

MEMORANDUM

TO: Randy Recklaus, Village Manager

FROM: Charles Witherington-Perkins, Director of Planning and Community Development

DATE: January 20, 2021

SUBJECT: Arlington Alfresco/Summer Event Evaluation Discussion

Background

The coronavirus pandemic has had a significant impact on the national, state and local economies, beginning locally in mid to late March 2020 with the closure of indoor dining for restaurants and limits on capacity for many others.

As part of the Planning & Community Development's annual presentation and report to the Board in 2019, several new amenities and initiatives were presented for further evaluation, including continuing to add Downtown amenities to keep Arlington Heights Downtown on the "cutting edge". Amenities presented with conceptual plans included exploring the possibility of Vail Avenue as a curbless street to make it easier to close for events, the expansion of the Downtown light ceiling, and other entertainment/aesthetic options for the outdoor environment. The fiscal year 2020 budget included funds for preliminary consultant study to further explore the ideas and the possibility of an enhanced street concept at Vail Avenue and Campbell Street intersections. In January 2020, a contract (\$8,500) was executed with a consulting firm for this work. In March 2020, the project was initially placed on hold due to the COVID -19 pandemic and the need to devote all resources to the Arlington Alfresco initiative. Evaluating Arlington Alfresco throughout this summer of 2020 also provided advantages in analysis of this scope of work.

In April 2020, Staff evaluated a series of business assistance accommodations as well as opportunities for increased outdoor dining for restaurants. Options identified by Staff for increasing outdoor dining while maintaining social distancing, included full street closures, half street closures, urban island dining in select locations, and the use of private parking areas for additional outdoor dining. These opportunities and ideas were explored as downtown sidewalks are too narrow to accommodate social distancing and outdoor dining.

On May 18, 2020 the Village Board discussed the implementation of a series of recommendations including full street closure for Arlington Alfresco in downtown Arlington Heights, and authorized Staff to proceed with its implementation. Arlington Alfresco began on June 2, 2020 and has been instrumental in providing support for downtown businesses during this difficult and challenging time. Throughout the implementation, numerous Zoom meetings and communication with the public, downtown businesses, restaurants, and residents, addressing various concerns and issues had been on-going. The Village has received many requests from restaurants and customers asking Arlington Alfresco to be extended and considered for an annual experience. Specific detailed plans were drawn up by staff for each restaurant within the Arlington Alfresco area, and the Board originally approved Arlington Alfresco to run through September 8, 2020.

In August 2020, the Village Board discussed Arlington Alfresco again and authorized extension to November 2. Staff administratively extended Arlington Alfresco until November 16, 2020 when the weather deteriorated to the point that outdoor customer dining was no longer feasible.

Also, in early October 2020, the Village Board adopted a resolution authorizing the Planning and Community Development Department to submit a \$2M ITEP grant application for enhanced streetscape improvements within the Arlington Alfresco and downtown area.

This memo analyzes the issues, data, and recently received feedback related to the reopening of Arlington Alfresco in 2021, and in future years so that the Board may provide direction to Village Staff on these issues at the January 25th Committee of the Whole meeting.

Evaluation Approach

This evaluation approach includes analyzing economic data from the restaurants and businesses within the Arlington Alfresco area and outside of the area. Also, Village costs incurred have been analyzed, data has been reviewed on police and traffic calls, and information regarding logistics such as parking, loading, deliveries, garbage, curbside pick up, and other issues experienced by the community such as sound levels from live music, bicycles and skateboarding through the area, and things of that nature. Lastly, feedback has been obtained from the business community, downtown residents and customers, as well as early feedback from the Village Board.

Financial Economics

It is important to not only evaluate Arlington Alfresco on its successes based upon customer, business and resident feedback but also from an economic and financial perspective.

Village Costs

To create Arlington Alfresco 2020 there were costs that the Village incurred. It is important to note that many of the costs outlined below are regular hours and not additional costs but a re-allocation and re-prioritization of resources. Also, as noted staffing costs for other departments that allocated a significant amount of time and resources are not tracked. These costs can be categorized into the following types of expenses:

- Total Costs excluding items such as design, development and management oversight by Village Manager's Office, Planning & Community Development and other departments are not included. With those exceptions, the total Costs for Arlington Alfresco were \$205,266.28.

| <i>Labor & Material Cost Summary</i> | | | | | | | | |
|------------------------------------------|-------------|-------------------|---------------|------------------|-------------|--------------------|------------|--------------|
| | Total Hours | Regular Time Cost | Overtime Cost | Double Time Cost | PW Material | Internal Equipment | Temp. Sign | Total |
| <i>Hours</i> | 2,074.80 | \$34,193.90 | \$65,945.01 | \$16,558.96 | \$76,023.80 | \$10,323.80 | \$2,220.81 | \$205,266.28 |

