

: OFFICIAL PROCEEDINGS :

: OF THE CITY OF PEORIA, ILLINOIS :

A Regular City Council Meeting of Peoria, Illinois, was held October 27, 2015, at 6:00 P.M., at City Hall, Council Chambers, 419 Fulton Street, with Mayor Ardis presiding, and with proper notice having been posted.

ROLL CALL

Roll Call showed the following Council Members were physically present: Akeson, Grayeb (Arrived at 6:07 P.M.), Jensen, Johnson, Montelongo, Moore, Riggenschach, Spain, Turner, Mayor Ardis – 10. Absent: None.

INVOCATION & PLEDGE OF ALLEGIANCE

Mayor Jim Ardis requested a moment of silent prayer or silent reflection, and then he led the Pledge of Allegiance.

SMALL BUSINESS RECOGNITION

Mayor Ardis recognized Hagerty Brothers Company for the Small Business Recognition award. He provided background on the company noting it began operation in Peoria, Illinois, in 1860 and the company was currently operated by the 6th generation of family members. He said Hagerty Brothers was an authorized distributor that provided a full line of industrial supplies, commercial printing and inventory management services to the manufacturing, construction and trade industries.

PROCLAMATIONS, COMMENDATIONS, ETC.

Kim Thomas - Peoria Public Schools' Outstanding Teacher and Illinois State Board of Education's 2016 Illinois Teacher of the Year

MINUTES

Council Member Spain moved to approve the minutes of the Joint City Council and Town Board Meeting held on October 13, 2015, and the Special City Council Meeting held on October 20, 2015, as printed; seconded by Council Member Turner.

Approved by roll call vote.

Yeas: Akeson, Grayeb, Jensen, Johnson, Montelongo, Moore, Riggenschach, Spain, Turner, Mayor Ardis - 10;

Nays: None.

PETITIONS, REMONSTRANCES & COMMUNICATIONS – CITY OF PEORIA**CONSENT AGENDA ITEMS BY OMNIBUS VOTE, with Recommendations as Outlined:**

- (15-341)** **Communication from the City Manager and Community Development Director with a Request to Extend an Existing AGREEMENT Between the City of Peoria and PEORIA ARCHITECTURAL SALVAGE, LLC Until December 31, 2016 (City-Wide).**
*
- (15-342)** **Communication from the City Manager, the Public Works Director, and the Finance Director/Comptroller with a Request to ADOPT an ORDINANCE AMENDING the City of Peoria BUDGET for FISCAL YEAR 2015 to REPROGRAM STORM WATER AND DRAINAGE PROGRAM BUDGETS, in the Amount of \$160,700.00, and to Request Use of GENERAL FUND BALANCE, in the Amount of \$182,278.00, for Unreimbursed JUNE 2015 STORM AND FLOOD DAMAGES AND COSTS.**
**
- (15-343)** **Communication from the City Manager and Director of Community Development with a Request to Concur with the Recommendation from the Planning & Zoning Commission and Staff to ADOPT ORDINANCE NO. 17,271, Amending an Existing Special Use Ordinance No. 13,584, in a Class C-2 (Large Scale Commercial) District to Reduce the Required Front Yard Setback for a Parking Lot Expansion for the Properties Identified as Parcel Identification Nos. 13-11-200-013 (Address 7618 N. ROUTE 91), 13-11-201-002 (Address 7708 N. ROUTE 91), 13-11-201-003 (Address 7628 N. ROUTE 91), 13-11-201-005 (Address 7716 N. ROUTE 91), 13-11-201-006 (Address N. ROUTE 91), 13-11-202-001 (Address 7810 N. ROUTE 91), 13-11-203-002 (Address N. ROUTE 91), AND 13-11-203-003 (Address 7806 N. ROUTE 91), Peoria, IL (Council District 5).**
- (15-344)** **Communication from the City Manager and Director of Community Development with a Request to Concur with the Recommendation from the Planning & Zoning Commission and Staff to ADOPT ORDINANCE NO. 17,272, Amending an Existing Special Use Ordinance No. 13,932, as amended, in a Class C-2 (Large Scale Commercial) District, to Add a Freestanding Sign for the Property Commonly Known as THE SHOPPES AT GRAND PRAIRIE Located at 5201 W. WAR MEMORIAL DRIVE, Peoria, IL. (Council District 5)**
- (15-345)** **Communication from the City Manager and Director of Community Development with a Request to Concur with the Planning & Zoning Commission and Staff to ADOPT ORDINANCE NO. 17,273 Approving a SPECIAL USE in a Class I-1 (Industrial/Business Park) District for a MACHINE SHOP for the Property Identified as Parcel Identification No. 14-06-226-016 with an Address of 8600 INDUSTRIAL RD, Peoria, IL. (Council District 5)**

