

CITY OF FREEPORT, ILLINOIS
MONDAY EVENING
CITY COUNCIL MEETING
May 20, 2002, 7:00 P.M.
CITY COUNCIL CHAMBERS

QUORUM

At 7:00 p.m., a quorum being present, Mayor James L. Gitz called the meeting to order.

RECORD

Present were Aldermen Veer, Jones, Boldt, Urban, Dawson, Jenkins, Gaulrapp, Rinehart, Steele, Bush, Leitzen Fye, and Goley.

Absent were Alderwoman Bender, who was recovering from surgery and Alderwoman Moore-Howard, due to an illness.

PLEDGE OF ALLEGIANCE

At this time, the Pledge of Allegiance was led by Alderwoman Veer.

PUBLIC HEARING

There was a public for the vacation of State Street. Public Works Director, Craig LeBaron gave the legal description of the street to be vacated. There being no objectors present Alderman Jenkins moved, seconded by Alderwoman Leitzen Fye to close the public hearing. The motion carried.

APPROVAL OF MINUTES

The Journal of the Minutes of the special meeting held on April 29, 2002 and the regular meeting held on May 6, 2002, were presented for approval. Alderman Gaulrapp moved, seconded by Alderman Goley the approval of the minutes. The motion carried.

CONSENT AGENDA

- A. Approval to Receive and Place on File:
 - 1. Fire Department Activities, April 2002
- B. Approval of Water & Sewer Disbursements for May 2002 - \$254,856.46
- C. Approval of Bills Payable for May 2002
- D. Approval of Payroll for Pay Period April 21, 2002 – May 4, 2002 - \$219,165.62

Alderman Gaulrapp moved, seconded by Alderman Rinehart approval of the consent agenda. On the roll call of yeas and nays, Aldermen Veer, Jones, Boldt, Urban, Dawson, Jenkins, Gaulrapp, Rinehart, Steele, Bush, Leitzen Fye, and Goley voted yea. The motion carried.

2nd READING ORDINANCE #2002-23
AN ORDINANCE AMENDING CHAPTER 608 (ALCOHOLIC LIQUOR) OF THE
CODIFIED ORDINANCES OF THE CITY OF FREEPORT, ILLINOIS

This ordinance was laid over from the meeting of May 6, when it was moved by Alderwoman Bender, seconded by Alderman Dawson that this ordinance be laid over in order to notify all liquor license holders of the change in the wording. At the meeting of April 15, 2002, Alderwoman Steele moved, seconded by Alderman Dawson for approval. Alderman Goley stated that he received complaints that no members of the Liquor Commission were present to answer questions and that he is discouraged by the

process. Alderwoman Leitzen Fye agreed and stated that the council members should have been notified of the meeting. On the roll call of yeas and nays, Aldermen Veer, Jones, Boldt, Urban, Dawson, Jenkins, Gaulrapp, Rinehart, Steele, Bush, and Goley voted yea. Alderwoman Leitzen Fye voted nay. There were eleven yeas and one nay. The motion carried.

2nd READING

ORDINANCE #2002-27

AN ORDINANCE AMENDING CHAPTER 288 (OFFICERS AND EMPLOYEES GENERALLY) OF THE CODIFIED ORDINANCES OF THE CITY OF FREEPORT, ILLINOIS

This ordinance was automatically laid over from the meeting of April 29, 2002, when it was moved by Alderman Bush, seconded by Alderman Goley for approval. On the roll call of yeas and nays to approve this ordinance, Aldermen Veer, Jones, Boldt, Urban, Dawson, Jenkins, Gaulrapp, Rinehart, Steele, Bush, Leitzen Fye, and Goley voted yea. The ordinance was approved.

1st READING

ORDINANCE #2002-25

AN ORDINANCE AMENDING CHAPTER 480 (PARKING GENERALLY) OF THE CODIFIED ORDINANCES OF THE CITY OF FREEPORT

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FREEPORT, ILLINOIS as follows:

Section 1. That Section 480.11, entitled "Prohibited Parking Streets", of Chapter 480 (Traffic Code) of the Codified Ordinances of the City of Freeport shall be amended as follows:

Locust, east side, from 200 feet south of Empire to 220 feet south of Empire.
Said no parking restriction to expire May 1, 2007.

~~Locust, east side, from Empire 40 feet south.~~

All other provisions of Section 480.11 shall remain as currently set forth.

Section 2. This Ordinance shall be effective immediately upon its passage by the City Council, its approval by the Mayor, and its publication as provided by law.

Section 3. This Ordinance is expressly adopted pursuant to the Home Rule Powers of the City of Freeport under Section 6 of Article VII of the Illinois Constitution of 1970.

Section 4. All ordinances or parts of ordinances in conflict with this Ordinance are repealed insofar as they conflict.

Section 5. If any section, clause or provision of this Ordinance be declared by a Court of competent jurisdiction to be invalid, such decision shall not affect the validity of the Ordinance as a whole or any part thereof, other than the part so declared to be invalid, and this City Council hereby expressly declares that it would have enacted this Ordinance even with the invalid portion deleted.

Alderman Jenkins, Public Works Chair, stated that the committee held a meeting on May 13, 2002. A request for "No Parking" twenty additional feet south of a driveway on Locust was presented in order to allow a handicapped bus to stop at the drive approach instead of sitting in traffic during arrival time for both Junior and Senior High. After a

brief discussion, the committee voted unanimously to approve this ordinance and Alderman Jenkins so moved, seconded by Alderman Dawson. This ordinance was automatically laid over to the next regular meeting.

