

***Proceedings of the Council of the City of Joliet, Illinois
held on the 1st day of December, A.D. 2008***

PRE-COUNCIL MEETING of the Council of the City of Joliet, Illinois held on Monday, December 1, 2008 at 3:30 P.M. in the Council Chambers, Joliet Municipal Building, 150 W. Jefferson Street, Joliet, Illinois.

ROLL CALL

PRESENT: MAYOR ARTHUR SCHULTZ and DISTRICT 5 COUNCILMAN WARREN C. DORRIS, COUNCILMAN AT LARGE THOMAS C. GIARRANTE, COUNCILWOMAN AT LARGE JAN QUILLMAN, DISTRICT 1 COUNCILMAN JOSEPH R. SHETINA, COUNCILMAN AT LARGE MICHAEL F. TURK and DISTRICT 3 COUNCILMAN ANTHONY UREMOVIC.

ABSENT: DISTRICT 4 COUNCILWOMAN SUSIE A. BARBER and DISTRICT 2 COUNCILMAN TIMOTHY M. BROPHY.

ALSO PRESENT: CITY MANAGER THOMAS A. THANAS and CORPORATION COUNSEL JEFFREY S. PLYMAN.

The City Manager asked for the Mayor and Council's indulgence in moving several items up on the agenda due to the presence of interested individuals.

The City Manager explained Council Memo #1416-08 dealing with an Amendment to the Development Agreement with Chicago & Cass Streets LLC for the use of an additional \$150,000 of TIF Funds for 205/207 N. Chicago and 5 W. Cass Streets. He said this increase would make \$550,000 eligible for reimbursement through the TIF Fund over a 15 year period for this project.

Mr. Derek Brenczewski of Chicago & Cass Streets LLC was present to respond to questions.

COUNCILWOMAN BARBER and COUNCILMAN BROPHY arrived at the meeting during the discussion.

It was requested that this item be voted on today.

1. A RESOLUTION Authorizing the Execution of an Amendment to a Development Agreement for the Use of Tax Increment Financing Funds for 205/207 N. Chicago and 5 W. Cass Streets (Chicago & Cass Streets LLC) was presented and read.
(Council Memo #1416-08)

COUNCILMAN GIARRANTE moved that said Resolution be adopted.

Motion seconded by COUNCILMAN SHETINA.

Motion carried by the following vote:

AYES: COUNCILWOMAN BARBER, COUNCILMAN BROPHY, COUNCILMEN DORRIS, GIARRANTE, COUNCILWOMAN QUILLMAN, COUNCILMAN SHETINA, TURK, UREMOVIC and MAYOR SCHULTZ.

NAYS: NONE.

(RESOLUTION NO. 6209)

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The City Manager then explained Council Memo #1401-08 dealing with the Annexation and Zoning Classification of 8 Parcels for the CenterPoint Intermodal Project, the Vacation of a Portion of Patterson Road South of Millsdale Road and the Preliminary, Final and Recording Plats of CenterPoint Intermodal Center at Joliet, Phase 1.

Attorney Mike Hansen was present on behalf of the petition.

The City Manager then began explaining Council Memo #1404-08 dealing with the Adoption of the 2009 City of Joliet Budget and the Joliet Public Library Budget.

The City Manager said we started the budget process in early November and conducted two public meetings on November 12th and November 17th. He said staff has responded to various questions that the Council has had regarding specific line items and policy issues. He said what's before the Council today is the budget that was presented at the November 12th meeting. He said there was a request from the Finance Committee to break out in further detail the line items for the Mayor and City Council and that has been done in Attachment A, and there was a request from the Management and Budget Department to reclassify some of the utilities so we can break out water, gas and electricity so we have better bookkeeping records on that. He said those would be the only two changes that have been made and they did not change the bottom line in the budget; it basically just clarified a couple of the issues that were part of the discussions at earlier meetings. He said there will be a public hearing held tomorrow night on the tax levy and there are also several Special Service Area tax levies later on in the agenda, but the budget itself stands alone. He said if the Council wants to approve it today, they have the authority to do that.

