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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 DECEMBER 14, 2020 AT 5:30 O'CLOCK P.M.
MARK LUFT * CHAIR * PRESIDING

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THIS WILL BE A REMOTE MEETING HELD VIA "ZOOM MEETINGS". THE PUBLIC CAN ONLY ATTEND THIS MEETING REMOTELY; DUE TO THE GOVERNOR'S EXECUTIVE ORDER REGARDING COVID-19 AND THE RELAXING OF THE OPEN MEETING ACT REQUIREMENTS, THIS MEETING WILL BE HELD REMOTELY VIA ZOOM MEETINGS WITHOUT AN IN-PERSON MEETING LOCATION FOR THE PUBLIC TO ATTEND. YOU WILL BE ABLE TO LISTEN TO THE MEETING AND SUBMIT COMMENTS DURING THE TIME FOR PUBLIC COMMENTS BY SENDING A DIRECT MESSAGE TO THE MEETING HOST USING ZOOM MEETINGS

TO JOIN IN THE MEETING FOLLOW THIS LINK: HTTPS://ZOOM.US/J/6898035689. BY PHONE, DIAL IN AND LISTEN TO THE MEETING AS FOLLOWS: 1-312-626-6799; THEN ENTER MEETING ID 689 803 5689. PRIOR TO THE MEETING, YOU CAN ALSO SUBMIT A PUBLIC COMMENT REMOTELY BY EMAIL, BY 3 PM THE DAY OF THE MEETING, BY SENDING AN EMAIL TO THE CITY CLERK AT SMCMILLAN@CI.PEKIN.IL.US AND INSERTING IN THE SUBJECT LINE FOR THE EMAIL "PUBLIC COMMENT FOR MEETING ON DECEMBER 14, 2020".

TO VIEW MEETING ONLINE GO TO: HTTP://PEKINIL.IQM2.COM (CLICK BANNER AT THE TOP THAT STATES "VIEW LIVE MEETING") OR CHANNEL 22

PLEDGE OF ALLEGIANCE

Due to the Governor's Executive Order regarding COVID-19 and the relaxing of the Open

Meetings Act requirements, this meeting was held remotely via Zoom Meetings without an in person meeting location for the public to attend. Therefore, the provisions of the City Code regarding electronic attendance did not apply.

The Pledge of Allegiance was led by Councilmember Orrick.

The Clerk confirmed by roll call vote, that all Council Members were physically present except Councilmember Garrison who was present via Zoom Meetings.

Attendee Name	Title	Status	Arrived
Michael Garrison	Councilman	Remote	5:31 PM
Rick Hilst	Councilman	Present	5:31 PM
Karen Hohimer	Councilwoman	Present	5:04 PM

Dave Nutter	Councilman	Present	5:32 PM
Lloyd Orrick	Mayor Pro-Tem	Present	5:17 PM
John P Abel	Councilman	Present	5:04 PM
Mark Luft	Mayor	Present	5:32 PM

APPROVE AGENDA

3.1. Motion to: **Approve agenda**

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Lloyd Orrick, Mayor Pro-Tem
SECONDER:	Karen Hohimer, Councilwoman
AYES:	Garrison, Hilst, Hohimer, Nutter, Orrick, Abel, Luft

APPROVAL OF MINUTES

4.1. City Council - Regular Meeting - Nov 23, 2020 5:30 PM

RESULT:	**ACCEPTED [UNANIMOUS]**
MOVER:	Lloyd Orrick, Mayor Pro-Tem
SECONDER:	John P Abel, Councilman
AYES:	Garrison, Hilst, Hohimer, Nutter, Orrick, Abel, Luft

PUBLIC INPUT

5.1. Public Input

Mr. Jim Mangan spoke via Zoom Meetings and addressed the Council. Mr. Mangan reminded Council that he had not received answers to his questions from the last meeting. He also questioned if reimbursements were made from the original contractor that ran the camera regarding the Whitehurst addition and spoke regarding the mill and overlay on 14th Street. Mr. Mangan then commented on agenda item 8.11 Redevelopment Agreement with DCX-CHOL and encouraged Council to reject agenda items 8.12, 8.13 and 8.16 as outlined in his email to Council.

Mayor Mark Luft read an email submitted by Philip Lippy regarding agenda item 8.11 DCX-CHOL Redevelopment agreement.

5.2. 2019 CDBG Consolidated Annual Performance and Evaluation Public Hearing

Mayor Mark Luft opened the public hearing at 5:44 P.M.

