1. City Council Budget Workshop Agenda

   Documents:

   2017-03-18 CITY COUNCIL BUDGET WORKSHOP AGENDA.PDF

2. City Council Budget Workshop Other Budget Related Issues Bw II

   Documents:

   2017-03-18 CITY COUNCIL BUDGET WORKSHOP OTHER BUDGET RELATED ISSUES BW II.PDF

3. City Council Budget Workshop Minutes

   Documents:

   2017-03-18 CITY COUNCIL BUDGET WORKSHOP MINUTES.PDF
AGENDA

I. Review of 2017-2018 Draft Budget
   a. Municipal Band
   b. General Fund-Wireless Alarm Network
   c. Debt Service Fund
   d. Liability Insurance Fund
   e. Health Insurance Fund
   f. Fire Pension Fund
   g. Police Pension Fund
   h. Capital Projects
      i. Capital Projects Fund
      ii. Motor Fuel Tax Fund
      iii. TIF #2 Fund
      iv. Water Fund
      v. Sanitary Sewer Fund
      vi. Storm Sewer Fund
      vii. Parking Fund

II. Other Budget Related Issues
   a. Comprehensive Plan Update-Roosevelt Rd
   b. Redevelopment Grant Program (Replace TIF #1 Funding)
   c. Adams Park Plan

III. Public Comment

IV. Council Questions, Comments, Other Issues Regarding Draft Budget

V. Adjournment

Persons speaking during Public Comment shall not speak longer than three (3) minutes and shall be permitted to speak only once.
Memorandum

TO: The Honorable Mayor & City Council

DATE: March 14, 2017

SUBJECT: Miscellaneous FY 18 Budget Expenditures

This memorandum provides information relating to four expenditures that have not been included in the draft FY 18 Budget. All four of the additional expenditure items, if authorized by the City Council, would be included in the General Fund. The staff is seeking the Council’s direction on the following additional expenditure items:

1. **$40,000 - Downtown Wheaton Association SUPPLEMENTAL FUNDING**
   
   Exhibit A includes a five-year distribution history of Special Service Area #7 and supplemental funding provided to the Downtown Wheaton Association. As you note from the distribution history, the Special Service Area #7 in the levy year 2011 (FY 13) was generating almost $206,793 to the DWA. In the tax levy year 2012 (FY 14), property assessed values dropped significantly in the downtown and throughout the City, which impacted the dollar amount received by the DWA from the Special Service Area. That decline continued in the 2013 levy year. To reestablish the funding level back to the $206,793 amount, the Council agreed to supplemental funding in FY 15, FY 16 and FY 17.

   For the 2016 tax levy year (FY 18), the Council adopted a levy that would produce an estimated $176,312, which is a 3.1% increase from the 2015 levy. If you include the $40,000 supplemental funding, total funding for FY 17 is $211,033, and should the Council approve the $40,000 supplemental funding for FY 18 total funding would be $216,312.

2. **$20,000 - Downtown Retail Grant Program**

   TIF 1 expired on December 30, 2016. One of the programs that was funded on an annual basis through TIF 1 revenue was Downtown Property Improvement Programs, including storefront grants and downtown retail grants which targeted retail businesses in the downtown completing expansion projects. Only properties within the TIF 1 boundaries were eligible. Attached as Exhibit B is a description of those programs and a map of TIF 1.

   The proposed FY 18 Budget for TIF 2 does include a continuation of the Downtown Property Improvement Programs. However, with the expiration of TIF 1, the staff did not include the...
continuation of these programs for the properties within TIF 1 since General Fund monies would be needed to fund such projects within the old TIF 1 boundaries. I am concerned with using General Fund revenue to support storefront improvement and/or retail expansion projects only within a defined area in the downtown.