- (15-346) **Communication from the City Manager and Director of Community Development with a Request to Concur with the Recommendation from the Planning & Zoning Commission and Staff to ADOPT ORDINANCE NO. 17,274 REZONING Property from a Class O-1 (Arterial Office) District to a Class R-3 (Single Family Residential) District and Approving a SPECIAL USE for an Assisted Living Facility for the Property Identified as Parcel Identification No. 13-02-103-001 and Located Near the Northwest Corner of WOODSAGE ROAD and IL ROUTE 91, Peoria, IL.**
- (15-347) **Communication from the City Manager and the Community Development Director with a Request to Concur with the Recommendation from the Planning and Zoning Commission and Staff to ADOPT ORDINANCE NO. 17,275 Rezoning Property from a Class R-1 (Single-Family Residential) District to a P-1 (Parking) District for the Property Located at 5005 N SHERWOOD AVENUE (Parcel Identification Number 14-20-251-021), Peoria, IL (Council District 3). PZ 15-47.**
- (15-348) **APPOINTMENT by Mayor Ardis to the PEORIA CIVIC CENTER AUTHORITY with a Request to Concur:**
- Mr. Joseph Dalfonso (Voting) - Term Expires 7/1/2017**
- (15-349) **APPROVE the COMMITTEE REPORT (POLICY SESSION) Regarding the PRELIMINARY 2016 THROUGH 2019 BUDGET PROJECTSION as of August 5, 2015, with a Request to Receive and File.**

Mayor Ardis questioned if the Council wished to have any of the Consent Agenda items removed for further discussion.

Council Member Akeson requested Item No. 15-342 to be removed from the Consent Agenda for further discussion.

Council Member Jensen requested Item No. 15-341 to be removed from the Consent Agenda for further discussion.

Council Member Spain moved to approve the Consent Agenda items as outlined in the Council Communications; seconded by Council Member Riggerbach.

Item Nos. 15-341 through 15-349 (excluding Item Nos. 15-341 and 15-342, which were removed for further discussion) were approved by roll call vote under the Omnibus Vote Designation.

Yeas: Akeson, Grayeb, Jensen, Johnson, Montelongo, Moore, Riggerbach, Spain, Turner, Mayor Ardis - 10;

Nays: None.

- (15-341)** **Communication from the City Manager and Community Development Director with a Request to Extend an Existing AGREEMENT Between the City of Peoria and PEORIA ARCHITECTURAL SALVAGE, LLC Until December 31, 2016 (City-wide).**
*

Council Member Jensen inquired whether there was a process established to prevent premature salvaging. Director of Community Development Ross Black assured the Council that a process was in place to prevent salvaging prior to a tax sale and demolition.

Council Member Johnson left the meeting at 6:38 P.M.

Council Member Jensen moved to approve the extension of an existing agreement between the City of Peoria and Peoria Architectural Salvage, LLC until December 31, 2016; seconded by Council Member Moore.

Approved by roll call vote.

Yeas: Akeson, Grayeb, Jensen, Montelongo, Moore, Riggenbach, Spain, Turner,
Mayor Ardis - 9;

Nays: None;

Council Member Johnson returned to the meeting at 6:39 P.M.

- (15-342)** **Communication from the City Manager, the Public Works Director, and the Finance Director/Comptroller with a Request to ADOPT an ORDINANCE AMENDING the City of Peoria BUDGET for FISCAL YEAR 2015 to REPROGRAM STORM WATER AND DRAINAGE PROGRAM BUDGETS, in the Amount of \$160,700.00, and to Request Use of GENERAL FUND BALANCE, in the Amount of \$182,278.00, for Unreimbursed JUNE 2015 STORM AND FLOOD DAMAGES AND COSTS.**
**

Council Member Akeson inquired about the costs of the July 2015 flood and whether the amount requested was in addition to the amount previously brought before the Council, or if it was inclusive in the amount previously brought before the Council.

Assistant Public Works Director/City Engineer Scott Reise said this amount was part of the same cost and that the cost presented to the City Council this evening was the actual cost of the flood from July.

Council Member Akeson questioned if there would be additional costs in the spring, and City Engineer Reise said it would be contingent on what landscaping needed repair. He said he would not be able to determine the repairs until spring.

Council Member Akeson remarked on the importance of the City developing a policy on the amount of money the City would spend on reoccurring floods. She inquired how much money the businesses on the riverfront lost, and she asked whether it would be more cost efficient just to let the flood occur without involvement. She requested a cost sheet to be drafted to estimate the costs with and without City involvement.

Council Member Akeson moved to adopt an Ordinance amending the City of Peoria Budget for Fiscal Year 2015 to reprogram Storm Water and Drainage Program Budgets, in the amount of \$160,700.00, and to request use of General Fund Balance, in the amount of \$182,278.00, for unreimbursed June 2015 Storm and Flood Damages and Costs; seconded by Council Member Montelongo.

ORDINANCE NO. 17,276 was adopted by roll call vote.

Yeas: Akeson, Grayeb, Jensen, Johnson, Montelongo, Moore, Riggerbach, Spain, Turner, Mayor Ardis - 10;

Nays: None.

REGULAR BUSINESS ITEMS, with Recommendations as Outlined:

- (15-350) Communication from the City Manager and Director of Public Works Requesting Approval of a Payment of \$28,000.00 to CHURCH OF CHRIST NORTHWEST for RIGHT-OF-WAY ACQUISITION of a Portion of Parcel 14-07-201-010 for the Construction of the PIONEER PARKWAY EXTENSION project. [District 5]**

Council Member Johnson moved to approve the payment of \$28,000.00 to Church of Christ Northwest for right-of-way acquisition of a portion of Parcel No. 14-07-201-010 for the construction of the Pioneer Parkway Extension Project; seconded by Council Member Grayeb.

Approved by roll call vote.

Yeas: Grayeb, Jensen, Johnson, Montelongo, Moore, Riggerbach, Spain, Turner, Mayor Ardis - 9;

Nays: Akeson - 1.

