

**MINUTES OF REGULAR SESSION
HIGHLAND CITY COUNCIL
MONDAY, APRIL 17, 2017**

Mayor Michaelis called the Regular Session to order at 7:00pm. Council members Schwarz, Frey, Bellm and Nicolaides were present. Others in attendance were City Manager Mark Latham, City Attorney Michael McGinley, Asst. City Manager Peck; Directors Bell, Cook, Gillespie, Imming, Korte, Rosen, and Schoeck; EMS Chief Wilson and Fire Chief Bloemker, Lt. Conrad, Supervisor Limestall, Deputy City Clerk Hediger, City Clerk Bellm, 65 citizens, and 1 member of the news media.

MINUTES

Councilman Schwarz made a motion to approve the minutes of the April 3, 2017 Regular Session as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

COMMENDATION OF FIRST RESPONDERS

Mayor Michaelis presented commendations to the first responders on the incident of March 16, 2017, that resulted in the successful rescue and resuscitation of an infant submerged in a vehicle in Silver Lake. Mayor Michaelis read the commendations presented to Officer Heather Kunz, Officer Chris Clewis, Officer Shawn Bland, Paramedic Ty Barr, Telecommunicator Greg Stoff, Sergeant Arik Steinbeck, and Paramedic Todd Zobrist. EMS Chief Brian Wilson stated when we recall the events of those early morning hours; those efforts provided the beacon to a rather grim day. Everything went in our favor that day. Little Julian Campbell had everything positive going his way, even though he did not know it. Without each one of them, the outcome would have been much different. Like a championship team, they worked together. Like any champion team, they had a most valuable player. They are used to providing quality champion work each day. They are appreciative of the recognition, as they remain focused on serving the members of the community.

Chief Wilson recounted they received a call of a car in the water. As they were on the way to the call, they discussed the possibility of having to go into the water. They stood on a private dock when they arrived to see if they could see anyone. While they could not see anyone, they knew someone had to be in the car, at some point, for it to get into the water; that is when Paramedic Zobrist stripped down and went into the water. Upon getting to the vehicle, he found a window open, felt around in there, and felt a small child's leg. He pulled the child from the vehicle, began CPR, and then made his way back with the child to the shore. From there, Officer Kunz took over CPR and warming of the child. Paramedic Barr and Officer Blan began attending to Paramedic Zobrist, as Office Kluwis drove the ambulance to the hospital. Sergeant Steinbeck remained on the scene, securing the site, and coordinating communications.

Mayor Michaelis presented a plaque to Paramedic Zobrist for his heroic efforts of that morning. Three representatives of Madison County Area Chapter of the Sons of the American Revolution were

present to honor the first responders for their actions on March 16. They stated Highland has a wonderful gentleman to save the lives of others, going over and beyond what many others would have done. Your community needs to be proud of you and your partners. We would like to honor everyone involved: Paramedics Todd Zobrist and Ty Barr, Police Officers Heather Kunz, Chris Clewis, and Shawn Bland, and Sergeant Arik Steinbeck who maintained security on the scene, and Greg Stoff, Telecommunicator who took the 911 call and handled communications that day. We have a certificate with everyone's name on this. I really wanted to be here to honor the young people that have done such wonderful things for their communities and acts of heroics. Jim DeGraw stated, on May 13, we are having our annual SAR luncheon and we especially want to invite Mr. Zobrist to be there for an award presentation.

Mayor Michaelis stated I do not think their actions were that unusual or out of their character, for any of them. We are very fortunate to have such a dedicated and giving staff of first responders, including our volunteer fire department.

PROCLAMATIONS

Mayor Michaelis read a document proclaiming Saturday, April 22, 2017 Arbor Day in Highland. Director Rosen reported there is a full venue of items planned for the day, including presentation of a Butterfly Garden, which is a Girl Scout project; seminars on recycling, solar energy; home brewing, and mushrooms, plus the HHS Gardening Club will be selling plants. After the psychedelic morning, the World Bird Sanctuary will have birds there.

Mayor Michaelis read a document proclaiming April 30 - May 6, 2017 National Small Business Week.

PUBLIC HEARING

This public hearing is to receive comments concerning final adoption of the Budget for the 2017-2018 Fiscal Year.

