

**VILLAGE OF LIBERTYVILLE  
BOARD OF TRUSTEES**

**COMMITTEE OF THE WHOLE**

Tuesday, May 17, 2016  
6:30 P.M.  
Libertyville Village Hall  
118 W. Cook

**AGENDA**

1. Call to Order
2. Approve Minutes of March 29, 2016 (General Fund Balance, Alternate Revenue Sources)
3. Approve Minutes of March 29, 2016 (Executive Session)
4. Places of Eating for Eating Tax Discussion
5. Proposed Development of the Trimm Property
6. Off-Street Parking in the C-1 Zoning District
7. Other Items

VILLAGE OF LIBERTYVILLE  
BOARD OF TRUSTEES  
Committee of the Whole  
March 29, 2016

President Weppler called to order a Committee of the Whole at 6:30 p.m. in the Village Hall, 118 West Cook. Those present were: President Terry Weppler, Trustees Donna Johnson, Richard Moras, Todd Gaines, Jay Justice, Scott Adams, and Peter Garrity. All Village departments were represented.

**MINUTES**

Trustee Johnson moved to approve the minutes of the February 16, 2016 Committee of the Whole/Executive Session. Trustee Garrity seconded, and the motion carried on a unanimous voice vote.

Administrator Bowens opened discussion with comments regarding a "Place for Eating Tax" to be used for funding escalating costs for the current and future parking garage maintenance, streetscape maintenance, and future streetscape improvements. A possible Storm Water Utility Fee to be used as a method of financing storm water related Capital Improvements and ongoing maintenance was also discussed. Administrator Bowens then explained that Staff would like to evaluate interest in conducting a future referendum for additional road bonds or for a tax increase to fund annual Road Rehabilitation Programs.

**GENERAL FUND BALANCE DISCUSSION**

Director of Finance Pat Wesolowski opened discussion of the allocation of the fund balance above the amount required in the Fund Balance Policy. A surplus of \$5,515,130 could be transferred to various accounts, and it was suggested that \$1.5 million be kept in reserve due to the financial issues in the State of Illinois. Suggested transfers included: Capital Projects Fund, Public Improvement Fund, Pension Funds, Sports Complex Bonds, or the General Fund. Staff recommended the following allocations:  
\$1.5 million – retain in the General Fund to use for possible reductions in State Revenues  
\$1.5 million – transfer to Capital Improvement Fund  
\$1.0 million – retain in the General fund for early redemption of a portion of Sports Complex Bonds in 2018  
\$1.5 million – Contribute to Pension Funds; \$600,000 for Police, \$600,000 for Fire, and \$300,000 to IMRF

The Board discussed the possible allocations. Trustee Moras was not in favor of raising taxes when there is a surplus in the General Fund.

**DISCUSSION OF ALTERNATE REVENUE SOURCES**

Administrator Bowens introduced a discussion of new or additional revenue sources. He noted that specific concerns are expenditures related to employee pensions and the annual required subsidy for the Libertyville Sports Complex.

Short-Term Financial Strategies:

1. Utilization of General Fund Reserves – should be limited based on delayed reimbursements from the State or losses of State revenue

2. Reinstatement of Utility Taxes: could be reinstated quickly and would provide a potential funding source. The original Natural Gas Utility Tax of 5% (generating approximately \$550,000) was eliminated. The Electric Utility Tax of 5% (generating approximately \$1,500,000) was reduced to 4%.
3. Places for Eating Tax – would impose up to 1% for food that is sold for immediate consumption and could generate approximately \$700,000 per year.
4. Amusement Tax – would impose 5% on any amusement such as theatrical performances, motion picture shows, videogames, carnival, bowling, and billiards and pool games.

#### Long-Term Financial Strategies:

1. Non-Home Rule Sales Tax: must be approved by referendum and ordinance and would be imposed on the sale of general merchandise and could generate approximately \$400,000 for a .25% increment and \$1,600,000 for a full 1% tax
2. Home Rule Designation: approved by referendum and would provide the Village with greater flexibility for additional sources or revenue
3. Storm Water Utility Fee: established to fund storm water related capital improvements and expenses
4. Property Tax Increase: increase the property tax rate over the tax cap through a referendum

Trustee Garrity favored lower utility tax and added food tax, and Trustee Moras favored putting the funds in the General Fund rather than specifying a project. He questioned the benefit of the amusement tax, opposed the utility tax, and agreed with the idea of the Places for Eating tax. He also suggested a Town Hall dialogue regarding Home Rule. There was further discussion on street improvements and the possibility of a referendum for roads and storm water management. Trustee Moras stated that a tax increase would help the Village keep up with future maintenance and improvements as well as sustaining the Village infrastructure. This would require work to educate residents regarding real needs and requirements. Administrator Bowens noted that Home Rule would impact the Village's ability for maintenance and improvements.

