COUNCIL PROCEEDINGS PUBLISHED BY THE AUTHORITY OF THE CITY COUNCIL OF BLOOMINGTON, ILLINOIS

The Council convened in regular Session in the Council Chambers, City Hall Building, at 7:36 p.m., Monday, March 14, 2011.

The Meeting was opened by Pledging Allegiance to the Flag followed by moment of silent prayer.

The Meeting was called to order by the Mayor who directed the City Clerk to call the roll and the following members answered present:

Aldermen: Judy Stearns, Bernie Anderson, David Sage, John Hanson, Jennifer McDade, Steven Purcell, Karen Schmidt, Jim Fruin and Mayor Stephen F. Stockton.

City Manager David Hales, City Clerk Tracey Covert, and Corporate Counsel Todd Greenburg were also present.

Alderman Fruin read the same statement that appeared on the August 23, 2010 Council.

Motion by Alderman Schmidt, seconded by Alderman McDade to amend the Agenda by first addressing Refinance Approximately \$10 Million of the \$29.5 Million Taxable Bonds General Obligation Series 2004 – US Cellular Coliseum.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Schmidt, McDade, Anderson, Hanson, Sage, Fruin and Purcell.

Navs: None.

Motion carried, (viva voce).

The following was presented:

SUBJECT: Refinance Approximately \$10 Million of the \$29.5 Million Taxable Bonds General Obligation Series 2004

RECOMMENDATION: That the Ordinance be passed.

BACKGROUND: In 2004, the City issued \$29.5 million in debt to construct the US Cellular Coliseum. Debt service payments for this issuance began in December 2004 and are scheduled to conclude in June 2034. The total debt service that will be paid on this issuance is \$74.1

million with \$29.5 million in principal and \$44.6 million in interest. The debt service payments for this bond series is paid by an annual transfer from the City's General Fund. The source of revenue within the General Fund that supports this transfer is the 0.25% increase to the Home Rule Sales Tax approved by the Council on February 11, 2008. This increase is set to expire on July 1, 2015.

Since 2010, the City in cooperation with Mesirow Financial, and Chapman and Cutler, LLP has explored options to refinance a portion or the entire amount of the original issuance. The goal in these efforts have focused upon whether the City can incur long term interest rate savings and accelerate the payoff of the original 2004 General Obligation Bonds. These efforts have focused on two (2) options:

- 1.Refinance the original Taxable series as **taxable debt**, or
- 2.Refinance the original Taxable series as tax-exempt debt.

These efforts have led staff to recommend the City directly repurchase approximately \$10 million of the series 2004 Bonds through the issuance of \$10 million in **tax exempt** debt. This tax exempt issuance would repurchase a portion of the series 2004 Bonds that are set to mature in 2029 to 2034. In the current market, a direct repurchase of the series 2004 Bonds can produce greater savings than a traditional tax exempt advance refunding with an escrow.

The City calculated the total present value of debt service savings to be approximately \$1.1 million, (eleven percent (11%) of the par value of the bonds refinanced), if the City retained the original payoff of the bonds to 2034. However, staff recommends the City accelerate the payoff of the refinanced bonds to begin in 2012 and end in 2020. This accelerated payoff would result in present value debt service **savings of approximately \$4.9 million**, (forty-nine percent (49%) of the par value of the bonds refinanced).

<u>COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED:</u> Todd Krzyskowski, Mesirow Financial; and Lynda Given, Chapman and Cutler, LLP.

<u>FINANCIAL IMPACT</u>: The City can reduce its interest cost by over \$4.9 million through the accelerated pay down, bank qualified repurchase of approximately \$10 million of the 2004 Taxable Series General Obligation Bonds (original amount \$29.5 million) which financed the construction of the US Cellular Coliseum.

Respectfully submitted for Council consideration.

Prepared by: Reviewed as to legal sufficiency:

Tim Ervin J. Todd Greenburg
Director of Finance Corporation Counsel

Recommended by:

David A. Hales City Manager

(ORDINANCE NUMBER 2011 – 13 ON FILE IN CLERK'S OFFICE)

David Hales, City Manager, introduced this item. This item was the subject of a Work Session prior to the Council meeting. Tim Ervin, Finance Director, addressed the Council. He reviewed the debt service for the US Cellular Coliseum, (USCC). He noted that a significant portion of this debt would be paid from 2020 – 2034. He cited the total debt for the USCC, (\$29 million). He noted the taxable basis and the higher interest rate. He cited the refunding potential. He recognized the assistance provided by Todd Krzyskowski, Mesirow Financial and Lynda Given, Chapman and Cutler, LLP. The plan was to refinance \$10 million of taxable with \$10 million of tax exempt with an accelerated pay off. Estimated savings equaled \$4.9 million. This would be nontraditional as the City would enter into the marketplace. The Bond Ordinance would be the starting point and provide direction to Mesirow Financial and Chapman and Cutler, LLP.

Mr. Hales noted the sensitivity to the City's financial condition. This ordinance would reduce the City's long term debt. There would be a nominal increase to the City's debt service. He recommended that the Council pass the ordinance.

Motion by Alderman Hanson, seconded by Alderman Anderson that the Ordinance be passed.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Schmidt, McDade, Anderson, Hanson, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Appointment and Oath for Alderman Ward 3

RECOMMENDATION: That the Appointment be approved.

BACKGROUND: I ask your concurrence in the appointment of James Pearson to the office of Alderman Ward 3 with a term to expire April 30, 2013.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Kevin Huette, former Alderman Ward 3, submitted his resignation letter effective January 15, 2011. Solicited letters of interest with a deadline of January 7, 2011. Work Session for the purpose of Candidate Interviews was held on January 31, 2011.

FINANCIAL IMPACT: Not applicable.

Respectfully submitted for Council consideration.

Recommended by:

Stephen F. Stockton Mayor

Mayor Stockton addressed the replacement of Ward 3 Alderman. He noted that his first nominee had been rejected by the Council. He stated his intention to nominate Jim Pearson. He cited Mr. Pearson's unique background. Mr. Pearson had served on the Moline City Council. In addition, he had also served as a Township Board Trustee. He had moved to the City a number of years ago. Mr. Pearson was a small business owner, (architectural design). He had served on the McLean County Regional Planning Commission from 1997 until 2003. Mr. Pearson would be his second nominee.

Mr. Pearson was given the opportunity to address the Council. He thanked the Mayor for the nomination. He informed the Council that he had moved to the City in 1992. He had lived in the same home for past nineteen (19) years. He cited his experience serving on a board/commission. He had also served as an alderman for the City of Moline. He noted his small business experience. He was a licensed architect. He had owned and operated a sole proprietorship for thirty-two (32) years. His work schedule was flexible. He was a fiscal conservative and believed in entrepreneurship. Government must spend its dollars wisely. He asked for the Council's support and vote. His appointment would bring the Council to full strength. He hoped to help the Council move forward in harmony and begin to address the budget.

Motion by Alderman Anderson, seconded by Alderman Purcell that the Appointment of James Pearson be denied.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Schmidt, McDade, Anderson, Hanson, Sage and Purcell.

Nays: Alderman Fruin.

Motion carried.

Alderman Purcell stated that Mr. Pearson should not take his vote personally. He addressed the continuity of representation for Ward 3.

Alderman Stearns noted that there was a misunderstanding with the process. She was distressed and concerned. She stated that the process involved a couple of hours for interviews and a review of the documentation submitted by the applicants. She had spoken with Kevin Huette and heard from residents of Ward 3. She believed that the vote would have been 8 to 0 if a different candidate had been nominated. The Council had good feelings about same. She questioned the Council's effort. She did not believe that Mayor's actions were in compliance with statute. It was a sad day for the Council.

Mayor Stockton had requested Council input. The Council's role was advice and consent. There was no obligation to open the process up to the Council. In addition, he did not have to solicit applications. He was interested in a pool of acceptable candidates. He restated his interest in the Council's input. He was convinced that his nominations were limited to the top three (3) candidates. The mayor had the ability to nominate. This was part of checks and balances.

Todd Greenburg, Corporation Counsel, addressed the Council. He noted that state law was changed in 2008. The statute had been revised to address ambiguities. He noted the prerogative of the mayor. He stated eligibility factors for alderman: 1.) resident of the ward for one (1) year; 2.) registered voter; 3.) no indebtedness to City; and 4.) no felony conviction. He also addressed the number of times the mayor may nominate and the time line. After two (2) rejections by the Council, the Mayor may select one from the two (2) individuals nominated. This appointment would be at the Mayor's discretion.