3. **$50,000 - Roosevelt Road Comprehensive Plan Update**
A few recent redevelopment projects along Roosevelt Road have prompted a question as to the validity of current Comp Plan provisions as they relate to Roosevelt Road. More specifically, the Comp Plan’s section on Special Focus Areas, East Roosevelt Road Corridor Study and the Limited Commercial Designation- Office/Service area for Roosevelt Road properties. Included as Exhibit C are sections from the Comp Plan relating to Roosevelt Road. Planning & Economic Development Director Kozik has estimated $50,000 to engage the services of a planning consultant to reevaluate the corridor. Mr. Kozik has suggested a specific analysis of Roosevelt Road from the City’s current east boundary to Carlton Avenue. Given the uniqueness of the properties fronting Roosevelt Road, particularly the lack of lot depth and adjacency to residential properties, the outcome of a Comp Plan update for the Roosevelt Road Corridor is likely to produce very similar recommendations. With the Comp Plan being 18 years old a fresh look at the land uses (current market review) that may be appropriate and consistent with the attributes of the Roosevelt Road properties may be beneficial. A more focused look at market/uses would be less expensive than a full Comp Plan update for the Roosevelt Road corridor.

4. **$25,000 - Adams Park Landscape Plan**
The City’s Parks Division, Public Works Department, has managed and maintained Adams Park since the early 80’s. The City does not have a formal landscape plan for guiding the management or regular maintenance of Adams Park. Sometime in the mid 1960’s, a landscape plan was prepared for Adams Park by Anthony Tyznik. Mr. Tyznik was the chief landscape architect for the Morton Arboretum. However, the Tyznik plan was not implemented as originally designed and is not used as a basis for guiding management or maintenance of the Park, although certain elements of the Tyznik plan are included in the Park.

Given the fact that the brick paver paths need to be reconstructed and the fountain area is also in need of reconstruction, the staff thought it may be appropriate to have a landscape plan completed for the Park so that the developed plan could guide the City’s management and maintenance of the Park.

Attachments
# City of Wheaton
## DWA Distribution History
### 03/15/17

<table>
<thead>
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<th>Levy Year</th>
<th>Fiscal Year</th>
<th>SSA #</th>
<th>TIF #1</th>
<th>TIF #2</th>
<th>TIF #2[^1]</th>
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<td><strong>$21,000.00</strong></td>
<td><strong>$1,168,265.64</strong></td>
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[^1]: 2011 Levy Refund $21,161.70 due to Wheaton Property Partners (120 E Liberty) assessment appeal.

[^2]: Estimated property tax distributions. Final amounts will not be received from the County until late May.
Downtown Property Improvement Programs

The City’s Downtown Property Improvement Programs were created to encourage downtown property owners and tenants to create and maintain attractive, high-quality exteriors. The programs provide incentives for owners/tenants to renovate their exteriors through grants that fund painting, cleaning, tuck pointing, façade repair, window repair, replacement signage and other permanent improvements.

This program reimburses an applicant for ½ the cost of the improvement, up to $2,500 for each “storefront”. The program defines a “storefront” as a 25 foot length of a building façade; i.e. a 50 foot wide building has two “storefronts”. Grants are approved on a first come, first serve basis until the budgeted funds are depleted.

The City also has a Downtown Wheaton Retail Grant Program designed to attract targeted retail businesses and to assist existing businesses in downtown Wheaton with expansion projects. Examples of acceptable expenditures include: build out of space, building code improvements, first three months of rent (existing business must move into a new space in a TIF district or expand their existing space), moving expenses, visual merchandising, retail consulting or licensed space designer (ASID).

This program reimburses an applicant ½ the costs of the improvement, up to $10,000. Grant requests are reviewed and approved by a committee comprising of the City Council representative to the DWA, the DWA President, and the DWA Executive Director. Grants are approved on a first come, first serve basis until the budgeted funds are depleted.

In the past four years, the City approved grants totaling $112,804.43 for properties located within TIF #1 with a low expenditure of $12,661.25 in FY 15-16 to a high of $46,019.68 in FY 14-15, with an average over the last four fiscal years of $28,000.

