

Committee-of-the-Whole Minutes

Tuesday, June 26, 2018

- PRESENT:** Mayor Stephanie Acri (*Chair*)
Alderman David Parker, Jr. (*Ward 2*)
Alderman Mike Wendt (*Ward 3*)
Alderman Richard “Dick” Potter (*Ward 4*)
Alderman Lori Turner (*Ward 5*)
Alderman Kevin Schoonmaker (*Ward 6*)
Alderman Mike Waldron (*Ward 7*)
Alderman Sonia Berg (*Alderman At-Large*)
- ABSENT:** Alderman Quentin Rodriguez (*Ward 1*)
- STAFF:** Doug Maxeiner, City Administrator
Maureen Riggs, City Attorney
Janine Hollembaek Parr, City Clerk
Ray Forsythe, Planning & Development Director
Alison Fleming, Human Resources Manager
Lori Wilson, Parks Recreation Director
Don Goff, Information Technology Manager
Bryon Lear, Library Director
John Hitchcock, Chief of Police
Travis Noyd, Fire Battalion Chief
Steve Regenwether, Fire Battalion Chief
Scott Hinton, City Engineer
Kathy Carr, Finance Director
Jeff Anderson, City Planner
J.D. Schulte, Public Works Director
Tony Loete, Utilities General Manager
K.J. Whitley, Community Development Program Manager
Chris Mathias, Property Management Coordinator
- OTHERS:** Gerold Shelton, The Dispatch
Terri Dobmann, Resident
Jim Thomson, Illinois Domus, LLC
Shawn Larson, Illinois Domus, LLC
John Mahon, Illinois Domus, LLC

Mayor Acri called the meeting to order at 6:00 p.m. in Council Chambers.

Questions on the Agenda

Item #4 on COW Agenda was removed at the request of staff.

Informational

Chris Mathias provided an update on the lease of City-owned Farms. The City currently owns three farms south of the Quad City Airport, with 90 total acres. A 2015 request for proposals (RFP) resulted in a 4-year lease at \$215 per acre, up from \$138 per acre. The City has a good relationship with the current tenant and recommends extending the lease for another 4-year term without a rent increase. Council approved said recommendation.

Agenda Items

1. A Special Ordinance authorizing the Mayor and City Clerk to execute an Agreement for Sale of Real Estate and do all things necessary to convey a portion of City-owned property at 731 23rd Street, Moline, to Gregorio and Virginia Ferreira. Chris Mathias, Property Management Coordinator, explained that the property at 731 23rd Street, Moline, was acquired by the City due to Code compliance issues. The City demolished a dilapidated house on the property and eventually built a public road there to improve access within the neighborhood. This road connection to the alley prevents drivers from having to turn around in 23rd Street, which is very narrow and steep. Staff has negotiated an agreement with the adjacent property owners, Gregorio and Virginia Ferreira, to sell approximately the north 30' of this property, adjacent to their property to the north. The purchaser has agreed to a price of \$3,000 pursuant to the terms of the attached Agreement for Sale of Real Estate. The purchaser will obtain a survey acceptable to the City prior to closing at their expense. A motion was made by Alderman Schoonmaker to approve. Seconded by Alderman Waldron. Motion passed unanimously.

2. A Resolution supporting a grant application to the U.S. Department of Housing & Urban Development (HUD) for FY 2018-2022 Lead-Based Paint Hazard Reduction (LHR) Grant Program; and authorizing staff to do all things necessary to submit said grant application on behalf of the City of Moline and to work cooperatively with the cities and other governmental jurisdictions and entities operating within Rock Island County, Illinois that are able to support said application in accordance with the HUD application guidelines and requirements. KJ Whitley, Community Development Program Manager, stated that the U.S. Department of Housing and Urban Development is making competitive grant funds available to communities to identify and control lead-based paint hazards in eligible privately-owned rental or owner-occupied housing as part of its FY 2018-2022 grant programs. The City of Moline previously received two Lead-based Paint Hazard Control Grants. On behalf of the Illinois Quad Cities Healthy Homes Coalition, staff would like to reapply for a grant for the remainder of 2018 through 2022. The grant application is due August 2, 2018. A motion was made by Alderman Berg to approve. Seconded by Alderman Turner. Motion passed unanimously.