Mayor Stockton thanked Mr. Pearson for his interest in the Ward 3 Alderman position. He added his belief that Mr. Pearson was a qualified nominee.

Mayor Stockton nominated Mboka Mwilambwe for Ward 3 Alderman. He instructed Tracey Covert, City Clerk, to perform the Oath of Office. Tracey Covert performed the Oath of Office for Mr. Mwilambwe for Alderman Ward 3.

Mayor Stockton noted that the process had been divisive. Mr. Mwilambwe was a member of the City Council. He hoped all would work together to make the City successful. He thanked all who applied as all were qualified to serve. He welcomed Mr. Mwilambwe to the Council.

Mr. Mwilambwe thanked the Mayor for the nomination. The process had been interesting. He acknowledged the other candidates. He believed all of them had the same love for the City. He was humbled by the nomination. The role of alderman held great responsibility. He saw Ward 3 and the City as a unit. All lived here. He believed that it was his responsibility to make the City successful and stronger. The City appeared to be back on track from a fiscal perspective. It has a strategic plan. There was a lot of work to do. He believed he would be a natural fit as he was easy to work with.

The following was presented:

Mayor Stockton opened the Public Comment portion of the meeting.

Ron Schultz, 1208 E. Oakland, addressed the Council. He congratulated Mr. Mwilambwe and Mr. Pearson. He had attended the January 31, 2011 Work Session, Interview for the Ward 3 Alderman. He expressed his feelings on this item. He believed that only two (2) candidates had addressed the questions which were asked. One (1) candidate had opposed the Mayor and the other candidate had been selected by Kevin Huette. This individual would not have been a rubber stamper. The Mayor had ignored the will of the Council. He believed that new leadership was in the best interest of the City.

Anthony Malone, 408 E. Douglas, addressed the Council regarding Price Rite's request for a change of liquor license classification. He informed the Council that he resided in Ward 4. He believed that Alderman Stearns was restricting business within this ward. He expressed his opinion that this business was needed in this neighborhood. He was a store customer. He appreciated the concerns which had been raised regarding this request. He added that the Council should allow the City's Alcoholic Beverage code to address this matter.

Barbara Sims-Malone, 408 E. Douglas, addressed the Council regarding Price Rite's request for a change of liquor license classification. She had been a store customer since it opened. She preferred this business location. She recalled the store's operators' request to open a packaged liquor store near Mt. Pisgah Baptist Church located at 801 W. Market St. There had not been any issues at the store. The owner/operator had been respectful of the neighborhood. She believed that the license holder was responsible and could handle the sale of spirits.

Mayor Stockton noted that this matter had been the subject of two (2) hearings before the Liquor Commission. The Commission had sent its recommendation to the Council on both occasions. He noted citizens' right to address the Council this evening.

Mayor Stockton explained the process for Citizen Comment and closed same.

The following was presented:

SUBJECT: Council Proceedings of February 28, 2011 and Work Session Minutes of January 31, 2011

RECOMMENDATION: That the reading of the minutes of the previous Council Proceedings of February 28, 2011 and Work Session Minutes of January 31, 2011 be dispensed with and the minutes approved as printed.

BACKGROUND: The Council Proceedings of February 28, 2011 and Work Session Minutes of January 31, 2011 have been reviewed and certified as correct and complete by the City Clerk.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: Not applicable.			
Respectfully submitted for Council consideration.			
Prepared by:	Recommended by:		
5	David A. Hales City Manager		
Motion by Alderman Fruin, seconded by Alderman Haminutes of the previous Council Meeting of February 28, 2011 of January 31, 2011 be dispensed with and the minutes approve	and Work Session Minutes		
The Mayor directed the clerk to call the roll which result	ted in the following:		
Ayes: Aldermen Stearns, Schmidt, McDade, Anders Mwilambwe and Purcell.	son, Hanson, Sage, Fruin,		
Nays: None.			
Motion carried.			
The following was presented:			
SUBJECT: Bills and Payroll			
RECOMMENDATION: That the bills and payroll be allowe Treasurer for the various amounts as funds are available.	d and orders drawn on the		
FINANCIAL IMPACT: Total disbursements to be approved \$1,493,998.92, and Accounts Payable total \$2,418,717.41).	\$3,912,716.33, (Payroll total		
Respectfully submitted for Council consideration.			
Prepared by:	Recommended by:		
	David A. Hales City Manager		

(ON FILE IN CLERK'S OFFICE)

Motion by Alderman Fruin, seconded by Alderman Hanson that the bills and payroll be allowed and orders drawn on the Treasurer for the various amounts as funds are available.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Schmidt, McDade, Anderson, Hanson, Sage, Fruin, Mwilambwe and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Report

RECOMMENDATION: That the report be received and placed on file.

BACKGROUND: The following report should be received and placed on file with the City Clerk:

1. 2010 Audit for Motor Fuel Tax.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: Not applicable.

Respectfully submitted for Council consideration.

Prepared by: Financial review by: Recommended by:

Tracey Covert Timothy Ervin David A. Hales
City Clerk Director of Finance City Manager

(REPORT ON FILE IN CLERK'S OFFICE)

Motion by Alderman Fruin, seconded by Alderman Hanson that the report be placed on file and made a matter of record.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Schmidt, McDade, Anderson, Hanson, Sage, Fruin, Mwilambwe and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Analysis of bids for One (1) Loader Attachment with Pallet Forks for the Parks,

Recreation, and Cultural Arts Department

RECOMMENDATION: That the bid for one (1) John Deere 673 Self Leveling Loader Attachment with Pallet Forks and installation be awarded to Martin Brothers Outdoor Power in the amount of \$9,825, and the Purchasing Agent authorized to issue a Purchase Order for same.

BACKGROUND: In the 2009-10 fiscal year, the mowing operations and the equipment from the Solid Waste Division was transferred to the Parks Maintenance Division. Staff determined through using different mowers and operational changes that one of the tractors that is equipped with mower decks could be better utilized by removing the mower decks and installing a loader attachment with bucket and pallet forks. The mower decks are included as trade-ins. Sealed bids were requested and the results are as follows:

Vendor	Loader	Pallet Forks	Mower System	Net Price
	Attachment and		Trade-in	
	installation			
Martin Brothers	\$10,178.00	\$1,147.00	\$1,500.00	\$9,825.00
Cross Implement	\$12,437.00	\$1,045.00	\$2,800.00	\$10,682.00
Heaths Inc.	\$17,484.00	\$1200.00	\$1,000.00	\$17,684.00

<u>COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED:</u> A notice was placed in the Pantagraph on February 2, 2011 and posted on the City's website. Requests for bids were mailed five (5) vendors. Three (3) bidders responded on March 2, 2011.

FINANCIAL IMPACT: \$13,000 has been budgeted in FY 2010 - 2011, in the Parks Maintenance Division G14110-72140 for the purchase of the Loader Attachment with Pallet forks.

Respectfully submitted for Council consideration.

Prepared by: Financial review by: Reviewed by:

Jim Karch, PE CFM Timothy Ervin John Kennedy

Director of Public Works Director of Finance Director of Parks, Recreation,

& Cultural Arts

Reviewed by: Recommended by:

Barbara J. Adkins David A. Hales
Deputy City Manager City Manager

Motion by Alderman Fruin, seconded by Alderman Hanson that the bid for one (1) John Deere 673 Self Leveling Loader Attachment with Pallet Forks and installation be awarded to Martin Brothers Outdoor Power in the amount of \$9,825, and the Purchasing Agent be authorized to issue a Purchase Order for same

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Schmidt, McDade, Anderson, Hanson, Sage, Fruin, Mwilambwe and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT:

Application of Andy & Associates, Inc., d/b/a Price Rite Food & Liquor, located at 706 Clinton St., currently holding a GPBS liquor license which allows the sale of packaged beer and wine for consumption off the premises seven (7) days a week requesting a change in classification to a PAS liquor license which will allow the sale of all types of packaged alcohol for consumption off the premises seven (7) days a week

RECOMMENDATION: Based upon the report from the Liquor Hearing, the Liquor Commission recommends to the City Council that the change of classification from a GPBS to a PAS liquor license for Andy & Associates, Inc., d/b/a Price Rite Food & Liquor, located at 706 Clinton St., be created, contingent upon compliance with all applicable health and safety codes with the following conditions: 1.) substantial reduction in the sale of single serve products; 2.) reducing cooler doors from two (2) to a half (½) door for single serve products; 3.) no sale of half pint spirits; 4.) offering of convenient store items remain substantially the same; 5.) spirits shall be stocked behind the counter; and 6.) the selling of alcohol will cease at 11:00 p.m. weeknights and 1:00 a.m. weekends.

