



MINUTES

President and Board of Trustees
Village of Arlington Heights
Board Room

Arlington Heights Village Hall
33 S. Arlington Heights Road
Arlington Heights, IL 60005

September 6, 2022

7:30 PM

I. CALL TO ORDER

II. PLEDGE OF ALLEGIANCE

III. ROLL CALL OF MEMBERS

President Pro-Tem LaBedz and the following Trustees responded to roll: Bertucci, Grasse, Schwingbeck, Tinaglia, and Canty. President Hayes and Trustees Baldino and Scaletta were absent.

Also present were: Randy Recklaus, Diana Mikula, Hart Passman, Tom Kuehne, Charles Perkins and Becky Hume.

IV. APPROVAL OF MINUTES

A. 08/15/2022 Village Board

Approved

Trustee Tom Schwingbeck moved to approve. Trustee Mary Beth Canty Seconded the Motion.

The Motion: Passed

Ayes: Bertucci, Canty, Grasse, LaBedz, Schwingbeck

Abstain: Tinaglia

Absent: Baldino, Hayes, Scaletta

V. APPROVAL OF ACCOUNTS PAYABLE

A. Warrant Register 8/30/2022

Approved

Trustee James Bertucci moved to approve in the amount of \$2,303,178.47. Trustee Jim Tinaglia Seconded the Motion.

The Motion: Passed

Ayes: Bertucci, Canty, Grasse, LaBedz, Schwingbeck, Tinaglia

Absent: Baldino, Hayes, Scaletta

VI. RECOGNITIONS AND PRESENTATIONS

VII. PUBLIC HEARINGS

VIII. CITIZENS TO BE HEARD

Resident James Kehm said he had a horrible weekend because of the barking dogs at Petsuites. This business has interrupted their life. Citations were issued but he's concerned that the problem will be ongoing. The kennel needs to be closed. The barking starts just after 6 am and goes on all day. The location is next to homes. They have 60 dogs there, and the ability to house 300 dogs. We are pushed to our limit and can't take it. They need someone to go over there and quiet the dogs so we can sleep. They can't have coffee in our yard or entertain. He appreciates the code enforcement action. Their quality of life has been destroyed.

Resident Patricia Kehm said she was disappointment and angered concerning Petsuites. The business should have never been allowed to occupy this location. She sent many emails expressing her dissatisfaction during the Board hearings. As a person experiencing health issues, her sleep is important. She is experiencing physical and mental anguish. Her headaches, extreme fatigue and brain fog have become worse since Petsuites has opened. She can't concentrate and can't get work done. She was woken up Saturday morning at 6:10 am and 6:20 on Sunday. She asked for the Board to close the outdoor area.

Resident Mariana Correa complained about the noise at Petsuites. She has two young daughters and works. They are woken up very early in the morning and not getting their rest. Her children are cranky before the school day is over. It is not the place to have an open space for dogs out all day and barking. They have had it and can't take it any longer.

Mr. Recklaus said the zoning approval that was granted gives the Village leeway in regulating the out door dog area. We can require it's removal. Prior to taking that step, we want them to address the issues. Citations have been issued. Petsuites has a September 13th Adjudication date. The ownership has engaged in a contract with an acoustical engineering firm. They will be getting back to staff shortly. If the noise cannot be reduced to an acceptable level, we will step in. The Village wants the business to be successful, but not at the expense of the resident's wellbeing.

Martin Bauer said he opposes the plan to offer any financial assistance to the Bears for the potential development of the Arlington Park site. The Board has done a good job, and he called on them to show its fiscal

discipline. He wanted to make sure you hear the people's opposition loud and clear before it is too late. He said he was afraid the Mayor has made his view a little 'googly eyed.' Mr. Bauer thought Mayor Hayes said he would do anything to make sure the Bears come to the Village and that public money would be offered only as a last resort. Mr. Bauer said the Bears have made no secret they will ask for public funds. No public money is needed to develop this site. it's not a brownfield or an eyesore. It is prime real estate that offers plenty of opportunities. He asked the Board to publicly state they will not offer to any financial incentive to the Bears.

Mr. Recklaus said it is premature to discuss at this point.

