

Meeting Minutes

Village of Downers Grove - Council Meeting

Council Chambers

7/7/2015

7:00 PM

In order to give as many visitors as possible an opportunity to speak and in the interest of adjourning the meeting by 9:00 p.m., please limit your comments to 5 minutes in length, unless further time is granted by Council. Thank you.

1. Call to Order

Mayor Martin Tully called the regular meeting of the Village Council of the Village of Downers Grove to order at 7:00 p.m. in the Council Chambers of the Downers Grove Village Hall.

Pledge of Allegiance to the Flag

Mayor Tully led those present in the Pledge of Allegiance to the Flag.

2. Roll Call

Commissioner Waldack, Commissioner White, Commissioner Vattimo, Commissioner Hosé, Commissioner Olsen, Commissioner Barnett; Mayor Tully

Non-Voting:

Village Manager Dave Fieldman, Village Attorney Enza Petrarca, Village Clerk April Holden

The Council meeting is broadcast over the local FM radio station, WDGC. In addition, a tape recording and videotape of the meeting are being made using Village-owned equipment. The videotape of the meeting will be used for later rebroadcast of the Council meeting over the Village cable television Channel 6.

The Council will follow the rules of conduct for this meeting as provided in Sec. 2.5 of the Downers Grove Municipal Code. These offer the public the opportunity to comment at several points in the meeting. First, immediately following approval of the minutes of past meetings, an opportunity will be given for public comments and questions of a general nature. If a public hearing is scheduled for this meeting, an opportunity is given for public comments and questions related to the subject of the hearing. Finally, an opportunity is given for public comments and questions on items appearing on the Active Agenda and the First Reading.

The Mayor stated that at the appropriate time the presiding officers will ask if there are any comments from the public. Individuals wishing to speak, should raise their hand to be recognized and, after acknowledgment from the presiding officer, approach the microphone and state their name. Remarks should be limited to five minutes, and individuals are asked to refrain from making repetitive statements.

Mayor Tully said there are agendas located on either side of the Council Chambers, and he invited the audience to pick up an agenda and follow the progress of the Council meeting.

3. Minutes of Council Meetings

MIN 2015-6299 — A. Minutes: Executive Session Minutes for Approval Only - June 2, 2015

MIN 2015-6294 — B. Minutes: Council Minutes - June 16, 2015

Motion: Commissioner Olsen, seconded by Commissioner White, moved to approve the minutes as presented.

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Votes: Yea: Commissioners Olsen, White, Waldack, Vattimo, José, Barnett; Mayor Tully

Mayor Tully declared the motion carried.

4. Presentation

2015-6308 — A. Presentation: 2014 Comprehensive Annual Financial Report

Village Manager Dave Fieldman introduced Judy Buttny, Finance Director.

Judy Buttny, Finance Director, introduced Jason Coyle, Partner, Baker Tilly, the firm responsible for conducting the Village audit, to make the presentation.

Jason Coyle, Partner, Baker Tilly, said his firm has conducted the Village's audit for several years, but there is now a state law that requires a presentation. He said the Village issues a Comprehensive Annual Financial Report (CAFR) annually, although it is not required to do so. This goes above and beyond the requirements and the Village prepares the report. He said the Village has qualified staff. He commended them on their work.

Mr. Coyle then discussed the audit opinion. He noted that a new standard went into effect this year regarding financial planning for pension plans. Another new change will take place next year as well that will cause every government agency to present large liabilities on their financial statements as it relates to pensions. The auditors look at the controls in the Finance Department to identify risks. He said there were no material deficiencies.

Mayor Tully thanked Mr. Coyle for the advance notice regarding next year's requirements.

5. Public Comments

This is the opportunity for public comments.

1. Doug Schoeck, 1457 Virginia Street, said that there are some stormwater problems in the Virginia Street/Seeley area. The residents were told that the problem would be addressed in 2016; however, this has now been moved out to five years in the future or perhaps may never be addressed. He asked that the Council keep the residents of his area in mind in their long-range planning.

Mayor Tully asked Mr. Schoeck to leave his contact information with Mr. Baker, and staff will look into this. It will be a topic of discussion on July 21.

