



## **City Council**

**City Council Chambers ♦ 524 West Stephenson Street, 3rd Floor ♦ Freeport, IL 61032**

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**COMMITTEE OF THE WHOLE  
MINUTES  
REGULAR MEETING  
MONDAY, DECEMBER 14, 2015 AT 6:00 P.M.**

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### **CALL TO ORDER**

The regular meeting of the Freeport, Illinois, Committee of the Whole was called to order in council chambers by Mayor James L. Gitz with a quorum being present at 6:00 p.m. on December 14, 2015.

### **ROLL CALL**

Present on roll call: Mayor Gitz and council members Tom Klemm, Peter McClanathan, Art Ross, Jodi Miller, Patrick Busker, Sally Brashaw, Michael Koester and Andrew Chesney (8). There was no corporation counsel present at this meeting.

### **PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Alderperson Brashaw. She then became the chairperson of the meeting.

### **PUBLIC COMMENTS – AGENDA ITEMS**

The following public commenters were signed on the sheet in regard to agenda items:

Michael Mead, 217 W. Main Street, Freeport, Illinois, spoke in support of the City Centre Freeport proposal. He stated it is a great use for the remaining TIF and it provides the tools needed captured in the plan to move towards a thriving downtown.

Brian Borger, 1828 Canyon Drive, spoke in support of the City Centre Freeport proposal and how it relates to financing for the projects that could come forth. The City Centre plan will focus on our resources for the remaining life of the TIF. He spoke about the benefit of the whole building generating income by use of the upper floors for living area and the lower floors for retail.

William Green, 1690 Barberry Circle, Freeport, Illinois, spoke in support of the City Centre Freeport proposal through development of buildings in downtown Freeport. There is a need to get buildings producing income. This could produce visible changes and will encourage other to invest in our community. He spoke about the views they have had on their internet videos and the interest for the Wagner Building. He stated there is a need for public private partnerships and City Centre Freeport will be a benefit to Freeport.

Ryan Hughes, 28-53 Southview Drive, Lanark, Illinois, spoke in support of the City Centre Freeport proposal because there are two gaps as an investor that this will help. Those gaps are the evaluation of the infrastructure of a building and the creation of a plan for the improvements. He spoke about determining the infrastructure of a building and securing the financing and if these things were known

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one could determine the financing necessary. Without the knowledge of the infrastructure and building need they will remain in ill repair. The City Centre Freeport will answer these questions as to whether projects are feasible and profitable.

Amy Dreibelbis Fairweather, 51 Elizabeth Circle, Freeport, Illinois, spoke in support of the City Centre Freeport proposal to put the beat back into the downtown. This is about place making and reimagining. This plan will help to build a village, bring in new businesses, and vitality to the downtown.

Tiffany Nieman, 8785 Illinois Route 73 North, Lena, Illinois, spoke in support of the City Centre Freeport proposal as a way to supplement the downtown TIF dollars. This is a plan for revitalization and will increase the demand for residential units in the downtown. She spoke about the use of a building where it is now used as a retail establishment with two living quarters above. She stated this will support the downtown for the long term through the use of the remaining life of the TIF.

**MINUTES**

The minutes from the regular meeting on November 9, 2015 were presented for approval. Alderperson Koester moved for approval, seconded by Alderperson Busker. Motion prevailed by voice vote without dissent.

**TAX LEVY DISCUSSION**

Discussion of 2015-2016 Tax Levy and [Ordinance #2015-66 \(Option B\)](#): An Ordinance For the Levy and Assessment of Taxes for the Fiscal Year Beginning May 1, 2015 and ending April 30, 2016 for the City of Freeport, County of Stephenson and State of Illinois

The following summary was provided at the December 7, 2015 council meeting for the levy projected at 0% from last year's levy:

**0%**

**Increase**

<b>Preliminary Tax Levy Calculation 2015</b>						
	90% Target Annual Contribution	20% Contribution From Rep. Tax	Corporate Fund Additional Contribution	2015 Tax Levy	2014 Tax Levy	% Change
Firefighter's pension contribution	943,449	188,690	199,504	555,255	569,263	-2.5%
Police pension contribution	1,859,174	371,835	278,508	1,208,831	1,273,118	-5.0%
IMRF	330,000	66,000	49,705	214,295	136,000	57.6%
Corporate				469,660	469,660	0.0%
	3,132,623	626,525	527,717	2,448,041	2,448,041	0.00%

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		Effect on \$100,000 home If the EAV of the home does not change		
Tax Cap Limitation 0.8%		Amount	Dollar	%
	Est. 0% increase	of Tax	Increase	Increase
Estimated assessed value	218,135,748			
Estimated tax rate	0.0112226	374	0	0.0%
Previous year's tax rate	0.0112227	374		

ASSUMES NO CHANGE IN TOTAL EAV

Aldersperson Koester spoke against the passage of a zero percent tax levy. He stated based on budget constraints the reserves are getting lower. He understands wanting to set an example to other taxing bodies in holding the line on property taxes but noted that we cannot afford to stay at 0% levy. This will cause drastic cuts in the budget and we have already found out that it is hard to cut the budget. It was thrown out there that they already cut \$300,000 out of the budget when in fact it was much less than that. Most of what was cut came out of the capital equipment fund and has no bearing on general fund. He stated we do not have much to cut. Aldersperson Koester explained he spoke with Duane Price regarding revenues and without an increase in revenues we will have to cut \$670,000 out of the budget.

Aldersperson Koester noted if the legislators freeze the tax levy this will hurt us even further for years to come.

Aldersperson Klemm spoke about the other taxing bodies and the level of tax burdens on property in the State of Illinois. He encouraged citizens who do not like their property taxes to go to the Freeport Park District, Freeport School District 145, and others and recommend they hold the line on their levies. He also encouraged people to attend their meetings.

