

ROLL CALL – PRESENT: Alderman Kent Alderman Wynne
Alderman Moran Alderman Bernstein
Alderman Jean-Baptiste

A Quorum was present.

**NOT PRESENT AT
ROLL CALL:** Aldermen Rainey, Newman

ABSENT: Aldermen Engelman, Feldman

PRESIDING: Mayor Lorraine H. Morton

A SPECIAL MEETING of the City Council was called to order by Mayor Morton at 7:14 p.m. Monday, February 4, 2002 in the Council Chamber for the purpose of conducting a public hearing on the 2002-03 proposed budget.

Public Hearing on the Proposed 2002-03 City of Evanston Budget

City Manager Roger Crum announced this meeting was set aside to hear any citizen speak on any aspect of the proposed budget. There would be no votes or discussion by Council. He reported City Council received the budget on January 1, 2002 and must adopt a balanced budget by the end of February (legal requirement). The budget problem is severe through a combination of factors, with the recession one of the most significant. The shortfall approaches \$4 million. In the proposed budget several ideas were proposed to balance the budget, many are painful and undesirable. City Council has heard them and arrived at some preliminary conclusions. The budget would probably be adopted February 25, the last regularly scheduled meeting of the fiscal year.

Dick Stillerman, 2330 Park Pl., thanked Alderman Engelman, other aldermen and the Mayor for allowing citizens to participate in the budget discussions prior to Council's deliberations. He found it a positive development and was heartened by the contributions of so many citizens; recalled in past years few citizens took an interest in the budget, though those decisions affect all. He acknowledged the difficulty of reaching a reasonable accommodation on a budget in which expenditures rise faster than revenues and where competing interests seek scarce dollars. He noted this year more than others, the necessity of setting priorities, seeking efficiencies, cutting back or eliminating certain program elements and not to rely solely on new taxes and fees or increases in existing fees to balance the budget. He suggested the first priority should be to fund services that directly affect citizens' lives and homes: police, fire, streets, sanitation and refuse collection. He supported efforts to seek efficiencies in the Police Department such as consolidation of youth/victim witness program and economizing on the police liaison officer program. He was concerned that the City may need more firefighters due to all the new buildings, a basic service they cannot afford to shortchange. They will have to address this in the future. He supported, in a budget crunch year, limiting salary increases of the 400 non-union employees to a maximum of 2%, which would save \$360,000. He thought that fair since it avoids job elimination and sends a message to the unions that salary increases must be minimized. He applauded transferring Emergency Assistance to the Township to save about \$105,000; opposed closing library branches, noting that cut was off the table as well as the Summer Youth Employment Program and an animal control warden. He suggested they should be able to develop a more meaningful summer youth program at lower cost either by having a private entity operate it or a cooperative venture between a private entity/city. He was dismayed to hear

that a component of that program pays youth to attend theater classes and that the City paid two supervisors plus additional professional help, which did not seem to be appropriate for a job program. He noted it is always difficult to recommend cuts to mental health agencies and community social service agencies but, in some cases, cuts may be in order. He said if an agency is large, has fund-raising capability and the City subsidy is small, there was some justification for reduced funding. He stated reductions must be handled sensitively on a case-by-case basis. He said the same rationale could be applied to ECMC, Fleetwood-Jourdain Theatre and the arts program, which may have to endure some cuts. He heard a lot of testimony against those cuts but none by some of the entities to increase their private fund-raising efforts. He could hardly believe the Next Theatre group refused to discuss sharing theater space with Fleetwood-Jourdain Theatre at the Noyes Center, especially since Next Theatre owes \$15,000 in back rent on their lease. On the revenue side, to keep program reductions down, he would support a ½% increase in property tax above the 5.6% recommended increase, which would yield an extra \$160,000; increase the vehicle sticker by \$10 instead of \$5 to yield about \$300,000; a new tax on movies and video rentals would garner \$20,000; increase building fees for \$225,000; increase pet license fees for \$15,000; special refuse pickup fees to provide \$75,000; and extension of hours to sell food/liquor for \$100,000. He supported a new tax on food/beverages to yield \$900,000 but did not support reducing the tax on liquor. He suggested, according to a staff memo, that the tax had little effect on the volume of liquor sales. In 1998 when the liquor tax was increased by 20% to 6%, tax revenue increased substantially. He did not think there was reason to think the public would drink less liquor if there was a new 1% food/beverage tax and the liquor tax remained constant. He noted restaurant owners want to increase their profits from liquor sales but citizens want the most revenue from liquor sales. The customer pays the tax, not the restaurant owner. He stated staff should be prudent in estimating taxes and fees, but not foolishly eliminate revenues that could be generated. He noted the City Manager recommended eliminating \$650,000 from anticipated building permit fees. The rationale for that is a similar amount will not be received in the following year when building activity would be down and it would distort the following year's budget. He believed they should base the budget on what they expect to receive that year and not reduce estimates based on estimates of future years. He said that applies to reserves for litigation. He asked why overestimate the possibilities of judgments when litigation is in progress and ultimate resolution is years away. He noted the City is not alone in facing budget dilemmas. School District 65 is in a precarious situation, which is serious for the future of Evanston's children. He concluded by saying that Evanston is one community and what affects one element affects all; was confident Council will reach a reasonable result on this year's budget recognizing that political considerations always play a part in deliberations, but hoped that politics will play second fiddle to the general welfare.

