

Committee-of-the-Whole Minutes
January 15, 2019

Mayor Prejna called the Committee-of-the-Whole meeting to order at 7:30 p.m.

COUNCIL IN ATTENDANCE: Aldermen Mike Cannon, Nick Budmats, Laura Majikes, Robert Banger, John D’Astice and Rob Williams

COUNCIL MEMBERS ABSENT: Alderman Joe Gallo

STAFF IN ATTENDANCE: City Manager Barry Krumstok, Finance Director Melissa Gallagher, Deputy City Clerk Judy Brose, Assistant to City Manager Lori Ciezak, Police Chief John Nowacki, Fire Chief Terry Valentino, Assistant Director of Public Works Rob Horne, Administrative Services Coordinator Elizabeth Payne, City Attorney James Macholl

1) K-9 Update (1 year since the program was brought back in the City)

Mayor Prejna – Chief Nowacki you are up first.

John Nowacki, Police Chief – Good evening everyone, Mayor and Alderman. Thank you for this opportunity, I know there is a lot of items on the agenda tonight so I will make this brief. I just wanted to give you a progress report of our newly formed K-9 Unit. It’s hard to believe it’s been a little over a year when I stood right at this podium asking for all your support and permission to implement a K-9 unit for this Police Department. I do thank you for giving me that permission and allowing me to move forward. That's what I'm here for today. The reasons I requested the K9 Unit be established in Rolling Meadows was to improve Police Services to the residents of Rolling Meadows, increase officer safety and improve Police and Public Interactions/Public Relations. I thought the K9 Unit would do that and I have to say just over a year I believe we’ve been really successful accomplishing those three goals.

I do want to remind the Council that we did that at a neutral cost to the taxpayers. All the funds used to purchase K9 Scar, purchase the vehicle, all the training and all the equipment was really arrived from asset seizure funds. Money taken away from criminals to fund this program. We were also successful in a couple of grants, K9 Scar is sporting his bulletproof vest that was actually given to us by Vested Interest, a nonprofit group. I received an email a couple hours ago, Scar was awarded free health insurance through Vested Interest which supplies equipment for working law enforcement dogs so we’re really happy to also receive that. I have a brief PowerPoint and I also have Officer Don here if you have any questions regarding the K9 Unit.

I just want to highlight some of the activities in the last year. K9 Scar and Officer Don have been on about 148 K9 specific calls of service, those range from searching cars for narcotics, searching buildings, tracking offenders, trying to locate missing children, adults and so forth. Officer Don, not K9 Scar, issued 51 citations, mainly for possession of drug paraphernalia and small amounts of cannabis totaling over \$5000 in fines. Seized about \$5755 from drug dealers that also goes back into the asset forfeiture fund which continues to run this program at a neutral cost to the taxpayers. They removed about 1000 grams of illegal narcotics from the community. They participated in approximately 280 hours of training. They searched about a dozen of schools, keeping the schools safe and removing drugs from those schools so kids can learn. They also assisted 23 other law enforcement agencies, for years Rolling Meadows did not have its own K9 Unit so we had to rely on other departments for K9 assistance. It’s nice at this point in time that we’re actually able to repay that favor and help some of our neighbors such as Arlington Heights, Palatine and so forth.

January 15, 2019

Page 2 of 29

Community Relations/Public Relations, one of the goals we had, K9 Scar has been to about over a dozen of our Community Events, I know I've seen you all there and you can contest that Scar is very popular and usually there's a big group of people around him. What that does is a lot of people actually come up and start a conversation with us because they're interested in the Police K9 and so we're able to start a conversation that may be we normally wouldn't have building relationships with the public so that's been a big success. As I promised you, I would be very brief, any questions?

Mayor Prejna – Any questions?

John Nowacki, Police Chief – That was simple, thank you very much for your time.

2) 2018 Bonds Update

Mayor Prejna – Mr. Krumstok, you can start us off.

Barry Krumstok, City Manager – Thank you very much, Mayor and City Council. With Finance Director, Melissa Gallagher, we also have Robert Rychlicki from Kane, McKenna Capital, Inc. to go over the summary of our 2018 Bonds. With that I will turn it over to Finance Director, Melissa Gallagher for the 2018 Bond update.

Melissa Gallagher, Finance Director - Thank you Mr. Krumstok, Mayor and City Council. Tonight as Mr. Krumstok mentioned we are going to give a quick brief update on the 2018 Bonds and how they turned out. Before I turn it over to Bob Rychlicki of Kane, McKenna Capital, I wanted to just briefly give you a few points of information. As a follow-up from the October 16, 2018 Committee-of-the-Whole Meeting and from the City's Budget process the City did achieve an excellent bond issuance that closed on December 18, 2018. Bob Rychlicki is going to go through the particulars in that but I did want to mention that the bonds were issued and a \$9.5 million par balance which covers the fire stations expenditures and then there will be a second presentation after this that will show you the upcoming 2019 Bond issuance. I want to turn it over to Bob Rychlicki to go over the Summary Report which is included in your packet. Just as a reminder, the commitments that we made in 2018 do follow through in 2019 for the bond issuance and also to the fact that we have the Standard and Poor's rating summary from the Credit Rating Report and we also have Kane McKenna Summary Report for the bond issuance. With that, here's Bob.

Robert Rychlicki, Kane, McKenna Capital, Inc. – Good evening everyone. From the standpoint of the 2018 bonds, when we went in for the consult and we went in before Standard & Poor's, we basically had a story to tell to S&P and I think they affirmed the story not only through the affirmation of the AA+ rating the City had but also confirmed a stable outlook. That stable outlook was put in play by the analysts who looked at a lot of information. Not only does it relate to this bond issue but also any future bond issue related for completion for both the fire stations and the infrastructure work. So both of them were part of the same story that we had with Standard & Poor's in November. At this point the Standard & Poor's rating are important partly because it affects your interest rate but also the interest in the City. I think there were 34 subscribers through the underwriting that was put together by Bernardi Securities, one of which included BMO Harris, a local bank which purchased \$1,445,000 of Bonds.

From an Economic standpoint, they were targets that we were looking at both in terms of the net interest rate and the cost per year. The total amount issued was \$9,500,000 and the average debt service payment is \$697,000. The true interest cost (T.I.C) was 3.483%. Because of the market and the way we were in the market there was about \$450,000 worth of premium bonds which basically added to the City's project fund. The City received \$9,873,812.30 into the project fund, this amount consisted of the par amount and original issue premium of \$451,852.30 (plus a rounding amount of \$3,812.30).

An original issue premium is generated when the Bonds are sold to investors at a higher coupon rate, because investors in the current interest rate environment want a higher coupon and are willing to pay for it, because they believe interest rates are rising.

A high coupon rate is more efficient, because it ensures that the interest on bond stays fully tax exempt even if later it trades at a yield higher than the original issue yield, as long as this yield is not larger than the coupon thereby potentially making the bond more valuable to a future investor than a bond that would have a market discount yield that would be taxable. This protects the investors in the event that the rates go up in the future the secondary market.

Overall, we felt from the parameters that were discussed with the City and the hope was as we went in to the marketplace both were achieved from an interest rate standpoint, the net proceeds and the ability to close by the end of the year. Most importantly, the City's rating was reaffirmed as it related to the AA+ and there was good interest in the marketplace as it related to the investors who subscribed to the issue. Again, if there any questions I'd be glad to try to answer them.

Mayor Prejna – Anyone have any questions for Bob or Staff? Mr. Cannon.

Alderman Cannon - This is for Staff. How much are we asking for in this Bond, \$8.5 or \$7.5 million?

Barry Krumstok, City Manager - That's number 3 on the Agenda and we're going to be asking for \$8.5 million.

Alderman Cannon - So what are we doing with extra \$1 million? We were told 17, 17, 17 and now it's 18.

Barry Krumstok, City Manager - Part of that is with the issuance costs...

Melissa Gallagher, Finance Director - Part of that is the issuance costs, also there is a buffer in there for unforeseen project expenditures but most of it is what we have been seeing around \$17 million between the two issuances, we just want to make sure that there is a cushion. We were going to get into the next steps after this, after we close out on the discussion from 2018.

Alderman Cannon – So when we do issue the second round of bonds, are we going to be able to get them called so when we sell property we can pay down so doesn't go into the general fund?

Melissa Gallagher, Finance Director - I'll turn that over to Mr. Krumstok in terms of...

Mayor Prejna – I think we should finish this one because you're jumping to the next one.

Alderman Cannon – Okay.

Mayor Prejna - Is there any questions on the 2018 Bonds? Seeing none, let's move on to the 2019 Bond Update.

3) 2019 Bonds – Next Steps

Melissa Gallagher, Finance Director - First off, to kick it off for the 2019 Bonds, at the January 22nd City Council meeting we are going to be presenting the bond ordinance for the second issuance of debt and I'll get into that in a moment. Then there will be two budget resolutions as well, one would be to adopt the actual 2018

bond debt service payments and the second one would be for \$2.1 million repayment back to the general fund and that was noted in the 2018 write up. I just wanted to make sure that was put out there.

For 2019 Next Steps, in the packet we have been working with our professional service providers over the last couple weeks and our Financial Advisor Kane McKenna, Bob is here tonight as well and Bond Counsel on the 2019 Bond issuance. As Mr. Rychlicki mentioned, the interest rate environment is optimal right now and given the fact that we have the Guaranteed Maximum Price (GMP) coming up for the Hicks Road Fire Station 16 at the January 22nd City Council Meeting. The bond ordinance is being drafted right now from Bond Counsel and I believe we received it today and this would be the first reading to take place on January 22nd. The planned project is to issue \$8.5 million as mentioned to cover the remainder of the expenditures for 2340 Hicks Rd., the second fire station, Fire Station 16, and then for Utility capital/infrastructure (underground utilities) improvements, split between the two.

When we drafted our official statement and also met with our credit rating agency Standard & Poor's we outlined the two-year project plan which is also documented in our 2019 budget as well. The estimated timetable is somewhere around March 2019 we would successfully meet with our credit rating agency again, go through the process and issue debt in March. Closing to take place in March.

