MINUTES
President and Board of Trustees
Village of Arlington Heights
Committee-of-the-Whole
Board Room

March 28, 2016
7:30 PM

I. CALL TO ORDER

II. PLEDGE OF ALLEGIANCE

III. ROLL CALL

President Hayes and the following Trustees were present: Glasgow, Tinaglia, Rosenberg, Scaletta (entered at 7:35), Sidor, Blackwood and Farwell.

Trustee LaBedz was absent

Staff members present: Randy Recklaus, Tom Kuehne, Charles Perkins, Ken Koeppen, Mary Ellen Juarez, Georgine Voight, Alexis Smulson, Bernie Lyons, Pete Ahlman, Richard Manthy, Vic Tamosaitis, Dwayne Wood, Andrew Larson and Becky Hume

IV. NEW BUSINESS

A. Departmental Status Reports - Finance

Mr. Kuehne presented the scope of services of the Finance Department to the Board. He introduced the department's investigation into online payment software. The goal is to allow users to pay via multiple technology platforms and have the software easily link to the existing accounting software. Mr. Kuehne highlighted the efforts made to change the fiscal year to align with the calendar year. He said the department is working on a two year plan to increase annual street expenditures to keep the Village's streets at the current "good" level. He also said there will be challenges regarding the storm sewer maintenance program funding.

Mr. Kuehne anticipates that the contribution requirements will increase for the Police and Fire Pension Funds as the stock market has been sluggish. The Village's actuary is working on this issue with numbers to be forthcoming. The Finance Department is investigating how a storm water utility fee could be implemented as a financial answer to storm sewer maintenance costs. Mr. Kuehne is also directing the department to review the Village's investment policy and recommended a fixed asset valuation study for property insurance purposes.

Trustee Rosenberg asked if the online pay software has been around for a while. Ms. Juarez said that the Village has used Sunguard (accounting software) for over 20 years, and Sunguard recommended this software as they have integrated it with other municipalities successfully. Trustee Rosenberg asked if the new software can handle the variety of payments the Village incurs. Ms. Juarez said it handles utilities and parking tickets as well as a dozen different payment categories. It is still being reviewed.

Trustee Rosenberg asked if there was an amount anticipated to cover the Police and Fire Pension funds. Mr. Kuehne said the numbers are very preliminary but it could be a combined amount of $500,000. It is also possible for the Village to adjust the assumptions time frame to 5 years from 3, as a way to smooth out market fluctuations. Evaluation needs to be done and further discussion will ensue. Each year that rolls over could be a new 5 year spread.

Trustee Rosenberg asked if there were bonds expiring so the Village could re-bond for sewer projects. Mr. Kuehne said he thought there were some bonds maturing in 2-3 years which might allow for a bond issue without raising property taxes.

President Hayes thanked Mr. Kuehne for keeping the Village in a strong financial position.

Trustee Farwell thanked the Finance Department for the fiscal change to the calendar year as it increased transparency.

Trustee Sidor said he noticed a grand improvement over the last three years in customer service.

Trustee Tinaglia asked how the Village can better communicate and educate residents as to where their tax dollars are going. Mr. Kuehne said he would give it some thought and noted that the press did a good job with the infrastructure reporting in the past year.

Trustee Scaletta said moving the fiscal year to agree with the calendar year was in public's best interest. He noted the Finance Department does a great job providing information. He said he appreciated the Departments efforts with Metropolis. He said the efforts to improve customer service are good.

Trustee Rosenberg asked if the Village is self-insured, why an asset valuation was necessary. Mr. Kuehne said that the Village is responsible for the first level and is self-insured up to that point. Above that level, the Village belongs to an insurance pool and the valuations need to be reported.

Trustee Blackwood said it is important to prepare for what needs to be done with infrastructure and pensions and thanked Mr. Kuehne for the clear communication. She said as the Village goes forward there needs to be a laser beam focus on infrastructure.

B. Departmental Status Reports - Planning

Mr. Perkins reviewed the Planning Department's accomplishments and workload over the past year. Staffing levels are a challenge as the economy has improved; therefore more projects are coming through needing attention. The volume of work also takes away from staff's ability to work on long term and complex projects in order to give residents the customer service they deserve. Deputy Planning Director Bill Enright headed a committee to reduce multiple permitting reviews when possible. Permitting responsibilities were also reevaluated and reassigned to help balance work load.

Community survey data on corridor appearance was presented with 90% of respondents agreeing with improving the appearance of certain corridors along major roadways. A consultant analysis of improving the pedestrian experience on Evergreen will be forthcoming. Also in the works are new streetscape concepts for downtown.

President Hayes said the supported beefing up staffing as Planning is a revenue generator. It is important they have the resources they need to accomplish and maximize their revenue generating potential.

Trustee Glasgow asked if there was a way for some permits to be paperless. Mr. Perkins said permits are submitted in Building and routed to Planning. All are hard copies. He said some permits could move to an electronic format, the Building Department would need to be part of any change. Mr. Recklaus said the new website will have more avenues for paperless permits. Fences and sheds are perfect examples.

Trustee Glasgow asked if the Rand Road Corridor will be a viable revenue area in the in future given the pressure from Deer Park and Randhurst Village. Mr. Perkins said that it could, but it is facing challenges. The higher end retailers are going to Deer Park because it is aesthetically pleasing. There are a multitude of different owners so some centers look better than others. There is tremendous traffic volume. Retailers are very selective. Mr. Perkins said stabilizing the area would be the minimum standard. There are fewer retailers in general so attracting them gets more challenging. It is hard to say if improvements will generate more sales tax.

Trustee Tinaglia asked if some of the permit review process can be taken off of Planning's shoulders. There is very talented staff looking at basic reviews. He said adding an entry level person to look at basic reviews is another option, leaving the talent to review larger issues.

Mr. Recklaus said all departments are stretched. He said the suggestion of reallocating permit reviews can't be answered tonight, because a lot has to be taken into consideration. Trustee Tinaglia said the Planning Department clearly needs help. He said he feels the same way about the Building Department. Both need horsepower. Trustee Tinaglia said he would like to find a way to encourage property owners to invest in their properties and show them that upgrades only do good things for everyone. Mr. Perkins said Code enforcement is one way and Planning has talked about trying to put together a marketing piece on the benefits of upgrades.

Trustee Scaletta asked for updates on the 13 East Miner and the Arlington Downs projects. Mr. Perkins said 13 E. Miner has two years before they come back for final approval, and staff has had no update. The permits have been issued for Arlington Downs but have not been picked up. It has been difficult for them to get financing for certain components of the project. He said they are close to getting tenants on the East commercial side.

Trustee Scaletta asked why the CDBG numbers changed so dramatically over the years both in terms of dollars and number of applicants. Housing Planner Nora Boyer will respond to this.

Trustee Scaletta asked if residents were asked if they would be willing to raise taxes to improve corridor's appearances. Mr. Perkins said this question was not asked. Trustee Scaletta noted that the cost presented at the CIP meeting to improve Northwest Highway was $1.2 Million. He said there needs to be a reasonable way to improve appearances and said he was not in favor of spending a lot of money for corridor aesthetics. Mr. Perkins said the plan presented at CIP was a 5 year plan which had a more modest approach in the following years. Mr. Perkins said retailers are choosing Deer Park because of a combination of synergy, ambiance and its distance from Woodfield.

Mr. Recklaus said much of development is out of the Village's hands. The one button the Village can push is to improve the physical location. How much and when are the decisions the Village has.

Trustee Scaletta asked why Evergreen was not pedestrian friendly. Mr. Perkins said there is only a foot of walking space next to the Condo building. The consultant is looking at eliminating the center turn lane to add parking and increasing the depth of the sidewalk on the East side. There could also be a mid-block crosswalk. Mr. Perkins said they are looking at concepts at this point. Trustee Scaletta expressed skepticism that the size of the sidewalk was deterring visitors to that area.

Trustee Farwell said he would like to know more about the permit review evaluation process, what changed, and how the responsibilities were divided. He said reviewing sheds should not be part of the Planning Department's responsibilities. He said he looked forward to the new Building Director's approach. He said it was important for the Board to look at work loads of all departments and evaluate the delivery of essential services. He said he never thought balancing expansion would be viewed as difficult. He said he would rather decrease the demands on Planning before adding staff. He said he saw other departments having greater needs.

Trustee Farwell said Mr. Perkins brought alternatives for development financing to the Board in 2007. He said it would be good to look at those ideas again to foster development.

Trustee Sidor said the Chamber of Commerce's Small Business Report should have been included. He asked if the program was viable. Mr. Perkins said it is still early to evaluate as there has been a learning curve for the Chamber as far as understanding the Village's internal processes and the reporting requirements. As the Chamber gets more familiar with Village procedures, it will get more efficient. Having the Chamber involved helps to cover the more than 4,000 businesses in the Village.

Trustee Sidor asked about the Planning Department's database. Mr. Perkins said business statistics come from the Building Department's licensing information. This information is only as good as what is provided by the owners. There are also some resources at the Library. Currently the Village does not have one source for all local business data. Trustee Sidor said the Board is data driven; the ability to manipulate accurate data is important and up to date email contact information. Mr. Perkins said he would like to collect more information but isn't able to do so.

Mr. Recklaus said a casualty of being understaffed is often reporting. Departments are so busy doing the work; they often don't have time to develop tools to share it out. Part of Ms. Mikula's task is to help all departments get there.

Trustee Blackwood asked if all 532 the business retention visits were from the Planning Department. Mr. Perkins said yes, some were phone calls or communications, they were not all visits. She noted the constant traffic on Rand Road and expressed concern that the businesses going in are consignment and second hand stores in such a prime area. She asked how larger developers can be attracted. Mr. Perkins said it is a concern and the Village has to try to reverse the trend. A lot of these stores moved in after the recession when rates were cheap. He said it is challenging to attract developers. Trustee Blackwood asked if there was much interest in Town and Country. Mr. Perkins said there are two major vacancies, Dominick's which is controlled by Safeway and the former Ashley Furniture.

Mr. Recklaus said Finance and Planning stand out and are success stories. Both departments are facing challenges that didn't exist 10-15 years ago. A lot of the strategies that got the Village to this point won't work moving forward. These directors are not resting on their laurels, they are looking forward. They are doing it with fewer resources and have a real understanding of what is going on in their worlds. If the Village has it's "A" game, it can compete. The pie is smaller in retail, there are fewer players and hard decisions will come to the Board.

C. Departmental Status Reports - Fire

Chief Koeppen explained the scope of services the Fire Department provides. He noted that Arlington Heights received 9,893 calls last year. This averages to 97 calls per firefighter, a much larger amount than neighboring towns. The Fire Department responds based on proximity to a station within a designated district to ensure the shortest response time possible. Mutual Aid agreements with neighboring communities are currently being reviewed. The Rolling Meadows Mutual Aid agreement has been finalized. A new station alerting system is being phased in to help improve response times.

Chief Koeppen highlighted the larger fires to which the Department responded and their successes.

In order to reduce injuries, the Department is looking to install a new "power cot" system in its ambulances. Each system costs $56,000 installed. One will be installed in 2016 with others to follow if it is successful. Each unit must be built into the vehicle so it does not release the stretcher in event of a crash.

The Fire Department will undergo an evaluation by the Insurance Services Office in 2016. The Department anticipates holding its Class 2 designation, but still aspires to a Class 1 designation.

President Hayes said the Fire Department is its most impressive in action and he is very proud of it.

Trustee Glasgow said he is impressed by the performance and quality of the Fire personnel and the job they do. Chief Koeppen said to attain a Class 1, the ISO wanted a 5th fire station on Walnut and Frontage Road, which didn't make sense as Palatine has one nearby on Route 53. They also wanted another fork engine and ladder company and for the Department to add personnel.

Trustee Scaletta noted the cost of the "power cot" system. He said the Department does wonderful prevention and education work. The open house isn't just about opening the doors; it's truly informative and educational. He said he also appreciated the Department visiting schools and institutions to spread the word.

Trustee Rosenberg suggested the backup ambulances could be spared the new "power cot" system or have a modified one to reduce costs. He asked if realignment of fire districts might help spread out calls. Chief Koeppen said they do look at realignment and will look at it again but they also have to maintain certain response times from the station. Trustee Rosenberg noted some discrepancies in the amounts of mutual aid. Lt. Manthy said the most important consideration in Mutual Aid agreements is response times. He said with Rolling Meadows, the Village gave up some of those areas without sacrificing response times and Rolling Meadows gave up some of theirs.

Trustee Farwell thanked the Department for their support of Katie project. So far, 115 homes have been fitted with smoke detectors.

Mr. Recklaus noted that it is hard to become a first time Fire or Police Chief. Chief Koeppen enjoys the management side of the job and is passionate about his team and their development. He's a natural leader and it shows.

V. OTHER BUSINESS

VI. ADJOURNMENT

Trustee Scaletta moved to adjourn the meeting at 10:15 p.m. Trustee Rosenberg seconded the motion. The motion carried.

I N T E R
O F F I C E

MEMO

To: Randy Recklaus, Village Manager
From: Thomas F. Kuehne, Finance Director/Treasurer
Date: February 24, 2016
Subject: **2016 FINANCE DEPARTMENT REPORT**

The Finance Department is comprised of 18 full-time equivalent (FTE) employees who provide an array of services to various internal and external customers. Internal customers include the Village Board, Village Manager, all Village Departments, employees, and pensioners. External customers include residents, vendors, other governments, bond buyers, purchasers of building and parking permits, and other Front Desk customers.

Over the years the Finance Department has worked to continually improve its efficient delivery of service to all of our customers. Since 2002 the Finance Department has decreased from 23 FTE's to 18 FTE's in 2016, or a decrease in staffing of 22%. This has been accomplished through the use of technology and hiring quality staff.

Scope of Services

The Department's scope of services includes key required annual activities, daily/ongoing activities, and a number of special projects that change from year to year. **Attachment A** provides an outline of these activities and projects. Some of the key annual activities are required by State statute such as the annual audit, annual actuary projections, budget/tax levy, and the annual Treasurer's Report. Other key annual activities that are good government or recommended practice activities include the Village's annual 5-year Capital Improvement Program and the 3-year annual operating fund projections. It takes the Finance Staff a number of months to complete each of these annual activities by working extensively with our internal customers. Following the Village Board's approval of these annual reports they are posted online for the benefit of the Village's external customers.

The Department's daily and ongoing activities cover numerous functions that relate to all of our customers. These daily services include activities such as payroll, accounts payable and receivable, treasury, general liability insurance claims and Front Desk interactions among others. As an administrative unit, the Finance Department provides accounting and financial internal services to all levels of the Village organization. As such, it is incumbent on Finance Staff to provide accurate, clear, and dependable information in an efficient manner. This information is subsequently delivered on a daily, weekly, biweekly, monthly, quarterly, or annual basis.

