



MINUTES
Committee of the Whole
Village of Arlington Heights

Arlington Heights Village Hall
33 S. Arlington Heights Road
Arlington Heights, IL 60005
January 13, 2025
7:00 PM

I. CALL TO ORDER

II. PLEDGE OF ALLEGIANCE

III. ROLL CALL OF MEMBERS

President Hayes and the following Trustees responded to roll: Tinaglia, Dunnington, Schwingbeck, LaBedz, Baldino, Grasse, Bertucci and Shirley. Also present were: Randy Recklaus, Diana Mikula, Avis Meade, and Becky Hume.

IV. APPROVAL OF MINUTES

A. Committee of the Whole 12/16/2024

Trustee LaBedz moved to approve the Committee of the Whole Minutes of 12/16/2024.
Trustee Schwingbeck Seconded the Motion.

The Motion: Passed

Ayes: Schwingbeck, Shirley, Bertucci, Tinaglia, Dunnington, Baldino, LaBedz, Hayes

Nays: None

Abstain: Grasse

V. NEW BUSINESS

A. Update from Meet Chicago Northwest

Heather Larson from Meet Chicago Northwest presented a summary of their activity on the Village's behalf in the past year. The group is convention and visitor's bureau which provides marketing and public relations and is funded by eight municipalities. The Village paid \$73,400 from the Hotel/Motel tax to receive direct and indirect marketing services from the Bureau. Last year, the Village's gross hotel revenue was \$23,760,239. Ms. Larson reviewed the media campaigns in which Village restaurants and Alfresco were

featured. She outlined the social media and Expedia campaigns. In 2024, the Village received \$260,929 in room revenues from the Expedia campaign.

Each of the eight communities contribute a scalable fee based on the number of hotel rooms they have. The Bureau's service levels reflect the proportional amount and that is matched with a grant through the Illinois Office of Tourism. The Bureau promotes tourism holistically, meaning neither the villages nor the individual businesses have to pay for their services. Their funding comes from the hotel occupancy tax. Tourism supports over 21,000 jobs in the hospitality industry in the Northwest Suburbs.

They've been pitching stories to get media out to Arlington Heights and on July 31st had a packaged visual storytelling event with Bottle and Bottega, Peggy Kinanes, Eifel Flower and Coco and Blu. These businesses opened at 6:00 AM with customers and both CBS Chicago and Fox 32 Chicago came in and showed segments on their platforms. They also invited a writer from a newsletter/lifestyle magazine called On Milwaukee who stayed in a hotel in Arlington Heights. He highlighted the area as a 'One Tank Getaway' for Milwaukeeans. Lately, they've been marketing to people who attend conventions in the area encouraging them to stay longer to take advantage of golf, shopping and entertainment. The Village's Metra station is a huge advantage. The Bureau provides hotels with a Dining Map and an Inspiration Guide to encourage visitors to eat at local restaurants. Last year during Restaurant Week, they did a paid promo with WGN and Scratchboard Kitchen which was a 10 minute interview. Ms. Larson enumerated the many social media, electronic communications and video promotions they created.

Chuck Valenti, General Manager of the Doubletree Hotel and Board member of Meet Chicago Northwest, said the Bureau has been invaluable to his property. They receive many leads and bookings because of their efforts. A lot of convention overflow comes to his hotel because of the Bureau and they have been able to achieve higher rates for these bookings.

President Hayes asked if the industry had recovered from COVID. Ms. Larson said occupancy grew from 22-23, but was a little flat in 2024. Part of that is because a lot of people haven't returned to office so we don't have individual business travelers back. It's a nationwide trend. However, group business is doing very well. In fact, group business has become even more important because people want to attend conferences. President Hayes asked if the Village was lacking in any way, and if so, what would she suggest. Ms. Larson said another convention center isn't needed as they exist in Schaumburg and Rosemont. She said she would love a stadium. Because of the Village's rail access, it is well positioned from a visitor's standpoint.

