subject to the City's receipt of Enhanced Sales Tax revenues as provided in this Agreement.

(ii) The City shall not be required to make any Initial Reimbursement Payment or any Annual Reimbursement Payment if there is no Enhanced Sales Tax revenue from the relevant Reimbursement Year or until the Actual Project Costs have been determined in accordance with Section 8 of this Agreement. Further, notwithstanding the established Initial Payment Date or Annual Payment Date, the City will have not less than 60 days after the City has received both:

(A) the Enhanced Sales Taxes for the applicable Reimbursement Year, and

(B) the Tax Information related to the Property for the applicable Reimbursement Year,

before an Initial Reimbursement Payment or Annual Reimbursement Payment is due to the Owner. The City shall notify the Owner if the State fails to distribute the Enhanced Sales Taxes to the City or fails to provide the required Tax Information to the City in sufficient time for the City to issue an Initial Reimbursement Payment on the Initial Payment Date or an Annual Reimbursement Payment on the Annual Payment Date.

(iii) The City shall remit any Reimbursement Payment for Owner payable to:

M'Lady Nissan

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5656 Northwest Highway
Crystal Lake, IL 60014
Attn: President

provided that the name of the payee or the address to which the Reimbursement Payment shall be sent may be changed by notice signed by a representative of the Owner and delivered to the City in the manner set forth in Section 30 of this Agreement.

(b) Amount of Reimbursement Payments. As the Initial Reimbursement Payment, the City shall pay to Owner 50% of the Enhanced Sales Taxes attributed to the Property based upon the required Tax Information for the first Reimbursement Year. For each Annual Reimbursement Payment thereafter, the City shall pay to Owner 50% of the Enhanced Sales Taxes attributed to the Property, based upon the Tax Information for the applicable Reimbursement Year. When the Maximum Cumulative Payment has been reached, or upon the expiration or termination of this Agreement, no further sums will be due or owing to the Owner, and the City will not make any further Reimbursement Payments or any other payments to the Owner. Any amounts due from the City to the Owner under this Agreement shall not accrue interest, regardless of whether such payments are made by the payment due date or thereafter.

(c) Adjustments to Reimbursement Payments. If the State corrects or amends any Tax Information relating to the Enhanced Sales Taxes or any distribution of Local Sales Tax to the City relating to any Reimbursement Year, then the Reimbursement Payment for such Reimbursement Year will be subject to change, and the Parties will cooperate to reconcile any errors resulting from the State's correction or amendment. The City may reconcile any excessive Reimbursement Payment in one Reimbursement Year by reducing the Reimbursement Payment otherwise due in a later Reimbursement Year.

(d) Conditions for Receiving Reimbursement Payment. No Reimbursement Payment will be made to the Owner for any Reimbursement Year unless Owner is operating the Enhanced Retail Sales Facility at the Property in accordance with the terms of this Agreement and applicable requirements of the City Code as of the Initial Payment Date or the Annual Payment Date for the Reimbursement Year in question.

(e) Termination or Transfer of Dealership; Refund to City.

(i) Subject to the exceptions for a transfer of a dealership set forth in Subsection 7(g) of this Agreement, upon the occurrence of a Termination Event, then all Reimbursement Payments required of the City are terminated and the City shall be under no obligation to make any further Reimbursement Payments or any other payments to the Owner. The date of the Termination Event will be reasonably determined by the City and will be referred to in this Agreement as the "*Termination Date*." In the event of a Termination Event, the Owner shall refund to the City a percentage of the Reimbursement Payments theretofore received by the Owner in accordance with the following schedule (the "*Required Refund*"):

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Date of Terminating Event	**% of Cumulative Reimbursement Payments to be Refunded**
Prior to third Annual Payment Date:	90%
After third Annual Payment Date, but prior to fourth Annual Payment Date:	80%
After fourth Annual Payment Date, but prior to fifth Annual Payment Date:	70%
After fifth Annual Payment Date, but prior to sixth Annual Payment Date:	60%
After sixth Annual Payment Date, but prior to seventh Annual Payment Date:	50%
After seventh Annual Payment Date, but prior to eighth Annual Payment Date:	40%
After eighth Annual Payment Date, but prior to ninth Annual Payment Date:	30%
After the ninth Annual Payment Date:	0%

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The Owner must make, or commence making, the Required Refund on the first day of the third full month after the Termination Date. The Required Refund may be made in installments without interest on a schedule reasonably acceptable to the City Manager, provided that under all circumstances the Required Refund must be made in full within one year after the Termination Date.

(ii) Owner acknowledges and agrees on its own behalf and on behalf of its heirs, successors, and assigns that the City's right to the Required Refund constitutes both a personal obligation of Owner and a lien against the Property, and Owner agrees and consents to the City recording this Agreement (or a memorandum of agreement of this Agreement) with the McHenry County Recorder of Deeds. The personal obligation of Owner will survive any sale or other transfer of interest in either (A) the existing franchised automobile dealerships remaining at the Property after completion of the Renovation Project, or (B) the Enhanced Retail Sales Facility, until the Owner's obligations with respect to the Required Refund have been fully satisfied pursuant to this Agreement.

(iii) Notwithstanding the foregoing, if (A) the Owner transfers or sells the Enhanced Retail Sales Facility, (B) the Enhanced Retail Sales Facility continues to operate at the Property, and (C) the City approves such transfer or sale (which approval shall not be unreasonably withheld), then such transfer or sale shall not be deemed a

Termination Event. Additionally, any temporary closure of the Enhanced Retail Sales Facility for purposes of completing repairs, renovations, or further redevelopment or expansion shall not be deemed a Termination Event, provided that Owner is diligently pursuing the completion of such work.

(f) Point of Sale. The Property shall be declared as the point of any retail sale with respect to any motor vehicle or other retail item that is stored, kept, maintained, displayed, or otherwise located on the Property. In the event that the Owner relocates from the City the point of retail sale with respect to any vehicle or other retail item that is stored, kept, maintained, displayed, or otherwise located on the Property at any time before three calendar years after the later of the ninth Annual Payment Date or the date that the Owner received the Maximum Cumulative Payment, then not only must the Owner make any applicable Required Refund as set forth in Section 7(e) above, but Owner shall pay to the City any Local Sales Taxes or Municipal Sales Taxes that would have been paid in connection with the retail sale of any such vehicle or retail item had such sale been recorded as having been effected in the City. Notwithstanding anything to the contrary in this paragraph, any motor vehicle or other retail item traded between the Owner and either other vehicle dealers or a vehicle auction house shall not be deemed a retail sale for purposes of the point of sale requirements of this paragraph.

(g) Transfer of Dealership. Notwithstanding the effect of a Termination Event resulting from a sale or transfer of the Enhanced Retail Sales Facility by Owner pursuant to Section 7(e) of this Agreement:

(i) If a New Franchised Motor Vehicle Dealership that sells new Nissan automobiles, or other new automobiles manufactured by an automobile manufacturer for which no franchised dealership existed within the City as of the Termination Date (a "*New Dealership*") occupies the Property and begins generating Local Sales Taxes from the sale of new automobiles within one year after the Termination Date (the "*New Dealership Start Date*"), then the Required Refund that otherwise would be due to the City from the Owner pursuant to Section 7(e) of this Agreement shall be waived by the City and will not be due from the Owner, and any full or partial payments to the City of the Required Refund will be reimbursed to the Owner.

(h) Non-Compete. The Owner agrees that:

(i) Prior to a Termination Event: Until the Expiration Date, and provided that no Termination Event has occurred, the Owner will not engage in any activity in which Owner holds an ownership interest in or participates in the operation of an automobile dealership selling new Nissan automobiles within a 10 air mile radius of the Property (a "*Competing Activity*"); and

(ii) Subsequent to a Termination Event: If a Termination Event occurs before the Expiration Date, then for the lesser of: (i) three years after the Termination Event, or (ii) nine years after the Initial Payment Date, the Owner will not engage in a Competing Activity, unless:

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(A) Prior to engaging in such Competing Activity the Owner has remitted the full amount of the Required Refund to the City; or

(B) a New Franchised Motor Vehicle Dealership that sells new automobiles occupies the Property and begins generating Local Sales Taxes from the sale of new automobiles.

(iii) Injunctive Relief. The Owner acknowledges and agrees that monetary damages may be insufficient to remedy a breach of the provisions of this Subsection 7(h) and that the City may seek injunctive relief against the Owner to enforce the terms of this Subsection 7(h).

(i) Force Majeure. If a Termination Event occurs as a result of fire, natural disaster, or other casualty beyond the control of the Owner (a "*Force Majeure Event"*), then:

(A) Owner will have no obligation to make any Required Refund payment if, but only if, the Owner is working diligently to repair the damage to the Property caused by the Force Majeure Event and the Enhanced Retail Sales Facility is fully operational within 12 months after the Force Majeure Event (or such longer period as the City may approve in its reasonable discretion); and

(B) The next applicable Annual Payment Date will be tolled and extended, and the Expiration Date (as defined in Section 10) shall be extended, for the number of months equal to the duration of the Force Majeure Event, including any time during which the Enhanced Retail Sales Facility is closed for business due to the Force Majeure Event so long as the Owner is working diligently to repair the damage and return the Enhanced Retail Sales Facility to full operation.

(j) Commencement of Construction. This Agreement will terminate and will be of no force or effect, and the City shall be under no obligation to make any payments of any kind to the Owner if the Owner does not (i) commence construction of the Renovation Project within a reasonable time and in any event within 12 months after the Effective Date and (ii) diligently pursue and achieve completion of the Renovation Project.

(k) Waiver of Certain Review, Permit, and Inspection Fees.

(i) For the Renovation Project, the City will provide a 50% reduction in the City review, permit, and inspection fees.

(ii) In the event of a Termination Event before the tenth anniversary of the Business Commencement Date, Owner shall be required to remit to the City within 60 days after such Termination Event the full amount of the fee reductions authorized in Subsection 7(k)(i), unless a New Franchised Motor Dealership occupies the Property and begins generating Local Sales Taxes from the sale of new automobiles within one year after the

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Termination Date, in which circumstance any full or partial payments of the fee reduction amount made to the City will be reimbursed to the Owner.

8. Project Modifications; Proof of Actual Project Costs. The Owner acknowledges and agrees that the Renovation Project is subject to modifications required by the City and issuance of required permits, all in accordance with applicable codes. The Owner further acknowledges and agrees that all payments to the Owner under this Agreement will be made only for Actual Project Costs incurred by the Owner for the construction of the Renovation Project in accordance with the Approved Plans ("*Reimbursable Expenses*"). Not less than 90 days prior to the Initial Payment Date, the Owner shall provide invoices and other appropriate documentation, satisfactory to the City Manager, establishing the actual costs incurred by the Owner ("*Owner's Proof of Incurred Costs*"). The Owner's Proof of Incurred Costs shall include sworn contractor's and owner's statements supporting the actual costs and supportive waivers of liens in connection with the sworn contractor's statement. The City Manager either will approve the Owner's Proof of Costs or will advise the Owner promptly of any objections with respect to the Owner's Proof of Incurred Costs. If the Owner disagrees with the City Manager's objections, then the parties shall act in good faith to reasonably resolve the disagreement. In the event that the parties are unable, after good faith efforts, to resolve a disagreement, the Owner and the City shall select an independent third-party architect, engineer, or general contractor to review the Owner's Proof of Incurred Costs and City Manager's objections and determine the Actual Project Costs for purposes of determining the Reimbursement Payment. The determinations of the third-party architect, engineer, or general contractor will be final, and the Parties shall split the cost of retaining the third-party architect, engineer, or general contractor.

9. Compliance with Applicable Laws. The Owner represents and warrants that it will not knowingly violate any applicable federal, State, and City laws, rules, ordinances, or regulations, including without limitation the Illinois Prevailing Wage Act, 820 ILCS 130. In the event of a violation, the City, upon notice to the Owner, may withhold any payment otherwise due pursuant to this Agreement until such time as the violation is corrected to the reasonable satisfaction of the City.

10. Termination of Agreement; Survival of Certain Obligations. The Parties agree that this Agreement shall terminate on the earlier to occur of: (a) payment by the City of the ninth Annual Reimbursement Payment; (b) the date on which the Owner has been paid by the City an amount equal to the Maximum Cumulative Payment; or (c) the second anniversary date of the Effective Date if the Owner fails to complete the Renovation Project and commence retail operations at the Enhanced Retail Sales Facility within such two-year period (unless the City may agree in writing in its discretion to extend such two-year period) (the "*Expiration Date*"). Notwithstanding the foregoing, the Owner's obligations under Sections 7, 12, 16, and 18 of this Agreement (as well as any other indemnification or defense obligations under this Agreement) shall survive until the later of:

(y) five years after the Expiration Date; or

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(z) the date upon which a final and unappealable order is entered in connection with the adjudication of any claim filed in connection with this Agreement prior to the fifth anniversary after Expiration Date.

11. Discrepancies. In the event there is a discrepancy between the sales amounts reported on the State Sales Tax reports and the cash receipts amount received by the City from the State, the City agrees to immediately notify the Owner of the discrepancy in writing to allow the Owner an opportunity to investigate and, if appropriate, correct the error. In this circumstance, the Owner shall be responsible for providing the City with the Tax Information that specifies the location where sales were reported.

12. Representation of Owner; Indemnification; Additional Reimbursement Payment; Authorization for Reimbursement Payments.

(a) The Owner represents that the sales taxes that will be rebated to the Owner through the reimbursement payments under this Agreement would not have been paid to any other unit of local government within the State in the absence of this Agreement and that this Agreement does not violate any of the requirements of Section 8-11-21 of the Illinois Municipal Code, 65 ILCS 5/8-11-21. Neither the City nor the Owner, or their respective successors or assigns, shall challenge the legality or enforcement or any recital, provision, or covenant of this Agreement.

(b) The Owner agrees to defend, indemnify, and hold harmless the City and its elected and appointed officials, employees, agents, attorneys, and insurers against any claim challenging the validity of this Agreement, any covenant set forth in this Agreement, or any ordinance approving this Agreement, as well as any against any claim for damages or repayment of the funds paid to the Owner pursuant to this Agreement brought by any person, State, federal, or local agency or unit of local government, including but not limited to any claim brought against the City by any unit of local government pursuant to said Section 8-11-21. The City shall cooperate with the Owner in the defense of any such challenge, but such cooperation shall not require the City to incur any costs in connection therewith. Notwithstanding the preceding sentence, the City may participate in such defense at its own cost and expense.

(c) In the event that the Owner successfully defends against a challenge to the validity of this Agreement, then the reasonable costs of such defense (including reasonable attorneys' fees) incurred by the Owner, as reasonably determined by the City, shall be added to the Actual Project Costs established pursuant to Section 8 of this Agreement and to the Maximum Cumulative Payment.

(d) Reserved.

(e) In the event that legislation is enacted that declares the rebates contemplated by the Agreement unlawful, the City may terminate this Agreement immediately upon the effective date of that legislation, and the City will be under no further obligation with respect to any Reimbursement Payments or other payments to the Owner.

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13. Changes in Law on Collection of Sales Taxes. The City's ability to collect sales taxes is authorized and governed by law. The Illinois General Assembly from time to time has considered modifying or eliminating the distribution of State sales tax revenues to Illinois municipalities. The Parties desire to make express provisions for the effect that a change in State law to enable the City to collect a sales tax would have on this Agreement. Accordingly, the Parties agree as follows:

(a) If the Illinois General Assembly eliminates the distribution of State Sales Tax revenues to Illinois municipalities, then the City shall not be required, under any circumstances, to impose a Municipal Sales Tax or any other tax for the purpose of providing a source of funds to replace the State Sales Tax. The Parties, however, may agree to undertake their best efforts to make the appropriate equitable changes to this Agreement to carry out the intent of this Agreement, but the agreement to undertake best efforts shall not be construed or applied to obligate the City to make any such changes that the City determines, in the exercise of its discretion, to be against the best interest of the City.