Past grant recipients in TIF #1 include the DuPage Art League, Choun’s Gia Mia, Mile Long Records, Carlson’s Glass, Sogno’s rooftop deck, Best Way Rug, façade repair at 214-216 W. Front Street, Adelle’s, and Bella Roba.
East Roosevelt Road Corridor

Commercial roadway corridors serve multiple purposes. Most corridors are important transportation routes that link communities to other parts of the region, and often accommodate high volumes of traffic. Many are also major economic contributors to the municipal tax base by providing access to a wide range of land uses. Corridors are often one of the most visible parts of a community, and can be a major factor in how a city is perceived. As such, highway corridors have competing or conflicting functions.

The City must evaluate long term redevelopment policies for Roosevelt Road. Business owners with properties along Roosevelt Road stress that the continued viability of these uses is dependent on their ability to expand, both in size and land area coverage. Most commercial parcels have shallow depth, resulting in mid-block transitions between commercial and residential zoning. Expansion plans have met resistance from adjacent and nearby residents expressing concern over the impact of commercial uses. Concern has also been voiced over the potential conversion or removal of existing homes along Roosevelt Road to commercial use, such as has been permitted for the Wheaton Inn.

Overcrowding, lack of open space, safety, parking and general poor appearance have plagued several older multiple family complexes along East Roosevelt. Given the limited opportunity for expansion of the City's tax base, the impact of increased traffic on Roosevelt Road and other concerns mentioned above, redevelopment of several existing residential sites is the best long term use of these properties. Since many of the multiple family structures represent some of the few low cost housing opportunities in the City, elimination of these units should be conditioned upon a plan to provide equivalent housing to keep these residents within the Wheaton area.

Maintaining and enhancing existing residential structures which have architectural, historical or cultural significance, or which are viable for commercial use, is an important element in creating an attractive corridor. These types of structures (such as the building at the northwest corner of Roosevelt and Washington) should be reused for limited commercial and office purposes, rather than be torn down.

In order to ensure a solid tax base, commercial (re)development along Roosevelt Road should be encouraged at appropriate locations identified on the Land Use Plan, page 37. Constrained by limited depth and adjacency of parcels on the north side of Roosevelt Road to single family homes, the predominant land use should be limited to office/research because of the less intensive nature and reduced parking need of this use.

Overall Development Strategy

With limited new economic development potential, the long term land use plan for Roosevelt Road retains and enhances, where necessary, existing businesses. Business owners with properties along Roosevelt Road stress that the continued viability of their business is dependent on their ability to expand their use. However, many commercial parcels have shallow depths, resulting in mid-block transitions between commercial and residential zoning. Expansion plans have met resistance from adjacent and nearby residents expressing concern over the impact of commercial uses on their neighborhood and property values.
When redevelopment or expansion occurs, a landscaped buffer yard, with dense evergreen screen and berm, should be required to mitigate the impact of commercial uses on adjacent residential areas. This buffer yard may be reduced if a solid fence is provided, with the condition that the landscaping shall be placed on the residential side of the fence. Buffer yards shall be exclusive of buildings and parking areas.

Specific recommendations for this corridor are provided below: (See Exhibit 8, p. 51 Land Use Plan)

**Naperville Road to Chase Street**

*Existing Land Uses and Zoning:* Uses are primarily office (OR) and single family (R3, R4) residential, with a large church on the south side of Roosevelt Road and commercial (C3).

*Proposed Land Uses:* Provide for new office development on the north side and limit expansion of existing office uses on the south side of Roosevelt Road. Retain commercial use at southwest corner of Chase Street and Roosevelt Road.

*Development Opportunities:*

North side: Total Acres = 0.5
Building Potential = 5,000 sq. ft. (1 floor)
South side: Total Acres = 1.0
Building Potential = 10,000 sq. ft. (1 floor/each building)

**Chase to President Streets**

*Existing Land Uses and Zoning:* Uses are primarily commercial (C3) with one office (OR) use at northeast corner of Chase Street.

