

EXECUTIVE SUMMARY

COMMUNITY CENTER AND CAPITAL INFRASTRUCTURE PROGRAM



DECEMBER 13, 2022

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Mayor's Letter of Transmittal:

In the past year, the City Council has committed millions of dollars to some very important endeavors. We provided \$775,000 so the new library will have improved technology. We promised approximately \$4 million (and provided \$2.2 million to date) for the renovation of the Hawthorne Pool. We made a \$1 million promissory gift to the Railroad Hall of Fame project. To support business development, we provided \$750,000 to fund grants for new business creation (female/minority-owned, southside, and agriculturally-focused) to be spread out over the next three years. To address safety concerns, we added two police officer and two community service officer positions. And next year's budget increases firefighters by three. These, and other smaller allotments of City dollars, demonstrate the commitment that the City Council is making for Galesburg's prosperous future. Yet more needs to be done to address two other critical needs in our community: roads & community quality of life.

Distinguished professor Robert Bellah defined a "community" as "a group of people who are socially interdependent, who participate together in discussion and decision making, and who share certain practices that both define the community and are nurtured by it." How does one achieve this? Maximizing opportunities for interaction, exchange, and growth plays a major role. A community center is a place which exists primarily to further these ideals. Yes, there are other "centers" in a community that are important, such as schools, churches, senior centers, etc., but notice that each of these have inherent limitations to them (as in, not everyone shares the same religion or goes to the same church or school, and not everyone is a senior). Even a library has barriers because of it being historically associated as solely a place to find books, magazines and computers (something many people don't connect with or can obtain for themselves through individual purchases) and "quiet". A community center intentionally breaks down those barriers and invites everyone to come and be part of something important, meaningful and bigger than they can be on their own.

Galesburg has lost two community centers in the past nine years, the one it operated and sold and the Boys and Girls Club that burned down. Over this time, there have been other losses in our community that have reduced options for people (especially youth) to convene and socialize (namely, the closure of the skating rink, the bowling alley, Carl Sandburg Mall, etc.). And on top of that, the significant impact the pandemic has had on reducing opportunities for healthy socialization among people of all ages, and especially youth, is well-documented.

For all these reasons, Galesburg will greatly benefit from the development of a new community center. But rather than recreating the one it had, which provided only very limited services, including having nothing for children/youth to do, it should strive to have one that fills the gaps that exist in current offerings and acts as a feeder to other community assets that could benefit from greater engagement. What gaps exist? Children don't have inexpensive places to learn trades (carpentry, cooking, home repair, etc.), attain new skills (second language, music, gardening, genealogy, etc., play e-sports, pool or ping pong, participate in tutoring exchanges, connect with community volunteer efforts, or just "hang out" and be social in a safe space. In fact, much of the same could be said for people of all ages! Importantly, it can serve as an additional location for job-training and employment recruitment for adults.

A community center is a perfect place to attract people to any number of its various activities/opportunities and, then, given the proximity of other unfamiliar activities, serve as a positive introduction to something new. At a community center, local organizations and non-profits can bring their "wares" for hand-on show and tells, and thereby introduce their mission while recruiting people to attend their events and establishments.

A community center also serves as a centralized hub for things people in the community need, be they something as simple as directions or phone numbers to relevant agencies, or something material (such as, toothpaste, diapers, cough drops, or baby formula). Visitors to the center may need positive social interaction or advice on how to get mental health care, assistance from service agencies, or employment. In this way, a community center is a location for "one stop 'shopping'", a welcome feature when so often, currently, people need to travel to a dozen places to get all of what they need. A community center can have regular, dependable hours, which increases community trust and fosters an appreciation of the value of government and the services they can provide effectively.

A community center is also a foundational element in building community pride and community identity. When people work together on projects, they develop a strong connection to place and a deep sense of accomplishment and purpose. Working with other people in the community, that they may have never met before, solidifies people's sense of belonging and value.

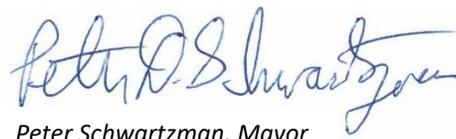
The former Churchill Junior High building has all the space one needs to carry out the above activities, as established by our consultant studies. It also has a multi-purpose gymnasium, a well-equipped kitchen (and eating area), a large auditorium, and a huge amount of grassy acreage. Given the age of the building, there will be significant updates and improvements made but these have been evaluated and costs estimated for these modifications.

The Community Center will be a huge attractor for positive interaction and learning. People of all ages and backgrounds will be able to connect and share stories and wisdom. People will come to appreciate their neighbors and City employees and from that will spawn unimaginable acts of goodwill. Galesburg has suffered from the loss of its two community centers and a host of other setbacks to our social fabric. Now is the time to demonstrate our City's resilience, heart and unquenchable spirit. Now is the time to inject optimism into our future and build something that will serve so many with so much.

Beyond needing a community center, it has become readily apparent that our city roads are inadequate. We have long known this and have been injecting monies to this challenge, but the feedback we recently received from our Community Survey really brought the message home. Additional information from our Public Works department about future needs for road maintenance has only reinforced this from an economic perspective. So we are eager to embark on a capital infrastructure improvement program that can make significant improvements to our roads in the near term.

Thus, to secure reliable funds to support these two initiatives (a community center and public infrastructure), I support the issuance of a 0.25% increment to our home-rule sales tax. The \$950,000 that will be generated from this tax annually will provide us the necessary funds to move forward with these two important, necessary, and lasting improvements to our community. Finally, for those that were unaware of this journey and activity at the City Council over these past few years, please pay close attention to the footnotes that represent more than 2,300 pages of reports, documents, City Council actions, and presentations with references and actions demonstrating the commitment by the majority of the City Council in support of this great need.