Barry Krumstok, City Manager - Continuing along the line that you were asking about, with the \$4 million that we've always been talking about, the infrastructure specifically, that's really to help us with rate stabilization for a period of time. The other question you have, even with the 2018 Bonds, we do have certain years that we have calls that when we sell the property we can reduce some of our numbers. That was one thing when we worked with Kane McKenna and our Bond Counsel we wanted specific calls in each one and when you go out to the market that could cost you a little bit. We wanted to make sure that we're fluid enough at certain points in time that once we did sell property it would be utilized to pay off the bonds or potentially be utilized for the Bonds to be paid off. What would happen is the property would be sold, just like how we do with uncompensated absences, we restrict the money, we would restrict the money until that call year comes up and again it is staged on certain years that we have calls. That's how we have structured the 2018 and that's how also we structured the 2019 so at later dates we can call those and actually pay those down with additional money.

Alderman Cannon – How soon will be the first time we could call?

Melissa Gallagher, Finance Director - We structured it at 8, 9 and 10 year call.

Alderman Cannon – We can't pay them down until the 8th year?

Barry Krumstok, City Manager - That's the first call we have.

Alderman Cannon – Are we going to put the money to the side then for the 8th year?

Barry Krumstok, City Manager – Just like I said, if the property is sold we would restrict the money so it just sits there and it's going to have its own interest and when that year is able to be called that's when we are able to contribute that money into it.

Alderman Cannon – Okay. So out of the two Bonds, the total would be closer to \$18 million, how much of that are we actually going to net? How much of that are we actually paying for costs out of the whole total?

Melissa Gallagher, Finance Director - The 2018 Bonds had a 1.2% issuance costs for about \$120,000.

January 15, 2019

Page 5 of 29

Alderman Cannon – Okay. So it would be a little bit less than that for the next Bond?

Melissa Gallagher, Finance Director - Yes.

Alderman Cannon – But I still don't understand, why are we going for \$18 million? Why aren't we going for \$17.5 million?

Melissa Gallagher, Finance Director - One of the reasons that we're looking at this again, we're still finalizing the Guaranteed Maximum Price for the fire stations and given the fact that we were at about \$13 million or somewhere about that, we wanted to make sure that we are covered for issuance for the fire station costs completely. We're at about \$13.5 million, we'll provide that final estimate through the Guaranteed Maximum Price to give you that full picture, but when you issue debt you want to make sure that you're covering all your costs. Some of that has been accounted for in the fire station project but also remember that when Public Works presented the underground utilities projects it was about \$4.6 million with all of the engineering costs, all the design, all of the construction engineering, we want to make sure that we're covering all the costs of the project. We did say we were going to go out to bid and make sure that we're getting the best price possible for the lowest responsible bidder but at the same point word we're just trying to make sure we have a cushion there. That was kind of our thought process when we were talking to Bond Counsel as well.

Robert Rychlicki, Kane, McKenna Capital, Inc. – In fact, when we went over this with Bond Counsel they are the folks who put together the enabling legislation so to speak, one of their first questions because we want to make sure because it's an "up to" number that we have the flexibility in the event that we had to make a change.

Mayor Prejna – Mr. Cannon, does that answer all your questions?

Alderman Cannon – Yes, thank you.

Mayor Prejna – Are there further questions from the Council on the 2019 Bonds? Mr. Budmats.

Alderman Budmats – On the 2019 Bonds, would we have to spend that money in 2019?

Melissa Gallagher, Finance Director – How it typically works, we have about a 36 month spend down, I keep 24 months in my mind because I want to make sure that we are accountable and on track. That's another thing, we monitoring through PMA Investments that we signed off as far as our investment consultant for the Bonds. Now that we have we an arbitrage number we track it monthly. 36 months but also 24 months in our mind as well. Our Bond Counsel will tell us 24 as well.

Alderman Budmats – So if we were extraordinarily lucky and the GMP was much less than \$13.5 million, for purpose of conversation, if we had \$2 million extra to spend, would we be required to spend it on fire station things or can we spend it on whatever we want? It's not designated...

Barry Krumstok, City Manager – How we have it designated, is it talks about capital improvements specifically underground utilities and some of those other pieces. If there is money left over then it would be utilized for underground utilities.

Alderman Budmats – Or we can choose not to borrow it and not to spend it? Is that correct?

Barry Krumstok, City Manager – You can say that but it's already in hand at that point.

January 15, 2019

Page 6 of 29

Alderman Budmats – I'm sorry, I misunderstood what Bob's comment was "up to" \$8.5 million, so that means we don't have to ask for the whole \$8.5 million? I'm not understanding fully then.

Melissa Gallagher, Finance Director – The plan right now is presented to the City Council tonight in the packet, we are estimating the par value of \$8.5 million and that's what we're discussing tonight. Given the fact that we still have the remaining expenditures for the fire stations and then we also have the underground utilities as proposed for rate stabilization and overall capital improvements. So to your point is whether or not you're to spend that, once you firmly say we are going through with our Bond Ordinance, which is our first reading on January 22, 2018, the second reading would take place on February 12, 2018, you're effectively saying that we are going to issue debt for \$8.5 million. Also, that's why we're discussing these items tonight and showing the entire project planned throughout the process.

Alderman Budmats – When we had the October Committee-of-the-Whole Meeting, we talked about the idea of bond issuance but that was for informational purposes, I don't recall voting on that. Are those \$4 million in fact what we're doing, not voting on that at all? That's what I understand. It was proposed as informational only, there was no straw vote or anything. I don't know. Are those projects aligned and we are just doing that or are we discussing or deciding that at that at the upcoming meeting?

Melissa Gallagher, Finance Director – So in December we also presented a project plan in terms of underground utilities, there were 3 main projects, water mains, one was Arbor Drive and the other two are also water main projects. Some of those things were also discussed with the City Council to see whether or not a straw poll was not taken, I believe, that night but that was the entire project plan in terms of the Utility Rate Study being done. We talked about this through the bond and budget process, that at some point we would come back to City Council for a discussion on underground utilities and going out to the market for purposes of funding those capital infrastructure improvement projects. With the second issuance of debt was also discussed through the budget process of 2019 and then in December when we were talking about the Utility Rate Study and looking at those as far as making sure we're funding capital infrastructure project improvements. Going out to the right environment right now is optimal and given the fact that we're going out for the fire stations too.

Alderman Budmats – So that discussion will happen next week? Is that basically the idea?

Melissa Gallagher, Finance Director – January 22, 2019, as I mentioned, we have first reading for Bond Ordinance and that would be for the remaining expenditures as we're outlining tonight as well for the fire station projects, for the underground utilities for utilities fund for water mains.

Alderman Budmats – Okay.

Mayor Prejna – Further questions from members of the Council? Seeing none, thank you Ms. Gallagher.

Melissa Gallagher, Finance Director – Thank you, Mr. Mayor.

4) Increase the Age to Purchase Tobacco and Electronic Cigarette Products from 18 to 21

Mayor Prejna – Mr. Krumstok.

Barry Krumstok, City Manager – Thank you, Mr. Mayor and City Council. The proposed City Ordinance would increase the age to purchase (in addition to sale & delivery) tobacco and electronic cigarette products from 18 to 21 in the City of Rolling Meadows.

There are roughly thirty communities (in one County) have passed ordinances to increase the age to purchase tobacco products from 18 to 21 in the last few months. The City of Des Plaines will be taking this up on next Tuesday. If you look back in 2018, the State Legislators actually talked about this and it did get to Governor Rauner's table, it was vetoed and the vetoed stood. It probably will be coming back up for the new Legislators but as other municipalities have done, this is setting the stage and actually part of the discussion that we're having. Part of the communities around us that have actually approved this already are Barrington, Arlington Heights, Elk Grove Village, Hoffman Estates, Lincolnshire, Vernon Hills, Lake Zurich, and Buffalo Grove.

Again, what we have before you is a discussion that we hope you would have and the draft Ordinance before you is to take our City Code to include the purchase, sale and delivery from the age of 18 to 21. I would make the footnote that the City of Rolling Meadows Ordinance does not delve into some of these other municipalities have talked about if you have possession, there is no possession, it only talks about purchase, sale and delivery in the Ordinance. This has gone through City Attorney Jim Macholl review, he drafted the draft Ordinance, so I guess that's a double draft, for the discussion. We do need a straw vote on this to move it ahead from 18 to 21. The City of Rolling Meadows TIPP Committee does know that we're having this conversation. Many of you know Dr. Goyal, due to some family items, he could not be here but he does support moving it from 18 to 21.

Mayor Prejna – I thank you for bringing this forward. I think it was September or October I asked Staff to start working on this to bring this forward because I was meeting with various groups and there's actually a high school group of students that are coming out and giving presentations to increase this. I know that on more than one occasion, I said hey Jim how's it coming, and Jim said that it's on his stack of things to get done. I think it's something that we need to move forward with and I've had conversations with surrounding Mayor's. I will be at a Legislative meeting next week with surrounding Mayor's and Legislator's to discuss this, especially the electronic cigarettes and what effect it's having in our State. If there is nothing further, Mr. Krumstok, I'll open it up for questions from Council. Mr. Cannon.

Alderman Cannon – Thank you, Mr. Mayor. I see the write up but why is there such a big push to change this? Is something going on that we're not aware of? I'm not against this but I don't know if I'm for it either. 18 year olds can vote, right? They can go into the Service. They can do a lot of things, I'm just confused as to why there is such a big push to switch to 21. I guess I'd like a little bit of background.

Mayor Prejna - There is a more formal presentation we could bring forward but the issue that they're having in schools even down into the junior high level is the electronic cigarettes and the availability being able to purchase them and plus the fact that they now can purchase cannabis and other things online. What we're looking at is to move it up to 21. I agree with you, at 18 they have many privileges but this is the direction we're going to see what we can do because it's becoming a major problem in many areas that this is so readily available so that's why the surrounding areas and when I speak with Mayors and Legislators that's why there's a push for 21.