CDBG Program Manager, Mr. David Bess, explained that each year the city received allocation called CDBG and after each program year is complete the City submits the CAPER. Per the CDBG Participation, the City provided access on the website and a period for public comments that ran November 30, 2020 through the end of the hearing. Mr. Bess explained that the public comment period and hearing gave an opportunity for the public to ask questions that would be included in the report to HUD. Mr. Bess added that there were many changes to the 2019 report, including turnover in city manager role that caused delays, two grants to homeless shelters, assistance to low to moderate-income households and demolitions. Caper is available on the website.

City Manager, Mr. Rothert, added that since the City was successful in obtaining economic support with the State, the City will look to reallocate program dollars in the near future to other purposes and those dollars from economic support designed to reimburse the City for small business grants. Another hearing will be held in 2020.

Mayor Luft closed the public hearing at 5:49 PM.

CONSENT AGENDA

6.1. Financial Reports October 2020

6.2. Accounts Payable to be Paid Proof List thru November 13, 2020

6.3. Accounts Payable to be Paid Proof List thru November 27, 2020

6.4. Accounts Payable to be Paid Proof List thru December 11, 2020

6.5. Police Department Monthly Stats - November 2020

6.6. Resolution No. 193-20/21 Mayor's Appointment of Jack Steger to the Economic Development Advisory Committee to Fill the Unexpired Term of Steven Martin Until the First Monday in May 2022

6.7. Resolution No. 194-20/21 Mayor's Appointment of Nicholas Hall to the Human Rights Committee to fill the unexpired term of Stephanie Rhodes until the first Monday in May 2022

Motion to: **Approve Consent Agenda**

Mayor Luft read the 7 Consent Agenda items.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Lloyd Orrick, Mayor Pro-Tem
SECONDER:	Karen Hohimer, Councilwoman
AYES:	Garrison, Hilst, Hohimer, Nutter, Orrick, Abel, Luft

UNFINISHED BUSINESS

7.1. Ordinance No. 1568-A216-20/21 Rezoning Parking Lot at 1111 Broadway

City Manager, Mr. Mark Rothert, presented the agenda item to Council. Mr. Rothert summarized that PNC Bank requested to rezone 1111 Broadway Street from B-1, Local Business, to B-3 General Business. The parking lot serves the building located at 1101 Broadway and the applicant was seeking to rezone the parking lot and the adjacent building to B-3 to assist in attracting future tenants. The Planning Commission met on November 18, 2020 and voted unanimously to recommend approval of the requested rezoning. Mr. Rothert added that the item came before Council last meeting but no minutes were available as had been requested by some Councilmembers. The minutes were now included.

RESULT:	**ADOPTED [6 TO 1]**
MOVER:	Lloyd Orrick, Mayor Pro-Tem
SECONDER:	Karen Hohimer, Councilwoman
AYES:	Garrison, Hohimer, Nutter, Orrick, Abel, Luft
NAYS:	Rick Hilst

NEW BUSINESS

8.1. Ordinance No. 2926-20/21 IMLRMA Min/Max Contribution

City Manager, Mr. Mark Rothert, presented the agenda item to Council to approve and adopt the ordinance. Mr. Rothert explained that the City of Pekin requested proposals for general liability and workers' compensation insurance for 2021, 2022, and 2023. The proposals were due November 23, 2020 and two agencies submitted responses. The Safety Committee reviewed those responses from IMLRMA and ICRMT through Unland Companies. Neither company submitted a proposal for the third year. The committee recommended the selection of IMLRMA in the Min/Max program, which the City had been participating in since 2008. The committee requested and recommended the contribution amount of $$955,896.

Councilmember Orrick questioned the cost for the bus department insurance.

Human Resources Director, Ms. Sarah Newcomb, explained that the cost is not divided up for general liability, the cost is disbursed amongst the departments as is done for all insurance related costs for medical workers' comp and general liability. Once the bill was finalized, it would then get charged back to the department. Mr. Rothert stated that the bus department budget came out to a positive number, a net surplus each year.

Mr. Rothert pointed out that an amendment of the ordinance had been given to Council from the treasurer using template language from IML, the contract would have to be renewed each year.

Councilmember Abel questioned the cost of claims.

Ms. Newcomb replied that in the last three years there had been a decrease in claim dollars. The current year is different as we had more claims due to COVID-19 but the claim dollars were actually less on General Liability and Workers' Comp.

