

MINUTES OF COUNCIL VILLAGE FACILITIES MEETING

VILLAGE OF DOWNERS GROVE

DOWNERS GROVE, ILLINOIS

DECEMBER 4, 2014

Mayor Martin Tully welcomed Council, staff and visitors to the Village facilities meeting at 7:30 p.m. in the Council Chambers.

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

Absent: Commissioner Sean P. Durkin

Staff: Village Manager Dave Fieldman; Deputy Village Manager Mike Baker; Village Attorney Enza Petrarca; Director of Communications Doug Kozlowski; Fire Chief Jim Jackson; Police Chief Bob Porter; Deputy Police Chief Kurt Bluder; Deputy Police Chief Bill Budds; Deputy Fire Chief Jeff Pindelski; Performance Manager Analyst Allison Deitch; Village Clerk April Holden

Mayor Tully welcomed everyone to this meeting. He said Commissioner Durkin sent his regrets that he is unable to attend this meeting. The Mayor said this is one of two special meetings to provide information about current proposals regarding the Village Hall and Police Department facilities. He noted that the meeting began at 6:30 p.m. with tours of the two facilities. He thanked people for coming and for offering their input. He noted that there will be another opportunity to tour the Village Hall and Police Department on Saturday, December 6 at 8:00 a.m. followed by another discussion with Council at 9:00 a.m.

Mayor Tully said that while these two special meetings have been called, there have been a number of regular Council meetings that have addressed facilities. The Village has been looking at the facilities for a long time. In 2007/08, this was seriously considered prior to the recession. Council and staff have been pushed to be creative and thoughtful in reviewing this issue again.

The purpose of these special meetings is to provide information about the proposal under consideration and respond to fact-based questions. The focus is on information to form an

opinion. Most of the people in attendance have not made up their minds about the new facilities as queried by Mayor Tully.

The Mayor said the Council would like to focus on facts. He then asked Deputy Village Manager Mike Baker to make a short presentation.

Mike Baker, Deputy Village Manager, presented information about the issues, the land use plan, benefits of the plan, and the financial plan.

Issues include outdated building systems, operational challenges, an undesirable location for certain functions, the value of the property is not fully realized, and increasing community expectations are not served well by the existing buildings. Mr. Baker noted that information is on our website including pictures depicting some of the challenges. Staff has evaluated options and has determined that construction of new facilities is the most desirable option that would occur in two phases.

There are three sites that make up the land use plan: A vacant parcel at Ogden and Lacey, the Civic Center and the site of Fire Station #1 in the Ellsworth Business Park. The Civic Center site is comprised of 8.2 acres.

Phase I of the proposal is to relocate the Police Department and Fleet Maintenance facilities and construct a new facility at Ogden and Lacey. This would require acquisition of the land. A new Police Department, Fleet Maintenance facility and relocated Fire Station #1 would be constructed at the Ogden and Lacey site. A traffic light would be installed at the intersection. This site would also provide commercial retail. Mr. Baker said the benefits of this proposal are that it resolves operational challenges, it improves the fire and emergency medical response times, it develops the site at Ogden and Lacey with commercial uses, it is likely to spur further redevelopment, and it improves traffic safety and flow in the Burlington Highlands neighborhood.

Phase II of the proposal centers on the Civic Center site. The Village Hall would be constructed on the west side of the parcel freeing up the remainder of the parcel for multi-family residential units. Benefits of Phase II are that it creates transit-oriented development in the downtown, it improves traffic safety and flow at Burlington and Washington, it eliminates risks to the police and dispatch staff due to railroad proximity, it creates the potential for partnerships with other governmental units and/or non-profits, and it reduces the number of Village facilities.

Mr. Baker then addressed the financial plan. The total estimate cost for both phases is \$52 million. Phase I (Ogden & Lacey) is estimated to cost \$38 million; Phase II (Civic Center) is estimated to cost \$14 million. He then discussed funding sources. Sources of

funding for Phase I include drug seizure funds of \$1.5 million; Ogden Avenue TIF funds of \$6.0 million; existing revenue funds of \$12.5 million; and grants, other funds, tax levy of \$18.0 million. Phase II funds would be comprised of the sale of land for \$4.0 million, and property taxes from the development for \$10.0 million.

