

**MINUTES
COMMITTEE-OF-THE-WHOLE
PRESIDENT AND BOARD OF TRUSTEES
VILLAGE OF ARLINGTON HEIGHTS
BOARD ROOM
MONDAY, AUGUST 13, 2018 7:30 P.M.**

BOARD MEMBERS PRESENT: President Hayes; Trustees: Baldino, Blackwood, Glasgow, LaBedz, Rosenberg, Scaletta, Sidor and Tinaglia

BOARD MEMBERS ABSENT: None

STAFF MEMBERS PRESENT: Randy Recklaus, Village Manager; Mark Burkland, Village Attorney, Robin Ward, In-House Counsel; Charles Perkins, Director of Planning and Community Development; Jacob Schmidt, Assistant Planner; Kim Peterson, Recording Secretary

SUBJECTS:

- A. Discussion Re: Code Provisions on Campaign Contributions
- B. Discover Arlington Rebranding Research

Other Business

Adjournment

President Hayes called the meeting to order at 7:30 PM. The Pledge of Allegiance was recited.

A. Discussion Re: Code Provisions on Campaign Contributions

President Hayes explained that this item is on the agenda tonight because of the recent legal activity, both lawsuits filed and court rulings, which have raised the question of whether or not the limitations we have within our Village Code are in fact legal. This Village Board has not discussed this issue in over 20 years.

Mr. Recklaus further explained how staff was asked to review our current ordinances after a lawsuit was filed with Cook County, to see if there are any problematic issues. There are two types of contribution limitations in Arlington Heights, which have been in effect since the early 1990's.

The first is a limit on individuals and organizations, whereby no individual may make, and no candidate for Village office may accept, a contribution of more than a total of \$250 cash or in kind, to any candidate running for the office of Village Trustee or Village President, or the candidate's campaign committee. Also, no organization may make, and no candidate for Village office may accept, a contribution of more than a total of \$500 cash or in kind, to any candidate running for the office of Village Trustee or Village President, or the candidate's campaign committee.

The second is outright ban on a contribution from any individual, corporation or partnership currently holding a liquor license in the Village.

Mr. Recklaus stated that the Board will first discuss the liquor license prohibition and turned the discussion over to Robin Ward.

Ms. Ward explained to the Board how there is no legitimate reason to have regulations on liquor license holders, and in fact, having regulations on liquor license holders could be considered a violation of someone's first amendment rights; therefore, the Legal Department recommends the deletion of Section 1-605 Prohibition of Contributions.

President Hayes asked Ms. Ward what has changed in the last 25 years that would assist the Board in understanding the Legal Department's recommendation. Ms. Ward cited some recent case law that determined the risk of corruption or its appearance is not enough reason to justify limiting an individual's right to free speech by prohibiting them from making campaign contributions.

President Hayes asked if the Board decided to delete Section 1-605, would a liquor license holder still be subject to Section 1-604, which limits individual campaign contributions to \$250 and organizations to \$500. Ms. Ward informed the Board that yes it would.

Mr. Recklaus went on further to explain that this provision was originally created to avoid any impropriety on the Village's part, as they regulate liquor licenses. Mr. Recklaus indicated that the Village regulates many matters, so to single out just liquor license holders is not fair.

Mr. Burkland stated how a campaign contribution, under most circumstances, is a form of political speech and you cannot deny this opportunity to one particular entity because of the type speech or consequences of this type of speech.

President Hayes is in favor of removing Section 1-605, as long as the individual or business is still subject to the limitations of contributions under Section 1-604.

Trustee Tinaglia agrees with President Hayes, as he has never understood why liquor license holders could not contribute to campaigns.

Trustee Rosenberg asked if there are any individuals in town that hold liquor licenses, which Ms. Ward stated she does not believe there are any. Most, if not all, liquor licenses are in the business' name. Trustee Rosenberg then asked, if this is the case and the provision prohibiting liquor license holders from contributing to campaigns is removed, than the business can make a contribution, as well as the individual who owns the business, which is correct, according to Ms. Ward.