Trustee LaBedz said she appreciated the marketing to Milwaukee saying its important to have dollars coming into the Village outside of resident spending. Ms. Larson said Milwaukee is their largest external focus.

Trustee Bertucci asked to see the financial reporting. Mr. Recklaus said he can share this information with the Board. Trustee Bertucci asked how restaurants were selected for the Inspiration Guide. Ms. Larson said they only had room for the Full Service restaurants. Trustee Bertucci believed there were some businesses left out of the Activities portion. Ms. Larson explained the to be included, businesses had to disclose regular events they supported like live music, trivia, or tastings. Trustee Bertucci believed Palm Court should have been included as they have live music on the weekends. He wanted to make sure the listing was fair. Mr. Recklaus said he would work with Mr. Mertes to make sure the accurate information was communicated to the Bureau. Ms. Larson said all restaurants

are on the restaurant section of their website in multiple places, and there is a calendar of events. There is a lot of music, so they have regular dialogues and reach out to the restaurants in Arlington Heights to ask about their activities. Trustee Bertucci asked for Village Staff to reach out to Palm Court to make sure they were listed in the activities section moving forward.

Trustee Bertucci asked about the funding and if it was fairly distributed. Ms. Larson said the funding was scaled based on hotel rooms, and was spent proportionately. A community like Arlington Heights is similar to Elk Grove Village because they have about the same number of hotels and rooms, a community like Roselle only has one hotel, so they actually contribute less. A community like Schaumburg collects significantly more so provides significantly more to the endeavor.

Trustee Schwingbeck asked if there were statistics available showing if hotel guests patronized local restaurants. Ms. Larson said they have measurements on how many people are landing on each of the individual listings on their website. They can track if pop ups and media searches which are saved or shared. That's the primary way they measure their impact regarding electronic media. They use search engine optimization so they can track the activations with Expedia. They do not have a way to track individual's activities. This is part of the reason why they create the the Dining Map, to keep guests who are staying at our Arlington Heights hotels in Arlington Heights for dining. Otherwise, if you're in the South Corridor you might not know about Downtown.

Trustee Schwingbeck said he was trying to quantify what the Village was receiving. Ms. Larson said she could certainly get pricing on the ad campaigns. The money is pooled and doubled with State grants, so the Village really gets a lot of bang for its buck. She highlighted a document provided to the Board on the Downtown PR that was done with Fox 32 and CBS Chicago. It shows the viral social media posts, which is a measurement, as this number shows how many times a post was shared or saved. That indicates people might want to come here. These are just the ones which went viral, so they see those engagements and measure those types of actions.

Trustee Tinaglia asked Mr. Valenti if he were to build a hotel today, would Downtown Arlington Heights be preferable to a south gateway location? Mr. Valenti said access to the highway is important. His current location provides access to three villages. The Downtown is beautiful and he sends his guests Downtown to experience the atmosphere and use the restaurants. It's a six minute drive to Downtown. He said the summer music is a big draw.

B. 2024 Sounds of Summer Report

Ms. Mikula said the Sounds of Summer Concert Series last summer was changed from six weeks of Thursday and Friday concerts to only Thursday concerts over a 12 week period which brought the concerts through the end of August. The Board asked for staff to do a recap so we're here tonight to provide a follow up on why the change was made. Data obtained over the summer months, community responses and business feedback will be shared.

Ms. Meade said the need for change was based on many challenges. Some of the main issues that we were experiencing in 2023 with the Thursday/Friday concert lineup was that Alfresco was so popular and was attracting a lot of people. The combined crowd of Alfresco and Sounds of Summer created different logistical issues including maintaining accessibility for guests, parking issues, overflow seating, and standing areas which were consistently full and overflowing. We were hearing about long wait times in restaurants,

negative customer experiences, difficult issues with bathroom usage, and conflicts with local businesses which were seeking to host their own events on Fridays. Businesses were also expressing an interest in boosting other nights that didn't have the concerts. So, we put all of that together and considered it from a crowd management perspective.