(b) If the Illinois General Assembly alters the State Sales Tax distribution formula in a manner that prevents the City and the Owner from being able to equitably ascertain the amount of sales tax revenues being received by the City as a direct result of the retail sales activities generated by the Owner, the City shall have no obligation to make any reimbursement payment or other payment to the Owner based on the retail sales activities generated by the Owner. The Parties, however, may agree to undertake their best efforts to make the appropriate equitable changes to this Agreement to carry out the intent of this Agreement, but the agreement to undertake best efforts shall not be construed or applied to obligate the City to make any such changes that the City determines, in the exercise of its discretion, to be against the best interest of the City.

The making of any such equitable changes pursuant to Subsections (a) and (b) above shall not, in any event, require the City to pay the Owner from any revenue source other than Local Sales Tax receipts.

14. Owner's Obligation to Provide Documentation of Sales. Within 30 days after a request by the City, the Owner shall provide the City with monthly sales and sales tax reports and proofs of payment and reasonable access to its tax and financial records limited, however, to tax and financial records that relate to the computation or allocation or gross receipts, at reasonable times and places, which the City hereby agrees to hold in strictest confidence except as is reasonably necessary to enforce the terms of this Agreement and as otherwise may be provided pursuant to the Illinois Freedom of Information Act consistent with the terms of Section 27, below. If the City has good cause to believe that the Owner has under-reported or over-reported gross receipts, then in such case the City may retain an independent auditor, at the City's expense, to verify the sales of the Owner. In the event that such independent auditor determines that there is a discrepancy in gross sales of more than two percent, then all direct and reasonable costs and expenses incurred by the City to retain the independent auditor to conduct the sales tax audit shall be promptly reimbursed to the City by the Owner. To the extent not

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otherwise available, the City shall provide the Owner with information sufficient for the Owner to verify the amount of sales tax collected by City and attributable to sales by the Owner.

15. Obligations of City Contingent on Compliance by Owner. The obligation of the City to make any Reimbursement Payment under this Agreement is expressly conditioned on the Owner's compliance with every material term of this Agreement (subject to the notice-and-cure opportunity provided in Section 28, below), including without limitation completion of the Renovation Project in compliance with the Approved Plans.

16. Inducements. The Owner and the City agree that this Agreement will result in substantially increased utilization of the Property to the benefit of both the City and the Owner. The City acknowledges that the Reimbursement Payments provided to the Owner hereunder are a material inducement to the Owner in acquiring and improving the Property. The Owner acknowledges that the increases in property taxes and sales taxes are material inducements to the City in entering into this Agreement.

17. No Other City Incentives. The Owner acknowledges and agrees that during the term of this Agreement and until all obligations of the Owner under this Agreement have been completed, there are no other rebates, reimbursements, cost adjustments, or other incentives of any kind available from the City for the Property, and the Owner agrees not to seek, apply for, or otherwise request such rebates, reimbursements, cost adjustments, or other incentives on this property.

18. Payment of Attorney's Fees and Costs. If a Party employs an attorney to enforce any of the provisions of this Agreement in litigation and that Party prevails in a final judgment of the court, then the other Party shall pay the prevailing Party all reasonable costs and expenses, including reasonable attorneys' fees, incurred in connection therewith.

19. Cooperation and Compliance of Parties. In addition to the acts and deeds recited herein and contemplated to be performed by the Parties, each Party agrees to perform such acts as may be reasonably necessary to consummate the terms and intentions of this Agreement.

20. Effect of Agreement. This Agreement shall be binding on and inure to the benefit of the City and the Owner and their legal representatives, successors, heirs, and assigns. The Owner (but not its shareholders or members) is liable for the obligations set forth in this Agreement, except as otherwise expressly provided in this Agreement.

21. Governing Law. This Agreement shall be governed, construed, and enforced in accordance with the laws of the State of Illinois.

22. Entire Agreement; Severability. This Agreement (including its recitals and exhibits) constitutes the full agreement and understanding of the Parties with respect to the matters set forth herein, and no negotiations, communications, or other agreements shall have any force or effect. If any portion of this Agreement is held invalid or inoperative, then so far as is reasonable, possible, and consistent with the intent and purposes of this Agreement, the remainder of this Agreement will be deemed valid and operative, and effect will be given to the intent manifested by the portion held invalid or inoperative. The failure by either Party to

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enforce against the other Party any term or provision of this Agreement shall be deemed not to be a waiver of that Party's right to enforce against the other Party the same or any other such term or provision.

23. No Debt or Obligation. The Parties specifically acknowledge and agree that no undertaking on the part of the City to make Reimbursement Payments as specified in this Agreement constitutes a debt or obligation of the City within any constitutional or statutory provision.

24. Escrow of Funds. In the event of a legal challenge to any City code or ordinance or this Agreement affecting Reimbursement Payments, any and all undisbursed Enhanced Sales Taxes shall be escrowed during the pendency of any such legal challenge.

25. Assignment of Rights and Obligations. None of the obligations, benefits, and provisions of this Agreement shall be assigned in whole or in any part by the Owner without the prior express written authorization of the Crystal Lake City Council. In addition, no third party may rely on or enforce any provision of this Agreement, the same being an agreement solely between the City and the Owner which is made for the benefit of no other person or entity. The preceding sentence notwithstanding, this Agreement and the Owner's rights hereunder may be assigned to a company under the same or very nearly the same ownership upon 30 days' prior notice to the City.

26. Corporate Capacities. The Owner acknowledges and agrees that the persons executing this Agreement on behalf of the City are authorized to do so in their official capacity and have so signed this Agreement in their official capacities only, and those persons shall have no personal liability in their individual capacities.

27. Confidentiality. The Parties acknowledge that the information contained in any tax return and report made by the Owner, and in any records made available to the City under Section 14, is confidential information proprietary to the Owner and agree that to the fullest extent permitted by law, all documents, including tax returns, and other information provided to City and its agents and representatives, pursuant to or with regard to the provisions of this Agreement shall not be released or made available to any third person, corporation, organization, or association without order of court or the prior approval of the Owner. It is expressly understood by the Owner that, as a unit of local government, the City is subject to the requirements of the Illinois Freedom of Information Act (the "*FOIA*"). Accordingly, any documents or materials provided to the City are subject to possible public disclosure pursuant to the FOIA. The City will inform the Owner of any request made for release of this information, will cooperate with Owner to assert applicable FOIA exemptions, and will afford the Owner an opportunity to interpose an objection to the release of information provided to the City by the Owner prior to its release. The Owner may take such actions before the State or in a court of competent jurisdiction to prevent such disclosure which it deems to be exempt from the provisions of the FOIA. To the extent that the City denies release of any information under the FOIA upon the written request of the Owner, the Owner shall defend and indemnify the City and its officers, officials, and employees from and against any action is filed with respect to such denial.

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28. Breach of Agreement. In the event of a breach of this Agreement, the Parties agree that the Party alleged to be in breach shall have 30 days after written notice of said breach from the non-breaching Party to correct the breach prior to the non-breaching Party's seeking of any remedy provided for in this Agreement. Upon a breach of this Agreement and after the expiration of the cure period described above, the non-breaching Party may take whatever action at law or in equity as may appear necessary or desirable to enforce performance and observance of any obligation set forth in this Agreement.

29. Liability. The sole source of funds for payments to the Owner under this Agreement by the City shall be Enhanced Sales Taxes. The Owner may not compel any exercise of taxing authority by the City to make payments provided for hereunder. Except as expressly provided herein, the Owner acknowledges and agrees that (a) in no event shall any individual, officer, employee, or elected or appointed public official of the City be personally liable to the Owner for any judgments for monetary damages, payments, obligations, or performance due under this Agreement, or any breach or failure of performance of the City hereunder and (b) that the sole recourse for payment or performance of the obligations hereunder shall be against the City itself.

30. Notices. Any written notices provided for or required in this Agreement shall be deemed delivered when either personally delivered or mailed, postage fully prepaid, certified or registered mail, return-receipt requested, to the parties at the following addresses:

To the City:
City Manager
City of Crystal Lake
100 W. Woodstock Street
Crystal Lake, IL 60014

To the Owner:
M'Lady Nissan
5656 Northwest Highway
Crystal Lake, IL 60014
Attn: President

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31. Effective Date. It is understood that this Agreement shall be effective as of the Effective Date, after adoption by the City Council of a resolution authorizing the execution of this Agreement and the execution of this Agreement by all Parties.

[Signature page to follow.]

DONE AND RESOLVED this day and date first above set forth.

CITY: **THE CITY OF CRYSTAL LAKE, ILLINOIS**

_____
Haig Haleblain, Mayor Date

ATTEST:

_____
Nicholas Kachiroubas, City Clerk

OWNER: **5656 NORTHWEST HIGHWAY, LLC,**
an Illinois limited liability company

By:_____

Its: _____ Date: _____

STATE OF _____)
)
COUNTY OF _____)

On _____, 20___, before me, _____, a Notary Public in and for said state, personally appeared, _____, as the _____ of **5656 Northwest Highway, LLC**, an Illinois limited liability company, and proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacity for said entity.

WITNESS my hand and official seal.

_____ (SEAL)
Notary Public

My Commission Expires: _____

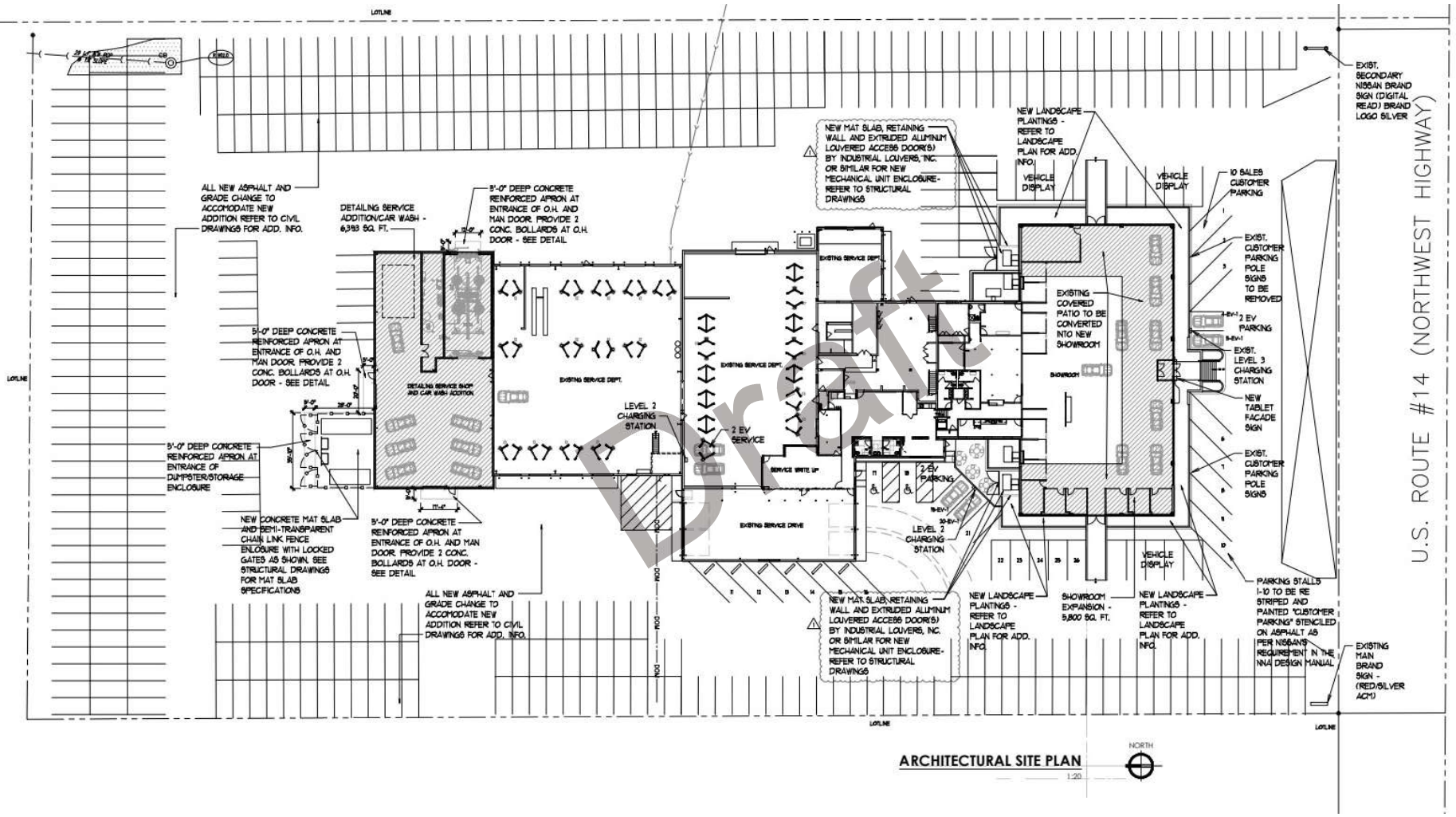
Draft

EXHIBIT A
LEGAL DESCRIPTION OF PROPERTY

Draft

EXHIBIT B
PLANS

Draft



Draft

ARCHITECTURAL SITE PLAN

NORTH

1:20

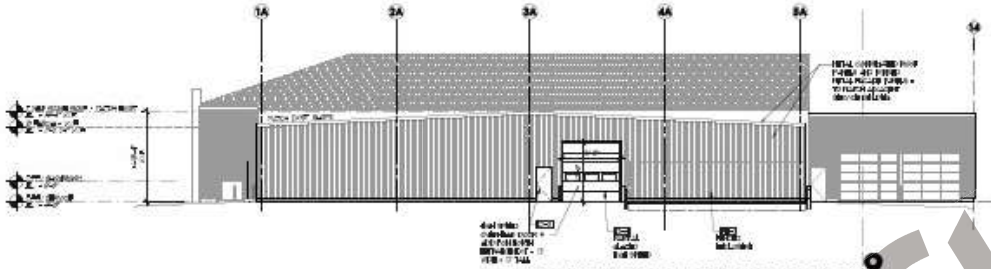
EXPIRATION DATE: 11/30/2024

M'LADY NISSAN

DEALERSHIP IMPROVEMENTS

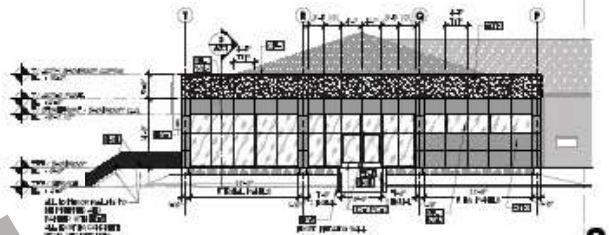
5656 Northwest Hwy Crystal Lake, IL 60014

1	BUILDING DEPARTMENT CORRECTIONS 10/31/24
2	ISSUED FOR BID AND PERMIT 12/7/24



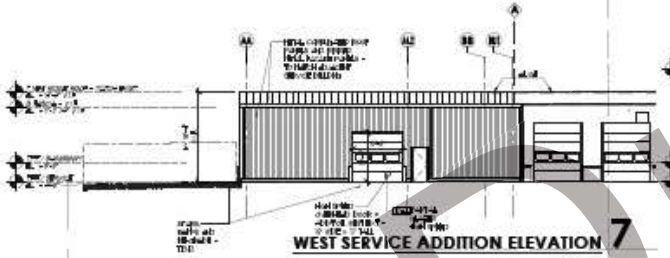
NORTH SERVICE ADDITION ELEVATION 9

3/32" = 1'-0"



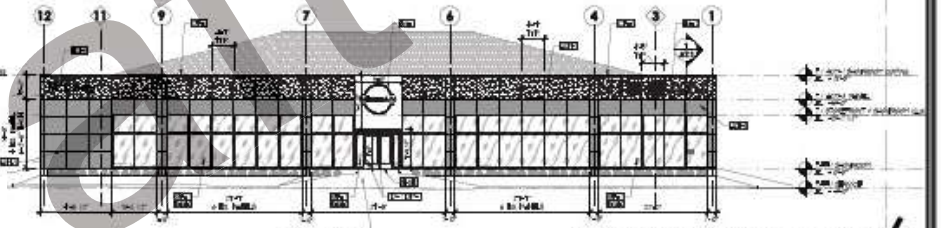
EAST MAIN ENTRANCE ELEVATION 8

3/32" = 1'-0"



