

**MINUTES OF A SPECIAL MEETING OF THE ZION CITY COUNCIL HELD ON FRIDAY,
NOVEMBER 13, 2015, AT 1:03 P.M. IN THE CITY COUNCIL CHAMBERS, CITY HALL, 2828
SHERIDAN ROAD, ZION, ILLINOIS**

Mayor Hill called the meeting to order.

On call of the roll the following answered present: Commissioners Taylor, McDowell, DeTienne, and Mayor Hill. Commissioner McKinney was absent. A quorum was present.

Also present: Chief of Police Steve Dumyahn, Fire/Rescue Chief John Lewis, Building/Zoning Director Richard Ianson, Public Works Director Ron Colangelo, Accounts/Finance Director David Knabel and City Attorney Paula Randall

CITIZEN COMMENTS

Daniel Kotcher, Woodstone Village and Horizon Village in Zion, stated that he appreciated the City Council's efforts in soliciting input from those who would be affected by the proposed rental inspection certification program. He stated Waukegan has the highest inspection rate at \$30.00 per unit with only 30% of units being inspected annually. He suggested that the Council consider implementing the sampling methodology and only inspect 33% of 2 or more unit rental properties per year and 100% of single family rental units every year. He stated that such methodology would reduce revenue but it would also reduce program costs and still accomplish the goal of the program being self-supporting.

**RESOLUTION/COMMUNITY DEVELOPMENT BLOCK GRANT APPLICATION/
PUBLIC WORKS DEPARTMENT**

A memo (15-DOC-109) was received from Director Colangelo requesting that the City Council consider passing a resolution authorizing the application to the Lake County Community Development Block Grant Program for assistance for sidewalk replacement and installation of handicap ramps at various locations throughout the City. He stated that the application deadline is November 16, 2015.

It was moved by Commissioner Taylor, seconded by Commissioner McDowell that a Resolution (15-R-27) be passed authorizing the application to the Lake County Community Development Block Grant Program for assistance for sidewalk replacement and installation of handicap ramps at various locations throughout the City. The vote on roll call was: Commissioners Taylor, aye; McDowell aye; DeTienne, aye; and Mayor Hill, aye. Motion carried. Resolution passed.

**RESOLUTION/COMMUNITY DEVELOPMENT BLOCK GRANT APPLICATION/
BUILDING DEPARTMENT**

A memo (15-DOC-110) was received from Director Ianson requesting that the City Council consider passing a resolution authorizing the application to the Lake County Community Development Block Grant Program for the demolition of identified/abandoned properties in the City of Zion.

It was moved by Commissioner McDowell, seconded by Commissioner Taylor that a Resolution (15-R-28) be passed authorizing the application to the Lake County Community Development Block Grant Program for assistance for the demolition of identified/abandoned properties in the City of Zion. The vote on roll call was: Commissioners Taylor, aye; McDowell aye; DeTienne, aye; and Mayor Hill, aye. Motion carried. Resolution passed.

**RESOLUTION/COMMUNITY DEVELOPMENT BLOCK GRANT APPLICATION/
ECONOMIC DEVELOPMENT DEPARTMENT**

A memo (15-DOC-111) was received from Sonolito Bronson requesting that the City Council consider passing a resolution authorizing the application to the Lake County Community Development Block Grant Program for assistance with addressing code violations, deteriorating facades and streetscapes in the Zion business district.

It was moved by Commissioner McDowell, seconded by Commissioner DeTienne that a Resolution (15-R-29) be passed authorizing the application to the Lake County Community Development Block Grant Program for assistance with addressing code violations, deteriorating facades and streetscapes in the Zion business district. The vote on roll call was: Commissioners Taylor, aye; McDowell aye; DeTienne, aye; and Mayor Hill, aye. Motion carried. Resolution passed.

**PROPOSED AMENDMENTS/RENTAL INSPECTION CERTIFICATION
PROGRAM AND FEE STRUCTURE ORDINANCES**

Director Ianson reviewed the proposed amendments to Chapter 10 of the Zion Municipal Code, Section 10-180, "Rental Housing Inspection and Certification Regulations " as follows:

Deleting, under "*Prohibited conduct*", "It is unlawful for any person to operate, maintain, or offer to rent a residential rental property without first obtaining a certificate of compliance from the city."

Adding , under "Certificate of compliance – conditions and term", for properties having to correct violations, certificates of compliance will remain valid for 12 months and for properties that do not have to correct violations, certificates of compliance will remain valid for 24 months. This amendment addresses the issue of providing an incentive for landlords to maintain their properties.