3. An Ordinance amending Chapter 34, "WATER AND SEWERS," of the Moline Code of Ordinances, Section 34-2108, "SEPARATE CONNECTIONS," by repealing said section in its entirety and enacting in lieu thereof a new Section 34-2108 dealing with the same subject matter. Tony Loete, Utilities General Manager, indicated that the Illinois Plumbing Code recently changed, requiring buried fire service piping to be combined with domestic water service piping. The change is intended to reduce or eliminate water system connections that may have little or no usage. Moline has always required separate piping. This change removes this requirement and conforms to the Illinois Plumbing Code. A motion was made by Alderman Parker to approve. Seconded by Alderman Wendt. Motion passed unanimously.

4. A Special Ordinance granting a variance to Chapter 34, "WATER AND SEWERS," of the Moline Code of Ordinances, Section 34-3300, "WHEN REQUIRED," to permit MHP Investment Properties LLC (MHP) to install a private sanitary sewer lateral with contingency that annexation is executed in lieu of extending the public sanitary sewer main. Tony Loete, Utilities General Manager, shared that MHP Investment Properties, LLC (MHP) owns and operates a mobile home park within Rock Island County at 5111 78th Ave. This property is currently served by a drinking water well and sewage treatment system located on the property. Their water and sanitary sewer systems are regulated by the Illinois Environmental Protection Agency (IEPA), however the sewer system is failing to meet discharge standards. IEPA has advised both MHP and the City to strongly consider abandonment of MHP's sewer treatment system in favor of connection to the City's publicly

operated treatment system. MHP desires to do so and is willing to annex into Moline's corporate limits as required. City Ordinance requires a sewer main extension at this location; however, MHP is requesting instead to not extend a main, but to install a lateral to Moline's existing system to the west. MHP has agreed to pay their share of an extension at a future date if such extension were to be needed. MHP is seeking a variance from Section 34-3300 which requires extension of a public sewer main. A motion was made by Alderman Potter to approve. Seconded by Alderman Berg. Loete estimated a main extension cost of \$75,000, as compared to a lateral extension of \$20,000. Aldermen Wendt and Schoonmaker suggested that a main extension now might save money as lots develop. Planning and Development Director Ray Forsythe indicated that the platted area is within the Tax Increment Finance (TIF) district, even though the mobile home park is not. The mobile home park is minimally occupied. City Engineer Scott Hinton explained that generally, lots develop outward and would require extension of the main at that time. Extending the water main with sanitary sewer across the right of way would be a TIF eligible expense. Alderman Schoonmaker moved to table the motion, not to exceed one month, to allow staff time to research all options. Seconded by Alderman Wendt. Motion to table passed unanimously.

5. An Ordinance amending Chapter 30, "CABLE/VIDEO SERVICE PROVIDER FEE, PEG ACCESS SUPPORT FEE, AND CUSTOMER PROTECTION," Sec. 30-2101, "PEG ACCESS SUPPORT FEE IMPOSED," by repealing said section in its entirety and reserving it for future use; by deleting the term "PEG ACCESS SUPPORT FEE" from the title of Chapter 30 and Article II thereof; and Sec. 30-1100, "DEFINITIONS," by repealing subsections (e) and (f), "PEG" and "PEG access support fee," in their entirety and consecutively renaming the remaining subsections of Sec. 30-1100. Maureen Riggs, City Attorney, explained that in 2014, the City's franchise agreement with Mediacom expired, and Mediacom elected to proceed under the newly enacted statewide video and cable authorization that allowed cable companies to obtain a state authorization to provide cable services instead of having to negotiate franchise agreements with individual municipalities. As part of this new state authorization, cities were permitted to impose a 1% public, educational, and governmental ("PEG") fee to allow for capital expenditures in furtherance of public access programming. The City imposed a PEG fee and as of April 30, 2018, has accumulated \$340,906.74 for such expenditures. This amount should be more than enough to fund any potential capital expenditures in the near future, so staff recommends repealing the fee to save cable subscribers money. Staff will also work with Mediacom to come up with ways to utilize these funds in order to provide better public access programming. The attachment to this item is a redlined amendment to Chapter 30 to show the drafted changes. A motion was made by Alderman Wendt to approve. Seconded by Alderman Turner. Motion passed unanimously.

