

REGULAR BOARD MEETING
Village Hall, 102 South Second Street

January 18, 2016 - 7:30 pm
Village of West Dundee

I. CALL TO ORDER:

President Nelson called the Regular Board Meeting to order at 7:30 pm.

II. ROLL CALL:

Present were Village President Christopher Nelson, Trustees Billy Pflanz, Dan Wilbrandt, Michelle Kembitzky, Tom Price, Pat Hanley and Andy Yuscka.

Also present were Village Manager Joseph Cavallaro, Finance Director David Danielson, Community Development Director Timothy Scott, Fire Chief Randy Freise, Police Chief Andrew Wieteska, Public Works Director Eric Babcock, Village Attorney John Brechin, TIF Legal Counsel Kathleen Field Orr, and approximately forty (40) people in the audience.

III. PLEDGE OF ALLEGIENCE:

Trustee Wilbrandt led those in attendance in the Pledge of Allegiance.

IV. APPROVAL OF AGENDA:

Trustee Kembitzky requested that Resolutions and Ordinances be taken after New Business.

MOTION: Moved by Trustee Kembitzky and seconded by Trustee Wilbrandt to approve the agenda as amended. Motion passed unanimously by voice vote.

V. VILLAGE PRESIDENT'S REPORT:

A. Proclamation Recognizing Alec Bucholc in Achievement of the Eagle Scout Award

President Nelson read into record a Proclamation recognizing and congratulating West Dundee resident Alec Bucholc for achieving the Eagle Scout Award, the highest rank in the Boy Scouts of America. Mr. Bucholc's Eagle Project involved the restoration of the Doane's Corner area of Raceway Woods Forest Preserve.

Mr. Bucholc was unable to attend this evening, however his family attended on his behalf and extended their thanks to the Village Board for recognizing his achievement.

B. West Dundee Lamplighter Award - Lt. David Strossner, Fire Department

President Nelson invited Chief Freise forward to present the fourth Village Lamplighter Award to Lt. David Strossner. Chief Freise nominated Lt. Strossner Award in recognition of his service to community, above and beyond the line of duty.

Lt. Strossner has provided CPR and AED training and certification to Marine Recruits at the Armed Services Career Center in Carpentersville and to the DC/TC Jr. Charger Youth Football organization. Letters of appreciation were provided to the Board for the above, as well as from residents of the Carrington Enclave, for the assistance of Lt. Strossner and Firefighter Tom Mikulski for assisting in cleaning up a muddy street after a main break and storm just prior to

their neighborhood block party. Lt. Strossner has also provided First Aid and CPR training to local organizations including Dundee Township Park District and St. Catherine of Siena.

Chief Freise noted that Lt. Strossner demonstrates a constant committal to public service and represents the West Dundee Fire Department in a very positive light. He presented Lt. Strossner with the Lamplighter Award Certificate signed by President Nelson.

Marine Gunnery Sgt. Miller and Sgt. Cruz were in attendance and thanked Lt. Strossner for his ongoing support over the past several years.

Lt. Strossner thanked the Board and Chief for this award, and recognized his fellow firefighters for their participation and assistance in the referenced services, and introduced his family who was in attendance. He spoke of the service that the Marines he has trained have gone on to provide all over the world.

VI. REPORTS AND QUESTIONS FROM TRUSTEES: There were none.

VII. VILLAGE STAFF REPORTS:

Chief Wieteska advised that the second Coffee with a Cop event, held on January 12 at Starbucks, was well attended and that the program seems to be gaining momentum. He also advised that DARE Program graduations at Dundee Highlands, Immanuel Lutheran and St. Catherine's will take place in early February.

Chief Freise reported that the Fire Department responded to two recent fires within the Village: A chimney fire last week and a major structure fire at a home on Waterbury Court this past Saturday. The Department also assisted in fighting a fire in Elgin yesterday. Mutual aid was provided by several neighboring departments to extinguish the fire on Waterbury Court. While the fire began in and was contained to the garage, the home unfortunately received heavy smoke damage and has been deemed uninhabitable at this time. The Fire Department was able to secure a room at Marriott for the family, and contacted the Red Cross who is providing additional assistance to the family.

VIII. QUESTIONS FROM THE AUDIENCE: There were none.

IX. CONSENT AGENDA:

- A. Approval of Bill List: January 4, 2016
- B. Approval of Bill List: January 18, 2016
- C. Ratification of Debit Purchases: December, 2015
- D. Approval of Minutes: December 21, 2015 Regular Board Meeting
- E. Approval AFG: Assistance to Firefighter Grant 2015 Application
- F. Special Event Request - Backyard Garden Club Plant Sale
- G. Daily Liquor Permit Request - St. Catherine of Siena School Trivia Night
- H. Ordinance Amending Section 2-2-3D of the Municipal Code Pertaining to the Regularly Scheduled Meeting Date of the Appearance Review Commission

MOTION: Moved by Trustee Kembitzky and seconded by Trustee Hanley to approve the Consent Agenda as presented. Upon roll call, motion was approved unanimously.

