



Meeting Minutes

Village of Downers Grove – Council Meeting

Council Chambers

June 15, 2021

7:00 PM

● Call to Order

Mayor Barnett called to order the Village Council meeting at 7:00 p.m. and led those in the room in the Pledge of Allegiance to the Flag.

● Roll Call

Council Attendance (Present): Mayor Barnett, Commissioner Hosé, Commissioner Walus, Commissioner Sadowski-Fugitt, Commissioner Kulovany, Commissioner Gilmartin, Commissioner Glover

Non-Voting: Village Manager Dave Fieldman, Village Attorney Enza Petrarca, and Village Clerk Rosa Berardi

● Minutes of Council Meetings

MIN 2021-8996 - A. Minutes: Village Council Meeting Minutes –June 8, 2021

MIN 2021-8998 – B. Minutes: Executive Session Minutes for Approval Only – June 1, 2021

MOTION: To adopt the Village Council meeting minutes of June 8, 2021 and the Executive Session Meeting Minutes of June 1, 2021 as presented.

RESULT: Motion carried unanimously.

MOTIONED TO APPROVE: Commissioner Hosé

SECONDED BY: Commissioner Walus

AYES: Commissioner Glover, Commissioner Gilmartin, Commissioner Kulovany, Commissioner Sadowski-Fugitt, Mayor Barnett

NAYES: None

● Presentation

Michael Casa, President and CEO, Economic Development Corporation (EDC) gave the Quarterly EDC Report via a PowerPoint presentation.

● Economic Data

- **March 2021: Municipal Sales Tax total: \$1,328,429.78**

- +54.29% vs. 2020 total; +22.68% vs. 2019 total

- **March 2021: Home Rule Sales Tax total: \$726,235.16**
 - +45.87% vs. 2020 total; +17.05% vs. 2019 total
- **1st Quarter 2021 vs. 2020 Breakdown by Category**
 - General Merchandise +27.10%; Apparel +21.20%, Lumber/Bldg/hardware +31.83%; automotive/automotive filing stations +39.93%; drugs and misc. retail +64.01%; food -.57%; drinking and eating places -3.45%; furniture/household/radio -4.03%

Mr. Casa: Increases are high because 2021 data is being compared to that of 2020 – when most retailers were closed; 2019 may be a better comparison, which is why it was included in the data comparisons; much of 2021 sales is based on pent up demand from consumers that stayed home and did not spend money on cars, appliances, furniture and travel; the pent up demand should subside in 2021 after consumers spend the money they didn't spend last year; shortages of labor, lumber and steel are a result of the pent up demand; the next normal economic year won't come until 2022; drinking and eating place numbers down a bit because outdoor dining didn't happen in the winter (first quarter) and last year COVID didn't hit until the end of the first quarter; predictions are that numbers will be up in the second quarter for drinking and eating places because people are sick of eating at home and all the outdoor dining places are now open; electronic sales were up at the end of the first quarter last year because so many people ran out to buy electronics/laptops due to the surge in people working from home due to the pandemic; lumber/hardware numbers are up because people are doing home projects instead of moving since new home prices are way up; the auto industry demand is outweighing supply, so used cars sales are up; the drugs/misc. category did well during the first quarter of this year, as people were still buying COVID-related PPE and supplies – projections for next quarter are expected to be down due to people being vaccinated.

Mr. Casa continued by sharing the follow tax and development data:

- **April 2021: Hotel Tax total: \$35,546.04**
 - +194.20 vs. 2019; -58.97% vs. 2019

Hotels were closed the last couple of weeks of March 2020 and beyond due to COVID and reopened this year; this is why there is such a high increase.

- **April 2021 Food and Beverage Taxes: \$232,039.12**
 - +162.01 vs. 2020; +44.22% vs. 2019

Food and Beverage Taxes are up because restaurants are experiencing tremendous sales, especially with outdoor dining.