2. Scott Lazar, 808 Maple, commented on historic preservation in the Village. He noted that three important things need focus: 1) family; 2) voluntary participation; and 3) incentives. Mr. Lazar said that passion for preservation is a great thing, but he is seeing passion, however not compassion for the people living in the homes. His observations are that those who are advocating for preservation seem to be more well off than other residents. Those less wealthy have more tied up in their homes. Home ownership is part of the American dream, and everyone's dream is different. He thinks there should be less focus on properties and more on the families that live in them. Mr. Lazar said that creating a historic district currently means creating winners and losers. He said the Village should encourage people to voluntarily participate in establishing landmark status. There are qualified homeowners on Maple who have not applied for landmark status, which means they are walking away from a property tax break. He feels that the Village focus should be on helping people to apply for landmark status. Whether that's done with staff time, or creating an internship, he thinks this is something that should be investigated. If the Village creates historic districts, they should allow people to opt out and focus on voluntary participation. Mr. Lazar said that he was pleased to see Commissioner Barnett include an "opt out" clause in his statement on landmark status. Mr. Lazar also said he would like to see greater focus on incentives. He is not sure he sees the benefit of an ad hoc committee, because he thinks it would be duplicative of the Architectural Design Review Board (ADRB). The ADRB has been more active in this past year than it has ever been. An ad hoc committee would just make things more confusing.

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3. Dr. Gordon Goodman, 5834 Middaugh, spoke on the topic of historic preservation as well, commenting that the Village should look toward what's been accomplished in Geneva, Illinois. It is an economic engine and a source of attraction. Dr. Goodman said that whether it is through the ADRB or an ad hoc committee, he encourages the Village to look at Geneva, St. Charles, Naperville, and Elgin. He wants to see the Village promote the welfare of the residents, and he thinks an ad hoc committee is a very good idea.
4. Ken Lerner, 4933 Whiffen Place, told the Council that he supports an ad hoc committee to look at the historic preservation issue in the Village. There is an opportunity to harness the energy and expertise that has recently come forward. The Village has a broad charge to look at the ordinance and issues, including information, outreach, incentives, etc. The ad hoc committee could work with the ADRB and sift through the volumes of information that are available.
5. Richard Kulovany, 6825 Camden, said that he was there to speak on behalf of the ad hoc committee. He noted that he is a member of the Friends of the Edwards House. He appreciates Commissioner Barnett's efforts to put together information on establishing an ordinance for historic preservation. Mr. Kulovany noted that it is important to increase awareness among the residents. There are some people who don't even know that the home was demolished. Residents do not know how to use programs already in place, and it is difficult to make an application. It is important to study other communities such as Naperville and the work they have done for historic preservation. He pointed out that there are only 17 years before the Village's 200th anniversary. This would be the time to consider moving forward and focusing more time on this topic. It is worth doing.

6. Consent Agenda

COR 2015-6295 — A. Claims Ordinance: No. 6113, Payroll, June 12, 2015

BIL 2015-6296 — B. Bills Payable: No. 6200, July 7, 2015

MOT 2015-6301 — C. Motion: Award a Contract to Ray O'Herron Co., Downers Grove, IL, for an Amount Not to Exceed \$135,167 for Police Equipment and Uniforms

Summary: This approves a police equipment and police uniform contract for 1 1/2 years with Ray O'Herron Co. of Downers Grove, Illinois for an amount not to exceed \$135,167. The contract will be effective July 1, 2015 through December 31, 2016.

MOT 2015-6302 — D. Motion: Award a Contract for \$77,950.30 to RoadSafe Traffic Systems, Inc., Romeoville, IL, for the 2015 Pavement Striping Maintenance

Summary: This awards a contract for the 2015 pavement striping maintenance to RoadSafe Traffic Systems, Inc. of Romeoville, Illinois in the amount of \$77,950.30.

MOT 2015-6307 — E. Motion: Authorize a Change Order for \$32,627.50 to Globe Construction, Inc., Addison, IL, for 2015 Replacement Sidewalk Program

Summary: This authorizes a change order for \$32,627.50 to Globe Construction, Inc., Addison, IL, for 2015 Replacement Sidewalk Program

MIN 2015-6309 — F. Minutes: Note Receipt of Minutes of Boards and Commissions

Summary: Library Board - May 27, 2015

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Motion: Commissioner Olsen moved to approve the Consent Agenda as presented. Commissioner White seconded the motion.

