

COMMITTEE ON ADMINISTRATION AND FINANCE

SEPTEMBER 12, 1994

Committee Members Present:

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

Committee Members Absent:

None

Staff Members Present:

Bruce Walden, Jack Waaler, Charles Gordon, Bill Gray,
April Getchius, Bruce Stoffel, Joe Hooker, Mayor
Satterthwaite, Phyllis Clark

Others Present:

Members of the News Media, Earl O'Shea, Terry Townsend,
Art Westle, Jim Sloat, Lloyd Brown

Meeting Location:

City Council Chambers

There being a quorum, the meeting was called to order
at 7:34 p.m. by Chairman Pollock.

Additions to the Agenda and Staff Report

Ms. Patt moved to remove the Panhandling Ordinance from
the agenda. The motion was seconded Ms. Ryan and carried by a
voice vote.

Mr. Whelan moved to add the issue of Council Members
owning property in the tax increment financing district to the
agenda as item 3. The motion died for a lack of a second.

Mr. Whelan requested that the issue of Council Members
owning property in the tax increment financing district be on the
agenda for the next Council Meeting.

Ms. Ryan requested to add a discussion of Cablevision
as item 3A. on the agenda. The motion was seconded by Ms. Patt
and carried by a voice vote.

Mr. Singer moved to add, as item 8.5, a discussion on Affordable Housing. The motion was seconded by Ms. Patt and carried by a voice vote.

Chairman Pollock stated that there is a Goal Setting Session at 7:30 p.m. on Tuesday, September 13, 1994, in the City Council Chambers.

Chief Administrative Officer Bruce Walden stated that if any of the Council Members who were not able to attend the tour of the Public Works projects currently underway were interested in taking that tour, they should contact him or Public Works Director Bill Gray.

Minutes of Previous Meeting

Ms. Patt moved to approve the minutes of the August 8, 1994 meeting of the Committee on Administration and Finance. The motion was seconded by Mr. Whelan and carried by a voice vote.

Earl O'Shea, 606A South Glover Avenue, addressed the Committee on the topic of better government.

Terry Townsend, Commissioner of the Housing Authority of Champaign County, addressed the Committee in opposition to the Housing Authority Resolution.

Art Westle, 2116 Ransom Place, Jim Sloat, 1601 Golfview, and Lloyd Brown, 1701 Golfview Drive, addressed the Council in opposition to Plan Case #1536-M-94 - Rezoning of a Portion of 1303 North Cunningham Avenue.

Review of Cablevision

Chairman Pollock stated that people are aware of the plans that Cablevision has to develop their new fiber optic network. They are starting in southwest Champaign. He has had numerous calls from people who are concerned that they will be losing capabilities they presently have and it will cost them more money, plus the converters with remote controls that are not in use now. Mr. Pollock continued by stating that there is a meeting of the Cable Commission on Wednesday, September 21, 1994 at 7:30 p.m. at the Champaign City Building. Any interested citizen is free to attend. Anyone interested in having an opinion expressed that cannot attend the meeting, can call or write a memo to Chairman Pollock, John Peterson, who is Chair of

the Cable Commission, and the Commission will be made aware of those opinions.

Mr. Whelan stated his hope that staff will examine the Cable issue very thoroughly to determine if the City can have any effect.

Mr. Hayes stated that residents need to be aware that Cablevision is a natural monopoly.

In response to Mr. Singer's question about the City's regulatory authority regarding converter boxes, Assistant City Attorney Thomas Lindsey stated that our rate regulatory authority, to the limits to which Congress and the FCC provides us is for the basic service tier and any equipment used in receiving the basic service tier. He further stated his understanding that the converter boxes are not needed for those choosing only the basic tier.

Mr. Lindsey further stated that if the Gateway Service is selected, the converter box would be needed also for the basic service tier. If that is true, then the FCC's determination would be that the City does have regulatory authority over the rates charged. That authority is limited by the FCC rules to simply determine whether or not the rate charged by the company falls within the benchmark established by the FCC. For equipment, that is primarily dependent on the company's actual cost of acquiring the equipment. They are guaranteed a fixed rate of return much like utility rate cases. The City would not have any ability to refuse to approve the rates if they are within the FCC benchmark.

Mr. Lindsey stated that his understanding is that having the needed converter box may interfere with the ability to use some cable ready equipment.

The Commission will try to insure that the basic service remains as good as it has been, to the extent that it has the ability to do so.

In response to Mr. Whelan's question regarding whether the City could offer to assist another cable company if it was to come to the area, if they would adhere to certain standards, Mr. Lindsey pointed out that there is currently a State law in Illinois which requires that the terms and conditions granted to one franchise be the same for others. It would be a question of interpretation of that statute as to how much the City could do

differently with a second company than has been done with the first company. It is highly unlikely that a competing cable company would enter a market where there is an existing cable Company.

