



City Council

City Council Chambers ♦ 524 West Stephenson Street ♦ Freeport, IL 61032

MINUTES SPECIAL MEETING Monday, February 23, 2015

CALL TO ORDER

The special meeting of the Freeport, Illinois, City Council was called to order in council chambers by Mayor James L. Gitz with a quorum being present at 6:00 p.m. on February 23, 2015.

ROLL CALL

Present on roll call: Mayor Gitz and council members Tom Klemm, Shawn Boldt, Ronnie Bush, Jennie DeVine, Dennis Endress, Sally Brashaw, Michael Koester and Andrew Crutchfield (8). Corporation Counsel Sarah Griffin was present.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Alderperson DeVine.

APPROVAL OF AGENDA

Mayor Gitz stated this agenda for the special meeting was duly posted according to the Open Meeting Act. Alderperson Endress moved for approval of the agenda, seconded by Alderperson Koester. Motion prevailed by voice vote without dissent.

Alderperson Boldt stated he has prior commitment he must leave to attend at 7:00 p.m. He apologized for the inconvenience and stated this church/school meeting has been scheduled long in advance of this special meeting notice.

PUBLIC COMMENTS – AGENDA ITEMS

Signed on the sheet for public comments were:

- Steve Carroll, 811 S. Oak, Freeport, Illinois, spoke in support of the Rental Property Registration. He stated he has spoken to the council for many years now during public comment about the issues plaguing his neighborhood. He stated the one ray of hope that is starting to make a difference is the rental property registration. It will take resources to keep it going. The follow up with the landlords takes resources and the fees are more than fair. He stated currently the functions are being performed by two part-time people and he would recommend a full-time person handle it. Mr. Carroll explained this is not about the building code, trash or building violations. This is about crime. Mr. Carroll stated if we want our neighborhoods to work we have to have this ordinance. The neighborhoods are the bedrock of our City and, if these

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neighborhoods die, there aren't going to be any businesses coming in here no matter what. He asked council to get this ordinance approved because we desperately need it.

- Joy Horton, 1321 S. Oak, Freeport, Illinois, spoke in support of the Rental Property Registration. She explained that she has live in the area of Oak Avenue for seventeen years and watched it switch to from single family ownership to tenant housing. She and a group of neighbors now take turns stay up all night on the weekend to stand watch of the neighborhood. This is so that they know they are "on notice". She stated it only takes a couple of bad landlords to run down a neighborhood. This is a low registration fee. Landlords who rent should be held accountable.
- Bonnie Kubly, 904 S. Carroll, Freeport, Illinois, spoke in support of the Rental Property Registration because she has lived in her residence for the past thirty years and she has seen and heard the effects of bad landlords. She had to install an air conditioning unit in her house to drown out the neighborhood noise from bad tenants. She stated there is constant noise and loud music. She spoke in support of holding the landlords accountable for their tenants.
- Conor Brown, 1739 Red Oak Lane, Rockford, Illinois, stated he is the Government Affairs Director of Realtors Association of Northwest Illinois and he spoke in opposition to the Rental Property Registration fee. He stated the original ordinance was meant for communication of police, fire and staff. He stated this is now about revenue. He stated now that they have had a registration, the departments have on file the property owners and it is not necessary to have them re-register. Mr. Brown stated in many cases, this registration fee will be passed along to the tenants. He referred to the registration statistic of 97% compliance and noted registration should not need to be annual once their information is on file.
- Evelyn Curry, 806 S. Float Avenue, Freeport, Illinois, spoke in support of the Rental Property Registration. Ms. Curry stated she is a social worker who has done home visits and witnessed deplorable conditions of renters where the landlord put them into rundown apartments. These landlords filed a post office box so the renter can't get a hold of them. She stated she knows there are good landlords. If a person can't afford the fees of \$25.00 per year for this business expense then they need to step down.
- Terry Heilman, 516 W. Clark, Freeport, Illinois, spoke against the proposed Rental Property Fees as the president of Freeport Area Landlord Association. He asked how the registration fees were spent last year. He spoke about the 97% compliance and it would be nice to see how the dollars were spent and where. He spoke about how the fines should be charged to the bad landlords to pay for the program.
- Brian Borchardt, 13788 N Hogback Road, Orangeville, Illinois, spoke against the proposed Rental Property Fees and asked how the registration fees that were collected last year were spent.
- Dick Drogosz, 1721 Westwood Lane, Freeport, Illinois, spoke in support of the Rental Property Registration as it helps with the goals of the Public Safety Plan. He asked council to keep this program and keep working to solve issues to make our neighborhoods safe.