Votes: Yea: Commissioners Olsen, White, Waldack, Vattimo, Hosé, Barnett; Mayor Tully
Mayor Tully declared the motion carried.

7. Active Agenda

ORD 2015-6277 — A. Ordinance: Amend Traffic Provisions

Summary: This amends sections of the Municipal Code concerning the modification to traffic control on various streets within the Neighborhood Traffic Study Area 4, bounded by Ogden Avenue, Main Street, Fairview Avenue and Warren/Rogers Avenue.

Motion: Commissioner Olsen moved to adopt an ordinance amending traffic provisions, as presented. Commissioner White seconded the motion.

AN ORDINANCE AMENDING TRAFFIC PROVISIONS

ORDINANCE NO. 5469

Votes: Yea: Commissioners Olsen, White, Waldack, Vattimo, Hosé, Barnett; Mayor Tully
Mayor Tully declared the motion carried.

MOT 2015-6286 — B. Motion: Direct Staff to Prepare an Amendment to the Stormwater Utility Credit and Incentive Manual

Summary: This directs staff to prepare an amendment to the Stormwater Utility Credit and Incentive Manual to provide residents with incentives for stormwater best management practices.

Motion: Commissioner Hosé moved to direct staff to prepare an amendment to the Stormwater Utility Credit and Incentive Manual to provide residents with incentives for stormwater best management practices. Commissioner Barnett seconded the motion.

Commissioner Olsen said this was discussed at the last meeting. He said this should be discussed more broadly as part of the long-range planning process. He moved to table this item to a date uncertain. Commissioner White seconded the motion.

Commissioner Hosé said whether the Village has the utility for six months or six years, the Village should run the best utility possible. He said these changes can be made as well as making other changes as a result of long-range planning discussions. He said he is disappointed and he feels the Council is missing an opportunity as there are residents who would like to take advantage of this.

Commissioner Barnett said he is not voting to table this item. We are still learning about the utility as it has only been in place 1 ½ years. One of the goals was to provide incentives for best practices for property management, which remains a goal. He said he has been critical of the utility. The incentives program has a de minimis effect on the utility, but it has everything to do with people seeing value in best management practices. He said he does not see why this would be delayed. This should be done now. The long-range planning discussion won't be until some time in August, and therefore, this move should be made now. There should be serious discussion about it now.

Commissioner White said he understands that the proposal is to provide a credit against the utility. If the utility is cancelled, people are left hanging. Council should look at other ways to provide incentives to people as part of a

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comprehensive review. They need to determine where they are going with this. To do this piecemeal is not appropriate.

Commissioner Vattimo said she likes Commissioner José's ideas, but Council should wait until stormwater is discussed at the long-range planning sessions.

Commissioner José said he thinks Commissioner White's ideas are a fallacy. He feels there is no risk as Council and staff will come up with good ideas and will shepherd people into whatever this utility evolves into.

Mayor Tully said he does not have an issue with the proposed incentives, but he is unsure that this needs to be decided now. He thinks providing incentives should be discussed at the long-range planning sessions as part of keeping the utility. The incentives were a compromise. He does not think waiting is a problem.

Commissioner Barnett stated that he understands that the primary reason to table this is because there is serious consideration to eliminate the utility. If the Council believes this may be eliminated, there is a reason to wait. However, if there is not chance to eliminate it, he thinks they should proceed at this time.

Commissioner Olsen said his understanding is to discuss the stormwater utility in the long-range planning sessions. The future of the utility is open to discussion.

The Mayor said he will offer his opinion at the long-range planning sessions.

Mayor Tully asked for a vote on the motion to table this item to a date uncertain.

Votes: Yea: Commissioners Olsen, White, Waldack, Vattimo; Mayor Tully

Nay: Commissioners José, Barnett

Mayor Tully declared the motion carried 5:2 to table this to a date uncertain.

