

**MINUTES OF A REGULAR MEETING OF THE ZION CITY COUNCIL HELD ON TUESDAY, DECEMBER 3, 2024, AT 7:00 P.M. IN THE CITY COUNCIL CHAMBERS, CITY HALL, 2828 SHERIDAN ROAD, ZION, ILLINOIS**

.....

Mayor McKinney called the meeting to order.

On call of the roll the following answered present: Commissioners Fischer, McDowell, Holmes, Frierson, and Mayor McKinney. A quorum was present.

Also present: Fire Chief Justin Stried, Police Chief Eric Barden, Public Works Director Ray Roberts, Building & Zoning Director Richard Ianson, Finance Director Kris Conway, Administrator David Knabel and City Attorney James Vasselli.

William Bremner led in the Pledge of Allegiance to the Flag.

**AGENDA CHANGES**

It was moved by Commissioner McDowell, seconded by Commissioner Frerson to accept the City Council meeting agenda as presented.

The vote on roll call was: Commissioners Fischer, aye; McDowell, aye; Holmes, aye; Frierson, aye; and Mayor McKinney, aye. Motion carried.

**PUBLIC HEARING/ PROPOSED TAX LEVY FOR 2024**

It was moved by Commissioner Fischer and seconded by Commissioner McDowell to open the public hearing for the 2024 Tax Levy at 7:03 p.m. The vote on roll call was: Commissioners Fischer, aye; McDowell, aye; Holmes, aye; Frierson, aye; and Mayor McKinney, aye. Motion carried.

Administrator Knabel stated the City is required to adopt a Levy by the end of December. He noted a public hearing is not required if they are not going over 5%. They are doing the hearing as a transparency measure and will adopt the levy at the December 17 meeting. Three options were presented for discussion.

**Option 1: PTELL Limit Levy**

The total tax levy is \$9,168,165 which represents a \$435,772 increase over the prior year extension. The cap for the levy is based on the lesser of CPI or 5%. Since CPI was less than 5%, the levy amount represents a 3.4% increase over the prior year extension. Even at a nearly 3.4% increase in the levy, the City will still be below the increase in costs for City operations. They will continue to look at other revenue sources to help reduce the dependence on property taxes and the resulting burden on the residents and businesses.

The City's tax rate would go from 2.025 to 1.855, which is a decrease of approximately 8.4%. The effect on the City's portion of taxes on a \$200,000 house, assuming a 14% increase in value from prior year, would be an increase of \$60.00. The assumed increase could vary per property as real estate trends show property values up 10% from a year ago.

The total levy is allocated among 9 different functions. There is some room to reallocate the total based on fund rate limits and requirements, but as currently presented, the revenue is allocated as follows:

	2024 Levy	2023 Extension	Increase (Decrease)
Corporate	138,962	194,011	(55,049)
Street & Bridge	225,000	225,003	1
Fire Protection	745,863	741,414	4,449
Ambulance Service	540,300	537,076	3,224
IMRF	410,629	275,477	135,152
Liability Insurance	1,137,830	1,351,099	(213,269)
Social Security	464,952	420,853	44,099
Police Pension	3,367,053	3,078,161	288,892
Fire Pension	2,137,542	1,909,299	228,273
<b>Total</b>	<b>9,168,165</b>	<b>8,732,393</b>	<b>435,772</b>

## Option 2: PTELL Limit Levy less \$1,000,000 reduction in Police Pension using CEJA Funding:

	2024 Levy	2023 Extension	Increase (Decrease)
Corporate	138,962	194,011	(55,049)
Street & Bridge	225,000	225,003	1
Fire Protection	745,863	741,414	4,449
Ambulance Service	540,300	537,076	3,224
IMRF	410,629	275,477	135,152
Liability Insurance	1,137,830	1,351,099	(213,269)
Social Security	464,952	420,853	44,099
Police Pension	2,367,053	3,078,161	(711,108)
Fire Pension	2,137,542	1,909,299	228,273
<b>Total</b>	<b>8,168,165</b>	<b>8,732,393</b>	<b>564,228</b>