1st READING

ORDINANCE #2002-28

AN ORDINANCE TO ABATE THE 2001 REAL ESTATE TAX LEVY FOR THE REPAYMENT OF THE GENERAL OBLIGATION BONDS, SERIES 2000

Alderman Bush, Finance Chair, stated that the committee held a meeting on May 14, 2002. Finance Director, Jim Leitzinger presented to the committee an abatement of \$1,159,870.00 for interest and principle for the year 2001. The Water and Sewer Department have funds set aside to fund this bond. The committee voted unanimously to approve this ordinance and Alderman Bush so moved, seconded by Alderwoman Leitzen Fye. The ordinance was automatically laid over to the next regular meeting.

1ST READING

ORDINANCE #2002-29

AN ORDINANCE GRANTING AN EXCEPTION TO A MORATORIUM ON ISSUANCE OF LIQUOR LICENSES TO BUSINESS ENGAGED IN THE SELLING OF GASOLINE

Alderwoman Steele, Community Development Chair, stated that the committee held a meeting on May 16, 2002. Tri-Star Marketing had applied for a packaged liquor permit in January 2002 prior to the moratorium. The resolution was approved on March 4, 2002 and the moratorium was established on April 1, 2002. Attorney Dan Fishburn was present to represent Tri-Star. The committee voted unanimously to approve this ordinance and Alderwoman Steele so moved, seconded by Alderman Dawson. Alderwoman Steele moved, seconded by Alderman Rinehart to suspend the rules and vote on this ordinance at this meeting. On the roll call of yeas and nays to suspend the rules, Aldermen Veer, Jones, Boldt, Urban, Dawson, Jenkins, Gaulrapp, Rinehart, Steele, Leitzen Fye, and Goley voted yea. Alderman Bush voted nay. There were eleven yeas and one nay. The motion carried. On the roll call of yeas and nays to approve this ordinance, Aldermen Veer, Boldt, Urban, Dawson, Jenkins, Gaulrapp, Rinehart, Steele, Leitzen Fye, and Goley voted yea. Aldermen Jones and Bush voted nay. There were ten yeas and two nays. The motion carried.

REPORT

The regular meeting of the Freeport Planning Commission was held on Thursday, May 10, 2002, in the City Hall Building. At 7:30 p.m., a public hearing was held on a petition by Joan Derenski, owner, and Kevin Kedlec, contract vendee, requesting a change of zoning from P-1, Professional Use District, to R-6, Multiple Family Residence District, for the property located at 3111 Kunkle Boulevard, Lot 12, Freeport; and a Special Use Permit under Section 1250.06(b) of the City of Freeport Codified Ordinances, for the property; to allow the location of a large residential care home. Present representing the petitioners were Kevin Kedlec, Dave Perhach, and Ralph Elliott. Also present were Loree Riggs and Dr. Dee Atkins. The request meets all requirements of the City of Freeport Codified Ordinances. There were no objectors present.

The Planning Commission unanimously recommends the request be approved.

Alderwoman Steele moved, seconded by Alderman Goley to receive this report and place it on file. The motion carried.

1ST READING

ORDINANCE #2002-30

SPECIAL ORDINANCE FOR VARIATION, PERMIT OR AMENDMENT OF CODIFIED ORDINANCES OF FREEPORT, ILLINOIS (Amendment of Zoning Ordinance from P-1, Professional Use, to R-6, Multiple Family Residence District)

Alderswoman Steele, Community Development Chair, stated that the committee held a meeting on May 16, 2002. A zoning change from P-1 to R-6 and a Special Use Permit were presented to allow a residential care home at 3111 Kunkle Blvd. No objectors were present and the Planning Commission unanimously approved the request. The committee voted unanimously to concur with the Planning Commission and Alderswoman Steele so moved, seconded by Alderman Dawson. This ordinance was automatically laid over to the next regular meeting.

1ST READING

ORDINANCE #2002-31

SPECIAL ORDINANCE FOR VARIATION, PERMIT OR AMENDMENT OF CODIFIED ORDINANCES OF FREEPORT, ILLINOIS (Special Use Permit, 3111 Kunkle Blvd, Lot 12)

Alderswoman Steele, Community Development Chair, stated that the committee held a meeting on May 16, 2002. The committee voted unanimously to concur with the Planning Commission and Alderswoman Steele so moved, seconded by Alderman Dawson. This ordinance was automatically laid over to the next regular meeting.

REPORT

The regular meeting of the Freeport Planning Commission was held on Thursday, May 9, 2002, in the City Hall Building. At 7:30 p.m., a public hearing was held on a petition by Joan Derenski, owner, and Kevin Kedlec, contract vendee, requesting a Special Use Permit under Section 1250.01(b) of the City of Freeport Codified Ordinances; to allow construction of a large residential care home, for the property located at 321 N. Whistler Avenue, Freeport. Present representing the petitioners was Ralph Elliott and David Perhach. Others present were Kevin Kedlec, Loree Riggs, Kay Yde, Dean and Rosemary West, Sara Lee, Grace Jones, and Dr. Dee Atkins. The request meets all requirements of the City of Freeport Codified Ordinances. Mr. Elliott present the petition and stated the proposed 2,200 square foot four bedroom will house 8 children from Illinois; it will be staffed 24/7 by two or three professionals; there will be 8 off-street parking spaces; the total operation will generate an annual payroll of approximately \$3.8 million. Mr. Perhach stated that Willow Glen staff had met last night with Whistler Avenue neighbors and had subsequently reoriented the house to provide more off-street parking. He noted that the City had previously approved two other homes. In answer to a question, he said the home would cost \$220,000. Ms. Sara Lee questioned whether such an expensive house would cause her taxes to rise. Ms. Kay Yde, representing Jean Yde, noted that the street is very narrow and hoped there wouldn't be a parking problem. A letter signed by homeowners and neighbors speaking in opposition to the petition was presented to the Commission.

The Planning Commission unanimously recommends the request be granted.

Alderswoman Steele moved, seconded by Alderman Dawson that this report be received and placed on file. The motion carried.

