MINUTES
President and Board of Trustees
Village of Arlington Heights
Board Room

Arlington Heights Village
Hall 33 S. Arlington Heights Road
Arlington Heights, IL 60007
September 16, 2024
7:30 PM

I. CALL TO ORDER

II. PLEDGE OF ALLEGIANCE

III. ROLL CALL OF MEMBERS

President Hayes and the following Trustees responded to roll: Schwingbeck, Bertucci, Grasse, Tinaglia, Dunnington, LaBedz. Trustees Baldino and Shirley were absent. Also present were: Randy Recklaus, Diana Mikula, Charles Perkins, Tom Kuehne, Hart Passman, Cris Papierniak and Becky Hume.

IV. APPROVAL OF MINUTES

A. Village Board 09/03/2024

Trustee Grasse moved to Approve. Trustee Tinaglia Seconded the Motion.
The Motion: Passed
Ayes: Trustee Bertucci, Trustee Dunnington, Trustee Grasse, Trustee Schwingbeck, Trustee Tinaglia
Nays: None
Abstain: President Tom Hayes, Trustee Robin LaBedz
Absent: Trustee Baldino, Trustee Shirley

B. Closed Session Minutes 04/15/2024

Trustee LaBedz moved to Approve. Trustee Grasse Seconded the Motion.
The Motion: Passed
Ayes: President Hayes, Trustee Bertucci, Trustee Dunnington, Trustee Grasse, Trustee LaBedz, Trustee Schwingbeck, Trustee Tinaglia
Nays: None
Absent: Trustee Baldino, Trustee Shirley

V. APPROVAL OF ACCOUNTS PAYABLE

A. Warrant Register 09/15/2024

Trustee Bertucci moved to Approve in the amount of $3,307,253.47. Trustee Tinaglia Seconded the Motion.
The Motion: Passed
Ayes: President Hayes, Trustee Bertucci, Trustee Dunnington, Trustee Grasse, Trustee LaBedz, Trustee Schwingbeck, Trustee Tinaglia
Nays: None
Absent: Trustee Baldino, Trustee Shirley

VI. RECOGNITIONS AND COMMUNICATIONS

A. One Book, One Village presentation by Arlington Heights Memorial Library

Library representatives Catalina Shin and Sasha Vasilic presented the title The Collected Regrets of Clover as this year's selection for the One Book/One Village program. This is the 11th year of the program, and they enumerated the many events in which the public can participate. Author Mikki Brammer will be present at a culmination event on October 24th in the Hendrickson Room at the Library.

VII. PUBLIC HEARINGS

VIII. CITIZENS TO BE HEARD

Anyone wishing to speak on a subject not on the Agenda should fill out a card, located in the back of the room, and hand it to the Village Clerk. Please limit your comments to three minutes.

IX. CONSENT AGENDA

This Agenda consists of proposals and recommendations that, in the opinion of the Village Manager, will be acceptable to all members of the Board of Trustees. The purpose of this Agenda is to save time by taking only one roll call vote instead of separate votes on each item. Consideration of this Consent Agenda will be governed by the following rules and procedures prior to roll call vote:

1. Any Trustee who wishes to vote "no" or "pass" on any Consent Agenda items should so indicate.

2. Upon the request of any one Trustee, any item will be removed from the Consent Agenda and considered separately after adoption of the Consent Agenda.

3. Citizens in the audience may request that the Board remove any item from this Consent Agenda for separate consideration after adoption of the Consent Agenda.

4. One roll call vote will be taken and will cover all remaining Consent Agenda items.

Trustee Bertucci removed the Ordinance for Spent Grain Brewing from the Consent Agenda

Trustee Tinaglia moved to Approve. Trustee LaBedz Seconded the Motion.
The Motion: Passed
Ayes: President Hayes, Trustee Bertucci, Trustee Dunnington, Trustee Grasse, Trustee

LaBedz, Trustee Schwingbeck, Trustee Tinaglia
Nays: None
Absent: Trustee Baldino, Trustee Shirley

A. Issuance of a Class B and T liquor license to 1918 Winter Street Illinois LLC dba Mariano's #501 located at 802 E Northwest Highway, effective upon the transfer of ownership of Mariano's and upon relinquishment of the current liquor license by the current entity.

