

**MINUTES OF REGULAR SESSION
HIGHLAND CITY COUNCIL
MONDAY, OCTOBER 3, 2022**

Mayor Hemann called the Regular Session to order at 7:00pm. Council members Sloan, Frey, Bellm, and Hipskind were present. Others in attendance were City Manager Conrad, City Attorney Michael McGinley, Directors Cook and Gillespie, Coordinator Hubbard, Police Chief Presson, Fire Chief Federer, 35 citizens, and 1 member of the news media.

MINUTES

Councilman Frey made a motion to approve the minutes of the September 16, 2022 Regular Session as attached. Motion seconded by Councilwoman Bellm. Roll Call Vote: Councilmembers Sloan, Frey, Bellm and Hipskind voted aye, none nay. Motion carried.

SWEARING IN

Mayor Hemann swore in Chris Straub as Chief of the Highland Fire Department.

RECOGNITION

Mayor Hemann recognized Kerry Federer on his retirement as Chief of Highland Fire Department.

PUBLIC FORUM

Citizens' Requests and Comments:

St. Paul Catholic School – Road Closure Request – Kevin McGinley, Representative, requested closure of Main St., from Lemon to Olive Street, on October 21, 2022, 5-8pm, for the Fall Festival. Councilwoman Sloan made a motion to approve St. Paul Catholic School's request for road closure, on October 21, 2022, 5pm-8pm, as requested. Motion seconded by Councilwoman Bellm. Roll Call Vote: Councilmembers Sloan, Frey, Bellm and Hipskind voted aye, none nay. Motion carried.

Highland Primary Halloween Parade - Special Event Application and Road Closure Request – Amanda Mullaney, Assistant Principal, stated that each year, the primary students dress in their costume and the students do a walk around Four Diamonds, for Halloween. The parents can come and watch. We would like to do this again, from 1:00pm-1:30pm. We request police presence on the intersections while there. Chief Presson stated we are already prepared for it. Councilwoman Bellm made a motion to approve the Highland Primary's request for road closure on October 31, 2022, 1:00pm-1:30pm, as attached. Motion seconded by Councilwoman Sloan. Roll Call Vote: Councilmembers Sloan, Frey, Bellm and Hipskind voted aye, none nay. Motion carried.

Highland Chamber Commerce Annual Lighted Christmas Parade - Special Event Application – Hillarie Holzinger and Sabrina Luitjohan, Representative, were present to request permission for the annual Lighted Christmas Parade. Mrs. Holzinger requested permission to hold the parade on Friday,

November 25, 2022, at 6:30pm. We will be stepping off from the Highland Primary; headed down Lindenthal; and, ending at the Square. Councilwoman Bellm made a motion to approve the Highland Chamber of Commerce request for street closure and use of facilities for the annual Lighted Christmas Parade, to be held on November 25, 2022 as requested. Motion seconded by Councilman Frey. Mayor Hemann noted we recently had an event with number of kids, do we have something in place for safety. City Manager Chris Conrad stated this parade is a little more organized, with drop-off on Laurel Street. Santa will be the only one getting off at the Square. Mrs. Holzinger added we have volunteers to work the intersections and more populated areas, and we have more orange vests on order for those workers. Roll Call Vote: Councilmembers Sloan, Frey, Bellm and Hipskind voted aye, none nay. Motion carried.

Requests of Council:

Councilwoman Sloan thanked Dan Cook's crews that headed south to help with Hurricane Ian recovery in Florida. Director Cook reported they are about finished up. They think should be coming back tomorrow. They are in Bartow, Florida. Apparently, a lot more crews showed up. It takes a lot for them to do this. They are going into an environment that is dangerous; in a territory that they are not used to; and, working on a system that they do not know.

Councilwoman Bellm noted it looks like The Cypress Restaurant is coming down. Mayor Hemann responded, yes, it is half-gone already.

Staff Report:

City Manager Chris Conrad reported the two crews we sent to Florida are part of an agency that we are affiliated with, American Public Power Association. If we should ever have a crisis, they would send help. We were fortunate, as not a lot of communities could afford to send resources, since we have to have a certain journeyman to apprentice ratio maintained at home.

Presentation of Blight Analysis and Amended Business Development District Plan A – Jared Kanallakan, of Moran Economic Development, reported with the desire to amend the redevelopment project area to include recently annexed properties, with that we want to maximize the potential of those properties by utilizing funds generated throughout the area. It is as with establishing business districts, we must also look at if the redevelopment project area meets the For the parcels we are looking at adding to the Redevelopment Plan we must determine if they are eligible for inclusion. Mr. Kanallakan stated we found that thirty-nine parcels do meet the state's threshold, based upon economic underdevelopment with lower growth rate than the other parts of the community. In addition, we are combining Business District A with C. We did this a few years ago with Business District B into C. We the outlined some goals as reason for doing this, which are: to provide economic development tool for newly annexed properties; utilize business district funds for infrastructure and utility improvements for newly annexed properties; market properties to attract development; and, increase the property tax base of the parcels; and increase the property tax base of the parcels in the amended area to maintain assess evaluation growth rates. Absorbing the one district into this one district allows for better utilization of funds. We do need to establish a public hearing date for public comment on this, which is on the agenda this evening. Upon approval, we will notify the Illinois Department of Revenue and Madison County. If everything goes through, the new rate goes into effect July 1, 2023. Sales tax rates within the area would not enact until July 1, 2023; however, you could start to utilize funds within the area upon approval, which is set for November 21, 2022.