#### **OTHER ITEMS**

The Board discussed the recent issue regarding lead in some municipal water supplies, knowing that the Village does have some lead piping. They discussed test kits, JAWA's prevention measures, and including information in the *Village Views*.

Administrator Bowens explained that SWALCO is considering ending its electronics disposal program. Trustee Garrity noted that Grayslake is funding the program annually, and if each member would provide \$2,500, the five pick-up sites would remain open for 2016. It was agreed to offer up to \$5,000 at the upcoming SWALCO meeting.

#### **EXECUTIVE SESSION**

With the need to meet to discuss Potential Litigation and Property Acquisition, Trustee Adams moved to go into Executive Session at 8:08 p.m. Trustee Johnson seconded, and the motion carried on a unanimous voice vote.

**ADJOURNEMENT**

With no further business to come before the Committee of the Whole, the Mayor asked for a motion to adjourn. Trustee Justice moved to adjourn, Trustee Garrity seconded, and the motion carried on a unanimous voice vote at 8:49 p.m.

Respectfully submitted,

Sally A. Kowal

Village Clerk

Memorandum

TO: Mayor and Village Board

FROM: Kevin J. Bowens, Village Administrator 

DATE: May 12, 2016

SUBJECT: May 17, 2016 Committee of the Whole Meeting

The Mayor and Village Board have scheduled a Committee of the Whole meeting for 6:30 p.m. on Tuesday, May 17, 2016 to discuss the following items:

**1. Places for Eating Tax**

Over the past several years the Finance Committee and Village Board have worked diligently to operate with a balanced budget, through a combination of expenditure reductions and savings (reduction in personnel, consolidation of certain Village services such as 911 dispatch, joint purchasing with other communities, privatization of certain services, and increased utilization of technology). The Village Board and Staff have also discussed the need for additional revenue sources, however as a “Non-Home Rule” community, Libertyville has few options for additional revenue sources. Those options have been discussed at length due to the upcoming expiration of the Libertyville TIF District, the impact of the existing property tax and allocation of property tax revenues toward Police and Fire pensions, and the worsening financial crisis with the State of Illinois - which we anticipate will negatively affect the Village of Libertyville through a property tax freeze and potential reduction in the Village share of local state income tax proceeds.

After reviewing various options, the “Places for Eating Tax” has been identified as a potential revenue source which the Village can enact, and which would allow the Village to remain proactive with the business community while having a minimal impact on Libertyville taxpayers. The Village Board has scheduled a Committee of the Whole meeting and invited affected businesses to participate in a discussion about the Places for Eating Tax. In addition, the Staff held an informal meeting with affected businesses on Monday, May 9, 2016 to discuss the Places for Eating Tax. At that meeting, the Staff discussed the need for the tax, how it works, and how the revenues might be used. Attached is a copy of the packet of information which was distributed to all local businesses who we believe would be included in the Places for Eating Tax. Approximately 12 businesses attended the meeting (attendance sign-up sheet attached), and provided input that ranged from a general understanding of the need for the tax, opposition to the tax, desire to have the option to file the tax electronically, suggestion of establishing a Committee of affected businesses to assist in how to utilize the revenues, commitment that a certain percentage of the revenues would be use to promote the business/restaurant community, too much emphasis on downtown expenditures and should not include businesses outside the downtown, re-establish parking meters in the downtown, place a cap on the 1% tax rate (which is the current State

maximum) and provide a sunset clause to review the need for the tax in the future, reinstitute gas and electric utility taxes, and as an alternative establish a Business District Tax limited to the downtown. The Staff indicated that they would provide a summary of these ideas to the Mayor and Village Board, and those business owners in attendance were encouraged to attend the May 17, 2016 meeting to discuss the proposed tax further.

