

**CITY OF FREEPORT, ILLINOIS**  
**MONDAY EVENING**  
**CITY COUNCIL MEETING**  
**AUGUST 2, 2004 AT 7:00PM**  
**CITY COUNCIL CHAMBERS**

**QUORUM**

At 7:00pm, a quorum being present, Mayor Gitz called the meeting to order.

**RECORD**

Present were Aldermen Varner, Clark, Dawson, Boldt, O'Neill, Wright, Gaulrapp, and Bender.

**PLEDGE OF ALLEGIANCE**

At this time, the Pledge of Allegiance was led by Alderman Varner.

**APPROVAL OF AGENDA**

Alderswoman Bender moved, seconded by Alderman Gaulrapp for approval of the agenda. The motion carried.

**PUBLIC COMMENTS**

Marianne Garvens commented that there was not a public hearing process for Resolutions #2004-52,53 & 54. She also spoke in support of the Eastside Phase I Environmental.

Corporation Counsel responded that the city hired competent TIF Counsel to handle these issues and she believes that the correct process was followed. Alderman Clark also responded that the above resolutions are housekeeping in nature. He agreed that there should be public hearings at the appropriate time.

**PRESENTATION**

Alderswoman Bender introduced Majors Laverne & Linda Poling, from the Salvation Army.

Marsha Mulligan, Chair of the ad hoc Walk of Fame Committee, stated future plans for the Walk of Fame.

**APPROVAL OF MINUTES**

The Journal of the Minutes of the regular meeting held on July 19, 2004 was presented for approval. Alderswoman Bender moved, seconded by Alderswoman O'Neill for approval of the minutes. The motion carried.

**CONSENT AGENDA**

- A. Approval to Receive and Place on File:
  - 1. Monthly Investment Report for period ending June 30, 2004
  - 2. Treasurer's Report for period ending June 30, 2004
- B. Approval of Water & Sewer Disbursements for July 2004 - \$664,093.35
- C. Approval of Bills Payable for July 2004 - \$448,169.36
- D. Approval of Payroll of Period ending July 24, 2004 - \$297,904.36

Alderswoman Bender moved, seconded by Alderman Gaulrapp for approval of the consent agenda. On the roll call of yeas and nays, Aldermen Varner, Clark, Dawson, Boldt, O'Neill, Wright, Gaulrapp, and Bender voted yea. The motion carried.

**2<sup>nd</sup> READING**

**ORDINANCE #2004-41**

**SPECIAL ORDINANCE FOR VARIATION, PERMIT OR AMENDMENT OF CODIFIED ORDINANCES OF FREEPORT, ILLINOIS (AMENDMENT OF ZONING, TRACT I WEST OF MIDWEST BANK AND SOUTH OF STEPHENSON STREET AND TRACT II OF MIDWEST BANK AND WEST OF PARK CREST DRIVE)**

This ordinance was laid over from the meeting of July 19, 2004, when it was moved by Alderman Gaulrapp, seconded by Alderwoman Bender for approval. On the roll call of yeas and nays, Aldermen Varner, Clark, Dawson, Boldt, O'Neill, Wright, Gaulrapp, and Bender voted yea. The ordinance was approved.

**2<sup>nd</sup> READING**

**ORDINANCE #2004-42**

**SPECIAL ORDINANCE FOR VARIATION, PERMIT OR AMENDMENT OF CODIFIED ORDINANCES OF FREEPORT, ILLINOIS (AMENDMENT OF ZONING, ROSE MEADOWS OF FREEPORT)**

This ordinance was laid over from the meeting of July 19, 2004, when it was moved by Alderman Gaulrapp, seconded by Alderwoman Bender for approval. On the roll call of yeas and nays, Aldermen Varner, Clark, Dawson, Boldt, O'Neill, Wright, Gaulrapp, and Bender voted yea. The ordinance was approved.

**2<sup>nd</sup> READING**

**ORDINANCE #2004-46**

**AN ORDINANCE AMENDING CHAPTER 806 (ALCOHOLIC LIQUOR SALES) OF THE CODIFIED ORDINANCES OF THE CITY FREEPORT, ILLINOIS**

This ordinance was laid over from the meeting of July 19, 2004, when it was moved by Alderman Gaulrapp, seconded by Alderman Dawson for approval. On the roll call of yeas and nays, Aldermen Varner, Clark, Dawson, Boldt, O'Neill, Wright, Gaulrapp, and Bender voted yea. The ordinance was approved.

