

MINUTES OF WORKSHOP MEETING

DOWNERS GROVE, ILLINOIS

MAY 22, 2001

Mayor Krajewski called the Workshop meeting of the Village Council of the Village of Downers Grove to order at 6:30 p.m. in the Council Chambers of the Village Hall.

Present: Mayor Brian Krajewski; Commissioners Marilyn Schnell, Thomas Sisul, Sue McConnell (arr. 7:45 p.m.), Martin Tully (arr. 6:40 p.m.), Mark Zabloudil; Acting Village Manager Riccardo Ginex; Village Attorney Daniel Blondin; Village Clerk April Holden

Absent: Village Manager Michael McCurdy; Commissioner Michael Gilbert

Visitors: **Press:** Susie Gura, Downers Grove Reporter; Carol Kania, Downers Grove Sun; Jennifer Messinbrink, Chicago Tribune

Residents & Others in Attendance: Stephen Friedman, SB. Friedman & Co., 221 N. LaSalle, Chicago; Willis & Shirley Johnson, Tivoli Enterprises, 603 Rogers; Billy Barnett; Megan Schroeder, 6036 Ridge Ct.; K. Harvey, 4811 Linscott; Anna McNally, 5632 Springside; Janis Farrington, 5211 Lee; Mary Ellen Young, 1821 Elmore; Dave Brown, 1508 Gilbert; Robin Tryloff, 1217 Parkway; Susan Brown, 1508 Gilbert; Carol Ellis, Ameritech, 2 Westbrook Corp. Ctr., Westchester; Gail & Dave Tatterson, 1240 Gilbert; Elmer A. Schulz, Grove Lodge #824, 923 Curtiss; Jim Carter, Grove Lodge #824, 923 Curtiss; Michael Philipp, Steve Helm & Assoc., 804 N. Washington, Naperville; William Vollrath, 6918 Osage; Harry Spataro, 8607 Main; Barb Wysocki, Chamber of Commerce; Tina & James Cavallo, 6943 Valley View Dr.; Sue & Steve Petkus, 1049 Grove; Rita Martin, 4942 Montgomery; Pat Peterman, 1143 Gilbert; Chuck Keenley, 1518 Hillcrest; Ken Kordynalski, 5212 Washington; Dave Reynolds, 4919 Bryan Pl.; Ken Lerner, 4933 Whiffin Pl.; Kim & Bryan Ogdon, 4810 Saratoga; Wanda & Charles Johnson, 428 Sherman; Doris Berry, 428 Sherman; Kathy Veronda, 1110 Grove; Marilynn Gerloff, 4241 Highland; Christine Fregeau, 1918 Elmore; Dave Humphreys, Community Grants, 4221 Saratoga; Joselyn Kirkegaard, 5200 Brookbank; Bill Graft, 1900 East Golf Road, Schaumburg; Bob Sullivan, 1090 39th St.

Staff: Jerry Sprecher, Deputy Village Manager; Carol Conforti, Liquor Commission Liaison; Trisha Steele, Asst. Dir. Fin. Serv.; Liangfu Wu, Dir., Information Services; Lanny Russell, Fire Chief; Marty Lyons, Dir. Financial Services; Mike Baker, Asst. to the Village Manager; Brian Pabst, Dir. of Redevelopment; Steve Rockwell, Economic Development

DRAFT

Mayor Krajewski explained that Council Workshop meetings are held the second and fourth Tuesdays at 6:30 p.m. The meetings are video taped live and for later cable-cast over cable channel 6.

The Workshop meeting is intended to provide Council and the public with an appropriate forum for informal discussion of any items intended for future Council consideration or just for general information. No formal action is taken at Workshop meetings.

The public is invited to attend and encouraged to comment or ask questions in an informal manner on any of the items being discussed or on any other subject. The agenda is created to provide a guideline for discussion.

Proclamations:

Mayor Krajewski proclaimed June 2001 as Rivers Month in the Village of Downers Grove and encouraged all residents to learn about the environmental importance of clean waterways.

Mayor Krajewski proclaimed May 22, 2001 as Loretta Barnett Day in the Village of Downers Grove in recognition of her receipt of the Outstanding Teacher Award, and in recognition of her 32 years of dedication and service to the education of the children of Downers Grove. The Mayor said he was present when she received this award, and he congratulated her and all the teachers in the Village for their efforts in educating the children of Downers Grove.

The Mayor then announced that on Sunday, Officer Heinrich and Canine Officer Passo won two first place awards in competition. He said that Officer Passo was also a hit on the Police Open House on Saturday.

MANAGER

1. Bids:

- a. **Computer Purchase.** Acting Manager Ginex said staff recommends that the Village Council award a bid to Dell Computers in the amount of \$1,528 each for the purchase of PCs for the coming fiscal year.
- b. **Village and Business Directory.** The Manager said staff recommends payment for the Village's share of the 2001 Business and Village Directory in the amount of \$23,415.
- c. **Office Supplies.** The Manager said staff recommends authorizing award of the bid for office supplies to Warehouse Direct.

- d. **HVAC Services.** The Manager said staff recommends award of a service contract to Team Mechanical, of Wheeling, at an hourly rate of \$74.00, with an estimated overall expenditure of \$15,000 based on past costs.
- e. **Police Department Office Improvements.** The Manager said staff recommends awarding a purchase to Midwest Office Interiors of Willowbrook for the replacement of office work stations and dividers in the amount of \$72,170 - \$73,955. Midwest Office Interiors did the first part of the project last year.

