

: OFFICIAL PROCEEDINGS :

: OF THE CITY OF PEORIA, ILLINOIS :

A Special Meeting of the City Council of Peoria, Illinois, was held November 20, 2018, at 6:00 P.M. at City Hall, Council Chambers (Room 400), 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, Cyr, Grayeb, Jensen, Montelongo, Moore, Oyler, Riggerbach, Ruckriegel (Electronic Attendance), Turner, Mayor Ardis – 11. Absent: None.

ELECTRONIC ATTENDANCE

After having established a quorum, Mayor Ardis said a notice was received from Council Member Ruckriegel in accordance with the rules established by Ordinance No. 16,142. He said Council Member Ruckriegel would be authorized to attend the meeting electronically unless a motion objecting to his electronic attendance was made, seconded, and approved by two-thirds of the members of the City Council physically present at the meeting. He said if no such motion was made and seconded, then the request by Council Member Ruckriegel to attend electronically shall be deemed approved by the City Council and Council Member Ruckriegel would be declared as present.

Hearing no objection to the request for an electronic attendance, Council Member Ruckriegel was declared present by Mayor Ardis.

INVOCATION & PLEDGE OF ALLEGIANCE

Mayor Jim Ardis requested a moment of silent prayer or silent reflection and then he led the pledge of allegiance.

PETITIONS, REMONSTRANCES & COMMUNICATIONS – CITY OF PEORIA

(18-302) Communication from the City Manager and Finance Director/Comptroller with a Request to RECEIVE and FILE a Continued Discussion of the 2019 REVISED BUDGET.

The following handouts were distributed to the City Council:

- 2019 Revised Budget Presentation dated November 20, 2018
- Memorandum from City Manager Ulrich to All Council Members dated November 19, 2018
- Council Report Back 2019 Budget Questions Part 6
- Budget Motions for 11/20/18 Council Meeting
- Residency Requirements by Bargaining Unit and Management

City Manager Ulrich recapped the outcome of the budget meeting held on November 13, 2018, wherein the City Council began to close the \$6 million gap in the revised 2019 Budget. At that time, he said the City Council reduced the operating expenses by \$3.1 million and increased revenues by \$900,000.00 by approving the implementation of a package liquor tax and

enhanced EMS billing. He said those items closed the budget deficit to \$2.2 million. He said there were items for the City Council to review under Capital Improvements and additional discussions were needed regarding the Public Safety Pension Fees. He said, after the First Reading of the Public Safety Pension Fee, at Council Member Akeson's request, Staff offered different levels of said fee. He said there may be additional expense cuts or additional revenue enhancements Council may want to consider in order to close the \$2.2 million gap.

Downtown TIF and Northside Riverfront TIF Façade Improvement Program

Regarding the Capital Improvement Program, City Manager Urich reported a negative fund balance in the Downtown TIF. He recommended deferring the Downtown TIF projects to 2020/2021 when the funds would be available. In addition, he said there was \$10,000.00 in the Northside Riverfront TIF Façade Improvement Program. He said that TIF was due to expire in 2018, and he recommended eliminating the Façade Improvement Program. He reviewed the projects slated for 2019 from the Downtown TIF and the amount allotted for each. He said those projects would be continued to 2020 or 2021 when there would be an available fund balance for those projects. In response to Mayor Ardis, City Manager Urich said these items were revenue neutral and would provide an overall reduction of \$1.139 million to the budget.

Council Member Moore moved to move the \$10,000.00 from the Northside Riverfront TIF Façade Improvement Program due to the Northside Riverfront TIF expiring at the end of 2018; seconded by Council Member Riggerbach.

Council Member Akeson stated there was a need for a policy discussion on how to create, implement, report and close TIFs. She said the City Council needed to ask whether the money left in the TIF when closed was ported to another TIF or given back to the taxing bodies. She said \$2.4 million in the CIP was funded by TIF dollars and the City Council needed to discuss how TIF money was monitored.

City Manager Urich commented that since there were no funds available in the Downtown TIF, it was recommended to push those projects to a later date when the City had the funds available. He said the next question the City Council needed to discuss was how to close down the Northside Riverfront TIF or if Council wanted to use that money to fund projects.

Motion to move \$10,000.00 from the Northside Riverfront TIF Façade Improvement Program due to the expiration of the Northside Riverfront TIF at the end of 2018 was approved by roll call vote.

