

**SPECIAL CITY COUNCIL MEETING**  
December 2, 2015

A special meeting of the Lexington City Council was called to order at 7:30 p.m. by Mayor John Mohr in the City Council Chambers at Lexington City Hall.

Mayor led the council in the pledge of allegiance.

Roll call was taken to find the following physically present: Mayor Mohr, Alderman Miller, Alderman Cole, Alderman Johansen, Alderman Stover, and Alderman Richard. Members of the staff and public present were: Melanie Kunkel and Christopher Phelps.

**Accept the Resignation of Alderman Christopher Phelps:** Mayor noted that the loan to Christo's Java Cafe & Dining, approved on November 23, 2015, cannot be extended to a sitting Alderman. Alderman Christopher Phelps submitted his resignation to Mayor Mohr on November 24, 2015 in order to make the Cafe his highest priority. Motion by Alderman Stover and second by Alderman Miller to accept Alderman Phelps' resignation. Motion carries unanimously.

**Confirm Appointment of Don Meyer to Alderman Ward 3:** Mayor circulated a biography for Don Meyer to council members. Mr. Meyer has worked with various teams, individuals and political parties in the County, was previously a teacher at Lexington High School and is Mayor Mohr's recommendation to fill the Ward 3 seat vacated by Christopher Phelps. Motion by Alderman Miller and second by Alderman Stover to confirm the appointment of Don Meyer as Alderman of Ward 3. Alderman Cole voiced a concern about both Mr. Meyer and Alderman Stover living in the same subdivision as he feels their constituents may be unhappy with their close proximity. Motion carries with a vote of 4 yes, 1 no.

**A Resolution Authorizing the Transfer of General Funds to the TIF Fund:** After research into the council's previous decision to provide a loan to Christopher Phelps for his business, on November 23, 2015, proved to be illegal, the city's attorney recommended accepting Mr. Phelps' resignation, transferring the funds from the general fund to the TIF fund and then using a Redevelopment Agreement to extend the loan. Funding is available since \$39,605.69 in the general fund was recovered by Treasurer, Sue Noland, from sales tax receipts for a local business that were being paid to the county rather than the city. A portion of that money, representing the \$0.005 non-home rule sales tax imposed for the IEPA sewer loan was credited to the sewer fund. Alderman Johansen voiced concern over how it looks to the community that the council made a decision to give a loan at the last meeting, it was found to be illegal, and now Mr. Phelps has resigned and the city is moving forward with giving him the money. Alderman Johansen also questioned if any of the money Mr. Phelps is asking for qualifies as TIF eligible expenses. Alderman Johansen recommended that Christopher Phelps complete a TIF grant application and provide TIF eligible receipts as was the city's requirement in the past. City Clerk, Melanie Kunkel, noted that grants awarded in the recent past to Lexington Finer Foods, The Fireside, Peeley's Pool Hall and the Shake Shack were not required to fill out an application or provide receipts. Alderman Johansen noted that the council should restart the application process at this point going forward. Alderman Richard noted that he had received phone calls from constituents who are not in favor of providing any type of grant or loan and indicated that they believed Mr. Phelps had received TIF grants in the past. Mr. Phelps noted that he has never received any type of grant, TIF or otherwise, from the city. He indicated that he applied for a TIF grant back in

2007 but was denied due to the sewer work being done. Attempts to locate Mr. Phelps' previous application in the city's files were unsuccessful. Alderman Johansen and Alderman Cole also asked that the Mayor provide the council with paper work pertaining to upcoming meetings well in advance of the meetings rather than a few minutes or hours before. Motion by Alderman Stover to approve a Resolution Authorizing the Transfer of General Funds to the TIF Fund. Motion failed for lack of a second.

**A Resolution Authorizing a Redevelopment Agreement with Christo's Java Café & Dinning, LLC:** Alderman Cole recommending postponing any decision regarding this item until the next council meeting so Christopher Phelps can complete the TIF grant application process and provide the council with TIF eligible receipts.

City Clerk, Melanie Kunkel, recommended moving the due date for agenda item submission back a week in order to allow time for paperwork on those items to be circulated and reviewed by the council.

There being no further business, it was moved by Alderman Miller and seconded by Alderman Cole to adjourn at 8:05 p.m. Motion carried by unanimous voice vote.

Respectfully submitted,

Melanie Kunkel, City Clerk

Approved: 12/14/2015