

draft- Administration & Finance Committee- Meeting Minutes
December 6, 2018

CALL TO ORDER: 4:30 p.m. by Chair - Trustee Liddle

ROLL CALL:

<u>Committee</u> Trustee Liddle (as Chair) Mayor Gunter Clerk Szymiski Trustee Addington Trustee Barker Trustee Guzzo Trustee Nero <u>Visitors</u> Business Owner John Fleming - Absolutely Delicious	<u>Staff</u> Manager May Director Parker DVC Richards DLC Mulhearn Director Ramsey Director Sylvester Director Liljeberg (office) Director McIntyre (5:15pm) Clerk Babyar (5:15pm) Chief Weiss DC Gruen Assistant HR Director Brainerd
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- I. CALL TO ORDER: 4:30 p.m.**
- II. ROLL CALL** - by observation, noted above.
- III. PLEDGE OF ALLEGIANCE**
- IV. PUBLIC COMMENTS** - None
- V. APPROVAL OF MINUTES**
 - A.** November 8, 2018 Administration Finance Committee. A motion made by Trustee Addington and seconded by Trustee Barker, all ayes.
- VI. NEW BUSINESS**
 - A.** Places for Eating Tax - Finance Director Parker reviewed the recommendations that the Board made at the last meeting regarding the notifications to area businesses, and the status of the recommendations. A few residents/businesses have contacted Finance regarding the changes. There are no residents/businesses that have come to the meeting to voice concerns, so only Director Parker reviewed the item.

This item is for the funding of the Public Works Facility, the expenses were reviewed and the funds to be used. The budget cuts that are planned, representing 20% of the cost of the project, the places for eating tax, and the water rate increase were reviewed. The places for eating tax is an additional 1/2% increase, this would be effective in the new year. The water rate change

will equal about \$4.00 for the average single family home.

The plan for the water rate change before this item was brought forth was for a \$0.40 per 5,000 gallons over the next 3 years to accommodate the change in cost; the plan is to keep that going for another year and a half. The proposed additional year and a half means that the funds for the project are three years out, giving us time to find a different avenue. The other pieces of the water billing system include the water usage that does not seem to be billed, we are exploring that missing revenue.

The places for eating tax will boost from 2% to 2.5%, that would put us a little over the surrounding communities which we currently in line with.

- Trustee Liddle stated that this would only be if they do not also raise their places for eating tax.
- Mayor Gunter asked what was the highest Village? The answer was Hanover Park.

Manager May asked that Director Parker discuss the Town Hall meetings. Director Parker explained that Director Ramsey opened both the Water Department one night and the Street Department another night and held meetings to discuss with the public the proposed facility and the financing Options. 6 residents/businesses that came and the questions/comments asked about the available use of the hotel/motel tax, motor fuel tax, general sales tax and all have the same answer - we are not home rule. The request that we go back to home rule by referendum was suggested.

- Trustee Guzzo asked about the Census in 2020, Director Parker stated that if we became home rule we could revisit other avenues of funding.
- Trustee Barker commented that we have very limited funding sources, however he doesn't believe that the public is against the need for a new building, just the revenue options and that can't be changed. People discussed wanting someone else to pay for it.
- Clerk Szymiski commented that Director Parker and Director Ramsey did a wonderful job in presenting the facts to the public.
- Trustee Liddle remarked that the resident questions were the same questions that the Board has asked during this processes; it was nice to

know that the Board has done their due diligence. And every question asked there was an answer for as it had already been reviewed.

- Mayor Gunter asked when the bonds might be issued? Director Parker responded that the brokers would be looking for the best time based on the economic market; hoping for the first quarter of 2019.
- Trustee Addington asked if anyone at the town hall meeting commented that we should not be doing this? Clerk Szymiski stated that no one questioned the need. Manager May remarked that everyone seemed to look around and realize the issues, however they still don't like the way it is being paid for.
- Mayor Gunter said that he has heard from a couple people that believe that Public Works does a great job plowing the streets so why do we need a new building? However we have toned down the new building to the basics, no frills.
- Trustee Liddle stated that it is our job to educate the public and show that we have looked at every avenue. Hopefully the six people that attended will go tell six more people, who tell six more people and it will go on and on so that the residents understand the need.
- Manager May announced the second meeting for the Water Plant to be reviewed by the public is next week, and then the financials will be reviewed during the budget workshop in April to be finalized.
- Trustee Guzzo asked if the approvals go forward, when would we expect a groundbreaking? Director Ramsey reviewed the timeline for the Park District to move to their new facility, the stormwater retention, and looking to 2020 before winter.
- Mayor Gunter asked Director Parker how long before we start collecting the new tax? The response was to give the businesses time to set up collection, about three to five months.
- Mayor Gunter asked about the schedule of payment on the bond issuance, and Director Parker replied that the bond structure will have the first year as no payment and the interest twice a year and principal once a year for 20 years.