- **Projects**
 - Steinhafels Furniture, 1021 Butterfield Rd, where Art Van was located, expected to be opening Oct/Nov 2021 at the latest.
 - Vequity Real Estate, 1111 Ogden, constructing 4 unit multi-tenant building including: Noodles and Co., Tropical Smoothie, Athletico and negotiations for potential tenants are ongoing for the 4th spot; seeking additional sites in Downers Grove.
 - Bar Chido opened a couple of months ago and is doing great financially.
 - Ross Builders, 5117 Fairview, 18 unit apartment building on the NE corner of 2nd Street and Fairview Ave.
- **Office Projects**
 - Edward Elmhurst, 2205 Butterfield Rd., repurposing old bank building for new medical facility; one of the only communities in Chicago area with facilities by two

of the leading medical providers- Advocate and now Edwards Elmhurst..

- Instant Brands, Corelle is one of their top brands, moved headquarters to Highland Landmark.
- Transwestern owns Corridors 1 & 2 buildings on Warrenville Rd., a press release announced 3 projects totaling over 100,000 square feet.

○ **Business Grants**

- The EDC spent much time in 2020 identifying grants and notifying businesses in Downers Grove about available resources.
- In July the EDC will put together a list of all companies in Downers Grove that received County and State grant money - to that total the \$41M, dispersed from federal government to local companies for PPE, will be added to get the total dollar amount of grant funds that came into our community.
- Back to Business Grant Program; State of IL
 - \$300M Grant Program
 - Funds are those received from American Rescue Plan.
 - The EDC will notify businesses in Downers Grove once details are out and portal is open.
- Restaurant Revitalization Fund Replenishment Bill
 - Adds another \$60B to the Restaurant Revitalization program that ended in May.
 - Bipartisan Bill in Congress.
 - When the bill is passed by Congress and signed by President, portal will be opened and Downers Grove restaurants will be notified of Federal funds availability.

Mr. Casa: Annual EDC Luncheon event on October 1, 2021, @ 11:00 a.m.; EDC report will be presented; Mayor to award the Corner Stone Awards to local businesses; 15th anniversary of the EDC – created by the Village of Downers Grove in 2006; running digital ads in Real Estate magazine; Mr. Casa nominated the Village of Downers Grove in the category of Municipality of the Year; EDC Board Chairman Bob Fernandez was interviewed by Naperville Magazine – the article is titled “Good to Grove” where Bob speaks of Downers Grove – and not about himself- as a hidden gem in the Western suburbs and elaborates about the dining and entertainment offered in town; thanked the Village Council and staff for their partnership and support.

Commissioner and Mayor Comments/Questions

Commissioner Walus: Spoke about the article that Bob Fernandez was featured in and said it speaks volumes about the EDC that Bob put the focus of the article on the Village of Downers Grove instead of spotlighting himself.

Mayor Barnett: Asked and commented about the table in the presentation that was broken down by category; good to see the 2021 data as compared to 2020 and 2019.

Mr. Casa: 2020 is easier to understand than 2021; pent-up demand combined with disruptors makes it a difficult year to figure out; 2022 should bring us back to normalcy in terms of the national economy. Will present the 2nd quarter numbers on August 3rd – other members of the EDC will be present.

Commissioner Gilmartin: Number of restaurants that were able to procure funds; asked for a percentage or dollar amount.

Mr. Casa: Hoping to have data in July; Federal government won't publish the actual names of the restaurants that received funding but we will be given an idea as to the amounts.

Commissioner Kulovany: Asked about pent-up demand for commercial developments.

Mr. Casa: Starting to get inquiries about developments - has picked up since last year; difficult because of shortage in materials (concrete, steel and lumber) and labor; spoke about new car demand up and there is a shortage (parts for new cars aren't available); prices of home sales going up because of the shortage of materials to build new homes.

Manager Fieldman: In response to Commissioner Kulovany - locally a good indicator of commercial project demand would be the number of Plan Commission cases – there's been a dramatic increase in Plan Commission petitions (this is a good indicator); regarding Sales Tax – this is the first quarter those numbers would be included and we don't yet have a breakdown of those numbers.

● Public Comment

Mayor Barnett invited public comment for non-agenda items:

Anjali Alva, a resident of 16 years, spoke of June 19th or Juneteenth, also known as Freedom Day.

- She thanked previous Council member, Cavanaugh Grey for passing along his remarks about Juneteenth and for the speech he gave last year regarding the special day, as this is why she is here today.
- She spoke of the many abolitionists that had ties to Downers Grove and recognized them in honor of Juneteenth.
- Earlier today, the US Senate approved Juneteenth to become a National Holiday. Last month, the Illinois House and Senate voted unanimously to make Juneteenth a holiday and it's been sent to the Governor to sign.
- She spoke of Flag Day, Independence Day and Memorial Day in hopes that Juneteenth will be honored in the same way.