PUBLIC FORUM

Citizens' Requests and Comments:

2017 Relay for Life – Glik Park Use Request – Paula Redman, 1305 Oak Street, representative of Highland Relay for Life Committee requested permission to hold the 2017 Relay for Life Event at the Korte Rec Center and grounds, on Saturday, June 24, 2017. The event will begin at 5:00pm with the Survivor Dinner in the gymnasium and Opening Ceremony at 6:30pm. The event will end at 11:00pm. We would like to start setup on Friday, June 23, at 6:00pm. We will finish teardown and cleanup on Sunday, June 25. We appreciate the City's past support of holding this at Glik Park. As part of the publicizing of the Relay for Life, we are requesting permission to do the annual Paint the Town Purple project. Purple ribbons would be tied around trees on the Square and along Lindenthal, Poplar, Washington, and Walnut and other well-traveled streets to draw awareness to cancer and the Relay for Life event. They are planning to do this the last week of May, prior to the June 2 Peanut Butter & Jam Festival. They will be taken down within two weeks after the Relay for Life event, July 8. Councilwoman Bellm made a motion to approve the request of 2017 Highland Relay for Life for the use of Glik Park as requested and attached, and the Paint the Town Purple Request as attached; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Memorial Day Parade and Band Funding Request – Kate Broadhurst, Memorial Day Program Director requested permission for the Memorial Day Parade, on Monday, May 29, 2017, in addition to financial support of \$200 to offset the cost of the high school band to perform in the parade and at the ceremony. Ms. Broadhurst invited Mayor Michaelis and Chief Bell to participate in the parade and the ceremony at the VFW Hall, which will be at 2:00pm. Councilwoman Bellm made a motion to approve the request to hold the Memorial Day Parade and a donation of \$200 to offset the cost of the high school band as requested; seconded by Councilman Schwarz. Mayor Michaelis reported, originally, we were going to hold part of the events of the day at Rinderer Park. He asked Kate to elaborate on the events of the day. Ms. Broadhurst reported we start out at 6:00am to put flags out all around town. At 8:00am we hold a ceremony at St. Joseph's Catholic Cemetery; 9:45am we are at Highland City Cemetery; Grantfork Cemetery, 10:30am. These are 10-15 minute ceremonies. Parade line up is at 12:30pm. We usually arrive at VFW Hall at 1:30pm, and rest for a little bit before the ceremony at 2:00pm. Later in the afternoon, we go to both of the nursing homes.

Mayor Michaelis stated the thought was to do something, at Rinderer Park, this year. James Hobbs, Commander, American Legion Post 439, explained the costs would have been significantly more to have the wall completed by Memorial Day. We plan to hold a ceremony in November, for Veterans' Day. That is the goal now. It will actually be more appropriate, since we are recognizing the veterans and first responders. Mr. Hobbs stated the American Legion has some 3x5 flags that we would put in front of the graves for veterans from Highland that actually lost their lives in action, at the city cemetery. We have not done this before; however, we would like to request the city's permission to do this. Ms. Broadhurst noted the VFW Post and American Legion have both been promoting the Veterans' Memorial Wall project. On the vote to approve the parade and donation to offset the HHS Band cost, in a Roll Call Vote Councilmembers Schwarz, Frey, Bellm, and Nicolaides voted aye, none nay. Motion carried.

2017 Schweizerfest Request – Highland Jaycees members Sarah Sloan, 2017 Chairman and Andrew Plocher, 2017 Co-Chair, were present to request permission to hold the Schweizerfest, June 9, 10 & 11, 2017, along with 2016 Schweizerfest Chairman Ben Eberwein. Mr. Eberwein stated we are here to follow up on our request for street closure for the Schweizerfest. We went around to the businesses on the square with a revised plan for closure. Thirteen signatures were in support of the compromised plan for closure of parking around the square. The main goal is to keep everyone safe. We are asking for a 3:30pm full closure of Main, Laurel, and Washington and a full closure of Broadway. Councilman Nicolaides asked if anyone opposed this. Ms. Sloan reported there were three businesses that gave a solid "no"; some were indifferent, but not willing to sign. The main objection was the amount of time lost to use the various events around the square including Street Art Fest, PB&J Festivals and others. Councilman Nicolaides stated I know who the three were; they were supposed to show up tonight, but they are not here. Councilman Schwarz made a motion to approve the request with a 3:30pm Street closure; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Other Citizens' Requests & Comments:

Mayor Michaelis stated we have a long agenda tonight. If you are here to speak on any item on the agenda, now is the time to speak on the issues to be addressed by the council tonight.

