

**MINUTES OF THE MEETING OF THE MAYOR
AND THE COMMITTEE-OF-THE-WHOLE OF
THE CITY OF EAST MOLINE, ILLINOIS
MONDAY, JUNE 13, 2022**

ROLL CALL

Mayor Freeman called the meeting to order and directed City Clerk Wanda Roberts-Bontz to call the roll. The following Alderpersons were present: Gary Almblade, Nancy Mulcahey, Jayne O'Brien, Rhea Oakes, Maria Tapia and Jose Rico. **6:46 p.m.**

ADDITIONS/CORRECTIONS TO AGENDA

None.

**AMENDMENT TO ECONOMIC INCENTIVE AGREEMENT FOR STOP'S SHOWROOM
(Mr. Maxeiner, City Administrator)**

In Spring of 2019, the City passed Ordinance 19-11 providing for economic incentives for the completion and operation of Stop's Showroom at 734 15th Ave and the Whiskey Stop at 726/728 15th Ave. In Fall of 2019, Ord 10-27 amended the development agreement changing the reimbursement percentage. To be eligible for a reimbursement of a portion of the sales and property taxes generated by these specific projects, the agreement required: 1) the submission of all applications for construction permits by December 1, 2019; 2) obtain permits for construction by January 31, 2020; and, 3) completion of construction and receipt of certificate of occupancy for both addresses by December 31, 2020. While the Whiskey Stop is operational, work on Stop's Showroom has not started and plans have not been submitted to date. As such the developer is in default of the original agreement.

The developer is requesting a second amendment to the development agreement as a result of a change in concept for the development and to address delays on 734 15th Avenue due to financing and COVID-19 impacts. The new development concept is called John's Market and will be more of a venue than a restaurant. The proposed kitchen has been reduced from a full commercial kitchen to a smaller preparation and plating area. Instead, a permanently fixed food truck is being proposed on the west side of the building that will prepare food for John's Market, the Whiskey Stop and the courtyard between the two buildings. The cost of a commercial kitchen (\$250,000 to \$300,000) will be replaced with the purchase of the food truck at approximately \$90,000. Consequently, the improvements at 734 15th Avenue are expected to cost \$400,000 to \$600,000 in addition to the \$200,000 already spent on the Whiskey Stop.

RECOMMENDATION:

Staff continue to view this project as a critical piece to our downtown redevelopment efforts. 734 15th Avenue is across the parking lot from Runner's Park and ideally located for visibility and impact. The proposed amendment does not change the incentive reimbursement rates but the clock is ticking on the TIF with February 2028 expiration date. The question for the City Council is on the concept. Is this development concept something the City Council wants to incentivize? The developer has been invited to the Committee of the Whole to discuss his concept.

ADDITIONAL COMMENTS:

Incentives on this project are project specific meaning property and sales taxes need to be generated from both properties prior to distribution of any incentives. As such, the development agreement is structured to minimize risk to the City of East Moline.

Information only.

FINAL FY 2021 BUDGET ADMENDMENT (Ms. Whiting, Finance Director)

In the FY2020 audit, the auditors made note of the number of funds that had an excess of actual expenditures over budget for the fiscal year. The recommendation to correct this requires a budget amendment after all audit entries and audit adjustments have been made to comply with generally accepted accounting principles. This means that the amendment is completed in the current year for the previous year's budget. The amendments includes both operational and non-operational adjustments to reflect actual revenues and expenditures for the year, and account for any and all audit adjustments as required by accounting and auditing standards. Attached is the outline and summary of the budget amendment request.

Due to the auditing process, the amendment could not be brought forth to City Council until the audit entries were made and the amendment must be approved prior to the final report submission. As a result, staff will be asking for consideration for the budget amendment at the June 20th Council meeting. Between the presentation of this budget amendment at the Committee of the Whole meeting and approval on the 20th, additional adjustments as recommended by the auditors are subject to be made and staff with notify Council of such adjustments prior to final approval.

RECOMMENDATION:

Staff recommends forwarding the budget amendment to the next City Council meeting for final approval to comply with audit recommendations.