Alderman Cannon - Can you expand on what you mean about problems? You talk about junior high, I hope a kid isn't still in junior high at 18.

Mayor Prejna – No, but you have individuals who are 18 can go and purchase and then they can sell it back on the street, so to speak. What we're seeing from the meetings I've gone to and the conversations I've had is

January 15, 2019

Page 8 of 29

that there's younger students that are now having the opportunity to have access to these electronic cigarettes. We realize it's not a catchall to solve the entire problem but by raising it to 21 we hope to have better regulations on it.

Alderman Cannon – Have you polled any of the people in town that sell these products? What their position is on it? How it's going to affect their income or anything?

Barry Krumstok, City Manager – No, we haven't.

Alderman Cannon – Okay, I'm still confused but thanks for the answers.

Mayor Prejna – Other questions? Mr. D'Astice.

Alderman D'Astice - I'm not knowledgeable about these electronic cigarette products. I was talking with an individual I work with and he says he has an electronic cigarette but it does not contain nicotine so it's not a tobacco product, it's a flavored liquid. I don't know what the liquid is, water or whatever, it smells like strawberries, lemons, limes or whatever the case is, is that also covered on here? As I read through here a lot of that said tobacco but I don't know if it includes the non-tobacco liquid or the non-nicotine.

Mayor Prejna – Mr. Macholl?

Jim Macholl, City Attorney - if you look at the proposed ordinance on page 2 it talks about a definition of tobacco products and electronic cigarettes and defines each. If you're talking about the vaporizer, that's included within electronic cigarettes. It's a heating device or other mechanism that vaporizes the liquid solution so it would include those. It also talks about electronics cigarette including devices known as personal vaporizer or electronic nicotine delivery system. I think what you're referring to is a vapor substance that does not contain nicotine.

Alderman D'Astice – Correct.

Jim Macholl, City Attorney - I don't think that would be inclusive of this particular ordinance.

Alderman D'Astice – That was my question since I met somebody who has one of these things, it does not deliver nicotine. I asked the guy, if it doesn't give you nicotine because you quit smoking, what does it do for you? He said that it just gives me a chance to take a break and clear my head. So there's no nicotine, there's no tobacco, there's nothing in there. This ordinance does not cover that...

Jim Macholl, City Attorney - I'll double check, I apologize I haven't read it in a while.

Alderman D'Astice – My question would be, if it doesn't contain nicotine, it's not a tobacco type thing, how do we enforce it when you see somebody with these electronic cigarettes, how do we know it has nicotine are not in it?

Jim Macholl, City Attorney - I think the devices are pretty easy discernible to anyone who knows. The vapor devices are, as I understand it, are different than a device that will deliver nicotine.

Alderman D'Astice – I don't know, before I vote on this I would like to get more clarification. Again, I'm talking to one person and he says sometimes I put nicotine in here. So how do we know if it has nicotine, it's a tobacco thing which this covers or it's just some strawberry flavored water. How do you know at that point?

Jim Macholl, City Attorney - I think the distinction here is that this ordinance is not geared towards possession, it's geared towards the sale and whoever is selling these products should know whether or not it contains nicotine. The purpose was not to impose a penalty on possession, if it's legal in one community for an 18-year-old to possess cigarettes and drive through Rolling Meadows to go to some other community, you're not going to arrest them for that.

Alderman D'Astice – Just the selling of, not the possession of.

Jim Macholl, City Attorney – Correct.

Alderman D'Astice – Some 18-year-old who lives in Rolling Meadows could go to Palatine buy cigarettes, come back here and smoke them on the corner and that's fine?

Jim Macholl, City Attorney – Correct.

Alderman D'Astice – Okay.

Jim Macholl, City Attorney – I should have brought out that distinction earlier on so I apologize for having to re-read the ordinance that I've drafted but that was the purpose.

Mayor Prejna – Thank you. Ms. Majikes.

Alderman Majikes - Thank you. When I was reading through this, Alderman D'Astice was asking about the nicotine, the vapor and stuff. I notice in section 2, paragraph (a), it does state "or alternative nicotine product" so aren't these vapors that don't have nicotine an alternative to the nicotine ones? I would ask that we check that. To me, that reads any vapor, it's an alternative to the nicotine.

Mayor Prejna – Further questions? Mr. Budmats.

Alderman Budmats - After passage, it's a crime, what is the penalty for such an offense?

Jim Macholl, City Attorney – It would just be a municipal ordinance violation subject to a penalty of typically a fine of \$50-\$750.

Alderman Budmats - We don't need to know that before we pass this?

Jim Macholl, City Attorney – It's a generic fine, it would be up to the adjudicator or a court to determine the fine, but again the fine would be on the seller of the product, it wouldn't be on the person who's in possession.

Alderman Budmats - So that it's not against the law for somebody to purchase it. What is the fine to purchase it?

Jim Macholl, City Attorney – There would be a penalty to purchase it or falsify your identification to prove your age to say you are qualified to purchase it.

Alderman Budmats – Okay, what I'm trying to ask is if a kid goes into a store and they try to purchase it not knowing that, not even trying to misrepresent their age, what kind of a fine our they subject to? For immediately saying the words I like to purchase a pack of cigarettes?

Jim Macholl, City Attorney – Given the confines of the question, they would be not be subject to any fine whatsoever because they haven't purchased it, they haven't falsified their identification, they have not produced anything, it would be up to the person who sells it, if in fact they choose to sell it to that person they would be subject to a fine.

Alderman Budmats – Okay.

Mayor Prejna – Ms. Majikes.

Alderman Majikes – Thank you. When you go into a lot of gas stations and liquor stores, there are signs now that say “35 and under, we card” for cigarettes, tobacco products and stuff. I knew someone that had worked at a quick mart or gas station and they did not ask for an ID on someone and the penalty came upon them. They received a citation, the penalty wasn't set by us or the ordinance, it was set through the ticketing and going to the arbitration or court. Just something from an experience that I heard about.

Alderman Budmats – Okay.

Mayor Prejna – Mr. Banger.

Alderman Banger - If I'm not mistaken, I think our Police Department does fairly routine stings on our shops in town, I'm sure that would happen if we approve this. I guess as a side, specifically vapors, I've heard nothing but bad about them. I've heard they flooded schools, from grade school up. Kids could be very deceptive with them because they don't actually emit smoke so they can vape away during the school day. I had a couple of educators that were around the table during the holidays and at some of their schools they've locked the bathrooms and give hall passes now. So no mass bathroom breaks in between classes, you go to class and if you need to go to the bathroom you get a hall pass because the kids congregate in the bathrooms and vape away in between classes. I know it's a big problem and I wouldn't have any problem supporting this. Thanks.

Mayor Prejna – Further questions or clarifications? See none, it's now time to open the floor. We have one signatory to address this, Linda Ballantine. The Council meeting is now open to members of the audience for 20 minutes to address the City Council on matters that are on the agenda only. We ask that persons wishing to address the City Council keep their comments to 5 minutes in length. Comments must be addressed to the Council as a whole through the Mayor, and profanity may not be used in any form. Ms. Ballantine.

Linda Ballantine, TIPP Committee - Thank you, Mayor. Good Evening Council Members. I'm Linda Ballantine and I'm not here for the Chamber of Commerce, I'm not here as a resident, I'm actually here on behalf of Dr. Arvind Goyal, Chairman of the TIPP's Committee which is the Tobacco Information Prevention Program which I also sit on. He regrets he could not be in attendance this evening, his younger daughter in Florida is having her baby today so he and his wife flew out so that he could be there for the birth of their new grandchild. He is asking if the final approval of the ordinance change because he wasn't sure when that would happen, if it could be delayed to January 29 so that the Committee could meet to review and discuss the ordinance change and engage with other organizations like the American Heart Association, the American lung Association and possibly the American Cancer Association for their input and possible suggestions and recommendations to add to the ordinance beyond the TIPP Committee. This so that is why I'm here this evening is to ask if that would be possible if you go through a first and second reading, if that second reading could be delayed until the end of January to give us enough opportunity to meet as a Committee and to engage with these other organizations to see if they have any input or recommendations that they may want to give to the Committee and then we can give to the Council in regards to this ordinance change.

January 15, 2019

Page 11 of 29

Mayor Prejna - Thank you, Ms. Ballantine.

Mayor Prejna closed the floor.

Mayor Prejna – Do we have any other discussion?

Barry Krumstok, City Manager - Can I just do one clarification? Our next City Council meeting is on January 22nd. January 29th would be the fifth Tuesday of the month so we do not have a meeting and February 12th is the next City Council meeting. Just for clarification on that.

Mayor Prejna - Thank you. I guess will start off with a Straw Vote, who would like to move forward with this ordinance as written tonight? Can I have a show hands? Opposed? 3 in favor and 3 opposed.

Alderman Budmats – I thought we were looking clarification on the vape thing?

Mayor Prejna – Correct. So my next question if you don't want to move it forward, a Straw Vote for Staff to come back with clarifications on the vaping and the questions that were asked tonight. All in favor of that? 3 in favor and 3 opposed.

Barry Krumstok, City Manager - Obviously, this being a 3/3 on both sides, Staff working with the attorney we can get that clarification and remember this is an ordinance, it has two readings so hopefully by the first reading next week January 22nd and by February 12th we will definitely have it for the second reading so that we keep it moving along. It also depends on City Attorney but if vaping and liquids are the only questions, I'm sure we can the clarification definitely by the second reading. That's just a suggestion.

Mayor Prejna – Then if anyone on the Council has questions or want particular questions on clarifications please send them to Barry and Jim Macholl.

Barry Krumstok, City Manager - That would be my recommendation if you take a Straw Vote.

Mayor Prejna – So basically a Straw Vote to move forward with the recommendation that was made by Staff. We have 5 in favor and 1 opposed.

Alderman D'Astice – I have a final questions if I may.

Mayor Prejna – Sure, Mr. D'Astice.