1ST READING

ORDINANCE #2002-32

SPECIAL ORDINANCE FOR VARIATION, PERMIT OR AMENDMENT OF CODIFIED ORDINANCES OF FREEPORT, ILLINOIS (Special Use Permit, 321 N Whistler Avenue)

Alderswoman Steele, Community Development Chair, stated that the committee held a meeting on May 16, 2002. There was some concern with this location due to the width of the street and the crowded parking conditions. A neighborhood meeting was held to discuss this situation and Willow Glen addressed the parking concern by increasing the parking lot size from 4 to 8 off-street parking spaces. Mrs. Yde (representing her mother-in-law) remains opposed to this permit due to the congested parking situation this could potentially cause. Attorney Ralph Elliot was present representing Willow Glen Academy. The Planning Commission unanimously approved the Special Use Permit. The committee voted unanimously to concur with the Planning Commission and Alderswoman Steele so moved, seconded by Alderswoman Leitzen Fye. This ordinance was automatically laid over to the next regular meeting.

REPORT

The regular meeting of the Zoning Board of Appeals was held on Thursday, May 9, 2002 in the City Hall Building. At 6:30 p.m., a public hearing was held on a petition by Faith Temple Church of God in Christ, 579 E. Madison Street, Freeport, requesting a 20-foot front yard variance and a 13-foot side yard variance for the property located at 579 E. Madison Street, in order to allow construction of a church addition. Present representing the Church was Reverend Lynn Hawkins, and Mr. Alan Turner. The request meets all requirements of the City of Freeport Codified Ordinances; there were no objectors present.

The Zoning Board unanimously recommends the petition be granted.

Alderswoman Steele moved, seconded by Alderman Dawson to receive this report and place it on file. The motion carried.

1ST READING

ORDINANCE #2002-33

SPECIAL ORDINANCE FOR VARIATION, PERMIT OR AMENDMENT OF CODIFIED ORDINANCES OF FREEPORT, ILLINOIS (Variance, 579 E Madison St)

Alderswoman Steele, Community Development Chair, stated that the committee held a meeting on May 16, 2002. This variance was sought to allow an educational/meeting hall to be built adjacent to the church. There were not objectors present and the Planning Commission unanimously approved the request. Alderswoman Steele moved, seconded by Alderman Dawson to concur with the Planning Commission. On the roll call of yeas and nays to approve this ordinance, Aldermen Veer, Jones, Boldt, Urban, Dawson, Jenkins, Gaulrapp, Rinehart, Steel, Bush, and Goley voted yea. Alderswoman Leitzen Fye abstained. There were eleven yeas and one abstention. The motion carried.

1ST READING

ORDINANCE #2002-34

AN ORDINANCE TO AUTHORIZE A REDEVELOPMENT AGREEMENT BETWEEN THE CITY OF FREEPORT AND ORACLE DEVELOPMENT, LLC

Alderman Steele, Community Development Chair, stated that the committee held a meeting on May 16, 2002. The committee voted unanimously to approve the ordinance and Alderman Steele so moved, seconded by Alderman Jenkins. This ordinance was automatically laid over the next regular meeting.

1ST READING

ORDINANCE #2002-35

AN ORDINANCE AMENDING CHAPTER 484 (LOADING ZONES; BUS AND TAXICAB STANDS) OF THE CODIFIED ORDINANCES OF THE CITY OF FREEPORT, ILLINOIS

Alderman Jenkins, Public Works Chair, stated that the committee held a special meeting on May 20, 2002. The committee discussed parking in front of the old jail. The desire was to open three of the four "No Parking" spaces reserved for sheriff's police vehicles. The sheriff said they really need two. After looking up the ordinance Public Works Director, Craig LeBaron discovered they only had two by ordinance and someone painted the whole curb yellow. The committee desires to move the two at the east end to the west end of the building.

The committee voted unanimously to approve this ordinance and Alderman Jenkins so moved, seconded by Alderman Veer. This ordinance was automatically laid over to the next regular meeting.

1ST READING

ORDINANCE #2002-36

AN ORDINANCE AMENDING CHAPTER 232 (DEPARTMENT OF PUBLIC WORKS), CHAPTER 236 (ACCOUNTING AND FINANCE), CHAPTER 258 (BOARD OF WATER AND SEWER COMMISSIONERS), CHAPTER 290 (COMPENSATION AND BENEFITS), CHAPTER 482 (OFF STREET PARKING LOTS), CHAPTER 484 (LOADING ZONES, BUS AND TAXICAB STANDS), CHAPTER 486 (SNOW EMERGENCIES), CHAPTER 612 (ANIMALS), CHAPTER 1020 (STREETS GENERALLY), CHAPTER 1030 (SPECIAL EVENTS), CHAPTER 1046 (SEWERS GENERALLY), CHAPTER 1050 (STORM SEWERS), CHAPTER 1224 (SUBDIVISION REGULATIONS), AND CHAPTER 1472 (STORM WATER DETENTION), OF THE CODIFIED ORDINANCES OF THE CITY OF FREEPORT, ILLINOIS

Alderman Jenkins, Public Works Chair, stated that the committee held a special meeting on May 20, 2002. Water & Sewer Director, Alice Ohrtmann and Public Works Director, Craig LeBaron had put together an info package describing, in detail, the transition period and areas of cooperation between Street and Water & Sewer Departments.

Discussion was extensive including the question: If we need to create a funding source why couldn't it go to Public Works to do storm sewer work. Alice Ohrtmann replied that the proposed amount (\$1 resident & \$5 commercial) would only generate about \$50,000 per year. This would be enough to hire two additional workers but not enough to purchase any equipment.

Tom Dole said we wouldn't need an engineer or if we had one his cost would need to be split since he would be doing other work for the Public Works Department. He also explained that Public Works would not need "jetter" and vac trucks because a vac truck and a jetter truck are the same. There was other discussion about costs for Public Works to keep the storm sewers.

