

**MINUTES
COMMITTEE-OF-THE-WHOLE
PRESIDENT AND BOARD OF TRUSTEES
VILLAGE OF ARLINGTON HEIGHTS
VIRTUAL MEETING
MONDAY, MARCH 8, 2021 7:00 P.M.**

BOARD MEMBERS PRESENT: President Hayes; Trustees: Baldino, LaBedz, Padovani, Rosenberg, Schwingbeck, Scaletta and Tinaglia

BOARD MEMBERS ABSENT: Trustee Canty

STAFF MEMBERS PRESENT: Randy Recklaus, Village Manager; Charles Perkins, Director of Planning and Community Development; Nora Boyer, Housing Planner, Tom Kuehne, Finance Director; and Maggie Mattio, Recording Secretary

SUBJECTS:

- A. Public Hearing – Substantial Amendment to 2019 HUD Annual Action Plan for Community Development Block Grant – COVID 3 (CDBG-CV3) funds
 - B. Metropolis Theater Discussion
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Other Business

Adjournment

President Hayes called the meeting to order at 7:00 PM. The Pledge of Allegiance was recited.

A. Public Hearing – Substantial Amendment to 2019 HUD Action Plan for Community Development Block Grant – COVID 3 (CDBG-CV3) funds

President Hayes began by thanking everyone for participating in tonight's meeting and asked for a motion to open the Public Hearing.

Trustee LaBedz moved, seconded by Trustee Scaletta, to open the public hearing.

The Motion: Passed

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

Nays: None

New Business

Mr. Perkins explained that the Village received \$383,860 in CDBG-CV3 funds to be utilized to prevent, prepare for, or respond to the COVID pandemic. Following tonight's meeting, there is a 5-day public comment period, followed by a second public hearing in which the Board can adopt the proposed amendments and proposed budget. After submission to HUD for review and approval, agencies would enter into agreements with the Village and the funds could be released.

In addition to providing CDBG funds to non-profit agencies and other recipients, Mr. Perkins proposed that some funds be utilized to offer small businesses a short-term (6 -12 months) forgivable loan. After submittal to HUD, criteria would have to be created within 30 days as to what qualifies as a small business. For discussion purposes, a qualifying small business would be one who retains employees with a low or moderate income, has had COVID related expenses, has a maximum of \$1M in sales, generates sales-tax, occupies under 5,000 square feet, and/or employees 10-20 full-time employees. The Arlington Economic Alliances suggested they too review and have input in creating said criteria.

Mr. Perkins said that he believes the Village could provide 26 small businesses with a forgivable loan of \$5,000. He explained that there were revisions to the proposed budget, as the Park District will not need the full amount of funds previously requested for their Children at Play Program. In summary, he proposed that the CDBG-CV3 funds be distributed as follows: \$241,860 towards agencies in the community who provide healthcare and childcare services and those who help the homeless; \$130,000 for the small business forgivable loan program; and \$12,000 for administrative costs. He recommended that the Committee-of-the-Whole recommend to the Village Board the substantial amendment to the 2019 annual action plan, a proposed amendment to the 2015-2019 consolidated plan, increase the priority level for economic development, and amend the Village's fiscal year 2021 budget to reflect the CDBG CV-3 funds.

Trustee Tinaglia asked for further explanation as to why the Children at Play Program will not need the full amount of funds previously requested. Mr. Perkins explained that the program is actually Children at Play-Plus which was created during COVID to assist low- or moderate-income parents who returned to work but their child(ren) were home due to school closures. He went on to say that applications to request funding were submitted last October when it was unclear if schools would return to in-person learning. The Park District based their application figures on the pretense that school would follow a hybrid schedule and there would be a higher demand for all-day care. However, since schools are returning to in-person learning, the demand is lower therefore not needing the funds previously requested.

Trustee Rosenberg asked for clarification on the criteria for small businesses, specifically how the business will establish that their employees are in need. Mr. Perkins clarified that it's not necessarily that the employees themselves are in need, rather that the business retains low to moderate income employees. The business would also have to demonstrate that they have eligible expenses related to COVID such as PPE equipment, etc. Ms. Boyer added that HUD

offered a waiver where rather than demonstrating an entire household is low to moderate income, only the person in the job will have to demonstrate it meets the guidelines. Businesses can verify income with payroll stubs and W-2 forms.