- One-time costs - items such as decorative fencing, street barriers, curb side pick up signs, ADA ramps and other miscellaneous items. Approximately \$71,440.35.

| <i>One Time Costs</i> | | |
|-----------------------|-------------|--------------------|
| Item | Cost | Total |
| Fence | \$30,848.43 | \$30,848.43 |
| Barricades | \$17,135.47 | \$17,135.47 |
| Ramps | \$11,116.85 | \$11,116.85 |
| Signage | \$2,846.40 | \$2,846.40 |
| Miscellaneous | \$9,493.20 | \$9,493.20 |
| TOTAL | | \$71,440.35 |

- Re-occurring costs - items such as signage and posters to reflect changing social distance requirements, street decals, marketing and promotion. Approximately \$6,804.26.

| <i>Re-occurring Costs</i> | | |
|---------------------------|------------|-------------------|
| Item | Cost | Total |
| Temp. Signage | \$2,220.81 | \$2,220.81 |
| Misc. PW Items | \$4,583.45 | \$4,583.45 |
| TOTAL | | \$6,804.26 |

- Ongoing/maintenance/managements costs - Set up/take down, daily Public Works maintenance costs were tracked on an hourly basis. With running Arlington Alfresco for a year and assuming continued cooperation and maintenance of the dining spaces by the restaurants, Public Works estimates that future weekly maintenance would be between \$2,000 to \$3,000 weekly although earlier in 2020 it was higher. Set up costs are estimated at \$20,000 in labor and take down to be \$10,000 in the future.

| Setup/Takedown | | | | | |
|-----------------------|---------------------|-------------------|---------------|----------------|--------------------|
| Task/Item | Time Frame | Regular Time Cost | Overtime Cost | Equipment Cost | Total |
| Setup | 5/31/20 - 6/6/20 | \$12,319.65 | \$9,095.29 | \$6,074.91 | \$27,489.85 |
| Takedown | 11/15/20 - 11/21/20 | \$6,598.60 | \$2,700.91 | \$1,452.50 | \$10,752.01 |
| TOTAL | | | | | \$38,241.86 |

| Weekly Maintenance | | | | | |
|---------------------------|-------------------|-------------------|---------------|----------|-------------------|
| Task/Item | Time Frame | Regular Time Cost | Overtime Cost | Material | Total |
| Labor/Material | 6/21/20 - 6/27/20 | \$433.38 | \$4,470.98 | \$80.00 | \$4,984.36 |
| Labor/Material | 8/9/20 - 8/15/20 | \$186.24 | \$2,410.87 | \$20.00 | \$2,617.11 |
| Labor | 9/20/20 - 9/26/20 | \$0.00 | \$2,117.52 | \$0.00 | \$2,117.52 |
| TOTAL | | | | | \$9,718.99 |

- Future costs - additional future costs to provide additional level Police enforcement, enhanced entry signs and more improved signage continue to be evaluated. It is estimated that interim improvements to the entrances and signage would be in the range of \$20,000 to \$25,000. Less costly minimal improvements would be in the \$10,000 to \$15,000 range. Long term permanent improvements are proposed as part of the ITEP grant application if the Village is successful in receiving a grant award. Below is a summary of estimated future costs.

| Future Costs | |
|----------------------------|----------------------|
| Item | Cost |
| Public Works Set Up | \$20,000 |
| Public Works Take Down | \$10,000 |
| Public Works Weekly | \$2,000 to \$3,000 |
| Interim Entry Enhancements | \$20,000 to \$30,000 |
| Re-occurring Misc | \$10,000 to \$20,000 |
| Additional Police Costs | TBD |

Restaurant and Retail Sales Impact

In order to fully understand the economic benefit of Arlington Alfresco and the benefit of allowing outdoor dining for non-alfresco restaurants confidential data was obtained and analyzed. This data is required by law to remain confidential however, certain group set data and analysis can be presented to demonstrate the financial gains or losses. As data is obtained from State and local sources there are certain limits. For example, as of the time of writing general sales tax data was only available through June, and Food & Beverage tax data through October. Comparable time period data for the 2020 COVID -19 year has been compared to the same groups set for 2019.

General Village Wide Sales Tax: Sales taxes across all categories (general merchandise, automotive etc.) were down in 2020 from 2019 for Quarter 1 (Q1) and Q2 by (15.1) %. Q2 sales were down (20.6) %. However, in Q2 with the full impact of COVID -19 saw sales decline significantly, restaurants by (35.6) %, apparel by (64.9) % and Automotive by (23.3) %. In Q2 only categories of food and lumber & hardware saw increases over 2019. Individually, some food store and liquor stores saw increased sales.