- Trustee Barker inquired as to the environmental cleanup of the old public works site, if a problem is found where does the money come from to fix it? Director Parker stated that we have to have reserves set aside to deal with the issue, as we know it will need to be done just not to what degree.

A business owner came in at this time hoping to speak to the board, Trustee Liddle invited the person to come up and talk. The person stated that the restaurant owners were against it; it is a burden to pay the current places for eating tax and this will just make it harder. The Village should be going after home rule again, it has been eight years and things have changed.

- Manager May replied that the 2020 census hopefully will have the Village over 25,000 residents. That is a year and a half away. The ballot question of home rule has already been asked and answered, so we wait.
- Trustee Barry recommended that the restaurant owners come to the December 20th meeting and make their case against it. The business owner, John Fleming of Absolutely Delicious, agreed that the buildings were in desperate need, but it shouldn't be corrected on the backs of the small business owners - there had to be another way.

Discussion of the various options that had been reviewed and the reasons that legally, the Village could not enact those avenues were discussed. The proposed timeline is to consider these items at the December 20th meeting. The handouts explaining the various costs, savings, and fund allocations are attached.

VII. REPORTS

A. Chairperson - Trustee Liddle, nothing at this time.

B. Village Manager -

1. The board meeting agenda is long, there are a few things that are basically housekeeping items that can be reviewed now to see if there are any questions. Chapters of the municipal code being updated at tonight's board meeting were reviewed as to the need to adjust the wording to be more understandable and easier for the public to find within the code of ordinances.

2. The item for the next board meeting is to fine tune the definition of the parkway and why you can't park on the parkway.
3. Special events that are annual are brought to the board for approval and placed on the consent agenda. The Westmont Special Events Board of Directors is now going to be going through and vetting any events that will be held on Village Property according to the ordinance that was approved at the beginning of the year. Communications Director McIntyre the liaison to the WSEC would like to present some of the events that are being reviewed. There is a handout.

- a) Holy Trinity would like to have a food truck/craft beer event in the Fall. Director McIntyre will be meeting with them next week to see if it will be contained on their property or not. This could be coming to the board in two weeks.
- b) Lance CPA Group is interested in partnering with a non-profit group called Hope for the Day. This will be on the southwest side of Westmont and co-sponsored with Whiskey Hill Brewery. Or it might just be a walk at Ty Warner Park. Director McIntyre is meeting with this group next week and will know the details in the next 30 days.
- c) WSEC would like a new event for St. Patrick's Day called the Lucky Event and holding it in the same area of the previous Oktoberfest with a beer tent, music, entertainment and food.
- d) Taste of Westmont has had revenue downturns so would like to consider a donation of \$5.00 to attend.

(1) Mayor Gunter asked if the downturn was do to weather or if it can be calculated for the last few years?

(2) Trustee Liddle stated that the weather was a factor this last year with a rain day.

(3) Director McIntyre the previous year (2017) was not a revenue downturn year. However, the carnival vendor did state that all his carnivals suffered a downturn in 2018.

(4) Trustee Barker cautioned that you might want to hold off

and review a couple of years. It is not something to do lightly, it could be detrimental. If it is a trend you might want to look at options.

(5) Someone unmiked commented that Taste of Westmont is in direct competition with other festivals.

(a) Director McIntyre said that is true, however if you look at the pictures we have great crowds.

(b) Mayor Gunter said that the crowd isn't spending money.

(c) Director McIntyre said that the Taste of Westmont helps pay for Cruisin Nights which are very popular but does not make any money.

(6) Trustee Barker asked how the food sales were for Taste of Westmont last year? Director McIntyre replied that he tries to poll the food vendors and most stated that it was a record year for them in 2018.

(7) Trustee Addington stated that Friday was bad for some reason for Lions Club and Saturday was a record year. This is normal when running outside events weather plays a part and you have an off night - it happens. Asking for a door fee or donation will hurt the event, as people come with a certain amount of money in their pocket. What needs to happen is you have to attract more people and the only thing that is going to do that is having good bands which cost more but it brings people into buy more.

(8) Mayor Gunter asked what being down 20% equated to in actual dollars. The estimated given was \$10,000.00. The Mayor then asked what the total budget was; the response was \$180,000.00 and 1/3 of that is reserves.

e) The last item is not one that will come before the WSEC Board or the Village Board for any requests as it is held 100% on Park District property, it is a beer fest being held by the Park District.