● Consent Agenda

RES 2021-8969 — A. Resolution: Accept the Comprehensive Annual Financial Report and Audit for the Fiscal Year January 1, 2020 through December 31, 2020

Summary: This resolution accepts the Comprehensive Annual Financial Report and audit for the Fiscal Year January 1, 2020 through December 31, 2020: **RES 2021-39**

MIN 2021-8997 — C. Minutes: Note Receipt of Boards and Commissions Meeting Minutes

Summary: Note Receipt of Boards and Commissions Meeting Minutes: Board of Fire and Police Commissioners meeting date 6-1-21; Foreign Fire Fund meeting date 4-22-21

MOTION: To adopt all items on the Consent Agenda as presented.

RESULT: Motion carried unanimously.

MOTIONED TO APPROVE: Commissioner Hosé

SECONDED BY: Commissioner Walus

AYES: Commissioner Hosé, Commissioner Walus, Commissioner Glover, Commissioner Gilmartin, Commissioner Kulovany, Commissioner Sadowski-Fugitt, Mayor Barnett

NAYES: None

● Active Agenda

MOT 2021-8975 — A. Motion: Approve the Amended Downtown Design Guidelines

Summary: This approves the amended Downtown Design guidelines.

MOTION: *To approve the Amended Downtown Design Guidelines as presented.*

RESULT: *Motion carried unanimously.*

MOTIONED TO APPROVE: *Commissioner José*

SECONDED BY: *Commissioner Walus*

AYES: *, Commissioner José, Commissioner Walus, Commissioner Glover, Commissioner Gilmartin, Commissioner Kulovany, Commissioner Sadowski-Fugitti, Mayor Barnett*

NAYES: *None*

MOT 2021-8976 — B. Motion: Concerning Text Amendments to the Zoning Ordinance Regarding Updates to the Current Review and Approval Process for Certain Construction Projects in the Downtown

Summary: This motion will direct staff to prepare the necessary text amendments to the Village's Zoning Ordinance regarding updates to the current review and approval process for certain construction projects in the downtown.

MOTION: *To direct staff to prepare necessary text amendments to the Village's Municipal Ordinances regarding updates to the current review and approval process for certain construction projects in the downtown consistent with Option #3.*

RESULT: *Motion carried 4:3*

MOTIONED TO APPROVE: *Commissioner José*

SECONDED BY: *Commissioner Walus*

AYES: *Commissioner José, Commissioner Walus, Commissioner Kulovany, Commissioner Sadowski-Fugitti*

NAYES: *Commissioner Glover, Commissioner Gilmartin, Mayor Barnett*

Commissioner and Mayor Comments/Questions

Commissioner Sadowski-Fugitti: Challenging topic; listening to everyone; everyone struggling to choose between Option #1 and Option #3; wants to revisit in a year – to check in with staff; the ADRB and with the businesses that have been affected by this.

Commissioner Gilmartin: Thanked ADRB and staff; tough for him; understands the intention of Option #3 but thinks it puts unnecessary burden on new and existing business owners; concerned about environment where businesses next to each other could have different rules/requirements around similar design changes; in this time when retail is going through enough – adding additional money and time to this process is burdening; appreciates reviewing in 12 months but doesn't agree; Special Use and PUD projects are already required to meet these guidelines; votes no to Option #3.

Commissioner Kulovany: Thanked Commissioner Gilmartin for voicing his concerns; spoke about specifics to the types of businesses that are doing a renovation to the facade and how the facade may affect a resident's opinion differently (a doctor's office vs. an apartment building facade renovation); spoke of subjectivity; better to be proactive with this plan rather than later when money has been invested; in agreement to reviewing the process in a year; agrees with Option #3.