**RESOLUTION #R-2004-52**

**RESOLUTION EXPRESSING OFFICIAL INTENT REGARDING CERTAIN EXPENDITURES TO BE REIMBURSED FROM THE SPECIAL TAX ALLOCATION FUND AND/OR FROM PROCEEDS OF DEBT ISSUED, IF ANY, IN CONNECTION WITH A PROPOSED TAX INCREMENT FINANCE DISTRICT COMMONLY KNOWN AS THE EASTGATE PROJECT AREA**

**WHEREAS**, the City of Freeport (the "City") is contemplating the formation of a tax increment financing district commonly described as the Eastgate Redevelopment Project Area (the "District") for certain real property described in Exhibit A attached hereto and made a part hereof (the "Property"); and

**WHEREAS**, certain expenditures relating to projects to be undertaken in the District may be paid on or after passage of this Resolution but prior to establishment of the Special Tax Allocation Fund for the District and/or the incurrence of debt by the City, including, but not limited to, eligible "Redevelopment Project Costs" (the "Expenditures") as defined by the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 *et seq.*, as amended, (the "Act") to prepare the District for commercial and/or industrial and/or retail redevelopment projects ("Projects") and

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

**Section 1.** That the foregoing recitals are incorporated herein by this express reference.

**Section 2.** That in the event the District is established, the City reasonably expects to reimburse all or a portion of the Expenditures from the Special Tax Allocation Fund for the District and/or with proceeds of debt to be issued by the City, if any.

**Section 3.** That in the event the District is established, the maximum principle amount of debt expected to be issued, if any, for reimbursement of all or a portion of the Expenditures in connection with the Projects is \$10,000,000.00.

**Section 4.** That this Resolution is a declaration of official intent under Treas. Reg. Section 1.150-2 and under the Act.

**Section 5.** That the officials, officers and employees of the City are hereby authorized to take further actions as necessary to carry out the intent and purpose of this Resolution.

**Section 6.** This Resolution shall be in full force and effect immediately upon its passage and approval.

**Section 7.** 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 Clark, Finance Chair, stated that the committee held a meeting on July 26, 2004. The council has previously passed an inducement resolution for TIF related expenses for the proposed Eastgate Development. The city's new legal counsel for TIF's has requested that a revised inducement resolution be presented to add some additional language.

The committee voted unanimously to adopt this resolution and Alderman Clark so moved, seconded by Alderman Wright. On the roll call of yeas and nays, Aldermen Clark, Boldt, O'Neill, Wright, and Gaulrapp voted yea. Aldermen Varner, Dawson, and Bender voted nay. There were five yeas and three nays. The resolution was adopted.

**RESOLUTION #R-2004-53**

**RESOLUTION TO AUTHORIZE REIMBURSEMENT FOR ENGINEERING ASSESSMENT OF ROUTE 75 AND PHASE I ENVIRONMENTAL ASSESSMENT OF CERTAIN PROPERTY IN RELATION TO EASTGATE HOUSING DEVELOPMENT PROJECT**

**WHEREAS**, on February 2, 2004 the City Council of the City of Freeport, passed an Inducement Resolution for the creation of a TIF District to be known as the Eastgate Housing Development Project, under the Tax Increment Financing Laws of the State of Illinois, which resolution was subsequently confirmed on August 2, 2004; and

**WHEREAS**, the Freeport Area Economic Development Foundation ("FAEDF") has determined that an engineering assessment/study in relation to Route 75 is a necessary aspect of determining the viability of such a development project; and

**WHEREAS**, the Freeport Area Economic Development Foundation ("FAEDF") has determined that an environmental assessment (Phase I) on property located along Route 75 North consisting of approximately 65 acres of land located in the southwest quadrant of Section 28, Township 27 North, Range 8 East of the 4<sup>th</sup> Principal Meridian, Lancaster Township, Stephenson County, Illinois, which would be an inherent part of the Eastgate Housing Development Project, is a necessary aspect of determining the viability of such a development project; and

**WHEREAS**, the Corporate Authorities recognize the need for each of these assessments in order to determine viability of the project as a whole, prior to proceeding further with such a TIF District; and

**WHEREAS**, the cost of these assessments are reimbursable through the tax increment of the Tax Increment Financing District if such a district is created; and

**WHEREAS**, FAEDF has agreed to cause such assessments to be conducted with the intent that FAEDF will be reimbursed for such assessments through the tax increment of the Tax Increment Financing District if such a district is created.

**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.

**Section 2.** The Corporate Authorities hereby agree to reimburse the FAEDF for costs paid for an engineering assessment/study regarding Route 75 as it relates to the Eastgate Housing Development project to the extent it qualifies for reimbursement under the Tax Increment Financing Laws of the State of Illinois, if such district is created.

