

## **MINUTES OF COUNCIL BUDGET REVIEW WORKSHOP**

### **VILLAGE OF DOWNERS GROVE**

#### **DOWNERS GROVE, ILLINOIS**

**OCTOBER 11, 2014**

Mayor Martin Tully welcomed Council, staff and visitors to the budget review session at 8:02 a.m. at Fire Station 2, 5420 Main Street.

**Present:** Mayor Martin Tully; Commissioners Geoff Neustadt, Bob Barnett; Becky Rheintgen; David S. Olsen; Greg José

**Absent:** Commissioner Sean P. Durkin

**Staff:** Village Manager Dave Fieldman; Deputy Village Manager Mike Baker; Village Attorney Enza Petrarca; Planning Manager Stan Popovich; Building Division Manager Alex Pellicano; Director of Communications Doug Kozlowski; Director of Public Works Naneil Newlon; Fire Chief Jim Jackson; Police Chief Bob Porter; Director of Financial Services Judy Buttny; Director of Information Services Liangfu Wu; Assistant Director of Public Works, Stan Balicki; Assistant Director of Public Works, Andy Sikich; Director of Human Resources Dennis Burke; Deputy Police Chief Kurt Bluder; Deputy Fire Chief Matt Daly; Emergency Management Coordinator Mary Pratt; Performance Manager Analyst Allison Deitch; Village Clerk April Holden

Mayor Tully welcomed everyone to the budget review session. He said this is the beginning of a long and important process to talk about the fiscal year 2015 (FY15) budget. The Mayor said he appreciated residents being at this meeting. Much of the budget is driven by strategic planning that occurs during the year. This process will end with the adoption of the budget. He reviewed the budget schedule. Final adoption of the budget is scheduled for November 11, allowing for many opportunities for the Council and public to review and comment. The budget document is on the Village's website. Mayor Tully said the FY15 budget is over \$100 million with general funds and capital investment. The Mayor began the meeting with introductions of Council and staff. He then asked Village Manager David Fieldman to begin his presentation of the FY15 Village of Downers Grove budget.

Dave Fieldman, Village Manager, said there are five key points to the FY15 budget:

- Property tax levy is proposed to decrease due to decreased fire and police pension contributions
- Sustainable, balanced General Fund
- Staffing reduced
- Continued investment in infrastructure
- Funding for priority action items

Mr. Fieldman said the impact of the budget on a typical house is \$72.40 for the year. Property tax is proposed to decrease \$8.90; stormwater utility fees are proposed to increase \$9.36; and water fees are proposed to increase \$71.94.

Regarding the property tax levy, Mr. Fieldman said most of the tax levy goes into the General Fund as revenue. The Village levies a specific dollar amount. The Township Assessor determines the taxable value of the properties that are located within the Village and that will be subject to the Village levy. The Village does not levy a rate. The tax rate is simply determined mathematically by dividing the Village's levy by the taxable value of all properties within the Village.

In 2014, the tax levy was \$11,590,047; in 2015, the proposed levy is \$11,410,294. This is a decrease of 1.55%, or \$179,754. The decrease is due to decreases in the fire and police pension contributions which have gone down due to their performance. All other levies remain the same.

A typical house in FY14 paid \$574.30 to the Village. In FY15, the typical house will pay \$565.40. Mr. Fieldman noted that there are many taxing bodies on a tax bill and most of the property taxes paid go to taxing bodies other than the Village. The Village accounts for only about 9% of the total tax bill.

Mayor Tully said it is good news that the tax levy is proposed to go down again. He noted that the Village does not control the public safety pensions.

Mr. Fieldman said the public safety pension investments earned 14% this year.

The Manager noted that the Village buys water from the DuPage Water Commission. Water is sold by the City of Chicago through the DuPage Water Commission. The Village does not control the cost of water.

Commissioner Barnett said that all components of service for a typical cost will result in a \$72 increase in FY15.

