

**MINUTES
PUBLIC HEARING
CITY COUNCIL OF THE CITY OF EAST PEORIA, IL**

**NEW COUNCIL CHAMBERS ON THE CIVIC COMPLEX
401 WEST WASHINGTON STREET, EAST PEORIA, ILLINOIS**

JULY 20, 2021

“PUBLIC HEARING ON THE PROPOSED SPECIAL SERVICE AREA 2021A FOR VALLEY VIEW KNOLLS WATER SYSTEM IMPROVEMENT PROJECT.”

Motion by Commissioner Hill, seconded by Commissioner Decker; Mr. Mayor, I move that the City Council recess the Regular Meeting to hold a public hearing.

Yeas: Commissioners Decker, Hill, Sutherland and Mayor Kahl.

Nays: None

Mayor Kahl declared the motion carried and the Regular Meeting recessed to hold a public hearing at 6:02 P.M.

Mayor Kahl called the Public Hearing to order with proper notice having been given.

Those present were the following: Mayor John P. Kahl, Commissioner Daniel S. Decker, Commissioner Mark E. Hill, and Commissioner Michael L. Sutherland.

Absent: Commissioner Seth D. Mingus.

Mayor Kahl explained that the City Council is in the Public Hearing regarding the Proposed Special Service Area 2021A for Valley View Knolls Water System Improvement Project. He turned the discussion over to Director of Planning and Community Development, Ty Livingston. Director Livingston explained that the City will be adding the properties within the Special Service Area (“SSA”) 2021A to the city water. The special service area spreads the costs for adding this service out over 10 years to each of the property owners through property taxes. The project consists of adding new water main lines, fire hydrants, and connection to existing properties. City Attorney, Scott Brunton, spoke about the creation of the SSA. City Attorney Brunton explained that the City needs to determine (1) whether to approve the special service area and the particular purpose of the SSA, which is the water connection project; (2) whether to approve the financing of the water main installation; and (3) the proposed payment for the financing of the project. The financing is through a 10-year loan that is paid back with property taxes in the SSA area at 2.65% to be paid for over that 10-year note.

Mayor Kahl asked for any comments from the audience.

A Property owner from the proposed SSA2021A came up to the podium and inquired about a possible option of paying off with property taxes in one lump sum instead of paying over ten years through the property taxes. City Attorney Brunton explained that the City Council must wait 60 days before they approve any of these SSA items. Once approved, the property owners will be given the option to pay the amount in one lump sum.

Jim Druin of 110 Avondale came up to the podium and inquired as to whether there has been an investigation in whether about using federal monies to have this project paid for instead of having the property owners pay for it.

Mayor Kahl explained that East Peoria is a non-entitlement community, and the amount the city may receive from the American Rescue Plan is not set in stone for a community our size. East Peoria is estimated to receive \$2.73 million in relief funds, and the city has not received those funds nor does the city know how much if any it will receive. It is unclear as to how much will be received, and there are a lot of projects needs that need to be done. There was a discussion regarding an infrastructure bill and there is no sense about whether there will be funds and what those funds may be used for. Director Livingston explained that the discussion regarding funding of the Valley View Knolls Water System Improvement Project has always been related to the SSA.

Debbie Livelihood came up to the podium and inquired as to whether the property will be tagged as having extra taxes on the property if she goes to sell it in the next few years. City Attorney Brunton explained that he does not believe that it will be flagged. It will just have added taxes to the property tax bill for the SSA property tax amount. If the amount is paid up front, then the extra amount will not be added to the property tax bill.

Jean Holmes of 409 Avondale came up to the podium and inquired as to whether the tax would be on a vacant lot if it would be sold. Director Livingston explained that only properties with homes would be assessed taxes ahead of the sale.

Mayor Kahl asked for comments from the Council.

Commissioner Sutherland explained that the property taxes are tied to each individual home only in this SSA and not citywide.

Commissioner Decker commented on his parents owning property in the area at one time and explained that he was hopeful that the homeowners would choose to move forward with the project, as he feels that the homes would increase in value.

Pat Kolmes of 417 Avondale came up to the podium and inquired as to whether the tax will it be removed in ten years after it is paid and whether there will be issues like the Oakwood Road project have with the yards as the improvements are made. Commissioner Sutherland explained that Oakwood Road has other issues. He commented on Oakwood Road project, and he is excited to get this project going so that it will help the neighborhood. As the pipes are small and the fire hydrants are underrated this project is good for the everyone in the neighborhood. He explained that there will be construction; however, they will do their best to put the yards back into place. City Attorney Brunton explained that when the City files the property tax, the County keeps track, and the city must request the tax every year. It would be a large mistake for it not to come off after 10 years.

Christine Queen of 400 Avondale came up to the podium and inquired as to the timing of the project. Commissioner Sutherland explained that no work can be done until the Illinois Environmental Protection Agency (the "IEPA") signs off on the project. City Attorney Brunton explained that the city has applied with the IEPA permit to transfer service. That process does take some time, and it is anticipated that the permit will be in place when the city is estimated to approve the project in a few months. Commissioner Sutherland explained that he has intentions of working as soon as it is possible to begin work. Other obstacles may be weather and having the necessary pipe and other materials that are difficult obtain and are expensive at this time. There was discussion on being able to complete work on frozen ground.

Shelly Farmer, Treasurer for the Valley View Knolls Water Company, came up to the podium and thanked the city for working so well with them through the process. She explained that there are several people that are consistently on the board running the water system. This project will help the water system for the future, and she knows that it is time to move on to the City's water.

Mayor Kahl thanked the Water System and neighborhood. He explained that he wanted to ensure that the process was and is transparent.

Motion by Commissioner Hill, seconded by Commissioner Decker; Mr. Mayor, I move that the City Council of the City of East Peoria adjourn the Public Hearing and reconvene the Regular Meeting.

Yeas: Commissioners Decker, Hill, and Sutherland, and Mayor Kahl.

Nays: None

Mayor Kahl declared the motion carried and the Regular Meeting reconvened at 6:26 P.M.