## **2. Proposed Development of the Trimm Property**

Mayor Weppler and the Village Staff recently met with Rick Swanson of Swanson Development LLC, who is the contract purchaser of the 7.03 acre Trimm property located directly adjacent to and west of the downtown commuter train station property. Mr. Swanson discussed his ideas for the development of the property, to be known as the Station Square Development, and has submitted the attached letter and conceptual site plan based upon those discussions. Mr. Swanson will be in attendance at the May 17, 2016 meeting to discuss the development of the property and obtain Village Board input prior to submitting a development application for formal review by the Plan Commission and Village Board. Members of the Plan Commission, Economic Development Commission, and Appearance Review Commission have all been invited to attend the meeting.

## **3. Exception from Off-Street Parking for Existing Buildings in the C-1 Downtown District**

Mayor Weppler has requested that the Village Board discuss the section of the Libertyville zoning code entitled "Exception from off -Street Parking Requirements for Existing Buildings and uses in the C-1 Downtown Core Commercial District". The current code does not require that parking be provided for changes in the use, or the intensity of use in the C-1 District. This rule has effectively allowed tenant spaces to go from office to retail to restaurant without providing additional parking. This is based on the supposition that the majority of buildings in the downtown were constructed prior to the adoption of a zoning code in 1925, and parking was not provided at the time of construction. The Staff notes that this exception has been an effective economic development tool for the downtown that encourages retaining existing buildings. The topic of discussion is whether to continue with this policy or require that increase in intensity of use provide for additional parking or pay in lieu of providing the required parking spaces. A copy of the section of the zoning code is attached.

Cc: Administrative Staff  
Village Attorney  
Economic Development Coordinator



April 28, 2016

Dear Business Owner/Manager :

The Village Board had planned to discuss a “Places for Eating Tax” at their April 12, 2016 regular meeting, however the Village Board decided to schedule a special Committee of the Whole meeting to discuss the Places for Eating Tax in greater detail. **That Committee of the Whole meeting has now been scheduled for 6:30 p.m. on Tuesday, May 17, 2016 at the Libertyville Village Hall, 118 West Cook Street.** The Committee of the Whole meeting will give you and other businesses an opportunity to discuss the Places for Eating Tax, and provide the opportunity to give the Village your suggestions on how to best utilize the revenues generated by the tax in order to assist your business. **In addition, Village Staff has scheduled an informal informational meeting for 10:00 a.m. on Monday, May 9th which you are also invited to attend, at the same location.**

#### Background

Each year the Mayor, Village Board and Village Staff review all expenditures within the Village budget to assure taxpayers that the Village is providing services and programs in the most cost-effective and efficient manner. The Village continues to operate with a balanced budget, and expenditure savings have been realized over the last several years through a reduction in personnel (20 employees), consolidation of certain Village services (e.g., 911 dispatch with Village of Vernon Hills), joint purchasing with other communities, privatization of certain services, and increased utilization of technology.

These reviews have also included discussions of additional revenue sources (which are limited for a non-home rule community such as Libertyville) due to the upcoming expiration of the Libertyville TIF District (which was used for the streetscape and parking improvements downtown, and cannot be used for maintenance expenses), the impact of the property tax cap, and the worsening financial crisis with the State of Illinois and potential collateral damage to local municipalities. After reviewing various options, the “Places for Eating Tax” has been identified as a potential revenue source which the Village can enact, which would allow the Village to remain pro-active with the business community while having a minimal impact on Libertyville taxpayers.

#### How it Works

The tax rate would be 1% as a pass through and applied to purchases of food and/or beverages for immediate consumption, and passed through to customers. The tax would apply to any establishment that provides a seating area and would include businesses offering catering services. Your business would be required to file a separate Village tax return with the 1% collection paid directly to the Village on a monthly or quarterly basis, coinciding with your filings to the State of Illinois Department of Revenue (the current 7% collection will continue to be remitted directly to the State of Illinois). The 1% Place for

Eating Tax would be in addition to the general merchandise sales tax rate of 7% currently applied to purchases in the community, for an effective rate of 8% on dining. The current 7% rate is comprised of: 5% State of Illinois, 0.75% Regional Transportation Authority, 0.25% County of Lake, and 1% Village of Libertyville. The 1% Places for Eating Tax Rate would be competitive to that currently applied to dining purchases in surrounding communities, which have rates that range from 7.25% to 11% (see attached chart). It appears that enacting such a tax in surrounding communities did not negatively impact eating and drinking revenues in most cases.

