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PROCEEDINGS OF THE REGULAR MEETING
OF THE CITY COUNCIL OF THE CITY OF PEKIN, ILLINOIS,
HELD IN THE COUNCIL CHAMBERS OF CITY HALL
111 S. CAPITOL ST
ON MONDAY SEPTEMBER 25, 2023 AT 5:30 O'CLOCK P.M.
PRESIDING

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PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Council Member Orrick.

CALL TO ORDER

Mayor Burress called the meeting to order at 5:33 PM.

City Clerk Ms. Sue McMillan confirmed all Council Members were physically present.

Attendee Name	Organization	Title	Status	Arrived
Rick Hilst	City of Pekin	Councilman	Present	5:14 PM
Karen Hohimer	City of Pekin	Councilwoman	Present	5:14 PM
Dave Nutter	City of Pekin	Councilman	Present	5:15 PM
Becky Cloyd	City of Pekin	Mayor Pro tem	Present	5:16 PM
Mary Burress	City of Pekin	Mayor	Present	5:15 PM
Lloyd Orrick	City of Pekin	Council Member	Present	5:16 PM
John P Abel	City of Pekin	Councilman	Present	5:14 PM

APPROVE AGENDA

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Dave Nutter, Councilman
SECONDER:	Karen Hohimer, Councilwoman
AYES:	Hilst, Hohimer, Nutter, Cloyd, Burress, Orrick, Abel

APPROVAL OF MINUTES

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Dave Nutter, Councilman
SECONDER:	Becky Cloyd, Mayor Pro tem
AYES:	Hilst, Hohimer, Nutter, Cloyd, Burress, Orrick, Abel

4.1. City Council - Regular Meeting - Sep 11, 2023 5:30 PM

PUBLIC INPUT

Mr. Drew Leman from Leman Property Management expressed gratitude to the City Council and staff for their efforts in the residential TIFs and the complexity of the work involved. He illustrated the practical impact of a TIF project by highlighting how it enabled the development of a high-end apartment complex, which was previously financially unfeasible. Mr. Leman's group funded the entire construction expense and will receive a rebate for a portion of the property taxes incurred for the project, emphasizing that no one else would be taxed as a result. He commended the City Council and staff for their work and requested approval of the TIF plans on the agenda.

Ms. Mary Ann Ladendorf, who had participated in public hearings and meetings, expressed her gratitude for the consideration received thus far. She appealed to the Council to vote in favor that night to support contractors and unions, urging the advancement of the project.

Mr. Todd Thompson expressed his appreciation for the presentation of both TIFs during the meeting. He stressed the importance of having such tools in the city's development toolbox, particularly for a town the size of Pekin, and was pleased to see positive initiatives on the agenda.

CONSENT AGENDA

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Dave Nutter, Councilman
SECONDER:	John P Abel, Councilman
AYES:	Hilst, Hohimer, Nutter, Cloyd, Burress, Orrick, Abel

6.1. Accounts Payable To Be Paid Proof List thru September 1, 2023

6.2. Financial Reports August 2023

6.3. Tazewell County Animal Control Billing Sep 2023-Dec 2023

6.4. Resolution No. 66-23/24 Appointments to TC3 Governance and Operations Boards

6.5. Receive and File Bids Riverfront Retaining Wall, Silo and Structure Demolition Project

NEW BUSINESS

7.1. Ordinance No. 4108-23/24 Approving The Redevelopment Plan and Projects for The Pekin East Residential Tax Increment Financing (TIF) District

Interim City Manager and Chief of Police John Dossey, presented the agenda item regarding Ordinance No. 4108-23/24, which pertained to the approval of the Redevelopment Plan and Projects for the Pekin East Residential Tax Increment Financing (TIF) District.

Council Member Cloyd began by expressing her understanding of the TIF concept but voiced concerns about the lack of a comprehensive plan for utilizing the TIF in the city. She emphasized the need for a solid framework to guide the allocation of TIF funds across various districts and the potential consequences of not having such a structure in place.