Mark Fusaro, 614 Elmwood Ave., an economist, is a scoutmaster for Troop 16, which meets at Oakton School, and was proud to be one of Evanston's volunteers. Through scouting valuable experiences are provided to many Evanston youth. He said it was essential that the community have a safety net of professional resources to meet the challenging needs experienced by local youth and families. He stated the community needs mental health and other professional agencies to address drug abuse, child abuse, suicide and teen pregnancy. He urged Council to consider the consequences of cutting human services, especially substance abuse. Any cuts more than a few percent would be disastrous. By neglecting the needs of children and others they risk the well being of the community and it was sure to cost more in the long run than save in the short run. He was pleased the City sought citizen input on the budget and noted some of citizen solutions included outsourcing payroll and asking residents to pay the cost of recycling service. He noted none of the five groups accepted the proposed cuts to mental health and other human services. He hoped Council would not ignore the hard work of citizens and others who expect that Evanston will continue to be a community that reaches out to those in need.

Christopher Duquet, 2315 Lincoln St., said as a homeowner and small business owner he pays a lot of taxes. He thought the reason people pay these taxes is that they like Evanston; that it is a great community and the best part of it are the cultural arts. He urged them to support cultural arts and not to take away that part.

Daniel Kelch, 626 Davis St., Lulu's restaurant, spoke against the proposed food tax; said recent information submitted by staff showed nine other Home Rule communities with a food tax: Schaumburg, Rosemont, Arlington Heights and surrounding suburbs. He noted with the exception of a 2% liquor tax in one of those nine, the other eight have no liquor tax. While those communities have no liquor tax, Evanston has the highest liquor tax in the state at 6% and, cut to 4%, would still be the highest. He pointed out what Evanston does not have that these other areas have is Woodfield Mall, an Ikea store or hotel/convention center in Rosemont, which draw captive audiences. A food tax in such a situation is understandable. He did not think it was a well thought out policy for Evanston to have a food tax because others have one and the discrepancy was so large among these communities that the

comparison was not responsible. Staff stated that the last ¼% sales tax increase, representing a 33% increase on the Home Rule portion of the sales tax, had a modest effect on food sales which he suggested was misleading. It was like saying there was a huge increase but it hardly affected sales. He said the ¼% sales tax increase amounted to a 2.9% increase in the overall tax rate – the percentage the customer saw. He thought the 2.9% caused the modest effect upon sales. He stated Evanston's high rate of taxation is becoming regressive. He noted another example of regressive taxation was revenue budgeted in 2002 for the cigarette tax projected at \$300,000 versus \$380,000 last year, a decrease of 22%. He said that smokers will smoke and did not think there were 22% fewer smokers. He suggested this illustrates that consumers are aware of tax increases and respond accordingly. He stated "raise taxes, lose revenue." He said that poor tax decisions can create competitive damage that is quick, long lasting and once implemented, difficult to remedy. Like the cigarette tax, the food tax could prove to be regressive. He noted that already "the modest effect" of the 2.9% increase is whispering such a suggestion. The tax hurts the targeted industry and ultimately the community. He stated data provided by staff shows that the restaurant industry has generated tax revenue growth of 19.44% since 1994, which is a 3% annual increase that barely keeps up with the rate of inflation at a time the economy was booming. If new restaurants were figured with existing restaurants in that rate, they could find that growth might have actually fallen below the rate of inflation. Existing same store sales, adjusted for inflation did not grow. Decreasing same store sales is a negative sign, not one of growth. While he and others have beat those figures was why he found these figures surprising and no one should interpret these figures as a sign of robust strength. Of the ten categories presented by staff, two showed declining revenue generation. The restaurant industry occupied the next lowest rung on the ladder. Many other categories showed growth rates of 167%, 121%, 84% and 73%, which he termed real growth. A 19% increase barely keeps up with inflation. He concluded that staff had singled out the restaurant industry with its low growth to bear the burden of the community's tax increase. Because they will also get a property tax increase, (commercial rates are double those of residential) they will receive a double whammy.

Steve Bartlebaugh, 1285 Hartrey Ave., executive director, ECMC, requested the media center be removed from the budget cuts. He stated many from the media center have appeared before Council in the past and that night they asked them not appear because they believed that Council was aware of ECMC's unique situation. He noted the media center has requested a portion of the 5% franchise fee paid by cable subscribers; that cable money should go back to local cable television. ECMC has increased fund-raising activities as they realize that is their responsibility. He noted with fees, grants and production services the media center cannot support itself, which has been a fact of life during its 15 years as a non-profit organization. ECMC would strongly support any relocation of their facilities.