BACKGROUND: The Bloomington Liquor Commissioner Rich Buchanan called the Liquor Hearing to order to hear the application of Andy & Associates, Inc., d/b/a Price Rite Food & Liquor, located at 706 Clinton St., currently holding a GPBS liquor license which allows the sale of packaged beer and wine for consumption off the premises seven (7) days a week requesting a change in classification to a PAS liquor license which allows the sale of all types of packaged alcohol for consumption off the premises seven (7) days a week. Present at the hearing were Liquor Commissioners Richard Buchanan, Marabeth Clapp, and Geoffrey Tompkins; Rosalee Dodson, Asst. Corporation Counsel; Bob Wall, Asst. Police Chief, Renee Gooderham, Chief Deputy Clerk; and Fouad Samhan, Applicant and License holder's representative.

Absent: Commissioners Stephen Stockton, Steve Petersen and Mark Gibson.

Commissioner Buchanan opened the liquor hearing by citing Section 36 and Section 37(c) of Chapter 6 Alcoholic Beverages. He stated that the application had previously been heard by the Commission on January 11, 2011. The Council had returned the application to the Commission. He requested that Alderman Stearns provide clarification of the Council's concerns, and noted that Alderman Stearns could address the Commission without violation due to the establishment being within her ward. Alderman Stearns addressed the Commission. She stated the need of neighborhood input, discussion of the business intentions and closing times.

Commissioner Buchanan requested that the Applicant/License holder's representative address the Commission. Mr. Samhan reminded the Commission that this was a family owned business. Gasoline sales had declined. There was steady business inside the store, and customers had requested spirits. He reminded the Commission that spirits would be maintained behind the counter. He wanted to provide a convenience to the neighborhood. The nearest grocery store was Kroger located at 1502 N. Main. Additional security and outside lighting would be added. The public telephone outside the building had been eliminated. He understood neighborhood concerns regarding single serve packages. They would not carry half (½) pints and would gradually eliminate single serve beer sales. He was willing to reduce business hours by closing at 11:00 p.m. on weekdays and 1:00 a.m. weekends. He had an employee checking the premise for litter everyday.

Commissioner Tompkins questioned customer access behind the counter. Mr. Samhan responded only employees were allowed behind the counter.

Commissioner Buchanan cited the original recommendation to Council.

Bob Wall, Asst. Police Chief, addressed the Commission. Calls for service had been low during the previous two (2) years. There had been one (1) intoxicated person at that location since 2010. There were seventeen (17) police calls to this location in the last three (3) years. Some were related to the public pay phone. Though the public pay phone was registered to that location, some of the calls were related to domestic violence incidents. Individuals had walked to the establishment to use the public phone. The removal of the public phone reduced loitering and calls for service. This establishment did not have the same problems with litter, loitering and/or illegal consumption in alleyways that other establishments that sell single serve packages have experienced. He believed that the license holder was concerned about the neighborhood.

He was optimistic with spirits stocked behind the counter. The placement of spirits would curtail juvenile theft and access. He stated concern with policing single serve city wide. Commissioner Buchanan responded that was not the Commission's intention at this time.

Commissioner Clapp questioned the pattern of sales related to single serve beer items. Mr. Samhan responded that there were a variety brands and price ranges. Commissioner Clapp questioned the most popular. Mr. Samhan responded that the most popular were twenty-four to forty ounces (24 - 40 oz.). He stated that a can of beer could be purchased for \$2.50. Commissioner Tompkins stated his belief that a twelve (12) pack of beer costs approximately \$9.99. It was his belief that considering \$2.50 for a single serve beer as inexpensive was not accurate.

Commissioner Buchanan questioned how single serve packages would be substantially reduced. Mr. Samhan responded that currently there is a two (2) door cooler which contained single serve beer items. He believed that this could be reduced to a half (½) door. Future sales experience could possibly eliminate single serve sales altogether.

Commissioner Buchanan opened the meeting for public comment.

Jane Griffin, 428 N. Linden addressed the Commission. She stated that she also owned a business located at 902 N. Linden. She was concerned about litter found on her business property.

Marty Siegel, 615 E. Chestnut addressed the Commission. She was one (1) of the neighborhood leaders. She had not received a notice when the Liquor Commission first considered this application. She was unsure that she entirely objected but did in part. She stated her concern for a peaceful neighborhood. She resided about one (1) block away. She could exit her back gate and be at the store. She did not frequent the store often.

The neighbors believed they did not have the kind of convenience store as in the past. She was shocked to learn that neighbors do not shop there. It was not perceived as a neighborhood store. There was the expectation that the store should contribute to the neighborhood. She was not opposed to the sale of spirits, but believed single serve sale items were an important issue. It had been a problem in the neighborhood. Another concern was litter, especially toward Franklin Park. She believed that problems of three to fours (3 - 4) years ago were not true today. She had not called the police in two (2) years. She did not believe that the store was part of the neighborhood.

Commissioner Buchanan questioned Ms. Seigel's concerns. Ms. Seigel responded that her concerns included freshness of food items, loitering on the corners, discomfort with going into a crowd, and wanting the store to be nice, neat and clean. Commissioner Buchanan inquired as to the last time she had shopped in the store. Ms. Seigel replied that it had been two to three (2 - 3) months. Her argument was the neighbors did not shop in the store.

Alderman Stearns readdressed the Commission and expressed her appreciation. She believed the license holder had done good things. Liquor in any neighborhood was a serious issue. She had

received emails and telephone calls from both sides of this issue. She was concerned with defining substantial reduction. She understood that a clear and precise definition of the single serve reduction should be given. She had heard that there would not be single serve sales. She was also under the impression that the closing hours would be earlier. She questioned closing hours of package liquor stores city wide. Commissioner Buchanan responded that closing hours were 2:00 a.m. on Saturday and Sunday. She believed eliminating single serve and closing two to three (2 - 3) hours earlier that a trade off was possible. She would continue to listen to neighbors' concerns. She appreciated the stores business, income and revenue, and their willingness to cooperate. She had to listen to her constituents. They were stating that liquor was a serious thing to bring into the neighborhood.

Commissioner Buchanan closed the public input.

Rosalee Dodson, Asst. Corporation Counsel, stated that there were no legal issues or concerns.

Commissioner Tompkins stated that as a license holder alcohol was currently being sold. The removal of the gasoline pumps initiated the request for a change in classification to allow the sale all types of alcohol. Commissioner Buchanan responded affirmatively, noting that prior to the license holder's ownership there had been problems at this location.

Commissioner Buchanan stated that negotiations took place at the last liquor hearing. There was an absence of specific problems caused by the establishment in relationship to the sale of single serve packages. There had been no testimony against adding spirits. Based on the discussion, single serve sales needed to be reduced. He informed those present of his frequent drive bys and shopping in the establishment. He had taken an interest in this establishment back when the Junior High School was located at 510 E. Washington. At that time there were many concerns. He was pleased with how Mr. Samhan handles single serve sales. He believed that tightening single serve restrictions and reducing business hours were the only conditions which needed to be added to the original motion. He reminded the Commission that all liquor license holders must reapply by December 31st of each year. If there were significant problems the Commission would refrain from renewing the liquor license.

Commissioner Clapp believed that single serve sales were a complicated issue.

Commissioner Tompkins stated his reassurance that the Commission and Council were very diligent. Should there be anything that endangers the neighborhood or lowers the quality of life in the neighborhood through a breech of conduct, the Commission would take action. He believed that closing hours should be uniform throughout the City. Commissioner Buchanan stated reduction of store hours were suggested by the license holder. Mr. Samhan stated his willingness to reduce store hours.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: The Agenda for the March 8, 2011 Meeting of the Liquor Commission was placed on the City's web site. There also is a list serve feature for the Liquor Commission.

<u>FINANCIAL IMPACT</u>: This request is for a change of classification from a GPBS to a PAS, (annual net gain \$230). Annual fee for a PAS liquor license is \$1,410.

Respectfully, Reviewed and concur:

Stephen F. Stockton Chairman of Liquor Commission Randall D. McKinley Police Chief

Alderman Stearns believed that this request had been a difficult one. She expressed her appreciation for the statements made under the Public Comment section of the meeting. She was an advocate for the people who lived in Ward 4. Price Rite has been a good business. It currently holds a liquor license. She had received a number of emails, telephone calls and personal contact regarding this item. The license holder had stated his intention to eliminate single serve sales items and set a 9:30 p.m. closing hour. She added that gasoline sales would also be eliminated. She noted the location of nearby churches and other concerns. She expressed deep concerns regarding the expansion of hard liquor. The City's Police Department had noted a few issues at this location. She expressed her appreciation for the efforts made to address this request. She would support her constituents by not supporting this item.