Trustee Scaletta inquired why there is a 5,000 square feet limit to qualify as a small business for the forgivable loan program. He expressed his concern about using square footage as a qualification as there are many businesses impacted by COVID and the Governor's limited capacity mandate that could use assistance. He used Fitness 19, Wynburg Café, Honey Jam, Golden Brunch and the two swim schools in town as an example of businesses who occupy more than 5,000 square feet, yet are small businesses. Trustee Scaletta suggested that the Board come to an agreement that would define a small business as one who retains 20-25 full-time equivalent employees. Mr. Perkins said the criteria for the small business forgivable loans is still being created. Trustee Scaletta also asked Mr. Perkins what he meant by "rate to be determined" on the forgivable loan program presentation. Mr. Perkins said that in the event the business did not comply with all the criteria or follow-up requirements, the Village could turn the loan into a zero-interest loan or apply a modest interest rate. Trustee Scaletta said he would support a zero-percent interest rate as the penalty would be having to pay it back.

Trustee LaBedz, Baldino and President Hayes all express their support for the forgivable loan program and agreed with Trustee Scaletta about redefining what qualifies as a small business.

Trustee Scaletta moved, seconded by Trustee Rosenberg, to recommend that the Committee of the Whole recommend to the Village Board for approval at the March 15, 2021 Village Board Meeting: 1) a proposed substantial amendment to the 2019 Annual Action Plan that allocates the CDBG-CV3 funds; 2) a proposed amendment to the 2015-2019 Consolidated Plan to change the priority level for the existing Economic Development goal in the Plan from low to high priority, and 3) an amendment to the 2021 Village of Arlington Heights budget to include \$383,860 in CDBG-CV revenue in Account 215-0000-41148-00 and CDBG-CV budgeted expenditures under accounts under the CDBG Program Account 215-4102-522-4181.

The Motion: Passed

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

Nays: None

Metropolis Theater Discussion

Mr. Recklaus began with remarks on a new idea from the Metropolis Theater to bring live entertainment back to Arlington Heights in a safe way. At the end of 2020, the Metropolis Theater approached the Village about setting up a large-tent theater for outdoor performances between May and September. Since then, the Village has been working with theater staff to create this concept. The proposal is to shut down Eastman Street between Arlington Heights Road and Evergreen to set up a tent theater. The Village and the Theater believe it's an ideal

location as the adjacent properties are the north parking garage and North School Park. The Theater can obtain power from the parking garage, parking would be available for patrons at the garage itself, and it could benefit the restaurants located north of downtown. If this concept is approved, the Theater would be required to sign a license agreement naming the Village as an additional insured and reimburse the Village for any costs they may incur.

Mr. Joe Keefe, Executive Artistic Director and Ms. Brookes Ebetsch, Executive Operations Director elaborated on the idea of the outdoor theater. Ms. Ebetsch said that after much discussion and site visits, set up on Eastman between Evergreen and Arlington Heights Road would be best for all. Re-routing of traffic will include detour signage and barriers. The Village has requested that part of the Eastman garage exit remain open for emergency use. In regards to the structure itself, Ms. Ebetsch said that the tent will cover the stage and seating area. The north and east side walls of the tent will remain closed during performances for privacy and the west and south walls will be opened for air ventilation. Social distanced seating and sanitation procedures will be followed to comply with CDC safety guidelines. The Theater will work with Arlington Heights Public Safety, Fire Department, Public Works, and Building Services to make sure that all necessary safety measures are put in place. After each performance, the tent will be secured, porta-potties locked, and equipment safely stored in lockers. The Theater has also proposed bar service at the east side of the tent in a roped-off secured area.

Several efforts will be made to maintain sound levels down. Mr. Keefe said that the tent will be located 60 feet east of Evergreen which is approximately 200 feet from the eastern arm of Hancock Square condominiums. The west wall of the tent will have audio curtains directing sound eastward towards the audience and smaller speakers will be placed to direct audio towards the center rather than from the stage outward. Evening performances will end at 9:45 p.m. and Sunday matinees at 5:15 p.m.

In conclusion, Mr. Keefe and Ms. Ebetsch said that it is critically important for the Metropolis Theater to return to production to generate revenue. They view this opportunity as Metropolis Al Fresco.