The Mayor noted that the property tax decrease and stormwater utility fee increase have a net zero impact. The cost of water is the cause of the increase.

Laurel Bowen asked about labor costs. She also noted that the Village pays a fee to DuPage Mayors and Managers and has hired lobbyists in the past. She asked why they are not working for us. She said the Village does not use the water in our water towers nor does it use ground water.

Commissioner Barnett said the towers are involved in regulating water pressure.

The Mayor reiterated that the cost of water is driven by the DuPage Water Commission and is primarily controlled by the City of Chicago.

Commissioner Barnett said DuPage Mayors and Managers cannot tell bodies what to charge; however, they do advocate for us.

### General Fund

Mr. Fieldman reported that the General Fund is the Village's main operating fund, is sustainable, and is supported by many revenue sources. The fund consists of recommended actions as a result of the long-range planning sessions. Staff strives to increase operating efficiencies, reduce personnel expenses, partner with others and enhance the revenue base. For FY15, the expenses and revenues are estimated at \$44.82 million. The fund balance is estimated to be \$16.97 million which is within targeted reserves. He displayed a slide of revenue and expenses from 2001 through 2015. Revenues are increasing modestly; revenues for FY15 are estimated to increase 2.4% over FY14 and 1.3% over FY14 estimates. This is driven by increases in sales tax, home rule sales tax and state income tax. With respect to expenses, the FY15 expenses reflect a 2.6% increase over FY14 and 2.1% increase over the FY14 estimate. Personnel expenses are up only .21% due to the decrease in the pension and IMRF expenses. Non-personnel expenses are up 11.27% due to risk related expenses.

The Mayor asked Mr. Fieldman to expand on staff reductions.

Mr. Fieldman said the Village will no longer operate the Commuter Grove Shuttle. It will be operated by Pace through First Student, Inc. bus transportation services. This results in a 3.6 full-time equivalent (fte) reduction in staff. Further, the Village is not filling the Community Development director's position. Staff is trading this position for a management analyst.

Laurel Bowen asked as to the average pay increase for labor at the Village.

Mr. Fieldman said 3% is budgeted. Raises are based on performance and the financial position of the Village. All increases for non-contract employees are merit based.

Ms. Bowen said she does not think many people in the private sector are getting 3% raises.

Bill Waldack, 1409 Willard Place, spoke to the Grove Commuter Shuttle, loss of jobs and elimination of the Transportation Fund. He asked for an explanation for the use of the gas tax funds.

Mr. Fieldman said those funds are proposed to be used to fund facilities.

Frank Falesch spoke of a staff member's bonus and raise as being excessive. He also asked about the need for an assistant attorney.

The Mayor said that the Village has had in-house attorneys for many years. We have to weigh the cost of outside counsel, and we need to balance the needs of the community against the cost. This has been reviewed and it is felt that this is the best balance.

#### Related Funds

Judy Buttny, Director of Financial Services, addressed the Health Insurance Fund. The FY15 budgeted expenses are \$7.1 million. This represents a 3.6% expense increase which is below the industry standard of 7-8% annual increase.

The Risk Management Fund budgeted expenses are \$2.6 million and is below the FY14 estimated expenses due to some large claims being settled. The Village will continue with safety initiatives.

With respect to the Fleet Services Fund, the FY15 budgeted expenses are \$1.859 million. She said FY14 estimated expenses are higher than the FY15 expenses due to the extreme winter. Further, the fleet has been reduced due to the elimination of the Grove Commuter Shuttle. The Village also experienced a 5.3% year-to-date reduction in the fuel usage due to the use of alternative fuels.

Ms. Buttny then addressed the Equipment Replacement Fund. The FY15 budgeted expenses are \$1.8 million. The fleet team reviews all vehicle purchases prior to the bidding process. Purchases are based on a well-established, yet flexible plan.

