

**APPROVED MINUTES - SPECIAL BOARD MEETING
PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF OAK PARK
HELD ON MONDAY, MAY 9TH, 2011 AT 6:30 P.M.
IN THE COUNCIL CHAMBERS OF OAK PARK VILLAGE HALL**

I. CALL TO ORDER

PRESENT: Trustees Brewer, Hedges, Johnson, Lueck, Salzman and Tucker; President Pope
ABSENT: None
QUORUM: President Pope called the meeting to order at 6:32 p.m. and declared that a quorum was present.

II. ADJOURN TO EXECUTIVE SESSION FOR THE PURPOSE OF LABOR AND LITIGATION

In compliance with the Open Meetings Act, it was moved and seconded to adjourn to Executive Session for the purpose of litigation, sale of property and labor.

The roll call on the vote was as follows:

AYES: Trustees Brewer, Hedges, Johnson, Lueck, Salzman and Tucker; President Pope

NAYS: None

ABSENT: None

The motion was approved.

III. RETURN TO OPEN MEETING 7:30PM IN COUNCIL CHAMBERS

PRESENT: Trustees Brewer, Hedges, Johnson, Lueck, Salzman and Tucker; President Pope
ABSENT: None

The Special Meeting reconvened at 7:36 p.m. in Council Chambers.

IV. AGENDA APPROVAL

It was moved and seconded to approve the agenda for the meeting as presented. A voice vote was taken and the agenda was approved.

V. DISCUSSION AND DIRECTION FOR THE INFRASTRUCTURE AND STREETScape IMPROVEMENT PROJECTS ON SOUTH MARION AND OAK PARK AVENUE

Village Manager Tom Barwin introduced Village Planner Craig Failor to discuss the planning process of the project.

A. Project Background

Mr. Failor discussed the 1990 Comprehensive Plan, which suggests that the Village continue to coordinate its capital improvements to minimize costs to residents and businesses but also to put forth efforts to enhance Oak Park's image to invest and do

business. He spoke about the report from the Superblock Committee, which recommends various improvements to the streetscape, and the Greater Downtown Master Plan, which suggests that the key to a successful retail street is to develop a comfortable pedestrian environment. He noted that this plan states that TIF should continue to be used to implement public projects and strengthen the existing downtown retail.

B. Contemporary Village Planning Practices

Mr. Failor explained the Complete Streets Program and noted that the Board adopted a resolution in October 2010 expressing support for this program. He discussed the benefits of walkability to the environment, one's health and finances and to the community. Mr. Failor concluded by stating that regions that thrive will be noticed for their great sense of place, protected natural areas and their deep pride and local character. Capitalizing on a community's assets ultimately creates good public spaces.

C. Project Review – The Lakota Group

President Pope introduced Scott Freres with the Lakota Group, the firm designing the project. Mr. Freres indicated the areas to be addressed; South Marion Street, North Oak Park Avenue, South Oak Park Avenue and the Plaza, and gave a presentation detailing what was being proposed to develop these areas.

D. Good Economic Practices, Local Challenges, Oak Park's Retail Strategy, Return on Investment

Business Services Manager Loretta Daly stated that there are four key components for creating a successful retail strategy; understand your markets, your trade area, who your consumers are and who your competition is. She referred to the 4Insights study and their recommendations regarding creating an attractive look and feel for the retail districts.

Ms. Daly indicated that this project meets the Village's good economic practices by exploring investment opportunities that give a direct return to the community. Her presentation focused on supporting recruitment and retention of quality retail and office tenants and providing the community with an environment that is embraced as a retail center as well as a community gathering space.

E. Village Investment Strategies

Mr. Barwin raised the subject of infrastructure. The water and sewer portion of this project needs repair, which necessitates tearing up then restoring the street. The Village was looking at issues such as sustainability, aesthetics and life cycle of the products to be used. He stated that the cost of the hardscape, which consists of value added products (granite curbing, stone sidewalks and brick streets) was roughly \$11.7 million. The cost for concrete hardscape would be \$8.6 million. For 27% more, the value added products will sustain a 100-year life cycle versus having to rebuild the entire project in 50 years. He noted that the cost per square foot would be \$76.18, versus the \$145 per square foot cost on North Marion Street using those products.

Mr. Barwin explained the purpose of the TIF and stated that following that strategy will ensure that the downtown buildings hold their value and continue to be occupied.