Yeas: Akeson, Cyr, Grayeb, Jensen, Montelongo, Moore, Oyler, Riggerbach, Ruckriegel, Turner, Mayor Ardis – 11;

Nays: None.

Northside Riverfront TIF – Distribute Balances to Other Taxing Bodies

City Manager Urich asked if the City Council wanted to port funds from the Northside Riverfront TIF or to close it out at the end of 2018. He said the budget proposed using the TIF to complete two projects: to seal coat the streets in the Downtown for \$300,000.00 and to assist with the Roosevelt Magnet School project. He said the City Council had the option of closing out this TIF and declaring the money surplus and dispersing it back to the taxing bodies. He said it would amount to approximately \$300,000.00 back to Peoria Public Schools, which would cover the cost of the Roosevelt School project; the City would receive approximately \$70,000.00 back to the General Fund; the Peoria Park District and Peoria County would receive approximately \$54,000.00 each; and the remainder would go to the other smaller taxing bodies.

Mayor Ardis commented that the Northside Riverfront TIF expired at the end of 2018 and rather than trying to decide what to do with the money, the TIF could be closed out with the money being dispersed back to the taxing bodies. He said, in the meantime, a Policy Session would be scheduled in order to have a more in-depth discussion on how to handle TIFs.

Council Member Moore moved to allow the funds in the Northside Riverfront TIF, due to sunset at the end of 2018, to go back to the taxing bodies, which would allot approximately \$300,000.00 back to Peoria Public Schools with the intent that the entire \$300,000.00 go towards the Roosevelt School project; seconded by Council Member Turner.

Council Member Oyler said this was the best way to resolve this type of situation, noting it took the City Council out of the position of deciding what was or was not best for a taxing body to do with its money. He said Peoria Public Schools would get the money that was due and, he pointed out, was actually more than what was requested.

Motion to allow the funds in the Northside Riverfront TIF, due to sunset at the end of 2018, to go back to the taxing bodies, which would allot approximately \$300,000.00 back to Peoria Public Schools with the intent that the entire \$300,000.00 go towards the Roosevelt School project, was approved by roll call vote.

Yeas: Akeson, Cyr, Grayeb, Jensen, Montelongo, Moore, Oyler, Riggenbach, Ruckriegel, Turner, Mayor Ardis – 11;

Nays: None.

Cut Capital \$980,500.00

City Manager Urich said Council Member Cyr made a proposal to the Capital budget to reduce that budget by \$980,000.00, noting a reduction in computers and technology, a reduction in the Fire Fleet recapitalization by purchasing only one vehicle instead of two, and to move LAWCON and the ADA ramps to the bond funding already scheduled in the budget.

Council Member Cyr moved to reduce the Capital Budget by \$980,000.00 by reducing computers and technology by \$250,000.00, a reduction in the fleet recapitalization by \$510,000.00, and move LAWCON and ADA ramps to the bond fund; seconded by Council Member Oyler.

Discussions were held regarding moving LAWCON to bond funding as well as the kind of oversight the City Council would have on expenditures. City Manager Urich stated that the Illinois Department of Natural Resources informed the City that the National Park Service wanted the LAWCON issue resolved by the end of April 2019. He said the City had until the end of April to acquire the land necessary to satisfy the LAWCON Grant. He provided an explanation on how the City needed to satisfy the grant and what properties would be and would not be considered to satisfy that grant. He said once the land was acquired, then the City would need to turn it into some type of park in order for it to be used for open space purposes.

Council Member Akeson expressed a concern that the LAWCON issue, as presented, would only require a simple majority. She commented that the issue was of such importance that it should require a supermajority. She recommended removing the LAWCON item and addressing that matter at a later date and to do a budget amendment at that time.

City Manager Urich remarked on the urgency of addressing the LAWCON matter noting it had a deadline of April 30, 2019.

Council Member Akeson moved for a substitute motion to remove the LAWCON Grant from the item in order to be addressed at a later date; seconded by Council Member Montelongo.

Discussions were held on how the LAWCON Grant would be paid and whether a bond would be issued and how much would be bonded.

Council Member Oyler said he would not be able to support the substitute motion because it would force the City to address the LAWCON Grant by using its reserves, which would defeat the purpose of the entire budget.