This Executive Summary has been prepared to fully inform the public of that journey and the rationale for the decision to proceed forward to bring back a Community Center, one which will serve and invest in present and future generations in a multiplicity of ways, and to begin the process of reinvesting in the City's capital Infrastructure needs as well.



Peter Schwartzman, Mayor

Executive Summary

History

The City of Galesburg has had several areas designated as community centers throughout the city over the course of the last 30+ years. The first was a city-run facility, known as the Galesburg Community Center, located at a 150 E. Simmons Street (current location of Iron Spike Brewery), which had previously served as the City's fire station up until 1975. The Galesburg Community Center opened in 1977 and was owned and operated by City of Galesburg and housed the Recreation Division, Handivan, and VNA Services. The City of Galesburg Recreation Division held programs at the former Community Center and rented the facility for small functions. Once Recreation moved out of the building, the Handivan and VNA continued to have offices and programs. The VNA offered meals for seniors and the building was also reserved for small gatherings. This community center operated until 2013 when it was eventually sold for commercial use and approved by an affirmative vote by the City Council on June 3, 2013⁽¹⁾⁽²⁾.

The other community center was located at 424 Depot Street and known as the Carver Center. The Carver Center opened in 1944 when it served as a USO center for returning troops, particularly African-American soldiers. It later became the home of the Boys and Girls Club. Because its origins and its location in poorer, more ethnically diverse neighborhood, it became a facility that served youth from predominantly poorer and non-white parts of the Galesburg community with a place to recreate athletically and socially as well as learn skills in its computer room and kitchen. It also served as a community gathering space for a wide array of activities.

But even as far back as 2007, the State of Illinois donated the Armory to the City of Galesburg and a multiplicity of uses had been investigated which included an event center, community center, and/or recreation center³. There appeared to be community support and funding on hand for infrastructure and other capital projects after a \$10 million dollar bond issuance had netted \$9.75 million in actual funds for the projects. It was expected that \$3.5 million of that issuance would be earmarked for converting the Armory into a community center, but the leadership at that time voted four to three to direct all of the funding for various street and sidewalk projects as well as the Park Plaza reconstruction project, thereby abandoning the community center.

In the Spring of 2015, the City struggled to resolve an agreement that would provide for the ongoing financial support for the Boys and Girls Club to continue in its youth-oriented programming at the Carver Community Center.⁴ Several months later, the City Council approved an Agreement with Boys & Girls Club at the Carver Center that included a number of improvements to the building.⁵ But on September 6, 2016,

¹ **May 20, 2013** – Ordinance on 1st Reading to sell Community Center 150 E Simmons St. to Mark Kleine for Iron Spike for \$115,000. Residents spoke in opposition to the sale. [Link to minutes with relevant sections highlighted.](#)

² **June 3, 2013** – Ordinance on Final Reading to sell Community Center. Residents spoke out against the sale at the meeting or to have a suitable alternative available. Item 13-1022 was approved, 6 yes, 1 absent. [Link to minutes with relevant sections highlighted.](#)

³Report updated January 10, 2023 to add [Memo dated January 9, 2023 summarizing background information on the Armory project.](#)

⁴ **April 6, 2015** – Agreement for community center services to be provided by the Boys and Girls Club at the Carver Center. [Item 15-4033](#) was tabled and amended several times, ultimately failing, replaced with item 15-4066 below.

⁵ **June 15, 2015** – Agreement with Boys & Girls Club at the Carver Center for building improvements. [Item 15-4066](#) was approved, 6 yes, 1 absent.

the Boys and Girls Club ceased operation of the Carver Community Center as a result of a fire. From that date forward, the City of Galesburg contemplated the creation of a community center at its Armory facility (on south Broad Street) but ultimately decided to move to other priorities until 2021's municipal election and the seating of four new Councilors and a new Mayor.

2021 and After

Five years after the Carver Community Center fire, the City Council presided over a Council budget Work Session and a lengthy discussion took place over a memo that outlined estimated operating expenses and the possible use of a new community center.⁶ As a result of that discussion, the City engaged the services of the Farnsworth Architectural/Engineering firm to provide a code study of the former Churchill Junior High building and determine estimates of costs for bringing the building into compliance with all building codes.⁷ While a number of buildings were identified as candidates for a potential community center, the City decided to tour the decommissioned Churchill junior high school.⁸ By March of 2022, a majority of the City Council voted to approve the direction of City Staff to acquire the Churchill property.⁹ The ensuing Council meetings saw the first reading of the proposed purchase of the Churchill property¹⁰, in addition to a failed motion to place an advisory question on the ballot in referendum form, "Should the City of Galesburg spend between \$5 million and \$10 million to convert the former Churchill Middle School into a community/activity center?"¹¹. This measure failed on a three to four vote. By the end of April 2022, Ald. White and Ald. Smith-Esters held an open house for Churchill for the public to walk through the building and provide comments. Members of the Youth Commission participated and helped give tours, and approximately 45 citizens, plus a few school staff attended.¹²

At the next scheduled City Council meeting, the Ordinance on final reading for an Intergovernmental Agreement with Galesburg Community School District No. 205 to purchase the Churchill property was approved with four affirmative votes,¹³ and a decision was later made to authorize Farnsworth to investigate alternative locations and options for the Community Center to evaluate if it would be better

⁶ **November 2, 2021** – [City Council Work Session to review the proposed budget](#). As part of that meeting a memo was provided and discussed by the Council at the work session. [The memo estimated operating expenses and possible uses in the building](#).

