

The Rock Island City Council met in Study Session at 6:00 pm in City Council Chambers at Rock Island City Hall. Present were Mayor Dennis E. Pauley presiding, and Aldermen Ivory D. Clark, Virgil J. Mayberry, Stephen L. Tollenaer, Kate Hotle and Charles O. Austin III. Also present were Interim City Manager Randy Tweet, Sam Estep, President and Chief Development Officer from Saratoga Capital Group, other City staff and Assistant City Attorney Geoffrey Campbell. Alderman P.J. Foley arrived at 6:06 pm and Alderman Joshua Schipp arrived at 6:26 pm. City Attorney Dave Morrison was absent.

### **UPDATE ON RIVERVIEW LOFTS**

Interim Community and Economic Development Director Tom Ayers updated Council on the development agreement for Riverview Lofts. Mr. Ayers advised that the original agreement was dated October 9, 2013 and it was to create 44 market rate residential units. Mr. Ayers added that the work was to commence in January of 2014 and the completion date was no later than June 30, 2014. Mr. Ayers indicated that the basic incentive was for \$1,420,000.00 payable on January 15, 2014, 2015, 2016 and 2017 of equal payments of \$355,000.00. Mr. Ayers commented that there was an additional \$100,000.00 set aside for development of a commercial space on the first floor and \$75,000.00 as reimbursement for reinstalling sidewalks on the side and in front of the building.

Mr. Ayers advised that in September of 2015, the developer asked for an amendment to the agreement and the amended agreement stated that all units were to be completed and ready for occupancy by July 31, 2016, and no further payments would be made until the residential floors had received a minimum of a temporary occupancy. Mr. Ayers commented that the completion of the project and for the developer to receive all of the incentives was changed to July 31, 2016. Mr. Ayers stated that to date, the City has paid half of the \$1,420,000.00.

Mr. Sam Estep of Saratoga Capital Group presented a redevelopment proposal to Council for the restructuring of Riverview Lofts. Mr. Estep stated that the restructuring of Riverview Lofts will be called the Best Building. Mr. Estep then gave an overview of his background information as it related to current and past projects that the Saratoga Capital Group has worked on.

Mr. Estep stated that initially Riverview Lofts was going to have 44 mid-scale, market rate apartments with build-to-suit retail on the ground level. Mr. Estep indicated that he believed the project was about 70% complete. Mr. Estep commented that in his opinion, it is no longer suitable to be built; the current condition of the construction is very poor. Mr. Estep stated that they would have to take out 40% of the 70% that was completed. Mr. Estep added that it is in a dire financial position and the building really needs to be restructured.

Mr. Estep pointed out that the Saratoga Capital Group has the building under contract. Mr. Estep added that the Saratoga Capital Group is asking to restructure the project and to do that, there would have to be a new economic development agreement.

Mr. Estep commented that because of the historical nature of the Best Building, it can be nominated to the National Register of Historic Places. Mr. Estep added that they have contracted a consultant to do that.

Mr. Estep advised that the Saratoga Capital Group will market the property. Mr. Estep pointed out that the Best Building will have 33 market rate apartments, which will be fully furnished above 11 amazing hotel suites; it will also include co-working office space located within the first floor commercial space. Mr. Estep pointed out that retail will not work in the building. Mr. Estep further discussed this item.

Mr. Estep then discussed the proposal. Mr. Estep advised that there would be a new development agreement along with the remainder of funds under the current economic development agreement with Mr. Roemer. Mr. Estep noted that it would be half of the original capital. Mr. Estep stated that they are asking for a guarantee; the purpose of the guarantee is to make the loans bankable. Mr. Estep and Council further discussed this item.

Council and Mr. Estep discussed the TIF district as it related to the financing component in reference to the project. Mr. Estep commented that the purpose of the TIF is to create more net operating income to underwrite the project. Council and Mr. Estep further discussed this item.

Council further discussed Mr. Estep's presentation.

#### **HARD HAT AWARDS BALLOT DISTRIBUTION**

The Hard Hat Awards Ballot Distribution was held during the Other Business portion of the Regular Meeting.