Lewis Dunning, 20A Auburn Court presented a letter, by the residents in the area of the proposed zoning change, objecting to the zoning change from R1C to mixed use and the building of apartments and townhomes there. He noted Councilwoman Bellm's statement, recently, that she would 'like to find some incentive to get some new homes built in the city'. He asked, if the city wants single-family homes, why they are changing zoning to allow for apartments. A petition containing 109 signatures from residents and neighboring homeowners opposing this change presented to the council. Mr. Dunning pointed out that a new renter might be a new homeowner. We believe the proposed development: (1) may decrease

property values; (2) At the March 6, 2017 council meeting, Developer Chris Korte stated the last house in our area sold for \$230,000. Who would want to build a house of that value next to an apartment complex? (3) This will change our community's environment. A two-story unit will look out of place next to our one-story homes. The additional traffic would change our quiet community setting. It would make more sense to locate the units east of Frank Watson Parkway, where there are apartments already. (4) This will create potential parking problems. There is already parking on Field Crossing on both sides by Legacy Place on the weekends. (5) Creating more drainage problems. There would not be enough green space to all for proper drainage. Many residents are still trying to remedy drainage issues. (6) This will increased noise deterring the elderly. Would children want to subject their parents or grandparents to living in these dangerous traffic conditions and noises? We request that you deny the request of Planning & Zoning's recommendation for approval. Their vote was not unanimous for the special use request to allow for apartments and townhouses. The petition presented is signed by taxpayers and homeowners of Autumn Crest Subdivision and neighboring subdivisions.

Carol Oldinski, 190A Field Crossing Drive, stated I am opposed to this development. The Autumn Crest Subdivision is made up of single family and duplexes. These types of homeowners tend to take care of their properties and neighborhood. They purchase services and goods from within the community. We believe we have a very good neighborhood, with some being homeowners and some rent, but we all believe that the development Brad and Austin Wilken are proposing with 56 units of apartment complexes will produce 95 cars creating more traffic and parking issues. Does Highland really need another apartment complex? There are townhouses further down, just east of Frank Watson Parkway, off Sportsman Road. Why not build by them?

Robert Dunn, 35B Auburn Court stated when we bought our house it was in a nice quiet neighborhood. If this goes in, it will change that. I have asked the police department for calls from apartment complexes around Highland. The report shows that calls spike in areas around apartment complexes.

Barbara Heyen, 35A Auburn Court, stated I am opposed to the rezoning. In my opinion, the city made a commitment to the zoning when I purchased my property. I will see a drop in my property value, change in my neighborhood, and my view blocked with a two-story structure. I have spent over \$1,000 already to remedy drainage issues. Sixty-five units houses a lot of people and with those cars. I think it will increase the number of accidents at the intersection of Frank Watson Parkway and Field Crest. The city has spent a lot of time fixing issues with re-zoning of our units as duplexes versus villas; this would only be going back. While the plan is not for this to be a HUD unit complex, it could easily become that. Townhouses could be constructed along Sportsman Road where other located already. It is my understanding that apartments were going to be built on Veterans' Memorial Parkway, but no one asked to change zoning. Why is it being asked for over on our side of town? Are our voices being heard?

William Twyford, 180A Field Crossing Drive, stated I really think we fought to get the mess cleaned up on the zoning of our homes and now we got the old "golden goose" pulled on us. I do not think anyone has gone out there and looked at our subdivision. The homes and yards are well maintained. If the zoning is changed, I think the subdivision and care of the homes will change. The zoning board had the idea that they were passing it, regardless.

David Cann, 120 Auburn Court, stated I moved here, just over a year ago, from Pennsylvania. I wanted a community that met my needs and that was not an apartment community. I asked you to rescind the action of the zoning board.