Alderman D'Astice – Thank you. This is kind of what's throwing me off. “*Alternative nicotine product*” is a product or device not consisting of or containing tobacco that provides for the ingestion into the body of nicotine, whether by chewing, smoking...” If this device is a vaping device and you could put a liquid in there that has nicotine then it's right. If the store sells it to somebody under 21 they could be fined. But if this same device can be used with a product that does not contain nicotine then you can't cite the store because the product can go with nicotine or without. According to this, you have to be able to ingest nicotine. For purchase are not if you could buy the same thing and it can do either one or the other, whether we do a sting are not, how do you say the seller is wrong? If he says it doesn't do nicotine but also does. I'm for this, I just want to make sure this is clear so we don't get caught in the switches later on.

Mayor Prejna – Mr. Macholl, is that noted of what we're looking for?

Jim Macholl, City Attorney – Yes.

Alderman Budmats – If I may.

Mayor Prejna – Mr. Budmats, do you wish to be recognized?

Alderman Budmats – We have a vape shop on Kirchoff, maybe we can depend on their expertise so that we write an ordinance that's enforceable and current.

Mayor Prejna – Mr. Williams.

Alderman Williams - I think we lost sight of the fact that this is not against the people that are buying, it's against the people that are selling. If you make the vaping device illegal for anybody under 21, they cannot sell it to anybody under 21. That's what we're after. That's what I understand from all the definitions of things and everything else that I've read here. Yes, beer is illegal too but they still try and get it but the problem is when you sell it. We're after the seller not the buyer.

Mayor Prejna – Thank you, Mr. Williams. I think we've provided enough information for Staff.

5) Sunset/Brookview Sanitary Sewer Improvements Update

Barry Krumstok, City Manager – Public Works Director, Fred Vogt is coming up. We have another update, we appreciate all the time that Alderman Cannon has spent with this project. He's also gone out and got us some surveys that were still lingering. At the end of the presentation, if you look at your summary section, we do have some questions that we need Straw Votes on as we continue working on this project.

Fred Vogt, Public Works Director – Thank you, Mayor. Thank you, Barry. I've been here many times talking about Sunset Drive and Brookview sanitary sewer more than I can count. We are getting to the point where we can decide whether to move forward with this project or not based on the fact that we've had three public information meetings for residents in the last year and half. Most recent was in October, we committed at that meeting to put a comprehensive survey together for the residents. We sent out 22 in late November, the number 22 is key because there are potentially 22 properties that can benefit from a sanitary sewer improvement in the area but two of those, one at each end of the potential project does have an alternative to use existing sewer on Old Plum Grove Road. We don't know whether that will cost them more or cost them less but that is reflected in the project. Potentially, there were probably be 20 properties would be affected if a project such as this would move forward unless those other two opted to be included we would it exclude them.

Just to go through some of the responses that we tabulated, we did get 18 of the 22 mailings received over the past several weeks.

- Supportive of the project – 12 (some with conditions)
- Not supportive of the project – 6
- Eliminate the \$7,000 connection fee – 11 yes, 2 no
- Add water service to the project and costs – 6 yes, 6 no
- Install only the public sanitary sewer but homeowners make their own connections and charge the \$7,000 connection fee – 2 yes, 5 no
- Construct the private sanitary sewer services with the proposed project – 10 yes, 2 no

- We support this project if the City does not require connections at this time – 3 yes, 9 no
- We are interested in project participation if only the public sector costs are included – 6 yes, 4 no
- We are interested in project participation only if public and private sector costs are included – 8 yes, 2 no
- The \$7,000 sewer connection fee would keep from supporting the project – 3 yes, 6 no
- All homeowners should be charged an equal cost for participating in private sector sanitary sewer installation cost – 9 yes, 2 no
- All homeowners should pay for actual private sector improvement – 3 yes, 3 no
- Is there interest in an incentive program, where homeowners will have a “to be determined” period of time to connect to the public sanitary sewer system to obtain a reduced connection fee – 9 yes, 4 no

There were several other questions that I won't go into right now that are more detailed and some also involve land acquisition because of us having not enough room on Sunset Drive is a separate issue.

In summary, Staff feels that there is enough general support for the proposed sanitary sewer installation project at this time. Many of our discussions here at the City Council committee level was that we needed to have majority support the project. Certainly there are some conditions that will have to be determined in the future if this project does move forward with regards to the parameters of public vs. private, how we assess those costs and the like.

The first recommendation that Staff has is to seriously consider waiving the \$7000 sanitary sewer connection fee that's in place. Some background on that fee and when it was established was that was specifically for properties that did not in any way shape or form financially contribute to the sanitary sewer that they would be utilizing. If this project were to go forward with a Special Service Area, it's felt that that really is charging the homeowner twice, once for the fee that's in place as well as paying for part of the actual improvement itself and that's really the feedback that we got back from a number of the homeowners in that regard.

We believe that we should seriously consider putting the private sector costs out there in a project whether it's mandatory or whether it's optional is yet to be determined. Much of the discussion that we've had with the residents is that there would be an economy of scale to be able to bid a project such as this and get one contractor to do the work. Whether we use the same contractor that did the public sewer in the street to do the private work or separate that into two contracts. It would be economically advantageous we believe to coordinate that, centralize that rather than have the homeowners do the private sector work on their own. We feel that we can certainly add the water service cost option to the project if this does proceed, it's certainly not difficult to administer that, excavation would take place in the same place as the private sanitary sewers. If this goes forward we think an incentive program is a good idea to make sure even if people are against the project they certainly have a financial incentive to make connections to the public sanitary sewer in a period of time. Staff at this point is suggesting a five-year period could be considered. Also, establish equal cost distributions from an administrative standpoint and possibly even within the confines of setting up a Special Service Area that probably has to be done so that it's equitable to administer something that has differing costs would be very difficult if not impossible to do.

Survey information also indicated, even though there was some discussion at our public meeting, about potential improvements to Brookview Lane/Sunset Drive such as storm sewers, curb and gutter and the like, the majority of the respondents were not interested in that. If the public sewer goes forward we would then look to resurface Brookview Lane/Sunset Drive and preserve existing conditions as rural cross-section streets.

Lastly, to coordinate the land acquisition process and from a time standpoint with engineering design that has not yet been done, other than a concept basis, to minimize land acquisition and actual takings or the acquisition

itself and the cost associated with it, we would want to only acquire right-of-way for the project to get enough of that to be able to put the sanitary sewer in, we don't necessarily need a full 33 feet on the north side of Sunset Drive at this point but would also look at an engineering design to do tree preservation's and the like.

If the Mayor and City Council are in general agreement to support this project moving forward, the next steps in the process would be:

1. Work with the City Attorney to develop parameters with regards to how to proceed with the Special Service Area. Public vs. private or public and private improvements, if those can be coordinated. We would want to have another public information meeting and/or mailing to explain to the residents how we're setting that up.
2. Council would then consider an Ordinance to establish a Special Service Area (#6 for the City). Please note that a 60 day public hearing period would follow as part of that proposed Special Service Area. That's really the ultimate vote of support for the property owners. If less than 50% of people object to the creation of a Special Service Area it would be created. People would have to come to file an objection to its creation. If we got more than 50% objections we wouldn't move forward. The ultimate decision would be that of the City Council. That would also involve a public information meeting.

That's where this endeavor is right now. I welcome any questions, comments, discussion at this time.

Mayor Prejna – Thank you, Mr. Vogt. We're going to frame this that Mr. Vogt has given us seven items of summary that they brought forward so we would start off with questions for clarification on the seven points that Staff has brought forward. Are there any questions on the seven points that have been brought forward? Mr. Banger.

Alderman Banger – Thank you. Leading up to the summary of the seven points, I thought this was very complicated, it's an overload of information. The number of the yeses and the no's on minutia I thought clouded the issue should we give this the go ahead. We talked about this several times so I'm well acquainted with what we're dealing with and the feelings of various folks over there on that relatively small stretch of street. Once you get to the summary, to me at least, you can ask seven questions if you want but to me it boils down to, do we want a Special Service Area to be established, I would say yes. This is not something that I would feel comfortable going in and doing all of this work with all of these sanitary drops and having a fraction of the amount of people in those 22 houses hook up to them. It would be a waste of our time and the City's money to put all of those connections in there and not have the current homeowners connect to them. I've said before I think when these houses are sold to future owners I would think most people in the City would opt for a sanitary hook up which is why I always thought that this would be a popular project in the neighborhood. I've always been surprised by the number of people that don't want this to happen. That's why I would support a Special Service Area. If that's not going to be popular then I say let's resurface and call it a day and we'll lock in the status quo for the next 15 to 20 years as long as that resurfacing takes to get to the next stage of deterioration and then we can make a decision 15 to 20 years down the line, do we want to do the next resurfacing and dig in the underground utilities. The whole point behind this all along, if I recall has been this road is terrible, now's the time to resurface it and now's the time if we wanted to do these underground utilities to do the underground utilities. So if we can't get the majority of the people to buy into this let's just resurface it otherwise I would say do the SSA and I'm fine waving that \$7000 sewer connection fee. I also like your suggestion to smooth out the costs, equal costs for each of those 22 houses. In summary, of the summary, for me at least is two things SSA and if we don't get enough buy-in for that then let's resurface this and be done with it. Thank you.

Mayor Prejna – Question for clarification is either do SSA or pave it over.

Fred Vogt, Public Works Director – Mayor, if I could for Alderman Banger and others clarify that that was the primary discussion point at the most recent information meeting that we had with the residents was this is your chance now and if this doesn't move forward soon in the next year or two, we're as a City are going to have to resurface the streets and you won't get another chance for 15 to 20 years, this point was well understood by the residents that were here. Secondly, over the roughly 15 years that we've had periodic discussions with people in the neighborhood we do see a lot of turnover of homeowners and I think that is what is finally persuading them in terms of we better do this. There are new families there that are interested whereas the previous owners were not interested in the past. Thank you.

Mayor Prejna – Thank you. Is there another clarification on one of these because you probably have it all memorized right, Mr. Cannon?