Trustee Bertucci clarified that he did not recall Mayor Hayes saying he would do anything to bring the Bears here. Mr. Recklaus concurred.

Brian Costin, Deputy State Director of Americans for Prosperity, came in support of an anti-corporate welfare ordinance. He presented a petition with over 650 signatures supporting the ordinance. The ordinance would prohibit the Village from offering or extending any financial incentive to any business or corporation to operate in the Village. His Political Action Committee did a poll of 300 Village residents which found 72% of residents want the Bears to come to Arlington Heights. When asked if they approved of taxpayer money going to the Bears for a stadium 68% disapproved. Mr. Costin said he would like to make a more complete presentation to the Board and he asked for equal time with whatever time the Bears get. He said stadium deals and corporate welfare projects go sour. He cited Hoffman Estates/Sears Center and Soldier Field as deals gone bad.

Mr. Recklaus said the petition will have to be reviewed to determine the appropriate course. From a staff perspective, the ordinance proposed would prevent the Village from engaging in economic development with any business for any reason. This would cripple our ability to redevelop property and would have prevented many successful redevelopment projects like the Downtown, Al Fresco, and our active shopping corridors. These improved areas would not be possible without engaging in the successful private/public partnerships that the petition aims to prevent. It would permanently put us at a competitive disadvantage from all other towns. The Village is business friendly; an ordinance of this extreme nature would put the Village at a disadvantage.

Resident Melissa Cayer asked when the 2021 2nd installment of the Cook County Tax Statement would be available. Mr. Recklaus said the County Elected Officials would have that information. Ms. Cayer said the proposed Dogtopia might have barking issues too.

IX. OLD BUSINESS

- A. Report of the Committee of the Whole Meeting Approved
of September 6, 2022

Interview of Owen Smith for Appointment to the
Youth Commission - term ending April 30, 2023.

Village Clerk Hume administered the Oath of Office to Mr. Smith.

Trustee Tom Schwingbeck moved to concur in the appointment. Trustee
Mary Beth Canty Seconded the Motion.

The Motion: Passed

Ayes: Bertucci, Canty, Grasse, LaBedz, Schwingbeck, Tinaglia

Absent: Baldino, Hayes, Scaletta

- B. Report of the Committee of the Whole Meeting Approved
of September 6, 2022

Consideration of recommending to the liquor
commissioner the issuance of a Class B and
Class T liquor license to Vijyu, Inc. dba Elm
Liquor located at 906 W. Northwest Highway

Trustee James Bertucci moved to approve. Trustee Nicolle Grasse Seconded
the Motion.

The Motion: Passed

Ayes: Bertucci, Canty, Grasse, LaBedz, Schwingbeck, Tinaglia

Absent: Baldino, Hayes, Scaletta

- C. Report of the Committee of the Whole Meeting Approved
of September 6, 2022

Consideration of recommending to the liquor
commissioner the issuance of a Class A liquor
license to SM AH Investments, Inc. dba Javier's
Sabor Mexicano & Agave Bar

Trustee Mary Beth Canty moved to approve. Trustee Jim Tinaglia Seconded
the Motion.

The Motion: Passed

Ayes: Bertucci, Canty, Grasse, LaBedz, Schwingbeck, Tinaglia

Absent: Baldino, Hayes, Scaletta

X. CONSENT AGENDA

CONSENT LEGAL

- A. An Ordinance Granting an Amendment to a Special Use Permit and Variations (La Zingara, 2300 E Rand Rd) Approved

Trustee Jim Tinaglia moved to approve 2022-049. Trustee Tom Schwingbeck Seconded the Motion.

The Motion: Passed

Ayes: Bertucci, Canty, Grasse, LaBedz, Schwingbeck, Tinaglia

Absent: Baldino, Hayes, Scaletta

- B. An Ordinance Amending the Annual Budget of the Village of Arlington Heights, County of Cook, State of Illinois, for the Fiscal Year Beginning January 1, 2022 and Ending December 31, 2022 (IL Criminal Justice Information Authority Grant) Approved

Trustee Jim Tinaglia moved to approve 2022-050. Trustee Tom Schwingbeck Seconded the Motion.