- (15-351) Communication from the City Manager and Director of Public Works with a Request to Approve the PAYMENT of \$24,379.00 to JEFFREY P. GRAVES for Right-of-Way Acquisition of a Portion of Parcel 14-06-451-007 for the Construction of the PIONEER PARKWAY EXTENSION Project. [District 5]**

Council Member Johnson moved to approve the payment of \$24,379.00 to Jeffrey P. Graves for right-of-way acquisition of a portion of Parcel No. 14-06-451-007 for the construction of the Pioneer Parkway Extension Project; seconded by Council Member Turner.

Motion to approve the payment of \$24,379.00 to Jeffrey P. Graves for right-of-way acquisition of a portion of Parcel No. 14-06-451-007 for the construction of the Pioneer Parkway Extension Project was approved by roll call vote.

Yeas: Grayeb, Jensen, Johnson, Montelongo, Moore, Riggerbach, Spain, Turner, Mayor Ardis - 9;

Nays: Akeson - 1.

(15-352) Communication from the City Manager with a Request to Approve the FIRST AMENDMENT to EARLY WORK AGREEMENT for the LOUISVILLE SLUGGER SPORTS COMPLEX PROJECT. (5th District)

Council Member Johnson moved to approve the first amendment to the Early Work Agreement for the Louisville Slugger Sports Complex Project; seconded by Council Member Turner.

City Manager Urich provided background information on the Louisville Slugger Sports Complex Project and the Early Work Agreement. He remarked the addendum to the Early Work Agreement clarified how the City would levy the Special Service Area property tax upfront for the full amount of the debt obligation and how that debt obligation would be repaid over time.

Approved by roll call vote.

Yeas: Akeson, Grayeb, Jensen, Johnson, Montelongo, Moore, Riggerbach, Spain, Turner, Mayor Ardis - 10;

Nays: None.

(15-353) Communication from the City Manager with a Request to Approve the FIRST AMENDMENT to the REDEVELOPMENT AGREEMENT with RIVER TRAIL DRIVE L.P. (1st District)

Council Member Moore moved to approve the first amendment to the Redevelopment Agreement with River Trail Drive L.P.; seconded by Council Member Turner.

Assistant City Manager Chris Setti said this item would extend the due diligence window by six months in order to complete certain items outlined in the original Redevelopment Agreement passed by the City Council in April 2015.

Approved by roll call vote.

Yeas: Akeson, Grayeb, Johnson, Montelongo, Moore, Riggerbach, Spain, Turner, Mayor Ardis - 9;

Nays: Jensen - 1.

UNFINISHED BUSINESS (Including but not limited to motions to reconsider items, if any, from the previous Regular Business Meeting)

(14-213) Communication from the City Manager with a Request to ADOPT the following ORDINANCES Regarding the LOUISVILLE SLUGGER SPORTS COMPLEX:

- A. An ORDINANCE Establishing the PEORIA SPORTS CENTER PROPERTY TAX SPECIAL SERVICE AREA in the City of Peoria, Illinois;**
- B. An ORDINANCE Establishing the PEORIA SPORTS CENTER HOTEL TAX SPECIAL SERVICE AREA in the City of Peoria, Illinois;**
- C. An ORDINANCE Establishing the PEORIA SPORTS CENTER City of Peoria SALES TAX SPECIAL SERVICE AREA in the City of Peoria, Illinois;**
- D. An ORDINANCE Establishing the HOLIDAY INN PROPERTY TAX SPECIAL SERVICE AREA in the City of Peoria, Illinois;**
- E. An ORDINANCE Establishing the HOLIDAY INN HOTEL TAX SPECIAL SERVICE AREA in the City Of Peoria, Illinois;**
- F. An ORDINANCE Establishing the HOLIDAY INN SALES TAX SPECIAL SERVICE AREA in the City of Peoria, Illinois.**

Assistant City Manager Chris Setti distributed replacement Ordinances that included an updated Exhibit B to all members of Council.

City Manager Urich provided a summary of Item No. 14-213 and 14-214, noting that both related to the Louisville Slugger Sports Complex. Based upon the action previously taken in Item No. 15-353, he said there would be a debt service schedule that needed to be levied. He said the Hotel Tax SSA would tax the four existing hotels an additional 3.0% sales tax, which would go toward the debt service.

Council Member Johnson moved to adopt an Ordinance establishing the Peoria Sports Center Property Tax Special Service Area in the City of Peoria, Illinois; seconded by Council Member Turner

ORDINANCE NO. 17,277 was adopted by roll call vote.

Yeas: Akeson, Grayeb, Jensen, Johnson, Montelongo, Moore, Riggerbach, Spain, Turner, Mayor Ardis - 10;

Nays: None.

Council Member Johnson moved to adopt an Ordinance establishing the Peoria Sports Center Hotel Tax Special Service Area in the City of Peoria, Illinois; seconded by Council Member Turner.

ORDINANCE NO. 17,278 was adopted by roll call vote.

Yeas: Akeson, Grayeb, Jensen, Johnson, Montelongo, Moore, Riggerbach, Spain, Turner, Mayor Ardis - 10;

Nays: None.

Council Member Johnson moved to adopt an Ordinance establishing the Peoria Sports Center City of Peoria Sales Tax Special Service Area in the City of Peoria, Illinois; seconded by Council Member Riggerbach.

ORDINANCE NO. 17,279 was adopted by roll call vote.

Yeas: Akeson, Grayeb, Jensen, Johnson, Montelongo, Moore, Riggerbach, Spain, Turner, Mayor Ardis - 10;

Nays: None.