Commissioner Schnell asked if the purchases are compatible with the space needs study. Manager Ginex said that the items are compatible and fully functional and movable.

- f. **Extension of Ameritech Centrex & Usage Contracts.** The Manager said staff recommends renewal of a contract with Ameritech for a three-year term for a total estimated cost for 2001-02 of \$102,921.49.
- g. **Heavy Rescue Squad & Rescue Tools.** The Manager said staff recommends that a contract for a Heavy Rescue Squad to Pierce Manufacturing in the amount of \$389,627 be awarded. Delivery is anticipated within ten months.

Staff further recommends awarding a contract for the purchase of hydraulic rescue tools and equipment to Amkus Rescue Systems of Downers Grove in the amount of \$41,336.63. The total cost with the sale of the current unit totals \$385,963.63.

The Mayor said he thinks he understands the system and information provided since this was first Workshopped. He asked whether the cost of the Ultimate System is the reason it is not being put on.

Fire Chief Lanny Russell responded that they were trying to stay within the budget. They received \$275,000 from Springfield.

The Mayor asked if, by not putting the system on, the flexibility of adding additional tools in the future is limited. He was concerned they might be looking for another vehicle in a few years. He gave the example of having had three different radio systems a few years ago. He also noted the Elgin sweeper incident. Chief Russell said the Ultimate system would add flexibility. There are some tools they don't have now and don't anticipate in the next year; however, they could be added at a later time. The Mayor said with the grant money received from Springfield, they want to be sure they have the capabilities necessary, as the Rescue Truck will be used in other communities as well. Chief Russell said that was correct as this is also part of the State-wide Terrorism Task Force response program in Illinois. Mayor Krajewski said a year ago there was a plan to purchase vehicles regardless of the amount of grant money.

Commissioner Zabloudil said it makes sense to expand for greater flexibility and to plan for the future needs now.

Finance Director Marty Lyons said if the Council is in favor of going forward with the higher cost, staff will present an amendment to the recently passed budget. While the Equipment Replacement Fund does have funds available to handle the change, it has been dedicated to other equipment. The grant funds include another \$75,000 yet to come as well.

Commissioner Schnell said she thought the two or three week waiting period was to talk with the Fire Department and determine whether the equipment was to be on the front or the side. She is confused as to which is better. She would think they should go ahead with the better unit if they have the funds. Chief Russell said the unit is unlimited in the number of tools that can be used simultaneously. Commissioner Schnell said it would have been beneficial to have had an analysis of the systems. Chief Russell said that the reason staff looked at the Ultimate system originally was its flexibility in tool use, the longer reach from the vehicle for tool operation, and the simultaneous use without loss of power. It provided more options. Commissioner Schnell said that in the future it might be good to have an analysis with the options available as to why staff made its initial recommendations. Chief Russell said he would provide the Manager with the amended price for the Ultimate System.

The Mayor noted at this point that Loretta Barnett was present at the meeting, and he presented her with the proclamation for Loretta Barnett Day in the Village.

2. Proposed Community Grant Recipient. The Manager said the Community Grant Committee met on May 7 and reviewed the 2001-2002 grant applications, awarding \$57,500 in grants. He introduced the Chairman of the Grants subcommittee.

Dave Humphreys, Chairman of the Community Grants Committee (CGC), reviewed the history of the program and its Mission. He said that funds for the program come from the Hotel Use Tax. He said that the Council approved the creation of a new Community Grants Commission recently which is good in that it will potentially expand the revenue sources. He reviewed the process the CGC follows in considering grants to the many groups submitting applications. For the 2001-2002 year, the CGC recommends awarding 21 grants. The grants are made on a reimbursement basis.

Commissioner Tully said that the list of organizations benefitting from the program is impressive and he named some of those groups. He said he was glad to be able to support these programs.

Commissioner Sisul also added his congratulations on the great job the CGC has done. Their work is to be commended. Mr. Humphreys then recognized the assistance provided by the staff liaisons as well.

The Mayor said that \$80,255 was requested and \$57,000 was distributed. There were other groups that also applied. Mr. Humphreys said that was correct and the total amount of funds requested was about \$120,000. The Mayor thanked Mr. Humphreys and the CGC for their efforts.

Manager Ginex said the item would be placed on the June 5 Active Agenda.

3. **Requested Annexation of Park District Property.** The Manager said the Park District is requesting annexation of the property located at Stonewall and Maple. It comprises 2.44 acres and upon annexation would be zoned R-1 single-family residential. There were no questions from the Council.
4. **Liquor Commission Recommendation: Theater Liquor License.** The Manager said that there has been a request to create a new Class "T" liquor license classification. It would be for the rental of the Tivoli for a variety of events. He said that liquor would never be served during regularly scheduled movies open to the general public.

Commissioner Schnell said in the proposal and discussions, there was discussion of six hours of availability, as well as not requiring food service during that time. She asked how they propose to control or answer the criticism that serving liquor without food can lead to problems with people drinking and driving.

Willis Johnson, owner of the Tivoli Enterprises, said they do not know exactly what type of events will take place. That is why they tried to build in flexibility. He said that most of the events they have had have been in the 2-3 hour range and were not continuous. In general liquor service would be available, assuming the renter would want liquor service if requested. A typical event would open a half-hour before the performance, with a half-hour intermission, and possibly a period following the performance. During those times liquor would be available if requested. Mr. Johnson said that there has been a request to hold a class reunion at the Tivoli in the fall. He assumes it will be for a number of hours. There would be food service available as well. He indicated the Tivoli would not support an event of six hours with no food served. He added that a copy of all contracts would be forwarded to staff ahead of time of events requesting liquor service. Mr. Johnson said they have had a beer/wine license since 1982 and are aware of what the Village requires and wants in terms of liquor management and handling. This is a means of being able to provide greater flexibility and more live events.