Jane Grover, 2703 Prairie Ave., chair, Evanston Mental Health Board, stated mental health services are a core service to the community and are not dispensable. People who consume mental health services cannot acquire them through the private sector and the City should be a part of it. She stated the Mental Health Board allocates \$403,000 to 21 programs run by 14 agencies. She asked them to keep in mind two outcomes from the budget/citizen meetings where two community values were identified: people and diversity. Programs the Mental Health Board funds reflect those two core values. The Mental Health Board serves almost 5,700 residents, 91% of which are low-income and most are African-American or Latino. She noted in the five groups at a recent budget/citizen meeting not a single group identified cutting mental health grants, which they cannot ignore. The general health of a community depends to a large extent upon mental health. These programs fund everything from pre-school programs tied to school preparedness, to improved law observance among adolescents, to reduced isolation and decreased rates of hospitalizations for mental illness for senior citizens. She predicted that reducing mental health funding would have repercussions for the community. People with questions should submit them to Harvey Saver.

Nancy Bruski, 1840 Grant St., long-term resident and clinical social worker, spoke about the importance of continued funding for mental health services for early childhood programs through Project HELP administered by the Childcare Network of Evanston. She reported Childcare Network had lost funding recently because of changes in the childcare contract and has sought and gotten other funding. Because of September 11 and the recession there is much less private money available. She stated this small program pays for itself many times over by helping to prevent teen pregnancy, school failure and juvenile delinquency. She has worked with families of young children for many years and they see increasing numbers of children with psychological/social vulnerabilities, traumatized children, foster children and those who have experienced multiple losses. In her work at the Evanston Day Nursery, she has been struck by the fact that the families most in need of specialized help, such as psychotherapeutic services, are least likely to follow through with referrals to community agencies. Project HELP recognizes that need and provides specially trained psychologists and social workers to go directly to the Childcare Network program to give

services in a familiar setting. Children receive play therapy services on-site during regular school days and parents receive counseling at their child's school as well. She has provided counseling services to a number of families because of this program and to children who would not have received help any other way. She stated this program contributes to the prevention of violence and the achievement gap by helping children grow up in a healthy, non-violent, non-destructive way. Research tells them that for every dollar spent in early childhood intervention, approximately seven dollars are saved in the future for the problems she enumerated. She said it is all too frequent when the budget axe falls, that early intervention programs get cut first. She cautioned that if they continue to bury their heads in the sand and ignore the needs of youngest constituents, they would pay dearly in the long run. She called Project HELP a small program with a small budget and surely there is a way to continue to fund these services not available elsewhere through the Childcare Network. She asked the window of opportunity be kept open to their most vulnerable children.

Richard Seaman, 1411 Mulford St., noted once again, they face a budget deficit, this time for over \$3 million and asked why Evanston has a budget deficit every few years? Is it due to overspending, mismanagement or some other factor? He understood unusual circumstances such as snow and September 11 and noted that the City and school districts go through the same "bump in the road." He suggested that the city/school districts lobby the state to coordinate all funding and set a common calendar so there would not have to be bond issues, referendums and tax participation warrants to meet expenses when funds are late from the state. He stated there are ordinances on the books that, if enforced, would increase revenues to the City such as overnight parking enforcement. He studied a parking lot on Hinman Avenue and found on average 4 to 23 vehicles a night were parked illegally. At \$25 per ticket that is a minimum of \$100 a night or \$3,000 a month. If each parking lot brought in \$3,000 a month, with 50 parking lots, that would be in excess of \$1.8 million, more than half the budget deficit. He stated, clearly, there is work to be done in Evanston and urged them to do it.

Noel Jackson, 3306 Hartzell St., former president of the Dancing Club of Evanston, represented Niles Township Sheltered Workshop and Thresholds, which serve mentally ill people. He pointed out that mental illness reaches 20% of the population and touches almost every family and heart. Their organization does things on a cost-effective basis to bring people back to independent living. When cuts are made to their services, those costs back up and lead to even greater costs to the community. He expressed appreciation for the City's support and hoped that it continues.

Aspasia Apostolakis Miller, 819 Forest Ave., volunteers on behalf of Metropolitan Family Services and spoke in favor of continued funding to community-based human service agencies. She noted diversity is a core value in Evanston as stated by citizens at budget meetings and an assumption when the budget was initially presented. She stated to maintain diversity, additional services are needed beyond streets, fire and police. To maintain the core value of economic diversity, mental health services are necessary. She expected the City to support the diversity that many who lived here value highly.