Aldersperson Koester discussed the potential revenue sources that are available including a quarter percent sales tax which could help make up that amount. If you increase the food and beverage taxes another percent it would bring \$90,000. He noted that if we keep the levy at zero we will be in a lot more trouble.

Aldersperson Klemm stated the county is holding the line on their levy and according to a school board member, he will seek to hold their levy. What we need to look at are more efficiencies and develop a trend that we are here holding the line on property taxes.

Aldersperson Klemm verified that the ordinance for the tax levy is on second reading and will be up for passage on December 21, 2015 meeting. City Clerk Zuravel confirmed that is correct this is for discussion and the ordinance is on the floor for the council.

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**PRESENTATION REGARDING THE PROPOSED LAYOUT FOR 314 W. STEPHENSON (FORMER CARNEGIE BUILDING) FOR USE AS CITY HALL**

Shaun Gallagher, City Engineer for the City of Freeport and Scott Winter of Winter Construction provided the proposed layout for 314 W. Stephenson (former Carnegie Building) for use as City Hall on a Power Point presentation. The proposed layout provided for easy access for the public paying their water bills and contractors applying for building permits. Consideration was also given to make sure there would be a receptionist greeting citizens and assisting with routing to the appropriate department. This layout also includes an elevator that will have access to the lower level, the 1<sup>st</sup> floor, and the 2<sup>nd</sup> Floor.

The proposed layout provides Water & Sewer staff, Human Resources, GIS Specialist, City Engineer and the Police Department IT staff on the lower level. This lower level is on the north-east side of the building and has an ADA ramp into the building. The Water & Sewer accounts payable will be behind a safety glass. This area will also have a conference room for meetings.

The 1<sup>st</sup> Floor has access and parking on Stephenson Street and can be reached by the use of the elevator. This area would house City Council Chambers and two conference rooms that can be used as over-flow for council meetings. This floor will also provide office space for Community Development and Finance. The City Treasurer's office will be located by the Finance Department.

The 2<sup>nd</sup> Floor can be accessed by the front steps or by the use of the elevator. The offices for the mayor, corporation counsel and city clerk along with their storage needs have been accommodated. There will also be a conference room on this floor.

Noted in the drawings were the areas where the receptionist will be located to provide information. Each wing will be lockable and secure. Scott Winter explained that the plan provides for use of the existing walls as a cost savings measure. He explained an open floor plan will be utilized using partitions instead of walls as another cost savings effort and future flexibility. Room was indicated for mechanical space.

Scott Winter described the space needs based on his survey of the departments for future needs and this area is relatively close to what was projected. The net square footage of office space is about 30% more than what is currently used in the 524 building. Currently the city hall offices use 6,500 sq. ft. office space and there will be 9,100 sq. ft. projected in this area. There will be 500 square feet more for the area used for Council Chambers.

Council members were provided the opportunity to ask questions. Discussion was held on the plan for removal of the existing carpeting and walls. It was noted this will take place through late January and will be contingent upon winter weather as it relates to work crews of the Public Works. Once the interior carpeting is removed, the Winter Construction team can provide more accurate cost estimates. It was estimated that the elevator will allow for a 2500 lb. capacity.

Discussion was held on the former plan to house the 911 call center and now it was decided it is more conducive to hold the Police Department IT staff. Discussion was held on the proposed security plan for the building and the employee's safety is foremost in the plan moving forward.

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**ITEM #8 CITY CENTRE FREEPORT DOWNTOWN REVITALIZATION PROGRAM AND DISCUSSION OF THE DOWNTOWN TIF SPENDING PLAN FOR 2016**

Item #8 began with a presentation regarding the City Centre Freeport Downtown Revitalization Program by Dean Wright of Freeport Area Church Cooperative, 2<sup>nd</sup> Ward Alderman Peter McClanathan, and Dave Young of Northwest Illinois Development Alliance. They were joined at the podium by Jessica DiModica of Freeport Arts Center who provided information on an arts district and cultural corridor in the downtown.

Provided in the packet was a copy of the plan marked as: City Centre Freeport Downtown Revitalization Program

**OUR MISSION & VISION**

City Centre Freeport is a collaborative movement of downtown business and building owners, entrepreneurs, and dyed-in-the-wool Freeport enthusiasts who are on a mission to transform downtown Freeport into a residential, commercial, shopping, and entertainment destination in beautiful Northwest Illinois.

We envision a new Freeport neighborhood that is filled with lofty living places and inspiring work spaces. We envision a revitalized and recharged business district that offers our residents, guests, and visitors boutique shopping, delightful dining, and artful entertainment experiences that are uniquely Freeport.

**OUR BIG IDEA**

City Centre Freeport proposes to begin the process of turning our vision for a new downtown into reality by focusing on developing downtown Freeport into a neighborhood once again. A place where people not only shop and eat, but where they also live and where they play.

Our initiative proposes pursuing three separate, but complementary, strategies. We propose pursuing a strategy that repopulates downtown with new urban dwellers living in new urban living spaces—giving Freeport’s city centre, literally, new life.

Additionally, we propose to pursue a more aggressive, intense, and intentional strategy to retain, improve, and attract new boutique shopping and unique dining, recreation, and entertainment experiences—making Freeport’s city centre a destination for residents and visitors alike.