Allen Porter, 30 Auburn Court, stated we have retirement people in the neighborhood and then we have families like me. We have children out playing outside and vehicles that drive through fast. The

number of vehicles and the additional parking on the street would create hazards. We have concerns that the home we purchased our home as a single-family home area and about maintaining the value of our investment. Autumn Crest has another 20 lots that could still be built on within it. In addition to that, there is farmland around it for additional development off it. That farmland allows for drainage. We should not build anything that creates a floodplain area downstream. If this complex were built in that area, how would emergency crews access the back of this complex? I am concerned about how much can be fit into a 3.6- to 3.9-acre area.

Brad Wilken, developer, stated we are also concerned about the concerns and issues that they brought up. We feel through advice from the city, that we have addressed those concerns with Willowbrook. The area is zoned for duplexes, duplex rental and some commercial on the other side. The type of calls that we get at Wilken Development are for upscale developments. We have accommodated with garages in this development, based on those requests. This is something that I feel is new to Highland. The people that we put in to our units for hardworking people. These units are 2-3 bedroom, 2 baths, with 9-foot ceilings, on-site rental office, pool, and one-quarter-acre playground with a doggie park. The rental rates are going to be around \$900 per month. The apartments are at least comparable to the existing housing out there. As far as we are concerned, there will be ample parking with thirty-three additional parking spaces over the required for the number of spaces.

I heard that crime is an issue with apartment complexes. I had a study done for our Emerald Pointe development, which is located on 27th Street. While the police department had calls to the development, there was no criminal activity. Every single person has to pass a national criminal check and we have security cameras on the sites of our properties. Oates Associates have approved the drainage for our development with the site plan. A concern was brought up about fire protection. There are two ingress and egress into the complex, and three fireplugs. Fact is, people that rent have less cars than that of homeowners. For 56 units, there would 33 additional parking spaces beyond the required, so there should be no need for street parking created from this. Frank Watson Parkway is a larger arterial road, to handle volume of traffic without being taxed. With regards to the property value issue: If we build market-value housing, it does not reduce the value of surround properties. If we were building units for \$500 or \$600 month rental, that may be the case; however, we are putting quality-building products into this with Hardie board siding and brick facade. I grew up in Highland and raised my family here. Privacy is important for our neighbors and us. We have planned for large evergreen landscaping to create a barrier along the boarding property line. We are committed to working with neighborhood that is there. We have maintenance personnel that rotates around our properties to make sure that everything is well maintained. We want to bring good citizens to Highland and create something that everyone is proud of.

Mayor Michaelis explained that citizens would not be allowed to speak out as we go through the agenda, unless called upon by council.

Requests of Council:

No requests or comments made.

Staff Reports:

Nothing to report.

