

**MINUTES OF REGULAR SESSION
HIGHLAND CITY COUNCIL
MONDAY, APRIL 2, 2018**

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 McGinley; Directors Bell, Cook, Imming, Korte and Rosen, EMS Chief Wilson, Fire Chief Bloemker, Police Lt. Conrad, Treasurer Foehner, Deputy City Clerk Hediger, and City Clerk Bellm, Director of Latzer Library Kim; Ann Stoecklin, 10 citizens and one member of the news media.

MINUTES

Councilman Schwarz made a motion to approve the minutes of the March 19, 2018 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:

2018 Rock-A-Block Request – Apostolic Revival Church - Joe Garson, Outreach Coordinator for Apostolic Revival Church, 11656 State Route 143, sought use of the Square and pavilion to hold their eighth annual Rock-A-Block event on Saturday, August 4, 2018, 10am – 4pm. Councilwoman Bellm made a motion to approve the request of the Apostolic Revival Church for use of the downtown square on Saturday, August 4, 2018 from 10am – 4pm to hold Rock-A-Block as attached; 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.

Staff Reports:

Nothing to report.

UNFINISHED BUSINESS

Bill #18-25/RESOLUTION Establishing a Five-Year Incentive Program for Construction of Single-Family Residences – Councilwoman Bellm made a motion to approve Bill #18-25/Resolution #18-04-2514 establishing a five-year incentive program for construction of single-family residences as attached; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm, and Nicolaides voted nay, none aye. Motion failed.

NEW BUSINESS

Making Tentative Budget for FY 2018-2019 Available for Public Review at City Hall and Setting the Public Hearing Date for Monday, April 16, 2018 – Councilman Schwarz made a motion to approve

making tentative budget for Fiscal Year 2018-2019 available for public review at City Hall and setting the public hearing date for Monday, April 16, 2018 as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #18-38/RESOLUTION Appointing Ann Stoecklin as the City's Authorized Agent for the Illinois Municipal Retirement Fund – Councilwoman Bellm made a motion to approve Bill #18-38/Resolution #18-04-2514 appointing Ann Stoecklin as the City's Authorized Agent for the Illinois Municipal Retirement Fund as attached; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #18-39/ORDINANCE Authorizing Incentive for Construction of New Single Family Residences in Existing Subdivisions within the Corporate Boundaries of the City – Councilman Schwarz made a motion to approve Bill #18-39/Ordinance #2842 authorizing incentive for construction of new single-family residences in existing subdivisions within the corporate boundaries of the city as attached; seconded by Councilwoman Bellm. Councilman Schwarz expressed I don't know how the rest of council feels. I have mixed feelings about these incentives. The data shows we have been building about five houses per year in Highland. That means this would give incentives to five houses that were going to be built anyways. These people were going to do it regardless. We are really paying \$40,000 to get the additional five houses. For a single-family house, is \$4,000 a deciding factor? City Manager Latham responded yes. He asked have you talked to any builders. Councilman Schwarz stated I have talked to some in the industry at different levels or associated with homebuilding, and some say yes; some say it is a giveaway. City Manager Latham explained the purpose of this is to improve overall EAV (Estimated Assessed Valuation). Our EAV has been flat. The whole idea was to prove we could move the EAV 25% per year. People get upset when you have to raise taxes when costs go up to meet budget needs, but overall taxes are level. The inventory of homes is at its lowest. We are talking about spec homes, which is what people are looking for, when moving into town. There are few, if any. Most of the specs available in Highland city limits are duplexes.

Councilman Schwarz expressed I am torn about this. Area towns are experiencing growth. I realize we want to make an attempt at it. I worry about not incentivizing it. Is this going to incentivize what we truly want? City Manager Latham stated it is important for the city to grow. As I mentioned before, the challenge the city has is that utilities and cost to provide go up, but we do not have additional users to share in the costs and tax base. One idea, brought by the council, was to have something other than just incentives for new subdivisions, but also to encourage building out the lots within existing subdivisions. Councilman Frey stated I had those same concerns. One of those builders, that built about half of those homes, the past few years, will not be doing it anymore. Bernie Huelsmann has built out the last of his subdivision and is retiring. We took a shot at incentivizing homeowners to buy homes in the older section of town. Those homes are now fixed up; those homes have utilities running to them. The program worked. City Manager Latham pointed out \$4,000 is basically the water and sewer tap fees. Councilman Schwarz questioned they only get the money at the end. City Manager Latham explained all permit fees and hookups will cost \$5,000-\$7,000 for a new construction single-family home. Councilman Nicolaides inquired they get the incentive when the house is sold. City Manager Latham replied no, it is when they apply for it following final inspection for occupancy.