6. An Ordinance amending Chapter 4, "ALCOHOLIC LIQUOR," of the Moline Code of Ordinances, by repealing said chapter in its entirety and enacting in lieu thereof one new Chapter 4, "ALCOHOLIC LIQUOR," dealing with the same subject matter. Maureen Riggs, City Attorney, stated that pursuant to various requests by local liquor licensees and potential license applicants, the Local Liquor Control Commissioner and City staff have reviewed possible changes to the City's alcoholic liquor code. On review, the Commissioner and staff have determined that certain amendments to this code will help increase business in the City without compromising the safety and security of its residents and will improve certain existing licensing procedures. Additional changes have been made throughout the chapter for clarification and consistency. The changes include but are not limited to the following; see attached for a more concise summary of the draft changes. Per Council's request, a change has been made to Sec. 4-3202 to restrict the exception provision required for surrounding property owners' consents to a liquor license application. Specifically, Sec. 4-3202(c) will provide that property owners' consents are not required for a license renewal or a new application if the location premises has been licensed within 180 days prior to the application being made, as long as the license being renewed or sought is for the same license class held at the premises within the prior 180 days. A corresponding change has been made to Sec. 4-3207(a) to require the consents if a licensee wishes to change its license class. Other changes include certain license option fee increases for consistency (Sec. 4-3208); for all license classes with on-premises consumption, the allowance of package sales of alcoholic liquor in sealed packages of 51 milliliters or larger for off-premises consumption; an exception to allow a salon to serve alcoholic liquor, without

a liquor license, for consumption on its premises to customers receiving a paid salon service or services only (Sec. 4-3100); an amendment to include the State of Illinois requirements for BASSET training for individuals who are employed as servers and/or bouncers by licensees with on-premises consumption (Sec. 4-3207); and enactment of a new Sec. 4-3315, "Class K Video Gaming Establishment License," for a business whose principal business purpose is the operation of video gaming terminals. The intent of this new Class K license classification is 1) to define a video gaming establishment as an establishment other than a restaurant, tavern or club/fraternal or veterans organization, whose principal purpose is video gaming, and to allow video gaming establishments on a limited basis within the City while providing certain measures to protect the public health, safety and welfare; and 2) to promote local business by allowing a restaurant, tavern or club/fraternal or veterans organization with a liquor license to have a maximum of five video gaming terminals at its establishment as an incidental purpose to the establishment's principal purpose of the sale of food or alcohol or to the club's activity pursuant to its license. A motion was made by Alderman Parker to approve. Seconded by Alderman Turner. Alderman Wendt made a motion to amend, striking the 7-day time limit on surrounding property consents. Seconded by Alderman Schoonmaker. Motion to amend passed unanimously. Mayor Acri indicated that as Local Liquor Commissioner, she would like to see some time limit placed on the consents. Alderman Potter moved to amend the previous motion from striking the 7-day time limit to a 90-day time limit on surrounding property consents or the date of license issue, whichever comes first. Seconded by Alderman Wendt. Amended motion passed unanimously. Alderman Wendt moved to strike the provision allowing a change in liquor license re-classification every 3 licensing years only. Seconded by Alderman Parker. Motion passed unanimously. Alderman Wendt, with regard to SEC. 4-3303 Class B licensed premises may not be located within three hundred feet of any church, school, other than an institution of higher learning, hospital, home for the aged or indigent persons or for veterans, their spouses or children, any military or naval station, moved to amend the ordinance so that a license may be obtained for premises that are located more than one hundred (100) feet but less than three hundred (300) feet from any church, school, other than an institution of higher learning, hospital, home for aged or indigent persons or for veterans, their spouses or children, any military or naval station with the consent of the establishment(s) located within the range. Seconded by Alderman Parker. Motion to amend carried with Alderman Waldron voting nay. Alderman Wendt moved to keep the fee for Option I – Outdoor Use at \$100, rather than raising it to \$400. Seconded by Alderman Berg. Motion failed on roll call with the following vote: ayes: Aldermen Berg, Parker, and Wendt; nays: Aldermen Waldron, Potter, Turner, and Schoonmaker. The amended motion passed unanimously.

