

REGULAR MEETING OF THE LEXINGTON CITY COUNCIL

May 14, 2018

7:00 P. M.

The regular meeting of the Lexington City Council was called to order at 7:00 P. M. by Mayor Spencer Johansen in the City Council Chambers at City Hall.

Mayor Johansen led the council in the Pledge of Allegiance.

Roll call was taken to find the following physically present: Mayor Johansen, Alderman Schreiber, Alderman Stover, Alderman Colclasure, Alderman Fosen, Alderman Richard and Alderwoman Wilson. Members of the staff and public present were: Don Cavallini.

It was moved by Alderman Colclasure and seconded by Alderwoman Wilson to approve the minutes of the April 23, 2018 regular City Council meeting. Motion carried unanimously.

It was moved by Alderman Fosen and seconded by Alderman Stover to approve the Treasurer's Report and pay bills in the amount of \$46,933.47. Motion carried unanimously.

Public Input: None

Old Business: Discussion/Vote Ordinance 2018-2 Surplus Property: AN ORDINANCE DECLARING CERTAIN CITY OF LEXINGTON OWNED REAL ESTATE PROPERTY TO BE NO LONGER NECESSARY OR USEFUL TO THE CITY OF LEXINGTON OR FOR THE BEST INTERESTS OF THE CITY OF LEXINGTON AND AUTHORIZING THE SALE OF SUCH REAL ESTATE OR OTHER DISPOSITION OF SUCH REAL ESTATE IN ACCRDANCE WITH (65 ILCS 5/11-76-1) (FROM CH. 24, PAR. 11-76-1), 65 ILCS 5/11—76-2 (FROM CH. 24, PAR. 11-76-2) AND 65 ILCS 5/11-76-3 (FROM CH. 24. PAR. 11-76-3).

Lot 6 in Block 20, Original Town of Lexington, In McLean County, Illinois. P.I.N.: 09-08-164-001 used for storage of City owned property.

This is the Water Plant and steel building and garage where we park the squad cars. The interested party is interested in buying all three.

Discussion/Vote Ordinance 2018-3 Surplus Property: AN ORDINANCE DECLARING CERTAIN CITY OF LEXINGTON OWNED REAL ESTATE PROPERTY TO BE NO LONGER NECESSARY OR USEFUL TO THE CITY OF LEXINGTON OR FOR THE BEST INTERESTS OF THE CITY OF LEXINGTON AND AUTHORIZING THE SALE OF SUCH REAL ESTATE OR OTHER DISPOSITION OF SUCH REAL ESTATE IN ACCRDANCE WITH (65 ILCS 5/11-76-1) (FROM CH. 24, PAR. 11-76-1), 65 ILCS 5/11—76-2 (FROM CH. 24, PAR. 11-76-2) AND 65 ILCS 5/11-76-3 (FROM CH. 24. PAR. 11-76-3).

Lot 5 in Block 20, Original Town of Lexington, in McLean County, Illinois, 104 Parkway, Lexington, Illinois, used for storage of City owned property.

This is the Fire Station. Mayor Johansen has given everyone a business case study on the purchase of the Fire Station. He has met with the potential buyers twice. They want to put two retail stores in the first two bays and make the back part for storage. We need to go through the procedure of putting the property out for bids.

Just because we declare these properties as surplus properties we do not need to accept bids if they are too low. Mayor Johansen would like to get a total of \$100,000 out of the two buildings to help pay for the new building. He would like to get \$55,000 for the Fire Station and \$45,000 for the building that the squad cars are parked in. There will be an appraiser coming on Wednesday, May 26, 2018. It will take \$125,000 to tear the old Water Tower down but we have a buyer who is very interested.

It will take a five out of six vote to approve the ordinance which is in accordance to State Law and \$40,000 might be low. If retail goes in they will need to put in ADA restrooms. If we accept \$40,000, the City can offer no more help.

When taking bids for the properties, legally we can ask what they are going to do with the buildings. We are looking for retail businesses to go in there and we have no time frame as to how long we have to go through the process. We can refuse all bids and do it again and include the lot next to Tom Shields. Mayor Johansen would like to include that lot next to Tom Shields and the Patton Park as surplus property in the future. Patton Park will need to be relocated maybe up to the City Park.