Commissioner Hose: Tough decision; easier to decide on more controversial subjects; policy call with balance of needs/desires of business community; concerned about added burden on business owners; he also doesn't want to make decisions about architecture but looking at set of guidelines that are already used on Special Use and PUD projects agrees with them; different sets of standards now that don't have guidelines and thinks with the guidelines it will be better to have them applied; spoke of the hometown feel of downtown area of Downers Grove being what lead him and his family to the Village and wants to enhance and keep that feel; in agreement with one year review; given all the work put into the Design Guidelines, it's owed to the Community to give this a chance; agrees with Option #3.

Commissioner Walus: Been working on this since July 21, 2020; Option #3 nice compromise; in agreement to review process after twelve months; ADRB has professionals in that field that sitting on the board, which gives her relief and trust in them; supports Option #3 with twelve month review period.

Commissioner Glover: Thanked ADRB; was in support of Option #3 but he encourages growth and investment in the community; doesn't think this fixes anything and adds burden to entrepreneurs; not in favor of Option #3; wants to maintain current process with the updated guidelines.

Mayor Barnett: Appreciates the process to get to where we are; agrees with Commissioners Gilmartin and Glover; projects that people will name from the past 10-15 years will not have a process in any of this – nothing will change; differs with some of fellow Commissioners as projects this will be applied to are a little different and doesn't feel it will be fair to the businesses in the DBD; current design of smaller buildings in downtown has worked until now to give us the hometown feel; seems as if this a solution is in search of a problem that adds burden to the smallest businesses in our town; struggles with this; voting no; agrees with review in a year but doesn't think there will be many permits to review.

● First Reading

● Mayor's and Council Member Reports

Commissioner Gilmartin: School's out remember kids are out and riding their bikes; reduce car speed and pay attention; thanked Ms. Alva for speaking about Juneteenth.

Commissioner Hosé: So happy there is no longer divider glass up at the dais and things are back to normal.

Commissioner Kulovany: Great no masks but worried about the number of people not vaccinated; urges people to get vaccinated.

Commissioner Sadowski-Fugitt: Pride Month – every weekend in June the Foxtail, Pierce Tavern and Cadence are offering picnic baskets; call ahead to order - proceeds go to the Youth Outlook Drop-In Center; thanked Ms. Alva for her words honoring Juneteenth; can't write the County's wrongs without these uncomfortable conversations; stressed the importance of our Country's history, including slavery, and doesn't matter if we had ancestors involved; we all need to work toward a better America; encourages all to do at least one activity to actively engage ourselves in the discomfort to achieve freedom and equality for all.

Commissioner Walus: Read an email from resident and former Commissioner Cavanaugh Grey (with permission); the email spoke about tonight's speaker, Ms. Alva reaching out to him in February regarding Juneteenth; she asked that the Village would honor Juneteenth in the same way the State of IL will be doing; the email spoke of the history of slavery and that Juneteenth represents a reset button to document the challenges and countless contributions black people have made to this Country; Israel Blackburn, buried in the DG Main Street Cemetery, is a founding father of the Village of Downers Grove. A copy of the book On Juneteenth was left with staff for anyone interested in reading about the significance of this day.

Commissioner Walus mentioned Grove Fest will take place on August 19-22 with a Beer Garden and entertainment opening that Thursday night; Grove Fest is put on by volunteers and profits are put back into the community- donating money to over 25 organizations, i.e. Family Shelter Services and DuPage Pads and funds both service and music scholarships to Downers Grove HS seniors.

Mayor Barnett called for a five-minute recess at 8:03 p.m., with the Council reconvening in the Committee Room to continue discussion on the Village's Long Range Plan for 2021-2023. He welcomed the audience to attend the meeting.

● Manager's Report

INF 2021-8995 – A. Information: [2021-2023 Long Range Plan](#)

Mayor Barnett reconvened the Council meeting in the Committee Room at 8:09 p.m. to begin the 3rd discussion on the 2021-2023 Long Range Plan. He asked Village Manager Fieldman to begin the presentation.

Manager Fieldman stated that the following topics would be reviewed in this meeting:

- Stormwater Fund Sustainability
- Village Facilities Replacement & Sustainability Plan
- Property Tax Levy
- American Rescue Plan

The Council members were each given a printed copy of the 2021-2023 Long Rang Plan (LRP) Report #3. The [LRP report](#) can also be located on the Village Website. Manager Fieldman began the discussion with the topic of Stormwater Fund Sustainability.