7. A Resolution authorizing the Mayor and City Clerk to execute an Amendment to the Intergovernmental Agreement of October 23, 1990, between the City of Moline, Illinois, and the Quad City Civic Center Authority to establish a process for disbursement of the additional 2% amusement tax revenue to cover operations costs and to attract and promote special events held at the TaxSlayer Center.

Doug Maxeiner, City Administrator, indicated that the City and the Illinois Quad City Civic Center Authority ("QCCCA"), an Illinois municipal corporation owning and operating "the TaxSlayer Center" (the "Center"), wish to engage in certain lawful activities authorized by applicable law to attract and promote special events held at the Center. In order to attract and retain sporting events, concerts, and other performances at the Center and to ensure the vitality of the Center for the benefit of the residents of Moline and neighboring communities, additional operating revenue is necessary so the City recently increased the rate of its amusement tax, via General Ordinance No. 3022-2018, from 3% to 5% to provide additional revenue to cover operations costs at the Center. The City and the QCCCA seek to provide a process for disbursement of the additional revenue created by the tax increase to ensure responsible use of public funds by requiring the QCCCA to submit a request for reimbursement of incurred operating expenses to the City for the City's approval. The City and the QCCCA executed an Intergovernmental Agreement on October 23, 1990, via Council Bill 291-90, for the funding and operation of the now named TaxSlayer Center and have amended the agreement various times since and seek to further amend it now. Maxeiner stated that within the document, specifically in the Whereas and Section 2, there are two references to "operations cost", and staff recommends amending that language to "certain operations cost." Paragraph 3 requires the TaxSlayer Center to provide a detailed report of expenditures and reimbursement request

annually, placing the control back on the Council for approval or denial. A motion was made by Alderman Wendt to approve. Seconded by Alderman Parker. Motion passed unanimously.

8. *~This item was pulled from the Agenda at the request of staff.*

A Special Ordinance authorizing the Mayor and City Clerk to execute a Fourth Amendment to Development Agreement between the City of Moline and Moline Promenade Investors, LLC for the Quad Cities Multi Modal Station. The City and Moline Promenade Investors, LLC (“Developer”) have been working cooperatively since 2013 for the redevelopment of the O’Rourke Building into a hotel with retail development and train station for passenger rail service. The project is now substantially complete, but it has taken longer and cost more than either party anticipated. In order to wind down any remaining issues, a Fourth Amendment to the development agreement is needed. The main terms of this amendment are:

- (1) Developer will receive a 15% TIF rebate for its increased project cost of \$17,371,000, from the prior agreement where the estimated cost was \$13,500,000. The Developer’s original cost estimate was \$8,000,000. The new maximum TIF rebate will be \$2,605,650.
- (2) Developer will pay \$671,000 in disputed shared costs to the City within 30 days of execution of this amendment.
- (3) Developer will keep only one condo unit instead of subdividing into additional units.
- (4) City will institute a 2.1% SSA tax on the hotel with the 2% being rebated to the Developer and the .1% remaining with the City.
- (5) Developer agrees to a Guaranteed Minimum Property Tax of \$205,639 with a 1% escalator through 2036.
- (6) Developer shall pay the following for the leased spaces in the parking lot: \$12,500 in 2018, \$30,000 in 2019, \$45,000 in 2020. The regular lease payments of \$60,000 shall commence in 2021 and increase by 2% thereafter through 2031.
- (7) Developer and City shall evenly split parking revenue from special events at TaxSlayer Center. Neither party is in default and all other terms remain.