Councilwoman Bellm stated I was on the fence also. It is a small price. I worried about the developers before that built and did not get this; however, it is a different day and time. Will these same people build anyway? I do not know. Let's give it a shot. It is not a lot of money, if we are going to get an increase in property tax base and sales tax. Councilman Schwarz asked on a \$200,000-valued home we take in how much in tax base each year. City Manager Latham replied approximately \$1500. Councilwoman Bellm stated it is worth giving it a shot. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #18-40/ORDINANCE Authorizing Incentive for Construction of New Single Family Residences in Newly Platted Subdivisions within the Corporate Boundaries of the City – Councilwoman Bellm made a motion to approve Bill #18-40/Ordinance #2843 authorizing incentive for construction of new single -family residences in newly platted subdivisions within the corporate boundaries of the city as attached; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #18-41/RESOLUTION Approving and Authorizing Execution of a Preliminary Engineering Agreement By and Between CSX Transportation, Inc. and the City – Councilman Schwarz made a motion to approve Bill #18-41/Resolution #18-04-2515 approving and authorizing execution of a preliminary engineering agreement by and between CSX Transportation, Inc. and the City as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #18-42/RESOLUTION Authorizing the Mayor to Apply for Community Development Block Grant Funds From Madison County to Assist in Funding Construction of a New Senior Citizen Center – Councilwoman Bellm made a motion to approve Bill #18-42/Resolution #18-04-2516 authorizing the mayor to apply for community development block grant funds from Madison County to assist in funding construction of a new senior citizen center as attached; seconded by Councilman Schwarz. Councilman Frey pointed out this is a block grant for \$100,000. Do they have a plan or a budget? City Manager Latham reported we are looking at having the architecture firm work on putting something together. We had a huge public hearing with about 50-60 people here. When the Weinheimer Building was built, it was to give a place for the community and something they can call their own. It is not big enough to meet the senior citizens' needs. Mayor Michaelis stated the biggest problem is that Saline and Helvetia Townships have declined to participate in helping with this project. It is going to take a lot of research and hard work to make this a reality. City Manager Latham reported they are looking at a building of 4,600 square feet. They need a place to play cards, have meals and do activities. Locating it possibly to the west side of the Korte Rec Center. Weinheimer Building has a lot of areas that are not handicap accessible. To have the space needed is not there. There is a fairly, large room upstairs, but these people cannot climb the stairs. We have been meeting on this for some time now. This location would provide enough space for handicap parking. It would be nice to drop people off and yet have parking space available.

Councilman Frey asked is \$100,000 going to be enough. City Manager Latham responded we estimate \$400,000. Councilman Frey noted we would have to find other funding sources, because this is only \$100,000 and there are additional costs along with a new facility. Mayor Michaelis reported Elmer Emig is the president of the senior citizens group and as a retired general contractor in construction, so he knows people in that industry. Our senior citizens need a place. Councilwoman Bellm stated I do not have a problem with pursuing block grant funds. We have some many things that need to be fixed and remedied now. If there is other funds and in kind out there to do this, then I maybe it can be done. I cannot believe that a suitable building can be built for \$400,000. I will be reluctant to vote to put any money towards new projects until we can get the things we have now taken care of. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #18-43/RESOLUTION Authorizing City to Demolish All Structures at 1311 Oak Street – Councilman Schwarz made a motion to approve Bill #18-43/Resolution #18-04-2517 authorizing City to demolish all structures at 1311 Oak Street as attached; seconded by Councilwoman Bellm. Councilman Schwarz – when trying to figure out the best way. Is demolishing it the best option. Councilwoman Bellm – no other options with this structure. Roll Call Vote: Schwarz, Frey, Bellm, and Nicolaides voted aye, none nay. Motion carried.

Bill #18-44/RESOLUTION Authorizing City to Demolish All Structures at 914 and 916 Deal Street - Councilwoman Bellm made a motion to approve Bill #18-44/Resolution #18-04-2518 authorizing City to demolish all structures at 914 and 916 Deal Street as attached; seconded by Councilman Schwarz. City Manager Latham noted the fire department has requested to possibly use this structure for training, prior to demolition. Councilman Frey stated I have not seen either. However, I can imagine this is would be better for training. Councilman Frey questioned this one we decided is not worth saving. Councilwoman Bellm stated it was questionable, but in our discussion, we had decided that the city is better off to demolish it rather than trying to sell it. City Attorney Michael McGinley advised we can sell as or get appraisal and then sell for at least 80% of the appraised value to the highest bidder. Councilwoman Bellm stated my notes reflected the council decision to sell. We can go through that process with the lots once it is taken down. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #18-45/RESOLUTION Approving and Authorizing Execution of an Agreement for Architectural and Engineering Services with David A. Loyet and Associates, Inc. – Councilwoman Bellm made a motion to approve Bill #18-45/Resolution #18-04-2519 approving and authorizing execution of an agreement for architectural and engineering services with David A. Loyet and Associates, Inc. as attached; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #18-46/ORDINANCE Authorizing Conversion and Disposal of Personal Property of the City (HCS Equipment) – Councilman Schwarz made a motion to approve Bill #18-46/Ordinance #2844 authorizing conversion and disposal of personal property of the City (HCS Equipment) as attached; seconded by Councilman Nicolaides. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

REPORTS

Approve Warrants #1089 & 1090 – Councilwoman Bellm made a motion to approve Warrants #1089 and #1090 as attached; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey and Bellm voted aye, none nay. Councilman Nicolaides abstained. 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 5 ILCS 120/2(c)(21) for discussion of executive session minutes; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried. Meeting adjourned at 7:35pm.

Mayor Michaelis reconvened the Regular Session at 7:50pm. Roll Call Vote: Councilmembers Nicolaides, Bellm, Frey and Schwarz were present. Others in attendance were City Manager Latham, City Attorney McGinley, Deputy City Clerk Hediger, and City Clerk Bellm.

Councilwoman Bellm made a motion to adjourn; seconded by Councilman Schwarz. All council members voted aye, none nay. Motion carried and meeting adjourned at 7:50pm

Joseph R. Michaelis, Mayor

Barbara Bellm, City Clerk