There are a number of special projects that arise each year. Some of these are planned for years in advance, while others can arise quickly. The recently completed bond issue for the new Police Station was the result of a number of years of planning, whereas the need for funding to combat the Emerald Ash Borer infestation came up rather quickly a few years ago. Other upcoming financing proposals that the Village Manager and Finance Staff will prepare for the Board's review include the second phase property tax increase for additional annual street infrastructure, determining a funding source for ongoing storm sewer maintenance work, and determining a funding source(s) for any approved storm water control projects.

One ongoing special project of note is the review and implementation of new online payment software that the Village's Assistant Finance Director, Mary Ellen Juarez is currently spearheading. Customers have asked for a number of service enhancements including a paperless utility bill option, the ability to look online for utility bill and usage history, an easier to use online vehicle sticker payment option, and ease of use of online services through smart phones and tablets. After reviewing a number of alternatives, Ms. Juarez identified a software product called Paymentus that is expected to address the requests of our customers, while seamlessly integrating with the Village's existing accounting software as well as the Village's new website. It is anticipated that this new software will be implemented over the next few months after the completion of the annual audit.

Department Staff will also continue to work on internal staff committees including the Police Station Committee, Garage Renovation Committee, Parking Committee, the Arlington Heights Firefighters' and Police Pension Fund Boards, and others. In addition to these types of internal activities, Finance Staff participates in a number of intergovernmental organizations including membership on the Illinois Municipal Retirement Fund Board, active participation with the Illinois Government Finance Officers' Association, acting as a GFOA national budget reviewer, membership in the High Level Liability Pool, as well as other organizations.

Workload and Performance Data

The Department includes a number a workload and performance measurement data in the annual budget. However, once the Department implements the aforementioned new online payment software, we will pay particular attention to gauging the success or failure of this project. This will be accomplished in part by continuing to measure the number of vehicle stickers, utility bills, and parking tickets purchased online, as well as the number of credit card payments and total credit card fees paid. Staff will also listen to customer feedback and review any internal administrative issues that may arise as the new system is integrated with our existing systems.

From a broad, policy-type perspective there are measures that demonstrate the Village's desire to provide high levels of service and sustainable infrastructure improvements, versus the long-term financial goals of maintaining taxes and fees at reasonable rates. These measures include sales and income tax history, building permit revenue history, and property tax history. Another good measure is how favorably the Village compares with other area communities as is shown in **Attachment B**, Community Survey of Annual Estimated Payments.

After the precipitous decrease in sales and income taxes during the Great Recession, over the last five years the Village has experienced a positive economic cycle which has resulted in greatly improved results for these revenues as shown in **Attachments C and D**. These revenue sources represent a significant portion of the Village's General Fund revenues and can vary significantly depending on the conditions of the economy. The recent positive economic cycle has allowed the Village to keep property tax increases to a minimum as shown in **Attachment E**. Also, by continuing to take a conservative approach to budgeting, the Village has experienced five years of General Fund surpluses which have been used to bolster infrastructure improvements throughout the Village. The current economic cycle has provided a much needed pause after the turmoil and effects of the Great Recession. However, this cycle can be expected to level off at a minimum over the next couple of years. As a result, the General Fund surpluses that we have experienced over the last couple of years are expected to evaporate.

Key Accomplishments – Past Year

There have been a number of accomplishments over the past year, but the key achievements have included:

- Change in fiscal year
- Finance Staff work on the reorganization of the Metropolis Theater, MOC, and ongoing monitoring of the Theater's finances
- Staff assistance with Phase I of the parking garage renovation project
- Proposal and Board approval to update the Village's formal bid limit
- Moody's rating review and low interest rate on Police Station bond issue
- Development of a two-year plan to establish an annual $2.7 million funding increase for the Village's street program

The last accomplishment listed provides an example of where Staff and the Village Board have prudently planned for the future. The Village has worked diligently to identify the need and cost of infrastructure improvements, while living within the constraints of our long-term financial goals. **Attachment F** outlines the various infrastructure improvements, costs, and funding sources that the Village has undertaken over the last couple of years. These capital improvements have allowed the Village to continue our sustainable path of providing a high level of services and infrastructure improvements.

Current and Anticipated Challenges

The State of Illinois' budget impasse may present significant financial challenges for the Village. Questions have arisen such as: Will there be a property tax freeze? Will the State take a portion of the Village's revenues (income tax receipts)? Will there be an expansion of slots to the Arlington Park Racetrack? Answers to these questions over the next year or two could have negative or positive consequences for the Village.

From an internal point of view, Finance Staff will be working to include year two of the two year plan to increase annual street expenditures. To reach the additional $2.7 million annual street work recommended by the consultant just to keep the Village's streets at the current "good" level, last year the Village allocated an annual $500,000 transfer from the Solid Waste Fund for street purposes. The Board also approved a 2015 property tax levy increase of $1.5 million for street purposes, with all other property tax levies kept at a combined 0% increase. The final funding source to reach the additional annual $2.7 million for street improvements is the planned 2016 Capital Fund property tax increase of $700,000.

Other key anticipated challenges include the timing and funding of the annual storm sewer maintenance program and any Board approved one-time storm water control infrastructure projects. Finally, the Village's actuary is currently working on computing the annual required contributions for the Police and Fire Pension Funds, and it is anticipated that the contribution requirements will increase due to the sluggish stock market results in 2015. This will put upward pressure on the Village's 2016 property tax levy.

Key Initiatives Now Underway

The Finance Department has undertaken a concerted effort to improve its customer service. These efforts have included discussions with all Finance Staff, the addition of a customer service category to the formal review process, hiring an excellent Customer Service Representative at the Information Desk, and Front Desk personnel actively working on initial greeting and service. Over the past year there have been no customer service issues that have risen to the Director's attention, whereas during the prior year there were two such complaints. During the past year there were also a couple emails sent to the Department complimenting the Front Desk personnel on the service that was provided. To help maintain this positive direction, the Customer Service Supervisor will be attending additional training in this area that can be shared with Department Staff.

Other initiatives currently underway include:

- Discussions with Finance Department representatives from Buffalo Grove, Palatine and Wheeling on how they implemented their storm water utility fee. This is being done in anticipation of providing recommendations in regard to financing alternatives for the annual storm sewer maintenance program and any approved one-time storm water control projects.
- Review of proposals from investment managers to manage the $32.9 million Police Station bond proceeds.
- Review and implementation of the new Paymentus, online payment software.

Potential New Initiatives

- **Review the Village's investment policy and current practices** – as part of the Village's recent discussions with investment managers seeking to manage the Village's Police Station bond proceeds, it was suggested that the Village could diversify further its existing investment portfolio. By using alternate investments already authorized by the Village's investment policy the managers said the Village would likely be able to accrue additional investment earnings.
- **Fixed asset valuation study for property insurance purposes** – on a periodic basis the Village has an asset valuation completed to ascertain the current replacement value of our fixed assets for general liability and property insurance purposes. As most of the Village's key buildings have been replaced over the last ten years it has been at least this long since a valuation study was completed. It will be time to complete such an evaluation within the next couple of years.

Cc: M. Juarez, A. Smulson, J. Obog, D. Ruda, G. Voight, B. Hume, P. Kereluk

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SCOPE OF SERVICES: ACTIVITIES AND PROJECTS

Attachment A

Key Required Annual Activities

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Audit												
CIP												
Budget/Tax Levy												
Actuary												
Treasurer's Report												

Daily/Ongoing Activities

Payroll												
Utility Billing												
Purchasing												
Accounts Payable												
Accounts Receivable												
Accounting												
Treasury												
General Liability Insurance												
Front Desk/Collections												
FBT Collections												
Customer Service Representative												
Metropolis Bld. Mgmt.												
Monitor Metropolis Theater Finances												

Special Projects

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Bond Issue: Police Station												
New on-line payment software												
Purchasing Change												
Old Town Sanitary District												
Coordinate financing plans for:												
New Storm Sewer Work												
Ongoing Storm Sewer Maint.												
Phase 2 Street Work												
Police Station Committee												
Garage Renovation Committee												
Parking Committee: Review Fees												
Cost/Benefit of Investment Manager for Police Station bond proceeds												
IMRF Board Member												
GFOA National Budget Reviewer												
HELP Board Member												

Attachment B

COMMUNITY SURVEY

- Even with the revenue increases for infrastructure improvement projects, the cost of Village services is still a bargain as shown below:

SURVEY OF COMPARABLE MUNICIPALITIES - 2015
ESTIMATED ANNUAL REVENUES RECEIVED FROM AN AVERAGE HOME
(Includes Water & Sewer Rate increase and proposed 3.99% Village property tax increase)

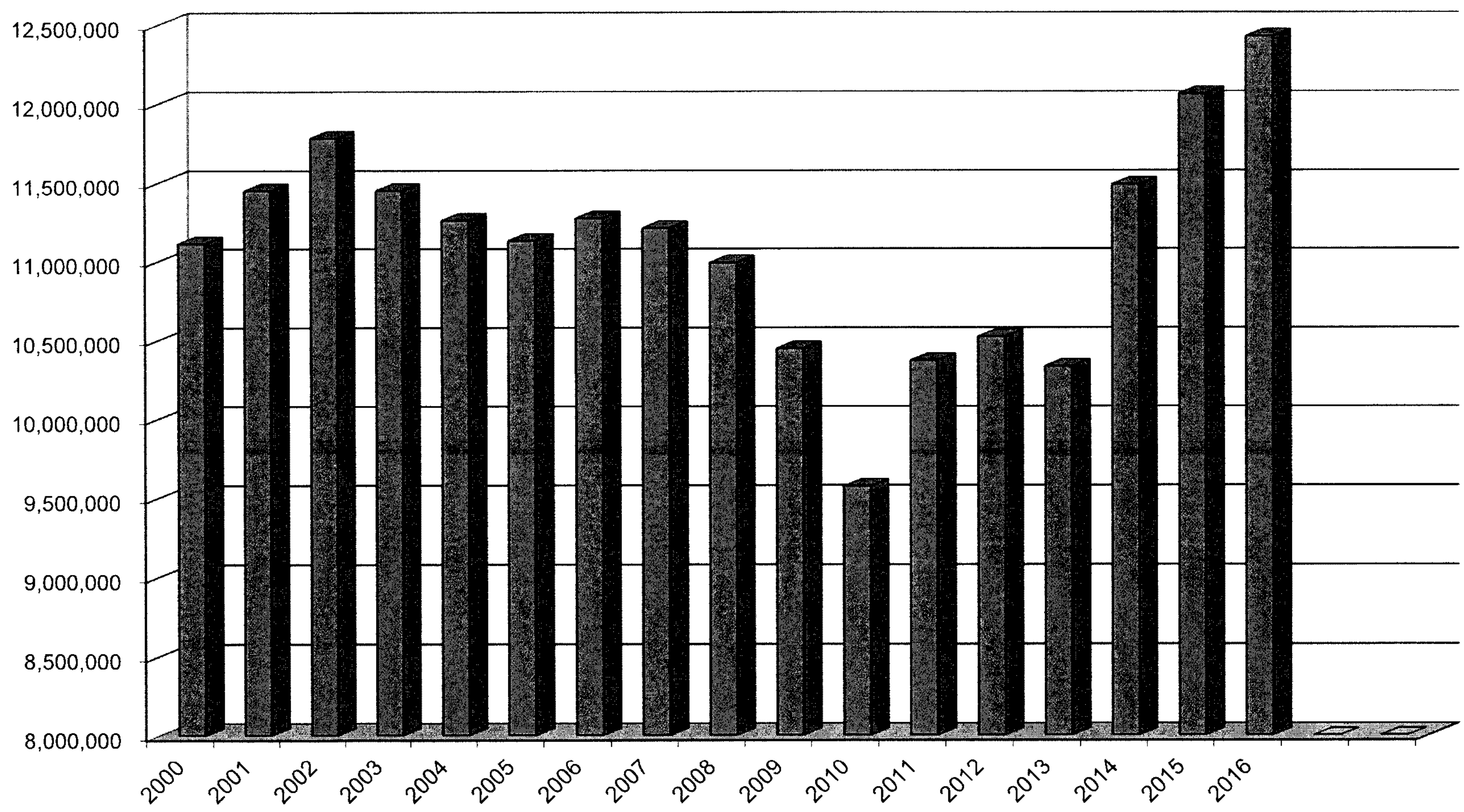
ANNUAL ESTIMATED PAYMENTS:

Municipality	2015 Passenger Veh. Stickers	Garbage Bill*	Yard Waste Bill	Combined** Residential Water & Sewer Bill	Storm Water Fee	Home*** Rule Sales Tax	Food & Beverage Sales Tax	Municipal Motor Fuel Tax	Entertain. Tax	Electric Utility Tax	Gas Utility Tax	Telecom Tax	2014**** Municipal Property Tax	Total Estimated Annual Homeowner Costs
Assumptions for Average Family	2 Cars	12 /Yr	48 Bags/Yr	144,000 Gallons/Yr	Estimated Fee/Yr	$6,000 /Year	$3,000 /Year	650 Gallons/Yr	$2,400 /Year	12,300 kWh/Yr $1,400 /Year	1,700 therms/Yr $1,650 /Year	$1,200 /Year	$73,766 EAV	
1. Rolling Meadows	60.00	$359.40	$0.00	1,821.60	46.80	60.00	60.00	19.50	0.00	75.03	0.00	72.00	1268.04	$3,842.37
2. Hoffman Estates	0.00	$192.00	$132.00	1,256.88	24.00	60.00	60.00	162.50	144.00	69.00	85.00	72.00	1064.44	$3,321.83
3. Mount Prospect	80.00	$189.96	$120.00	1,507.20	0.00	60.00	30.00	26.00	0.00	43.17	24.99	72.00	941.25	$3,094.58
4. Elk Grove Village	50.00	218.28	$96.00	1,728.00	0.00	60.00	30.00	0.00	0.00	75.03	17.00	60.00	701.51	$3,035.82
5. Park Ridge	90.00	$0.00	$0.00	1,552.32	0.00	60.00	30.00	26.00	0.00	68.63	34.00	72.00	939.04	$2,872.00
6. Des Plaines	60.00	$196.56	$0.00	1,147.68	109.44	60.00	30.00	26.00	0.00	70.23	42.50	72.00	1021.66	$2,836.07
7. Arlington Heights	**60.00**	**$302.52**	**$110.40**	**1,030.56**	**0.00**	**60.00**	**37.50**	**0.00**	**0.00**	**75.03**	**85.00**	**72.00**	**973.42**	**$2,806.43**
8. Wheeling	0.00	$239.16	$0.00	1,015.20	0.00	60.00	30.00	0.00	0.00	75.03	85.00	72.00	1118.66	$2,695.05
9. Palatine	60.00	$240.00	$0.00	739.20	60.00	60.00	30.00	0.00	0.00	52.52	0.00	72.00	1009.12	$2,322.84
10. Schaumburg	0.00	$0.00	$0.00	1,485.12	0.00	60.00	60.00	0.00	120.00	0.00	0.00	72.00	510.46	$2,307.58
11. Buffalo Grove	0.00	$233.52	$0.00	787.68	0.00	60.00	30.00	0.00	0.00	75.03	85.00	72.00	900.24	$2,243.47