#### How It Will Be Used

It is anticipated that the revenues generated by the Places for Eating Tax will be utilized for expenditures directly and indirectly related to enhancing economic development and the promotion of dining establishments within the Village of Libertyville, and in general terms will include current and planned streetscape improvements, promotion expenses, current and planned streetscape improvements in the downtown, along Peterson Road, and Milwaukee Avenue, ongoing maintenance of Village owned parking garages and parking lots, contributions to membership in the Visit Lake County Tourism organization, and other capital/infrastructure improvements in order to remain proactive in attracting customers to the Village of Libertyville. In addition, the revenues generated from the Places for Eating Tax will allow the Village to reallocate existing revenues for other necessary Village operations and capital improvements.

Attached are copies of a draft Ordinance which would implement the Places for Eating Tax, Registration Form, Places for Eating Tax Return, Places for Eating Tax Frequently Asked Questions, and a spreadsheet on proposed uses. Please feel free to contact either myself, Finance Director Patrice Sutton, or Economic Development Coordinator Heather Rowe if you have any questions or would like any additional information prior to the above referenced meetings.

Sincerely,

Kevin J. Bowens  
Village Administrator

Cc: Mayor and Village Board  
Administrative Staff  
Economic Development Coordinator  
Economic Development Commission

VILLAGE OF LIBERTYVILLE

ORDINANCE 16-O-

**DRAFT**

AN ORDINANCE AMENDING CHAPTER 13  
OF THE LIBERTYVILLE MUNICIPAL CODE  
PERTAINING TO THE IMPOSITION OF A PLACES FOR EATING TAX

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Adopted by the  
President and Board of Trustees  
Of  
The Village of Libertyville  
Lake County, Illinois  
This \_\_\_\_\_ day of \_\_\_\_\_, 2016

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Published in pamphlet form by  
direction and authority of the  
Village of Libertyville  
Lake County, Illinois  
This \_\_\_\_\_ day of \_\_\_\_\_, 2016

**ORDINANCE NO. 16-O-**

**AN ORDINANCE AMENDING CHAPTER 13 OF THE LIBERTYVILLE VILLAGE CODE  
PERTAINING TO THE IMPOSITION OF A PLACES FOR EATING TAX**

**WHEREAS**, Section 5/11-42-5 of the Illinois Municipal Code, 65 ILCS 5/11-42-5, authorizes the corporate authorities of a municipality to license, tax, and regulate all places for eating within the municipality; and

**WHEREAS**, the corporate authorities of the Village of Libertyville find that it is in the Village's best interests to levy a one percent (1%) tax on the gross receipts of places for eating located within the Village of Libertyville; and

**NOW THEREFORE BE IT ORDAINED**, by the President and Board of Trustees of the Village of Libertyville, Lake County, Illinois as follows:

**SECTION 1:** That Chapter 13 of the Village of Libertyville Municipal Code be and the same is hereby amended with the addition of the following language as Sections 13-17, which shall read in its entirety as follows:

**TAX ON THE GROSS RECEIPTS OF PLACES FOR EATING**

1331	Definitions.
13-32	Tax imposed.
13-33	Books and records; inspection; contents.
13-34	Transmittal of tax revenue by owner; delinquency.
13-35	Transmittal of excess tax collections.
13-36	Registration.
13-37	Collection.
13-38	Suspension of licenses.
13-39	Penalties.
13-40	Severability

**13-31 DEFINITIONS.**

For the purposes of this chapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning:

- (a) **Prepared food** means and includes any solid, liquid (including both alcoholic and non-alcoholic liquid), powder or item used or intended to be used for human internal consumption, whether simple, compound or mixed, and which has been prepared for immediate consumption.
  
- (b) **Person** or **persons** means any natural individual, firm, partnership, association, joint stock company, joint venture, public or private corporation, limited liability

company, club, fraternal organization, or a receiver, executor, trustee, conservator or their representative appointed by order of any court.