Council Member Johnson moved to adopt an Ordinance establishing the Holiday Inn Property Tax Special Service Area in the City of Peoria, Illinois; seconded by Council Member Moore.

ORDINANCE NO. 17,280 was adopted by roll call vote.

Yeas: Akeson, Grayeb, Jensen, Johnson, Montelongo, Moore, Riggerbach, Spain, Turner, Mayor Ardis - 10;

Nays: None.

Council Member Johnson moved to adopt an Ordinance establishing the Holiday Inn Hotel Tax Special Service Area in the City of Peoria, Illinois; seconded by Council Member Turner.

ORDINANCE NO. 17,281 was adopted by roll call vote.

Yeas: Akeson, Grayeb, Jensen, Johnson, Montelongo, Moore, Riggerbach, Spain, Turner, Mayor Ardis - 10;

Nays: None.

Council Member Johnson moved to adopt an Ordinance establishing the Holiday Inn Sales Tax Special Service Area in the City of Peoria, Illinois; seconded by Council Member Moore.

ORDINANCE NO. 17,282 was adopted by roll call vote.

Yeas: Akeson, Grayeb, Jensen, Johnson, Montelongo, Moore, Riggerbach, Spain, Turner, Mayor Ardis - 10;

Nays: None.

(14-214) Communication from the City Manager with a Request to ADOPT the following ORDINANCES LEVYING Certain TAXES in Conjunction with the LOUISVILLE SLUGGER SPORTS COMPLEX SPECIAL SERVICE AREAS (Revised Ordinances):

- A. An ORDINANCE Levying a PROPERTY TAX for the PEORIA SPORTS CENTER PROPERTY TAX SPECIAL SERVICE AREA;**
- B. An ORDINANCE Levying a HOTEL TAX for the PEORIA SPORTS CENTER HOTEL TAX SPECIAL SERVICE AREA;**
- C. An ORDINANCE Levying a SALES TAX for the PEORIA SPORTS CENTER SALES TAX SPECIAL SERVICE AREA;**

- D. An ORDINANCE Levying a PROPERTY TAX for the HOLIDAY INN PROPERTY TAX SPECIAL SERVICE AREA;**
- E. An ORDINANCE Levying a HOTEL TAX for the HOLIDAY INN HOTEL TAX SPECIAL SERVICE AREA;**
- F. An ORDINANCE Levying a SALES TAX for the HOLIDAY INN SALES TAX SPECIAL SERVICE AREA.**

Council Member Johnson moved to adopt an Ordinance levying a property tax for the Peoria Sports Center Property Tax Special Service Area; seconded by Council Member Johnson.

ORDINANCE NO. 17,283 was adopted by roll call vote.

Yeas: Akeson, Grayeb, Jensen, Johnson, Montelongo, Moore, Riggerbach, Spain, Turner, Mayor Ardis - 10;

Nays: None.

Council Member Johnson moved to adopt an Ordinance levying a Hotel Tax for the Peoria Sports Center Hotel Tax Special Service Area; seconded by Council Member Riggerbach.

ORDINANCE NO. 17,284 was adopted by roll call vote.

Yeas: Akeson, Grayeb, Jensen, Johnson, Montelongo, Moore, Riggerbach, Spain, Turner, Mayor Ardis - 10;

Nays: None.

Council Member Johnson moved to adopt an Ordinance levying a Sales Tax for the Peoria Sports Center Sales Tax Special Service Area; seconded by Council Member Turner.

ORDINANCE NO. 17,285 was adopted by roll call vote.

Yeas: Akeson, Grayeb, Jensen, Johnson, Montelongo, Moore, Riggerbach, Spain, Turner, Mayor Ardis - 10;

Nays: None.

Council Member Johnson moved to adopt an Ordinance levying a Property Tax for the Holiday Inn Property Tax Special Service Area; seconded by Council Member Riggerbach.

ORDINANCE NO. 17,286 was adopted by roll call vote.

Yeas: Akeson, Grayeb, Jensen, Johnson, Montelongo, Moore, Riggerbach, Spain, Turner, Mayor Ardis - 10;

Nays: None.

Council Member Johnson moved to adopt an Ordinance levying a Hotel Tax for the Holiday Inn Hotel Tax Special Service Area; seconded by Council Member Turner.

ORDINANCE NO. 17,287 was adopted by roll call vote.

Yeas: Akeson, Grayeb, Jensen, Johnson, Montelongo, Moore, Riggerbach, Spain, Turner, Mayor Ardis - 10;

Nays: None.

Council Member Johnson moved to adopt an Ordinance levying a Sales Tax for the Holiday Inn Sales Tax Special Service Area; seconded by Council Member Riggerbach.

ORDINANCE NO. 17,288 was adopted by roll call vote.

Yeas: Akeson, Grayeb, Jensen, Johnson, Montelongo, Moore, Riggerbach, Spain, Turner, Mayor Ardis - 10;

Nays: None.

(15-305) Communication from the City Manager and Community Development Director with a Request from the Advisory Commission on Human Resources (HRC) to Approve the Application, Timeline and Materials Pertaining to the 2016 CDBG PUBLIC SERVICE APPLICATION and the Motion on the Floor.

MOTION ON THE FLOOR: To Change the Maximum Funding Amount to \$10,000.00 Per Agency.

Council Member Moore requested clarification noting that the Council Communication stated that the maximum funding amount as "per agency;" however, she commented that there were times that agencies received more than one award and that, historically, the maximum funding amount was "per award."