Alderman Hanson noted his service on the District 87 School Board. He expressed his concern regarding Locust St. He cited the location of Bloomington Junior and Senior High Schools, located at 901 N. Colton and 1202 E. Locust respectively. He was sensitive to pedestrian traffic in this area. He noted the impact of the Council's vote on this area.

Mayor Stockton reminded the Council that this request was for a change of classification. Price Rite currently held a GPBS, (Gasoline, Packaged, Beer and wine only, Sunday sales) liquor license. The request was to change the classification to a PAS, (Packaged, All types of alcohol, Sunday sales). The Council had already taken action and eliminated the GPAS, (Gasoline, Packaged, All types of alcohol, Sunday sales), classification. It was no longer available in the City. The license holder had informed the Commission that there was no profit in gasoline sales. The plan was to remove the gasoline pumps. He restated that this was a request for a change of license classification. The hope was to enhance revenues in order to keep the store open. The license holder believed that they had neighborhood support. Concerns had been raised regarding the adverse impact of liquor sales. Due to concerns raised at the Council's February 14, 2011 meeting, this request had been return to the Commission for an additional hearing. He had been unable to attend the Commission's March 8th meeting. Two (2) individuals addressed the Commission at the second hearing. A concern was raised regarding spoiled milk.

Mayor Stockton expressed his opinion that individuals needed to attend board and/or commission hearings and voice their objections. The Liquor Commission and City staff had looked at the notification process. Important items were scheduled at the end of the Commission's agenda with the hope that the hearing would not commence until after 5:00 p.m. He questioned how the Commission could obtain public input.

Alderman Anderson noted that the City wanted to hear from the public. He encouraged citizens to send emails. He wanted to support this item but also needed to hear from citizens.

Alderman Fruin had also received emails. He believed that there was confusion on behalf of the public. He acknowledged the neighborhood sentiment, (improve the current situation). The neighborhood wanted change and also wanted a convenient store. The store's ownership appeared to be respectful. He noted that there were some police issues. He expressed his interest in a win - win solution. He questioned if there were other options. He encouraged the Council to look beyond this request. He cited Franzetti's Pantry Plus located 801 E. Washington St., currently holding a PBS, (Packaged, Beer and wine only, Sunday sales), liquor license. He recommended that the same rules be applied to all neighborhood convenient stores. This may be more than a single issue.

Mayor Stockton noted that this evening it was a Council decision.

Alderman Stearns believed that there were common threads. She believed that spirits were a problem. She was concerned about this request.

Alderman Purcell noted recent past actions. He cited the disconnect between the Commission and Council. He acknowledged that the Liquor Commissioners were volunteers who make recommendations to the Council. The Council was responsible for the final decision. Council members had been contacted via email. Council members were elected and needed to be responsive to the citizens. He recommended that the Commission change their meeting time. The Commission should be accessible to the public via the City's web site. Citizen input was a part of the decision making process.

Motion by Alderman Stearns, seconded by Alderman Purcell to suspend the rules to allow someone to speak.

Motion carried.

Ron Schultz, 1208 E. Oakland, addressed the Council. He had attended the Commission's meeting. He noted the Commissioner's attendance. Price Rite's owners were doing a great job. He cited concerns with the sale of single serve products. He noted that spirits would be stocked behind the counter. He added that the owner/operators had stated their intention to reduce the amount of single serve items available. Elimination was another option but no time table was provided for same. Additional lighting and security were also addressed but quantities were not cited.

Jay Balmer, 16 Fountain Lake, addressed the Council. He informed the Council that he would be serving on the Downtown Entertainment Task Force. He encouraged the Council to consider similar venues. The store's owners/operators had stated their intention to remove the gasoline pumps. He questioned if the store would be expanded and if it would become a different business. He recommended that this item be laid over until a later date.

Mike Kerber, 406 N. Linden, addressed the Council. He cited litter in the area. He believed that Price Rite would become another Red Fox (formerly located at 918 W. Market St.). He noted that Franzetti's does not offer spirits for sale.

Jane Griffen, 428 N. Linden, addressed the Council. Notices were mailed to those addresses within 250 feet. She had appeared before the Commission. She also cited litter in the area.

Marty Seigel, 615 E. Chestnut, addressed the Council. Her residence was only a block away from the store. She described herself as a neighborhood leader. She believed that she should have been informed. She believed that there was a history of police issues. She cited the murders that occurred at S & S Liquors formerly located at 703 N. Clinton (1988). She described the neighborhood as fragile. The neighborhood had lost a church, homes and active neighbors. The neighborhood needed the City's support. She cited recent new construction of homes and apartments.

Motion by Alderman Schmidt, seconded by Alderman Hanson to return to order.

Motion carried.

Alderman Anderson compared this request to the Walgreen's store located at 909 S. Main St. He acknowledged that this was a request for a change of classification. Due to concerns raised, the Council delayed its decision to allow additional time for citizens to respond. He stated his intention to vote no.

Alderman Stearns requested clarification regarding the Commission and public contact. Todd Greenburg, Corporation Counsel, addressed the Council. He cited ex parte communication. It was important that citizens' comments be included in the public record. He noted Alderman Anderson's recommendation to utilize the City's web site. He cited the Commission's adjudicary role. Public comments must be on the record. All must have access. He noted the Commission's unusual position, (enforcement capacity and violation investigation).

Mayor Stockton had encouraged the Commission to become more involved by observing the business operations of licensed establishments. He noted that enforcement was different than application.

Alderman Schmidt believed that there were different items being discussed. One issue was who was being served. The other was how to contact the appropriate individual(s). Mayor Stockton suggested that an address be provided on the City's redesigned web site.

Alderman Schmidt expressed her interest in the business plan. She also requested additional time for reflection. She would not support a proposed expansion at this location.

Alderman Stearns noted that there had been more discussion regarding this item. The license holder planned to change their business model. The new plan would eliminate gasoline sales and add the sale of spirits.

Alderman Sage expressed his appreciation to Mr. Greenburg as ex parte communication had been clarified. He noted a Commissioner's visit to Bloomington Galaxy 14 Cine located at 111 Wylie Dr. in August 2010. He believed such behavior was inappropriate.

Alderman McDade believed that this item was a neighborhood issue. It had been return to the Commission for an additional hearing. It had been returned to the Council for the second time. She noted that there was strong opposition to this request.

Mayor Stockton expressed his opinion that the neighborhood did not participate. He acknowledged that there was opposition to the sale of spirits, ("A" – All types of alcohol). The Council could vote to deny this request. The license holder could decide to start the application process over again.

Alderman Fruin expressed his opinion that there was no support on Council for this item. He believed that as presented the request would be denied. He suggested that the license holder continue to work with the neighborhood to find a compromise.

Motion by Alderman Stearns, seconded by Alderman Purcell that the request for a change of classification from a GPBS to a PAS liquor license be denied.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Schmidt, McDade, Anderson, Hanson, Sage, Fruin, Mwilambwe and Purcell.

Navs: None.

Motion carried.

Mayor Stockton in closing this item noted that this might not be final action by the City. The City needed to take a universal look at a number of issues involving liquor.

Alderman Anderson expressed his support for placing comments on the City's web site. He acknowledged that this communication would be one way. Mr. Greenburg restated his concern that comments be on the record and the City's ability to cross exam same.

The following was presented:

SUBJECT: Neighborhood Preservation Ordinance

RECOMMENDATION: That the Ordinance be passed.

BACKGROUND: The proposed Ordinance was drafted at the request of members of the community concerned about the increasing number of poorly maintained vacant buildings and the adverse effects these buildings have on adjacent neighborhoods. The presence of derelict buildings is associated with increased crime rates, neighborhood blight, depressed property values, and erosion of the tax base.

Goal three (3) of the City's Strategic Plan focuses on "Strong Neighborhoods". The top three (3) objectives under that goal are enhancing public safety, upgrading the quality of older housing stock and preserving property values. The proposed Ordinance addresses these objectives by focusing on derelict building registration, maintenance, and rehabilitation. Registration is used to identify responsible parties, to monitor derelict properties and to provide a clearinghouse for those interested in rehabilitating distressed properties. The fees and fines provided for in the Ordinance serve to encourage maintenance deter abandonment and defray the costs of providing the additional municipal services derelict buildings require.

In response to public comment, registration fees have been kept low and redundancies with other Ordinances have been eliminated. The initial registration fee has been set at \$30 and, in the event a property remains registered as a derelict property for more than one (1) year, the fee then becomes \$100 annually.