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- Terry Moss, 2242 Chelsea Avenue, Freeport, Illinois, spoke against the proposed Rental Property Fees in terms of the fees per unit. He spoke about his rental percentage and stated he checks on his properties once per week.
- Ethel Johnson, 835 E. Shawnee, Freeport, Illinois, spoke in support of the Rental Property Registration. She stated she has lived in fear from the house across the street because it has had renters. She has had her windows shot in twice. She is afraid to leave her house or come back home to her house in the evening. She thanked the police force for doing their jobs. She stated there is a lot of drug stuff going on there. She stated nobody knows who rents the house and asked council to find out who owns 834 E. Shawnee so that something can be done about that property.
- George Buss, 760 W. Lincoln, Freeport, Illinois, spoke in support of the Rental Property Registration. He stated he is a landlord and is in favor of annual registration and the fee that is charged to effectively run the rental property registration program. He spoke about a renter and their dog who he asked to move out. Now that person moved from his property to an apartment on the other side of his house and the issues continue with dog droppings all over his yard.
- Patrick A. Sellers, 524 W. Stephenson Street, Freeport, Illinois, provided a written letter which was read into the record. He stated as a citizen of Freeport Illinois he is in support of the landlord registration initiative. Understanding the importance of such a program takes on an entirely new meaning for individuals living in neighborhoods beleaguered with crime. Every citizen, municipality, business and church has the moral obligation to help end violence in our streets and none are exempt. The rental property registration initiative is a great start in cleaning up crime in our neighborhoods and although it is not a cure all for the problems facing our City, it is a great start.
- Kathleen Wilkin, 902 S. 16th Avenue, Freeport, Illinois, spoke in regard to Resolution #2015-03 and asked council to hold it over especially due to section three and six to get the wording different.
- Andy Dvorak, 1211 W. Stephenson, Freeport, Illinois, spoke in regard to the 2015 City Agenda and referred the 43 point listing. He stated he hopes the City Council will have a separate discussion on the fate of the Carnegie Library and City Hall. He noted these are the 38th item on the 43 point agenda as prepared by Mayor Gitz and the city staff. He hopes the council is provided more time to evaluate and discuss the multi-million dollar decision. This needs a full public discussion for many reasons, not the least of which is how the City will cooperate with the historic preservation covenant and this will limit changes to the Carnegie Library. He may have missed something but he does not recall the council approving the renovation of the Carnegie Library and asked why it is being presented as a done deal tonight.

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RESOLUTION R-2015-08:

RESOLUTION AUTHORIZING AMENDED DEVELOPMENT INCENTIVES OFFERED BY STEPHENSON COUNTY IN RELATION TO MILL RACE CROSSING PROJECT AREA PURSUANT TO AN INTERGOVERNMENTAL AGREEMENT BETWEEN STEPHENSON COUNTY AND THE CITY OF FREEPORT

Mayor Gitz referred to the resolution and the copy of the real estate contract provided to the council members. He stated this is changes in the incentives that are relating to Mill Race Crossing and the Ingrown Farms LLC as the buyer. Stephenson County, Illinois is listed as the seller. Mayor Gitz reviewed for the council that the City and the County have an intergovernmental agreement governing economic incentives and infrastructure and plan reviews for Mill Race Crossing. This council has previously approved a set of incentives that the County offered in the form of a form contract for medical marijuana. One of the things that the original contract included was anyone who put in an application, agreed to purchase land, put a deposit down, the selling price for the successful bidder was \$3,000 price per acre. He explained they would be responsible for water and sewer, electrical would be provided, and there were other features in that agreement. He stated here is what has transpired since. The successful bidder is a company known as Ingrown Farms, LLC. Mill Race Crossing has been favored as a site for the medical marijuana production facility in this police district. There are now negotiations going between the County and Ingrown Farms to adjust some of the features of the original incentive package. He stated the primary change are that they will release the amount of money for the land, Ingrown Farms will participate in paying part of the real estate fees of about \$23,000 and the remaining part to be paid by the County. He stated Ingrown Farms will agree to pay for the cost of electrical extension to the site, a matter of substantial infrastructure costs. The county is interested in seeing our approval the incentives on this because the closing could be as early as tomorrow. He stated the time is of the essence and that is why it is brought to the council in this special meeting. He stated he invited county officials to be present tonight. Mayor Gitz introduced that Mr. Ed Mulligan, vice chair Stephenson County Board and Jeff Mikkelsen, Stephenson County Planning and Development Chair are both present along with County Administrator, John Light. There was a rendering of the site location for council to view.

Mayor Gitz noted this agreement provided to the council was approved by the County last Thursday. Alderperson Klemm asked about the water infrastructure and it was answered that the facility will utilize their own septic and there will be no cost to the City for water and sewer to the site. County representative explained the site facility drawing and stated it is expected that there will be 25 to 50 people employed at the facility. Alderperson DeVine asked if there will be local contractors hired to do the work. The county officials stated that local contractors will be utilized including Civil and Morse Electric. Alderperson Brashaw asked if the existing gas line is suitable for their facility need and it was answered that yes it is suitable. The resolution provided the following:

RESOLUTION NO. 2015-08

WHEREAS, on January 11, 2006, an Intergovernmental Agreement was entered into between Stephenson County and the City of Freeport regarding the area known as the Mill Race Crossing Project Area; and

WHEREAS, within that Agreement was a section which states that the County shall not offer any development incentives for any economic development project with the Mill Race Crossing Project Area until the same shall have been approved by the corporate authorities of the City of Freeport; and

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WHEREAS, this City Council authorized certain development incentives which were included in a form Real Estate Contract between the County and several applicants for Medical Cannabis Cultivation Centers on July 21, 2014 through its approval of Resolution 2014-58; and

WHEREAS, the State of Illinois has since approved In Grown Farms, LLC to establish certain property at within the Mil Race Crossing Project Area as a Medical Cannabis Cultivation Center; and

WHEREAS, due to certain timing aspects with the leveling of the property and other issues with the original real estate contract, the County and In Grown Farms, LLC have renegotiated the real estate contract and added property to the original contract, which require the approval of the corporate authorities of the City because they include a change in the development incentives, specifically the contract changes which include: 1) the lowering of the price of the property; 2) requiring In Grown Farms, LLC to pay for extending electricity to the site; and 3) requiring In Grown Farms, LLC to pay a portion of a fee to the Real Estate Commission in conjunction with the sale of this property.

