



MINUTES

President and Board of Trustees
Village of Arlington Heights
Virtual Meeting
Arlington Heights Village Hall
33 S. Arlington Heights Road
Arlington Heights, IL 60005
July 20, 2020
7:00 PM

I. CALL TO ORDER

II. PLEDGE OF ALLEGIANCE

III. ROLL CALL OF MEMBERS

President Hayes and the following Trustees responded to roll: Rosenberg, Scaletta, LaBedz, Padovani, Canty, Baldino and Schwingbeck. Trustee Tinaglia was absent.

Also present were: Randy Recklaus, Charles Perkins, Robin Ward, Nora Boyer and Becky Hume

IV. APPROVAL OF MINUTES

A. Committee of the Whole 06/15/2020 Approved

Trustee Bert Rosenberg moved to approve. Trustee Tom Schwingbeck Seconded the Motion.
The Motion: Passed
Ayes: Baldino, Canty, Hayes, LaBedz, Padovani, Rosenberg, Scaletta, Schwingbeck

Absent: Tinaglia

B. 07/06/2020 Village Board Approved

Trustee Mary Beth Canty moved to approve. Trustee Robin LaBedz Seconded the Motion.
The Motion: Passed
Ayes: Baldino, Canty, Hayes, LaBedz, Padovani, Rosenberg, Schwingbeck

Abstain: Scaletta
Absent: Tinaglia

V. APPROVAL OF ACCOUNTS PAYABLE

A. 07/15/2020 Warrant Register Approved

Trustee Bert Rosenberg moved to approve in the amount of \$1,210,561.63.
Trustee John Scaletta Seconded the Motion.
The Motion: Passed
Ayes: Baldino, Canty, Hayes, LaBedz, Padovani, Rosenberg, Scaletta,
Schwingbeck

Absent: Tinaglia

VI. RECOGNITIONS AND PRESENTATIONS

VII. PUBLIC HEARINGS

Trustee Robin LaBedz moved to open the Public Hearing. Trustee Bert Rosenberg Seconded the Motion.
The Motion: Passed
Ayes: Baldino, Canty, Hayes, LaBedz, Padovani, Rosenberg, Scaletta,
Schwingbeck

Absent: Tinaglia

A. 2020- 2024 Consolidated Plan including the 2020 Annual Action Plan and CDBG Budget Approved

Trustee John Scaletta moved to close the Public Hearing. Trustee Bert Rosenberg Seconded the Motion.
The Motion: Passed
Ayes: Baldino, Canty, Hayes, LaBedz, Padovani, Rosenberg, Scaletta,
Schwingbeck

Absent: Tinaglia

VIII. CITIZENS TO BE HEARD

On June 29th, I came to the village with concern over loud music affecting residents that occupy the Metrolofts building in downtown. Following that meeting, I was invited to attend a conference call between residents and businesses to amicably discuss how to troubleshoot this issue. Thank you for your timely attention to this matter. During the meeting, residents were encouraged to continue to work with the businesses directly. The businesses on the call were Hey Nonny, Coco and Blu, and The Piano Bar.

I've made three calls to Coco and Blu asking them to turn down their outside music. Each time they responded politely and made the adjustments. However, I do not believe this to be a long term solution without guidance from the village. I'd like to ask these businesses to move their music inside where their patrons can enjoy it. This will restore the balance between business needs and residential needs. Thank you for your attention to this matter. Matthew Cohan

Recently we have all heard about a lot of negativity toward police. Sometimes, unfortunately it has gone beyond rhetoric and some uniformed men and women have been violently assaulted while trying to fulfill their sworn duty to serve and protect. Reportedly the morale of officers has been impacted. How specifically has the Village of Arlington Heights shown its support for and appreciation of our police officers? Linda Koch

President Hayes said the Village seriously supports our the Police and Fire Departments. Residents have expressed support for the Police in peaceful and respectful manner as evidenced by the recent the protests. There was no violence, no confrontations, nothing against our Department. These actions or lack thereof speak volumes about our community and our officers. We support them 100% and thank them daily.