## Option 3: Flat Levy:

	2024 Levy	2023 Extension	Increase (Decrease)
Corporate	194,011	194,011	0
Street & Bridge	225,003	225,003	0
Fire Protection	741,414	741,414	0
Ambulance Service	537,076	537,076	0
IMRF	275,477	275,477	0
Liability Insurance	1,351,099	1,351,099	0
Social Security	420,853	420,853	0
Police Pension	3,078,161	3,078,161	0
Fire Pension	1,909,299	1,909,299	0
<b>Total</b>	<b>8,732,393</b>	<b>8,732,393</b>	<b>0</b>

He expanded on the factor of CEJA Funds. When they sought out these funds, the intent was to replace the property taxes that were lost from the closure of the Nuclear Plant. The impact was passed on to the residents and businesses which resulted in higher taxes.

The City has received some of the first round of funding. The amount they will receive is 2 million but to date have received \$1.5 million. They had discussions on using 75% of the money received to be used to reduce the levy. The challenge is that the PTELL law states you can increase the 3.4% based on the highest levy over the past 3 years. If they reduce the levy, that locks them in future at that base amount, losing the compounding increase in perpetuity over time. They talked about this and were willing to take the risk but they were looking at it as having a collective impact community wide. If they take 2/3 of the \$1.5 million instead of the 9.2 max levy, they go to 8.2 and reduce the levy by \$1 million. That would have an impact of savings on a \$200,000 of \$80 in lieu of a \$60 increase. The challenge is they would lose out on the \$400,000 revenue every subsequent year. The City is only 15% of the property tax bill so even if they eliminated the entire levy, taxes would only go down 15%. Unless the taxing bodies reduce their levies collectively there will not be a decrease in the bill the way the originally intended with the CEJA funds. He suggests levying the \$8.2 million and due to the uncertainty of the grant they can revisit it on an annual basis knowing that they are passing on the compounding increase in year 1. They will have to learn how to live within the budget and do without the \$400,000. They will have the CEJA Funds to supplement the decrease. He noted that it is a tough decision to put the City in a position financially in future because the City's costs are still going to go up and increasing the levy is one of the only ways to offset those costs. If the City is going to be the example of doing what they said he believes they could make it work at least for a year and see how it evolves. He is looking for direction from the Council.

Mayor McKinney asked if looking at it from a short-term yearly standpoint give them an opportunity to see what the new administration is going to roll out and how it will impact the City financially. Administrator Knabel stated he does not know if they will see an impact in a year. There is a lot of talk out there what the new administration will do economically. He believes they need to decide based on the facts best known to the City's operations. He noted that 82% of the City's expenses are in salaries and benefits, a lot of it contractually. They can revisit next year to see what the impact was based on the trends of what was happening.

Commissioner McDowell asked if option 2 was applying the majority of the CEJA Funds to the Police Pension. Administrator Knabel stated it was because they can't take it from other places. They would take it off of the minimum required amount to levy and fund it with the General Fund which would still be funding the minimum required. He noted the Police Pension minimum went up \$288,000 and the Fire Pension minimum went up \$228,000. Even if they maxed the levy, they could only get \$430,000.

This is a challenge they have had in the past, they are maxing the levy but actually losing money to operate off of because the minimum required by the pensions. Commissioner McDowell asked what the tax rate would be with option 2. Administrator Knabel stated he believes it would be 1.6. Tax rates go down based on property values going up but it doesn't mean you will pay less.

Commissioner Fischer asked if under option 2 with the offset to the Police Pension, how would it impact the compounding effect on PTELL Administrator Knabel stated instead of going to the \$9.2 million this year, they could go to it next year. The base next year would go back to the \$8.7 million. Next year's levy would look very similar to option 1. They are losing the \$400,000 starting point for future years but they will offset that with the remainder of the CEJA Funds.

Commissioner McDowell questioned if they will still get CEJA Funds next year. Administrator Knabel stated the State will still have to appropriate and approve the funds every year. They received \$1.5 million in September 2024 for the funds allocated for July 2023. There is a period where they spend the money and are waiting for it. The second round of funding has been released that they have applied for but have not been approved yet.

