

## COMMITTEE ON ADMINISTRATION AND FINANCE

March 14, 1994

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### Committee Members Present:

Michael Pollock (Chairman), James Hayes, Esther Patt, Marya Ryan, John Taylor, Joseph Whelan

### Committee Members Absent:

Cliff Singer

### Staff Members Present:

Bruce Walden, Tom Lindsey, Bill Gray, April Getchius, Charles Gordon, Bruce Stoffel, Diane Schober, Ronald Eldridge, Mayor Satterthwaite, Phyllis Clark

### Others Present:

Earl O'Shea, Paul Gilligan, Roger Dunlap, Don Eslick, Members of the News Media

### Meeting Location:

City Council Chambers

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There being a quorum, the meeting was called to order at 7:33 p.m. by Chairman Pollock.

### **Additions to the Agenda and Staff Report**

Mr. Pollock requested that the order of the agenda be changed placing Selection of Financial Consultant (TIF Bond Refinancing) after Minutes of Previous Meeting. There were no objections.

Mayor Satterthwaite reported that the City is accepting employment applications for several positions. He encouraged those interested to apply, noting that the City is an Equal Opportunity Employer.

### **Minutes of Previous Meetings**

Noting that incomplete sets of minutes were received by Committee Members, Mr. Pollock requested that complete sets of the February 14, 1994 minutes be included in the April 11, 1994 Committee on Administration and Finance meeting packet. The February minutes will be addressed at the April meeting.

### **Selection of Financial Consultant (TIF Bond Refinancing)**

Chief Administrative Officer Bruce Walden introduced Don Eslick, Kane, McKenna Capital, Inc. and reported staff's recommendation that the firm be employed to restructure and bid out the TIF bond issues.

Mr. Eslick explained recent amendments to the TIF Act that would allow the City to receive an additional ten years of sales tax for TIF 1 and an additional four years for TIF 2. Taking advantage of the new regulations would produce more than \$300,000 in additional revenue for the City at present value. He noted that substantial savings could be obtained even without the additional sales tax revenue.

*Mr. Taylor moved to send to Council An Ordinance Authorizing The Mayor To Execute A Letter Of Agreement For Bond Financing Between The City Of Urbana And Kane, McKenna Capital, Inc. The motion was seconded by Mr. Whelan and carried by a voice vote.*

### **Public Participation**

Earl O'Shea, 606A South Glover Avenue, addressed the Council suggesting that the audio system in the Council Chambers is not capable of producing audio reproductions and that Council should appropriate funding to provide support staff for each Council Member.

### **Cable Rate Regulations**

Assistant City Attorney Tom Lindsey, presented an ordinance for consideration that would implement federal cable rate regulations at the local level. Mr. Lindsey noted that at the March 7, 1994 Council meeting, Cable Rate Regulations was deferred to the March 21, 1994 meeting. He offered to answer questions and suggested that a consensus be reached by the Committee on whether to go forward with implementing the regulations.

Mr. Lindsey stated that if the Council adopts an ordinance implementing the proposed regulations, it may be advisable to hire a consultant to direct the process. He continued that it may

be possible to hire a consultant in cooperation with the City of Champaign to save expenses estimated to be no more than \$1,500.

Mr. Pollock stated that consideration of Cable Rate Regulations will be on the March 21, 1994 Council agenda to which it was deferred.

#### **Fourth Quarter U-Cycle Funding**

Mr. Pollock stated that a motion is required to fund the U-Cycle Program for the fourth quarter of the year.

Responding to a question regarding the costs of providing a recycling drop-off site, Public Works Director Bill Gray said the cost is between \$2,300 and \$2,500 per month. He noted that providing pick-up recycling services once monthly would probably not provide substantial savings because the same amount of materials would be involved.

Chief Administrative Officer Bruce Walden explained how the costs of recycling are contained in the City's budget. In response to a discussion regarding the comparison of costs of City provided recycling services versus contracted recycling services, Mr. Walden noted that the personnel costs would be significantly higher than they are currently. He added that the City would save \$200,000 if recycling services were to be handled by private haulers.

Mayor Satterthwaite noted that the \$200,000 costs of recycling is not included in the City budget; that the funding is being provided by savings. He said costs of recycling will not be a part of the 1994-95 budget he will be proposing without a corresponding revenue source.

The Mayor urged the Council to act quickly in implementing a solid waste management plan that would be operational for the next fiscal year.

*Mr. Taylor moved that Fourth Quarter U-Cycle Funding be forwarded to the March 21, 1994 Council meeting for approval. The motion was seconded by Ms. Patt.*

Mr. Pollock requested that discussion of the Solid Waste Management Plan be placed on the agenda of the March 28, 1994 Committee on Environment and Public Safety meeting.