TIF Attorney, Mr. Nic Nelson, provided clarification, explaining that each TIF district would function independently and that there was no expectation of any TIF district dying off.

Council Member Cloyd continued to express concerns about the absence of clear boundaries between TIF districts.

Mr. Nic Nelson then elaborated on the operation of residential TIFs, emphasizing that they primarily focused on new single-home builds, generating increment when new homes were constructed. He noted that the residential TIFs were expected to thrive with the addition of new homes.

The discussion also touched upon the funding mechanism for the "pay as you go" system, with Mr. Nic Nelson explaining that the money generated from property taxes on new developments would be directed to the TIF and could be used for public projects or transferred to other TIF districts.

City Engineer, Ms. Josie Esker reminded everyone of the policy for TIF incentive programs, highlighting that there would be no upfront cost to the city in these redevelopment agreements.

Mr. Dossey explained that the city staff would manage and budget for TIF programs, running matters through the attorney as applications came in.

Financial Consultant, Mr. Bob Grogan, stated the importance of council approval for any transfers within the TIF program and mentioned the discontinuation of borrowing money through the case management fund.

Mr. Nic Nelson stressed that the council ultimately controlled the policy and direction of the TIF program and that each agreement could be negotiated separately.

Council Member Orrick inquired about the base equalized assessed valuation (EAV) and its relation to township factors, to which Mr. Nic Nelson clarified that the base would include state equalization factors.

The discussion also touched upon property assessments, inflationary increases, and the flexibility to incentivize various projects within the TIF districts.

Council Member Nutter raised a question about predevelopment agreements, and Mr. Nic Nelson clarified that only one predevelopment agreement was in place, with the others being inducement resolutions.

RESULT:	**ADOPTED [6 TO 1]**
MOVER:	Becky Cloyd, Mayor Pro tem
SECONDER:	Lloyd Orrick, Council Member
AYES:	Hohimer, Nutter, Cloyd, Burress, Orrick, Abel
NAYS:	Rick Hilst

7.2. Ordinance No. 4109-23/24 Designating The Redevelopment Project Area For The Pekin East Residential Tax Increment Financing (TIF) District

TIF Attorney, Mr. Nic Nelson, explained that the agenda item referred to the TIF map that went along with the plan.
Council Member Orrick pointed out that the map was provided at the candidate forum and questioned if other communities surrounding Pekin had a residential TIF.

Mr. Nic Nelson was not familiar with the surrounding areas.

RESULT:	**ADOPTED [6 TO 1]**
MOVER:	Becky Cloyd, Mayor Pro tem
SECONDER:	Lloyd Orrick, Council Member
AYES:	Hohimer, Nutter, Cloyd, Burress, Orrick, Abel
NAYS:	Rick Hilst

7.3. Ordinance No. 4110-23/243 Adopting Tax Increment Allocation Financing For The Pekin East Residential Tax Increment Financing (TIF) District

RESULT:	**ADOPTED [6 TO 1]**
MOVER:	Lloyd Orrick, Council Member
SECONDER:	John P Abel, Councilman
AYES:	Hohimer, Nutter, Cloyd, Burress, Orrick, Abel
NAYS:	Rick Hilst

7.4. Ordinance No. 4111-23/24 Approving The Redevelopment Plan and Projects For the Pekin South Residential Tax Increment Financing (TIF) District

RESULT:	**ADOPTED [6 TO 1]**
MOVER:	Lloyd Orrick, Council Member
SECONDER:	Becky Cloyd, Mayor Pro tem
AYES:	Hohimer, Nutter, Cloyd, Burress, Orrick, Abel
NAYS:	Rick Hilst

7.5. Ordinance No. 4112-23/24 Designating The Redevelopment Project Area For the Pekin South Residential Tax Increment Financing (TIF) District

RESULT:	**ADOPTED [6 TO 1]**
MOVER:	Karen Hohimer, Councilwoman
SECONDER:	Dave Nutter, Councilman
AYES:	Hohimer, Nutter, Cloyd, Burress, Orrick, Abel
NAYS:	Rick Hilst