⁷ **November 15, 2021** – Council hired Farnsworth to provide a code study of the building and determine estimates of costs for bringing the building into compliance with all building codes. [Item 21-4108](#) was approved, 5 Yes, 2 Abstain

⁸ **November 29, 2021** – City Council toured the Churchill building to get a general sense of its layout, space, and condition. This was a Galesburg City Council meeting and was therefore publicly noticed and open to the public.

⁹ **March 21, 2022** – Request for direction from Council on acquiring the Churchill property. [Item 22-4032](#) was approved, 4 Yes 3 No.

¹⁰ **April 18, 2022** – Ordinance on first reading for IGA to purchase Churchill property, [Item 22-1013](#).

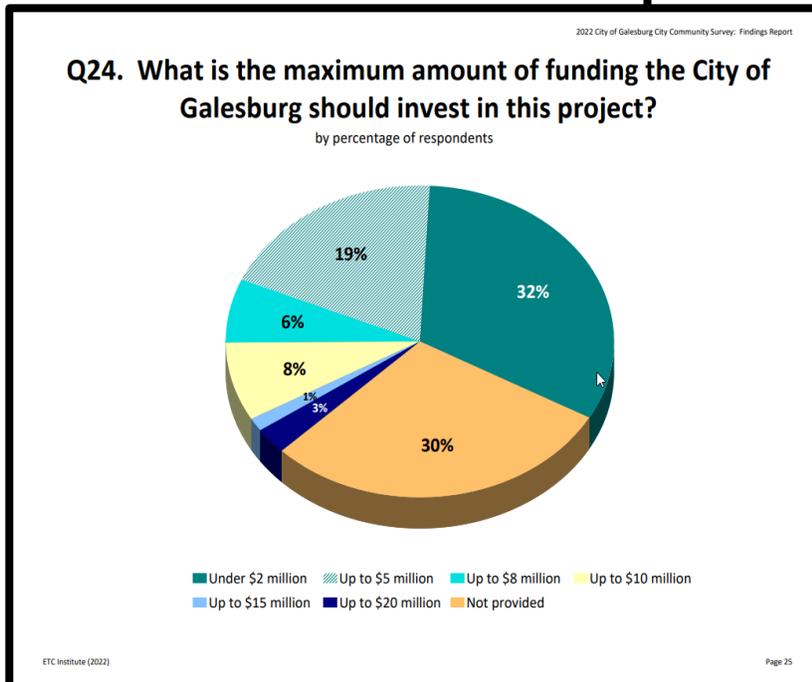
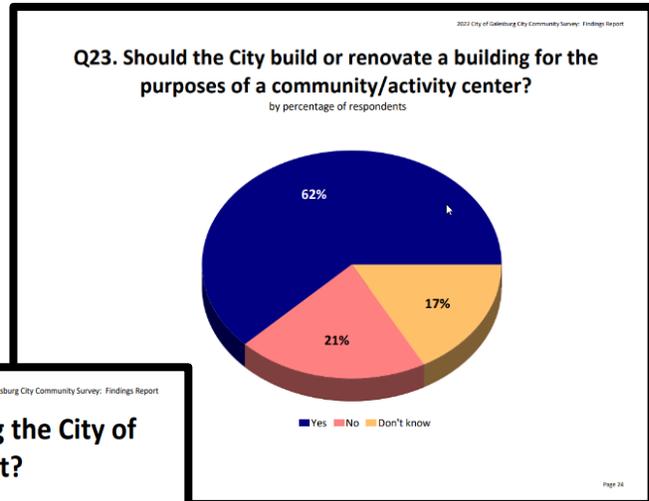
¹¹ **April 18, 2022** – Resolution placing an advisory question on the ballot "Should the City of Galesburg spend between \$5 million and \$10 million to convert the former Churchill Middle School into a community/activity center?" [Item 22-2023](#) failed, 3 Yes 4 No.

¹² **April 28, 2022** – Ald. White and Ald. Smith-Esters held open house for Churchill for the public to walk through the building and provide comments. Members of the Youth Commission participated and helped give tours, approximately 45 citizens, plus a few school staff attended.

¹³ **May 2, 2022** – Ordinance on final reading for IGA to purchase Churchill property. [Item 22-1013](#) was approved, 4 Yes, 3 No.

to renovate or build a new facility¹⁴. Soon afterwards, the Council and some administrative staff attended a field-trip work session to tour the Rock Island Fitness and Activity Center and the Rock Island Martin Luther King Jr. Community Center. In the month of September 2022, the City Council reviewed proposed community center options with Farnsworth Group.¹⁵

The City of Galesburg also launched a citizen satisfaction survey in July 2022, in order to gain citizen feedback and priorities. The results of this survey were presented to the City Council at the October 23, 2022 council work session. The survey included an inquiry if the City should build or renovate a building for the purposes of a community/activity center, which 62% of respondents answered “yes” (and 21% said “no”).



At the November 14, 2022 City Council Work Session, City staff provided an overview of the City’s finances¹⁶ and discussed selecting a location for the Community Center. A straw poll was taken of the Council and four voted in favor of the Churchill location and staff was directed to move forward with that

¹⁴ **June 20, 2022** – City Council approved agreement with Farnsworth for evaluation of alternative locations and options for the Community Center to evaluate if it would be better to renovate or build new. [Item 22-4049](#) was approved, 4 Yes, 1 No, 1 Abstain, 1 Absent.

¹⁵ **September 26, 2022** – City Council work session to review proposed community center options with [Farnsworth Group who provided a presentation on potential locations](#). Please note – estimates were updated after this presentation.