MAYOR SCHULTZ asked if the money that is going to the Museum and to the Rialto is for bricks and mortar or for operations.

The City Manager said the money for the Museum is basically for operations. He said because the City owns the building we do cover some of the operational expenses and some of the maintenance on the building that wouldn't be considered capital improvements.

The City Manager said a good portion of the money going to the Rialto will be used for the renovation of the 3rd and 4th floors as part of the University of St. Francis agreement and the other expenditures to be made are consistent with what the Council has approved in the past, through the agreement requires them to use it for non-operational expenses like for capital expenses and non-recurring expenses.

COUNCILMAN UREMOVIC asked what the square foot cost would be for the improvements to the 3rd and 4th floors.

The City Manager said we can get that information for the Council. He said he thinks they're letting the contracts now and they wanted to start construction right after the first of the year so they can be open for the school year that starts in August. He said we'll get that information and a breakdown on the budget and who got the bid and that kind of information.

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COUNCILMAN SHETINA asked if they are still in the bidding process.

The City Manager said he believes they opened bids last week. He said we'll have a hard number for the Council tomorrow night. He said they tied up their financing two weeks ago through one of the local banks so they are moving along on the project.

COUNCILWOMAN QUILLMAN said in yesterday's paper there was an article on the Unity CDC and they were talking about getting money from the City for salaries. She asked if that was incorrect.

The City Manager said two commitments have been made to the Unity CDC, one being a commitment of \$50,000 a year for three years through the budget and the plan was not to use it for salaries, it was intended for programming. He said an additional commitment of District 4 and 5 NIP funds was made by COUNCILMAN DORRIS and COUNCILWOMAN BARBER and that money was also intended for programming. He said he has been asked to talk to the Council about using some of those funds for salaries, and he has always discouraged that because he thinks it's the Council's intent to try to keep the City's money going for programs as much as possible so that has been his encouragement to Unity CDC. He said if there was a change in that they would have to come back to the Council and get approval.

COUNCILWOMAN QUILLMAN said the way the paper read yesterday, it was if the Council already approved that. She said we specifically stated it was for operations.

The City Manager said yes, it was intended for programming and when he has asked them to give us updates as far as where the City's money is going, they understand we're looking for information about programming and not for salaries.

COUNCILWOMAN QUILLMAN said OK, she just wanted to clarify that.

COUNCILMAN BROPHY said the report he received on the breakdown of the hotel/motel tax for a total of 7% has 3% going to the Rialto and 3% going to the City Center and he asked if that's for the City Center Partnership.

Director of Management and Budget Ken Mihelich said he thinks that breakout of the 7% no longer applies and the tax goes into the General Fund.

The City Manager said he thinks when the hotel/motel tax ordinance was approved back in the 1980's it was intended to be dedicated to the Rialto and it was for several years, but over the past few years the policy has been changed so he doesn't think it is specifically earmarked for the Rialto and certainly not for the City Center Partnership either.

COUNCILMAN BROPHY said Library Director Jim Johnston prepared a 3 page memo regarding the Library, the City and the levy and had various comments to make but without any special requests. He asked the City Manager if Mr. Johnston is responding to some request that we made.

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The City Manager said he thinks it was frustration on Mr. Johnston's part about our request to take \$224,000 of gaming revenue out of his budget. He said he thinks the Library Board was counting on that \$224,000 in its budget that they submitted to us a few weeks ago and when we were going through the budget early on, we realized there would not be adequate gaming revenue for any of the previous organizations that were receiving gaming revenue. He said we informed Mr. Johnston and he reviewed that with his board and he thinks that was just more of a letter to let you know that the board and Mr. Johnston weren't pleased with the outcome, but they understand that we're cutting back a lot and that the Library Board will have to do the same.

COUNCILMAN BROPHY said he thinks it's notable that Mr. Johnston mentions they operate at a per capita rate of \$26.00 which is almost the least in the State, and so our library does a fine job with a very meager budget. He said we should pay attention to that and be sensitive to it because he thinks it's an important service here in town that we need to support.