7.6. Ordinance No. 4113-23/24 Adopting Tax Increment Allocation Financing For The Pekin South Residential Tax Increment Financing (TIF) District

RESULT:	**ADOPTED [6 TO 1]**
MOVER:	Karen Hohimer, Councilwoman
SECONDER:	Dave Nutter, Councilman
AYES:	Hohimer, Nutter, Cloyd, Burress, Orrick, Abel
NAYS:	Rick Hilst

Motion to: **Contigency to Include Rankin School District No. 98 in Ordinance No. 4114-23/24 Approving Intergovernmental Agreement Pertaining to East Residential TIF**

A motion was made by Council Member Cloyd seconded by Council Member Nutter to make Ordinance No. 4114-23/24 contingent on Rankin School District No. 98's inclusion and to remove it if necessary. On roll call vote all present voted Aye. Motion carried.

RESULT:	**ADOPTED [6 TO 1]**
MOVER:	Becky Cloyd, Mayor Pro tem
SECONDER:	Dave Nutter, Councilman
AYES:	Hohimer, Nutter, Cloyd, Burress, Orrick, Abel
NAYS:	Rick Hilst

7.7. 3702 : Ordinance No. 4114-23/24 Approving Intergovernmental Agreement Pertaining to East Residential TIF District

Council Member Orrick brought up concerns about the inclusion of Rankin School District No. 98 in the TIF district, noting that there may not be qualifying property within it. Mr. Nic Nelson mentioned the need to check tax codes to verify Rankin's inclusion.

Council Member Hohimer mentioned that Rankin pays into District 303 taxes.

Mr. Nic Nelson clarified that Rankin would only be included if they were paying into the taxes.

Council Member Orrick pointed out that Marquette Heights had very little property in the district.

Mr. Nic Nelson explained that multiple school districts were involved, and the calculations were done on a per-parcel basis.

RESULT:	**ADOPTED [6 TO 1]**
MOVER:	John P Abel, Councilman
SECONDER:	Karen Hohimer, Councilwoman
AYES:	Hohimer, Nutter, Cloyd, Burress, Orrick, Abel
NAYS:	Rick Hilst

7.8. Ordinance No. 4115-23/24 City of Pekin Tazewell County Pekin South Residential TIF District An Ordinance Approving and Authorizing the Execution of an Intergovernmental Agreement by and Between the City of Pekin and Pekin Community High School District No. 303 and Rankin School District No. 98 and Pekin Public School District No. 108

Council Member Orrick questioned why Illinois Central College was not included in the Pekin South Residential TIF District.

TIF Attorney, Mr. Nic Nelson, explained that the district was a smaller component, primarily K-12 school districts monopolizing half the tax bill.

RESULT:	**ADOPTED [6 TO 1]**
MOVER:	John P Abel, Councilman
SECONDER:	Karen Hohimer, Councilwoman
AYES:	Hohimer, Nutter, Cloyd, Burress, Orrick, Abel
NAYS:	Rick Hilst

7.9. Resolution No. 67-23/24 Purchase of Network Servers for City Hall & Waste Water Treatment Plant

Interim City Manager and Police Chief John Dossey presented the agenda item to purchase network servers for City Hall and the Waste Water Treatment Plant to Council. Mr. Dossey explained that every 5 years the servers needed to be replaced due to upgraded technology.

Network Administrator, Mr. David Hess, added that the purchase went through the State of Illinois Do It contracts and Sourcewell. The item was budgeted.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Rick Hilst, Councilman
SECONDER:	Karen Hohimer, Councilwoman
AYES:	Hilst, Hohimer, Nutter, Cloyd, Burress, Orrick, Abel

7.10. Resolution No. 68-23/24 Award Riverfront Retaining Wall, Silo, and Structure Demolition Project to Stark Excavating

Interim City Manager and Police Chief John Dossey presented the agenda item regarding the award of the Riverfront retaining wall, silo and structure demolition project to Stark Excavating.