Ms. Buttny then turned to the Police and Fire Pension Funds. These funds are managed by autonomous pension boards. The make-up of the boards is set by state law. The Council does not control the pension fund budgets. There are designated trust funds for the safe-keeping and operations of the pensions. The Village affects expenses through staffing levels and salaries.

Commissioner Neustadt asked that Ms. Buttny talk about the make-up of the boards.

Ms. Buttny said each fund has five members. They manage the funds and hold disability hearings, etc.

The funds are financially sound and professionally managed. There is a 16:1 ratio of net assets to benefits paid. The Village contributes 100% of the annual required contributions.

Mr. Fieldman clarified that the state requires 90% contribution; the Village contributes 100% of the required contributions. He said last year the Village's pension funds performed in the top five of funds state-wide.

Mayor Tully said everyone has heard about pension issues. We are properly funding our pensions. He noted that some pension reform efforts are being challenged legally.

Commissioner Olsen asked for clarification regarding the Equipment Replacement Fund, line 8, Fees, Charges & Fines.

Mr. Fieldman said, with respect to line 8, the revenue consists of money pooled from the General Fund and other funds.

Commissioner José asked about changes to the Risk Fund.

Mr. Fieldman said the number of claims have been reduced, but the cost per claim continues to rise.

Commissioner José said the Village is doing everything we can, but Springfield is not helping us out.

Commissioner Barnett said the Village is doing the right thing. We are in a reactionary mode due to activities in Springfield and Chicago.

#### Stormwater, Water and Capital Projects Funds

The Manager asked Nan Newlon, Director, Public Works, to review the stormwater fund and other capital funds.

Nan Newlon, Director, Public Works, introduced Andy Sikich and Stan Balicki, Assistant Directors for Public Works.

Ms. Newlon provided a pie chart of the FY15 capital budget. The proposed capital budget is \$23.5 million, allocated by the following major program types: 40% for streets, 19% for stormwater; and 24% for water. She then showed examples of work done in 2014, specifically the Hill and Grand headwall replacement project, Valley View pond, and the project at Brook and Centre.

With respect to the Stormwater Fund, proposed revenue for FY15 is \$4.58 million and expenses are \$7.63 million as the proceeds from the 2012 bond continue to be spent. The FY15 estimated ending balance is \$3.37 million. If the Stormwater Fund is amended to omit the property tax exempt parcels, the revenue would be reduced to \$4.36 million, the expenses would stay the same for FY15 and the ending balance would be reduced to \$3.15 million. Major expenses in the Stormwater Fund are the debt service, operations and maintenance, and capital projects. Reductions in revenue would impact FY16 and beyond.

Mayor Tully said a reduction in revenue would have a long-term impact. There would be no immediate impact due to bonding.

The Manager said that is correct.

Ms. Newlon then reviewed the projects planned for 2015 as well as the on-going stabilization work, stormwater quality project and budget for the cost-sharing program.

Commissioner Barnett said the future effect on the plan as it sits today is important; however, the plan is less clear as the timeline extends. The Village has the flexibility and ability to bond. It is important to understand the magnitude of this in terms of other expenses. He noted that there is more information available regarding stormwater and people should not hesitate to ask if they need more information.

Commissioner José said that staff is good at budgeting. When staff tells us bonding authority could be cut in half, we have to take that seriously.

Commissioner José asked about SW-081, grant funding for stormwater related land acquisitions.

Ms. Newlon said that is grant money that is available as a result of flooding in 2013.

Mayor Tully asked about funding for water quality enhancements.

Ms. Newlon said we apply for water quality grants; however, they are very competitive.

Commissioner Neustadt said more information can be found in Section 6 of the budget,

Community Investment Program, which contains all of the capital projects. He asked about prioritization of projects. He noted that the Village is flexible. Addressing one area may affect in a positive manner other projects.