The Water & Sewer Commission approved the transfer in concept about a year ago and this committee did the same at the regular meeting of May 13, 2002. The transition and cooperation plans are very acceptable to the Public Works Committee.

The transfer would keep the Street Department repairing inlets the same as they have been (approx. 25 cave-ins currently). They are very experienced at this part of storm sewers, but laying of new pipe consumes a good part of the crew and there are many other projects needing attention. The Street Department would then be able to spend more time on street, curb, and sidewalk repair. This could extend the life of many of our streets.

The Water & Sewer Commission would assume responsibility for inventory of all materials needed for Street to repair inlets and cleaning of the inlets with their vacuum truck (another time consuming part of Street Dept.)

The only other option would be to keep them in Public Works Department. This would cost a minimum of \$200,000 for vac truck, \$150,000 for TV truck, and at least another two street workers @ \$50,000. Compliance with NPDES requirements would require additional administrative help to initiate and maintain the programs. This option is unacceptable to the committee since we already cut the operating budget drastically.

The committee concluded that we are not in a position to finance compliance with EPA mandates or purchase of new equipment, not to mention additional personnel. Since storm water management is the key to avoiding future Compliance Orders from EPA and implementation of our current Compliance Order the Water and Sewer Commission can most efficiently accomplish this task.

The committee voted unanimously to approve this ordinance and Alderman Jenkins so moved, seconded by Alderman Urban. This ordinance was automatically laid over to the next regular meeting.

1ST READING

ORDINANCE #2002-37

AN ORDINANCE VACATING A CERTAIN PORTION OF NORTH STATE STREET IN THE CITY OF FREEPORT

Alderman Jenkins, Public Works Chair, stated that the committee held a meeting last month and was just waiting for the public hearing. The committee voted unanimously to approve this ordinance and Alderman Jenkins so moved, seconded by Alderman Rinehart. This ordinance was automatically laid over the next regular meeting.

RESOLUTION #R-2002-36

RESOLUTION TO ACCEPT AN EASEMENT

WHEREAS, the City of Freeport has been working on improvements to the Van Buren Street Bridge; and

WHEREAS, the City of Freeport has received bids for the rehabilitation of said bridge; and

WHEREAS, the south abutment and approach lies within the right-of-way of the Canadian National/Illinois Central Railroad right-of-way; and

WHEREAS, It is necessary to obtain a permanent easement on said right-of-way in order for the City to complete the improvements to the bridge, and adjacent crossing of the tracks for pedestrian/trail access purposes; and

WHEREAS, these items were identified in the report prepared by Gerry Estes and are considered as Phase II items to said report.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FREEPORT, ILLINOIS that the Mayor of the City of Freeport is hereby authorized and directed to sign, execute and file on behalf of the City of Freeport, the easement agreement with the Canadian National/Illinois Central Railroad, a copy of which is attached hereto and marked as "Exhibit A".

BE IT FURTHER RESOLVED, this Resolution is expressly adopted pursuant to the Home Rule authority of the City of Freeport under Section 6(a) of Article VII of the Illinois Constitution of 1970.

Alderman Jenkins, Public Works Chair, stated that the committee held a meeting on May 20, 2002. The committee voted unanimously to adopt this resolution and Alderman Jenkins so moved, seconded by Alderwomen Veer. On the roll call of yeas and nays, Aldermen Veer, Jones, Boldt, Urban, Dawson, Jenkins, Gaulrapp, Rinehart, Steele, Bush, Leitzen Fye, and Goley voted yea. The resolution was adopted.

EXECUTIVE SESSION

Alderman Steele moved, seconded by Alderman Jenkins to go into executive session according to 5 ILCS 120/2 (c)(2) to discuss Collective Bargaining and 5 ILCS 120/2(c)(5) to discuss Rawleigh Office Building Related Real Estate. The motion carried.

Alderman Steele moved, seconded by Alderman Rinehart to come out of executive session. The motion carried.

RESOLUTION #R-2002-37

RESOLUTION TO AUTHORIZE THE FINALIZATION OF A DEVELOPMENT AGREEMENT IN CONNECTION WITH THE REDEVELOPMENT OF THE RAWLEIGH OFFICE BUILDING LOCATED WITHIN THE CITY'S CENTRAL BUSINESS DISTRICT TIF DISTRICT

WHEREAS, the City of Freeport has undertaken a program for the redevelopment of certain property hereinafter described pursuant to Chapter 65, Article 11, Division 74.4 of the Illinois Compiled Statutes (65 ILCS 5/11-74.4-1, et seq., as amended), known as the "Tax Increment Allocation Redevelopment Act" (hereinafter referred to as the "Tax Increment Act"); and

WHEREAS, pursuant to the provisions of the Tax Increment Act, the City has, by its Ordinance No.94-64, adopted a Tax Increment Redevelopment Project Area Redevelopment Plan and Project (hereinafter collectively referred to as "Tax Increment Plan") , and by its Ordinance No.94-65, has designated a Redevelopment Project Area (hereinafter referred to as the "Redevelopment Project Area"); and

WHEREAS, the Rawleigh Office Building Redevelopment Site (the "Rawleigh Redevelopment Site") is a tract of land consisting of a portion of the total property located within the Redevelopment Project Area. The Rawleigh Redevelopment Site is located at 221 E. Main St., Freeport, Illinois (Southwest corner of E. Main St. and S. Liberty Ave.). Oracle Development LLC (the "Developer") is the record owner or the contract purchaser of the Rawleigh Redevelopment Site; and

WHEREAS, the Developer has agreed to cause the redevelopment of the existing office building of approximately 45,754 square feet on the Rawleigh Redevelopment Site (the "Project") in a professional, cost-efficient and timely manner, pursuant to the terms of this Redevelopment Agreement, at a total project cost of at least \$1,200,000.00. The Project conforms to the type of development contemplated by the