**Section 3.** The Corporate Authorities hereby agree to reimburse the FAEDF for costs paid for an environmental assessment (Phase I) on property located along Route 75 North consisting of approximately 65 acres of land located in the southwest quadrant of Section 28, Township 27 North, Range 8 East of the 4<sup>th</sup> Principal Meridian, Lancaster Township, Stephenson County, Illinois to the extent it qualifies for reimbursement under the Tax Increment Financing Laws of the State of Illinois, if such district is created.

**Section 4.** If any section, paragraph, clause or provisions of the Resolution shall be held invalid, said invalidity shall not affect any other provision of this Resolution.

**Section 5.** This Resolution shall be in full force and effect from and after its passage and approval in the manner provided by law.

Alderman Clark, Finance Chair, stated that the committee held a meeting on July 26, 2004. The city’s new legal counsel for TIF’s has requested that a revised resolution be presented to add some additional language. In addition, Bob Skurla has indicated that FAEDF will be paying for an environmental report for property that will likely be included in the TIF. The committee voted unanimously to adopt this resolution and Alderman Clark so moved, seconded by Alderman Wright. On the roll call of yeas and nays, Aldermen Clark, Boldt, O’Neill, Wright, and Gaulrapp voted yea. Aldermen Varner, Dawson, and Bender voted nay. There were five yeas and three nays. The resolution was adopted.

**RESOLUTION #R-2004-54**  
**RESOLUTION EXPRESSING OFFICIAL INTENT REGARDING CERTAIN EXPENDITURES TO BE REIMBURSED FROM THE SPECIAL TAX ALLOCATION FUND AND/OR FROM PROCEEDS OF DEBT ISSUED, IF ANY, IN CONNECTION WITH A PROPOSED TAX INCREMENT FINANCE DISTRICT COMMONLY KNOWN AS THE LINCOLN BUSINESS PARK REDEVELOPMENT PROJECT AREA**

**WHEREAS**, the City of Freeport (the “City”) is contemplating the formation of a tax increment financing district commonly described as the Lincoln Business Park Redevelopment Project Area (the “District”) for certain real property described in Exhibit A attached hereto and made a part hereof (the “Property”); and

**WHEREAS**, certain expenditures relating to projects to be undertaken in the District may be paid on or after passage of this Resolution but prior to establishment of the Special Tax Allocation Fund for the District and/or the incurrence of debt by the City, including, but not limited to, eligible “Redevelopment Project Costs” (the “Expenditures”) as defined by the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74,4-1 et seq., as amended, (the “Act”) to prepare the District for commercial and/or industrial and/or retail redevelopment projects (“Projects”);

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

**Section 1.** That the foregoing recitals are incorporated herein by this express reference.

**Section 2.** That in the event the District is established, the City reasonably expects to reimburse all or a portion of the Expenditures from the Special Tax Allocation Fund for the District and/or with proceeds of debt to be issued by the City, if any.

**Section 3.** That in the event the District is established, the maximum principle amount of debt expected to be issued, if any, for reimbursement of all or a portion of the Expenditures in connection with the Projects is \$10,000,000.00.

**Section 4.** That this Resolution is a declaration of official intent under Treas. Reg. Section 1.150-2 and under the Act.

**Section 5.** That the officials, officers and employees of the City are hereby authorized to take further actions as necessary to carry out the intent and purpose of this Resolution.

**Section 6.** This Resolution shall be in full force and effect immediately upon its passage and approval.

**Section 7.** 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 Clark, Finance Chair, stated that the committee held a meeting on July 26, 2004. This is another replacement resolution presented at the request of the city's new TIF legal counsel to include additional language. The committee voted unanimously to adopt this resolution and Alderman Clark so moved, seconded by Alderman Wright. On the roll call of yeas and nays, Aldermen Varner, Clark, Dawson, Boldt, O'Neill, Wright, Gaulrapp, and Bender voted yea. The resolution was adopted.

**RESOLUTION #R-2004-55**

**RESOLUTION TO ENTER INTO AGREEMENT WITH FEHR-GRAHAM FOR SERVICES RELATED TO STORM SYSTEM IMPROVEMENTS**

**WHEREAS**, on August 2, 2004 the Water & Sewer Commission of the City of Freeport, approved a proposal from Fehr-Graham & Associates to design storm sewer improvements from the intersection of Clark and Exchange to the Pecatonica River; and

**WHEREAS**, this work is required by the Compliance Commitment Agreement from the Illinois Environmental Protection Agency; and

**WHEREAS**, the cost of this study is reimbursable through the existing storm water fee; and

**WHEREAS**, the Corporate Authorities believe it is in the best interests of the citizens to cause such work to be completed.