Mayor Hayes thanked Mr. Keefe and Ms. Ebetsch for their perseverance and bringing this unique and exciting proposal forward, of which he is in support of. He expressed his concern about sound and asked how they intend to limit reverberation and how sound will carry throughout. Mr. Keefe said they are exploring a wide-range of sound attenuation for the theater space. He assured Mayor Hayes that they will be regulating sound at rehearsals from 50, 150, and 250 feet away. The plan is to a 0-decibel level at 200 ft from the rear of the theater. He added that they will be installing acoustic curtaining and plan to align the tent with smaller speakers to project sound inward rather than outward.

Trustee Rosenberg asked for clarification of when the tent theater will open. Mr. Recklaus clarified the Village's error and said that performances will take place May to September. Mr. Keefe requested permission to begin construction of the tent on April 1st to allow for rehearsals.

Trustee Rosenberg inquired about security at the tent and asked about the financials of having the tent theater. In regards to security measures, Ms. Ebetsch said they are looking at having a locked storage area next to the tent and the possibility of hiring private security for evening deterrence. Pertaining to the financials, Mr. Keefe said the tent theater and associated costs is an expense they did not foresee when they created their budget. However, they have approached donors and believe they can defray some or most of the costs associated with the outdoor theater. He went on to say that there is no way for the Theater to project sales, but if they don't produce a show they do know those projections will be zero. Ms. Ebetsch added that 1,600 tickets have been sold and to assist them financially they will be applying for a second round of PPP and for the Shuttered Venue Grant.

Trustee Baldino expressed his support of the tent theater. He inquired about the emergency exits. Ms. Ebetsch said they have worked with the Village and Fire Department to ensure emergency vehicles can access the garage from Eastman if necessary. Trustee Baldino asked if the Theater intends to host shows at the tent even if establishments get the go ahead to reopen. Mr. Keefe said the Theater is planning to host both shows at the tent regardless of re-opening phases as they want to proceed with production plans, projections, and contract necessary vendors to make it come together.

Trustee LaBedz – Thanked everyone who has worked on this concept and expressed her concern about after-hours security. In regards to the tent, she asked if the tent is made to withstand thunderstorms and high-winds. Ms. Ebetsch said the tent can withstand up to 60 mph winds. The tent company does periodic checks on the structure to make sure it is in good condition throughout the term of the rental.

Trustee Padovani said he was impressed on how the Theater is sampling noise levels around the tent and suggested they sample how noise travels vertically as there are condominiums on Evergreen and Eastman. Mr. Keefe said they will be measuring sound from the top of the parking garage and the engineers and designers setting up the audio can make adjustments during a production if needed.

Trustee Schwingbeck thanked Mr. Keefe & Ms. Ebetsch for bringing the idea to the Board. He asked how the beverage area will be secured. Mr. Keefe said that no alcohol will remain on site overnight and that it will be returned to the theater. He assured Trustee Schwingbeck that any materials that remain onsite will be kept in locked storage pods located in a place that can't be removed.

Trustee Scaletta thanked Mr. Keefe and Ms. Ebetsch for their honesty and answering all questions and concerns. He inquired about the placement of the tent and expressed his concern about noise complaints once everything is set up. Mr. Keefe said that there are mitigation techniques that can be applied and have already taken some steps to minimize noise by having acoustical curtaining, wood flats, and stage risers. Trustee Scaletta asked about the number of shows that will be held in the tent. Ms. Ebetsch said there are 2 shows and 3 weeks between productions.

She is hopeful that with permission from the Village, they can host some of their presented shows as a way to generate more revenue. Trustee Scaletta asked about handicap parking in the area. Mr. Recklaus said the Village will be re-evaluating parking in the area.

Trustee Tinaglia asked about seating capacity inside the tent in the event the State enters phase 4.5 or 5. Ms. Ebetsch said there are a few options to accommodate more seating such as offering “lawn seats” near the beverage area, changing social distancing protocols inside the tent to add extra rows, and/or rent an additional section of 20 or 40 feet to expand the tent. However, she mentioned that what can be done versus what patrons feel comfortable participating in are two different things. Trustee Tinaglia also suggested the placement of rugs on the asphalt to assist with sound attenuation.

Trustee Schwingbeck moved, seconded by Trustee Baldino, to recommend that Staff continue to work with the Metropolis Theater Concept on Eastman Street between Arlington Heights Road and Evergreen Avenue.

The Motion: Passed

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

Nays: None

Adjournment

Trustee Scaletta, seconded by Trustee Baldino to adjourn the meeting at 8:45 p.m.

The Motion: Passed

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

Nays: None