Downtown Retail: Specific data was able to be obtained for 11 downtown retailers from April through September for 2020 and 2019. Four retailers saw increased sales during this time period over 2019 sales while all others experienced declines. April through May saw (23.4) % decline in sales year over year while June through September saw a 1.7% increase for the group of businesses.

All Downtown Restaurants: At various time during the pandemic restaurants have been prohibited from indoor dining while other businesses have been allowed limited capacity for customer sales. A total of 38 restaurants and entertainment venues were analyzed. Between April and May 2020 their sales declined (53.4) % or just over \$3 million.

Between June and October all downtown restaurant sales increased in 2020 over 2019 by 4.7%, although Non-Alfresco restaurants as a group declined (11.1) %. The Non-Alfresco downtown restaurant group (restaurants in the downtown, but not in the Alfresco zone) decline-while significant, was substantially less than the comparable decline seen by restaurants outside of downtown, indicating that they too experienced indirect benefit from being close to the street closure area. As each restaurant has different products, some were able to adapt to the continued changes caused by the pandemic while others had greater challenges. Between April through October 2020 sales declined by (14.2) % or \$2.9 m. Individually restaurants sales during the summer Alfresco June through October ranged from a loss as high as (67.6) % to a gain of 39.4%.

Arlington Alfresco Only: While many restaurants throughout the downtown and community had to adapt and had outdoor dining on private property or had greater capacity and parking for curbside pick up those in the Arlington Alfresco zone would not have been permitted outdoor dining and been able to maintain social distancing due to the narrow downtown sidewalks. Entertainment venues such as Arlington Ale House, Big Shot Piano Lounge and Metropolis were excluded from this analysis. A total of 12 dining establishments within the Arlington Alfresco pedestrian areas were analyzed. Between April and May 2020 sales declined (68.1) % or over \$2m. Between June and October sales increased 10.5% for the group as a whole. Some restaurants experienced declines even with Arlington Alfresco due to certain situations however most experienced increased sales volume in 2020 compared to 2019 despite having no or limited indoor dining. Many saw increases ranging from 15% to 34.9%.

Uptown & Southtown: A sample set of 14 restaurants from Uptown and Southtown were analyzed for comparison. Between April and May sales declined (76.9) % for this group and June through October declined (43.5) %. While outdoor dining on private property helped some, it was not enough to offset a tremendous loss of business.

Drive Thru Restaurants: Restaurants with drive thru's tended to fare better. Five drive through restaurants were analyzed and between April and May saw declined sales of (12.6) % and June through October experienced a marginal 0.9% increase.

In summary, the financial benefit of Arlington Alfresco for those Downtown restaurants was significant. Between June and October sales for Alfresco restaurants were up as a group 10.5% compared to a decline for the Uptown/Southtown group set of (43.5) %. Therefore, assuming there was no Arlington Alfresco and those restaurants experienced the same decline (difference between a positive 10.5% increase and a (43.5) % decrease) is over \$4.7m resulting in salvaging \$152,000 in sales taxes and helping those restaurants survive. While the Village had costs associated with the implementation and management of Arlington Alfresco it significantly helped individual restaurants and resulted in helping shore up sales taxes.

Issues and Logistics

Overall feedback throughout Arlington Alfresco 2020 was extremely positive. There were no significant police or traffic related issues. Initially, the Police Department staffed up and had additional detail but after the first few weeks the normal downtown patrol monitored Arlington Alfresco. The Public Works Department also reduced hours necessary for daily maintenance of the area due to the cooperation of the businesses.

Logistics:

Downtown Traffic/accident data and calls for service: As a result of the road closure traffic was re-routed although there were no reported accidents or significant calls for service increases directly attributable to Arlington Alfresco.

The Fire Department developed new protocol to respond to any emergencies quickly. Adjustments were continually made as needed to add warning signage at Vail and Wing as well as other directional signage. Additional stop signs were added as needed at new locations.

Loading and Deliveries: Loading and delivery zones were established prior to commencing Arlington Alfresco and the Public Works crews coordinated and allowed garbage and service access into the pedestrian zone as needed in early mornings. There have been complaints and concerns about businesses using the Village Green private loading areas for delivery to non-Village Green businesses. This issue will need to be relayed to the businesses and monitored moving forward. Also, one other private loading zone was limited due to placement of a storage pod due to building renovations. For the most, part quick service deliveries such as UPS parked in the correct designated loading areas outside of the Alfresco area and delivered packages on foot no different than in other communities where there are permanent pedestrian streets. ***Improved signage and enforcement of the loading zones are areas for improvement.***