*The motion to send the item to Council carried by a voice vote.*

**Eads at Lincoln Marketing Agreement**  
**Eads at Lincoln Finance Agreement**

Paul Gilligan and Roger Dunlap, Coldwell Banker Hallmark Realty, were present to answer questions regarding their continuance as the marketing agency for the Eads at Lincoln Development.

Mr. Hayes raised questions regarding Artic Air, Inc. and the City's denial of their low bid on future construction of homes in the Eads at Lincoln Development. Community Development Manager Bruce Stoffel explained that the re-bidding process was necessary due to major changes in the design specifications for homes.

Ms. Ryan asked if the City communicated with Artic Air, Inc. during the period of time six homes in the first phase of development were under construction. Mr. Stoffel said daily communication took place during the contract period. He added that during the construction period, financial penalties were assessed due to lateness or letters of intent were sent to declare the contractor in default. He said he was personally involved in several meetings with the contractor regarding lateness of contracts.

Steven C. Vandenberg, Champaign National Bank, was present in support of the marketing and finance agreements relative to the Eads at Lincoln Development.

*Mr. Whelan moved to send to Council A Resolution Approving And Authorizing The Execution Of A Development And Financing Agreement For The Eads At Lincoln Development and A Resolution Approving And Authorizing The Execution Of A Marketing Agreement Extension For The Eads At Lincoln Development. The motion was seconded by Mr. Taylor and carried by a voice vote.*

#### **Property Acquisition - 1101 North Harvey**

Diane Schober, TIF III Project Manager, stated that staff is recommending acquisition of property located at 1101 North Harvey Street to further redevelopment efforts in the Eads at Lincoln area. The cost would be \$14,000 in addition to tenant relocation costs in accordance with the Uniform Relocation Act.

Mr. Hayes asked what keeps property values low in a new subdivision. Mr. Stoffel stated that supply/demand dictates the market price and that appraisers compare comparable properties in the neighborhood and housing conditions.

In answer to a question on the cost of relocating the tenants, Ms. Schober said the tenants would be relocated into comparable housing. The relocation benefit is calculated based on tenant income and amount currently being paid for rent.

*Mr. Taylor moved to send to Council An Ordinance Authorizing The Purchase Of Certain Real Estate (1101 North Harvey). The motion was seconded by Whelan and carried by a*

*voice vote.*

**Rainbow Subdivision Construction Bond Acceptance**

Mr. Walden stated that this item does not require Committee action, it will be included on the agenda of the March 21, 1994 Council meeting.

**Annual Ordinance Adjusting Fees**

Mr. Pollock stated that in response to Council direction, staff has presented a revised fees schedule adjusting for inflation.

In response to a question, Mr. Gray explained that fees for a house move have been revised to allow recovery of actual expenses of any house move.

*Mr. Whelan moved to send to Council An Ordinance Amending Chapter Fourteen Of the Code Of Ordinances, City Of Urbana, Illinois Establishing The Schedule Of Fees. The motion was seconded by Ms. Patt.*

*Mr. Pollock moved to amend by deleting the proposed increase for special parking permits in the prohibited 3 A.M. to 10 A.M. area. The motion was seconded by Mr. Taylor.*

Discussion ensued regarding the merits of studying the special parking area to determine if changes should be made. Mr. Walden stated that staff would not be able to devote time to such a study for several months.

Mr. Pollock suggested that Council Members think about what specific changes they would prefer and that the subject be brought before a Committee when staff can provide the necessary support.

Ms. Patt noted that some tenant leases expire on August 15 raising the question of whether those individuals would be ticketed after August 1 for parking in the zone. Mr. Pollock stated that anyone utilizing an expired permit would be ticketed.

Mr. Taylor called for the question. There were no objections.

*The motion to exclude the proposed increase in special prohibited 3 A.M. to 10 A.M. parking area carried by a voice vote.*

*Mr. Hayes moved to send to Council the annual ordinance adjusting the schedule of fees, as amended. The motion was seconded by Mr. Whelan and carried by a voice vote.*

Miscellaneous Budget Ordinance Amendments

*Ms. Patt moved to send to Council the miscellaneous budget ordinance amendments adding \$32,000 for unemployment compensation obligations, \$12,000 for fire and police employment examinations, \$20,900 for METCAD dispatching, \$1,800 for Fire dispatching and \$26,000 to purchase vehicles for the meter patrol program. The motion was seconded by Ms. Ryan and carried by a voice vote.*

Adjournment

There being no further business to come before the Committee, Chairman Pollock declared the meeting adjourned at 9:17 p.m.

Respectfully Submitted,

Sharon Menges, Secretary

\*\*This meeting was broadcast on cable television