

: OFFICIAL PROCEEDINGS :**: OF THE CITY OF PEORIA, ILLINOIS :**

Council Chambers, Peoria, Illinois, September 17, 2002, a Regular Meeting of the City Council was held this date at 6:18 P.M., at City Hall, 419 Fulton Street, Mayor David P. Ransburg presiding.

ROLL CALL

Roll call showed the following Council Members present: Ardis, Grayeb, Gulley, Morris, Nichting, Spears, Teplitz, Thetford, Mayor Ransburg – 9; Absent: Sandberg, Turner – 2.

INVOCATION & PLEDGE OF ALLEGIANCE

Council Member Thetford requested that the family of Kathy Davis be remembered during the moment of silent prayer. She explained that Kathy Davis and her two-year old son were hit by a car and the little boy did not survive. Mayor Ransburg requested a moment of silent prayer and then he led the Pledge of Allegiance.

PROCLAMATIONS, COMMENDATIONS, ETC.

PROCLAMATION: HERITAGE ENSEMBLE DAY – September 17, 2002

PROCLAMATION: AMERICAN BUSINESS WOMEN'S ASSOCIATION –
September 19, 2002

PROCLAMATION: KNIGHTS OF COLUMBUS TOOTSIE ROLL FRIDAY –
September 20, 2002

PROCLAMATION: UPLANDS RESIDENTIAL ASSOCIATION'S CENTENNIAL
CELEBRATION DAY – September 21, 2002

PROCLAMATION: O'BRIEN AUTOMOTIVE TEAM LPGA CHARITY CLASSIC DAYS –
September 23 – 24, 2002

MINUTES

Council Member Nichting moved to approve the Minutes of the Regular City Council Meeting held on September 10, 2002, as printed; seconded by Council Member Morris.

Approved by roll call vote.

Yeas: Ardis, Grayeb, Gulley, Morris, Nichting, Spears, Teplitz, Thetford, Mayor Ransburg - 9;

Nays: None.

PETITIONS, REMONSTRANCES & COMMUNICATIONS

(02-632) NOTICE OF LAWSUIT on Behalf of ROGER BOYER, JOHN KUGLER, REBECCA KUGLER Claiming the City Failed to Maintain the Streets at 3905 N. Pinehurst Court and Greenway Place.

(02-633) NOTICE OF LAWSUIT on Behalf of WILLIAM A. CROWLEY, III Alleging his Fourth Amendment Right was Violated due to an Unlawful Arrest and Imprisonment on August 30, 2000.

