

MINUTES OF A REGULAR MEETING OF THE ZION CITY COUNCIL HELD ON TUESDAY, OCTOBER 21, 2014, AT 7:00 P.M. IN THE CITY COUNCIL CHAMBERS, CITY HALL, 2828 SHERIDAN ROAD, ZION, ILLINOIS

Mayor Harrison called the meeting to order.

On call of the roll the following answered present: Commissioners Taylor, Flammini, Hill, DeTienne, and Mayor Harrison. A quorum was present.

Also present: Chief of Police Steve Dumyahn, Fire/Rescue Chief John Lewis, Public Works Director Ron Colangelo, Finance Director David Knabel, ESDA Field Director Brandon Busch, and City Attorney Paula Randall. Building Director Richard Ianson was absent.

Mayor Harrison led in the Pledge of Allegiance to the flag.

AGENDA CHANGES

There were no agenda changes.

CITIZEN COMMENTS

Lisa Issac, Zion, asked that the City do something with the property they intend to purchase at the corner of Rt. 173 and Green Bay Road. She suggested appointing an economic development team to oversee the development of the property.

Elaine Lambert, Buffalo Grove, stated that she manages the Avalon Mobile Home Park in unincorporated Zion on behalf of her mother. The water bill was due on September 22 which was four times the normal amount due to a leak. She stated that she paid the bill on time but it was returned to her because the check was postdated and now she is being charged a \$450 late fee. Ms. Lambert requested that the Council waive the late fee. Director Knabel stated that the City has a policy prohibiting postdated checks and all attempts to contact Ms. Lambert failed. He stated that he supported waiving the late fee. It was the consensus of the Council to waive the late fee.

Commissioner Hill stated that he has been approached by constituents who have reported to him that some City of Zion employees have been posting negative comments about the City on social media. He stated that these constituents have also stated that these employees should be reprimanded as they are representatives of the City. Attorney Randall stated that employees have first amendment rights and that the City should enact a social media usage policy. She stated that a draft policy will be introduced for discussion at the November 4 City Council meeting. Chief Dumyahn noted that the Police and Fire/Rescue Departments already have social media policies in place.

CONSENT AGENDA

It was moved by Commissioner DeTienne, seconded by Commissioner Flammini, that the Consent Agenda be approved as follows:

- (a) **APPROVAL OF MINUTES:** of a Regular Meeting held on October 7, 2014 at 7:00 p.m. as amended
- (b) **BILLS:** Vouchers 119377 through 119566 drawn on First Merit Bank, Total: \$873, 425.11

Approved by omnibus vote as follows: Commissioners Taylor, aye; Flammini, aye; Hill, aye; DeTienne, aye; and Mayor Harrison, aye. Motion carried.

ORDINANCE/SERIES 2014 DEBT CERTIFICATES/SECOND READING

Attorney Randall stated that no changes were made to the ordinance since it was introduced and placed on file at the October 7, 2014 City Council meeting. She stated that it is in the same form as was presented at the First Reading of the ordinance. She stated that the ordinance has been continuously on file in the office of the City Clerk since it was presented on October 7, 2014.

It was moved by Commissioner Taylor, seconded by Commissioner Flammini that an Ordinance (14-O-53) be passed authorizing and providing for an Installment Purchase Agreement for the purpose of paying the cost of purchasing real or personal property, or both, in and for the City of Zion, Lake County, Illinois, and for the issue of not to exceed \$4,000,000 Taxable Debt Certificates, Series 2014, of said City evidencing the rights to payment under said Agreement, and providing for the security for and means of payment under said Agreement of said Certificates. The vote on roll call was: Commissioners Taylor, aye; Flammini, aye; Hill, aye; DeTienne, aye; and Mayor Harrison, aye. Motion carried. Ordinance passed.

ECONOMIC INCENTIVE AGREEMENT/N&T'S RESTAURANT/3077 SHERIDAN ROAD

Director Knabel stated that an Economic Incentive and Redevelopment Agreement between the City of Zion and N & T's Family Restaurant for property at 3077 Sheridan Road is being proposed to relocate the restaurant in order for the business to expand, to improve conditions and to move from rental status to ownership status. He stated that the TIF Review Board recommended approval of the City of Zion purchasing the property with TIF Funds. The Board recommended approval of a TIF grant in the amount of \$45,000 for property improvements. Director Knabel stated that the property would be sold to N & T's Family Restaurant via a mortgage in order for the City to recoup costs. He stated that the purchase price of the property, \$312,000, plus the \$45,000 grant, would equal a total of \$357,000 in TIF funds invested. Commissioner Hill stated that the City should not be a landlord, however he supports the economic development assistance and stated that N & T's is a good business to operate at that location. Commissioner Hill asked the owners if they plan to apply for a liquor license. The owner stated that once the restaurant is up and running at the new location, they may seek a license for beer and wine only at a later date. Commissioner Hill asked if the agreement contained a clawback clause. Director Knabel stated that the \$45,000 grant portion does include a clawback clause.