Motion was made by Alderman Richard and seconded by Alderwoman Wilson to approve Ordinance 2018-2 Surplus Property. Motions carried unanimously.

Motion was made by Alderwoman Wilson and seconded by Alderman Stover to approve Ordinance 2018-3 Surplus Property. Motion carried unanimously.

Discussion/Vote TIF Requests

DaT Bar and Dennis

Firkins TIF grant was approved in April 2017 for a \$6,000 half of expenses for a roofing job that has not occurred. He has not received the money and no agreement has been signed. He has approached the City again and would like us to lend him another \$6,000. Alderman Fosen would like to do a modification and replacement to the original agreement for an additional \$6,000 for 30 months, \$200 per month, no interest as long as payments are made on time. The requirements would be the work to be completed in 30 days and the City will pay the contractors directly, similar to the way we pay vendors. Dennis is authorizing us to do this. City Fees and taxes will be structured the same as Kelly Tobin's loan.

It was pointed out that paying 100% of the project goes against the principals of the TIF guidelines.

It was agreed that we normally want to do only half of the project but we also want to keep up the appearance of Main Street. He is an existing business and generates annual fees of \$8,000 from the gaming machines alone. He has agreed to fix the plate glass windows and bought the

paint for the high school kids to paint the front of his building, and is considering painting the rest of the building. The agreement does not stipulate fixing the windows and Mayor Johansen should get his agreement to fix the window. The West side of the building was not part of the discussion.

The question was asked if he owned his building outright. Although no one was sure he owned it outright he has been in that building a number of years. The same language of default as was used on the Kelly Tobin agreement. It clouds the title but does state that the City is owed if the loan is defaulted on and that the grant is also owed if the loan is defaulted on. Alderman Fosen also suggested that a sunset agreement be put on the agreement in case the work does not get done within a specified time, bids come out too much or whatever the reason that it does not get done.

It was moved by Alderman Fosen and seconded by Alderman Richard to modify the existing TIF agreement with Dennis Firkins for DaT Bar, LLC. to also include a \$6,000 loan with 30 monthly payments at no interest. Motion carried with 5 yes and 1 no.

New Business: None

Committee Reports:

Mayor's Report: Mayor Johansen has had calls with two developers from the Chicago area, one representing Hanson and one representing an alcohol distributor looking to buy some property off of P J Keller Hwy and put up a 100,000 square foot building East of Wirtz. It would bring 50 jobs to town. It is still in the early stages.

Mayor Johansen has been talking to other businesses interested in coming to Lexington.

Red Carpet Corridor was a success. The picnic was a success with close to 400 people served. Star did a great job. We had people coming in on Sunday. The State will get feedback on the one day. A lot of work for one day but it is hard to get volunteers for a two day event.

Police: They have ordered the second half of the helmet and exterior body armor as planned. Two officers need to be fitted for out of date vests.

Building/Insurance: None

Finance/TIF: They have had a meeting with Fred Moressette and asked him to remove his cooler from the City lot before Friday, May 18, 2018. He was wanting to use the City's flat trailer to do this.

It was also mentioned that Thrift Avenue wanted to donate the artist Route 66 sign to the City. There was some discussion as to what possibilities could be done with the sign. Nothing was decided other than the City could not accept the donation.

Water/Sewer/Sanitation: None

Street/Alley: The alley and the patching got done. The new snow plow hit a manhole cover and did some damage to the undercarriage to the new truck. We got the blade fixed. We will turn it into insurance but it was about \$6,800 in damage.

The question was asked if anything has been heard from the Rail Road about the crossing. They were there to fix it but no one had contacted the Signal Crew so they were unable to proceed with the repairs. That is a County Road and the County should be in charge of having it repaired. Star is getting complaints, Mayor Johansen will call the Rail Road again about getting it repaired. There was some discussion as to why the tracks are in such bad shape, whether there was a tile under them or if they had settled.

There was some discussion about the new fence going up on Main Street. Mike Beard did give them a permit to put the fence up.

There being no further business motion was made by Alderman Fosen to adjourn at 7:38 P.M. Motion carried by unanimous voice vote.

Respectfully submitted,

Pati Pease

City Clerk

Approved: June 11, 2018