Parking: Arlington Alfresco created the temporary removal of 64 on street parking spaces. This was offset by removing daily fee commuter parking from parking lot E and converting the entire parking lot (56 spaces) to free 2-hour customer parking and short-term curb side pickup spaces. Also, 4-hour parking in the Vail garage was changed under Highland Avenue adding 24, 2-hour spaces and changing spaces closest to Vail Avenue to 2 hour parking for 25 spaces. As a result, while 64 2 hour on street spaces were removed they were replaced with a total of 105 2-hour spaces. In addition, the new parking garage signage, guidance system and new surface parking lot signs when installed will further help identify customer parking options. ***Areas to improve upon are removing the old signage and improving the new signage to allow better compliance and enforcement.***

Curb Side Pick-up Zones: Curb Side pick up zones were created at the entrances to each leg of the street closure area for the benefit of customers and businesses. It was observed that often customers or downtown employees would park long term in these spaces. ***Areas to improve upon are removing the old signage and improving the new signage to allow better compliance and enforcement.***

Ride Share Zones: Ride Share zones were also created near the entrances as well as in the kiss and ride lane in Parking Lot E. ***As with the curb side pick up zones improved signage and ability to enforce should be explored.***

Garbage Pick-up: Additional decorative garbage cans were placed with Arlington Alfresco and picked up by the Village garbage hauler on a regular basis. Some other businesses in older buildings with only direct access to the street required hauler access in early mornings which was coordinated by Public Works crews with minimal issues.

Issues:

Prior to and throughout the five and a half months of Arlington Alfresco staff communicated with businesses and residents both individually and via zoom meetings on multiple occasions. In addition, ArlingtonAlfresco@vah.com was created and promoted as a way for customers to provide feedback. Issues that were raised include, pets being walked within the area, bicycles and skate boards being ridden within the pedestrian area, a perceived or real lack of face mask wearing and sound levels of live music particularly impacting the residents at Metro Lofts. Various steps were taken with ongoing efforts to address these concerns. The vast majority of feedback was overwhelmingly positive with many requests for Arlington Alfresco to continue every year.

Noise: While many residents living within the Alfresco zone commented that overall the area was much quieter without traffic and customers waiting late at night for ride shares the issue of noise was the most frequent complaint. This can be broken into two areas, first, noise from live music and second noise from groups loitering after leaving an establishment or after outdoor Alfresco closed at 11 pm. The second is not necessarily related to Arlington Alfresco and is a result of a vibrant downtown with many entertainment venues and necessitate late evening enforcement protocol.

With the respect to the music levels and issues raised particularly by Metro Loft's residents directly across from Vail Avenue, numerous zoom meetings, emails, and phone calls took place. The approach taken was to notify

those restaurants, upon which complaints were received, and the restaurants were continually asked to self-monitor the sound levels and reduce the volume. The restaurants with music did want to be a good neighbor and be respectful of downtown residents and other businesses while also trying to reinvent their struggling businesses. For two restaurants on Vail Avenue live music is critical to their business model and vitally important for them to secure as much business as possible to help hold them over during the winter months.

While residents in other buildings downtown have commented that they like the fact that the ambience and sound levels are lower than typical, complaints have been received from some residents about sound levels impacting Metro Lofts. What was allowed for outdoor music during the COVID -19 pandemic during 2020 and 2021 with the need for businesses to be given the opportunity to survive would be totally different than requirements going forward in a post pandemic environment. In a post pandemic environment outdoor live music by private restaurants could be limited or prohibited as they would be able to offer indoor music events.

Mask Wearing: Complaints regarding a perceived or real lack of face mask wearing were received throughout the summer. Additional signage was placed along the corridor encouraging the wearing of face masks and social distancing. Additionally, signage reflecting the constantly changing State requirements and ground placed social distance decals were placed through the Alfresco area. With the lack of national face mask policy, it was almost impossible to enforce and was on the owners of the businesses to enforce within their designated spaces and customers to self-enforce and wear face masks in general.

Bicycles, Skateboarding and Pet Walking: The issues of bicycles and skate boarding through the area as well as walking of pets received comments and complaints. Realistically trying to prohibit these activities especially pet walking is problematic. With respect to pets in the Alfresco area signs saying it is prohibited should be removed as many downtown residents have pets and need to walk through the area similar to a normal public sidewalk. The restaurants should be reminded that pets are not allowed in the outdoor dining areas. Additional bike racks were placed at the entrances but still there were cyclists, mostly teenagers who continued riding unsafely through the area as did skateboarders. ***Enforcement to reduce these encroachments will require allocation of Police resources to actively monitor Arlington Alfresco.***