Friday was a very popular day in general for Alfresco. The logistical management of bands, sponsors, weather and communications on Thursdays and Fridays was becoming increasingly difficult to manage. Back-to-back events required Police, Fire, Public Works and administrative staff to be on site both nights. There were also impacts on Harmony Park. Two nights of grass trampling did not allow for the park to recover. There was also an unsupervised stage from Thursday to Friday. These are some of the things that brought us to changing the format for 2024. The Board directed staff to adjust the 2024 schedule to 12 concerts on Thursday nights only and extend the event through to August for 12 weeks. Ms. Meade summarized the crowd sizes and survey results provided in the Memorandum dated January 3, 2025 attached to this meeting's agenda.

Staff also met with business owners of Alfresco adjacent business and they supported the Thursday night change. One restaurant noted they did prefer having Friday concerts. The other restaurants said that they noticed decline in crowds on Fridays but they didn't advocate to change it back to Thursdays and Fridays. They are good with the new schedule moving forward. Staff held a virtual meeting with HOA's and all of the residents that were represented in that meeting had positive feedback about the schedule. Sales tax data was tracked which showed sales tax figures are leveling off after several years of high growth. Alfresco restaurants saw a 51.3% growth in sales from 8/2019 - 8/2024. Non-Downtown restaurants had a 36% growth in sales for the same period. June through August of 2023 versus June through August of 2024 Alfresco restaurants saw a drop of 4.6% in sales whereas non Downtown restaurants had an 18.1% drop in sales. This shows the Alfresco area businesses had a less dramatic decline than restaurants at large over the past year.

Overall staff believes that the change to Thursdays only and expanding the season from six weeks to 12 weeks has been a popular one for patrons and businesses. It is less labor intensive than the Thursday/Friday model and many businesses and visitors indicate that they have enjoyed having concerts during August. Sales tax data isn't conclusive but Alfresco adjacent restaurants have seen better performance than restaurants elsewhere in the community, indicating that they are meeting the general economic trends, so something is working. It's our recommendation that staff be directed to continue with the schedule of 12 concerts on Thursdays from 7:00 to 8:30 PM from June through August excluding the 4th of July for 2025 and beyond.

President Hayes said he supports the recommendation because he talked personally to people who really liked the expanded 12 week season. He did have to explain to some why we cut Friday nights, but once he explained it to them, they understood and supported the concept. He said it could always be changed in the future but supports the staff recommendation. He's noticed fewer tables occupied during the Alfresco nights, but it's not because Alfresco isn't as popular as it used to be, it's because there are many more opportunities to eat outside in other communities. They saw how successful we were and they're now doing it themselves. We're losing some people to other communities.

Trustee Grasse said she appreciated the data and was grateful to hear that the residents who live Downtown are fine with this change. She was also glad that the majority of businesses, restaurants and the people who were polled liked it too.

Trustee Tinaglia said the increase in revenue on Thursday night's from previous years, when there was nothing going on, to this year might make up for the revenue lost on Friday nights. He wondered how the math works out with the increase on Thursdays versus a decrease on Fridays. He said he thinks it might be pretty close. Ms. Meade the numbers in Downtown attendance were almost the same from last year to this year in overall Thursday/Friday visitors. There's always variations because of weather in but there's less than a 1% of difference between the total number of visitors, they're just distributed differently. Trustee Tinaglia noted that dining out is more expensive than in previous years, so people may be cutting back in general.

Trustee Shirley asked for more information on the residents in the survey who said their experience was negatively affected by the change. Ms. Meade said those responses were very individualized and reflected specific reasons people did not come based on conflicts, but were not something the Village could address to make the evening more pleasant. Trustee Shirley noted that Thursdays would be more crowded than before since there was only one night of concerts. Ms. Meade said she interpreted most of the comments to be those from people who could not come on Thursdays, and wished for concerts on Fridays rather than the event itself being a negative experience.