AYES: Trustees Kembitzky, Price, Hanley, Yuscka, Pflanz and Wilbrandt

NAYS: None

X. NEW BUSINESS:

A. Conditional Parking Restrictions: Huffman Park and South End Park (Trustee Wilbrandt)

Trustee Wilbrandt noted that the Board requested a review of the parking restrictions around Huffman Park based on parking difficulties resulting from a large soccer tournament last summer.

Chief Wieteska described the existing conditional parking restrictions on Tartans Drive, which restricts parking “During Park District Activities” at Huffman Park. These restrictions have been difficult to enforce, as vehicle owners are often unaware of when said activities are to occur. They have also caused parking to be pushed to the interior streets, which creates more of a safety issue than if vehicles had been parked on Tartans.

Chief Wieteska noted that Tartans Drive is 36’ wide, which is more than adequate to allow for parking on both sides of the street. It is recommended that these parking restrictions be removed from Tartans Drive entirely, and that the Village instead work with the Park District to temporarily restrict parking on interior streets when large events are to take place at Huffman Park. It was noted that, since this parking restriction was adopted, the parking lot at Huffman Park has doubled in size, minimizing the parking impact during regular Park District activities.

As part of this review, the Police Department also reviewed similar restrictions at South End Park. Chief Wieteska noted that current conditional restrictions disallow parking on either side of Dunning Avenue “During Little League Activities”. This, again, is difficult to enforce.

Chief Wieteska noted that Dunning is 30’ wide and can adequately accommodate parking on one side. The recommendation is to restrict parking to only one side of Dunning Avenue at all times, and remove the conditional restrictions.

The Board expressed support for both recommendations. The Police Department will contact the 8 residents on Tartans and 2 residents on Dunning that will be impacted by these amended parking parameters, and will return with an ordinance amending parking regulations for consideration at the next Regular Board Meeting.

B. Authorization for Well 5 Repair Services (Trustee Yuscka)

Trustee Yuscka noted that Well 5 experienced a failure in December. The Board authorized Layne Christensen Company to perform the minimum scope of work necessary to determine the cause of the failure, at a cost not to exceed \$70,000.

Multiple problems with the pumping assembly were discovered upon inspection, resulting in an itemized recommendation of repairs, replacement parts and maintenance by Layne Christensen at a total cost of \$64,240, in addition to the cost of the inspection work.

Director Babcock advised that there was a strong potential for the rehabilitation to have been much more costly. The initial \$70,000 cost includes reinstallation.

These repairs will be accounted for utilizing a portion of the funds that were set aside for the repainting of the Spring Hill Mall Water Tower, which will not be undertaken this fiscal year.

C. Discussion - IGA between West Dundee & D300 relating to the proposed Spring Hill Mall TIF (Trustee Kembitzky)

Trustee Kembitzky noted that a meeting of the West Dundee Joint Review Board was held on December 7, at which the proposed Spring Hill Mall TIF was discussed and approved by a majority vote of the affected taxing bodies.

As part of that discussion, Community Unit School District 300 (D300) requested West Dundee's willingness to consider entering into an Intergovernmental Agreement to provide parameters for ongoing review of the TIF and sharing of revenues should the TIF generate surplus funds that exceed the costs of the redevelopment projects. He noted that West Dundee has maintained a very cooperative relationship with D300, and a strong track record regarding TIF management.

Manager Cavallaro advised that the draft IGA provided for review was based on a similar agreement between D300 and the Village of Algonquin that has been reviewed and edited by Attorney Kathy Orr. D300 indicated their conceptual support of the draft IGA, and will continue to review the agreement with their attorney and advisory committees.

General support for establishment of an IGA was indicated, and direction provided to bring the final draft back to the Board for review and consideration, when available.

D. Public Hearing - Proposed Spring Hill Mall TIF (Trustee Kembitzky)

MOTION: Moved by Trustee Kembitzky and seconded by Trustee Pflanz to call to order the Public Hearing regarding the Proposed Spring Hill Mall Tax Increment Financing (TIF) project. Upon roll call, motion was approved unanimously.

AYES: Trustees Kembitzky, Price, Hanley, Yuscka, Pflanz and Wilbrandt
NAYS: None

- i. Call to Order:** President Nelson called the Public Hearing to order at 8:09 pm.
- ii. Roll Call:** Present were President Nelson, Trustees Pflanz, Wilbrandt, Kembitzky, Price, Hanley and Yuscka.