(c) **Sold at retail** means to sell for use or consumption in exchange for a consideration, whether in the form of money, credits, barter or any other nature, and not for resale, with said transaction being subject to either the Illinois Retailers' Occupation Tax (ILCS Ch. 35, Act 120 §§ 1 et seq.) or the Illinois Service Occupation Tax (ILCS Ch. 35, Act 115 §§ 1 et seq.)

(d) **Places for eating** or **place for eating**

(1) "Places for eating" or "place for eating" means all premises located within the corporate limits of the Village where prepared food is sold at retail' for immediate consumption, with seating provided for consumption of said prepared food on the premises, whether consumed on premises or not, and whether or not such places for eating use is conducted along with any other users) in a common premise or business establishment.

(2) "Places for eating" or "place for eating" includes, but is not limited to, those establishments commonly called a restaurant, eating place, drive-in restaurant, buffet, bakery, banquet facility, cafeteria, cafe, lunch counter, fast food outlet, catering service, coffee shop, diner, sandwich shop, soda fountain, bar, cocktail lounge, soft drink parlor, ice cream parlor, tea room, delicatessen, hotel, motel, or club, or any other establishment which sells at retail prepared food for immediate consumption.

(e) **Gross receipts** means the consideration received, valued in money, whether received in money or otherwise, including cash, credits, property and services, at a place for eating for prepared food furnished at the place for eating. Gross receipts do not include amounts paid for federal, state and local taxes, including the tax levied by this chapter, and do not include amounts paid as gratuities for the employees of the place for eating.

(f) **Owner** means any person having an ownership interest in or conducting the operation of a place for eating.

### **13-32 TAX IMPOSED.**

(a) There is hereby levied and imposed upon owners of places for eating a tax at the rate of one percent (1%) of gross receipts received for prepared food sold at retail by the owner on or after \_\_\_\_\_, 2016.

(b) The owner of a place for eating may collect an amount from persons who purchase prepared food at the place for eating which shall reimburse the owner

for the tax imposed on the owner by this chapter.

- (c) The tax levied by this chapter shall be paid in addition to any and all other taxes and charges.
- (d) In the event the prepared food is sold at retail on credit, an owner shall not be liable for payment of the tax imposed by this chapter on such a sale until he, she, they, or it receives payment for the sale.

### **13-33 BOOKS AND RECORDS; INSPECTION; CONTENTS.**

The Finance Director, the Village Treasurer or any person designated by either of them as their deputy or representative, may enter the premises of any place for eating for inspection, examination, copying and auditing of books and records including, but not limited to, Illinois Retailers' Occupation Tax and Illinois Service Occupation Tax returns filed with the Illinois Department of Revenue, in order to effectuate the proper administration of this chapter, and to assure the enforcement of the collection of the tax imposed by this chapter. To the extent reasonably possible, said entry shall be done in a manner that is least disruptive to the business of the place for eating. It shall be unlawful for any person to prevent, hinder, or interfere with the Finance Director, the Village Treasurer or their deputies or representatives in the discharge of their duties in the performance of this subsection. It shall be the duty of every owner to keep accurate and complete books and records to which the Finance Director, the Village Treasurer or their deputies or representatives shall at all times have full access, which records shall include a daily sheet showing the amount of gross receipts during that day. In the event of a significant discrepancy, the Village may, in its discretion, hire an independent party to conduct an audit of said books and records. The costs of such audit shall be borne by the owner.

### **13-34 TRANSMITTAL OF TAX REVENUE BY OWNER; DELINQUENCY.**

- (a) The owner or owners of each place for eating shall file tax returns showing the gross receipts received during each calendar month period upon forms prescribed by the Finance Director. Returns for each calendar month shall be due on or before the twentieth day of the next calendar month, (e.g., the return for January shall be due on or before the twentieth day of February; the return for February shall be due on or before the twentieth day of March; etc.). Notwithstanding the foregoing, in the event that the owner of the place for eating is allowed to file Illinois Retailers' Occupation Tax and Illinois Service Occupation Tax returns with the Illinois Department of Revenue at intervals which are greater than monthly, said owner shall be allowed to file tax returns relative to the tax imposed by this chapter with the Village at said greater intervals. At the time of the filing of said tax returns, the owner shall pay to the Village all taxes due for the period to which the tax return applies.
- (b) Any tax due pursuant to this chapter which is not paid when due, shall accrue interest at the rate of one percent (1%) monthly. In the event of collection proceedings initiated by the Village, the owner shall be responsible for paying the costs incurred by the Village, including but not limited to reasonable attorney fees and court costs.