Mr. Fieldman said prioritization starts with routine maintenance vs. capital projects. Staff looks at finding the right balance. He said revenue is generated for the Stormwater Fund based on impervious areas, which is also the way in which projects are planned.

Commissioner Rheintgen asked as to grant funding that has been received.

Ms. Newlon said we have received grant funding, but it can only be used for purchase of properties.

Commissioner José asked if maintenance extends the life of the system.

Mr. Fieldman said the cost of replacing pipe is the same year to year, except for inflation. There is no compelling cost driver on the maintenance side. However, if maintenance is not done, the system will not perform well.

Commissioner Barnett said this is different from streets in that service demands on the streets are known. With stormwater, you are reacting to weather and the net effect is to reduce a tough event, not eliminate the event. This represents trying to react to nature. It is a huge investment, but it is the right thing to do.

The Mayor said that by maintaining flexibility, we have more control and can be proactive.

A resident spoke regarding a detention area on Ashley Court, off of Belmont that he believes the contractor was forced to build. He believes there is an easement on the property. He noted there are 214 detention areas in the Village and asked about the maintenance program.

The Mayor responded that privately built facilities are controlled privately.

Ms. Newlon said staff is building an inventory of all the detention areas and a schedule of maintenance. She asked the resident to call Public Works.

The Mayor noted that regardless of who owns the detention area, it ultimately affects everyone.

Mr. Fieldman clarified that an easement allows the Village to go on the property in an emergency, but does not require the Village to maintain the area.

A resident asked about the 8.7% proposed increase as outlined in a memo in the budget regarding potential changes to the stormwater utility plan.

Mr. Fieldman said a long-range plan was put together to meet stormwater expenses. The money generated in year one of the plan was not sufficient to meet the recommended level of service and the plan calls for increases of 8.7% per year. The memo speaks to the priorities for maintenance and capital projects, and shifts money from projects to maintenance.

Mayor Tully said these are planned, projected increases based on needs. Rather than capturing all of the necessary dollars in the first year, it was decided to phase in the plan. It is a plan based on identified needs and the costs of those needs. Increases are planned to achieve goals. Every year the recommended level of funding is reviewed based on experience and expectations. There are still projects we want to accomplish.

The resident asked specifically as to what the increases will be beginning in 2017 for five years.

Mr. Fieldman referred him the Section 2, page 20, for a chart of actual fees in the plan.

The Mayor said this gets reviewed annually based on actual experiences and costs.

Mr. Waldack said he appreciates the fact that Council is addressing problems and projecting ahead. He noted, however, that homeowners cannot adjust their revenue by 8.5% per year. There is not discussion of the status of residents in terms of their income and ability to pay. Residents do not have the options the Village has.

The Mayor said we must consider the full picture. Council and staff have heard from the community that people want flooding fixed and we are trying to make it better. The community wants the Village to address stormwater issues and we have to find the finances to address this matter. Some people ask why this cannot be addressed sooner. Council must find a balance between what the community wants to get done and how much they want to pay for it. Increases are phased in to address costs. We have this conversation every year.

Commissioner Barnett said there are three items that take enormous resources: Streets, stormwater, and facilities. We are trying to recover from 40 or more years of decisions not to do maintenance. We probably need a \$3,000 tax bill from every house to do everything that was not done. Things have been neglected and this plan was phased in to recognize the burden this places on everyone. This funding is not being used for payroll increases or new cars. We are trying to recover from 40 years of marginal neglect and we cannot continue to let things go. The needs are huge and we are trying to find a balance in terms of the needs and the costs.

Mayor Tully agreed with Commissioner Barnett. The Mayor said this is the money estimated to



be needed to get projects done. We are phasing in the payment over time to meet the goals.

Commissioner José said the key was to describe this as an investment. Each project gets us closer to our goal in terms of dealing with flooding in our community. This is an investment in our community.