#### **ADJOURNMENT**

A motion made by Alderman Foley and seconded by Alderman Clark to adjourn the meeting carried by the following Aye and No vote. Those voting Aye being; Alderman Clark, Alderman Mayberry, Alderman Foley, Alderman Tollenaer, Alderman Hotle, Alderman Schipp and Alderman Austin; those voting No, none. The meeting was adjourned at 6:42 pm.

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Aleisha L. Patchin, City Clerk

**CITY OF ROCK ISLAND  
CITY COUNCIL MEETING**

**November 14, 2016  
MINUTES**

Rock Island City Council met in regular session at 6:45 pm in Council Chambers of Rock Island City Hall. Present were Mayor Dennis E. Pauley presiding, and Aldermen Ivory D. Clark, Virgil J. Mayberry, P.J. Foley, Stephen L. Tollenaer, Kate Hotle, Joshua Schipp and Charles O. Austin III. Also present were Interim City Manager Randy Tweet and Assistant City Attorney Geoffrey Campbell. City Attorney Dave Morrison was absent.

**Introductory Proceedings**

Mayor Pauley called the meeting to order and led in the Pledge of Allegiance. Alderman Foley gave the Invocation.

**Agenda Item #5**

**Minutes of the meeting of November 7, 2016.**

A motion was made by Alderman Clark and seconded by Alderman Foley to approve the Minutes of the meeting of November 7, 2016 as printed. The motion carried by the following Aye and No vote; those voting Aye being; Alderman Clark, Alderman Mayberry, Alderman Foley, Alderman Tollenaer, Alderman Hotle, Alderman Schipp and Alderman Austin; those voting No, none.

**Agenda Item #6**

**Update Rock Island by Mayor Pauley.**

**27<sup>th</sup> Annual Quad City Christmas Arts & Crafts** - Mayor Pauley stated that on November 25<sup>th</sup>, 26<sup>th</sup> and 27<sup>th</sup>, the QCCA Expo Center will hold their annual Christmas Arts and Crafts Fair. There will be 200 exhibitors showing off their hand crafted products. Friday and Saturday the fair will be open from 10:00 am to 5:00 pm with Sunday being 10:00 am to 4:00 pm. Mayor Pauley commented that a new unwrapped toy gets free admission to the event with tickets being \$5.00 a piece. For more information, please call (309) 647-0400.

**27<sup>th</sup> Annual Thanksgiving Holiday Dinner** - Mayor Pauley advised that the Martin Luther King Jr. Community Center would like to invite all members of the Quad City community to their 27<sup>th</sup> Annual Thanksgiving Holiday Dinner. Dinner will be served on Sunday, November 20, 2016 from 11:00 am to 3:00 pm at the Community Center; 630 9<sup>th</sup> Street. For more information or how to help, please call (309) 732-2999.

**Community Crime Prevention Partnership Meeting** - Mayor Pauley stated that the City of Rock Island's Police Department will continue its monthly meeting on Wednesday, November 16, 2016. The Mayor added that this is a chance for the community to have an open discussion with the Police Department about various topics. This week's topic will cover Police use of force. Meeting is held at 1212 5<sup>th</sup> Avenue in the Community Room. For more information, please call (309)732-2677.

**Free Leaf Collection Program** - Mayor Pauley advised that the City of Rock Island is providing free leaf collection for its residential refuse customers starting October 10 through Friday, December 2, 2016. Customers must place the leaves in the approved paper yard waste bags and

be placed at the normal refuse collection locations and days. Free leaf bags may be picked up at various locations throughout the City. Please visit [www.rigov.org](http://www.rigov.org) for more information.