Tax Increment Plan, and the City hereby finds that the Project would not be possible without the assistance able to be offered by the City pursuant to the Tax Increment Act and a corresponding Redevelopment Agreement; and

WHEREAS, as part of the overall Project, the Developer will renovate the exterior of the building, including new window systems, facade, panel replacement and a new roofing system. Hazardous material will be removed and interior space remodeled. The Developer has also agreed to raze the adjoining parking garage to provide for additional parking (to be constructed by the City); and

WHEREAS, the redevelopment items listed above are generally referred to herein as the "Rawleigh Redevelopment Site Improvements"; and

WHEREAS, the cost of the Rawleigh Redevelopment Site Improvements, and any other Project-related costs (such as the Developer's related engineering and legal expenses attendant to negotiating the Redevelopment Agreement, and the building leases, as well as the additional remodeling costs to make the balance of the office building suitable for tenant occupancy) are referred to herein as the "Rawleigh Redevelopment Project Costs"; and

WHEREAS, in order to achieve the objectives set forth in the Tax Increment Plan, the City has agreed to make available to the Developer the sum of \$500,000.00 in general obligation tax increment Financing, as that term is referred to hereinbelow, pursuant to the provisions of the Tax Increment Act, the proceeds of which will be used for Rawleigh Redevelopment Project Costs; and

WHEREAS, based upon the City's commitment to issue said Financing, to facilitate certain additional borrowing from the City's Revolving Loan Fund, and to provide other assistance as described hereinbelow, Developer is willing to redevelop the Rawleigh Redevelopment Site, to construct the Rawleigh Redevelopment Site Improvements; and

WHEREAS, the Corporate Authorities of City, after due and careful consideration, have concluded that the development of the Rawleigh Redevelopment Site as provided for herein will further the growth of the City, facilitate the redevelopment of the entire Redevelopment Project Area, improve the environment of the City, increase the assessed valuation of the real estate situated within the City, increase the sales tax revenues realized by the City, foster increased economic activity within the City, increase employment opportunities within the City, and otherwise be in the best interests of the City by furthering the health, safety, morals and welfare of its residents and taxpayers; and

WHEREAS, the City is desirous of having the Rawleigh Redevelopment Site developed as generally described herein to serve the needs of the City and in order to produce increased tax revenues for various taxing districts authorized to levy taxes within the overall Redevelopment Project Area; and the City, in order to stimulate and induce the development of the Redevelopment Project Area, has agreed to finance certain Rawleigh Redevelopment Project Costs through property tax increment revenues, all in accordance with the terms and provisions of the Tax Increment Act and this Redevelopment Agreement; and

WHEREAS, in reliance on the commitment of the City to issue the Financing, and the agreement of the City to reimburse the Developer for certain Rawleigh Redevelopment Project Costs, the Developer has incurred costs in connection with its evaluation of the Project, and is willing to commence the Project, and has or is about to advance funds for the cost of constructing the Rawleigh Redevelopment Site Improvements.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FREEPORT, ILLINOIS, as follows:

Section 1. The foregoing recitals shall be and are hereby incorporated in this Section 1 as if said recitals were fully set forth herein.

Section 2. The Corporate Authorities will consider the use of Tax Increment Financing pursuant to the Tax Increment Act for the Rawleigh Development Site, and shall take such actions as they deem appropriate and necessary to induce redevelopment therein, including the drafting and finalization of a Redevelopment Agreement with the Developer that will contain the following terms and conditions, among others, to wit:

1. The Developer shall agree, as part of its covenants and commitments under the terms of the Redevelopment Agreement with the City, to:
 - A. Within thirty (30) days of execution of a Redevelopment Agreement, acquire the balance of the land required for the Rawleigh Redevelopment Site, and within one year from the execution of the Redevelopment Agreement, to cause to be constructed thereon the Project and all the Rawleigh Redevelopment Site Improvements, in a professional, cost-efficient manner.
 - B. Cause the prompt development and the construction of the Project in accordance with all approved plans and specifications and complete all of the Rawleigh Redevelopment Site Improvements.
 - C. Submit to the City proper evidence of property acquisition agreements, site control and/or title to the Rawleigh Redevelopment Site, within forty (40) days of the execution of the Redevelopment Agreement.
 - D. Maintain ownership of the Rawleigh Redevelopment Site, and not sell or convey the same without obtaining the City's prior written consent.
 - E. See to it that there are no unlawful conflicts of interest between the Developer and any other party, including any party involved or related in any way to the issuance of project financing or the Project itself.
 - F. Remodel interior space to accommodate the offices of the tenant under a commercial lease having a term of not less than fifteen (15) years for no less than 9,000 square feet and to provide occupancy thereof on or before October 15, 2002, unless otherwise extended in writing with the consent of the tenant.
2. The Rawleigh Redevelopment Project Costs will be greater than the proceeds from the financing provided by the City. The Developer agrees to advance such additional funds as are necessary to pay for the completion of all such Costs, through loans, grants, capital contribution, and/or other means as the Developer may arrange, subject to reimbursement therefore as to be provided under the terms of the Redevelopment Agreement.
3. The City shall agree, as part of its covenants and commitments under the terms of the Redevelopment Agreement with the Developer, to:
 - A. Use its best efforts to obtain and provide certain financing for funds to be devoted to the Project. The principal

amount of the financing shall be the sum of Five Hundred Thousand Dollars (\$500,000.00) secured by the full faith and credit of the City (the "Financing").