In addition to registration, the Ordinance adds the following to existing codes with respect to poorly maintained vacant buildings:

- Derelict Building Plans: Current Ordinances provide for either fines for noncompliance or the obtaining of court orders requiring cleanup and maintenance of properties. Both of these solutions require extensive staff resources and can involve lengthy court proceedings. The Ordinance places the responsibility on owners of distressed properties to provide information to the City as to their plans to return the properties to productive use. Owners of derelict buildings would be required to file plans providing for the maintenance, rehabilitation, or demolition of those properties.
- Sign for First Responders: The Ordinance requires that derelict buildings have a sign on the front door identifying the building as derelict and providing emergency contact information. This was added to the Ordinance at the request of Police and Fire personnel to promote safety and efficiency. Fire Chief Mike Kimmerling emphasized the need for such a sign, as derelict buildings are more dangerous for firefighters to enter than occupied ones.
- Liability Insurance: The Ordinance requires owners to obtain liability insurance which would serve both to encourage building maintenance and to compensate first responders or members of the public injured on the premises.
- Expedited Abatement Procedure: The Ordinance provides for an expedited abatement procedure in the event an owner cannot be identified and/or fails to register a derelict

property. This could reduce the amount of time buildings stand abandoned and deteriorated.

- Fees and Fines: The fees and fines provided for in the Ordinance can provide an incentive to maintain derelict properties, a disincentive to allow them to remain derelict and help offset the disproportionate amount of resources expended on derelict properties.
- Clear Statement and Summary of Owner's Responsibility and Obligations: The Ordinance clearly states the responsibilities and obligations of owners of vacant property. It can be particularly helpful for out-of-town owners and investors to have their duties, responsibilities and obligations clearly stated in one spot in the Code, rather than having to search throughout the Code for each property maintenance requirement.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: The proposed Ordinance was initially discussed at a Council work session in August 2010. Beginning in October, the City sought public comment through wide distribution of the Ordinance, press releases, the convening of four (4) public meetings, a presentation to local landlords and correspondence with the Bloomington Normal Board of Realtors. The Ordinance was also the subject of a Work Session on January 11, 2011.

FINANCIAL IMPACT: This Ordinance can be implemented with existing staff resources and after an initial set-up period, is expected to enhance staff efficiency in dealing with poorly maintained vacant properties. The departments primarily affected are the PACE, Police and Legal Department. Registration fees will help offset the increased use of staff resources vacant buildings require.

Respectfully submitted for Council consideration.

Prepared by:	Reviewed by:	Reviewed by:
George D. Boyle Asst. Corporation Counsel	Mike Kimmerling Fire Chief	Randall McKinley Police Chief
Reviewed by:		Recommended by:
Mark Huber Director of PACE		David A. Hales City Manager

ORDINANCE NO. 2011 - 14

BE IT ORDAINED by the City Council of the City of Bloomington, Illinois:

Section 1: That Chapter 45 of the Bloomington City Code, 1960, as amended be further amended by adding the following Article III:

ARTICLE III

SEC. 1100.0 NEIGHBORHOOD PRESERVATION

SEC. 1100.1 TITLE AND SCOPE OF ARTICLE.

This article shall be known as the "Neighborhood Preservation Ordinance" and shall apply to all derelict buildings and premises thereof in the City of Bloomington now existing or hereafter becoming derelict.

SEC. 1100.2 INTENT.

It is the intent of this Article to protect the public health, safety, and welfare by establishing a registration process for derelict buildings and requiring responsible parties to implement a maintenance plan for such buildings to prevent deterioration, unsightly blight, and consequent adverse impact on adjacent property and neighborhoods. This Article shall be liberally construed to affect its purposes.

SEC. 1100.3 EFFECT ON OTHER LAWS.

This Article shall not be construed to limit or prevent the enforcement of other laws, codes, ordinances, or regulations. In the event of conflict, the provision setting the highest standard for health and safety shall prevail.

SEC. 1100.4 DEFINITIONS.

- (a) Building: A structure built for the support, shelter, or enclosure of people, animals, chattels, or movable property of any kind and which is permanently affixed to the ground.
- (b) Director of Planning and Code Enforcement: As used herein, shall refer to the Director of Planning and Code Enforcement, or to his or her designee.
- (c) Owner: Any person, agent, operator, firm, corporation, limited liability company or other entity having a legal or equitable interest in the property, or holding a mortgage on the property, or recorded in the official records of the state, county or municipality as holding title to the property; or otherwise having control of the property, including the guardian of the estate of any such person, and the executor or administrator of the estate of such person if ordered to take possession of real property by a court.

- (d) Premises: A lot, plot, or parcel of land including the buildings or structures thereon.
- (e) Unoccupied: No person or persons actually, currently conduct a lawfully licensed business, or lawfully reside or live in any part of the building as the legal or equitable owner(s) or tenant(s).
- (f) Derelict Building: A building that is:
 - (1) Condemned; or
 - (2) Unoccupied and unsecured for five days or more; or
 - (3) Unoccupied and unsecured by means other than those normally used in the design of buildings of similar structure or design for thirty (30) days or more; this includes buildings whose doors, windows, or other openings are boarded up; or
 - (4) Unoccupied and having more than two property maintenance, fire or building code violations existing for thirty (30) days or more; or
 - (5) Unoccupied for more than ninety (90) days and during which time an order has been issued to correct one or more code violations or to abate a nuisance.

SEC. 1100.5 OBLIGATION TO REGISTER DERELICT BUILDINGS.

- (a) Any owner of a derelict building as defined in Section 4 of this Ordinance shall register such building as a derelict building and submit a derelict building plan. The derelict building registration and plan shall be filed with the Department of Planning and Code Enforcement, together with a registration fee of \$30. Registration of a derelict building shall be valid for a period of one year from the date of registration. If the building remains derelict at the expiration of any registration period, the owner shall renew registration of such building and pay a fee of \$100.00. Each subsequent annual registration for said building shall be assessed a registration fee of \$100.00. All fees provided for in this Section are in addition to any other fees, fines or penalties provided for by the ordinances of the City of Bloomington, State, or Federal law.
- (b) Notification of derelict building status. If the Director of Planning and Code Enforcement or code official designated by the Director determines that a building is derelict within the meaning of Section 4 of this Ordinance, the Director or enforcement official shall provide notice to the last known owner by letter sent by first class mail requesting the owner of the building to register the building and submit a derelict building plan. Such notice shall state the reasons for determination of derelict building status. If the owner's address cannot be determined upon due inquiry, notice may be posted upon the building. The owner of such building shall, within ten days of notification, register such building as a derelict building and submit a derelict building plan to the Department of Planning and Code Enforcement. In lieu of registration, the owner may, within ten days of notification, remedy the reasons for determination

of derelict building status specified in the notice and arrange for an inspection by the Department of Planning and Code Enforcement for verification. Notification shall have been deemed to have been received within four days of the mailing and/or posting of the notification of derelict building status.

- (c) If more than fourteen (14) days elapse from the day notice of derelict building status is mailed and/or posted and the building remains unregistered, the Director of Planning and Code Enforcement may:
 - (1) apply through the Legal Department for an administrative search warrant allowing inspection of the premises to determine the condition of the property;
 - abate any nuisance or city code violations existing on the premises and place a lien for the cost of such abatement on the property;
 - (3) apply to the Circuit Clerk through the Legal Department for a judgment, injunctive or other appropriate relief.

SEC. 1100.6 REQUIRED REGISTRATION INFORMATION.

The owner registering a derelict building shall supply the following information:

- (a) The common description (street address), legal description, and tax parcel identification number of the premises on which the derelict building is situated.
- (b) The names and physical addresses of all owners of the property; (no post office box address will be acceptable in lieu of required physical addresses) or
 - (2) If the property is owned by a corporation, partnership, limited liability company, land trust, or other business entity, the registering owner or agent must provide the name, physical address, and telephone number of an agent, authorized to accept service of process and residing in McLean County, Illinois.
- (c) The name, physical address, and telephone number of a person maintaining a work or residential address in McLean County authorized to act in control of the property in matters of maintenance and who may be contacted in case of emergency.
- (d) The date on which the building became derelict.
- (e) A derelict building plan, as described in Section 1100.8 of this Ordinance.