Deleting the requirement to maintain the certificate of compliance on the premises of the rental property for which it was issued.

Deleting the application requirement of providing the legal name of each residential rental property's occupant per the City Attorney's recommendation.

Changing the application filing period from 120 to 180 days of the effective date of Section 10-180.

Deleting the cash bond requirement in order to be issued a temporary certificate of compliance

Director Ianson stated the proposed ordinance amending Chapter 10, Section 10-9 (c) "Certificate of Occupancy/Miscellaneous Inspections", was amended to reduce the "Rental Certification Inspection, per unit" fee from \$100 to \$75.

Commissioner McDowell asked if any consideration was being given to the fee for inspecting multi-units with common roof, walls, etc. as opposed to single family units. Mayor Hill stated that no fee reduction is being considered but the incentive of the extra 12 months for properties with no violations would help reduce fees for landlords over a two year period. He stated if the fees were further reduced, program costs would not be covered. Commissioner McDowell recommended investigating the sampling methodology whereby only 33% of units would be inspected annually. Mayor Hill stated that this would reduce revenue by two thirds each year. He stated that he would rather see the City start with a strict program and relax it later if necessary than to start small and become more strict. Commissioner McDowell asked if, in the case of owner-occupied houses with a rental unit/s, the owner's unit would be subject to inspection. Director Ianson stated that the owner's unit is not exempted in the ordinance, however, he does not intend to inspect owner-occupied units. Commissioner McDowell asked if the inspection criteria are being reviewed as a

large portion applied to multi-family units rather than single family units. Director Ianson stated that the criteria are being revised. He stated that the criteria will include two parts, one list for life safety issues that will determine issuance of a certification certificate and one list for property maintenance issues that will not be considered for certification.

2015/2016 BUDGET DEFICIT

Director Knabel provided budget projections for the next three years, based on a maximum levy, and a tax levy chart for both a maximum levy and a flat levy for the next three years. He stated that he figured a 2.5% annual increase in departments from base operating expenses plus salaries and health insurance costs. He stated that a levy increase of 5% is not very likely as the maximum allowed is the lesser of 5% or CPI which currently is at .8%. He stated that the levy could be increased by only .8% before reaching the tax cap which leaves the levy nearly flat. He stated that the IMRF, Liability Insurance, Social Security, Police Pension and Fire Pension funds will increase every year and any new revenue from the levy will have to cover pension costs. Director Knabel stated that, with a flat levy, the City will face a deficit of \$2.2 million in Fiscal Year 2017, a \$2.2 million deficit in Fiscal Year 2018, and a \$2.7 million deficit in Fiscal Year 2019. He stated that \$900,000 will be lost from operating funds in Fiscal Years 2015 through 2018. Director Knabel stated that a tax freeze on the entire levy by the State of Illinois is possible and the City would have to pay more into the pension funds in order to meet funding requirements as pension levies are frozen. He stated that in 2015, the \$833,282 deficit will be covered by cash reserves and \$600,000 will be borrowed from the water & sewer fund. He stated that cash reserves were approximately \$1 million. Director Knabel stated that next year's goal is to cut \$2 million from the budget with no cash reserves. Commissioner McDowell stated that the Police and Fire/Rescue Departments have reviewed their budgets and cut an additional \$38,000 from the Police budget and \$30,000 from the Fire/Rescue budget. Director Knabel stated that the other departments cut their budgets to a minimum following the earlier projections.

CLOSED SESSION

It was moved by Commissioner McDowell, seconded by Commissioner Taylor that the Council recess to Closed Session at 1:53 p.m., pursuant to 5 ILCS 120/2 "Open Meetings", for the discussion of personnel. The vote on roll call was: Commissioners Taylor, aye; McDowell aye; DeTienne, aye; and Mayor Hill, aye. Motion carried.

It was moved by Commissioner McDowell, seconded by Commissioner DeTienne to reconvene the Regular Council meeting at 2:56 p.m. with all members present. The vote on roll call was: Commissioners Taylor, aye; McDowell aye; DeTienne, aye; and Mayor Hill, aye. Motion carried.

ADJOURN

There being no further business to come before the Council at this time, it was moved by Commissioner DeTienne, seconded by Commissioner McDowell and unanimously approved the meeting be adjourned at 2:56 p.m. Motion carried.

City Clerk

Approved December 1, 2015