The Motion: Passed

Ayes: Bertucci, Canty, Grasse, LaBedz, Schwingbeck, Tinaglia

Absent: Baldino, Hayes, Scaletta

- C. A Resolution Accepting a Illinois Criminal Justice Information Authority Community-Law Enforcement Partnership Deflection Program Grant (CARE Grant) Approved

Trustee Jim Tinaglia moved to approve R2022-022. Trustee Tom Schwingbeck Seconded the Motion.

The Motion: Passed

Ayes: Bertucci, Canty, Grasse, LaBedz, Schwingbeck, Tinaglia

Absent: Baldino, Hayes, Scaletta

CONSENT REPORT OF THE VILLAGE MANAGER

CONSENT PETITIONS AND COMMUNICATIONS

Trustee Jim Tinaglia moved to approve. Trustee Tom Schwingbeck Seconded the Motion.

The Motion: Passed

Absent: Baldino, Hayes, Scaletta

- A. Bond Waiver - Patton Elementary School PTA Approved

Trustee Jim Tinaglia moved to approve. Trustee Tom Schwingbeck
Seconded the Motion.

The Motion: Passed

Ayes: Bertucci, Canty, Grasse, LaBedz, Schwingbeck, Tinaglia

Absent: Baldino, Hayes, Scaletta

- B. Arlington Heights Park Foundation - Golf Outing Approved

- C. Permit fee waiver for Special Event Liquor Approved
License- Arlington Heights Park District

XI. APPROVAL OF BIDS

Trustee Canty moved to move the New Business Item to this point in the meeting. Trustee Tinaglia seconded the motion. The motion carried unanimously.

Raising Cane's - 225 E. Palatine Rd. / Sign Variation - DC #22-027

LuAron Foster of Raising Cane's said they are requesting artwork and material finish for an architectural finish for their front elevation. She described the 'One Love' heart which artistically tells the story and journey of their culture. They are also requesting to clad the tower in a hard material at their entrance.

Mr. Perkins said the Village is very glad Raising Cane's has built their facility in the Village. The assistance of TIF funds helped build this project. The business has an existing wall and ground sign. Their request for tower changes and the heart requires variations as they are considered wall signs. In total they would be requesting 212 square feet in signage. In comparison to other fast food outlets, this is a significantly greater amount of signage. Staff recommends approval of the heart wall sign and denial of the '1' sign. Some existing Cane's have the '1', but not clad in red. The Design Commission recommended approval of the 2 sign variations with some caveats: the #1 is considered a sign or art so they would not consider any other requests, and the 'Heart' must stay decorative and not change to a graphic sign.

Trustee Tinaglia asked if the company was in agreement with the Design Commission restrictions. Ms. Foster said yes. Trustee Tinaglia said the signage is creative and fun. He said he was in favor as long as they are not blatant signs. He did not like the other graphic signs.

Trustee Canty concurred and agreed with the Design Commission recommendation.

Trustee Bertucci said staff recommended denial of the '1'. Staff added the additional conditions after the Design Commission discussion.

Trustee Schwingbeck asked without the #1, what is the square footage? Mr. Perkins answered 85 square feet.

Trustee Jim Tinaglia moved to approve the Sign Variations as recommended by the Design Commission with the conditions that 1. the cladding of the 'Number 1' is considered almost a piece of art and not a sign, but future variation requests for additional signs will not be approved and 2. the 'One Love Heart' sign shall remain as is, and that it not be changed in the future to a sign with the words 'Raising Cane's'. Trustee Mary Beth Canty Seconded the Motion.

The Motion: Passed

Ayes: Bertucci, Canty, Grasse, LaBedz, Schwingbeck, Tinaglia

Absent: Baldino, Hayes, Scaletta

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| A. | A Resolution Approving An Agreement with Hunden Strategic Partners, Inc. of Chicago, Illinois, for Economic and Market Analytical Services for the Redevelopment of the Arlington International Racecourse Property. (Financial/Economic Impact/Market Analysis Request for Proposals Award of Consultant) | Approved |
|----|--|----------|

Mr. Recklaus said there are unsuccessful and successful stadium projects. If we are going to be reviewing a potential project, we want to make sure we are successful. Having the best possible information and learning from best/worst practices will help us make good decisions for any potential development. The goal is to hire people who have looked at this before. Staff has identified two teams that we are recommending to be hired to help us in this endeavor.