WHEREAS, other City approvals and requisites contemplated under the Intergovernmental Agreement remain in the real estate contract; and

WHEREAS, the form of the real estate contract is attached hereto as Exhibit A.

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

Section 1. That it hereby approves the amended development incentives included in the Real Estate Contract attached hereto as Exhibit A, pursuant to Section 5 of the Intergovernmental Agreement between Stephenson County and the City of Freeport, as it relates to the County's real estate agreement with In Grown Farms, LLC, a Medical Cannabis Cultivation Center. The City's approval herein is limited to the amended development incentives and does not presume that this is the final agreement between the parties nor limit the City's authority to approve any further agreements including incentives.

Section 2. The Corporate Authorities hereby authorize the Mayor and City Clerk of the City of Freeport, as well as any other City official or employee as may be required or convenient, to sign on behalf of the City of Freeport to execute any and all documents necessary to fulfill the intent of this Resolution and to facilitate the contemplated development at Mill Race, provided that those actions are not inconsistent with this Resolution.

Section 3. That the Mayor or City Clerk of the City of Freeport, as well as any other City official or employee as may be requested or convenient are authorized to provide such additional information or sign further documentation as may be required to accomplish the intent of this Resolution.

Section 4. That the provisions of this Resolution are severable and if any court of competent jurisdiction shall declare any portion of this Resolution to be invalid or unenforceable, said decision shall not affect any portion of this Resolution, other than the part declared invalid or unenforceable. The City Council hereby declares that it would have enacted this Resolution even with the invalid or unenforceable portion deleted.

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

Section 6. 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 that all Resolutions or motions in conflict with this Resolution are repealed insofar as they conflict.

Section 7. That any resolution or motion in conflict with this Resolution is hereby repealed insofar as it conflicts with this Resolution.

Aldersperson Boldt moved for approval of the resolution as presented, seconded by Aldersperson Crutchfield. The motion prevailed by a roll call vote of;

Yeas: Klemm, Boldt, Bush, DeVine, Endress, Brashaw, Koester, and Crutchfield (8)

Nays: none

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At 7:00 PM, Alderperson Boldt left council chambers leaving the number of council members present at seven.

DISCUSSION OF RENTAL PROPERTY REGISTRATION FEES

Mayor Gitz stated tonight there will be a presentation on the Rental Property Registration that includes a presentation from DeKalb Illinois to make observations about their rental property registration program and their fee structure. Lt. Matt Summers introduced Carl Leoni of the DeKalb Police Department who serves as their Crime Free Housing Coordinator. He explained that he has been in the position for two years since 2013 as the Crime Free Housing and Inspection Coordinator, prior to that he was police officer. This is a civilian position assigned to the Support Services section of the Police Department. The coordinator is responsible for coordinating aspects of the Crime Free Housing and Inspections Program including the annual rental property registration program; conducting crime free program certification workshops for residential property managers; coordinating crime prevention security assessments of the property and serving as a liaison between the Police Department and the Landlord/Rental Property owner community. Mr. Leoni explained every landlord must register their rental property annually with the City of DeKalb and every lease shall contain a crime free lease provision. Landlords are required to attend an educational program in the first year and in subsequent years on a rotating schedule. Since he began with the program in 2013, they have required registration. Before that it was an honor system and it really did not work.

Alderperson Crutchfield asked about DeKalb's fee structure for rental registration. Mr. Leoni provided the fee structure is \$50.00 per building per year for up to two units and anything over two units would pay the initial \$50.00 fee plus \$15.24 per unit. He provided an example of a three unit property would have a registration fee of \$65.24. He stated an eight unit property would pay a fee of \$50.00 for the first two units and then \$15.24 for the next six units over the first two units.

Alderperson Koester asked Mr. Leoni to explain the cost of running their program. Mr. Leoni stated their program does not pay for itself, they bring in approximately \$194,000 per year and the costs associated with the program average about \$220,000. Alderperson Koester asked if they are full time or part time employees. He stated the crime side they work with that landlords in order to modify behavior and they have one full time person for that and they also have three part time people to look after the property maintenance aspect.

There was a presentation on the rental property program presented by Lt. Summers of the Freeport Police Department and Community Development Director Jim Brown. Director Brown explained that when the program started they anticipated 1,900 to 2,000 properties to be registered. The actual registration was 2,018. This equated to 3,557 rental units in the City of Freeport due to multi-unit buildings. Of the 2,018 properties, 1,434 are single-family rental properties/units (71%).