- B.** The Financing shall be issued subject to the following submissions.
 - (i)** A Feasibility Study prepared by Kirkpatrick Pettis, a Mutual of Omaha Company, at the sole expense of the City, and which study shall demonstrate that it is reasonable to expect that tax increment revenues, together with capitalized interest, reserves, and interest earnings, will be sufficient to provide for coverage of annual debt service on the Financing.
 - (ii)** Documentation from the Developer demonstrating that the Developer has commitments from the user/tenants, whose projected tax incremental revenue shall serve as the basis for the projections in the Feasibility Study for a minimum of 9000 square feet.
- C.** The amounts of incremental property tax revenues shall be disbursed as follows with the following priorities as to amounts:
 - (i)** Annual debt service on the Financing.
 - (ii)** The City shall be entitled to reimbursement or direct payment of all costs incurred by the City in complying with all administrative requirements of the Tax Increment Act.
 - (iii)** Reimbursement to the Developer for tenant rehabilitation over and above Rawleigh Redevelopment Project Costs upon approval of the City, and once approved, the City shall establish a sub-account of the Special Tax Allocation Fund of the City into which shall be deposited all incremental real estate taxes derived from the Project until the Developer has been reimbursed for the costs of tenant rehabilitation over and above Rawleigh Redevelopment Project Costs. Procedures and requirements for reimbursement through annual requisitions shall be set forth in the Redevelopment Agreement.
- D.** The City, without expense to the Developer, shall acquire the apartment buildings located on Adams and Main Streets, and shall raze the structures to provide for additional parking space to serve the Rawleigh Office Building.
- E.** The City, without expense to the Developer, shall construct a new parking lot at a location that includes the area of three (3) former buildings. The parking lot shall be substantially similar to the sketch by Jerry Estes. The City shall enter into a long-term lease with the Developer at a fee of One Dollar (\$1.00) per year for use of the City-owned portion of the developed lot.

- F. The City, without expense to the Developer, shall provide access to the landfill or an alternative site, for the tipping all debris resulting from interior and exterior demolition of all buildings involved in this Agreement. The City agrees to waive any City fees or other City charges in connection with the tipping of non-hazardous debris.
 - G. The City shall bear the cost of a Cash Flow Analysis to be prepared by Kirkpatrick Pettis, to determine the feasibility of the TIF Development Agreement.
 - H. The City shall assist the Developer in applying for and securing Revolving Loan Funds in the amount of Two Hundred Thousand Dollars (\$200,000.00) with terms of a 20-year repayment at 3% interest or lower. This shall be a junior loan.
 - I. The City shall request the Freeport Water and Sewer Commission for the installation of new domestic and fire water and sewer services to the Rawleigh Office Building. The installation of said services are to be funded from funds budgeted for economic development.
4. Prior to and as a condition of the issuance of the Financing to pay for the costs of acquisition, and construction and installation of the Rawleigh Development Site Improvements, unless waived by the City in writing, Developer shall furnish to the City, in form and substance satisfactory to the City, the following:
- A. A budget ("Project Budget") showing all projected costs incident to site acquisition and completion of the Rawleigh Redevelopment Site Improvements;
 - B. Guaranteed Maximum Price construction contracts and subcontracts, to the extent then awarded, covering the construction of the Rawleigh Development Site Improvements;
 - C. A certificate issued by the Developer (or other evidence satisfactory to the City) certifying that the Project Budget represents a reasonable estimate of the costs to be incurred in connection with the Rawleigh Redevelopment Site Improvements; and
 - D. A commitment for financing or other evidence reasonably satisfactory to the City showing that the Developer has the funds available to complete the Project.

Section 3. This Resolution shall be in full force and effect from and after its passage and approval in the manner provided by law. The City Clerk is directed to publish this Resolution in a newspaper of general circulation within the City.

Alderwoman Leitzen Fye moved, seconded by Alderman Jenkins to adopt this resolution. On the roll call of yeas and nays, Aldermen Veer, Jones, Boldt, Urban, Dawson, Jenkins, Gaulrapp, Rinehart, Steele, Bush, Leitzen Fye, and Goley voted yea. The resolution was adopted.

RESOLUTION #R-2002-38

RESOLUTION IN SUPPORT OF CDAP GRANT APPLICATION

WHEREAS, the City of Freeport is applying to the State of Illinois for a Community Development Assistance Program Grant; and

WHEREAS, it is necessary that an application be made and agreements entered into with the State of Illinois.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FREEPORT, ILLINOIS that the City of Freeport apply for a grant under the terms and conditions of the State of Illinois, and shall enter into and agree, to the understanding and assurances contained in said application.

BE IT FURTHER RESOLVED that the Mayor and City Clerk, on behalf of the City, execute such documents and all other documents necessary, for the carrying out of said application.

BE IT FURTHER RESOLVED that the Mayor and City Clerk are authorized to provide such additional information as may be required to accomplish the obtaining of such grant.

BE IT FURTHER RESOLVED that this Resolution is expressly adopted pursuant to the Home Rule authority of the City of Freeport under Section 6(a) of Article VII of the Illinois Constitution of 1970; and

Alderwoman Steele, Community Development Chair, stated that the committee held a meeting on May 16, 2002. Leslie Mastroianni made a presentation of the process used to determine the targeted area for the CDAP Grant Application. Surveys were used and the city was divided into census tracts to compile information to determine what area would be most effective as well as needed for the grant. After the information was compiled and reviewed, the Galena Avenue corridor was decided to benefit the most. Ms. Mastroianni also requested for citizens to write letters to their representatives and ask them for their help in awarding this grant. The committee voted unanimously to adopt this resolution and Alderwoman Steele so moved, seconded by Alderwoman Leitzen Fye. On the roll call of yeas and nays, Aldermen Veer, Jones, Boldt, Urban, Dawson, Jenkins, Gaulrapp, Rinehart, Steele, Bush, Leitzen Fye, and Goley voted yea. The motion carried.