Agenda Item #7

**Presentation of the Financial Management Report for September 2016.**

Finance Director Stephanie Masson presented the Financial Management Report for September 2016. Ms. Masson advised that the benchmark is at 75%. Ms. Masson indicated that revenue is at 63% and expenses are at 50% of budget. Ms. Masson stated that the total cash balance across all the funds is \$23.6 million dollars. Ms. Masson indicated that the General Fund is at 71% of budget in regards to revenue, and expenditures are at 70%. Ms. Masson added that the total cash balance at the end of September was just shy of \$7.7 million dollars. Ms. Masson commented that while TIF revenues are at 82%, TIF expenditures are at 18%. Ms. Masson indicated that the City does have some debt associated with them; the principal payments are due on December 1<sup>st</sup> and there are some redevelopment agreements that the City is paying out on the TIFs.

Ms. Masson stated that the reason the capital projects revenue is a little low at 30% is because bonds were supposed to be sold today to replenish the \$3.6 million dollars worth of street expenditures that took place this year. Ms. Masson offered that the housing and community development revenues along with MLK revenues are low due to draw downs on HUD funding being delayed. Ms. Masson noted that it is expected some funds will be coming through soon. Ms. Masson also discussed the foreign fire insurance and the enterprise funds as it related to water and wastewater.

Ms. Masson then discussed the analysis of State and local revenue. Ms. Masson noted that income tax is at 78% of budget. In regards to replacement tax, Ms. Masson stated that it probably will not break even with the budget due to the error the IL. Department of Revenue made over a period of two years. Ms. Masson further discussed this item. Ms. Masson advised that the sales tax and local option sales tax is doing okay and the use tax continues to increase. Ms. Masson offered that the municipal utility tax and telecommunications tax continues to decrease. Ms. Masson further discussed this subject. It was noted that the food and beverage tax continues to do well. Ms. Masson commented that gaming tax is holding its own. Ms. Masson noted that they will continue to monitor the gaming tax.

Ms. Masson discussed the capital and major project expenditure status report. Ms. Masson pointed out that the City was at 47% of total budgeted projects for 2016 and most projects are in Public Works and relate to the Long Term Control Plan and the Water Treatment Filter Building. Ms. Masson further discussed this item. Ms. Masson pointed out that when you go through the Public Works section and add up all of the street maintenance and street work that has been done this year and projects that the City is engineering for next year, the total is \$4.8 million dollars.

Ms. Masson also discussed the monthly investment totals and monthly investment interest rates. Ms. Masson further discussed the Financial Management Report for September 2016.

**Agenda Item #8 and #9**

It was moved by Alderman Foley and seconded by Alderman Hotle to consider, suspend the rules and pass the ordinances for items 8 and 9. Alderman Clark stated that he would be abstaining from item 8 and item 9.

The motion then carried by the following Aye and No vote; those voting Aye being; Alderman Mayberry, Alderman Foley, Alderman Tollenaer, Alderman Hotle, Alderman Schipp and Alderman Austin; those voting No, none. Alderman Clark abstained.

Agenda Item #8

**A Special Ordinance providing for the acceptance of the donation of property at 2711 18<sup>th</sup> Avenue from DARI to the City of Rock Island.**

Agenda Item #9

**A Special Ordinance providing for the donation of property at 1527 36<sup>th</sup> Street from the City of Rock Island to DARI.**

Agenda Item #10

**A Special Ordinance establishing a one-way street heading southbound on 20<sup>th</sup> Street between 1<sup>st</sup> and 2<sup>nd</sup> Avenues.**

It was moved by Alderman Hotle and seconded by Alderman Foley to consider, suspend the rules and pass the ordinance. The motion carried by the following Aye and No vote; those voting Aye being; Alderman Clark, Alderman Mayberry, Alderman Foley, Alderman Tollenaer, Alderman Hotle, Alderman Schipp and Alderman Austin; those voting No, none.

Agenda Item #11

**A Special Ordinance removing a police parking space on the northwest side of 16<sup>th</sup> Street just south of 3<sup>rd</sup> Avenue and replacing it with a loading zone space long enough to take the first two parking spaces.**

Alderman Clark moved and Alderman Mayberry seconded to consider, suspend the rules and pass the ordinance. The motion carried by the following Aye and No vote; those voting Aye being; Alderman Clark, Alderman Mayberry, Alderman Foley, Alderman Hotle, Alderman Schipp and Alderman Austin; those voting No, Alderman Tollenaer.