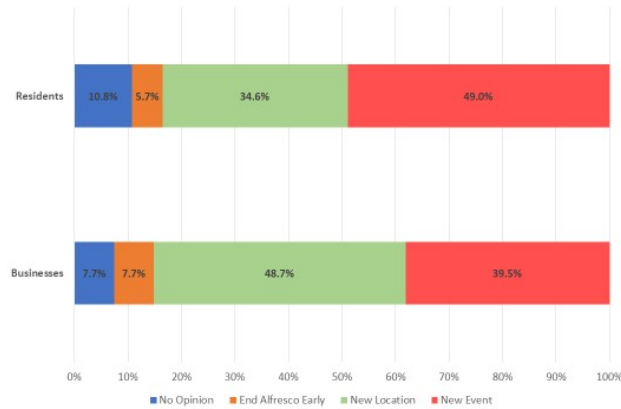
Impact on Events

If Arlington Alfresco becomes a permanent Downtown experience with enhanced streetscape improvements and gateways, it would create a potential conflict with some annual events held such as the Mane and Taste of Arlington (mid-August), the Promenade of Art (June) and Sounds of Summer (Thursday and Friday evenings). While the Sounds of Summer could continue to be held in Harmony Park with Arlington Alfresco the Mane Event, Taste of Arlington and Promenade of Art could not be held at their current locations simultaneously with Arlington Alfresco. Also, logistically it is not realistic and too time consuming to dismantle Alfresco and remove the fencing and for the restaurants to remove and store all tables for these weekend events. For this to occur it would not only be extremely expensive but Arlington Alfresco would need to be shut down approximately a week before and after each event. The downtown businesses and downtown residents were asked a series of questions regarding options for events which are outlined below.

Mane & Taste of Arlington Heights: Village cost estimated \$46,478 for Mane event and \$27,268 for Taste of Arlington. Taste of Arlington costs benefited by Mane Event set up the prior day.

- Option 1: End Arlington Alfresco early and hold Mane & Taste as normal (typically second weekend in August)
- Option 2: Continue to hold Mane & Taste concurrently with Arlington Alfresco, but at another location such as parking lot E and Davis Street, if possible.
- Option 3: Make the Mane Event & Taste of Arlington into a different event when Arlington Alfresco ends, such as ("Fall Finale" or "Oktoberfest" style event)

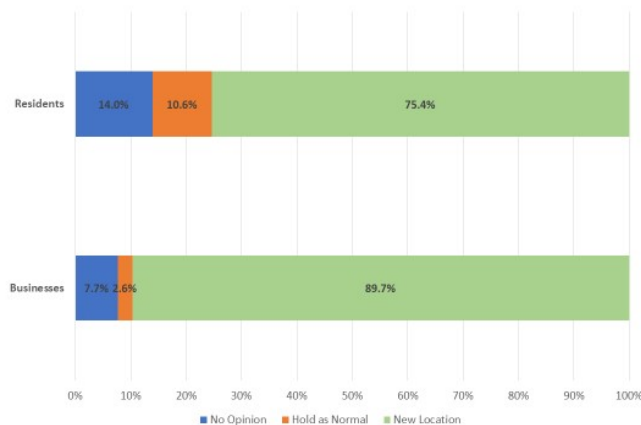
Mane Event & Taste of Arlington Heights - it is not feasible to hold both Arlington Alfresco and the Mane Event/Taste simultaneously at the same location. Which of the following options would you most like to see:



Promenade of Art: Village budgeted cost \$22,900.

- Option 1: Hold as normal in mid-June and delay the start of Arlington Alfresco until afterward.
- Option 2: Hold at a different location while Arlington Alfresco is going on, such as Parking Lot E and Davis Street or North School Park, if possible.

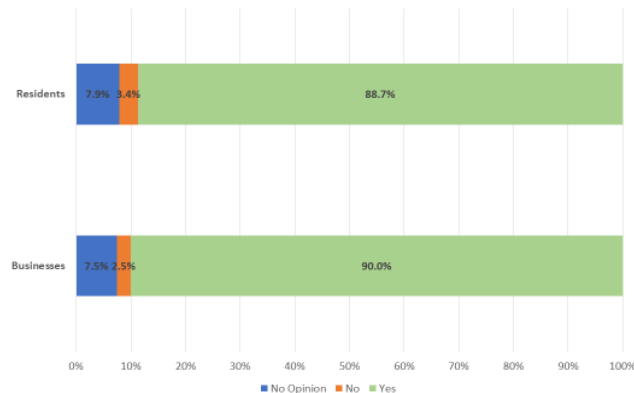
Promenade of Art - it is not feasible to hold both Arlington Alfresco and the Promenade of Art simultaneously at the same location. Which of the following options would you most like to see:



Sounds of Summer: Village cost \$61,406, donations are raised for the entertainment costs.

In a non-pandemic environment, Sounds of Summer could continue at Harmony Park during the summer on Thursday and Friday evenings concluding at 8:30pm as part of Alfresco. The community surveys asked businesses and residents their opinion on this as well.

