

**COMMITTEE OF THE WHOLE – Minutes of Meeting
May 24, 2022**

The Village Board met as a Committee of the Whole in the Council Chambers of the Village Hall at 3:00 p.m. on Tuesday, 24, 2022. In attendance were:

PRESENT:

Village Board

Dan Shapiro, Mayor
Robert Benton, Trustee
Larry Berg, Trustee
Elaine Jacoby, Trustee
Rebekah Metts-Childers, Trustee
Mary Oppenheim, Trustee
William Seiden, Trustee

Staff

Kent Street, Village Manager
Andrew Lichterman, Asst. VM / Dir. of CD
David Fitzgerald-Sullivan, Coms Coordinator
John Sliozis, Police Chief
Justin Keenan, Asst. to the Village Manager
Eric Burk, Finance Director
Clint Case, Bldg. & Code Enforcement Supervisor
Bob Phillips, Director of PW & Eng.
Tyler Dickinson, Asst. Director of PW & Eng.

Public Comment

There was no one present for public comment.

Discussion of Stormwater Management and User Fee Proposal

Director of Public Works and Engineering Bob Phillips noted this topic was discussed at previous COW meetings. Last time, the Trustees asked staff to provide impervious surface coverage calculations and reviewed various methodologies to calculate a Storm Water Utility Fee (SWUF).

Mr. Phillips reported that the SWUF equivalent runoff unit (ERU) is measured using aerial maps and is the most widely used way of calculating the fee. It is separated into three categories - residential, multi-family and commercial.

Storm sewer operations and maintenance cost about \$3 million every year, including minor CIP work in the annual the street rehabilitation project. The SWUF would generate approximately \$916,000 for maintenance and operations that isn't currently funded by sewer rates. He noted that no properties are exempted at this time. He noted staff is looking for input to refine the proposal.

Mayor Shapiro noted the first question is to decide if we want to pursue this fee. It is about \$120 per year for the average homeowner. The second question is whether staff's proposed impervious surface coverage approach is the right methodology to calculate the fee.

Trustee Oppenheim noted that the Board had a consensus in the past on this, and asked for the opinion of the new Board members. She noted the SWUF is based on the amount of water captured by the sewer system based on impervious service of the property. She is impressed with the thorough review noting it included a survey of other communities and that staff's proposal is in the middle with fees. She stated the Village may want to look into exempting schools and churches.

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Trustee Jacoby asked if the other communities use a similar ERU approach for residential commercial and multi-family properties. Mayor Shapiro noted there is a level of elegance of being simple about it and not too complicated. Trustee Jacoby stated she is comfortable with the residential and multi-family fees, but is hesitant about commercial, as the amount is significant. Village Manager Street acknowledged that most commercial have some retention built in. Mr. Phillips noted that the Village requires developers to provide a certain amount of parking, which is impervious.

Mayor Shapiro asked if there is an appeal process. Mr. Phillips reported that an appeal process could be included in the draft ordinance but staff has some concern about a large volume of people looking to appeal; although, that does not appear to be the experience of other municipalities.

Trustee Berg believes pursuing a SWUF makes sense and asked about non-profits, religious and school exemptions. Mr. Phillips noted that other municipalities have not provided exemptions for these types of entities. Manager Street noted that schools, churches, nonprofits pay the same rate as others for water and sewer utilities.

Trustee Seiden asked how the Village will bill residents. Mr. Phillips stated that the fee is most often included on a water bill. Trustee Seiden noted this is a way to increase revenues without raising property taxes. He questioned if it would be easier to just raise property taxes instead. Trustee Benton noted the SWUF is a more equitable approach to collecting revenue specific to storm water. Mayor Shapiro noted he is favorable to the SWUF.

Trustee Metts-Childers inquired if there is a way to lower rates for residents who decrease their storm water runoff through using rain barrels or other green infrastructure. Mr. Lichterman noted we could further explore these types of “green” rebates and that the SWUF can be reduced by homeowners if they make other physical changes to their land that reduce the impervious coverage. Mayor Shapiro also encouraged staff to review options for “green” rebates. Mr. Phillips noted it is hard to track changes or if they are still being used. He noted a number of residents have replaced rain gardens with turf. Staff will further research and come back with recommendations. Trustee Metts-Childers noted that if residents have some kind of control to lower the fee that would be helpful.