Commissioner Schnell said she thinks it is a good concept and allows for more usage of the theater. She is pleased with the 6-hour window being used only if food is also provided.

Commissioner Sisul said that Commissioner McConnell is in Atlanta and did not know when her plane would arrive. She commented by phone to Commissioner Sisul earlier that she served on the Liquor Commission and called attention to the fact that under Class I there is a provision for

DRAFT

“catering” which requires a report within 30-days of July 1 and January 1 of the year on any event that was catered, and the number of hours in which liquor or food was served in those six months. Mr. Johnson responded that the Tivoli will provide a copy of the contracts for events ahead of the event. They would have no problem with presenting a report every six months as well.

Commissioner Zabloudil asked whether the Tivoli has found increased pressure from groups for this service, and whether it would jeopardize their business if not offered, or if this an opportunity for them to grow and expand their business. Mr. Johnson said it would be the latter. There has been no rental loss without the liquor service, but he thinks as more and more events occur, this would offer greater flexibility. They would pick and choose the events carefully, as the Tivoli would be responsible. Commissioner Zabloudil said he could see how this would offer an opportunity to grow and expand their services.

The Mayor said he knew that some of the events had receptions at other places following a performance at the Tivoli. He asked whether these would all be contracted events. Mr. Johnson said they would be. He asked if they will include the catering when the event is contracted. Mr. Johnson said that catering would be up to them, as the Tivoli cannot at the present time offer catering. They have no kitchen facilities. They could partner with someone to cater the event; however, not the liquor.

The Mayor asked the Council’s opinion about requiring the same reports as for Class I. Commissioner Schnell said she thought it might be good to begin with as this is a new experience for the Village. Commissioners Tully and Zabloudil also agreed. Commissioner Zabloudil said he would like to see a stipulation that there be a requirement for food served.

Mr. Johnson asked that they not place that requirement at this time. He asked that they be allowed to do the reporting and then have the Village decide if it should be added. There is a wedding ceremony being held at the Tivoli in September, and there is no reception. They might want to toast with champagne, and the requirement for food could present a problem. Commissioner Zabloudil said he would not mean having that requirement for a one or two-hour event, but for six-hour events. The Mayor suggested perhaps events of three hours or more could be stipulated. Mr. Johnson said he could not envision an event that would last six hours without any food. He would like the flexibility. Commissioner Zabloudil said he is not trying to restrict the business but wants to protect the business and the Village.

Village Attorney Blondin said they can add the requirement later.

Carol Conforti, Liquor Commission liaison, said the reporting procedures will also help and can provide some basis for review.

Commissioner Tully said that while no one can envision an event lasting more than four hours without food, he would be comfortable with putting in a time element requiring food service.

Commissioner Schnell said they just need to be responsible. She said that picking a number might not be the answer. She is concerned about a long stretch of continuous liquor service. Some people might drink as much in two hours as others do in six. The type of event and length of continuous service is important to consider.

Commissioner Tully said that could make a requirement for continuous service. Mr. Johnson said that seems more comfortable to him. Events with breaks in between the liquor service might not require food service.

The Mayor suggested two-hours or more of continuous liquor service would require food service, and the reporting requirements could also be added.

Ms. Conforti said there would be a possibility for a special event license for events not anticipated.

The Manager said this would be placed on the June 5 Active Agenda.

5. **S. B. Friedman Contract Agreement.** The Manager said this concerns authorization of an agreement for consultant services related to the CBD TIF redevelopment plan and project.

Village Attorney Blondin said that Steve Friedman has presented a proposal related to the CBD TIF redevelopment project. S.B. Friedman would serve as consultant to assist the Village in identifying development options, and assist with public information and discussions. Over the past year the Village has looked at a variety of different options. He said that S.B. Friedman has had much experience in this area and could provide technical assistance in identifying development options. They would not be the developer. Attorney Blondin said there are no answers at this time to many questions that may arise during the process of identifying development and developers. Staff is asking for consideration to hire S.B. Friedman as consultants for the process. He then reviewed the steps that would be involved in the redevelopment of the CBD TIF plan and project. SB Friedman would receive a fee of \$239,500 over the life of the project. Staff believes them to be uniquely qualified to develop a plan, and recommends moving forward with this agreement. He noted that Mr. Friedman was present for any questions.

Commissioner Sisul asked Mr. Friedman whether he has a working relationship with Lakota.

Steve Friedman said he has worked with Lakota since 1994 when they jointly did the Oak Park downtown Master Plan, and subsequently on projects in DesPlaines, Vernon Hills, and under a contract with the City of Chicago for neighborhood revitalization projects.

DRAFT

Commissioner Sisul asked whether they intend to work with Lakota on this project. Mr. Friedman said they would, as there are several areas where Lakota's expertise is important. They need to understand the physical capacities of the site and Lakota's expertise is critical in this area. They also expect some point of key public input and Lakota's participation in the management of those meetings is important. They anticipate working closely with the public in the design process, as each community has its own unique situation.