The City Manager said he did see the letter before it was sent and Mr. Johnston had asked if he had any objection to having it sent and he told him it was up to him and his Board. He said he doesn't want to be filtering information they want to provide to the Council, but he did point out that the Mayor and Council through some tough times were able to help with an expansion of the downtown library that is second to none where it looks like it is a part of the old building. He said the Mayor and Council also provided funding for the construction of a branch that is one of the best out there and one of the busiest. He said it's not as if the City Council has ignored the library or not been sensitive to their needs. He said obviously we'd love to see more money going to the library and any educational endeavor we have but the reality of this year's budget was that we had to cut back on all areas and that included the library, and so that's when we had our conversation about the \$224,000 being removed.

COUNCILMAN BROPHY said he would like to comment again that he thinks the Library Board does a good job operating on a slim budget and we should commend them and thank them for their work.

MAYOR SCHULTZ asked if the reduction for senior citizens on their water bills is still in the budget.

The City Manager said this budget does not propose any change in that and the seniors will still be receiving their discount.

COUNCILMAN GIARRANTE said Councilman Brophy's points are well taken, but it's not only the Library. He said a lot of the charities and school monies we cut was all hard to do and we never thought we'd have to do it, but we've done it and his point is well taken.

COUNCILMAN DORRIS moved that the Ordinance Approving the 2009 Budget be adopted.

Motion seconded by COUNCILMAN BROPHY.

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After some discussion on whether to vote on the budget today, the Council agreed to vote on this tomorrow night and COUNCILMAN DORRIS withdrew his motion, and COUNCILMAN BROPHY withdrew his second.

The City Manager then went to the beginning of the agenda to explain the remaining items.

The City Manager explained Council Memo #1399-08 dealing with the 2008 Tax Levy and Abating a Portion of the Levy. He said the 2008 tax levy payable in 2009 will result in keeping the tax rate at \$111.00, the same as in the 2002-2007 levies.

COUNCILMAN GIARRANTE said according to this if a person lives in a \$250,000.00 home, the City's portion is \$2,700.00.

The City Manager said yes.

COUNCILMAN TURK asked if the City's portion of the tax bill is still around 14% or 15%.

The City Manager said it is. He said there will be people who will see higher taxes because their assessments may have gone up and that's either through an assessment generally or through comparable sales in the neighborhood. He said that's not because of the tax rate, it's because of the assessment going up, and the City's tax rate is staying where it has been since 2002.

The City Manager explained the remaining items on the agenda.

The City Manager said the Mayor is suggesting changing the meeting dates in January and February 2009 due to the holidays in those months.

COUNCILMAN UREMOVIC moved that the Pre-Council meeting of January 20 and the Regular meeting of January 21 be combined into one meeting to be held Tuesday, January 20 at 6:30 p.m., and that the Pre-Council meeting of February 17 and the Regular meeting of February 18 be combined into one meeting to be held Tuesday, February 17 at 6:30 p.m.

Motion seconded by COUNCILMAN GIARRANTE.

Motion carried by the following vote:

AYES: COUNCILMEN BROPHY, DORRIS, GIARRANTE, COUNCILWOMAN QUILLMAN, COUNCILMEN SHETINA, TURK, UREMOVIC, COUNCILWOMAN BARBER and MAYOR SCHULTZ.

NAYS: NONE.

The City Manager advised there was a need to go into closed session to discuss personnel, land acquisition and pending and anticipated litigation.

COUNCILMAN SHETINA moved that the Council recess to closed session to discuss personnel, land acquisition and pending and anticipated litigation at 4:16 p.m. after which the Special Council meeting to discuss the 2009 budget will convene.

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Motion seconded by COUNCILMAN TURK.

Motion carried by the following vote:

AYES: COUNCILMEN DORRIS, GIARRANTE, COUNCILWOMAN
QUILLMAN, COUNCILMEN SHETINA, TURK, UREMOVIC,
COUNCILWOMAN BARBER, COUNCILMAN BROPHY and MAYOR
SCHULTZ.

NAYS: NONE.

ARTHUR SCHULTZ
Mayor

JANET K. TRAVEN
City Clerk

Recorded on Tape