NEW BUSINESS

Approve Mayor's Appointment to the Police Pension Board – Councilman Schwarz made a motion to approve the mayor's re-appointment of Darren Twyford to the Police Pension Board, for a two-year term, to expire May 1, 2019, as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Approve Mayor's Reappointments to the Industrial Development Commission – Councilwoman Bellm made a motion to approve the mayor's re-appointments of Darell Bellm, Jon Greve, Diane Korte-Lindsey, Ryan Goodwin, and Eric Rehkemper to the Industrial Development Commission, all for one-year terms, as attached; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #17-29/ORDINANCE Amending Fiscal Year 2016-2017 Budget – Councilman Schwarz made a motion to approve Bill #17-29/Ordinance #2777 amending Fiscal Year 2016-2017 Budget as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #17-30/ORDINANCE Adopting Budget for Fiscal Year 2017-2018 – Councilwoman Bellm made a motion to approve Bill #17-30/Ordinance #2778 adopting budget for Fiscal Year 2017-2018 as attached; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Award Bid #PR-01-17 for Construction of Veterans Memorial Wall at Rinderer Park – Councilman Schwarz made a motion to award Bid #PR-01-17 for construction of Veterans Memorial Wall at Rinderer Park to Korte & Luitjohan Contractors, Inc., in the amount of \$38,780 as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Award Bid for 2017 MFT Maintenance Materials (Section 17-00000-00-GM) – Councilwoman Bellm made a motion to award Bid for 2017 MFT Maintenance Materials (Section 17-00000-00-GM) as follows: Beelman Logistics, LLC for C-6 Aggregate, in the amount of \$10,008.00; Mike A. Maedge Trucking, Inc. for C-7 Aggregate, \$4,900.00; Beelman Logistics, LLC for CM-13 079CML2-22 Slag (Grit), \$234.00; and Seal Coat Aggregate Furnish and Deliver, \$22,740.00; Don Anderson Co., MC-800 Prime, Furnish and Applied, \$12,558.00; Mike A. Maedge Trucking, Inc., HFRS-2 Emulsion, Furnish and Applied, \$31,022.16; and to DeLaurent Construction Co., Inc., Seal Coat Aggregate, Haul and Spread, \$21,950.00, as attached; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #17-31/RESOLUTION Approving and Authorizing Execution of a Preliminary Engineering Agreement for Professional Services with Crawford, Murphy & Tilly, Inc. – Councilman Schwarz made a motion to approve Bill #17-31/Resolution #17-04-2446 approving and authorizing execution of a preliminary engineering agreement for professional services with Crawford, Murphy & Tilly, Inc. as attached; seconded by Councilwoman Bellm. Councilman Schwarz asked did we go out for bid. Public Works Director Joe Gillespie reported we hired CMT to do the facilities plan to outline the proposed plan improvements and mains. They have been working with us on plant projects since 2013. Councilman Schwarz inquired there is some synergy with this. Director Gillespie replied yes. Councilman Schwarz asked how their rates are. Director Gillespie stated, typically, we see 13-15% of cost of construction. This is at 6.5%. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #17-32/ORDINANCE Approving and Authorizing Execution of a Redevelopment Agreement with Apex Holdings, LLC and Apex Physical Therapy, LLC, and Other Actions Related Thereto – Councilwoman Bellm made a motion to approve Bill #17-32/Ordinance #2279 approving and authorizing execution of a redevelopment agreement with Apex Holdings, LLC and Apex Physical Therapy, LLC, and other actions related thereto as attached; seconded by Councilman Schwarz. Councilman Schwarz noted the incentive is ultimately for creation of jobs. Where are the incentives coming from with this? Assistant City Manager Lisa Peck reported this includes the retention of 33 jobs and the creation of 58 new jobs. Councilman Schwarz asked are these jobs coming from other communities or are they new. Asst. City Manager Peck stated some may be relocations from other communities. Apex is growing very rapidly. Councilman Schwarz asked what the reason for the holdback of 10% is. Director Peck explained that is the tenants of the agreement: 10% is for retaining jobs in the first two years of the agreement and 25% for creation and retention of jobs in years 3, 4 and 5. Councilman Schwarz asked how we monitor this. Director Peck explained they have to submit records to the city each year. Councilman Schwarz asked what is the \$102,500 and \$342,500 based off. Director Peck explained those are projected income per jobs created or retained. Councilman Schwarz asked who proposed these numbers. Director Peck replied the developer. Councilman Schwarz inquired did we cap the abatement of utility costs in the first year. Director Peck replied no. This will be used for office space, so the cost of electric will not be that high. Councilman Schwarz asked what is the payback or return on our \$562,500. Director Peck reported they are going to remodel the building, so the property taxes will change. Initially, they are going to protest the taxes. Councilman Schwarz asked what if they move or back out. Director Peck pointed out they are putting forward \$1,615,000 in renovation and façade improvements and 58 jobs retained and/or created. Councilman Nicolaides asked do the jobs have to be in Highland. Director Peck replied yes, and they have to be located at this site. Councilwoman Bellm stated this makes good use of a building that needs to be utilized. This brings jobs to town and/or keeps them here. We have lost some industries and businesses, and we need to encourage those to come back, with the intent of those employees living and shopping in the community. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #17-33/ORDINANCE Approving and Authorizing Execution of a Redevelopment Agreement with D and L Real Estate, LLC, and Other Actions Related Thereto – Councilman Schwarz made a motion to approve Bill #17-33/Ordinance #2780 approving and authorizing execution of a redevelopment agreement with D and L Real Estate, LLC, and other actions related thereto as attached; seconded by Councilwoman Bellm. Councilman Schwarz asked where this is. Director Peck replied this is the owners of Highland Animal Hospital. They are looking to expand. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #17-34/ORDINANCE Approving Rezoning of Real Estate Located at 12310 Sportsman Road from “R1C” Single Family Residential to “MX” Mixed-Use District – Councilwoman Bellm made a motion to approve Bill #17-34/Ordinance #2781 approving rezoning of real estate located at 12310 Sportsman Road From “R1C” Single Family Residential to “MX” Mixed-Use District as attached; seconded by Councilman Schwarz. Councilman Schwarz asked question if this the property for the proposed apartments. City Manager Latham replied this is the other side of the road. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #17-35/ORDINANCE Approving Rezoning of Real Estate Located at 245 Field Crossing Drive from “R1C” Single Family Residential to “MX” Mixed-Use District – Councilman Schwarz made a motion to approve Bill #17-35/Ordinance #2782 approving rezoning of real estate located at 245 Field Crossing Drive from “R1C” Single Family Residential to “MX” Mixed-Use District as attached; seconded by Councilwoman Bellm. Councilman Schwarz asked why did you chose this property and not a parcel across the roadway. Brad Wilken responded this fit the size of lot needed, had the cut and lay of what we wanted, utilities where we wanted them, and drainage approved by Oates Associates already.