City Manager Ulrich said, in response to Council Member Grayeb regarding the substitute motion, was the City Council would still reduce Capital Improvements by \$980,000.00. He said the motion to move LAWCON was taking it from unrestricted and moving it into bond funding. He said if the City Council voted that action down, then Staff would come back with an action requesting money from the City's reserves in order to proceed with LAWCON as needed. He said beginning in 2019 the Council would need a supermajority in order to approve the budget amendment. He said if that was not the case and the City Council decided to put LAWCON into the bond funding, the Council would still reduce the Capital Improvements by \$980,000.00.

Mayor Ardis said he would not support the substitute motion stating he had confidence that the City Council would be capable of monitoring the money for LAWCON. He said he would support the original motion if the substitute motion failed.

Council Member Jensen commented that although she had concerns about LAWCON and wanted the City Council to have more oversight of the issue, she said she did not want to see the City using money from its reserves to address the matter. She said she would not support the substitute motion.

Council Member Akeson expressed a concern of how the original motion was presented with multiple items included in the motion. She said it was her opinion that bonding for funding was a good idea and said she had a concern about how this item was structured.

Mayor Ardis commented that additional discussions would be held at a later date regarding the management of the additional park space as a result of the LAWCON Grant.

Motion for a substitute motion to remove the LAWCON Grant from the item in order to be addressed at a later date was DEFEATED by roll call vote.

Yeas: None;

Nays: Akeson, Cyr, Grayeb, Jensen, Montelongo, Moore, Oyler, Riggerbach, Ruckriegel, Turner, Mayor Ardis – 11.

Motion to reduce the Capital Budget by \$980,000.00 by reducing computers and technology by \$250,000.00, reduce the fleet recapitalization by \$510,000.00, and move LAWCON and ADA ramps to the bond fund was approved by roll call vote.

Yeas: Akeson, Cyr, Grayeb, Jensen, Montelongo, Moore, Oyler, Riggerbach, Ruckriegel, Turner, Mayor Ardis – 11;

Nays: None.

Public Safety Pension Fee

City Manager Urich said, at the request of several Council Members, he reviewed various levels of a Public Safety Pension Fee. He said Report Back No. 6 provided estimates of the revenues generated at four different levels. He reviewed the various levels of the proposed fee noting that at an 80% collection rate it would generate \$2.2 million in revenues for 2019.

Council Member Moore said she had received input from her constituents regarding the fee and she requested City Manager Urich to come back with a fee for structures 2,000 square feet or less at a rate less than \$50.00. She said prior to this item being discussed, the City Council had approved items that would save money in the Capital Improvement budget. She recommended cutting the proposed fee for 2019 and review the amounts for 2020.

City Manager Urich said the fee could possibly be reduced by \$980,000.00. He recommended looking at a fee that would generate \$1.2 million versus the \$2.2 million in order to balance the budget. He said with the recent Capital Improvement reductions, the budget was only \$1.25 million short.

Council Member Akeson expressed a concern that the Public Safety Pension Fee was not being distributed equitably, noting that for some people the fee represented a significant increase in taxes or fees. She noted that this tax would increase every year for the next four years after its implementation. She said the large, not-for-profit organizations were receiving public safety services, but were not paying property taxes. She said she would like to see additional categories with a fee lesser than \$50.00.

Council Member Riggerbach said he concurred with other Council Members regarding the need for another level of fee that was below \$50.00. He said adding another lower level of the fee could address some concerns.

Mayor Ardis said the City Council needed \$1.2 million to close the deficit in the budget. He recommended giving the City Manager a revenue parameter of \$1.2 million based on the feedback received from other Council Members.

City Manager Urich said he would provide a Report Back that would include a smaller fee for smaller parcels and a larger fee for larger parcels in order to close the \$1.2 million gap in the budget.

Council Member Jensen recommended implementing a Public Safety Fee versus a Public Safety Pension Fee and to only charge not-for-profits who did not pay taxes. She said it met the rational basis test because not-for-profits did not pay for any public safety the City provided. She said she would like the City Manager to look into that option and see how much it would raise.

City Manager Urich said he would review Council Member Jensen's recommendation and provide a Report Back at the next City Council meeting.

Council Member Jensen recommended reducing the amount of money the City Council wanted to put into the reserve fund by \$1 million.

In response to Council Member Cyr's question regarding the \$15 no structure fee, City Manager Urich said sometimes those parcels were not owned by investors, noting it could be an extension of a yard or property.

Regarding the Public Safety Fee, Council Member Riggerbach said he would like that issue reviewed during the next budget cycle, noting that revenues options had previously been provided to the City Manager for the 2019 Revised Budget.