Commissioner Fischer stated if they go with option 1, and there is a delay in getting the funds, can they levy that amount and abate the portion? Administrator Knabel stated the levy minus what you abate is your extension. What you go off of for prior years is the prior 3 years of extension not levy. Abating does not really protect the floor like it should. He believes in reducing the levy over an abatement. Commissioner McDowell stated the fact is that this is how they said they would use the CEJA Funds and he believes they should stick to that. He asked if this was the agreement that they had with all the other taxing bodies. Administrator Knabel stated not currently. It was the gentlemen's agreement they had with all the other taxing bodies and what was put out there. They were willing to pass on future funds if the all the taxing bodies would reduce their levies. If only the City does this, they will be the only ones taking a hit and it will not be as big of an impact on the tax bill.

Commissioner Frierson asked if there were any limits within the 9 buckets separate from the overall PTELL limit. Administrator Knabel stated there are levy rate limits within each of them except for Fire Pension but none of these are over the limits, each has a limiting rate on it in addition to the overall levy cap. This will be direction on how the levy will be prepared for the next meeting. Commissioner Frierson stated he agrees to sticking with the original intent by going with option 2 and the \$1 million reduction. The consensus was to go with option 2.

Mayor McKinney called for any questions or comments from the Public.

William Bremner, noted that the City is limited to the 3.4% and asked if the other taxing bodies are also limited. Administrator Knabel stated they are under the same limitations. He noted they can go up 3.4% on the existing base but can also add any new taxes for new construction that may put them over the 3.4%. The County has the option of reducing a levy back down. One of the challenges they have is they are required to pass a levy based on values that they have from the County in April but the Board of Review process for appeals and adjustments is not done until February or March of the next year. Values can go up or down but on the levy that cannot go up on what they file but the County can tell them they have to adjust down. There are many times where the levy will be passed at a higher amount expecting it will be lowered by the County. The PTELL cap and individual funding caps do apply to the other taxing bodies.

Kathy Champine asked if they have decided how much they were going to abate. Administrator Knabel stated they were not going to abate, they will just reduce the levy by \$1 million. Ms. Champine asked if this would be documented anywhere so it is known for the future that the City has done this. Administrator Knabel stated possibly in County reports or any press releases the City chooses to put out. Commissioner Frierson stated it is tracked at the County every year. They show what was extended for each taxing body. Ms. Champine stated she believes it is important to keep track of it. Ms. Champine that the reports do have extensions but not abatements. Administrator Knabel stated the extension is levy minus abatement. Any abatements are factored in to the extension.

It was moved by Commissioner Fischer and seconded by Commissioner Frierson to close the public hearing at 7:37 p.m. The vote on roll call was: Commissioners Fischer, aye; McDowell, aye; Holmes, aye; Frierson, aye; and Mayor McKinney, aye. Motion carried.

### **CITIZEN COMMENTS**

Mary Lou Hiltibran, Zion ESDA Director, gave a monthly report of the recent activities that ESDA performs in assistance to the City. She invited those who wish to serve as a volunteer with ESDA and make a difference to go to the City's website and fill out an application call the ESDA Center at 847-872-5511. Mayor McKinney thanked Ms. Hiltibran and ESDA for all they continue to do for the City.

Wendy Driver, Chaplain for the Little Fort Daughters of the American Revolution stated that this summer they celebrated their 100-year anniversary. She shared that not only do they commemorate the American Revolution and War Patriots but promote Patriotism, Conservation of Memorials and Education. She is here today to present a flag that was flown over Constitution Hall, the Daughters of the American Revolution National Headquarters in Washington DC. It is a building that takes up an entire City block and is the largest of its type in the world owned by all women and was built in 1929.

Muriel Adams, stated last year Commissioner McDowell asked her to come and speak about historic justice. Her organization is One World Share Future and Community Labs. They started a program called Re-Imagine Zion. They brought together for 5 weeks a group of individuals who focused on cohesion building and capacity building. They talked about how to remove silos and to bring people together to discuss issues such as climate change. From the beginning they used this to build commadore and to build a feeling of neighbors as sometimes there is a brokenness in families and they felt like they needed to come together to talk about it and formed healing circles. They came to a decision to use post it notes to bring their thoughts together. Individuals in the group focused on 5 questions which also involved kids who gave their input. The whole group then came up with a vision for Zion posted in both English and Spanish. She noted that she did a presentation to the Coalition for Healthy Communities in July. After doing all of this, people asked what they were going to do with all of it. This is why she felt like she needed to return to show the data that the community shared. She noted that they are going to be starting a program in the Spring focusing on group of 12 people from Zion and hopefully from Waukegan and North Chicago focusing on the Waukegan River and the Watersheds. A large focus will be on the Great Lakes which has 20% of the fresh water. She noted an organization in Chicago got a grant for \$160 million. Because Zion is located on the waterfront, they should have a voice to what is going on related to the lakefront and clean water issues. The program is about education and adult learning and is focused on individuals 20 to 40 years old and will be a paying program that will pay the participants for completing the program lasting 6-8 weeks.