Agenda Item #12

**CLAIMS**

It was moved by Alderman Austin and seconded by Alderman Clark to accept the following reports and authorize payments as recommended. The motion carried by the following Aye and No vote; those voting Aye being; Alderman Clark, Alderman Mayberry, Alderman Foley, Alderman Tollenaer, Alderman Hotle, Alderman Schipp and Alderman Austin; those voting No, none.

- a. Report from the Human Resources Department regarding payment in the amount of \$10,820.64 to Dave Morrison for legal services provided for the month of October.

b. Report from the Public Works Department regarding payment #2 and final in the amount of \$12,051.31 to Langman Construction, Inc. of Rock Island, IL for services provided for the 34<sup>th</sup> Avenue and 20<sup>th</sup> Street Court Resurfacing: 20<sup>th</sup> Street Court to 22<sup>nd</sup> Street plus 21<sup>st</sup> Street Resurfacing: 17<sup>th</sup> Street to 34<sup>th</sup> Avenue project.

Agenda Item #13

**Claims for the week of November 4 through November 10 in the amount of \$721,128.29 and payroll for the weeks of October 24 through November 6 in the amount of \$1,401,664.26.**

It was moved by Alderman Foley and seconded by Alderman Hotle to allow the claims and payroll. The motion carried by the following Aye and No vote; those voting Aye being; Alderman Clark, Alderman Mayberry, Alderman Foley, Alderman Tollenaer, Alderman Hotle, Alderman Schipp and Alderman Austin; those voting No, none.

Agenda Item #14

**Purchase Card Claims for the month of October in the amount of \$56,832.94.**

Alderman Hotle moved and Alderman Tollenaer seconded to approve the purchase card claims. The motion carried by the following Aye and No vote; those voting Aye being; Alderman Clark, Alderman Mayberry, Alderman Foley, Alderman Tollenaer, Alderman Hotle, Alderman Schipp and Alderman Austin; those voting No, none.

Agenda Item #15

**Report from the Public Works Department regarding bids for emergency sewer repairs on the sewer systems at the Farmall Viaduct, recommending the bid be awarded to Miller Trucking and Excavating of Silvis, IL in the amount of \$24,500.00.**

It was moved by Alderman Austin and seconded by Alderman Foley to award the bid as recommended and authorize the City Manager to execute the contract documents.

Discussion followed. Alderman Schipp inquired upon Interim Public Works Director Larry Cook to comment on this item in regards to the viaduct, the future plans for the railroad and whether or not the City will have future financial obligations with this area.

Mr. Cook advised that the railroad has a bridge that is in the state of complete failure so it is an emergency on their part to get it done for the commerce of the railroad. Mr. Cook stated that the utilities underneath the viaduct have been in place since the 1920's; the storm sewer is literally blasted out of bedrock itself. Mr. Cook stated that Public Works wanted to take the opportunity while the railroad is repairing the bridge to take care of the utilities. Mr. Cook commented that in regards to financial obligations, the bridge is part of the railroad and there would not be any financial obligation as far as that is concerned on the City's part; it would just be the utilities.

Alderman Schipp and Mr. Cook further discussed this item as it related to Columbia Park in terms of the viaduct and vehicle access.

After discussion, the motion carried by the following Aye and No vote; those voting Aye being; Alderman Clark, Alderman Mayberry, Alderman Foley, Alderman Tollenaer, Alderman Hotle, Alderman Schipp and Alderman Austin; those voting No, none.

Agenda Item #16

**Report from the Community and Economic Development Department regarding bids for the NESHAPS investigation of six residential properties, recommending the bid be awarded to EnviroNet of Davenport, IA in the amount of \$3,240.00.**

Alderman Foley moved and Alderman Hotle seconded to award the bid as recommended and authorize the City Manager to execute the contract documents. The motion carried by the following Aye and No vote; those voting Aye being; Alderman Clark, Alderman Mayberry, Alderman Foley, Alderman Tollenaer, Alderman Hotle, Alderman Schipp and Alderman Austin; those voting No, none.