Mr. Recklaus said a civil call between businesses and residents occurred on noise. The Alfresco concept was in response to an economic crisis. It's a balancing act and Mr. Recklaus wants everyone to be heard. The number of complaints on noise is relatively few. The business community has responded every time we have shared complaints. Staff will follow up with Coco and Blu. The Alfresco concept has overwhelmingly positive responses from the residents.

President Hayes said good government requires the ability to compromise. The Board is trying its best to compromise and settle the issues for everyone.

Dominique Sawko said the noise issue is still unresolved. She thanked the restaurants who have turned their music down. There are a few who have not. Music can be heard music even when the windows are closed. There is loud music all days of the week and it feels like a music festival. She cited the Ordinances for Metropolis' development which stated "No loud music shall be permitted to flow outside of the units." She asked the Village to enforce the ordinances and its own plans for Alfresco. She asked businesses to remove speakers from streets and sidewalks. She asked for businesses to turn down the music so Metrolofts residents can enjoy their homes.

President Hayes replied that the Village will continue to enforce the requirement on noise and work toward cooperation.

Marilyn Smith said every time we have noise issues, its the resident's responsibility to call the establishments to turn the music down. Why is it

our problem to notify them? The venues should take it upon themselves to be good neighbors. She said she can't watch TV or read in her own home. It should not be incumbent on the residents to complain.

President Hayes agreed 100%. Residents should not need to complain. Businesses should be compliant. The Village is being proactive and will continue to be.

Geri Wasserman said police reform is needed on state local and national level. She has sent questions to Chief Pecora, but has had no response as of yet. She said having education helps us and leads us in a good direction.

President Hayes answered that Chief Pecora is very responsive to public inquiries and will respond in short order. There was a presentation by the Chief and a review of policies and programs a few weeks ago at the Village Board meeting.

Chip Brooks of Hey Nonny said he would love to move things in side, but the public wants to be outside because of the pandemic. People don't want to buy tickets for inside. When we can move inside, we will. The businesses have done a tremendous amount to try and reduce volumes a great deal.

Trustee Padovani asked if there was some way to monitor noise levels. He sees valid points on both sides. For Hey Nonny and the Piano Bar, music is critical for their success. Metrolofts needs to be able to live without noise. Might the noise increase as it goes higher?

Mr. Recklaus said the nuisance ordinance comes into effect which means the noise has to be consistent and be a reasonable sound that people would find objectionable. Staff is happy to meet and continue to discuss this issue. When we get complaints, the businesses get a phone call. He would be happy to go to someone's condo to experience the noise to help understand the issues.

Trustee Scaletta said he hopes the Board votes to continue Alfresco through September, but we need harmony in the downtown. He asked for everyone to get together and make it work. Alfresco is to provide outside dining, not entertainment.

Trustee Rosenberg asked if there were sound measuring devices. The answer was no.

IX. OLD BUSINESS

X. CONSENT AGENDA

CONSENT OLD BUSINESS

A. Pavement Management Services 2020 Approved

B. Police Pursuit Utility Vehicles Purchase 2020 Approved

The Motion: Passed

Ayes: Baldino, Canty, Hayes, LaBedz, Padovani, Rosenberg, Scaletta, Schwingbeck

Absent: Tinaglia

- C. An Ordinance Designating Two-Way Stop Streets (Scarsdale Neighborhood) Approved

Trustee Greg Padovani moved to approve 2020-023. Trustee Mary Beth Canty Seconded the Motion.

The Motion: Passed

Ayes: Baldino, Canty, Hayes, LaBedz, Padovani, Rosenberg, Scaletta, Schwingbeck

Absent: Tinaglia

CONSENT REPORT OF THE VILLAGE MANAGER

XI. APPROVAL OF BIDS

XII. NEW BUSINESS

- A. Inclusionary Housing Ordinance / Affordable Housing Approved

Mr. Perkins explained the formal process over the past year that led up to tonight's proposed Ordinance. The Village has had affordable housing guidelines for inclusion of affordable units in multi-unit developments or for a fee-in-lieu since 2008 (for sale) and 2010 (rental). After discussion of the Arlington 425 development in 2019, the Board asked staff to refine the guidelines and include input from the development community, interested parties, the Housing Commission, staff and the Village Board.