- (02-634) **PAYMENT ESTIMATES for PUBLIC IMPROVEMENT PROJECTS: W. BARKER AVENUE ORNAMENTAL STREET LIGHTING IMPROVEMENT (Western Ave to Duryea Place) (Installation of City-standard ornamental street lighting system along with all necessary adjustments & appurtenances.) OBERLANDER ELECTRIC - PAY ESTIMATE #2: \$26,759.70; N. WOODBINE TERRACE ROADWAY IMPROVEMENT (Newman Parkway to Cul-de-Sac) (Removing existing gutter, curb and gutter, sidewalk, and driveway approaches, and constructing p.c.c. combination curb and sidewalk, gutter flag, driveway pavement, and a 1.5" bituminous concrete overlay.) P. A. ATHERTON CONSTRUCTION CO. - PAY ESTIMATE #2: \$17,664,66; TOTAL AUTHORIZATION APPROVED: \$44,424.36. (For Information Only)**
- (02-635) **PAYMENT ESTIMATES for PUBLIC IMPROVEMENT PROJECTS: ALLEN ROAD IMPROVEMENT (from Park 74 Drive to just N. of Illinois Route 6) (PCC Widening bituminous base course and base course widening, bituminous resurfacing, storm sewers, earthwork, traffic signals and other miscellaneous work.) P. J. HOERR, INC. – PAY ESTIMATE #4: \$137,238.40; US ROUTE 150 & ILLINOIS ROUTE 91 (Widening, overlay and construction of US Route 150 from Trigger/Koerner Road to Frostwood Parkway, and Illinois Route 91 from US Route 150 to the north.) R. A. CULLINAN & SON, INC. – PAY ESTIMATE #6: \$963,712.89; TOTAL AUTHORIZATION APPROVED: \$1,100,951.20. (For Information Only)**
- (02-636) **BIDS for STREET NAME SIGNS, Recommending the Lowest Acceptable Bid of VULCAN SIGNS, in the Amount of \$18,824.60.**
- (02-637) **BID for SINR CONTRACT #20: JEFFERSON STREET – LINCOLN to TYNG and MISCELLANEOUS ADDRESSES, Recommending the Low Bid of C&G CONCRETE CONSTRUCTION, in the Amount of \$63,353.10.**
- (02-638) **Communication from Corporation Counsel Requesting Authorization to RETAIN SECURITY SERVICES, INC. as Process Server.**
- (02-639) **Communication from Director of Public Works Requesting Authorization to Proceed with SEWER SEPARATION and SIDEWALK IMPROVEMENTS on NORTH GARFIELD AVENUE, for a Total Cost of \$83,136.00 in Conjunction with the St. James Student Housing Project (Sole Source).**
- (02-640) **Communication from Director of Public Works Requesting Approval of the IDOT LOCAL AGENCY AGREEMENT for Federal Participation for the IMPROVEMENT of VARIOUS PARKING LOTS on WATER STREET, and Requesting Authorization for the City Manager to Sign the Agreement.**
- (02-641) **Communication from Director of Public Works Requesting Approval of the JOINT AGREEMENT with ILLINOIS DEPARTMENT OF TRANSPORTATION for the IMPROVEMENT to WESTERN AVENUE Between WISWALL STREET AND BUTLER STREET.**
- (02-642) **Communication from Corporation Counsel with RESOLUTION NO. 02-642 Pertaining to APPOINTMENTS and TERMS of the FIRE AND POLICE COMMISSION, Appointing Todd Davis (Voting – Term Expires 6/30/05), Alfred J. Hooks (Voting – Term Expires 6/30/05), and Cheryl J. Kuppler (Voting – Term Expires 6/30/03) and Establishing Staggered Term Basis.**

(02-643) REAPPOINTMENTS by Mayor David P. Ransburg to the HOUSING PROPERTY MAINTENANCE COMMISSION:

Carol Holford (Voting)	Term Expires 6/30/05
Donald R. Jackson (Voting)	Term Expires 6/30/05
Albert D. Wylie (Voting)	Term Expires 6/30/05

(02-644) REAPPOINTMENTS by Mayor David P. Ransburg to the LIQUOR COMMISSION:

Ted Arndt (Voting)	Term Expires 6/30/05
Michael A. (Mick) Hall (Voting)	Term Expires 6/30/05

(02-645) REAPPOINTMENTS by Mayor David P. Ransburg to the SISTER CITY COMMISSION:

Dr. John Erwin (Voting)	Term Expires 6/30/05
William A. Wilsen (Voting)	Term Expires 6/30/05

(02-646) Communication from Director of Public Works Regarding the ENGINEERING PROJECT STATUS REPORT. (For Information Only)

Council Member Nichting moved to approve the Consent Agenda items as outlined in the communications; seconded by Council Member Grayeb.

Item Nos. 02-632 through 02-646 were approved by roll call vote under the Omnibus Vote Designation.

Yeas: Ardis, Grayeb, Gulley, Morris, Nichting, Spears, Teplitz, Thetford, Mayor Ransburg - 9;

Nays: None.

(02-647) Communication from Director of Public Works Requesting Approval of the Low Bid of FREESEN, INC., in the Amount of \$5,315,490.89 for the PHASE I CONSTRUCTION of CHARTER OAK ROAD EXTENSION PROJECT.