Councilmember Nutter suggested that according to RMA, paying ahead of time would save $9K to the City.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Rick Hilst, Councilman
SECONDER:	John P Abel, Councilman
AYES:	Garrison, Hilst, Hohimer, Nutter, Orrick, Abel, Luft

8.2. Resolution No. 195-20/21-Approval of the CDBG 2019 Consolidated Annual Performance and Evaluation Report (CAPER)

City Manager, Mr. Mark Rothert, stated that the agenda item was in relation to the public hearing just held to file the CDBG program report for 2019-2020.

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

8.3. Ordinance No. 2927-20/21 Amending special use permit for 602 N. 5th for maintaining fencing requirement

City Manager, Mr. Mark Rothert, presented the request to Council. Mr. Rothert summarized that the request for a special use modification submitted by Screaming Eagle Properties for property located in a B-3 zoning district at 602 N 5th Street. A special use was previously approved by the Planning Commission to allow outdoor sales of vehicles with the condition that the installation of a privacy fence on the east side of the property be installed and that parking be limited not to extend into the right-of-way. Staff confirmed that the neighbor did not want a fence built between the neighbor's house and the owner's property, therefore, the petitioner requested to waive the requirement to build a fence. The Planning Commission met on December 9, 2020 and voted to reject the request to not build a fence. Mr. Rothert added that approving the denial would require the owner to build a fence and the recommendation was a denial.

Attorney Katherine Swise clarified that the motion should be to approve the amendment of the special use permit to remove the fencing requirement. Motion on the floor is to approve the amendment to maintain the fencing is unclear whether it should keep or remove the fence.

Councilmember Hilst corrected his motion and motioned to approve Ordinance No. 2927-20/21 Amending special use permit for 602 N. 5th to remove fencing requirement, seconded by Councilmember Hohimer.

Mr. Rothert, explained that the Council has the power to remove the requirement.

Mayor Luft clarified that a no vote would mean that you do want the fence installed.

Mr. Rothert added that the neighbor did not want the fence for safety reasons.

Ms. Swise explained that there was a code requirement to require a fence between residential and business use, Council could waive the requirement as long as the current homeowner was the homeowner.

RESULT:	**ADOPTED [5 TO 2]**
MOVER:	Rick Hilst, Councilman
SECONDER:	Karen Hohimer, Councilwoman
AYES:	Garrison, Hohimer, Orrick, Abel, Luft
NAYS:	Rick Hilst, Dave Nutter

8.4. Ordinance No. 2928-20/21 Amending special use permit for 602 N. 5th for Owner's Use of Right Of Way

City Manager, Mr. Mark Rothert, presented the request to Council. Mr. Rothert explained that the request was again for a special use from Screaming Eagle Properties to address the other issue of limited parking of the sale vehicles in the right-of-way. The Planning Commission took the request to utilize the right-of-way to park vehicles pending a right-of-way agreement. The Planning Commission met on December 9, 2020 and voted to approve the recommendation to Council.

Councilmembers discussed how a portion of the right-of-way goes into the parking lot in which cars were always parked there for many years which is a code violation.

Attorney Katherine Swise added that the Planning Commission had received complaints of cars going into the sidewalk area.

Mr. Rothert pointed out that the right-of-way agreement prohibits parking.

Ms. Swise stated that the code would apply regardless of an agreement. The agreement would clarify the right-of-way provisions.

Councilmember Hilst expressed concerns with the language in the code siting a specific number of off-site parking spots in relation to the three businesses in that location.

Planning and Zoning Director, Mr. Matt Fick, explained that the insurance agency parking was based on the number of employees and square footage. Mr. Fick did not have that calculation readily available.

Councilmember Hohimer stated that there were no parking spots anywhere for the businesses or specific customer parking spots.

RESULT:	**ADOPTED [5 TO 2]**
MOVER:	Rick Hilst, Councilman
SECONDER:	Karen Hohimer, Councilwoman
AYES:	Garrison, Hohimer, Orrick, Abel, Luft
NAYS:	Rick Hilst, Dave Nutter