The Inclusionary Housing Ordinance being presented tonight has the following key elements:

- Removal of Senior Residential Community definition and requirements.
- Removal of linkage fee requirements for single family additions of 50% or more.
- Modification of the multifamily linkage fee for developments containing 9 or fewer units from \$7,500 to \$3,500
- Modification of the linkage fee for multi-family for sale developments containing 9 or fewer units from \$7,500 to \$3,500.
- Alternative contributions based on the value of the unit be included for 10% of units with a cap of \$75,000
- If a developer received a permit fee waiver and is non-compliant with the inclusionary housing ordinance, penalties pursuant to the Code's general penalty provisions could be enforced.

Only seven other communities in the Chicago area have ordinances regarding affordable housing. The previous guidelines were deemed unrealistic and unenforceable, with developers negotiating the number units and fees down. The proposed ordinance tries to walk the line that encourages development while still creating affordable units.

It is hoped that this Ordinance helps meet the Board's goal to continue to explore and encourage affordable private housing. The Village's affordable housing goals predate the State laws enacted in 2003 which set a 10% minimum standard. The Village has an interest in being compliant with the State's standards, but has goals and policies over and above the Affordable Housing Planning and Appeals Act.

The new Ordinance would require developments of 9 units or more to provide affordable units. In the downtown, 7.5% of the units should be affordable with a minimum of 5% while paying the other 2.5% as a \$25,000 fee-in-lieu per unit. Developments outside of the downtown need 5% of the units to be affordable. Developments with public assistance are required to have 10%.

Trustee Schwingbeck said he was glad there will be room for discussion. If we see developers walk away or not come to the village and going to other towns, we will have to monitor this closely. He hopes developers don't walk away.

Trustee Scaletta asked if the HUD number of 30% includes real estate taxes. Ms. Boyer said yes. It's a total percentage of cost as relates to income. Trustee Scaletta noted that taxes are sometimes the unreasonable part, since they are not under Village control, how can the Village ensure a property + taxes will sell as an affordable unit? Mr. Perkins said this example is a large reason staff is not recommending "for sale" product be required to have affordable.

Staff is only recommending that rental developments include affordable units. Timber Courts, a "for sale" product has been problematic. When Timber Courts owners want to sell, they are deed restricted the units can't appreciate. Many are now rented out because the owners can't sell them. Ms. Boyer said there used to be lenders for deed restricted units, but since the recession they have diminished. Trustee Scaletta said that while affordable housing is a great policy, he didn't want it to get in the way of development.

Trustee Canty was concerned that the linkage fee amount was too low. She doesn't want the Village to lose a lot of affordable housing stock. Some residents have raised concerns requiring a minimum of 5% in downtown thinking that over time, when we need 10% we will start running out of units. She asked if the Village's 19% was accurate. Ms. Boyer said 5 years ago the Village was at 13%. The measurement is done by Illinois Housing Authority which uses one standard. In calculating of housing costs,

association dues are not included. Some condos are over counted as affordable. Trustee Canty said she was glad the preferences were in a place that were more easily changed.

Trustee Baldino expressed concern on sustaining a 5% requirement for units. He hopes development is coming but it may dilute our percentages. It's possible the Village will lose the 10% goal. He asked how a tear down is determined administratively. Mr. Perkins said through Design Commission process the designation is identified. When only one wall is remaining in a "remodel" that is a tear down. The definition is stated in administrative guidelines, but there is interpretation. If there is disagreement, it would come before the Village Board. No one wants to charge a fee to existing homeowners. Trustee Baldino said the linkage fee may not be helpful at only .3% of the list price. The profit margin is of more interest. Mr. Recklaus said it's a good thing in our community that we have market tailwinds that allow us to improve housing stock and houses don't go into disrepair. We don't want to have an unchecked market where you lose all your affordable housing. The \$3,500 is a start. If it is too high or low we can change direction.