Community Development Director Black said the funding amount had been "per award" in the past.

Council Member Moore restated her the Motion that was on the Floor to be amended to reflect the maximum funding amount of \$10,000.00 per award. Council Member Jensen, the seconder, agreed.

Discussions were held regarding the minimum and maximum award amounts. Council Member Moore said she would not want to establish a minimum requested amount. She remarked that the CDBG funds were diminishing each year, and she said since these funds were diminishing, the amount of the awards should be proportionately reduced. She said she agreed with establishing a maximum, and she asked the Council Members to approve the maximum of \$10,000.00 per award.

In response to Council Member Akeson's request for clarification regarding the application, Community Development Director Black said should the amended Motion on the Floor pass, then the application would be revised to reflect the maximum funding level.

In response to Council Member Grayeb's request to outline the impact this change would have on Staff, Director Black said Staff time would increase due to an increased number of grants to manage. He said that a lower minimum grant amount would make it less feasible for agencies to apply. He said this could lead to the potential of not funding to the maximum amount due to few applications. He noted that unused CDBG funds could not be carried over to the next year.

Ms. Nancy Rakeoff, Chair of the Human Relations Commission, said she was glad the Motion on the Floor was amended, noting that maximum funding amount should be "per award." Historically, she said the HRC had not had a maximum amount. She remarked that since the parameters of the grants were established a few years ago, the CDBG funding decreased by approximately 4.0%. She said agencies could apply for more than one grant, and she remarked that some agencies needed additional assistance to keep their programs running.

Discussions were held as to whether a maximum award amount should be established and the minimum award amount lowered.

Council Member Jensen expressed a concern for changing the maximum amount, and she requested a friendly amendment to change the minimum amount to \$7,000.00 per award with a maximum of \$15,000.00 per award. Council Member Moore agreed.

Council Member Akeson recommended not having a maximum award amount, and she moved for a substitute motion to change the minimum funding amount to \$7,000.00 per award with no maximum restriction; seconded by Council Member Jensen.

Ms. Nancy Rakeoff remarked that there had been no maximum award amount in the past. She said the limited number of funds and the large number of applications determined the maximum award amount.

Council Member Riggerbach said Council needed to respect the efforts of the Commissions. He said he was supportive of the additional agency in the list of priorities; however, he expressed a concern for establishing the grant amounts on the application. He said he supported no maximum amount, but he said the details of the applications should be deferred to City Staff and the Commission.

Council Member Grayeb remarked that the City Council should not get involved in the details of the application, concluding that he would support the current substitute motion.

Substitute motion to change the minimum funding amount to \$7,000.00 per award with no maximum restriction was approved by roll call vote.

Yeas: Akeson, Grayeb, Jensen, Montelongo, Moore, Riggerbach, Turner,
Mayor Ardis - 8;

Nays: Johnson, Spain - 2.

Council Member Moore moved to approve the application, timeline and materials pertaining to the 2016 CDBG Public Service Application; seconded by Council Member Grayeb.

Approved by roll call vote.

Yeas: Akeson, Grayeb, Jensen, Johnson, Montelongo, Moore, Riggerbach, Spain,
Turner, Mayor Ardis - 10;

Nays: None

Council Member Moore expressed her appreciation for the efforts of Staff and the HRC in this matter.

(15-016) Communication from the City Manager and the Finance Director/Comptroller with a Request for the Following:

- A. A PRESENTATION of the PROPOSED 2016 - 2017 BIENNIAL BUDGET.**
- B. APPROVE the ESTIMATE OF TAXES TO BE LEVIED, in the Amount of \$26,120,476, at a RATE of \$1.2899 Pursuant to 35ILCS 200/18-60.**

Finance Director/Comptroller Jim Scroggins distributed the Proposed Biennial Budget for 2016-2017, the 2016-2017 CIP Budget and the Budget Presentation to the Council.

City Manager Urich provided a budget presentation. He said the proposed Biennial Budget for 2016-2017 and the proposed CIP Budget was placed on file in the City Clerk's Office this date for public review. He said a copy of each budget was also provided to all Council. He said all documents would be placed on the City's website on Wednesday, October 28, 2015.

City Manager Urich reviewed the budget process over the last year noting that the City was able to establish new methods for citizen involvement, noting the Budget Challenge, Public Meetings, Citizen Survey and Council Policy Sessions. He reviewed the budgeted expenses for 2016 of \$181,356,415.00, a -0.12% reduction from 2015. He said the projected revenues for 2016 were \$184,257,051.00, a 0.64% increase from 2015. He remarked that the City would see some increases in expenses in 2017 due to several scheduled road projects. He noted that these amounts did not include the Federal Unfunded Mandate for Combined Sewer Overflow or Stormwater Utility, which were still under negotiation.