No action was required by the Council.

ORDINANCE/PURCHASE OF 3077 SHERIDAN ROAD

Director Knabel stated that the proposed ordinance would give the City of Zion control of the property at 3077 Sheridan Road so the City can enter into a mortgage with the owners of N & T's Family Restaurant. Attorney Randall stated that the purchase is contingent upon the City entering into a contract with N&T's Family Restaurant to sell the property to them and the economic development agreement being approved. Mayor Harrison stated that, in the future, parking on 31st Street by restaurant patrons must be considered by the Council.

It was moved by Commissioner Hill, seconded by Commissioner Flammini that an Ordinance (14-O-54) be passed authorizing execution of a contract between the City of Zion and Steve Kravitz, property owner, for the purchase of real estate located at 3077 Sheridan Road. The vote on roll call was: Commissioners Taylor, aye; Flammini, aye; Hill, aye; DeTienne, aye; and Mayor Harrison, aye. Motion carried. Ordinance passed.

APPOINTMENT/DEPUTY FIRE/RESCUE CHIEF

A memo (14-DOC-94) was received from Chief Lewis recommending the appointment of Eric Montellano to the position of Deputy Fire/Rescue Chief.

It was moved by Commissioner DeTienne, seconded by Commissioner Taylor to appoint Eric Montellano to the position of Deputy Fire/Rescue Chief effective October 22, 2014. The vote on roll call was: Commissioners Taylor, aye; Flammini, aye; Hill, aye; DeTienne, aye; and Mayor Harrison, aye. Motion carried.

TIF ECONOMIC INCENTIVE AGREEMENT/DEBBY KATE LLC/2429 SHERIDAN ROAD

Director Knabel presented a draft Economic Incentive Agreement between the City of Zion and Debby Kate, LLC, owner of 2429 Sheridan Road, who leases to IUP General Feed Store. He stated that an application was received for TIF assistance by the owner in the amount of \$7,500 for tuckpointing and painting of the north wall of the building due to an abutting building being demolished resulting in damage to the wall. He stated that the agreement includes a ten year clawback clause. Director Knabel stated that the TIF Review Board recommends approval.

It was moved by Commissioner Taylor, seconded by Commissioner Hill to approve a TIF #1 Economic Incentive Agreement between the City of Zion and Debby Kate, LLC, on behalf of IUP General Feed Store, at 2429 Sheridan Road, for assistance in the amount of \$7,500. The vote on roll call was: Commissioners Taylor, aye; Flammini, aye; Hill, aye; DeTienne, aye; and Mayor Harrison, aye. Motion carried.

Commissioner Flammini stated that, in the past, Council members received copies of quotes for the work to be performed in their meeting packets when considering TIF grants. Director Knabel stated that quotes will be provided in the packets for all future requests.

SHEPHERD'S POINT SUBDIVISION/LETTERS OF CREDIT

Director Colangelo stated that REO Funding Solutions, a prospective buyer of the Shepherd's Point Townhome Subdivision, presented three requests upon purchase of the property at the October 7, 2014 City Council meeting: 1) replace the existing Letter of Credit on file in the amount of \$157,248 with a security bond which represents the remaining public sidewalks and parkway trees that must be installed when additional townhomes are built, 2) issue a security bond in lieu of a Letter of Credit in the amount of \$109,068.75 for the new entrance off 21st Street, and 3) accept all public improvements and begin the two-year warranty/maintenance period upon completion of the new 21st Street entrance.

Director Colangelo stated that staff consulted with the buyer, seller and legal counsel and the requests of REO Funding Solutions have been reconsidered. He stated that the issue of accepting all public improvements and beginning the two-year warranty/maintenance period upon completion of the new 21st Street entrance is a non-issue as the development is not contingent upon 80% occupancy. Director Colangelo stated that the existing developer's agreement refers to the Zion Code letter of credit requirement, however, per Illinois law, a letter of credit can be replaced with a security bond. He recommended not stalling the development of the Shepherd's Point Subdivision by requiring a letter of credit as this subdivision has sat idle for seven years. He recommended accepting a security bond in lieu of a letter of credit. Attorney Randall asked if the current units that have been vandalized would be addressed immediately as previously discussed. Tom Schofield, REO Funding, stated that these units would be stabilized, cleaned up and completed. Commissioner Hill asked if the PUD requires single family, owner occupied homes. He asked if a new owner would be subject to the same owner occupied requirement or if a new owner could rent the units. Attorney Randall stated that the homeowners association governs. She stated that without reviewing the PUD document, she would not respond. Attorney Randall stated that the PUD transfers with the property.