Alderman Cannon – I can see it my dreams at night. I just want to make sure that Mr. Banger is aware that all the people that come to the meetings, like Fred said, every meeting that we've had we tell them up front that this is not a threat but if you don't do it now it's not getting done for 20 years. Everybody at the table knows that the City has put a big effort into this, Rob, Fred, our engineering people and some of our water people have gone door-to-door. Each person whether they're for or against it had the ability to find out exactly what was going to go on with the connection and all. There's been a lot of work done behind the scenes and we've spent considerable amount of money to get to this point and we've had a consultant involved. So the people are very aware of it and some people are against it just like anything else. The people who are for it understand that in the long run it's going to be a financial benefit for all of them. Obviously there's a cost involved for both the City and the homeowners but anybody can tell you that's had this done in other parts of our area, it's a win-win for the homeowners. I understand that it's a financial burden but it's a win-win for them.

Mayor Prejna – Thank you, Mr. Cannon. Mr. Budmats.

Alderman Budmats – I'm assuming we've done this in other neighborhoods and did we waive the \$7000 fee in those neighborhoods? Are we going to be equitable amongst all the places that we've done this before?

Fred Vogt, Public Works Director – I'm trying to remember a situation where we did a sanitary sewer with public involvement. We've done minimal areas, some of the developers have done this but that was really the crux of when the \$7000 figure was put into place was when we did Old Plum Grove Road. As I recall, the City put that line in but didn't require the homeowners to make the connection. Again, the sanitary sewer connection fee is established as a way to get people to connect. Recaptures have been another tool that have been used over the years to recoup money from people that connect later that didn't financially participate so the City can certainly consider that. I think in this case the whole understanding is that if the property owners are going to financially participate that's their share of the cost. As we work with the City Attorney and ultimately have the City Council vote support of it or not in terms of the financial details that we should come to an agreement in terms of what a fair cost is. They will be paying more than \$7000 per lot for these improvements and charge that connection fee when it was really set up for those who didn't participate, the way I look at it it's kind of contradictory and I think that's what the majority of the residents felt to.

Mayor Prejna – Mr. Budmats, anything else?

Alderman Budmats – Thank you.

Mayor Prejna – Did you wish to be recognized, Mr. D'Astice?

Alderman D'Astice – Yes.

Mayor Prejna – Thank you, Mr. D’Astice.

Alderman D’Astice - It talks about right-of-way, is that going to be part of the cost that is distributed with the SSA? I read in here that some people are saying don’t move my trees, don’t kill any of my trees and I understand that. That obviously would incur additional costs if you have to run the pipe around a tree as opposed to just going straight. Are all these costs going to be a part of the SSA?

Mayor Prejna – Mr. Vogt?

Fred Vogt, Public Works Director – I’ll take that. The answer is generally yes, Alderman D’Astice. I would suggest that if the City is going to outright compensate property owners for right-of-way costs regardless of what the amount is upfront, that cost should be rolled back into the total project cost. We do have at least one option to consider as we see it which would be to in consideration of that right-of-way being dedicated to credit that homeowner back a certain cost for the connection itself or discount their participation with the Special Service Area. I can’t really speak to how that would work but that would still be a net project cost so my answer is yes.

Alderman D’Astice - My question on that is, does the City have a way to establish a cost for every piece of land that we acquire? Is there an established fair method so that we compensate the residents fairly and we don’t overcompensate them fairly?

Barry Krumstok, City Manager - So typically what happens is we go out for appraisals on the property that we’re looking at and an appraiser comes back to the City Staff and City Attorney. An appraisal done by a third party making that determination of how valuable is that property.

Alderman D’Astice – And their fees also get tacked into the SSA?

Barry Krumstok, City Manager - Typically we throw everything into the SSA.

Fred Vogt, Public Works Director – If I could expand a little bit further. One of the critical elements would be to have the engineering design start relatively soon so that we can determine where we need right-of-way and how much. We’ve talked about the possibility of what if one property owner right in the middle decides they’re not going to sell or they’re going to be very difficult with it. That would require the City to then look for ways to design around that whether we should of the sanitary sewer right under the street and pay more to avoid that piece of property is a consideration. We don’t think we’re going to have to deal with that based on discussions we’ve had but you never know. Regardless of the project, land acquisition is always a big risk in terms of taking more time. Lastly, as far as trees, if we have to preserve trees and incur additional costs that to become part of the project costs.

Alderman D’Astice - Using your number of 22, is that the right number to use?

Barry Krumstok, City Manager – Yes.

Alderman D’Astice - If 11 say yes with SSA, do all 22 have to hook up? Or can the 11 hook up and the other 11 say I’m not a part of this? How does that work? I want to make sure that I understood that clearly.

Fred Vogt, Public Works Director – Reasonably speaking, I would propose that 20 is the correct number to use for hook ups because as I said earlier two of them certainly have the option, unless we want to mandate that

they use this particular sewer if it gets installed they could go and use Old Plum Grove Road. If we use the number 20 that's something that we need to decide in terms of mandating the connection and when. Hopefully we will portray this as being cost advantageous for all of those that are interested at this point. The 12 to hook up sooner rather than later but they are all going to pay for at minimum the public portion of the cost. We can certainly include the laterals within the right-of-way as a cost as another incentive to say everyone is going to pay for that. If you don't want to hook up now and take advantage of the pricing, you will have to do it later and it's going to cost you more. You may want to save the \$7000 fee or some other fee would be appropriate because they didn't hook up when we did the project. There are several different ways of looking at it.

Mayor Prejna – Further questions?

Alderman D'Astice – I want it clarified. There's 20 and 12 say okay and 8 say no. The 8 still have to pay their share of the public but they don't have to pay the lateral to the house?

Barry Krumstok, City Manager – That is correct. Again, going back from the beginning, there's 22 homes that are invited to be in this project. The two that Fred is referring to, they have another option but we keep on inviting them into this because even though they could hook up to Old Plum Grove Road this is the most logical and quicker option. If we get them all in, it's a great idea, if not then down the line there is an additional payment.

Alderman D'Astice – So down the line they would have to pay for laterals and hookups?

Barry Krumstok, City Manager – That is correct.

Fred Vogt, Public Works Director – On their own.

Alderman D'Astice – Okay. I'm done.

Mayor Prejna – Mr. Cannon.

Alderman Cannon – The other issue, John, is for an incentive for them to do it, they have the issue with their septic system because those will be unhooked, I think destroyed, right?

Fred Vogt, Public Works Director – Yes.

Alderman Cannon – If they don't do it now, the City is not going to come back and do that for them at a later date. There's a cost advantage for them to jump in with the group. We're not trying to punish them, if they don't do it they're going to have to do it on their own when they want to do it and pay for it themselves.

Mayor Prejna - Any further discussion on the summary points that were brought up? Seeing none, we're going to move forward. We'll need a Straw Vote. This is the plan and the process that you are recommending.

1. Work with the City Attorney to develop general parameters for proposed improvements in a Special Service Area.
2. Prepare an Ordinance for consideration to propose the establishment of a Special Service Area (#6) for public improvements. Note that a 60 day public hearing period would follow.
3. Secure formal cost estimates and scope of public/private improvements, and establish basic financing procedures.

That's what you need to move forward with, correct?

Fred Vogt, Public Works Director – Yes, if Council is in support of us moving forward, Staff would work with the City Attorney and City Manager in particular to develop the Special Service Area parameters. I would expect that to take a few weeks, if not several weeks to put that together and that would be the agenda item that would come forward to Council for first and second reading of an Ordinance to create a Special Service Area.

Mayor Prejna – So we need a Straw Vote from the Council to move forward with the three recommendations that I just mentioned. All in favor, please raise your hand. 6 in favor, 0 opposed, you have direction from the Council.

Fred Vogt, Public Works Director – Thank you, Mayor. Thank you, Council.

6) Community Development Update

Barry Krumstok, City Manager – We're going to do a quick intro before we turn it over to Assistant Public Works Director, Rob Horne who is going to do this one. Back in 2017 we started having some changes, the Community Development Department was transferred to the Public Works Department. It's taken some time to get through some of the permitting, inspections, some of the enforcement and some Staff changes. Don Wenzel, Internal Services Superintendent, has been with Community Development and Public Works, he starts his mornings here and then goes back to Public Works in the afternoon. We want to talk about some of the changes with permits and the overall observations that have been found and also incorporating Community Development into Public Works and some of the streamlining that's been going on. That's my quick intro before we have the Assistant Public Works Director, Rob Horne come up and do a detailed PowerPoint.

Mayor Prejna – Is Mr. Vogt or Mr. Horne up next?

Fred Vogt, Public Works Director – I just have few comments. Also, Elizabeth Payne is here, our Administrative Service Coordinator, some of you may know her from the Planning and Zoning Commission if you attend some of those meetings. Rob and I, in particular, when we took on this endeavor starting in May of 2017 had a lot to learn and we learned a lot. We're still learning this endeavor, there certainly have been some bumps and negatives along the way but there are far more positives that we've seen and many more to come as Rob will go through and explain to you the next several minutes with the PowerPoint presentation. Just to mention, Rob, in particular, certainly has had a lot of Community Development experience in the community that he worked before. Coming to Rolling Meadows I think he had 8 to 10 years of service and 10 years of service working with a municipal Community Development Department. I had, a long time ago, training in urban planning so I certainly bring some of that with. In the past couple of years I have been working with Community Development, Planning and Zoning and the like.

I just want to summarize that we need to remember, Community Development is a regulatory operation and it doesn't always make everybody happy. We've got codes that we make sure we administer, to make sure people comply with it and that sometimes is a contemptuous situation depending on who we're working with and what their goals and objections are. We certainly try to be business friendly as best we can, we try to be communicative with people, we strive to be professional, reasonable in our approach, caring and serving the public. We are trying to build trust and I think we've made some considerable inroads in the past 18 months and look to continue to do that. Rob will explain that as he goes through the points in terms where we've been and where we're going so that I will turn it over to Rob.

