

CITY COUNCIL

March 24, 2008

ROLL CALL – PRESENT:

	Alderman Moran	Alderman Wollin
	Alderman Tisdahl	Alderman Jean-Baptiste
	Alderman Rainey	Alderman Wynne
A Quorum was present.	Alderman Hansen	Alderman Bernstein
		Alderman Holmes

ABSENT: None

PRESIDING: Mayor Lorraine H. Morton

The OFFICIAL REGULAR MEETING of the City Council was called to order by Mayor Morton on Monday, March 24, 2008, at 8:50 p.m. in the Council Chamber.

MAYORAL ANNOUNCEMENTS:

Mayor Morton announced the passing of Bill Ihlanfeldt, former Vice President of Institutional Relations, Northwestern University and extended condolences to his family.

Mayor Morton asked Council if they wished her to appoint the Blue Ribbon Committee. Alderman Holmes moved approval of the appointment. The motion was seconded. Motion carried unanimously.

COMMUNICATIONS: City Clerk Morris stated April 8 is the annual Town meeting which will start at 8:30 p.m. and precede the City Council meeting.

CITIZEN COMMENT:

Mimi Peterson, 748 Wesley Ave., spoke about Ordinance 49-O-08 that authorizes the issuance of GO bonds; stated people have asked where is the revenue from all the new construction for the past 10 years. Since the late 1990s Evanston’s bonded indebtedness has risen significantly. In May 2000 the city’s financial consultant explained after 2008, all revenues from the Downtown II TIF would be going to the other taxing bodies. In 2002 the City bonded for \$35 million to pay for the Sherman Avenue garage after having bonded \$25 million for the construction of the Maple Avenue garage. These are tax payer supported bonds paid for by debt service in the General Fund. She opposed the increase in the City’s debt limit from \$75 million to \$100 million in 2003. Currently the City has dispensed with a self-imposed debt limit. The Maple Avenue garage will be paid for by the Downtown II TIF as planned, however, the surpluses referred to by Mr. Stern won’t materialize as revenue in the General Fund because the money is going to pay for the Sherman Avenue garage. In February 2005, Council authorized another \$12.5 million in GO bonds to cover the guaranteed maximum cost of the Sherman Avenue garage of over \$48 million. The Sherman Avenue garage cost almost \$50 million. This is a publicly funded garage that the city owns and must maintain for 75 years. She alleged it was built with more spaces than necessary and as part of a private development. She asked City Manager Carroll if Focus Development had paid their \$6.6 million share of construction costs of private parking there. Yes, it was paid in full. She has asked for information under the Freedom of Information Act and has not received it that would help taxpayers understand the budget for the expanded Washington TIF (Its base budget, expenses) and reports from consultants Kane McKenna. The bond order appears to be refunding 2000 bonds that were originated to pay for Sherman Plaza garage. What will the interest rate(s) be on the refinancing? When originated it was close to 3%. She hoped that as aldermen deliberate on another project by the same developer that is relying on reduced parking requirements supplemented by a taxpayer supported parking garage, that Council engage in discussions that shed light on these important financial matters.

Tina Paden, 1122 Emerson St., spoke against the registration fee for rental buildings. It seems like they are saying for a few bad landlords, they are penalizing those that are providing good housing for their tenants. Do they ask tenants about their rental insurance? She insures her building and tenants have their own insurance. Is the city asking tenants for their

insurance company. It did not seem fair. She did not think they should impose their budget problems because this registration fee is to pay for inspectors. She rents to several low income people. Her property is inspected annually by the Housing Authority and she does not have to pay a fee for this. If something is wrong with the unit, she does not pass, and does not get rent. She does not understand why she has to submit repeated information when circumstances are not changed. Insurance information is personal. It seemed like harassment to her.

Gerald Adler, 2235 Wesley Ave., requested Council put forth a nonbinding referendum for District 202 to opt out of the No Child Left Behind Act and to end all compliance with it; that the district assume any loss of revenue from opting out. This law subverts local control; stifles teacher creativity and requires students to remember much and learn little. He compared it to a Stalinist 5-year plan and the Napoleonic Code in the 1800s. He taught in the public schools for 38 years; sought a similar referendum for District 65 and collected 1600 signatures with little help but needed 1800 signatures to get on the ballot. He found that the City could put such a referendum on the ballot. There is no wall of separation between schools and city. This law impacts local school policy. If schools go down the tubes because they are taken over, they could wipe out the staff. This law is anti-union, anti-teacher and averse to teaching. The Council can pick up the ball on this. Mr. Adler gave Council a hand out.

Mayor Morton suggested that he take this issue to the City School Liaison Committee; noted there is a precedent for opting out.

Judy Fiske, 2319 Sherman Ave., stated the proposed high rise building at 708 Church is the wrong choice for the Fountain Square block. A condominium building on that site, whatever its size, will not restore the balance between retail, residential and office use that will ensure the long-term economic health of downtown. A 10 or 12 story office building would achieve that goal; produce more income for the City and infuse the area with hundreds of workers and patrons to shop, dine and park. Evanston does not need a 49 story condominium to proclaim downtown Evanston to the world. Evanston needs its downtown to do more. Protecting and enhancing classic retail shops on the Fountain square block, the only block that is ringed by retail is vital to re-establishing a truly pedestrian friendly downtown and restoring the Orrington Avenue shopping experience. Having finally recognized the problem on the east side of Orrington, why consider a proposal whose parking entrance and loading docks will create a dead zone on the west side of Orrington. Again, an office building offers the city the option of off-site parking, will protect retail, reinvigorate both sides of Orrington and put cars in the Sherman Avenue parking garage. Office workers and business patrons are the missing ingredients in what should have been an expanded discussion of this project. Lots of new residents are great, but 219 new condos cannot compare with hundreds of office workers, business patrons and character giving retail. What happens on this block will affect Evanston for a lifetime. National retail chains, 219 condos, 49 or 38 stories at this site are a formula for disaster at this site. She urged Council to consider this as they examine a new plan.

