

**MINUTES OF REGULAR SESSION
HIGHLAND CITY COUNCIL
MONDAY, AUGUST 21, 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, Asst. City Manager Peck, City Attorney McGinley; Directors Bell, Cook, Gillespie, Korte, Schoeck and Rosen, EMS Chief Wilson, Fire Chief Bloemker, Deputy City Clerk Hediger, and City Clerk Bellm; Keith Moran, of Moran Economic Development, 5 members of Highland Fire Department, 4 Highland Police Officers, 3 EMS Staff, Library Director Kim, 8 citizens and one member of the news media.

MINUTES

Councilman Schwarz made a motion to approve the minutes of the August 7, 2017 Regular Session as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

PUBLIC FORUM

Citizens' Requests and Comments:

2017 Homecoming Parade Street Closure Request – Kim Etter, HHS Homecoming Parade Committee Chairperson requested permission for this year's HHS Homecoming Parade to be held on October 4, 2017, beginning at 6:00pm. The route will be the same as last year, with lineup around the Lindenthal Campus traveling west on Lindenthal; turn right and proceed north on Washington Street, crossing Broadway, and ending on Main Street at the City Square. After the parade, we would hold a pep rally on the Square at the gazebo. Line up for the parade will begin at 5:00pm and start the parade at 6:00pm, to get ahead of sunset and the darkness. We are requesting permission to hold the parade and for use the Downtown Square and facilities to hold a pep rally immediately following the parade. This should last no later than 10:00pm. Councilman Schwarz made a motion to approve the request to hold the Highland High School Homecoming Parade and use of the Downtown Square facilities, on October 4, 2017, as request; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Champion Parc Block Party Request – Terry Miles, Representative, 30 Jardin Circle, requested permission for closure of portion of South Porte Drive to be barricaded off for a neighborhood block party. This would allow only block access to my home and to Travis and Amy Knebel's driveway for the event. The Knebel's have given permission, as they are participating in the event. This provides an area for kids to run across the neighborhood from 2:30pm to approximately 9:30pm during the block party on Saturday, September 9, 2017. Councilwoman Bellm made a motion to approve the street closure of Jardin Circle, at 30 Jardin Circle, on Saturday, September 9, 2017 as requested for a subdivision block party; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Requests of Council:

No comments or requests presented.

Staff Reports:

Keith Moran, of Moran Economic Development, presented Blight Analysis and Business Development Districts Plans A, B and C. Essentially the city is looking to establish three business districts, which are a newer economic tool to raise funds. It uses sales tax to generate funding. Certain factors need to exist to qualify for a business district under Illinois statute: predominance of defective, non-existent, or inadequate street layout, unsanitary or unsafe conditions, and deterioration of site improvements, improper subdivision or obsolete platting, or existence of conditions that endanger life or property by fire or other causes, or any combination of those factors. Proposed Business District A encompasses 250 parcels of property in primarily a commercial industrial area along Illinois 143 and US Highway 40, as well as Illinois Route 160. It encompasses the hospital, schools, commercial highway business and Walmart area. In this area, there is improper subdivision platting and deterioration of infrastructure. Sixty-three percent of structures in this area exhibit notable defects in structural components, such as exterior walls, roofs, doors, windows, gutters, siding and other fascia materials. Additionally sixty-percent of the parcels exhibit deteriorated surface improvements, such as cracking sidewalks, unkempt gravel areas, deteriorated roadway surface, parking lots, entryways and driveways. There are issue with utility system, primarily the water lines within this area, which are 60-80 years old and undersized. Breaking lines are an issue for fire safety and contribute to economic losses when the lines are unable to service businesses. Ninety percent of the parcels have experienced a loss in total value from 2011 to 2016. These parcels combined for over \$1.7M in EAV loss during this period. Key projects for this area include improvements to water and sewer lines, water treatment plant upgrades, regional retention pond, improvements to streets, and construction of public safety facility within this area.

Councilman Schwarz noted the study found a decrease in property tax value, from 2011-2016. Is that a trend you are seeing in other areas, as well? Mr. Moran stated noted only two properties with in this area saw growth in their EAV. Councilman Schwarz inquired is that not a trend in other areas and other communities. Mr. Moran stated there is no one factor that can be attributed to it. It may be in part the economy. Councilman Schwarz inquired why there is a hole in that area of the proposed business district. Mr. Moran pointed out there are properties outside of the corporate limits. Councilman Schwarz asked why three business districts. Mr. Moran explained there are different issues in each area that need to be targeted. Plan B focuses on the downtown area. Plan C is new development and spurring growth of industry. To do one big giant may defeat the purpose.