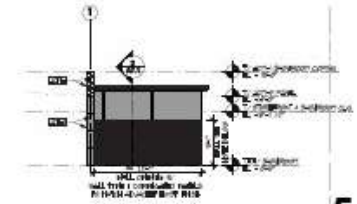
WEST SERVICE ADDITION ELEVATION 7

1/8" = 1'-0"



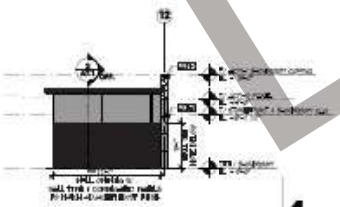
SOUTH MAIN ENTRANCE ELEVATION 6

3/32" = 1'-0"



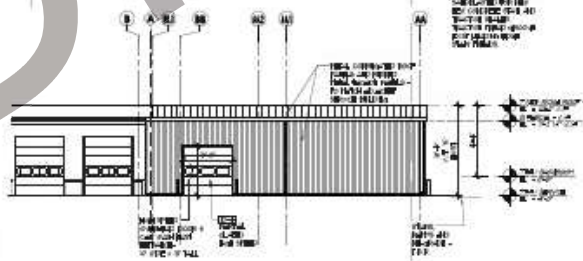
NORTHEAST SHOWROOM ELEVATION 5

1/8" = 1'-0"



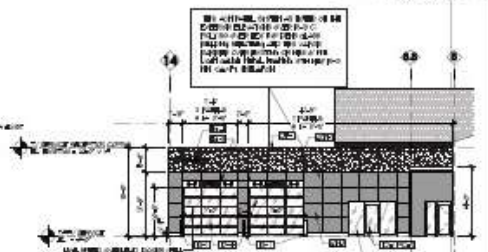
NORTHWEST SHOWROOM ELEVATION 4

1/8" = 1'-0"



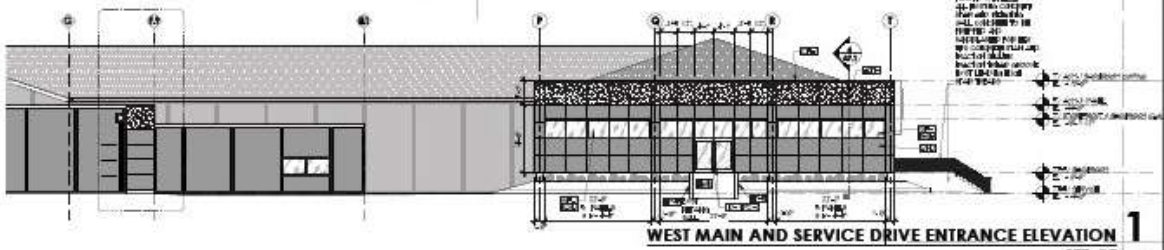
EAST SERVICE ADDITION ELEVATION 3

3/32" = 1'-0"



SOUTH SERVICE DRIVE ENTRANCE ELEVATION 2

3/32" = 1'-0"



WEST MAIN AND SERVICE DRIVE ENTRANCE ELEVATION 1

3/32" = 1'-0"

Draft

RIDGELAND ASSOCIATES INC.
ARCHITECTS
DESIGNERS
PLANNERS
1 Riverside Rd.
Riverside
Illinois 60546
708.435.0300
708.435.0305 fax
www.ridgelandassociates.com

INFORMATION DATED: 11/20/2024

M'LADY NISSAN

DEALERSHIP IMPROVEMENTS

5456 Northwest Hwy Crystal Lake, IL. 60014

Drawing Date	10/7/24
Project Number	22038

EXTERIOR ELEVATIONS

A5.0

LINEAR GRAPHIC BAR SCALES

EXHIBIT C
ESTIMATED PROJECT COSTS

4869-4460-7485, v. 2

Draft

Agenda Item No: 11

City Council
Agenda Supplement

Meeting Date: December 3, 2024

Item: Allocation of State Motor Fuel Tax (MFT) Funds for Fiscal Year 2025

Staff Recommendation: Motion to adopt a Resolution appropriating $1,378,000 in MFT funds

Staff Contact: Michael Magnuson, P.E., Director of Public Works and Engineering

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Background:

The City uses Motor Fuel Tax (MFT) funds to fund a portion of general roadway maintenance activities such as resurfacing and the purchase of road salt for snow and ice control. The State of Illinois collects a tax on motor fuels and then distributes a portion of that tax to municipalities based on population. The use of MFT funds is regulated by the State of Illinois through the Illinois Department of Transportation (IDOT). IDOT requires the City to formally appropriate MFT funds through a City Council resolution for these purposes annually. These appropriations are then reflected in the annual budget.

Road Salt for Snow and Ice Control (Total $600,000)
The Public Works Department estimates that it will spend $600,000 on road salt in the next fiscal year.

Annual Resurfacing Program (Total $778,000)
A portion of the City's annual resurfacing program will be paid utilizing MFT funds. The total MFT amount for the 2025 resurfacing program is proposed at $778,000.

Total estimated expenditures are $1,378,000. Any funds that are obligated and not spent will be returned to the City's unobligated MFT fund balance. The funds will then be available for future projects.

Votes Required to Pass:

Simple majority

Illinois Department of Transportation

Resolution for Maintenance Under the Illinois Highway Code

District	County	Resolution Number	Resolution Type	Section Number
1	McHenry		Original	25-00000-00-GM

BE IT RESOLVED, by the Council (Governing Body Type) of the City (Local Public Agency Type) of Crystal Lake (Name of Local Public Agency) Illinois that there is hereby appropriated the sum of

one million three hundred seventy-eight thousand Dollars ($1,378,000.00)

of Motor Fuel Tax funds for the purpose of maintaining streets and highways under the applicable provisions of Illinois Highway Code from

01/01/25 (Beginning Date) to 12/31/25 (Ending Date).

BE IT FURTHER RESOLVED, that only those operations as listed and described on the approved Estimate of Maintenance Costs, including supplemental or revised estimates approved in connection with this resolution, are eligible for maintenance with Motor Fuel Tax funds during the period as specified above.

BE IT FURTHER RESOLVED, that City (Local Public Agency Type) of Crystal Lake (Name of Local Public Agency) shall submit within three months after the end of the maintenance period as stated above, to the Department of Transportation, on forms available from the Department, a certified statement showing expenditures and the balances remaining in the funds authorized for expenditure by the Department under this appropriation, and

BE IT FURTHER RESOLVED, that the Clerk is hereby directed to transmit four (4) certified originals of this resolution to the district office of the Department of Transportation.

I _____ (Name of Clerk) City (Local Public Agency Type) Clerk in and for said City (Local Public Agency Type) of Crystal Lake (Name of Local Public Agency) in the State of Illinois, and keeper of the records and files thereof, as provided by statute, do hereby certify the foregoing to be a true, perfect and complete copy of a resolution adopted by the Council (Governing Body Type) of Crystal Lake (Name of Local Public Agency) at a meeting held on 12/03/24 (Date).

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal this _____ (Day) day of _____ (Month, Year).

(SEAL, if required by the LPA)

Clerk Signature & Date

APPROVED

Regional Engineer Signature & Date
Department of Transportation

Draft

Agenda Item No: 12

City Council
Agenda Supplement

Meeting Date: December 3, 2024

Item: Proposal Award - Construction Engineering Services for the Three Oaks Recreation Area Trail Project

Staff Recommendation: Motion to adopt a Resolution authorizing the City Manager to execute an agreement with Bowman Consulting Group for the Three Oaks Recreation Area Trail Construction Engineering Consultant Services in the amount of $265,168.00, approve warranted changes for up to 10 percent of the agreement cost, and to approve warranted completion date extensions

Staff Contact: Michael P. Magnuson, P.E. Director of Public Works and Engineering

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Background:
The Master Plan for the Three Oaks Recreation Area includes a lake loop trail that will connect the existing trails into a contiguous loop surrounding the lake. Completing a lake loop trail is the most frequently requested amenity in annual surveys of Three Oaks guests.

The path will be a pedestrian only path and will be signed to prohibit bicycles. Bicycle paths require gentle grades and large radius curves. The steep slopes and grades are not conducive to accommodating bicycles.

The path will be eight-foot wide gravel with one-foot shoulders. Construction will be completed in phases. Segment 3, located near the southwest corner of the lake was completed in 2024. Bids for Segment 1, planned for construction along Pingree Road, were opened on November 7, 2024 and approved by the City Council at the November 19, 2024 meeting.

The City requires consulting construction engineering services to supplement City staff and ensure the contractor constructs the project to the City's specifications and requirements. The construction engineering services contract will be for all remaining city constructed segments of the trail. The construction engineering services include the following general tasks:

- Full-time on-site inspection when the contractor is working to ensure work and materials comply with the requirements of the engineering plans and contract specifications
- Monitoring progress, schedule and deadlines
- Tracking, measuring and documenting quantities for progress payments
- Inspecting traffic control, erosion control and ensuring compliance with any permits issued for the project or other special requirements of the City

Consultant Selection Process

The Engineering Division followed the City's Purchasing Policy to solicit proposals from consulting engineering firms for construction engineering services for this project. The City received proposals from five firms. Based on the consultants' qualifications and experience, a short list of the three (3) most qualified firms was established and these three firms were asked for cost proposals. The evaluation is summarized below:

Three Oaks Recreation Area Trail Construction Engineering

Proposal Ranking Excellent = 5 Very Good = 4 Good = 3 Acceptable = 2 Poor = 1 Unacceptable = 0	Committee's Relative Weight of Importance	Baxter & Woodman		Bowman		Fehr Graham		GSG		HLR	
Criteria	(1-10)	Rating (0-5)	Weighted Rating	Rating (0-5)	Weighted Rating	Rating (0-5)	Weighted Rating	Rating (0-5)	Weighted Rating	Rating (0-5)	Weighted Rating
Understanding of Project Scope: Did the consultant properly identify key aspects of the project and not submit a generic approach?	8	4.0	32.00	4.0	32.00	2.7	21.33	4.0	32.00	4.0	32.00
Lead Inspector / RE demonstrated experience and relevant municipal experience in project examples.	10	4.7	46.67	5.0	50.00	3.7	36.67	2.7	26.67	2.7	26.67
Project supporting team and firm examples are pertinent and aligned with the proposed scope.	8	4.3	34.67	4.0	32.00	4.0	32.00	2.3	18.67	2.3	18.67
Total Weighted Rating	26		113.33		114.00		90.00		77.33		77.33
PROPOSAL RANKING		4.36		4.38		3.46		2.97		2.97	
Total Cost		$271,470		$265,168		$436,083					
Relative Cost Ranking (Formula) (2.5 = avg. cost, points awarded/deducted for fee compared to avg) Avg. cost = $322,640.33		2.91		2.96		1.64					
TOTAL VALUE RANKING =		3.63		3.67		2.55					

The evaluation resulted in Bowman Consulting Groups proposal as offering the best value (qualifications and cost) to the City. Bowman Consulting Group proposed a resident engineer who has overseen trail projects within natural areas like the Three Oaks Recreation Area and has the experience for this unique project.

Recommendation:

This contract is being presented pursuant to a request for qualification process. Under such process, the contract is to be awarded to the vendor whose proposal "will be the most advantageous to the City." City staff has reviewed the proposals received, and determined that the recommended consultant is the most well-suited for the project.

Based on the proposals received, the City's evaluation criteria and the detailed review by staff, it is the recommendation of staff to select Bowman Consulting Group for the construction engineering services. Funds for this project are in the FY2024B budget and proposed in the FY2025 budget.

Votes Required to Pass:

Simple majority

R E S O L U T I O N

WHEREAS the CITY OF CRYSTAL LAKE has identified the need to construct a trail around the Three Oaks Recreation Area; and

WHEREAS, the CITY requires consultant construction engineering services to supplement City staff and ensure the contractor constructs the project to the City's specifications and requirements; and

WHEREAS, proposals were publically solicited and reviewed resulting in a determination that Bowman Consulting Group offered a proposal that is the most advantageous to the City.

NOW THEREFORE BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF CRYSTAL LAKE that the foregoing recitals are repeated and incorporated as though fully set forth herein; and

BE IT FURTHER RESOLVED that the City Manager is authorized to execute an agreement with Bowman Consulting Group for construction engineering services in the amount of $265,168.00; and

BE IT FURTHER RESOLVED that the City Manager is authorized to approve warranted changes orders for up to ten percent (10%) of the agreement value and to approve warranted time extensions.

DATED this 3rd day of December, 2024.

Draft

CITY OF CRYSTAL LAKE, an
Illinois municipal corporation,

By: _____
Haig Haleblian, MAYOR

SEAL

ATTEST

_____
CITY CLERK

PASSED: December 3, 2024
APPROVED: December 3, 2024

Draft

City of Crystal Lake - Cost Estimate of Consultant Services

THREE OAKS RECREATION AREA TRAIL

Firm: Bowman

Signature: _____

Date: 11/19/24

Element of Work	Manhours	Services by Others	Cost Total by Task	% of Total
**1 Project Management and Administration	192			
***2 Coordination & Communication				
3a Construction Engineering Services / RE Hours*	1700		$204,000.00	76.93%
3b Additional Inspection Hours and Construction Assistance / Non-RE	128		$11,200.00	4.22%
3c Material Testing	152	$21,736.00	$21,736.00	8.20%
****4 Equipment / Direct Costs (including vehicle/transportation costs)		$4,105.00	$18,632.00	7.03%
5 As-Builts Survey & Project Close-out	80		$9,600.00	3.62%
TOTALS	2252	$25,841.00	$265,168.00	

** Bowman will committ at least 16 hour/month of Jeff Druckman's (PM) time on the project. There will be no charge to the City for this time.

*** Hours for Coordination & Communication is contained in Item 3a - Construction Engineering Services

City of Crystal Lake - Cost Estimate of Consultant Services

THREE OAKS RECREATION AREA TRAIL

Firm: Baxter & Woodman

Signature: Craig D Mitchell

Date: 11/13/2024

Element of Work	Manhours	Hourly Rate	Services by Others	Cost Total by Task	% of Total
1 Project Management and Administration	100	$ 240.00		$24,000.00	8.84%
2 Coordination & Communication	20	$ 240.00		$4,800.00	1.77%
3a Construction Engineering Services / RE Hours*	1912	$ 110.00		$210,320.00	77.47%
3b Additional Inspection Hours and Construction Assistance / Non-RE	100	$ 130.00		$13,000.00	4.79%
3c Material Testing			$5,000.00	$5,000.00	1.84%
4 Equipment / Direct Costs (including vehicle/transportation costs)	220 days	$32.50/day		$7,150.00	2.63%
5 As-Builts Survey & Project Close-out	40	$ 180.00		$7,200.00	2.65%
TOTALS	2172		$5,000.00	$271,470.00	100.00%

Assumptions:

City of Crystal Lake - Cost Estimate of Consultant Services

THREE OAKS RECREATION AREA TRAIL

Firm: Fehr Graham

Signature:

Date: November 12, 2024

Element of Work	Manhours	Services by Others	Cost Total by Task	% of Total
1 Project Management and Administration	220		$34,004	8%
2 Coordination & Communication	160		$24,552	6%
3a Construction Engineering Services / RE Hours*	1,250		$180,125	41%
3b Additional Inspection Hours and Construction Assistance / Non-RE	375		$54,038	12%
3c Material Testing		$32,500	$32,500	7%
4 Equipment / Direct Costs (including vehicle/transportation costs)			$51,230	12%
5 As-Builts Survey & Project Close-out	394		$59,634	14%
TOTALS	2,399	$32,500	$436,083	100%

**Item 3b assumes two months of overlap between Segment 1 contractor and Segment 2 contractor where multiple construction observation staffers may be required on site. Should the overlap not occur or there is no need for an additional staffer, this item may not be required.