Also present were Village Manager Joseph Cavallaro, Finance Director David Danielson, Community Development Director Timothy Scott, Fire Chief Randy Freise, Police Chief Andrew Wieteska, Public Works Director Eric Babcock, Village Attorney John Brechin, TIF Legal Counsel Kathleen Field Orr, and approximately ten (10) people in the audience.

- iii. Public Hearing** concerning the establishment of the proposed Spring Hill Mall Tax Increment Financing District:
 - a. Overview of the proposed Spring Hill Mall TIF District:** TIF Legal Counsel Kathleen Field Orr provided a brief overview of the strict process by which a TIF District may be established, including the notification and publication requirements. All legal requirements have been met for the conduct of this Public Hearing. She noted that should the Board wish to adopt an ordinance approving the establishment of the TIF, it must be adopted no less than 14 days and no more than 90 days after the closure of a Public Hearing on the matter.

Financial Consultant Bob Rychlicki of Kane McKenna and Associates presented specifics regarding the redevelopment project, area and plan, TIF mechanism, qualifying factors and key elements of the TIF plan. He stated that the objective is to allow Spring Hill Mall to thrive, as part of a coordinated effort to revitalize and enhance the commercial and retail properties in West Dundee, in accordance with the stated goals of the Comprehensive Plan. The TIF Plan complies with all legal provisions of the TIF Act as a “conservation area”.

He briefly explained that TIF is a tool for achieving economic development goals. When a TIF is established, the current EAV of taxable property within the defined area is established as a “base value”. Any increased property taxes above the base value (“increment”), which would be generated as a result of increased EAV based on the success of the TIF project, are used to fund redevelopment in the project area.

Mr. Rychlicki outlined the factors that qualify the project area for TIF eligibility, including declining EAV, excessive vacancies, obsolescence and inadequate utilities. The proposed TIF Budget is \$1,325,000 over the maximum 23-year life of the TIF. This budget represents the maximum amount of expenditures by the Village from TIF proceeds.

He stated that on December 7, the Joint Review Board, which is made up of representatives from each of the taxing bodies that receive property taxes from West Dundee property owners and 1 member from the public at large, provided a positive recommendation regarding the establishment of the Spring Hill Mall TIF.

- b. Village Board Comment:** Trustee Wilbrandt inquired about the exclusion of the anchor stores from the TIF area. Mr. Rychlicki noted that the proposed TIF area exclusively includes the parcels owned by Rouse Properties. The option exists to add congruent properties at a later date, however none of the anchors has expressed an interest in being made a part of the TIF.

Trustee Price asked what would happen if EAVs within the project area do not increase. Mr. Rychlicki stated that the Village would only be obligated to utilize TIF proceeds for payments related to the TIF project budget. If no incremental property taxes are received, there would be no TIF proceeds, and the Village would not be bound to make these payments.

Staff Comment: Manager Cavallaro noted that the Term Sheet with Rouse calls for 95% of the property tax increment to be provided toward project funding, should the establishment of a TIF District be viable.

Public Comment: There was none.

iv. Adjournment of the Public Hearing:

MOTION: Moved by Trustee Kembitzky and seconded by Trustee Pflanz to adjourn the Public Hearing regarding the Proposed Spring Hill Mall Tax Increment Financing (TIF) project. Upon roll call, motion was approved unanimously.

AYES: Trustees Kembitzky, Price, Hanley, Yuscka, Pflanz and Wilbrandt
NAYS: None

The Public Hearing adjourned at 8:22 pm.

Trustee Kembitzky asked what the next step would be. Attorney Orr stated that an ordinance establishing the TIF District would be brought for consideration once it is perfected, noting again that such ordinance must be adopted no less than 14 days and no more than 90 days after the closure of a Public Hearing on the matter.

**E. Downtown Redevelopment G.O. Bonds Repayment Funding Alternatives
(Trustee Kembitzky)**

Trustee Kembitzky advised that, based on the issuance of an additional \$2,000,000 of bonded indebtedness for utilization toward downtown redevelopment, as authorized by the Board on November 16, 2015, additional direction is needed regarding funding mechanisms to pursue for repayment of the bonds.

The recommended options include (1) use of proceeds from TIF #2, (2) establishing a Downtown Business District and/or (3) establishing a Special Service Area.

Establishing a Business District provides the opportunity to impose an additional 1% sales tax specific to the defined Downtown Business District area, proceeds of which would be utilized for repayment of the bond issue. It is estimated that this would generate approximately \$65,000 annually in additional sales tax dollars.

Attorney Orr briefly explained the process and qualifying factors for creation of a Business District, noting that this has been a very successful funding mechanism for reinvestment in historic downtown business districts.

Manager Cavallaro noted that a professional services agreement with Kane McKenna and Associates is recommended for preparation of the required eligibility report and Business Development Plan and other requirement in the creation of the Business District.