- (f) The name, street address, mailing address and telephone number of the person preparing the registration statement and a certification by that person that the information on said statement is true and correct to the best of that person's information, knowledge and belief.
- (g) The person signing the registration form must certify that they are either the owner of the property or a person acting with direct authority from the owner in matters pertaining to the registration, control, and maintenance of the property.
- (h) Any registration lacking the information required by this Section will not be considered complete and will not be accepted for purposes of derelict building registration. An owner who fails to provide the information required by this Section shall be deemed to have failed to register and be subject to fines as provided in Section 1100.10 of this Article.
- (i) Any owner required to register a property must report any change of information required on the registration within ten (10) days after the change. Failure to report changes as required by this subsection will be punishable by a fine as provided in Section 1100.10 of this Article.
- (j) Statements made on the registration form shall be accepted as prima facie true and correct in any administrative or court proceeding.

SEC. 1100.7 REQUIREMENTS OF OWNERS, AGENTS, AND OTHER RESPONSIBLE PARTIES.

Owners, agents and other responsible parties are required:

- (a) to register derelict properties as required by this Article and to report any change of information required on the registration within ten (10) days after the change;
- (b) to obtain and maintain general liability insurance in an amount not less than \$300,000 for buildings designed primarily for residential use containing not more than four dwelling units, and not less than \$1,000,000 for any other building.
- (c) to maintain properties in compliance with all applicable provisions of the Bloomington City Code, State and Federal law.
- (d) to repair and maintain any doors, windows, or other openings and to secure all openings by conventional methods used in the design of the building or by methods permitted for new construction of similar type.
- (e) to place upon the front door of the building, in a legible, weatherproof format, the name, and contact information of a responsible party maintaining a work or residential address in McLean County who may be contacted in case of emergency.

SEC. 1100.8 DERELICT BUILDING PLAN.

When a derelict building is registered as required herein, the owner or agent shall submit a derelict building plan. The plan shall contain the following:

- (a) A plan of action to repair any doors, windows, or other openings which are boarded up or otherwise secured by any means other than conventional methods used in the design of the building or permitted for new construction of similar type.
- (b) A plan for the continued care, maintenance, and upkeep of the premises and any building, or structure located upon it.
- (c) A timetable for repair, return to occupancy, sale, or demolition of the building.
- (d) A specific date for the abatement of any nuisance existing in or on the premises.

SEC. 1100.9 APPROVAL OF PLAN.

(a) The Director of Planning and Code Enforcement shall have discretion to approve, deny, or modify the proposed derelict building plan, subject to the right to appeal as described in paragraph (b) of this Section. Notice will be sent to the owner or owner's agent of the approval, rejection, or modification of the plan.

In considering the appropriateness of a derelict building plan, the following factors shall be considered:

- 1. The purposes of this Article and the intent of the City Council to minimize the period of time a building is boarded up or otherwise derelict.
- 2. The effect of the proposed plan on adjoining property.
- 3. The general economic conditions of the community.
- 4. The cost to implement the proposed plan.
- 5. The length of time the building has been derelict.
- 6. The presence of any public nuisance on the property as defined in Chapter 21, Section 200.4.
- 7. The relative hardship on or gain to the neighborhood or public, as compared to the hardship or gain of the owner resulting from approval or modification of the proposed plan.
- (b) The Director of Planning and Code Enforcement shall, upon notice to the derelict building owner or owner's agent, have the right to modify the plan by altering the dates of performance or the proposed methods of action. If the owner of the building objects to the modifications made by the Director, such owner shall have the right to appeal to the City of

Bloomington Property Maintenance Review Board for final determination in accordance with the standards set forth in Section 1100.9(a). Such appeal shall be filed with the Director of Planning and Code Enforcement within fifteen days of the date of receipt of the Director's notice of modification or denial. The notice shall be deemed received four days after having been mailed to an address listed as the owner's address on the building registration form.

(c) The Property Maintenance Review Board, after considering the testimony and evidence presented, shall render its decision on the owner's appeal of the Director of Planning and Code Enforcement's proposed modifications of the derelict building plan. The Property Maintenance Review Board shall have the authority to fashion its own derelict building plan or approve the plan submitted by the owner or the modified plan submitted by the Director. The decision of the Property Maintenance Review Board shall be final and constitute the derelict building plan.

SEC. 1100.10 PENALTIES.

- (a) Violation of any of the provisions of this Ordinance shall be deemed a strict liability offense and shall subject the violator to penalties as provided herein.
- (b) Failure to register a derelict building within ten days of notification as required by this Ordinance shall be punishable as an ordinance violation with a fine of \$50.00 to \$500.00 per day in addition to any other fees, fines, or penalties provided by law.
- (c) Any person who provides false information on a registration statement shall be subject to a fine of not less than \$250.00 nor more than \$1,000.00 for each false statement made.
- (d) Failure to comply with the requirements of the derelict building plan as approved by the Director of Planning and Code Enforcement or modified by the Property Maintenance Board of Review, shall constitute a violation of this Article and shall subject the owner to a fine of from \$50 to \$500 per day in addition to any other fees, fines or penalties provided by law.
- (e) Failure to comply with any of the requirements of Section 1100.7 of this Ordinance shall subject the owner, agent, or other responsible party to a fine of \$50.00 to \$500.00 per day. Each violation shall be deemed a separate offense. Each day any violation continues shall also be deemed a separate offense.
- (f) The City of Bloomington may file in the Circuit Court of McLean County to recover unpaid fees, fines, and costs associated with the registration and maintenance of derelict buildings. The City may also file a lien on the property on which a derelict building is located for unpaid fees, fines, and costs associated with the registration and maintenance of a derelict building.

SEC. 1100.11 CHANGE OF OWNERSHIP.

The derelict building plan shall remain in effect notwithstanding a change in ownership. The new owner is required to file a new registration with the Department of Planning and Code

Enforcement and supply the name, address and telephone number of the new owners within 30 days of acquiring title to the premises.

SEC. 1100.12 REMOVAL OF DERELICT BUILDING STATUS.

In order to obtain removal of a building from the derelict building registry, the owner or agent for said property shall contact the Department of Planning and Code Enforcement in order to request the change in status and arrange for inspection of the property to occur prior to occupancy. If, after inspection, the Department determines the property no longer falls within the definition of derelict building as defined in Section 1100.4 of this Ordinance, the property shall be removed from the registry of derelict buildings.

Section 2: That except as amended by this Ordinance, the Bloomington City Code, 1960, as amended, shall remain in full force and effect.

Section 3: That the City Clerk shall publish this ordinance as provided by law.

Section 4: That this Ordinance shall go into full effect 10 days after the date of its publication.

Section 5. That this Ordinance is adopted pursuant to the home rule authority granted the City of Bloomington by Article VII, Section 6 of the 1970 Illinois Constitution.

Passed this 14th day of March, 2011.

Approved this 15th day of March, 2011.

APPROVED:

Stephen F. Stockton Mayor

ATTEST:

Tracey Covert City Clerk

David Hales, City Manager, introduced this item. He reviewed the process and the City's public outreach efforts. This ordinance had been the subject of two (2) Work Sessions. He recommended that the proposed Text Amendment be approved which would allow City staff to address derelict properties.

George Boyle, Asst. Corporation Counsel, addressed the Council. This item in addition to the Council's Work Session had also been the subject of a number of public meetings. He noted that positive comments had been received regarding same. Staff had

been given direction by the Council and the public. Staff was mindful of the impact that fees may have on these properties. Fees were recommended cautiously, (registration - \$30 and annual -\$100). He noted that the Town of Normal's ordinance allowed a fee of \$100 for every six (6) months. This ordinance would address boarded up properties. It addressed a property's external appearance and safety. City staff had removed any duplication with other areas of the City Code. He provided a summary of the ordinance.

Alderman Purcell informed the Council that he had spoken with Mr. Boyle. He expressed his concern regarding remodeling projects. He also questioned the financial impact of this ordinance. He requested a listing of what was new and what was old within same. Mr. Boyle noted that at this time it was the Council's decision. He restated that there had been two (2) Work Sessions and five (5) public hearings on this item. The proposed ordinance had also been posted to the City's web site. He expressed his belief that the City had provided ample opportunity for public input.

Alderman Schmidt thanked City staff on behalf of the residents who resided in the City's older neighborhoods. She also expressed her appreciation to Mr. Boyle for his efforts on this item. She noted that the proposed ordinance had been on the Council's docket for some time. This ordinance addressed a property owner's responsibility.

Alderman Anderson expressed his support for Alderman Schmidt's comments.

Alderman Stearns addressed derelict buildings. She specifically addressed the definition of same. It listed five (5) factors. She cited various property maintenance issues which could be viewed by City staff as infractions. Mr. Boyle responded affirmatively.