Councilwoman Bellm asked when we will discuss this plan. Deputy City Clerk Lana Hediger reported the public hearing is set to be approved, on the agenda this evening, for the November 2, Planning & Zoning Board meeting, at 6:00pm. Councilwoman Bellm inquired, if we, as council, have concerns about it, when do we talk about that. I have concerns about some of the properties to be included and I am concerned about raising the sales tax.

Councilman Frey stated I have different questions and concerns. We just did this a few years, ago, with combining the different plans. When we originally set this up, we did it with multiple districts, so that one area did not see all the improvements, and funds generated with a district went back into that district. City Attorney McGinley explained the three-district model was done completely different and was the wrong way to go. You cannot move money from one district to another. When we absorbed District B into A, we did not address District C at that time. What we have found is there is a lot more flexibility with business district funds, over TIF when it comes to providing incentives for development and redevelopment. However, we cannot give incentives with a district, if that district is not generating funds. Jared xxx explained, when they wrote the business district laws, they wrote the continuity clause, which only allows movement of 1% of funds from one district to another. The intent was to move the funds between the three districts. City Manager Conrad acknowledged we were looking to fund a project when we originally started, with the funding for the public safety facility. What we have realized is business districts are a good way to incentivize business development. We do very well with sales tax, here in Highland; therefore, we are able to fund infrastructure projects in those areas. FEMA increased our floodplain significantly. We have used business district funds to working on the large culvert for FEMA mitigation; we purchased the house next to Weinheimer for future redevelopment; and the development of the parking lot for downtown events, in addition to other projects. Mayor Hemann added I know a large redevelopment project that does not qualify under TIF; however, business district funds would.

Councilwoman Bellm expressed I just want to make sure we are doing our due diligence and look at everything as we do this. Jared Kanallakan stated we are willing to look at accommodating properties before the public hearing. City Manager Conrad explained we can make map adjustments up to the public hearing. Mr. Kanallakan agreed, you can add up to the public hearing; after that, you can only drop parcels. Councilwoman Bellm stated I am not sure about an additional tax hike, either. City Manager Conrad pointed out remember with sales tax, we have a population of 10,000; within a mile and half we have an additional 10,000 people; and, then outside of that in 5-6 mile radius, that number increases another 7,000 – 8,000. Whereas TIF is strictly property tax, with sales tax it is everyone availing themselves of the amenities within Highland. Mr. Kanallakan added this sales tax does not apply to any licensed items, medicine, and grocery items.

NEW BUSINESS

Approve Mayor’s Reappointment of Jacob Rose and Jeffrey Menz to the Historical Commission – Councilwoman Bellm made a motion to approve the mayor’s reappointments of Jacob Rose and Jeffrey Menz to the Historical Commission for three-year terms, to expire October 31, 2025 as attached. Motion seconded by Councilman Frey. Roll Call Vote: Councilmembers Sloan, Frey, Bellm and Hipskind voted aye, none nay. Motion carried.

Bill #22-149/ORDINANCE Setting Date for Public Hearing to Receive Comments Regarding Amendment of Business District A – Councilman Frey made a motion to approve Bill #22-149/ Ordinance #3222 setting date for Public Hearing to receive comments regarding Amendment of Business District A, for Wednesday, November 2, 2022 as attached. Motion seconded by Councilwoman Bellm. Roll Call Vote: Councilmembers Sloan, Frey, Bellm and Hipskind voted aye, none nay. Motion carried.

Bill #22-150/ORDINANCE Declaring Personal Property Surplus and Authorizing its Sale and/or Disposal, Specifically a 1997 Wacker Asphalt Roller – Councilwoman Bellm made a motion to approve Bill #22-150/Ordinance #3223 declaring personal property surplus and authorizing its sale and/or disposal, specifically a 1997 Wacker Asphalt Roller as attached. Motion seconded by Councilman Frey. Roll Call Vote: Councilmembers Sloan, Frey, Bellm and Hipskind voted aye, none nay. Motion carried.

Approve Notice of Municipal Letting Bid #PW-05-21 for Matter Drive Reconstruction – Councilman Frey made a motion to approve Notice of Municipal Letting Bid #PW-05-21 for Matter Drive Reconstruction as attached. Motion seconded by Councilwoman Bellm. Roll Call Vote: Councilmembers Sloan, Frey, Bellm and Hipskind voted aye, none nay. Motion carried.

REPORT

Accepting Expenditures Report #1228 for September 17, 2022 through September 30, 2022 – Councilwoman Bellm made a motion to accept Expenditures Report #1228 for September 17, 2022 through September 30, 2022 as attached. Motion seconded by Councilman Frey.

ELECTION OF MAYOR PRO TEM

City Clerk Barbara Bellm asked for a motion to elect one councilperson to serve as mayor pro tem during the temporary absence of Mayor Hemann. The mayor pro tem shall perform the duties and possess all the rights and powers of the mayor and shall vote in his/her capacity as councilperson only. Councilwoman Sloan made a motion to appoint Peggy Bellm as Mayor Pro Tem during Mayor Hemann's absence, October 13, 2022 through October 23, 2022. Motion seconded by Councilman Frey. Roll Call Vote: Councilmembers Sloan, Frey, Bellm and Hipskind voted aye, none nay. Motion carried.

Councilwoman Bellm made a motion to adjourn. Motion seconded by Councilwoman Sloan. Roll Call Vote: Councilmembers Sloan, Frey, Bellm and Hipskind voted aye, none nay. Motion carried. Meeting adjourned at 7:37pm.

Kevin B. Hemann, Mayor

Barbara Bellm, City Clerk