In the Community Development office, there is a part-time Community Development Rental Property Specialist who assists landlords with registration, maintains rental property database, assists landlords, tenants, and other staff with rental property issue, and provides staff support to City's prosecutor for adjudication hearings (regarding rental properties only). In the Police Department, there is a part-time

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Police Department Rental Property Specialist who is the liaison between police department and landlords, links police data with rental property data, and conduct seminars and training. There was \$52,325 collected from registrations since starting in June 2014. Overall the personnel costs since the program inception beginning in March 2014 and projected through to the end of this fiscal year will be \$50,317 for two part time employees, \$135 for background checks, \$122 for drug tests; for a total \$50,574.00. Since the program inceptions in March 2014 there has been capital outlay totaling \$11,209.00 which includes \$1,443 for computer equipment and \$9,766 for software acquisition. There were also \$1,722 in contractual costs due to printing, professional services and annual software maintenance costs. There has been \$977 in supplies including office supplies, postage, and conference attendance. The total cost of the program to date is \$64,482.00 (\$50,574 personnel, \$1,722 contractual services, \$977 supplies, and \$11,209 in capital outlay). The net loss of this program in the first year was \$12,157 (\$52,325 in revenues and \$64,482 in costs).

Lieutenant Matt Summers explained the program improvements they are planning for in the second year of rental property registration; 1) expanded landlord training, 2) voluntary landlord certification 3) training on Crime Prevention Through Environmental Design, 4) legal notice 5) police department procedures, 6) integration with Community Development 7) integrate best practices in other cities. Lt. Summers reviewed success stories from Mike Lehmann, Police Department Rental Property Specialist.

Lt. Summers presented that there are 12,277 housing units (US Census estimate 2013) and there are 3,557 rental housing units (rental property program registration total December 31, 2014) in the City of Freeport. There is 28.9% rental housing units in Freeport. When you look at a sampling of data over a period of 10 days from each quarter for police incidents, there were a total of 626 total incidents at all residential properties and 500 of those were at rental units. There is a percentage of 79.8% of all police incidents in rental properties as compared to non-rental units. He summarized these figures by reiterating that 28.9% of properties are rental units and 79.8% of the police related incidents are from rental units.

The proposed budget for 2015-2016 was reviewed to include:

| | |
|--|----------|
| Personnel (Total cost for two part-time) | \$43,656 |
| Landlord training program | 10,000 |
| Rental Handbook | 1,000 |
| Software license and customization | 5,000 |
| Capital outlay (compute equipment) | 2,000 |
| Other printing and supplies | 2,250 |
| Employee training and memberships | 2,000 |
| Total Costs | \$65,906 |

The DeKalb rental property registration fees were reviewed = \$50.00 per property + \$15.24 for each unit over two. For a two unit building the cost is \$50.00 and for a four unit building the cost is \$80.48. In Skokie the fee is \$25.00 per unit, \$50.00 for two unit building and \$100 for a four unit building. In the City of Freeport the current costs for registration is \$25.00 for one unit, \$35 for 2-4 units, and \$45 for five unit properties and above.

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In the ordinance provided to the council this evening the fees proposed are:

\$25 for one unit, \$35 for two unit, \$50 for 3-4 unit, \$100 for 5-9 unit, \$150 for 10-14 units, and \$175 for fifteen and above units. The statistics were provided as to the unit breakout of the 3,557 units in the 2,018 rental registration properties. Of those 1,434 were single unit properties.

Director Brown and Lt. Summers took questions and provided that they are looking for an equitable way to sustain the program, they are not trying to generate revenue. They noted there is work to be done to develop the program to expand landlord training and start the voluntary landlord certification. The goal of this program is to create safer neighborhood and housing. The fees are not for fees sake, the fees will help sustain the work that has been done thus far and to move forward the program. Both presenters stated the bottom line is that the program is working. If the program goes away the losses will be in neighborhoods.

Council provided their opinions on the fees and noted that the program overall has been a success. Alderperson Koester stated he is in favor of the program and he personally has been witness to a success story. He is concerned that no fines have been collected and would rather see the fees structure more like the DeKalb fees on a per unit basis. He asked if the staff could project out the expenses projected for next year using a couple of the fee structures such as DeKalb and this year's fees.

The following was provided in the packet for this evening and posted on the website as a hyperlink on the agenda for the public to view prior to this meeting.

1st READING OF ORDINANCE #2015-15:

AN ORDINANCE AMENDING CHAPTER 876 (RESIDENTIAL RENTAL PROPERTY REGULATIONS) OF THE CODIFIED ORDINANCES OF THE CITY OF FREEPORT TO ADD ANNUAL REGISTRATION FEES

WHEREAS, the Residential Rental Property Regulations of the City of Freeport, Illinois have proved extremely successful by allowing for personal follow up of police calls with the owner or agent of a rental property; and

WHEREAS, the Residential Rental Property Regulations have given owners and managers of residential rental properties additional tools to work with their tenants and the Police Department in an effort to control potentially dangerous living situations and to improve the overall quality of neighborhoods; and

WHEREAS, it has always been the City Administration's position that this program should be self-sustaining, since all proceeds of the fee are expended on rental related issues; and

WHEREAS, when the program was enacted it was agreed that the rental property fee structure would be reviewed after one year; and

WHEREAS, the City's budgetary conditions cannot sustain the cost of this program without additional funding.