Finally, we propose pursuing a ‘project-based’ streetscape amenity improvement strategy that will enhance the experience of being downtown and will set the stage for continued growth and development

**STRATEGY ONE: REPOPULATION**

**THE CHALLENGE** Traditional downtowns in communities the size of Freeport all across the country were hit hard by three phenomena that began in the post-World War II era of the 1950s and 1960s. The government’s GI bill helped the returning servicemen from WWII and Korean War and all veterans of that era to access low-interest housing loans which exacerbated very quickly the development of new housing subdivisions. As a result, it became very affordable for families to move from rental housing—largely in apartments in downtown business districts—to single family, owner-occupied homes. Downtowns slowly became depopulated. Additionally, as subdivisions sprang up on the outskirts of downtowns, so did retail shopping centers. Big box stores as anchor tenants in these shopping centers

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soon made the scene as well. Downtowns slowly lost their major retailers and then began to lose their smaller ones. Finally, during this time when America was entering into the modern age, the balance between a downtown store owner's business and his living accommodations changed. Again, because of the availability of relatively low-cost new housing in subdivisions, store owners—who once lived above their downtown businesses—moved out as well, adding to the depopulation of downtowns. Eventually, the upper floor living units above their stores were taken out of the rental market place and were all but abandoned. For the most part, subsequent building owners did not maintain the living units on the second, third, and even fourth and fifth floors of their buildings either. As most of us were born in the Modern Era, few remember the dynamic makeup of Freeport's downtown, not only as the sole commercial district of the community, but also as a vibrant neighborhood where many people, not only worked, but lived and played. Over the past 20 years, downtown revitalization efforts in Freeport have been largely focused on the retention of current retail and commercial interests, the recruitment of new small businesses in the central core of downtown, and the development of the Rawleigh complex as a new business and commercial incubator. Understandably, our past focus on downtown has been on what we have known and what we see today. We argue that we should focus on what will work.

**THE OPPORTUNITY** Our first mission in building this new downtown and turning our vision into reality is to repopulate downtown beginning with the strategic redevelopment of upper floor living spaces. We believe that once new life is breathed into downtown with a new and energetic population base, new retail, commercial, and entertainment interests will follow.

We also believe that—despite the relative stagnation of our local economy and changing demographics of our population base—there is a market in our immediate region for this type of living space.

A recent downtown housing study done by Vandewalle & Associates in 2013, indicated there is a market for an additional 82 upper-floor and higher end living units in the downtown area.

Additionally, we also know that most downtown living units in the market place today are filled and there are seldom vacancies, so downtown is at capacity today.

**THE FINANCE CHALLENGE** From what we know today from building owners and downtown property developers is that there are four main challenges or barriers to developing upper-floor residential units to the scale that we need to revitalize downtown. First, the private sector—i.e. lending institutions—has been largely absent from participating in these projects, but, truthfully, for good reason: these projects by their nature have much more risk than any one particular bank is comfortable in financing. The high risk is driven by the relative high cost of renovations per unit—which leads us to our next challenge. Second, decades of lack building inspections and enforcement of building code upgrades and changes have left most of these buildings woefully out of compliance with today's building codes. The cost, today, to get back into compliance with today's building codes is considerably higher than it would have been if they had been done along the way over the past many decades. Additionally, the city does not have comprehensive adaptive reuse policies and amendments to its building codes for historic buildings of these types. Third, like the woefully out-of-building-code-compliance status of the interiors of these buildings, the underground and overhead utilities running into many of these buildings are as well out of compliance. Unfortunately, though electrical and water pressure requirements coming into commercial buildings have changed dramatically over the past 50 years, the effort to up-grade these connections through code enforcement was not made. Obviously, cutting into streets and sidewalks to upgrade utility connections to accommodate new upper floor residents, is expensive and adds greatly to the cost of these projects. What is unknown is what types of utility service—old and new—are coming into core downtown buildings from public right-of-ways. And finally, one of the great unknowns, is how stable and safe these buildings in downtown Freeport are today. I think it's safe to say that 2012—with the unexpected collapse of the Sacia building and the Germania Club and the exodus of city government

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from its own turn-of-the-century City Hall building—was a wake-up call that these poorly maintained and inspected buildings have the potential for collapse. Knowing the structural integrity of the downtown building stock is important because no prospective developer wants to buy a building that is unstable or buy a building that is next to an unstable building. City Centre Freeport believes that unless these four challenges can be addressed effectively, repopulating the downtown with new urban dwellers will be very difficult.

**THE SOLUTIONS** The challenge of attracting private sector investment into the cause of upper floor renovations, by reducing the financial institutions' risk exposure and reducing the overall cost per unit, can be accomplished by establishing a gap financing tool in the form of a Tax Increment Finance-backed Revolving Loan Fund that leverages tax credits, private sector RLF monies and commercial lending. As the Downtown TIF fund is set to expire in 2029, the opportunity to leverage that TIF to attract significant private investment into downtown narrows every year. We propose taking advantage of what years remain in the current Downtown TIF to leverage the private sector to create an investment pool of no less than \$2 million for an upper floor renovation Revolving Loan Fund that will be made available to developers wishing to convert the upper floors of downtown buildings into high-end residential living spaces. We envision that this gap financing package include a variety of programs needed to address (a) the structural integrity of buildings; (b) the cost to upgrade underground and overhead utilities coming into the buildings; and (c ) the actual upper-floor interior renovations of the buildings themselves. In addition to overcoming the challenge of financing upper floor renovations, we know that the city's current building codes do not account for the historic nature and unique challenges a developer will face in adapting and/or renovating these buildings. But we also know that other communities, such as Rockford, Moline, and Effingham, have added a number of adaptive re-use exemptions and amendments to their building codes to make renovations and restorations of older buildings feasible. We believe we need those types of adaptive reuse exemptions and amendments as well. Additionally, we know that we need to understand the condition and capacity of the under-ground and overhead utilities coming into these buildings and then develop a plan with the utility providers to upgrade them to today's standards. Finally, we also know what we don't know. What is unknown is the relative condition of the buildings that make up the core retail section of downtown. Knowing the conditions of the buildings in downtown—particularly those that share common interior walls—is important in-formation for prospective developers to have as it helps create a realistic redevelopment plan and cost analysis. We believe an analysis of the current condition of downtown buildings in the central retail core of downtown would be useful.