*Proposed Land Uses:* No change.

*Development Opportunities:* No change.

**President to Blanchard Streets**

*Existing Land Uses and Zoning:* Mix of moderate to high density residential (R6, R7), office and auto related commercial (C3).

*Proposed Land Uses:* To reduce overcrowding conditions and strengthen the City’s tax base, several multiple family parcels are identified for reuse as commercial or office buildings. Vacant property on Taft Avenue is recommended for a local neighborhood park/tot lot to serve residents in the immediate vicinity.

*Development Opportunities:*

North side: Total Acres = 0.5
Building Potential = 5,000 sq. ft. (1 floor)
South side: Total Acres = 1.0
Building Potential = 10,000 sq. ft. (1 floor/each building)

**Blanchard to Lorraine Streets**

*Existing Land Uses and Zoning:* A mixed use area dominated by a balance of office (OR) and commercial uses (C3), with three single family homes on the north side of Roosevelt Road (R7), two multiple family buildings at the northeast corner of Blanchard Street (R7), and a five building complex at the northwest corner of Lorraine Street (R7).

*Proposed Land Uses:* A balance of office and commercial development, with new redevelopment opportunities located on the north side of Roosevelt Road. The City should encourage the conversion/ redevelopment of existing, small residential structures to commercial businesses, as the residential units are an underutilization of the property.

The designation of the multiple family units at the northwest corner of Roosevelt and Lorraine Street as a future commercial use is intended to eliminate overcrowded and poor building and site conditions. In the interim, the City should explore the possibility of working with the property owner(s) to eliminate parking within the front yard by purchasing the vacant property immediately to the west for off-street parking. The northern block face of Taft Avenue, with the exception of the lot at the northwest corner of Taft and Lorraine, should be designated for use as office/research.

City of Wheaton 1999 Comprehensive Plan Update
Development Opportunities:

North side: Total Acres = 4.3
  Building Potential = 95,000 sq. ft.
  (2 floors)

Lorraine Street to City Limit

Existing Land Uses: Primarily commercial with limited office and single family residential, all located in the C3 commercial zoning district.

Proposed Land Uses: Maintain existing commercial uses and encourage the redevelopment of underutilized properties on the north side of Roosevelt Road for office use.

Development Opportunities:

North side: Total Acres = 2.3
  Building Potential = 50,000 sq. ft.
  (2 floors)

Corridor Improvement Plan

"Views from the road" are important memories that establish a positive community image. The City has expressed concern over the appearance of East Roosevelt Road as the major entryway into Wheaton. As an important gateway to Wheaton, special attention is given to identifying public and private development improvements with this corridor. The Development Improvement Plan (See Exhibits 9 and 10, pp. 52, 53) describes specific improvements for the enhancement of the visual quality of East Roosevelt Road, and transitional areas between commercial and residential uses. Corridor improvements identified on the Development Improvement Plan are intended to guide capital improvement programming and redevelopment planning in a way that is more sympathetic to the character of adjacent uses and existing neighborhoods.
Commercial Land Use Policy

Objective: The objective of the commercial element of the Plan is to maintain and expand the range of business and shopping activities to meet the needs of Wheaton residents and to diversify the City's tax base in attractive and convenient locations designed to minimize impact on residential areas.

Strategy: The Central Business District (within the Wheaton Central Planning Area) is the historic retail and civic core of the City. Historically the largest concentration of commercial uses existed in the downtown area. This Plan acknowledges that while the Central Business District area should remain the central place of the City, it will not be the dominant retailing location.

