

**VILLAGE OF HINSDALE
VILLAGE BOARD OF TRUSTEES
MINUTES OF THE
COMMITTEE OF THE WHOLE
May 11, 2015**

1. CALL TO ORDER – Acting Chair/Trustee Elder

The regularly scheduled Committee of the Whole meeting of the Hinsdale Village Board of Trustees was called to order by Chair/Trustee Christopher Elder in Memorial Hall of the Memorial Building on Monday, May 11, 2015 at 7:07 p.m.

Present: Trustees J. Kimberley Angelo, Luke Stifflear, Gerald J. Hughes, Laura LaPlaca, Bob Saigh and Acting Chair/Trustee Christopher Elder

Absent: None

Also Present: Village Manager Kathleen A. Gargano, Police Chief Bloom, Assistant Village Manager/Finance Director Darrell Langlois, Management Analyst Suzanne Ostrovsky and Village Clerk Christine Bruton

2. DISCUSSION ITEM

Adventist Hospital Recapture Agreement

Acting Chair/Trustee Elder introduced the item and noted this was originally a discussion item at the April 7th Board meeting. The proposal has been modified slightly since then and he asked the hospital to begin the discussion.

Mr. John George, attorney for Adventist Hospital, addressed the Board. In 2013, Adventist Hospital approached the Village to build a cancer center. They did not ask for zoning relief, only exterior appearance and site plan approval, which they received. They hired a firm to conduct a traffic study and met with Village engineers; the Village recommended they meet with IDOT, because Ogden Avenue is under the control of the Illinois Department of Transportation. They met with IDOT to discuss improvements and the relocation of Spinning Wheel Road. IDOT requested intersection improvements at Ogden Avenue and Salt Creek Road totaling over \$500,000. When the Village approved the project it was not conditioned on traffic improvements, but included the traffic specifications required by IDOT. He explained that Hinsdale is the applicant for improvements at these intersections, not the hospital.

Mr. George does not believe the hospital should be the only entity bearing the burden of the cost for these improvements. The Village, as a whole, and other properties in this area reap the benefits of these improvements. He also believes that other owners in the area would have had to comply with these IDOT requests, too, had they come forward first; this is an indication that all should share in the cost.

Hinsdale is a non-home rule community, so it can follow the recapture agreement promulgated by the State of Illinois. He described the statute, which is enacted by municipalities in Illinois to defray the cost to private owners.

Eriksson Engineering did the traffic study for the hospital. The Village was intimately involved in the discussions and decisions regarding the intersection improvements. IDOT would not agree to a left turn signal only on the north side of Ogden, which would have accommodated the increase in traffic created by the cancer center development. They insisted on full area

improvements which will improve traffic in the area, but has nothing to do with the hospital use. The hospital is being asked to be responsible for area improvements that others will enjoy. The statute allows the corporate authority, the Village of Hinsdale, to decide which other properties should participate in the recapture agreement.

The Village is not being asked for any money, but they are asking the Village to facilitate the collection of funds from other property owners seeking improvements. These owners will be required to pay dollars into a recapture fund, according to the proposed formula, at the time of their permitting, which will go back to the hospital to defray their cost. He has reached out to the other property owners to inform them of tonight's meeting, and noted they are not supportive of the recapture proposal.

Mr. Tom Williams, Vice-President with Adventist Hinsdale Hospital, explained the original proposal cast a wide net along the Ogden corridor. Businesses would only pay into the fund for new construction or an addition that would add square feet. Because this is unlikely, they have limited the scope of the recapture to the three parcels at the intersection being improved. He described the formula to be used to calculate the contribution of all participating properties, but noted the hospital will always be a substantial contributor.

Mr. Glenn Eriksson, partner in Eriksson Engineering Associates, addressed the Board stating he has worked with the hospital for three years as a civil engineer and traffic engineer. As part of this project, he noted that offsite roadway improvements and the closing and relocation of Spinning Wheel Road are not a part of this recapture agreement. It does include a new traffic system at Ogden and Salt Creek. IDOT requested that northbound Oak Street be widened to three lanes, with a dedicated left turn lane so that a signal cycle can be introduced for improved overall traffic flow. At a meeting with IDOT in the spring of 2013, IDOT brought up the now defunct Hinsdale Club project, and indicated these improvements would have been made then. One of the benefits of the cancer center project is the relocation of Spinning Wheel Road, as it remedies a difficult, hazardous situation. Currently, on the GM property, there are four un-signalized driveways. They will be able to use the new northbound left turn lane making it substantially easier and safer to make a left turn onto westbound Odgen Avenue.

Discussion followed regarding the 'trigger' for IDOT's insistence on the widening of Oak Street and a left turn lane and IDOT's comments regarding Hinsdale Club. Mr. George said letters from IDOT indicated that without these improvements permits would not be issued. These Oak Street improvements would have been required irrespective of the closing Spinning Wheel because of utility right-of-way. Mr. Williams said IDOT wanted Spinning Wheel closed. The hospital had hoped that their offer to close Spinning Wheel would give them leverage not to do as much roadway improvement as is being required.

Village Engineer Dan Deeter commented that utility work does not create the need for this kind of wholesale change. By closing Spinning Wheel, the traffic patterns are changed and IDOT would want a traffic study and would want full changes to the intersection. Mr. Williams believes the Village and IDOT wanted Spinning Wheel closed for safety reasons. Mr. Deeter stated he does not believe IDOT would incrementally want to improve this intersection.