Commissioner Sisul asked about Mr. Friedman's work with the Task Force Committee on Block 117. Mr. Friedman said they provided input and economic analysis of different alternatives for that block and they are familiar with the Downers Grove area.

Commissioner Schnell said this allows for a thorough analysis and public input. She said once the discussions are held, they will work through the process of the Zoning Commission or the Zoning Board of Appeals. She said that she has heard that S.B. Friedman has a good reputation in the community as far as being objective and looking at the broad picture. The downside is the price; however, they are looking at a large portion of the downtown. Regarding the contract, she asked if they will look at what has been bonded for, and whether they will give an analysis of what is needed to pay down the bonds.

The Mayor also asked whether they will work with Kane McKenna.

Mr. Friedman responded to both questions saying they will want to look at the public revenue generation of the project, as well as the private side, so they can determine whether it is economically feasible. They would be happy to work with Kane McKenna to provide input as to the nature of development. They are also capable of performing the analysis themselves; however, they are aware that people work with existing teams and they will cooperate with that.

Commissioner Schnell said she has heard concerns from people that they would like to have a clear understanding of the debt and the implications in terms of development, and where the development is to occur. She said they will have to bring entities together such as Kane, McKenna and Lakota in terms of the development size, etc. She wants to see a clear understanding of what is being considered. Mr. Friedman said they will work closely with the staff and existing teams to make this a project that everyone will be proud of.

Commissioner Zabloudil emphasized the independent nature they bring to the table to make sure the Village gets the right start to the project and the right information. He sees Friedman as working for the Village's best interests rather than the interest of the developer. Mr. Friedman said they would not consider themselves to be eligible as a developer of the site. When they start as an advisory they remain as an advisor.

Commissioner Tully complimented Mr. Friedman on the detailed nature of the proposal. He agreed it is a large dollar figure; however, it is over a fourteen plus month period of time, on an hourly basis on hours actually spent.

Christine Fregeau, 1918 Elmore Avenue, said she read through the proposal and said it was very impressive. She asked whether there is a cap on the fees or availability to negotiate the current fees. Mr. Friedman said they could negotiate. Other firms often freeze their fees for a specific period of time, and then build in an increase factor. Friedman does not do that. Some contracts have a limit on the increase.

The Mayor noted that this is on a 14-month basis. The Council may decide to add to or delete from the agreement. Ms. Fregeau said she is not challenging the cost, but is merely asking questions regarding the ability to negotiate and keep the costs in line with what the Village can afford to do.

Dave Brown, 1508 Gilbert, said he remembered S.B. Friedman from the Block 117 Task Force meetings, and said he believed them to be extremely competent and fair. He asked whether Friedman is bound by the current ordinances regarding the downtown. He asked whether, for example, Friedman can propose something outside the bounds of the current codes and Ordinances. The Mayor said he can look beyond the current Ordinance structure. Commissioner Schnell said part of the contract says if, after public input and discussions, the plan he recommends has zoning revisions to it he would work through that process.

The Mayor said the Council will ultimately make the decision as to proposed changes. Commissioner Schnell said it can be looked at as a brain-storming sessions and an opportunity for the community to discuss the vision for the area. She said by keeping it an open process they can build a consensus.

Commissioner McConnell arrived and apologized for being late due to air traffic problems. She said she likes the Friedman proposal and the opportunity for public input in numerous places. She said they need to stay with the process.

Commissioner Tully said for the price the Village is paying, he would not want to restrict Friedman from looking into all possibilities. It is important to know what is possible and feasible, and that is what Mr. Friedman's firm would provide.

Rita Martin, 4942 Montgomery, expressed surprise at the comments made. The Village went through the long process of reviewing the fine points of the Liquor Ordinance; however, when it comes to something as large as redoing the entire downtown, the review is limited. She said she thought they should be more restrictive on this project. She asked why they should waste time on designs and plans that have nothing to do with the character of the community as it is envisioned. She said they should put a few restrictions on this regarding the Zoning Ordinance, and she believes this is going in the wrong direction.

Robin Tryloff, 1217 Parkway, asked what are they asking Friedman to resolve if they are not providing him with physical boundaries related to current Ordinances. The Mayor said they are

just starting to give him information. The Village newsletter included a questionnaire asking what people want to see downtown. That is a beginning and Mr. Friedman will be given the results. The Village will have to come up with goals and objectives for Mr. Friedman.

Commissioner Tully clarified that he does not envision Mr. Friedman coming up with an enormous project. He said there may be options for the town that Commissioner Tully has not realized, and he would like to have the input from someone who specializes in that type of issue. Guidance will come from various sources including the present Village character, Village Council guidelines, public input, etc.

Commissioner Schnell said that Mr. Friedman knows from his work on Block 117 and the meetings he participated in what the community is, and the Zoning Ordinance. He knows the general feeling of the community, the current Ordinance, and will be able to draw that information together with the wish list and public comments. There may be modifications to be made to the Zoning Ordinance. She assumes he has a good idea of what the community wants and will work within the confines of the Zoning Ordinance.

Ms. Chris Fregeau said she agrees with Commissioner Tully's comments. The best way to get ideas is to get a lot of them. She said it is not possible to please everyone. She encouraged people to complete the survey and submit it to the Village. She suggested that the questionnaire be available on-line. She does not want the vocal minority determine what the downtown of Downers Grove will be.

The Manager said this item would be on the June 5 Active Agenda.