Jeanne Lindwall, 625 Library Pl., spoke about the downtown generally noting that it is a complex economic system. She stated the key to success is balance in terms of land use, mix of local and national retailers, entertainment and restaurants. For the past several years, condo projects have been touted as the way to build the City's economic base. While there was vacant land, parking lots and City owned land this strategy seemed reasonable. However, since most of these sites have been used, developers are starting to turn to low rise office buildings. Eventually the new condo buildings will bring in new taxes. However existing office buildings and retail are bringing in sales tax revenue and parking revenues in addition to property tax. One conclusion from the downtown market study was that only a portion of the support for new retail space would come from new downtown residents. They need to keep in mind other uses that bring people to shop and park downtown. She hoped as developers come back with a new proposal for 708 Church that they look at the fiscal impact of the revised proposal. All seem to agree that less density may be good. She advised Council that it takes a long time to get something built and on the tax rolls; handed out data on 2006 taxes for three buildings and a history of Sherman Plaza from 1999 forward with an estimate of property taxes. While a building is under construction there is a loss of property taxes during the construction period that has to be made up by other property in the TIF. There is also a loss of sales tax which has to be made up by residents. It is important to look at the long-term and bring a project to fruition. Property taxes for the 2006 year are just now at the same level as that site was generating in 2000. The assessor only has 129 units at Sherman Plaza. It could be 2008 before Sherman Plaza is fully assessed. She hoped they would consider this information.

Barbara Janes, 802 Colfax St. spoke about 708 Church Street and petitions collected by Evanston Coalition For

Responsible Development over several months both on line with comments and others that people signed. There are almost 2,000 names from all sections of the community. She thought that the citizen discussion would go on longer and at the P&D Committee meeting citizens were allowed only one minute to speak. Shortly afterwards the number of people signing the petitions increased greatly. Some like tall buildings but many do not. She thought this represented a plurality of Evanston citizens. She urged Council to place a referendum on the November ballot that would allow citizens the opportunity to provide input into the future of the Fountain Square block. If Council does not, their group may do it. There are strong feelings all over the City about what is happening with development downtown. Now that the developer has asked for a continuance and the downtown plan is not finished, citizens are clamoring to give their opinion about what they want to see on that block.

Dawn Mueller, 43 South Blvd., Oak Park, thanked Council for proceeding carefully on the resolution on immigration. She saw comments in the media after the last Council meeting and was concerned about labeling people opposed to sanctuary and who desire secure borders as "haters." Her main concern is the security and safety of citizens. She brought the law pertaining to harboring aliens and distributed it to Council members. She read from the U.S. Code regarding aliens; passed around photographs of a murder scene in Marengo where an alien killed an 83 year old woman.

Angela Warlick-Thomas, 1113 McDaniel Ave., was born and raised in Evanston; has tried for 10 years to get a job here. She is a member of Local 150 and a Heavy Equipment Operator. She has tried to get a job at the City too and has been to Lloyd Shepherd. What does she have to do to get a job? She cannot work at the City of Chicago because she does not live there. She pays taxes here; has two children, one in high school and the other in college. She worked on 294 and I88 and the Dan Ryan projects. She starts at 4:00 a.m., gets home at 7:00 p.m. and wants to work in Evanston.

Alderman Rainey asked Ms. Warlick-Thomas to get in touch with John Burke, Interim Public Works Director.

Mamie Smith, 239 Custer Ave., 24 year resident addressed concerns about the financial profile of the City. Based on staff presentations, it is evident they are on a serious journey to meet the objectives of police/fire pension funds and maintaining the services that citizens are accustomed to receiving. The presentations provided a great awakening to the depth of the city's financial obligation of \$140 million. To meet this obligation over 25 years will require about \$5.6 million annually, if the formula remains the same. This year citizens have an increase of 7% in the city's share of property taxes along with quarter percent increase in sales tax, increase in utility tax and increases in food, gasoline, housing, entertainment, health care, recreation and other services. That doesn't include Uncle Sam. She estimated increased expenditures of at least 20%. Recent economic indicators have had the housing bubble standing behind clouds for several years waiting to shower people with the ills of banking institutions and unprecedented lending cycles that will force millions into foreclosure. She quoted from a 2003 study indicating that home ownership may not be the best for moderate income persons and that the country is in a housing bubble similar to the stock bubble of the early 1990s. All sectors of society are affected. Most who have to sell will sell 30% below fair market value. The choices are limited. The effect on the community is devastating. How can they meet the obligations of the pension funds and needed services? Are people willing to pay an estimated 7% property tax increase each year for the next 25 years? Are people willing to maintain a sustainable quality of life for all residents? Are people willing to sacrifice to uphold their social policy values? These questions are a great start for a community conversation. They must meet financial obligations to people and be prepared to put forth a pre-defined process of parity in all aspects of evaluation of services. The Blue Ribbon Committee is a good step. She suggested various citizen committees be formed regarding aspects of the budget; a 5-year moratorium on property tax increases not to exceed 3%; to guarantee that 50% of all TIF income be allocated to the police/fire pension funds and reduce the annual capital improvement program from \$10 million to \$8 million. She loves Evanston and wants to live here but they cannot place their hopes and dreams on transitional owners. Her daughter has made her home in Nashville, TN because she can not afford to live here. Children are not coming back because they don't want to live as paupers. She wants to leave some semblance of what Evanston has been and is. She passed the study to Council.