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

Section 1. That Chapter 876 entitled "Residential Rental Property Regulations", Section 876.08 entitled, IMPLEMENTATION FEE of the Codified Ordinances of the City of Freeport, Illinois shall be amended as follows:

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876.08 IMPLEMENTATION FEE.

~~Implementation fees shall be twenty five dollars (\$25.00) for single family dwelling containing one residential rental unit, thirty five dollars (\$35.00) for dwellings containing two to four residential rental units, and forty five dollars (\$45.00) for dwellings containing five or more residential rental units. For apartment complexes, each separate building will be assessed a registration fee as outlined above. For mobile home parks, a single trailer is considered one residential rental unit and the entire contiguous park is considered one dwelling. Implementation fees shall be due and payable as part of the initial registration pursuant to Section 876.02.~~

“ANNUAL REGISTRATION FEE.

At the time of annual registration under Section 876.04, there shall be fees payable as follows:

\$25.00 single family dwelling containing one residential rental unit;

\$35.00 dwellings containing two residential rental units;

\$50.00 dwellings containing three or four residential rental units;

\$100.00 dwellings containing five to nine residential rental units;

\$150.00 dwellings containing ten to fourteen residential rental units;

\$175.00 dwellings containing fifteen or more residential rental units.

For apartment complexes, each separate building will be assessed an annual registration fee as outlined above. For mobile home parks, a single trailer is considered one residential unit and the entire contiguous park is considered one dwelling.”

Section 2. All other provisions of Chapter 876 shall remain as currently set forth.

Aldersperson Klemm moved for approval of the ordinance as presented, seconded by Aldersperson Bush.

Aldersperson Bush noted the program is working and he would like to see it keep going. He asked to see more calculations as to the expenses forecasted for this program in order for it to continue.

Aldersperson Brashaw stated that although she agrees with the registration program she does not agree to charge the fees again this year. She would rather there is more done to punish the bad landlords and the bad tenants. She does not want these costs passed along to the tenant and although she did not pass the \$25.00 on to her tenants, she does know that it has been done and there are tenants that cannot afford it. She would like for this program to be self-sustaining with punishment and fines or look to leverage other revenue streams. She reiterated that she wants Freeport to be a safe place but will not vote in favor of the fees to be passed for this program.

Aldersperson Crutchfield spoke his appreciation for the presentation. He spoke about the deplorable conditions some landlords put their tenants in and for this those landlords should be fined and punished. He stated he is aware that many landlords passed this fee for the program on to their tenants. He is not in favor of the fee structure outlined in the ordinance. He spoke in support of having landlord certification.

Aldersperson Endress spoke in favor of the program and that he would like to see it continue. Aldersperson Klemm stated that he would be interested in seeing the math calculations on other fee structures.

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Discussion was held on the prosecution of fines for non-compliance and licensing of landlords. Mayor Gitz stated rental of properties is a business and these costs can't be off-loaded to the general fund of the City. Discussion was held as to how this cost has been passed along to the tenants and if this program does not continue these increased rents won't be rebated back to the tenant.

Aldersperson Koester stated he was notified the audio portion of the live-feed of the council meeting through Comcast was not working.

Mayor Gitz stated the ordinance will be automatically laid over to the next reading.

RESOLUTION R-2015-03:

RESOLUTION ADOPTING THE CITY OF FREEPORT 2015 ECONOMIC DEVELOPMENT PLAN

WHEREAS, the City of Freeport is dedicated to job retention, job attraction and developing a sustainable economy providing a high quality of life; and

WHEREAS, the City has previously discussed and developed a draft Economic Development Plan with specific goals and objectives; and

WHEREAS, the City invests more than \$330,000 a year in economic development initiatives and promotional partnerships – investments that do not even include the thousands of dollars the City has also invested in matching funds for the Jane Addams Trail and Pecatonica Prairie Path; and

WHEREAS, the City currently has three contracts with affiliated organizations that are currently subject to renewal, those contracts being with the Northwest Illinois Development Alliance (NIDA), the Stephenson County Convention and Visitors Bureau (SCCVB), and the Freeport Downtown Development (FDDF); and

WHEREAS, the public has a reasonable expectation that public monies expended for economic development will provide visible results; and

WHEREAS, the City's current economic condition underscores that the need to coordinate, focus, and enhance the City's economic development strategies has never been greater; and

WHEREAS, it is the express objective of the Mayor and City Council to ensure that the City's 2015 economic development expenditures are focused and leveraged for maximum attainable results.

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

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. That the Council does hereby support and approve the adoption the City of Freeport 2015 Economic Development Plan (Exhibit A).

Section 3. That the Mayor and City staff are authorized and directed to carry out all actions necessary to implement the provisions of the 2015 Economic Development Plan subject to the financial resources provided by Council. Further, that the Mayor and City staff are authorized and directed to provide periodic reports to the Council regarding their progress in implementing the plan and the results obtained.

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

Section 5. 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 that all Resolutions or motions in conflict with this Resolution are repealed insofar as they conflict.