**STRATEGY TWO: RETAIL**

**THE CHALLENGES**—There are a number of challenges facing Freeport's downtown district today. Retail has become somewhat stagnant throughout the community over the past few decades. With downtown so heavily reliant upon retail, this trend has impacted this particular commercial district in a very negative way. Very simply, downtown retail businesses do not see either the traffic or types of customers they once did and the prospect for future success seems slim. In addition, we anticipate that a number of longtime and established retailers and business owners will retire over the next ten years and will not chose to or be able to sell their businesses. Without an aggressive approach to rethink, revitalize, and rebrand downtown, we foresee more buildings going dark over the next decade. Finally, successful downtowns are generally marked by their ability to create commerce—particularly small business and service commerce. Successful downtowns in communities of Freeport's size typically have a strong core of boutique retailers, services, and restaurateurs that cater and market to a select crowd. These types of businesses thrive because they 'play' off the urban ambience that was developed and is

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hopefully maintained in a downtown setting. They understand that people shop to not only fulfill their utilitarian need to buy a specific product for a specific need, but that they also shop to be entertained. They understand their prospective customer, the types of products that their customers want, and the experience that their customers want to have when buying it. Successful boutique retail businesses and services are generally very adept in marketing, customer service, and product merchandizing—from the building's façade to the store's display case. Unfortunately, the community lacks a dedicated resource to recruit new retailers and to assist existing retailers to improve and grow their businesses.

**THE OPPORTUNITY**—The good news is that, despite the wave of shopping mall and strip mall retail center development of the latter part of the last century, downtown shopping is still very popular and has seen a resurgence in the past ten years. In fact, some in the retail industry are predicting the slow collapse of the shopping mall retail experience and expect on-line and unique shopping experiences in downtowns to rebound over the next 20 years. Though many retail shops have come and gone over the past 30 years in downtown Freeport, and though some of Freeport's retail selection in downtown could be improved, Freeport still has high quality retailers that serve as destination shopping experiences for people. Additionally, Freeport downtown has a number of high traffic commercial, eating, and entertainment venues, including the post office, the Lindo Theatre, Union Dairy, the public library, the FA Read Center, and This Is Eat Eatery. Bottom line: there are still a number of quality businesses that serve as a strong back bone for the downtown.

**THE SOLUTIONS** Implementing solutions to address the current and future challenges of downtown is of vital importance to our community as a whole. First, prospering downtowns are important to the image and to the brand of a community. Vibrant downtowns help recruit new businesses, professionals, and people to the community. They help set the stage for growth in communities. Revitalizing our downtown with new, unique, and exciting boutique retail, service, food, and entertainment businesses adds to the marketability of our community, both to those that already are located here but also to others outside of our community searching for a place to be. City Centre Freeport believes that the community needs to create a local Small Business Development Collaborative that has the capacity and the professional 'know-how' to recruit new retail, service, food, and entertainment businesses to the downtown; to assist start-up businesses being created for the downtown; and to consult with current downtown shops to help them improve their businesses. The Collaborative would consist of our four economic development partners—NIDA, the Chamber, CVB, and FDDF. The Collaborative would pro-actively call on existing retail and personal service operators in the community to take their temperature, assess their needs, and deliver solutions either directly or through partners – i.e. banks, the Rock Valley College Small Business Development Center, HCC, Northwestern Illinois Community Development Corporation, the City's Revolving Loan Program, and local business advisors, such as attorneys, accountants, and marketing/sales professionals. Because the success of the downtown area is so dependent upon the retention and development of boutique retail, services, food, and entertainment businesses, City Centre Freeport believes it is imperative that a focused effort through a collaborative initiative like this be created.

**STRATEGY THREE: STREETSCAPES**

**THE CHALLENGES**—Streetscape amenities in downtown Freeport are long overdue for a make-over. While neighboring communities like Rockford, Lena, and even Orangeville continue to improve their downtown streetscapes (lights, benches, planters, trash receptacles, etc....), Freeport continues to cling to its circa 1970s streetscape look. In short, Freeport's streetscape is out of date, out of style, and just doesn't look that great and is inconsistent. Additionally, opportunities to do a large scale streetscape project—like new light posts, brick paver crosswalks, etc...—have been missed in recent years.



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**THE OPPORTUNITY**—There aren't many positives as it relates to downtown's current streetscapes as the vast majority of the streetscapes are very antiquated and long overdue for a makeover. That said, there have been a few streetscape projects that have been done in the past few years. The Lincoln-Douglas Debate Square has had considerable improvements made to it over the past few years and some work has been done to improve the large municipal lot off of Douglas St. In addition, the city's municipal parking lot—located on E. Stephenson Street—is due for a makeover in conjunction with the property investment being done by neighboring Newell-Rubbermaid. Additionally, over the past several years a number of festivals and events have begun to organically locate themselves at the old Myers Ford site that was generously donated to the Freeport Art Museum by longtime businessman and local philanthropist Jack Myers. The site is now the festival home to Freeport's Cruise Night and the Pretzel City Brewfest. In the Spring of 2016, the Freeport Art Museum will host a one-of-kind art show at the location. With the prospect of building a new multi-million dollar art museum at the site increasingly fading, the Freeport Art Museum has indicated interest in further developing their site into a semi-permanent arts and festivals ground to accommodate the activities already taking place there, to facilitate the development of additional entertainment activities in Freeport, and to add to and complement the beautifully streetscaped Lincoln Douglas Debate Square located across the street from the proposed festival grounds. Finally, we are anticipating that after a structural integrity analysis is completed on the down-town buildings, there will be a few of them that will be considered too far gone to feasibly renovate and the city will pursue the demolition of them. With the demolition of some downtown buildings will come opportunities for additional public places in the downtown, such as pocket parks, walk-throughs, etc... These spaces should be given an appropriate streetscape.