Barbara Ellson, 930 Asbury Ave., spoke for continued funding for mental health and social services. She said that social services are not part of the budget problem, but that other costs increase twice as fast as income. She stated that social service costs in the budget have decreased. The City's partnering with agencies is an efficient way to enable low- and moderate-income people to continue to live here. To cut funding to social services may help this year, but will do nothing to solve the basic budget problem, will be a short-term fix and increase social service expenses in the long-term. She predicted unmet needs would cause far more serious problems, cost more to resolve in the future and may cost Evanston its diversity, one of its highest values.

Rev. John F. Norwood, 1403 Fowler Ave., stated the principal reason for eliminating the Fleetwood-Jourdain Theatre program was about paying \$50,000 in rent to Family Focus. He noted that the City should not have to pay rent there because of the amount of money awarded to Family Focus through CDBG and other funds. He recalled that ten years ago the Cook County Assessor levied property taxes on the leased space to the theater because, in their opinion, the theater was not a 501 c (3) tax-exempt organization and did not meet the tax-exempt status of the property. Both the City's Law Department and legal representatives of Family Focus petitioned this ruling for several years. In 1995 the assessor determined that Family Focus had to pay property taxes on the space they rented to the Fleetwood-Jourdain Theatre. The cost of the property taxes had to be included in the rent. For several years Family Focus absorbed this expense until the final ruling was made. Currently property taxes assessed on the leased space are included in the estimated \$50,000. The City receives these funds back as tax revenue. He asked as Council evaluates rent of \$50,000 to Family Focus, that Council evaluate the rent subsidy the City provides for tenants at the

Noyes Cultural Arts Center, which is in excess of the \$50,000 paid to Family Focus and there is no refund in the form of property taxes. He stated that tenants at Noyes and Fleetwood-Jourdain Theatre pay far less than the market value for rental space here. He asked Council to consider examining the amount of money the City spends to support the artistic entrepreneurs at Noyes Center. Noyes has about 30 tenants, many of whom have leased space for more than 20 years and which serves as working space, showcase and base of operation for their businesses. He did not know the rent increases over the last several years but felt they, too, should have to give more. He stated that Family Focus recognizes the need to make major improvements to their building to comply with ADA and to address this, they have completed a comprehensive study and plan to do the necessary work. This plan has been submitted to the City. He said it would be considerate if the City helped Family Focus achieve this goal in light of the ADA accommodation made at Noyes by using the million dollars awarded the City for development of a performing arts center, which directly benefited the artistic entrepreneurs at Noyes. Re-directing those funds to Noyes has saved the City money it would have had to spend to meet ADA requirements for that facility. He noted that self-interest always overrides the need to consider the interests of other organizations in the City. He stated that the issues concerning expenditure of City funds for community purchased service contracts were invalid; noted the City spent equally as much with other agencies that serve underprivileged residents. Services provided address the social problems and needs that are inherent when 8.75% or 6,409 citizen live below the poverty line. Unless social programs will be eliminated or offered by the City directly, they would have to contract with Family Focus, which is qualified to provide the services and should not be penalized. (Comments on CDBG funds were included in printed remarks.) It was their prayer that those who make it possible for the City to receive funds and to offer programs are not penalized and become the subject of devastating cuts.

Judith Treadway, 612 Mulford St., requested budget items related to the Evanston Arts Center; stated it was in the budget last year under element 215 and not in this year's budget; noted it is the fifth objective in a new element 214, custodial maintenance. Her concern was revenue enhancements because people want to save many of the programs that provide services to citizens. She asked, after the budget process ends, to consider selling the Evanston Arts Center to a developer and shift the arts program to different locations to spur economic growth. A recommendation was made by citizens to use facilities to enhance revenue. She noted the City rents the arts center for \$1 a year and received \$1,000 in revenue last year and plans to spend \$60,000 in the coming year, while the Children's Theatre and Fleetwood-Jourdain Theatre generate significantly more than \$1,000 annually. She stated this is inconsistent with values espoused when these programs were initiated to provide cultural enrichment. Several years ago, the City gave away a building in southeast Evanston, which she termed an unwise decision. Fleetwood-Jourdain Theatre needs a home and the suggestion to move it was unacceptable. Both theaters should not have to function at the convenience of other programs/sites and taxpayers deserve to have their will listened to. How can Council ignore the potential revenue source of the Evanston Arts Center? If the Arts Center is recognized for revenue potential, it should not be excluded from the budget. She said no one denies the art center is a significant cultural asset but so are the Fleetwood-Jourdain and Children's theaters, which should not be minimized on the chopping block. She urged Council to postpone elimination of Fleetwood-Jourdain Theatre; to review a comprehensive plan to show commitment to diverse cultural arts programs and not continue to fund non-city programs with taxpayer dollars.

Carol Sittler, 1234 Elmwood Ave., member Mental Health Board, loves Evanston for its diversity, liberal people and cultural activities. Her career has been helping people with disabilities. She said disabled people need full support to be productive citizens and urged them not to cut social service funds more than they have to.