Director of Public Works Steve Van Winkle explained the bids were very competitive and came in under the estimate for Phase I. He said the railroad bridge would be reconstructed, which would be done in phases so the railroad could continue with operation, and he anticipated that his department should be able to go out for bids for Phase II in late spring or early summer of 2003, depending on how rapidly Phase I was completed, with an overall goal of having the project completed before March 2005.

Council Member Nichting moved to approve the low bid of Freesen, Inc., in the amount of \$5,315,490.89 for the Phase I construction of Charter Oak Road Extension Project; seconded by Council Member Grayeb.

Approved by roll call vote.

Yeas: Ardis, Grayeb, Gulley, Morris, Nichting, Spears, Teplitz, Thetford, Mayor Ransburg - 9;

Nays: None.

**(02-648) Communication from Director of Economic Development and Finance
Director/Comptroller Requesting Approval of the inPLAY, LLC
REDEVELOPMENT AGREEMENT, as Outlined, for Property Located at 316-320
S. W. WASHINGTON STREET, and Requesting Authorization for the City
Manager to Execute the Necessary Documents.**

Director of Economic Development Dave Dobson distributed a copy of a computerized photograph and a fiscal impact analysis of the project to all members of the City Council.

Council Member Gulley moved to approve the inPLAY, LLC Redevelopment Agreement, as outlined, for property located at 316-320 S.W. Washington Street, and authorize the City Manager to execute the necessary documents; seconded by Council Member Morris.

Council Member Gulley explained this project would benefit the City as a whole with a small increase in property taxes, but would generate larger increases in other taxes, and would assist the City in increasing their cash flow. He urged the Council to move forward with the redevelopment agreement.

Director of Economic Development David Dobson gave a brief overview of the project from its beginning nearly three years ago. He explained the proposed project would be a facility that would provide a virtual reality-type of gaming environment with rock climbing walls and activities that were beyond anything in the Peoria area region. He said this was a new aspect of entertainment for the community and visitors to the community. He said use for the third and fourth floors of the building had not been specified at this time, but the fifth and sixth floors were proposed for condominium housing.

Director Dobson said it was anticipated that when this project was completed, the restaurants included in the project would generate approximately \$40,000 per year in added sales taxes that would go directly to the City's General Fund, as well as an additional \$40,000 per year in amusement taxes.

Director Dobson further explained that the City Staff had attempted to limit City assistance to as little as possible and steps had been taken to preserve the growth in the TIF flow between 1987, when the TIF District was created, and 2002. He said the proponents of inPLAY would not have access to any of the money that was generated as a result of increased EAV in those interim years. He said the owners of inPLAY would have access to any additional tax increment financing funding that would flow as a result of the three different aspects of the project and that was limited in a number of different ways.

Director Dobson explained there was a cap on the project of \$120,000 worth of City assistance on an annualized basis. He said he did not anticipate the City would ever get to the point where there would be \$120,000 worth of assistance. He referred to the Fiscal Impact Analysis by the Nathaniel Group which had been distributed to the Council, and he explained the projections from 2002 to 2017. He said the total amount of City assistance that he projected over the fifteen-year life of the agreement was \$706,557 or an average of \$47,103 per year.

Director Dobson said this project had no impact on the school district and their ability to access the taxation funds generated by this project. He said the project would be developed within an existing TIF and the owners did not have the option of being in or out of the TIF. He said this money would flow into the TIF whether or not the City signed an agreement. He said he wanted to make it clear that the funds could not be utilized, in any way, for general fund obligations of the City. He said the City's budget could not be solved or litigated with these funds.

Director Dobson explained another limitation in the agreement was that the life of the TIF was through 2021, and the last year of the agreement was 2017 so there were a few years that this agreement would not burden the TIF flow. He said the TIF was projected to go into a negative balance in 2003 and it was important to have TIF flow into that fund to keep it from going into a negative position. He said this agreement would assist the TIF flow.

Council Member Thetford spoke in support of the project and she said this project would be a regional draw from surrounding communities and farther. She said she felt this project would compliment Riverfront activities already in place.