¹⁶ **November 14, 2022** – City Council work session [provided overview of the City’s finances](#) and discussed selecting a location for the Community Center. A straw poll was taken of the Council and 4 voted in favor of the Churchill location and staff was directed to move forward with that option.

option. At the November 21, 2022 meeting, a City Council motion to hold a Community Center Public Hearing to gather public input on the location for the proposed community center failed.¹⁷

At the December 5, 2022 City Council meeting, City Council voted in favor of approving the former Churchill building as the location for the community center.¹⁸ A total of five locations were reviewed, and price estimates for each proposed site are included in the chart below. The cost estimates reflected in the chart below were updated since the original estimates provided in the presentation by Farnsworth, as Farnsworth had underestimated the cost to comply with codes and did not include architectural/engineering (A/E) services or fixtures, furnishing, and equipment (FFE) costs.

Location	Type of Construction	Total Estimated Costs
Gunther	New Construction	\$9,755,775
820 E. Fifth	New construction	\$9,386,875
Churchill	Renovation	\$7,352,500
Hawthorne	New construction for Comm Ctr, renovation of Gym	\$6,755,750
Library	Renovation	\$5,627,350

The \$7.3 million estimated cost for Churchill is the most up to date estimate, and the breakdown of what is included is detailed below.

Renovation	\$2,050,000
Renovation allowance	\$650,000
Minor Parking Improvements	\$200,000
Building Code Required Updates (Incl. re-roofing)	\$3,000,000
Demolition	\$600,000
Architectural/Engineering	\$552,500
Fixtures, Furnishing, and Equipment	\$300,000
Total	\$7,352,500

A memo was also subsequently provided by staff summarizing the environmental conditions in the building.¹⁹ The report indicates that there does not appear to be issues radon gas, and there is no presence of toxic black mold, or vermin/insects. The report elaborates that there is some mold in the building but does not appear to be a major issue. Asbestos was identified in the building based on testing from 2017 and \$60,000 has been included in the budget for the needed hazard abatement. Lead paint testing has not been conducted, but if lead paint is found, an abatement plan will be developed by the architect for the project.

¹⁷ **November 21, 2022** – City Council considered a resolution to hold a Community Center Public Hearing to gather public input on the location for the proposed community center. [Item 22-2070](#) failed, 3 Yes, 3 No.

¹⁸ **December 5, 2022** – City Council considered selecting Churchill as the community center location. [Item 22-4115](#) was approved, 4 yes, 3 no.

¹⁹ [Environmental conditions memo.](#)

Funding Options

Upon the arrival of the new City Manager, and his review of the financial report provided by the City's financial Advisor (Speer Financial), he recommended that if the City were to move forward with the construction of a community center, that it be also combined with a strategy to address the City's aging infrastructure as acknowledged by the survey respondents that rated the repair to streets and roads as their highest priority. The City Manager, with the assistance of the Speer financial, looked at a number of scenarios that included the ability to leverage debt that could significantly result in a large-scale infrastructure improvement strategy, in addition to supporting the construction of a community center.

The City of Galesburg allocates funding for streets and sidewalks through the City's General Fund, Local City Gas tax, and the City's share of the State Motor Fuel Tax. In addition, the Federal Highway Administration (FHWA) provides a funding allotment to the Galesburg urbanized area that is held and programmed by IDOT on the urbanized area's behalf. The urbanized area includes Galesburg, East Galesburg, and Knoxville. The three communities split the allotment based on population. The federal funds are held by the State and the City programs capital projects through the State, the City does not receive this funding at the City. The allotment varies from year to year but is estimated to be \$611,000 in 2023.

In the approved 2023 Budget, the City's General Fund will provide \$2,443,605 towards engineering services and street maintenance operations. Personnel expenses comprise 63.1% of this amount, Electricity of city owned street lights, traffic signals and the two street division buildings comprise 9.4% of this amount. The balance of the general fund for engineering services and street maintenance goes to vehicle and building maintenance. No General Fund dollars are available for capital projects.

The City Gas Tax Fund is a specifically designated fund for the purpose of capital improvements, including street construction and rehabilitation, curb and gutter work, storm sewer, sidewalk and other street-related improvements. By a majority vote of the corporate authorities, the City Gas Tax Fund may be pledged by the city as security for the repayment of monies borrowed by the city to be used for capital improvements as defined in this section. The current tax rate is \$0.045 per gallon and generates an estimated \$680,000 per year of which \$497,000 goes towards operation and maintenance items and leaves only \$183,000 available for capital projects.

The State Motor Fuel Tax is a tax the State imposes for the privilege of operating motor vehicles on public highways and recreational watercraft on waterways in Illinois. It is paid by distributors and suppliers who collect the tax from their customers. The City receives monthly distributions of the State Motor Fuel Tax which is distributed based on the City's population. The current tax rate is \$0.392 per gallon for gas and \$0.467 per gallon for diesel. This generates an estimated \$1,200,000 annually of which \$645,000 goes towards operation and maintenance items and leaves only \$555,000 available for capital projects.

The City also collects a utility tax on gas and electric of which 1/3 of that amount is pledged for storm sewer maintenance and construction. This generates an estimated \$744,000 per year of which \$673,000 goes towards operation and maintenance items and \$71,000 is available for capital projects.