In addition, the owner shall be subject to suspension of licenses and penalties as set forth in Sections 13.17.7 through 13.17.9 below.

### **13-35 TRANSMITTAL OF EXCESS TAX COLLECTIONS.**

If any person collects an amount upon a sale not subject to the tax imposed hereby, but which amount is purported to be the collection of said tax, or if a person collects an amount upon a sale greater than the amount of the tax so imposed herein and does not for any reason return the same to the purchaser who paid the same before filing the return for the period in which such occurred, said person shall account for and pay over those amounts to the Village along with the tax properly collected.

### **13-36 REGISTRATION.**

Every owner maintaining-a place for eating in the Village shall register with the Finance Department by \_\_\_\_\_, 2016 or the date of becoming such an owner, whichever is later.

### **13-37.17.7 COLLECTION.**

Whenever any person shall fail to pay the tax imposed by this chapter, the Village Attorney or Village Prosecutor shall, upon request of the Village Administrator, bring or cause to be brought an action to enforce the payment of said tax on behalf of the Village in any court of competent jurisdiction.

### **13-38 SUSPENSION OF LICENSES.**

If the Village President, after a hearing held by him or his designee, shall find that any owner has willfully avoided the payment of any tax imposed by this chapter, he may suspend or revoke all Village licenses held by such owner. The owner shall have an opportunity to be heard at such hearing to be held not less than ten (10) days after being mailed notice of the time when and the place where the hearing is to be held, addressed to the owner at its last known place of business. Any suspension or revocation of any licensers) shall not release or discharge the owner from his or her civil liability for the payment of the tax nor from prosecution for such offense.

### **13-39 PENALTIES.**

(a) Any person found guilty of violating, disobeying, omitting, neglecting, or refusing to comply with or unlawfully resisting or opposing the enforcement of any of the provisions of this chapter, except when otherwise specifically provided, upon conviction thereof shall be punished by a fine of not less than two hundred dollars (\$200.00) nor more than seven hundred fifty dollars (\$750.00) for the second and each subsequent offense in any 180 day period.

- (b) Each day upon which a person shall continue any violation of this chapter, or permit any such violation exist after notification thereof, shall constitute a separate and distinct offense.
- (c) Any owner subjected to the penalties provided for by this subsection shall not be discharged or released from the payment of any tax due.

**13- 40 SEVERABILITY.** Should any term, provision, clause, or section of this Ordinance be held invalid, void, or defective by a court of competent jurisdiction each holding or finding shall not effect any remaining term, provision, clause, or section of this Ordinance.

**SECTION 2.** This ordinance shall be in full force and effect following its passage, approval and publication in the manner provided by law..

**SECTION 4.** The Village Clerk be and is hereby directed to publish this Ordinance in Pamphlet form.

PASSED this \_\_\_\_\_ day of \_\_\_\_\_, 2016

AYES:

NAYS:

ABSENT:

APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 2016

\_\_\_\_\_  
Terry L. Wepler, President

ATTEST:

\_\_\_\_\_  
Sally A. Kowal, Village Clerk

**VILLAGE OF LIBERTYVILLE  
PLACES FOR EATING TAX  
118 W. COOK AVE.  
LIBERTYVILLE, IL 60048  
(847) 362-2430**

**DRAFT**

**REGISTRATION - PLACES FOR EATING TAX**

Business Name:	Business Location Address:	Business Phone Number:
Mailing Address (if different from business location):	City, State and Zip:	
Owner's Name:	Owner's Home Phone Number:	
Owner's Home Address:	City State and Zip:	
Owner's Email Address:		
Emergency Contact:	Emergency Contact Phone Number:	
IL Sales Tax #:	Date Business Commenced:	
Federal Tax ID #:	Check One:                      Partnership                      Corporation Sole Owner	
If a Corporation or Partnership, give legal name if other than business name:		
Corporation or Partnership Address:		
Corporation or Partnership Email Address:		

**Please review the Summary and the Places for Eating Tax Ordinance that are attached before answering the following questions:**

1. Is your business responsible for payment of the Places for Eating Tax? Yes \_\_\_\_\_ No \_\_\_\_\_

If **Question 1** is answered "No", please complete Question 2, sign the registration and return to the address above.