**THE SOLUTIONS**—As a large scale streetscape project is likely years away (as many of the downtown streets have been recently resurfaced), we propose a 'project-based' streetscape improvement approach. This approach would take into account what 'shovel-ready' streetscape projects—like the Freeport Art Museum lot and the City/Newell parking lot—are available to do and maximizing their impact to improve the totality of the downtown experience. Freeport City Centre supports the city's initiative to improve their municipal lot that is leased by Newell Rubbermaid for employee parking. We encourage the city to be mindful of the aesthetic impact this project will have on City Centre as that lot sits on a major corridor that leads into the main retail district. A beautifully designed and landscaped lot could add greatly to the downtown streetscape. Additionally, City Centre Freeport proposes a public/private collaborative effort between the city and the Freeport Art Museum to create an arts and cultural corridor that connects the heavily trafficked Union Dairy/Debate Square/Freeport Public Library area to the heavily trafficked Lindo Theatre area. By using a new streetscape design, these two areas would be aesthetically connected down Chicago and State Avenues and through the main retail core of City Centre. Incorporated into this corridor, would be a new arts and festivals ground located at the former Myers Ford lot. We advocate using tax increment finance resources as a grant match to leverage additional resources inside and outside of the Freeport area for the planning, design, and implementation of the arts and cultural corridor and arts and festivals grounds. To that end, we support FAM's efforts to secure a planning and design grant from the Citizens Institute for World Design and implementation grants from the National Endowment for the Arts.

City Centre Freeport proposes that 2016 be the year that we begin and complete the planning stage for pre-development initiatives that must be completed before we can move forward with our objectives in repopulating the downtown through upper floor living space development; reinvigorating the retail base of downtown; and improving the streetscape amenities in downtown.

Those initiatives include:

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1. A public/private gap financing 'tool box' for upper floor living space development
2. Drafts of adaptive reuse exemptions and amendments for older buildings
3. A detailed analysis of underground and overhead utility and technology connections into buildings located in the core retail district of downtown (Adams Ave.; Exchange St.; Galena Ave.; Spring St.) that indicates code compliance or non-compliance.
4. A building condition analysis of downtown buildings located in the core retail district of downtown that indicates levels of safety and condition.
5. A streetscape design and cost estimate for an arts & festivals grounds located at the former Myers Ford lot.
6. The development of a Small Business Development Collaboration between NIDA, the Chamber, CVB, and FDDF.

Assuming the 2016 initiatives are completed in a timely fashion (July, 2016), we recommend beginning implementation of the Downtown Revitalization Action Plan in 2017. City Centre Freeport also proposes that Northwest Illinois Development Alliance be placed as the project manager for the six 2016 initiatives listed above. NIDA will be responsible for requesting bids and securing and managing contracts from the various contracted urban planning, civil engineering, streetscape architects, and structural architect/engineering services that will be required to complete the initiatives. Finally, City Centre Freeport proposes using increment from the Downtown TIF fund through the 2016 Downtown TIF Expenditure Plan to fund Initiatives 1-5.

**Moving Forward**

Gap Financing Tool Box \$25,000  
Adaptive Reuse Legislation Package \$15,000  
Downtown Utility & Technology Analysis \$20,000  
Downtown Building Condition Analysis \$25,000  
Small Business Development Collaborative \$25,000  
Arts & Cultural Corridor Streetscape Initiative \$10,000  
**TOTAL \$120,000**

This project will be collaboration by the Stephenson County Visitors and Convention Bureau, Freeport Downtown Development Foundation, the Freeport Chamber of Commerce and Northwest Illinois Development Alliance who they are hoping to generate about \$50,000 in impact to develop retail strategies. Dave Young spoke about NIDA pledging \$10,000 per year conditional upon the three other partners equal invest. He asked the City to commit \$25,000.

NIDA will be the project manager for the City Centre Freeport Downtown Revitalization Program.

Discussion was held on a grant being applied for by the Freeport Arts Center to assist with funding for the arts district and cultural corridor.

Alderperson McClanathan spoke about time being of the essence and they look for support of the plan moving forward with the next budget cycle of the Downtown TIF Spending Plan. They will be working on a resolution to have it ready for the next council meeting.

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Item #8 concluded with a discussion of the proposed Downtown Tax Increment Financing Spending Plan for 2016 as presented by Community Development Director Alex Mills.

Community Development Director Alex Mills provided on the council desks a memorandum regarding the roof repairs needed at the Rawleigh Building. Provided to council was the following memorandum regarding: Rawleigh Complex Roof Repairs:

“This spring, city staff investigated concerns over the deteriorating condition of the Rawleigh Complex roof systems. The concerns proved well-founded (see photo documentation), and the need for repair work of some kind to prevent further deterioration has become plainly evident. Recently I spoke with Mr. Paul Hoefer, President of Freeport Industrial Roofing, Inc. to better follow-up on potential repair options. Mr. Hoefer is aware of the general state of deterioration of the roof systems.

“Mr. Hoefer indicated that three options exist for this roof. A basic re-roofing of the flat portion would likely have a cost at or near \$100,000. Additional tear-off and insulation work to better prepare the interior for renovation would push the estimated costs to \$150,000 or greater. Finally, the option to simply patch the roof in order to stop leaks that are occurring would range between \$20,000 to \$30,000.

“Also, Mr. Hoefer went on to indicate that repairs to the lower portion of the roof (the power plant/smokestack roof system on building #6) would require substantial investment in structural repairs before any roof replacement could even be attempted. He indicated that costs for structural repairs could easily exceed \$75,000 alone, with roof replacement exceeding \$75,000 on its own as well.

“Mr. Hoefer indicated that if the focus of the roof repair to the Rawleigh Complex was not on total repair/replacement at this time, but was based on the premise of stopping leaks in order to prevent further damage, then having patching work completed on the roof of building #5 (“L” shaped roof) would be the most sensible action.

“As the Rawleigh Complex roof systems will continue to deteriorate without any attention whatsoever, it is critical to give consideration toward these repair measures at this time, regardless of what funding mechanism they may potentially be accomplished under.