Michael Phillips, 1407 Greenleaf St., found the budget process interesting and the difficult task is what to cut. He had spoken about not cutting the Summer Youth Employment Program, Fleetwood-Jourdain Theatre and all the human service programs that the community needs and makes it the kind of community they want. While they speak of the desirability of diversity here, when tough times come, they want to raise fees and taxes. To have diversity they cannot always raise taxes/fees and if fees/taxes are raised, diversity will shrink and the CDBG program, which is based on federal guidelines for low-income and minority people, will disappear. As the standard of living is raised here with increased taxes and fees, they will chase away those people on whose backs those grants are given to this community. He asked them to look at how they can take care of this city, keep the services they have and not raise taxes. He said the Evanston's deal with ComEd is one of the worst and customers pay more to them than in other communities. He noted the long-term contracts for water sales were not good for residents and water/sewer rates continue to rise. As the City looks at ways to raise funds, in his church, they have discussed having parents go into schools to replace the police liaison officers. He said there are people who see youth, recognize they are doing wrong and could talk to them. If police are needed they could be called. A number of people love animals and, if

they knew of a volunteer program could be trained to help. He asked them not to continually raise fees/taxes, not have an adversarial relationship with Northwestern and have them look at what benefits they derive from the community and actually put in cash for services. He said NU has a large endowment they could draw from and, if they love this community, to sit down with the City and discuss what they could contribute.

Alderman Rainey explained in all Illinois communities the ICC sets the rate ComEd can charge customers. It was not the incompetence of the negotiators for extension of the ComEd Franchise or greed of ComEd that determined rates. Evanston's rates are no different than in any other community.

Alderman Newman stated on the Skokie water contract, that the City Manager did everything he could to raise the rate and Skokie sued the City in a costly lawsuit. On the contract with the Northwest Water Commission, the City retained legal counsel to try and get the best deal they could.

Yvonne Davis, advocated support for human services and mental health. A long-time professional, volunteer and advocate for the community, she felt compelled to speak. As former president of the Library Board, she was pleased the library branches were not closed. She noted that diversity is a core value that has been continually stated by citizens and a basic assumption by the City when the budget was presented. To maintain diversity, additional services beyond streets, fire and police must continue at a high level. To maintain the core value of economic diversity, mental health services are sorely needed. She urged that they embrace, promote and maintain sound mental health as a basic given starting with young children. The cost of social services is not a part of the budget problem, but costs are increasing twice as fast as income. Social service costs have actually decreased to fit budgets not to fit needs. She predicted social service costs will increase in the near future and unmet needs will cause far more serious problems than this community, state, nation and world now face. She urged them not to abandon the human services and mental health needs of people.

Andy Anderson, 715 Michigan Ave., president Niles Township Sheltered Workshop board, which provides psychosocial services to individuals with severe or persistent mental problems urged Council to provide as much funding as possible for mental health organizations. Working with this group, he has become aware of the scope of mental health problems in Evanston. His organization helps a number of people here and there are great needs.

Gordon Guth, 1404 Rosalie St., Ladd Arboretum Committee member, expanded his appeal to retain clerical staff at the Ecology Center. He reported the Evanston Environmental Association is financing expansion of the Ecology Center, which will be a \$700,000 asset at no cost to the City. They wish to expand the facilities for educational programs for adults and children. This year there were 4.9 people working at the Ecology Center. In the proposed budget they gave up one person, so staff went down to 3.9 and then were asked to remove the .9 clerical staff. Services there include school programs, public education, summer nature day camps, teacher workshops and community gardening. The Ecology Center is responsible for four City buildings: the center, Carlson Educational Greenhouse, and north and south foghouses at Lighthouse Park. Fund-raising projects from membership drives to bookstore sales provide additional revenue. The Ecology Center staff works with area bird and garden clubs to provide environmental projects and information. A library of natural history, curriculum and environmental materials is available to staff and public. Outdoor activities include a canoeing program on the canal. They coordinate volunteer work groups in the Ladd Arboretum and in other parks. The 4.9 staff this year rented out 204 garden plots; coordinated 1,600 hours of volunteer service; dealt with 14,000 people who visited the Ecology Center; answered 15,000 phone calls; taught 4,000 children and 2,000 adults programs. There were 150 public programs. With the expanded space they anticipate offering 30 more programs and renting space for special family events. More visitors are anticipated and a clerical person provides important customer service to the center.

Chris Baer, 2315 Bryant Ave., resource coordinator for Childcare Network of Evanston, reported that on-site mental health services for young children started after seeing countless children ages 2-3 with severe behavioral problems. The problems were so severe they could not remain in childcare. Their parents could not retain employment and that was the catalyst for seeking funds for mental health services. She noted the Governor's budget would also affect them this year with loss of significant funding that helped pay for those services. They have several proposals out to seek new funding but are not sure what will come through, so City funds are doubly important this year. Through the City, her agency offers 75 childcare scholarships to working families. If one is a single-parent family of three with an income of more than \$23,000, they are ineligible for state childcare subsidies. To stay employed, an individual with two children could easily cost \$150 per child weekly to care for the children. That is \$14,400

annually, so if somebody makes \$23,000, that family would have less than \$9,000 to live on. City funding is a direct pass-through. Providing the scholarships is a form of early intervention that helps children be prepared to enter school and supports economic diversity.