Alderman Stearns believed that all of the City's historic neighborhoods have properties which have been unoccupied for thirty (30) days. She cited the current real estate market. She believed that there were hundreds of homes which would qualify under this ordinance. She questioned how City staff would make a determination. Mr. Boyle noted that staff would have to set a threshold level. He cited refuse in the front yard as an example. The Director of PACE would notify the property owner to take corrective action or to register the property and submit a time line for repair. City staff would address major concerns. In addition, thirty (30) days must lapse prior to notification.

Alderman Stearns understood that this ordinance was full of good intentions. She restated her belief that hundreds of properties would qualify. She noted that the way the ordinance was written and the interpretation by the Director of PACE as a concern. She added that at this time there were distressed property owners.

Alderman Hanson believed that he had been clear on this ordinance's intentions. He compared it to the rental housing ordinance. He added that ordinances were amendable. He believed that this program would be complaint driven. The City needed to address problem properties. There needed to be something in place. He believed that the Council was becoming caught up in the details. He did not want to see this item laid over

to a future Council meeting. Mr. Boyle reminded the Council that the initial discussion commenced in August 2010.

Alderman Sage expressed his concern regarding the fourth factor: unoccupied and having more than two property maintenance, fire or building code violations existing for thirty (30) days or more. He believed that this factor was subjective when compared to the second factor: unoccupied and unsecured for five days or more. He requested that the fourth factor be deleted from the proposed ordinance. Mr. Boyle believed this change would reduce the ordinance's benefits. The program's registration would impact nuisance abatement. Staff could specify the types of violations that would qualify under the fourth factor. Alderman Sage restated his reservation regarding the fourth factor.

Alderman Stearns noted that City staff had stated that something was needed. She believed that the City had something, (International Property Maintenance Code, 2006). She addressed the enforcement process. She believed it would involve a judgment call and therefore be a subjective decision. She had surveyed Illinois cities over 50,000. All of these cities were utilizing an existing code to address this issue. Vacant properties damaged neighborhoods. Someone needed to purchase these properties and repair same. These properties could be useful, attractive and productive. These properties needed to be returned to the property tax rolls. This item told a sad story for the City. She informed the Council that she would not vote on this item. As a rental property owner, she believed that it would be unethical for her to vote on same.

Alderman McDade questioned how this ordinance prevented the sale and repair of properties. Mr. Boyle restated that the responsible party would pay the \$30 registration; a plan with a time table would be filed to address derelict buildings; a sign would be posted for first responders; and liability insurance would be filed with the City. City staff would encourage property maintenance. The goal was not to discourage property acquisition. The registry may be of assistance to those who are interested in distressed properties. He stressed that there had been a lot of public input.

Motion by Alderman McDade, seconded by Alderman Schmidt to call for the question.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Schmidt, McDade, Anderson, Hanson, Fruin and Mwilambwe.

Nays: Aldermen Purcell and Sage.

Absent: Alderman Stearns.

Motion carried.

Motion by Alderman Anderson, seconded by Alderman Schmidt that the Ordinance be passed.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Schmidt, McDade, Anderson, Hanson, Fruin and Mwilambwe.

Nays: Aldermen Purcell and Sage.

Absent: Alderman Stearns.

Motion carried.

The following was presented:

Presentation of the Fiscal Year 2011 3rd Quarter Financial Report.

David Hales, City Manager, addressed the Council. Due to the late hour, he recommended that staff address the Council's questions and not make a formal presentation.

Alderman Fruin noted the remaining agenda items which included an Executive Session. He addressed the issue of time management.

Alderman McDade thanked staff for the report. She questioned the numbers for Hotel/Motel Tax. Tim Ervin, Finance Director, addressed the Council. He had contacted the CVB (Convention and Visitors Bureau). He cited the community's newest hotel which had seen a lot of traffic. CVB staff noted the impact of competition within the industry. Mayor Stockton added the impact of the recession and the decline in the number of meetings being held in the community.

The following was presented:

SUBJECT: Presentation of the Fiscal Year 2012 General Fund Budget

RECOMMENDATION: That the 2012 General Fund Budget be presented.

BACKGROUND: The City is required by state statute to adopt an annual appropriation Ordinance by May 1, 2011. The recommended budgets will be distributed to Council in three (3) budget binders. The first binder, which was distributed on March 11, 2011, represents the City's General Fund. Binders two (2) will present the Special Revenue, Debt Service, Enterprise Funds, and Internal Service Funds, while binder three (3) will present the Capital Improvement Projects. Each budget will present the recommended budget for FY 2011 - 2012 and estimated budgets for FY 2013 to 2016. Binders two (2) and three (3) will be distributed later in the month.

The City plans to hold multiple work sessions to discuss the FY 2012 budget. Currently, two (2) Saturday work sessions are planned for March 19 and March 26, 2011, while the potential exists

to include one (1) to two (2) Monday work sessions. There are plans to hold a budget open house for residents on March 29, 2011 at the Bloomington Center for the Performing Arts. A public hearing and presentation of the budget for adoption will be held on the Council meeting of Monday, April 11, 2011.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: The FY 2012 budget proposed expenditures for all City funds is \$163 million. In FY 2011, the total expenditures was \$148 million. Approximately \$10 million of the \$15 million increase is related to the Locust Colton Sewer separation project with the other \$5 million increase related to the General Fund.

The FY 2012 budget proposed expenditures are \$74 million. This represents a 7.61% increase in expenditures from FY 2011. Approximately \$4.5 million of this increase is related to the additional \$3.1 million increase in the capital expenditure transfer from the General Fund, \$993,000 increase in the Early Retirement Incentive payout, and the \$412,000 increase in the cost of fuel.

Respectfully submitted for Council consideration.

Prepared by: Reviewed by: Recommended by:

Timothy L. Ervin Barbara J. Adkins David A. Hales Finance Director Deputy City Manager City Manager

David Hales, City Manager, addressed the Council. The City budget document was continuing to evolve. He noted assistance was needed from the Council and citizens to address what services had been received. City staff would continue its efforts to address performance measures and productivity. He cited the City's Strategic Plan, the Citizens Summit, Action Agenda 2011, and the Prebudget Work Session. He stressed the need for additional resources. The proposed budget addressed some of the City's capital needs. He stressed that equipment impacted productivity. City staff needed reliable equipment. He cited the \$1 million increase to the street resurfacing program. Total expenditures for this program would exceed \$5 million. He anticipated a carry-over balance in the range of \$3 – 5 million. Capital needs represented a one time use of the resource.

A PowerPoint presentation had been prepared which took a high level look at the budget. Tim Ervin, Finance Director, addressed the Council. He cited the total budget figure, (\$15,464,216) which represented a 9.44% increase. He noted the impact of the Locust/Colton CSO project upon the budget, (budgeted cost \$10 million). The Council had been provided with two (2) of the three (3) budget work books, (General Fund and Capital Improvement Program). He informed the Council that a Breakdown of Funds – Expenditures & Expenses was contained in the PowerPoint, (page 3). He specifically cited MFT (Motor Fuel Tax). This revenue came from the state and could only be used for IDOT (Illinois Department of Transportation) approved road projects. Total figures had

also been provided for the City's Enterprise Funds on the same page. He addressed General Fund revenue which had increased (\$5,088,071) by 7.37% over the previous Fiscal Year, (FY). Sources of Significant Differences in General Fund Revenue was located on page 5 of the PowerPoint. The proposed budget would draw from the General Fund to address capital needs. He also addressed General Fund expense increases, (\$5,242,138) which equaled 7.61%. He noted the difference with the previous FY, (\$346,437). He directed the Council to Sources of Significant Difference in General Fund Expenses, (page 7 of the PowerPoint). He noted the dollar amounts being directed towards capital improvements. He also cited the ERI, (Early Retirement Incentive) payout and the cost for Gasoline and Diesel Fuel. The PowerPoint also contained a pie chart, General Fund Expenses by Division, (see page 8). He noted that four (4) City departments, (Police, Fire, Public Works and Parks, Recreation & Cultural Arts), equaled sixty-five percent (65%) of the City's General Fund budget. General government equaled eleven percent (11%). This figures included the City's administrative departments including Information Services (IS). The IS budget included all computer hardware and software and the ERP (Enterprise Resource Planning) project. The City's General Fund Unreserved Fund Balance had recovered, (see Fund Balance Improvement, page 9 of the PowerPoint). This fact would allow the City to focus on public safety and street improvements. In addition, a one (1) time contribution could be made to the Sewer or Parking Maintenance & Operation Fund to offset their current deficits.