It was moved by Commissioner Flammini, seconded by Commissioner Hill to grant the requests from REO Funding Solutions as follows:

- 1) replace the existing Letter of Credit on file in the amount of \$157,248 with a security bond which represents the remaining public sidewalks and parkway trees that must be installed when additional townhomes are built,
- 2) accept a security bond in lieu of a Letter of Credit in the amount of \$109,068.75 for the new entrance off 21st Street, and
- 3) accept all public improvements and begin the two-year warranty/maintenance period upon completion of the new 21st Street entrance

pending confirmation of the owner occupied provision of the PUD agreement. The vote on roll call was: Commissioners Taylor, aye; Flammini, aye; Hill, aye; DeTienne, aye; and Mayor Harrison, aye. Motion carried.

LETTER OF AGREEMENT/ZION STATION

A Letter of Agreement (14-DOC-95) was received from ZionSolutions, LLC which is required to be executed by Zion Solutions and the City of Zion biennially. This agreement states that Zion Station commits to continuing to provide training and support to the City of Zion, specifically directed toward the Police and Fire/Rescue Departments based on requested needs and the City of Zion commits to support Zion Station, specifically for emergency medical and ambulance services and law enforcement response.

It was moved by Commissioner DeTienne, seconded by Commissioner Taylor to authorize the execution of the Letter of Agreement between Zion Solutions and the City of Zion. The vote on roll call was: Commissioners Taylor, aye; Flammini, pass; Hill, aye; DeTienne, aye; and Mayor Harrison, aye. Motion carried.

ORDINANCE/ELECTED OFFICIALS' COMPENSATION/HEALTH INSURANCE

Commissioner Hill apologized to the Council members regarding his actions at the October 7, 2014 Council meeting regarding the issue of health insurance for elected officials and the requirement that they work twenty or more hours per week in order to be eligible to participate in the City's group health insurance program. He stated that he made the motion to pass the proposed ordinance (14-O-51) which he feels was a mistake. Commissioner Hill stated that not enforcing the twenty hour requirement is in direct conflict with the contract. He presented an alternate ordinance which would repeal Ordinance 14-O-51 and require that elected officials who took office prior to April 15, 2013, and who work twenty or more hours per week on City business, and provide the required documentation, would be eligible for health insurance coverage. He stated, if the ordinance was passed, a policy would be adopted which would define "working" and the method of documentation of hours worked.

It was moved by Commissioner Hill that an ordinance be passed repealing Ordinance 14-O-51 and requiring that elected officials who took office prior to April 15, 2013, and who work twenty or more hours per week on City business, and provide the required documentation, would be eligible for health insurance coverage. The motion died for lack of a second.

DEPARTMENTAL COMMENTARY

Director Knabel stated that a Comprehensive Plan open house workshop was held on October 8, 2014 to receive input into the plan from the community. He stated that 70 people attended the workshop.

Director Colangelo reminded residents who rake their leaves to the curb to be vacuumed not to rake the leaves into the street or the gutter as they cause flooding problems during rain events. He stated that leaves should be kept on the parkway at the edge of the curb.

ANNOUNCEMENTS

Now thru November 1	Monday - Friday - 9:00 a.m. to 4:30 p.m. Saturday - 9:00 a.m. to 2:00 p.m.	Early Voting at Zion City Hall
October 26	2:00 p.m. to 5:00 p.m.	Zion Trick or Treat
November 1	9:00 a.m. to 12:00 noon	Electronic Recycling at the Public Works Facility, 3220 27 th Street
November 4	.	Election Day
November 4	7:00 p.m.	Zion City Council Meeting
November 15	9:00 a.m. to 12:00 noon	Electronic Recycling at the Public Works Facility, 3220 27 th Street
November 18	6:30 p.m. 7:00 p.m.	Zion Township Board Meeting Zion City Council Meeting

Mayor Harrison stated that he may not be in attendance at the next two Council meetings due to a family matter.

ADJOURN

There being no further business to come before the Council at this time, it was moved by Commissioner Taylor, seconded by Commissioner Hill and unanimously approved the meeting be adjourned at 7:58 p.m. Motion carried.

City Clerk

Approved November 4, 2014