City Engineer, Ms. Josie Esker elaborated on the project, emphasizing that it involved the removal of hazardous and unutilized structures above Front Street, with the option of either building a new rail line for the Railroad or removing those structures. Building a new rail line was estimated to cost $1 million, making the demolition a cost-effective solution for the city. The intention was to shift the pipe away from the railroad.

Council Member Orrick raised a question about the contingency budget in the project, to which Public Works Director, Mr. Dean Schneider explained that most of the structure might be buried throughout according to Farnsworth, prompting the need for additional funds to perform potholing every 50 feet. Ms. Esker added that as long as the expenses remained under the approved amount, it wouldn't need to come back to the council. The project's complexity lied in its location as an industrial site, which posed uncertainty, including the possibility of finding hazardous waste.

Council Member Nutter inquired if the contractor would need any involvement from the Railroad, to which Mr. Schneider clarified that they would need permits to work next to railroad, but ideally, there should be no delays in the project.

Ms. Esker mentioned that the Railroad could be challenging when dealing with unfamiliar projects, but they were interested in how it would be executed. The contractor would need a right of entry, which was included in the contract, and a flagger, which was also part of the contract. This might lead to a delay of a few weeks or a month. Nevertheless, the Railroad was supportive of the demolition project, even though it was causing some disruption for them.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Rick Hilst, Councilman
SECONDER:	Becky Cloyd, Mayor Pro tem
AYES:	Hilst, Hohimer, Nutter, Cloyd, Burress, Orrick, Abel

7.11. Ordinance No. 4116-23/24 Approval of Site Plan for construction of a 13,050 Sq Ft Gymnasium and Event Center located at the properties commonly known as 320,324, 326, 328 and 330 Court St.

Interim City Manager and Police Chief John Dossey presented the agenda item to Council regarding the Enviro-Safe construction project.

Council Member Nutter discussed the review by the Zoning Board of Appeals particularly the lengthy deliberations regarding the project's detention pond aspect and pointed out that the contract had originally stipulated a minimum of 12,000 square feet but had been increased to 13,000 square feet.

Mr. Price believed that the additional square footage was for an apartment upstairs.

Council Member Nutter then posed a question about whether an underground detention vault was required underneath the property. City Engineer, Ms. Josie Esker, clarified that the city's code mandates detention or retention of water but doesn't specify that it must be on the same parcel. There was a possibility that Mr. Price could construct a detention facility on an adjacent parcel.

Mr. Price expressed concerns about the cost of soil removal due to the nature of the ground previously backfilled with old building materials. He preferred not to spend $1 million to install a tank. Ms. Esker explained that an underground detention tank would only require soil removal within its footprint and would not come close to $1 million.

Mr. Price further explained his intention to contribute the building as a gift to the city, emphasizing his desire to do something nice without incurring added expenses.

Council Member Hohimer questioned whether the detention pond was an EPA issue, to which Ms. Esker clarified that it's a city code requirement, suggesting a potential need for a code change.

Mr. Price defended his proposal, stating that he had outlined his needs in the initial agreement, stating that he wanted the rainwater to go into the sewer directly and explained that it was originally that way before buildings came down. If Council did not agree with the initial proposal, it should have been denied.

Mayor Burress noted that they had agreed to a detention pond requirement for the Cullinan contract and questioned how they could grant a variance for one project and not all.

Council Member Orrick emphasized the unique opportunity for new construction and substantial investment in the downtown area.

Council Member Hohimer asked how other properties with detention ponds were handled and Ms. Esker stated that to her knowledge all previous developments had been required to follow code. Ms. Esker suggested a code change for businesses with buildings on lot lines on Court Street rather than granting a variance for one person. This would ensure uniformity in requirements, and recommended requiring the county to have retention systems as well.

Mr. Price mentioned logistical challenges in implementing a detention system due to existing infrastructure, such as a 20-year-old white rock parking lot and pipeline through the basement of the building.

Ms. Esker proposed granting an easement and allowing the piping to the detention system through an alley so that no piping would be below the building.

Council Member Hilst sought clarification on whether a detention system was required underneath the building for the current project, and Ms. Esker explained that the code required detention but did not specify its location.