Agenda Item No: 13

City Council
Agenda Supplement

Meeting Date: December 3, 2024

Item: Policy Approval – Property Owner Initiated Lead Service Line Replacement Reimbursement Program Revision 1

Staff Recommendation: Motion to adopt a Resolution to approve the Property Owner Initiated Lead Service Line Replacement Reimbursement Program Revision 1

Staff Contact: Michael Magnuson, P.E., Director of Public Works & Engineering

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Background:

The City Council approved the Property Owner Initiated Lead Service Line Replacement Program at the June 18, 2024 City Council meeting. At that time Public Act (P.A.) 102-613 known as the Lead Service Line Replacement and Notification Act was in place. The Act mandated that the City start replacing lead service lines beginning in 2027 and replace 6% of the total number of service lines annually until all are replaced in 17 years. On October 8, 2024 the Federal LCRI superseded the State requirements and reduced the time line to 10 years beginning in 2027.

In order to meet the timeline requirements, the City will continue to offer the Property Owner Initiated Lead Service Line Replacement Program and other City initiated programs over the next decade. After approval of the private replacement program, Staff began accepting applications for the removal of lead service lines. The low bids ranged from a few hundred dollars less than the maximum allowed to a few thousand over the maximum allowed. In some cases the property owner was able to pay the additional costs above the maximum, but in other situations the property owner decided not to move forward with the program because the additional few thousand dollars did not work within their budgets.

Program Summary:

Under the steps of the existing Program, a Property Owner may choose to voluntarily work with staff to hire their own plumbing contractor (lowest of multiple bids) to replace the lead service line at their property. Depending on the location of the B-Box, current maximum reimbursement funding will vary between $7,000 for a private side only replacement and $10,000 to $12,000 to replace both the public side and private side of the service line. The proposed revised policy includes maximum funding of $11,000 for a private side only replacement and $16,000 to replace

both the public side and private side of the service line. The goal of the revised policy is to fund 100% of the project. The revised maximum reimbursement levels apply to all properties approved including properties that have already been refunded through the program. The recommended policy changes are attached.

Recommendation:

Different programs will be needed in order to replace all of the lead service lines in the City. These programs may take the form of City initiated capital water main projects, City initiated lead service line replacement projects, and property owner initiated lead service line replacements.

Staff is requesting approval of a revised Property Owner Initiated Lead Service Line Replacement Reimbursement Program policy.

Votes Required to Pass:

Simple Majority

Res. 24R-xx

RESOLUTION

WHEREAS, the City recognizes that there are lead service lines within its water delivery system and desires to revise an existing policy relative to the replacement of lead service lines; and

WHEREAS, the City has determined to raise the maximum funding limits identified in the Policy for the Crystal Lake Property Owner Initiated Lead Service Line Replacement Reimbursement Program to $11,000 for private side only replacement; and

WHEREAS, the City has determined to raise the maximum funding limits identified in the Policy for the Crystal Lake Property Owner Initiated Lead Service Line Replacement Reimbursement Program to $16,000 for private and public side replacement; and

WHEREAS, the City has determined the revised maximum reimbursement levels apply to all properties approved including properties that have already been refunded through the program.

NOW THEREFORE BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF CRYSTAL LAKE that the foregoing recitals are repeated and incorporated as though fully set forth herein; and

BE IT FURTHER RESOLVED that the City hereby adopts the revised Policy for the Crystal Lake Property Owner Initiated Lead Service Line Replacement Reimbursement Program which is attached hereto and made part hereof.

DATED this 3rd day of December, 2024.

CITY OF CRYSTAL LAKE, an
Illinois municipal corporation,

By:_____
Haig Haleblian, MAYOR

Draft

SEAL

ATTEST

_____
CITY CLERK

PASSED: December 3, 2024
APPROVED: December 3, 2024

Draft

POLICY FOR THE CITY OF CRYSTAL LAKE PROPERTY OWNER INITIATED LEAD SERVICE LINE REPLACEMENT REIMBURSEMENT PROGRAM

PURPOSE:
The City of Crystal Lake is required by section 415 ILCS 5/17.12(v) of the Lead Service Line Replacement and Notification Act to ensure the replacement of all lead service lines within the City's drinking water service area by the statutory deadlines.

Several different programs will be needed in order to replace all of the lead service lines in the City. These programs may take the form of City initiated capital water main projects, City initiated lead service line replacement projects and property owner initiated lead service line replacements.

Under the City of Crystal Lake Ordinance § 515-43(E), the property owner owns and maintains their water service line from the connection at the water meter to the shut off (B-Box) and the City owns and maintains the B-Box, curb stop, and the service line from the B-Box to the water main.

The City is providing this reimbursement program to assist property owners who choose to replace their private side lead service lines independent of a City capital improvement project or other program. When the private and public side of the water service line are both lead, both sides of the service line must be replaced at the same time. The City will evaluate funds available for this program annually.

Applications will be reviewed in the order that they are received by the City; however, preference will be given to high-risk facilities (i.e., parks, playgrounds, clinics, child care facilities, etc.) or other specific geographic areas of concentration in a specific year as determined by the City. Applications submitted after funding is exhausted for a particular fiscal year will automatically move to the next fiscal year for consideration of replacement.

ELIGIBLE PARTICIPANTS/FUNDING:
This policy and reimbursement of costs by the City will apply only to property owners with buildings that have a confirmed private side lead service line entering into a residence or business.

The City will provide reimbursement to the property owner for actual incurred and eligible costs, subject to the following maximum reimbursement amounts:

Condition A: $11,000 per line for lead service line replacement from the water meter to the B-Box (private side replacement only); or,

Draft

Condition B: $16,000 per line for lead service line replacement from the water meter to the water main (private and public side replacement)

COSTS ELIGIBLE FOR REIMBURSEMENT FOR BUILDINGS WITH LEAD OR GALVANIZED SERVICE LINES:

- Costs of replacement of the water service line from the water main to the B-Box;
- Costs of replacement of the curb stop valve and the B-Box;
- Costs of replacement of the water service line from the B-Box to the valve before the water meter inside the building;
- Costs of excavation or boring;
- Costs to replace/repair concrete sidewalk or driveway (asphalt or concrete). The area of replacement for which reimbursement may be provided shall be discussed and approved by the City staff prior to removal;
- Costs to backfill excavation with approved material;
- Costs to repair curb/gutter;
- Costs to repair roadway pavement; and
- Costs to repair landscaping limited to sod/seed/erosion blanket in the disturbed areas

COSTS NOT ELIGIBLE FOR REIMBURSEMENT:

- Landscaping, including shrubs, flowers, trees, etc.;
- Costs related to relocation of the water meter to meet the existing plumbing code;
- Costs associated with interior restoration or remodeling (drywall, paneling, flooring, carpet, cabinetry, etc.);
- Decorative sidewalk/driveway (stamped concrete) or paver bricks;
- Costs associated with damage to neighboring properties due to the plumbing contractor or owner's work unless pre-approved by City staff;
- Costs above the lowest contract proposal amount;
- Use of materials not meeting the requirements of the City's guide specifications or City Codes;
- Ancillary homeowner improvements to include interior plumbing and fixtures not necessary in the replacement of the lead water service;
- Costs above the lowest contract proposal amount

Draft

HOW TO APPLY AND PROPERTY OWNER'S RESPONSIBILITIES:
Property owners must complete the following steps before commencing replacement:

1. Visit https://bit.ly/leadserviceCL to navigate to the City of Crystal Lake web page that provides information on drinking water and lead. Located on this page is a link to the Property Owner Initiated Lead Service Line Replacement Reimbursement Program application. Alternatively, the Property Owner may obtain a paper copy of the application from City Hall or scan the QR Code for the web page.
2. Complete the Property Owner Initiated Lead Service Line Replacement Reimbursement Program application, obtaining signatures for each step where required.
3. Allow inspection of the property service line by City staff or contractor.
4. Obtain of (3) qualified Contractor Bid Proposals on forms provided by the City unless a lower number of proposals is approved by City Staff.
5. Submit all received bid proposals for review and approval by City Staff.
6. After approval of bid proposals by City Staff and execution by the property owner of the Letter of Agreement, the property owner shall enter into a contract with their selected contractor to complete the replacement of the lead service line. A copy of signed contract consistent with the City approved bid proposal must be provided to the City prior to commencement of work.
7. Work to be conducted and completed by contractor in accordance with the City approved bid proposal.
8. Schedule inspection of the work by City Staff.
9. Submit a Disbursement Request to the City.
10. Provide a Final Waiver of Lien to City Staff after full payment to the Contractor. Lien waiver must include the City of Crystal Lake.

Draft

Eligible participants must provide access to the property to City employees or City contractors during regular work hours (7:00 a.m. to 3:00 p.m., Monday through Friday) to inspect the building's plumbing before approval into the Program by the City, and to inspect the completed work before receiving reimbursement from the City.

PLEASE NOTE: The City will not reimburse any property owner for work done without the prior authorization of the City of Crystal Lake.

ADDITIONAL PROGRAM ELIGIBILITY REQUIREMENTS:

1. The private side of the service line must be confirmed as lead pipe by the City.
2. Service line must be directly connected to the City of Crystal Lake community water supply and within the City corporate limits.
3. Project must meet all City of Crystal Lake Plumbing Code Requirements.
4. Property owner must have no outstanding City Code violations.
5. Property owner must have no past due balances outstanding with the City of Crystal Lake.

OWNERSHIP AND MAINTENANCE:
Improvements completed under this policy shall be divided into property owner and City ownership. The property owner shall own, maintain and repair/replace the service line from the water meter located inside the building to the B-Box. The City shall own, maintain, and repair/replace the B-Box, corporation valve, and the service line from the corporation valve to the water main. The property owner must confirm their responsibility as part of the application process.

PRIOR WRITTEN CONFIRMATION REQUIRED:
The City will provide reimbursement for the installation of service line materials only when such payment has been pre-approved in writing by the City of Crystal Lake using the application form and in accordance with this Policy.

The City will only be responsible for reimbursement of costs for changes and improvements made by the property owner with prior written approval from the City.

COMPLETION OF CONTROL MEASURES:
The property owner shall hire a Plumbing Contractor registered with the Illinois Department of Public Health (IDPH) in accordance with the Illinois Plumbing License Law (225ILCS320). The Plumbing Contractor must utilize a plumber who has obtained an IDPH license to complete the improvements. The property owner is responsible for making all payments to the Plumbing Contractor and shall be responsible for coordinating, planning, scheduling, and accepting the upgrades.

The Property Owner will hire the Plumbing Contractor, and the City of Crystal Lake will not be a party to that agreement/contract.

The Property Owner will obtain a building permit from the City of Crystal Lake. Permit fees associated with this Program will be waived.

Before reimbursement, the City will make a final inspection of the project to verify the replacement of the service line per City plumbing code requirements.

The City does not warranty nor guarantee the work or the effectiveness of the property owner selected plumbing contractor.

Draft

PAYMENT BY THE CITY:
If approved, the City will provide written confirmation to the Property Owner of the maximum amount that the City will reimburse for the plumbing improvements. The plumbing contractor may then apply for a water service line replacement permit with the fee waived. Upon receipt of the permit, the work may begin. The licensed plumbing contractor shall arrange for all required inspections according to the permit.

Once the work is complete, the following steps must be taken to receive the disbursement of funds:

1. City plumbing inspector will review the completed work. The inspector will need to certify the replacement of the service line and that the plumbing improvements previously approved by the City meet all local and state codes before approval for reimbursement.
2. The City will issue a Certificate of Completion.
3. The Property Owner submits a Request for Disbursement.
4. The City will disburse 100% of the maximum payout less $200.00.
5. The Property Owner pays 100% of the invoice to the Plumbing Contractor.
6. The Property Owner submits a copy of the Contractor's Final Waiver of Lien and paid receipt to collect the remaining $200.00 holdback.

When all criteria are met, the City will provide payment to the property owner within up to 15 business days via a paper check. The maximum amount to be paid by the City to the property owner shall not exceed the lower of: 1) the lowest of the three written quotes submitted as per the above stated policy, or 2) the maximum reimbursement amounts set forth in this policy, or 3) the final invoice from the Plumbing Contractor.

The City reserves the right to change the policy or reimbursement amount at any time.

Draft

Original Date: June 18, 2024
Revised Date: December 3, 2024

POLICY FOR THE CITY OF CRYSTAL LAKE PROPERTY OWNER INITIATED LEAD SERVICE LINE REPLACEMENT REIMBURSEMENT PROGRAM

PURPOSE:
The City of Crystal Lake is required by section 415 ILCS 5/17.12(v) of the Lead Service Line Replacement and Notification Act to ensure the replacement of all lead service lines within the City's drinking water service area by the statutory deadlines.

Several different programs will be needed in order to replace all of the lead service lines in the City. These programs may take the form of City initiated capital water main projects, City initiated lead service line replacement projects and property owner initiated lead service line replacements.

Under the City of Crystal Lake Ordinance § 515-43(E), the property owner owns and maintains their water service line from the connection at the water meter to the shut off (B-Box) and the City owns and maintains the B-Box, curb stop, and the service line from the B-Box to the water main.

The City is providing this reimbursement program to assist property owners who choose to replace their private side lead service lines independent of a City capital improvement project or other program. When the private and public side of the water service line are both lead, both sides of the service line must be replaced at the same time. The City will evaluate funds available for this program annually.

Applications will be reviewed in the order that they are received by the City; however, preference will be given to high-risk facilities (i.e., parks, playgrounds, clinics, child care facilities, etc.) or other specific geographic areas of concentration in a specific year as determined by the City. Applications submitted after funding is exhausted for a particular fiscal year will automatically move to the next fiscal year for consideration of replacement.

ELIGIBLE PARTICIPANTS/FUNDING:
This policy and reimbursement of costs by the City will apply only to property owners with buildings that have a confirmed private side lead service line entering into a residence or business.

The City will provide reimbursement to the property owner for actual incurred and eligible costs, subject to the following maximum reimbursement amounts:

Condition A: $~~7,000~~11,000 per line for lead service line replacement from the water meter to the B-Box (private side replacement only); or,

Draft

~~Condition B: $10,000 per line for lead service line replacement from the water meter to the water main where the water main is on the close side of the roadway. Sidewalk excavation may be required, but roadway excavation is not required; or,~~

Condition ~~C~~B: $~~12,000~~16,000 per line for lead service line replacement from the water meter to the water main (private and public side replacement)~~where the water main is under the roadway and therefore roadway excavation is required; or,~~

~~Condition D: $11,000 per line for lead service line replacement from the water meter to the water main where the water main is on the far side of the roadway. Sidewalk excavation may be required, but roadway excavation is not required.~~

COSTS ELIGIBLE FOR REIMBURSEMENT FOR BUILDINGS WITH LEAD OR GALVANIZED SERVICE LINES:

- Costs of replacement of the water service line from the water main to the B-Box;
- Costs of replacement of the curb stop valve and the B-Box;
- Costs of replacement of the water service line from the B-Box to the valve before the water meter inside the building;
- Costs of excavation or boring;
- Costs to replace/repair concrete sidewalk or driveway (asphalt or concrete). The area of replacement for which reimbursement may be provided shall be discussed and approved by the City staff prior to removal;
- Costs to backfill excavation with approved material;
- Costs to repair curb/gutter;
- Costs to repair roadway pavement; and
- Costs to repair landscaping limited to sod/seed/erosion blanket in the disturbed areas

COSTS NOT ELIGIBLE FOR REIMBURSEMENT:

- Landscaping, including shrubs, flowers, trees, etc.;
- Costs related to relocation of the water meter to meet the existing plumbing code;
- Costs associated with interior restoration or remodeling (drywall, paneling, flooring, carpet, cabinetry, etc.);
- Decorative sidewalk/driveway (stamped concrete) or paver bricks;
- Costs associated with damage to neighboring properties due to the plumbing contractor or owner's work unless pre-approved by City staff;~~ and~~
- Costs above the lowest contract proposal amount;
- Use of materials not meeting the requirements of the City's guide specifications or City Codes;
- Ancillary homeowner improvements to include interior plumbing and fixtures not necessary in the replacement of the lead water service;
- Costs above the lowest contract proposal amount

Draft

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2. Complete the Property Owner Initiated Lead Service Line Replacement Reimbursement Program application, obtaining signatures for each step where required.
3. Allow inspection of the property service line by City staff or contractor.
4. Obtain of (3) qualified Contractor Bid Proposals on forms provided by the City unless a lower number of proposals is approved by City Staff.
5. Submit all received bid proposals for review and approval by City Staff.
6. After approval of bid proposals by City Staff and execution by the property owner of the Letter of Agreement, the property owner shall enter into a contract with their selected contractor to complete the replacement of the lead service line. A copy of signed contract consistent with the City approved bid proposal must be provided to the City prior to commencement of work.
7. Work to be conducted and completed by contractor in accordance with the City approved bid proposal.
8. Schedule inspection of the work by City Staff.
9. Submit a Disbursement Request to the City.
10. Provide a Final Waiver of Lien to City Staff after full payment to the Contractor. Lien waiver must include the City of Crystal Lake.