Mr. Perkins said the Village has used consultants before for advice on International Plaza and other projects. An RFP was issued to consultants specializing in economic impact and traffic analysis for stadium and mixed-use projects. The Village has 326 acres of prime real estate which will be redeveloped. In the summer of last year, the Board set some overlay zoning in the area before it was known of the Bears' interest in the property. Consultants will help evaluate preliminary plans, financial impact, and provide peer review at a high level. They will also identify areas of concern, deficiencies, and provide a high-level opinion on impacts. These consultants will give market analysis, independent of what the Bears provide. Their insight will inform the Village's annual operational costs and anticipated expenses. The financial analysis looks at all of the project

components both revenue and costs.

After review of the proposals received, staff is recommending Hunden Strategic Partners for the economic and market analysis. The fees incurred will be funded from the escrow funds provided by the Bears which are held by the Village.

Trustee Tingalia asked if we take the Bears out of the situation, would you still recommend having a consultant like this? Mr. Perkins said yes, absolutely it is in the Village's best interest. Trustee Tinaglia said getting wise advice from the best people to educate us makes sense.

Trustee Schwingbeck noted that the Village has hired consultants like this for other projects like the Senior Center. He asked when the analysis would occur. Is it too early to have them work on this? Mr. Recklaus said the majority of the work will be done if and when the land sale goes through. Staff wanted to get this teed up and ready so if it does go through, we will be ready.

Mr. Passman explained the proposed contract provides for work to not start until they receive written instructions to proceed. We want to have them lined up and ready to go, so we are not chasing someone when we get the information. It's an important piece to have ready.

Trustee Schwingbeck summarized the consultants would be in the pipeline, but won't incur costs until we see the project moving forward.

Mr. Recklaus said these costs are incurred by the Bears. We charge these fees back to the applicant. The consultants work for the Village. The decision on when to start work is the Village's.

Mr. Kuehne reiterated the costs before the Board are costs that would be covered by the Bears.

Trustee Canty noted the fees will be reimbursed by the Bears, but the fiduciary duty is to the Village. Mr. Recklaus explained the Village is paying for the consultant, we will be getting reimbursed from the Bears. The consultants will be our own unbiased agents.

Resident Max Ryan commended the Village on its transparency, the documents were easy to find. He asked for the Village to study the economic impact for the Bears. Between here and Soldier Field, what are their projected profits? They will sell 20,000 extra tickets every game, get revenue from all the events, and revenue from parking, retail, hotel and all the new revenue streams. He asked for these numbers to be backed up and documented so when they ask for funds from the Village we can go back to them.

Mr. Perkins said components in this agreement address comparable stadium and entertainment revenues. The Village will ask for costs and justification

for any funds requested. Mr. Recklaus said the Bears will have to provide the information. We will ask for justification. This consultant team will be reviewing it and seeing if it is true. If the Bears end up making any financial request, we will absolutely understand why will that request is needed and what will happen if the request is not fulfilled. We always ask those questions. With this magnitude, this is exactly why we are bringing on these teams to help us.

Trustee Tinaglia said another whole team of consultants comes in when we consider TIFs. They dig into the minutia of all these things. Mr. Recklaus said we don't know if there will be a TIF.

Mr. Passman said there is no request for an incentive before the Board. This conversation is hypothetical. The Village wants to be prepared to look at the numbers.

President Pro Tem LaBedz said it is prudent to look ahead and be prepared.

Mr. Costin asked the Board to not consider this tonight. The memorandum is incomplete and goes way to far. There's no public input process for this study. Experts can submit comments and written testimony about this deal. Staff is not aware that TIF districts are a curse and communities suffer when they are used. The contract says the Board is going to do a deal with the consultants negotiating it. The Mayor mentioned incentives are a last resort. Before they have even asked for anything, you are saying you are doing a deal. The Board should not be negotiating for tax dollars. Let the Bears make the first offer.