Hearing no objections, Mayor Ransburg granted Privilege of the Floor to Mr. Jack Teplitz.

Mr. Jack Teplitz, 240 N. E. Randolph, Attorney representing the City and co-author of the TIF Ordinance, said the TIF being discussed was basically a sales tax TIF but like all TIFs, at the time of adoption, there was a basis established in that only the sales taxes generated above the base went into the TIF, which included both State and local sales tax. He further explained that the \$40,000 per year for the proposed project would go into the corporate fund for the City, plus the HRA money.

Council Member Spears pointed out the developer, who would be using only 50% of their real estate tax for the TIF, could have assisted the rest of the City by using the other percentage that went up to help the school district, part district, airports, and others. He added if the City could have used the other 50% of their real estate increase to spread this out, it would have been a much better situation. He said this was a quirk in the law and he suggested changes may need to be made.

Director Dobson pointed out the TIF districts in the City, the EAV contained in those areas was approximately \$39 million, and the over all EAV for the City of Peoria was \$1.3 billion so the TIF areas represented only about 3% of the EAV of the City of Peoria so there was not a large amount of dollars being shifted away from these other taxing bodies.

Council Member Teplitz clarified it was legally determined that there would be no conflict of interest for her to vote on the issue before the Council, even though her husband had performed some work on the proposed agreement.

In discussion with Council Member Grayeb regarding the issue of City assistance, Director Dobson explained the proposed project would not take place in the form proposed, if there was no City assistance.

Hearing no objections, Mayor Ransburg granted Privilege of the Floor to Mr. Mike Stessman.

Mr. Mike Stessman, 114A N. Second Street, Chillicothe, explained the investment in the project would have to be cut back significantly on the family entertainment portion of the project, but the restaurant and condominium portions would move forward. He said there was a \$2 million investment that needed to be made on games and technology portion and was a critical financial hinging piece. He reiterated that City assistance was a critical portion of the project at this point that related to family entertainment. He thanked Director Dobson and Senior Development Specialist Ben Vyverberg for their expertise and efforts in this endeavor.

In further discussion with Council Member Grayeb regarding misconceptions generated by this project and the TIF district, Director Dobson suggested that the Council hold a meeting with the School District Board and Administration to obtain a better understanding regarding facts about TIFs and how TIFs work. He said it was important to understand that by freezing the tax base in a TIF District, it would assure that the tax revenues at that level would continue to flow at an even level. He said it could be a benefit to school districts and other taxing districts for a TIF District to be created and to freeze the base. He said TIF revenues were needed to induce projects to create development in certain areas.

City Manager Michael McKnight indicated there was a Tax Review Committee that was represented by all the taxing bodies and he suggested that anyone who had a concern could contact this body.

Motion to approve the inPLAY, LLC Redevelopment Agreement, as outlined, for property located at 316-320 S.W. Washington Street, and authorize the City Manager to execute the necessary documents was approved by roll call vote.

Yeas: Ardis, Grayeb, Gulley, Morris, Nichting, Spears, Teplitz, Thetford, Mayor Ransburg - 9;
Nays: None.

(02-649) Communication from Corporation Counsel with ORDINANCE Amending CHAPTER 18 of the Code of the City of Peoria Relating to SIDEWALK VENDORS, and to ESTABLISH a MORATORIUM on the Issuance of New Sidewalk Vendor Licenses on the Courthouse Square and on the Riverside of Adams Between Fulton and Main until February 1, 2003. (Refer to Item No. 02-619)

Council Member Gulley moved to defer this item until the second week of December, 2002, which would be the December 10, 2002, Regular City Council Meeting so Staff could continue working on the current Ordinance and establish a moratorium on fines and the issuance of new sidewalk vendor licenses on the Courthouse Square and on the riverside of Adams between Fulton and Main Streets; seconded by Council Member Morris.

Council Member Spears suggested that public meetings be held to discuss the issues that concerned sidewalk vendors and restaurant owners.

