

Response from: Joe McMenamin - Alderman - Ward 7

***Capital Area REALTORS
2015 Municipal Candidate Questionnaire***

Please complete and return to:
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CANDIDATE INFORMATION

Name of Candidate: Joe McMenamin

Office: Alderman-Ward 7 Incumbent: Yes

Opponents: Michael Higgins, Sarah Delano-Pavlik

Previous Experience / Elected or Appointed Positions: Currently first term Alderman, Ward 7

Campaign Committee Name: Friends of Joe McMenamin

Phone Number: Home 217-787-2297, Cell 217-201-2956, Email Joeforward7@aol.com

Campaign Manager: self-managed

ISSUE QUESTIONS

1. In general, what are the top issues you wish to address by seeking election to this office:

ANSWER:

- Continue redevelopment of old MacArthur Boulevard – South Grand to Wabash
- Strengthen older residential neighborhoods throughout the City
- Reverse the City's large structural budget deficits (pensions). See Q 4 below.
- Stabilize CWLP Electric Division finances
- Reinstate city residency requirement for new City employees to strengthen our neighborhoods and deepen our employees' commitment to their City. Many of our well-paid 1000+ Fire, Police and CWLP employees (and their young families) no longer reside in our community.

2. What role should government play in the residential real estate / housing market?

ANSWER: Local government should enhance residential housing markets by improving neighborhood infrastructure and beautifying the gateways to these residential areas. The City should offer financial incentives to buyers to invest in our struggling older neighborhoods.

3. What role should government play in the commercial real estate market?

ANSWER:

- Local government can provide appropriate incentives for redevelopment while creating disincentives for blight.
- There is currently a glut of empty commercial/office space downtown. The City needs to create additional incentives to convert this space to residential use.
- The City needs to guard against too much new development infrastructure for properties on the City's edges at the expense of existing ready-to-develop/redevelop properties throughout the City.

4. Are you aware of any budget or revenue problems or shortfalls in the City? If so, what are your plans / proposals to address this shortfall?

ANSWER: For 20 years the City has followed a pattern of sharp structural budget deficits. During this time, our City Pension debt (Fire, Police, and IMRF) climbed from \$30M to over \$300M. The Wall Street Journal documented Springfield's problem in a full page story in November 2013. The unfunded portion of our Fire and Police pensions has climbed from 10% in 1995 to over 50% today. Each recent Administration has in effect financed City operations by under funding our pensions while at the same time granting unaffordable and generous wage/benefit/pension plans to our City employees. I vote NO to each years City budget and to collective bargaining agreements because we need to reverse this pattern, and to draw attention to this structural problem.

I support negotiated 18 month pay freezes for our City employees in exchange for moderate revenue enhancements dedicated to full Pension funding. Failure to realistically address our structural deficit exacerbates the type of dark future we now see at the State level.

5. Does Springfield have an economic development plan or tax incentive programs to attract businesses to the city? What are your plans, if any, for enhancing or changing those programs / incentives?

ANSWER: We have TIF and Enterprise Zones in strategic locations throughout the City. I sponsored the MacArthur TIF District soon after taking office in 2011. It encouraged Hy-Vee, and other major development projects will follow. But in offering financial incentives, the City needs to judiciously review proposals and avoid excessive handouts to those that are financially viable without assistance. Enterprise zone expansions and TIF funding should not be automatic rewards.

Ultimately new businesses follow healthy infrastructure, transportation links, abundant water supplies, low electric rates, good schools, solid labor capital, quality health care, competitive tax rates, beautiful parks, and recreational opportunities. These in combination constitute our best recruitment tools, and I will work to enhance all of them with sound City policies.

6. City Water Light and Power (CWLP) is experiencing significant shortfalls in revenue due to low demand in the market for purchasing excess power capacity. How should this problem be addressed?

ANSWER: We cannot undo the questionable decisions of the past - including CWLP selling power it did not have in the 1990s (and the resulting liability from the power trading law suits), and building electric generation capacity beyond our local needs in the late 2000s which added \$600M of debt load to our rate payers causing our local electric rates to climb 40% in 6 years.