*AH Garbage Bill based on twice per week pick-up cost, all other survey communities have once per week pick-up.
** Rate/100 cubic ft. x 1.3367197 = rate/1000 gals.
***Home/Rules Sales Taxes are on general merchandise only, not applied against vehicles or qualifying food, drugs, or medical appliances.
**** Municipal tax only, does not include libraries, schools, special districts, or other taxing authorities.
Sources: Surveys: Arlington Heights (08/15), / Cook County Clerk website / Municipal websites / Codes

Attachment C

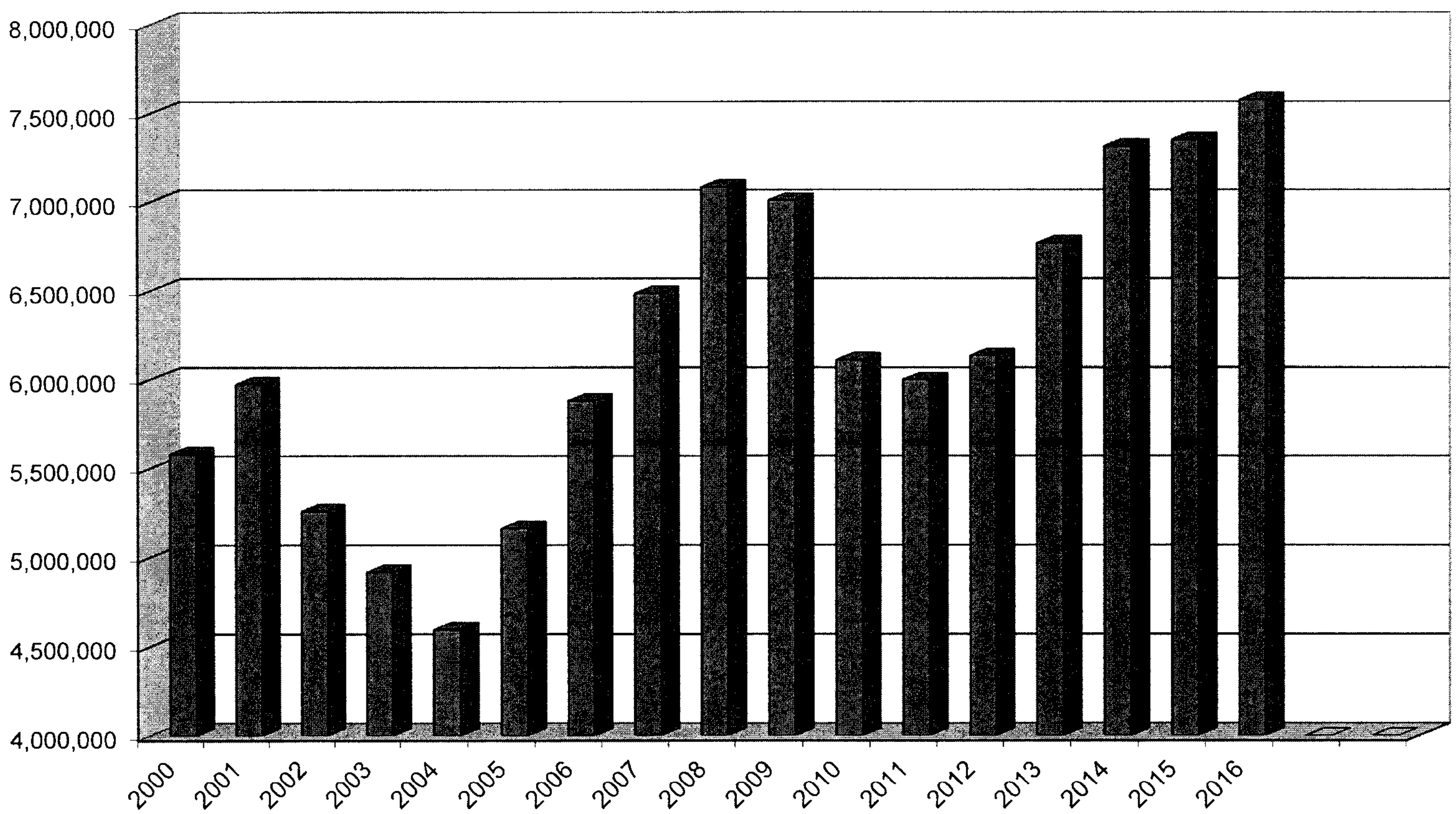
VAH SALES TAX HISTORY



Note: The 8 month year was removed because of lower amount due to short year.

Attachment D

VAH INCOME TAX HISTORY



Note: The 8 month year was removed because of lower amount due to short year.

Attachment E

VAH PROPERTY TAX HISTORY: LEVY YEARS 2003-2015

- The Village Board's goal is to have modest property tax increases, but they have been willing to increase property taxes when needed.

LEVY YEAR	VILLAGE % INCREASE	LIBRARY % INCREASE	TOTAL % INCREASE	COMMENTS	BUDGET YEAR	All Funds APPROVED
2015	3.59	0.00	2.51	Entire increase for street purposes	2016	157,216,100
2014	0.00	0.00	0.00		8-mo.	119,433,082
2013	2.65	0.00	1.84		FY2015	154,550,004
2012	1.74	0.00	1.20		FY2014	145,374,818
2011	0.00	0.00	0.00		FY2013	137,443,222
2010	4.30	0.00	2.93	Police/Fire Pension Funds - market crash	FY2012	134,885,496
2009	5.74	1.77	4.44	Police/Fire Pension Funds - market crash	FY2011	134,689,318
2008	0.32	0.00	0.21		FY2010	132,053,616
2007	2.48	4.90	3.26		FY2009	136,663,660
2006	11.14	9.20	10.51	Taxing districts captured expiration of TIF #1	FY2008	140,665,900
2005	14.67	4.99	11.32	Fire Pension benefit increase - State legislation	FY2007	158,406,339
2004	11.98	4.00	9.09	Police/Fire Pension benefit increase - State legislation	FY2006	140,846,200
2003	2.14	0.99	1.72		FY2005	133,088,500

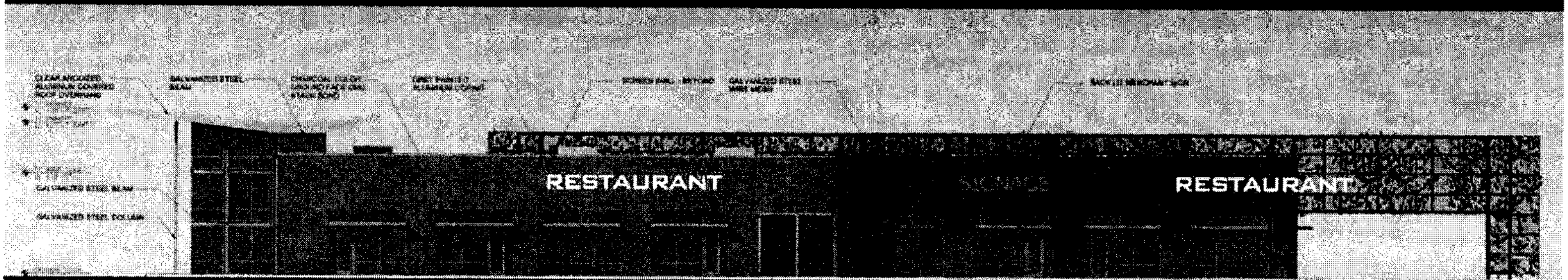
Attachment F

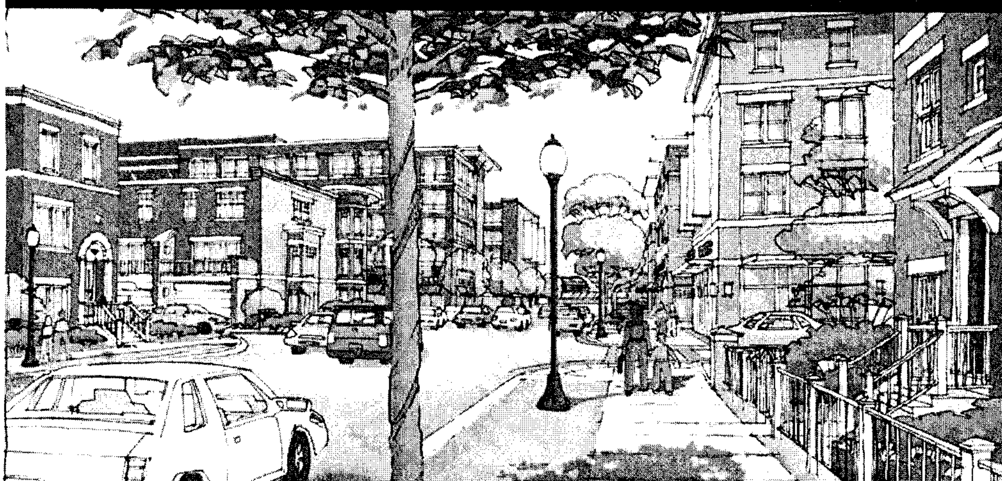
VAH INFRASTRUCTURE

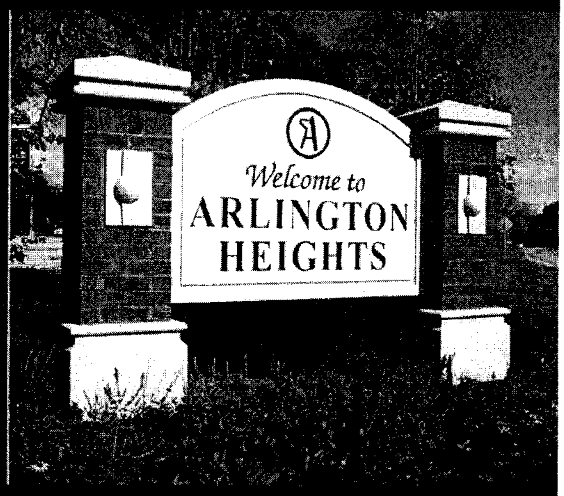
- The Village Board and staff have worked to maintain capital spending levels throughout the recession. The Village has also taken steps to identify key infrastructure improvement needs as well as funding sources for these improvements:

KEY INFRASTRUCTURE NEEDS	ESTIMATED COST	FUNDING SOURCES
Parkway Ash Tree Removal/Replacement Program (13,000 parkway ash trees or 30% of the Village's tree inventory)	**$11 million**	General Fund Surplus Transfers/Maturing Debt
New Police Station (to replace the 38,000 square foot building constructed in 1978 with a new 70,500 square foot building)	**$35 million**	Maturing Debt
Increase Water Main Replacement program from $500,000 to $3 million per year by 2020 (Internal water and sewer facility study)	**$2.5 million/year**	Water & Sewer rate increase - September 2014 (5%-19%-5%-5% and 5%)
Increase Street Resurfacing/Reconstruction Program by $2.7 million per year (External pavement study recommended increasing Village's street program from $5.8 M to $8.5 M per year in order to maintain "good" rating)	**$2.7 million/year**	$500,00 annual transfer from SWANCC Fund $1.5 M 2015 property tax levy increase - approved $700K 2016 property tax levy increase - planned
Storm Water/ Flood Control Ongoing storm sewer maintenance One-time infrastructure improvements	**$500,000 / year** **TBD**	Suggest Storm Water Fee TBD-Storm Water Fee, G.O. Bond, Special Assessment?

Annual Planning and Community Development Report for the Village Board March 2016







Annual Planning & Community Development Department Report for the Village Board
March 2016

"Make no little plans, they have no magic to stir men's blood and probably themselves will not be realized."
Daniel Burnham

Section 1 - Review of Scope of Services provided by the Planning & Community Development Department

About the Planning & Community Development Department

The Village of Arlington Heights Planning & Community Development Department Staff are dedicated to the betterment of our community. Department Staff provides professional and technical assistance regarding Planning, Zoning, Subdivision, Business and Economic Development, and Design. They also administer State and Federal Grant programs, Housing Initiatives, and Community Art program.

Vision Statement

A Planning & Community Development Department that is recognized as an award winning professional department providing a pro-business environment while maintaining a superior quality of life and ensuring quality development that is balanced and meeting needs of the citizens of Arlington Heights.

Mission Statement

To ensure professional, courteous, consistent and reliable service through management and oversight of the divisions within the Planning & Community Development Department.

Department Objectives

1. Provide professional expertise and assistance.
2. To promote the highest quality development that the community deserves.
3. Balance the needs and concerns of Arlington Heights residents.
4. Provide timely and professional advice to the Village Board and other Boards and Commissions.
5. Provide dedicated and courteous assistance to the public.
6. Implement the department's budget in a fiscally responsible manner.
7. Ensure that planning related data is up-to-date and maintained.

The Planning & Community Development Divisions

The Planning & Community Development Department is comprised of the following program areas:

Zoning & Development Review
Long Range / Comprehensive Planning
Redevelopment/Tax Increment Financing
Business & Economic Development
Design Review & Beautification
Housing

Legal and Operational Responsibility

In general terms, the legal and operational responsibilities of the Department are established within the Illinois State Statues and the Arlington Heights Municipal Code. The Illinois State Statutes set forth statutory obligations for planning, zoning, tax increment financing, and other land use regulatory provisions. Section 3-307 of the Village of Arlington Heights Municipal Code creates the office of the Director of Planning & Community Development under the supervision of the Village Manger. The duties contained in the Municipal Code are summarized as follows:

> "The Director of Planning & Community Development shall oversee the following:
> the preparation and maintenance of the comprehensive plan, development review, community development, economic development, urban design and beautification, and redevelopment; shall act in advisory capacity on all planning related matters to the Board of Trustees; shall act as liaison to the Plan Commission, Zoning Board of Appeals, and other commissions as deemed necessary; and shall perform such other duties as the Village Manager may direct from time to time."

The Planning & Community Development Department provides professional and technical assistance in the following areas:

Planning and Management Assistance: Maintains and updates planning related data, responds to inquiries on planning, zoning, signage, and subdivision matters, and conducts studies which assist the decision-making process of Village development. Analyzes and interprets zoning for all properties in the Village, Planned Unit Developments (PUD's) and special uses.

Long Range/Comprehensive Planning: Formulates policies affecting overall and long-term Village development; collects, analyzes and presents data to determine community goals, assists in their attainment, interprets the Comprehensive Plan and implements the Comprehensive Planning Program. Facilitates development of the Downtown Master Plan, Metra STAR Line Master Plan, Hickory Kensington Redevelopment Plan, Tax Increment Financing Districts, and coordinates their implementation.

Business & Economic Development: Coordinates the Village's Business Retention and Attraction Programs, recruiting new businesses to the community and working to retain existing businesses. Monitors community and economic development activities, and promotes and markets the Village to maintain and enhance its economic base. Develops and coordinates the Discover Arlington Marketing and the Village's Economic Development Strategy.