Alderson Brashaw read aloud a letter from Josh Elliott of Elliott Graphix, LLC and Zealous Art Studio & Tattoo. He spoke about his support of the City Centre Downtown Revitalization Plan which he feels will greatly benefit our community. This project will have a positive impact on not only downtown growth, but Freeport as a whole. The City Centre project will not only create new housing for people to live in downtown but will attract new business as well. The opportunity that the plan creates for business development and retention is very positive, along with the idea of updating the streetscape that is needed in downtown.

Alderman Chesney made a motion to recommend the City Centre concept and to have a resolution drafted for the December 21, 2015 City Council meeting to incorporate this plan into the Downtown TIF Spending Plan. This motion was seconded by Alderson Miller. Motion prevailed by a roll call vote of:

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Yeas: Klemm, McClanathan, Ross, Miller, Busker, Brashaw, and Chesney (7)  
Nays: none

It was discussed that Alderperson McClanathan would craft a resolution that would anticipate the proposal for the project moving forward.

**RESOLUTION TO AUTHORIZE AN AGREEMENT FOR LANDFILL GENERAL ENGINEERING BETWEEN THE CITY OF FREEPORT AND FEHR GRAHAM AND ASSOCIATES FOR 2016**

Provided in the packet was a memorandum from City Engineer Gallagher stating: "The 2016 proposal outlines the numerous activities that are required by our current permits with the Illinois Environmental Protection Agency (IEPA) for Landfills #2/3 and #4. In order for everyone to have a clear understanding of the value of this contract, we now request that each activity performed be broken out into a lump sum agreement per task. This is also done to outline the 3rd party lab fees, so that Council has a better understanding of the items completed by Fehr Graham and those expenses billed by the lab. Any activities included in this contract that are not performed or deferred to next year's contract, will not be charged to the City of Freeport. As I indicated last year, the outline of services provided in these contracts has been relatively consistent over the past few years, with various permit requirements are being completed while new requirements are added. I have broken out the historical fees provided in the attachment, outlining present and future spending within this annual contract. This proposal covers the required groundwater, leachate and gas monitoring at each landfill, along with continued inspection and annual reporting. The estimated value of this proposal is \$205,240.00 for the 2016 calendar year. At this time it is anticipated that these expenses will be paid using revenues received from the Transfer Station Lease. Additional maintenance expenses that are TIF eligible will be billed to the Lamm Road and West Avenue TIF as part of site improvements should they arise."

Engineer Gallagher explained this item will be placed on the next council agenda and he is presenting it this evening as an introduction to the resolution that will be prepared for that meeting. He has also asked Joel Zirkle of Fehr Graham to be present at the December 21<sup>st</sup> council meeting to provide a technical task by task summary regarding the landfill engineering.

Council members were provided the opportunity to ask questions of City Engineer Gallagher. There was no Committee of the Whole action as this was an informational item for an item that will be on the next council agenda.

**PRESENTATION BY THE FREEPORT POLICE DEPARTMENT REGARDING BODY WORN CAMERAS - SOFTWARE PURCHASE AND DATA STORAGE**

Chief of Police Todd Barkalow, Deputy Chief of Police Matt Summers and Lieutenant Travis Davis of the Freeport Police Department presented on body worn cameras – software purchase and data storage for the Freeport Police Department. Provided in the packet was the following informational item for the presentation:

"As you are aware, Freeport Police currently have VieVu Body Worn Cameras. These cameras were purchased several years ago using a grant. These cameras are functional but have not been used due to Illinois law pertaining to Eaves Dropping. Due to recent national events, Illinois passed the "Law Enforcement Body Worn Camera Act" (effective 01/01/2016) allowing use of BWCs, as long as minimum standards are met. Before we officially proceed forward with the implantation of the Body Worn

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Camera system (BWC) we have some difficult choices to make due to data storage, retrieval, redaction and data safety.

Option A

Since the new Law Enforcement Body Worn Act does not, at this time, mandate the purchase or use of BWCs by Illinois law enforcement, we do have to participate.

*-I don't believe this is a viable option and would not recommend that we do not participate. I think it is important that we be transparent and our community needs to develop a level of trust with the Freeport Police.*

Option B

Use and maintain our current VieVu BWCs and basic software. This option does have some additional cost to the city; although these first generation BWCs do not have the required 30 second pre-event recording that the new law requires. This option would require additional on-site storage to be purchased and all the requirements for redundancy and safety would be our responsibility. I would foresee the need for a dedicated I.T. person added to staff or our Systems Administrator would be overwhelmed and unable to adequately service the rest of the Department.

Currently, we have a server with 1 terabyte of storage available for our BWCs. The standard recommendation is at least 1.8 terabytes available.

*-This option could work, but there is some cost and risk associated with this choice. Since we already have some first generation cameras, but an upgrade would be necessary. Server safety is always a concern from a constant attack from computer viruses. The strain on manpower that would have to be dedicated to video redaction, searching and copying videos for prosecution and system maintenance would require additional personnel hired. Also the additional cost of server space and the redaction software needed for FOIA requests. This option is estimated at \$27,000 and that doesn't include upgrade BWCs. This estimate is for servers, storage, software and warranties.*

Option C

We have been in contact and speaking with Taser Inc. concerning BWCs. Taser has developed some of the state-of-the-art BWCs that include chest mounted and cameras mounted on Oakley glasses. Taser has partnered with Evidence.com Cloud storage. This storage has all the protection and backup that is required by the new law, and Evidence.com will provide necessary maintenance. Evidence.com comes with the redaction software that takes just seconds to complete versus the one second of video equals one hour of manually redacting the video. Taser has allowed Freeport Police to "test wear" by using the Oakley glasses and software for several weeks. All second generation BWCs have the 30 second pre-event recording feature. Taser has a good reputation for standing behind their products.