By establishing a Special Service Area (SSA), an additional property tax is levied specifically on those properties that reside within the defined area. An amount of \$0.20 per \$100 of EAV for the life of the bond is recommended to assist with bond repayment. This additional property tax is estimated to total \$35,000 per year.

It is further recommended that, if financial participation in the Discover Dundee program is desired, that an additional \$0.20 per \$100 of EAV be levied to fund those annual obligations, for a period of 5 years. This additional levy amount is proposed to be revocable after 3 years by petition of 51% or more of property owners within the SSA, and that renewal beyond 5 years also require a petition by 51% or more of property owners. This additional property tax is also estimated to total \$35,000 per year. Manager Cavallaro noted that under this premise, the downtown property owners would have a direct investment and voice regarding West Dundee's participation in the Discover Dundee downtown marketing effort.

Trustee Kembitzky noted that for SSA property taxes enacted by April of 2016, funds would not be received until July of 2017, after the first required debt service payment.

Trustee Wilbrandt suggested that a straw poll of downtown business and property owners be completed prior to taking any action or authorizing any expenditures to support establishing the Business District or SSA. Manager Cavallaro noted that feedback was requested from

stakeholders in conjunction with the Downtown Plan process, and that additional community feedback would be solicited if the Board elects to proceed.

Director Danielson noted that the impact of the proposed levy amount on an individual property owner is estimated at \$125 to \$150 per year. It was further noted that the downtown area has for many years receive services provided by the Public Works Department that are unique to this area, with no additional cost to property owners.

MOTION: Moved by Trustee Kembitzky and seconded by Trustee Price to authorize a Professional Services Agreement with Kane McKenna and Associates, Inc. of Chicago, IL for consideration of the implementation of a Downtown Business District for the B-1 zoned properties located in the Village of West Dundee, in an amount not to exceed \$12,500. Upon roll call, motion was approved 5 to 1.

AYES: Trustees Kembitzky, Price, Hanley, Yuscka and Pflanz
NAYS: Trustee Wilbrandt

MOTION: Moved by Trustee Kembitzky and seconded by Trustee Price to authorize and direct staff and legal counsel to prepare a draft ordinance considering the establishment of a Special Service Area to fund the increased debt service obligations related to a \$2,000,000 bond issue and funding to facilitate participation in the Discover Dundee marketing program for the B-1 Downtown Business District, pursuant to the parameters outlined in Manager Cavallaro's Board Memo dated January 14, 2015, and pursuant to notification to affected business and property owners. Upon roll call, motion was approved 5 to 1.

AYES: Trustees Kembitzky, Price, Hanley, Yuscka and Pflanz
NAYS: Trustee Wilbrandt

XI. NEW BUSINESS:

A. 2015 General Obligation Refunding Bonds - Abatement of Taxes (Trustee Kembitzky)

Director Danielson noted that it has been the Village's position to not have GO bond repayment funded by the village-wide property tax levy. Due to the recent bond refunding, an ordinance abating the 2015 property tax levy for the 2015 GO Refunding Bond is needed.

MOTION: Moved by Trustee Kembitzky and seconded by Trustee Hanley to adopt a Resolution formally abating the 2015 tax levy requirements for the 2015 General Obligation Refunding Bond, and file said Resolution with the office of Kane County. Upon roll call, motion was approved.

AYES: Trustees Kembitzky, Price, Hanley, Yuscka, Pflanz and Wilbrandt
NAYS: None

XII. MISCELLANEOUS:

Trustee Wilbrandt noted that a beneficial discussion was had between D300 Superintendent Fred Heid and the West Dundee Education Committee Meeting on January 4, 2016. Trustee Kembitzky added that D300 now has programs whereby qualified high school students can earn college credit and engage in internship opportunities. Trustee Price added that Dundee-Crown also offers entrepreneurial course work.

FUTURE AGENDA ITEMS:

- Ordinance Removing Conditional Parking Restrictions on Dunning Avenue and Tartans Drive – February 1, 2016.
- Approval of an Intergovernmental Agreement with Community Unit School District 300 regarding the Spring Hill Mall TIF – Meeting Date TBD.
- Ordinance Establishing the Spring Hill Mall TIF District – Meeting Date TBD, introduced no sooner than February 1 and no later than April 4, 2016.
- Ordinance Considering the Establishment of a Downtown Special Service Area – Meeting Date TBD.

XIII. ADJOURNMENT:

MOTION: Moved by Trustee Kembitzky and seconded by Trustee Pflanz to adjourn the Regular Board Meeting. Motion was approved unanimously by voice vote.

The Regular Board meeting adjourned at 8:47 pm.

ATTEST:

Kim Tibbetts
Deputy Village Clerk

Christopher Nelson
Village President