Section 6. That the provisions of this Resolution are severable and if any court of competent jurisdiction shall declare any portion of this Resolution to be invalid or unenforceable, said decision shall not affect any portion of this Resolution, other than the part declared invalid or unenforceable. The City Council hereby declares that it would have enacted this Resolution even with the invalid or unenforceable portion deleted.

Section 7. That any resolution or motion in conflict with this Resolution is hereby repealed insofar as it conflicts with this Resolution.

Exhibit A provided the following supplemental information for the 2015 Focus for Freeport Economic Development. It included the following focus: attract, retain, and expand midsize manufacturers; expanded marketing & advertising campaign; downtown improvements; develop Illinois Route 26 and 20; and redevelop vacant properties.

The chart was broken into the following categories with 2015 Focus (02/09/2015 revised):

NIDA (Northwest Illinois Development Alliance)

- Create recurrent contact schedule for existing mid-size manufacturers
- Develop written and digital industrial/commercial marketing materials
- Coordinate promotion of Honeywell Plant 4 and vacant industrial sites
- Develop marketing strategy utilizing Albertus Airport and surrounding parcels
- Build a regional coalition supporting US 20 4-lane development
- Establish a business newsletter highlighting City/Business achievements

FDDE (Freeport Downtown Development Foundation)

- Complete vacant property inventory for downtown buildings
- Market downtown through special events, including one new event
- Organize & complete beautification and clean-up projects within the downtown
- In cooperation with CVB, promote downtown business relating to trails
- Continue and enhance new business mentoring program
- Interface with & promote downtown businesses
- Work with City to prioritize buildings for exterior building grant program

Visitors Bureau (Freeport/Stephenson County Convention and Visitors Bureau)

- Establish partnerships with local agencies for promotion of City events
- Coordinate advertising along the US 20 corridor
- Promote recreational activities, trails, and parks
- Co-sponsor & assist with Freeport Independence Day Fire Works display & activities

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- Create State-wide promotional campaign and materials
- Assist schools, local organizations, & facilities with promotion of tournaments & events

City

- Enhance infrastructure in key marketable industrial & commercial areas
- Finish key projects, i.e., Jane Addams Trail and corridor improvements
- Build a database of sites showcasing shovel-ready development in key areas
- Market business relocation incentives (TIF/E-zones)
- Review local codes, ordinances, and permits for efficiency and customer ease
- Coordinate development at RT 26 & US 20
- Facilitate and coordinate new E-zone application with regional partners

Retail Consultant

- Market the City of Freeport at retail trade shows & arrange interviews
- Develop & implement strategies for attracting new retail to City
- Develop marketing outreach that fits our demographic and existing sites
- Compile database of markets, consumer base, building & site inventory
- Develop a specific strategy for development at RT 26 & US 20

Mayor Gitz presented the resolution by stating this chart has been before the council before and there have been some amendments to the focus. There are three contracts which are presently under review for NIDA, FDDF or the Visitors Center. The question before the council is do these suggestions on the context of the contract and the goals for the City, meet with your approval. He asked council to review the 2015 focus document (stated above).

Corporation Council Griffin reviewed the Freeport Economic Development 2015 Focus document and stated this is the attachment to the resolution and not what Ms. Wilkin in public comments referred to as to paragraph three. This would authorize the Mayor to implement the provisions and the theory of that was to negotiate the contracts with the entities such as NIDA, FDDF and the Visitors Center. She stated it has nothing to do with the project agenda (next item) or the Carnegie Library.

Aldersperson Crutchfield provided that we have not had a good discussion so he does not know where the alderman stand and he wants to be clear that his focus wants to stay the focus that we are now with more focus on mid-size manufacturing to continue to try to bring those jobs in. With this new plan there is more focus on retail develop and the use of a retail consultant and he does not necessary want to see an additional retail consultant in addition to the work that NIDA performs. He recommends looking at the listing of functions that NIDA performs and have it set out yearly goals to include retail focus.

Aldersperson Koester stated that he is now in support of hiring a retail consultant in addition to NIDA because there has not been much concentration on this in the past and with a retail consultant they will have resources and connections. He stated he does not want to replace NIDA but we need a program to bring in more opportunities in the community. Aldersperson Klemm asked for clarification of the section 3 and the wording on the Carnegie Library and City Hall referred to by Corporation Counsel Griffin. Mayor Gitz stated you are looking at the project list and that item is next on the agenda.

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Alderson Klemm asked if Mayor Gitz has conversations going on with NIDA. Mayor Gitz stated the contract on that has been a subject of general discussion on Alderson Crutchfield's point. Item number one is to create recurrent contact schedule for existing mid-size manufacturers. He stated there is real value in NIDA contacting existing employers and working on this. This council has heard Mr. Young on numerous occasions that they do not think retail is a leading issue to deal with and they are basically a two person staff so he is taking it on their word that what the notes from those meetings say is that they do not have the contacts or the time or the interest, then why not try another approach to see if we can get a little further faster. He stated it is not a matter of "either or" it is a matter of "and". He is not suggesting that we abrogate our commitment to NIDA. We can negotiate what the terms of that commitment will be. The last part is to send out an RFQ for a retail consultant to give us some firm with contacts who would be looking at this kind of market and can offer complimentary businesses that are not here now; not at the expense of the businesses but to supplement. He is interested in diminishing the amount of hemorrhaging of people going elsewhere to shop because they cannot find the goods here. Mayor Gitz stated the council retains final authority to approve the contract and we don't go signing them without your approval. Alderson Klemm stated he is interested in moving on north of town and the old Eagle's store on South Street to get something moving on those.