Council Member Gulley agreed that public meetings would be held during the interim period.

Council Member Spears suggested that the public meetings be included in the motion.

Council Member Gulley agreed to the friendly amendment to include that at least two public meetings would be held with sidewalk vendors and restaurant owners prior to this issue coming back to Council.

Council Member Nichting moved to grant Privilege of the Floor to those who wished to address this issue; seconded by Council Member Gulley.

Hearing no objections, Mayor Ransburg granted Privilege of the Floor to those who wished to address this issue.

Ms. Sandra Birdsall, 124 S. W. Adams, representing the Downtown and Riverfront Restaurant and Bar Association, requested that the Council form a Task Force comprised of Council Members, restaurant owners, downtown business people, and sidewalk vendors to discuss this very complex issue and other Ordinances established by communities.

Ms. Rita Speck, 507 W. Hannsler Place, representing Haddad's Restaurant and Downtown Sidewalk Vendors stated the downtown environment was created by sidewalk vendors. She urged the Council to focus on what would be good for downtown Peoria, not what was good for other communities. She expressed concern that this issue had been such a problem. She said it should be left up to the consumers to eat lunch where they wanted to eat.

Council Member Nichting requested a friendly amendment to the motion that this item be deferred until the second week in January, 2003, rather than the second week in December due to the finalization of the Budget.

Council Member Gulley agreed to Council Member Nichting's friendly amendment.

Motion to defer this item, as amended, until the second week of January, 2003, which would be the January 14, 2003, Regular City Council Meeting so Staff could continue working on the current Ordinance, establish a moratorium on fines and the issuance of new sidewalk vendor licenses on the Courthouse Square and on the riverside of Adams between Fulton and Main Streets, and that at least two public meetings would be held with a possible Task Force being created after the first meeting was approved by roll call vote.

Yeas: Ardis, Grayeb, Gulley, Morris, Nichting, Spears, Teplitz, Thetford, Mayor Ransburg - 9;

Nays: None.

(02-650) Communication from Mayor David P. Ransburg Setting the Next VISION 2020 SESSION for *THURSDAY, SEPTEMBER 19, 2002, from 5:00 P.M. to 8:00 P.M. (For Information Only)

*Mayor Ransburg explained many of the Council Members indicated they could not attend a meeting on September 19, 2002, so he stated that the meeting had been changed to Monday, September 23, 2002, from 5:00 P.M. to 8:00 P.M.

Council Member Morris moved to receive and file the communication, as amended, that the next Vision 2020 Session would be held on Monday, September 23, 2002, from 5:00 P.M. to 8:00 P.M.; seconded by Council Member Gulley.

Approved, as amended, by roll call vote.

Yeas: Ardis, Grayeb, Gulley, Morris, Nichting, Spears, Teplitz, Thetford, Mayor Ransburg - 9;

Nays: None.

(02-651) Communication from Mayor David P. Ransburg Regarding the VISION 2020 PLANNING PROCESS and the Plan to Hold a CITIZEN SUMMIT.

Mayor Ransburg explained that Council Members would be asked to provide names of citizens who would be interested in participating in a Citizen Summit. He requested that any citizen who might be interested in participating could contact his office and provide their name to be included on the list. He said invitations would be sent out announcing the date.

Council Member Morris moved to receive and file the communication regarding the VISION 2020 Planning Process and the plan to hold a Citizen Summit; seconded by Council Member Gulley.

Approved by roll call vote.

Yeas: Ardis, Grayeb, Gulley, Morris, Nichting, Spears, Teplitz, Thetford, Mayor Ransburg - 9;

Nays: None.

(02-652) CITY MANAGER REPORT TO CITY COUNCIL.

Council Member Morris moved to receive and file the City Manager Report to City Council; seconded by Council Member Teplitz.

Approved by roll call vote.

Yeas: Ardis, Grayeb, Gulley, Morris, Nichting, Spears, Teplitz, Thetford, Mayor Ransburg - 9;

Nays: None.