Draft

Eligible participants must provide access to the property to City employees or City contractors during regular work hours (7:00 a.m. to 3:00 p.m., Monday through Friday) to inspect the building's plumbing before approval into the Program by the City, and to inspect the completed work before receiving reimbursement from the City.

PLEASE NOTE: The City will not reimburse any property owner for work done without the prior authorization of the City of Crystal Lake.

ADDITIONAL PROGRAM ELIGIBILITY REQUIREMENTS:

1. The private side of the service line must be confirmed as lead pipe by the City.
2. Service line must be directly connected to the City of Crystal Lake community water supply and within the City corporate limits.
3. Project must meet all City of Crystal Lake Plumbing Code Requirements.
4. Property owner must have no outstanding City Code violations.
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OWNERSHIP AND MAINTENANCE:
Improvements completed under this policy shall be divided into property owner and City ownership. The property owner shall own, maintain and repair/replace the service line from the water meter located inside the building to the B-Box. The City shall own, maintain, and repair/replace the B-Box, corporation valve, and the service line from the corporation valve to the water main. The property owner must confirm their responsibility as part of the application process.

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The Property Owner will hire the Plumbing Contractor, and the City of Crystal Lake will not be a party to that agreement/contract.

The Property Owner will obtain a building permit from the City of Crystal Lake. Permit fees associated with this Program will be waived.

Before reimbursement, the City will make a final inspection of the project to verify the replacement of the service line per City plumbing code requirements.

The City does not warranty nor guarantee the work or the effectiveness of the property owner selected plumbing contractor.

Draft

PAYMENT BY THE CITY:
If approved, the City will provide written confirmation to the Property Owner of the maximum amount that the City will reimburse for the plumbing improvements. The plumbing contractor may then apply for a water service line replacement permit with the fee waived. Upon receipt of the permit, the work may begin. The licensed plumbing contractor shall arrange for all required inspections according to the permit.

Once the work is complete, the following steps must be taken to receive the disbursement of funds:

1. City plumbing inspector will review the completed work. The inspector will need to certify the replacement of the service line and that the plumbing improvements previously approved by the City meet all local and state codes before approval for reimbursement.
2. The City will issue a Certificate of Completion.
3. The Property Owner submits a Request for Disbursement.
4. The City will disburse 100% of the maximum payout less $200.00.
5. The Property Owner pays 100% of the invoice to the Plumbing Contractor.
6. The Property Owner submits a copy of the Contractor's Final Waiver of Lien and paid receipt to collect the remaining $200.00 holdback.

WhenIf all criteria are met, the City will provide payment to the property owner within approximatelyup to 1015 business days via a paper check. The maximum amount to be paid by the City to the property owner shall not exceed the lower of: 1) the lowest of the three written quotes submitted as per the above stated policy, or 2) the maximum reimbursement amounts set forth in this policy, or 3) the final invoice from the Plumbing Contractor.

The City reserves the right to change the policy or reimbursement amount at any time.

Draft

Original Date: June 18, 2024
Revised Date: December 3, 2024

Agenda Item No: 14

City Council
Agenda Supplement

Meeting Date: December 3, 2024

Item: An Ordinance amending Section 467, Taxation, of the City Code

Staff Recommendation: Motion to Adopt an Ordinance amending Section 467, Taxation, of the City Code

Staff Contact: Eric Helm, City Manager
Jodie Hartman, Director of Finance/Treasurer

The draft budget for fiscal year 2025 includes one proposed revenue source, a storage facility tax. This tax has been included as a funding source exclusively for capital improvements. With several large governmental capital improvements slated for the next five years, the storage facility tax would provide some relief to the upcoming capital costs.

The Storage Facility Rental Tax is a tax imposed upon the privilege of renting or leasing any self-storage facility accommodation within the municipality. The tax is authorized by Illinois Statute (65 ILCS 5/8-11-6a). Storage facilities are exempt from traditional sales taxes on their unit rentals, as the unit rentals are a service instead of a product. Nominal sales taxes may be generated, should the business sell boxes, tape, locks, etc.

While each facility may implement safety precautions, calls for police assistance at self-storage facilities are typically more time consuming than responses for most service businesses. There have been five reports of burglaries at self-storage facilities in Crystal Lake since 2020. When a burglary to a storage unit occurs, it is not uncommon that more than one unit is affected at the same time. The burglary may not be discovered until the next day or longer. These factors lead to time delays for notifying multiple victims, reports for missing items, scene processing and time lapsed for tracking the perpetrators, which is a drain on police resources.

The proposed ordinance would include language to define self-storage facility. It would also include language to be clear the tax would be collected by each self-storage facility, but the tax would be borne by the tenant/lessee. The businesses would collect the tax from their tenants/lessees and remit payment, along with a return on a prescribed form from the City, each month. The tax would be similar to the local Hotel/Motel tax, which is collected by and remitted to the City by each hotel/motel.

The tax can be set at any rate with no cap outlined in the Statute. The proposed rate for the City is 5%, in line with other communities that have already enacted the tax. The Storage Facility Tax is not new to the Chicagoland area. Examples of communities that have already enacted the tax include:

Community	Rate
Carpentersville	5%
Countryside	5%
Morton Grove	5%
Mundelein	3%
North Chicago	5%
Skokie	5%
Tinley Park	5%
Willowbrook	5%

This tax would apply to the ten (10) existing self-storage facilities as well as future self-storage facilities that may open within Crystal Lake. From the existing facilities, staff estimates over 4,000 storage units are rented or are available for rent. Without detailed leasing records from the facilities, staff has estimated annual revenue of about $150,000 from this proposed tax.

Should the City Council wish to move forward with the storage facility tax, Staff suggests providing at least a 6 week notification period to affected business before the effective date of the tax. While not necessary, the notification period would allow the businesses time to reconfigure their point of sale systems and train their staff. The Ordinance has been drafted with an effective date of February 1, 2025, to allow for this notification period. Staff would send certified letters to each affected businesses once adopted.

Enacting this tax would provide a revenue source from these businesses to the City to help support increasing capital demands of the community. Proceeds from this tax would be used exclusively for capital items, providing a funding source supporting expenses needed for high quality service delivery and desired amenities. Any proceeds from the tax would provide an alternate funding source for the governmental capital fund. The governmental capital fund is responsible for capital needs of the Police Department, Three Oaks Recreation Area, Public Works Streets, Engineering and Facilities divisions, Information Technology Department, as well as a few others Departments. The five-year capital plan demonstrates a gap in funding necessary to complete necessary projects for these areas of City services.

Votes Required to Pass:
Simple majority

INSERT STORAGE TAX ORDINANCE

Ord. No. ……
File No. ….

The City of Crystal Lake Illinois

AN ORDINANCE AMENDING THE MUNICIPAL CODE OF THE CITY OF CRYSTAL LAKE BY THE ADDITION OF CHAPTER 467, ARTICLE XVI IMPOSING A NEW TAX ON THE PRIVILEGE OF RENTING NON-RESIDENTIAL REAL PROPERTY FOR STORAGE OF PERSONAL PROPERTY

Draft

WHEREAS, the City of Crystal Lake is a home rule municipal corporation acting under and pursuant to Article VII Section 6(a) of the Constitution of the State of Illinois; and

WHEREAS, a home rule unit may exercise any power and perform any function relating to its government and affairs; and

WHEREAS, this Ordinance is adopted pursuant to the City's home rule authority; and

WHEREAS, persons who lease space in self-storage facilities within the City boundaries utilize services and impose costs upon the City associated with such activities that are not defrayed by the other taxes otherwise generated by such self-storage facilities; and

WHEREAS, in order to help defray the costs associated with the leasing of space within self-storage facilities, the Mayor and City find that it is in the interest of the health, safety and welfare of the City and its residents to impose a tax on the privilege of leasing self-storage units;

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

SECTION 1: Recitals. The facts and statements contained in the preamble to this Ordinance are found to be true and correct and are hereby adopted as part of this Ordinance.

SECTION 2: **Adoption of Tax**. Chapter 467 of the Municipal Code of the City of Crystal Lake shall be amended by the addition of Article XVI that will hereafter be and read as follows:

Chapter 467, Article XVI Municipal Self-Storage Facility Rental Tax.

1. **Tax imposed**. There is hereby imposed upon the rental or leasing of any Rental Storage Unit in a Self-Storage Facility within the City of Crystal Lake, a "Self-Storage Facility Rental Tax" at the rate of five percent (5%) of the Gross Rental Charge. This tax shall be in addition to all other taxes.

2. **Definitions.**
   a. Gross Rental Charge: The total amount of consideration for renting or leasing a Rental Storage Unit within a Self-Storage Facility, valued in money, whether received in money or otherwise, including all receipts, cash, credits, and property or services of any kind or nature, including but not limited to, amounts charged for the making, servicing, or facilitating the renting or leasing of a Rental Storage Unit for storage.

   b. Occupant: A person, sub-lessee, successor, or assigns, entitled to the use of a Rental Storage Unit at a Self-Storage Facility to the exclusion of others under a Rental Agreement.

   c. Owner: The owner, operator, lessor or sub-lessor of a Self-Storage Facility, or the agent of an Owner, or any other person authorized by an Owner to manage the facility, or to receive rent from an Occupant under a Rental Agreement.

   d. Person: Any individual, firm, partnership, joint venture, association, social club, fraternal organization, joint-stock company, corporation, estate, trust, business trust, receiver, trustee, syndicate, or any other group or combination acting as a unit.

   e. Personal Property: Movable property not affixed to land, and includes, but is not limited to, goods, merchandise, motor vehicles, watercraft, and household items.

   f. Rental Agreement: Any agreement or lease, written or oral, that establishes or modifies the terms, conditions, rules, or any other provisions concerning the use and occupancy of a Rental Storage Unit in a Self-Storage Facility.

   g. "Rental Storage Unit" means any designated space made available for rent in a Storage Rental Facility, including without limitation spaces upon the real property of a Self-Storage Facility to accommodate outdoor storage.

   h. Self-Storage Facility: Any real property within the corporate limits of the City (as well as improvements upon such real property) designed or used for the purpose of renting or leasing Rental Storage Units to Occupants to

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have access to such, for the purposes of storing personal property, and/or leased or rented personal property.

3. **Fee to be borne by tenant.** The ultimate incidence of and liability for payment of the Self-Storage Facility Rental Tax shall be borne by the Occupant of any Rental Storage Unit. Nothing herein shall be construed to impose a tax upon the occupation of leasing or operating Self-Storage Facilities.

4. **Collection of tax.**

   a. The Self-Storage Facility Rental Tax shall be collected by the Owner of the Self-Storage Facility from the Occupant of each Rental Storage Unit when collecting the price, charge, fee, or rent for use of such Rental Storage Unit. Every Occupant shall be given a bill, invoice, receipt, or other statement of the price, charge, or rent payable for the Rental Storage Unit upon which the Self-Storage Facility Rental Tax shall be stated and shown separately.

   b. Each Owner, on or before the last day of each calendar month, shall file with the Finance Department of the City of Crystal Lake, a tax payment and a monthly tax return showing tax receipts with respect to the Self-Storage Facility Rental Tax from the prior month. The monthly tax return shall be on a form as provided by the City of Crystal Lake, which may be revised by the City as necessary.

   c. The City, in its discretion, may request from the Owner of a Self-Storage Facility evidence documenting reported rental revenue from the Rental Storage Units within such Self-Storage Facility. Any failure to supply documentation to substantiate correct payment of the Self-Storage Facility Rental Tax within 10 business days after a written request from the City (or such longer period as the City might agree in writing) shall be deemed a violation of this provision of the Code.

   d. If any Owner fails to collect the Self-Storage Facility Rental Tax from an Occupant, the Owner shall remain liable for the Self-Storage Facility Rental Tax not collected and shall pay the amount of the Self-Storage Facility Rental Tax due to the City in accordance with this chapter. Any tax required to be collected by this Ordinance, and any tax in fact collected, shall constitute a debt owed to the City by the Owner of any Self-Storage Facility.

5. **Books to be kept**. Each Owner shall have the duty to maintain complete and accurate books, records and accounts, showing the gross receipts for the lease or rental of each Rental Storage Unit in a Self-Storage Facility, including without limitation the prices, rents, or charges made or charged, and occupancies taxable under this Self-Storage Facility Rental Tax. The City Manager, or the Manager's designee, shall at all times have reasonable access to said books and records.

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6. **Penalties and interest**.

    a. **Original delinquency**. Any Owner who fails to remit any tax and/or completed required tax form(s) imposed by this article within the time required shall pay a penalty of 10% of the amount of the tax in addition to the amount of the tax.

    b. **Continued delinquency**. Any Owner who fails to remit any delinquent remittance on or before 30 days following the date on which the remittance first became delinquent shall pay a second delinquency penalty of 10% of the amount of the tax in addition to the amount of the tax and the ten-percent penalty first imposed.

    c. **Interest**. In addition to the penalties imposed, any Owner who fails to remit any tax imposed by this article shall pay interest at the rate of 10% per month or fraction thereof on the amount of the tax, exclusive of penalties, from the date on which the remittance first became delinquent until paid.

    d. **Penalties merged with tax**. Every penalty imposed and such interest as accrues under the provisions of this section shall become a part of the tax herein required to be paid.

7. **Failure to collect and report tax**.

    a. **Determination of amount due**. If any Owner shall fail or refuse to collect the Self-Storage Facility Rental Tax or to make, within the time provided in this article, any report or remittance of said tax or any portion thereof required by this article, the Director of Finance shall proceed in such manner as he/she may deem best to obtain facts and information on which to base his/her estimate of the tax due. As soon as the Director of Finance shall procure such facts and information as he/she is able to obtain upon which to base the assessment of any Self-Storage Facility Rental Tax imposed by this article and payable by any Owner who has failed or refused to collect the same or to make such report and remittance, the Director of Finance shall proceed to determine and assess against such Owner the tax, interest, and penalties provided for by this article (a "***Determination***"). Following any such Determination, the Director of Finance shall give notice to the Owner of such Determination by serving the Determination personally or by depositing it in the United States mail, postage prepaid, addressed to the Owner's last known address.

    b. **Review of Determination.** Such Owner may, within 10 days after the serving or mailing of such notice of a Determination, make application in writing to the Director of Finance for a hearing to contest the amount assessed in the Determination (a "***Director's Hearing***").

        1. If application for a Director's Hearing by the Owner is not made within the time prescribed, the Owner shall be deemed to waive any and all objections to the Determination, and any tax, interest, or penalties set

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forth in the Determination shall become final and conclusive and immediately due and payable.