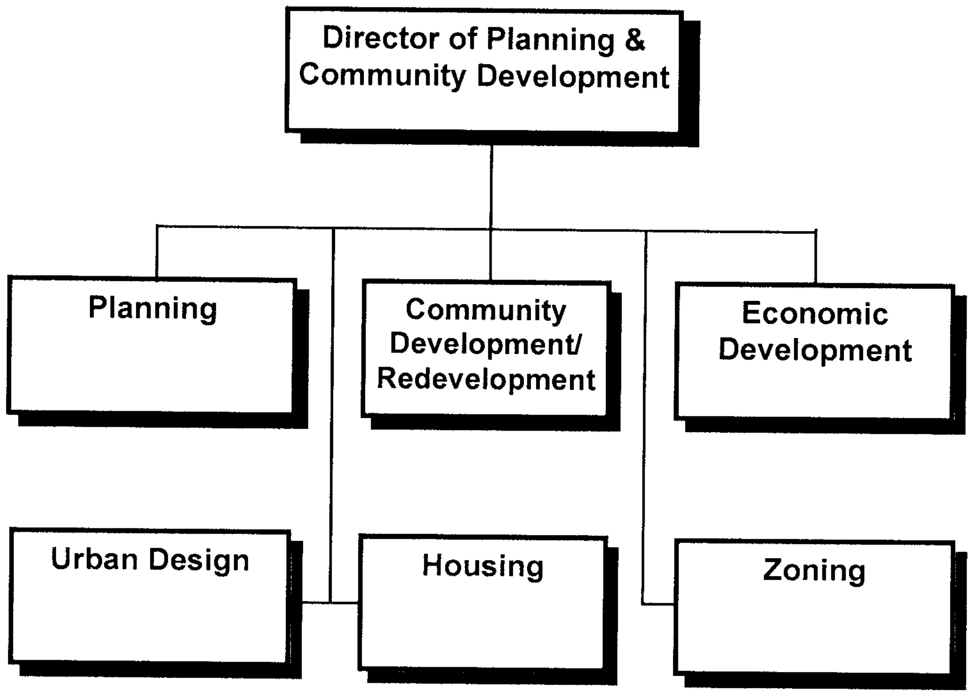
Zoning and Development Review: Coordinates the Village's development review process for new development or redevelopment including PUD's, rezoning, special uses, preliminary and final plats of subdivision, land use variations and zoning variations. Analyzes issues and formulates recommendations to the Plan Commission and Village Board regarding the Zoning and Subdivision Control Regulations to better implement the Comprehensive Plan. Reviews building permits for compliance with zoning & subdivision, and sign codes.

Housing: Administers various grant programs available from Federal agencies and provides assistance to qualified residents and public/private agencies in obtaining funds for eligible services. Prepares the Village's Consolidated Plan, Annual Action Plans, Fair Housing Plan, monitors legislation, and develops proposals concerning affordable housing. Leads the Northwest Suburban Housing Collaborative in analyzing and addressing common housing issues.

Design Review and Beautification: Oversees the Design Commission Review and Administrative Review process for single family homes, commercial development, signs and variances for signage. Implements Design Guidelines and Sign Code Tool Kit. Develop Capital Improvement design projects including Downtown streetscape, beautification, pedestrian spaces, banners, signage, and Green corridors.

Redevelopment/Tax Increment Financing: Analyzes, defines, selects, and prepares specific area redevelopment studies including a systematic approach to Downtown revitalization. Administers the Village's four Tax Increment Financing (TIF) Districts.

Boards and Commissions: Provides technical and administrative support, professional assistance and liaison to Boards and Commissions/Committees.



Section 2 - Workload and Performance Status

The Planning & Community Development Department continues to be extremely busy performing a multitude of tasks. During the recession in 2008, Staffing levels within the Department were reduced through attrition and layoffs. Now the economy has improved, it is becoming increasingly difficult to move forward on longer term complex and challenging projects given the voluminous day to day zoning permit activity and general department inquiries. Constant pressure regarding process and deadlines needs to be balanced with providing good customer service. Working with small businesses and residents is time consuming to provide the high level of service our customers deserve and should be provided.

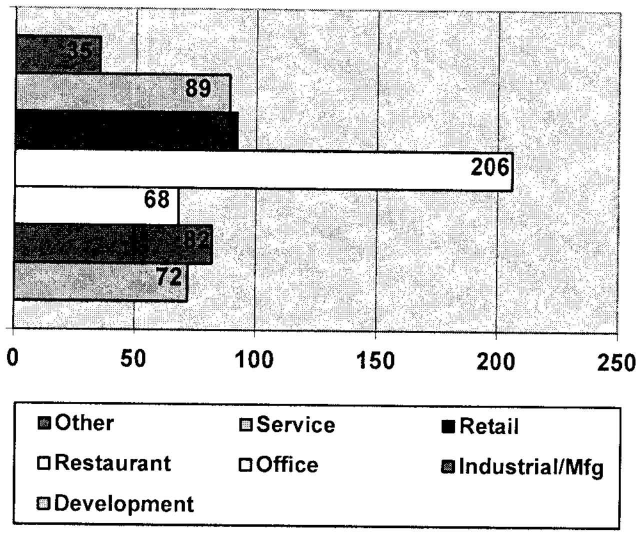
Select Performance Measures

	Calendar Year			
	2008	2009	2014	2015
Staffing	13	11	9	9
Development – Plan Commission				
# of Temporary Files	57	52	51	33
# of Plat and Subdivision Cases	27	26	30	27
# of Comprehensive Plan Sub-Committee Meetings	N/A	N/A	3	5
# of Ordinance Review Committee Meetings	N/A	N/A	0	1
# of Special Use Waiver Cases for Antennas	N/A	N/A	10	7
# of PC Applications	21	20	25	23
Development – Other				
# of all Zoning Reviews	2,077	1,717	2,331	2,161
# of ZBA Applications/Reviewed	34	20	51	28
# of Building Permit Reviews	1,827	1,515	2004	1,864
# of Business License Reviews	176	161	179	170
# of Home Occupation Reviews	40	18	12	13
Community Development				
# Single-Family Rehab Projects	8	10	2	2
# CDBG Public Services Beneficiaries	245	596	715	702
# Public Facility Improvement Projects	2	1	1	3
Design Review				
# of Reviews by Design Commission	81	54	55	73
# of Administrative Single Family Homes	30	25	78	74
# of Administrative Signage Reviews	16	3	10	15
# of Administrative Commercial	5	3	0	1
# of Temporary Files	19	21	44	35
# of Miscellaneous Administrative Reviews	23	18	6	1
# of Administrative Multi-Family Reviews	N/A	N/A	N/A	2
# of Small Rear Yard Addition Reviews	N/A	N/A	N/A	38
# of Total Reviews	174	141	232	239
Sign Review (Handled by Building Dept. until 2012)	0	0	306	266
Special Projects				
# of Special Projects	15	32	37	40

Performance data only provides a snapshot of the workload within the Department and does not reflect the complexity and time spent on even the smallest of projects. Recently several administrative review processes have been approved and implemented to assist customers such as Special Use Waiver for small restaurants, and small rear yard addition Design Review. Other data is not tracked. Also, it is not possible to differentiate from the data above, the time and complexity that are involved in both small and large projects. Lastly, with the process review changes described elsewhere in the report, it is anticipated that there will be some rebalancing of the total permit review values by eliminating certain types of small permit reviews.

Business Attraction and Recruitment in 2015

Business Type	TOTAL
Auto	7
Development/Mixed-Use	78
Entertainment	20
Hotel	5
Industrial/Manufacturing	84
Institutional/Education	4
Office	69
Restaurant	206
Retail	94
Service	92
TOTAL	659

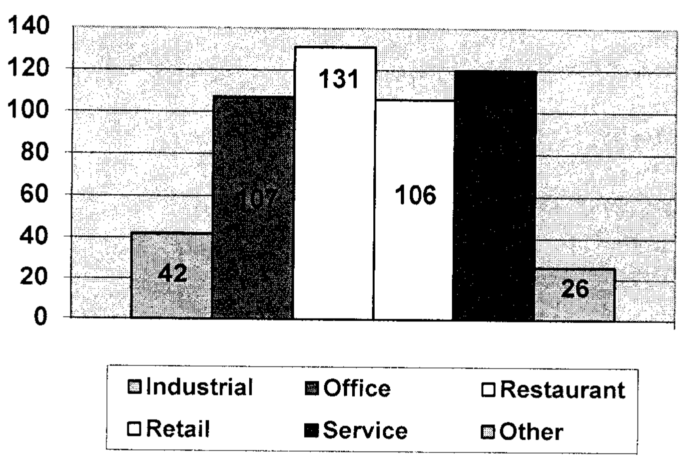


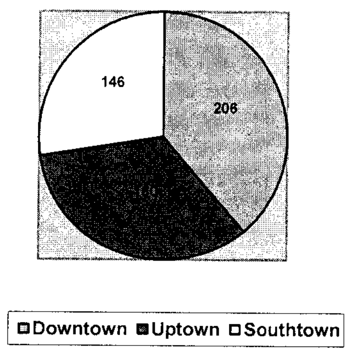
Retention Efforts by Business Type in 2015

Type	TOTAL	Type	TOTAL
Auto	5	Office	107
Entertainment	15	Retail	106
Hotel	4	Restaurant	131
Industrial	42	Service	120
Institutional	2	TOTAL	532

Retention Efforts by Location

Location	TOTAL
Downtown	206
Uptown	180
Southtown	146
TOTAL	532





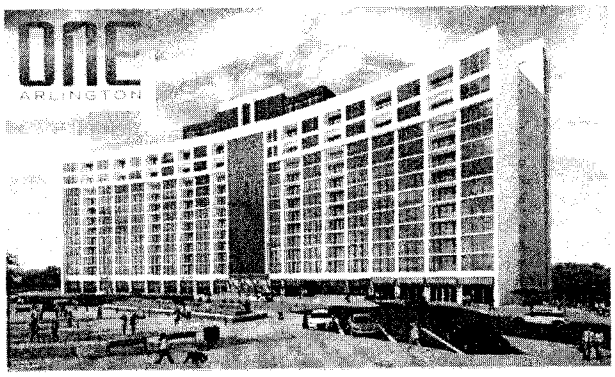
Section 3 - Key Accomplishments over the Past Year

Planning & Community Development Department Staff are proud of some of the key accomplishments that have been initiated and implemented over the past year. This section of the report deals with some but not all of the key accomplishments during the past year and are broken down by relevant sections.

Development - Department Staff are proud of the relationships forged with the private sector development. The building of relationships facilitating and managing development projects, understanding private sector needs, and molding them to meet Village codes and regulations for the betterment of the community is a challenging and rewarding experience. The following major developments were assisted:

Arlington Downs - Department Staff continue to work with the developers of the $300 million Arlington Downs mixed-use development. Assisting in marketing and promoting the site, as well as, various PUD amendments and permitting issues.

> *"Arlington Downs was a case study in reinventing distressed properties. It was the site of the former Sheraton CoCo Key Water Park Resort & Hotel that was shuttered at the depth of the recession. The Hotel closed in late December 2009 and this was a key site for Arlington Heights. We embarked on a strategy to find investor groups and developers interested in bringing the property back to the marketplace and make it an economically viable development contributing to the Community. Forging a public private partnership, developing plans with input from both the developer, Village Staff, Commissions and the Board resulted in approval of the master plan in 2012. There have been amendments to the master plan since then including 2015 and we anticipate further modifications as the plans adjust to the marketplace."*
>
> Charles Witherington-Perkins, AICP
> Director of Planning & Community Development



Transitional Care Management (TCM) - A new state of the art Transitional Management facility was assisted through the process, constructed and opened in 2015.

Lutheran Home for the Aging - A $70 million renovation project in a middle of a residential neighborhood was successfully handled through the public hearing process addressing the needs of the Lutheran Home while at the same time, mitigating impacts within the neighborhood.

Moorings - The Moorings Senior Housing development was assisted through the Planned Unit Development process for major renovations expected to occur in the near future.

Autumn Leaves - Assisted Autumn Leaves, the first new development in TIF 4 was facilitated through planning, zoning, permitting, and construction.

Northwest Crossing - Department Staff forged positive relationships with the property owner/developer regarding the largest office vacancies in Arlington Heights. As a result, of this partnership the Planned Unit Development was amended, outdated buildings were demolished and parking areas expanded. Staff assisted the ownership in attracting a Fortune 100 company and the third largest bank in the world, HSBC into one of the buildings.

Downtown Development - Continued redevelopment of Downtown and maintenance of existing infrastructure is vital in helping keep Downtown Arlington Heights as a dining and entertainment destination.

212 N. Dunton Parkview Apartments - Preliminary and final PUD was facilitated for this new 45 unit development on the north side of Downtown. The Parkview Apartments will provide a welcome boost of additional development on the north side of Downtown once completed.

PARKVIEW

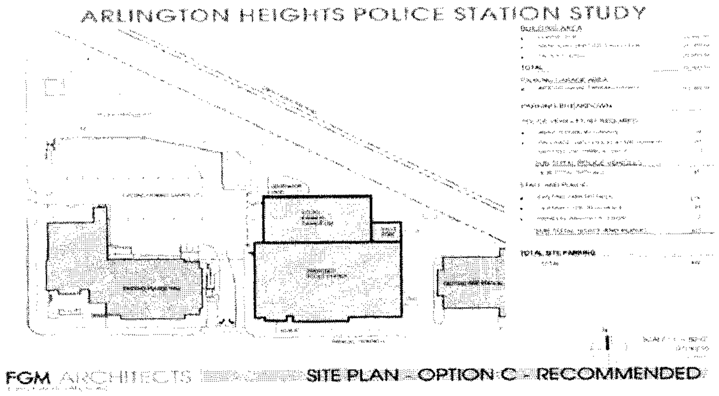
13 E. Miner Street Development - This infill development was facilitated, balancing long term community needs for first floor commercial space.

Downtown Streetscape - Planning & Community Development Staff are part of the Downtown streetscape team looking for ways to efficiently provide long term aesthetically pleasing streetscape in the Downtown.

Plans & Studies - A number of plans and studies were initiated and completed during the past year.

Comprehensive Plan: After a year plus study involving community surveys and public input, the Village's Comprehensive Plan was amended and adopted by the Village Board in October 2015. The Comprehensive Plan establishes an overall strategy to guide the growth and development of the community over the next 20 years. The new Comprehensive Plan included new sections on historic preservation, corridors within the community, and sustainability. Extracts from the 2015 community survey are included throughout this report.

Police Station Feasibility Study: Department Staff coordinated with the Police Station Committee the successful completion of the Police Station feasibility study that was accepted by the Village Board in September 2015. The feasibility study outlined a "best fit" approach to rebuilding a new Police Station on the existing Municipal Campus.



2015 Annual Business Development Report - The 2015 Annual Business Development Report was completed and distributed to the Village Board outlining the past year's activities regarding business attraction, business retention, and marketing efforts.