Councilman Schwarz inquired you plan to put a tree line on the west side. Mr. Wilken stated we plan to put up what will grow to be large evergreens staggered to create a screen. Councilman Schwarz asked what other things you are doing to address concerns of residents here today. Mr. Wilken stated we have meet all the requirements of the city for parking with other developments, but we are planning for beyond that required with 33 additional, so there is no need for street parking. Councilman Schwarz asked how many homes are in Autumn Crest Subdivision. Director Peck stated she would have to check that. Councilman Schwarz asked if making Field Crest traffic one-way only would resolve any issues. The citizens in attendance replied no. Councilman Schwarz expressed I am mixed about this. There is already multi-family use with Legacy Place out there already. At the other side, if I lived out there, I am not sure how I feel about it. Parking on the street is going to happen. It happens in my neighborhood. I do not want to make our town elitist; however, I do not want to bait-and-switch on property owners. Mr. Wilken stated I think this development is a perfect fit with Legacy Place and San Gabriel there. In speaking with the original developer that brought this into the city, he said he would have brought it in as mixed use, if that were an option, at that time. Councilman Schwarz stated I am leaning to this being a perfect fit. I would like to give this more time to see if the developer and residents could work together to address the concerns. Mr. Wilken pointed out this development will have Hardie® board siding and brick, so I do not feel that it will decrease property value. As far as crime, we screen all of our tenants with a national firm. We have a 42-unit development off 27th Street, which is a standard street, and we have no traffic issues there. I feel we are doing everything right with this.

Mayor Michaelis stated that after spending many years in law enforcement in Highland, I can say crime is usually related to owner and management of these properties. He asked Chief Bell for his thoughts on this. Chief Bell stated I have not done any studies on apartment units. Yes, typically we do see an uptick in crime with low-income property. With this particular developer's property, we have not had issues, so I think it is unfair to paint a broad stroke. Dense populated areas do tend to be targets for criminal activity, because there is more to choose from. Mayor Michaelis asked have you ever know any complex owners have as stringent of requirements. Chief Bell stated we do have others that do it.

Councilman Frey stated I feel the developer has done their homework. Planning & Zoning, while not a unanimous vote did vote majority to approve this. Councilwoman Bellm added Planning & Zoning does due diligent work in making their recommendations. I feel very adamantly that any residential rental unit, apartment or other, do good background checks. Councilman Schwarz asked if there is something, the council felt could be done to eliminate the concerns of the residents.

Lewis Dunning, 20A Auburn Court noted Councilman Schwarz has suggested tabling this. I think that 109 signatures should be proof enough that residents do not want it in their backyard. By tabling it, we feel like that is a way to voted it through when we are not here. Councilman Frey noted, of the 109 citizens on this petition, there are some that do not live in the city limits. Mayor Michaelis reviewed those Councilman Frey believed were not citizens within the corporate limits and noted those addresses were. Councilwoman Bellm stated to the people that live out in that area, you have to know there are others have come to ask for that area to be rezoned to commercial. You need to think about what you want in that area and what you want it to be. We also have on the agenda to incentive for single-family home building, because the number of single-family homes in Highland is low. The council has to look into the future for that area and it could be a business area with strip mall or similar. Roll Call Vote: Schwarz, Bellm, and Nicolaides voted nay, Councilman Frey voted aye. Motion failed.