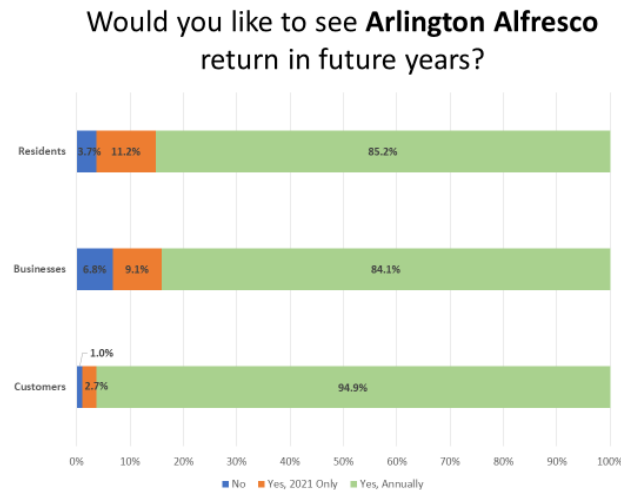
In a non-pandemic environment, **Sounds of Summer** could continue at Harmony Park during the summer on Thursday and Friday evenings concluding at 8:30 pm as part of Arlington Alfresco. Are you in favor of Sounds of Summer at Harmony Park running concurrently with Arlington Alfresco?



Options and Alternatives

With respect to Arlington Alfresco we asked those surveyed if they would like to see Arlington Alfresco as an annual experience.

- Option 1; Arlington Alfresco as an annual experience/event?
- Option 2: Arlington Alfresco only for 2021 to help businesses during the pandemic
- Option 3: No more Arlington Alfresco



Community Feedback

Throughout 2020 community feedback was obtained through zoom meetings with downtown residents and businesses, individual meetings as well as via social media and ArlingtonAlfresco@vah.com. In order to obtain community feedback for future consideration and evaluation the following has occurred in addition to one on one communication with certain businesses and residents.

Downtown Business Survey: A tailored survey was distributed via e-mail to approximately 250 Downtown business contacts, **53 responses** were received. Key takeaways are as follows:

- 64.4 % responded that the impact of Arlington Alfresco on their business was Very Positive or Positive.
- 84.1% responded yes to Arlington Alfresco as an annual experience.
- 43% preferred starting in March, 25% April and 20% May.
- 48.7% responded yes to live music every day of the week.
- 40.5% had concerns regarding skate boarding and bike riding.
- 37.8% had concerns about lack of mask wearing.
- Greater Police presence/enforcement, enhanced entries, streetscape and pedestrian signage ranked as very important or somewhat important.

Downtown Resident Survey: A tailored survey was distributed via e-mail to the HOA and property managers of 16 Downtown residential buildings asking them to distribute to their residents, **485 responses** were received. Key takeaways are as follows:

- 91.4% responded that Arlington Alfresco was Very Positive or Positive, only 3.3% were negative.
- 85.1% responded Arlington Alfresco should be an annual experience.
- 85.6% cited Greater Downtown energy as benefits.
- 83.7% cited Unique Ambience as benefits.
- 62.9% cited less vehicular traffic as benefits.
- 78.5% had no concerns about live music from restaurants, 6.8% had significant concerns. Residents in Metro Lofts had the most concerns about music.
- 80.7% had no concerns about traffic, 5.3% had significant concerns.
- 33.1% had some concerns about skateboarding and bike riding.
- 281 residents responded that, their out of town guests "loved" Arlington Alfresco.

Customer Survey: A shorter general customer survey was distributed via social media and sent to customers who previously e-mailed the Village via ArlingtonAlfrsco@vah.com. A terrific response was received with **5,963 responses**. Key takeaways are as follows:

- 90.5% attended Arlington Alfresco.
- 98.3% responded that their Arlington Alfresco experiences were Very Positive or Positive.
- 0.7% responded negatively.
- 94.9% responded Arlington Alfresco should be an annual experience.
- 36.3% cited some concern over lack of mask wearing.
- 21.5% cited some concern about skateboarding and bike riding.
- 77.9% had no concern about parking.
- 3.2% had significant concerns about parking.
- 95.7% had no concern regarding live music.
- 0.7% had significant concern over live music.
- Very positive responses were received regarding ambiance, downtown energy and improved pedestrian walkability.
- 77.4% were Arlington Heights residents of which 10.9% were downtown residents indicating some possible overlap between this survey and the downtown resident survey.