#### CONSENT AGENDA

It was moved by Commissioner McDowell, seconded by Commissioner Frierson that the Minutes be approved as follows:

- (a) **APPROVAL OF MINUTES:** a Regular Meeting held on November 19, 2024 at 7:00 p.m.

The vote on roll call was: Commissioners Fischer, aye; McDowell, aye; Holmes, aye; Frierson, aye; and Mayor McKinney aye. Motion carried.

It was moved by Commissioner Fischer, seconded by Commissioner McDowell that the Bills be approved as follows:

- (a) **BILLS:** Vouchers 147260 through 147363 drawn on Huntington National Bank, N.A. Total: \$1,895,464.23

The vote on roll call was: Commissioners Fischer, aye; McDowell, aye; Holmes, aye; Frierson, aye; and Mayor McKinney aye. Motion carried.

#### RESOLUTION/CDBG/SIDEWALK REPLACEMENT

A memo (24-DOC-100) was received from Director Roberts requesting approval of a resolution that the City is required to pass for submittal of an application for the 2025 Lake County Development Block Grant. Staff is seeking grant assistance from Lake County for sidewalk replacement and installation of ADA ramps at various locations throughout the City. If the grant is approved it will provide \$80,000 towards an estimated \$115,000 project.

It was moved by Commissioner McDowell, seconded by Commissioner Fischer that a Resolution (24-R-25) be passed authorizing the City of Zion to apply to the Lake County Community Development Block Grant Program for assistance replacing sidewalks and ADA ramps located within the City of Zion. The vote on roll call was: Commissioners Fischer, aye; McDowell, aye; Holmes, aye; Frierson, aye; and Mayor McKinney aye. Motion carried.

**ORDINANCE/INTERGOVERNMENTAL AGREEMENT/NORTHERN ILLINOIS LAND BANK  
AUTHORITY**

A memo (24-DOC-101) was received from Economic Development regarding an Intergovernmental Agreement with the Northern Illinois Land Bank (NILB). Administrator Knabel stated that in 2018, the City, along with several other Lake County communities established the Lake County Land Bank (LCLB) to address residential blight and deterioration. Their goal was to restore abandoned properties to productive use or demolish those that were beyond repair. To support the initiative, the Illinois Municipal League (IML) in partnership with the LCLB, assigned a staff member to manage the Land Bank's daily operations. However, in September 2023, the staff member accepted a new position, and the IML has since decided not to provide a replacement for this role. At the recommendation of its attorney, the LCLB contacted the NILB to explore the possibility of merging the two organizations. With dedicated staff support from the Region 1 Planning Council, the NLB is well-equipped to manage daily operations and oversee projects. On October 2, 2024, the NILB amended its agreement to expand its membership, allowing any municipality from Lake County, Illinois to join. As a result, members of the Lake County Land Bank will transition to becoming members of the Northern Illinois Land Bank with approval from their respective Councils. The NILB has also expanded its Board membership to allow for two representatives from Lake County to represent the communities. The LCLB plans to meet in January to select two representatives from Lake County communities to represent them on the NILB Board and decide whether or not to dissolve the LCLB. Staff requests approval to enter into an Intergovernmental Agreement with Northern Illinois Land Bank Authority. A resolution naming an authorized representative and alternate to represent the City of Zion as members of the NILB will be approved at a meeting in January. Commissioner Fischer asked if there will be a membership fee, Administrator Knabel stated he did not think so and that it would be covered by their funding sources. Commissioner McDowell asked how the representatives will be chosen. Administrator Knabel stated they will listen to anyone who is interested while also reviewing their options and they will be brought before Council for appointment like any other City Board or Commission. Mayor McKinney stated he was involved in the initial Land Bank discussions several years ago and it had some challenges with funding. They have been very involved and believes he will be able to put a member on it to make sure Zion has a voice.