At 8:00 pm, Alderson DeVine left council chambers.

Alderson Koester moved for approval of the resolution as presented, seconded by Alderson Klemm. Discussion was held on the adoption of the resolution and whether the City will be looking for a retail consultant. Mayor Gitz stated that would be done through RFQ's and there would be presentations and he would solicit NIDA to be part of that process to close the circle here. Ultimately a contract would need to be approved by the council. He stated the way he looks at it are most of the properties are within TIF districts and almost all this money can be TIF related so that means we do not have a big drain on the general fund. The part of the circle is unclosed is the Route 26 and 20, if we want retail out there that would need to be paid in a different way and he has some ideas on that but that needs to be worked out.

Alderson Crutchfield asked if the administration is going to adjust the NIDA budget. Mayor Gitz stated that is actually a discussion with them right now. Alderson Crutchfield stated unless they are going to do the retail consultant, it would be adjusted. Mayor Gitz stated the issue of spending plans will be an issue of allocation. The council can say through the contracts that the administration draws, what the funding level should be. The funding level of NIDA is something we need to have a lot more discussion on. He stated he does not mind giving money to NIDA, but they have been running their own show, and we have no measurable goals. When you ask them hard questions, they say well this is a long term investment. They are into manpower resources and training and that is great. There are three to four organizations that are into manpower training, so how much time are they going to spend on that. What are they going to do that is not being done now. He stated if they spend 90% of their time following up on existing business, that would be money well spent and that is a measureable goal. Mayor Gitz stated he is tired of spinning our wheels. We have got some resources that we can deploy and the question is are we together in trying to make something happen or are we just going to talk about it. We need some retail help to tell us what our opportunities are and he is willing to pay for it and spend some money. If it

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comes to allocating money we did not before or reallocating money from within the contracts then he is fine with that. He does not care how we get there we just need to get there and that is why we came up with these goals. This is to say what ought to go in the contracts.

At 8:05 pm, Alderperson DeVine returned to council chambers. Mayor Gitz asked council to set the priorities on the items on the list. Alderperson Bush asked about the measureable goals of the retail consultant. Mayor Gitz stated as we begin to interview them that would become a part of it. He stated most of the people he has talked to want a three year commitment, but he does not think the council would go for that so he suggests that we see after a year as to what they have done and see from there. Alderperson Bush stated if we are going to hire a retail consultant we want to see something out of it more than a demographic study.

Upon no further discussion, the motion to approve the resolution prevailed by a roll call vote of;

Yeas: Klemm, DeVine, Endress, Brashaw, and Koester (5)

Nays: Bush and Crutchfield (2)

Resolution R-2015-03 was adopted by a vote of 5-2.

2015 CITY AGENDA -- INFRASTRUCTURE IMPROVEMENTS, ECONOMIC DEVELOPMENT, NEIGHBORHOOD REDEVELOPMENT, PUBLIC SAFETY, ADDITIONAL CITY INITIATIVES

Agenda (2/20/2015 Draft)

- **Infrastructure Improvements**
 - Implement \$7.9 million IEPA loan for water main improvements
 - Prioritize energy efficiency investments for W & S system; evaluate fee structure & enact
 - Implement East side drainage improvements from U of W recommendations
 - Approve resurfacing program for water improvement streets (Harlem, South/Burchard, etc.)
 - Retain & prioritize pavement preservation programs (crack filling, micro surfacing, patching, etc.)
 - Build new Airport maintenance hangar (& terminal building -- resources permitting)
 - Landscape additions and improvements to corridors & select downtown parking lots
- **Economic Development**
 - Finish extension of Jane Addams Trail to downtown; planning & engineering for Pec Prairie Path
 - Complete grant funded Tutty's Crossing improvements; improve East Stephenson corridor
 - Develop a focus for City economic development, based on achievable & measureable goals
 - Market Freeport economic development sites; evaluate Mill Race infrastructure impact on City
 - Approve a Mill Race Crossing site plan for medical marijuana that meets City Code
 - Improve retail development options, focusing on vacant stores; finish JoAnn Fabrics shopping center
 - Seek to develop Route 26/US 20 interchange;
 - Canvass business needs & expansion plans of existing employers & employers
 - Implement wholesale food & energy initiative (HUD grant)
 - Finish HUD grant on small manufacturing opportunities; expand manufacturing initiatives
 - Obtain DPIT grant for Rawleigh transportation building, if possible
 - Determine Albertus Airport development opportunities and seek CIP assistance

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- **Neighborhood Redevelopment**

- Re-adopt fee structure for rental properties; expand landlord training program
- Continued emphasis on corridor clean up (Okie Dokie building and residences)
- Continue demolition program (expand with DNR help)
- Enhance code enforcement & foster housing upgrades
- Examine court system interaction & ways to expedite paths to judgment
- Implement workfare program with Freeport Township
- Create community initiatives to combat blight, channel resources & increase public involvement
- Create expanded anti-litter & clean-up campaign; involve schools
- Create awards for stand-out homes in blighted areas
- Apply for State & federal grants for neighborhood redevelopment