Housing Authority Resolution

Chairman Pollock read the Housing Authority Resolution into the record:

BE IT RESOLVED:

That this Council supports the concept of the City moving forward to alter the existing relationship between the Champaign County Housing Authority (CCHA) and the City of Urbana to give the City greater influence in the operation of public housing in the City of Urbana. Specifically the City supports:

1. The creation of a new entity to assume the responsibilities of the Champaign County Housing Authority in the City of Urbana.
2. The City of Urbana having the authority to appoint the members of the Board of the new entity.
3. The transfer of assets from the Champaign County Housing Authority to the new entity.

Mayor Satterthwaite stated that the cities of Champaign and Urbana have been in round table discussions the with County Board Policies, Procedures, and Appointments Committee. In those meetings it has generally been agreed upon by the three entities that the items in this resolution should be pursued. The resolution formalizes the intent of the City and gives direction to staff to further pursue the course it has taken with regard to the CCHA. Mayor Satterthwaite urged Committee support of the Housing Authority Resolution.

Mr. Whelan voiced his opposition to the Housing Authority Resolution by stating that he feels it is illegal and unwarranted as the CCHA is trying to deal with situations which were beyond their control in the past. He urged the Committee to vote against this resolution.

Mr. Hayes stated that he feels the resolution is premature, the cities should try to work with the CCHA.

Mayor Satterthwaite stated that cooperative efforts have been attempted in the past and have not succeeded.

Mr. Taylor moved to send to Council A Resolution In Support Of The Concept Of Altering The Relationship Of The City Of Urbana To The Champaign County Housing Authority with an amendment to the resolution in part, looking at the first paragraph where it says "the City supports:" and delete the colon so that it reads, "Specifically, the City supports the exploration of the following actions, with special attention to be paid to legal and practical implications:" and then go on to list the three items. The motion was seconded by Mr. Hayes and carried by a voice vote.

Mr. Whelan took a point of personal privilege and stated that he was not supporting the abuse of money and authority. He stated that he is supporting a positive approach of dealing with the problems; not a takeover.

Mr. Pollock stated that he supports the issues of this resolution and urged its passage.

Following further debate, A Resolution In Support Of The Concept Of Altering The Relationship Of The City Of Urbana To The Champaign County Housing Authority, as amended carried by a show of hands vote.

Plan Case #1536-M-94 - Rezoning of a Portion of 1303 North Cunningham

Mr. Singer moved to send Plan Case #1536-M-94 - Rezoning of a Portion of 1303 North Cunningham to Council with a recommendation of denial of the rezoning. The motion was seconded by Ms. Patt. Following debate, the motion carried by a voice vote.

Sale of Property at Hollywood and Vine

Chief Administrative Officer Bruce Walden stated that the administration is recommending that the property be considered as excess property and be sold. The property owners adjacent have been contacted and one offer was received at \$1.00 a square foot, which is \$6,975. Staff is recommending approval.

Mr. Singer moved to send to Council An Ordinance For The Sale Of Certain Property (A Portion Of A 400' Strip South Of Hollywood Drive Right-Of-Way). The motion was seconded by Ms.

Patt and carried by a voice vote.

Acquisition of Property - 915 North Lincoln Avenue

In response to a question from Ms. Ryan, Community Development Manager Bruce Stoffel stated that staff had been in negotiations with the owners for approximately three years and did not proceed until the owners felt the sale was in their best interest. The tenants are related to the owners and they also feel it is in their best interest to relocate.

Mr. Hayes moved to send to Council for approval An Ordinance Authorizing The Purchase Of Certain Real Estate. The motion was seconded by Ms. Patt and carried by a voice vote.

U-Cycle Funding Extension

In response to Mr. Singer's question regarding the timetable for getting final action on this issue before a vote on this issue, Mayor Satterthwaite stated outside legal council is reviewing the proposal written by Public Works Director Bill Gray and Environmental Manager Rod Fletcher. Outside council has indicated that an opinion should come from them later this week. Staff believes that continued funding is appropriate for the U-Cycle program for the second quarter.

Responding to Ms. Ryan's question about a report on options for apartment recycling, Rod Fletcher stated that it was his recollection that the issue of apartment recycling was a second priority after the information was received on the requests for proposals to provide recycling. The issue of apartment recycling is on the list for staff to undertake after it is completed with requests for proposals.

When questioned by Mr. Whelan about the cost of the second effort by the outside council, Mayor Satterthwaite stated that an interim billing was \$3,400 and the City has not received a billing for the second effort. An estimate would be that it will be in the same range as the interim billing.

Ms. Patt moved to send U-Cycle Funding Extension to Council for approval. The motion was seconded by Ms. Ryan.

Following debate on flow control and waste management, Mr. Singer moved to amend the motion by making the second quarter funding contingent on the commitment by the City to provide solid waste disposal services, if that becomes necessary, in order to

guarantee success of the system. The motion was seconded by Ms. Ryan.

Ms. Ryan stated that she was opposed to linking going municipal with garbage pick up and recycling.

Mr. Whelan stated the City should go forward with the U-Cycle program until the problem of solid waste pickup is resolved.