It was moved by Commissioner Frierson, seconded by Commissioner Fischer that an Ordinance (24-O-95) be passed authorizing and approving an Intergovernmental Agreement with members of the Northern Illinois Land Bank Authority and the City of Zion. The vote on roll call was: Commissioners Fischer, aye; McDowell, aye; Holmes, aye; Frierson, aye; and Mayor McKinney aye. Motion carried. Ordinance passed.

**ORDINANCE/INTERGOVERNMENTAL AGREEMENT/ACQUISITION AND TRANSFER OF REAL  
PROPERTY/ZION SCHOOL DISTRICT NO. 6**

Administrator Knabel stated the next two items on the agenda are related to the to the Start Early Project Educare Facility that will be located in Zion. Part of the process are a lot of government logistics that go with it. This item is for District 6 to transfer the land where the facility will be located between Central and Shiloh school. There are about 4 to 5 acres that are being rendered out for the facility. The City can then enter into a lease for the operation of the facility with less restrictions than the elementary school can. The first step is for District 6 to transfer the land to the City with the conditions that it will be operated as an Educare Facility.

It was moved by Commissioner Frierson, seconded by Commissioner McDowell that an Ordinance (24-O-96) be passed authorizing and approving an Intergovernmental Agreement and the Acquisition and Transfer of Real Property from Zion School District No. 6 to the City of Zion. The vote on roll call was: Commissioners Fischer, aye; McDowell, aye; Holmes, aye; Frierson, aye; and Mayor McKinney aye. Motion carried. Ordinance passed.

**ORDINANCE/LEASE/REAL PROPERTY/EARLY CHILDHOOD SERVICES**

Administrator Knabel stated this is the approval for the lease with Start Early which is contingent on the transfer being finalized. At a prior meeting the Redevelopment Agreement was approved with Start Early that spells out the Plat of Subdivision and the uses. This is a lease for the terms of the use of the land. Commissioner Fischer asked when they believe construction will begin. A representative present from Start Early stated the Spring of 2025.

It was moved by Commissioner Fischer, seconded by Commissioner Frierson that an Ordinance (24-O-97) be passed authorizing the Lease of Real Property for Early Childhood Services for the City of Zion (Real Property generally located between Zion Central Middle School and Shiloh Park Middle School). The vote on roll call was: Commissioners Fischer, aye; McDowell, aye; Holmes, aye; Frierson, aye; and Mayor McKinney aye. Motion carried. Ordinance passed.

**ORDINANCE/PURCHASE AND TRANSFER OF REAL PROPERTY/ZION PARK DISTRICT**

Administrator Knabel stated they are underway on the process of design and construction of the new Fire Station 2 as discussed at prior meetings. The current building is dilapidated. They have been looking at properties for a new building that meet response times and qualifications for accessibility and elevations. The Park District had property that was conveyed to them and has offered it to the City. The agreement lays out the terms to sell the property of 4.5 acres to the City for \$120,000 and allows the architects to move forward at this site for the design. Commissioner Frierson asked what they need to cover related to the due diligence period. He noted that he has seen traffic backed up in the area on 173 and Lewis. Administrator Knabel stated it will be part of the design and engineering. Right next to the property is a right of way that they are looking at that is already platted that they can use as a main entrance. When they do a traffic study during the process they will determine if they need a deceleration lane. The impact will be determined during the design. They will have to signal and stripe for an emergency entrance and exit.

It was moved by Commissioner McDowell, seconded by Commissioner Frierson, that an Ordinance (24-O-98) be passed authorizing and approving the purchase and transfer of Real Property from the Zion Park District to the City of Zion pertaining to Fire Station No. 2. The vote on roll call was: Commissioners Fischer, aye; McDowell, aye; Holmes, aye; Frierson, aye; and Mayor McKinney aye. Motion carried. Ordinance passed.