This concluded Mr. Baker's presentation. The Mayor asked for questions.

A resident noted that TIF money used for this project means less money for other projects and asked how this benefits citizens.

Dave Fieldman, Village Manager, said the money in the Ogden Avenue TIF is for use on Ogden Avenue. The Ogden Avenue TIF plan addressed using funds to spur development on this site. TIF funds would be used for public and private development.

A resident asked about details of the \$38 million cost estimate, specifically the square footage of the proposed building. Mr. Fieldman said this information is available on our website as an attachment to the budget document. The building could be as large as 90,000 square feet.

A resident asked about Fire Department response times being improved.

Jim Jackson, Fire Chief, said moving Station 1 allows for better response time as getting out of the Ellsworth Industrial Park area takes time.

A resident said the Village abandoned the Fire Station in the water tower. He asked about closing Fire Station 1 and reopening the water tower in order to improve response time to the NW area. Mr. Fieldman said both areas would be served by one station and he thinks the response time would be even better by relocated Station 1 to the Ogden and Lacey site.

Chief Jackson said the Ogden Avenue location provides for the use of Ogden and Belmont to travel quickly.

Commissioner Neustadt noted that the traffic signal will allow for more direct routes as well.

A resident said that in 1957 the Village services were limited. It was a tremendous improvement to move to the Civic Center. Through the years, things have changed. He said he does not believe that a 90,000 s.f. building can be built for \$52 million. Half of the property is a junk yard and no one can afford to buy it because they can't afford to clean it. The developer should have to pay to clean the property, not the tax payers. This is the

pipe-dream of an architect. The estimate is way too low, and the Village will not get what it is looking for with this money.

Mayor Tully asked staff to provide information regarding the estimates.

Mr. Fieldman said staff consulted with four sources in determining the estimates, including financial experts, the Illinois Environmental Protection Agency (IEPA), an architect and the cost of recently constructed police stations. The key is to align revenue sources with costs.

A resident spoke about the availability of private parking at the Washington and Civic Center intersection.

A resident asked about the creation of a new TIF district on the Civic Center site. He also asked about remediation being larger than expected. Mr. Fieldman said there is always a risk with remediation; however, there have been extensive studies on Ogden and Lacey to minimize the risk. Regarding a new TIF, Mr. Fieldman said this is a Phase II issue. Staff would like the developer and development to pay for the cost of constructing the new Village Hall. To that end, a TIF district would be created. The Civic Center property is not currently taxed. He noted there has been no formal feedback from the schools about this proposal.

Mayor Tully noted that the schools are also discussing facilities. We are talking with them about shared facilities.

A resident said the Village is proposing to spend a considerable amount of money. He asked if Council intends to go to a referendum on this and if not, why not.

Mayor Tully said this question has been raised. Council makes many decisions about multi-million dollar projects such as streets and stormwater. The Village budget for FY15 is \$136 million and Council held a number of public meetings about the budget. This dollar amount is consistent with other amounts Council has acted upon.

A resident pointed out that this is a discretionary decision and asked why the Council doesn't want to hear from people.

Commissioner Neustadt commented that the Council has heard from people. Council makes decisions involving large amounts of money all the time. This issue is important and Council has been elected to make these decisions. Council can and should make this decision.

Commissioner Olsen said he disagrees. This is a major decision regarding the fundamental character of the community. He said he suggested an advisory referendum. It is the reasonable thing to do. He has proposed it, but it has not been supported.

The Mayor said it is factually wrong to assume that the Council doesn't want to hear from people because this has not been placed as a referendum item on the ballot. This is not a \$52 million or \$0 issue. This is an \$18 million funding question. The Council is asking value questions and there are many financial impacts. If one believes that this is an \$18 million funding question, it is less than the Village spends on streets. He also noted that the amount of space the government would be taking as tax exempt would go down.