Mr. Moran reported Business District B encompasses 401 parcels of property and rights-of-way in the downtown region. The issues are more traditional of downtown areas. Approximately 68% of 464 buildings show some form of defects or surface deterioration. Additionally, 66% of parcels exhibit surface deterioration with cracking and potholes in roadways, sidewalks, parking lots, driveways and alleys. Issues exist with old water and sewer mains in the area that date back to the 1920s, and are experience breakage or are undersized. A lot of parcels that have changed in use over time, which creates parking issues, ingress/egress issues, as well as improper platting. From 2011-2016 the properties in the area had a lower annual EAV growth rate than the balance of the City. Of the 401 parcels, 92% have lost value since 2011. While the City's EAV grew by about 12% overall, this area's EAV only grew 0.28%. With Business Districts, you would have a funding source to assist with building renovations, public parking area development, streetscape improvements, and continue with ADA improvements.

Business District C includes properties along Frank Scott Parkway, from Koepfli Lane to US Highway 40 and along Sportsman Road to Commerce Drive, which is a newer area. While we have a

new street, we do not have any interior street network. We see declining EAV here as well, with lower annual EAV growth rates than the balance of the City. In this area we would look for business recruitment and development. As development occurs, you would want to improve and increase storm sewer in the area, as well as achieve better design and aesthetics in retail and commercial areas, including landscaping and signage methods in the area.

Councilwoman Bellm asked for clarification of what things are not hit upon with the business district tax. Mr. Moran explained the Business District tax does not apply to anything licensed through the State of Illinois, such as new/used automobiles and boats. Although it does hit on repair parts for these items. It does not tax anything medical driven, such as prescription and non-prescription drugs and medical equipment. Food prepared at home is not impacted; however, the case of beer I pick up at the store would be taxed at the higher tax.

NEW BUSINESS

Approve Mayor's Reappointment of Shirley Lodes to the Combined Planning and Zoning Board – Councilwoman Bellm made a motion to approve the mayor's reappointment of Shirley Lodes to the Combined Planning and Zoning Board, for a five-year term, to expire August 31, 2022, as attached; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #17-81/ORDINANCE Setting Public Hearing Date to Receive Comments on the Proposed Business Development District A – Councilman Schwarz made a motion to approve Bill #17-81/Ordinance #2802 setting public hearing date of Tuesday, September 5, 2017 at 5:30pm, to receive comments on the proposed Business Development District A as attached seconded by Councilwoman Bellm. Councilwoman Bellm stated we are doing this before a council meeting and we have only allotted fifteen minutes for each one. Do we feel we are leaving enough time for this? Mayor Michaelis explained we would just start the council meeting late. Mr. Moran stated we never have had an issue with these timeframes. If any do run longer than fifteen minutes, then we would move everything back as needed. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #17-82/ORDINANCE Setting Public Hearing Date to Receive Comments on the Proposed Business Development District B – Councilwoman Bellm made a motion to approve Bill #17-82/Ordinance #2803 setting public hearing date of Tuesday, September 5, 2017 at 5:45pm, to receive comments on the proposed Business Development District B as attached seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #17-83/ORDINANCE Setting Public Hearing Date to Receive Comments on the Proposed Business Development District C – Councilman Schwarz made a motion to approve Bill #17-83/Ordinance #2804 setting public hearing date of Tuesday, September 5, 2017 at 6:00pm, to receive comments on the proposed Business Development District A as attached seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #17-84/ORDINANCE Rezoning Property Located at 1100 5th Street from "I" Industrial to "C3" Highway Business – Councilwoman Bellm made a motion to approve Bill #17-84/Ordinance #2805 rezoning property located at 1100 5th Street from "I" Industrial to "C3" Highway Business as attached; seconded by Councilman Schwarz. Councilman Schwarz noted there was one objection by a neighbor. Assistant City Manager Lisa Peck acknowledged this person brought up some concerns regarding future plans. The initial plan is to have gymnastic and dance studio there. The math that he had used to depict issues with parking is slight off. There is proper parking for events. Councilman Schwarz noted the