Stormwater Fund Sustainability

- **2014 Stormwater Capital Plan**
 - Village has extensive stormwater system
 - Runs throughout Village
 - Designed to carry water that falls from the sky
 - Recommended level of service is to try to safely store and convey runoff in all but the most extreme rainfalls
 - Some areas of the Village fall short of the recommended level of service
 - Ponding in less than extreme rain events

Current Capital Plan – tells us which stormwater projects to build and where; adopted in 2014 and expires this year. Staff put together the following new plan:

- **2021 Stormwater Capital Plan**
 - Construct 12 projects in 3 years for \$7.5M
 - Issue \$5M in bonds
 - Continue to increase maintenance activities performed on stormwater management system for multiple years
 - Use Stormwater Utility Fee for all expenses – capital projects, maintenance, bonds
 - Continue to increase Stormwater Utility Fee (in place since 2013) at 8.75% per year

A breakdown of the Stormwater Utility Fees was provided, amounting to the average household paying a total of \$162 per year in 2021, increasing to approximately \$191 per year in 2023. A review of the projects to be performed in 2022 through 2024 followed; 3 projects will require land acquisitions (Village does not own the land); if Village Council approves this plan, staff will begin the process to acquire that land; Public Works

Director Andy Sikich was present to take any questions.

Commissioner and Mayor Comments/Questions

Mayor Barnett: This goes back to 2013/2014, when last big decision was made; this is one subject that Council and staff regularly hear residents stating is an issue and residents want the Village to correct the problem.

Commissioner Hosé: Background on this – increase in stormwater fee at 8.75% came from Stormwater Consultant approximately 8-10 years ago; gave us ramp to get to recommended level of maintenance, while still working on Capital Projects; recommended level of service will be achieved in time but the Stormwater Utility Fee must be increased in order to achieve it; moving forward with these projects makes sense.

Commissioner Kulovany: Good to remind residents that work has been happening - over the past 8 years, there have been 79 projects, costing the Village \$38M; this topic has been on the screen for this Council and several Councils before this one; every year the stormwater management system has gotten better and every year it will

continue to get even better.

Commissioner Gilmartin: Largest project requires land acquisitions (or easement); asked if the land acquisitions didn't occur, what happens.

Manager Fieldman: In cases where the Village has some but not all land we planned to acquire, we can try to modify project and proceed; if not enough land is acquired to make this a meaningful project, than the swapping out of future projects could happen.

Mayor Barnett: In 2007, plan was developed that was huge; projects were prioritized and the hardest projects were tackled first; in 2013 the list was revisited because of a major event; recommended level of service can be difficult to understand for residents when it comes to stormwater – the plan is intended to minimize opportunities for structural flooding but doesn't mean there won't be any standing water.

Manager Fieldman introduced Deputy Village Manager, Mike Baker, to discuss the Village Facilities Replacement and Sustainability Plan.

Village Facilities Replacement & Sustainability Plan

Village Hall and Police Station are in below average conditions from maintenance standpoint; in terms of usefulness, they cannot effectively serve the community.

In 2020, the Village Council developed a plan; plan suspended in March 2020 due to COVID 19 Pandemic; the [Facility Plan](#) is located on the Village website.

The following were part of the 2020 Facilities Replacement & Sustainability Plan:

- One building with a combined Village Hall & Police Station somewhere between 69,000 – 75,000 square feet
- Potential partnership with School District 58 – this would add approximately 8,000 square feet to size of building
- 330-340 parking spaces on site for all users of building, including customers; replaces all commuter spaces currently on site
- Environmentally sustainable design features incorporated into design/construction of building and surrounding site
- Improvement of safety of pedestrian and vehicle traffic at and around Washington railroad crossing
- Sale of portion of property – intended to be purchased by developer with apartment building of 85 units constructed on portion of the site
- Activity to take place on the property the Village owns; currently occupied by the Village Hall, Police station and commuter parking lot
- Cost: In 2020 the project cost was estimated between \$41-47M – didn't include cost of environmentally sustainable design costs
- Funding: Equity of \$9.2M; District 58 contribution \$4.4M; Bond issue of \$30.3M – debt service on bonds to be paid by the proceeds from sale of land for apartment development, the taxes generated from the apartment projects, Village revenue sources ear-marked to pay for those debt service payments.
- Funding gap: \$145k per year for 25 years

If proceeding with project - space needs will need to be updated; square footage of building updated accordingly; re-engage with District 58 to discuss partnership moving forward.