8. First Reading

MOT 2015-6303 — A. Motion: Award \$1,729,127.73 to A Lamp Concrete Contractors, Inc., Schaumburg, IL, for Maple Avenue Roadway Reconstruction

Mr. Fieldman asked Nan Newlon, Director, Public Works, to make this presentation.

Nan Newlon, Director, Public Works, said a motion is requested to award a contract for the Maple Avenue roadway reconstruction project to A Lamp Concrete Contractors, Inc. of Schaumburg, IL, in the amount of \$1,729,127.73. She showed a slide of the location of the project, north of the Burlington Northern tracks and east of Fairview Avenue. The work is planned for Maple Avenue and Burlington Avenue, between Fairview Avenue and Cumnor Avenue, and Wilcox and Florence, between Maple and Burlington. She showed a photo of the ¼ mile section of Maple Avenue, between Fairview and Cumnor that is planned to be reconstructed. The scope of the project will include water main replacements, street reconstruction and street resurfacing. Installation of new water mains will occur on Maple, Florence and Wilcox and will include installation of new water service to the b-boxes. Reconstruction of Maple Avenue includes replacing the existing storm sewer, completely reconstructing pavement with new curb and gutter, replacing the driveway aprons, and replacing portions of the sidewalk. Street resurfacing along Florence, Wilcox and Burlington will include replacing deteriorated curb and gutter, replacing driveway aprons disturbed by construction, replacing portions of sidewalk, and removing and replacing asphalt surface. In response to information from residents on Florence, staff will be improving drainage at the corner of Florence and Burlington with the installation of ribbon curb, possible adjustments to the sidewalk elevation, and the possibility of adding some storm sewer.

Ms. Newlon said four bids were received and A Lamp Concrete Contractors was the low bid. Staff recommends award of the contract to A Lamp Concrete Contractors.

Commissioner Barnett asked if there will be a concrete ribbon on Florence.

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Ms. Newlon said there will not; it will be a concrete shoulder at the intersection.

Commissioner Barnett said he does not think this goes far enough. He would like to see them harden the edges of the roads. Whether it is a ribbon curb or curb and gutter, both will be more durable and aesthetically pleasing. Wilcox, Fairview and Burlington all have curb and gutter, and Maple will have curb and gutter installed. This should be done on Florence as well. It is shortsighted to not put curb and gutter on Florence Avenue. He would like to put more money into this with curb and gutter on Florence.

Commissioner José said he does not see how we can tell people on Florence that curb and gutter is not installed where it doesn't already exist when it will be put in on Maple where there is currently no curb and gutter. He would prefer curb and gutter or a ribbon curb on Florence.

Mayor Tully said curb and gutter on Maple is a traffic matter as well. The cost to install curb and gutter on Florence would be \$220,000 and would delay the project for one year. A ribbon curb would also delay the project one year and would cost \$160,000. He would be more inclined to approve the concrete ribbon.

RES 2015-6311 — B. Resolution: Authorize a License Agreement for the Temporary Use of Public Property with the Downtown Downers Grove Management Corp. for the 2015 Fine Arts Festival

Mr. Fieldman said the next two resolutions would approve temporary uses for public events.

Stan Popovich, Planning Manager, Community Development, addressed the license agreements with the Downtown Downers Grove Management Corp. and with the Education Foundation of Downers Grove District 58 together. He showed a Zoning Map depicting the locations of the events. On Saturday, September 12, 2015, events will be held in three areas of the downtown: The Fine Arts Festival, hosted by the Downtown Management Corporation, will be held on Main Street; Oktoberfest, hosted by the Education Foundation of Downers Grove District 58, will be on Burlington between Mochel Drive and Main Street; and the Downers Grove Downtown Market will be at the Main Street Train Station. Staff has met with all three groups to identify potential issues and solutions. The groups have agreed to work together. Staff supports the agreements.

Commissioner White said this was discussed at the last Community Events Commission meeting. The petitioners have said they can work together. He looks forward to these events.

Commissioner Waldack said he has some concerns about so many events being held at one time. He feels this is a scheduling issue and suggested better scheduling in the future. These are three great events.