**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.

**Section 2.** The Corporate Authorities hereby authorize the Executive Director of the Water & Sewer Commission to enter into a contract with Fehr-Graham & Associates to conduct certain services in relation to the design of the storm sewer system improvements, as shown in Exhibit A.

**Section 3.** The Corporate Authorities hereby further authorize the Executive Director to negotiate and enter into such other contract(s) as necessary in order to complete such work.

**Section 4.** It is intended that the sanitary sewer fund reserves be reimbursed to the Commission through the storm water fee.

**Section 5.** If any section, paragraph, clause or provisions of the Resolution shall be held invalid, said invalidity shall not affect any other provision of this Resolution.

**Section 6.** 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.

Alderman Boldt, Public Works Chair, stated that the committee held a special meeting on August 2, 2004. Bids were discussed and approved at the Water & Sewer meeting and they have recommended to accept the bid from Fehr-Graham & Associates for engineering work on the Linden Storm Sewer project. The committee voted unanimously to adopt this resolution and Alderman Boldt so moved, seconded by Alderman Varner.

Alderman Gaulrapp asked for an explanation of why the low bid was not accepted. There was leave granted to hear from Water & Sewer Assistant Director, Denise Blakely. She explained the process in which Fehr-Graham was chosen. The committee chose this firm based on their ability to solve the immediate problem, as well the firm's qualifications.

Alderman Clark explained that professional services are selected based on qualifications, also keeping the bid amount in mind.

On the roll call of yeas and nays to adopt this resolution, Aldermen Varner, Clark, Dawson, Boldt, O'Neill, and Wright voted yea. Aldermen Gaulrapp and Bender voted nay. There were six yeas and two nays. The resolution was adopted.

**RESOLUTION #R-2004-56**

**RESOLUTION FOR TAX EXEMPT LOAN FOR STREET SWEEPER AND DUMP TRUCK**

**WHEREAS**, on June 21, 2004 the City of Freeport opened and publicly read bids for a 10-Yard Dump Truck and a street sweeper; and

**WHEREAS**, after reviewing the bids received, the recommendation to the Public Works Committee was to accept the bid of Trucks Inc. Monroe for the 10-yard dump truck and Standard Equipment Company for the street sweeper, each with financing terms to be negotiated; and

**WHEREAS**, the Public Works Committee recommended acceptance of such, subject to the review of the financing terms by the Finance Committee; and

**WHEREAS**, after reviewing the bids, the Finance Committee formally recommends to the City Council that the bid from Trucks Inc. Monroe for the International 7400 10-yard dump truck with Bonnell equipment be accepted and that the Finance Director be authorized to negotiate tax exempt financing with an interest rate not to exceed 5.12%; and

**WHEREAS**, the Finance Committee further recommends that the bid from Standard Equipment Company for a street sweeper be accepted and that the Finance Director be authorized to negotiate tax exempt financing with an interest rate not to exceed 4.9%.

**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.

**Section 2.** The City Council of the City of Freeport hereby accepts the bid from Trucks Inc. Monroe for the International 7400 10-yard dump truck with Bonnell equipment and the bid from Standard Equipment Company for a street sweeper.

**Section 3.** The City Council of the City of Freeport hereby states that each of these pieces of equipment will be used for a public purpose and that each is appropriate for tax exempt financing.

**Section 4.** The Finance Director of the City of Freeport is authorized to negotiate financing as stated in the recitals hereto.

**Section 5.** If any section, paragraph, clause or provisions of the Resolution shall be held invalid, said invalidity shall not affect any other provision of this Resolution.

**Section 6.** This Resolution shall be in full force and effect from and after its passage and approval in the manner provided by law.

Alderman Clark, Finance Chair, stated that the committee held a meeting on July 26, 2004. Corporation Counsel, Sarah Griffin, requested that the committee formally approve Duane Price's recommendations for financing the recently approved street capital equipment with a local lender. The committee voted unanimously to adopt this resolution and Alderman Clark so moved, seconded by Alderman Boldt. On the roll call of yeas and nays, Aldermen Varner, Clark, Dawson, Boldt, O'Neill, Wright, Gaulrapp, and Bender voted yea. The resolution was adopted.