8.5. Resolution No. 196-20/21 Non-Exclusive Right of Way Lease Agreement with Screaming Eagle Properties LLC

City Manager, Mr. Mark Rothert, presented the request to Council to approve and adopt the resolution. Mr. Rothert summarized the request and stated that the property located at 602 N 5th Street had a parking lot that extended into the State Street right of way. It was paved a number of years ago and used for parking by the various tenants and/or owners of the property without incident and undetected until recently when it came to light as part of the special use review process for the Screaming Eagle Properties request to conduct used car sales in that location. The property owner was seeking to enter into a right of way licensing agreement with the City to allow himself and his tenants the ability to park vehicles in the right of way, including for sale vehicles, as well as to place permanent signage advertising businesses located on premises. The proposed right of way license agreement, drafted by City legal counsel, would prohibit the blocking of any pedestrian access, require the property owner to indemnify the City and maintain general liability insurance in the amount of $1,000,000 per occurrence which also lists the City as additionally insured. Given the long-term use of the State Street right of way for parking this agreement seemed reasonable and offered the City a level of protection that did not currently exist. Mr. Rothert added that the item was related to the previous agenda item that was approved.

RESULT:	**ADOPTED [5 TO 2]**
MOVER:	Michael Garrison, Councilman
SECONDER:	Karen Hohimer, Councilwoman
AYES:	Garrison, Hohimer, Orrick, Abel, Luft
NAYS:	Rick Hilst, Dave Nutter

8.6. Ordinance No. 2929-20-21 Parcel Subdivision of city lot in 100 block of Elizabeth

City Manager, Mr. Mark Rothert, presented the request to Council to approve and adopt the ordinance. Mr. Rothert explained that the next four items deal with the city owned parking lot of the 100 block of Elizabeth where the cell tower is located and previous parking lot lease agreements with the neighbor. The Planning Commission and Zoning Board of Appeals met on December 9, 2020 to approve a subdivision petition and lot size variance to allow for the creation of new parcel of record and split the parcel into three different parcels. A parcel map was provided to Council by email and was updated in the packet. One parcel had a cell tower that was retained by the city, another that was L-shaped with utility access easement and the third was a 6.5 foot wide strip parcel. The plat subdivision was required to sell the parcels off.

Councilmember Nutter questioned how many surveys were completed.

Mr. Rothert explained that one survey was done months ago to identify pins and property lines and then work was done to get the survey plat ready. One survey done in two parts. Mr. Rothert confirmed that SEICO paid half of the survey cost.

RESULT:	**ADOPTED [6 TO 1]**
MOVER:	Michael Garrison, Councilman
SECONDER:	Karen Hohimer, Councilwoman
AYES:	Garrison, Hohimer, Nutter, Orrick, Abel, Luft
NAYS:	Rick Hilst

8.7. Ordinance No. 2930-20-21 Lot size variance of city owned lot in 100 block of Elizabeth St.

City Manager, Mr. Mark Rothert, presented the request to Council to approve and adopt the ordinance. Mr. Rothert stated that subdividing a parcel in the zoning business district requires a certain size. A lot size variance was needed to allow for the parcels to exist with the current zoning classification. The item was presented before the Zoning Board of Appeals on December 9, 2020 and was approved.

RESULT:	**ADOPTED [6 TO 1]**
MOVER:	Michael Garrison, Councilman
SECONDER:	Lloyd Orrick, Mayor Pro-Tem
AYES:	Garrison, Hohimer, Nutter, Orrick, Abel, Luft
NAYS:	Rick Hilst

8.8. Ordinance No. 2931-20/21 Authorizing sale of 6.5 ft. City strip parcel in 100 Block of Elizabeth St.

City Manager, Mr. Mark Rothert, presented the agenda item to Council to approve and adopt the ordinance. Mr. Rothert indicated that Council approved the subdivision of the parcels and approved a variance. It was envisioned to sell parcels B & C described in Council's memo. Parcel B is the L shaped strip and Parcel C is the 6.5 foot wide strip on the easterly border. The City worked with perspective buyers and the ideal buyer would be SEICO, the adjacent property owners to the East. The agenda item entailed selling and authorizing the sale to SEICO to join SEICO's parcel allowing the encroachment of a garage structure on city property and transferring that property to SEICO.

Mr. Rothert confirmed to Council that SEICO would pay $1 for the purchase because they paid half of the $3K survey.

RESULT:	**ADOPTED [6 TO 1]**
MOVER:	Michael Garrison, Councilman
SECONDER:	John P Abel, Councilman
AYES:	Garrison, Hohimer, Nutter, Orrick, Abel, Luft
NAYS:	Rick Hilst

8.9. Ordinance No. 2932-20/21 Authorizing the sale of City owned parcel in 100 Block of Elizabeth St.

City Manager, Mr. Mark Rothert, presented the agenda item to Council to approve and adopt the ordinance. Mr. Rothert explained that the proposed item was to sell the final L-shaped parcel to Stratus Network, a fiber company looking to build a utility shed, for $15,600. The access easement would remain on the property to provide access to the cell tower company. Stratus' plan was to redevelop the lot and put a utility structure on the North half of the property. Mr. Rothert added that there currently was a lease with the City and SEICO. A notice was provided to vacate the property by December 31st, which was less than two months ago.