Community level shopping center developments such as Danada and the Target/Kohl's Center have become the dominant commercial areas of the City. For many practical reasons, the retail activity center of the City has shifted from downtown to these shopping centers. Newer shopping centers, free-standing businesses, and large discount retailers, such as Target, are now the major source of the City's retail tax dollars. This does not, however, diminish the importance and potential success of the downtown area as a speciality retail, civic, entertainment and service center.

This Plan reaffirms the commitment of City officials to revitalize the Central Business District as the center of civic and social life of Wheaton, with a compliment of retail, service, office and residential uses catering to the needs of residents, as well as offering speciality shopping opportunities that draw from a wider region. (See "Special Focus Areas" section, p. 43)

With the exception of limited redevelopment opportunities at the Jewel Center on Geneva Road and North Gary Avenue commercial district, new General Commercial development will be the result of reuse and improvement of properties within the North Main Street business district and along East Roosevelt Road. This Plan address specific redevelopment opportunities within the North Main Street and East Roosevelt Road areas in the “Special Focus Areas” section, page 43.

The Limited Commercial - Office/Service areas are intended to serve as transitional areas to adjacent residential uses. They provide opportunities for small scale office and limited service uses to respond to the demand for such spaces within the City. These areas should be limited to office and service businesses not involved in retail sales. Limited office areas are also planned to permit the conversion of homes along Roosevelt Road for a limited range of office uses, while requiring that the residential character of the structure and site be essentially maintained.

Industrial Land Use Policy

Objective: The objective of the industrial component of the Plan is to maintain and enhance existing industrial sites to insure a stable tax base.

Strategy: Wheaton has a very small industrial base, relegated to the area along the railroad tracks northwest of the downtown. According to officials from local industries, attracting new businesses is difficult due to its remote location and incompatible commuter train schedule. ACME's current site provides room for expansion anticipated within the next few years. While F.E. Wheaton lumber yard has moved its headquarters out of Wheaton, this company will maintain its present facility located just north of the Manchester Bridge. With the exception of potential reuse of the F.E. Wheaton site, no new sites are being considered for expansion of the City's industrial base.
Those attending the March 13, 2017 City Council Budget Workshop included Mayor Gresk, Councilwoman Fitch, Councilman Prendiville, Councilman Rutledge, Councilman Saline, Councilman Scalzo. Councilman Suess arrived at 9:11 a.m. Also in attendance were City Manager Dzugan, Assistant City Manager Duguay, Director of Finance Lehnhardt, Director of Public Works Laoang, Public Works Superintendents, Director of HR Schulz, Fire Chief Schultz, Director of Planning and Economic Development Kozik, Director of Engineering Redman, Manager Schefske and Senior Engineer Lagvankar. The Workshop was held in the Council Chambers, Wheaton City Hall, 303 W. Wesley Street. The meeting began at 9:00 a.m. and concluded at 10:49 a.m.

I. Review of 2017-2018 Draft Budget

a. Municipal Band
Director Lehnhardt stated the Band budget included a proposed 2% increase. In response to Councilman Prendiville’s question, Don Cavelli, President of the Band, stated that Band Conductor Bruce Moss is a world-class conductor. He has excellent contacts and connections which allows the band to bring in high level conductors to conduct. He stated that Wheaton’s Band is internationally known. He stated that Mr. Moss’ expenses are not compensated.

Dottie Mackie, Chair of the Band Commission, thanked the Council for their continued support and stated that there are some new concepts being planned for this year.

b. General Fund – Wireless Alarm Network
Director Lehnhardt stated that this budget was increasing minimally; a .5% increase.

c. Debt Service Fund
Director Lehnhardt stated that this budget was increasing minimally; a 1% increase.

d. Liability Insurance Fund
Director Lehnhardt stated the proposed budget was down .4% from the previous year.
e. Health Insurance Fund
Director Lehnhardt stated the health insurance fund budget was up slightly (1.8%) from the previous year. He stated that the City’s experience over the past several years has beat the trend with an average PPO rate increase of 3.06% and HMO increase of 4.29%. He also stated that over the past week he received notification that the increases budgeted for next year (4% and 4.5% respectively) are expected to be lower. The City will receive the final percent increase in the next week or so. If these new numbers hold, Director Lehnhardt expects this to save the City an additional $35,000 in health insurance premium costs.