UNFINISHED BUSINESS

(02-587) Communication from Director of Public Works Regarding NIAGARA PARKING DECK FAÇADE REHABILITATION – REPORT BACK.

Council Member Grayeb moved to receive and file the communication; seconded by Council Member Morris.

Council Member Ardis moved to defer this item for one week until the September 24, 2002, Regular City Council Meeting, due to Council Member Sandberg's absence; seconded by Council Member Morris.

Motion to defer this item until the September 24, 2002, Council Meeting was approved by roll call vote.

Yeas: Ardis, Grayeb, Gulley, Morris, Nichting, Spears, Teplitz, Thetford, Mayor Ransburg - 9;

Nays: None.

(02-596) Communication from Director of Inspections and Director of the Animal Shelter with ORDINANCE Amending CHAPTER 4 of the Code of the City of Peoria Relating to ANIMALS AND FOWL Addressing Nuisance Complaints Regarding Animals.

Council Member Thetford moved to defer this item until the October 22, 2002, Regular City Council Meeting; seconded by Council Member Morris.

Motion to defer this item until the October 22, 2002, Council Meeting was approved by roll call vote.

Yeas: Ardis, Grayeb, Gulley, Morris, Nichting, Spears, Teplitz, Thetford, Mayor Ransburg - 9;

Nays: None.

NEW BUSINESS

REQUEST FOR DRAFT REPORT FROM DPZ Regarding RESULTS from the CHARRETTE MEETINGS

Following a request from Council Member Morris regarding when the report from DPZ regarding results of the Charrette Meetings would be received, Mayor Ransburg announced that he had been notified that a draft report would be received within the following week and copies would be distributed to the Council and any one interested.

COMMENDATION to the PUBLIC WORKS DEPARTMENT Regarding BARKER STREET LIGHTING and WATER STREET IMPROVEMENTS

Council Member Teplitz commended the Public Works Department for the installation of street lighting on Barker Street. She said it was beautiful and was completed earlier than expected.

Council Member Grayeb also commended the Public Works Department for improvements on Water Street.

REQUEST for INCREASED ENFORCEMENT of the ORDINANCE to Reduce PROBLEMS with SCOOTERS in NEIGHBORHOODS.

Council Member Gulley referred to the scooter problem in the Olde Towne South neighborhood, and he said there was already an Ordinance that addressed this problem. He requested that the Police Department to be more aware of the Ordinance and enforcement be increased regarding the scooter problem and noise problems.

COMMENDATION Regarding the 9-11 MEMORIAL at O'BRIEN FIELD

Council Member Thetford thanked Council Member Morris, Council Member Gulley, members of the Fire and Police Departments, John Blossom, Alma Brown, and all others who organized the 9-11 Memorial held at O'Brien Field on September 11th. She said the event was moving and well attended by citizens of Peoria.

CITIZEN REQUESTS TO ADDRESS THE COUNCIL

(02-653) REQUEST from CITIZENS to Address the CITY COUNCIL Regarding VARIOUS ISSUES.

Hearing no objections, Mayor Ransburg granted Privilege of the Floor to those who wished to address the Council.

Ms. June Moore, 1401 W. Nowland, President of Olde Town South Neighborhood Association, thanked the City for assisting in resolving some neighborhood problems. She indicated that their association worked with surrounding residents who were not represented by an association.

Mr. Jack Teplitz, 240 N. E. Randolph, expressed concern regarding the misinformation and lack of information regarding the TIF Ordinance. He urged the Council to meet with the school district and members of the Joint Review Board. He said he would be glad to volunteer to provide any needed information.

EXECUTIVE SESSION

It was determined that no Executive Session was needed.

ADJOURNMENT

Council Member Morris moved to adjourn the Council Meeting; seconded by Council Member Grayeb.

Approved by viva voce vote.

The Council Meeting adjourned at 8:10 P.M.

bb

Mary L. Haynes, MMC
City Clerk of Peoria, Illinois