Mayor Michaelis noted the next two items related to the prior item. Since it has failed to pass, Bill #17-36/Resolution Making Separate Statement of Findings of Fact in Connection with Ordinance Granting Special Use Permit and Bill #17-37/Ordinance Granting Special Use Permit to Brad and Austin Wilken to Operate Multiple Family Dwellings Consisting of Townhomes and Apartments in the "MX"

Mixed-Use Zoning District, Specifically at 245 Field Crossing Drive are moot issues and will be passed over.

Bill #17-38/RESOLUTION Approving Fox Cable Network Services, LLC Guaranty and Carriage Requirements, Rules & Rates 2017, for City of Highland d/b/a Highland Communication Services, Between Fox Cable Network Services, LLC and Vivicast Media, LLC/National Telco Television Consortium, LLC – Councilman Schwarz made a motion to approve Bill #17-38/Resolution #17-04-2447 approving Fox Cable Network Services, LLC Guaranty and Carriage Requirements, Rules & Rates 2017, for City of Highland d/b/a Highland Communication Services, between Fox Cable Network Services, LLC and Vivicast Media, LLC/National Telco Television Consortium, LLC as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Discussion – Incentives for New Single-Family Residential Development – City Manager Latham reported he provided the council members with information, at the last meeting, showing there are 253 lots available for residential construction. Staff called different cities regarding incentives by other cities, and found no one else does. Our inventory is primarily in the developments where the builders are also the developers. We spoke with a realtor who stated inventory is at an all-time low. We have a couple of options, we can wait and see if picks up over next six months. City Manager Latham recommended two permits per month as baseline, from last year. We could look at encourage homebuilding with a homebuyers incentive, or we could do nothing and let the market dictate. City Manager Latham asked if there is enough interest in creating incentives. Councilman Frey stated he is in favor of encouraging it throughout the city, regardless if where it is. Councilwoman Bellm noted we had assistance in the older area of town and that was well received. Councilman Schwarz are we trying to incentivize building and the argument is that there was no place to build homes. Director Peck reported there are 10-12 lots in the older part of town. Councilwoman Bellm noted there would be more, if we demolish homes with structural issues. Director Peck pointed out that would be considered in-fill housing.

City Manager Latham invited Phil Hardas, realtor with ReMax Alliance, who stated the overall problem is the lack of available housing. In order to create incentive new home buying there has to be inventory. To build a custom home, many buyers do not have the cash for new homes. New custom homes require cash to upfront the lot and the contractor. He provided a folder with some statistics to the council to show the lack of inventory that is out there. Mr. Hardas stated I have heard a lot of good discussion about giving incentives. He encourages the council to look ahead 5-10 years. By giving the incentive to the developer, you will be ahead. A healthy inventory is about six months. We are at a three-month inventory, which favors the seller.

Councilwoman Bellm expressed in looking at this, I do not want to do anything. Wait six months and in that time look at other ways to incentivize building in Highland. Councilman Schwarz stated if we do an incentive, I do not feel it should go to the builder or the developer. If we have lots available, then I would say it goes to the builder. It should be open to all for those building a home over a certain value. Councilman Frey pointed out there are 16 subdivision and 230 available lots. I think it is a lack of builders. Councilman Schwarz asked are other communities experiencing the same. Mayor Michaelis pointed out the requirements in other cities are more stringent and costlier than Highland. Asst. City Manager Peck passed around the building permit report from Madison County, for 2016, which showed Highland as #5 in the county. Councilwoman Bellm suggested passing this to Planning & Zoning for their thoughts and ideas. The county report does not look like we are singled-out here. Director Peck stated I think being in top five is an accomplishment for Highland. Edwardsville, Maryville, Glen Carbon and Collinsville have a lot going on with retail there.

REPORTS

Approve Warrant #1055 – Councilwoman Bellm made a motion to approve Warrant #1055 as attached; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm and voted aye, none nay. Councilman Nicolaides abstained. Motion carried.

Councilwoman Bellm made a motion to adjourn; seconded by Councilman Schwarz. All council members voted aye, none nay. Motion carried and meeting adjourned at 9:20pm.

Joseph Michaelis, Mayor

Barbara Bellm, City Clerk