

CITY COUNCIL QUESTIONS/COMMENTS AND STAFF RESPONSES REPORT

As of May 14, 2012 at 7:45am for the May 14, 2012 City Council Agenda

Alderman: Robert Fazzini

Item 7C: Consent Agenda –“Purchase Two (2) Dump Trucks for the Public Works Department Street Maintenance and Operations Division and Three (3) Dump Trucks for the Public Works Snow and Ice Division”

Question/Comment: “Is a five year capital lease better than a five year tax exempt bank loan?”

Staff Response: Staff reviewed this issue with Chapman and Cutler (City’s Bonding Attorney) prior to the issuance of the 2011 Capital Lease Program. In compliance with Internal Revenue Service (IRS) regulations, a five year tax exempt bank loan would impact the city’s \$10 million bank qualified borrowing capacity for capital projects. The interest rates between a five year capital lease and five year tax exempt bank loan are very slight. It is optimal to preserve the tax-exempt borrowing capacity of the city in anticipation of potential projects or advanced refunding to utilize a lower interest rate over a 20 to 30 year timeframe rather than use this borrowing capacity on a short term loan. Chapman and Cutler and Mesriow Financial (City’s Bonding Financial Advisor) support this logic.

Alderman: Robert Fazzini

Item 7D: Consent Agenda –“Purchase of Six (6) Police Patrol Cars”

Question/Comment: “Was this in the 2012 budget? Is a five year capital lease better than a five year tax exempt bank loan?”

Staff Response: The police cars were purchased with funds budgeted in FY2012. See the response for your questions about item 7C for additional information regarding the five year tax exempt bank loan.

Alderman: Mboka Mwilambwe

Item 7D: Consent Agenda –“Purchase of Six (6) Police Patrol Cars”

Question/Comment: “We’ve made a lot of purchases in my time on the Council and I am just curious as to the progress we are making. How much more equipment do we have in a state of disrepair (I don’t need details, I just want a general idea)?”

Staff Response: The City has replaced at least \$10 million in vehicles and equipment over the past two years (FY 2012 and FY 2013). Significant expenditures are expected in the coming years in the Solid Waste Division (refuse trucks), Street Maintenance (dump trucks, etc.), and the Fire Department (engines and ladder trucks). There is currently no estimate since all equipment replaced is being evaluated to ensure the most efficient and effective equipment is purchased.

Alderman: Mboka Mwilambwe

Item 7F: Consent Agenda –“Purchase of six (6) LifePak 15 Cardiac Monitors”

Question/Comment: “We made a lot of purchases in my time on the Council and I am just curious as to the progress we are making. How much more equipment do we have in a state of disrepair (I don’t need details, I just want a general idea)?”

Staff Response: Same response as 7D above.

Alderman: Robert Fazzini

Item 7H: Consent Agenda –“Amendment to the Professional Services Agreement with Badger Truck Center for New Service Truck for the Public Works Department”

Question/Comment: “Why isn’t an amount as small as \$125 within the City Manager authority to approve with reporting to city council after the fact?”

Staff Response: It is part of the required process as documented in the City Council approved Purchasing Policy. Any item that has Council approval that needs to be changed/amended has to be submitted to Council for approval because the original vote is on record.

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Alderman: Robert Fazzini

Item 7I: Consent Agenda –“Illinois Transportation Enhancement Program (ITEP) Application by McLean County for Route 66 Bikeway Project Phase 3”

Question/Comment: “What organization specifically is referred to by “McLean County” in paragraph two under Background?”

Staff Response: The McLean County Regional Planning Commission.

Alderwoman: Karen Schmidt

Item 7L: Consent Agenda –“Application of Shreeji 12 Inc., d/b/a Bloomington Citgo Quick Mart, located at 1901 W. Market Street, for a GPBS liquor license, which will allow the sale of packaged beer and wine only for consumption off premises seven (7) days a week”

Question/Comment: “I have a number of concerns about this license, concerns voiced by some of the Commission members, especially that the license applicant did not show up, and that there seemed to be some very loose arrangements between the gentleman that who did come to testify and the gentlemen who is seeking the license. I understand that that the Commission will be verifying details in the next week, but I want to offer my opinion that the Commission should have laid this over until the license applicant could show up. It seems extraordinary to me that the Commission would grant a license to someone without full Commission engagement with the applicant. I may be the minority and will not be pulling this unless there are others who have the same or other concerns.”

Staff Response: Addendum and Liquor Commission Memo will be distributed.

Alderman: Robert Fazzini

Item 7L: Consent Agenda –“Application of Shreeji 12 Inc., d/b/a Bloomington Citgo Quick Mart, located at 1901 W. Market Street, for a GPBS liquor license, which will allow the sale of packaged beer and wine only for consumption off premises seven (7) days a week”

Questions/Comment: “I concur with Karen that this item should be pulled.”