6. **Open Burning Ordinance.** Village Attorney Blondin said Council considered the fine provisions earlier in the year. At that time the question arose regarding the use of outdoor fire containers for recreational campfires. He stated that ordinances of other communities were reviewed resulting in the Ordinance before the Council for its consideration. Attorney Blondin said the Ordinance provides a definition of recreational campfire, and specifies the type of woods used in that burning. In looking at other ordinances, he has seen a permitting provision included as well. Those permits are not limited in time.

Commissioner Schnell asked if, in the definition of bonfires and recreational campfires, they need to be in approved containers. Attorney Blondin said in regard to a recreational fire, it is intended for bar-be-cues. Bonfires is geared toward events that have bonfires for ceremonial purposes, such as those conducted by Indian Guides, or for homecomings. He referred to section 13-35d, which regulates the type of fires. They must be permitted and conducted by a qualified organization.

Commissioner Schnell asked whether recreational fires or campfires have to be in containers and the Attorney said they do, according to section 13-35f.

DRAFT

Commissioner Schnell then said that this has been an issue that solicited many calls and e-mail messages. She thought the permitting process might make it easier. The Attorney said at least they would then have a list. The fire would have to comply with the regulations. Commissioner Schnell said the comments she received seem to indicate the Village is allowing any type of campfires one wants. She wants it clarified that open burning is not allowed, for both individual residences and contractors. She thinks permitting is the way to go for regulation.

Commissioner McConnell encouraged people to respond to this Ordinance. She recommended that this issue be reviewed again in a year to see what type of response there has been.

Commissioner Tully commented regarding approved containers. He was at a party some weeks ago that had containers on stands and a pit. He said it was an approved container in the sense that it is commercially manufactured and advertised for the burning of dried, seasoned wood. Attorney Blondin said that they could have the Fire Chief designate a list of approved containers.

Regarding permitting, Commissioner Schnell said it was a good idea. Commissioner Tully said he would rather see commercial containers used that are manufactured for fire devices for recreational campfires. He is hesitant to permit recreational campfires as there could be questions of time periods, etc. He also agrees with having a list prepared. Commissioner Zabloudil said permitting might be overkill for bonfires. He would also like to review it in a year. He said another option may be for on-line permitting in the future. The Mayor asked that the commercial aspect be added into the Ordinance.

Megan Schroeder, 6036 Ridge Court, said she has many problems with the proposed ordinance. First she sees an enforcement problem which might result in pitting neighbor against neighbor. Citizens will have to sign a complaint. The police will have to determine if the fire is in a container that is compliant with the Ordinance. They will also have to determine what is in containers and whether it contributes to air pollution and health. She believes the police have more important duties. Ms. Schroeder said she was concerned that the Council was even considering contributing to the pollution of the air, when respiratory illnesses are at an all time high. She felt the negative consequences will outweigh the positives. She believes the ordinance is being written for the small minority of people who want their burning allowed. She asked what would happen to the non-complaining citizens who must suffer the smoke without being able to close their windows and rely on air conditioning. Ms. Schroeder said the issue of smoke is not the only issue, the quality of the air must also be considered. She said some of the manufactured containers contain chemicals that would negatively effect the quality of the air. She added that the Elmhurst Ordinance addresses many of the loopholes of the Village's proposed ordinance. It would be a good model and would eliminate many of the negatives, although it would bring about more work for the Fire Department.

DRAFT

Dave Tatterson, 1230 Gilbert, requested the Village Attorney to speak into a microphone as he could not be heard in the back of the auditorium. He expressed a concern about the ordinance in that he composts leaves in the fall, and sometimes they catch fire spontaneously. He asked whether there would be a fine for spontaneous combustion. The Attorney said they would not fine for spontaneous combustion, and the Fire Department would have to investigate it.

Harry Spataro, 8607 Main, said he was a Council member in the 1970s when they passed one of the first anti-smoking ordinances. He said they also addressed the issue of open burning. Mr. Spataro said that an Ordinance is already on the books, and he sees it as a step backward to go to this proposed ordinance. Downers Grove has been a leader in this type of legislation. He referenced a 1970s survey on second hand smoke that indicated 34 million people suffer from allergies, emphysema and other breathing disorders. He said this proposed ordinance would place a burden on the Police Department in terms of enforcement, and urged the Council to reconsider this Ordinance.

James Cavallo, 6943 Valley View, said he opposed the proposed ordinance, as two members of his family are asthmatic, and this has become an increasingly common illness. He noted that 444,000 adults and 213,000 children suffer from asthma in Illinois alone. The American Lung Association is currently battling increased rates of asthma on many avenues. They take the position of calling for effective enforcement of existing ordinances, and encourage strengthening such laws. He said he learned that the Illinois EPA has been measuring fine particulate matter and has found it has been exceeding the regulated limits in the Chicagoland area for the past two years. This includes wood burning. He strongly opposed this Ordinance.

The Mayor asked whether any of the organizations he mentioned have attempted to ban the commercial containers. Mr. Cavallo said that there have been some restrictions on the use of those types of materials in regulated areas. The Mayor asked whether indoor fireplaces produce fine and coarse particulate matter and Mr. Cavallo said they do.