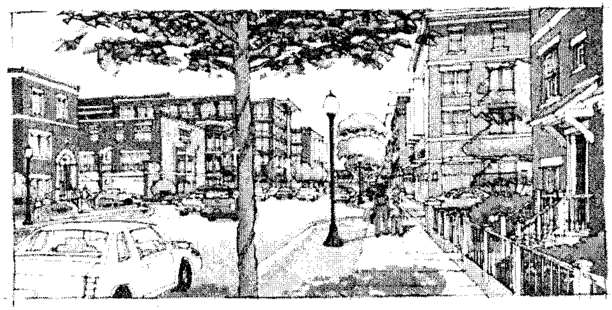
Tax Increment Financing and Confidential Reports - Numerous confidential reports are provided to the Board throughout the year. In addition, the Planning & Community Development Department is responsible for managing and implementing the Tax Increment Financing Districts within the community. Department Staff manage, administer and file the appropriate reports with the State of Illinois. In addition, the Department facilitates the annual Joint Review Board meetings and discuss issues regarding TIF District with various taxing districts.

Tax Increment Financing District #3: This District is located at the southwest corner of Arlington Heights Road and Rand roads and is close to completing its 23 year term and retirement of debt from the Bond issued to assist redevelopment.

TIF District #4: This District is located at the northeast corner of Arlington Heights Road and Golf Roads. Staff was instrumental in implementing the Autumn Leaves development that was described above which will generate TIF increment for this district. Properties at the immediate corner of Golf and Arlington Heights Road have been purchased by the Village for future redevelopment. In 2015, the Village Board extended the time period for the developer designation with the respect to implementing the long term strategy for this TIF District.

TIF District #5: Located at Rand and Palatine Roads and includes Town & Country Shopping Center and Southpoint Shopping Center. Town & Country was successfully redeveloped several years ago, although Southpoint Shopping Center remains to be redeveloped. Planning & Community Development Staff continue to meet and discuss redevelopment strategies and options with the three different property owners that comprise Southpoint Shopping Center.

Hickory Kensington Tax Increment Financing District. This District is located east of Downtown Arlington Heights and generally northeast of Kensington Road and Douglas Avenue. This is the most recent TIF District and the appropriate areas have been rezoned to facilitate redevelopment. Department Staff continue to meet with property owners and interested developers regarding this redevelopment area.



Processes - Staff continue to review Village Codes and processes and explore ways to make them more efficient and business friendly as time permits.

Within the past couple of years, several administrative processes have been established to facilitate Design Review to expedite that process, as well as administrative review for small restaurants. Last year, Deputy Director of Planning & Community Development chaired an interdepartmental committee to review the types of building permits that each department reviews in efforts to eliminate duplication and better manage Staff workload. As a result of this interdepartmental committee, several administrative changes have occurred to streamline the types of permits that each department reviewed. This will be monitored in 2016 for its effectiveness. For the most part this eliminates redundancy review amongst departments for smaller permits such as driveways, sheds, fences, etc. It is hoped that this will result in a reduction in the overall number of zoning permit reviews thereby allowing for greater accuracy, analysis and customer interaction.

Business & Economic Development - Arlington Heights continued to see great Economic Development success in 2015. The past year brought new business that contributed nearly 1,000 jobs and potentially $650,000 in new sales tax revenue in 2015.

Community Survey 2015
Which of the following types of development would you like to see more of in the Village.

Restaurants: 72%
Entertainment: 70%
Mixed Use: 48%

Job Creation: New businesses, such as Lexus of Arlington and Transitional Care Management expect to employ over 100 people in Arlington Heights. New industrial businesses such as SVM, True Grind and ABC Plumbing Heating and Electric all employ over 50 workers. Paylocity is expanding again adding over 200 employees.

"In 2015 assistance was provided to Paylocity regarding their latest expansion plans. Several years ago as a result of a retention visit, the Village was able to retain Paylocity in Arlington Heights, who then proceeded with expansion into an additional building at their North Wilke Road Campus. In 2013, as a result of this established relationship, Planning & Community Development Department Staff met on site and provided assistance to Paylocity regarding some landlord/tenant issues and also regarding signage on the exterior of their building. In 2015, Paylocity approached the Department seeking assistance in expediting the approvals necessary to further expand and increase their occupancy at their campus. Meetings were facilitated with the Building Department to assist with their demolition and permit remodeling approvals which will result in Paylocity expanding their workforce in Arlington Heights from 700 to over 900 employees."
Charles Witherington-Perkins, AICP
Director of Planning & Community Development

Business Attraction and Recruitment: Department Staff was engaged in 659 business attraction and recruitment efforts.

"As part of our business recruitment efforts, Planning & Community Development Staff reached out to Bottle & Bottega in December 2014 to see if the franchise would consider an Arlington Heights location. Staff was contacted two weeks later by the interested franchisee. A list of potential Downtown retail spaces was provided and we worked with the Village Manager's office on liquor license and BYOB questions.

Throughout 2015, the Department of Planning & Community Development worked with the franchisee on a variety of areas of assistance, such as business licensing, Downtown parking requirements, and signage prior to their opening. We coordinated with the Building Department regarding the permitting process as well. Village Staff also made a concerted effort to market the business prior to its opening. This allowed the franchisee to book sessions in advance and helped get his location off to a great start. The store opened in Downtown Arlington Heights in October 2015. In late December, the franchisee noted "Things are going great at the studio! Better than I imagined so far. The community has embraced me it would appear." Planning & Community Development Staff, in conjunction with other departments, has helped market the business via Discover Arlington since its opening."
Michael Mertes
Business Development Coordinator

Business Retention: Planning & Community Development Staff were engaged in 532 business retention efforts and initiatives. In 2015, select business case studies were prepared to illustrate the time and challenges involved in some retention initiatives.

Zero Interest Loan Program: The Zero Interest Loan Program was created and expanded in its scope. The first Zero Interest Loan was also awarded. This is a creative new program initiated by Department Staff and supported by the Arlington Economic Alliance and Village Board. The Zero Interest Loan Program is funded through reclaiming a portion of the Class 6B Tax Abatement. The Zero Interest Loan Program is intended to assist small business retention and attraction.

Confidential Three Year Economic Development Plan: The Confidential Three Year Economic Plan was updated last year.

Housing - Several new housing initiatives continue to be implemented or were started last year.

Housing Trust Fund: After years of study, the Housing Trust Fund was created. Last year, the Housing Trust Fund received its first funds which will be held in the fund until significant money is available to facilitate and initiate new housing initiatives.

Cook County Home Consortium: The Village joined the Cook County Home Consortium last year which will result in changing the CBDG fiscal year and adopting additional Housing Plans during 2016 in order to implement this change.

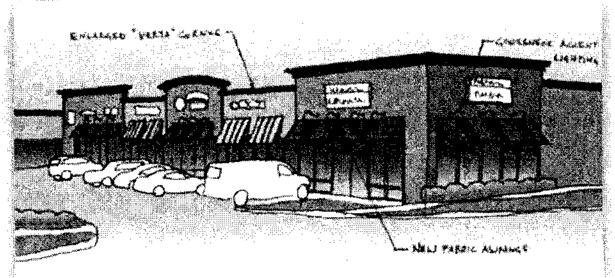
> *"In 2015, there were two homes rehabbed under the Single Family Rehab Program that were found to have significant amounts of lead based paint in the home. Both homes are occupied with families that have young children. Young children are at particular risk from lead based paint poisoning. CDBG regulations are complex with regard to the handling of lead-based paint located in homes that are improved with CDBG funds. As a result of managing these projects, properly certified lead-based paint contractors were identified and enrolled to provide construction services through the program. These projects were managed for compliance with lead-based paint approved rehab techniques. The end result is that the homes were improved and cleared by a lead based paint inspector as being free of lead based paint hazards. We are proud of having contributed to helping these parents make their homes lead safe for their children."*
> Nora Boyer
> Housing Planner

Northwest Suburban Housing Collaborative: The Village continues to be the lead agency as part of the Northwest Suburban Housing Collaborative. Researching and providing housing studies and services to the five communities that are part of this Collaborative. The Collaborative is exploring additional age in programs as well as exploring other housing gaps.

Design/Beautification - Design Review: In 2015, 239 design applications were reviewed. Projects ranged from single family homes to large scale developments such as Arlington Downs and the Moorings.

"The work with the owner of the Promenade Shopping Center began back in 2013 in response to tenant concerns about lack of visibility of their storefronts. The tenants also reported that customers were having a difficult time finding this retail center. Visibility is an issue due to the building orientation perpendicular to the roads, and because a gas station at the corner of the site blocks views of the building. To assist the owner, we started by meeting with him and his tenants on site to discuss their concerns and their desire for additional signage to improve visibility. We then conducted a thorough review of the property to look for ways to help their situation. Poor landscaping and poor building appearance were discussed with the owner, and we provided suggestions for aesthetic improvements to help draw attention and customers to their businesses. Our suggestions included landscape improvements, code compliant signage options, as well as schematic design concepts that we prepared to improve the building appearance. Our suggestions were enthusiastically received by the owner, and resulted in some preliminary building and site maintenance to improve the property's appearance. The owner has indicated their desire to implement the suggested façade improvements in the future.

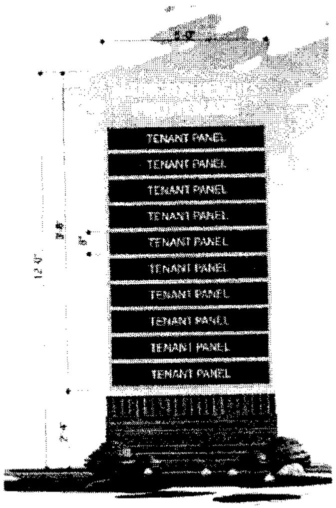
EXISTING View from Arlington Heights Rd.



OPTION 2 View from Arlington Heights Rd.

In 2015, the owner and tenants felt strongly that an additional ground sign facing Arlington Heights Road was necessary to improve their visibility. We then met with the owner and Sign Contractor on numerous occasions to discuss options for replacement of their existing, dated ground sign facing Rand Road, as well as adding a new ground sign facing Arlington Heights Road. Multiple design schemes were reviewed, and an upright design appropriately scaled for the size of this retail center was decided upon. The additional ground sign required a variation was supported by Staff and approved."

Steve Hautzinger,
AIA, LEED AP, Design Planner



> "Steve, first of all I wanted to thank you for your great work and assistance in getting the variation approved for our ground sign…thank you again and see you soon."
>
> *Ismail "Mike" Faris*
> *Owner, Arlington Heights Promenade*

Landscape Reviews: During 2015, 108 landscape reviews and inspections were accomplished.

> *"One of the most rewarding parts of the job is to provide good customer service even in challenging situations. For example, this past spring, a building permit was submitted for two large utility tanks that are required as part of the use. The permit was rejected due to the lack of screening. During the Village Board approval, there were neighborhood concerns and the utility tanks were not shown on the plans at that time. Staff worked with the business representative in exploring options for screening the utility tanks when fire code, planting space and existing site constraints limited their landscaping options. Fire code would not permit landscaping adjacent or near the utility tanks since the landscaping would impede air movement.*
>
> *While working with a representative of the business, screening options were evaluated that included painting the utility tanks, landscaping (away from the tanks), and different size/shape of tanks. Since the tanks are leased, painting them was not an option. The sizes of the tanks were limited and there were challenges with the logistics of refilling smaller tanks more frequently; therefore, this option was not a viable solution.*
>
> *After meeting with both the business's representative and adjacent property owners at the site, we were able to formulate a plan to screen the utility tanks with landscaping in a way that satisfied the homeowners. Since the planting area along the rear property line was limited, the business agreed to install landscaping on the adjacent homeowners property. Collaborating with petitioners and homeowners regarding landscaping and making recommendations to further enhance the project created a "win-win" solution."*
>
> Derek Mach, PLA
> Landscape Planner

Community Banner Program: During 2015 community wide and Downtown banners were designed, fabricated and installed throughout the community.

Section 4 - Review of Current and Anticipated Challenges

This section discusses some of the challenges that will be faced in the completion of the Planning & Community Department mission. These challenges are both locally within the Arlington Heights municipality, administrative in nature and regionally from a state or national perspective.

Administrative/General Staffing Levels - With the recent recession, Staff levels within the Department were reduced through attrition and layoffs. Now that the economy has improved, it is becoming increasingly difficult to move forward on longer term complex and challenging projects giving the voluminous day to day zoning permit review activity and general inquiries. There has been an understandable reluctance to consider adding additional staffing. As a result, over the past two years, funds have been requested and approved for contract planning assignments. While many communities are now turning to contracting, this became difficult to implement in Arlington Heights for the specific tasks needed. It can be challenging to maintain continuity of staffing on a contract basis. In addition, there has been substantial Staff turnover over the past few years impacting productivity, Staff morale, and burnout. In 2008 pre-recession, the Department had three Development Planners. In 2010 onwards post-recession, the Department has one Development Planner. In order to manage the workload, all of the Department Staff were crossed trained. The work volume has grown to the point where we have high leveled Staff performing permit review and customer service assistance. This takes away from our ability to pursue and implement longer term, larger projects that would have significant financial economic benefit to the community. It is increasingly difficult and challenging to maintain the high customer service that we want to provide. Solutions to this issue continue to be discussed with the Village Manager.

Local Challenges -The following are some of the local and regional challenges facing Arlington Heights from a Planning & Community Development perspective.

Retention/Attraction of Revenue Generated Uses: The Village of Arlington Heights is under constant pressure from Woodfield Mall, Deer Park, and Randhurst Village. The ability to attract and retain sales tax generating uses is critical to the Village's budget. In 2000 total retail sales in Arlington Heights were $1.145 billion. While sales tax revenues is strong, total retail sales in 2014 were $1.193 billion. In particular, there's a concern about the long term increase in the multitude of discount stores and non-profit retailers at key locations.

Funding for Corridor Improvements: Similar to the challenge above, providing funding for aesthetic and economic corridor improvements is critical in maintaining Arlington Heights as an attractive viable community in which to do business. This issue was raised as a priority in the recently adopted Comprehensive Plan. Adjacent communities such as Schaumburg, Palatine, Mount Prospect, and Buffalo Grove provide well landscaped attractively maintained corridors. It is imperative that Arlington Heights find the right balance to maintaining public and private sector corridor enhancements in efforts to maintain Arlington Heights as an attractive community for businesses and customers.

Community Survey 2015
Please indicate how you feel about the following statements.

	Strongly Agree/Agree	Disagree/Strongly Disagree
The Village should improve the appearance of certain corridors along major roadways	90%	8%
Commercial areas along some major streets lack landscaping	77%	15%

Continued Downtown Redevelopment: Continued development of Downtown Arlington Heights is critical to its long term success. Further development becomes more challenging with existing residents that have already invested in the community. In addition, continued development is even more challenging without Tax Increment Financing as a mechanism to provide assistance to acquire land or for other infrastructure costs. Other communities were successful in extending their Downtown TIF Districts and have a competitive edge. Maintaining the correct balance of retail/restaurant and non-retail uses remains critical. Last year the Village engaged a consultant to prepare a confidential Feasibility Study to address a potential specific use in the Downtown and to engage in a dialogue with interest in developers and property owners on specific parcels.