Commissioner Rheintgen referred to the graph on page 20 of Section 2 of the budget. We are taking a long time to get to the recommended level of service because Council is sensitive to the costs to residents. There are costs to residents if projects do not get completed. It is a delicate balance, but projects have to be funded somehow.

Commissioner Neustadt said this is an ongoing issue that must be addressed to prevent other problems. While we cannot solve this, we are trying to mitigate problems and we have to try to find funding. He said he appreciates the interest of the public in this matter.

Commissioner Olsen spoke of the stormwater system issue and increases in impervious areas. Smaller houses are demolished and larger ones replace them, resulting in runoff. He is concerned about going from \$9.00 to \$29.00 in a 15-year period. If we continue to add to the problem we are doing a disservice to our residents. He also expressed concern about the increase for FY15 and suggested Council look at the ability of residents to contribute to this level.

Mr. Fieldman said one of the high priority action items is to review the stormwater ordinance. It will be heard by the Stormwater and Flood Plain Oversight Committee in November.

Mayor Tully said the Village has the ability to be more restrictive than DuPage County requires or allows. He noted that the County redid their ordinance last year. The Village can consider taking more action to minimize issues from the outset.

Mike Ryan spoke on behalf of Pastor Scott Oberle, who was unable to stay for the entire meeting. Four Council members have expressed their regret regarding charging fees to churches, and asked that this be made right. Mr. Ryan then read a letter stating that churches have proven their economic value and St. Mary's value is placed at \$16 million. A petition has been presented and now 17 churches are in agreement. The legality of the fee is questioned. He asked that churches and houses of worship be exempt from this fee.

The Mayor said there will be an item on the Council agenda soon to discuss exempting non-profits, or specifically houses of worship.

Pastor Dan Martinson, Hobson Road Community Church, thanked the Council for this discussion. He noted the need for the fee. He said hindsight is 20/20; had the fees been collected in the first

place, those fees would not have been levied against houses of worship. Homeowners cannot levy a tax to fix their roofs. He said a person who lives in the Village is paying this fee as a homeowner and a second time as a person of faith.

Mayor Tully said there is no question that this issue needs to be addressed. He said needs change and the perceptions of the needs of the community change. In the past, no improvements were made.

Commissioner Barnett spoke of the challenges on 39<sup>th</sup> to 59<sup>th</sup> Streets. The areas developed prior to the mid-70s struggle. We are trying to recover from what was allowed then.

Tom LeCren said it is important to review Village practices that are causing problems, as mentioned by Commissioner Olsen. He asked why our rules cannot be stricter than they are.

The Mayor responded that they can be.

Mr. LeCren suggested that those people who want to increase the size of their homes do so vertically.

Robert Mesh, Oak Brook, said he has researched the median income in Downers Grove. National indicators are that median income has remained the same or gone down since 2008. Health insurance, gasoline, food, utilities, etc. have all gone up. Residents are being forced to decide if they can afford to live in the community. He suggested that responsibility be put on the homeowners; if they choose to live in an area prone to flooding they should not have furnished basements. We are getting to a point where demographics are changing.

Jim Crawford said there are nine different churches at the in attendance at this meeting. He asked if Council will be looking at two issues: All non-profits and separately at exempting houses of worship.

Mr. Fieldman said that is correct.

A resident added that he thought this money is well spent.

Mr. Waldack said he recommends waiving all non-profits. He urged the Council to keep the people in mind.

Ms. Bowen said she lives in Clyde Estates. Her basement flooded in April and she took care of it herself. If her roof needs repair, they repair it themselves. We cannot control nature. Water stays on her property when it rains. In Elmhurst, if water runs off a homeowner's property, they pay for it. She referenced the Brookbank project and spoke of developments and large houses

that have caused stormwater problems. The Village has allowed house to be built and has allowed lot splits. She said to put some responsibility on one's decisions and not make it the responsibility of the Village. She said the only manager in the Village that is required to live in the Village is the Village Manager. We have limited income and are suffering from inflation.