In total, \$5.68 Million is budgeted/programmed for streets, sidewalks, and storm sewers annually. However, only \$1.42 million is available for capital projects annually. In 2022, construction prices rose close to 40% which severely reduced the number of projects the City was able to do in 2022 and in future years. Further, gas tax revenue is flat or falling and will continue to fall into the future as electric vehicles become more prevalent. In projecting the cost out for the next 20 years, assuming the same funding

amounts are received as in 2023 and that construction costs will increase 3% each year, there will be a projected shortfall of \$65.7 million in order to keep the City's roads in good condition. For 2023 the City would need an additional 1.47 million and would need to have this same additional amount each year with a 3% inflation factor in order to get the roads in a good condition. Additional details are provided in the linked information.²⁰

To fund such a program and keep the City's current expenditures neutral to its current obligations, the City would need to find a revenue source that could be used to support general government activities, capital infrastructure improvements, and a community center, without negatively impacting the City's bond rating, as was cautioned by the financial advisor at the November 14, 2022 City Council meeting. It was also determined that the proposed Home-Rule Sales Tax increase would result in a minimum negative impact to the community.

The Home-Rule Sales Tax option provides the City with the ability to generate \$950,000 annually as a new revenue to support the City's general government operations, which would include a capital infrastructure improvement campaign, and yes, a community center. Additionally, the 2011C bonds maturing in 2023 will free up an additional \$323,000 in 2023 that can aid in general government operations as well as a more robust capital infrastructure improvement program.

When the City's satisfaction survey was completed²¹, the highest priority identified within that survey was the quality of city streets, as reflected in the below table:

Importance-Satisfaction Rating						
City of Galesburg, IL						
Overall						
Category of Service	Most Important %	Most Important Rank	Satisfaction %	Satisfaction Rank	Importance-Satisfaction Rating	I-S Rating Rank
Very High Priority (IS > .20)						
Quality of city streets	71%	1	21%	10	0.5571	1
High Priority (IS .10-.20)						
Enforcement of city codes and ordinances	32%	3	40%	9	0.1938	2
Quality of stormwater runoff/management system	33%	2	46%	8	0.1753	3
Effectiveness of city communication with public	26%	4	51%	7	0.1267	4
Medium Priority (IS < .10)						
Quality of parks & recreation programs/facilities	24%	6	73%	4	0.0635	5
Quality of city water	20%	7	75%	3	0.0484	6
Maintenance of city buildings and facilities	13%	8	68%	6	0.0412	7
Quality of police and fire services	24%	5	84%	2	0.0389	8
Quality of customer service from city employees	5%	10	69%	5	0.0151	9
Quality of city's solid waste services	6%	9	85%	1	0.0092	10

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While the option to use bond debt might expand the reach of an infrastructure improvement campaign within a shorter period, it is not required. But one such reasonable scenario would be to use all or a portion of the Home Rule-Sales Tax proceeds to cover bond debt payments in order to expedite the capital infrastructure improvement program. One such option that the City staff looked at was a twenty year term, which would have generated \$17.8 million for street improvements throughout the City. But a 20 year term may be too aggressive in the current market. It was also recognized that current City staff may be able to better manage a capital Infrastructure campaign with the new revenues without bonding, and effectively keep pace with an annual capital infrastructure improvement strategy.

²⁰ [Street Funding Presentation, Cost Estimate Spreadsheet, Environmental Testing](#)

²¹ [Community Survey Findings Report, Community Survey Maps, Community Survey Presentation by ETC](#)

However, funding a community center might require a bonding process that could be funded from the 2011C maturing bonds (\$323,000), and a portion of the Home Rule quarter cent sales tax. But such an initiative would not require a 20 year issuance, but rather a five to seven year term. Additionally, there is presently a discussion regarding the establishment of a fundraising campaign to aid in the construction of the community center, and various programming initiatives. If this is the case, the need for bonding would be further reduced, and donors would be able to take a tax deduction on their contributions. But if the City bonded the full estimated amount of \$7.3 million for the community center, the interest on that issuance would be at 5%, or approximately \$1.133 million in interest on a 5 year term, and \$2.106 million in interest on a 10 year term.²²

As for the impact of a Home Rule quarter cent sales tax increase, the below table highlights what that would mean for the following expenditure(s), with the net impact represented in the yellow highlighted section.

	Quarter Percent Sales Tax Increase				
	Purchase	Purchase	Purchase	Purchase	Purchase
	Amount	Amount	Amount	Amount	Amount
Expenditure	\$ 10.00	\$ 20.00	\$ 50.00	\$ 100.00	\$ 1,000.00
Current 1.00% Rate	\$ 0.10	\$ 0.20	\$ 0.50	\$ 1.00	\$ 10.00
Increase .25% Rate	\$ 0.03	\$ 0.05	\$ 0.13	\$ 0.25	\$ 2.50
	\$ 10.13	\$ 20.25	\$ 50.63	\$ 101.25	\$ 1,012.50

In short, the proposed Home Rule quarter cent sales tax, regardless as to how it is used (for general government operations, capital infrastructure improvement campaign, or even a community center) would not negatively impact our community but would put the city in a better position in reinvesting in our community, its infrastructure, its youth and much more.

Previously, it was publicly stated that by adapting the Home Rule quarter cent sales tax, the City will place Galesburg on the equivalent scale as that of Chicago, but if you take a closer look at other local communities and their sales tax burdens comparative to the City of Galesburg, we find that Galesburg remains comparable in both the food & beverage tax, and at the lower end on the Home Rule Sales Tax table, even with the Home Rule quarter cent sales increase added on, which is further explained by the Mayor below.

