

**AGENDA
CITY OF SALEM
REGULAR CITY COUNCIL MEETING
AUGUST 3, 2015
6:00 PM**

- I. Call to Order**
- II. Prayer and Pledge of Allegiance**
- III. Presentation of Petitions/Public Comments**
- IV. Mayor's Report and Presentations**

- V. City Council Action**
 - 1. Consent Agenda
 - a. Approval of Minutes – July 20, 2015 Regular Meeting and July 28, 2015 Workshop
 - 2. Resolution Approving Little Egypt Parade Held on October 3, 2015
 - 3. Approval of Bid for Sale of 1414 S Broadway
 - 4. Second Reading – Action on Recommendation from Planning Commission
 - 5. Second Reading – Ordinance Making Amendments to City Liquor Code

- VI. City Manager Report**
- VII. City Attorney Report**
- VIII. Finance Director Report**
- IX. City Council Report**

- X. Adjournment**

Bill Gruen
City Manager

**CITY OF SALEM
REGULAR CITY COUNCIL MEETING
AUGUST 3, 2015
6:00 PM**

MANAGER'S COMMENTS

V. City Council Action

2. **Resolution Approving Little Egypt Parade Held on October 3, 2015:** Every year, the City adopts the resolution authorizing the Little Egypt Parade. We pass this resolution onto IDOT for their approval to close down Broadway and Main Street for the parade. The City needs IDOT approval in order to have the parade on the highways. Recommend approval.
3. **Approval of Bid for Sale of 1414 S Broadway:** It has been the intent of the City to sell the former Jarco property at 1414 S Broadway since it acquired ownership in early Spring. The City received inquiries about its availability, and we published in the Times Commoner the request for bids for the property in three separate weeks in June and July 2015. About one month prior to the bid deadline, I sent out an email to seven separate parties who had expressed interest to me in the property, one of whom was Keith McNeil. As reported at our last Council meeting, we received one bid for purchase of the property from Keith McNeil.

Keith currently operates McNeil Sales and Services, in which he services appliances and does some retail sales of the same. He currently employs one full time and two part time persons for his current operations. Keith's intention for the S Broadway property is to remodel it for a storefront and warehouse to facilitate expansion of his business. Keith's bid for the property included a description of his plans to invest as much as \$46,500 into the property and to hire two or three additional persons if he opens a storefront. With the Jarco property, Keith would offer a showroom for the sale of appliances and some electronics.

Jeanne Gustafson and I met with Keith recently for the purpose of disclosing all information the City has that is relevant to the real estate. Keith has received a copy of the Phase 1 environmental that the City purchased from Fehr Graham. Keith also received information on roof repair work that may need to be accomplished in the future. After all disclosures, Keith reports he is prepared to purchase the property.

Keith's bid for 1414 S Broadway totals \$101.00. The City **did not** layout any cash when it acquired the Jarco property, so accepting Keith's bid will not result in a cash loss to the City. I am aware that some have questioned whether it is wise for the City to accept a below-market bid on the property. I would support the Council if it decided that it did not want to accept the bid as presented. However, there is merit to its accepting Keith's bid. His ownership of the property will result in additional economic activity and the payment of sales taxes resulting from the appliance sales. Keith also reports that he plans to employ additional persons if he is able to open a storefront. It is also important to note that Rollinson's Home Center offers appliance sales. An expanded McNeil's Sales and Service likely won't result in totally new economic activity we don't have now. The Council may consider the bid for \$101.00, coupled with the economic activity from an expanded McNeil's Sales and Service, to

be of a greater value to the City than if someone bought the property for \$35,000 and stored personal or professional property with no, net-new economic activity.

If the Council decides to accept the bid from Keith McNeil, it should do so pursuant to an agreement that Keith: (A) follows through with his planned renovations of the building prior to a mutually agreed deadline; (B) accepts the property as-is; and (C) opens a new McNeil Sales and Service prior to a mutually agreed deadline.

4. **Second Reading - Action on Recommendation on Rezoning of South Marshall Properties from Planning Commission:** The Council tabled action on the recommendation from the Planning Commission to reject a request to rezone property at South Marshall to R3 to allow for a the location of a mobile home there. I understood the purpose of tabling action was, at least in part, to determine if the Planning Commission wanted to reconsider its action on the request resulting from the new public comment the Council received at our last meeting.

Bev Quinn has polled five of the six active Commission members. The five are unanimous that they stand by their recommendation to not rezone the property.

I **do not** fault the applicant or her supporters from voicing their opinion on the application before the City Council. It is, however, troubling that new information or opinion comes to the Council about an application that was not first made available to the Planning Commission. This unintentionally subverts the statutory process of initial review of zoning requests by the Planning Commission. I've asked Bev Quinn to advise future zoning applicants to offer a complete record of information and support for their applications in order to prevent delays in application review either from the Council tabling an application or resubmitting to the Planning Commission for additional review.

5. **Second Reading – Ordinance Making Amendments to City Liquor Code:** Enclosed are draft changes to the City's Liquor Ordinance to accomplish a reorganization of liquor license holders and which would permit all sales on Sundays. The draft changes very closely reflect those discussed at a prior Council meetings. Since the last Council meeting, there are a few more changes:

- a) The Class H license for the Community Center would allow for alcohol to be served at events held there between Noon and Midnight, Sunday through Saturday. Prohibition of the sale of alcohol at athletic events at the Community Center is reinstated.
- b) There's a sentence in the Class E license pertaining to hours of operation without the sale of alcohol that has been corrected for grammar.