Staff Response: Addendum and Liquor Commission Memo will be distributed.

Alderman: Mboka Mwilambwe

Item 7O: Consent Agenda –“Application of the Board of Trustees of Illinois State University, d/b/a Shakespeare Festival, located at 48 Sunset Road, requesting a LB liquor license, which would allow the limited sale of beer and wine only by the glass for consumption on the premises from June 26, 2012 to August 11, 2012”

Question/Comment: “I will recuse myself since this involves Illinois State University”

Staff Response: None

Alderwoman: Karen Schmidt

Item 7Q: Consent Agenda –“Petition submitted by Illinois Wesleyan University, (IWU), requesting the approval of a Rezoning from R-2, Mixed Residence District to S-1, University District, for property commonly located at 1102, 1104, 1106 N. Evans., consisting of approximately 1.175 acres”

Question/Comment: “I will be recusing myself from 7Q”

Staff Response: None

Alderman: Karen Schmidt

Item 7R: Consent Agenda –“Petition submitted by Illinois Wesleyan University, (IWU), requesting approval of a Special Use for a noncommercial parking lot for the property located at 502 E. Graham St. and 1205 N. McLean St.”

Question/Comment: “I will be recusing myself from 7R”

Staff Response: None

CITY COUNCIL QUESTIONS/COMMENTS AND STAFF RESPONSES REPORT

As of May 14, 2012 at 7:45am for the May 14, 2012 City Council Agenda

Alderman: Robert Fazzini

Item 8A: Regular Agenda –“An Ordinance Amending “An Ordinance Describing and Designating an Area Located Partially within the City of Bloomington, Town of Normal and Unincorporated McLean County as an Enterprise Zone”, including Amendment to Enterprise Zone Intergovernmental Agreement-One Earth Energy, LLC”

Question/Comment: “I will recuse myself because of insider knowledge regarding the terms of the loan to bring the company to Gibson City and the financial condition of the company which appropriately is not available to the public or the City Council.”

Staff Response: None

Alderman: Mboka Mwilambwe

Item 8A: Regular Agenda –“An Ordinance Amending “An Ordinance Describing and Designating an Area Located Partially within the City of Bloomington, Town of Normal and Unincorporated McLean County as an Enterprise Zone”, including Amendment to Enterprise Zone Intergovernmental Agreement –One Earth Energy, LLC”

Question/Comment: “I think it might be good for those presenting the item to briefly discuss the possibilities for the additional square mileage. While I understand that it is hypothetical, it can help people visualize the possibilities and understand the added benefits of this initiative.”

Staff Response: Having the maximum zone territory allowable will become very important to Bloomington/Normal/McLean County if the Enterprise Zone (EZ) program is renewed by the State Legislature. The EZ remains our single most effective economic development tool locally. This tool has been used historically in 65% of our successful business retention and expansion projects in the last five years. Ensuring that we have plenty of territory to deploy in future years will be key if the program gets renewed. If the proposed amendment is approved, our zone stands to gain a net 1.41 square miles of additional territory to the zone. (This 1.41 is arrived at by taking the new additional 2 mi (2) less the .59 mi (2) used for the One Earth Project, leaving a net gain of 1.41 mi (2). To put that 1.41 mi (2) of zone into context, the average size for a local non-wind-farm amendment since 2005 has been .129 mi (2). Assuming that average holds true in the future, this new territory will allow Bloomington/Normal/McLean County to do up to 11 future Enterprise Zone Projects in Bloomington/Normal/McLean County.

Alderman: Jim Fruin

Item 8B: Regular Agenda –“Illinois Transportation Enhancement Program (ITEP). That the ITEP application for the Gateways project be submitted and the Resolution adopted),

Question/Comment: “I look forward to further staff response and Council member discussion to my earlier e-mail on this subject. Thank you.”

Staff Response: Please see the attached memo.

CITY COUNCIL QUESTIONS/COMMENTS AND STAFF RESPONSES REPORT

As of May 14, 2012 at 7:45am for the May 14, 2012 City Council Agenda

General Question:

Alderman: Bernie Anderson

Question/Comment: “The only question I have is in regards to the lease program. Unless I am missing something, what is the annual cost to the departments? In addition, in an effort to keep a handle on the lease program, it is my recommendation to have a running balance of the outstanding terms by department when requesting additional equipment. Most important is the impact by department budgets annually.”

Staff Response: The City budgets (principal and interest) the impact of all lease payments into each departments budget. The FY2011 capital lease impact is \$1.7 million and the FY2013 capital lease impact is \$350,000. The City’s five year projected budget includes all lease payments in the projections. The capital lease payments are integrated with all City debt service payments within the City’s budget. Debt Service is the first item budgeted in the City’s budget process.