Completion of Arlington Downs Development: Arlington Downs is a $300 million mixed-use development of the former Sheraton Hotel property. The first phase of Arlington Downs is completed with the renovation of the apartment tower. However the second phase has not yet started. Financing and implementation of these future phases is critical for the success of this development, which is seen as a gateway to Arlington Heights. The Village needs to continue its positive relationship with the developer in efforts to facilitate this continued development.

Redevelopment Areas: There are several redevelopment areas that present challenges to implement but are opportunities for the community. These include the Tax Increment Financing Districts referenced above but also corridors with vacancies or parcels ripe for development such as south Arlington Heights Road, Northwest Highway, Rand Road, and Dundee Road. Sufficient Staff resources are needed for these critical areas.

State & National Trends - There are several state and national trends that need to be monitored that will impact Arlington Heights. These include the following:

Internet Sales - Internet sales are impacting retail business of all sizes and types, especially bookstores, electronics and "brick and mortar" retailers.

Work Force Downsizing - Many companies are downsizing their work force allowing their employees to work remotely. When they do relocate or expand office space as in the case of HSBC and Paylocity, office work spaces are shrinking resulting in higher occupancy buildings. This in turn impacts available parking. In the case of HSBC, Department Staff worked closely with property ownership, who ultimately removed some buildings on the site to substantially increase available parking well above minimum code.

Long Term Sustainability of Arlington Park - The long term sustainability of Arlington Park should be a priority for the community. Future uses and expansion in Arlington Pak have been held up in Springfield. The Village should actively engage now and in the future regarding the long term sustainability of Arlington Park.

Section 5 - Key Initiatives now under way and Potential New Initiatives

This section reflects a summary of the key initiatives that the Department is spending time on currently. The following describes major efforts that are currently underway. These initiatives are above and beyond the normal day to day activities.

Capital Projects and Studies

New Police Station - The Department is overseeing the new Police Station project. Request for Proposals for Architectural Services was drafted, distributed and the Architectural Firm of Legat was recommended and selected by the Village Board. A Request for Proposals was prepared for Construction Management services. Construction Management responses are in the process to be reviewed by the Police Station Committee. This is a highly visible and important project for the community that will be implemented over the next few years.

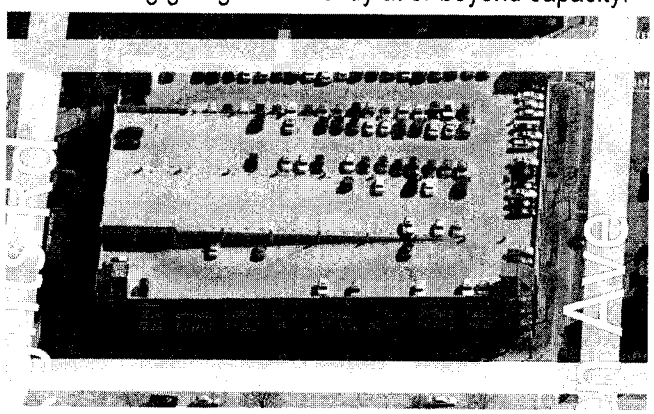
Comprehensive Plan Update Implementation - The Comprehensive Plan was adopted by the Village Board late last year. This is a 20 year Master Plan for the Village with numerous implementation strategies contained within it.

> *"In September 2014 the Comprehensive Plan Subcommittee of the Plan Commission began meeting monthly to review the Village Comprehensive Plan, which was previously approved in 1997. Over the course of the next 10 months, research, analysis and discussions took place formulating a new Comprehensive Plan for the community. The new plan included updates to existing data regarding the community, but also added new sections on sustainability, corridor enhancements and historic preservation.*
>
> *In addition, the Subcommittee reached out to the public via an on line survey, to which over 500 persons responded. Given the extensive scope of the new Plan, this was quite an accomplishment to develop the Plan in 10 months. The draft Plan was presented to the Plan Commission at a public hearing in August 2015 and unanimously recommended for approval to the Village Board. In October, 2015 the Board also unanimously approved the 2015 Comprehensive Plan, which will serve as a guide for development of the community for 15 to 20 years".*
>
> Bill Enright
> Deputy Director of Planning and Community Development

Community Survey 2015 How strongly would you support or oppose policies regarding growth in the Village.		
	Strongly Support/Support	**Oppose/Strongly Oppose**
Policies the limit growth:	45%	45%
Policies that pace growth in targeted areas:	83%	12%
No policies, unlimited growth:	13%	77%

Community Survey 2015 Please indicate the level of importance for each issue described below as it relates to the Village		
	Very/Somewhat Important	**Not Important**
Improving the appearance of the Village	93%	7%
Expand transportation options	69%	27%
Redevelopment of older commercial areas	92%	7%
Development that has less impact on the environment	77%	17%
Increase the tax base with new compact mixed use development	74%	17%
Providing more open space	70%	24%
Increase the number of jobs located in the Village	85%	11%

North Parking Garage Expansion - Carl Walker Parking Consultants was retained to perform a Feasibility Study regarding the potential to expand vertically and/or horizontally the North Parking Garage. The study will be completed in early 2016 for presentation to the Village Board and determination of next steps and possible funding mechanisms. The North Parking garage is currently at or beyond capacity.



Rand Road/Palatine Road Corridor Study - Teska and Associates was retained by the Village to analyze the Rand Road/Palatine Road corridor. A draft of the plan was discussed with businesses along the corridor and the Design Commission. The final plan will be distributed to the Village Board for their consideration at a future meeting. This corridor contains approximately 1.5 million square feet of commercial space and generates approximately $270 million in annual sales.

Northwest Highway Corridor - The Village Board requested the Department to work closely with the Department of Public Works regarding Northwest Highway corridor beautification. This past summer was spent gathering data, developing cost estimates, and preparing a plan to be presented to the Village Board sometime in 2016.

Northwest Highway Arlington Park

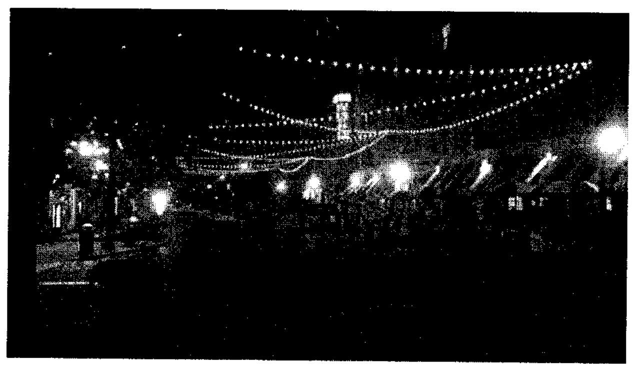
Northwest Highway/Euclid Avenue

Schaumburg – Roselle Road

Mount Prospect – Northwest Highway

Evergreen Avenue/Downtown Crosswalks - In late 2015, the Village issued a Request for Proposals (RFP) and retained the services of Hampton, Lenzini and Renwick, Inc. to prepare an analysis of the benefits of converting Evergreen Avenue Downtown from an auto dependent street to a pedestrian friendly street. The scope of work also analyzes potential mid-block cross walks on Evergreen, Dunton and Campbell streets.

New Streetscape Concepts for Downtown - Maintaining on the "cutting edge" of urban streetscape improvements, Department Staff developed several concepts for consideration in the next Capital Improvement Program, including opportunities to create "outdoor living rooms" and "outdoor light ceiling" to add to the ambiance of the Downtown and the attractiveness of the community.



Sign Code Update - The overall comprehensive sign code update was placed on hold due to Staff turnover and workload. However, where possible, Department Staff have conducted research and prepared potential sign code amendments for consideration by the Design Commission and Village Board. Approximately a year and half ago workshops were held, research conducted and the sign code was modified to allow sandwich board signs in the Downtown. Several months later, additional research was prepared and the sign code was further amended to allow sandwich boards community wide. More recently, in 2015 research was conducted on several possible sign code amendments that were placed on the January and February Design Commission agenda. Several Staff proposed changes were supported by the Design Commission and will be forwarded to the Village Board.

Development

Planning & Community Development Staff continue to provide assistance and facilitate appropriate development within the community.

Arlington Downs Mixed Use Development - Development Staff continue to discuss implementation of future phases of the Arlington Downs Mixed Use development.

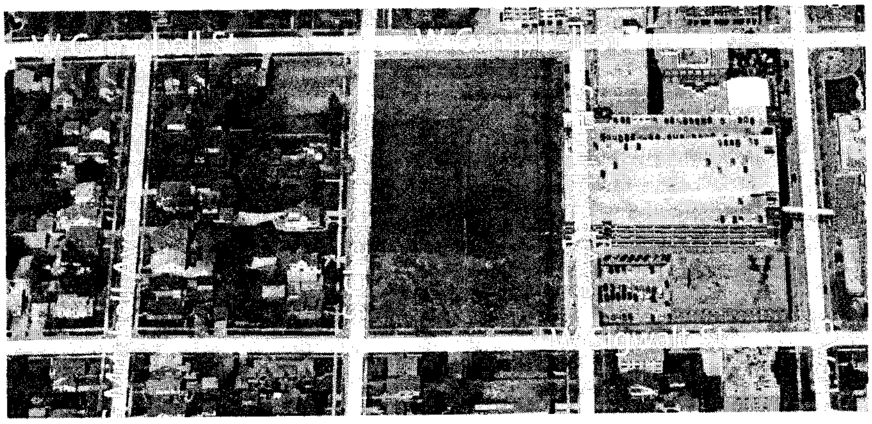
> "I cannot say enough good things about the professionalism and solution based mindset you all have employed. It has been an absolute pleasure to work with you all on creating this asset that the Village can be proud of for decades to come.
>
> Thank you for the dedication and effort you all have put forth during the past five years. I look forward to the completion of the future phases of the Arlington Downs, and to working with you all again when phase II of the residential begins in earnest."
>
> *Josh Wohlreich*
> *Vice President-Development*

Tax Increment Financing & Confidential Studies - Department Staff continue to pursue implementation of the Tax Increment Financing Districts and prepare confidential reports and studies on complex initiatives for Village Board consideration. Priority areas are TIF #4, Hickory Kensington, and Southpoint Shopping Center.

South Arlington Heights Road Properties - Department Staff have developed design parameters for consideration of redevelopment of certain properties along the South Arlington Heights corridor. Discussions with affected property owners and potential developers are ongoing.

Downtown Redevelopment - Department efforts continue regarding Block 425 located west of the Vail Avenue Garage for future redevelopment. In addition, recently approved projects at 212 N. Dunton, Parkview and 13 E. Miner will continue to be monitored and assistance provided in efforts to facilitate implementation of the approved plans.

Block 425 - This is the largest redevelopment block in Downtown that is currently vacant. This block represents a golden opportunity to further add to the urban fabric of Downtown. Several preliminary concept plans have been discussed with various developers during 2015. Although at this time no formal submittal for any proposed redevelopment has been provided to the Village.



Economic Development

Northwest Crossing - Department Staff continue to be actively engaged with the property owners of Northwest Crossings facilitating the attraction of HSBC who will be occupying 164,000 square feet and bringing 1,500 jobs to Arlington Heights in May 2016. Continued discussions and marketing of the remaining property will take place regarding the remaining available space.

"Charles thanks for your consideration in this matter. We appreciate the flexibility that the Village provides in allowing us to accommodate HSBC's needs."

Adam Keldermans
Torburn Partners

Downtown Retail/Restaurant Attraction - Several key sites are currently available in the Downtown. Department Staff are actively marketing in efforts to recruit viable businesses to these locations.

Discover Arlington Marketing - The Marketing Team continues to implement marketing initiatives through multiple media channels. Several new initiatives that have been placed on hold will be reevaluated once Staffing levels increase.

Business Retention Survey - Department Staff have worked with the Village Manager to prepare a Business Retention Survey, which we would like to finalize and distribute

.

Other

Potential new initiatives that the department would like to explore subject to Staffing and workload include; Sustainable Development, deteriorating corridors, researching certain possible zoning and sign code amendments to reflect changing lifestyles such as the use of accessory structures as more active living spaces and electronic signage.

Conclusion

The Planning and Community Development Department Staff are proud to provide professional, courteous, consistent, and reliable service to the community and its stakeholders. Department Staff work hard to consistency and fairly interpret policy and codes adopted by the Village Board in a consistent manner to ensure a superior quality of life and make sure that new developments and projects are of the quality desired by the community meeting the needs of citizens to come.

Prepared by:
Charles Witherington-Perkins, AICP
Director of Planning & Community Development

Attachment: Planning & Community Development Staff members and their roles.

Planning & Community Development Department Staff Members and their Roles.

Charles Witherington Perkins, AICP - *Director of Planning & Community Development*, 26 years with the Village of Arlington Heights, and over 33 years of professional experience. Manages the Staff of the Planning & Community Development Department, provides reports and recommendations to the Village Manager and Village Board and handles certain special projects.

Bill Enright, AICP - *Deputy Director of Planning & Community Development*, 27 years with the Village of Arlington Height, and over 29 years of experience. Supervises development review, manages Tax Increment Financing Districts and their implementation. Coordinates the Comprehensive Planning Program and Implementation.

Nora Boyer - *Housing Planner*, 21 years with the Village of Arlington Heights, and 30 years of experience. Coordinates the Village's Housing programs and Federal Grants funds. Conducts permit review for signs, fences and Business Licenses and other zoning and sign research as required. Staff liaison to the Housing Commission.

Derek Mach, PLA - *Landscape Planner*, 16 years with the Village of Arlington Heights, and 20 years of experience. Registered Landscape Architect. Coordinates Zoning Board of Appeals as Staff Liaison, conducts zoning landscape review and inspections, and performs zoning, sign and other permit reviews. Handles long-term landscape beautification projects. Staff liaison to the Art Commission and Zoning Board of Appeals.

Steve Hautzinger, AIA, LEED - *Design Planner*, 3 years with the Village of Arlington Heights, and 20 years of experience. Manages design review and design commission process. Conducts building permit and sign reviews along with longer term projects such as the new Police Station and sign code amendments. Staff liaison to the Design Commission.

Michael Mertes - *Business Development Coordinator*, 3 years with the Village of Arlington Heights, and approximately 8 years of experience. Coordinates the Village's retention and attraction programs recruiting new businesses to the community and working to retain existing businesses. Assist in business license and zoning review. Staff liaison to the Arlington Economic Alliance.

Sam Hubbard - *Development Planner*, Started with the Village of Arlington Heights on March 14, 2016, and has approximately 11 years of experience. Coordinates the Village's Development review process for new development, including PUD's, rezoning, special uses, preliminary and final plats of subdivision, land use variation and zoning variation. Staff liaison to the Plan Commission.