Trustee Glasgow asked Mr. Burkland if this type of activity would be subject to strict scrutiny, which Mr. Burkland stated it most likely would. Trustee Glasgow went on to ask Mr. Burkland to explain to everyone what strict scrutiny is. Trustee Glasgow asked Ms. Ward if there has ever been any evidence of quid pro quo, which Ms. Ward stated that there has not.

Keith Moens, Arlington Heights resident, believes this provision has worked well in the past, and although he understands that it discriminates against liquor license holders, he is troubled by the idea of the Village President, who also serves as liquor commissioner, accepting campaign contributions from liquor license holders. Mr. Moens believes that the mere appearance of impropriety gives reason to hire out a liquor commissioner.

President Hayes thanked Mr. Moens for his comments, however he believes it is up to the Village President, whether it be he or someone else, to accept these type of campaign contributions and live with the consequences based upon what the voters decide.

Trustee Scaletta asked Ms. Ward if a Board member asked staff to revisit this issue, which she replied yes. In regards to Mr. Moens comments, Trustee Scaletta informed everyone that the liquor commissioner has the same vote as the Board on whether or not to approve a liquor license. Ms. Ward explained that although this is the case in granting liquor licenses, the liquor commissioner is the entity that decides whether to cite liquor license holders for violations.

Mr. Recklaus advised the Board that a survey was recently conducted and no other municipality was found that has this provision.

Trustee Glasgow moved, seconded by Trustee Tinaglia, that the Committee-of-the-Whole recommend to the Village Board the deletion of Section 1-605 of the Village Code regarding the prohibition of contributions from liquor license holders.

Upon a voice vote, the motion passed unanimously.

President Hayes, as to provide background information regarding this agenda item, recently asked Mr. Recklaus to distribute the minutes from the meeting that took place back in 1991, where the Board originally discussed and voted on this issue.

Ms. Ward discussed the two issues related to Section 1-604, which involves limitations on local campaign contributions made by an individual and limitations on local campaign contributions made by an organization. Ms. Ward explained that the Board would first have to decide if they still want limitations, and if so, how much the limitations should be. In addition, if the Board does wish to continue with the local limits, an updated definition of "organization" should be considered that mirrors the State Election Code.

President Hayes believes the historical context of this Code provision is very important and many of the arguments raised then are still relevant now. These provisions have helped prevent political corruption, and since they have been in place, the Village has never been legally challenged, according to President Hayes. President Hayes is in favor of keeping the limitations, although he does believe the amounts should be raised a little, as the cost to run a campaign costs more than it did when these provisions were put into place over 25 years ago.

Trustee Glasgow asked what the state limitations are, which Ms. Ward replied \$5,600 for an individual and \$11,100 for an organization. Trustee Glasgow, referring to case law where contribution amounts were legally challenged, inquired about the cost of inflation and what dollar amount now would be considered constitutional. Mr. Burkland stated the goal of these provisions is anti-corruption and quid pro quo, therefore the Board should keep this objective in mind when determining what the limitations should be. Trustee Glasgow went on to ask if a particular candidate decides these limitation amounts are too high, are they allowed to set their own limitations at a lower amount, which Mr. Burkland replied yes. Trustee Glasgow is concerned with setting the campaign contribution limits too high and setting the Village up for a lawsuit. Mr. Burkland understands Trustee Glasgow's concern, however he does not feel the relatively small amount the Board would raise the limits to, would warrant a lawsuit, as there is no history of concern. Ms. Ward stated that if there are no local limitations, than the only limitations are the state limitations. Ms. Ward also stated that Arlington Heights is the only community that has these limitations.

President Hayes would like to keep these limitations, but raise the individual contribution level to \$500 and the organization contribution level to \$1,000.

Trustee Tinaglia agrees with President Hayes and likes the idea of our Village

having these limitations, and not following the state's limitations, as he believes having them sets us apart from everyone else. Trustee Tinaglia does not have a problem with the raising the amounts a little.

Trustee LaBedz agreed with Trustee Tinaglia, and is in favor of keeping the limitations and potentially raising the amounts a little.