Alderwoman: Judy Stearns

Question/Comments: “Todd, please tell me what parts of Chapter 2, section 26, a—e are new according to the recent revisions City Council made? And same question for Chapter 44, Section 44.13-3 (E)? Is this part of the recent changes City Council made? For the recent ZBA decision on IWU, has anyone filed a notice of appeal?”

Staff Response: Neither of the two code sections cited in your questions were revised as part of the revision in Council procedures. Section 26 of Chapter 2 has existed in its current form since at least 1981. The last extensive revision of the Zoning Code was in 2006, but staff does not recall any changes to Section 44.13-3 made at that time. As of 8:22am this morning (5-14-12), no appeals have been filed regarding the proposed IWU development.

Prepared by: Barbara J. Adkins, Deputy City Manager

Mayor and Aldermen,

In response to questions posed by the City Council about the Gateways project, I have prepared the following highlights for your review and consideration:

Beautification or Economic Development: The International Economic Development Council (IEDC) provides the following definitions for Economic Development and Quality of Life:

- Economic Development - No single definition incorporates all of the different strands of economic development. Typically economic development can be described in terms of objectives. These are most commonly described as the creation of jobs and wealth, and the improvement of quality of life.
- Quality of Life - The economic well-being, life style, and environment that an area offers. Improving the quality of life is the ultimate aim of economic development programs and initiatives. In this post-industrial new economy people are increasingly seeking better quality of life, one important aspect of which is the aesthetic environment.

Given the IEDCs definitions, it is important to recognize that beautification and economic development are not mutually exclusive concepts, but rather they work harmoniously to achieve greater opportunity for citizens and organizations within our community. The Gateways project achieves this widely recognized philosophy and addresses both beautification and economic development needs of our community.

Follow Up Maintenance & Continuing Costs: Plans for the Market Street Gateway project will be presented to the City Council on May 14. Once a concept is approved, information can be collected and distributed regarding continuing maintenance and operational costs.

Stakeholder Meeting: Invitations were sent to the following individuals for their participation in the Gateways stakeholder meeting:

- Crystal Howard - CVB
- Marty Vanags - EDC
- Charlie Moore – Chamber
- Carl Teichman - IWU
- R. W. Hunt - ISU
- B. A. Beam - ISU
- Tricia Stiller - DBA
- Bill Wasson – McLean County
- Mark Peterson – Town of Normal
- Dan Irvin - Mitsubishi
- Wallace Lewis - State Farm
- Dave Magers - Country Financial
- Ron Greene - Afni
- Joe Crowe - IDOT
- Paul Russell - McLean County Regional Planning
- Greg Koos - McLean County Museum of History

Due to the requirements of the Open Meetings Act, and its implications on transportation costs, an invitation was not extended to the City Council to attend this meeting.

It is important to note that all individuals and organizations represented at the discussion were in favor of moving forward with a Gateways project.

Traffic Counts & Approach: The approach for this project is to first identify the location for which the ITEP funds can have the greatest impact. Once a location and solution have been identified, Hitchcock Design can use that concept as a template for the remaining gateways into our community. In no way are we limiting ourselves to 3 or 4 entrances, but rather our long term vision includes finding solutions that enhance all of the entrances into our community.

Priorities for the Gateways project were identified in large part during the stakeholder tour. Once participants saw the true aesthetic appearance of our community's entrances, they all agreed that the Market Street Corridor needed the most improvement. While traffic counts may have been higher in other areas, including the Veteran's Parkway/Route 9 intersection, those areas were thought to have greater aesthetic appeal and more recent economic development and thus were not identified as the first priority for the ITEP application process.

Working with the Town of Normal and McLean County: The vision for this project is one that includes intergovernmental collaboration. I discussed the Gateways project with both Mark Peterson and Bill Wasson at our monthly meeting in April, at which time I extended a verbal invitation to participate in the stakeholder meeting. While neither representative was able to attend or provide a substitution, we continue to express our desire to share in the process and ultimately work together on the specific areas of the community where borders and opportunities are shared.

Committee Member's Time: The Gateway Staff Committee includes Stan Cain, Justine Robinson, John Kennedy and me. Stan has continued to lobby for and work towards this project since its initial introduction to the City Council several years ago. While City Staff supports this project by participating in weekly conference calls and providing direction and resources to the consultant team, the majority of the work is being executed by Hitchcock Design; they are truly the experts in gateway design and the ITEP application process and we value their abilities in this arena.

Availability of Information: In an attempt to make the most efficient use of time with our consultants, a decision was made to conduct the stakeholder meeting, staff work session and Council presentation on the same date of April 23. As information was still being gathered throughout the day, staff was not able to prepare a comprehensive version of the stakeholder meeting minutes or get access to the final PowerPoint presentation prior to the Council meeting.

Thanks,