**RESOLUTION #R-2004-57**

**RESOLUTION TO ENTER INTO AGREEMENT WITH FEHR-GRAHAM & ASSOCIATES FOR SERVICES RELATED TO EASTSIDE PHASE I ENVIRONMENTAL**

**WHEREAS**, on June 20, 2003 the City of Freeport was approved for a U.S. Environmental Protection Agency Pilot Assessment grant; and

**WHEREAS**, such grant was intended to cover assessment in the area generally known as the Rawleigh Corridor; and

**WHEREAS**, the City is in the process of amending its workplan under that grant to formally include a Phase I environmental assessment covering the properties lying northeasterly of the Pecatonica River, excluding the following properties: 1) those properties that are in Stephenson County, 2) the currently operated Honeywell Plant 2, 3) the vacant lands lying westerly/northwesterly of the abandoned railroad tracks that cross the Pecatonica River at Tutty's Crossing thence heading northeasterly and crossing Henderson Avenue, 4) the two UST Fields properties being investigated by IEPA, and 5) the CMC Heartland property; and

**WHEREAS**, Fehr-Graham & Associates has been approved as the engineering firm to conduct work under the Brownfields Pilot Assessment grant; and

**WHEREAS**, there continue to be community-wide concerns over the health, safety and overall environmental contamination of properties on the eastside of this community; and

**WHEREAS**, the Illinois Department of Environmental Protection has agreed to conduct subsurface investigative borings and sample analysis of three to four properties which will be targeted following the results of this Phase I environmental assessment, making time a critical factor in the execution of an agreement for the Phase I work.

**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

**Section 2.** The Corporate Authorities hereby authorize the Mayor to enter into a contract with Fehr-Graham & Associates to perform Phase I environmental assessment and analysis consistent with and in accordance with Exhibit A.

**Section 3.** If any section, paragraph, clause or provisions of the Resolution shall be held invalid, said invalidity shall not affect any other provision of this Resolution.

**Section 4.** This Resolution shall be in full force and effect from and after its passage and approval in the manner provided by law.

Alderman Gaulrapp, Community Development Chair, stated that the committee held a special meeting on August 2, 2004. The committee voted unanimously to adopt this resolution and Alderman Gaulrapp so moved, seconded by Alderwoman Bender. On the roll call of yeas and nays, Aldermen Varner, Clark, Dawson, Boldt, O'Neill, Wright, Gaulrapp, and Bender voted yea. The resolution was adopted.

## **COMMITTEE REPORTS**

### **COMMUNITY DEVELOPMENT**

Alderman Gaulrapp, Chair, stated that the committee was informed that the IEPA cited the city for \$500.00 for late landfill reports. Fehr-Graham stated that since it was their fault, they would pay the fee. The committee voted unanimously to authorize Fehr-Graham to pay the fine on the city's behalf and Alderman Gaulrapp so moved, seconded by Alderwoman Bender. On the roll of yeas and nays, Aldermen Varner, Clark, Dawson, Boldt, O'Neill, Wright, Gaulrapp, and Bender voted yea. The motion carried. The next meeting will be August 9, 2004 at 5:30pm, in City Council Chambers.

### **PUBLIC WORKS**

Alderman Boldt, Chair, stated that the next meeting would be August 16, 2004 at 5:30pm, in City Council Chambers. Immediately following, there will be a Sub-Committee meeting at 6:30pm.

There was leave granted to hear from Public Works Director, Craig LeBaron. He explained how the streets were chosen for the Street Program.

### **FINANCE**

Alderman Clark, Chair, stated that the next meeting would be August 23, 2004 at 5:30pm, in City Council Chambers.

### **PUBLIC SAFETY**

Alderman Dawson, Vice Chair, announced that the Human Society would begin micro chipping dogs on September 23, 2004, from 12:00pm to 4:00pm. The cost per dog is \$15.00.

Alderwomen Bender announced that there would be a special meeting on August 16, 2004 at 6:30pm, in City Council Chambers.

### **DEPARTMENT HEAD REPORTS**

Alice Ohrtmann, Water & Sewer Director, announced that there would be a public meeting on August 5, 2004 at 5:30pm at the New Second Baptist, 209 N Wilbur, in order to discuss the Taylor Park North Grant.

### **MAYOR'S REPORT**

The mayor discussed the following items:

- Reuse study for Rawleigh Complex
- Downtown TIF- Capital Plan
- Removal of service stations
- Title to CMC Heartland property & adjacent property
- Route 75
- Arts role in community



**PUBLIC COMMENTS**

Marianne Garvens read a TIF announcement from the Rockford Register Star and stated that the City of Freeport should use this method to inform the public also.

Rev. David Whitehead stated that he is that the city is willing to develop Eastgate, but is neglecting the eastside.

Lana Varner thanked the council for approving the Phase I Environmental resolution.

As there was no other business to be transacted by the City Council, the meeting was adjourned at 8:41pm.

**LATACIA M. ISHMON, CMC**