Resident Comments

1. Dear Arlington Heights Mayor and Board of Trustees, As a person of faith attending Southminster Presbyterian Church I support the Affordable Housing Ordinance. I believe that offering affordable housing to the village's service and restaurant industry workers, health and essential workers, etc. in Arlington Heights is a visible sign of the town's efforts to equalize availability of new housing that ALL can afford. Living in the community these workers serve provides them with new, quality housing and the amenities this village provides its residents. Arlington Heights needs all these workers to keep our local economy strong! This relationship is of fundamental importance to all. However, I see that the alternative provisions have still allowed developers an opportunity to opt out. As seen in past history, the Fund that collects these opt-out fees continues to grow, bypassing the village's commitment to equal housing for all especially during current times when minorities are asking for equal opportunities in many areas. Sincerely, Linda Waycie, Southminster Presbyterian Church member

2. I am writing regarding the proposed affordable housing ordinance. While I am pleased the Village Board is considering an affordable housing ordinance, I urge the Board to consider a 10% affordable housing inclusion rate in all new private rental developments and an affordability rate of 12.5% or greater in order to better serve the needs of our community, particularly in light of economic challenges impacted by COVID-19. Thank you for your consideration. Christine Organ, 14 W. Euclid Ave., Arlington Heights, IL 60004

3. Dear AHBOT, If I weren't attending the Senior Citizens Commission meeting now, I would be addressing you in person. Lack of AH Affordable

Housing persists as a major concern as documented most recently in our AARP Age-Friendly Community survey. This despite the voluminous work that's been done, including the new inclusionary housing ordinance - all of which I have read through and which to the un-enlightened (like myself) tends to obfuscate the problem. I ask: What are the real issues? Definition? Zoning? Costs? Other factors? What projected needs are we trying to meet? How will this new ordinance really help in the big picture? I think we need more public education/transparency and discussion here.

Also, on a similar note, what is the timetable for moving forward on your stated goals of Diversity and Inclusion? I think the community discussion groups that I understand are in the works are immensely exciting. With all the change going on we need to be part of the solution or we will continue to be part of the problem. Thank you, George S. Motto, M.D.

4. I am writing in regards to the affordable housing requirements that are on the agenda to be voted on tonight. There are 3 areas that I would like to comment on in the new proposed requirements.

1. Section 7-1707 (b) 1 Downtown (B-5 District) The 7.5% affordability requirement is too low and should be pegged to the 10% guideline for inclusive units within a community. The 10% rate will help keep our community at an equitable level of affordable housing. However, if the level remains below 10%, the fee-in-lieu should be at least \$100,000 here to encourage included units.

2. Section 7-1712 Alternative Contributions. I do not agree with reinstating the alternative contributions as recommended by the Housing Commission on 2/4. My concern is the possibility of creating affordable housing buildings and/or affordable housing neighborhoods that are separate and distinct. I realize that this is not the intent of the Housing Commission, but I think it's a real possibility.

3. Section 7-1704 Covered Development Projects. I live in downtown Arlington Heights. While I can't quote the number, I see a number of older, smaller, houses being torn-down to create quite larger new buildings. This is going to affect the number of affordable houses available. I'd like to see the fee imposed to be larger than \$3500. I don't think this will deter those that want the high priced new homes, but it will help create a fund for more affordable housing.

Thank you for the opportunity to comment. Lorri Grainawi, 227 S Vail Arlington Heights, IL, Co-President, Housing Task Force, Wheeling, IL

5. Keith Moens encouraged Board to be bold and put forth an inclusive ordinance to set an example for the rest of the area. He doesn't think developers will run away. He agreed that 5% is too low, 10% would be better. Teardowns have had a devastating effect on some of the neighborhoods like Hasbrook and Virginia Terrace. In TIF districts, rental units are 10%, owner occupied units should be held to the same standard.

6. Wendy Dunnington said she approved of a 10% inclusion rate. It would

make the Village a leader in the Northwest Suburbs.

7. Geri Wasserman asked if there was evidence that developers have walked away. The goal is to have as many affordable units as we can. 25% of Village residents meet the requirement. With Covid, the number has to have increased. She would like teardown fees to be increased. She asked the Board to make a strong statement on inclusivity. She would like to see the 10% all over town, including downtown.