City Manager Urich reviewed the uncertainty of the local economy along with the revenue and expense estimates for all funds as of August 8, 2015. He reviewed estimated revenues and expenses from 2016 through 2019. For 2016, he said the General Fund would see a shortfall of approximately \$7.3 million, and a shortfall of \$8.5 million in 2017. He reviewed the 2015 Budget Challenge and what citizens identified as the most important items to be addressed in the City's budget. He remarked on the importance of public input as it related to budgeting as far as where to maintain services, to cut services and to expand services. He said the citizens who participated in the Budget Challenge suggested reductions as follows:

<u>Departments And Services</u>	<u>Choice</u>	<u>% of Responses</u>
Fire and 911	Cut \$1.0 million	53%
Public Works	Cut \$0.8 million	51%
Administrative Services	Cut \$0.8 Million	50%
Community Development	Cut \$0.3 Million	59%
Library Services	Cut \$0.4 Million	66%
Civic Center and Tourism	Cut \$1.5 Million	50%
Capital Projects	Cut \$2.0 Million	61%

From the revenue side, City Manager Urich said the citizens who participated in the Budget Challenge recommended an increase in property taxes, maintain the current tax rate for sales tax, raise the local motor fuel tax by \$0.8 million, maintain the current tax rate for utility taxes, raise the HRA Tax by \$1.0 million, raise the franchise fees by \$1.0 million, maintain current fees for garbage, and raise the licenses, permits and fees by \$0.8 million. He then reviewed the 2015 National Citizen Survey.

City Manager Urich said the City Council noted the preference of not cutting City services. He said without cutting services, revenues would have to be increased. He reviewed the City's Property Tax Levy for the period of 2010 - 2017. He remarked that pensions had an impact on the revenues generated by the property tax levy. After the payment of the pension obligations, he said there would only be \$1.1 million left for operations. He said that amount would drop to \$0.2 million in 2017. Outside 2017, he said there would be no money left for operations.

City Manager Urich compared Peoria to other communities noting Peoria had room to increase its sales tax rate by 1.0%, which would generate approximately \$1.8 million. He said should the City Council not want to increase the sales tax, he then recommended increasing the Home Rule Sales Tax by 0.25%. He said the HRS tax would be paid by individuals who shopped within the City. He said this tax increase would generate approximately \$1,888,392.00 in revenues. He reviewed the Local Motor Fuel Tax with a recommendation to increase to the capped amount of \$0.05 per gallon. Finally, he reviewed recommended increases to various licenses and permits.

City Manager Urich reviewed the 2016 Operating Budget of \$144,592,518.00, which excluded capital and debt. He remarked that wages and benefits had increased, and he applauded the efforts of the Labor Management Healthcare Committee in securing healthcare options for the employees. He remarked on the changing premium costs for healthcare, which would increase nearly 50.0%.

City Manager Urich reviewed the 2016 Capital Budget of \$16,038,000.00. He remarked that approximately 60.0% of those costs would apply towards roads and bridges. He reviewed Staffing changes within the organization, noting layoffs and new hires, which would provide an additional two full time employees.

City Manager Urich reviewed revenues and expenses for the General Fund for 2015 - 2019, noting that expenses would eventually outpace revenues. He reviewed the Combined Sewer Overflow issue and the Stormwater Utility issue.

City Manager Urich reviewed the budget schedule, and he noted that the City's budget was available for public review in the City Clerk's Office. He said the City's budget would also be available online on the City's website. Should the City Council determine a property tax increase was needed, he outlined the next steps that would need to be taken in order to conduct a Truth in Taxation hearing. He said the City's 2016-2017 Budget was scheduled to be adopted at a Special City Council meeting on November 19, 2015, and had to be on file with the Peoria County Clerk's Office in December.

Finance Director/Comptroller Jim Scroggins reviewed the Proposed Biennial Budget, noting the budget began with a fund summary across all the City's Funds. He provided an overview of the operating expenses, capital expenses and debt service requirements across all funds as well as the revenues generated. He reviewed the 2016-2017 Fund Balance Summary, which broke down the total revenues over expenses and the net increase in Fund balance. He reviewed the revenue summaries by source, which detailed the revenues from the previous schedule. From the Revenue Summary by Source, he said an Expenditure Summary was provided, which was a summary of the City's Operating Capital Debt cost from that was scheduled. He continued to review the budget noting the General Fund Summary, General Fund Revenues and General Fund Expenditures. He said he provided revenue sources by funds and a detailed departmental budgets by line item summary. He said the Community Investment Plan summary was a separate book. He said this assessment would not bind the Council and he noted that they had the opportunity to change; however, he said it was a possibility to increase property taxes by 5.0%, a Truth in Taxation Hearing would be needed.

Mayor Ardis expressed his appreciation to the City Manager and Staff for the budget presentation. He asked the Council to provide feedback to the City Manager regarding the presentation. He said this was the first opportunity for the Council to review the proposed balance budget. He remarked that, should the City Council decide on a property tax increase, he said it would require a Truth in Taxation Public Hearing. He said City Manager Urich provided a balanced budget based on Council's general direction over the last several months. He said any large requests for increase in expenses would necessitate finding a corresponding revenue increase unless there was a proposal for a reduction that would equal the addition being sought.

Council Member Akeson said two major items were not factored into the budget – Combined Sewer Overflow and Stormwater Utility. She noted that there was an additional item that was not factored into the budget – road conditions. She said to maintain the roads in their current state would cost approximately \$7 million.

City Manager Urich responded to Council Member Akeson and he said there was a recommendation to increase the local Motor Fuel Tax (MFT), which would generate approximately \$1.2 million to address the condition of the roads. He also noted that there was an emphasis placed on the City's unobligated, unrestricted capital account for road funding. He remarked that the City zeroed out funding for the next two years for any facility-related improvements. He said capital funds could be swept from other projects to provide some money for maintenance.

Council Member Akeson voiced her concern for the condition of the roads, and she said citizens expressed a willingness to spend more if they knew the roads would be improved.

Council Member Turner commended the City Manager on the budget presentation. He said, as his role as Deputy Liquor Commissioner, the one concern he heard could push businesses out of the City of Peoria as it related to a packaged liquor license increase. He said there were a number of concerns from business owners on how it would affect their businesses. City Manager Urich said there was no recommendation for a packaged liquor tax at this point in time.