Konstantine Savoy, 2311 Crawford Ave., 25-year resident is a professional planner. He was concerned that some of the anti-tower comments might be anti-development. That is not his agenda. He thought there were financial issues that need to be met. When he looks at what is being allowed, it is equivalent to entitling one property in the community to excessive density and height increases resulting in a big windfall profit to the developer. He has talked to other planners about where this has been done and cannot find a place. It is worse than spot zoning. This proposal raises legal issues and, if passed, sets a dangerous precedent. They know that nothing is cast in stone. In regard to the discussion of the

quality of this project, early on it was described as an icon building. Then it dissolved into a building that would disappear into the sky. He was convinced if the height came down they can get a beautiful building. He suggested that this matter be referred back to the Plan Commission.

Jeff Smith, 2724 Harrison St., stated that 708 Church should be a green building and the baseline be a given. Leeds certification is better than nothing but is not enough. It is the lowest of three levels and is not carbon neutral. A 49 or 20 story building they approve creates hundreds of thousands of green house gases. Collectively, their decisions should reflect the best thinking and listening. A reason he opposes 708 Church, is not due to height, but because it subverts the downtown plan and climate action plan. It sort of renders them as a side note. When people fly over or drive by, he doesn't want people to say, that is what they built, *then* they did their planning. In this case a 49 story tail wags a 75,000 person dog. 1603 Orrington presents a similar situation. He works in that building and it is a wind storm terror. Smart growth says build open spaces first, *then* build around that. On the agenda is a change order to pay \$272,000 to Duncan Associates, one of the downtown consultants. If they are going to pay that kind of money should they not plan for the most important intersections downtown. Green buildings should not be a bonus or public benefit and should be considered as something they have to do. Build green or not at all.

CONSENT AGENDA (Any item marked with an Asterisk*)

Alderman Moran moved Council approval of the Consent Agenda with these exceptions: City of Evanston bills through March 25, 2008; Calendar of Proposed Special Events-2008; Change Order #1 Downtown Planning Consulting Services; Resolution 21-R-08 – Pension Benefit Improvements/Reform; Ordinance 45-O-08 – Residential Parking Permit Fee Increase; Ordinance 49-O-08 – Bond Issue Not-to-Exceed \$48,735,000; Ordinance 42-O-08 - Registration of Rental Dwelling Unit Buildings; Ordinance 32-O-08 – Map Amendment & Planned Development at 708 Church St.; and Time Extension Request for Planned Development at 1710 Orrington and 1717-1725 Sherman Ave. (Ordinance 93-O-03). Seconded by Alderman Rainey.

Roll call. Voting aye – Moran, Tisdahl, Rainey, Hansen, Wollin, Jean-Baptiste, Wynne, Bernstein, Holmes. Voting nay – none. Motion carried. (9-0).

ITEMS APPROVED ON CONSENT AGENDA

MINUTES:

* Approval of Minutes of the Special City Council Meetings of February 23 and February 27, 2008 and the Regular City Council Meeting of March 10, 2008. * APPROVED-CONSENT AGENDA MOTION & ROLL CALL (9-0)

ADMINISTRATION & PUBLIC WORKS:

* Approval, as recommended, City of Evanston payroll for the period March 20, 2008 as authorized and charged to the proper accounts:

City of Evanston payroll (through 03/20/08)	\$2,382,617.97
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* APPROVED - CONSENT AGENDA MOTION AND ROLL CALL (9-0)

* Recommend approval of the lowest responsible and responsive bid (08-59) for purchase of two replacement waste packer vehicles for Streets and Sanitation from Cumberland Service Center (2735 E. Oakton St., Arlington Heights) in the amount of \$381,340. Funded by the 2008-09 Capital Outlay Budget, Automotive Equipment. * APPROVED - CONSENT AGENDA MOTION AND ROLL CALL (9-0)

* Recommend approval of the lowest responsible and responsive bid (08-85) for refurbishment of Engine #320 to Renewed Performance Incorporated (RPI) (1095 Development Drive, Tipton, IN) in the amount of \$22,199, which includes a base bid of \$17,807 with proposed additional services totaling \$4,392. Funded by the 2008-09 Major Maintenance Materials to Maintain Autos. * APPROVED - CONSENT AGENDA MOTION AND ROLL CALL (9-0)

Recommend approval of the 2008-09 Cultural Fund Grant Program Awards for a total of \$36,000. Funded by the 2008-09 division budget (\$23,200) and the Illinois Arts Council (\$12,800). * APPROVED - CONSENT AGENDA MOTION

AND ROLL CALL (9-0)

* Recommend approval by the City Manager to renew an annual sole-source agreement for software maintenance and support for the City's Integrated Resource Information System (IRIS) with the Oracle Corporation (1001 Sunset Blvd., Rocklin, CA) in the amount of \$170,854.06. Funded by the Computer Licensing and Support operating account in the Information Systems Division. * APPROVED -CONSENT AGENDA MOTION & ROLL CALL (9-0)

* Recommend approval to renew membership with the Northeastern Illinois Public Safety Training Academy (NIPSTA) (2300 Patriot Blvd., Glenview) for the Fire and Public Works departments in the amount of \$28,711. Funded by the Fire Department budget. * APPROVED -CONSENT AGENDA MOTION & ROLL CALL (9-0)