Mayor Tully thanked the representatives of these groups for working together. These were determined to be the best dates; this happened by design. Any conflicts will be worked through. He hopes it will be a great weekend for the community.

RES 2015-6292 — C. Resolution: Authorize a License Agreement for the Temporary Use of Public Property with the Educational Foundation of Downers Grove District 58 for the 2015 Oktoberfest

9. Mayor's Report

Mayor Tully thanked everyone who worked on the July 4 parade. It was a terrific parade with a large attendance.

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10. Manager's Report

11. Council Member Reports

Commissioner Waldack said the Downtown Management Corporation met on July 2. They discussed the Fine Arts Festival which will take place on September 12 & 13, 2015. This week's Friday Night Car Show will feature Pontiac GTOs. They also reviewed several new business openings.

Commissioner Olsen thanked the members of the Rotary Club for hosting the RotaryFest. The attendance on Saturday was wonderful. Many residents and visitors came to the festival. He thanked Lisa Rasin and the entire Rotary Club team for their work.

12. Council Member New Business

MOT 2015-6310 — A. Motion: Consider Amendments to the Historic Preservation Ordinance

Summary: This is to consider amendments to the Historic Preservation Ordinance.

Motion: Commissioner Barnett moved to place the proposed changes to Chapter 12 on a future active agenda in July. Commissioner José seconded the motion.

Commissioner Barnett said he has submitted a redline draft of Chapter 12, Historic Preservation, of the Downers Grove Municipal Code. Recent events have highlighted the importance of this subject. The current ordinance dates to 2007. Its effectiveness has been less than desired. Commissioner Barnett said he thinks this is worthy of serious consideration. He also noted there has been a great deal of public comment on several issues that came up in the past months. He said it would be less than our best to wait as this is a problem that doesn't go away. His comments are not meant to be a panacea or a be-all-end-all. They are meant to help meet some of the hurdles. He said the Council should form an ad hoc committee to address historic preservation, but he would like to see these changes made now. The Friends of the Edwards House have continued to stress their ideas as to what should be done to prevent future problems. This is a problem that does not go away, and he would like to see these changes made now.

Commissioner José said he supports the changes. He would like to see additional tools given to the community now to preserve the Village's history. Commissioner Barnett's amendments are intended to be an interim step, and they are good first steps. It is important to take steps now to protect our history. He also supports forming the ad hoc committee. He urged Council to take this opportunity now.

Commissioner Olsen said he has concerns about doing something now without going through the public process. These changes should be considered and discussed as part of the Architectural Design Review Board (ADRB) and ad hoc committee. To make changes now would be premature. It would be unwise to make hasty changes without the public process.

Commissioner Vattimo said this is a very sensitive topic now. She is not against the proposal, but it needs to be further explored.

Commissioner White said he doesn't know how many of these changes will or won't be positive. He doesn't want to tie the hands of the Boards. He opposes moving forward apart from the larger process.

Commissioner Waldack said he agrees with Commissioner White. He cannot support many of the elements in the draft. He is not sure that all of this is really good for historic preservation. He recommended moving forward with the ad hoc committee to review this as part of a comprehensive study.

Commissioner José said he is surprised at the suggestion that we are moving outside of the process. He thinks Council members can and should bring forward ideas. He does not agree that Council is moving forward in haste. They are merely talking about the process.

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Commissioner White said he is concerned about giving one set of ideas or proposals an inside fast track with Council. He thinks this is inappropriate.

Commissioner José said he disagrees with Commissioner White's comments.

Commissioner Barnett said he lives on Maple Avenue in the area that was considered for an historic district. His house is historic and is not landmarked. He urged Council members to put aside their preconceived notions and consider the draft in front of them. Council members have had many hours of discussion and have received an enormous number of emails regarding historic preservation. These redline changes would have made the process easier. If this is put on an Active Agenda, staff will prepare a report, solicit input from the public, and it will then be presented to Council. That is not a privileged fast track. It is the way legislation in Downers Grove has functioned for 20-30 years. Other approaches could take many months and people will not seek landmark designation. He thinks it is a shame not to act given the will of the community. He thinks these are good changes. He thinks it is a shame that there is nothing available right now to help residents trying to make choices regarding historic preservation. He is disappointed in the Council's reluctance to act on something that has been discussed for more than six months.