2. If such application for a Director's Hearing is timely made in accordance with this subsection, the Director of Finance shall give written notice of the Director's Hearing to the Owner, which notice shall be provided in the manner prescribed in Subsection 7(a) of this article (a "***Director's Hearing Notice***"). The Director's Hearing Notice shall set forth the time and place of the Director's Hearing, and such notice shall be sent not less than five business days before the date of the Director's Hearing. At the Director's Hearing, an Owner shall have an opportunity to offer evidence why the Determination (or the amount of tax, interest, or penalties set forth in the Determination) is in error or should be adjusted in some manner. After the conclusion of the Director's Hearing, the Director of Finance shall determine the proper amount to be remitted and shall thereafter give written notice in the manner prescribed in subsection 7(a) to the Owner of the result of the Director's Hearing, the amount of such tax, interest, or penalties due and owing from Owner, and any modification to the Determination (a "***Director's Ruling***"). Any amount found to be due in a Director's Ruling shall be payable after 15 days, unless an appeal is taken as provided in § 467-7.c.

c. **Appeal**. An Owner may appeal any aspect of a Director's Ruling to the City Manager by filing a notice of appeal with the City Clerk within 15 days after the serving or mailing of the Director's Ruling (and "***Appeal***"). The Manager shall fix a time and place for a hearing on such Appeal, and the City Clerk shall give notice in writing to such Owner at Owner's last known place of address in the manner prescribed in subsection 7(a) of this article (the "***Appeal Notice***"). The Appeal Notice shall set forth the time and place of the hearing on Appeal, and such notice shall be sent not less than seven business days before the date of the hearing on the Appeal. At the hearing on the Appeal, an Owner shall have an opportunity to offer evidence why the Director's Ruling (or the amount of tax, interest, or penalties set forth in the Director's Ruling) is in error or should be adjusted in some manner. After the conclusion of the hearing on Appeal, the City Manager shall determine the proper tax or other amounts to be remitted and shall thereafter give written notice to the Owner, in the manner prescribed in subsection 7(a) of this article, of the result of the Appeal. The findings of the Manager shall be final and conclusive. Any amount found to be due shall be immediately due and payable upon the service of notice.

8. **Severability**. If any provision of this article, or the application of any provision of this article, is held unconstitutional or otherwise invalid, such occurrence shall not affect other provisions of this article, or their application, that can be given effect without the unconstitutional or invalid provision or its application.

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Each unconstitutional or invalid provision, or application of such provision, is severable, unless otherwise provided by this article.

SECTION 3: Conflicting Provisions. That all ordinances or parts of ordinances in conflict herewith are hereby repealed.

SECTION 4: Effective date. That this Ordinance shall be in full force and effect on February 1, 2025 and from and after its passage, approval, and publication in pamphlet form as provided by law.

DATED at Crystal Lake, Illinois, this 3rd day of December, 2024.

City of Crystal Lake, an
Illinois municipal corporation

_____
Haig Haleblian, MAYOR

SEAL

ATTEST:

_____
CITY CLERK

Passed: December 3, 2024
Approved: December 3, 2024

4925-7307-7760, v. 2

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Agenda Item No: 15

City Council
Agenda Supplement

Meeting Date: December 3, 2024

Item: Public Hearing for the Annual Budget for the 2025 Fiscal Year; and Adoption of the Annual Budget Ordinance, Salary Ordinance, and Ordinance amending Section 515, Water and Sewer, of the City Code.

Staff Recommendation: 1. Public Hearing for the Annual Budget for the 2025 Fiscal Year.

2. Motion to Adopt:
   a. An Ordinance approving and adopting the Annual Budget for the 2025 Fiscal Year,
   b. The Salary Ordinance for the 2025 Fiscal Year,
   c. An Ordinance amending Section 515, Water and Sewer, of the City Code, and

Staff Contact: Eric Helm, City Manager
Jodie Hartman, Director of Finance/Treasurer

Budget

Attached, please find the proposed Annual Budget for Fiscal Year 2025 for City Council consideration. State Statute requires the City to adopt the budget prior to the beginning of each fiscal year. The City's fiscal year 2025 begins on January 1, 2025 and ends December 31, 2025.

The City has worked diligently to present a proposed annual budget that is:

- ✓ Balanced
- ✓ Continues the City's commitment to public safety
- ✓ Continues the City's investment in infrastructure
- ✓ Within the parameters of the City's financial policies

On November 8, 2024, the proposed balanced budget for fiscal year 2025 was placed on public display. A notice of public hearing regarding the budget was published in the Northwest Herald for circulation in Crystal Lake on Friday, November 22, 2024.

The proposed budget maintains high quality City services while allowing for capital investment in facilities and improvements. The proposed budget also continues the funding of General Fund services without the use of a General Fund property tax. After all adjustments, the General Fund is anticipated to end the 2025 fiscal year with available fund balance equal to approximately 46% of its operating expenses.

Salary Ordinance

Included as part of the adoption of the proposed Annual Budget for Fiscal Year 2025 is the salary ordinance. Non-union employees' ability to receive a salary increase is based upon their individual performance, or merit, not based on cost of living adjustments. Collective bargaining agreements outline amounts of compensation to be paid to union employees.

Water & Sewer Rate

The Water and Sewer Fund is a self-supporting utility. The Fiscal Year 2025 budget incorporates a water and sewer user fee increase of 3%, effective September 1, 2025. The impact to an average household consuming 6,000 gallons of water would be $2.70 per month. Even with the increase, the City's water and sewer rates continue to fall below the mid-point when compared to neighboring communities. The average increase from these surrounding fourteen (14) communities was 6.3% from the last survey, with some nearby towns increasing more than 10%.

Votes Required to Pass:

Simple majority

Ord. No.
File No.

AN ORDINANCE APPROVING THE ANNUAL BUDGET OF THE CITY OF CRYSTAL LAKE, ILLINOIS, FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2025 AND ENDING DECEMBER 31, 2025

WHEREAS, the City Council designates a Budget Officer for the City who shall compile an annual budget for the City of Crystal Lake; and

WHEREAS, the Budget Officer has proposed to the corporate authorities a budget as required by Section 8-2-9.3 of the Illinois Municipal Code; and

WHEREAS, Section 8-2-9.9 of the Illinois Municipal Code requires that the corporate authorities of the City of Crystal Lake allow for public inspection of the tentative annual budget at least ten (10) days prior to its passage; and

WHEREAS, the tentative annual budget has been available for public inspection in the Office of the City Manager and online on the City's website from November 8, 2024; and

WHEREAS, after proper notice being given, a public hearing was conducted on December 3, 2024, to obtain public comment on the tentative annual budget for the City of Crystal Lake for the fiscal year beginning January 1, 2025 and ending December 31, 2025; and

WHEREAS, Section 8-2-9.6 of the Illinois Municipal Code and Section 33-2 (C) of the City Code authorizes the City Council to delegate authority to heads of municipal departments to delete, add to, or change sub-classes within an adopted budget.

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

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Section 1: The fiscal year budget of the City of Crystal Lake, McHenry County, Illinois, for the fiscal year beginning January 1, 2025 and ending December 31, 2025, in the form attached hereto is hereby approved and adopted.

Section 2: The City Manager is hereby authorized to transfer budgeted amounts between departments within any fund; however, expenditures in excess of the total budgeted amount per fund must be approved by the City Council per Section 33-2 of the City Code. No revision of the budget shall be made increasing the total budget without proper approval from the City Council.

Section 3: That a certified copy of this Ordinance and a copy of the budget hereby approved shall be filed with the McHenry County Clerk in accordance with the provisions of the statutes of the State of Illinois.

DATED at Crystal Lake, Illinois, this 3rd day of December 2024.

APPROVED:

_____

Haig Haleblian, MAYOR

ATTEST:

_____

CITY CLERK

PASSED: December 3, 2024
APPROVED: December 3, 2024

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

Draft

Ord. No.
File No.

AN ORDINANCE ESTABLISHING CERTAIN ANNUAL, DAILY OR HOURLY PAY RATES AND PAY RANGES AND THE SALARY ADMINISTRATION SCHEDULE FOR THE CITY OF CRYSTAL LAKE EMPLOYEES

BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF CRYSTAL LAKE, ILLINOIS;

SECTION I: ANNUAL, DAILY OR HOURLY RATES

That the ranges of annual, daily or hourly rates for the employees of the City are hereby to read as follows on attached chart.

SECTION II: SALARY ADMINISTRATION PROCEDURES

A. The City Manager shall develop procedures and direct the administration of those procedures to ensure that individual employee's wages are determined and allocated in an equitable manner in keeping with the goals and requirements of this policy.

B. New employees and newly promoted employees shall be paid a salary within their new salary range that is not less than the minimum of the range and does not exceed the maximum of their new pay range. Salary increases for individual employees will be timed and salary increase amounts will be determined following the specific criteria below:
   1. Quality of performance since the employee's last salary adjustment.
   2. Comparison of current salary to pay of other employees of like duties, responsibilities and performance.
   3. Position of an employee's current salary within the pay range in terms of overall ability and overall performance since the employee first entered the range.

C. The City Manager shall annually direct the review and survey of certain positions and their salary ranges in comparison with other communities in proximity to the City of Crystal Lake or of like size and comparable composition.

D. The City Manager shall annually approve salary rates and their effective dates for all employees.

E. The City Manager may initiate exceptions to this policy when, in his judgment, such action is for the good of the organization.

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SECTION III: JOB CLASSIFICATION:

That all positions of the City shall be separated into classifications and each classification shall have a pay range and the designation of an annual, daily, or hourly rate of pay. The classifications of positions may be modified as deemed appropriate by the City Manager.

All employees, including department directors, part-time and seasonal employees, shall receive such compensation as shall be determined from time to time by the City Manager provided, however, no expenditure shall be made on account of or pursuant to appointment or employment by the City Manager unless sufficient funds have been appropriated in the annual budget.

SECTION IV: REPEALER

That all ordinances or parts of ordinances, rules and regulations in conflict with this ordinance shall be and are hereby repealed.

SECTION V: EFFECTIVE DATE

That this Ordinance shall be in full force and effect from and after the first day of May 2024.

DATED at Crystal Lake, Illinois, this 3rd day of December, 2024.

APPROVED:

_____

Haig Haleblian, MAYOR

ATTEST:

_____

CITY CLERK

PASSED: December 3, 2024
APPROVED: December 3, 2024

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

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Compensation Plan - Full-Time Non-Represented Employees

Effective 01.01.2025 to 12.31.2025

		Annual		Hourly	
	Grade	Minimum	Maximum	Minimum	Maximum
Office Assistant	1	47,135	70,707	22.66	33.99
Police Records Assistant	3	51,967	77,970	24.98	37.49
Accounts Payable Coordinator	4	55,584	83,396	26.72	40.09
Administrative Assistant	4	55,584	83,396	26.72	40.09
Community Service Officer	4	55,584	83,396	26.72	40.09
Development Services Representative	4	55,584	83,396	26.72	40.09
Management Assistant	4	55,584	83,396	26.72	40.09
Development Services Specialist	5	59,499	89,239	28.61	42.90
Payroll Coordinator	5	59,499	89,239	28.61	42.90
Property Control Officer	5	59,499	89,239	28.61	42.90
Utility Billing Coordinator	5	59,499	89,239	28.61	42.90
Human Resources Assistant	6	63,683	95,528	30.62	45.93
Executive Assistant	7	68,758	103,125	33.06	49.58
Accountant	8	72,889	109,303	35.04	52.55
Building Inspector	8	72,889	109,303	35.04	52.55
Community Development Analyst	8	72,889	109,303	35.04	52.55
Engineering Inspector	8	72,889	109,303	35.04	52.55
Fire Inspector	8	72,889	109,303	35.04	52.55
Finance Analyst	8	72,889	109,303	35.04	52.55
Management Analyst	8	72,889	109,303	35.04	52.55
Planner	8	72,889	109,303	35.04	52.55
Public Works Analyst	8	72,889	109,303	35.04	52.55
Support Services Coordinator	8	72,889	109,303	35.04	52.55
Accounting Manager	9	77,200	119,153	37.12	57.29
Lab Supervisor	9	77,200	119,153	37.12	57.29
Plans Examiner	9	77,200	119,153	37.12	57.29
Plumbing Inspector	9	77,200	119,153	37.12	57.29
Police Records Supervisor	10	88,677	128,558	42.63	61.81
Public Works Manager	10	88,677	128,558	42.63	61.81
Public Works Supervisor	10	88,677	128,558	42.63	61.81
Assistant City Planner	11	92,236	133,678	44.34	64.27
Assistant to the City Manager	11	92,236	133,678	44.34	64.27
Civil Engineer	12	95,924	139,021	46.12	66.84
Police Sergeant		122,491	139,194	58.89	66.92
Assistant Finance Director	14	107,285	151,849	51.58	73.00
Public Works Superintendant	14	107,285	151,849	51.58	73.00
Assistant City Manager	15	112,639	160,298	54.15	77.07
Building Commissioner	15	112,639	160,298	54.15	77.07
Capital Engineering Manager	15	112,639	160,298	54.15	77.07
City Engineer	15	112,639	160,298	54.15	77.07
City Planner	15	112,639	160,298	54.15	77.07
Economic Development Manager	15	112,639	160,298	54.15	77.07
Police Commander	15	112,639	160,298	54.15	77.07

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Compensation Plan - Full-Time Non-Represented Employees (Continued)

		Annual		Hourly	
	Grade	Minimum	Maximum	Minimum	Maximum
Deputy Fire Chief	17	123,040	182,875	59.15	87.92
Deputy Police Chief	17	123,040	182,875	59.15	87.92
Deputy Director of Public Works & Engineering	17	123,040	182,875	59.15	87.92
Director of Human Resources	18	129,212	192,824	62.12	92.70
Director of Information Technology	18	129,212	192,824	62.12	92.70
Deputy City Manager	19	134,384	208,249	64.61	100.12
Director of Community Development	19	134,384	208,249	64.61	100.12
Director of Finance	19	134,384	208,249	64.61	100.12
Director of Public Works & Engineering	20	139,750	216,596	67.19	104.13
Fire Rescue Chief	20	139,750	216,596	67.19	104.13
Police Chief	20	139,750	216,596	67.19	104.13

Compensation Plan - Regular & Temporary Part-Time Non-Represented Employees

Effective 01.01.2025 to 12.31.2025

		Hourly	
	Grade	Minimum	Maximum
Temporary/Seasonal Positions			
Seasonal Laborer			
Public Works Fleet		15.00	18.00
Public Works Streets Summer		15.00	18.00
Public Works Water		15.00	18.00
Public Works Wastewater		15.00	18.00
Three Oaks Attendant		15.00	17.00
Three Oaks Lifeguard		15.00	19.00
Three Oaks Assistant Marina Manager		15.50	20.00
Three Oaks Assistant Lifeguard Manager		17.00	21.00
Public Works Streets Winter		25.00	30.00
Interns			
Administrative Intern		15.00	31.50
Engineering Intern		15.00	20.00
GIS Intern		15.00	20.00
Management Intern		15.00	20.00
Planning Intern		15.00	20.00
Finance Intern		15.00	20.00
Regular Part-Time Positions			
Police Records Assistant	3	24.98	37.49
Administrative Assistant	4	26.72	40.09
Three Oaks Assistant Operations Manager		17.50	25.00
Three Oaks Maintenance Manager		17.50	30.00
Three Oaks Operations Manager		17.50	34.00

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Ordinance #:
File #:

ORDINANCE AMENDING THE CRYSTAL LAKE CITY CODE

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

Section 1: Amendment of City Code § 515-15, Rates and Charges, of Chapter 515, Water and Sewer, of the City Code is hereby repealed and replaced in its entirety with the following:

§ 515-15. Rates and Charges.

The consumer or user on all property or premises upon which any building or structure has been or may hereafter be erected having connection with any mains or pipes which exist or may hereafter be constructed and used in connection with the water and sewage or water or sewage systems of the City of Crystal Lake shall pay the following rates according to the following schedule:

A. Water rate. Beginning September 1, 2025, the following rates shall apply:
(1) Monthly service charge: $8.94.
(2) Each 1,000 gallons: $6.09.