RESOLUTION #R-2002-39

RESOLUTION TO AUTHORIZE A SUMMER 2002 CITY INTERNSHIP PROGRAM

WHEREAS, internships provide valuable experience and exposure for students interested in civic education or public service; and

WHEREAS, continuing the internship program in conjunction with an accredited college may also provide college credit for such an internship program; and

WHEREAS, many support functions have been provided by former interns including Census promotion, festival coordination, low level grant writing, City web page development, town meeting organization, media relations, Mayoral representation and research which are all beneficial to the City; and

WHEREAS, this City Council hereby finds that establishing a summer internship program will be in the best interests of our area students and the general public who will be served and benefited by such an internship program.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FREEPORT, ILLINOIS that the Mayor is hereby authorized to establish a Summer 2002 Internship program.

BE IT FURTHER RESOLVED that this Resolution is expressly adopted pursuant to the Home Rule authority of the City of Freeport under Section 6(a) of Article VII of the

Illinois Constitution of 1970; and all Resolutions or motions in conflict with this Resolution are repealed insofar as they conflict.

Alderman Bush, Finance Chair, stated that the committee held a meeting on May 14, 2002. The summer intern will fill in where needed. The intern will also work with Corporation Counsel on the Brownsfields Grants. The program will be 12 weeks at \$9/hour. Alderwoman Leitzen Fye expressed concerns on bringing someone on board when we are telling employees they are not getting raises. After some discussion, the committee voted unanimously to adopt this resolution and Alderman Bush so moved, seconded by Alderman Goley. On the roll call of yeas and nays, Aldermen Veer, Jones, Boldt, Urban, Dawson, Jenkins, Gaulrapp, Rinehart, Steele, Bush, Leitzen Fye, and Goley voted yea. The motion carried.

COMMITTEE REPORTS

FINANCE

Alderman Bush, Chair, stated that the committee held a meeting on May 14, 2002. Corporation Counsel gave the committee a job description of the Hearing Officer/Grant Administrator. The committee was concerned that the individual would not have time to for both the officer and grant administrator duties. Corporation Counsel stated that she understood their concerns and is hoping to have a retire judge volunteer time to get the program up and running.

Finance Director, Jim Leitzinger, gave an update on revenue comparisons, which was not complete because the state has not given its report on the shared revenue figures. He also gave a department budget comparison that showed expenses were \$1,183.00 less than targeted for internal control purposes and \$2,551,589 less than appropriated. He stated that the city did a good job holding down expenses.

Finance Director, Jim Leitzinger also gave the committee a report on electric tax rates for the state of Illinois. The report stated that Freeport is the third lowest in the state. The committee also received a list of natural gas rates for Illinois. Freeport is somewhere in between.

Based on a recommendation by the auditors, Finance Director, Jim Leitzinger distributed a list of new accounts that were opened with banks.

COMMUNITY DEVELOPMENT

Alderwoman Steele, Chair, stated that the committee held a meeting on May 16, 2002. Deb Elzinga, Executive Director of NHS, made a presentation and request that the committee re-evaluate the necessity of reducing the allocation of \$100,000 to \$50,000. Ms. Elzinga stated that NHS helps many citizens become homebuyers and helps low-income homeowners with repairs that would otherwise not be affordable. There were numerous attendees present in support of Ms. Elzinga and discussion was had as to the possibility of reinstating the \$100,000 level of support from the city. Alderwoman Leitzen Fye stated her support to this program and that she felt the money could be rearranged or cut in other areas to make up the \$50,000 difference. Finance Director, Jim Leitzinger agreed to meet with Alderwoman Leitzen Fye to see if in fact that money could be cut from other areas to make up the difference. The consensus was unanimous that Jim

Leitzinger re-evaluates this line item to see if the full \$100,000 could be reinstated without jeopardizing other issues.

Mr. Ransom Wolfe stated that it was the spirit of the program that affects the neighborhood and that everyone wants to work together to improve his or her neighborhoods.

Finance Director, Jim Leitzinger, reviewed the updates to the budget. The committee voted unanimously to approve the Community Development portion of the budget with exception to revisiting the NHS contribution and possibly reinstating the amount to \$100,000.

Mr. Devin Moose from Envirogen was present to update the committee on the status of the transfer station and closing of the landfill. (1) The current haulers have agreed that they are obligated by contract to continue to haul through June 30, 2003. (2) An RFP has been drafted and set aside for use when required. (3) A conceptual design has been created. (4) The County review has been slow in reaching consensus. County is having confidentiality agreement reviewed by their lawyer prior to reviewing transfer station concept. An extension of the haulers contract for approximately 4-6 months still needs to be negotiated in order to cover the time until the transfer station can become operational.

The permit for the sight location approval will be given to the contractor and included in the RFP at that time.

Community Development Director, Jeff Mikkelsen, stated that the permit for the cover is imminent and that the trees will be used on the cover of the current landfill.

The next meeting will be Thursday, June 13, 2002 at 5:30 pm, in City Council Chambers.

PUBLIC WORKS

Alderman Jenkins, Chair, stated that the committee held a meeting on May 13, 2002. The committee reviewed the 2002-03 Budget for Public Works, Traffic & Engineering, Street Lights, Buildings, Street Department, Cemetery, Forestry, Dog Pound, and two line items in Intergovernmental for dump trucks, art museum roof, prairie path, and sidewalk program. After much discussion on how the usual services could be provided under the proposed budget with only a few contingencies throughout, there seemed to be a general agreement that without additional funding the department heads had been very realistic. The sidewalk program is currently funded at \$5,000. The program has not been eliminated and can be increased next year if funding is available. This is a good program and effort to keep it alive. The committee voted unanimously to approve its portion of budget and appropriation and pass it on to the Finance Committee.