The following are updated financials for the 2021 Facilities Replacement & Sustainability Plan:

- Increased construction costs and related to inflation - \$45-54M
- Amount Village has in terms of equity increased to \$11-13M
- District 58 partnership contribution amount to \$4.8M
- Total Bond issue amount to 32.6M
- Funding gap: \$250K per year for 25 years

Commissioner and Mayor Comments/Questions

Mayor Barnett: Question do we pick up where left off or start over again

Commissioner Hosé: Should've been started a long time ago; 2020 plan that COVID put breaks on was a good plan; Village Hall is 90 plus years old; Police Department is falling apart; straightening out issues with safety concerns at Washington train track crossing; adds development to downtown; all good things and well overdue; even with inflation, the need is here and this plan is the right one; asked when space needs would be updated.

Deputy Manager Baker: With Council direction an updated project schedule will be put together.

Commissioner Hosé: Time is right especially with District 58's sale of Longfellow.

Commissioner Leslie: Great plan in 2020; can't see large scale parts of plan changing in anyway – only updating space needs and floor plan; can be challenging to think of this new building, but this is service organization and an updated facility is required to give the level of service that's expected; Police Dept building has safety concerns with limited space; Village Hall falling apart; this is overdue; in favor going with plan as quickly as possible; even with inflation, interest rates are low and we need to get started.

Commissioner Kulovany: Agrees with fellow Commissioners; appreciates new Commissioners coming in mid-stream and getting caught up; staff did/does heavy lifting around this and residents had a lot of input; takes a vision and a level of trust in staff; community is in agreement and feels this is well overdue; fully supports moving forward as quickly as possible; yes there is inflation, but our dollars are inflated as well

Commissioner Walus: Looking at plan thinking about how COVID has changed our world and contemplated if we should start over; big disappointed for those Commissioners that approved the plan and then COVID hit; doesn't want to spend another 20 years of trying to figure out what to do; agrees with Commissioner Kulovany that the Community has come on board with this; open tours of Village Hall and the PD were given to residents; thinks we need to move forward; doesn't want this to continue to get kicked down the road.

Commissioner Gilmartin: Echoes the other Commissioners; safety at PD is a worry; safety is a key part of excellent service provided by the Village; thinks solid plan; agrees with questions post COVID and doesn't think they will prevent the work from moving forward; cost will continue to rise if not done now; supports this; would like to know what environmental design costs and considerations are; good plan then and now.

Commissioner Glover: In full support; should move as quickly as possible, even with changes since COVID; solid plan.

Mayor Barnett: Needs haven't changed, in fact they have gotten worse in last 12-14 months and may continue to get worse over the next 12-14 months; questions Council has doesn't change whether the plan moves forward; process will take a year; inflation in materials right now and no one knows if that cost will go down or go up, but either way it doesn't change the Village's needs; service organization and need to service the residents; well past time; agrees with plan to continue forward and knows things may not go exactly as it states today; wants the Village to have a better way to service the Community; wants to move faster rather than slower with the plan.

Property Tax Levy

Property Taxes are a revenue source of the Village. Taxes are levied in a total dollar amount by the Village and each property owner's portion of the levy is determined by their property value compared to other properties within the Village. This was discussed in LRP meeting #2 and tonight we are putting all the pieces together.

A review of the property values and Property Tax Levy's included the following:

- Downers Grove property values have gone up (Equalized Assessed Valuation or EAV)
 - 2016 total of property values in DG was at \$2.16B
 - 2021 total of property value in DG is at \$2.76B
 - Increase is at 5.6% annually
- The Village's total tax levy in dollars was reviewed
 - 2016 tax levied amount \$12.3M
 - 2021 tax levies are at \$15.8M
 - Increase of approximately 5.7% annually

When the EAV and the tax levy grow at the same rate, the result is a very steady tax rate on Property Tax bills.

