

**ROCHELLE CITY COUNCIL  
REGULAR COUNCIL MEETING MINUTES  
MONDAY, JULY 12, 2010**

The Rochelle City Council met in Regular Session at 7:00 p.m. on Monday, July 12, 2010 in the Council Chambers of City Hall; 420 N. 6<sup>th</sup> Street; Rochelle, IL 61068.

***PLEDGE TO THE FLAG:***

***PRAYER:*** The Prayer was said by City Clerk McKinney.

***ROLL CALL:*** Present on Roll Call were Councilmembers Berg, Hayes, D. McDermott, Hollonbeck, T. McDermott, Eckhardt, and Mayor Olson. Absent: None. Also present were City Manager Alberts and City Clerk McKinney.

***PROCLAMATION:*** None

***REPORTS AND COMMUNICATIONS:***

- **Mayor:**
  - A check for IMPAC Fees was given to Todd Prusator of the Elementary School District; no one was present from the RTHS, but they will also receive a check.
  - Thanked Fire, Police, City staff, and Park District for their part in the July 4<sup>th</sup> celebration.
- **Council Members:** None

***PUBLIC COMMENTARY:***

- Diane McNeilly, resident – Prairie State Energy Plant: Headlines in Chicago Tribune regarding contract with Prairie State coal plant and loss of money by cities involved in this contract. Feels that the community needs to know what is going on and the effect on quality of life for people.
- John Kaminski, resident – TIF Financing: Challenged the Council to pledge 50% of the sales tax to the TIF Financing. In answer, Councilman Tom McDermott said that if the sales from the new WalMart take away from the Sullivan Grocery or other stores, there isn't that much of an increase in taxes.

***BUSINESS ITEMS:***

1) **CONSENT AGENDA ITEMS BY OMNIBUS VOTE** with Recommendations:

- a) Approve Minutes of City Council Meeting – June 28, 2010
- b) Accept and Place on File Minutes of Airport Advisory Board Meeting – April 26, 2010
- c) Approve Bills 06/18/10-6/24/10, 06/25/10-07/01/10
- d) Approve Payroll 06/14/10-6/27/10
- e) Authorize Kiwanis Peanut Day Sales on September 10, 2010 at Designated Intersections.

Moved by Councilwoman Hollonbeck and seconded by Councilman D. McDermott, **“I move Consent Agenda Items (a) through (e) be approved by Omnibus Vote as Recommended.”** Roll call vote was taken. Ayes: Councilmembers Hollonbeck, D. McDermott, Berg, Eckhardt, Hayes, T. McDermott, and Mayor Olson. Nays: None. Motion passed 7-0.

- 2) **Resolution Granting Real Estate Tax Abatement – Project Love:** The Economic Development Department has been informed that an existing company is considering expanding its operations in Rochelle. Economic Development Director Jason Anderson is recommending that the City provide financial incentives to this business in the form of property tax abatements. This project has been evaluated to determine the anticipated economic impact to the community including estimated job creation of 25-35 positions with average starting salaries of \$35,000 and an estimated capital investment of \$1,500,000, which includes a building expansion of 40,000 square feet. Based on this evaluation a three-year abatement schedule has been proposed. Attracting businesses to locate and/or expand in the City of Rochelle is extremely important in increasing our long-term property tax base and in providing jobs for our citizens. Moved by Councilman Eckhardt and seconded by Councilwoman Hollonbeck, **“I move Resolution R10-17, a Resolution Granting Real Estate Tax Abatement to Project Love, be adopted.”** Roll call vote was taken. Ayes: Councilmembers Hollonbeck, D. McDermott, Berg, Eckhardt, Hayes, T. McDermott, and Mayor Olson. Nays: None. Motion passed 7-0.