Council Member Hilst referred to the Zoning Board of Appeal's site plan approval, which Ms. Esker explained was based on a variance from what was required for site plan approval. This variance had been recommended unanimously by the Zoning Board of Appeals.

Council Member Nutter expressed concerns about the lack of specific details on the site plan, but Council Member Orrick clarified that construction drawings would be submitted if the site plan was approved.

The discussion concluded with consideration of whether the project would proceed with or without the inclusion of a detention system, with the City Attorney, Ms. Kate Swise emphasizing that it was the city's stormwater and erosion code, not the zoning code, that required detention. Ms. Swise clarified that the proposed action was more of an exception or waiver of stormwater provisions rather than a zoning variance. The potential for the county to request a similar exemption depended on the circumstances and whether a rational basis could be demonstrated. The uncertainty of the project's details, including the building's size and available land, was acknowledged as a factor in the decision.

RESULT:	**FAILED [3 TO 3]**
MOVER:	Dave Nutter, Councilman
SECONDER:	Lloyd Orrick, Council Member
AYES:	Rick Hilst, Dave Nutter, Lloyd Orrick
NAYS:	Karen Hohimer, Mary Burress, John P Abel
ABSTAIN:	Becky Cloyd

ANY OTHER BUSINESS TO COME BEFORE THE COUNCIL

Interim City Manager and Police Chief John Dossey reported that a new social worker had started in the Police Department, and there were updates on leasing and design work to commence in October with Cullinan Properties.

Fire Chief Trent Reeise mentioned the surprise arrival of a truck at Fire Station 1, which was ordered in December 2021.

Ms. Esker provided construction updates on Derby Street, including the pouring of concrete and discussions with utility contractors for Court Street.

CDBG Program Manager, Ms. Tina Hauk expressed gratitude for receiving a HUD agreement for $462,000, to be used for various purposes, including sewer rehabilitation and debt reduction on a new fire truck.

Council Member Hilst made a request to eliminate the 50/50 sidewalk program, which was seconded by Council Member Nutter.

Council Member Abel shared positive news about downtown building purchases.

Council Member Hohimer raised concerns about pedestrian safety at 14th and Koch Street and requested a flashing walk sign. Ms. Esker mentioned rapid flashing beacons for safety were installed and would take a look to make sure they were functioning.

Council Member Nutter commended Chief Building Official, Mr. Nic Maquet for his work in helping downtown properties and hoped to see them operational for Christmas events.

Council Member Orrick expressed disappointment with the council's decisions but accepted them as the majority's choice, particularly regarding the gym project.

Council Member Cloyd stated she had abstained from voting on the gym project due to a conflict of interest of her working at Enviro-Safe and stated she was told she could get a felony for voting on a gym for the kids. Council Member Cloyd also requested Chief Dossey elaborate about unmarked vehicles with flashing lights.

Mr. Dossey explained the use of blue lights by volunteer firefighters for right-of-way purposes. Fire Chief Reeise elaborated on the blue lights for volunteer firefighters and mentioned state regulations for chiefs of volunteer firefighters to have red and white sirens.

Council Member Cloyd inquired about the Township building's status, and Mr. Maquet mentioned consultation with structural engineers and was awaiting their report. Council Member Cloyd also asked about the landscaping on the riverfront, and Mr. Schneider indicated it was included in the silo project.

Council Member Cloyd questioned the new Agenda and Minute software in which the City Clerk Ms. Sue McMillan explained that it was scheduled to go live the second meeting in October.

Council Member Cloyd also stated that if there was a need for council to approve detention pond issues the same vote would need to take place for the County.

Mayor Burress reported on the successful IML conference and participation in various sessions.

EXECUTIVE SESSION 5 ILCS 120/2 (C)

ADJOURN

There being no further business of the Council, a motion was made by Council Member Hilst seconded by Council Member Orrick to adjourn the meeting. Motion carried viva voice vote. Mayor Burress adjourned the meeting at 7:06 PM.