Rob Horne, Public Works Assistant Director – Thank you Mayor and City Council. I apologize in advance I'm probably going to start walking around, I don't really like podiums but I was told I have to use it. Before I start, when we took over this task and as we talked to our Staff this afternoon we are immersed in the activities day to day. As I was putting this presentation together over the last week or 10 days, I really have a great appreciation and I hope you will too for what the Staff accomplished. Not only were we able to win them over in kind of the leadership philosophy we have at Public Works, they have accepted a lot of that with a very positive attitude and we have nothing but a bright future in changes that you've been wanting to see for a long time.

The hand out that I provided you is to allow you to take notes, some of the text is fairly small, if you'd like please contact me I can either send you a larger scale version or if you'd like to discuss issues one-on-one in a little more in-depth I'd be happy to do that but in the interest of time I'm just going to gloss over some of the things. There are two times during the presentation where I'll stop for questions but if there's something you need clarification on just stop me.

Fred and I took over the division on May 22, 2017, I remember the afternoon well. Over the following 4 to 6 months we really tried to immerse ourselves in the operation and identified a lot of different issues. These were the major issues that we've identified that we knew we needed to take care of in both short and long-term. The first issue was staff related and what the Council should understand is we were involved with about 11 different staff changes in Community Development alone over the course of a year and ½. So just briefly I'll just walk through some of those changes, the first one was a Community Development retirement in May. Director Vogt and myself split up those duties based on our understanding of her role was. As you see Fred served primarily as the Planning and Zoning liaison along with other big picture departmental responsibilities whereas I took over more of the day to day activities, permitting, inspections, budget related item such as that. Shortly after that within 4 or 5 months our Administrative Services Coordinator with over 20 years at Public Works retired. We did a job search and we found an excellent internal candidate who you all know is Elizabeth Payne. When we filled that position we had some internal discussion fairly quickly and we decided that we were not going to fill that position, just backfill it with another secretarial position we wanted to evaluate what the needs of the Division were long-term, which you all were aware of. In doing that in creating that Administrative Services Coordinator position we were also involved in succession planning for the department as a whole so we redefined that position to provide more oversight over both divisions to kind of take advantage of shared responsibilities. Shortly after that position took place the Permitting Coordinator, again a long time over 20 year employee serving in that role retired. We promoted an internal candidate that worked side-by-side with that employee for many years. We redefined that Permit Coordinator position and again we went through the hiring process and hired another part-time employee to go full-time as a Licensing Clerk and that happened in May 2018. Clerically especially and from a leadership perspective there was a lot of changes that were occurring over 6 to 8 months.

Shortly after that, again in January 2018, Fred and I took on building a sustainable succession plan that tried to focus on employee development, encourage employee growth and encourage getting people ready to take over positions as people retired. As we went through that process Fred and I realized that we had several people within the department that were probably good candidates to a leadership role in Community Development. By May 2018 we had identified Superintendent Wenzel is really the best candidate we had in-house to serve that role and in June 2018 that's when he started to try and work in Community Development on a regular basis to try and learn the operation, trying to understand what the issues were from his own perspective. Shortly after that, we hired, as you all are aware, two clerical positions in about four months after that, one of the people resigned for another job opportunity.

During May 2018 we had a Public Works employee that had an injury and had interest in employee growth and development in the inspection field and we were able to comply with the light-duty requirements and get that person involved in Community Development which was a great help. This really proved to us that as long as we had people in Public Works that had an interest in that responsibility we could utilize those resources during high peak demand times, for example, during the summer months when we have a huge influx of property maintenance issues we could use some of those resources as needed.

More recently, November/December we made a decision to refill the secretarial position that was vacated in January 2018 with a Building and Engineering Inspector. Again, all these new positions, the job descriptions were redeveloped. The Building and Engineering Inspector not only serves Community Development Division but also serves Public Works and that we're taking some of those responsibilities away from superintendents so they're actually doing permit reviews and inspections on smaller private projects related to engineering and building. The part-time clerical position that was recently vacated we hope that the new employee will be starting next Tuesday. For the first time since May 2017 all the positions that were originally funded will be filled which is an exciting thing for us.

I'm going to identify Community Development as a Division because it is a Division of Public Works. Some of the items that we've identified in the Division that we need to work on is communication and morale. At the time when we took over we were finding that the staff was really unaware of things that they really should have been aware of. So we started to incorporate at first weekly meetings since then we've changed it to biweekly meetings. Our inspection staff meets every morning to talk about the day's activities plus they also have weekly safety meetings where they talk about safe work practices. The Division staff have never been giving our City's weekly report that we provide to you all so they can understand what is being talked about. We also have a much better representation at our biweekly engineering meetings so we can make sure we stay on top of permit related issues as they relate to the engineer.

The morale issue, I'd like to believe it's night and day and really that's a good description. When Fred and I took over the Division felt dreary for lack of a better word. There was not a lot of bounce in anyone's step, they weren't happy to be at work, there was a lot of feeling that they weren't valued by the City Council, the residents or the community as a whole. We worked really hard to change that narrative and really express that they do have value and they are here for a good reason, we are supportive of what they do we just need improve on how we do those things.

I'll just keep going through these items. Again, when Fred and I took over, it was pretty obvious that there was a lack of leadership in the whole Division. We've tried to work on those things from a variety of standpoints. Originally, Fred and I tried to split the duties and at the same time split our time so we always had somebody in authority position in the building, we did it for about a year and it wasn't very easy. Also when we redefined the Administrative Services Coordinator position we gave that position supervisor responsibility for the entire clerical staff in both Public Works and Community Development. What we are hoping to do is to continue to cross train people so people can work in both areas based on need.

Lastly, and most importantly, reassigning Superintendent Wenzel has just been a breath of fresh air because he has really taken hold of that position. Both Fred and I have been stopped recently and was thanked for Don being put in that position so we're really getting positive results from that. The other thing we noticed there was a lack of personal accountability, people were not given the authority to make decisions that you all are paying them to make. Decisions were being held up creating a lot of unnecessary red tape for ourselves. The other thing is there was a lack of leadership in a lack of being able to talk about a decision that they weren't comfortable making so they were making inconsistent decisions. One inspector would say something was okay and the other

inspector would say that it wasn't. So now that we have that resource in the middle to act as a go-between to make sure when we do say something it's consistent.

A big thing that I noticed in being there more often initially, there was a really big issue with segregation responsibilities. Everyone had their own little yard that was fenced in and they stayed in their yard and there was not a lot of learning, helping and assisting outside of their primary responsibilities. We're doing a lot of things to change that, we've begun cross training. We're going to start getting our clerical staff occasionally out with inspectors so they understand better what contractors are looking for when they're scheduling inspections. We're going to have our inspectors serve with the clerical staff so when they are at a meeting or lunch we have coverage and it's not just coverage of somebody writing down information on a Post-it note and come back in an hour, we're actually serving them at that moment. We're also redefining every job description that we revise as a result of turnover, we're redeveloping it so it reflects shared responsibilities. A good example is, the Permit Coordinator and Licensing Coordinator, if you look at those job descriptions the first 12 are specific to their job in the next 12 are the other persons job so they serve both roles. That attitude has been shared across the board and they're very accepting of those changes.

So now we get out of personnel issues and we start talking about reasonable expectations. We had to talk internally about the difference between what people expect and what's realistic. Just some of things that we've run into and that I wanted to note because it was brought up by our staff several times, as Council people know, many times we hear from permit applicants or when our inspectors go on the site, very often they'll say my Alderman said that if it doesn't pass just give me a call. We know that's not the case but our goal is to fix things so you guys have enough confidence in us and our process that when somebody says something to you, your comment is, that doesn't sound like staff, that doesn't sound like how we do things but I'll look into it. We want to encourage that to continue but as we talked internally we realize that because we don't have realistic expectations, we don't hold true to them and they're not consistent, you as Elected Officials, City Manager's office and residents, they don't have the trust that we're doing the things the best way we can. We're working towards that. Again, Elected Official and City Manager follow-up, I feel that we've gotten really good at that from what it's been in the past. The Director and myself still want to serve as a conduit between you all and staff. One other thing to note, the Business Advocate has been a great assistant to us and helping us separate the difference between being an advocate for business and being a regulatory agency. We work closely with her to try and make sure we're on the same page when these things happen which hopefully has resulted in less complaints.

Again, we talk about establishing consistency, these are things we're doing right now. One thing that the City Manager will tell you, many times complaints regarding permit submission are a result of incomplete information or applications that haven't been filled out correctly. We're working really hard on developing a consistent requirements and we are also working on revising all the forms, you'll start to see those in the near future. Right now we're working on a lot of them but we're working on a lot of them at once. The things we've talked about internally, I use as an example when my son was about two years old he got his elbow pulled out of socket and we took him to the emergency room and he was screaming and the nurse made us sit down and give the insurance information and he couldn't get treated until we gave all the information that was required and that's what we've talked about with staff, we are not going to except an application unless everything that's necessary to get that permit moving through our system has been completed. Just so you all know we may be turning people away because they want to turn in the application but the plans will be submitted later, that's just not going to happen. When you try to circumvent the process, if the process is good, you never gain time, you always lose time. So we're going to hold people to our process. One of those things is plan reviews and again in the past there's an inconsistent message, one person would say it's a five day turnaround, the next person would say it was three in the next person would say it was 10. All of our permits just so everyone knows, all of our plan reviewers get 10 business days to review the plan. There's 2 1/2 days at the front end and 2 1/2 days of

processing, so if I submit for a single-family home in 15 business days I should expect to get comments back. Then every subsequent review after that is 10, the reason we do that is if an applicant and I turn my plans and at 3:00 PM on a Friday and they don't get to the plan reviewers desk until 2:00 PM on Monday and then he doesn't send them out to the plan reviewer until end of day Monday and they will get it Tuesday, we still have to give our plan reviewer 10 days to review it. By contract with outside consultants and internally we have to be respectful of the time that people have other responsibilities. So 10 days is a reasonable timeframe and it's consistent with many communities who are in similar situations as us. We are now holding true to that for every project regardless of the size.