Chief Financial Office Craig Lesner gave a presentation that included a spreadsheet displaying available TIF resources as of this year through 2019. The Village will have approximately \$95 million in revenue with \$67 million of this going to other taxing bodies (primarily the two school districts). This will result in an ending balance of \$25.5 million, including cash and property assets.

Mr. Barwin explained that TIF districts are overlaid on economic development zones; the tax revenues coming from each specific district must be reinvested back into that district. These revenues cannot be used, for example, to repair a street in another area.

Mr. Lesner noted that if the Village were to begin this project now, they would have to secure financing, as current TIF cash flow will not cover the anticipated costs during construction.

Mr. Barwin and Mr. Lesner answered questions from the Board.

Trustee Lueck commented that although the goal is to use up TIF revenues on redevelopment by 2019, the Board is being asked to make a decision without full information about other TIF development options. Without information about which TIF projects may go forward and the impact of such these developments on TIF revenues, using up TIF funds on this project is problematic.

Trustee Hedges noted that any loan repayment should not be extended beyond the end date of the TIF because the general fund would have to absorb the cost. To do otherwise would mean that the Village could be financing downtown developments with general funds rather than TIF funds.

Kevin McCann of Spear Financial, financial advisors to the Village, spoke about the real estate market and interest rates.

H. Public Comment

Mary Jo Shuler, 315 N. Euclid. Ms. Shuler, representing the South Marion Business Association, stated that the association is in support of proceeding with the project.

Mike Fox, 1110 Pleasant St. Mr. Fox, owner of the Carleton Hotel and Barclay's Bar and Grill in the South Marion district, spoke about the North Marion development and that the end result was worth the inconvenience of street closure. As a business and property owner, he is in favor of this project.

Pat Zubak, 1010 Lake St. Ms. Zubak represented Downtown Oak Park and commended the North Marion Street development.

Anan Abu-Taleb, 144 S. Oak Park Ave. Mr. Abu-Taleb, owner of Maya Del Sol, was in favor of revitalizing the South Oak Park Avenue district, but stated that the costs of the project as proposed, including loss of business due to street closure as well as construction costs, outweighed the benefits.

Dana Fisher, 322 N. Kenilworth. Ms. Fisher is the owner of Bramble in the North Oak Park Avenue district and said that she would like to see an exterior as welcoming as the interior of her business.

Sherry Filoni, Frank Lloyd Wright Lane. Ms. Filoni, owner of Filoni on Oak Park Avenue, stated that the development as proposed was unnecessary and would detract from the charm of that particular business district.

Sanem D'Angelo, 445 N. Lombard. Ms. D'Angelo, a boutique owner on Oak Park Avenue, did not believe that enhancing the streetscape would attract more business to the area. She expressed concern that she would be forced to close her doors if extensive construction work was being done in front of her business.

Charles Williams, 203 S. Marion. Mr. Williams represented Drechsler Brown & Williams Funeral Home. He expressed concern about the disruption to traffic flow around his business.

Brandy Masoncup, 104 N. Oak Park Ave. Ms. Masoncup, owner of Geppetto's Toy Box and head of the Avenue Business Association, stated that the majority of the Association was pleased with the investment into their business district. She noted concerns regarding traffic and parking issues.

G. Project Implementation Recommendations

Ms. Daly spoke about the timeframe of the project and noted that the proposal is to complete work in two phases. If approved this evening, the first portion, South Marion, would begin within a week and end by Thanksgiving. The second part, Oak Park Avenue, would start March 1, 2012, and be completed by June 30. She summarized the rationale of the two-phase process.

I. Board Discussion/Vote

Village Engineer Jim Budrick explained the bid process for this development and answered questions from the Board.

Trustee Brewer asked about urgency of replacing infrastructure. Mr. Budrick replied that it is not an emergency situation but that infrastructure on Marion Street needs to be replaced soon; Oak Park Avenue has five or six years left.

Trustee Johnson asked Mr. Budrick if there was a plan in place to address the parking and traffic issues, particularly on Marion Street. He added that he would like to see the diverter at Wisconsin and Washington be removed at least temporarily, if not permanently. Mr. Budrick confirmed that the street will be closed during construction and stated that, while there is no physical plan in place yet, they are working with business owners to accommodate their needs.

Mr. Lesner added that there have been conversations on this topic with the Interim Parking Manager; some ancillary parking lots may be available during construction.

Trustee Tucker discussed brick streets. He asked about the cost comparison to concrete. Mr. Budrick stated that although the initial cost is higher for bricks, over a 15 or 20-year life cycle, the costs are roughly equal when including costs for patching

and repairs. Trustee Tucker also expressed concern regarding traffic flow on Oak Park Avenue.