* Recommend approval of Change Order #1 to the contract with J. Gill (236 E. 161st Pl., South Holland, IL) for emergency structural repair of the Service Center Parking Deck in the amount of \$5,300. This increases the contract from \$19,306 to \$24,606. Funded by the 2008-09 contingency account. * APPROVED -CONSENT AGENDA MOTION & ROLL CALL (9-0)

* Resolution 24-R-08 – Authorizes the City Manager to Accept the Cook County Judicial Advisory Council – B.A.D.G.E. Program Grant – Consideration of proposed Resolution 24-R-08, which authorizes the City Manager to accept 2006-07 Cook County Judicial Advisory Council B.A.D.G.E. Program funding of \$11,658 to supplement the Youth Outreach Initiative sponsored by the Evanston Police Department. * APPROVED - CONSENT AGENDA MOTION AND ROLL CALL (9-0)

* Ordinance 46-O-08 – Amends Section 7-8-6 of the City Code, “Dutch Elm Disease-Emerald Ash Borer” - Consideration of proposed Ordinance 46-O-08, whereby City Council would amend the City Code section, “Dutch Elm Disease,” to declare the Emerald Ash Borer (EAB) an official nuisance.

* MARKED INTRODUCED – CONSENT AGENDA

Alderman Jean-Baptiste moved to Suspend the Rules in order to adopt an ordinance at the same meeting at which it was introduced. The motion was by Alderman Moran.

Voice vote, motion carried unanimously.

Alderman Jean-Baptiste moved approval of Ordinance 46-O-08. The motion was seconded by Alderman Moran.

Roll call. Voting aye – Moran, Tisdahl, Rainey, Hansen, Wollin, Jean-Baptiste, Wynne, Bernstein, Holmes. Voting nay – none. Motion carried. (9-0).

* Ordinance 47-O-08 – Sanitation Service Charge Increases - Consideration of proposed Ordinance 47-O-08, by which City Council would amend Section 8-5-13 of the City Code to increase the Sanitation Service Charge from \$5 per household per month to \$6.95 per household per month. * MARKED INTRODUCED – CONSENT AGENDA

Alderman Jean-Baptiste moved to Suspend the Rules in order to adopt an ordinance at the same meeting at which it was introduced. The motion was seconded. Voice vote, motion carried unanimously.

Alderman Jean-Baptiste moved approval of Ordinance 47-O-08. The motion was seconded.

Roll call. Voting aye – Moran, Tisdahl, Rainey, Hansen, Wollin, Jean-Baptiste, Wynne, Bernstein, Holmes. Voting nay – none. Motion carried. (9-0).

* Ordinance 18-O-08 – Proposed Paving of Alley North of Thayer St./East of Lincolnwood Dr. – Special Assessment No. 1495 – Consideration of proposed Ordinance 18-O-08, introduced March 10, 2008, by which City Council would authorize paving the alley north of Thayer St./east of Lincolnwood Dr. through the Special Assessment process. * ADOPTED – CONSENT AGENDA

MOTION & ROLL CALL (9-0)

* Ordinance 40-O-08 – Sheridan Road Jurisdictional Transfer Agreement – Consideration of proposed Ordinance 40-O-08, introduced March 10, 2008, which authorizes the City Manager to sign a Jurisdictional Transfer Agreement with the Illinois Department of Transportation (IDOT) for Sheridan Road from South Blvd. to the intersection of Ridge Ave. and Isabella St. * ADOPTED – CONSENT AGENDA MOTION & ROLL CALL (9-0)

PLANNING & DEVELOPMENT

* Ordinance 39-O-08 – Plan Commission Recommendation for a Planned Development at 318-320 Dempster St. – Consideration of a recommendation from the Plan Commission, introduced March 10, 2008, for a planned development to allow the condominium conversion of the property and redevelopment of the former stable in the rear of the subject property for sale as a single-family detached dwelling. The subject property commonly known as 318-320 Dempster St. is located presently within the R1, Single Family Residential District. * ADOPTED – CONSENT AGENDA MOTION & ROLL CALL (9-0)

HUMAN SERVICES COMMITTEE

* Ordinance 38-O-08 – Amends Section 8-21-5 of the City Code, “Prohibition of Smoking” – Consideration of proposed Ordinance 38-O-08, introduced March 10, 2008, which amends Section 8-21-5 of the City Code to include the Prohibition of Smoking at all City Beaches, Playgrounds and Tot Lots. * ADOPTED – CONSENT AGENDA MOTION & ROLL CALL (9-0)

APPOINTMENTS

Mayor Morton asked for appointment introduction and confirmation of the following:

Mary Tobin 1412 Oak Ave. Term ending March 30, 2011	Arts Council
Ted Sirota 1823 Church St. Term ending March 30, 2011	Arts Council
Ira Golan 1611 Chicago Ave. Term ending March 30, 2011	Commission on Aging
Martha Holmes 2217 Emerson St. Term ending March 30, 2011	Commission on Aging
Karl Gromelski 2727 Broadway Ave. Term ending March	Economic Development Committee
Daniel Mennemeyer 2720 Central St. Term ending March 30, 2011	Economic Development Committee
Joel Smith	Electrical Commission