Councilmember Nutter discussed whether the property needed to be put out for bid.

Mr. Rothert stated that because the property was located in the TIF District it had different rules. Mr. Rothert added that more latitude was provided to negotiate with developers and at minimum notice was required to the public that the City would accept all interested offers.

RESULT:	**ADOPTED [6 TO 1]**
MOVER:	Karen Hohimer, Councilwoman
SECONDER:	Lloyd Orrick, Mayor Pro-Tem
AYES:	Garrison, Hohimer, Nutter, Orrick, Abel, Luft
NAYS:	Rick Hilst

8.10. Ordinance No. 2933-20/21 Amend Predevelopment Agreement with Sud Family Limited Partnership

City Manager, Mr. Mark Rothert, presented the request to Council to approve and adopt the ordinance. Mr. Rothert explained that the City entered into a predevelopment agreement with Sud Family Limited Partnership on 02/10/2020 for Sud's to complete renovations to their building located at 111 6th Street to relocate offices. Sud's requested a term extension to complete their project due to delays impacted by the COVID pandemic and in working with the State of Illinois. The predevelopment agreement currently stated that the Developer agreed to complete the project on or before December 31, 2020. Since Sud's originally had 11 months from February 2020 to December 2020 as their original term, a year extension would be an appropriate timeframe for them to undertake their renovation project. The ordinance would move the project completion term to December 31, 2021. Mr. Rothert noted to Council that if a new TIF District was established, the City would have to transition with Sud's from the predevelopment agreement to a full redevelopment agreement with the same terms and conditions.

Councilmember Abel questioned the problems and allegations on the Sud's building floor that should be answered by the public.

Mr. Rothert felt that the Sud family was a respectable firm and would make the building suitable. They were a locally family owned business looking to invest in our community. Mr. Rothert stated that he supported their project in Pekin and would hope to see more with them.

Councilmember Nutter did not understand why the city would not wait until the new TIF was established to pass the ordinance and also questioned if Sud's took advantage of funding as offered in the IML book through the fire prevention funding.

Mr. Rothert explained that if the City waited until January to pass the ordinance, Sud's would then be in default. This is the reason why they requested an extension before the end of the agreement.

RESULT:	**ADOPTED [6 TO 1]**
MOVER:	Karen Hohimer, Councilwoman
SECONDER:	Lloyd Orrick, Mayor Pro-Tem
AYES:	Garrison, Hohimer, Nutter, Orrick, Abel, Luft
NAYS:	Rick Hilst

8.11. Ordinance No. 2934-20/21 Amend Redevelopment Agreement with DCX-CHOL

City Manager, Mr. Mark Rothert, presented the request to Council to approve and adopt the ordinance. Mr. Rothert summarized that the City approved a redevelopment agreement with DCX-CHOL on July 13, 2020 for the company to expand operations and create over 90 jobs at 200 Enterprise Drive in the Riverway Industrial Park. DCX-CHOL's expansion plans changed, however, and it became more advantageous for the company to expand the footprint of its existing building at 225 Enterprise Drive while also purchasing the adjacent building at 205 Enterprise Drive. The company requested that the parties amend the redevelopment agreement to reflect that TIF incentives be applied to the property at 205 Enterprise Drive. All other terms and conditions stayed the same.

Council discussed the history of the building and the proposed expansion. Councilmember Orrick added that the building started out as a spec building by the City, the hospital and other investors for $150K.

Mr. Rothert added that the amount of the expansion was yet to be determined on the current building but stated that it would create value in the TIF district that would pay for the incentive itself offered by the City.

Mayor Luft and Councilmember Hohimer spoke in favor of the agenda item.

