

MINUTES
July 7, 2020
Committee of the Whole
City of Batavia

Please **NOTE:** These minutes are not a word-for-word transcription of the statements made at the meeting, nor intended to be a comprehensive review of all discussions. They are intended to make an official record of the actions taken by the Committee/City Council, and to include some description of discussion points as understood by the minute-taker. They may not reference some of the individual attendee's comments, nor the complete comments if referenced.

Chair Wolff called the meeting to order at 7:00pm.

1. Roll Call

Members Present: Chair Wolff; Ald. Miller, Russotto, Beck, Knopp, Chanzit, Baerren, O'Brien, Meitzler (on phone), Malay (on phone), Uher, Cerone and McFadden (on phone)

Members Absent: Alderman Callahan

Also Present: Mayor Schielke; Gary Holm, Director of Public Works; Peggy Colby, Director of Finance; Anthony Isom, Assistant to the City Administrator (on phone); and Jennifer Austin-Smith, Recording Secretary

2. Reminder: Please speak into the microphone for BATV recording

3. Items to be Removed/Added/Changed

There were no items to be removed, added or changed.

4. Matters From the Public (For Items NOT on the Agenda)

There were no matters from the public for items not on the agenda.

5. Presentation: Presentation of 2019 Comprehensive Annual Financial Report (CAFR), 2019 Single Audit and 2019 Board Comments presented by Brian LeFevre, Partner, Sikich, LLC. (PLC) GS

Brian LeFevre, Sikich, LLC., presented on the 2019 Comprehensive Annual Financial Report to the Committee of the Whole (COW). He discussed the government auditing standards, compliance, and how Batavia has won the Certificate of Achievement for Excellence in Financial Reporting for the twelfth year in a row.

6. Resolution 20-087-R: Awarding Gateway Improvement Program Grant Funds to Frank Giampoli Law Offices, Tenant 428 S. Batavia Ave (SB 7/7/20) CD

Frank Giampoli, applicant, joined the COW meeting via phone. Cerone summarized the memo. This is for a new sign and landscape and the program, if approved tonight, would allow the applicant to recoup up to half of the cost, which would be \$2,815. This money comes from a Community Development Grant that the State provided back in 2006. Isom discussed the Gateway Improvement Grant for the sign and landscaping improvement. According to the applicant, installing a new sign and upgrading landscaping would enhance his business visibility

and brand awareness. Staff recommends that the COW approve the resolution in the amount of \$2,815 or 50% of total project cost, whichever is less.

Frank Giampoli, applicant, shared that he has been at that location for twenty-four years. The existing sign is an original sign. To keep up with the surrounding area, he would like to upgrade his sign and landscaping.

Motion: To recommend approval of Resolution 20-087-R: Awarding Gateway Improvement Program Grant Funds to Frank Giampoli Law Offices, Tenant 428 S. Batavia Ave

Maker: Cerone

Second: Uher

Roll Call Vote: **Aye:** Cerone, McFadden, Miller, Russotto, Beck, Knopp, Chanzit, Baerren, Wolff, O'Brien, Meitzler, Malay, Uher

Nay: None

13-0 Vote, 1 Absent, Motion carried.

7. Ordinance 20-43: Limiting the Number of Video Gaming Sites in the City of Batavia

Alderman Beck exited the meeting at 7:24pm.

Uher overviewed the memo. Chair Wolff stated that he believes it is the market that decides whether or not the business wants to use this to supplement their income. He has yet to have a business owner notify him that they have lost business due to putting video gaming on site. Gambling is a personal responsibility and to put our businesses at a competitive disadvantage because they cannot get video gaming is the wrong thing to do.

The Committee discussed the trend towards video cafés, video gaming as a tool to support struggling businesses, liquor license requirements in conjunction with video gaming requirements, and the possibility of setting a cap or a sunset clause. Meitzler stated that since this program began, the COW has not been comfortable with saying no to new video gaming sites and so it grew one by one. We need to have a cap to serve as a level of control and a deterrent. This would give us a level of control over this situation and he will be supporting this ordinance. Miller stated that he was not part of the Council at the inception of gambling in Batavia. If he were he would have said no as well. The Committee discussed the possibility of grandfathering existing video gaming sites.

Motion: To recommend approval of Ordinance 20-43: Limiting the Number of Video Gaming Sites in the City of Batavia

Maker: O'Brien

Second: Uher

Roll Call Vote: **Aye:** Miller, Knopp, Meitzler, Malay, Uher, Cerone

Nay: Russotto, Chanzit, Baerren, Wolff, O'Brien, McFadden

6-6 Vote, 2 Absent, Motion failed.

Mayor Schielke voted nay to break the tie vote. Chair Wolff questioned whether the Mayor votes at a Committee meeting. Newman stated that the Mayor's vote would be put into the record but the ordinance will go the council as a failed motion.