Dr. Gordon Goodman, 5834 Middaugh, said that tonight there is a nationwide gathering of air pollution experts taking place out of town, which prevents some of them from being present to discuss this issue. He said that about three years ago there were strong efforts to make changes to the open burning ordinances. He said the Village must be careful in changing the ordinance and to do it on a trial basis in a controlled manner. He agreed that the Elmhurst Ordinance is a good guide. He said the administrator of that program is Ms. Chris Dufort of their Fire Department. He then distributed to the Council members a packet of information he received related to this issue. He said that in Elmhurst since 1997 they have issued 300 permits for recreational burning, which would include the type of uses outlined by the Village. The permit was issued indefinitely, specifying that permit holders receive a copy of the Code to supervise use of the recreational burning. Dr. Goodman said that the Elmhurst Ordinance provides that violations might result in withdrawal of the program. He said that many of the provisions in the Elmhurst Ordinance address some of the problems with the Downers Grove Ordinance. He

DRAFT

spoke to the Fire Prevention Division Chief Berndt about this who is in favor of educating people so they understand the details of the Village's Ordinance. Dr. Goodman said he thought very few people understand the details of the Village's Ordinance. He hoped the Ordinance was not changed to permit recreational burning, but to look for better compliance. If they do change the Ordinance he hopes they use a permit structure and a greater level of public education.

The Mayor asked whether staff spoke with any commercial vendors regarding the number of sales of commercial containers. Attorney Blondin said that the Staff Attorney and Fire Department worked on the Ordinance and he could check it with them.

Commissioner McConnell asked what the permit fee was for the Elmhurst Ordinance. Dr. Goodman said it was free.

Bob Sullivan, 1090 39th Street, said that one of his neighbors bought a commercial container and it generates a great deal of smoke when used. He said he would rather that the Village did not allow the open burning. He thinks people breathe better without open burning.

Ms. Schroeder said she has a Fax from Steve Rosenthal of the IEPA. He conveyed that he would answer any questions from the Village regarding this issue. His expertise is the fireboxes in home fireplaces. He said the heat of open fire and the combustion of fine particulates is much worse than fireplaces. She provided a copy of the Fax to the Mayor. In addition, she gave the Mayor a letter from Julia Kennedy Beckman to be placed in the record.

Joselyn Kirkegaard, 5200 Brookbank, said 41 years ago she began teaching young children. At that time she did not know a child with asthma. Today she does not have a class without children with asthma. She asked that the Council consider that.

The Mayor said he would like to look at the Elmhurst Ordinance more closely before moving forward on this issue.

Commissioner Zabloudil said that there was good information brought before the Village Council this evening, particularly about the educational aspects of the issue.

Commissioner McConnell asked about staff needs to provide the necessary education. The Mayor said that would probably depend upon how many calls are received. The Manager said right now he does not have a number, but he believes they are minimal.

Commissioner Tully said he appreciated the information brought before the Council by the public. In reviewing briefly the Elmhurst Ordinance, he said the intentions are similar with the exception of recreational fires. He would encourage permitting to include the educational and safety aspects.

Commissioner Schnell asked whether other communities have permits for the containers. Dr. Goodman said he didn't know the specifics. He suggested that the American Lung Association might have that information.

The Mayor asked that staff research the issue further.

7. **Audit Proposals.** The Manager asked Finance Director Marty Lyons to address this item.

Marty Lyons, Director of Financial Services, reported on the RFP for audit services. He said the Village bids out every four years for audit services, and this year was especially important as there are many non-routine items anticipated over the next four years. There was a 2-3% difference in the bids received. Regarding the analysis, he said they used weighted analytical tools to look at several areas including cost. They recommend Miller Cooper & Company, a medium-sized firm in governmental accounting. They received the staff's highest ranking in time plan and low cost.

Commissioner Zabloudil asked for an overview of the GASB.

Mr. Lyons said the Government Accounting Standards Board (GASB) has decided that government accounting needs to be on more of a business-like basis of reporting. Now they work on a fund accounting system, which is not seen in private sector accounting. The goal is to slowly move the municipalities to a business-like format. The Village is in Phase 2 due to its population under 100,000.

In response to Commissioner Zabloudil, Mr. Lyons said he will provide reference information to the Council.

The Mayor said he was familiar with four of the other firms. He would also like to know reference experience for Miller Cooper. He said he was concerned that companies working with Phase I cities may not have enough time for Phase 2 Villages. Mr. Lyons asked if they wanted a word format or table format. Commissioner Zabloudil said he would like to see it in table format.

8. **IMRF Early Retirement Program.** Mr. Lyons said this report was initiated by Manager McCurdy, as he wanted to look at ways to help reorganization in the Village. This is one of the tools used for reorganization. It is a 5+5 program covering non-bargaining or non-sworn employees who are full time or working over 1,000 hours annually. The report lists the advantages to the employees and the benefits to the Village.

Commissioner McConnell said she is not sure there is enough advantage to the Village. There are other ways to accomplish reorganization.

DRAFT

The Mayor said this was initiated by the outgoing Village Manager, and now there is an Acting Village Manager. The new Village Manager will be brought in soon and he thought that Village Manager may want to be part of the decision. The Mayor said he did not see much of a cost savings. He said the new Manager may want to see how he wants to restructure the entire organization. This may be premature at this time.

Mr. Lyons said that this can be a cost-savings measure for the first year. He did not want to give the impression that this is a cost-saving measure, but is a management tool.

Commissioner Sisul asked about the relationship of this proposal to those made in the high schools. Mr. Lyons said they are very similar. In some communities they are listed as cost savings. He said that IMRF recommends replacing staff at 80% of current costs, while he estimated it at 90%. The Village's pay plan created an impossibility at hiring people at 80%. It must be looked at by each entity separately. Some communities may be able to do things that others cannot. It is not always possible to hire people at the bottom rung of a pay scale, and in recent times, it has been very difficult to hire even at the top end. He said he does not have a good answer as to how other communities can justify this.