*-While this option is nice, it's very pricey. Evidence.com is a monthly fee that you must subscribe to and Taser licenses users, not devices; that would require anyone viewing or retrieving a video to be licensed. Taser meets all of the lawful requirements that legislation set forth. Taser requires a five year contract. Taser quoted us at the minimum package deal of \$125,000 for five years, \$80,264 for a three year comparison.*

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Option D

We contacted VieVu and got a quote for their Cloud storage. VieVu also has a next generation BWC available. This is similar to our current BWC but with the 30 second pre-event recording. VieVu guarantees all the protection and redundancy that Evidene.com provides. VieVu software that we currently have is user friendly and VieVu licenses the BWC and not the users, so we would only pay for the cameras and not for administrative viewers. VieVu could allow the States Attorney access to the Cloud and they could view and download for court proceedings. VieVu would accept trade-in of our current BWC for their next generation BWC at a discounted price. VieVu's quote, including upgraded BWCs, is \$43,500 for a 3 year contract. (\$14,500 per year)

Chief of Police Todd Barkalow representatives of the Freeport Police Department explained they would recommend option D. They explained with this option the City will continue to receive the protection it deserves, while maintaining transparency in the community at an affordable cost. VieVu requires a three year contract that would lock the price in and provide adequate, safe, and dependable storage. Option D would also include the redaction software. It was explained cost and resources are a contributing factor. The city cannot afford to protect their officers from accusations that can be refuted by the BWCs. Unfortunately, we live in a society that unless it's on tape, it didn't happen. Chief Barkalow explained he believes with BWCs it will show how professional and tolerant our officers are. Chief Barkalow recommended trade-in of 16 current BWCs to 16 next generation BWCs, and felt his budget could absorb the start-up costs, but the monthly fee is what I will have to budget for going forward. State/Federal grants for hardware (BWC) are currently available, but grants for storage have not yet become available. If you and the Council decide this is a worthwhile investment, we will continue to seek grants that can supplement our storage costs, while providing our Police Officers with the protection they deserve.

Aldersperson Klemm made a motion to recommend acceptance of the bid from VieVue as presented for the next council meeting, seconded by Aldersperson Busker. Motion prevailed by a roll call vote of:  
Yeas: Klemm, McClanathan, Ross, Miller, Busker, Brashaw, and Chesney (7)  
Nays: none

Aldersperson Brashaw stated she will take the next two items out of order to move forward the discussion on the vacation so Debra Milliman can present.

**DRAFT ORDINANCE #2015-53: AN ORDINANCE AMENDING CHAPTER 290 (COMPENSATION AND BENEFITS) SECTION 290.11 (LEAVES OF ABSENCE "VACATION LEAVES") OF THE CODIFIED ORDINANCES OF THE CITY OF FREEPORT AS REFERRED DECEMBER 7, 2015 COUNCIL MEETING**

Ms. Debra Milliman presented the memorandum provided in the packet. It stated:

**"Statement of HR Department:**

Based on the following examples and observations, I am recommending we keep the proposed vacation ordinance currently on the table (regarding pro-rata and accrual only), to take effect on January 1, 2016. Meaning, all eligible non-bargaining employees shall be given the appropriate pro-rated amount of vacation on January 1, 2016 and shall begin accruing, based on the

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proposed ordinance, at their individually appropriate rate, beginning with the first paycheck they receive in January 2016.

**Example A: (No January 1, 2016 *Pro Rata* Award and No Accrual of Vacation Until 2016 Anniversary Date)**

On October 10, 2015, employee Jane Doe was given 80 hours vacation per the City ordinance in effect on that date. She does not receive a pro-rata amount on January 1, 2016 and does not begin accruing any additional vacation until October 10, 2016, at which time she begins accruing 3.08 hours per pay period.

Observation of example A: It will take Ms. Doe two years to accrue another 80 hours of vacation, instead of accruing that each year, as stated in the current (and proposed) ordinance. To some it would appear that Jane is being penalized for the 80 hours earned in the first year of employment, which again was given to her per the ordinance in effect at that time.

**Example B: (With January 1, 2016 *Pro Rata* Award and Accrual of Vacation Beginning With First Completed Payroll Period in January of 2016)**

On October 10, 2015, employee Jane Doe was given 80 hours vacation per the City ordinance in effect on that date. On January 1, 2016 Ms. Doe is given a prorated amount of approximately 18 hours of vacation for what she has earned from her anniversary date of October 20, 2015 through December 31, 2015. Effective with the first paycheck Jane receives in 2016, and each paycheck received thereafter, Jane will receive the appropriate amount of vacation based on her years of service. By her anniversary date in 2016, Jane will have earned another 80 hours of vacation.

Observation of example B: As you look at this example, it may appear that Ms. Doe is getting twice her annual allotment of vacation. Keep in mind, that is ONLY because of the ordinance that was in place during the first year of her employment AND this will only be the case until she's reached her 2016 anniversary date, at which time she will be accruing at the applicable rate per the revised City ordinance.

"In summary, I believe we all agree that the vacation policy needs to be fixed and caps need to be put in place in order to avoid large payouts upon termination. That portion of the ordinance is agreed upon. But, I also believe that we need to keep in mind the effect that not giving the pro-rated amount, and postponing the onset of accrual, will have on our non-union employees, some of whom are the very people that direct the most important operations of this City. The total amount in dollars for the effected individuals amounts to approximately \$25,000.00 (and that's only if they all resign in 2016). For the unlikely \$25,000 that we would be saving, are we willing to lower employee morale and perhaps lose some of our top talent because this is the straw that breaks the camel's back? We are very fortunate to have good, hard-working employees here. We need to appreciate those individuals and work to keep them from leaving, not give them another reason to look elsewhere.