Chanzit asked if anyone would entertain a motion to grandfather since it is different. Chair Wolff noted that the motion would have to be directing staff to come up with an ordinance since that is not on the agenda. Newman stated that this would mean the Committee is voting on the elimination of video gaming in Batavia with grandfathering the existing businesses that have it. Malay noted that the failed motion could be amended at City Council. Chanzit agreed. There was no motion was made by the COW on this matter.

8. Approval: Waive Annual Liquor Tax Renewal Fees for 2020 (LN)(GS)

Newman stated in light of the struggles that the majority of our liquor license holders have faced with the restrictions imposed to mitigate the spread of the Corona virus we are recommending that we waive the annual liquor license fee. The liquor license for bars and restaurants is \$1,500 to \$1,800 respectfully. While this is a small amount of revenue to the City of Batavia, this is a significant expense for those types of businesses. Newman commented that she realizes that this is \$75,000 in revenue that we have had in the past and our revenue forecast is still very precarious. Newman added that this has the support of both our Director of Finance and the Police Department who administers the license renewals. Chair Wolff asked if the revenue loss would be applicable under the CARES Act. Newman stated that economic assistance to small business is one of the categories of expenses that municipalities may use the CARES Act funding for. Newman would make sure that this is characterized as economic assistance rather than plugging some hole in our revenue side. Letters would be sent out to current liquor license holders saying that they could apply for a grant to cover the cost. Some larger businesses may not even take the time to do the application for the waiver because it represents a very insignificant cost in their overall business.

The Committee discussed waiving the annual liquor tax renewal fees. Knopp stated that there are too many ifs to make a decision that has this kind of impact. It's something the Mayor said last night, you don't spend this two million dollars until we have the money. We don't have the money yet, it has not been decided yet. Why are we now making plans to spend money that we don't have. Knopp read from a memo, 'at a time when the City expects its revenues will be impacted in a significant way by the effects of the pandemic mitigation measures will have on our municipal revenue, it is advisable we eliminate this source of revenue.' We just got done talking about the potential to lose \$80,000 in gaming tax revenue and five minutes later we are okay with giving up \$75,000 in liquor license taxes. We don't want to do one but we want to do another. He does not support this. Newman stated that there are economic development measures. She continued that in this case we are trying to offer assistance to small businesses in both of those cases. In the case of video gaming, it allows them this potential revenue stream to assist their business and in this case it is an avoidance of an expense. Both cases do affect our revenue. Knopp stated that on another night we would all be sitting here discussing how we can raise revenue without raising taxes. Chair Wolff responded that if we don't help this businesses out this year they may not be here next year making money. Knopp asked about the businesses that do not have liquor licenses but need assistance. Newman answered that the City has COVID-19 small business grants. We are looking at ways to support a variety of businesses and

especially businesses that are on the fringe that where giving them grants of 1500 is really going to make a difference to them so that they stay in business for themselves, their employees and other revenue streams that their businesses produce. Chanzit stated that this is a drop in the bucket but a step in the right direction to assist a business owner with their bottom line to keep the place open.

Motion: To recommend approval of waiving annual liquor tax renewal fees for 2020 by applying for a grant from the City

Maker: Wolff

Second: O'Brien

Roll Call Vote: **Aye:** Miller, Russotto, Chanzit, Baerren, Wolff, O'Brien, Meitzler, Malay, Uher, McFadden

Nay: Knopp, Cerone

12-0 Vote, 2 Absent, Motion carried.

*Alderman Beck returned to the meeting at 8:34pm

9. Project Status

Newman reported on the following:

- Alderman O'Brien brought up at last night's meeting that the public dining area on North River Street does not have much visibility. That had previously been brought up on a call with the Batavia Reconnected. A conversation was held with Sherry Wilcox of Batavia MainStreet and Griffin Price is working with Anthony Isom and Bill Kellum from our Streets Department. A couple of ideas to attract more attention to the area are:
 - Put up a banner above the type 3 barricades that would be strung in between the wooden supports of the River Street structure that would announce this is a public dining area.
 - A-frame signage at the sidewalk level.
 - There was no objection from the COW on these ideas to attract more attention to the public dining area.

10. Other

Mayor Schielke stated that he received a memo from Metro West in which there was a meeting with the Kane County Committees on Terrace Park Act funding and the chairman has asked for the current population for each town. Kane County has been a target to monitor the census and it looks like the City could receive over two million dollars.

Miller stated that he would like to have a working meeting where we sit down and figure out what we want to see development-wise in our downtown. He would like for us at some point to have a working meeting where we discuss what we want to see in all of these parcels. Miller stated our town needs to match, not a mismatch of buildings. He would like to discuss what we would want Batavia to look like in thirty years.

11. Adjournment

There being no other business to discuss, Chair Wolff asked for a motion to adjourn the meeting at 8:51pm; Made by O'Brien; Seconded by Uher. Motion carried.

Minutes respectfully submitted by Jennifer Austin-Smith, Recording Secretary, on July 30, 2020.