- 3) **Ordinance Approving the Redevelopment Plan and Projects for the Rochelle Lighthouse Pointe Tax Increment Financing District:** On April 13, 2009 the Mayor and City Council approved a Pre-Development Agreement which contained obligations for the City and the Developer related to offsite improvements for the Lighthouse Pointe Subdivision. A modification of the Pre-Development Agreement was subsequently approved on June 14, 2010 which reduced the financial obligations for the offsite improvements to Three Million Three Hundred Ten Thousand Dollars (\$3,310,000). After evaluating various financing options a decision has been made to establish a Tax Increment Financing District (TIF) for the 59.91 acres as described in the Redevelopment Plan. Several steps have been taken in preparation for the establishment of a TIF District including: approval of an Inducement Resolution 3/23/09; submission of a draft redevelopment plan to the City of Rochelle 3/22/10; establishment of an Interested Parties Registry and a Public Hearing date 3/22/10; Joint Review Board 4/14/10 and a Public Hearing conducted on 5/10/10 and 5/24/10. In order to comply with TIF regulations it is necessary for the council to take action on three additional ordinances. The Ordinance Approving the Redevelopment Plan outlines the requirements contained in the TIF Act and indicates that those have been followed and approves the redevelopment plan. The Ordinance Designating the Redevelopment Project Area defines the area associated with the plan. The Ordinance Adopting Tax Increment Allocation Financing adopts the provisions of the TIF Act for the redevelopment plan and area as defined. Councilman Eckhardt asked if there should be a date establishing the start of construction by WalMart. Moved by Councilman Berg and seconded by Councilman Eckhardt, **“I move Ordinance 10-3938, An Ordinance Approving the Redevelopment Plan and Projects for the Rochelle Lighthouse Pointe Tax Increment Financing District, be adopted.”** Roll call vote was taken. Ayes: Councilmembers Hollonbeck, Berg, Eckhardt, Hayes, and Mayor Olson. Nays: Councilmen T. McDermott, D. McDermott. Motion passed 5-2.
- 4) Moved by Councilwoman Hollonbeck and seconded by Councilman Berg, **“I move Ordinance 10-3939, An Ordinance Designating the Redevelopment Project Area for the Rochelle Lighthouse Pointe Tax Increment Financing District, be adopted.”** Roll call vote was taken. Ayes: Councilmembers Hollonbeck, D. McDermott, Berg, Eckhardt, Hayes, T. McDermott, and Mayor Olson. Nays: None. Motion passed 7-0.
- 5) Moved by Councilman Eckhardt and seconded by Councilman Berg, **“I move Ordinance 10-3940, An Ordinance Adopted Tax Increment Allocation Financing for the Rochelle Lighthouse Pointe TIF District Redevelopment Project Area, be adopted.”** Roll call vote was taken. Ayes: Councilmembers Hollonbeck, Hayes, D. McDermott, Berg, Eckhardt, and Mayor Olson. Nays: T. McDermott. Motion passed 6-1.
- 6) **Intergovernmental Agreement between the City, Rochelle Township High School and Rochelle Community Consolidated School – Rochelle Lighthouse Pointe TIF District:** On March 23, 2009 the Mayor and City Council approved an Inducement Resolution as the first step in the process of establishing a Tax Incremental Financing (TIF) District to assist with public improvements associated with the Lighthouse Pointe development. Subsequent to that action several meetings have been held between representatives of the City, Rochelle Township High School and the Elementary School Districts. These meetings have resulted in the development of an intergovernmental agreement between the parties which eliminates any negative impact on the real estate tax base of the school districts that may be caused by the creation of a TIF District. The agreement was the topic of a discussion at the April 26, 2010 City Council meeting. It contains provisions to reimburse the two school districts 24% of the annual gross real estate tax increment created in the TIF District on a prorated basis, based on each District’s tax rates. In addition, the reimbursement level would change to 26% if either school district is reclassified from the current Foundation Formula School District during the term of the agreement. The Rochelle Township High School Board approved the agreement at their meeting on June 21, 2010 with the understanding that the Term Section under part II. General (p. 6) would be modified after the City Council determined the amount and the type of financing that would be used. The Elementary District has not taken action on the agreement but plans to include it on the July 16<sup>th</sup> agenda. Todd Prusador, Superintendent of the Elementary District, was present to answer questions. He will recommend the agreement to his board. Moved by Councilman Berg and seconded by Councilwoman Hollonbeck, **“I move Agreement 10-3941, An Agreement by and between the City of Rochelle, Illinois and Rochelle Township High School District No. 212 and Rochelle Community Consolidated School District No. 231, be approved.”**  
Roll call vote was taken. Ayes: Councilmembers Hollonbeck, Berg, Eckhardt, Hayes, T. McDermott, and Mayor Olson. Nays: D. McDermott. Motion passed 6-1.

**DISCUSSION ITEMS:**

- 1) **Municipal Code Modifications Chapter 22 Building and Building Regulations and Chapter 86 Subdivisions:** It is an on-going objective of City staff to ensure that the regulations contained in our Municipal Code are clear, concise and support the vision for our community. With this goal in mind a group of City staff members began meeting in early 2008 to review sections 22, 86, and 110 of the Municipal Code. As a result of numerous hours of review, modifications have been proposed which correct conflicts and support development in a progressive community. The Planning and Zoning Commission reviewed the modifications to sections 22 and 86 at their meeting on June 7, 2010. After some minor revisions the Planning and Zoning Commission voted to recommend approval of the proposed modifications to sections 22 and 86 at their meeting on July 6, 2010 by a vote of 6-0. The modifications to sections 22 and 86 are anticipated to be on the July 26, 2010 City Council agenda for approval. Section 110 is still undergoing review by the Planning and Zoning Commission. In the absence of Community Development Director, Chris Limas, Sam Tesreau, City Engineer, provided the council with an overview of the proposed modifications and responded to Council's questions.

**EXECUTIVE SESSION:** Moved by Councilman Eckhardt and seconded by Councilwoman Hollonbeck, **“I move the Council recess into executive session for the purpose of reviewing minutes of executive sessions and discussing municipal power agency contracts related to the purchase, sale or delivery of electricity and to adjourn the meeting upon closing the Executive Session.”** Roll call vote was taken. Ayes: Councilmembers Hollonbeck, D. McDermott, Berg, Eckhardt, Hayes, T. McDermott, and Mayor Olson. Nays: None. Motion passed 7-0.

**ADJOURNMENT:** At 8:39 pm, Councilman T. McDermott moved and seconded by Councilman D. McDermott, **“I move the Council close the executive session and adjourn.”** Motion passed by voice vote without dissent.

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Chet Olson  
Mayor, City of Rochelle

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Bruce McKinney, CMC  
City Clerk, City of Rochelle