**"Statement of Legal Department:**

I considered the elimination of the January 1, 2016 *Pro Rata* Award of Vacation Hours, but this would mean that the employee did not earn nor accrue any vacation hours between his/her

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2015 anniversary date and January 1, 2016. The Legal Department recommends against this *Pro Rata* deletion for two reasons. *First*, this elimination of the *Pro Rata* award may violate Section 300.520 of Title 56 of the Illinois Administrative Code which is entitled "Section 300.520 Earned Vacation" and which reads in pertinent part as follows:

"(a) Whenever an employment contract or an employment policy provides for paid vacation earned by length of service, vacation time is earned pro rata as the employee renders service to the employer. . .

(f) The Department [of Labor] recognizes policies under which:

(1) no vacation is earned during a limited period at the commencement of employment. The employer must demonstrate that the policy is not a subterfuge to avoid payment of vacation actually earned by length of service and, in fact, no vacation is implicitly earned or accrued during that period.

(h) An employer cannot effectuate a forfeiture of earned vacation by a written employment policy or practice of the employer."

"The above Regulation limits periods when no vacation are earned to "a limited period at the commencement of employment" and thus not after one or more years of employment by the same employer such as the City. *Second*, the delay in accruing vacation from the 2015 Anniversary Date until January 1, 2016 or until the 2016 Anniversary Date thus requires a City employee to work up to an entire year without earning or accruing vacation.

"Additionally, under Section 620 of this same Title an official of the City could be held personally liable for the monetary value of wrongfully denied vacation hours by the City. This Regulation extends such personal liability to corporate officials such as City officials:

"(a) As a result of PA 96-1407, any person, including corporate officers, agents or any person who acts directly or indirectly in the interest of an employer in relation to an employee is an employer under Section 2 of the Act and may be held individually liable for wages and final compensation. For example, any person, including corporate officers and agents, acting directly or indirectly in the interest of an employer, includes, but is not limited to, actions such as being a signatory to an employment or union contract, or otherwise maintaining a decision-making role with regards to employment decisions and/or payment of employees. . . .

(b) In addition to an individual who is deemed to be an employer pursuant to Section 2 of the Act, Section 13 of the Act allows for a separate and independent basis for liability for any agents of an employer who knowingly permit the employer to violate the provisions of the Act. Such a person may be deemed to be an employer of the employees of the corporation and shall be individually liable for a claimant's wages or final compensation. For example, individual liability would attach when an individual exercises sufficient control to allocate to whom or what entity the funds would be paid and in what amount (i.e., no paychecks, full paychecks or partial paychecks) during the relevant time period.

(c) As used in subsection (b):

1) "Knowingly" means knowledge of the existence of facts constituting the alleged violation, rather than a knowledge of the unlawfulness of the act or omission.



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2) "Permit" means to allow to happen or to fail to prevent, regardless of the corporation's ability to pay.

Aldersperson Chesney asked if Mayor Gitz prefers Option A or B. Mayor Gitz stated he would like to resolve the legal issue of Option A and if they cannot be resolved then he recommends Option B. He stated he has serious reservations regarding employee and staff morale. He is also concerned with the financial implications for vacation costs to the City. His major concern is for the legalities and he wants to be able to meet with Mike Phillips, special counsel. Mayor Gitz stated he is ok with Option A; providing it is legal. He could support it only if it is legal.

Aldersperson Chesney made a motion to recommend Option A in regard to Ordinance #2015-53 for the next council meeting providing for its legalities, seconded by Aldersperson Miller. Aldersperson Miller stated this is contingent upon final legal review.

Motion prevailed by a voice vote of:

Yeas: Klemm, McClanathan, Ross, Miller, Busker, and Chesney (6)

Nays: Brashaw (1)

Mayor Gitz stated that pending legal issues, then the date can be moved.

**DRAFT ORDINANCE #2015-57, AN ORDINANCE AMENDING CHAPTER 290 (COMPENSATION AND BENEFITS) SECTION 290.01 (CLASSIFICATION PLAN) OF THE CODIFIED ORDINANCES OF THE CITY OF FREEPORT (POSITIONS NOT COVERED) AS REFERRED FROM NOVEMBER 9, 2015 COMMITTEE OF THE WHOLE**

Mayor Gitz stated he has been working on this as to the legal issues. He wants to know legally if we can move all the department head positions into this or if it will be problematic. He will need to have a consistent policy on how to apply it. He has a number of questions and wants clarity before moving forward with that. Historically the City has used a salary chart. It has met with some downfalls when recruiting directors because their starting salary does not fall into the salary charts. He will need to work on drafting an ordinance with special counsel, Mike Phillips. Aldersperson Miller recommended removing the Finance Director salary from the draft ordinance until a time that a person is hired for the position. Aldersperson McClanathan agreed that the Finance Director salary should be removed while the position is open.

Mayor Gitz stated that he is wrestling with a plan for a merit based salary changes and he will send a sample plan to the council. He will have options and samples used by other municipalities.

Aldersperson Chesney made a motion to refer this item to the next Committee of the Whole in January, seconded by Aldersperson Miller. Motion prevailed by voice vote without dissent

**PUBLIC COMMENTS – AGENDA OR NON-AGENDA ITEMS**

Tom Teich, Freeport Illinois spoke about the need to tear down the building commonly referred to as Bookies Tap.

Aldersperson Klemm requested an update on the building located at 17 W. Main Street, Freeport Illinois. Community Development Director Mills provided that there will be emergency repairs made to the building to prevent further deterioration and a masonry contractor has been signed to begin work tomorrow. The cost of the emergency repairs is estimated at \$16,900 and this amount will come out of the Downtown TIF under the emergency building repair line item. Director Mills stated that the mother

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in law of the owner was served in Rockford and they have not been able to find the owner of the building.

Aldersperson Klemm asked for an update on the Finance positons. Mayor Gitz stated he will provide a memo to council.

Upon a motion duly made by Aldersperson Ross and seconded by Aldersperson Chesney, the Committee of the Whole meeting adjourned at 9:47 p.m.

*s/ Meg Zuravel*

Meg Zuravel  
City Clerk