- Tax rate in 2016 was .58%
- Tax rate in 2021 is .58%

Manager Fieldman gave a comparison of the Village of Downers Grove tax rate to other municipalities in DuPage County – of 19 municipalities, the Village fell at number #6 (lowest rate was #1) and compared very well to other municipalities; the median house household in Downers Grove pays \$736 per year in taxes to the Village and compares very well to other DuPage County municipalities – also putting us at #6 (lowest at #1). Over the next couple of years the tax percent will increase from 5.7% to 8-10% - this is driven by the Public Safety Pension, an increase of \$120k a year in operational costs, and if the Council chooses to add the facilities funding gap of \$250K. The EAV has been going up on residential properties and is expected to continue to go up, but if it will increase at the rate of 8-10% is unknown.

American Rescue Plan

The ARP is a Federal funding plan directed to municipalities and allows the municipalities to use funding in the following 4 key areas:

- Households, businesses, non-for-profit organizations
- Public sector and private sector essential workers
- Government services - to the extent of revenue reduction experienced due to the Pandemic
- Investments necessary in water, sewer and broadband systems

Manager Fieldman stated that the Village will be receiving \$4.9M in American Recue Plan funding; \$2.45M was received and deposited earlier this month; another \$2.45M to be received next year and must be spent by 12/31/2024; there are exceptions that allow the Village to file for extension to 2026.

The following were the objectives proposed by staff for the use of the funds (consistent with the LRP uses of the past):

- Adhere to the regulations and guidance of the Act; use it as it is intended to be used.
- Enhance Village Financial Sustainability; use the money in such a way that when the money runs out, we are left with a sustainable service with a continuing funding source.
- Further Village goals and priorities; this is way we are talking about the ARP efforts and the money should be used toward top priorities.
- Minimize administrative burden; keeping a low overhead and using tax dollars efficiently.

The following are the options for the use of the ARP money:

- *OPTION #1: Street maintenance*
 - Improve street conditions
 - If keep to current maintenance plan, the balance of Capital Fund would go up by the amount of ARP money received - \$4.9M.
 - Use funds available for the Facilities Replacement and Sustainability Plan; the \$4.9M would be added to the Village's equity of \$11-13M and may get rid of the funding gap.
- *OPTION #2: Water or Stormwater Projects*
 - Condition of systems would be improved
 - Use of debt instruments
 - Potential impact to rate payers

If \$4.9M was put in the stormwater funds – the bond money amount could be reduced; could accelerate the rate at which projects are completed or reduce the rate of the stormwater fund utilities fees.

- *OPTION #3: Direct funding to residents, businesses and non-for-profits*
 - Mitigate the negative economic impacts on households, businesses or entities that would receive the money.
 - Minimizing administrative burden would mean we would need to develop a grant program, administrate it and set up conditions of who would get what of the money distribution.
- *OPTION #4: Any combination of options 1-3.*

Commissioner and Mayor Comments/Questions

Mayor Barnett: A lot to think about; asked for opinions

Commissioner Hosé: Agrees with Option #1; the concept of value; more to value than just what is paid – it's about what you get for what you have paid; looking at the tax payment from the average DG household, with award winning Police and Fire Departments in DG and Public Works taking care of streets and sidewalks the way they do, it enhances the idea of the value that DG residents get for their tax dollar; with Option #1 – the benefit with this enhances the ability to deliver the facilities project with minimal burden to the residents by eliminating the property tax increase; stands in full support.

Commissioner Kulovany: Agrees with Option #1; big ticket item; absorbs a lot of resources and freeing up funds with ARP money; personally thinks the funds are best used put in facilities.

Commissioner Walus: Agrees with Option #1; is good with doing combination of Option #1 & Option #2 if fellow Commissioners are on board too; Option #3 isn't appealing because of trying to create a matrix and prioritizing who would get the money - would be hard and a big administrative burden; Option #1 benefits the residents and the Village as a whole.

Commissioner Sadowski-Fugitt: Agrees Option #1, the best use of funds; Option #3 sounds good on surface – but because we aren't in the grant funding business, it would be hard to assess those types of needs and would cause too much administrative burden; could get behind Option #1 and Option #2 but thinks just Option #1 would impact everyone in the Village positively.

Commissioner Glover: Agrees with Option #1; thinks important the funds be used on facilities; Option #3 would

be a mess; for those people that are in need of more funds, hopefully they have received funds from other government entities and thinks the \$4.9M would get diluted when distributing, not changing personal situations much; in full support of Option #1.