C. Ordinance - The Moorings Independent Living Expansion - 811 E. Central Rd.

2024-56

D. Resolution Approving Class 6B Incentive for Sweet Briar Partners, LLC. at 616 E. Brook Drive

R2024-43

E. Resolution - License Agreement Red Crown Holding LLC

R2024-44 / A2024-48

F. Resolution - Spray Patching Equipment Purchase for Public Works

R2024-45 / A2024-49

G. Resolution - Vail Promenade ITEP Grant Application

R2024-46

H. Resolution for Approval - Change Order #1 - Resident Engineer and Construction Inspection Services

R2024-47 / A2024-50

I. Resolution for Approval - Change Order #2 - Grant Assistance Consulting Services

R2024-48 / A2024-51

J. Resolution Approving Change Order #1 for the 2024 Pavement Rejuvenation (Reclamite) Program

R2024-49 / A2024-52

K. Resolution Approving Plat of Easement - Chase Bank - 585 E. Palatine Rd.

R2024-50

L. Ordinance - Waiving the Formal Bidding Requirement and Approving an Agreement with Lexipol LLC.

2024-57 / A2024-53

M. Ordinance - Amending Water and Sewer Maintenance Fees

2024-58

X. NEW BUSINESS

Trustee Tinaglia moved to move the appointments to the beginning of New Business.
Trustee Schwingbeck Seconded the Motion.
The Motion: Passed
Ayes: President Hayes, Trustee Bertucci, Trustee Dunnington, Trustee Grasse, Trustee LaBedz, Trustee Schwingbeck, Trustee Tinaglia

Nays: None
Abstain: None
Absent: Trustee Baldino, Trustee Shirley

D. Appointment of Michal Wiski to the Board Code of Review (Electrical)- term ending 04/30/2027

Trustee LaBedz moved to Concur in the Mayor's Appointment. Trustee Tinaglia Seconded the Motion.
The Motion: Passed
Ayes: President Hayes, Trustee Bertucci, Trustee Dunnington, Trustee Grasse, Trustee LaBedz, Trustee Schwingbeck, Trustee Tinaglia
Nays: None
Absent: Trustee Baldino, Trustee Shirley

President Hayes administered the Oath of Office to Mr. Wiski.

E. Appointment of Jill Geimer to the Performing Arts Metropolis Board of Directors (President) - term ending 09/16/2027

Trustee Schwingbeck moved to Concur in the Mayor's Appointment. Trustee Tinaglia Seconded the Motion.
The Motion: Passed
Ayes: President Hayes, Trustee Bertucci, Trustee Dunnington, Trustee Grasse, Trustee LaBedz, Trustee Schwingbeck, Trustee Tinaglia
Nays: None
Absent: Trustee Baldino, Trustee Shirley

F. Appointment of Dave Kunicki to the Performing Arts Metropolis Board of Directors (Member) - term ending 09/16/2027

Trustee Grasse moved to Concur in the Mayor's Appointment. Trustee LaBedz Seconded the Motion.
The Motion: Passed
Ayes: President Hayes, Trustee Bertucci, Trustee Dunnington, Trustee Grasse, Trustee LaBedz, Trustee Schwingbeck, Trustee Tinaglia
Nays: None
Absent: Trustee Baldino, Trustee Shirley

G. Appointment of Susan Thomson to the Performing Arts Metropolis Board of Directors (Member) - term ending 09/16/2026

Trustee Bertucci moved to Concur in the Mayor's Appointment. Trustee Schwingbeck Seconded the Motion.
The Motion: Passed
Ayes: President Hayes, Trustee Bertucci, Trustee Dunnington, Trustee Grasse, Trustee LaBedz, Trustee Schwingbeck, Trustee Tinaglia
Nays: None
Absent: Trustee Baldino, Trustee Shirley

H. Appointment of Jeff Hyslop to the Performing Arts Metropolis Board of Directors (Member) - term ending 09/16/2025

Trustee LaBedz moved to Concur in the Mayor's Appointment. Trustee Grasse Seconded the Motion.
The Motion: Passed
Ayes: President Hayes, Trustee Bertucci, Trustee Dunnington, Trustee Grasse, Trustee LaBedz, Trustee Schwingbeck, Trustee Tinaglia

Nays: None
Absent: Trustee Baldino, Trustee ShirleyTrustee LaBedz moved to Concur in the Mayor's Appointment. Trustee Grasse Seconded the Motion.

A. Ordinance - Providing for the Issuance of General Obligation Bonds, Series 2024

Anthony Miceli of Spear Financial presented the bond sale. It will have no effect on property taxes. The sale was for $18,007,000 and attracted 13 different bidders. There was overwhelming demand with the winning bid coming from Robert W. Baird company and a rate of 3.2179%. The Village has a growing revenue base and continues to trend positively because of conservative budgeting and efficient operations.