- f) The Red White & BBQ is relocating everything north into the park due to the Natatorium and will not ask for any new requests from the Village Board.
- g) Manager May reminded the Board that the Park District Beer Fest will come before the Board for the normal requirements of holding an event. Director McIntyre said that the Deputy Liquor Commissioner was handling the normal requests.

C. Communications -

- 1. Director McIntyre showed media coverage that was received for the Westmont Rotary Ugly Sweater Race and the Park District Holly Days Parade.
- 2. Also mentioned that on WGN Chicago Parade Coverage one of the announcers mentioned Westmont as the Bestmont - showing the branding idea was working.
 - a) Mayor Gunter commented that the announcer on WGN was a resident that was born & raised here in town.

D. Deputy Liquor Commissioner -

- 1. The liquor hearing today went well, all fines/court costs were assessed.
- 2. Whiskey Hill owners are working with Larry Forssberg to see if a new location can be found to allow for food service.
- 3. Woodgrain is \$10,000.00 behind in the Places for Eating Tax and stated that the tax would be paid by the end of the month as the Westmont location will be closing at the end of the month.
 - a) Mayor Gunter remarked that we should not be allowing a business to get that far behind.
 - b) Director Parker replied that the notices are going out earlier.
 - c) Deputy Commissioner Mulhearn stated that liquor license and video gaming businesses are being monitored closely now to make sure that it is up to date on the places for eating tax.
 - d) Trustee Barry asked if there were any other businesses that were that far behind.

(1) Deputy Liquor Commissioner stated not license holders.

(2) Finance Director Parker stated that there was one other that had gotten very far behind, that they were working with at this time.

- e) Mayor Gunter questioned the adjudication of this type of delayed payment, Deputy Liquor Commissioner stated that if they have alcohol it can be done during the Liquor Hearings.
- f) The new NEAT is open & Aspire Living is awaiting a liquor license.
- g) Video Gaming request from Zazzo's, their 365 days ends in January. Fremont Grill will be applying as well.

(1) Trustee Barry asked about the violation? Deputy Liquor Commission stated that the 365 days was the probationary period, the violation did not mean they couldn't apply.

(2) Trustee Barry asked about Zazzo's having a violation? Deputy Liquor Commissioner Mulhearn stated they have not had a violation & are applying for the video gaming, the Darien location has video gaming and would like to have both locations the same.

- h) Mayor Gunter reminded everyone of the structure of the various fines imposed on businesses during a Liquor Hearing. Deputy Commissioner Mulhearn reported on past fines.
- i) Trustee Barry stated that it seems we are not covering our costs of the Police Officer checks. This will be reviewed for the 2019 checks and there has been a grant awarded to the Police Department for this enforcement.

(1) Mayor Gunter said that the purpose of this is to make sure our businesses are doing the right thing, not to make money off the checks.

(2) Discussion of the business responsibilities and the servers being charged and going to County Court ensued.

E. Finance Director -

- 1. Hollowday project updated was presented regarding the TIF incentive and where we stand at this point. 50% of the TIF raised by the project will go

back to the developer and the permit fees will stay with us and advance it to the TIF district. We have done this in the past. The hope is to be able to have Memo of Understanding with the developer that will go to the Board for approval on an upcoming agenda.

- a) Trustee Barry asked if there were figures to be reviewed before we voted on the new Public Works facility?

- (1) Director Parker stated that the estimates are about \$730,000.00 we will receive for the land and fees. Requiring us to pay out about \$750,000.00 between now and 2026. Also, after 2026 the developer will start using less than 50% of the TIF. This means there are no changes in reserves or structure or the anticipated revenues compared to where we are now so if we decided not to do the project.

- b) Trustee Barry said that in the future we would probably waive the fees.

- (1) Director Parker replied that this would be assuming no waiving of permit fees - but in giving them back to the TIF district we would not be technically getting the permit fees.

- c) Mayor Gunter stated that this would be a type of no cost project.

- d) Trustee Barry asked where the \$20,000.00 difference would come from between now and 2026?

- (1) Director Parker said it would come from the Downtown TIF District, which should have 1.1 million in the TIF by 2030.

- (a) Mayor Gunter asked if that would be our share or the whole that is shared with the school?

- (b) Director Parker stated that it was our share, the school share should a little less by then.

F. Clerk's Office - Nothing

G. Human Resources - Nothing

H. Information Technology - Nothing

VIII. ADJOURN 5:43 p.m. A motion to adjourn by Trustee Addington, and seconded by Trustee Guzzo. All ayes.

(next meeting is scheduled for January 3, 2019)