Commissioner José said we are all under the same roof when it comes to stormwater. We are calling on everyone in the house to try to fix the problem.

Commissioner Barnett said Council is aware of the problems development causes and is addressing this issue. Resolutions to these problems will likely help us.

Gordon Goodman, 5834 Middaugh, said stormwater is an important discussion to continue. It is important not to just place pipes in the ground, but to also preserve the flood ways and flood plains. The Village has had proposals to acquire land for a long time. There are still properties that can be acquired to address stormwater issues. These can take the pressure off the residential areas. Many properties have been developed in the creek bed. He is glad the Council is open minded to work with staff on these issues. He believes the stormwater utility fee is something the community has to support. It is important for institutions to support this effort. He suggested looking at fractional reductions if you want to give relief to houses of worship, but do not exempt them from the fee. It is very good to look again at zoning and the Subdivision Control Ordinance and its impact on stormwater in the community. He said he would also like to address community grants at a later time.

The Mayor said community grants will be on the agenda for Tuesday's Council meeting.

Mr. Falesch said he lives across from Washington Park. It is a \$7 million project and there are only a few inches of water in the park. He feels we have not been spending our money properly.

#### Water Fund

Ms. Newlon said the Water Fund is an enterprise fund with funds generated from water bills. FY15 projected revenues are \$25.20 million with expenses of \$19.38 million. Revenue included a \$20 million bond issuance for capital projects. The budget proposes a 14% rate increase from FY15. The expenses reflect a 17% increase in the cost of water from the DuPage Water Commission for FY15. She noted that the Village has the ability to use wells in the event of an emergency.

Ms. Newlon said the proposed increases for 2011-2015 are based on the water study. Water Fund expenses include \$9.08 million for the cost of water; \$4.03 million for operations and maintenance; \$.67 million for debt service; \$5.60 million for capital.

Commissioner Neustadt asked about the water system security enhancements.

Mr. Fieldman said those enhancements were mandated and we received grants for the first phase of work.

Commissioner Barnett asked if any organizations are trying to plan for alternative sourcing. If so, we should try to help them.

Mr. Fieldman said there are a couple of agencies and groups, but they still go through the City of Chicago, regulated by the Great Lakes Water Commission. He noted the Village currently has contractual agreements.

Mayor Tully said that given the extraordinary increases, there are serious looks at alternatives. The DuPage Water Commission has some very experienced people that try to keep Chicago accountable, but they have no control over them. It is a very serious issue for all of us.

Commissioner Barnett said the DuPage Mayors and Managers and the DuPage Water Commission are pursuing changes to the contract.

Commissioner Rheintgen said there is some unpredictability in this fund as the DuPage Water Commission will no longer be able to charge sales tax on water as of 2016, which could impact the cost of water.

### Capital Projects

Ms. Newlon then discussed the Capital Projects Fund. It is comprised of revenue and expenses for streets, sidewalks, bike facilities and other capital projects. The objectives are to use a systematic approach to maintain infrastructure at the most cost-effective level, and to coordinate the timing of projects to minimize cost and inconvenience, and maximize project benefits. She showed examples of a number of projects including Downers Grove Estates, Esterbrook, Brook and Centre, as well as road maintenance and sidewalk projects. Estimated revenues for FY15 are \$8.37 million; expenses are estimated to be \$13.67 million. Expenses reflect spending down of bond proceeds from 2012. Revenue for this fund are from home rule sales tax, property tax, local gasoline tax and telecom tax.

Mr. Fieldman clarified an earlier statement he made regarding use of gasoline taxes. Gasoline tax is used to fund capital projects, not facilities.

Mayor Tully asked that the table be amended to reflect the bond proceeds.

Ms. Newlon said Council approved the issuance of \$25 million of bonds in 2012. Since then, staff

has aggressively pursued reconstruction projects. She reviewed the 2015 projects.