Commissioner Gilmartin: Agrees with Option #1; one caveat is the uncertainty of what's to come (as stated earlier by Mr. Casa with the EDC); would agree with combining OPTION #1 with OPTION #3 – doesn't think a grant program needs to be created and since non-for-profits have a good handle on grants, they could assist with this; the future is unknown and residents, businesses and non-for-profits may need help; not everyone owns a home and not everyone would benefit from Option #1 and thinks consideration needs to be made.

Mayor Barnett: Agrees with Option #1; no interest in Options #2, #3 or a combination of them; as mentioned earlier when speaking about the Facilities Plan, there are a lot of variables to the plan; decisions to be made by Council along the way – i.e. how green is building, what sale will be accepted - the decisions the Council makes is normally related to how the residents will benefit; he appreciates the flexibility to be able to do this in an efficient, frugal, responsible and environmentally sustainable way.

Commissioner Kulovany: Paramount to continue robust efforts around Economic Development – relating to recent commercial developments and what they have brought in, as opposed to property values going up; would like to know how many commercial properties we acquired because we went out looking for potential buyers, as opposed to sitting back and waiting for buyers to come to the Village.

Manager Fieldman recapped what went on tonight – this will show in the next draft of LRP.

Mayor Barnett: Cost to operate Village is appx \$140k a day to operate the Village; Village takes in \$40K a day in Property Taxes; this leaves \$100k a day that doesn't come from Property Tax; this is why everything else is so important in keeping services levels up; average household pays Property Taxes of approximately \$736 a year/\$2 a day; revisit policy on how to levy taxes – a couple years ago \$125K was the Tax Levy amount; if level of service delivery to increases or even stay the same level (employees are 70% of cost) – the EAV won't keep up; it's a problem that won't go away; as Council conversations of LRP and budget continue, wants to talk about other ways we can capture (financial) growth for operational growth – limit amount of increase or a new formula will be necessary; future of Village –mainly its service level - needs to be considered and not sure if it can be maintained just based on EAV growth.

Commissioner Gilmartin: Has noticed most of discussions are tied to safety (Police/Fire); strategic goals don't mention safety and wants to align them; thinks it will be a touchstone; not on tonight's discussion and would like to discuss in the future and wants everyone to start thinking about it.

Public Comment

David Rose, resident, had questions about the ARP and the use of the money toward taxes; the Municipal Tax rate comparison with other municipalities; facilities replacement and partnership with District 58.

Manager Fieldman: Suggested he read the guidance released by Treasury Department and gave a brief explanation; answered tax rate comparison questions and directed Mr. Rose to a previous LRP report for answers to specific questions; answered facilities questions.

● **Adjournment**

MOTION: To adjourn the June 15, 2021 Village Council meeting.

RESULT: Motion carried unanimously by voice vote.

MOTIONED TO APPROVE: Commissioner José

AYES: Commissioner José, Commissioner Glover, Commissioner Gilmartin, Commissioner Kulovany, Commissioner Sadowski-Fugitt, Commissioner Walus, Mayor Barnett

NAYES: None

Mayor Barnett declared the motion carried by voice vote and the meeting adjourned at 9:23 p.m.

Respectfully submitted,

Rosa Berardi
Village Clerk

rRemarks for June 15th, 2021 Village Council Meeting			
Agenda Section	Agenda Item	Comment	Commenter
Comments of a General Nature		As our state prepares to honor and officially recognize Juneteenth, celebrating the emancipation of those who had been enslaved here in the United States, it would be wonderful for Downers Grove to do so as well. Though slavery in this form has ended, our history of racism in the United States continues. Honoring this day gives us an opportunity to reflect on our past, learn about our history, celebrate a step forward, and consider anew how we continue to become a more just, welcoming, and inclusive community.	Rev. Andi Voinovich, Downers Grove
Comments of a General Nature		The African-American Community wishes the Village of Downers Grove to acknowledge "Juneteenth" in recognition of an apology to the descendants of those slaves who were held captive in Texas during the year of June 19th, 1865 thereafter their freedom had been granted in January 1st, 1863, two years prior to their release.I recommend grants and/or scholarships to the descendants of these former slaves.	Regina Brent, Naperville