In response to Councilman Suess’ question, Director Schulz shared the following health insurance premium rates that employee’s will pay starting July 1, 2017:

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* Hired prior to November 2012

f. Fire Pension Fund
Director Lehnhardt stated that there was a slight (1.6%) increase in this fund’s budget for the next year. He stated that based on 4/30/2016 numbers, it was 68% funded.

g. Police Pension Fund
Director Lehnhardt stated that this fund was up 4.4% or $150,000 from last year. He stated that based on 4/30/2016 numbers, it was 59% funded. He stated that the Illinois Municipal Retirement Fund (IMRF) was funded at 89%.

Councilman Suess stated that the City might consider reviewing other strategies for funding. City Manager Dzugan stated that the Police and Fire funds are managed at the local level while IMRF is managed by one entity. He stated that funding at a significantly higher level would be difficult as money would need to come from some other important project or fund.

Councilman Rutledge suggested that we might consider getting closer to the 100% level; stating his concern regarding the 7.5% borrowing rate. We might borrow at a 2% rate.

In response to Council’s questions and comments, City Manager Dzugan and Director Lehnhardt stated that it would be difficult to reach that level.
h. Capital Projects

Director Lehnhardt stated that we would be covering the majority of items listed under the Capital Projects heading through Assistant City Manager Duguay’s presentation.

Assistant City Manager Duguay reviewed in general terms the reasons for developing a Capital Improvement Plan. He stated that it will be used as a 5-year planning tool to discuss long-term capital project planning, to assist in visualizing funding needs and for use as a management tool for scheduling and project management in general. He stated that the presentation would focus on the projects for the next fiscal year, and provided a quick review of the process of developing the Project Description Worksheet and vetting/clarifying projects presented by departments.

Assistant City Manager Duguay provided an overview of the criterion used: Immediate Action Required and other criterion if immediate action was not warranted. He described the four reasons for Immediate Action: Mandate, Council Initiative, Leveraged Funds and Public Health and Safety and provided a list of these types of projects for the next fiscal year. Other criterion used: Maintains or Improves Standard of Service, Extent of Benefit, Efficiency of Service and Opportunity Cost.

Assistant City Manager Duguay provided a list of studies conducted from the last several years and tied the studies to proposed CIP projects. He highlighted projects proposed as the result of recommendations from the following studies: Pavement Management Report (PCI), Sanitary Sewer, Lift Station Capital Improvement Study, Water Rate / Hydraulic Study, and Downtown Streetscape Strategic Plan.

Assistant City Manager Duguay provide details on several projects in different areas/funds. He discussed the Road Program and described the Council’s goal of a 68 PCI rating. In order to achieve this rating, approximately 8 miles of new road needs to be completed which currently equates to $3.5 Million. This year, the proposed funding comes from Motor Fuel Tax funding, Capital Projects Fund and the Federal Aid to Urban Streets (FAUS) related work.

Assistant City Manager Duguay also provided an overview of the road work that the Public Works department does. He stated that the money coming out of the General Fund for the roads would be for “Program Maintenance”; roads that are not failing, but need resurfacing. Another $224,000 is proposed for Public Works to overlay streets that are not currently on the road program in the immediate future, but need attention.

Assistant City Manager Duguay discussed the Downtown Streetscape progress and the fact that only underground/utility work is expected to be completed this fiscal year with $2.21 Million being budgeted. He added that Primera will provide an informational meeting for downtown business owner (and anyone else interested) at 3 p.m. on April 3rd in the Council Chambers. Primera will also update the City Council at the April 10 Planning Session.
Assistant City Manager Duguay stated that the Lift Station CIP conducted in 2016 recommended rehabilitation of the Lorraine/Eaton station. He stated that this was not considered as Immediate Action Required, but the project did score high using the criterion previously described. The cost of the project is $600,000. In response to Council question, Assistant City Manager Duguay stated that there is a work around during the period when the work is being done.