Chuck Bodkin, 2124 Forestview Rd., long-term resident supported a food/beverage tax and was strongly against a property tax increase, stated that residents already pay too much property tax. He suggested the way they are going, there will be no middle class here, only a wealthy class who will take care of the poor. He also supported renewing talks with Northwestern University about a head tax; thought Northwestern owes it to Evanston to pay some money for the land they occupy at the lakefront. He could not understand why NU doesn't help the City when there is such a need for increased revenue. He supported merging the school districts suggesting there was a lot of waste there. He did not agree with paying for the cost of recycling because taxes are already high. He stated the City has to hold the line on property taxes and on special interests. He stated the City needs to find a way to cut back even if it is hard to do. He reads a great deal and was against keeping all three libraries. He pointed out Evanston has a gigantic library downtown and hardly anybody is there. He noted Wilmette has one medium-sized library for the entire community.

Bonnie Bean, 2423 Noyes Street, mother of three small children, asked that the current level of funding for mental health and other human services be maintained. She was distressed when she learned the City Manager had proposed cutting more than one-third of the funding. She noted many of these services are for children and others target some of the neediest citizens. She stated by neglecting the needs of children and other vulnerable members of the community, they risk the future of Evanston. She pointed out that while spending in other City departments has risen, mental health and social service funding has remained flat for 10 years. That meant that rising costs in other areas have contributed to the budget crunch. She thanked them for seeking citizen input on the budget that worked to find creative solutions to the budget shortfall while maintaining the Evanston assets they value most. This included the caring quality of the community, diversity of citizens by age, culture, resources and physical abilities. She noted some solutions included increasing the cost of the vehicle sticker and asking citizens to pay for the recycling program. None of the citizens who participated in the budget groups accepted the cuts to mental health and other social service programs. They recently moved within Evanston and looked at other communities. It was clear to them they wanted to raise their children here because of the rich diversity and the way in which Evanston reaches out and cares for children and other citizens in need.

Betty Ester, 2100 Lake St., spoke on behalf of herself and others like her that many proposals to cut in the budget affect her community such as talk about the cuts to Mason Park and Southeast Evanston, which involve black children. She stated the Fleetwood-Jourdain Theatre is a City program, a symbol to her community with many subscribers. She said if Mr. Jourdain were still alive, he would be appalled by this proposal. She recalled a previous city manager had cut back on staff and all have been brought back. She asked the purpose of such a cut? She asked why a city manager needs four assistants and what do they do? She suggested to be responsible to Evanston residents, the City needs to look in-house. The proposed program cuts would hurt people. She recognized the City runs on fees and taxes but they must make sure they don't hurt a majority of people. She noted the building at 1930 Ridge will bring in more revenue to the City, but did not think they thought about the numbers of people who could live there. She asked if they are changing the voting complex of the 5th Ward to get more taxes? She asked them to think hard about the cuts and noted that the black community is being hit hard.

Larry Huber, 1557 Sherman Ave., managing partner, Clean Plate Club, was perplexed as to why, when there is a budget shortfall, the response is to target the food service sector. Last year there was a proposed food tax and maximizing the state sales tax and this year it's a new tax on sale of restaurant food. He asked when will they look to other areas to balance the budget, starting with cost control and ending with a more equitable source of additional revenue? He stated restaurants should be treated equally. In the food service sector they keep an eye on the top and bottom lines to survive. Since September 11 that task has been more difficult. They look for ways to increase sales in order to be profitable. He thought the City should look for ways to enhance restaurants and reap increased tax revenues as a result of higher sales, not take an ever-bigger slice of the pie. He asked for help to compete against Chicago and surrounding communities, all of which have lower taxes than Evanston and to work together to create the perception that Evanston IS the dining capital of the North Shore and not the taxing capital of the North Shore.

Katie Trippi, 2427 Payne St., participated in the citizen budget groups; left with the feeling that Evanston still has the values and priorities she was raised with and citizens were willing to think creatively. She spoke on cuts to the Teen Baby Nursery run by the Infant Welfare Society. She stated its participants have a 97% graduation rate from

high school and less than 7% of the teens have a subsequent pregnancy for two years. She stated this program works. Their predecessors in 1987 came to the Infant Welfare Society and asked them to open this program with the promise of funding. It serves the most vulnerable infants, toddlers and mothers in the community. Their program ensures health of the infants, nutrition, and early childhood education with a top staff who work with the infants and mothers. From this program has emerged a collaboration of agencies around Evanston that are in daily contact on the progress of the children and mothers. It cares for and supports the mothers of these children who themselves are children. They set the stage for positive parenting skills for the remainder of their lives. Unfortunately, the mothers are getting younger. When the program started, mothers were 16 years old and in the program at most a year. In recent years they have gotten 14-15 year old mothers, which means they are with them for up to four years.