Council also discussed the timeframe of the transfer.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Karen Hohimer, Councilwoman
SECONDER:	Lloyd Orrick, Mayor Pro-Tem
AYES:	Garrison, Hilst, Hohimer, Nutter, Orrick, Abel, Luft

8.12. Ordinance No. 2935-20/21 Designating and Approving the Pekin Business Development District No.1 and Imposing an Additional 1.0% Sales Tax and Hotel/Motel Tax

City Manager, Mr. Mark Rothert, presented the request to Council to approve and adopt the ordinance. Mr. Rothert stated that the next set of agenda items were related to this item and it was a packaged deal. This first item dealt with the BDD and imposition of sales tax and hotel/motel tax but the other items related to property tax establishing the levy and the reduction of rates on the sewer fee. Mr. Rothert explained that the City of Pekin had been working throughout the year to create a new tool for economic growth and infrastructure investment through the designation of a Business Development District Area, primarily along Court Street and major commercial corridors of the community. Mr. Rothert stated that the BDD Area was contiguous, met qualifying standards of the Business District Development Act and included parcels of property that would directly and substantially benefit from the proposed Business Development District Plan. The BDD Plan set forth factors constituting the need for redevelopment within the proposed area. Conditions pertaining to lack of private investment within the proposed area were identified to determine whether contiguous parcels of property would be substantially benefitted by the proposed public and private redevelopment project improvements. An analysis of the area found that, on the whole, it had generally not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed or redeveloped without the adoption of the BDD Plan. It was further determined that the implementation of the BDD Plan would help to reduce unemployment by increasing opportunities in the local commercial and light industrial sectors, increase retail business activity, improve public infrastructure, revitalize and repurpose underutilized buildings and increase the overall value. The BDD Plan would also create public safety and quality of life of the community for its residents, address blighting conditions that hinder the provision of housing accommodations and by completing the Redevelopment Projects, enhance the tax base of the taxing districts. Mr. Rothert continued to explain that the implementation of the BDD Plan required funding generated through the imposition of an additional 1.0% retailers' occupation tax, service occupation tax, and hotel operators' occupation tax in the that area to pay for BDD project costs. The taxes generated through the BDD would not be imposed on food for consumption that is to be consumed off the premises where it is sold, prescription and nonprescription medicines, drugs, medical appliances, modifications to a motor vehicles and the like. All revenues received by the City would be deposited into a special fund of the City designated for the Pekin Business Development District No. 1 Tax Allocation Fund. Any revenues in the Business District Tax Allocation Fund would be used for paying or reimbursing business district project costs and obligations incurred in the payment of those costs. Mr. Rothert also added that per the adopted ordinance, a substantial portion of such revenues would be dedicated to capital expenditures or public infrastructure costs. To offset the impact of the 1.0% increase in BDD sales taxes to Pekin residents, the City also proposed to reduce the property tax levy by 10% and reduce capital improvement fees for the City's sewer fund over the next several years. The net effect to Pekin residents would be negligible while shifting more of the cost burden for BDD project costs to nonresidents and external users of the City's infrastructure. These actions would simultaneously be acted upon by the City Council tonight. If adopted, a certified copy of the attached Ordinance, together with a description of the boundaries of the Business Development District, would be filed with the Illinois Department Revenue on or before the 1st day of April, 2021 in accordance with the BDD act and tax shall go into effect starting July 1, 2021 and have an initial lifespan 23 years. Mr. Rothert concluded that as a commercial hub in Tazewell County, thousands utilize Pekin's roads and commercial corridors. The creation of a BDD in Pekin therefore would create an unprecedented opportunity for the City to reinvest sales tax dollars into economic growth, businesses development and capital improvements.

Mayor Luft spoke in favor of the agenda item and thanked Mr. Rothert for the well-described agenda item. Mayor Luft felt that if the item did not pass Pekin would stay the way it was or move backwards. Mayor Luft stated that no one was comfortable with the 1% tax and that is why the property tax levy was reduced and the waste water fee. Mayor Luft added that residents have been contributing to other BDD Districts such as the Levy District in East Peoria, Grand Prairie in Peoria and even Morton. Streets and infrastructure had been repaired all around us just not where we live.

Councilmember Hohimer and Councilmember Orrick spoke in favor or the agenda item.

Council discussed how the fund would need to build up but property tax payments would be coming in. Options would include to pay as you go or bond out for planned infrastructure projects as the tax goes to the BDD fund and not the hotel/motel tax fund.