Current Sales Tax Chart

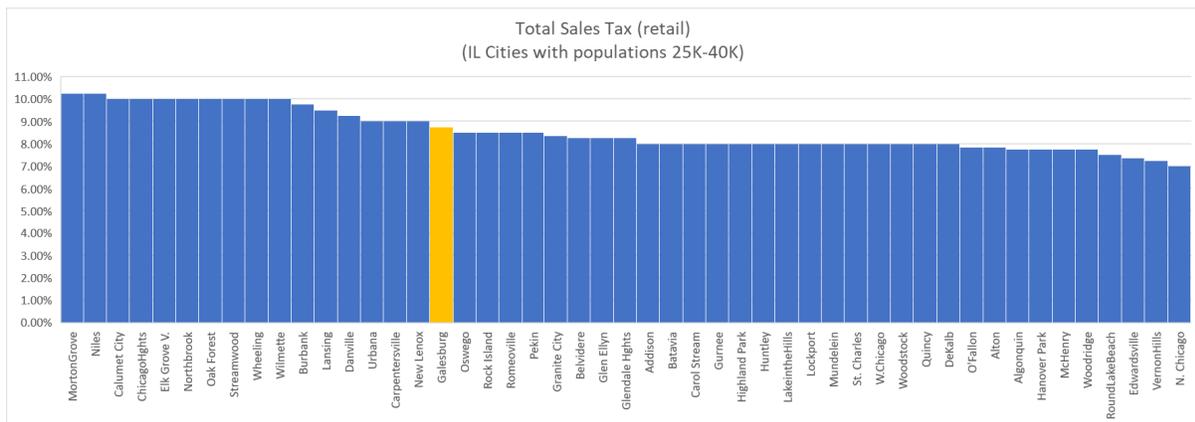
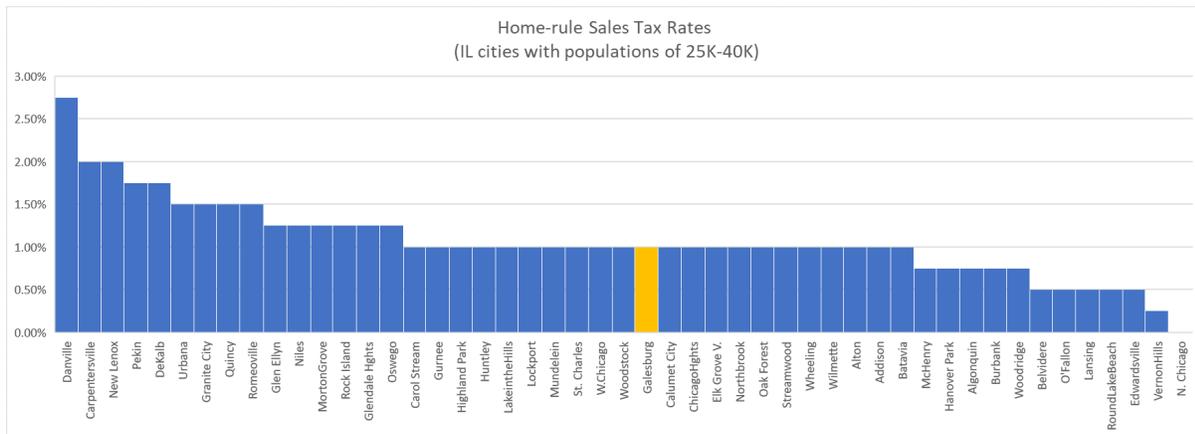
Community	Food & Beverage Tax	Source	Home Rule	County School Facility Tax	County Public Safety	State Tax	Total Sales Tax	Total Sales Tax for Food & Bev.
Bloomington	2.00	Website	2.50	-	-	6.25	8.75	10.75
Champaign	2.50	Website	1.50	1.00	0.25	6.25	9.00	11.50
Decatur	2.00	Website	1.50	1.00	0.50	6.25	9.25	11.25
Moline	1.50	Website	1.25	1.00	-	6.25	8.50	10.00
Normal	2.00	Website	2.50	-	-	6.25	8.75	10.75
Peoria	2.00	Website	1.75	0.50	0.50	6.25	9.00	11.00
Rock Island	1.50	Website	1.25	1.00	-	6.25	8.50	10.00
Urbana	2.00	Website	1.50	1.00	0.25	6.25	9.00	11.00
Galesburg	2.00		1.00	1.00	0.50	6.25	8.75	10.75

²² [5 year bond schedule](#), [10 year bond schedule](#)

Sales Tax Chart – with the proposed increase

Community	Food & Beverage Tax	Source	Home Rule	County School Facility Tax	County Public Safety	State Tax	Total Sales Tax	Total Sales Tax for Food & Bev.
Bloomington	2.00	Website	2.50	-	-	6.25	8.75	10.75
Champaign	2.50	Website	1.50	1.00	0.25	6.25	9.00	11.50
Decatur	2.00	Website	1.50	1.00	0.50	6.25	9.25	11.25
Moline	1.50	Website	1.25	1.00	-	6.25	8.50	10.00
Normal	2.00	Website	2.50	-	-	6.25	8.75	10.75
Peoria	2.00	Website	1.75	0.50	0.50	6.25	9.00	11.00
Rock Island	1.50	Website	1.25	1.00	-	6.25	8.50	10.00
Urbana	2.00	Website	1.50	1.00	0.25	6.25	9.00	11.00
Galesburg	2.00		1.25	1.00	0.50	6.25	9.00	11.00

Mayor Schwartzman conducted a study of the 48 Illinois cities similar to Galesburg in population (ranging in size from 25,000 to 40,000 residents). He found that (see graphs which show current rates): (1) Galesburg's current home-rule sales tax rate is 1.00% (which is lower than the average of the group (1.07%) and Galesburg's total sales tax rate (retail) (at 8.75%) is slightly higher than the group's average (8.56%). Relative to cities nearby Galesburg that are roughly the same size, our "City Sales Tax" (at 1.00% or even 1.25% as proposed) compares favorably: Quincy: 1.50%, Rock Island: 1.25%, Moline: 1.25%, Pekin: 1.75%, and East Peoria: 1.75%. Based on this information, his recommended increase to 1.25% for Galesburg (the "quarter percent" increase) is not going to put Galesburg at a competitive disadvantage.