Mr. Hales addressed new full time positions which had been included in the proposed budget. Three (3) were in the General Fund, (two police officers and a zoo curator) and two (2) were in the Water Fund, (an engineer and a utility worker). He noted that one (1) of the police officers would be a school resource officer for Unit 5 schools. Unit 5's staff has expressed some willingness to subsidize this position. In addition, two (2) positions would be upgraded from part to full time, (Special Projects Coordinator – Administrator's Office and a Reader – Corporation Counsel Office). (See page 11 of the PowerPoint).

Mr. Ervin addressed the Capital Improvement portion of the proposed budget, (PowerPoint, see page 12). He specifically cited street resurfacing (\$2.5 million); Lafayette & Maple St. reconstruction (\$1.7 million); and Tanner St. reconstruction (\$1.1 million). He also addressed water and sewer/storm water projects, (Groundwater development - \$1.5 million and Locust/Colton CSO - \$10 million). Funds have also been budgeted for the development of infrastructure Master Plans, (streets, water, sewer and storm water systems were cited). These plans would address current conditions and priorities.

Mr. Hales noted that the City was in the early phase of a Capital Improvement Program. There would be various components to this program: needs assessment; operations & maintenance needs; methodology; identification of unfunded areas; and rate studies. There would be additional information available to the Council in the future. He cited the lack of resources, (staff and time), and the need for a Long Term Financial Plan. These plans would require public involvement. The City would need to engage its residents. This would be a critical part of these projects.

Mr. Ervin addressed Other Projects in the Capital Improvement Fund, (see page 13 of the PowerPoint). Mr. Hales noted that the design of Hershey Rd. would be completed in FY 2012.

Mr. Ervin addressed Capital Equipment, (see page 14 of the PowerPoint). He noted the City's practice of deferring and delaying equipment replacement since FY 2005. The City had a number of outdated and worn pieces of equipment. He cited the cost of repair and maintenance. He noted the items that would be purchased with cash, (see General Fund Capital Equipment Cash Purchases on page 15 of the PowerPoint). He noted that a number of these items had a public safety focus. In addition, the proposed budget contained a Capital Vehicle & Equipment Purchases using a 5 Year Lease to Own Option (All Funds), (see page 16 of the PowerPoint). The City could not afford to purchase all of this equipment at one time. The cost would be spread over the five (5) year period. This would be a lease purchase agreement. The focus of the lease would be for equipment which had a public safety and/or infrastructure focus. He reviewed the list of items, (see page 17 of the PowerPoint). City staff was maximizing the useful life of equipment and only purchasing what was needed.

Mr. Ervin addressed Enterprise Fund acquisitions, (see page 18 of the PowerPoint). Automated recycling trucks were included in the lease purchase agreement, (Solid Waste Fund). Replacement of the golf carts at Prairie Vista which were ten (10) years old, (Golf Course Fund). The average life expectancy was six (6) years. Two (2) utility vehicles had also been included in the Parking Fund.

The budget process had been adjusted. The Council had already received two (2) budget binders. The final binder would address Enterprise & Other Funds. Each binder was a compilation from the various City departments. The binders also included a five (5) year outlook. A five (5) year budget plan was considered a best practice. In addition, it provided a long term approach to budgeting and promoted financial sustainability.

The final page of the PowerPoint addressed the Budget Schedule.

Mr. Hales addressed economic development and the need for new resources. The proposed budget included funding for the EDC (Economic Development Council), the CVB and the DBA (Downtown Business Association). DBA funding would be \$95,000 per the terms of the agreement. This would be the last year of same. In addition, Gaelic Park had not been included in the proposed budget. He noted that the agreement with the state's Department of Natural Resources which called for substantial completion of the park by December 31, 2012. He cited the potential loss of a \$400,000 OSLAD (Open Space Lands Acquisition & Development) grant. He hoped that there might be funds available from the year end carry-over balance.

Mr. Hales addressed the resources budgeted for fiscal impact analysis. City staff hoped to address performance excellence. A key issue would be identifying the City's core services and the cost for same. The goal was for internal improvement. He encouraged the Council to review the General Fund budget binder. In addition, the Council should focus

on FY 2012 when reviewing the Capital Improvement Program binder. He noted that the proposed budget would impact future year's priorities. The final binder would address Enterprise & Other Funds.

Mr. Hales extended his appreciation to staff as all were involved in the budget. He noted the City's lean staffing level. The City had made financial progress. Staff needed to be provided with the necessary tools and equipment to perform their jobs. He believed that there would be minor amendments to the budget. Staff was ready to assist the Council.

The following was presented:

Report on Recent Burglaries in the City and Central Illinois – Randy McKinley, Chief of Police.

Randy McKinley, Police Chief, addressed the Council. He wanted to address three (3) items. The Police Department went live today with the StarCom 21 radios. He thanked the Council for their support. He also addressed the recent burglaries. He defined burglary as entry into a home with a theft intention. There had been approximately forty-five (45) burglaries. No one has been home or injured. He acknowledged that people felt threatened and violated when their homes were burglarized. His staff was hard at work. There were three (3) clusters within the City. He defined each one's geography. Finally, he addressed an attempted abduction of child at his school bus stop. The neighborhood had been canvassed. He encouraged anyone with information to call the Police Department. Police staff had reached out to District 87 and Unit 5 schools. No arrest has been made. He acknowledged that this issue was on the public's mind. He requested the Council's patience.

MAYOR'S DISCUSSION: Mayor Stockton reported back to the Council regarding the One Voice trip. Thirty-six (36) individuals from McLean County attended this trip to Washington DC. Alderman McDade and Barb Adkins, Deputy City Manager attended this year. One Voice was held from March 8 – 10, 2011. He addressed the various projects. The group met with our state's Senators and US Congressmen. There would not be any earmarks this year. There may be dollars available to address the rail yard as a federal agency project. He anticipated that there would be a reduction in CDBG (Community Development Block Grant) funding. Federal funds would be allocated for high speed rail. Illinois would receive dollars that had been allocated and returned by other states. The Chicago to St. Louis trains would travel at 110 mph (miles per hour). He believed that the City should review this program. He believed the One Voice program was in its fifth (5th) year.

CITY MANAGER'S DISCUSSION: David Hales, City Manager, noted that a number of Council members had contacted staff within the Police Department due to the recent burglaries. He reminded the Council to begin with Randy McKinley, Police Chief.

He noted that there were currently vacancies on the Planning Commission and the City's newest board, the Property Maintenance Review Board.

ALDERMEN'S DISCUSSION: Alderman Anderson had participated in the home show for NICOR, his employer. He commended Central Illinois Arena Management's staff. The event drew 12,000 attendees.

Aldermen Anderson, Stearns, Purcell, Schmidt, Fruin, Sage, McDade and Hanson, all welcomed Mboka Mwilambwe to the Council.

Alderman Stearns apologize to those individuals present who did not have the opportunity to address the Council. She planned to prepare a list of vacant properties. She believed that the public should have access to the derelict building plan. This would allow the public with the ability to watch these properties improve. She cited a property within Ward 4 where demolition was threatened.

Alderman Schmidt noted the new application form for service on a City Board and/or Commission. She questioned a review mechanism and terms (length of service).

She informed the Council that the Downtown Entertainment Task Force would hold its first meeting on Wednesday, March 23, 2011 from 3:30 - 5:30 p.m.

Alderman Fruin recommended that the Council find ways to shorten its meetings. He noted that the Council had met for approximately five (5) hours this evening.

He requested a love Downtown sign. He noted a recent special event. He had attended the St. Patrick's Day 5K run. 600 runners had participated. Special events addressed quality of life issues and were important to the City.

He had prepared a handout regarding Gaelic Park which he provided to the Council. He requested that the Council give further consideration to including this park in the FY 2012 budget.

Alderman Sage noted the effort made by staff on the budget.

Alderman McDade echoed Alderman Sage's comment. She reviewed the history of the Neighborhood Preservation Ordinance. She described the process used as extensive. She noted the number of meetings held and the time involved. Each alderman represented his/her ward and the City. The Council needed to move forward. It was time to address the budget.

Alderman Hanson expressed his disappointment regarding Gaelic Park. He was surprised that it had not been included in the proposed budget. This park had been promised to the surrounding neighborhoods. He echoed Aldermen Sage and McDade's comments on budget preparation. The budget process had been clarified.

Motion by Alderman Anderson, seconded by Alderman Purcell to recess to Executive Session – Claim Settlement, Section 2 (c) (8). Time: 10:55 p.m.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Schmidt, McDade, Anderson, Hanson, Sage, Fruin Mwilambe and Purcell.

Nays: None.

Motion carried.

Motion by Alderman McDade, seconded by Alderman Anderson, to return to Regular Session and adjourned. Time: 11:00 p.m.

Motion carried, (viva voce).

Tracey Covert City Clerk

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