Mayor Tully provided some background information on historic preservation. He said recent events dictate that something must be considered based on the comments made by the public. What has not been discussed is the community. He is in favor of decreasing the burden of red tape and other issues that might be preventing land marking buildings. This is a multi-faceted project to include the Comprehensive Plan, the Zoning map, engaging the community as well as engaging outside expertise and educating the public. This involves short and long-term solutions.

The Mayor said the Historic Preservation Ordinance came about in 2007 as a result of community outrage over the threat to the Lyman House on Maple Avenue. The ordinance was created with a lot of outside help. This is a bigger issue than all of us. The ordinance was a compromise to strike a balance between the community and individual property rights. We need to bring the community along, not just those affected by this. He wants to hear from the ADRB; he has not heard their discussions. He doesn't know whether the Village's status as a Certified Local Government as designated by the Illinois Historic Preservation Agency will be affected by this proposal. There is nothing in the proposed ordinance that would have saved the Edwards House. It is necessary to address the Comprehensive Plan and the Zoning Ordinance and he would like staff to move forward with that review. The Mayor said we should continue the policy of robust community engagement.

There is a platform we can build on through the ADRB. The concept of the ad hoc committee is to supplement the ADRB to broaden the voices. It could be a subcommittee of the ADRB. The Mayor suggested tabling these changes to a date uncertain, but consider them in long-range planning or at the ADRB through an ad hoc committee to make an appropriate decision.

Commissioner José said he agrees with the Mayor's comments and would like this on a fast track.

Commissioner Barnett said that to refer to this as a fast track or a monopoly on ideas is an unfair characterization. He said the Mayor's idea is excellent, but he fears it will not move quickly. It is time to take this off hold. It is not anti-community. There are several transactions taking place now that would be affected by not acting quickly.

Mayor Tully asked for a vote.

Votes: Yea: Commissioners Barnett, José

Nay: Commissioners Waldack, White, Vattimo, Olsen; Mayor Tully

Mayor Tully declared the motion failed 5:2.

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MOT 2015-6300 — B. Motion: Consider Creation of an Ad Hoc Committee on Historic Preservation

Summary: At the request of Mayor Tully, a proposal to create an ad hoc committee on historic preservation has been placed on the New Business Agenda.

Motion: Commissioner Olsen moved to create an ad hoc subcommittee of the Architectural Design Review Board. Commissioner Barnett seconded the motion.

Commissioner José asked as to next steps.

Mr. Fieldman this will come back to Council and will include members and scope and responsibilities.

Commissioner Barnett asked how quickly this will start after the Committee is put together.

Mr. Fieldman said the appointment process rests with the Mayor with approval by the Council.

The Mayor said they will move with all due speed.

Commissioner Barnett asked as to the scope.

The Mayor said he envisions a broad scope to encourage ideas. He would also like to include specific outcomes and a timetable. He will put this together as soon as possible.

Commissioner Waldack said he agrees with the Mayor; an ad hoc committee is an excellent idea. He is happy this is moving forward.

Votes: Yea: Commissioners Olsen, Barnett, Waldack, White, Vattimo, José; Mayor Tully

Mayor Tully declared the motion carried.

13. Long Range Planning Session - Committee Room

The Mayor asked for a motion to adjourn to the Committee Room for the Long Range Planning Session.

Motion: Commissioner Olsen moved to adjourn to the Committee Room for the Long Range Planning Session. Commissioner White seconded the motion.

Votes: Yea: Commissioners Olsen, Barnett, Waldack, White, Vattimo, José; Mayor Tully

Mayor Tully declared the motion carried and the regular Council meeting adjourned to the Committee Room for the Long Range Planning Session at 8:47 p.m.

Mayor Tully opened the Long Range Planning session at 8:57 p.m.