Commissioner José said this would take the Ogden and Lacey parcel and make it more tax generating. Aldi has owned this parcel for 15 years and it has been vacant all that time.

A resident said this is not just an evaluation of a new plan but also the null set. He would like to see all the pros and cons to see how it adds up. The Mayor said this information is available. We have four different options, plus the option of doing nothing.

Commissioner Rheintgen said the cost of renovation and additions was higher than that the estimates for this proposal for Phase I and II.

A question was asked as to the earliest date to make a decision to go forward at Ogden and Lacey in terms of when Council would vote to make a commitment to the plan.

Mr. Fieldman explained the options. In 30-60-90 days staff could come to Council with a development agreement with Aldi. Alternatively, the Village could acquire the land directly which would be a longer time frame. It could be as soon as 30-90 days or much longer.

A question was asked regarding sanitary sewer problems at the Ogden and Lacey site.

Commissioner Neustadt said this was addressed with a new sewer brought across Ogden many years ago.

A question was asked regarding consideration of any other vacant property in terms of Phase I. Also, with respect to Phase II, a question was asked as to the research that was done in terms of who would buy the property and how many units would be built.

Mr. Fieldman responded that staff did look at other properties in terms of space that would allow for partnering and other revenue sources. Regarding the Village Hall land,

Mr. Fieldman said there have been many calls from developers. The demand is high due to the market. Developers are willing to pay a minimum of \$20,000 per unit for the land. This proposal is for 200 units in a mid-rise building.

Regarding the size of the buildings, Mr. Baker said the estimate for Village Hall is 40,000 s.f. and 85,000-90,000 for the combined facilities at Ogden and Lacey. The Mayor said more detailed information is available.

Commissioner Neustadt said that respect to the Police Department, personal and private information is exchanged in public and interview rooms are not secure. This situation occurs daily and needs to be addressed.

The Mayor spoke of police accreditation through the Commission on Accreditation for Law Enforcement Agencies (CALEA). Our Police Department is accredited and has recently been re-accredited. The Mayor was invited to summary meetings. The Police Department rated high, but the CALEA officials referenced the need to do something about the facility problems.

A resident said she agrees the Police Department needs space and a considerable amount of work, but she's not sure about adding more facilities.

The Mayor noted that it is actually more expensive to separate the facilities out.

Mr. Fieldman said the cost to repair the buildings is estimated to be between \$8-12 million.

Mr. Fieldman provided more specific information regarding the proposed size of Village Hall and the Police Department. The Police Department is currently 27,000 s.f. and the proposal is for 60,000-70,000 s.f. The Village Hall is currently 49,000 s.f. and the proposal is for 40,000 s.f. The combined Police Department, maintenance facility and Fire Station 1 would be 90,000 s.f.

A question was asked about the value proposition. The resident said he is not seeing a benefit analysis and a costing out of the different options. He said the commercial portion sounds unrelated to the rest of the proposal.

Commissioner Barnett said the Ogden Avenue TIF district is to accumulate funds for use on Ogden Avenue. This site is empty due to environmental clean-up costs.

Commissioner José said Council would welcome someone who came forward to develop the site.

Mr. Fieldman noted that the private sector doesn't want a site of this depth.

Commissioner Barnett said this project does not have to be on Ogden Avenue.

A resident referenced the financial plan. He said \$12.5 million of existing bonds are to be retired which could result in lower taxes.

Commissioner José said there is \$10 million worth of work to be done, but it is possible that taxes could go down.

Mr. Fieldman clarified that these are library and Fairview Avenue local gasoline tax bonds.

A resident said he is in agreement with the need, location and multi-family proposal. However, he doesn't think \$18 million is correct.

Commissioner Neustadt asked as to the use of the drug seizure funds.

Bob Porter, Police Chief, said those funds can only be used for certain purposes. He noted that the funds fluctuate and are unstable. Mr. Fieldman added that staff is not counting on this funding as a regular revenue source. It is cash on hand.