2416 Grant St. Term ending March 30, 2012	
Susan Kaplan 2230 Pioneer Rd. Term ending March 30, 2012	Environment Board
Paige Knutsen 525 Elmwood Ave. Term ending March 30, 2012	Environment Board
Karen Maxwell 3200 Colfax St. Term ending March 30, 2012	Environment Board
Richard Mosley Jr. 327 Ashland Ave. Term ending March 30, 2011	Housing Commission
Fred Schneider 3301 Noyes St. Term ending March 30, 2011	Ladd Arboretum Committee
Susan Newman 1906 Lincoln St. Term ending March 30, 2011	Library Board
Ada Kahn 2562 Wellington Ct. Term ending March 30, 2012	Mental Health Board
Seth Freeman 1427 Wesley Ave. Term ending March 30, 2011	Plan Commission
Amanda Susan Clarke 840 Michigan Ave. Term ending March 30, 2011	Public Art Committee
Tiffany G. Laczowski 2150 Ewing Ave. Term ending March 30, 2011	Public Art Committee
Gail Prince 1503 Oak Ave. Term ending March 30, 2011	Public Art Committee
Gay Riseborough 1801 Crain St. Term ending March 30, 2011	Public Art Committee
Susan Felts 1117 Sherman Ave.	Sign Review & Appeals Board

Term ending March 30, 2011

Marnie Kadish
901 Hinman Ave.
Term ending March 30, 2011

Sign Review & Appeals Board

Thomas Jacob
1630 Chicago Ave.
Term ending March 30, 2011

Taxicab Advisory Board

Daniel Lowman
406-B South Blvd.
Term ending March 30, 2011

Taxicab Advisory Board

Beth McLennan
100-A South Blvd.
Term ending March 30, 2013

Zoning Board of Appeals

Mayor Morton asked for reappointment introduction and confirmation of the following:

Stefano Mereu
1809 Livingston St.
Term ending March 30, 2012

Energy Commission

Carol Balkcom
2811 Harrison St.
Term ending March 30, 2011

Housing Commission

Vera Chatz
1430 Ridge Ave.
Term ending March 30, 2011

Parking Committee

Constance Lyman
1048 Forest Ave.
Term ending March 30, 2011

Public Art Committee

Tad Cook
1519 Hinman Ave.
Term ending March 30, 2011

Site Plan & Appearance

Mayor Morton asked for reappointment confirmation of the following:

William Siegfriedt
2415 Colfax St.
Term ending March 30, 2012

Energy Commission

Eric Beauchamp
809 Sherman Ave.
Term ending March 30, 2011

Housing Commission

Dona Gerson
200 Lee St.
Term ending March 30, 2011

Library Board

* APPROVED - CONSENT AGENDA

REPORT OF THE STANDING COMMITTEES

ADMINISTRATION & PUBLIC WORKS:

Alderman Jean-Baptiste moved approval, as recommended, City of Evanston bills through March 25, 2008, authorized and charged to the proper accounts:

City of Evanston bills (through 03/25/08) FY 07-08	\$1,044,620.03
City of Evanston bills (through 03/25/08) FY 08-09	\$ 370,973.07

Seconded by Alderman Moran.

Alderman Rainey objected to expenditures of \$5600 (excluding air fare) for weeklong executive leadership training for the Director of Human Resources and Police Chief at the University of Virginia and moved they be deleted. Given this is the worst budget year in her memory, she did not consider it an urgent expenditure. The motion was seconded.

Alderman Hansen understood Rainey's concerns; noted this is training for directors. Directors Doug Gaynor and Fire Chief Berkowsky went last year. She asked the manager to explain the importance of this training. Ms. Carroll stated this is the lead program in the Senior Executive Institute she attended last summer for local government executive level leadership. It brings best practices from throughout the nation and opportunities for team building. She is trying to rebuild the team here and it is important to the organization to have common training. This has been budgeted for and individuals that attend, forego going to national meetings. Alderman Tisdahl said the way to cut a budget is to stop spending; agreed with Alderman Rainey. Alderman Rainey pointed out there are expenditures they must make. She encouraged them to show to the public that they are controlling spending in non-critical areas. Alderman Holmes supported cutting back, the budget is passed and they should follow through. She suggested professional training may have to go on hold for several years but supported this expenditure. Alderman Jean-Baptiste agreed with Holmes. Professional training is important. The money at the end of the year would be folded into reserves. Alderman Moran said as part of cost cutting they agreed to early retirement which has resulted in major changes to department personnel. It is in the hands of those people to fashion teams and important to speak the same language. This is a world class institution. He was enthusiastic about sending department heads and team building cannot be overlooked. It is essential that people get the best training possible. Alderman Wollin said the best investment is in human capital and to develop people who will have the skills needed that they will be proud to have at the City. Alderman Rainey said the public heard it here tonight. These are not lower level people. When people are hired at over \$100,000 a year she expected them to know how to run a department; suggested that Mr. Gaynor and Mr. Berkowsky share what they learned. This expenditure reflects how they spend money like a large corporation. Money left at the end of the year will be applied to the tax levy.

Alderman Rainey called the question. Voice vote on amendment, motion failed.

Roll call. Voting aye – Moran, Tisdahl, Rainey, Hansen, Wollin, Jean-Baptiste, Wynne, Bernstein, Holmes. Voting nay – none. Motion carried. (9-0).

Alderman Jean-Baptiste moved approval of the 2008 Calendar of Proposed Special Events, which is contingent upon compliance with all requirements as set forth by the Special Events Policy and Guidelines. The motion was seconded. Alderman Jean-Baptiste said the Kellogg Centennial Art Fair scheduled for October 4, 2008 requested that Davis Street be closed on a Saturday to set up a stage. The applicant asked Mr. Gaynor to speak to them about alternatives. They cannot close Davis Street. Sherman Avenue will be closed on Saturday.