Village Manager David Fieldman said tonight's issue centers on the General Fund. He showed a graph of the General Fund revenues and expenses from 2007-2014. He stated that the Village has enjoyed great success with its revenues exceeding expectations; however, the graph lines look as though they may cross again in the future, as they did in 2009 and 2010. He explained that the lines might cross due to personnel expenses, the cost of public safety pensions, the cost of health benefits increasing, and salary costs increasing as staffing levels will not continue to decrease. He noted three key factors threatening revenue growth: 1) income tax revenues may be reduced; 2) property tax revenue may be frozen; and 3) slow growth of sales tax revenue.

Mayor Tully commented that the Local Government Distributive Fund (LGDF) has been growing; however the municipal share has not increased. There are threats to take back about 50% of the LGDF. Additionally, there are concerns related to a property tax freeze. That threat has been presented several times in different versions. He stated that the primary way the Village pays for the public safety pension funds is through its property tax levies. It's not clear whether that freeze will exclude the pension fund costs that the Village is required to make.

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Mr. Fieldman then discussed the solutions and strategies presented by staff. Staff has prepared a document for the Council's review and is available at www.downers.us.

Mayor Tully commented about the need for more specifics regarding solutions and strategies. He noted that many efforts have a long horizon before they affect the balance sheet. The Mayor reviewed matters that have to be considered including changes to service levels, increasing property taxes for operations, adjustments to existing revenue sources, and adoption of new revenues.

Mr. Fieldman responded that the Council has been directing staff toward increased operating efficiency, reducing personnel expenses, partnering with others, and enhancing the general revenue base. He said these are lean concepts and require innovation. The items the Mayor reviewed require more deliberation. Staff is looking to Council to hear what considerations should be in the report's final format. Staff wants to understand more clearly what Council wants them to pursue.

Mayor Tully commented that the Council needs to know the impact and time frame of proposed solutions and strategies.

Mr. Fieldman stated that staff is trying to get ahead of the issues. It is not as urgent as it was in the 2008/2010 eras.

Commissioner Waldack commented that it is important to look at options available regarding the sales tax. Mr. Fieldman said that more than half of the General Fund revenues came from sales taxes in 1996; now it is 24-25%. Commissioner Waldack said that in the past they talked about strategic planning and TCD III, and incentives for specified areas in the Village that required attention. He would like to talk about our options and start planning specific actions now.

Commissioner White commented that it is significant to acknowledge where we were in the 1990s, 2005, and where we are now, as it allows us to more accurately study the present situation. Retail sales in the Chicagoland area in 2014 were 18% higher than they were in 2005, but in Downers Grove they are 3.75 % lower than in 2005. Out of the 50 communities that collected the most sales tax in 2014, Downers Grove came in 46 out of 50 in sales tax revenue in comparing 2014 to 2005. There is plenty of data to analyze, and it is necessary to engage everybody and look at other communities and see what works well for others. Neglecting the sales tax base created the need for the stormwater utility. Commissioner White said that to address this would not be a fast solution. The Village needs to focus on this now, and the Economic Development Corporation (EDC) needs to focus on sales tax revenue as well. He said that he is opposed to raising the home rule sales tax rate if the Village has to increase the retail sales tax base. The Village has to remain competitive with other communities regarding the retail sales tax base. This is the time to review the sales tax base.

Mayor Tully said he agrees that the priority should be and has been the sales tax base. The Village is land-locked with no open space. The keys to sales tax base are big box retailers and auto dealers. Mayor Tully said he does not think this has been caused by neglect. He also disagrees that the stormwater utility was to address the sales tax base. He proposed the stormwater utility and that was not his intention.

Mr. Fieldman said in 2005 a thorough analysis of the sales tax showed that the Village was doing very well with auto sales, electronics and home improvements. The Village "leaked" in terms of general merchandise, particularly with the lack of big box businesses. The surplus areas were hit hard by the recession. Coming out of the recession has improved with regard to auto sales. The focus of economic development during the recession was based on automobile sales.

Commissioner White said that, with the automobile dealership incentive agreements, the Village gets 25% of what is generated from the sale of general merchandise.

Commissioner Olsen commented that when he looked at revenue sources, looking at working with the EDC to increase the sale tax base and sales tax revenue benefits our residents. When looking at some of the threats, the Village will need to have a discussion about its service levels.

Mayor Tully stated that there is as much pressure to do more and provide more services to the community.