9. A Resolution authorizing the Mayor and City Clerk to adopt the Economic Development Policy for the City of Moline. Ray Forsythe, Planning & Development Director, explained that the City Council supports an Economic Development Policy in order to streamline the development/incentive process within the City of Moline. Forsythe stated that this formalizes the City’s process for seeking incentives, not just in TIF districts but also in other areas of the City. The Economic Development Policy is an over-arching policy of economic development incentives, with Business Resource Guide and Partnership Guide companion pieces, and an Implementation Guide to be drafted. The Policy has been approved by the Project Management Team (PMT) with the following language changes to Guidelines and Evaluation Process: (1) the incentive for a specific project may be a combined incentive between zero and fifteen percent of the total project cost, (2) in very rare circumstances additional funds may be expended by the City for a specific project, however qualification for any and all financial assistance provided by the City will be made at the City’s discretion based upon overall evaluation of the project. The PMT also recommends setting forth in the Policy that minimum assessment language would be included in all development agreements, not just for large projects, to insure that the requisite amount of increment is available to implement the overall goals and objectives of the City. A motion was made by Alderman Schoonmaker to approve. Seconded by Alderman Parker. Motion passed unanimously.

10. A Special Ordinance authorizing the Mayor and City Clerk to execute a Development and Economic Incentive Agreement between the City of Moline and Illinois Domus, LLC for the development project and to execute any necessary agreements referenced therein, and authorizing all appropriate City officers and staff to do all things necessary to complete each of the City’s responsibilities pursuant to said agreement. Ray Forsythe, Planning & Development Director, explained that Illinois Domus, LLC seeks to enter into a Development and Economic Incentive Agreement with the City to facilitate redevelopment of the properties located at the 1300 block of 6th Avenue. The City owns 1300 6th Avenue and desires to enter into a purchase

agreement with the Developer so that the City owned property can be included in the Development. The Developer plans to demolish the existing structures to construct 22 townhomes. Please note the attached Agreement is in draft form and is subject to review by the Law Department as well as the DBMT and PMT. Jim Thomson and his development team provided project renderings and details, including multi-year leases expected to result in tenants that treat the property as more of a home than a rental, and anticipated groundbreaking in August 2018. Alderman Berg moved to hold a special meeting on June 29, 2018, for first reading and consideration of this item. Motion failed for lack of second. Forsythe verified amendments to the agreements as detailed in Council Bill 3005-2018 and approved by Council on March 6, 2018. A motion was made by Alderman Wendt to approve. Seconded by Alderman Potter. Motion passed with Alderman Schoonmaker abstaining, citing a business conflict.

11. A Resolution authorizing the City Administrator and Chief of Police to execute an Intergovernmental Agreement between the City of Moline and the Quad City Metropolitan Enforcement Group for the period July 1, 2018 through June 30, 2019, setting forth the terms for the police department's continued participation in this multi-jurisdictional law enforcement effort. John Hitchcock, Chief of Police, stated that the Quad City Metropolitan Enforcement Group (MEG) is a multi-jurisdictional law enforcement unit that combats illegal drug trafficking and the use and distribution of controlled substances. The police department has participated as a member of MEG since its formation in 1977. Previously, an updated agreement was only intermittently executed; however, the Department of Justice now requires MEG to annually renew its agreements with agencies. A motion was made by Alderman Schoonmaker to approve. Seconded by Alderman Berg. Motion passed unanimously.