Ms. Newlon explained that a pavement condition study was done in 2010. At that time, 22% of our streets were in need of reconstruction. The goal was to have 99% of the streets in maintainable condition by the end of 2015. She said we will meet that goal.

The Mayor said that is terrific.

Commissioner Neustadt said this is the result of good planning; it is fantastic.

Commissioner José said we are also in a position to maintain our streets.

Ms. Newlon reviewed street projects, sidewalk projects and other capital projects, including Emerald Ash Borer (EAB) treatment.

Commissioner José asked as to the effectiveness of the EAB treatment.

Ms. Newlon said it is effective for younger trees and those that can get enough water. The harsh winter and drought accelerated stress on trees. Further information specifically addressing the EAB program is in the budget.

Dr. Goodman spoke regarding streets. He said Jefferson is a dead-end street on the east end. The section between Dunham and Middaugh falls apart after it is repaired. He noted that this area was not mentioned for repair. It is speculated that it was not properly installed in the first place. He asked that staff look at the possibility of reconstructing this portion of the street. He also discussed the complication of the Nelson Meadow subdivision development and damage that could be caused by construction traffic. He referenced the agreement with the developer and suggested that damage to streets be included in the agreement. This area will need a lot of attention.

Ms. Newlon said staff will take a look at it.

Dr. Goodman said the reconstruction of Brookbank between 59<sup>th</sup> and 60<sup>th</sup> has been a problem for some time due to the level of the street and flooding. He asked for information regarding this reconstruction.

Mr. Fieldman said the plan is to reconstruct and install a new segment of the road. Storage capacity was an issue that delayed the project. It will proceed in 2015.

Dr. Goodman asked if staff has looked at the impact of changes of a stricter code than required by the County as it relates to construction in this neighborhood. The neighbors are concerned about

the impact of this. He suggested looking at the expected impact on properties on the east subdivision.

Mr. Fieldman said staff has reviewed this, a third party was asked to look at this, and the County was asked to look at this.

Mr. LeCren asked if the resurfacing of Chicago Avenue is on the schedule.

Ms. Newlon said the list of streets will be presented to the Council next spring.

Ms. Bowen said she lives in Clyde Estates. It was paved 28 years ago. She asked why roads are not maintained as they should be. We are not holding contractors doing the work accountable. She said to hold the builders responsible for cave-ins as well. Regarding Brookbank, Ms. Bowen said the developer was to install that road and she asked why taxpayers are doing this. She also asked if the detention basin will perform as it is intended to.

Mr. Fieldman said a study regarding the conditions of the streets was conducted in 2010. The streets were prioritized as maintainable or not maintainable. Those deemed not to be maintainable were addressed. At the end of 2015, all streets will be maintainable. He then spoke about intergovernmental agreements with the Sanitary District related to cuts in the street for pipe installation. In terms of the detention basin on Brookbank, Mr. Fieldman said it will remain the same.

Ms. Bowen said cuts in the streets have been an issue for a long time. Asphalt tends to be too soft; she suggested requiring concrete instead. She asked why sidewalks are being installed before road maintenance is done. She also said that salt usage is deteriorating the roadways and is detrimental to the roads.

Mayor Tully asked about the snow plan.

Mr. Fieldman said there is a report on the website updating the plan.

The Mayor asked that this be discussed at a future date.

Dr. Goodman said he is pleased to see the Council moving forward with the sidewalk plan. He supports the current arrangement in Denburn Woods and asked if certain exceptions are still under discussion.

Mr. Fieldman said this will be a policy discussion in the next few months.

Dr. Goodman then spoke regarding trees. He said he is pleased to see a plan to address the EAB

problem. He asked if there are other tree planning funds.

Ms. Newlon said there is funding for other trees.

A resident asked about bonding for the new facility and about a referendum question regarding the new facilities.

The Mayor said this will be discussed next.