A motion was made by Alderperson Almblade, seconded by Alderperson Mulcahey to concur with the recommendation as presented. Upon roll call the following voted in favor: Almblade, Mulcahey, O'Brien, Oakes, Tapia and Rico. Motion carried.

ORDINANCE SOLICITING BIDS ON 1356 12TH AVENUE

(Mr. Maxeiner, City Administrator)

At the March 21st COW, staff provided information on a list of properties to sell. Included in that list is a vacant lot located at 1356 12th Avenue (PIN #09-30-309-020). One of the adjoining property owners has expressed an interest in purchasing the lot.

The process requires the approval of an ordinance on which a 3/4 supermajority of the Corporate Authorities (Alderspersons plus Mayor) vote in the affirmative for the sale. The ordinance must include the location of the property, the current use of the real estate, and any conditions on the future use of the property. Following approval of the ordinance, bids to purchase the property must be solicited. The property can be sold to the highest bidder or to a bidder representing the best future use of the property for the City.

FINANCIAL:

This is not a budgeted item.

This is not a CIP.

RECOMMENDATION:

Staff recommends approval of the ordinance authorizing the solicitation of bids for 1356 12th Avenue and to authorize staff to sell the property to the bidder representing the best future use of the property for the municipality.

A motion was made by Alderperson O'Brien, seconded by Alderperson Almblade to concur with the recommendation as presented. Upon roll call the following voted in favor: Almblade, Mulcahey, O'Brien, Oakes, Tapia and Rico. Motion carried.

DEMOLITION AND SALE OF 3429 9TH STREET (Mr. Maxeiner, City Administrator)

PIN #17-01-202-014 (3429 9th Street) has been an eyesore for some time and the source of numerous complaints filed with Alderperson O'Brien. The City acquired the property after the owner failed to pay property taxes for an extended period of time. Inspections has determined that the structure is not salvageable without spending more than the dwelling would be worth (see attached photos).

At the March 21st Committee of the Whole, staff identified this structure for demolition with sale of the lot upon removal of the debris.

Demolition grant funds will be utilized to remove the structure with an estimated cost of \$15,000 to \$20,000. The lot is expected to sell for at least \$13,000 based on a 2020 appraisal.

FINANCIAL:

This is not a budgeted item.

Amount Budgeted: \$0

Actual Cost: To be determined

Funding Sources: Demolition Grant Funds 001-4155-24-453.0

This is not a CIP.

RECOMMENDATION:

Staff is requesting:

1. Authorization to issue demolition bid specifications to demolish structure w/lot restoration; and,
2. Authorization to solicit bids for the sale of the lot

ADDITIONAL COMMENTS:

Resolution will be required to award a bid for demolition

Ordinance (3/4 supermajority of Corporate Authorities) will be required to authorize the solicitation of bids once the structure is gone, and lot restoration is complete

A motion was made by Alderperson O'Brien, seconded by Alderperson Oakes to concur with the recommendation as presented. Upon roll call the following voted in favor: Almblade, Mulcahey, O'Brien, Oakes, Tapia and Rico. Motion carried.

VISITOR'S CENTER AT THE QUARTER (Mr. Maxeiner, City Administrator)

The Visitor's Center at the Quarter (101 Beacon Harbor Parkway) was constructed in the early stages of development in the Quarter in the late 1990s. The original intent for the structure was to provide a staffed wayfinding/kiosk location for visitors to the area from the Channel Cat, bike path, and vehicle traffic. The second floor (approximately 500 square feet) had no definitive use identified and could be utilized as a community meeting space. With the various starts and stops in the development over time, demand never materialized. A bike shop leased the lower space around 2015 for a short duration. Respectabilities utilized the space for a period of time in 2019. The space has been vacant for the past three years and maintenance of the property is lagging. The building is in need of repairs and the commitment of additional resources to prevent further decline.

B & L Development has inquired about the possibility of purchasing the building from the City. They could utilize the space as a sales center for their residential products or could offer the space for community meeting.