Mr. Recklaus said none of this work will happen without the direction of the Village. Staff wants to understand what any potential work will cost and price it out. There is an anticipatory list of potential items in the contract. We aren't going to discuss incentives unless the developer can demonstrate that it won't happen without assistance and that any revenues are sufficient to cover any/all costs to what the Village incurs.

Melissa Cayer said their investors and shareholders should cover the costs. She did not want to see a bill on her tax bill for this.

Trustee Jim Tinaglia moved to approve R2022-023/A2022-052. Trustee Tom Schwingbeck Seconded the Motion.

The Motion: Passed

Ayes: Bertucci, Canty, Grasse, LaBedz, Schwingbeck, Tinaglia

Absent: Baldino, Hayes, Scaletta

- B. A Resolution Approving an Agreement with Sam Schwartz Consulting, LLC, of Chicago, Illinois, for other Vehicular Traffic and Parking Analytical Services for the Redevelopment of the Arlington

International Racecourse Property. (Traffic and
Parking Analysis Request for Proposals Award of
Consultant)

Mr. Perkins explained that traffic and parking are significant areas of concern. Staff issued an RFP for traffic consultants that specialize in large developments that have 'peak' and 'daily' use. He described the scope of work to include: peer review the traffic and parking analysis provided by the Bears, review multi transportation systems, study impacts on surrounding roads (includes neighbors). It will also include independent parking analysis, validation of capacity ratios, ride share, public transportation, and ongoing consultancy working with the Village, Bears, State, County and other organizations for offsite improvements. Staff is recommending Sam Schwartz Consulting. The Village does not want to spend 3 months to find the right consultant when the proposal comes forward, we want to have them lined up.

Trustee Tinaglia said we have countless traffic analysis projects. This is a big enough project to do this. It's in the Village's best interest to have consultants on board to protect our interests and make sure it is done right. No tax dollars are being spent; the money is coming out of escrow.

Trustee Bertucci said this is a really important part of what we need to do. This will have more impact on our residents than anything else.

President Pro Tem LaBedz said one of the biggest concerns is the traffic, no matter what the development is.

Trustee Canty said she hears this same concern a lot. There will be traffic and congestion regardless of who/what the development is. She is worried herself as she lives on the same road as the development. We need people to keep the Village's interests at heart and give clean unfettered advice to protect our interests. She asked what the other agencies were doing. She said her big questions are who is paying for it and how will people be moved around.

Mr. Recklaus said each agency will be looking at it from their own perspectives. Part of the process is to engage with those stakeholders to understand all the perspectives.

Mr. Costin agreed the Village should do this. Polling on the traffic showed that 47.8% are concerned, 47.5% are not concerned. The Bears are paying for the studies, but the working says they are funded from escrow funds and the Village's capital funds reserve.

Mr. Kuehne said both funding sources were noted because the payment to the consultants goes through the Capital Projects Fund, but it will be reimbursed through the escrow account.

Resident Janice Behrens asked who was doing an environmental study. Mr.

Perkins said the Bears will have to look at onsite environmental impacts, underground stormwater detention and those kinds of things. Mr. Recklaus explained this like any project, subject to regulations from a whole host of other agencies like: WMRD, EPA and the IEPA. There are different issue buckets we are responsible for and the overall quality of life we will have to contemplate. Ms. Behrens asked how idling cars will it impact neighborhoods. Mr. Recklaus said any use of this site is likely to be more intense than the race track. There are a lot of question marks for any development. Will have to look at impacts closely. There will be opportunities for public input along the way.

Melissa Cayer asked if staff time is charged to property tax money or the Bears. Mr. Recklaus said existing staff is paid by taxpayers of Arlington Heights. Any additional staff hired someday as a result, would be covered by project generated revenues. Ms. Cayer suggested the Bears use current grandstand and try it out.

Max Ryan asked for walkability to be considered with the traffic study to make it easy to cross Northwest Highway or Euclid from a pedestrian perspective. It could take a lot of pressure off parking for people needing to get all the way into the stadium.

Trustee Jim Tinaglia moved to approve R2022-024/A2022-053. Trustee Tom Schwingbeck Seconded the Motion.