12. A Resolution authorizing the Mayor and City Clerk to execute a Contract with Emery Construction Group, Inc. for Project #1300, 2018 Alley Reconstruction. Scott Hinton, City Engineer, indicated that bids were opened and publicly read on May 29, 2018, for Project #1300, 2018 Alley Reconstruction, with the following results:

\$126,511.00	Emery Construction Group
\$133,580.00	Brandt Construction
\$133,640.00	Treiber Construction
\$138,746.40	Langman Construction
Incomplete Bid	Centennial Contractors
Incomplete Bid	Walter D. Laud

Project #1300 includes the alley between 4th and 5th Avenues and between 52nd and 53rd Streets. Emery Construction submitted the lowest responsible and responsive bid. A motion was made by Alderman Potter to approve. Seconded by Alderman Turner. Motion passed with Alderman Schoonmaker abstaining citing a business conflict.

13. A Resolution authorizing the Mayor and City Clerk to execute a Contract with Valley Construction Company for MFT Section No. 18-00000-00-GM, 5th Avenue and 41st Street Resurfacing. Scott Hinton, City Engineer, shared that bids were opened and publicly read on June 12, 2018, for MFT Section No. 18-00000-00-GM, 5th Avenue and 41st Street Resurfacing with the following results:

\$284,545.75	Valley Construction Company
\$285,487.75	Walter D. Laud
\$291,651.26	Centennial Contractors
\$296,972.50	Langman Construction
\$321,214.25	Brandt Construction

MFT Section No. 18-00000-00-GM includes the resurfacing of 5th Avenue between 39th and 41st Streets and 41st

Street between 4th and 5th Avenues. Valley Construction Company submitted the lowest responsible and responsive bid. Motion was made by Alderman Turner to approve. Seconded by Alderman Schoonmaker. Motion passed unanimously.

14. Other. Mayor Acri requested that Council consider allocating funds to Police for additional community outreach. Chief Hitchcock stated that the Department has seen crime spikes like this before, and does not view this as indicative of things to come nor cause for alarm. Additional funds may be needed for unbudgeted overtime expense. City Administrator Doug Maxeiner indicated that staff would return to Council as additional funds are needed.

Informational

2018 Infrastructure Improvement Plan Update. Scott Hinton, City Engineer, explained that the last of the infrastructure projects have been bid out for the year and shared the associated revised revenue and anticipated expenses.

2018 Sewer Lining. City Engineer Scott Hinton shared that sanitary sewer lining was not anticipated nor budgeted, however the City has identified sewer, budgeted for replacement, that may be lined instead. Staff is seeking approval to accept pricing extended to the City by a local contractor, working for East Moline and surrounding towns. The pricing is the same as that offered to the other municipalities and is lower than what the City paid for lining last year. Unused funds budgeted for sanitary sewer replacement would be used.

Sidewalk Infill - 24th Avenue Sidewalk. Scott Hinton, City Engineer, requested Council direction on identifying sidewalks to be included in this year's plan, with \$100,000 budgeted and four sidewalks recommended for replacement/installation. The sidewalk at 24th Avenue and 31st – 34th Street must be made ADA compliant per the Federal Highway Administration's Civil Rights Specialist. Staff recommends revising the ADA transition plan to allow a 3-foot wide sidewalk in this area. Motion was made by Alderman Wendt to approve. Seconded by Alderman Berg. Motion passed with Alderman Potter voting nay. Hinton explained that the projected cost of the 24th Avenue sidewalk compliance project is \$125,000, using, and surpassing, the entire \$100,000 budget. Alderman Waldron moved to approve proceeding with the 24th Avenue project. Seconded by Alderman Berg. Mayor Acri noted that there are not sufficient funds budgeted for the project. City Administrator Doug Maxeiner will work with staff to bring back a funding proposal. Motion passed unanimously.

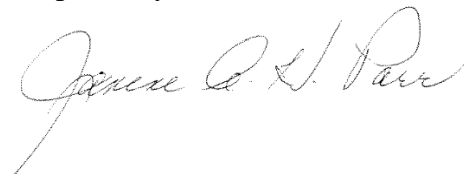
Alderman Parker left the meeting at 8:11 p.m. and returned at 8:14 p.m.

Public Comment

Terri Dobmann presented support of a variance for beekeeping on her property.

The meeting adjourned at 8:14 p.m.

Respectfully submitted,



Janine A. H. Parr
City Clerk