FINANCIAL:

This is not a budgeted item.

RECOMMENDATION:

To discuss the feasibility of disposing of this property.

ADDITIONAL COMMENTS:

The sale of property can be accomplished through 1) the solicitation of bids for the sale or 2) by appraising the property and selling it for no less than 80% of the appraised value.

Information only.

AMENDMENT TO ROCK RIVER VALLEY REGIONAL SEWERAGE SYSTEM (Mr. Maxeiner, City Administrator)

In 1977, East Moline entered into an intergovernmental agreement (IGA) with the City of Moline, Village of Coal Valley, Rock Island County and the Metropolitan Airport Authority (MAA) to establish a regional sewerage system in the Rock River Valley area. The IGA was amended in 2021 to remove Rock Island County from the agreement after area previously under the jurisdiction of the County was shifted to the City of Moline.

In 1998, the United States Environmental Protection Agency (USEPA) ordered the City of Moline to comply with regulatory requirements which were previously under the jurisdiction of the MAA. Since the MAA no longer has a role in the IGA, the MAA has requested an amendment to remove them from being a party to the agreement moving forward.

The amendment does not affect capacity limits or costs for the City of East Moline.

FINANCIAL:

This is not a budgeted item.

Actual Cost: \$0

This is not a CIP.

RECOMMENDATION:

Staff recommends approval of the amendment to the IGA removing MAA from the agreement moving forward.

A motion was made by Alderperson Almblade, seconded by Alderperson Mulcahey to concur with the recommendation as presented. Upon roll call the following voted in favor: Almblade, Mulcahey, O’Brien, Oakes, Tapia and Rico. Motion carried.

REQUEST TO HIRE A HEALTH INSPECTOR/WATER QUALITY CONTROL POSITION (Mr. Maxeiner, City Administrator)

See attached Memorandum from Human Resources Director John Showalter to Mayor Freeman and City Administrator Maxeiner.

FINANCIAL:

This is a budgeted item.

Line Item# 200-4020 **Title:** Water Fund

Amount Budgeted: \$30,500.00

Actual Cost: \$83,160.00 Wages/Benefits

Under/(Over): (\$52,660.00)

Funding Sources: Food/Temp Food Licenses Water Fees
Weed & Grass Cutting Payments

Departments: Inspections and Water Utility

This is not a CIP.

RECOMMENDATION:

Staff requests approval to expand a part time Lab Analyst in the Water Utility to a full time position split between the Water Utility (60%) and Inspections (40%) to address water control testing, lead service line replacement tracking, food service health inspections, and enforcement of the tall grass and weed ordinance. Staff had anticipated asking for additional funds for seasonal intern to address the grass/weed enforcement. This position provides coverage in three critical areas of operations.

A motion was made by Alderperson Mulcahey, seconded by Alderperson O’Brien to concur with the recommendation as presented. Upon roll call the following voted in favor: Almblade, Mulcahey, O’Brien, Oakes, Tapia and Rico. Motion carried.

PUBLIC SAFETY EXEMPT EMPLOYEE COMPENSATION PLAN (Mr. Maxeiner, City Administrator)

See attached Memorandum.

FINANCIAL:

This is not a budgeted item.

Funding Sources: Reallocation of unused salaries due to vacancies

Departments: Fire and Police

This is not a CIP.

RECOMMENDATION:

Staff and the Personnel Commission recommend approval of the proposed revision to the exempt public safety employee compensation plan.

A motion was made by Alderperson O'Brien, seconded by Alderperson Mulcahey to concur with the recommendation as presented. Upon roll call the following voted in favor: Almblade, Mulcahey, O'Brien, Oakes, Tapia and Rico. Motion carried.

ADJOURMENT:

A motion was made by Alderperson Almblade, seconded by Alderperson Oakes to adjourn the Committee-of-the-Whole meeting. Upon roll call the following voted in favor: Almblade, Mulcahey, O'Brien, Oakes, Tapia and Rico. Motion carried. **7:38 p.m.**

Minutes taken and submitted

Wanda Roberts-Bontz, City Clerk