RESULT:	**ADOPTED [5 TO 2]**
MOVER:	Karen Hohimer, Councilwoman
SECONDER:	John P Abel, Councilman
AYES:	Hohimer, Nutter, Orrick, Abel, Luft
NAYS:	Michael Garrison, Rick Hilst

8.13. Ordinance No. 2936-20/21 Amending Wastewater Charges in Section 3-2-4-2 of the City Code

City Manager, Mr. Mark Rothert, presented the agenda item to Council to approve and adopt the ordinance. Mr. Rothert summarized the request by stating that the wastewater section of the code as it relates to the monthly capital improvements charge increases each year by .10 cents until 2026. It was proposed that it be amended to a rate schedule reducing it the first year from $4.40 to $0.69 cents and then increasing it in subsequent years through 2026 to the same level as it was currently. This would begin July 1, 2021, when BDD goes into effect to offset the BDD tax to Pekin resident. When using the calculation, it was calculated by using what an average home in Pekin pays.

Councilmember Orrick questioned if the money taken out of the sewer fund would be funneled by the BDD tax.

Mr. Rothert answered that taking the $4.40 down to $0.69 cents a month, would be budgeted next year to take up that loss and would do that subsequently every year after.

Mr. Rothert explained to Council that the funding would be dedicated to capital improvements.

Councilmember Nutter spoke against the service charge as those with multiple untis pay the same rate as a single residence and felt it was not fair.

Mayor Luft agreed with Councilmember Nutter on that point and stated that the committee would be looking into that.

City Attorney, Ms. Katherine Swise, pointed out that he code section on the agenda is for the new code and that there was a discrepancy.

RESULT:	**ADOPTED [6 TO 1]**
MOVER:	Dave Nutter, Councilman
SECONDER:	Lloyd Orrick, Mayor Pro-Tem
AYES:	Hilst, Hohimer, Nutter, Orrick, Abel, Luft
NAYS:	Michael Garrison

8.14. Resolution No. 197-20/21 Intergovernmental Agreement with Pekin Public Library

City Manager, Mr. Mark Rothert, presented the agenda item to Council to approve and adopt the resolution. Mr. Rothert explained that part of the package for the BDD also included a reduction in property taxes. The library bond levied had been included with the City's since 2014 for renovation in which the city took out bonds for. The library bond levy had previously been on its own and the City had been working with the library to switch it back to them. The library board agreed to do so and advised that they enter into an intergovernmental agreement. This would show a reduction in the City rate but would still be paid by taxpayers to the library.

Mayor Luft commented that this would be a 16% reduction overall in the City's rate, but a 33% increase for the library.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Dave Nutter, Councilman
SECONDER:	Karen Hohimer, Councilwoman
AYES:	Garrison, Hilst, Hohimer, Nutter, Orrick, Abel, Luft

8.15. Ordinance No. 2937-20/21 Abatement of Taxes on WWTP bonding of $4,385,000 (Ordinance No. 2870-19/20)

City Manager, Mr. Mark Rothert, presented the request to Council to approve and adopt the ordinance. Mr. Rothert stated that the City's G.O. Series 2010 Bond Issue was refinanced February 10, 2020 via Ordinance 2870-19/20. The refinancing ordinance had language making the assumption that the City's property tax levy would be necessary to provide the funding for the payment of principal and interest on the bond. However, the City had sufficient sources of funds from other revenue sources, such as the Wastewater Treatment Plant Enterprise Fund, to make the bond payment. Therefore the levy and collection of a direct annual tax for the payment of and interest on the bond, in the amount $515,000.00, would not be necessary and would need to be abated. The resolution authorized that taxes be abated and not levied against taxable real property in the City of Pekin in the amount of $515,000.00.

Councilmember Orrick commented that all the bonds were issued and if the abatement is not sent to the clerk, it will be on the tax bill.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Dave Nutter, Councilman
SECONDER:	Lloyd Orrick, Mayor Pro-Tem
AYES:	Garrison, Hilst, Hohimer, Nutter, Orrick, Abel, Luft

8.16. Ordinance No. 2938-20/21 An Ordinance Making, Levying and Assessing Municipal Taxes in the City of Pekin, Tazewell and Peoria Counties, Illinois, for the Fiscal Year from May 1, 2020 to April 30, 2021 and Known as the Annual Levy Ordinance

City Manager, Mr. Mark Rothert, presented the request to Council to approve and adopt the ordinance. Mr. Rothert presented that City must approve and certify a property tax levy to the County Clerk by the last Tuesday in December. Mr. Rothert explained that the levy is significantly lower than the 2019 levy due to the levy amount for repayment of the Pekin Library Bonds that had been included with the City of Pekin levy amount and now will be library's levy request. The levy would also be lower due to the relation of the BDD as a 10% reduction was proposed to offset the 1% increase in sales tax coming from the BDD. The levy amount for the operations of the Pekin Public Library would remain the same as compared to 2019. All of the property tax revenues generated through the City's levy would be dedicated to the public safety pension cost and obligations.