Trustee Grasse moved to Adopt the Ordinance providing for the Issuance of General Obligation Bonds, Series 2024 (2024-59). Trustee Schwingbeck Seconded the Motion.
The Motion: Passed
Ayes: President Hayes, Trustee Bertucci, Trustee Dunnington, Trustee Grasse, Trustee LaBedz, Trustee Schwingbeck, Trustee Tinaglia
Nays: None
Abstain: None
Absent: Trustee Baldino, Trustee Shirley

B. Resolution approving a Development Agreement between the Village of Arlington Heights and Bradford Allen Arlington Heights Development, LLC - Southeast corner of Algonquin Road and Arlington Heights Road - Arlington Gateway

Mr. Perkins summarized the Development Agreement and Economic Incentive for the first phase of the Arlington Gateway development. The project has been approved for a 301 unit, 8-story mixed-use development with 26,000 square feet of first floor commercial space. The South Arlington Heights Road Corridor was identified for redevelopment in 2018, at which time the Village conducted stakeholder surveys and solicited feedback. An overlay zoning district was adopted to allow higher density, wider sidewalks and other setback changes. The Village set up a TIF to encourage development along the corridor. Bradford Allen began acquiring properties in the area in 2018. Recently, the vacant office building was demolished. The new buildings will include 10% affordable units consistent with the Village’s Inclusionary Housing Ordinance.

Building permits are ready to be issued. Construction financing has been secured. They will receive $17.8 million in TIF assistance. Mr. Perkins presented the financial details of the project identified in the Agreement. Bradford Allen will pay impact fees to the school districts, the Park District and the Library in the amount of $906,007. They are required to have a rider by HUD that prohibits them from appealing their taxes below the equalized assessed value. There is a general maintenance performance guarantee of $550,000, a $1 million completion guarantee, and a $463,000 public improvement guarantee. These kinds of developments do not generate a lot of children. We have data from the downtown projects, so estimate there will be around 9 to 11 children. The final completion date for the development schedule is July 2026.

The second agreement specifies that TIF notes will not be issued until after the project is complete. This reduces the risk to the Village in the event the project is not completed, and requires the developer’s investors to keep this portion of their funds in the project until final occupancy.

- Senior TIF note of $12.9M issued after final occupancy
- IRR TIF note of $2.9M issued 18 months after the senior TIF note (after “true up” to determine the amount needed for the target IRR to be met)

- Interest TIF note in the maximum principal amount of $2M

Section 4 of the Agreement states that TIF notes will be payable solely from the property taxes generated by the project on this particular parcel. They would not be a general obligation of the Village and the TIF note holders would not have recourse against the Village due to lack of revenue. The risk of failing to achieve the desired level of increment will fall on the TIF note holders.

President Hayes asked the developer if what Mr. Perkins enumerated was representative of the agreement. Brian Carley said Mr. Perkins did a wonderful job going through the agreements. They are in a hurry to start work.

Trustee Dunnington asked when the calculation for the IRR would take place. Mr. Perkins said 18 months after final completion. At that time, the project would be stabalized.

Trustee Bertucci moved to Adopt the Resolution approving the Development Agreement between the Village of Arlington Heights and Bradford Allen Arlington Heights Development, LLC and authorize the Village Manager to execute the Agreement. (R2024-51 / A202454). Trustee LaBedz Seconded the Motion.
The Motion: Passed
Ayes: President Hayes, Trustee Bertucci, Trustee Dunnington, Trustee Grasse, Trustee LaBedz, Trustee Schwingbeck, Trustee Tinaglia
Nays: None
Abstain: None
Absent: Trustee Baldino, Trustee Shirley

C. Resolution approving an Economic Incentive Agreement between the Village of Arlington Heights and Bradford Allen Properties LLC - Southeast corner of Algonquin Road and Arlington Heights Road - Arilngton Gateway

Trustee LaBedz moved to Adopt the Resolution approving the Economic Incentive Agreement between the Village of Arlington Heights and Bradford Allen Properties, LLC for the Southeast corner of Algonquin Road and Arlington Heights Road - Arlington Gateway (R2024-52 / A2024-55). Trustee Schwingbeck Seconded the Motion.
The Motion: Passed
Ayes: President Hayes, Trustee Bertucci, Trustee Dunnington, Trustee Grasse, Trustee LaBedz, Trustee Schwingbeck, Trustee Tinaglia
Nays: None
Abstain: None
Absent: Trustee Baldino, Trustee Shirley

B. Ordinance - Spent Grain Brewing - 17 N. Vail Ave.

Trustee Bertucci said at the last meeting his recollection of the employee parking paragraph was that parking would be negotiated with the petitioner. He said he saw the word “must” as requiring the business to purchase employee parking permits. That word was not included in the initial draft. He reviewed the meeting video to confirm his recollection.