- **Public Safety**

- Work with State's Attorney's Office to bring charges on homicide cases
- Attack the "culture of silence" on crime issues
- Create public campaign on personal accountability
- Update community safety plan
- Evaluate community policing program for effectiveness & improved strategies of deployment
- Update and expand street lighting; phase in LED lighting; install cameras in high-crime traffic areas
- Enhance neighborhood links to job training
- Hire K-9 Officer; partner with other taxing bodies if possible

- **Additional City Initiatives**

- Rehab Carnegie library for City Hall & stabilize old City Hall building
- Refinance additional GO bonds for projected savings of \$800,000
- Create a council of Freeport taxing bodies to foster intergovernmental cooperation & cost savings
- Streamline permits & customer service related functions; put permits on-line
- Hire a IT person for all city departments; partner with another taxing body if possible
- Support state legislation to add unpaid water & sewer bills to property tax bills

Mayor Gitz provided that the list is not in priority listing as the public commenter suggests. These are informational items so the council knows what the City is working on in 2015 and this list will be used as a working list to develop the budget. Mayor Gitz also noted the draft date of February 20, 2015 as it has been revised since the previously distributed draft dated February 9, 2015.

Aldersperson Koester asked if this could be laid over to the next meeting in order to allow time for the council to digest the information. Mayor Gitz asked the council to email their comments to him and provide feedback and this can be brought back at a later meeting so it does not have to be laid over this evening. Mayor Gitz stated he has had meetings with NIDA and their budget is being discussed right now. Discussion was held as to having a discussion on this listing at a Committee of the Whole meeting.

Aldersperson Koester asked about implementation of building permits on line. Director Brown stated that in many instances it is not feasible to have the online permitting because it needs to be turned in with a set of plans. In addition to this you would need to have fillable PDF entry back to the website and that

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function is not available. He explained they certainly could consider for simple building permits to have the permit application.

OTHER

MAYOR/COUNCIL ANNOUNCEMENTS

Council members were provided an opportunity to discuss matters of public concern or to make announcements for their wards.

- Alderperson Koester asked Mayor Gitz if had further information on the announcement that Governor Rauner will cut the City's share of State Income Tax and asked to start looking at other revenue sources. Mayor Gitz stated he provided an update to council on email that the governor has proposed to cut the Local Government Distributive Fund in half. This is the fund that shares state income tax receipts with local government. A 50% cut would mean Freeport would lose about \$1.27 million in revenue. He asked council to give thought to what this magnitude of cuts means. It means drastic pain such as closing fire stations, laying off police officers, and reducing service levels. It means no demolitions and little or no community development. In addition, Mayor Gitz expects the \$2.3 billion in rural transportation grants would go away.
- Alderperson Crutchfield asked for an update on the RFQ for the Carnegie Library. City Engineer Gallagher provided that it is being reviewed and the final draft should be submitted tomorrow.
- Alderperson Bush asked Mayor Gitz where we are with a retreat. Mayor Gitz stated he asked for input from council and only received a couple back. He needs the council input to run the retreat the way they want it. Alderperson Bush asked if they could set up a meeting of a couple council members to begin the planning stages.

PUBLIC COMMENTS AGENDA OR NON-AGENDA ITEMS

John Menke, 524 W. Stephenson Street, spoke as Building Inspector for the City of Freeport. He stated he lives in Winnebago County. He stated in regard to the Landlord registration and how important it is, every day he is out in the street and in different neighborhoods. He sees the quality of living, the good and the not so good, where the crime is really active with the vacant properties. He has a firsthand witness to living conditions every day. He spoke in reference to the public comments from Terry Heilman regarding an outrageous fine and the actual complaint on that landlord was that they placed renters into a property with no furnace for six months. She still has not complied with all the violations. He stated he cannot comment further because it is in adjudication. He summarized by stating landlord registration is very important to improve the quality of living and to improve crime free living here in Freeport.

Jerry Siedenburtg 1255 W. Empire, Freeport, Illinois stated he did not pass the landlord registration on to his tenants. He spoke about the training provided by FALA should be sufficient and therefore it should not be necessary to provide additional training and incur the additional expense for the program for next year. He spoke about tenants being afraid to turn people in because they might be shot if they talk. We need to control the drugs. We have a good inspector who has helped him out a couple of time. He stated

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what we need are more jobs and to have more police to control the drugs. If you don't take care of that system, then are going to turn the lights off in town.

Terry Heilman, 516 W. Clark, Freeport, Illinois, spoke in regard to his previous public comment. Had he been told the rest of the story there is more to it. He stated if you are looking into the fees charged by DeKalb and Skokie then you need to consider their rents are substantially different. He would like the fees to be more equitable. He asked if you have a 50 unit building should you pay the same as two single family homes. If we are going to have a fee then we should share in that proportionally and that is the fair way to do it. A 500 unit building should pay for 500 units.

Upon motion duly made and seconded, the meeting was adjourned at 8:30 p.m.

s/ Meg Zuravel

Meg Zuravel
City Clerk