Mr. Falesch spoke regarding Brookbank. The development as originally approved was for five parcels. A sixth property was added and the Village rejected it. The developer sued the Village and he has not heard of a settlement.

The Mayor said this is an ongoing matter.

Mr. Falesch said the pavement will need to be raised six inches which will affect the amount of storage in the area.

Mr. Fieldman said this has been resolved.

A resident spoke regarding the sidewalks and asked why the Village is moving forward with more impervious areas when people do not want them.

The Mayor said Council will look at the remaining pieces of sidewalk to be installed to complete the matrix.

#### Facilities, TIF Funding and Other Funds

Mike Baker, Deputy Village Manager, said one of the most significant items in this category is facility planning. Funds that will contain expenses for facilities planning are the Major Buildings Fund, the Ogden Avenue TIF Fund, and the Asset Forfeiture Fund. Mr. Baker then referred to a memo in the budget addressing facilities. The existing Civic Center facilities are outdated and staff is looking at all options. Information is available in the budget and on our website. Council direction is to pursue a two-phased approach intended to maximize long-term community value. Phase 1 would be a joint public safety facility at Ogden and Lacey. Phase 2 would be a Village Hall and multi-family residential structure on the Civic Center site. Mr. Baker reiterated that this is explained in greater detail on our website.

Mr. Baker said three funds in the FY15 budget contain expenses for this project: \$150,000 in the Major Buildings Fund; \$4.3 million in the Ogden Avenue TIF Fund; and \$1.5 million in the Asset

Forfeiture Fund. This is a total of \$6 million.

Commissioner Neustadt asked is this money on hand and available.

Mr. Baker said it is.

Commissioner Neustadt said the TIF money can be spent for development regardless of the user.

Mr. Baker said that is correct.

Mayor Tully said the actual steps to be taken will be discussed at future meetings as we move toward a development agreement, etc. What is being discussed now sets a maximum expense amount in the FY15 budget. It does not commit the Village at this time.

Commissioner José said this does not reflect grant funding.

Mr. Baker said that is correct.

Commissioner Olsen said he is not thrilled about this expenditure. He does not support spending Ogden Avenue TIF funds in this matter. This money would be used for environmental cleanup or a traffic signal, but his impression and support of TIFs is for commercial development. Further, he has stated that he supports engaging and listening to people through a referendum, and would hold off on any expenditures until that time.

Commissioner Neustadt said there is a commercial component on the Ogden and Lacey site. There are TIF increment benefits to this. This might be a planner's dream to develop this mixed-use site.

Commissioner Barnett said he has no quarrel with the appropriateness of using TIF money here. There are challenges with TIFs and Downers Grove's experience is mixed. He is concerned about future development along Ogden Avenue and having TIF funds for that use. He would like to preserve the public's faith in TIF. The cost of financing is small and the TIF challenge is so large that he would like to consider the cost of financing. He thinks use of TIF funds is appropriate, but public perception may be a reason to pursue financing rather than using TIF funds.

Dr. Goodman asked about the Real Estate Fund. He spoke of the Edwards House redevelopment. There have been two major discussions at the Lincoln Center. If this issue is important, maybe it is a public responsibility. He asked why the Village is not discussing this. He said the Village does not have this type of policy. He asked the Council to consider using this fund for preservation purposes. This development could bring in another 60 families and would substantially impact the streets, traffic, schools, and the neighborhood. He thinks the Village



should look at this. We do not have any historic districts. There is an effort on the part of residents to ask to create an historic district. He also noted that the ordinance regarding creation of an historic district references the Community Development Director.

Mr. Fieldman said for the purposes of that ordinance, applications would be filed with him.

Commissioner Neustadt said he appreciates today's conversation. Many serious policy issues have been discussed.

Mayor Tully thanked everyone for attending today's meeting. He said the conversation will continue.

There being no further discussion, the meeting was adjourned at 11:36 a.m.

April K. Holden  
Village Clerk