Voice Vote, Motion carried, no nays.

Alderman Jean-Baptiste moved approval of Change Order #1 to the Downtown Plan and Zoning contract with Duncan Associates (117 N. Jefferson, Chicago) for services related to the process of consideration and review by the Plan Commission and Planning & Development Committee of the Public Review Draft submitted on October 19, 2007. This

increases the contract price from \$236,324 to \$272,000, an increase of \$36,000. Funded by the Economic Development Fund, the Washington National TIF, and the Downtown II TIF. The motion was seconded by Alderman Holmes.

Alderman Hansen was against this change order. The work has not been done. Part of that is to give the City a final draft. Another pressure is that there have been many meetings about the downtown plan. This consultant is not a stranger to the Evanston planning process. She noted the agreement with the consultant was about specific ward meetings. The Plan Commission is combing through this draft and it is not necessary to have the consultants there. She had a town hall meeting and was questioned why the City uses so many consultants. Alderman Bernstein said this is a vote he would've taken back. The City is waiting for the salvation of this plan. It is being debated but it won't be a panacea for a two story downtown. The reason so much time is being taken with it is the extensive heights in many area and some things that are outrageous. He thought they (consultants) had created the problem.

Roll call. Voting aye – Moran, Rainey, Wollin, Jean-Baptiste, Wynne, Holmes. Voting nay – Tisdahl, Hansen, Bernstein. Motion carried. (6-3)

Resolution 21-R-08 – Pension Benefit Improvements and Pension Reform – Consideration of Resolution 21-R-08, which urges the Illinois General Assembly to 1) stop making costly benefit improvements and 2) adopt reforms that protect police and fire pensions.

Alderman Jean-Baptiste reported that this item was referred to the Rules Committee. The Resolution is due in Springfield in mid-April.

Ordinance 45-O-08 – Residential Parking Permit Fee Increase – Consideration of proposed Ordinance 45-O-08, by which City Council would amend Section 10-4-5-2(B) 11 of the City Code to increase the annual fee from \$90 to \$150 for the on-street Residential Parking Permits for vehicles not registered to Evanston residents.

Alderman Jean-Baptiste reported that this item was held in committee.

Ordinance 49-O-08 – Bond Issuance Not-to-Exceed \$48,735,000 – Consideration of proposed Ordinance 49-O-08, which authorizes the issuance of General Obligation Bonds for FY 2009 in the not-to-exceed amount of \$48,735,000.

Alderman Jean-Baptiste asked that this item be marked introduced.

City Manager Carroll stated the committee asked for a presentation by Scott Balice the city's financial adviser. She introduced Lois Scott, principle, Kevin Hoecker, Tom Gavin, underwriter from Robert W. Baird, and the minority firm of Loop Capitol Markets.

Mayor Morton discussed with City Manager Carroll borrowing from local banks instead of bonding.

Lois Scott, President, Scott Balice Strategies, independent financial advisor to the City is independent from any underwriting firm; work solely for government clients and their job is to get the City the best possible transaction. They are rated as the number one financial advisor in the State of Illinois. The purpose of the borrowing is two fold. The vast majority is to refinance outstanding debt and to address some of the risks associated with that. \$13 million would be used for the capital improvement program for approved projects. It will be a fixed rate borrowing. The City has two series of variable rate debt that will be taken out and refinanced to a fixed interest rate. Currently there is a variable rate on the 2000D series and 2002A series. They presently bear interest at an index in the marketplace called SIFMA. That interest rate changes weekly. The City also has a liquidity facility from Fifth 3rd Bank that serves as backup protection should investors not like the interest rate on those bonds. The current structure on those two series of bonds introduces risk to the City so they have recommended to the City Manager that they be eliminated at this time. The interest rate the City pays is the index of approximately 2.5% plus the liquidity facility from the bank plus the remarketing agent, so total cost is around 2.75% this week. Next week and every week thereafter it will change. Scott Balice proposes to take them out as a fixed rate obligation. In the current market the 2000D series will bear an interest rate of 3.7% and the 2002A series would be taken at 3.23% interest. Given how low those interest rates are, they recommend those two series be converted into

fixed rate of interest. The third piece would be a part of that same issue bringing the total up to \$40 million.

The process for this borrowing is a request for proposal for financial advisors and underwriters about a year ago by the City and they were selected. Robert W. Baird, represented by Tom Gavin and Loop Capitol Markets, is represented by Larry Knox. Robert W. Baird is the number one underwriter of bond issues of less than \$50 million; has a 2,500 person operation. Loop Capitol Markets is the nation's largest African-American owned investment banking firm.

Alderman Rainey asked Ms. Scott to present a market update to provide context for this borrowing. Ms. Scott explained that bond insurers were created during the 1980s to take bonds issued by government entities and provide a AAA guarantee on the bonds. In exchange they got a premium upfront for turning debt into AAA securities. Bottom line is bond insurers were profitable but got greedy and wanted larger returns. They entered into other parts of the market including collateralized debt obligations, sub-prime debt, etc. In late 2007, those entities had their portfolio of debt re-evaluated and the rating agencies began taking action on their portfolios. She noted that none of the actions taken against the insurers relate to what was happening with municipals. In 37 years there has been one default in the GO sector in the United States. This had nothing to do with municipal bonds, but the business practices of bond insurers and how they chose to manage their businesses. As those bond insurers began having rating impacts, they saw ripple effects in the marketplace. Money market funds under USSEC regulations are prohibited from investing in securities that are not double A rated, so they had to divest themselves of all the positions in insured bonds that had been downgraded which had ripple effects in other parts of the market. This has been particularly profound for the issuers of variable rate debt on an uninsured basis. This includes the University of Illinois, the Illinois Tollway, most major issuers in the State of Illinois and about 35 leading hospitals in the state. The good news is that Evanston has none of that risk in its portfolio. So the current market disruption relates to bond insurance and variable rate debt market does not directly affect Evanston. That is not the reason they are here. They are here to recommend that the City take some risk out of its debt portfolio. When one can borrow at 3.32 % for many years at a fixed rate compared to a variable rate of 2.75% it seems to be a wise decision.