Trustee Benton is in favor of the proposal and characterized it as reasonable and equitable.

Mayor Shapiro requested that a subsequent report be brought to the Village Board in July for further consideration. Trustee Seiden asked that staff further evaluate a comparison methodology that considers total percentage of impervious surface relative to total lot size.

Review of Capital Improvement Program

Mr. Phillips reviewed the history of infrastructure project scope and size. In the past, a bad economy resulted in low bond rates and low construction costs. The Village was previously situated to take advantage of matching funds and low prices to do large-scale

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projects. Currently, prices are rising and it is not a good climate to do large-scale projects. Region-wide, project costs are rising due to materials and labor price increases. The Village is currently well positioned for some federal funding assistance on Hazel and Park Ave., but we won't find out if we are selected until June. Competition is tight and there are a lot of competitive projects in the region.

Mayor Shapiro asked if there will be any more changes this year. Mr. Phillips stated there will not be.

Discussion re: Commercial Properties Update

Mr. Lichterman reported he had four items to update the Board on today. He displayed a map of a potential downtown TIF. Staff met with Kane, McKenna & Assoc. to discuss a possible TIF district. It would be done in two phases, with Phase 1 as a preliminary TIF qualification and Phase 2 a dive into an economic analysis. The total cost would be \$15k over six months.

Mayor Shapiro asked staff to review the benefits of TIF districts. Mr. Lichterman reported that the Village had very successful TIF districts in the downtown area and on Lake Cook Road. These TIFs paid for Village Hall and led to a successful office campus on Lake Cook Road and the redevelopment of Deerfield Square. Both TIFs ended one year early. The change in EAV was more than 10 factor from start to end.

Mayor Shapiro noted the Village does not want to tear down properties, but rather incentivize development. Trustee Benton noted that in the past it was said that the TIFs would take money from schools, but we ended up giving them excess funds. Trustee Oppenheim agreed with the generous payouts to the schools in the past.

Mr. Street stated the intent is to benefit everybody and update tired properties. Trustee Oppenheim noted this area contains a lot of disparate small properties and asked if a developer for each small property apply, or just one large developer. Trustee Shapiro stated it depends on the project. Trustee Oppenheim asked if the Park District property in the TIF complicate things. Mr. Street stated Park District would be on advisory committee and TIF funds could be spent on Northwest Quadrant for improvements in Jewett Park, Village Hall and Deerfield Public Library connections, so it is appropriate to include the Park District properties.

Mr. Lichterman noted the Village is not condemning residential properties and wants to put everything upfront for the residents to know now. He stated staff can administratively approve the contract to start the process and then bring it back to the board to review.

Trustee Jacoby asked with prices being higher right now, is now an optimal time to be redeveloping. Manager Street noted it will be a few years to get a project together and we're looking at a 23-year time frame. It would be important to capture low value now.

Mayor Shapiro stated this will fund public improvements and incentivizes redevelopment that provides public improvements.

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Trustee Metts-Childers asked what would be the best case scenario. Mr. Lichterman stated that with a low base value the increment will be larger and can be used to fund improvements that help lead to improvements and a higher end valuation. The new value increment gets invested back into the TIF for improvements.

Trustee Jacoby stated the public should know that the Village is not tearing down, condemning or purchasing property. Trustee Berg asked what opposition this could face. Mayor Shapiro stated the biggest opposition would be misinformation.

Mr. Lichterman provided an update on properties on Lake Cook Road. Six buildings on the south side of Lake Cook Road near Wilmot were recently purchased by Orion Investment Trust. Trustee Oppenheim noted that the Lake Cook corridor needs a refresh more than downtown. Mayor Shapiro suggested engaging KaneMcKenna for a possible Lake Cook Road TIF.

Mr. Lichterman also reported on the Baxter International campus being for sale. It is 101 acres and unincorporated, but is serviced by the Village for water. Staff is reviewing water and boundary agreements and believes the Village is in a favorable position for future annexation.

Mr. Lichterman reported that Zion Woods has two more weeks of earth work and will then submit the grading for review to FEMA. There is a six month review for approval.

Adjournment

Trustee Metts-Childers made a motion to adjourn. The motion was seconded by Trustee Jacoby.

The meeting adjourned at 5:00 p.m.

Respectfully Submitted,
David Fitzgerald
Communications Coordinator