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Commissioner Waldack responded that as good a job as the Village has done to keep taxes low, the Village gets the blame for the increase in tax bills.

Commissioner Olsen said that is because the Village is more visible.

Commissioner Barnett stated that he thinks the Village is in a crisis. There is no reason to expect less than 6%-8% increase in growth of costs, under the same operating scope that now exists. We need to be more aggressive with the long-range planning. Changes in service levels must be examined. The Village would have to raise taxes to keep everything even, and he thinks the Council should direct staff to explore various scenarios. He said they should consider a policy as it relates to pension costs and property taxes. Those are commitments we have made and we have to pay the costs. The policy would be to raise property taxes to cover the pension costs even if the Village experiences other operational reductions. He would like to separate the pension costs and operational costs, with a reporting and accounting policy specifying a breakdown in those costs.

Commissioner Waldack said that the Village has talked about designated sources of revenue for specific services. He asked staff for a spreadsheet that projects the costs of a public service employee through retirement, including pension costs. When hiring a new employee, one must consider more than the starting salary; it is a \$2 million commitment. He suggested perhaps adjusting service levels as people drop off the employee roles.

Mr. Fieldman replied that lifetime costs of employees and an alignment with revenue costs would be part of next year's CAFR.

Commissioner Olsen said that pensions are out of the Village's control as they are set by the State.

Commissioner Barnett said that the Village controls the number of people it hires and the amount they are paid. That's why the service level discussion is more of a crisis.

Mayor Tully said this relates to outsourcing or partnering with others.

Commissioner Barnett said they cannot be done talking about the General Fund without talking about the stormwater utility.

Commissioner White stated that, as elected representatives, the Village is obligated to find a widespread way of community engagement before making any changes in the service levels. He wants proof of what the community wants.

Mayor Tully said that there is a slider scale tool whereby a resident can see exactly what will happen if they change service levels. Based on what a resident wants to pay in taxes, it will show you what services you will get.

Commissioner José said he is seeing long-range items that are less painful. Short-term items can be painful. He thinks that the Village needs tremendous public engagement before service levels are changed. There is no "easy button" when it comes to economic development. They can explore public and private partnerships. The State is trying to take their problem and make it the Village's problem, and the Village must closely monitor the State's actions to protect its own options.

Commissioner Vattimo said she is okay with increasing property taxes for pensions and operations.

Commissioner Waldack commented that they could add fees.

Mayor Tully said service levels relate directly to community expectations.

Mr. Fieldman noted that none of the solutions and strategies came off the list. Staff will add lifetime costs and policies regarding levies and pension costs. Staff will provide explanations and examples to solutions and strategies, and will also explain connections.

Mr. Fieldman said that the next meeting will be a discussion of the infrastructure, including recommended levels of service, the current level and recommended funding. He said that the Village provides over 300 services and most of them come out of the General Fund. He also stated that the Council must resolve the stormwater utility issue.

Council Meeting

July 7, 2015

1. Dr. Gordon Goodman of 5834 Middaugh talked about something he raised at Council meetings regarding conceptual matters related to zoning and development. He has suggested in the past that the Village is not well served by not having a Director of Community Development. He thinks that they should rebalance the staff. There are obvious problems that have come up, and the Village needs Senior Staff in Community Development. He then referenced the health of the TIFs and getting a report on other TIFs that are already in place or are being considered.

Mr. Fieldman said that they are not mentioned because they are not at a level that rises to a concern. Those reports will be coming in the near future.

2. Mr. Lazar commented on sales tax revenue and lot size issues. He said that some big box stores have smaller format stores, smaller footprints with higher volume. He suggested that the Village could make itself attractive to them.

Mayor Tully said that has been explored and will continue to be explored.

3. An unidentified resident said that he is struck that they are focused on sales tax. The lines will eventually cross and he expects a replay of the recession.

14. Adjournment

There being no further comments or discussion, Mayor Tully asked for a motion to adjourn.

Motion: Commissioner Olsen moved to adjourn. Commissioner White seconded the motion.

Mayor Tully declared the motion carried by voice vote and the meeting adjourned at 10:17 p.m.

Respectfully submitted,

April Holden
Village Clerk