Alderman Wynne asked how much the variable rate has fluctuated in the past three-four years. Ms. Scott responded the average borrowing cost on a weekly basis for the past 20 years is 3.18%. When 13 basis points are added on, they pay the bank and the fees of re-marketing it is higher than fixed rate. The fixed interest rate in 2000/2002 was higher than they could borrow now. Evanston has benefited from lower interest rate expense.

Alderman Rainey said when they went with the variable rate, they got insurance to protect against fluctuations and the City over the past eight years has done very well. Ms. Scott agreed. In response to Alderman Rainey Ms. Scott explained there is a great deal of volatility in the financial markets. She has never seen anything like this. Heavily leveraged organizations can go out of business on a moments notice. There is also a risk with the continued availability of the liquidity facility. Evanston has excellent ratings. Ms. Scott explained the variable rates are often used in periods of high interest rates. Given a fixed rate of 8 or 9%, variable rates are always lower on a relative basis. In markets like that, Evanston might issue variable rate debt for key projects. By taking this out on a fixed rate basis, and setting the floor of what the debt service is going to be for existing projects, the City is opening up a future asset, should the City need greater flexibility in its financial structure.

Alderman Rainey asked if there are any negative implications by adding new debt. Ms. Scott thought that combining new debt and refunding actually helps the City. Investors like to have larger trading blocks and the investment banks can get lower interest rates. Alderman Rainey noted when the City lost its AAA rating from Moody's, the AAA was retained by Fitch. She understood that Evanston has the same situation as Skokie. She asked the cost of losing the one "A". Ms. Scott said last year almost nothing. As volatility has come into the market, investors have looked for any reason to get a higher yield so in the current market there is a credit spread where every gradation has a different price. In today's market it is 10 or less basis points.

Alderman Bernstein asked the cost of issuing the bonds. The total one-time estimated cost, comprised of 14 elements, is \$308, 496.

Alderman Wynne asked if the insurer had stepped in on behalf of the City. No, but it is happening to entities that have insurance on top of that.

Alderman Rainey asked Ms. Scott to explain when they will go to market. Ms. Scott said offering debt is a process. First they obtain authorization and get the legal process in place, the debt structure, then mail the offering statement to interested investors. They work with the City on daily, look at the market and the economic forecast, the calendar of Fed actions and at when other government entities will be issuing bonds. Those factors are balanced and they make a decision to go in. In response to Alderman Rainey, Ms. Carroll noted first they have to get the rating which will occur on March 31. Every time they go to market, they go to the rating agencies. Ms. Carroll will tell the rating agencies about the funding of the pension funds, but did not think it would affect the rating this year. Any time after the ratings, they can go into the market.

Dan Mennemeyer, 2720 Central Street, from the audience, (appointed to the Economic Development Committee) assumed the net effective yield after costs, the variable cost was 3.18 plus 13 basis points, about 3.41% and going forward it is closer to 2.75%.

Alderman Jean-Baptiste moved to Suspend the Rules in order to adopt an ordinance at the same meeting at which it was introduced. The motion was seconded. Voice vote, motion carried unanimously.

Alderman Jean-Baptiste moved approval of Ordinance 49-O-08. The motion was seconded.

Roll call. Voting aye – Moran, Tisdahl, Rainey, Hansen, Wollin, Jean-Baptiste, Wynne, Bernstein, Holmes. Voting nay – none. Motion carried. (9-0).

PLANNING & DEVELOPMENT

Ordinance 42-O-08 – Registration of Rental Dwelling Unit Buildings – Consideration of a staff recommendation, introduced March 10, 2008, to charge \$50 per residential rental dwelling unit buildings.

Alderman Holmes moved approval of Ordinance 42-O-08 as amended. The motion was seconded by Alderman Moran.

Alderman Bernstein referred to page 6, Section C: “The City Clerk shall issue no real estate transfer tax stamps for a transfer involving a building, as defined in this Chapter, unless the grantee or buyer presents a current certificate of registration for the building.” Alderman Bernstein thought the seller should present the certificate and moved to have the “grantee” and “buyer” changed to “grantor” and “seller.” The motion was seconded. Voice vote, motion carried.

Assistant Corporation Counsel Ken Cox read the amendments into the record: Page 4, Section 5-8-3 (A)(2) Insert seven lines down: “Notwithstanding the foregoing, this person may be between eighteen (18) and twenty-one (21) years of age provided that the registration statement includes proof that said person has a valid realtor’s license issued pursuant to the Illinois Real Estate License Act, 225 ILCA 454-1-1 et seq., as amended.” (4) “The name, street address, and telephone number of each company that provides an insurance policy for the building.” (5) “The street addresses and property index numbers of the building and the number of dwelling units therein” (Number of bedrooms per dwelling unit was deleted.) Section 5-8-4 (B) Delete “of fifty dollars (\$50.00)”, and insert on line three, “as per the table below.”

