

MINUTES
WORKING SESSION
CITY COUNCIL
401 WEST WASHINGTON STREET
EAST PEORIA, ILLINOIS

October 2, 2018

Mayor Mingus called the Working Session of the City Council of East Peoria, Illinois to order at 5:15 P.M. with the meeting having been properly noticed.

Upon the roll being called the following answered present: Mayor David W. Mingus, Commissioners Daniel S. Decker, Gary R. Densberger, Timothy J. Jeffers, and John P. Kahl.

Absent: None.

Mayor Mingus explained that we are here for a Working Session and that no final action would take place by the City Council at the meeting. He explained that the purpose of the meeting is to have a Working Session regarding Rental Registration and Energy Efficiencies. He turned the discussion over to Director of Planning and Community Development, Ty Livingston. Director Livingston explained that we would be discussing a follow up to Rental Registration which had been discussed at a previous working session and energy efficiencies in the City.

Director Livingston explained estimates for rental registration that took into account estimated number of rental units in the City of 2200 to 2500 rental units. There would be some exempt properties that are already inspected by other parties, i.e. senior living facilities that would not need to be inspection. Taking the exempted properties out, there is an estimated 1,750 rental units to be inspected. The goal with rental registration is to try to make this a financially self-sustaining program.

Director Livingston explained the program costs and revenues. It is proposed to be annual registration of \$100.00 per unit and properties with any units above four would be \$25.00 per unit. The projected revenue is estimated at \$100,000.00 per year; however, initial years will likely be less. No discounts or inspection fees are proposed. Director Livingston described possible software that could be used and costs for the software estimated at \$35,000 for year one and \$20,000 per year after. He explained proposed and projected staffing that will utilize staffing from the Housing Authority for administration and \$2,500 per year for inspections staff. Other proposed costs include a onetime roll out campaign and an inspections vehicle.

Director Livingston asked for questions from City Council and explained that he is specifically seeking to determine (1) whether the concept of this program and staff is supported by City Council and (2) whether the City should pursue. The timing of the project was discussed. Director Livingston explained that at least 120 days are needed to roll out the program. The timing of the project also depends on the time needed to set-up software and implement an awareness campaign. Coordination with next year's fiscal budget may be the best option.

Commissioner Kahl inquired about how much is it anticipated that the City be in the red in the first year. Director Livingston indicated it depends on where the City ends up on a rate. There may be an issue with participation initially and the City will need to work through that. Commissioner Kahl explained that supports the concept itself; however, he would like to know what exactly the program entails, such as the inspections that would be done. Director of Buildings and Inspections, Robert Cole, indicated that they would be looking at basic structural, electric, plumbing, ingress and egress, and fire/life safety.

Mayor Mingus asked about the primary purpose of the program. Director Cole explained that purpose is to ensure high quality, safe housing for residents.

Commissioner Densberger explained that the purpose is to ensure that rental properties meeting a minimum life/safety standard, that they are in good safe condition, that all systems work properly for the safety of the residents and give landlords comfort that everyone is held to the same standards. He explained more detail about the basic expectations of habitation. The City will only get in every structure for inspections every five years because the city does not have the resources and does not want to make the registration fee onerous. We want

to keep it affordable and self-sustaining. He explained that what we are looking for are the final details, but they would like further input as to whether the City should put the final effort into the program.

Mayor Mingus inquired as to whether there would be a complaint component. Director Cole indicated that the complaints would come to the department and the staff will respond as the City does with other code complaints.

Commissioner Kahl explained there were discussions about this several years ago with the East Peoria Chamber of Commerce Leadership School and that included both tenants and landlords that was designed to protect the tenant and landlord. He hopes that this program would continue to protect both.

Mayor Mingus asked for any comments from the audience.

Kevin Jones who owns property in East Peoria come up to the podium. He asked whether there are tools in place now to address problems. Director Livingston explained that there are different issues on whether the problems are exterior versus interior. The ultimate goal would be to improve the housing stock. Mr. Jones asked whether the City looks at the whole picture (the entire housing stock, including owner occupied) and inquired as to whether the City should look at the exterior first. He explained that he was involved in the 1990's with the rental registration in Peoria where it was a \$25.00 fee and it was to obtain contact information. He feels that it has become a revenue generating machine. He explained that the total that the City of Peoria received in 2017 that went into its general fund. He believes that it has not improved the housing stock in Peoria. He would rather like someone to call him and so he can deal with an issue faster and move on to other problems. He explained issues with people willingly paying a \$100.00 fee and having to fix things. He explained that he will demand an administrative search warrant. He explained that if an administrative search warrant is needed, there will need to be a police officer, a lock smith, and potential other issues. He questioned that if the tools are already in place, why there is a need for rental registration.

Mayor Mingus asked for any other comments. There was no response.

Commissioner Decker mentioned issues with residents and refusal of landlords to replace broken windows. He explained that he heard from multiple people complaining in the Richland Farms area. Individuals may be unable to find a landlord that will take care of properties due to things that have occurred in their life. He also heard from landlords that were being taken advantage of. He feels that it is about making the community better than about making a profit. There was a discussion about the ability of the City to go into properties. He inquired as to whether rental registration is meant to be a voluntary program and about the normal price in the area for rental registration. Director Livingston explained that only the educational piece is voluntary and that the prices vary. Director Livingston explained that the City is only collecting an annual registration fee and not an inspection fee where the City has estimated cost so the program will be revenue neutral. Commissioner Decker inquired as to whether there are more issues with rental versus owner-occupied residences. Director Livingston explained that the City does not always know.

Director Livingston mentioned other programs in place in other communities where the cities can get into homes to inspect when properties change hands.

Commissioner Kahl explained that it is important to come out with an educational component and that the City needs to be consistent with properties, especially with the exterior of homes.

Commissioner Decker does not know how the program should be but he believes that we should have safe homes. He would like to see a way to fix issues where renters take advantage of landlords and where landlords take advantage of renters.

Commissioner Jeffers discussed the costs being \$2-\$8 per month for rental units. He inquired as to whether once the property is inspected and approved, if there would be a certification that would help as a selling point for the property. Director Cole explained that having code compliance and knowing it is inspection may help as a marketing tool. Commissioner Jeffers believes in principle that ensuring properties are safe is a good thing.