Commissioner Sisul said that District 99 has had a rather extensive use of the 5+5 Plan. He said Mr. Lyons may want to talk to them about it, and review it with District 58 as well. Mr. Lyons said that schools have a more demographic ebb and flow as well.

Commissioner Sisul said that there are some senior people at the Village who are at a high level. They would have to be replaced with someone with experience and education. He said if they can draw a line of distinction between the school experience and the Village it might help them understand this better. Mr. Lyons said he would contact the schools.

Commissioner Zabloudil said staff did a good job on the analysis. They may have to reduce the permanent staff to accomplish this.

Mr. Lyons also said he would look into what effect unionization has on this issue.

Robin Tryloff, 1217 Parkway, asked about the incoming Village Manager and where the Village is in the process. The Mayor responded that they hired a search firm, and their representative is interviewing the Council members to determine what qualities they are seeking in a Village Manager. The search firm will then establish a profile of the individual. In the meantime, they have advertised the position and are looking at the cutoff date for resume the week after July 4. They hope to get about 20-25 candidates. Ms. Tryloff said that earlier in the meeting, a male pronoun was used repeatedly to reference the new Manager, and she asked for assurance that there had not been a predetermination made that the individual will be male. The Mayor said no one has predetermined that.

9. **General Obligation Bonds.** Finance Director Lyons said this is a recommendation for the services of Bond Council and financial advisor related to the 2001 General Obligation Bonds. The Village is proceeding with activities in the Central Business District. One of the items is the parking deck, as well as Phase IV of the CBD Infrastructure Project. The bonds under consideration cover those two projects. There are two proposals, one from Chapman and Cutler, as bond counsel, and one from Northern Trust as financial advisor. The amount under consideration is \$9.5 million in General Obligation Bonds with \$2.5 million for Phase IV, \$1 million in design costs for the parking deck, and \$6 million in land acquisition costs. He said this is based upon the estimated projections.
10. **Economic Development Agreement.** The Manager asked Steve Rockwell to address this item.

Steve Rockwell, Director of Economic Development, said this agreement is with Fry Electronics for the former Auto Nation property. Fry's Electronics of Sunnyvale, California has approximately 4,200 employees with 17 locations nationwide, and sales in excess of one-half billion dollars. Mr. Rockwell said the Village's policy is to have a matrix to grade companies when they requested incentives. He said the committee met with Fry's representatives several times since Christmas. He noted that included in the packet is the scoring system and reasons for the scoring. He then introduced Bill Graft, the local attorney for Fry's.

Bill Graft said he was the local attorney and managing partner of Graft, Sciacotta and Associates with offices at 1900 East Golf Road, Schaumburg. Mr. Graft said the EDC has submitted information to the Council on the project. He referred to the fiscal impact of development prepared by Strategy Planning Associates of Schaumburg. Fry's is a closely held private company owned by three brothers and one other founder. They have been in business for 16 years, and began as a Silicon Valley computer electronic retailer. Mr. Graft said there is high market demand for this area. He said Fry's is a unique business with two components. They cater to high tech computer consultants and business users during the day, and in the evenings and weekends they cater to families. They cover a broad range of consumer electronics retailing.

Mr. Graft stated that Fry's enters a community under a long-term real estate lease. Each store employs about 350-400 employees who are very knowledgeable. They draw customers from a broad geographic area of 15-20 miles. Regarding the proposed site, there would be a demolition of the AutoNation site building. The proposed building would be constructed on the southwest portion of the 23-acre site. They would require no zoning changes as it is a permitted use on the site. He said there would also be the potential for extra property at the north of the site for another use, as long as it is compatible with Fry's.

Mr. Graft said Fry's is an enormous sales tax generator, with annual sales in excess of \$100 million per year, based upon reliable projections. This would be their first location in the Chicago area. They are confident of the risk as there is a market need in the western suburbs.

DRAFT

He indicated that Fry's does need help to begin, however. They are a fair client and will earn every incentive they request. They do not request up front money. They will put in writing that 100% of the sales tax for their first \$10 million of sales would go to the Village. They would request a rebate of the second \$10 million. After \$20 million plus one cent, there would be a 50/50 split. Mr. Graft said they anticipate being in the 50/50 share by the end of the first year. They agreed to a cap of \$8 million of incentive. Once they reached their cap, 100% of the sales tax would go to the Village. He said the concept of 50/50 sharing is logical and fair. He said it has taken a long time to get to this point to work out the details. They hope to be able to bring the first Fry's in the Midwest to Downers Grove.

Commissioner Tully asked about the number of years Fry's would have to earn the rebates.

Mr. Rockwell responded it would be fifteen years. Commissioner Tully asked for an explanation of the Claw Back Provision. Mr. Rockwell said the provision is that Fry's expects to reach \$8 million by the tenth year. There is a 15 year period of time, but expectations are that they would achieve a claw back provision by the tenth year. During the first 3 years, if Fry's were to leave the community, 100% of what was shared would come back to the Village. If they left in the second three years, 2/3 would come back to the Village, and if they left in the third 3 years, 1/3 would come back.

Commissioner Tully said it appeared that the matrix was a good objective tool and asked whether there have been other matrixes used in this matter to use as a comparison. Mr. Rockwell said they only used this four times. The numbers used are different. The largest incentive they have been able to look at was for a company that would generate \$40 million in sales. The highest scores they have seen have been 135-155 and the lowest has been 75. They chose not to send the lowest one forward.