Recap

Getting the Home-Rule quarter cent sales tax approved would provide the City the ability to resolve the funding for both initiatives (e. g., Capital Infrastructure Improvement Program and the Community Center), and would begin the process to refine the usage within the facility, and how other collaborative partners might be able to support and utilize the facility as well. If there is no source of funding committed to either of the two initiatives, then any further work with City consultants would more than likely come to a grinding halt.

An additional option might be to earmark the 2011C maturing bonds (\$323,000) and a portion of the newly established Home-Rule quarter cent sales tax, into a Galesburg Community Center reserve fund over the course of a year. This approach would allow the community to work to clearly define the scope of work, initiate a campaign for donations towards the community center, pursue state or federal funding opportunities should they become available within that time period, and work with other community stakeholders and determine what, if any, financial commitments could be made to support the ongoing operations of the community center. Once the year has expired, the City could then proceed to finance the project based on the actual funds required once the fundraising campaign has been completed and the qualified portion tied to the construction of the facility has been combined. While this approach would delay the construction of the facility, another option would be to proceed forward with the construction of the facility and include any donated funds to the project as they come in.

A number of draft operating budgets for the community center had been established but are all based on hypothetical speculative information that make assumptions that have yet to be determined such a collaboration with the school district and funding opportunities that they may be able to bring to the table, and a host of other collaborative partners, all of whom have yet to make any commitment to use the facility.

While these collaborative relationships have yet to be established, it is understood that there is great interest with these groups to find a way to partner with the City in support of the Galesburg Community Center. Nevertheless, for the purposes of transparency, we have attached as general information to this report, but would caution that it is merely speculative at this stage of the process.²³

Additionally, back when the idea emerged to look into the construction of a Community Center, there were grant funding opportunities available at that time that would have assisted the City in financially supporting that endeavor, but there are presently no grant programs currently available at this present time. Nevertheless, the desire to meet this need for the community requires that we push forward today, and should grant opportunities become available, the City will pursue them as well, but for now, the majority of the leadership on the City Council believe that it is imperative to move forward with establishing the funding solution now and begin the process to further define the scope of the facilities usage along the way. It is also their desire to begin the process to establish a capital infrastructure improvement program as well.

Finally, this executive summary provides an additional Q/A section that is attached as Appendix “A” to address other questions that have been raised, as well as a [community wide virtual town Hall meeting that will be held at 6pm, on Wednesday, December 14, 2022](#) for those that can attend virtually, or in person at the City Hall.

²³ [Memo regarding revenue sources, including non-profit questionnaire results](#)

Appendix A

Question/Answers

Has a budget for the community center been developed?

A number of draft operating budgets for the community center have been established but are all based on hypothetical speculative information that make assumptions that have yet to be determined such a collaboration with the school district and funding opportunities that they may be able to bring to the table, and a host of other collaborative partners, all of whom have yet to make any commitment to use the facility.²⁴

What has been the past role of Carver Center in providing community center services?

Questions have been raised about the past role of Carver Center as a community center. In June 2015, the City did enter into an agreement with Carver Center to provide funding for building improvements for the Boys and Girls Club. As the outcome of that agreement, the City expended \$55,448.48, which is outlined below. The City paid for this from the profit of \$114,446.50 from selling the old community center.

\$114,445.50 2013 Sale of old community center proceeds

(\$55,120.70) 2015 HVAC work done at Boys & Girls Club

(\$327.78) 2015 Boys & Girls Club WiFi boxes

\$ 3,513.34 Interest income

\$ 62,510.36 Remaining balance of proceeds from the sale of the old community center

The Carver Center was destroyed by a fire in September 2016 and did not rebuild their facility. There has been speculation about what was done with the insurance money, as the facility was not rebuilt. Carver Center is not owned or operated by the City of Galesburg, and therefore the use of their insurance money, and their selection of whether or not to rebuild is between them and their insurance carrier. The contract does allow for termination of the contract with two months' notice, and the City's total expenditure was limited to \$55,448.48, which was utilized for building improvements prior to the fire. While it is certainly unfortunate that their organization is no longer providing community center services, their prior assistance from the City of \$55,448.48 in 2015 does not obligate them to continue operation as a community center indefinitely, and/or report to the City their organizational decisions regarding their insurance policy and its use.²⁵

What will be in the community center?

There have been many preliminary discussions regarding what City Council Members would like to see included at the community center, including City Council interviews with the consultant from Farnsworth Group, so that could be taken into consideration with the development of site selection analysis.²⁶

Non-profit groups were also polled for their initial feedback on their potential involvement with the Community Center.²⁷

²⁴ [Draft budget with most recent considerations incorporated](#)

²⁵ Council items related to the Carver Center Boys and Girls Club, [Item 15-4033](#) failed, Item [15-4066](#) approved

²⁶ [Farnsworth Site Selection Presentation, September 26, 2022](#)

²⁷ [Memo regarding revenue sources, including non-profit questionnaire results](#)

What is the value of a community center?

Mayor Schwartzman prepared a “White Paper” in November 2022 summarizing the findings of five independent reports (and one interview) on the social and economic benefits of community centers. Here were the questions that he was attempting to answer: (1) Do community centers add economic value to the city’s where they are found/built? (2) Are community centers valued by their residents? (3) What types of activities are key to the positive impact of a community center? This report can be obtained by emailing the Mayor at pschwart@ci.galesburg.il.us.

Is grant funding available?