Trustee Sidor agrees with Trustees Tinaglia and LaBedz, and does believe we should continue to hold ourselves to a higher standard. Trustee Sidor did discuss the high cost of running a campaign, even at the local level, and believes raising the contribution amounts to \$500 for an individual and \$1,000 for an organization, is very reasonable.

Trustee Baldino agrees with Trustee Sidor; however, when he was running his campaign and encountered the high costs involved, it forced him to go out and ask for votes, and not just rely on advertising, which is how he feels local campaigns should be run.

Trustee Scaletta is fine with current limits, as he is up for re-election next year and is uncomfortable with the idea of raising these limits at this time.

Trustee Rosenberg is okay with raising the limits to \$500 for an individual contribution and \$1,000 for an organization contribution.

Trustee Sidor believes Trustee Scaletta does raise a good point, as he is up for re-election as well.

Trustee Scaletta is worried that just because this type of corruption has never taken place, does not mean it ever won't.

Trustee Glasgow is quite comfortable raising these limits to \$500 for an individual and \$1,000 for an organization, as he believes this is in line with inflation.

Trustee Rosenberg stated that he would like to define "organization" before voting on raising these contribution levels.

Ms. Ward explained how the definition of "organization" in Section 1-604 Campaign Contributions, currently includes Political Action Committees. Political Action Committees have no indirect campaign expenditure limitations; therefore, the recommendation is to exclude Political Action Committees from the definition, to mirror state law.

Tom Mussa, Arlington Heights resident, asked about alternative ways to get someone's name on a ballot. President Hayes explained that this Code provision relates to campaign contributions only and is not relevant to getting your name on a ballot. Mr. Mussa also asked why this issue is up for discussion when there has never been a threat of a lawsuit. Mr. Burkland stated that the Village should never engage in anything that the court has found unconstitutional, regardless if a lawsuit

has been filed or not.

Mary Beth Canty, Arlington Heights resident, appreciates the way campaigns are run in Arlington Heights, versus the State of Illinois; however, she is troubled by the way some of the Board members talk about \$250 being an insignificant amount of money. She encouraged the Board to be mindful of the fact that \$250 is a lot of money. President Hayes did state that the majority of campaign contributions the Board receives are \$25 and \$50, and reiterated what he originally said about it costing a lot of money to run a campaign.

Mr. Burkland reiterated the goal of this provision is anti-corruption and quid pro quo, and explained how \$250 may be too tight of a restriction and thus be unconstitutional.

Mary Lane, Arlington Heights resident, believes these large contribution amounts limit participation. President Hayes explained how these amounts are the maximum that an individual or organization can contribute. Anyone is welcome to contribute whatever amount they would like, as long as it is less than the maximum amount.

Trustee Sidor is not suggesting that \$250 is a small amount of money, but when it comes to raising money for a local campaign, the option to contribute more than that, is beneficial.

Trustee Glasgow, referring to a comment he made earlier about \$250 being too low of a contribution level, has nothing to do with his personal feelings. He was simply referring to a court case where it was determined that limiting campaign contributions to \$250, could be construed as unconstitutional, as it restricts free speech.

Keith Moens, Arlington Heights resident, does not understand if \$250 is considered unconstitutional, how is \$500 constitutional. Trustee Glasgow replied stating that it constricts one's ability to get their message out, which is what the court determined.

Trustee Glasgow moved, seconded by Trustee Tinaglia, that the Committee-of-the-Whole recommend to the Village Board amending Section 1-604 of the Village Code related to Campaign Contributions by raising the individual contribution level to \$500 and the organization level to \$1,000.

AYES: Trustee Glasgow, Trustee Tinaglia, President Hayes, Trustee Blackwood, Trustee Sidor, Trustee Baldino, Trustee Rosenberg, Trustee LaBedz

NAYS: Trustee Scaletta

Upon a voice vote, the motion passed.

Trustee Glasgow moved, seconded by Trustee Tinaglia, that the Committee-of-the-Whole recommend to the Village Board amending the definition of organization in Section 1-604 of the Village Code so it is consistent with state law.

Upon a voice vote, the motion passed unanimously.