We used to do over-the-counter permits for certain projects that really shouldn't have been over the counter. Fences were done over-the-counter and the next thing you know what they would go right through a drainage easement and block off drainage to a whole subdivision and we couldn't do anything about it because we approved the plan. We're eliminating five day permits, we don't have the staff to meet expectations, as I say in the slide, if you create an unachievable expectation you end up with a frustrated customer which then turns into a frustrated employee and that's where you get bad customer service. We are looking to reintroduce over-the-counter permits that are better prepared and easier for residents to maneuver and can get processed quicker. So over-the-counter permits are not going away entirely we just need to refine them and make sure we're issuing over-the-counter permits for the right types of projects.

This will be brief, I know it's a long slide but we just talked about improved efficiencies. When I talked about giving ownership to employees, historically permits were given to the director and they could've sat there for weeks before they were approved, now employees look at what's been submitted if they are okay with it, they approve it themselves. Huge amounts of time are saved. We've also developed a water meter application, in the past it was possible for somebody to get into a building or unit or a tenant's space without putting in a meter and we had no way of knowing it so they could have been there for months getting free water and we had no way of knowing. Now what we have is a meter process which requires them to pay for and install the meter prior to an occupancy being issued.

Little library handouts, I mention it because I know most of this Council went through that process and I think it was Alderman Banger who provided some input on how we should do those. Elizabeth Payne developed a really nice handout which we hope to use as a model for future quick over-the-counter permits. There's conditions on the backside of it and a real quick easy permit application, so they get their permit, they get an inspection and they go.

Inspections and code enforcement, a lot of those improvements are internal, again we're creating more realistic expectations. The improved morale of the staff is resulting in improved customer service, we're noticing that every day. Our staff is not as overwhelmed, we have better direction and we're developing better processes so there's less of this stressed feeling so the customer service has increased dramatically.

In Public Works and Community Development, we've tried to consolidate a lot of the duties and activities, payroll is now central, we all use the same form and we have one person who processes all the payroll, we have one person that's reviewing all the payroll, much better oversight.

Inspections, a big problem when I started here all the superintendents would complain about it, we would do a sanitary service inspection and we'd end up with three inspectors out there one time. One inspector goes out to do the inspection and if they need assistance they can call but otherwise it's wanted done.

Plan reviews, we're establishing more consistent processes and we've developed an inspection report. Prior to Fred and I taking over there were like three or four different kind of inspection reports, we paid different fees

for different ones and we now centralized those into one form that the entire staff uses. It makes it very consistent with builders and developers, they understand what the forms are for and what they mean. There's cost savings and staff time savings associated with this.

The approved efficiencies of the Planning and Zoning, Fred and Elizabeth have done an amazing job at giving developers a real process to follow. When I started here I would ask what the process is and I could never get a real answer. Our process now can be repeated to every developer regardless of what their project is, they know exactly what they're doing and we're establishing appropriate cash advance requirements so we don't take a project through all this stuff, incur all these expenses and have no money to show for it and no way to cover those costs.

We've established a site plan review board which is made up of all the departments in the City where we review the plan before it goes to Plan Commission. We created a comprehensive list of concerns that we provide the developer, they're not getting it piecemeal and they're not getting argumentative information.

Lastly, GIS has been developed that identifies PUD's and special uses which helps developers in the future which allows them to understand what we've allowed in the past.

These are the improvements on the horizon, this is what we're hoping to tackle over the next 12 to 18 months. The items on the bottom are more of the long-term items and the items on the top are more of the short-term. We've already started about five of the top six items and we hope to have them done sooner than the time period shown, those are just rough estimates. The one thing I wanted to note, when we talk about improvements on the horizon our priority as a Division is to change the narrative of our Division. These are all really important things but if the community doesn't trust that we're here to help them, they're all irrelevant. When we plow snow after a big snow event and we get three slides of compliments, we need to try and create that opinion of the Community Development in the community. That's our main priority. These are measurable's that's the immeasurable.

I know this has been going through really quick and there might be some detail you have questions about, as we do with Public Works, we want to offer to any Alderman if they have a desire and job shadow us for half a day, feel free to let us know. We already have some ideas of how we could give you a good taste of the whole Division in a short period of time so please let us know if you have any interest in that. So that's my breaking point for the operational stuff, if anyone has any questions let me know otherwise I'll just plow ahead.

There were two areas that were short-term and long-term. One of the long-term issues that we need to address is the comprehensive fee schedule and I brought this up as a point just to show you how important this issue is to the whole operation. Right now the way the fee schedule is set up, I can have all three of the inspector's process a permit and get three dramatically different fees. Developers and builders can't look at our fee schedule and get an idea of how much their permit is going to cost and us as staff cannot answer the question if someone asks how much is the permit going to cost, we have no idea and this is just an example. In the current fee schedule, there are 44 different electrical permit fee types. What we're proposing, that one single fee takes care of everything you saw before and we plan on doing that with building permits, mechanical permits and plumbing permits, the same problem exists across the board. Permit fees are generally confusing, most permits that get issued should have three fees associated with them, a permit fee, an inspection fee and a plan review fee. There's a permit fee that's just the general cost of doing business, the overhead cost, the cost of computers, the electric/gas, all those kind of things. Then you have the comprehensive permit fee which includes that fee, the cost of inspections and the cost of plan review time.

Just quickly, the way our current fee is structured, if someone came in for 250 square-foot deck valued at about \$3000, this is typical construction costs, our current fee would be a \$92 permit. What we're proposing as a permit fee is \$180, the reason is our inspections cost \$55 per inspection whether we do it or whether we farm it out. That means on this permit, not even including the plan review and overhead costs will lose \$73 just on that one single permit. The next example is a fire sprinkler permit, we don't really get involved with the exception of processing and potentially site visits, right now our consultant charges \$1200 for their services and we charge \$25. \$25 doesn't even pay for foreperson for half an hour. So what we would be proposing is increasing at slightly, our goal is to never make money, it's to try and come close to breaking even. That's what would this would do is come closer to breaking even. This is just a fee example of the City over the last eight years, as you can see most years the City loses money in relation to the money we spend in Community Development for what we collect. Again, we're not trying to make money, we're trying to break even we're trying to cover our costs. That's one of the big problems with our current fee structure, we are subsidizing way too many permits and way too much the improvements that go on. That's it. Sorry.

Mayor Prejna – Not too bad. Thank you. Mr. Vogt, do you have something?

Fred Vogt, Public Works Director – One thing I wanted to add as Rob finishes on fees. Mayor and City Council, you will all see these coming forward in the upcoming weeks/months in terms of what staff is going to propose, we'll try to make that as comprehensive as we can but certainly that's for discussion for either in the committee format or when we present ordinances. As Rob said, that it's a process and will take several months to complete, it's one of our objectives to do throughout 2019.

Mayor Prejna - Thank you very much. I just have a couple comments. When I first came on I was given that invitation so I have jobs shadowed. I think I've gone through the Citizen's Public Works Academy three times. I've spent times in the summer just putting on the gear with the guys and gone through what's happening with the roads in the streets, it is quite amazing when you see what's happening out there during the summer. I haven't quite made it to the snowplowing, that's the challenge I was given to see if I could stay up all night with one of your guys snowplowing. If you could do it when the temperatures about 60° that would work out fine. But I just want to say it is an amazing opportunity and I would encourage my colleagues, if you don't want to do it during the winter at least go out there in the summer and right along with a couple of different folks.

Mr. Cannon and I had a conversation downstairs in front of Community Development about 7-8 months ago when we talked about the fact that when it be easier if we got some tables put up downstairs. I'm in City Hall just about every day, people and contractors would say to me that I have no place to work if you want me to fill something out. It's the little things that make us friendlier. Don Wenzel somehow we're going to come up with a fireman's award, for those of you who haven't met Don, Don is big, tall and talks with a calm voice and I will tell you that I don't know how many times we have met out in the community when there's a new business coming in or manufacturing and all the staff is out there and we're trying to resolve how we can help you move into the City. We've had times where people have challenges with our Community Development Department and I'll get a call later on saying I don't remember his name but he was a big, tall guy and he was very nice and when I left I felt better. So I think Mr. Wenzel needs a pat on the back for that. The department knows that I've been very involved especially the last six months with a number of new businesses that are coming forward. I do see some positive steps because I also get calls which I channel through you and a lot of times I find out that that the challenges that people are having, is our fault sometimes but most of the time it's information that wasn't completely filled out on their side. Questions for staff? Mr. Cannon.

Alderman Cannon - Thank you Mr. Mayor. I have a couple questions. Looking at all your information up there, looks like we're heading in great directions. I want to compliment all of you for putting it together, I know

January 15, 2019

Page 25 of 29

it's a lot of work for all of you so thank you for that. How about emergency things? I have a water heater that broke, can they get a permit the same day? Is that possible?

Rob Horne, Public Works Assistant Director – Yes, we haven't eliminated those permits, we want to make them better. Over-the-counter permits would be emergency related, generator, furnace, sewer repair, water leak, anything that we could think that's emergency related or if it's something that we can you easily. We want to do the over-the-counter permits it's much easier for us if we can do it.

Barry Krumstok, City Manager – Alderman Cannon, for water heaters when people notify us and say they're installing, that's the notification we're looking for and then come in and get the permit. It's when a group comes in and never notifies us and it's catch me if you can, that's the issue. When people notify us and there are quality contractors out there, they'll give us a call and say I'm coming in for a permit for an emergency install, that's what they're looking for.

Alderman Cannon - Obviously, looks like you guys did a lot of work and made a lot of decisions but the question I would is, did anyone pursue what is the best practice of this business overall? Did we check out the people who are considered the leaders in this business? Maybe a competing city for instance that really has a great reputation?

Rob Horne, Public Works Assistant Director – The goal of our Division right now is to question and evaluate everything. If we don't feel like we have experience, I come from out of this community and Elizabeth Payne and the Deputy City Clerk worked in community development departments in other communities. These are all the resources we are using to at least say, why can't we do it that way and try to incorporate. The answer to your question, absolutely we ask as many people as we can. Our interest is not being a unicorn in this, we want to be in the herd and we want to be doing things similar as everyone else. We'll hear less of, Arlington Heights doesn't require that and Palatine lets me do this. If we know that we're doing the same thing those communities are doing then we're good.