Mr. Recklaus explained parking is dynamic, with commuters, residents, customers, employees, and business owners using the street and the parking garages. Businesses use parking differently depending on the time of day their operations are busiest. There are rules established to make sure there is enough employee parking. A business could have 100 employees but only two working at a given time, or they could have 10 employees working all the time. In this case, we would like to use discretion to work out these issues. That's typically what has been done for other businesses. The wording in the Ordinance is:

“The petitioner must purchase parking permits for employees in the Village-owned Vail Avenue garage, as deemed appropriate by the Director of Planning and Community Development, subject to availability of parking spaces in the Vail Avenue garage. The calculation will take into account the number of employees that commute via car, availability of parking during the hours of operation of the proposed use, parking regulations in effect for the Vail Avenue Garage and other pertinent information as provided by the petitioner.”

Mr. Recklaus said the Director of Planning and Community Development is subject to his oversight and that of the Board. So, if something was being done unfairly, it could be remedied. The reason the word “must” is in there is because staff does not have the authority to require anyone to have permits. There has to be some authority in the Ordinance.

President Hayes said he thought there was enough discretion built into that language, and it is consistent with what we've done in the past for other businesses for many years.

Trustee Bertucci said originally the word “shall” was going to be used, not the word “must.” He noted that Mr. Perkins will be retiring after an esteemed career, and we're getting new people coming in. He would hate to see this get interpreted in a different light. He would like the business owner to speak to about the issue. The wording needs to be cleaned up for future projects.

President Hayes said the minutes of tonight will reflect the direction and will of the Board. Mr. Recklaus said Mr. Passman could explain the language change.

Mr. Passman said his firm took the direction of the Board from last week. There is a legion of writing by legal writing scholars cautioning against the word shall. Shall has many different meetings. His firm tries to avoid the word shall. He believes must is a requirement. He agreed it was the Board’s intent to use the word shall. It is his office’s recommendation to refine the language. It is his legal advice to avoid the word shall.

Trustee Bertucci said if we tweak it, the owner should have an opportunity to address it.

Erik Lamkins said it was hard for him to say how comfortable he was. If he has 20 employees, and they're all clocking in at 5 pm, and he must buy passes, when they could park there for free, that's where his concern comes in. As long as he receives the confidence to know that he’s not going to be handed a thing saying ‘you're going to have to spend x amount of dollars a month.’ Then he’s okay. But if someone comes in and says hey, we see you have a brewery, and we’re going to require you to purchase passes for all your employees. Mr. Recklaus reiterated that the new person would work under his direction. The intent is not to have a new person come and enforce a new requirement. The ordinance says “and other pertinent information” so there has to be discussion. Every business is a little bit different about when its employees come in and how long they stay, and so the idea is to make this an interactive process. Ultimately, the Director of Planning makes the decision, but not without the operator’s input. We also need to be fair with what we're requiring of other similar businesses.

Mr. Perkins said there of at least 14 restaurants that have some kind of condition like this.

Some actually have a number in them. We've tried to get away from using numbers. As an example, there is one business that by ordinance is supposed to purchase 20 parking permits, and we only required them to purchase four last year. There's no intent to try to make businesses purchase more than they need. We don't want to obligate the garage either. There are lots of ordinances that have numbers in there, and they're not purchasing anywhere close to the numbers. That’s why we are getting away from the numbers.

Trustee Bertucci said as long as Mr. Lamkins was comfortable, he was okay.

Trustee Grasse said she prefers to be interactive with the staff and the petitioner, which allows for communication to happen as needed for each particular situation.

Trustee LaBedz said the second sentence about ‘how the calculation will take into account…pertinent information which the petitioner would supply’ seems to her to add the flexibility that is being requested for this particular situation. She didn’t focus on the word “must” in the first sentence but the second sentence.

Trustee Grasse moved to Approve an Ordinance 2024- 60 granting a Special Use Permit and Variation for a Brew Pub for 17 N. Vail. Trustee Schwingbeck Seconded the Motion.
The Motion: Passed
Ayes: President Hayes, Trustee Bertucci, Trustee Dunnington, Trustee Grasse, Trustee LaBedz, Trustee Schwingbeck, Trustee Tinaglia
Nays: None
Abstain: None
Absent: Trustee Baldino, Trustee Shirley

XI. ADJOURNMENT

Persons with disabilities requiring auxiliary aids or services, such as an American Sign Language interpreter or written materials in accessible formats, should contact Erin Mercado, at 33 S. Arlington Heights Road, Arlington Heights, IL 60005, emercado@vah.com or 847/368-5793.

Trustee LaBedz moved to Adjourn at 8:30 p.m.. Trustee Schwingbeck Seconded the Motion.
The Motion: Passed
Ayes: President Hayes, Trustee Bertucci, Trustee Dunnington, Trustee Grasse, Trustee LaBedz, Trustee Schwingbeck, Trustee Tinaglia
Nays: None
Abstain: None
Absent: Trustee Baldino, Trustee Shirley

Becky Hume - Village Clerk