Agenda Item #17

**Report from the Finance Department regarding the Five-Year Capital Improvement Plan for FY17 through FY21.**

It was moved by Alderman Hotle and seconded by Alderman Clark to approve the Five-Year Capital Improvement Plan as recommended and authorize staff to implement FY17 projects and expenditures pending approval of the CY2017 budget in December.

Comments followed. Alderman Schipp stated that when Council is voting on this, it is to approve the expenditures for the next fiscal year; each year the five year plan is looked at and reevaluated as to what is coming up.

After comments, the motion carried by the following Aye and No vote; those voting Aye being; Alderman Clark, Alderman Mayberry, Alderman Foley, Alderman Tollenaer, Alderman Hotle, Alderman Schipp and Alderman Austin; those voting No, none.

Agenda Item #18

**Report from the Community and Economic Development Department regarding a proposed amendment to Appendix A, Article V and Chapter IV, Article III of the Code of Ordinances as it relates to the Board of Zoning Appeals.**

Alderman Schipp moved to postpone consideration of the amendment until the final meeting in December, Alderman Tollenaer seconded.

Discussion followed. Alderman Schipp stated that he would like to postpone this item and wait until the new CED Director is here and have the concerned stakeholders at the table for conversations on this matter.

After discussion, the motion carried by the following Aye and No vote; those voting Aye being; Alderman Clark, Alderman Mayberry, Alderman Foley, Alderman Tollenaer, Alderman Hotle, Alderman Schipp and Alderman Austin; those voting No, none.

Agenda Item #19

**Other Business**

Beth Payne, Administration Director of Renaissance Rock Island distributed ballots to the Mayor and Council for their selection for the Annual Hard Hat Awards. Ms. Payne stated that the celebration will be held on December 7, 2016 from 5:00 pm to 7:00 pm at the Stern Center. Ms. Payne added that this is a special year because the Development Association of Rock Island is turning 30 years old. Ms. Payne further discussed this item. The Mayor and Council members voted and returned the ballots to Ms. Payne for tabulation.

Mr. Norm Moline of Rock Island, IL discussed concerns he had on Item 18 in regards to an amendment related to the Board of Zoning Appeals process. Mr. Moline advised that the item came before the Planning Commission and it was unanimously tabled because the Planning Commission felt that there was not enough information to make a good decision. Mr. Moline stated that he disagreed with the proposed procedural change and opposed any changes in the appeals process of the Board of Zoning Appeal decisions. Mr. Moline further discussed this item.

Alderman Austin stated that the City also has a study going on for the entire zoning process and inquired as to when Council can expect to have the report and is this something that would be addressed in the report in terms of the Board of Zoning Appeals process. Interim Community and Economic Development Director Tom Ayers stated that the report is expected to come to Council in early 2017 and that item would be addressed in the report.

Agenda Item #20

**Executive Session on Personnel, Property Acquisition and Litigation.**

A motion was made by Alderman Foley and seconded by Alderman Clark at 7:16 pm to recess to Executive Session on matters of Personnel, Property Acquisition and Litigation. The motion carried by the following Aye and No vote; those voting Aye being; Alderman Clark, Alderman Mayberry, Alderman Foley, Alderman Tollenaer, Alderman Hotle, Alderman Schipp and Alderman Austin; those voting No, none.

Agenda Item #21

**Recess**

Mayor Pauley reconvened the regular meeting at 7:38 pm. A motion was made by Alderman Foley and seconded by Alderman Schipp to recess to 5:30 pm, Monday, November 21, 2016. The motion carried by the following Aye and No vote; those voting Aye being; Alderman Clark, Alderman Mayberry, Alderman Foley, Alderman Tollenaer, Alderman Hotle, Alderman Schipp and Alderman Austin; those voting No, none. The meeting was recessed at 7:39 pm.

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Aleisha L. Patchin, City Clerk