Mayor Satterthwaite stated that he has problems with linking flow control with U-Cycle and does not feel it appropriate to expand the discussion of U-Cycle funding into other solid waste matters at this time.

Following debate, the amendment to the U-Cycle Funding Extension, failed by a show of hands vote.

The motion to send the U-Cycle Funding Extension to Council for approval carried by a voice vote.

Discussion of Affordable Housing

Mr. Singer stated that affordable housing and the tax base of the City are fundamental issues that need to be resolved. Does the City sell this property to the highest bidder for the tax revenue or sell to lower income people to provide affordable housing? What does the City do about the displaced renters of the property that is involved in this economic development?

Ms. Patt stated that the subject of affordable housing is broader than its relationship to economic development. There is some understanding that if the City has an interest in property that's owned by an individual or corporation, that some compensation is to be given to the property owners and what is the City's responsibility to people who are displaced but not owners of the housing and do not receive compensation for the home because they do not own it. There is still an impact on the lives of the renter, who in some cases could be made homeless due to a lack of other affordable housing. The government should not be in a position of creating homelessness.

Ms. Ryan stated that as the City considers economic development and how it affects affordable housing, we need to think about how many units of affordable housing there is in the community as well as the people who are displaced. When a percentage of affordable units are taken away by economic

development, there is a need to know how that housing will be replaced.

Ms. Singer discussed the fact that the City is considering acquiring Lincoln Mobile Home Park. The question of how the City plans to compensate the people who will be displaced needs to be considered. Mr. Singer suggested two methods to offer people a choice: 1) Relocate in the development and take the money that would otherwise be paid to them to move to qualify for mortgages, guarantee the banks that the City will clear their debts if the people are qualified by the time moving in comes, help subsidize (if necessary), the down payment on the loan, and make the housing affordable enough. This may involve duplexes or less than the standard single family unit; or 2) they can take the money and leave.

Mr. Singer moved a sense of the committee motion that it is the Council's policy in the case of relocation of people who own mobile homes, that they will be offered a choice between a cash settlement and the facilitation of their acquiring a mortgage. The motion was seconded by Ms. Patt.

In response to Ms. Ryan's question as to why Mr. Singer limited his motion to people in mobile homes, Mr. Singer responded that while this is a nice precedent in general, the issue before the Committee is mobile homes.

Ms. Ryan stated that although this is going in the right direction, she is hesitant because there will be people for whom the cash settlement is not sufficient and who are not in a position to get a mortgage.

Mr. Singer stated that the incentive is left to be determined.

In response to Ms. Patt's question as to the opposing points of view, Mr. Singer stated one is that the City has no obligation to provide anything to displaced people unless the Federal Government tells it to do so, and the other is that the City should provide compensation without attempting to reinvest in the City, just as a moral obligation.

Mr. Singer stated his opposition to the motion, stating this topic is to be discussed at the goal setting session on Tuesday, September 13.

Mr. Taylor moved to call the question. The motion was

seconded by Mr. Singer and carried by a voice vote.

The motion for a sense of the committee motion that it is the Council's policy in the case of relocation of people who own mobile homes, that they will be offered a choice between a cash settlement and the facilitation of their acquiring a mortgage failed by show of hands vote.

Lincoln Mobile Home Park

Mr. Singer moved to table this item to a time specific, Tuesday, September 13 at the goal setting session. The motion failed in the absence of a second.

Mr. Taylor moved that the Committee go into closed session for the purpose of discussing the specific issue as listed on the agenda, Lincoln Mobile Home Park, and that discussion be limited to those areas which we are statutorily empowered to discuss under the open meetings act.

Mr. Singer instructed that the Clerk get the appropriate wording for the motion to go into closed session for the purpose of discussing property acquisition.

Mr. Taylor withdrew the motion.

Chairman Pollock moved that the Committee go into closed session for the purpose of discussing property acquisition. The motion was seconded by Ms. Patt.

Mr. Singer stated that this discussion is bound to get into the question of compensation for people who are displaced if the acquisition is made and there should be no closed session.

The motion that the Committee go into closed session for the purpose of discussing property acquisition carried 5-1-1. Voting aye were Members of the Council: Patt, Pollock, Ryan, Taylor, and Whelan - 5; voting nay: Singer - 1; abstaining: Hayes - 1. Chairman Pollock declared that the abstention goes with the majority.

Mr. Singer appealed the Chair's decision to count the abstention with the ayes. In response to Chairman Pollock's request for clarification, Mr. Hayes stated that his abstention was because some people might think he has a conflict of interest. Chairman Pollock stated that the vote would be counted

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as an abstention.

The Committee went into closed session at 10:00 p.m. and reconvened at 11:05 p.m. with all Members previously in attendance still present.

Adjournment

There being no further business to come before the Committee, Chairman Pollock declared the meeting adjourned at 11:05 p.m.

Respectfully submitted,

Elaine Taylor, Secretary

**This meeting was broadcast on cable television.