Mr. Williams said this is a version of the recapture agreement for the purposes of vetting, but the hospital is open to input on how to improve the agreement. Discussion followed regarding whether or not the hospital was blindsided by this request; Mr. Eriksson said they expected between \$200,000-\$300,000, but they were surprised to have the Oak Street component included. Mr. George stated that further discussions with IDOT are closed on this matter.

Mr. Ralph Mueller, 1202 Hawthorne Lane, addressed the Board stating he is a 32-year Graue Mill resident and a board member of the Hinsdale Hospital Foundation. He addressed the issue of fairness, which he believes is the heart of the issue. The cancer center caused the change, but there are empty lots in the area. Should they get a free ride on the back of the hospital? He believes new people coming in should bear their fair share.

Mr. Peter Coules, attorney for Salt Creek LLC, pointed out his client's building is already up and they have already been in for permits. In his opinion, no one north of Ogden Avenue would have to go to IDOT for any development. He agrees with Mr. Deeter that if the Spinning Wheel and Salt Creek Roads had not been redirected, IDOT would not be involved. He also commented that 8 Salt Creek is named in the recapture agreement only because it is an undeveloped parcel.

Mr. Richard Cicerone, 733 S. Bodin Street, a Member of the Hospital Foundation stated that the hospital and the cancer center are an asset and a benefit to the community. He wants to use foundation dollars for the facilities not for traffic improvements. He also agrees that the benefit of the roadway improvements extends beyond the narrow recapture area proposed. Acting Chair/Trustee Elder commented that it doesn't seem right to put this expense on private business owners, either.

In closing, Mr. George thanked the Board for their consideration and the opportunity for this discussion and stated that he believes the mechanism for fairness in this matter is the recapture agreement.

Trustee Hughes commented that he is sympathetic to the hospital, and acknowledged they are a great community partner. He doesn't think it is absurd to consider the request; the recapture mechanism is reasonable and thoughtful. However, there is benefit and there is choice in this matter. He questions the assertion that there is broad general benefit to the community. The hospital chose to proceed with this development, and costs are unfortunately higher than anticipated. Is there an economic windfall to other properties in the area? He does not conclude this is unfair to the hospital; this is a hard business decision. Unfair to neighboring property developers to impose additional costs, not necessarily, there may be some economic benefit to them. There is no current benefit, but a future benefit. Would a future project really have triggered the IDOT demands? Not clear there is net increase in value to the neighboring properties. The Village would have to administer this program and some could challenge the Village authority in this matter. He does not think the Village of Hinsdale should be in the position of making up for a situation created by IDOT.

Trustee LaPlaca said her main issue is quantifying which properties should be named as part of the recapture agreement. The quantification is arbitrary; why are just undeveloped properties included and, further, these three specified are private businesses. The benefit now is to the hospital; the triggering event was Salt Creek closing and that was a business choice of the hospital. She is also concerned about the legal vulnerability of the Village if we participate in the agreement. She also reiterated the distinction between recapture agreements for a sewer hook-up and this project. She has trouble supporting this proposal.

Trustee Saigh agrees with the previous remarks and has always felt the Village was being put in the middle of this problem. He referenced a letter from the Filippini Law Firm, representing Foxford, wherein they state a non-home rule community cannot have a recapture agreement. There is doubt as to whether we can enter into this agreement as a non-home rule community. He acknowledged that \$640,000 is a major cost to the hospital, but there is benefit to the

hospital to complete their project. For him, the fairness aspect is a stretch. He is also concerned about precedent; might the Village receive multiple requests for recapture from other persons who believe there might be some general benefit.

Village Attorney Michael Marrs addressed the legal authority in this matter and stated, in their opinion, this would be allowable. Traffic improvements are specifically cited in the recapture statute. There is nothing to prohibit the hospital trying to convince the Board to participate. He stated they received a copy of the objecting legal opinion, but they saw nothing that would change their opinion, and feels the other firm takes a very narrow interpretation of the statute.

Trustee Angelo remarked that the site of the cancer center used to be a heliport, and there may have been people adjacent to the heliport that didn't like it. When the hospital made the request to move the heliport, one of the reasons was the amount of time it took to move a victim from the old heliport to the hospital because of the traffic control problems on Oak Street. They knew the traffic problems existed many years ago. He said good points were made by everyone and he has no problem with the concept of recapture, but does not feel it applies here; things are coming back to equilibrium.

Trustee Stifflear commented that the perpetrator is IDOT, and the Board should not lay this problem at the feet of others. Acting Chair/Trustee Elder concurred.

Trustee Saigh moved **to refer the proposed recapture agreement to the Village Board for approval**. Trustee Stifflear seconded the motion. Voice vote taken, the Board voted unanimously to not approve, motion denied. The proposed agreement will not be forwarded to the Board.

3. **ADJOURNMENT**

There being no further business before the Committee, Trustee Hughes **moved to adjourn the Committee of the Whole meeting of the Hinsdale Village Board of Trustees on May 11, 2015**. Trustee Saigh seconded the motion. Voice vote, all in favor, motion carried.

Meeting adjourned at 8:32 p.m.

ATTEST: _____
Christine M. Bruton, Village Clerk