Alderman Cannon - I look forward to having all these things implemented, it has to be good for all of us.

Fred Vogt, Public Works Director – We also have a staff network that we've developed over the years working with neighboring communities and others. Where staff have worked in other communities and we don't hesitate to reach out to them or sometimes go online and get information in terms of what their processes and procedures are. We're always looking to try to learn from others because some people are doing it right.

Mayor Prejna – Further discussion?

Alderman Budmats - Piggybacking on what Mike said, you might want to check with some contractors, some smaller plumbing and electrical contractors who pull permits on a regular basis in multiple towns and they might tell you that different cities like Elmhurst does a really nice job and Highland Park sucks. I can tell you from pulling permits which towns I would work in and which towns I wouldn't and Rolling Meadows is in that mix someplace.

Rob Horne, Public Works Assistant Director – I agree and as I said before that's immeasurable that I've talked about, is a comfort level for every staff member to be able to say, I don't like how we're doing this? Why is this process so convoluted? We can make this better and wherever you need to go to find that information we are open to it. Our philosophy is if we're doing something today that we were doing five years ago we're behind. Our attitude is we need to be changing everything all the time. The problem is there hasn't been a lot of change

so everything needs to be changed, a complete overhaul. We're not making minor tweaks for improvements, we're changing everything dramatically. We are open to everything.

Fred Vogt, Public Works Director – If I could go back to Mr. Cannon's question about looking at other communities. We just started to discuss ways of kind of gauge our successes with surveys, we've done this for many years in the Public Works Department particularly with underground utilities and refuse. We mailed out cards weeks/months later after a service request to gauge how we've done and how we can improve. We're going to look to do the same in Community Development whether it's at the counter or whether it's follow-up mailings later on with residents, businesses and contractors. We'll figure out some ways to get feedback and it's very important to find out areas where improvements are still needed. We'll be working on that in 2019 as well.

Barry Krumstok, City Manager - I do want to reiterate, if you do have some of those municipalities you can let us know which ones, we also want to make it standard so it's not specific for Community Development and we're trying to keep it in-house.

Mayor Prejna – Thank you gentlemen.

Fred Vogt, Public Works Director – Thank you for your support.

7) 2018 Economic Development Summary

Barry Krumstok, City Manager - I'm just going to do a quick intro. Many of you around the table are used to me doing a full report and it will now be Business Advocate, Martha Corner doing the presentation. We did do the breakdown by Wards as we were asked to do, Alderman Banger you are a bit behind in getting a new business in there, you were at zero last year. We want to highlight the businesses that moved in and some of the concepts that we are currently working on in 2019. Just want to make one final comment, Z's Café as of Monday they are changing the name to Isabella Café, it's named after Anthony Donato's of Donato Restaurant Group, oldest daughter. There is one change on the sheet, Amish Farmers Market, they're looking at a February opening. With that I do turn it over to Business Advocate, Martha Corner to go over the PowerPoint and some of the sheets that are in front of you.

Martha Corner, Business Advocate – Thank you, Mr. Krumstok. First I'd like to say as a Business Advocate for the City of Rolling Meadows in its first year, it's truly been a pleasure to work with the team here at the City. I've worked with other municipalities in economic development capacities and I can honestly say it is very pleasurable to get things done in this work environment and it's really been a great team to work with. With that being said, I'm going to move forward with a summary of what happened in 2018.

New Businesses

During 2018, 37 new businesses opened in the City (one was a second location, another a new and larger location as shown by the attached table). Four (4) businesses were home occupations. Openings by ward were as follows:

Ward 1 – 4

Ward 2 – 11

Ward 3 – 2

Ward 4 – 1

Ward 5 – 0

Ward 6 – 18

Ward 7 - 1

While all businesses in the City are important, key business openings during 2018 include:

- American Star Total Home Comfort (4300 Lincoln Avenue);
- Coquelicot Gallery and Café (4880 Euclid Avenue);
- Dunkin Donuts/Baskin Robbins (new location – 1921 Algonquin Road);
- Jersey Mikes (1450 Golf Road);
- Northwest Community Hospital Medical Group (another location in Rolling Meadows - 1941 Rohlwing Road);
- Pita Pita Mediterranean Grill (1219 Golf Road);
- Rep's Place (3200 Kirchoff Road);
- Unbreakable Ink (1500 Hicks Road).

Other businesses have received or are in the process of receiving approvals for new construction or remodeling and continue to work toward 2109 opening dates:

- Aloft Hotel (3405 Algonquin Road);
- Amish Farmers Market (2122 Plum Grove Road);
- Daisy's Café (3334 Kirchoff Road);
- Fuller's Car Wash (2765 Algonquin Road);
- Lulu's Café (2633-2635 Kirchoff Road);
- Perfect Turf (5540 Meadowbrook Court);
- Sally's Place Restaurant (1973 Plum Grove Road);
- School Health (5600 Apollo Drive);
- Tesla (10 additional charging stations – 1301 Meijer Drive);
- Z's Café (5540 New Wilke Road) name changed to Isabella's Café.

The actual number of new business openings per year is largely a function of economic conditions, vacancies and other factors external to the City; however it is important to note that all business openings, whether in large or small locations, require much team effort on the part of City Staff and equal time by the business owner. The City continues to pride itself on a continuously high level of public/private collaboration.

Events and Marketing

City Staff continues to build upon marketing and events programing including:

- 1) **Business Messenger Newsletter** – Begun during the 2107, the *Business Messenger* is a quarterly publication with a strictly Rolling Meadows business focus on items of interest to the City's business community. The newsletter is mailed to all businesses in the City of Rolling Meadows.
- 2) **Business & Community Showcase** – The first ever Rolling Meadows Business & Community Showcase event took place on Saturday, April 28, 2018 at Rolling Meadows High School. Over 40 Rolling Meadows businesses and affiliated groups participated at a nominal cost of \$10 each. The event, open to the public free of charge, enjoyed an attendance of approximately 500 guests. The second annual event, scheduled for Thursday, April 25, 2019 at Meridian Banquet & Conference Center, is also promising to be a success with business owners already asking about participation.

- 3) **Community Events Foundation (CEF) Programming** – The CEF will continue to build upon volunteer participation and business support of events throughout the year (thanks to the work of the volunteers and Assistant to the City Manager Lori Ciezak):

- Taste the Town (March 2);
- City Market (May 25, June 22, July 20, August 24, September 28);
- Memorial Day Parade & Ceremony (May 25);
- Downtown Block Party (June 7);
- July 4th Parade (July 4);
- Parking Lot Party (July 13);
- FRIDAYS ROCK! Concert Series (June 14, July 19, September 13);
- National Night Out (August 6);
- Senior Luncheon (September 10);
- Hometown Hoedown Fall Fest (October 5);
- Holiday Tree Lighting (December 5);
- Spaghetti Dinner (December 5).

Economic Development

City Staff work together on a variety of economic development initiatives to foster economic development and business success in Rolling Meadows:

- 1) **Economic Development Committee (EDC)** – During 2018, to support economic development, the EDC provided a number of City Council policy recommendations:
 - Allow video gaming;
 - Provide financial incentives for new restaurants;
 - Update and streamline outdoor seating regulations.
- 2) **Business Advocate – Business Attraction, Retention & Networking** – Throughout the year, City Staff meets with prospective or existing business owners, including property owners, to identify their needs as appropriate to the City of Rolling Meadows and to assist with follow up. Items may include site development questions, marketing assistance, research, meeting scheduling, business development or general relationship building. The Business Advocate works hard to make sure business needs are addressed while also fitting in with the ongoing Community Development, Administration and Public Works operations and other City department functions. 2019 promises to be an even more eventful and productive year.
- 3) **Comprehensive Plan & Zoning Code Updates** – During 2018, the City engaged the planning consulting firm Teska & Associates to work on updating the 2006 City of Rolling Meadows Comprehensive Plan. The update, including specific recommendations for updating the City's economic development strategy, is scheduled for completion during early 2019. Also to improve the City's development regulation process, a comprehensive Zoning Code update is scheduled for 2019.
- 4) **Vacant Property List** – To assist prospective business owners or real estate brokers with site location research, the City maintains an Available Property listing on the City website. The website is updated as needed and includes itemized listings for Office, Retail, Industrial and Vacant sites.

January 15, 2019

Page 29 of 29

Mayor Prejna – Thank you for your presentation. Any comments or questions? Mr. Cannon.

Alderman Cannon – Can you tell me what's going on with Aloft? Looks like they liquidated the old building, I saw the furniture signs for sale.

Mayor Prejna – Mr. Krumstok?

Barry Krumstok, City Manager - You are correct, they did liquidate, they did demo inside and their permits are being reviewed most of it is by the outside contractors that we have.

Alderman Cannon – Are they hoping to be open this year? Or longer than that?

Barry Krumstok, City Manager - Let's put it this way, Aloft Organization which is flagged by a different parent company, they do need to be up and running by June 2019.

Alderman Cannon – They're part of Marriott, right? Was I not supposed to say that?

Barry Krumstok, City Manager - I was keeping it vague.

Alderman Cannon – How about the Amish Farmers Market?

Barry Krumstok, City Manager - Amish farmers is getting closer and closer, they are looking at a February 2019 opening at this point.

Alderman Cannon – Thank you.

Mayor Prejna - Any other comments? Questions? I just have one comment. We were scheduled for a closed session tonight but we were able to take care of that information so we will be pulling the closed session. All I need now is a motion to adjourn. Alderman Banger has made the motion and it has been seconded by Alderman Cannon. All in favor? Opposed? We're out of here.

There being no further business, by unanimous consent the Committee-of-the Whole meeting was adjourned at 9:44 p.m.

Respectfully submitted by: Judy Brose, Deputy City Clerk