Linda Pascucci - *Administrative Assistant*, 14 years with the Village of Arlington Heights. Handles administrative office functions and workflow including budgeting, coordination with departments, commissions and general office administration.

Pat DiMatteo - *Administrative Assistant*, - 8 years with the Village of Arlington Heights. Handles Administrative office functions and including Design Commission Meeting minutes, and distribution of materials to Design Commission, meeting minutes, and distribution of materials to Village Board, Design Commission, Plan Commission and other commissions staffed by the Department.

Charmain Later - *Part-time Contract Planner*, with over 30 years of experience. Providing permit review and research and assistants on special projects.

Boards and Commissions - Planning & Community Development Department Staff provide technical and administrative support professional assistants and liaison to the following Boards and Commissions:

Arlington Economic Alliance
Arts Commission
Design Commission
Housing Commission
Plan Commission
Zoning Board of Appeals

INTER OFFICE

MEMO

To: Randy Recklaus, Village Manager
From: Fire Chief Kenneth Koeppen
Subject: Annual Departmental Report
Date: March 21, 2016

The following is a summary of Fire Department operations in 2015, a report on our current status, and a description of some of our key initiatives in motion.

Scope of Services Provided

The Fire Department provides suppression, emergency medical, specialty rescue, and educational services for the residents and businesses of Arlington Heights. The Department responds to approximately 10,000 calls for these services each year with a total staff of 111, 108 sworn Firefighters and three administrative personnel (two part time). There are eight Command Staff personnel and 16 Lieutenants, 56 Firefighter/Paramedics, 12 Firefighter/Engineers, and 16 Firefighters, as detailed on the attached organizational chart.

In order to work even his or her first shift, a Firefighter must have completed a rigorous nine-week Basic Firefighter course. The course covers the basics – Firefighter Safety, Fire Behavior and Fire Extinguishment...in addition to an introduction to EMS and Technical Rescue situations. The Basic Firefighter course involves a LOT of live fire scenarios. It is a challenging and character-building nine weeks.

Once on shift, Firefighters continue with Advanced Technician Firefighter. This program increases their knowledge, refines skills and exposes Firefighters to situations where they must "take the lead" on calls. This program takes at least three years to complete, and all Firefighters must be Advanced Tech Firefighters to achieve top pay or apply for promotion to Lieutenant.

Our Lieutenants have an average of 20 years of service and all of them are certified as a Fire Officer I by the Office of the Illinois State Fire Marshal. This program includes classes in leadership, instructor training, fire prevention, and tactics and strategy. In addition, successful candidates must demonstrate that they are capable of taking leadership roles in just about every emergency situation.

Chief Officers all have (or are currently working on) Fire Officer II certification. This program builds on the leadership roles taught in Fire Officer I and builds confidence and competence in handling large-scale and complex emergencies. Chief Officers are also certified as Incident Safety Officers. This certification allows them to act as a Safety Officer at any of our incidents or any large-scale emergencies with our Mutual Aid partner departments.

In early 2015, Fire Chief Ken Koeppen was awarded the prestigious Chief Fire Officer (CFO) certification, the highest certification for a Fire Officer. This certification is very difficult to attain. In addition to one full year of classes, a successful candidate must present detailed evidence of knowledge, education and experience to a very demanding review board. The candidates are put through the rigors of oral examination by members of the review board as well.

All of our personnel are cross-trained to provide emergency medical services to our community. The majority of cross-trained personnel are Paramedics. The most basic of this training is Emergency Medical Technician, or "EMT-B." This license must be attained soon after hire and maintained throughout their careers. Most of our personnel are licensed as the more advanced "EMT-P," or Paramedic. This license takes almost a full year off shift to attain. After obtaining Paramedic status, personnel must go to class (which they attend on duty) every month and continue to pass knowledge tests and demonstrate practical skills competencies to maintain their licenses. Achieving and maintaining Paramedic status is difficult, but it is worth noting that we have 20 Firefighters who continue to maintain their Paramedic licenses and skills even when a change in their position allows them to "drop" to EMT-B status. These Engineer/Paramedics and Lieutenant/ Paramedics have proven to be invaluable on critical calls when we need "all hands on deck."

All personnel are trained and certified in CPR and in the use of Automated External Defibrillators (AEDs). All Department vehicles carry an AED.

The Public Education/Fire Prevention office is a critical area of the Fire Department. It operates under the direction of the Department's administrative Deputy Chief. While other divisions are managed by Chief Officers, Public Education/Fire Prevention is managed by a Lieutenant. Typically, this Lieutenant is one who has volunteered for the assignment to gain experience in the administrative/code enforcement side of the fire service.

The Public Education/Fire Prevention office works to meet the safety needs of our Firefighters, and the safety and educational needs of Village residents. Community education courses range from programs such as EDITH (Exit Drills in the Home) for school-aged children to workplace safety initiatives such as the proper selection and use of portable fire extinguishers, to identifying common causes of and preventing falls in the home by our senior citizen population. Public Education also assists residents with ongoing smoke detector replacement through our Katie Project. This unit is also responsible for providing fireguards and emergency medical personnel at special community events such as Frontier Days, running events, high school football games, events at Arlington Park, arts and crafts festivals, to name just a few.

Department membership and community members alike are further served by the efforts of Public Education/Fire Prevention through the Building Plan Review process. The Public Education/Fire Prevention Officer is the Fire Department representative who reviews construction documents in the Village review process, identifying safety issues pertaining to access and egress routes and addressing fire detection and fire suppression system issues. The recommendations and changes made by this unit (adequate fire lanes, accessible Fire Department connections, available egress...) have a long-lasting, life-saving value for our citizens and Firefighters.

Public Education/Fire Prevention is unique in that it serves each and every Department *and* community member. This unit has the opportunity to educate every age demographic in the Village and also influence building design to protect the occupants and the Firefighters who enter those buildings on service calls or in emergencies.

An interesting sub-set of our Fire Department is our Specialty Teams. These teams are made up of personnel who have demonstrated interest and aptitude in specific, low-frequency but dangerous, high-hazard emergencies. We have four Specialty Teams – Hazardous Materials, Dive Rescue, Technical Rescue and Fire Investigation.

While all Arlington Heights Firefighters are trained to recognize and contain hazardous materials incidents, the Hazardous Materials Team is trained to a higher level to mitigate hazardous materials emergencies. Members of the HazMat Team work in fully encapsulated suits which enable them to enter contaminated areas and clean up, neutralize, plug or control dangerous chemicals. An example of this is the incident in March, 2015 at the Daily Herald facility involving a suspicious powder that required investigation. The HazMat Team currently has eight members, all of whom are required to complete 24 hours of technician level training every year.

The 11 members of our Dive Team are trained certified divers who respond for incidents in Arlington Heights and also as part of the MABAS Division I Underwater Rescue and Recovery Team. All team members must pass the International Association of Dive Rescue Specialists' swim and watermanship tests each year. They must also complete six dives and a skills review annually. In addition, the six team members who are swiftwater specialists must complete one specialized dive in that venue and the six ice divers must do the same. In the last few years, the Dive Team has been called to rescue drivers whose cars have entered a body of water, rescue swimmers, and retrieve evidence.

All nine of our Technical Rescue Specialists are trained and equipped to mitigate emergencies involving above ground, below ground, structural collapse and confined space incidents. Every two years, team members must demonstrate competency in dozens of skills related to all of the components of technical rescue. Some of our team members also belong to the State of Illinois Urban Search and Rescue Task Force. The team is ready to deploy to any disaster in Illinois and, when authorized, can respond to any location in the United States. Three of our TRS Team members traveled to Sublette, Illinois following the devastating tornado in June, 2015 to perform extensive search and reconnaissance activities. They searched hundreds of sites, using dogs and heavy rescue tools, often needing to force entry through doors, windows and roofs of tipped over trailers. They worked in shifts through the night, dealing with difficult access due to fallen trees, downed power lines, propane tanks and other hazards.

The Department's four fire investigators are responsible for investigating and identifying the cause and origin of fires and explosions in the Village. Their job is to collect and analyze material, and prepare reports on any structural fires in Arlington Heights. Areas documented during the course of the investigations include details of fire ignition, growth, and development; contributions of building construction, interior finish and furnishings; fire detection and suppression scenarios; performance of structures exposed to the fire; smoke movement and control; human reaction (response) and evacuation; firefighting and rescue; and the extent of life loss, injury and property damage. In addition to investigating fires, team members are involved in continuing education throughout the year and also train with the Arlington Heights Police Department to be able to bring arson cases through the judicial system.

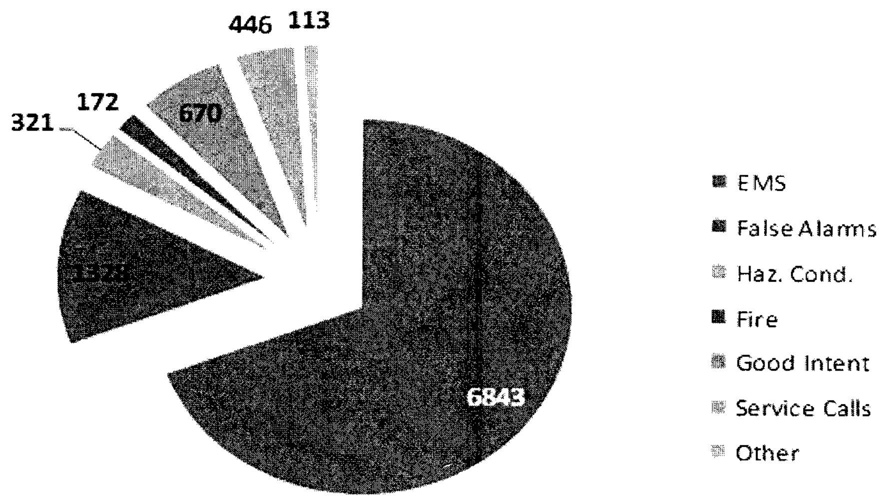
Workload Indicators

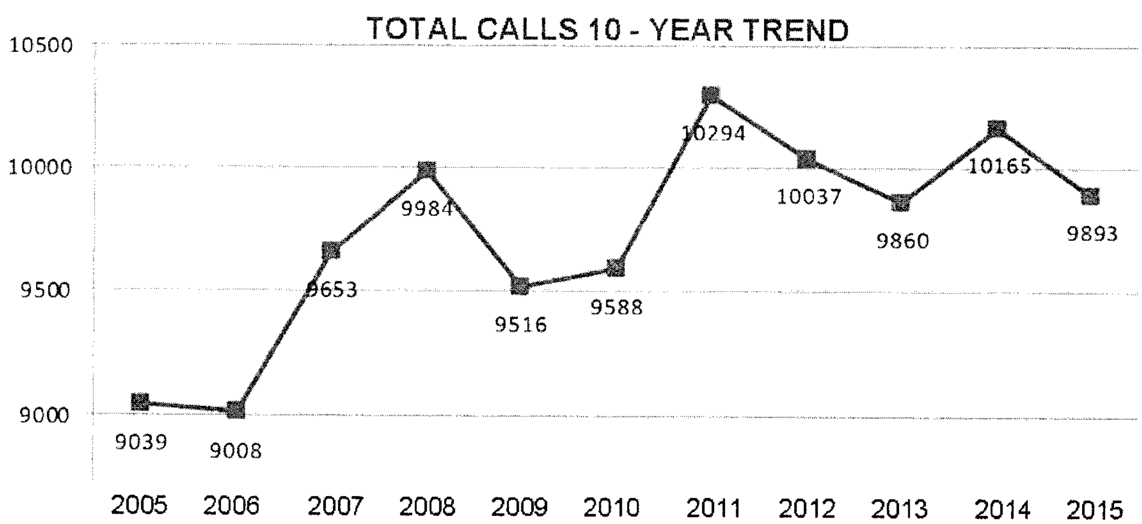
2015 was a busy year for our Fire Department. We had a total of 9,893 calls. In fact, the case can be made that we are the busiest department in our area. Taking total calls and dividing them by the total number of personnel, the Arlington Heights Fire Department "averages" 97 calls for every one Firefighter. Surrounding cities are in the 60's, 70's and 80's. Schaumburg, with 9017 calls in 2015, had almost one thousand fewer calls, and that Department has 18 more Firefighters than Arlington Heights.

Town	**# of Shift Personnel**	**Total 2015 Calls**	**Average Calls per Firefighter**
Arlington Heights	102	9893	97
Buffalo Grove	54	4478	83
Elk Grove Village	88	5666	64
Mt. Prospect	69	5940	86
Rolling Meadows	44	3793	86
Schaumburg	120	9017	75

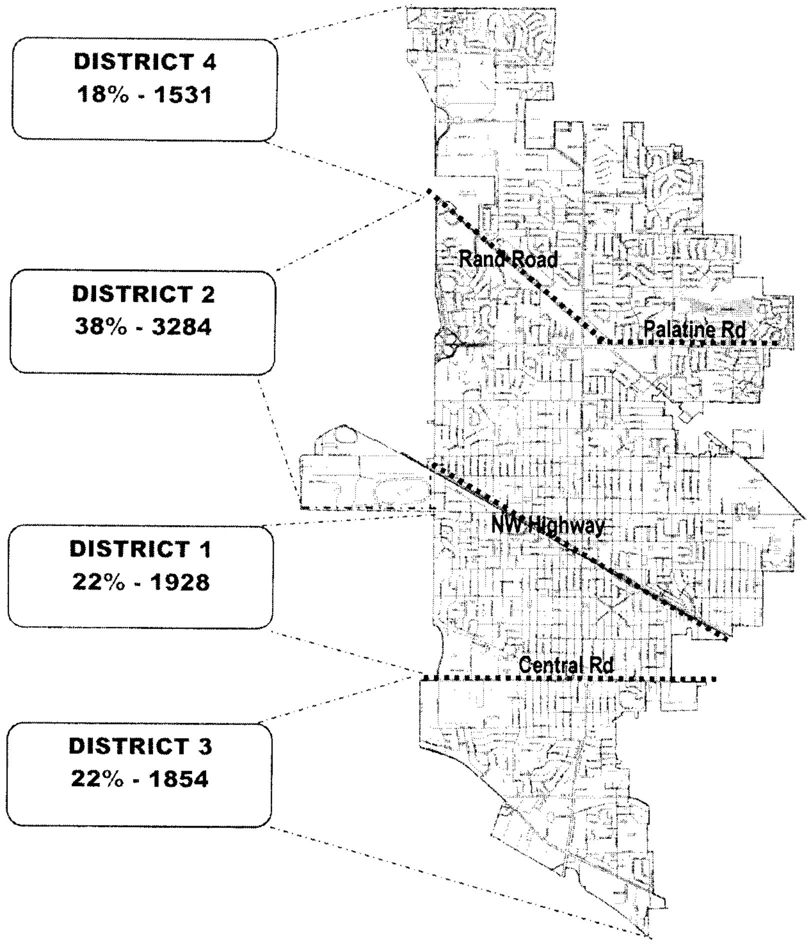
RESPONSES

Fire Calls		EMS Calls	
Structure fires	22	EMS calls, excl. vehicle accidents	6,326
Other fires	150		
Fires (total)	172	Vehicle accidents with injuries	313
Overpressure, rupture	9		
Service calls	446	Motor vehicle/pedestrian accidents	18
Hazardous conditions	321		
Good intent	670	Medical assist, assist EMS crew	15
False alarm	1,328		
Rescues (extrication, lock-in)	93	Other	171
Other	11		
FIRE CALLS TOTAL	3,050	EMS CALLS TOTAL	6,843
COMBINED TOTAL 9,893			