Council Member Riggerbach moved to direct City Manager Urich to provide a Public Safety Pension Fee Schedule that included the Council recommendation to close the budget deficit by \$1.2 million; seconded by Council Member Grayeb.

Council Member Akeson inquired whether the City could impose fees on not-for-profits and Corporation Counsel Leist said he would review the matter and provide information to the City Council.

Council Member Montelongo said he would like to know more about the no structure fee and the size of parcels and he expressed a concern with the gap between the \$50.00 fee and the \$250.00 fee, suggesting implementing additional tiers within that fee structure.

Discussions were held regarding the Public Safety Fee versus the Public Safety Pension Fee and the impact each would have on the not-for-profit organizations. It was noted that the City Council had previously provided the City Manager with revenue options that did not include a Public Safety Fee.

Council Member Grayeb said he would support the motion as presented by Council Member Riggerbach that offered to close the gap by \$1.2 million with the implementation of a Public Safety Pension Fee.

Council Member Cyr commented that nearly 60% of all the revenues generated in the City came from the Fifth District in the form of property taxes and sales taxes. He said the City Council implemented a new stormwater fee in the last year, which was new to all the homeowners and businesses in the Fifth District. He said he would not support the motion noting that the Fifth District paid more than its fair share.

Council Member Montelongo said he represented both parcel types with structures greater than 5,000 square feet or less than 5,000 square feet. He remarked on the importance of implementing a fee fairly, noting if it included the not-for-profits, it would ease the burden overall. He said he would need additional information prior to making a decision.

Motion directing the City Manager to provide a Public Safety Pension Fee schedule to achieve a revenue of \$1.2 million was approved by roll call vote.

Yeas: Akeson, Grayeb, Moore, Riggerbach, Turner, Mayor Ardis – 6;

Nays: Cyr, Jensen, Montelongo, Oyler, Ruckriegel – 5.

Budget Items to Approve

City Manager Urich said he would finalize the budget for a final vote that would include a Packaged Liquor Tax, a Public Safety Pension Fee, a Property Tax Levy, a Special Service Area Tax Levy and a Bond Property Tax Abatement. He said the Packaged Liquor Tax would be presented to the City Council as a First Reading prior to its adoption. He said an Appropriation and Levy Tax Ordinance for the overall spending plan would be presented to Council for adoption and finalized with closing out the Northside Riverfront TIF Ordinance. He said the intent was to bring all those matters before the City Council at a Special City Council Meeting on December 4, 2018. He said the revenues presented would be discussed further at the November 27, 2018, Regular City Council meeting.

Mayor Ardis commented that he anticipated an Ordinance coming forward that would be acceptable to the City Council to close the \$1.2 million deficit that would then balance the budget.

Fire Department Staffing and Decommission Recommendations

City Manager Ulrich said a memorandum was distributed to all Council Members regarding the Voluntary Separation Initiative, the current vacancies in the Fire Department and the projected retirements. He said he did not anticipate a need for layoffs, which would set the level of authorized staffing in the Fire Department at 189. He commented that instead of closing Fire Engine-2, Fire Chief Olehy and his team recommended closing Fire Rescue-1 and Fire Rescue-2.

Fire Chief Edward Olehy, Jr. stated that it would be better to leave machines in service that had the opportunity to put out fires, which would be the Fire Engines. He said instead of decommissioning Engine-2, it was recommended to decommission both rescue squads. He said the Fire Department could do what the squad did 90% of the time through the use of the other machines available. He commented that the squads could not supply water, which would hamper the Fire Department, especially as it related to the South Side as it had a higher fire load.

Discussions were held regarding the reorganization of the various Engines, Trucks and Firehouses. It was also noted that there would be no layoffs in light of the early retirements.

Council Member Moore expressed her appreciation to President of the Firefighters Local 50 Ryan Brady and Fire Chief Olehy for meeting with her along with other current and retired Firefighters to discuss the issues facing the Fire Department. She said there was a reason why the City needed Rescue-1 and Rescue-2, and she said it was her hope that these rescue squads would one day be reactivated.

Council Member Cyr said Mr. Goodson from the Illinois American Water Company commented about raising the water fees by 3.0%. He said he would like additional information as to what was meant by increasing the fees and to clarify what kind of money would come from that 3.0%.