B. Discover Arlington Rebranding Research

Mr. Recklaus explained how the Village Board, as part of their Strategic Business Plan, decided to evaluate the Village of Arlington Heights identity and brand in the community and region. This concept was discussed in 2012, but has not been revisited since then, according to Mr. Recklaus. Mr. Recklaus then introduced Charles Perkins, Director of Planning and Community Development Department, who provided a brief overview of the rebranding study his Department conducted.

The Planning and Community Development Department researched other communities' branding efforts and provided suggestions of what Arlington Heights can do, including the costs involved. The four options available to the Village Board are as follows: make no change and continue with the current Discover Arlington program, develop a Request for Proposal (RFP) for a full rebranding initiative, which would be the most costly and time consuming approach, develop a Request for Proposal (RFP) to design an updated and refreshed logo design, which is much more cost effective, and the last option would be to consolidate all of the various Village logos and create protocol for appropriate logo use.

The process of implementing one of these initiatives would depend on what option the Village Board chooses, and may include the creation of a committee to identify a vision for the rebranding, in addition to hosting a meeting, or a series of small meetings with industry experts to brainstorm ideas. The Village Board would then direct staff to implement the plan.

Mr. Perkins discussed the actual rebranding study that was conducted by Jacob Schmidt, Assistant Planner, who researched 22 communities who have rebranded themselves. The cost of these rebranding initiatives range from zero up to \$200,000 for a comprehensive branding approach. Some of the rebranding efforts received positive feedback from residents and business owners, while others did not. Mr. Perkins displayed some of the rebranding initiatives that were researched in this study, as well as the current Village of Arlington logos. Mr. Perkins also presented some of the 2017 Discover Arlington marketing efforts.

Mr. Recklaus explained how he would like to get some feedback from the Village Board regarding what option they would like staff to pursue. Mr. Recklaus offered the following questions to assist the Board with their decision: Who are we branding ourselves too? What are we likely to achieve or gain if we choose to rebrand ourselves? What kind of resources are we willing to commit? Mr. Recklaus believes

that it is easier to define ourselves as a place to visit, than it is to define ourselves as a place to live.

President Hayes is most interested in knowing what we would gain from rebranding ourselves and asked Mr. Perkins and Mr. Schmidt if there were any success stories that produced measurable results from the study they conducted. Mr. Perkins explained how they did not collect any quantifiable data to suggest that rebranding was beneficial to any particular community.

Trustee Rosenberg, referring to the research study that the Planning and Community Development Department conducted, is unsure if rebranding is the answer for Arlington Heights, based upon the lack of evidence that rebranding resulted in successful outcomes for the communities involved in the study.

Trustee Rosenberg does not believe we are reaching all of the residents in Arlington Heights with what the Village has to offer; therefore, he is interested in resurrecting the resident newsletter if possible. Mr. Perkins explained the high cost involved with this process.

Trustee Sidor does not believe we need to completely rebrand our identity in the community. A clean up of our current image is probably all we need. Our colors, logo and message need to be consistent so that they are more recognizable. Executing what we do in a more timely and professional manner is necessary if we want to achieve this goal.

Trustee Blackwood explained how branding is simply a part of well-organized marketing plan. Trustee Blackwood believes the Planning and Community Development Department already does a great job promoting events, and if we were to initiate a new marketing strategy, how much money are we willing to spend to see the type of return on investment that we are looking for. Rebranding requires a lot of money, time and effort. Trustee Blackwood believes before any money is spent and the Board decides what it wants to do, they need to look at what is being done well now and if additional money should be spent creating a marketing plan, as opposed to a rebranding element of the marketing plan.

Trustee Glasgow inquired with Mr. Perkins about how much money is being spent on our current branding initiative and whom are we marketing it to. Mr. Perkins stated \$65,000 is budgeted for Discover Arlington and we are marketing our brand to Arlington Heights residents, other Northwest Suburban residents, as well as the business community. The typical marketing target is 25 – 60 years of age, who frequents the downtown area. Mr. Perkins agrees with Trustee Sidor that we need to refresh and clean up our current look. Trustee Glasgow is concerned with the high cost of completely rebranding our community and is unsure if spending this kind of money is even worth it, as he pointed out that he is unaware of what any of the other communities that Mr. Perkins highlighted taglines are. Trustee Glasgow is certain most residents do not even know what Arlington Heights' current tagline is, as it is not being utilized and marketed correctly. Trustee Glasgow suggested that if we are going to do this, then we should allocate enough money into it, so that it is done right. If the Board is not willing to take this approach and spend the necessary

money to rebrand the community correctly, then they should just scrap the whole idea.