Insert the following table:

Building Type	Registration Fee
Single-Family	\$20
Condominiums	\$20 per owner of rental dwelling unit(s) per building
Apartments with:	
2-4 dwelling units	\$30
5-12 dwelling units	\$50
13-24 dwelling units	\$100
25-50 dwelling units	\$150
51-100 dwelling units	\$300

101 + dwelling units	\$500
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Roll call. Voting aye – Moran, Tisdahl, Rainey, Wollin, Jean-Baptiste, Wynne, Bernstein, Holmes. Voting nay – Hansen. Motion carried. (9-1).

Ordinance 32-O-08 – Plan Commission Recommendation for a Map Amendment & Planned Development at 708 Church St. – Consideration of a recommendation from the Plan Commission to rezone the property at 708 Church St. from D2, Downtown Retail Core Zoning District, and to grant a Planned Development on that site of a 49-story residential and retail tower known as the “Fountain Square Development.”

Alderman Holmes reported this item was held in committee. The developer asked for a continuance until April 8.

Time Extension Request – Ordinance 93-O-03 – Planned Development for 1710 Orrington Ave. and 1717-1725 Sherman Ave. Consideration of a request from the Orrington LLC for an extension of the Planned Development Ordinance 93-O-03, which is for construction of up to 30 residential units.

Alderman Holmes moved to change the time extension from five years to three years. The motion was seconded by Alderman Moran. Voice vote, motion carried unanimously.

CALL OF THE WARDS:

7th Ward. Alderman Tisdahl invited all to a 7th ward meeting on April 24 from 7:00 p.m. to 9:00 p.m. in the Parasol Room at the Civic Center. The new library director will be introduced. Children are welcome.

8th Ward. Alderman Rainey spoke about Bill Walsh, the man who developed the miracle at 415-17 Howard Street. He came to Evanston, purchased a vacant lot, and invested \$50 million to build this building. Sadly he died on Friday after suffering a skull fracture in a fall.

Alderman Rainey asked the City Manager to work with other communities to force the repeal of the new 1% Cook County Sales Tax. A campaign is underway.

9th Ward. Alderman Hansen reported a town hall meeting in her ward on Thursday. Staff members Steven Drazner and Michael Wheeler answered questions on the budget and did a great job. John Burke gave an excellent presentation about Ridge Avenue resurfacing.

1st Ward. Alderman Wollin reported on the Congress of Cities conference with the theme of “The Road to the White House Runs through American Cities.” Speakers included Nancy Pelosi, Representative Barney Frank, Donna Bazille and Mark Shields. She serves on the Human Development Committee. The room was packed to hear about Supreme Court cases that affect local government. There is a new municipal energy sustainability bill that operates like CDBG that has lots of bi-partisan support. Alderman Wollin urged others to become involved with the National League of Cities.

Alderman Wollin invited all to a gala celebration April 17 by the Chamber of Commerce when citizenship awards will be given to Judith Aiello, Mary Gavin and Father Oldershaw for their contributions to the community.

2nd Ward. Alderman Jean-Baptiste expressed condolences to the family of Vince Gilliam who worked with people in crises who had passed away suddenly. The funeral is tomorrow at 11:00 a.m.

Regarding the woman who came before them that is not able to get work in Evanston, he reported that Lloyd Shepherd is working on a local employment ordinance and asked the city manager to get that to the Council.

4th Ward. Alderman Bernstein also sent sympathy to the family of Vince Gilliam. He recalled that he was with BeHive, really helped his constituents and will be missed.

He announced a Civic Center Committee meeting the next day at 6:00 p.m. in the Parasol Room. There will be an executive session.

5th Ward. Alderman Holmes extended condolences to Vince Gilliam's family. The services are at St. Jerome's at 11:00 a.m. preceded by a wake from 9:00 to 11:00 a.m. He was a valuable person to the community and to those who had AIDS and HIV.

She reported a productive ward meeting; commended the Civil Enforcement Committee that has been working with the Police Department in a program called SNAP, (Safer Neighborhood Area Project). They will do some designated blocks and hope to see changes in blocks that have had problems by training residents.

Mayor Morton reported that no persons have applied to fill the unexpired term of the City Clerk.

Alderman Rainey had read the City Clerk receives all foreclosures notices and asked if that is true. First Assistant Corporation Counsel Hill stated that foreclosure notices only come to the City Clerk when the City is named.

At 11:38 p.m. Alderman Bernstein moved that Council convene into an Executive Session to discuss matters related to litigation and closed session minutes pursuant to 5 Illinois Compiled Statutes 120/2 (c) (5), (11) and (21) as follows:

2. All meetings of public bodies shall be public meetings except for the following:
 - (5) The purchase or lease of real property for the use of the public body, including meetings held for the purpose of discussing whether a particular parcel should be acquired.
 - (11) Litigation, when an action against, affecting or on behalf of the particular public body has been filed and is pending before a court or administrative tribunal, or when the public body finds that an action is probable or imminent, in which case the basis for the finding shall be recorded and entered into the minutes of the closed meeting.
 - (21) Discussion of minutes of meetings lawfully closed under this Act, whether for purposes of approval by the body of the minutes or semi-annual review of the minutes as mandated by Section 2.06.

Seconded by Alderman Wynne.

Roll call. Voting aye – Moran, Tisdahl, Rainey, Hansen, Wollin, Jean-Baptiste, Wynne, Bernstein, Holmes. Voting nay – none. Motion carried. (9-0).

There being no further business to come before the Council, Alderman Bernstein asked for a motion to adjourn and the Council so moved at 11:58 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