The committee was presented a Storm Water Utility Survey from Black & Veatch. The NPDES Phase II regulation deadlines are closing in and we are currently under an IEPA compliance order because of storm water problems that caused sanitary backups in several areas. The Water & Sewer Commission has already begun the required work in the compliance order. Following is a list of requirements from EPA:

Hunt District: (1) Inspection and cleaning of 72" & 48" storm sewers on April 4, 2002 (2) Structural modifications to storm inlet grating and flow direction at Waddell and Elm

Streets will be completed by June 28, 2002 (3) Implementation of inspection for illegal sump pump connections will be initiated by August 1, 2002 (4) Installation of check valves in private residences affected by sanitary backups will be completed by June 2003

Homer District: (1) Sump pump connection inspection to be initiated August 1, 2002 (2) Completion of engineering studies, already underway, for storm sewer upgrades by October 31, 2002 (3) Inspection of 72" & 42" storm sewers, as well as any necessary structural repairs will be completed by March 1, 2002 (4) Installation of check-valves in private residences affected by sanitary backups will be completed by June 2003

The committee has been studying this for over seven months. In concept, this seems to be the best plan since storm water affects sanitary sewers and the commission already has many things in place to start work on the storm system. Many questions were raised.

Public Works Director, Craig LeBaron, showed a comparison of initial requirements for Street Department and Water & Sewer. Basically, Water & Sewer would only have to hire a technician and two labors. The Street Department would need an Engineer, Technician, two laborers, Vactor truck, Jetter truck, Televising unit, Gas Detectors, Trench boxes and shoring, and other unnamed safety equipment.

Larry Timms said at a meeting of the Water & Sewer Commission in April of 2002 that the commission approved this change in concept and expressed the need to get started as soon as possible because the sanitary lines are at risk and time is running out for the deadlines.

At some point, probably after a contracted cleaning and televising of the storm sewers, a storm water fee will have to be charged. Initially, the thoughts are about \$1.00 per residence and \$5.00 for commercial on the water bill. The Street Department could receive this and start work on storm sewers instead of emergency repairs of "cave-ins". The only problem would be an initial cost to hire personnel and purchase equipment.

The city owns the Water & Sewer Department; therefore, city employees would still do the work. For the Street Department to start this project would cost over \$500,000 and it is not in the budget. Water & Sewer is already in the process of adding another Vactor truck for cleaning sewers. They would take over many of the regular tasks performed by the Street Department including cleaning the drain boxes (a 2-month job for 2-4 employees) that would be helpful in maintaining other services performed by the Street Department.

The committee will discuss this further a special meeting on May 20, 2002. All Council members will be provided additional information regarding cost from United Water & transition from the Street Department to Water & Sewer.

Alderwoman Leitzen Fye presented a completed report and recommendation from Freeport Downtown Development. The committee will be holding a special meeting to study the plan and walk and drive around the area after FDDF provides maps of the recommendations. They have used information gathered including the Teng study report of the downtown core area.

Public Works Director, Craig LeBaron, presented a spreadsheet of streets to be repaved. There are thirty-two (32) streets listed. Some are cul de sacs along streets that are getting paved, and not the full length is getting paved on most. Progress is being made and this will put us over the hump as we will now be resurfacing streets next year that rate over "50" on a scale of 1-100 (1 being the worst).

Bids were accepted for supplies for the reopening of VanBuren Bridge (Phase I). Alderman Jenkins moved, seconded by Alderman Urban to accept the low bid of \$179,843.00 from Civil. This will be funded by grant money. On the roll call of yeas and nays to accept the bid, Aldermen Veer, Jones, Boldt, Urban, Dawson, Jenkins, Gaulrapp, Rinehart, Steele, Bush, Leitzen Fye, and Goley voted yea. The bid was accepted.

TECHNOLOGY

Alderman Gaulrapp, Chair, stated that the committee held a meeting on May 7, 2002. The committee discussed developing a questionnaire to help cost savings to distribute to each department head no later than May 28, 2002.

PUBLIC SAFETY

Alderman Dawson, Chair, stated that the committee held a meeting on May 15, 2002. The committee reviewed the police and fire budget line items. The committee voted unanimously to accept the appropriation budget for the Fire Department.

The Fire Department Task Force appointed a chairman to head the study: John Thingvold, from Newell Rubbermaid was appointed to fill this position.

DEPARTMENT HEAD REPORTS

Tom Korte stated that the Fire Department would host an Annual Open House on May 27, 2002 from 1:00 to 4:00 pm. Lynn Ocker invited the public to attend.

NEW BUSINESS

Alderman Boldt stated that the council took a monumental step for the downtown by approving the Rawleigh Redevelopment Resolution. He made a plea to the Finance Committee to reinstate NHS funding to \$100,000.

Alderman Dawson wished everyone a safe Memorial Day holiday.

Alderman Gaulrapp stated that the council took great steps in redeveloping the Rawleigh building.

Alderman Rinehart wished everyone a nice Memorial Day holiday.

Alderwoman Steele reminded Public Works Director, Craig LeBaron, to review the parking situation at 321 N Whistler.

Alderwoman Leitzen Fye stated that originally, the property transfer tax was created for neighborhood revitalization.

Alderman Goley stated that NHS is a very important organization to the community and he would like to see the funding continue. He also stated that if any of the residents near the Whistler property would still like to voice concerns to contact him. He also

asked the process for the data collection for the moratorium. Corporation Counsel answered that she found a national organization that specifically requests cities to enact ordinances such as this one, but that she has not found an effect of gas stations selling liquors. She stated that she would continue to research this.

Mayor Gitz thanked the council for all the work in relation to the Rawleigh Redevelopment Project. He stated that it is a very complicated process and that he is glad to have unanimous support. He also stated that in regards to a replacement for Police Chief Dave Kentner, he would be looking within the department as well as an extensive review of resumes outside of the department. There will be a committee formed to narrow it down to three candidates for him to interview. He invited everyone to attend the Memorial Day Parade. He stated that it commemorates a special occasion.

As there was no other business to be transacted by the City Council, the meeting was adjourned at 9:40 p.m.

LATACIA M. ISHMON, CITY CLERK