Mane Event and Taste of Arlington Heights Participant Survey: A tailored survey was distributed to non-downtown Arlington Heights business participants who purchased a booth in the 2019 event asking them for their input on the event. Note the survey was not sent to downtown businesses who participated as they received the downtown survey. It was also not sent to non-profits and government agencies and out of town businesses. A total of 35 non-downtown Arlington Heights participating businesses were sent the survey and **19 responses** were received. Key takeaways are as follows:

- 63.1% responded that the events were worthwhile for their business to participate in.
- 26.3% indicated the events were somewhat worthwhile for business participation.
- 47.3% derived direct sales or significant business from participating.
- 31.5% responded cancelling events would significantly impact their business.
-

Community Zoom Meetings: On January 15th two community Zoom meetings were held.

Downtown Business Zoom Meeting: Key takeaways: The businesses continue to suffer with the pandemic and restrictions on business operations. Most requested early commencement of Arlington Alfresco in mid-March before St. Patrick's Day. The results of the survey were reflected in the conversation as it relates to Police presence or some type of volunteer program to assist with monitoring and enforcement.

Downtown Residents HOA/Property Managers Zoom Meeting: Key takeaways. Those attending and representing their residential building associations were extremely complimentary about Arlington Alfresco and support for its continuance. Some concerns were expressed regarding music from Metro Lofts. Concerns about loading from the private property at Village Green were discussed and staff will add signage, monitor enforcement and provide notices to the businesses reminding them again of their designated loading areas and asking them to continue to inform their delivery vendors.

Arlington Heights Chamber of Commerce: Several meetings and conversations have taken place with the Mayor, Village Manager and representatives of the Chamber of Commerce. The Mane Event and Taste of Arlington Heights is seen as a significant revenue opportunity for the Chamber of Commerce which they would like to see continue in some form. The Village allows the Chamber to run the Taste of Arlington and receive revenue from business participation fees and sponsorships.

Special Events Commission: The Village Manager and staff discussed Arlington Alfresco and the challenges with some events at their meeting on January 13th. The Commission understood the reasoning for discussion event conflicts and were open to considering and recommending alternative types of events upon direction from the Board.

Arlington Economic Alliance: A general discussion occurred at their meeting on January 20th. The Alliance was supportive of Arlington Alfresco while requesting further input into the decision for 2021.

Downtown Restaurant Written Communication to the Board: In early January while the surveys and analysis were being undertaken the Board received written communication from 16 Downtown businesses asking for Arlington Alfresco to continue as a permanent experience every year and for full permeant year-round downtown pedestrian streets.

Key Decisions Needed

Certain key policy decisions need to be made relative to Arlington Alfresco.

1. **Should Arlington Alfresco be an annual experience/event?**

Staff recommends Arlington Alfresco as an annual experience which is supported by the community surveys.

2. **In 2021 when should Arlington Alfresco begin?**

Businesses continue to suffer from the pandemic and indoor dining has been prohibited for several months. As a result, many businesses have requested that Arlington Alfresco begin in mid-March in 2021. In March and April weather can be very cruel with many days of severe weather, cold temperatures, and accumulating snow. During the January 15th zoom call with the businesses the challenges of snow removal was explained. An accumulating snow event with the streets closed out outdoor dining presents challenges for timing of snow removal, access to buildings, liability and requirements of participating businesses. Attached is a detailed approach by Public Works. There are two options that could be considered:

a) Begin Arlington Alfresco in mid-March. This would only be considered as a one-year emergency starting date. The set up would be scaled back and the fencing would not be installed and the separation for businesses spaces would temporarily be made via delineators and ropes. If snow accumulation is in the two-week forecast the start date would be delayed. Businesses would be required to remove their tables and clear the snow on the sidewalk for pedestrian access. Public Works would maintain a plowed path just down the center of the streets for emergency access and deliveries. A heavy snow may take several days to remove. The complete set up with fencing would not occur until mid-April weather permitting. Under this scenario staff recommends a further zoom meeting with those businesses in the area and also with the downtown residents.

b) Begin in mid-April weather permitting. At this time the complete setup with white fencing would be installed from the very beginning.

3. **Should live music at restaurants be permitted outdoors?**

With the respect to music, the music levels and issues raised last year particularly by Metro Loft's residents directly across from Vail Avenue, resulted in significant discussion and monitoring. The approach taken in 2020, was to notify those restaurants, upon which complaints are received about, and the restaurants were continually asked to self-monitor the sound levels and reduce the volume. The restaurants with music want to be a good neighbor and be respectful of downtown residents and other businesses while also trying to reinvent their struggling businesses. For two restaurants on Vail Avenue live music is critical to their business model. While residents in other buildings downtown have commented that they like the ambience and sound levels are lower than typical, complaints have been received from some residents about sound levels impacting Metro Lofts. Options relative to live music outlined in August 2020 when the Board reviewed extending last years Arlington Alfresco include the following:

- a) Allow live music to continue with restaurants asked to continue to self-monitor the noise levels, with the Village Manager having the authority to prohibit/regulate music if noise levels were overly disruptive to residents.
- b) Restrict live music to Thursday-Saturday only, with the following time restrictions, Thursday 5pm to 9pm, Friday and Saturday 5pm to 10pm.
- c) Restrict live music hours with the following time restrictions, Sunday through Thursday 5pm to 9pm, Friday and Saturday 5pm to 10pm.
- d) Prohibit live music completely.