There could be a misconception that the development of a community center will be partially or completely funded through grants. While that could be possible, at this time, there are no open grant opportunities that staff have currently identified to fund or partially fund the project, building renovations, or programs. While City staff will be aggressive in pursuing any grant opportunities which could be beneficial to the community center, this project is contingent on the City funding all needed costs for the project at this time. As the project continues to develop, City staff will have a better idea of the scope, for any potential grant opportunity matches that may open.

Information was previously provided on the IDNR PARC Grant. This grant application process was in 2020, and awarded for 2021. However, only eight total projects throughout the state were awarded – it’s a competitive grant. The grant for a single project can only receive a maximum award of 10% of the total pot of funds available, and in 2021, there was \$25 million available, meaning the maximum possible grant size would be \$2.5M, if the project were to be selected through the competitive process for the maximum award. In addition, the grant has not been opened again since 2021, and staff at IDNR have indicated they do not know when or if it will be offered again, as the program does not run on a regular schedule and is subject to the sale of bonds for funding.²⁸

²⁸ [PARC Grant Memo Dated December 6, 2021](#)

Bibliography (footnotes)

- ¹ **May 20, 2013** – Ordinance on 1st Reading to sell Community Center 150 E Simmons St. to Mark Kleine for Iron Spike for \$115,000. Residents spoke in opposition to the sale. [Link to minutes with relevant sections highlighted.](#)
- ² **June 3, 2013** – Ordinance on Final Reading to sell Community Center. Residents spoke out against the sale at the meeting or to have a suitable alternative available. Item 13-1022 was approved, 6 yes, 1 absent. [Link to minutes with relevant sections highlighted.](#)
- ³ **April 6, 2015** – Agreement for community center services to be provided by the Boys and Girls Club at the Carver Center. [Item 15-4033](#) was tabled and amended several times, ultimately failing, replaced with item 15-4066 below.
- ⁴ **June 15, 2015** – Agreement with Boys & Girls Club at the Carver Center for building improvements. [Item 15-4066](#) was approved, 6 yes, 1 absent.
- ⁵ **November 2, 2021** – [City Council Work Session to review the proposed budget.](#) As part of that meeting a memo was provided and discussed by the Council at the work session. [The memo estimated operating expenses and possible uses in the building.](#)
- ⁶ **November 15, 2021** – Council hired Farnsworth to provide a code study of the building and determine estimates of costs for bringing the building into compliance with all building codes. [Item 21-4108](#) was approved, 5 Yes, 2 Abstain
- ⁷ **November 29, 2021** – City Council toured the Churchill building to get a general sense of its layout, space, and condition. This was a Galesburg City Council meeting and was therefore publicly noticed and open to the public.
- ⁸ **March 21, 2022** – Request for direction from Council on acquiring the Churchill property. [Item 22-4032](#) was approved, 4 Yes 3 No.
- ⁹ **April 18, 2022** – Ordinance on first reading for IGA to purchase Churchill property, [Item 22-1013.](#)
- ¹⁰ **April 18, 2022** – Resolution placing an advisory question on the ballot “Should the City of Galesburg spend between \$5 million and \$10 million to convert the former Churchill Middle School into a community/activity center?” [Item 22-2023](#) failed, 3 Yes 4 No.
- ¹¹ **April 28, 2022** – Ald. White and Ald. Smith-Esters held open house for Churchill for the public to walk through the building and provide comments. Members of the Youth Commission participated and helped give tours, approximately 45 citizens, plus a few school staff attended.
- ¹² **May 2, 2022** – Ordinance on final reading for IGA to purchase Churchill property. [Item 22-1013](#) was approved, 4 Yes, 3 No.
- ¹³ **June 20, 2022** – City Council approved agreement with Farnsworth for evaluation of alternative locations and options for the Community Center to evaluate if it would be better to renovate or build new. [Item 22-4049](#) was approved, 4 Yes, 1 No, 1 Abstain, 1 Absent.
- ¹⁴ **September 26, 2022** – City Council work session to review proposed community center options with [Farnsworth Group who provided a presentation on potential locations.](#) Please note – estimates were updated after this presentation.
- ¹⁵ **November 14, 2022** – City Council work session [provided overview of the City’s finances](#) and discussed selecting a location for the Community Center. A straw poll was taken of the Council and 4 voted in favor of the Churchill location and staff was directed to move forward with that option.
- ¹⁶ **November 21, 2022** – City Council considered a resolution to hold a Community Center Public Hearing to gather public input on the location for the proposed community center. [Item 22-2070](#) failed, 3 Yes, 3 No.
- ¹⁷ **December 5, 2022** – City Council considered selecting Churchill as the community center location. [Item 22-4115](#) was approved, 4 yes, 3 no.
- ¹⁸ [Environmental conditions memo.](#)
- ¹⁹ [Street Funding Presentation, Cost Estimate Spreadsheet, Environmental Testing](#)
- ²⁰ [Community Survey Findings Report, Community Survey Maps, Community Survey Presentation by ETC](#)
- ²¹ [5 year bond schedule, 10 year bond schedule](#)
- ²² [Memo regarding revenue sources, including non-profit questionnaire results](#)
- ²³ [Draft budget with most recent considerations incorporated](#)
- ²⁴ Council items related to the Carver Center Boys and Girls Club, [Item 15-4033](#) failed, Item [15-4066](#) approved
- ²⁵ [Farnsworth Site Selection Presentation, September 26, 2022](#)
- ²⁶ [Memo regarding revenue sources, including non-profit questionnaire results](#)
- ²⁷ [1PARC Grant Memo Dated December 6, 2021](#)

[All footnote documents, combined \(note: large file size, due to length of 2,364 pages. All documents are also available via the referenced individual links.\)](#)