**ORDINANCE/CONVEYANCE OR DISPOSITION OF REAL PROPERTY/TRUMPET PARK**

Administrator Knabel stated they are in the process of exercising the option to close on property in Trumpet Park. A Developer is interested in 21 acres for a large development. The agreement spells out the conveyance of land and does have contingences. The transfer does not happen if they do not close with North Shore or come to terms with the Developer Agreement. They will share details in the future.

It was moved by Commissioner Fischer seconded by Commissioner Frierson, that an Ordinance (24-O-99) be passed authorizing the conveyance or disposition of Real Property located within a Redevelopment Project Area in Trumpet Park. The vote on roll call was: Commissioners Fischer, aye; McDowell, aye; Holmes, aye; Frierson, aye; and Mayor McKinney aye. Motion carried. Ordinance passed.

**DEPARTMENTAL COMMENTARY**

Director Ianson stated the Helia Building has come down. They are in the process of taking the foundation out and filling it back in.

Director Roberts noted that Sheridan Road will be open this Friday. Additionally, the communication with Lake County Stormwater Management regarding the 20<sup>th</sup> Street project is that the grant received from DECO has been approved for Phase 1. They will be going out to bid sometime in January or February. Phase 2 will be upgrading the storm line from a 12-inch pipe to a 78 inch. The City will be replacing the sanitary and new watermain.

Fire Chief Stried reminded those that have real Christmas trees to keep them watered. Additionally, he offered Holiday greetings.

Police Chief Barden shared the following:

- Shop with a Cop will take place on Saturday. They have partnered with many groups this year. They will be working with 37 families this year. The Fire Department will be on hand to wrap gifts.
- He noticed a number of people driving without their headlights on and noted it can be a safety hazard not to have them on. Mayor McKinney noted that there was a bad accident after the last meeting at 9<sup>th</sup> Street and Green Bay Road. This is a County Road and they will talk with the County about what they can do to help with the many accidents that have taken place there. Chief Barden stated the intent is to widen the road in the future. There is not a lot of light there. They are compiling information to provide to the State Officials, He noted most crashes there have resulted in major injuries or fatalities.

Director Conway thanked the Council for looking at all the data regarding the Levy.

Administrator Knabel stated two weeks ago they intervened on an application for the City of Hope for Property Tax Exemption. This would result in a \$4.8 million loss in taxes for Zion. The hearing was conducted by the County Board who recommended denial to the State for the second year in a row. Mayor McKinney thanked everyone who did the work for the hearing as it made a difference. They are prepared to intervene every year they apply for the exemption.

Commissioner Holmes wished everyone a Happy Holiday Season.

Mayor McKinney noted that he was present to greet Santa on November 30<sup>th</sup> along with the Zion Queens and Zion Fire Department. Santa will be back at the Shiloh House on December 7, 14 and 21 from 3:00 p.m. to 5:00 p.m.

**ANNOUNCEMENTS**

December 7		Shop with a Cop
December 13	7:00 p.m.	Christmas Tree Lighting at the Zion Park District
December 17	6:00 p.m. 7:00 p.m.	Zion Township Board Meeting Zion City Council Meeting
December 24, 25, 31 January 1		City Offices Closed for the Holiday

**CLOSED SESSION**

It was moved by Commissioner McDowell, seconded by Commissioner Frierson that the Council recess to Closed Session at 8:14 p.m., pursuant to 5 ILCS 120/2 “Open Meetings”, for the discussion of filed, pending, possible and/or probable or imminent litigation, personnel, purchase or sale of real estate, collective bargaining and legal counsel. The vote on roll call was: Commissioners Fischer, aye; McDowell, aye; Frierson, aye; Holmes, aye; and Mayor McKinney, aye. Motion carried.

It was moved by Commissioner McDowell, seconded by Commissioner Frierson to reconvene the Regular Council meeting at 8:30 p.m. with all members present. The vote on roll call was: Commissioners Fischer, aye; McDowell, aye; Holmes, aye; Frierson, aye; and Mayor McKinney, aye. Motion carried.

**ADJOURN**

There being no further business to come before the Council at this time, it was moved by Commissioner Frierson, seconded by Commissioner McDowell and unanimously approved the meeting be adjourned at 8:31 p.m. Motion carried.

\_\_\_\_\_  
City Clerk