street coming down there is kind of narrow. Do you see the need to widen that? Assistant City Manager Peck stated with the initial plan for the gymnastics and dance studio should not require any changes in infrastructure. As future phases of the planned redevelopment of this property progress, there will be additional hearings. Councilwoman Bellm reported she talked to the gentleman that brought up the issues regarding parking and noise. He has no issue with the dance studio or gymnastics there, which is the initial phase. He was under the impression that the special events site was going into place at the same time. With the initial plans, he has no issues. There are other phases that will go into redeveloping this property. With the use of this for special events in the future, is where he is concerned. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #17-85/ORDINANCE Authorizing Land Put Agreement for Purchase of Property Adjacent to Hoffman Park and Pine Street – Councilman Schwarz made a motion to approve Bill #17-85/Ordinance #2806 authorizing Land Put Agreement for purchase of property adjacent to Hoffman Park and Pine Street as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #17-86/RESOLUTION Approving Omnibus Agreement for Highland Communication Services, Between Vivicast Media, LLC and ESPN Entities and CNG – Councilwoman Bellm made a motion to approve Bill #17-86/Resolution #17-08-2469 approving Omnibus Agreement for Highland Communication Services, between Vivicast Media, LLC and ESPN Entities and CNG as attached; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #17-87/RESOLUTION Approving Affiliation Agreement for Highland Communication Services, Between Vivicast Media, LLC and Scripps Networks, LLC, Television Food Network, G.P., Cooking Channel, LLC, and the Travel Channel, LLC – Councilman Schwarz made a motion to approve Bill #17-87/Resolution #17-08-2470 approving Affiliation Agreement for Highland Communication Services, between Vivicast Media, LLC and Scripps Networks, LLC, Television Food Network, G.P., Cooking Channel, LLC, and the Travel Channel, LLC as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #17-88/RESOLUTION Approving Renewal of TVE License Agreement for Highland Communication Services, Between Fusion Media Network, LLC and Vivicast Media, LLC – Councilwoman Bellm made a motion to approve Bill #17-88/Resolution #17-08-2471 approving renewal of TVE License Agreement for Highland Communication Services, between Fusion Media Network, LLC and Vivicast Media, LLC as attached; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Award Bid #PW-07-17 for the Sportsman Road Reconstruction (Rural King) project – Councilman Schwarz made a motion to Award Bid #PW-07-17 for the Sportsman Road Reconstruction (Rural King) project to Bruce Concrete Construction, of Granite City, IL, in the amount of \$165,826.03, as attached; seconded by Councilwoman Bellm. Mayor Michaelis asked how long they think it will take to complete this project. Public Works Director Gillespie stated we are hoping to get it done within four weeks. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Award Bid #PW-05-17 for the Highland Road Water and Sewer Extension project – Councilwoman Bellm made a motion to award Bid #PW-05-17 for the Highland Road Water and Sewer Extension project to Gelly Excavating and Construction Company, of Highland, in the amount of \$202,830.75 with Bid Alternate #1, in the amount of \$1,422.75, for a total of \$204,253.50 as attached; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Approve Transfer of Graves in City Cemetery (Timothy Rutz to Nancy Zaloga) – Councilman Schwarz made a motion to approve transfer of grave Spaces 4 & 5, in Lot 11, Block 18, in the Highland City Cemetery from Timothy L. Rutz to Nancy Zaloga, as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

REPORTS

Approve Warrant #1067 – Councilwoman Bellm made a motion to approve Warrant #1067 as attached; seconded by Councilman Schwarz. Finance Director Kelly Korte recommended not paying the one invoice in Warrant #1067, in the amount of \$2548.33, for utilities, as the multiplier was wrong on the irrigation system for the roundabout at Poplar and Broadway. Councilman Nicolaides made a motion to amend Warrant #1067 by removing payment for irrigation of the roundabout at Poplar and Broadway, in the amount of \$2,548.33; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Item amended. Roll Call Vote to approve Warrant #1067 as amended, Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Councilwoman Bellm made a motion to temporarily adjourn this regular session to enter into executive session under the Illinois Open Meetings Act under Section 5 ILCS 120/2(c)(23)(i) to discuss contracts relating to the purchase, sale, or delivery of electricity; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried. Meeting adjourned at 7:49pm.

Mayor Michaelis reconvened the Regular Session at 8:25pm. Roll Call Vote: Councilmembers Nicolaides, Bellm, Frey and Schwarz were present. City Manager Latham, Director Cook, City Attorney McGinley and City Clerk Bellm were also present.

Mayor Michaelis stated nothing discussed in Executive Session this evening would be acted upon in this session.

Councilwoman Bellm made a motion to adjourn; seconded by Councilman Schwarz. All council members voted aye, none nay. Motion carried and meeting adjourned at 8:26pm.

Joseph Michaelis, Mayor

Barbara Bellm, City Clerk