Assistant City Manager Duguay described the need for work in the Materials Yard across from the Public Works main facility on Liberty Street. The City received notification from the IEPA that the lot in the NW corner of the yard needs to be fixed as salt run-off and other liquids are escaping into the nearby water source. He also described the curtains that will be placed on the salt bins to protect the salt from rain and therefore, help to eliminate run-off. He stated that this is a two-phase project with a Stormwater Control Structure and a portion of the concrete drive scheduled for replacement in the summer of 2018.

In response to Council questions, Assistant City Manager Duguay stated that the yard was approximately 20 years old and that little work has been completed on it since it was built. He also stated that in the summer of 2018, staff would work with the Environmental Improvement Commission to make sure that the electronic recycling and any other event held in the yard are coordinated appropriately. He stated that the electronic recycling events still accept the recyclables as before, with the caveat that residents dropping off monitors must pay $25/$35 depending on the size of the monitor. Assistant City Manager Duguay stated that with the City’s curbside recycling program (Lakeshore Recycling Systems), it costs $25 for a monitor of any size.

Assistant City Manager Duguay discussed the proposed changes in the monies allocated to the sidewalk programs. He described the Sidewalk Replacement Program which has evaluated City sidewalks and identified sidewalks with high differences between adjacent sidewalk pads (potential tripping hazard) over the last few years was completed this past summer. The budget proposes decreasing the amount allocated from $300,000 to $150,000 and placing $150,000 into a “new” sidewalk program along with the money previously being allocated to the 50/50 shared cost sidewalk program. This $225,000 along with $35,000 for developer contributions would provide $260,000 for the new program.

The new program will not be a shared cost program, rather one where Staff determines criteria and prioritizes the need throughout the City. Assistant City Manager Duguay stated that staff may consider the option of allowing the 50/50 shared cost program for segments with a high priority.

In response to Council questions, he stated that the Sidewalk Replacement Program will start over in the Southeast quadrant of the City this summer. After consultation with Director Redman, Assistant City Manager Duguay stated that $260,000 would provide approximately 4,000 linear feet of sidewalk. City Manager Dzugan stated that this program will make a difference over time.
Assistant City Manager Duguay also described the projects out of the Water Fund, and provided details about the four most expensive projects: Meter Replacement Program, Water main replacements related to FAUS work and the regular Road Program, and replacement of the stand-by generator at Countryside. He stated that the eleven total projects in the Water Fund cost $3.01 Million.

Senior Engineer Lagvankar provided an overview of the tracking tool that he drafted. The chart will assist him in following the project through the procurement process and into the execution phase and completion. He expects that it will help the Engineering Department track all projects.

Director Lehnhardt provided a financial overview covering capital projects by type and fund, General Fund and Infrastructure Investment. He stated that in our state and country, that infrastructure was rated low. Councilman Suess asked how our infrastructure was rated, and City Manager Dzugan stated that while we do not have a specific “grade” for our infrastructure, he expects that we rank higher than average. Director Lehnhardt stated in response that some of the studies in recent years provide staff a guide for work needed.

Director Lehnhardt described in detail the funding for the General Fund, showing a chart depicting generally flat revenues and operating costs rising at 2% annually. Regarding the money to be allocated for capital projects, the difference between revenues and operating costs, he stated that in FY2015/16, the difference was $4.5 Million while in FY2021/22, it is expected to decrease to $1 Million which is a concern. Starting in FY2019/20, the difference between revenues and operating costs is anticipated to be less than $3.5 Million, meaning that we could not cover the cost for the Road Program in today’s dollars.