The Board authorized the Village Manager to continue to monitor music levels and prohibit music if necessary. Such action was not taken in 2020.

During the Zoom meetings referenced the issue of music every day, time of day and sound levels were discussed. If Arlington Alfresco occurs every year it is important to note that post pandemic, there would likely have to be additional restrictions as businesses and customers under normal circumstances would be inside for live music, and public concerts in Harmony Park, directly under control of the Village, may take the place of individual restaurants having their own outdoor music

4. What should the future of some of the traditional Downtown events be?

The cost, logistics, number of hours and impact on businesses needing to remove and store all outdoor dining to allow set up and take down of these events would be lengthy and problematic. Various options were outlined by staff in the surveys and it is recommended that it be accepted that certain events will no longer occur as normal. Discussions should occur with the Special Events Commission, the Chamber of Commerce, and other stakeholders regarding alternative events, locations and timing.

Conclusion

As noted earlier, Staff has been exploring the concept of pedestrian friendly streets and improvements in front of Harmony Park for several years and late last year submitted for an ITEP grant for implementation of enhanced streetscape improvements. The success of Arlington Alfresco in 2020 and the overwhelming positive responses from the community further support staff's recommendation that Arlington Alfresco become an annual experience with long term street closures for pedestrians and customer experience only. It is not anticipated that the Board would get to specific on the many details dealing with operations ranging from loading and deliveries to signage and enforcement. Rather the larger policy direction is sought regarding continuing Arlington Alfresco, start and end dates, impacts on other events and granting authorization to the Village Manager and staff to implement Arlington Alfresco again.

Recommendation

It is recommended that the Village Board provide input into the Arlington Alfresco evaluation, and authorize the Village Manager to implement and execute the appropriate documents necessary to implement Arlington Alfresco as follows:

1. Approve Arlington Alfresco as an annual experience/event and to be continually monitored and reviewed.
 - A. For 2021 during the pandemic allow Arlington Alfresco to begin mid-March, weather permitting and conclude November 2. If the Board concurs with a mid-March opening staff recommends further zoom meetings with the businesses and downtown residents before finalizing said start date. Allow live music subject to the Village Managers approval and modifications. Staff will continue to monitor live music during the pandemic and if problems persist then option b (on page 10) shall be required of restaurants. Staff will also develop a security plan and budget.
 - B. In non-pandemic years commencement should be mid-May. Staff will develop criteria for live music days, hours and other standards to be implemented post pandemic for Board discussion with feedback with downtown stakeholders. Staff will also examine and develop alternatives for security in a non-pandemic environment.
 - C. Concur with continued allocation of resources and expenses to maintain and manage Arlington Alfresco as outlined above. Including staff's resolution on issues pertaining to operations.
 - D. Acceptance that a future budget amendment will be needed for the purchase and implementation of short-term improvements to the entries, signage and other reoccurring operational costs.

2. Acceptance that Mane and Taste of Arlington Heights will no longer occur as normal. Discussions should continue to determine appropriate alternatives. Direct staff to work with the Special Events Commission, Chamber of Commerce and other stakeholders on the development and analysis of alternative summer event concepts for Board consideration.
3. Sounds of Summer would continue in non-pandemic years and subject to further discussions with the Special Events Commission and other stakeholders.
4. Acknowledgement that the pandemic makes it unlikely that large events can occur during a significant portion of 2021 and the Village will need to make decisions fairly soon on whether or not any events (other than Alfresco) should be cancelled in 2021. Staff will continue to monitor State rules and will need to be in a position to make recommendations on cancelling individual events as the situation dictates.
5. Re-authorize the administration to waive minimum parking requirements for outdoor dining for private property, as well as waive other code requirements, for the remainder of 2021 during the Coronavirus pandemic to assist businesses outside of the Arlington Alfresco pedestrian area.
6. Continue to encourage restaurants outside of the Alfresco pedestrian area to develop outdoor dining concepts and pursue cooperative ways to promote all businesses.

Attachments

Downtown Business Survey Summary
Downtown Resident Survey Summary
Customer Survey Summary
Mane & Taste Business Participant Survey
Special Events Commission Meeting Summary
Public Works Snow Removal Approach
Arlington Alliance Summary
May 18, 2020 Memorandum
ITEP Grant Application