Trustee Tinaglia believes the current tagline "Arlington Heights: Always More to Discover" does not reflect the Village's current philosophy. Trustee Tinaglia likes the tagline "Be a Part of It." Trustee Tinaglia is in favor of a new tagline, as well as cleaning up our current image. Trustee Tinaglia believes we have a good base to work with and we do not need to hire a company and spend thousands of dollars on a complete rebranding.

Trustee LaBedz is unsure of what/whom our focus is when considering rebranding. Trustee LaBedz agrees with some of the other Trustees that our image does need to be cleaned up, and any promotional flyers or posters should be updated in a timely manner. Trustee LaBedz does not see the need for spending a lot of money on rebranding.

Trustee Scaletta appreciates all of the effort that went into this presentation and agrees with all of the other Trustees that we need to strive for consistency with our image and perhaps refresh our Village logo, without spending a lot of money.

Trustee Tinaglia suggested that everyone look at Chattanooga's recent rebranding effort.

Mr. Perkins is very happy with all of the feedback the Village Board provided and moving forward, will take this information, put together a plan, and return to the Board with his Department's proposal.

Mr. Recklaus believes that in terms of our branding, Arlington Heights generally does things well. However, things could always be done better. Mr. Recklaus is pleased with the information gathered during this discussion and is confident that staff will be able to come up with some options.

Trustee Sidor discussed the colors schemes the Village currently uses to promote itself and definitely would like to see some consistency in the future. Trustee Sidor does believe we do a good job promoting events, yet there are elements of our branding that could be done better.

Trustee Baldino agrees with many of the Trustee's comments and is very hesitant to spend large amounts of money on a total rebranding. Trustee Baldino suggested replacing the "A" in Arlington with the clock tower "A" in the Arlington Heights logo.

Trustee Scaletta inquired with Mr. Perkins about how much of the original marketing plan that was developed nearly 15 years ago have we actually implemented.

Trustee Blackwood praised the Planning and Community Development Department, along with the other Departments in the Village that are responsible for promoting events and activities, for a job well done. Trustee Blackwood believes we need to

focus more on getting people to move in to town.

Mary Margaret Lane, Arlington Heights resident, asked why it is just the Arlington Economic Alliance that is listed as participant if a task force is created to assist with the rebranding effort. Mr. Perkins explained the Arlington Economic Alliance's role in the community and did state that others, including customers and citizens, may be asked to join the task force, if that is the direction he is given.

Daniel Crusius, Arlington Heights resident, suggested the tagline "empowering futures" if we are going to rebrand Arlington Heights. Mr. Crusius liked the Board's suggestions, although he cautioned them to be careful with our word usage, as some taglines might invite negative feedback.

Tom Mussa, Arlington Heights resident, does not recognize any of the community slogans Mr. Perkins discussed as part of his presentation. Mr. Mussa commented on the exceptional library Arlington Heights has and thought that perhaps we can utilize this asset in our marketing plan.

President Hayes did acknowledge the challenge in getting the various Village entities in town, including the library, park district and school district, to use the same marketing campaign.

President Hayes asked the Board members if they would like a new tagline for Arlington Heights, which everyone agreed. Mr. Perkins agreed to explore some different ideas and then present them to the Board for the final decision.

Trustee Sidor advised that there is a methodology to this process.

Mr. Recklaus and Trustee Tinaglia explained how and why the current Village color scheme was originally chosen.

Trustee Scaletta thinks the new tagline needs to be a call to action.

Other Business

None

Adjournment

Trustee Tinaglia moved, seconded by Trustee Scaletta to adjourn the meeting at 9:50 p.m. Upon a voice vote, the motion passed unanimously.