President Hayes agreed saying he interpreted the survey question as relating to only having Thursday nights, did that change significantly impact your experience? He thought most of those negatively impacted were because it went to one night from two nights.

Trustee LaBedz said she was in support of keeping it on Thursday nights only because she didn't want to flip flop around year to year. People get set in their ways, and that also might be one reason some people felt they were negatively impacted, because they were used to coming on Fridays nights as well as Thursday nights. Trustee LaBedz agreed with Trustee Tinaglia saying she saw tables at different places empty, tables which in previous years would have been filled during Alfresco, but anecdotally from the people she knows, especially those fixed incomes, people are eating out a bit less.

Trustee Dunnington asked if there were any complaints this season. Mr. Recklaus said no, complaints were down. Also, it appears that the residents who were unhappy with concert noise have moved and those who moved in, enjoy the scene. There's been a change in the dynamic. Trustee Bertucci concurred with this statement. Ms. Mikula said having concerts on Thursday only is gentler to the neighbors as there aren't back to back nights of music.

Trustee Dunnington asked about safety and the approach to those setting up outside of the concrete barriers. Mr. Recklaus said there will be an internal meeting to talk about Alfresco in light of the situation in New Orleans. We are going to be talking about the way we deploy our barriers and whether there's more we need to do or do something differently while still allowing access. It's challenging because no matter where you put the barriers, there's always someone who wants to be at the end. We have to allow for turnarounds, access to the garage, and access to the alleyway. There's no easy answer and something we take that very seriously. We are going to be talking about ways to improve the permanent barriers in place for Alfresco, mindful that we have to be somewhat nimble because of the bands are coming in and different people dropping off equipment. There's a lot of moving pieces there. We want to make sure we can keep everyone safe.

Trustee Dunnington asked if the barriers could be painted with public art. Mr. Recklaus

said he would talk to Public Works to see if they would be willing to have them painted. Trustee Dunnington said the intersection of Highland and Campbell would be a really good place to have a row of bicycle racks because people could ride their bikes right up there. Mr. Recklaus said he would bring the idea to meeting.

Trustee Dunnington asked if there was any possibility of a Sounds of Winter? Mr. Recklaus said staff has not contemplated that idea, but the merchants are always looking for more events Downtown.

Trustee Schwingbeck said another benefit was not having the stage sitting out overnight. He noted, there was one particular business that reported a decline on Friday nights. Do we know what type of business it was? Ms. Meade said it was a restaurant adjacent to Harmony Park. They said they noticed they had fewer customers on Fridays than in years past. Mr. Recklaus said other restaurants said they liked it just fine. Trustee Schwingbeck said it was odd that only one restaurant saw a decline.

Trustee Bertucci said he heard from businesses that some had to bring their family and staff on Fridays because they couldn't have staff members that only worked on some Fridays. It was difficult for them to staff. Having the same numbers, but spread out over two nights was helpful. He said a good job was done on this by staff. Trustee Bertucci said he loved it that staff had boots on the ground asking questions of the stakeholders.

VI. OTHER BUSINESS

VII. PUBLIC COMMENT

Anyone wishing to speak on a subject not on the Agenda may speak at this time. Please limit your comments to three minutes.

VIII. ADJOURNMENT

Persons with disabilities requiring auxiliary aids or services, such as an American Sign Language interpreter or written materials in accessible formats, should contact the Health & Human Services Department, at 33 S. Arlington Heights Road, Arlington Heights, IL 60005, healthmail@vah.com or 847/368-5760.

Trustee Tinaglia moved to Adjourn at 8:21. Trustee LaBedz Seconded the Motion.

The Motion: Passed

Ayes: Bertucci, LaBedz, Schwingbeck, Baldino, Grasse, Dunnington, Shirley, Tinaglia, Hayes

Nays: None

Becky Hume
Village Clerk