NUMBER OF RESPONSES BY DISTRICT
(excluding mutual and automatic aid)



2015 MUTUAL AID / AUTO AID INCIDENTS

	AID GIVEN	AID RECEIVED
BUFFALO GROVE	449	346
DES PLAINES	11	2
ELK GROVE	61	30
MOUNT PROSPECT	105	225
PALATINE	193	312
PROSPECT HEIGHTS	43	29
ROLLING MEADOWS	395	284
WHEELING	13	8
OTHER	23	80
TOTAL	1293	1316

Number of Patients Transported By Destination	
Northwest Community Hospital	4,896
Alexian Brothers Medical Center	37
Lutheran General Hospital	35
Glenbrook Hospital	9
Good Shepherd Hospital	3
Highland Park Hospital	2
St. Alexius Medical Center	2
Condell Medical Center	1

Top 10 EMS Incident Types	
Fall Victim	1,309
Breathing Problem	502
Traffic Accident	487
Other	475
Behavioral / Psychiatric	409
Sick Person	381
Chest Pain	352
Pain	302
Unconscious / Fainting	222
Abdominal Pain	194

ALS vs. BLS Transports	
ALS (Advanced Life Support)	3,284
BLS (Basic Life Support)	1,695

EMS Calls by Age	
Under age 1	29
1-10	136
11-20	266
21-30	490
31-40	420
41-50	481
51-60	671
61-70	680
71-80	906
81-90	1,413
91-100	905
Over age 100	27

2015 EMS Summary	
EMS calls, excluding vehicle accidents	6,326
Motor vehicle accidents with injuries	313
Motor vehicle/pedestrian accident	18
Medical assist	15
Other	171
TOTAL	6,843

Key Accomplishments of 2015

While we are proud of our actions on all of our calls for assistance, there were a few that stood out in 2015. Our EMS Division reported that we resuscitated 13 patients last year. That means that there were 13 people whose hearts had stopped, were reached quickly, cared for skillfully, and saved. It pays to have the personnel, vehicles and equipment to make such a profound and vital impact in our community. There were also many notable fires in 2015, fires that were extinguished quickly, limiting the property loss and ensuring the safety of the occupants. Four stood out in 2015 for the extraordinary circumstances and exceptional response by our personnel.

812 N. Kaspar, 2/19/15, 11:46 P.M. Personnel were called for a house fire late at night with temperatures in the low teens. Entry was unachievable due to furniture and other materials stored near doors and windows. The homeowner was out and safe, but the fire was advanced and deep within the structure. Our challenge was to protect the homes on either side. Fire companies worked through the night and into the next morning, successfully preventing the fire from extending and the walls from collapsing onto the neighbors' homes.

1618 W. Waverly Court, 10/6/15, 1:56 A.M. Fire Department personnel were called to the scene of a house fire. Upon arrival, fire crews extinguished the fire and cared for and transported two occupants. Unfortunately, a third victim did not survive and was pronounced dead at the scene. This was our only fire fatality in 2015.

1430 E. Davis, 12/3/15, 6:09 A.M.
This was the largest fire in Arlington Heights since the Race Track Fire of 1985. A fire started in a large, abandoned warehouse. The incident was elevated to a Level II box alarm, bringing personnel from 13 area fire departments to assist. The fire was extinguished while, incredibly, neighboring structures, including a Park District building, were protected and spared any damage.

27. N. Dryden, 12/27/15, 5:40 A.M.
This was a fire in a three-story, 24-unit apartment building. The building had no sprinkler system and no automated detection alarm system. The occupant of the fire unit was able to get out without a life-threatening injury. Firefighters arrived quickly, and skillfully positioned themselves, equipment and hoses in **between** the fire unit and the rest of the building, limiting property damage and saving lives.

Another continued success in 2015 was the growth of the Katie Project initiative. Last year saw over 100 residents whose homes were made safer by working smoke detectors.

<u>Key Initiatives Now Underway</u>

As we begin addressing our challenges and opportunities in 2016, our Department is moving toward implementing progressive solutions for age-old challenges that all fire departments face.

Every Fire Chief wants fast response times for the community. We use automated computer-aided dispatch, different tones that announce different types of calls, strategic scheduling of training exercises…all in an effort to gain a little better response time and get to emergencies *fast and faster.*

To that end we are phasing in new "station alerting" systems. These systems will improve our response times and call preparation by installing timers, lighted speakers and LED displays and message boards in each of our four stations. This equipment will provide visual alerts in high-noise areas and provide our personnel with critical call information. We are phasing this in beginning with Station 4 in 2016.

Another approach to rapid incident response is to keep companies in their own districts when possible/practical. In 2004 we purchased a state-of-the-art videoconferencing system that allowed us to do just that, however, over the years the system has become outdated, components have become obsolete, and newer technology has surpassed the old. This year we will begin Phase I of a two-phase project that will revitalize our videoconferencing use and improve the training experience. The Multimedia Technology/Infrastructure upgrade will make much-needed improvements to our interface and source equipment.

One of our Department's highest priorities is the health and welfare of our Firefighters. Both the Village and the Fire Department have Safety Committees that meet regularly, constantly on the lookout for ways to reduce injuries and ensure a safe work environment. A majority of our calls are ambulance calls, almost 7,000 in 2015. Every ambulance transport involves putting a patient on a cot, lifting the front of that cot to get it into the ambulance, and then reversing the process to unload at the hospital. We are in the process of installing a "power cot" and "power loading system" in one of our ambulances. Power cots and loading systems have been gaining popularity in the fire service in recent years. Many of our surrounding departments use them and extol their use as a way to reduce injuries and wear and tear on personnel. The cots and system are expensive ($56,000 installed) but well worth it if they prevent even one injury. We are going to install one cot and system in 2016, and if it produces results as predicted, we will submit a plan to phase in these systems in the near future.

Another injury reduction initiative that we are implementing in 2016 is a stretching and flexibility program. Research provided by Gallagher Bassett, the Village's third party risk management administrator, indicates that increased flexibility, through even a remedial morning stretch regimen, can reduce the risk of not only muscle strain and sprain injuries, but serious knee and back injuries as well. Fire Administration is working with Human Resources and our Union to make some minor adjustments to the daily work schedule to provide training and opportunities for Firefighters to stretch together as companies.

The Insurance Services Office, Inc. (ISO) will be back in May of 2016 to evaluate our ISO designation. In 2008 our ISO designation was changed from a Class 1 to a Class 2. A Class 2 rating is still excellent, and going to a Class 2 has no impact on our residential fire insurance rates, however, we were very frustrated and disappointed with the downgrade, to say the least. To review, we were awarded the ISO Class 1 designation in 1997. Between 1997 and our review in 2008, we added an ADDITIONAL18 Firefighters, increased our minimum daily staffing from 23 to 26, put a FOURTH ambulance in service, put a SECOND squad in service, improved our mutual aid agreements, replaced an outdated water control system with a modern digital system…the list goes on and on, and we were still downgraded to Class 2. We have reviewed practices, agreements and equipment to maintain our Class 2 designation, but we will never lose aspirations of regaining our deserved Class 1 status.

Revenue is important for all Village services and the Fire Department is no different. The Department is in the process of reviewing our fee structures (ambulance billing, false alarm, Paramedic details…) looking for ways to increase our revenue with a fair and equitable approach.

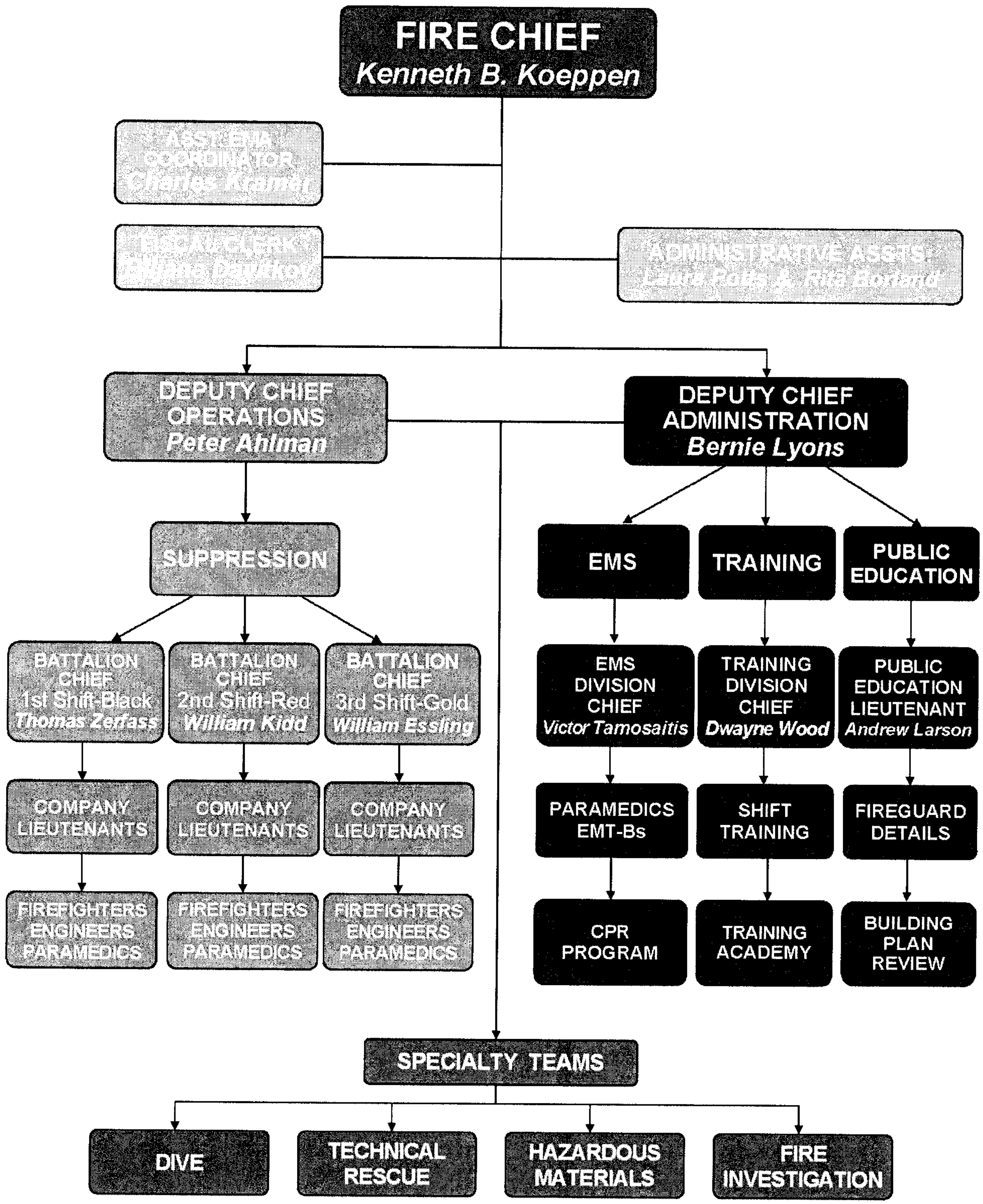
Potential New Initiatives

As the fire service and emergency medical services evolve, we must anticipate, evaluate and prepare for advances, efficiencies and improvements to the services we provide. Our EMS system's resource hospital, Northwest Community, has started a small pilot program involving Integrated Mobile Health Care with a few of our neighboring fire departments. Integrated Mobile Health Care is a complex and multi-faceted topic. One of the basic premises is that not all patients who call 9-1-1 need to have an ambulance (costly) take them to the emergency room (even more costly). Some patients may just need medicine, some basic splinting or wound care, and some may just need a ride, so they call 9-1-1 and an ambulance and engine are dispatched to help. Northwest Community Hospital's initiative would have Paramedics, when not on shift, visit patients to ensure medications are being taken correctly, wounds are being cared for, and the patient's recovery is progressing as planned. In theory, this will reduce ambulance calls, Emergency Room visits, and hospital admissions by a significant number, and will help the hospital address some of its responsibilities as they relate to the Affordable Health Care Act. We will be watching this program closely and evaluating its fit for Arlington Heights. The questions arise: Will this benefit the people of Arlington Heights? Will it help our Fire Department achieve *its* goals? Can we count on Paramedics to work these extra days? Is the schedule detrimental to the work vs. rest ratio built into a Firefighter/Paramedic's regimen? **Who pays for this program?** Medical care liabilities? Additional injury liabilities?

Another trend we are keeping an eye on is consolidation arrangements between fire departments. Departments continue to strive for ways to become sleeker and more efficient. One way is to look at our operations and those of other departments and see if there is any way we can share equipment and resources or reallocate certain responsibilities. Achieving consolidation is often easier said than done. An agreement with a neighboring department on one border may have a negative effect on a department on our other border, but we continue to talk with other departments and explore future possible joint ventures.

In 2016 we did consolidate part of our Emergency Management with other departments. Arlington Heights, along with nine other departments in the Northwest Central Dispatch System, has entered into an agreement to form a Joint Emergency Management System (JEMS) and share a Joint Emergency Management Coordinator. The Coordinator will serve as an emergency management resource for all the participating departments. He will help with pharmaceutical distribution guidelines, disaster planning, objectives and format, and Emergency Action Plans.

We look forward to any other opportunities to implement new and creative strategies as we continue to strive toward providing the best, most cost-effective service for our community.


FIRE CHIEF
Kenneth B. Koeppen
ASST. EMA COORDINATOR
Charles Kramer
FISCAL CLERK
ADMINISTRATIVE ASSTS.
Laura Potts & Rita Borland
DEPUTY CHIEF OPERATIONS
Peter Ahlman
DEPUTY CHIEF ADMINISTRATION
Bernie Lyons
SUPPRESSION
BATTALION CHIEF 1st Shift-Black
Thomas Zerfass
BATTALION CHIEF 2nd Shift-Red
William Kidd
BATTALION CHIEF 3rd Shift-Gold
William Essling
COMPANY LIEUTENANTS
COMPANY LIEUTENANTS
COMPANY LIEUTENANTS
FIREFIGHTERS ENGINEERS PARAMEDICS
FIREFIGHTERS ENGINEERS PARAMEDICS
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DIVE
TECHNICAL RESCUE
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