Council Member Riggerbach said he appreciated the thorough detail of the presentation, and he inquired about the current garbage fee and whether it covered the cost of the service. City Manager Ulrich said at the current collection rate, the City would have to increase the fee to \$16/month; however, the proposed budget does not recommend that increase. He said the City was working with Peoria County on an Intergovernmental Agreement to put the garbage bill on the property tax bill.

In response to Council Member Riggerbach's question about what a \$2.00 increase to the garbage fee would equate to, City Manager Ulrich said it would equal approximately \$915,000.00. He said the difficulty was that the garbage fund was a separate fund. He said the current trash collection balance was a negative \$2 million that appeared on the books. He reported the General Fund supported the operation of the Trash Fund for the last several years. He said, over time, that amount would have to be paid back to the General Fund in order to get that deficit back down to zero.

Finance Director/Comptroller Scroggins responded to Council Member Riggerbach that the budget would reflect a \$608,000.00 shortfall projected for 2016, which was being funded by the General Fund. He said money was being transferred in order to keep that Fund at zero.

Council Member Spain expressed a concern regarding an increase in rental registration. He said the original premise was not to use the Rental Registration Program to tax landlords. He said there should be a mechanism to award the non-problematic landlords. Regarding building permits, he said it was important that the City's fees and permits were reflective of the true cost of delivering services and were reasonable in the local marketplace. He said the City received some money for a building permit, but the benefit to the community of building a development far exceeded the actual projects. He said understanding exactly where the City would place those permit fees within the marketplace would be important.

City Manager Ulrich said a list of Capital Projects was provided. He said he would provide a list of all requested Capital Projects so the Council could see what was not recommended for funding. For the Policy Session, there was \$35 million worth of requests which had been pared down to \$16 million.

Council Member Spain commented on the proposed Staffing changes, and he asked whether the COPS Grant could be utilized to facilitate another Resident Police Officer.

City Manager Ulrich said the COPS Grant along with funding from Peoria School District 150 would fund four Police Officer positions in the schools. He said he would discuss this with the Chief of Police to see what impact it would have to utilize the COPS Grant in order to implement another Resident Officer, and he said he would provide a report back on the results.

Council Member Spain asked how much the City would save hiring contracted engineers versus hiring City Engineers at the Public Works Department, and City Manager Ulrich said he would provide a report back regarding the same.

In response to Council Member Spain, City Manager Ulrich said a large portion of the General Fund's surplus was going toward other post-employment benefits (OPEB) contributions. He said the General Fund was balanced and would have a surplus for the next two years.

In response to Council Member Jensen regarding landlord fees, City Manager Urich said the fee would increase from \$50.00 to a flat \$100.00 per property. He said the Vacant Property Registry was a new fee on vacant structures, both commercial and residential, which would also be a flat \$100.00.

City Manager Urich reviewed the video gaming license fee, and he said the proposed fee would be \$50.00 for the first terminal with an addition \$250.00 fee for each terminal thereafter. In response to Council Member Jensen, he said he would report back regarding comparables for the video gaming fee.

City Manager Urich said, in response to Council Member Jensen regarding Special Event Fees, those fees were not included in the budget. He said he would like to collaborate with the Tourism Reserve Fund Board before making a recommendation.

In response to Council Member Jensen's question regarding hotel taxes, he said the budget did not propose an increase in the hotel tax; however, he said should the Council decide to increase the hotel tax, each percentage point would generate approximately \$400,000.00. He said the current rate was 6.0%, which was the statutory maximum. Mechanically, he said a hotel tax had to be used for tourism related purposes. Under the City's agreement with the Civic Center Authority, the Hotel Tax and the HRA Tax were to be used to fund the operations of the Civic Center.

Finance Director/Comptroller Jim Scroggins further commented on the Hotel Tax that on top of the 6.0% Hotel Tax, there was also a 6.0% State Tax, so hotel bills assessed an additional 12.0% tax to a visitor's stay within the City of Peoria. If someone stayed downtown in the Hospitality Improvement Zone, he said an additional 1.0% would be added to the hotel bill for a total of 13.0% tax for a night's stay in downtown Peoria.

In response to Council Member Jensen, City Manager Urich said the total amount of funding for roads and bridges combined was approximately \$9.7 million, which did not include maintenance; however, he said the Operating Budget had the funds for the maintenance of existing streets. He said there was approximately \$1.5 million budgeted for streets with an additional \$1.2 million for pavement preservation.

Council Member Montelongo recommended reviewing Special Service Areas to fund some of the light infrastructure needs such as sidewalks, lighting, curbs, perhaps some road work, bike paths and possibly Policing and/or Code Enforcement. He said he agreed with the discussion regarding an increase in pavement preservation to approximately \$4-5 million. As far as CSO issues, he recommended trying to determine a dollar amount in order to budget some of that money into next year's budget.

In response to Council Member Grayeb regarding layoffs as it would impact AFSCME, City Manager Urich said the total number of layoffs that would impact the AFSCME Bargaining Unit would be by net one position. Regarding Council Member Grayeb's concern for Peoria Cares, he said a management analyst position would be taken from the Community Development Department and transferred to the City Manager's Office to manage the Peoria Cares program. He said this would provide more accountability within that program and generate feedback to the Council. He said he would provide a Report Back regarding changes in the Peoria Cares program.