Ted Urbanski, 612 Sheridan Rd., is a physician who has dealt with mental illness on a personal basis. He saw no problem with decreases in the budget when cuts are across the board. He suggested with decreases in the human service budget, there would be an increase in juvenile and justice system costs, emergency room visits, etc. He could supply that data and hoped they will consider that. He noted an ounce of prevention is worth a pound of cure. If the community was healthy they could make it through hard times and do better. While not practicing medicine currently, with treatment, he hoped to stay independent and be out there again.

John Kennedy, 1119 Hinman Ave., president, Youth Job Center board, analyzed proposed cuts and current budget process and put the budget into three categories: Overhead, Operations and Social Services. The last category is about 21% of the budget and includes Mental Health Board, community purchased services, library, recreation, Farmer's Market, cultural arts, health, Commission on Aging, and Ecology Center. That group has absorbed 47% of the cuts, while operations and overhead have 2.9% and 2.6% cuts to their budgets. He thought almost every speaker favored keeping social service sectors where they are and almost every group in the breakouts at the citizens' budget meetings emphasized the need for caring, diversity, forward thinking and community values that related more to social services. The problem is that this is a zero sum game. He stated some departments are not affected by cuts. He looked at performance in Facilities Management, which has 16 employees. Their records show 16,000 hours of time against work orders. He multiplied 16 x 7, which equals 48 weeks and 26,000 hours of available time and shows a 60% efficiency rate. He asked who would run a department like that? He stated that department has not been looked at for a cut. If two employees were removed and the same number of work orders, efficiency would be increased by 8%, still lower than any private business operation. In traffic signs, he noted that nearly \$250,000 is spent on traffic signs with three staff people. They fabricate 5,000 signs, yet the signs repaired/replacement total only 1,600 and new signs are 1,000. He asked why this difference? If they had one less person in the sign department would it hurt the community? He thought not. He stated they must look at those tough decision, because the city management group is not giving those suggestions. Ask better questions and demand better numbers, if not this year, next year.

Paul White, 1616 Washington St., co-owner Prairie Moon restaurant, spoke against the proposed food/beverage tax. He said restaurants already carry a lot of weight with high sales and liquor taxes. He stated restaurants have high costs and are difficult businesses to run. Targeting specific businesses and taxing a specific commodity, he said, was an unhealthy way to think. Someone suggested taxing videos. He asked why those two? He urged them to find a way to spread it around. He said it was tough to see people here pleading for their agencies and services. He suggested they need to figure out how to make it work and avoid that next year.

Raymond Summers, 1920 Asbury Ave., president of AFSCME local 1891, stated participating in the budget process had been rewarding. He said Evanston employees provide vital health and safety services: cleaning/repairing streets, plowing snow, collection of refuse, water/sewer services, traffic control, maintenance of recreational areas, repair/maintain city facilities, responsible for stray animals and maintain the trees. He noted there is \$2 million in unplanned overtime in the proposed budget and hiring more staff could eliminate some of that. In 1991, there were approximately 175-180 employees in AFSCME and now are down to 162 doing the same work. If personnel is not increased, a deficit will recur. Every week employees have to be transferred from the streets department to sanitation for detail work, which he termed poor utilization of employees. When employees are reassigned duties, they get behind in their work and, once behind, it is difficult to catch up. He asked Council to understand that a large portion of unplanned overtime could be eliminated or cut into by hiring more personnel and would have an immediate impact. A few weeks ago he gave a list of revenue enhancements the union supports and the reason the City has budget problems is due to the tragedy of September 11 and legal costs, which are one-time obligations. He hoped they consider having personnel staffed so they can do the job day to day and be more beneficial to the City and residents. He responded to the citizen who asked what it would mean to take away one person in traffic signs. He

asked them to imagine a corner without a needed stop sign because the work was backed up and a terrible accident resulting from that lack.

Jean Esch, 917 Elmwood Ave., said that most homeowners pay real estate taxes through their mortgage holder and she thought many homeowners were unaware of the percentage of the tax bill that supports City services. Her last bill showed 67% of her taxes went to the two school districts and 19% to the City. She suggested that they create a more efficient school system by combining the two districts. Every year she pays taxes to Cook County and asked what the County provides for those taxes? She recalled County commissioners recently gave themselves big raises and some pressure should be put on the County to do more for Evanston. She spoke against elimination of a clerical position at the Ecology Center; noted they serve children from 3-years of age to the elderly and have many activities. They are spending \$700,000 to double their space and anticipate more people taking classes, so they need clerical personnel. She stated the Ecology Center has programs that attract kids and are important. She said many children here have little exposure to nature, yet they have this facility. There is Perkins Woods, the Arboretum and Ecology Center and there are plans to rehabilitate the windmill.