A comment was made regarding the bank property site two blocks west of the Civic Center. A development proposal for that site identified density and increased traffic as problems. The resident asked if these would be problems for the Civic Center site as well.

Mr. Fieldman said the TCF bank site is one acre and 50-60 units were allowed by zoning. There are issues specific to that site. Staff thinks the Civic Center site is more viable.

A resident commented that there are still the same problems on the Civic Center site being right by the railroad tracks. He wonders about the success of this parcel.

Commissioner José said this property would be five to six times as large as the TCF site.

Commissioner Barnett noted that density was not why that project at the TCF site did not go forward.

A resident said it will cost \$6 million to clean up the junkyard. He asked how much Aldi is asking for this parcel.

Mr. Fieldman said the current estimate of the cost of acquisition, site preparation and site

development is \$5.8 million. The site is 9.8 acres and the taxes are \$35,400. The current fund balance in the Ogden Avenue TIF is just under \$6.0 million.

Mr. Fieldman said using the Ogden Avenue TIF funds for this project would exclude use of the funds for other projects. He explained that there are 13 categories for the use of TIF dollars. It can be used for making improvements to the property that would benefit the public and private development that might not otherwise happen. It can be used for site development.

With respect to contamination on the Ogden and Lacey site, Mr. Fieldman said the analysis is that the contamination has not gotten into the ground water so staff does not think it is spreading. He noted that staff is relying heavily on the cost estimate of 2007, but more research is needed.

Mr. Fieldman noted there are alternative sources of funding by the IEPA, Homeland Security, or other grants.

A resident asked if the Civic Center development would result in an 8% increase in traffic on Maple Avenue. Mr. Fieldman said staff does not think so, but there would be more traffic.

A question was asked regarding the replacement of Fire Station #1 and what would happen to the existing building. Mr. Fieldman said the Village owns the building and did not include the revenue from its sale in the cost estimates. Staff would ask the question of Council.

A comment was made that if Aldi cannot develop this parcel, he does not think the Village can. Mr. Fieldman commented that it is a question of economics.

A comment was made regarding the property being landlocked. The resident also said that there is another Fire Station within two miles of the proposed location. Mr. Fieldman said a new traffic signal would be installed at the site. He noted that not just location, but call volume and service area must be considered.

A resident asked if Council members have enough information to make up their minds, and if not, what else is needed.

Mayor Tully responded that he does not have enough information.

Commissioner Neustadt his preference is to move forward. His questions are financial in nature. He feels the Village needs this.

Commissioner Olsen said he is not in favor of this plan and he thinks there are better options.

Commissioner Barnett said that, while he has not made up his mind, he feels we are heading down the right road. He needs financial and environmental information. He noted that while this is not settled, it is not the first time Council has looked at this.

Commissioner Rheintgen said she feels this is the right course. She needs information about the design. She noted that there have been meetings to narrow the scope.

Commissioner José said he feels this is the right road to continue to travel. Council will get more information in order to make a decision. He would like more input, financial information and design information.

The Mayor noted that everyone agrees that doing nothing is not an option. Council and staff have narrowed the options and the majority of Council has decided to pursue this.

There was discussion regarding documents to be put on the website, including the options that were rejected.

Commissioner Barnett suggested people start with the link to Village Facilities on the webpage. He invited residents to request other documents/links they need.

Commissioner Olsen asked as to the form the public is asked to provide additional input.

Commissioner Neustadt replied additional input can be provided at the Tuesday Council meetings, the website, at the Saturday meeting, through emails and through rEmarks.

A resident said it is clear that Council members have made up their minds and refuse a referendum.

Commissioner Barnett suggested adding a remarks section to the Facilities Planning webpage.

A comment was made that the people in attendance have differing opinions. This has been an open process. Council is voted into office to make these decisions. At some point you have to let the elected officials do their jobs.

A resident asked that Council hold off on decisions until the new Governor is seated with respect to decisions he might make.

Mayor Tully noted that Governor-elect Rauner has a transition team that will be meeting with a number of municipal leaders, including him, throughout the State.

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 9:44 p.m.

April K. Holden
Village Clerk