Councilmember Orrick expressed concerns covering costs if something was missed with the BDD creation.

Mr. Rothert explained that the BDD ordinance only took Council approval to act but the State would implement on July 1.

Councilmember Orrick also questioned the comparison of the EAV from last year.

Mr. Rothert stated that it was lower.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Dave Nutter, Councilman
SECONDER:	John P Abel, Councilman
AYES:	Garrison, Hilst, Hohimer, Nutter, Orrick, Abel, Luft

8.17. Ordinance No. 2939-20/21 TIF & BDD Redevelopment Agreement with East Court Village, LLC and East Court Village II, LLC

City Manager, Mr. Mark Rothert, presented the request to Council to approve and adopt the ordinance. Mr. Rothert summarized that the City had been working with Cullinan Properties preparing to invest over $14M to revitalize the old Bergner's at the East Court Shopping Center and to bring new retailers to the City. Mr. Rothert explained that due to the large amount of retail space available on the market, retailers are commanding very aggressive deals. The City and Cullinan worked to craft a redevelopment agreement outlining an incentive package that would give Cullinan the tools to invest $14M plus to revitalize the property with strong national retailers. Mr. Rothert continued to explain that two development agreements currently exist, one with the city and ECV and the other with the City and ECV II. The EVC and EVC II promissory notes are outlined in the request to Council. Additionally of note is that the existing development agreements allow for the Developer to be rebated funds for performing above certain sales levels. Before the Bergners store closed, the Developer was achieving a high enough rebate to effectively reduce their interest cost on the loan. After the Bergners store closing, this rebate reduced significantly. The outline of sales tax incentives are included in the request to Council action.

Mr. Rothert introduced Mr. Sean Garrett from Cullinan Properties to present a power point presentation explaining the negotiations of generating interest with national retailers and how to keep shoppers spending in the City of Pekin. Mr. Garrett also focused on expanding economic growth within the city.

Council discussed the square footage of the building, retailer interest, and renovation of the building. Council also discussed that the City was in first lien position on the building and start of construction and how that effects the BDD.

RESULT:	**ADOPTED [5 TO 2]**
MOVER:	John P Abel, Councilman
SECONDER:	Karen Hohimer, Councilwoman
AYES:	Hohimer, Nutter, Orrick, Abel, Luft
NAYS:	Michael Garrison, Rick Hilst

8.18. 2410 : Resolution No. 198-20/21 Approval of the 2021 Street Maintenance Plan with presentation

City Engineer, Ms. Josie Esker, gave a presentation of the results of Council's survey regarding the 2021 Street Maintenance Plan. Ms. Esker explained that the top three results included Parkway from Willow to Sheridan, Parkway from the city limits to Sheridan and 5th Street from Derby to Washington for mill and overlay. Ms. Esker felt it was a good idea by a few Councilmembers to use TIF dollars for some of the roadways and would like to further discuss that.

Council discussed the Court Street grant, future engineering work on Derby Street, and MFT balances.

Ms. Esker stated that the plan was more aggressive than in the past due to the conditions of the roads.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	John P Abel, Councilman
SECONDER:	Lloyd Orrick, Mayor Pro-Tem
AYES:	Garrison, Hilst, Hohimer, Nutter, Orrick, Abel, Luft

CITY COUNCIL OR STAFF REPORTS

Councilmember Nutter discussed the Joint Review Board brought up by Mr. Mangan and wished everyone a Merry Christmas.

Councilmember Hohimer shared her thoughts on upgrades to homes and how it increases the value of those surrounded it.

Councilmember Orrick and Councilmember Abel commented on Christmas on Court event, thanking the Matthews family as well as the Pekin Chamber, volunteers at the PACVB and the Tourism Committee.

Councilmember Abel also thank Mr. Rothert, Ms. Swise, Ms. McMillan and staff for their hard work all year and the amount of projects completed.

Councilmember Garrison wished everyone a Happy New Year.

Mayor Luft announced that the Council will have a meeting on Monday, December 28, 2020.

There being no further business coming to Council, a motion was made by Council Member Abel to adjourn seconded by Council Member Orrick. Motion carried viva voce. Mayor Luft adjourned the meeting at 8:29 P.M.

EXECUTIVE SESSION 5 ILCS 120/2 (C) IF APPLICABLE

ADJOURNMENT

The meeting was closed at 8:29 PM