Commissioner Tully noted that the total weighted score for Fry's was 238. He then referred to page two of the agreement entitled Sales Tax Revenue Distribution Formula, and said the third line should read \$20,000,000, not \$20,000. A comma needs to be added.

Mr. Rockwell said this company is rated 131 on the Forbes 500 list.

Commissioner McConnell said the matrix was a helpful and useful tool. There is congruence between the narrative and the numbers. She said she thought Fry's would be a good addition to the Village.

Commissioner Schnell said she also thought they would be a good addition to the community. She asked about the claw back provision, and asked how would the Village obtain the money back if Fry's were to go out of business.

DRAFT

Attorney Blondin said in other agreements they have sought to get letters of credit; however, if they go out of business and are judgment proof, the Village will not get the money back. There is protection, but not 100%

Commissioner Schnell then asked about contact with neighbors in terms of this type of use. Mr. Rockwell said he and Mr. Rathje have reviewed this, and there is a data base available. They will attempt to contact everyone. Commissioner Schnell said it is a good idea to meet with the neighbors. She then asked about traffic generation and whether the road structure will be sufficient to handle the number of customers they anticipate. Mr. Rockwell said that many of the sales are between 10-2 on weekdays, when the road might not be as busy. Other sales are on Saturday and Sunday and the traffic may also not be as high with the hotels in the area. He said they would have Public Works review it carefully.

Commissioner Schnell then mentioned other electronic companies in the Village and asked whether these companies will be adversely affected by Fry's. She does not want to hurt the current businesses already in the Village. Mr. Graft responded that there are a couple of examples where Best Buy and Circuit City are in close proximity to Fry's other stores, and all of the businesses are flourishing. He said that retail brings more retail. Best Buy does not have the breadth of products that Fry's carries. There will be some comparison shoppers. Some smaller retailers may follow to fit in niches that Fry's cannot meet, such as specialty TVs, or specialized audio systems. He used food courts in malls as an example of businesses drawing other businesses.

Concerning the infrastructure, Mr. Graft said that Fry's has committed DLK architecture to be engaged on the project. It will be a retail building. They will continue to use the existing intersection lights, and the berms will remain in place as well. The building will be closer to the Tollway end of the site. He said they will be a good corporate citizen. He indicated that the site is probably over-engineered for their use. They expect no changes for the impact on public streets.

Commissioner Zabloudil asked about the method of payments. He asked the Village Attorney to talk with the Finance Director to develop a sequence of regular payments. Mr. Rockwell said they are on a quarterly basis. Mr. Lyons said he would like it to tie to the Village's fiscal year with a minimal amount of paper work.

Commissioner Zabloudil said that the current property tax on the site is probably less than an individual pays on a home. Improving the property will also benefit the property tax. He then referred to the themes for the Fry's locations and asked what is intended for Downers Grove. Mr. Graft said that they are a retail-oriented family and they have themed their stores. As an example, in Anaheim they have a space shuttle in the store, as many people work in the space industry. For Downers Grove they have thought of a Thomas Edison store depicting the start of electronics and various Edison-related ideas. Commissioner Zabloudil said that theme would fit in the community.

DRAFT

The Mayor said the fiscal impact and development report shows how the whole Village will benefit from this addition, particularly with the property tax which would also benefit the District 58 and District 99 schools. Mr. Graft said total property taxes would be over \$200,000 per year, and the schools would receive approximately \$140,000.

Commissioner Sisul asked about the ownership of the real estate. Mr. Graft said it would be a private developer. Fry's would have a long-term lease agreement. Commissioner Sisul asked that the lease agreement be shared with the Village Attorney. Mr. Graft said they will not share the lease. It is not a recorded lease and is confidential. They can give an outline or affidavit if necessary. The Mayor said they need some indication of the term and general structure of the lease. Mr. Graft said they could work out a summary of the lease.

Commissioner Sisul then asked for clarification about the further development of the property and whether it would be subject to this agreement. Attorney Blondin said the sales tax rebate is tied to Fry's business, not to the property. Mr. Graft said that was correct. Commissioner Sisul said he was concerned about the claw back provisions and the Village's security in that regard, particularly in the first three years of the agreement.

The Mayor asked about other plans for Fry's in the Chicago area. Mr. Graft said they expect 3-8 stores in the Chicago metropolitan area. The Mayor clarified that their strategic plan would be to not put stores within a specified mileage of one another. Mr. Graft said that was correct. In California, due to the more dense population, they do have stores situated closer to each other.

Bob Sullivan, 1090 39th St., said he is very excited about this. He has been to Fry's in San Diego. They do offer some of the same products as Best Buy, but they have enormous stores and they have a huge selection. He said it is a feather in the Village's cap for having brought them here.

COUNCIL MEMBERS

Commissioner Tully noted that on the Future Agenda there is an item regarding the Belmont Grade Separation project. He recommended that staff contact METRA to find out what's going on with this project. He said there have been inquiries from the public regarding this. At Coffee with the Council it was explained that METRA is driving the project, but he wanted the residents to know that the Village would continue to work to keep them up to date on the plans.

Commissioner McConnell said the next Character Counts meeting would be Wednesday night at 7:30 p.m.

There being no further discussion, the Workshop meeting was adjourned at 10:01 p.m.

DRAFT

April K. Holden
Village Clerk

tmh/