B. Sewer rate. Beginning September 1, 2025, the following rates shall apply:
(1) Monthly service charge: $10.67
(2) Each 1,000 gallons: $6.10

C. The rates and charges herein established shall be collected from owners, occupants, consumers and users of the premises for all such use from and after each scheduled rate adjustment. The minimum rate for water and sewer monthly billing shall be equal to the combined water and sewer monthly service charge for the rate period covered. The fee paid for sewer use shall be determined by the water meter reading. No discounts shall be allowed for any difference between the water meter reading and actual sewer use.

D. Senior citizens may qualify for a water and sewer rate discount of 20% for the first 5,000 gallons billed each month by requesting the discount and registering with the Finance Department. To receive the discount, a senior citizen must be 65 years of age, and must reside at the address and the account must be in his/her name.

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E. Water users outside corporate limits of the City of Crystal Lake shall pay 1 1/3 times the fee charged for the same services within the City (except those users covered by contractual agreements whose fees should be determined in accordance with such contracts).

F. Bulk water sales made by metered connections to secondary community water supplies or via metered hydrant for on-site use or via metered hydrant to a tanker for transport to an end user (except those users covered by contractual agreements) shall be billed monthly and pay the following rates according to the following schedule:

(1) Bulk water rate (except those users covered by contractual agreements). Beginning September 1, 2025, and continuing until further adjusted by the Mayor and City Council of the City of Crystal Lake:

(a) Monthly service charge: $47.80.
(b) Each 1,000 gallons: $18.61.

G. Water used during construction of new buildings. Beginning September 1, 2025, and continuing until further adjusted by the Mayor and City Council of the City of Crystal Lake:

(1) One- and two-family residences: $116.17.
(2) Multifamily, commercial, industrial:
(a) Under 2,000 square feet, minimum fee: $112.79.
(b) Each additional square foot over 2,000 to 10,000: $0.066.
(c) Each additional square foot over 10,000 to 50,000: $0.022.
(d) Each additional square foot over 50,000: $0.012.

H. Temporary hydrant connection. In those instances in which temporary hydrant connections are intended, the following regulations shall apply:

(1) User Fees

(a) The user shall pay to the City:

[1] A monthly service charge of $47.80 regardless of the length of rental during the course of a month.

[2] $18.61 per 1,000 gallons of water used. The fee is charged in 1,000 gallon increments and shall be billed at the time the meter is returned.

[3] A daily hydrant meter/RPZ unit rental fee of $9.48.

(b) Upon the return of the meter, a meter reading shall be taken and the user shall be billed these fees. The minimum billing shall be for 1,000 gallons with a minimum rental fee of one (1) week in addition to the service fee of $47.80.

(2) Deposit. As a condition precedent to the issuance of the hydrant meter/RPZ unit for such temporary connection, the applicant shall deposit with the City the sum of one thousand five hundred dollars ($1,500.00) for a ¾ inch hydrant meter/RPZ unit rental or three thousand five hundred dollars ($3,500.00) for a 2" inch hydrant meter/RPZ unit rental to secure the payment of fees related to such connection. This deposit will be used

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to offset the hydrant meter rental charges as outlined in Section H (1) and any damage. Deposits shall be refunded upon return and inspection of all equipment in good operating condition, which shall include the successful testing of the RPZ.

(3) Hydrant meter/RPZ unit rentals may be rented throughout the year dependent on availability, and all units shall be returned by December 31st of each year, unless alternate arrangements have been made with the Public Works Department. Units not returned by December 31st shall result in the forfeiture of the deposit. Customers who have forfeited their deposits shall be prohibited from using the hydrant meter/RPZ unit and to draw any water from the City's fire hydrants until such time as the account has been paid in full for the water used and a new meter/RPZ unit deposit has been paid. A re-certified unit will then be provided to the customer.

(4) The user of any temporary hydrant meter/RPZ unit is responsible for the replacement cost in the event the unit is lost, stolen, or damaged in any way.

I. Surcharge for industrial users. When the average concentrations of BOD and/or suspended solids exceeds 300 mg/l or 350 mg/l, respectively, a surcharge shall be $0.75 per pound of BOD, and $0.37 per pound of suspended solids. All measurements, tests, and analysis of the characteristics of water and wastes to determine the industrial user surcharge factors shall be conducted in conformance with § 515-13. All commercial and institutional users shall be reclassified "industrial" as per the Office of Management and Budget's "Standard Industrial Classification Manual," 1972 Edition, under the category "Division D Manufacturing," when any of their wastes exceed the concentration of § 515-13 of this article.

J. New Account Deposit.

(1) Upon the establishment of a new water/sewer account, a deposit shall be made to such account prior to any water/sewer service being received at the property associated with the new account. Upon application for service, all new customers must indicate whether the service is being requested for property that is owned or rented.
(2) The new customer deposit shall be fifty dollars ($50.00) for water/sewer service.
(3) New account deposits shall be credited to water/sewer service customers in "good standing" for a period of 24 consecutive months with a minimum of 22 timely payments and no payments or drafts having been returned for insufficient funds. Such credits shall be applied to the customer's next bill following the 24th consecutive month of timely payments. No deposits to current accounts shall be refunded directly to the customer until account closure.
(4) The Finance Director is authorized to waive the deposit requirement in the event that the City has received an executed application for participation in the City's Direct Debit program from the new account applicant prior to the first billing cycle. Such waiver shall remain in effect during such time as the customer is enrolled in the Direct Debit Program and the account remains in good standing. An account in good standing is one that has no had direct debit payments returned to the City for insufficient funds on two consecutive billing periods. Should the account not remain

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in good standing at any point during the first 24 months following the establishment of the new account, the new account deposit will be added to the customer's account, regardless of enrollment in the Direct Debit Program. The Finance Director is authorized to process a refund of deposits held by the City on behalf of water and sewer customers who participate in the Direct Debit Program. Refunds shall be processed in the form of an account billing credit.

(5) The deposit requirement shall be waived for any existing customer relocation to a new location and establishing a new account, or adding an account for an additional property within the City service area, provided that during the preceding 24 consecutive months such customer's existing account has been kept in good standing.

K. Terms of Payment

(1) Liability For Payment Of Fees For Water/Sewer Service: The user of the City's water/sewer service and the occupant and owner of the property, or the owner's agent, if different from the user, shall be jointly and severally liable for the payment of any user fees, penalties, or special assessments billed for water/sewer service.

(2) Owner Notified If Tenant Delinquent: After the account has been delinquent for sixty (60) days, if the owner has provided the City with the owner's name and address, the City shall deliver notice of the tenant's or occupant's delinquency to the owner. Depositing the required notice in the mail, addressed to the owner at the address listed in the City's records, postage prepaid, shall constitute delivery.

(3) Manner Of Correcting Inaccurate Bills: In any instance where a customer's bill has been incorrectly calculated or stated for any reason except unlawful use of utility services, the City shall correct the billing for any period of time not exceeding twelve (12) months during which incorrect bills were rendered for under-billed accounts and twelve (12) months for credits due to an error which caused the account to be overbilled.

(4) Deferred Payment Plan: Where a customer has been under-billed, the City may enter into a written deferred payment agreement with the customer, whereby the amount due to the billing error may be paid in equal installments over a period not to exceed twelve (12) months from the date on which the agreement is signed.

(5) Termination Of Service: The City shall have and hereby reserves the right, power and authority to suspend or terminate water/sewer service as provided for in § 515-16 to any customer at any time without incurring any liability or cause of action for damages of any kind.

(6) Resumption Of Service: If service is discontinued because the customer's bills for service are in arrears, or for violation of any provisions of this Article after notice, such service shall not be restored until all charges, costs and damages, if any, shall have been paid to the Finance Department; or the violation has been corrected; and any charges for reinstatement of service pursuant to this Chapter have been paid to the Finance Department.

(7) Voluntary Water Shutoff: The City provides a water shutoff service to residents who are on vacation or away for an extended period. The fee for voluntary water shutoff

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shall be $100. The fee shall cover the cost of water shut-off at the valve box in the City's right-of-way (the valve the City has installed to access water service) and then turned back on upon request. The fee shall not be applicable to any school districts or any unit of local government.

(8) Responsibility for Meter with Customer: If water service is terminated pursuant to this Section, the customer shall remain liable for protecting the water meter from damage from freezing or other causes. If the meter is damaged, the customer shall be required to return the damaged meter to the City, purchase a new meter, and have the new meter installed in accordance with City Code requirements, all at his/her own expense.

(9) Collection: The City may take all legal action necessary to collect fees from delinquent accounts including, without limitation, termination of service, recording a lien against the property, foreclosing on such lien, hiring a collection agency, refusing to grant any other utility service, or to issue any City permit or license to the delinquent customer until the delinquent account has been paid in full, including any penalties, costs incurred to record liens or releases of lien, or costs of collection.

(10) Blanket Policy: The City shall also have the right to disconnect or refuse service to any customer with one or more installations if the bills are not paid at any one installation.

(11) Charges And Discounts Prorated: The charges and discounts established in this Article shall be prorated by the Finance Department for customers receiving service for less than a full billing period.

L. Periodic review of charges. The adequacy of the water and sewer charge shall be reviewed by the City Manager at least annually as part of the annual budget process. The water and sewer service charge shall be revised periodically to reflect change in local operation, maintenance and repair costs, including capital replacement costs.

M. Disposition of revenues. All revenues and moneys derived from the operation of the water and sewer system shall be deposited in the Water and Sewer Fund. The Director of Finance shall receive all such revenues from the water and sewer system and all other funds and moneys incidental to the operation of such system as the same may be delivered to him/her and deposit the same in the account of the fund designated as the Water and Sewer Fund of the City of Crystal Lake.

N. Accounts. The Director of Finance shall establish a proper system of accounts and shall keep proper books, records and accounts in which complete and correct entries shall be made of all transactions relative to the water and sewer system, and at regular annual intervals he/she shall cause to be made an audit by an independent auditing concern of the books to show the receipts and disbursements of the sewerage system.

Section 3: Effective Date. This Ordinance shall be in full force and effect from and after its passage and approval according to law.

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DATED at Crystal Lake, Illinois, this 3rd day of December 2024.

APPROVED:

_____
Haig Haleblian, MAYOR

ATTEST:

_____
CITY CLERK

PASSED: December 3, 2024
APPROVED: December 3, 2024

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

Draft

Agenda Item No: 16

City Council
Agenda Supplement

Meeting Date: December 3, 2024

Item: Property Tax Levy Ordinance/Truth in Taxation Public Hearing

Staff Recommendation: Motion to adopt the 2024 Property Tax Levy Ordinance and Certificate of Compliance.

Staff Contact: Eric Helm, City Manager
Jodie Hartman, Director of Finance

Background
Each fall, staff prepares an annual property tax levy for City Council review and adoption. This provides vital funding for key services. The City's 2024 tax levy will be incorporated in the property tax bills property owners receive in 2025, and will be used by the City to fund corresponding expenses in the City's 2025 fiscal year. Adoption of the attached Ordinance will accomplish the following:

1) **Maintain a zero levy for general operations.** General operations include City Administration, Police, Community Development, and Public Works. These would continue to be supported primarily through sales and income tax revenues.
2) Provide funding for pension obligations.
3) Provide funding to support Fire Rescue operations.
4) Provide funding to support Library operations.

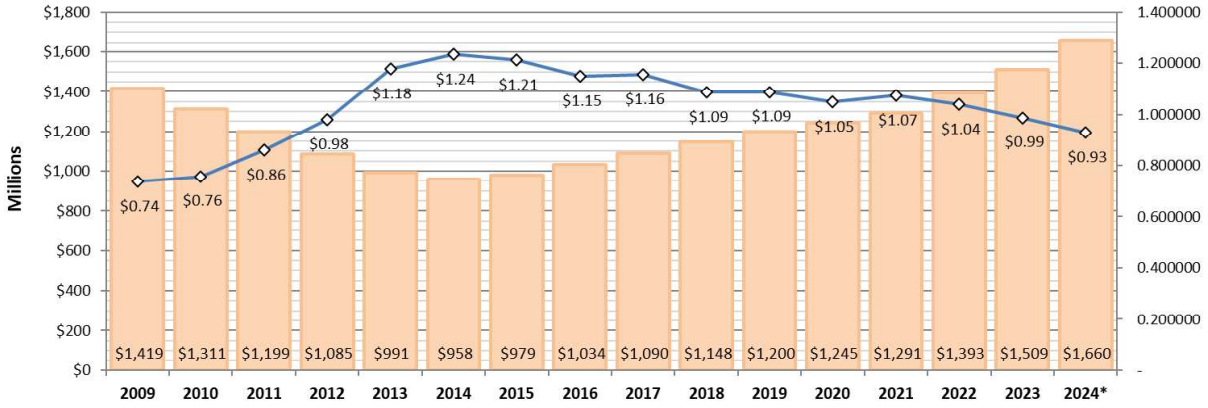
The recommended amount for the 2024 levy is $20,667,195, including the Crystal Lake Public Library's levy. This is an increase of $680,418 (3.4%). According to preliminary reports from McHenry County, the City will be adding over $18 million in new construction to the City's tax rolls this coming year, which spreads the impact of any increases over a wider tax base and consequently, less to each of the existing property owners. With the estimated growth to the tax base within the City, **the resulting tax rate for the City is expected to decrease by 6%,** minimizing the impact to property owners. Using a home valued at $300,000 in 2023 as a baseline with growth of 10%, the estimate impact would be $39.59 for the year for the City's portion of the tax bill, just over $3 per month. The following discussion provides details as to the components of the levy and any changes.

In order to collect a property tax, government agencies in the State of Illinois are required to establish a tax levy and comply with the Truth in Taxation Act. The tax levy is a projection of monies the government agency expects to obtain through the annual property tax. Should a taxing district propose to adopt an aggregate levy in amounts more than 105% of the amount of property taxes extended the prior levy year, the Truth in Taxation law requires taxing districts to disclose the proposed amounts by

publication and to hold a public hearing on their intention. Since the proposed tax levy is less than 105% of taxes extended for the prior tax levy, a Truth in Taxation hearing is not required, nor is the publication in a newspaper. In the interest of transparency, the City has elected to voluntarily publish the notice in the newspaper and to hold the public hearing. The "black box" notice was published on Friday, November 22nd in the Northwest Herald.

The impact of a proposed property tax levy on an individual homeowner is determined by estimating the Equalized Assessed Value (EAV). As of November 15, 2024, the County Assessor provided a rate setting EAV estimate for the 2024 levy of $1,707,157,141 for the City. This is an increase of 13% from the 2023 levy. The history of the City's EAV, including the 2024 estimate, shows the City is now exceeding pre-Great Recession levels (2008). The McHenry County Clerk will determine the actual tax rate some time in spring 2024, once all values and exemptions have been finalized. The levy must be filed by the City before the end of the calendar year.

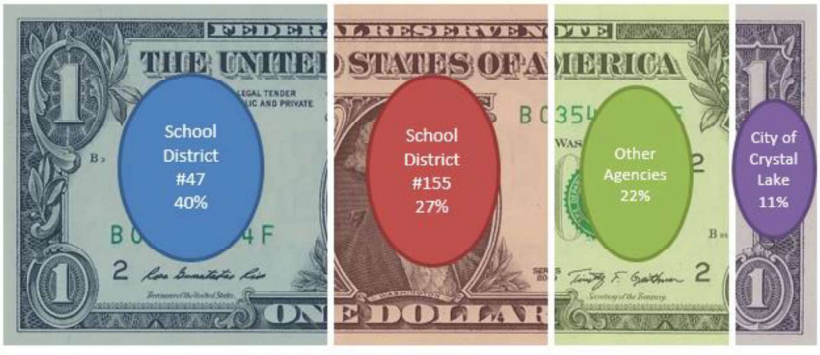
Crystal Lake Historical Equalized Assessed Value (EAV) vs City Tax Rate



*Estimate

The City levies in dollars needed, rather than a specific tax rate. As a result, the City does not receive any additional dollars if the assessed valuation of property in the City increases. Rather, the amount of the City tax levy remains the same and is spread over a greater total assessed valuation of property. As the above chart demonstrates, the City's EAV has been rising steadily as the City's property tax rate has also been declining. The City has been fortunate to have significant growth from new construction, which spreads the tax burden amongst additional properties. For the 2024 levy, estimates are that the new construction will absorb about 1/3rd of the proposed levy increase.

