

**AGENDA
CITY OF SALEM
REGULAR CITY COUNCIL MEETING
FEBRUARY 16, 2016
6:00 PM REGULAR MEETING**

Regular City Council Meeting

- I. Call to Order – 6:00 pm**
- II. Prayer and Pledge of Allegiance**
- III. Presentation of Petitions/Public Comments**
- IV. Mayor’s Report and Presentations**

- V. City Council Action**
 - 1. Consent Agenda
 - a. Approval of Minutes – February 1, 2016
 - 2. Bills Payable
 - 3. Approval of Petition to Vacate portion of Broughton Street Between Miller and Trenary
 - 4. Authorization to Apply for CDAP Housing Rehabilitation Grant
 - 5. Approval of Real Estate Purchase (110 South Walnut)
 - 6. Approval of Ordinance Amending the Electric Aggregation Plan of Operation and Governance
 - 7. Approval to Surplus Ford Natural Gas Powered Air Compressors at Gas Plant
 - 8. Approval of Resolution Supporting State Funding for City Grants
 - 9. Discussion – Closure of Solicitation Period for Downtown TIF Projects

- VI. City Manager Report**
- VII. City Attorney Report**
- VIII. Finance Director Report**
- IX. City Council Report**

- X. Adjournment**

Bill Gruen
City Manager

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MANAGER'S COMMENTS

VI. City Council Action

3. **Petition to Vacate Portion of Broughton Street Between Miller and Trenary:** The two properties owners adjacent to a portion of Broughton Street between Miller and Trenary in the Frisco Addition of Salem request vacation of a street ROW. If approved by the Council, a relatively short stretch of street ROW with no street thereon would become taxable, private property belonging to the two owners making petition for the vacation. The City would want to retain an easement in at least a portion of ROW being vacated. Costs entailed in the street vacation should be discussed. We are taking a closer look at this request between now and Tuesday night.

4. **Authorization to Apply for CDAP Housing Rehabilitation Grant:** Staff from the South Central Illinois Regional Planning Commission (SCIRPDC) will be on hand to discuss a CDAP to which the City Council may wish to make application. The gist is that the City could apply and then receive a grant in an amount ranging from \$300,000 to \$400,000 to make repairs to homes in a targeted area where homes are not building compliant and where "low/mod" income is identified. Please see summary sheet.

The City Council should strongly consider making application to this program for at least a few reasons: (1) Salem population has been diminishing slightly over the last few decades, and firms that make projections (*and which national retailers use when making site selections*) see population continuing a decline into the future; (2) single family housing falling into disrepair can be a contributing factor to continuing population decline; and (3) cause mutually reinforcing thinning of the tax base, property tax pressure on other property owners and further population decline. I don't intend to overstate a problem but do wish to be descriptive of an issue.

On a related matter, please see the listing of properties on which the City has placed demolition liens. If these properties are attainable, they could become a resource to the community if new homes can be developed, which in turn could create more tax base and put either stabilizing or upward pressure on population counts.

5. **Approval of Real Estate Purchase (110 South Walnut):** Please see attached purchase contract for 110 South Walnut, owned by Freeda McGaughy. The contract calls for the purchase of the property for an amount totaling \$60,000 paid in two installments, one in 2016 and one in 2017. The City's interest in the property involves demolition for improved Downtown parking.

6. **Approval of Ordinance Amending the Electric Aggregation Plan of Operation and Governance:** Good Energy has scheduled bid opening and approval for February 24. I will be traveling to Charleston in the hopes of approving the next bid for electric aggregation rate. An attorney representing some of the communities in our buying group has identified a change which needs to be made to our electric aggregation plans. The net effect is, in the event that Ameren's standard supply rate would be lower than our aggregate rate, our next supplier would not be

required to match that lower, standard rate. Customers would not be stuck with the higher, aggregate rate but they would have to opt out of the program individually, en-masse to obtain the lower rate provided directly by Ameren. I recommend approval of an ordinance removing price match language (see Section 13 – Pricing Methodology) so that I can execute a new rate on February 24.

7. **Approval to Surplus Ford Natural Gas Powered Air Compressors at Gas Plant:** There are two natural gas-powered, Ford engine, air compressors at the Gas Plant that the City no longer uses. They were previously used to mix propane in with natural gas in the City's system on occasion during cold spells. We are not sure about the value of the compressors. Request approval to declare them surplus property so that we can seek bids/proposals for their sale and removal.
8. **Approval of Resolution Supporting State Payment of City Grants and Utility Debt:** Please see resolution in your packet. If it says what the Council wants it to say, it is ready to be adopted.
9. **Discussion – Closure of Solicitation Period for Downtown TIF Projects:** Deadline for project submission was February 10, 2016. I asked Jeanne Gustafson to finalize a list of projects based upon at least verbal interest and to allow for an extended period of time to finalize nature of and budgets for projects. Please see enclosed list and cost estimates. If the City Council is satisfied with the list of projects submitted, you may consider approving a final list of applicants and invite them to finalize project scope and budget. Those invited to finalize projects would be subject to a visit by a structural engineer to review the project and state of building overall. Final approval of projects could be made at our first meeting in March. Please also see letter correspondence between myself and Eternal Hope Church, which owns the vacant church structure at 308 South Broadway.

This church organization would also like to be considered for financial assistance for demolition of the structure, whether it is from this TIF solicitation or an alternate source.