In response to Council questions, City Manager Dzugan stated that when staff comes to the City Council regarding the Downtown Streetscape, the discussion on funding will start there. He stated that there are similar financial challenges with the Enterprise Funds.

Director Lehnhardt covered any remaining questions from the agenda items related to Capital Projects.

i. Capital Projects Fund. There were no additional questions.

ii. Motor Fuel Tax Fund. In response to Councilman Suess’ question, Director Lehnhardt stated that approximately $600,000 from the MFT fund balance was used this year as the fund had significant reserves.

iii. TIF #2 Fund. There were no additional questions.

iv. Water Fund. There were no additional questions.

v. Sanitary Sewer Fund. There were no additional questions.
vi. Storm Sewer Fund. There were no additional questions.

vii. Parking Fund. City Manager Dzugan stated that the Procurement Officer was in the process of receiving RFPs for a Parking Management Study which will provide a comprehensive look at our system and how commuters and shoppers pay for their parking.

II. Other Budget Related Items
City Manager Dzugan stated the need to continue the discussion for the Downtown Wheaton Association additional funding of $40,000. Councilwoman Fitch stated that she wanted to keep the funding level similar to what it has been in past years. $40,000 had originally been provided to “bridge the gap” in funding after the downturn in the economy. However, with the increase in assessed property values, staff anticipated that an additional $5,000 would be provided above what the DWA previously received. Based on this information, she suggested providing $35,000 to the DWA this year. Councilman Suess was not in favor of funding, but stated that if funding was to be made, he would think that $35,000 was more appropriate. Councilmen Prendiville, Rutledge and Scalzo were in favor of funding the DWA at the $40,000 level. Mayor Gresk and Councilman Saline supported $35,000. After further discussion, the majority of the Council were in favor of providing $35,000 funding for the DWA.

a. Comprehensive Plan Update - Roosevelt Road. Based on recent redevelopment along the Roosevelt Road corridor, City Manager Dzugan stated that there has been some question regarding the validity of the current Comprehensive Plan. His discussion focused on Special Focus Areas, the East Roosevelt Road Corridor Study and the Limited Commercial Designation-Office Service area. He stated that while there be some use to reevaluating the Plan, Director Kozik estimates that the cost would be $50,000 and could very likely provide similar recommendations. After some discussion between the City Manager and Council, it was decided to place $10,000 in the budget for a Market/Land Use review.

b. Redevelopment Grant Program. City Manager Dzugan stated that TIF #1 expired on December 30, 2016. This grant program targeted retail businesses in the downtown completing expansion projects. City Manager Dzugan voiced concern funding this program since the money would come from the General Fund where previously it was funded out of TIF #1. He stated that this money will only be available to those businesses in TIF #1 and not any other business.

Councilman Rutledge was not in favor of the funding, suggesting that it creates an inequity with other retail areas in Wheaton. Councilman Suess was not in favor of funding it, while Councilman Prendiville felt it should be continued given the past positive results. Councilwoman Fitch suggested funding it for one more year only. Councilman Scalzo, Mayor Gresk and Councilman Prendiville supported her suggestion that $20,000 be allocated in the General Fund budget for the grant program for this coming year only.
c. Adams Park. City Manager Dzugan stated that Adams Park does not have a formal landscape plan to guide the work completed by the Public Works department. He stated that work needs to be done to fix pavers, walkways and the fountain. The Council agreed that $25,000 be placed in the capital projects budget for engineering services.

III. Public Comments
None.

IV. Council Questions/Comments
Mayor Gresk stated that visitors from our sister city, Karlskoga, Sweeden would be in Wheaton on April 10. Twenty-six members of their hockey team will arrive and play a local hockey team. He stated that Terry Ash from the Sister City Commission is coordinating the visit.

The Council thanked staff for the work putting together the budget presentation.

V. Adjournment
The Budget Workshop adjourned at 10:49 a.m.

cc: Mayor & City Council
City Manager
City Clerk
Department Heads