Trustee Lueck commented that she does not see the potential for the same type of development on South Marion as she does on North Marion. She is struggling to envision where the Village was going to get the commercial return in dollars invested. She has similar concerns regarding North Oak Park Avenue, as it already has much of what Ms. Daly said they were trying to develop there. She conceded that the sewer work on South Marion was necessary, but asked if granite (curbs) improved the sense of place enough to be worth one million dollars in additional cost. She added that the South Oak Park Avenue district, which was the area most in need of improvement, is actually more residential than retail.

Mr. Freras explained that, aside from being high quality materials, bricks and granite have a life cycle durability of 100 years. The goal here is to set a high quality standard.

Trustee Lueck stated that she is uncomfortable with borrowing money to spend on infrastructure in a TIF district. She is also concerned that once this money is invested, nothing will be left for other projects, should they arise.

Trustee Hedges spoke about the parking garages included in the Downtown Master Plan. He said he is having a hard time prioritizing this project when comparing it with other things that needed to be done.

President Pope summarized the discussion. He stated that there may be other development opportunities within the remaining life of the TIF or beyond, but the Village may not have another opportunity to improve this infrastructure. He reiterated that those dollars cannot be used in other areas of the community and if left unspent, they will not go back to the taxpayers, but to the six governing bodies which receive property tax dollars.

1. It was moved and seconded that a Resolution Authorizing a Guaranteed Maximum Price for the South Marion & Oak Park Avenue Infrastructure and Streetscape Project with Sollitt Construction be approved.

Trustee Brewer stated that he was uncomfortable using all that is currently in the TIF as well as the rest that is anticipated on this project.

Trustee Salzman noted that he wished there had been a discussion earlier regarding a focused and comprehensive marketing plan to support businesses during the six-month street closure. The Village should be putting the needs of their retailers first. He questioned the need to do this project in 2011 and 2012, since there are still several years left on the TIF. With the economy still recovering, to close the street for six months would place an obstacle in the path to stability for some of the Village's business owners.

Trustee Johnson agreed that the street closures will impact businesses, but he does not believe streets will be closed for the entire duration of the project. He indicated that a majority of the businesses, as heard during the Public Comment portion of the

meeting, were in favor of proceeding with the project. The Village is competing with malls, neighboring communities and the Internet and needs to create a unique shopping experience to attract and keep customers.

Trustee Tucker commended all who were involved in the presentation as well as the streetscape plans. He felt the project is being rushed when fiscal discipline should be first and foremost in the minds of the Board and staff. He found it difficult to justify the large expenditures to be spent on these upscale features and wants to see alternate proposals for these business districts.

Trustee Lueck expressed support for linking North and South Marion through this development and for redevelopment on South Oak Park Avenue, but noted that return on the investment in North Oak Park Avenue would not be sufficient to warrant extra costs.

Trustee Hedges was in favor of the plaza at South Boulevard and Oak Park Avenue but feared that investing in these projects would impair the Board's ability to address other development priorities. He suggested discussing it in the fall for next year.

President Pope noted that the current price quoted is subject to an approval by the Board to lock in contracts and, depending on the economy, these prices could change in the future. He suggested moving forward with South Marion with a discussion in the fall regarding the remainder of the project.

The initial motion was withdrawn.

It was moved and seconded that Resolution 2011-R-45 entitled **A RESOLUTION AUTHORIZING THE GUARANTEED MAXIMUM PRICE CONTRACT WITH THE GEORGE SOLLITT CONSTRUCTION PROJECT FOR STREETScape IMPROVEMENTS IN GREATER DOWNTOWN OAK PARK AT THE GUARANTEED MAXIMUM PRICE OF \$5,455,289** be adopted.

The roll call on the vote was as follows:

AYES: Trustees Brewer, Johnson and Lueck; President Pope

NAYS: Trustees Hedges, Salzman and Tucker

ABSENT: None

The motion was approved.

VI. CALENDARS

Tabled.

VII. ADJOURN

It was moved and seconded to adjourn the meeting. A voice vote was taken and the motion was approved. The meeting adjourned at 12:16 A.M. Tuesday, May 10, 2011.

SUBMITTED AND RECORDED IN THE OFFICE OF:

By: MaryAnn Schoenneman
Interim Deputy Village Clerk

Teresa Powell, Village Clerk