Wanda Reed, 1825 Lemar St., commended Alderman Kent for his work in the 5th Ward; urged that no programs be cut because they will have a bad situation in the 5th Ward. They need programs, libraries and Fleetwood-Jourdain Theatre. She sees things she cannot talk about. They are in a "Catch 22." If they keep the programs, taxes go up for older residents like her. A resident for over 40 years, she likes Evanston. She said things are not being looked at as they should. She asked why they need a Mayor and a City Manager? She asked Council to think about the kids because they are the future and to keep summer programs. She suggested a toll booth be put on Emerson because of the traffic. She said Evanston was not meant to have so many large buildings and condominiums; thought she is paying the bill for those who are constructing large buildings and now people have water/sewer problems.

Roberta Hudson, 1941 Dewey Ave., coordinator, Foster Park Neighbors, stated government exists for people, not developers, the Chamber of Commerce or special interests. She suggested Council's priorities should be people's needs first and where the need is greatest. She said the City needs a systems analysis and evaluation of the performance of its operation. She recalled it was brought to their attention that records systems are inconsistent and the new financial software would not solve the problem. It seemed to her that the City needed to be evaluated for duplication, analysis of forms and waste in operations. She suggested Evanston needs a Mayor to be accountable for the City and to citizens. She recognized that this is a Home Rule community; the city manager's budget is \$580,000 with five assistants. She urged that programs for children be kept because they are greatly needed.

Mimi Peterson, 1008 Ashland Ave., represented Crown Park Neighbors, who when they heard the three liaison officers were to be cut circulated postcards on the issue and before they could be delivered, Council eliminated the cut. That organization thanked Council for keeping the officers in the schools. She congratulated Alderman Engelman and the Budget Committee for orchestrating more public participation this year. She was waiting to see the effect of those meetings. She stated the decisions to not cut branch libraries, Summer Youth Employment Program and police officers were wise because all affected youth negatively. She thought to get through this year they will face a tax increase and service reductions to cover the deficit. She saw no benefits and in the out years increasing deficits. She asked how productive the budget process had been? She urged Council to take action to bring in new revenues instead of raising fees. She said they cannot afford tax increases to cover deficits. The Fair Share Action Committee looked forward to a discussion on a new head tax and expects leadership by Council to approach Northwestern University to ask them to share the expense of providing quality street lighting. She asked why should taxpayers pay from the Capital Improvement Program for something that benefits students and was requested by them? Leaving \$100,000 on the table for game day traffic control is burdensome to taxpayers and unfair to ask them to sustain. The Fair Share group urged Council to begin negotiations for the largest consumer of City services, which at the same time contributes the least. She handed in cards signed by residents.

Joanne Rosenberg, Niles Township Sheltered Workshop, certified rehabilitation counselor and licensed clinical professional counselor, said this agency provides services to persons who have been dysfunctional to re-enter the community, the workshop and to work as volunteers to get training. They help people get to know their communities. She encouraged continued funding for mental health programs.

Alan Teller, 806 Monroe St., develops exhibits for museums and is a photographer and filmmaker. He spoke in support of arts programs and against cutting them. Oscar Wilde said, "art is not something you can take or leave, it

is a necessity of human life.” He stated that every time there is a budget crisis, spending on the arts is seen as dispensable, yet there is no argument that the arts contribute significantly to the quality of life. He said Evanston counts itself as a sophisticated community with the natural beauty of the lakefront and the artistic and intellectual vibrancy of the diversity of its people. He suggested people come here for these intangible qualities and will stop coming if Evanston becomes indistinguishable from its neighbors. He pointed out that people who are not involved in the arts don’t realize that for every dollar spent on the arts, seven dollars are returned to the community. He recounted the local businesses he patronized when he produced a film. When a theater production is put on money is spent in the fabric and local hardware stores. When patrons go to see a play, they go to restaurants. He stated that arts cannot be viewed separately. He suggested that Evanston adopt a 1% incentive for art in new developments and stipulate that Evanston artists or groups provide art and that could almost eliminate the need for the grant program. He suggested they could dramatically increase money going to arts and save money at the same time. He asked why the discussion of arts funding is not on this level; why are they so quick to cut and slow to see the opportunities before them? He proposed establishment of a task force of arts and economic development in Evanston where relationships are forged among businesses, Northwestern University, arts organizations, artists, and city government including the Arts Council. He noted the operating budget for the City is approximately \$139 million and the Arts Council receives about 1.2% of the General Fund budget of about \$70 million. He stated Evanston is unique and the arts play a significant role in that. He noted people mouth support for the arts and children, yet they seem to shortchange both. He urged them to increase funding for arts in the community.

Mayor Morton thanked all who attended and spoke and declared the public hearing ended at 9:29 p.m.

There being no further business to come before Council, Mayor Morton adjourned the meeting at 9:30 p.m.

Mary P. Morris,
City Clerk

A videotape recording of this meeting has been made part of the permanent record and is available in the City Clerk’s office.