City Manager Ulrich said, in response to Council Member Grayeb, that the City did not have a signed Consent Decree regarding CSO. He said there was no formal direction from the USEPA that had the binding effect of law. He said once a Consent Decree was issued, it would be shared in two stages, but it would be left as a policy question for the Council to discuss.

Council Member Johnson said the presentation was a good starting point for the Budget. He expressed a concern for the condition of the roads and how that was addressed within the Budget. City Manager Ulrich responded that the Motor Fuel Tax (MFT) was assessed to provide a revenue stream for streets. He reviewed the MFTs that were collected between 2010 and 2014. He said it was not a growing revenue stream, but it was a stable revenue stream. He said if the MFT was raised \$0.03 it would generate approximately \$1.2 million, which could be budgeted for roads.

In response to Council Member Johnson's question regarding building permits, City Manager Ulrich said he would gather comparatives and provide a report back; however, he remarked that the City of Peoria's building permit fee had been considerably lower than the County of Peoria for a number of years.

Council Member Moore remarked on the importance of road maintenance, and she expressed her concern regarding the money already spent and the money needed. Regarding landlord registration fees, she asked Corporation Counsel Leist to review whether a premium could be assessed for problematic landlords.

Mayor Ardis mentioned that the General Assembly and the Governor were discussing a property tax freeze, and he said the City needed additional information regarding the potential impact it could have on the City's Budget. He said there had been a lot of discussion regarding roads, which needed to be addressed. He said the City had not raised property taxes in over 20 years. He encouraged the City Council to be available for budget discussions with Staff over the next two weeks, and he encouraged them to contact Staff with any questions.

Regarding Stormwater Utility, Council Member Montelongo requested a list of scheduled projects in order to review specific expenses. He also expressed a concern regarding specific roads, such as Northmoor and Glen that were in need of repair.

Council Member Moore moved to receive and file the presentation of the proposed 2016 – 2017 Biennial Budget; seconded by Council Member Akeson.

Approved by roll call vote.

Yeas: Akeson, Grayeb, Jensen, Johnson, Montelongo, Moore, Riggerbach, Spain, Turner, Mayor Ardis - 10;

Nays: None.

Council Member Turner moved to approve the estimate of taxes to be levied, in the amount of \$26,120,476.00 at a rate of \$1.2899 pursuant to 35 ILCS 200/18-60; seconded by Council Member Riggerbach.

Approved by roll call vote.

Yeas: Akeson, Grayeb, Jensen, Johnson, Montelongo, Moore, Riggerbach, Spain, Turner, Mayor Ardis - 10;

Nays: None.

NEW BUSINESS**Public Process for Riverfront Trail**

Council Member Jensen inquired about the public process for the Riverfront trail, and she said she would like more public meetings with the opportunity for public input.

Assistant City Manager Setti said a meeting was currently scheduled for November 4, 2015, at 5:30 P.M. at the Gateway Building. He said there would also be an opportunity for the public to provide input at a website.

Discussions were held regarding the design of the Riverfront Trail, and Assistant City Manager Setti said they would have three years to complete improvements after establishing the area as a park.

NAACP Peoria Branch Celebrates 100 Years

Council Member Moore said the NAACP would be celebrating its 100th Anniversary this weekend at the Pere Marquette for being organized in the City of Peoria for 100 years. She said additional information can be found on the NAACP's website.

CITIZENS' OPPORTUNITY TO ADDRESS THE CITY COUNCIL/TOWN BOARD

Hearing no objection, Mayor Ardis granted Privilege of the Floor to those citizens wishing to address the City Council/Town Board.

Mr. Charles Williams, a Peoria resident, expressed his concern for the need of more Police Officers and Firemen. He said there was a serious problem in the City with crime, home demolition, and drug use. He said there were too many guns on the street. He asked the Council Members to consider hiring two additional Police Officers with specialized training.

Ms. Sherry Carter-Allen, President of AFSCME Local 3464, stated that AFSCME had recently entered into a tentative agreement with the City of Peoria. She expressed her concern about some of the Local's concessions it made in order to reach an agreement. She remarked on the layoffs and the impact it would have on the AFSCME membership. She noted that most of the jobs being cut from the City's budget were AFSCME position, and she said AFSCME could not afford any more cuts to their membership. She said the tentative agreement was scheduled to be ratified November 5, 2015.

EXECUTIVE SESSION

Consideration of a Motion to enter into EXECUTIVE SESSION to 2(c)(2) Collective negotiating matters between the public body and its employees or their representatives, or deliberations concerning salary schedules for one or more classes of employees.

Council Member Spain moved to enter into an Executive Session to Discuss 2(c)(2) Collective negotiating matters between the public body and its employees or their representatives, or deliberations concerning salary schedules for one or more classes of employees; seconded by Council Member Johnson.

Approved by roll call vote.

Yeas: Akeson, Grayeb, Jensen, Johnson, Montelongo, Moore, Riggerbach, Spain, Turner, Mayor Ardis - 10;

Nays: None.

ADJOURNMENT


Council Member Johnson moved to adjourn the Regular City Council Meeting; seconded by Council Member Turner.

Approved by roll call vote.

Yeas: Akeson, Grayeb, Jensen, Johnson, Montelongo, Moore, Riggerbach, Spain, Turner, Mayor Ardis – 10;

Nays: None.

The Regular City Council Meeting adjourned at 9:41 P.M.



Beth Ball, MMC, City Clerk
City of Peoria, Illinois