The Motion: Passed

Ayes: Bertucci, Canty, Grasse, LaBedz, Schwingbeck, Tinaglia

Absent: Baldino, Hayes, Scaletta

XII. NEW BUSINESS

XIII. LEGAL

An Ordinance Approving a Tax Increment Financing Redevelopment Agreement by and between the Village of Arlington Heights and MJR/Southpoint Real Estate Holding Company, LLC (Southpoint Shopping Center, 600 E Rand Rd)

Mr. Costin said Chipotle and AT&T are worth many millions of dollars. He cited the Village code, section which has owners bearing the expense of improvements. He noted the costs in this agreement are split 50/50. If there is a stadium development like that, it would be hundreds of millions of dollars that should be going towards the schools. He said you can't have fairness if different rules apply to different people. It goes against treating people equitably. He listed the amount of money each taxing body would have received without the TIF and said the Village was diverting money to corporations and asked the Board to reject it.

Mr. Perkins said the property is in the TIF District on Rand Road.

Southpoint has struggled over the years and is one of our problem shopping centers. The agreement is with the developer, not Chipotle or AT&T. The Village retained SB Friedman to analyze the proforma. There are excessive site costs of approximately \$1.4 million for a small retail development. The initial request was for \$600,000, but the Village did not agree to that. The developer accepted a lower rate of return because they have a tenant. We looked at the infrastructure needs, the detention improvements and thought that providing up to \$170,000 is a TIF eligible cost. Currently there is over \$3 million in the TIF fund, and there are still funds available to do the corridor improvements. The \$170,000 wouldn't be there if the Village didn't create the TIF in the first place. The site met the blighted standards and the Southpoint increment has gone down.

Trustee Bertucci said the site is across the street from his office of the past 15 plus years. His clients ask him " 'isn't there something the Village can do to incentivize development?' " There is a lot of support from the area businesses and from the residents to provide incentives to bring Southpoint back around.

Trustee Tinaglia said it is difficult to understand a TIF district. Having grown up in Arlington Heights, he knows what the downtown used to look like. It would not be today what it is without a TIF. You can design really well, or badly. Same goes for when it comes to redevelopment. The money is not going to a corporation. It's going to an entrepreneur who bought the shopping center to try and get something going. Commercial development is taxed 2 times residential. Our businesses have to succeed for our residents to feel less pain. When we have opportunities like this, it behooves us to get on board. It's a reasonable incentive to take care of storm water management on this site. The developer is investing \$5.6 million of their own money. The money is there for this reason, it's not lining anyone's pockets, it's about doing the right thing. There are countless examples where things fall apart as a result of poor planning or poorly educated decision makers. In this town, the decision makers are doing smart things with smart money. He said he was hopeful folks watching are appreciative of what we do.

President Pro Tem LaBedz said she has been here long enough to see what TIF's have done for our Village. Southpoint has not been healthy for a long time.

Trustee Bertucci said residential property owners pay 10% of market value, commercial properties pay 25%.

Ms. Cayer said the developers should have paid less for the property so they could do the improvements.

Trustee Jim Tinaglia moved to approve 2022-051. Trustee James Bertucci Seconded the Motion.

The Motion: Passed

Ayes: Baldino, Bertucci, Canty, Grasse, Hayes, LaBedz, Scaletta,

XIV. REPORT OF THE VILLAGE MANAGER

XV. APPOINTMENTS

XVI. PETITIONS AND COMMUNICATIONS

A. Closed Session

Request for Closed Session per ILCS 120/2(c) (21): Discussion of minutes lawfully closed, whether for purposes of approval of the minutes or the semi-annual review of the minutes

-and-

5 ILCS 120/2(c) (11): litigation, when an action against, affecting or on behalf of the Village has been filed and is pending before a court or administrative tribunal, or when the Board finds that an action is probable or imminent

XVII. ADJOURNMENT

Trustee Jim Tinaglia moved to adjourn to Closed Session at 9:17 p.m.

Trustee Tom Schwingbeck Seconded the Motion.

The Motion: Passed

Ayes: Bertucci, Canty, Grasse, LaBedz, Schwingbeck, Tinaglia

Absent: Baldino, Hayes, Scaletta