Discussions were held regarding Fire Department response times and how those times would be affected by the changes in the Fire Department. Council Member Grayeb expressed a concern regarding the reduction in staff in the Fire Department and the impact the changes made would have on response times. He said the City had been underserved for many years as it related to public safety and he had Fire Chief Olehy provide statistics on response times.

Council Member Jensen expressed a concern that the proposal was eliminating 18 positions and decommissioning Rescue-1 and Rescue-2.

Council Member Oyler moved to receive and file the continued discussions of the 2019 Revised Budget; seconded by Council Member Turner.

Approved by roll call vote.

Yeas: Akeson, Cyr, Grayeb, Jensen, Montelongo, Moore, Oyler, Riggenbach,
Ruckriegel, Turner, Mayor Ardis – 11;

Nays: None.

Council Member Ruckriegel left the meeting at 7:28 P.M.

CITIZENS' OPPORTUNITY TO ADDRESS THE CITY COUNCIL/TOWN BOARD

Hearing no objection, Mayor Ardis granted Privilege of the Floor to those citizens who wished to address the City Council.

Donald R. Jackson, representative from the NAACP, expressed a concern regarding the City's budget and how it would affect the composition of the minority workforce in the Fire and Police Departments. He remarked on a recent article published by Wallstreet 24/7 and how it rated the City of Peoria for minorities. He said the budget issues were not only about jobs being lost, but it was about the impact it had on inclusion.

Tammi Evans Foster, a concerned citizen, commented on the City's budget and the impact it would have on the City's Fire Department. She remarked on the lack of knowledge the youth of the City had regarding City Officials and City Government.

Lavetta Ricca, President of Olde Town South Neighborhood Association, expressed a concern for her neighborhood and the impact the budget cuts would have on that part of the City. She commented on how the budget cuts would impact the Fire Department and the safety of the neighborhoods.

Steve, a citizen of Peoria, commented on the City's budget and its impact on the entire community. He expressed a concern for the additional taxes and fees and how they affected the poorer parts of the City. He reviewed the Declaration of Independence and he commented that the City could not tax itself into prosperity.

Janice Parker, a concerned citizen, commented on the Luis Cruz case and the Police involvement in that matter. She commented on recent matters involving a family member and Peoria Police that unnecessarily negatively impacted her family. She asked for a review of Peoria Police policies and procedures.

Mariah Cooper, a citizen of Peoria, asked for justice for Luis Cruz. She remarked on Police procedures and the need to reevaluate those procedures. She commented on other matters that involved Police shootings in the City of Peoria. She referred to the local elections coming up for the At-Large City Council for 2019 and she said the recent events she outlined could impact those elections.

Lyrach Hernandez, sister of Luis Cruz, commented on the policies and procedures of the Peoria Police Department and how it impacted her family. She remarked on other Police shootings that had occurred within the last year or two in the City of Peoria and she commented the City Council's involvement on these matters.

Chama St. Louis, a citizen of Peoria, remarked on the Eddie Russell, Daniel El, and Luis Cruz matters and the Police involvement in each. She commented on the City Council's involvement and the impact they had on those matters. She expressed a concern regarding the Peoria Police Department and their policies and procedures for handling certain incidents. She commented on missing person Alexis Scott noting she had been missing for over a year. She remarked on the upcoming At-Large City Council elections and how current events would impact that election.

Ryan Brady, President of the Peoria Firefighters Local 50, commented on the impact the budget cuts would have on the Fire Department and the service it provided to the rest of the City. He said the City of Peoria Fire Department was highly recognized for its level of service it provided to its community; however, he expressed a concern regarding the constant reductions and cuts in the Department. He said public safety needed to be a priority.

Darcie Cady, a citizen of Peoria, expressed a concern about the budget cuts and how it would affect the Fire and Police Departments. She commented on the Alexis Scott campaign noting the need for more resources and information in order to find Ms. Scott.

Keri Hays, a citizen of Peoria, expressed a concern about the restructuring of the Fire Department. She commented on the upcoming At-Large City Council elections noting there would be five seats that would be affected by that election.

EXECUTIVE SESSION

It was determined that an Executive Session was not needed at this time.

ADJOURNMENT

Council Member Oyler moved to adjourn the Special City Council Meeting; seconded by Council Member Grayeb.

Approved by roll call vote.

Yeas: Akesson, Cyr, Grayeb, Jensen, Montelongo, Moore, Oyler, Riggerbach, Turner,
Mayor Ardis - 10;

Nays: None.

The Special City Council Meeting was adjourned at 8:21 P.M.



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