Property owners in the City of Crystal Lake will note that the City is only one of many taxing bodies that appear on the property tax bill. In fact, the City receives only about **11%** of the annual property tax bill amount. The numbers below represent the distribution of the 2023 levy for Crystal Lake property owners.



Levy Components
The City's tax levy is made up of the following funds:

CITY FUNDS	LIBRARY FUNDS
Police Pension Fund	Library Operating Fund
Firefighters' Pension Fund	Library IMRF Fund
Fire Rescue Fund	Library FICA Fund
IMRF & FICA Fund	
School Crossing Guard Fund	

Police and Firefighters' Pension Fund Obligations
The proposed property tax levy incorporates funding requirements of the State mandated public safety pension obligations. The Actuarial Valuation Report was prepared by Lauterbach and Amen, who retains a team of enrolled actuaries. Changes to the contribution amounts are a result of changes in demographics and actuarial assumptions, coupled with the returns on investments. The amounts requested from both public safety pension funds as a result of the Actuarial Valuation have calculated increases. These increases are expected to continue as per Illinois law, both public safety pension funds must be at least 90% funded by the year 2040.

For the Firefighters' Pension Fund, the amount determined by the actuarial report, and consequently requested by the Pension Fund, totals $2,316,993. This is an increase of $31,344 (1.4%) from the prior year actuarial report. The prior year levy was held stable despite a temporary decrease in the actuarially determined amount for the 2023 levy. By holding the levy stable instead of decreasing the amount, the City was able to hedge a larger increase for the 2024 levy, which otherwise would have shown a 10% increase for this year. Advance funding when possible also helps grow the funded percentage of the pension fund, a key criteria used by Standard and Poors in their bond rating decisions. Staff recommends setting the levy for the Firefighters' Pension Fund at the requested amount for the 2024 levy.

For the Police Pension Fund, the amount determined by the actuarial report and requested by the Pension Fund, totals $3,992,645. This is an increase of $380,106 (10.5%) from the prior year levy. Staff recommends matching the levy to the actuarial request.

According to the Actuarial Valuation Report ended April 30, 2024, the percent funded for the Police Pension Fund decreased 0.93% to 60.22%; the Firefighters' Pension Fund percent funded decreased 1.71% to 78.55%. For comparison, the average funded percentage of the 394 police and fire pension funds that Lauterbach & Amen LLP completed actuarial reports in prior years was 64%. Poor investment performance during the 2022/23 fiscal year of both pension funds was a major factor in the small adjustments to funded percentages of both funds, as well as recent retirements drawing from the funds. However, both funds are on track to exceed the State's funding requirements by 2040.

Fire Rescue Fund
The proposed levy will increase the levy amount for the Fire Rescue Fund to $7,680,500, an increase of $71,626 (0.94%), which will offset a portion of the annual $13 million in operational costs. Other major revenue sources for the Fire Rescue Fund include intergovernmental agreements with the Crystal Lake Rural Fire Protection District (CLRFPD) and the Village of Lakewood, which contribute over $2.8 million annually, and ambulance transport fees, about $2.5 million per year.

City IMRF and FICA Fund

The levy for non-sworn employee pension costs will be increased $39,321 (3%) to $1,350,031. This levy line was decreased in prior years to prioritize funding for the Police and Firefighters' Pension Fund contributions. The City was fortunate to experience a decrease to the employer contribution rate for IMRF in 2022, as well as experienced savings from vacant positions, which had allowed for an intentional draw down of reserves from the IMRF/FICA Fund. This intentional draw down was an opportunity for prudent use of fund balance, but was temporary in nature and not sustainable long-term. Annual Governmental Fund expenses for FICA and IMRF total over $1.7 million, excluding Water and Sewer Fund FICA and IMRF expenses.

School Crossing Guard Fund

The levy for the School Crossing Guard Fund is for the City's share of the crossing guards provided for school age children. School District 47 reimburses the City for the remaining half of incurred costs for this service. This levy line item is recommended to increase to $5,259 for the year to $81,236 based on contractual rates of the crossing guards and anticipated hours needed for coverage. Any funds for this levy item are reserved within the School Crossing Guard Fund to be used solely for this purpose.

Crystal Lake Library Expenses

Each year, the Crystal Lake Library Board approves and forwards a tax levy request to the City Council. The Library is a component unit of the City, meaning that it does not have independent taxing authority. The Library approved their levy request on October 16, 2024. The Library Board has requested a 3% change to their levy. This equates to an increase of $152,762. The Library maintains three items on their levy, including operations, Library IMRF and Library FICA.

Maximum Levy Resolution

On November 19, 2024, the City Council adopted a resolution setting the maximum levy at $20,667,195. Below is the proposed 2024 tax levy as compared to the 2023 levy, demonstrating the changes to each line item, as well as the overall impact of 3.4% to the total combined amount.

	2023 Levy Exended	2024 Levy **Proposed**	Change $	Change %
City Funds				
Fire Rescue	$ 7,608,874	$ 7,680,500	$ 71,626	0.94%
Crossing Guard	75,978	81,236	5,259	6.92%
Police Pension	3,612,539	3,992,645	380,106	10.52%
Fire Pension	2,285,649	2,316,993	31,344	1.37%
City IMRF	795,696	819,567	23,871	3.00%
City FICA	515,014	530,464	15,450	3.00%
Total - City	$ 14,893,749	$ 15,421,405	$ 527,656	3.54%
Library Funds				
Library Operations	$ 4,591,009	$ 4,811,790	$ 220,781	4.81%
Library IMRF	277,015	200,000	(77,015)	-27.80%
Library FICA	225,004	234,000	8,996	4.00%
Total - Library	$ 5,093,028	$ 5,245,790	$ 152,762	3.00%
Total - ALL FUNDS	**$ 19,986,777**	**$ 20,667,195**	**$ 680,418**	**3.40%**

Determining the impact of the City's tax levy on area home values is dependent on several factors: the assessed value of a property as determined by each township's assessor, the equalization multiplier assigned by each township supervisor, the equalization multiplier assigned by the State and exemptions specific to each property and property owner, (homestead, senior, senior freeze, etc.). The City of Crystal Lake spans four different townships: Algonquin Township, Nunda Township, Dorr Township and Grafton Township.

The City of Crystal Lake City Council must adopt a property tax levy and annually certify to the County Clerk, on or before the last Tuesday in December, the amount to be levied. The resolution determining the maximum 2024 tax levy was adopted on November 19, 2024. Adoption of this resolution was merely a procedural requirement and the actual levy ordinance will be considered following the public hearing at the December 3, 2024 City Council meeting.

Recommendation:

It is the recommendation of the City Manager and Director of Finance to adopt the proposed 2024 Property Tax Levy Ordinance and Certificate of Compliance.

Votes Required to Pass:

Simple Majority

Ord.
File No.

AN ORDINANCE FOR THE LEVY AND EXTENSION OF TAXES FOR THE CITY OF CRYSTAL LAKE FOR THE FISCAL YEAR BEGINNING THE 1st DAY OF JANUARY, 2025 TO THE 31st DAY OF DECEMBER, 2025

ADOPTED BY THE
CITY COUNCIL
OF THE
CITY OF CRYSTAL LAKE

December 3, 2024

Draft

Published in pamphlet form by the authority of the City Council of the City of Crystal Lake, McHenry County, Illinois, this 3rd day of December, 2024.

AN ORDINANCE FOR THE LEVY AND EXTENSION OF TAXES FOR THE CITY OF CRYSTAL LAKE FOR THE FISCAL YEAR BEGINNING THE 1ST DAY OF JANUARY, 2025 TO THE 31ST DAY OF DECEMBER, 2025

WHEREAS, the City Council of Crystal Lake in the County of McHenry and State of Illinois did on the 3rd day of December, 2024, pass the Annual Budget in accordance with Chapter 65 5/8-2.-9.1, *et. seq*. of the Illinois Compiled Statutes, for the City for the fiscal year beginning on the 1st day of January 2025 the amount of which is ascertained to be One Hundred Forty-Three Million, One Hundred Ninety-Six Thousand, Fifty-Four Dollars and No Cents ($143,196,054), excluding inter-fund transfers, which said Budget Resolution was duly published on the 3rd day of December, 2024.

WHEREAS, pursuant to State Law (Public Act 95-950), the Mayor and City Council hereby accept the Compliance Reports submitted by the Crystal Lake Firefighters' Pension Fund and the Crystal Lake Police Pension Fund for the year ended December 31, 2025.

WHEREAS, the Mayor and City Council of the City of Crystal Lake did on the 19th day of November, 2024, determine that the levy of the City of Crystal Lake for 2024 would not exceed $20,667,195 exclusive of debt service (being not more than 105% of the prior year's extension) and, pursuant to Chapter 35, Illinois Compiled Statutes 200/18-55 *et. seq*., entitled "Truth in Taxation Act," all provisions of said Act were fully complied with by the City of Crystal Lake.

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NOW THEREFORE, BE IT ORDAINED by the City Council of the City of Crystal Lake, McHenry County, Illinois:

Section 1: That the total amount of appropriations for all corporate purposes legally made to be collected from the tax levy of the current fiscal year is hereby ascertained to be the sum of Twenty Million, Six Hundred Sixty-Seven Thousand, One Hundred Ninety-Five Dollars and No Cents ($20,667,195).

Section 2: That the sum of Twenty Million, Six Hundred Sixty-Seven Thousand, One Hundred Ninety-Five Dollars and No Cents ($20,667,195) being the total of appropriations heretofore legally made that are to be collected from the tax levy of the City of Crystal Lake for the purpose of providing for the Illinois Municipal Retirement and Federal Insurance Contributions Act Fund (the City's contributions to IMRF and for Social Security and Medicare taxes), Police Pension Fund, Fire Pension Fund, Library Operating Fund, Library IMRF Fund (the Library's contributions to IMRF), the Library

Federal Insurance Contributions Act Fund (the Library's contributions for Social Security and Medicare taxes), Fire Rescue Fund and School Crossing Guard Fund, and Debt Service by annual appropriation of the City of Crystal Lake for the Fiscal Year 2025, passed by the Mayor and City Council of said City at the legally convened meeting of December 3, 2024 be, and the same is hereby levied upon all of the taxable property in the City of Crystal Lake subject to taxation for the current year, the specific amounts as levied for the various funds heretofore named being included herein by being placed in separate columns under the heading "Tax Levy" that appears over them, the tax so levied being for the current fiscal year of said City, and for the said appropriation to be collected from said tax levy, the total of which has been ascertained as aforesaid and being as follows:

Fund	Appropriation	Tax Levy
City Funds		
General Fund	$ 36,635,369	-
Restricted Police Funds	264,216	-
Fire Rescue Fund	12,959,940	7,680,500
School Crossing Guard Fund	161,374	81,236
IMRF/FICA Fund - IMRF	895,834	819,567
IMRF/FICA Fund - FICA	875,483	530,464
Motor Fuel Tax Fund	650,000	-
Commuter Parking Fund	224,633	-
Debt Service Funds	1,125,000	-
TIF Funds	77,610	-
Capital Replacement Fund	22,112,718	-
Vehicle Replacement Fund	4,432,453	-
Water & Sewer Funds	41,403,939	-
Group Insurance Fund	6,754,873	-
Police Pension Fund	4,763,210	3,992,645
Fire Pension Fund	3,037,200	2,316,993
Sub-Total City Funds	$ 136,373,852	$ 15,421,405
Library Funds		
Library Operations	$ 5,667,880	$ 4,811,790
Library IMRF	331,397	200,000
Library FICA	234,000	234,000
Construction & Repair Fund	143,445	-
Ames Fund	15,000	-
Gift & Memorial Fund	60,882	-
Per Capital Grant Fund	119,598	-
Special Reserve Fund	250,000	-
Sub-Total Library Funds	$ 6,822,202	$ 5,245,790
Grand Total - All Funds	$ 143,196,054	**$ 20,667,195**

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Section 3: That the total amount of Twenty Million, Six Hundred Sixty-Seven Thousand, One Hundred Ninety-Five Dollars and No Cents ($20,667,195) ascertained above, be and is hereby levied and assessed on all property subject to taxation within the City of Crystal Lake according to the value of said property as assessed and equalized for state and county purposes for the current year.

Section 4: That this Levy Ordinance is adopted pursuant to the procedures set forth in the Illinois Municipal Code.

Section 5: That there is hereby certified to the County Clerk of McHenry County, Illinois, the several sums above, constituting said total amount, and the total amount of Twenty Million, Six Hundred Sixty-Seven Thousand, One Hundred Ninety-Five Dollars and No Cents ($20,667,195), which total amount the City of Crystal Lake requires to be raised by taxation for the 2025 fiscal year of the City, and the City Clerk of the City is hereby ordered and directed to file with the County Clerk of the County on or before the time required by law, a certified copy of this Ordinance.

Section 6: That the rate percent be ascertained and tax extended as provided by law against the property included in the City of Crystal Lake.

Section 7: That the provisions of the Truth in Taxation Act, Chapter 35, Illinois Compiled Statutes, 200/18-55 *et. seq*., were complied with by the City of Crystal Lake.

Section 8: Pursuant to Statute, in compliance with Public Act 83-881, the City of Crystal Lake will file an Estimate of Revenue by Source with the McHenry County Clerk's office.

Section 9: Pursuant to the Illinois State Constitution of 1970, the City of Crystal Lake is a Home Rule unit of government, and as such, is not subject to the Act adopted by the Legislature in 1991 providing for tax levy limitations, nor is the City of Crystal Lake subject to individual fund rate limitations.

Section 10: That this Ordinance shall take effect and be in full force and effect immediately on and after its passage and approval.

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ADOPTED this 3rd day of December 2024, pursuant to a roll call vote as follows:

AYES:

_____

NAYS:

_____

APPROVED this 3rd day of December 2024.

_____
Haig Haleblian, Mayor

ATTEST:

_____
City Clerk

STATE OF ILLINOIS)
) SS
COUNTY OF MCHENRY)

Draft

CERTIFICATION

I, _____, do hereby certify that I am the duly qualified and acting City Clerk of the City of Crystal Lake, County of McHenry, and State of Illinois, and that as such official am the keeper of the records and minutes of the proceedings of the Mayor and City Council of said City.

I do hereby certify that the Ordinance hereto attached entitled "AN ORDINANCE FOR THE LEVY AND EXTENSION OF TAXES FOR THE CITY OF CRYSTAL LAKE FOR THE FISCAL YEAR BEGINNING THE 1ST DAY OF JANUARY, 2025 TO THE 31st DAY OF DECEMBER, 2025" is a true and correct copy of said Ordinance duly passed at a regular meeting of the Mayor and City Council held on the 3rd day of December, 2024, at Crystal Lake, Illinois, at which time ____ Council members were present, _____ attended via remote telephone, and _____ Council members were absent. Motion was made by Councilmember _____ and seconded by Councilmember ____ _____ that the foregoing Ordinance be passed and approved. Upon roll call vote, _____ Council members voted aye, whereupon said Ordinance was declared duly passed and therefore approved by the Mayor, Haig Haleblian.

Draft

_____
City Clerk

(SEAL)

CERTIFICATION OF COMPLIANCE WITH TRUTH IN TAXATION ACT

I, HAIG HALEBLIAN, the Presiding Officer of the CITY OF CRYSTAL LAKE, an Illinois Municipal Corporation, do hereby certify that the Levy adopted on December 3, 2024 complies with the provisions of the Truth in Taxation Act, Chapter 35, and Illinois Compiled Statutes 200/18-55 *et. seq*.

_____

Haig Haleblian, Mayor
Presiding Officer of the
City of Crystal Lake

Subscribed and sworn to
before me this___ day of
_____, 2024.

_____

Notary Public

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