President Hayes said there are very few ordinances like this in any community in the region, and the Village is certainly being a leader.

Trustee Scaletta asked which towns have Affordable Housing Ordinances or Policies. The answer: Highland Park, Evanston, Lake Forest, Oak Park, Crystal Lake, and St. Charles. Two developers have walked because of this condition. One from the Molon Motors site and one on South Arlington Heights Road and Seegers. Mr. Perkins said the he knows it doesn't go far enough for some and too far for developers. We don't want to scare development away, but are trying to allow for affordable housing and gain fees for other nonprofit developments.

Trustee Rosenberg agreed with Mr. Perkins. The Village needs to be cognizant of bringing developers to the table. We need some flexibility and adaptability. Lenders look at revenue, the affordability of financing has to be considered. He said he was looking forward to seeing how the funds will be put to use. He suggested a committee should be created for fund oversight next.

Trustee Padovani said the funds will be an opportunity for the future. The proposed Ordinance is a starting point but we need to continue to monitor the environment. He said he didn't see this as set in stone, but a starting point.

President Hayes agreed. It's hard to determine what is right, but it's a good starting point to jump off from and see what the impact is.

Trustee LaBedz said it's a good start even if it's not perfect. She asked if the development on Hickory agreed to affordable units. Mr. Perkins said they did in their second phase. Their first phase paid a fee in lieu. The Village asked them go to 10% because it's a TIF district. The project has not moved forward. Four North Hickory has asked for a 12 month extension.

President Hayes said Arlington Heights has taken a leadership position on affordable housing. This action is another step in codifying our programs. Very few communities have done this, making our community more welcoming to any/all who want to live here.

Trustee Richard Baldino moved to approve. Trustee Mary Beth Canty
Seconded the Motion.
The Motion: Passed
Ayes: Baldino, Canty, Hayes, LaBedz, Padovani, Rosenberg, Scaletta,
Schwingbeck

Absent: Tinaglia

- B. Report of Committee of the Whole Meeting from Approved
July 13, 2020
Adult Use Cannabis Discussion
Trustee Baldino moved, seconded by Trustee
Canty, to direct Staff to develop Option 4, which
is to work with the existing medical marijuana
dispensary to allow recreational sales exclusively
at its location for some period of time. Motion
passed.

President Hayes said he is opposed to sales of recreational marijuana and
clearly stated his reasons why at the Committee of the Whole meeting of
July 13th, 2020 and the Village Board meeting of November 3, 2019.

Staff is hoping to bring the Ordinance before the Board in August or
September for a vote after working out the issues with the operator.

Trustee Richard Baldino moved to direct staff to develop a pilot program
with the existing medial marijuana dispensary to allow adult use sales
exclusively at that location for a period of time. Trustee Mary Beth Canty
Seconded the Motion.

The Motion: Passed

Ayes: Baldino, Canty, LaBedz, Padovani, Rosenberg, Scaletta, Schwingbeck
Nays: Hayes

Absent: Tinaglia

XIII. LEGAL

XIV. REPORT OF THE VILLAGE MANAGER

- A. 2020- 2024 Consolidated Plan including the 2020 Annual Action Plan and CDBG Budget Approved

XV. APPOINTMENTS

XVI. PETITIONS AND COMMUNICATIONS

- A. Request for Closed Session per ILCS 120/2(c)
(21): Discussion of minutes lawfully closed,
whether for purposes of approval of the minutes

or the semi-annual review of the minutes

- and -

5 ILCS 120/2(c) (11) litigation, when an action against, affecting or on behalf of the Village has been filed and is pending before a court or administrative tribunal, or when the Board finds that an action is probable or imminent

XVII. ADJOURNMENT

Trustee Greg Padovani moved to adjourn to Closed Session at 8:54.

Trustee John Scaletta Seconded the Motion.

The Motion: Passed

Ayes: Baldino, Canty, Hayes, LaBedz, Padovani, Rosenberg, Scaletta, Schwingbeck

Absent: Tinaglia