We need informed, wise, and watchdog Aldermen. Going forward we should realistically assess the economic viability of the aging Dallman Units 1 and 2 plants built in the late 1960s. Depending on environmental regulation and wholesale electric pricing, we may need to close these less efficient plants to strengthen CWLP's finances even if our unions fight the loss of jobs.

7. Do you favor or oppose the imposition of municipal real estate transfer taxes?

ANSWER: I have not seen any specific proposals and so my position would depend on the purpose of the tax, the use of the resulting new revenue, and its effect on real estate transactions. I welcome advice from CAR on this issue.

8. To what degree should a municipality regulate real estate signs (for example, "For Sale" and "Open House" signs)?

ANSWER: I am receptive to advice and commentary from CAR on this topic. In my time as Alderman, I have received no complaints nor proposals on this issue, so there may be no need to change the status quo.

9. Do you think that the municipality should regulate vacant properties? If so, how?

ANSWER: Owners should mow their properties and maintain them safe and free of garbage. I support the Registered Buildings code, BUT I do not support the excessive \$750/day fines after 3 years of registration. These fines are confiscatory and arbitrary. They will lead to instances of enforcement favoritism. There are now 40 registered buildings that have reached the 3-year threshold, with many more added each month. The next City Council needs to modify the \$750/day fine process and structure.

10. What is your opinion regarding pre-sale home inspections (performed by the city of Springfield) and certification of occupancy ordinances?

ANSWER: I am interested in receiving information and advice from CAR on these issues. Pre sale inspections for new construction should be timely and reasonable. Same for occupancy permits. As alderman, I received an urgent complaint from Hy-Vee involving a denied temporary Occupancy Permit. I was able to intervene to obtain immediate re-inspections and acceptable resolution.

11. What is your position on funding infrastructure improvements within the municipality? What guidelines and procedures should be followed?

ANSWER: In 2013 the City again increased its sales tax rate to fund infrastructure, this time ½ %. The previous Administration raised the sales tax rates twice, ½ % in 2005, and ¼ % in 2010 for infrastructure. The current Administration is implementing a plan to bond-out 20 years worth of this latest new revenue and spend it all in 3 years. I STRONGLY believe we should stretch out this new spending over a longer period of time. Further, the City needs to solicit views from the business and neighborhood communities regarding priorities and projects for this new spending which totals \$90M.

Going forward, I will vote against future increases to our general merchandise sales tax rates. Our rates are now noncompetitive with surrounding rates and we have become too reliant on a revenue source overly sensitive to economic cycles.

In 2013 I cosponsored ordinances to finance sewer improvements which are especially needed in our older neighborhoods using gradually scaled-up sewer fees over a 10 year period.

12. What role do you think the professional REALTOR can play in improving your community?

ANSWER: The core of Springfield includes the historical downtown and the surrounding midtown older neighborhoods. We need to focus on the health of these older neighborhoods to preserve the vitality of the entire City. We need incentives for home ownership and investment in these older neighborhoods and realtors can help craft and promote appropriate Ordinances. Realtors can also become involved with the public schools to encourage excellence and publicize successes when they occur to encourage home buyers to locate in the City.

13. What local REALTORS are supporting your candidacy?

ANSWER: As a long time general practice attorney, I appreciate the knowledge and expertise of the many fine realtors in the Springfield area who are the de facto ambassadors for our community to new residents. As Ward 7 Alderman, I likewise appreciate all the realtors dedicated to development projects including along MacArthur Blvd, Wabash, and Downtown. I reach out to realtors for advice and to exchange information. I will continue this practice and appreciate the support of many realtors.

14. Anything you would like to add as to why REALTORS should be supportive of your candidacy?

ANSWER: I will work diligently as a full-time Ward 7 Alderman and remain dedicated to make Springfield the best community possible. With attorney practice in tax laws, financial investments, commercial transactions, and 30 years of Army National Guard experience including on many command staffs, I bring a unique and broad background to the City Council. I will continue to support ordinances that bring success and economic growth to our city.

I do not take campaign contributions from unions and businesses that bring contracts to the City Council for approval. In the spirit of our non partisan City elections, I take neither endorsements nor campaign funds from our political parties, and I hold no leadership positions with our political parties. I do this to remain objective, to avoid conflicts of interest, and to judge Ordinances and Zoning proposals based on their merits. I look forward to working with CAR, and will carefully study issues CAR believes are important.