If **Question 1** is answered "Yes", skip Question 2, complete remainder of registration, sign and return registration to the address above. Please see "Payments Due" section on summary page for payment instructions.

2. Please list reason(s) why you believe your business is not liable for collection and payment of the Places for Eating Tax:

\_\_\_\_\_

\_\_\_\_\_

Current frequency of filing Illinois Sales Tax Return: Monthly \_\_\_\_\_ Quarterly \_\_\_\_\_ Annually \_\_\_\_\_

Under penalties as provided by law, I declare that to the best of my knowledge and belief, the information on this form is true, correct and complete.

\_\_\_\_\_  
Signature    Printed Name & Title    Date

DRAFT

VILLAGE OF LIBERTYVILLE  
PLACES FOR EATING TAX  
118 W. Cook Ave  
Libertyville, IL 60048  
(847) 362-2430

PLACES FOR EATING TAX RETURN

Business Name:	ABC Company
Doing Business As:	Sample Restaurant
Reporting Period:	Mar-16
FEIN:	12-3456789

Taxes must be paid by the 20th day of the month following the reporting period (normally every month, unless you are filing Sales Tax Returns with the State of Illinois on a quarterly or annual basis).

1. Gross Sales (Should agree with IL ST-1, Line 3)	<u>\$120,000.00</u>
2. Deductions of Sales Not Subject to Tax (T-shirts, etc.)	<u>\$5,000.00</u>
3. Taxable Receipts (Line 1 minus Line 2)	<u>\$115,000.00</u>
4. Amount of Tax (Multiply Line 3 by 1% (.01))	<u>\$1,150.00</u>
5. Late Fee -if paid after the 20th (Line 4 x 1%)	<u>\$0.00</u>
6. Total Payment Due (Line 4 plus Line 5)	<u>\$1,150.00</u>

Please make checks payable to the "Village of Libertyville" and mail your return and tax payment to Village of Libertyville, at the address listed above.

Under penalties as provided by law, I declare that to the best of my knowledge and belief, the information on this return is true, correct, and complete.

John Doe  
Signature

15-May-16  
Date

John Doe  
Printed Name & Title

847-123-4567  
Phone Number

Notice: If paying by check, please be aware that you are authorizing the Village of Libertyville to use the information on your check to make a one-time electronic debit to your checking account. This electronic debit will be for the amount indicated on your check.



## Places for Eating Tax Frequently Asked Questions

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### *Who is subject to the new Places for Eating Tax?*

"Places for eating" are defined as places where prepared food is sold at retail for immediate consumption with seating provided on the premises (including any outdoor seating on the premises), whether the food is consumed on the premises or not. Refer to the Village of Libertyville Ordinance for exact definitions.

### *What is subject to the new Places for Eating Tax?*

Sale of "prepared food", which is defined as food or liquid, including alcoholic beverages, that are prepared for immediate consumption at "places for eating."

### *How much is the tax?*

The amount of the tax would be one-percent (1%) on the gross receipts received for prepared food sold at retail. A dinner costing \$25.00 would incur an additional \$0.25 tax.

### *When would the new tax become effective?*

The new tax would become effective approximately three months after adoption by the Village Board.

### *How is the tax paid?*

In most cases, the business passes the tax on to the customer and is shown on the check as a separate tax line. The owner is responsible for remitting the tax to the Village on a monthly basis (or the same basis as filed with the State, if less frequent).

### *Where would I send the return?*

Payments would be sent to: Village of Libertyville, Places for Eating Tax, 118 W. Cook Ave., Libertyville, IL 60048.

### *When is the return due?*

Payments would need to be postmarked by the 20<sup>th</sup> day of the month following the reporting period. The reporting period is the same as the entity's reporting period with the State of Illinois, but no more frequently than on a monthly basis. For example, if the entity files a monthly sales tax return with the State of Illinois, the entity would file a return with the Village of Libertyville by the 20<sup>th</sup> day of the next month. If the entity files a quarterly sales tax return with the State of Illinois, the entity would file a return with the Village of Libertyville by the 20<sup>th</sup> day of the month following the end of the quarter. If the entity files an annual sales tax return with the State of Illinois, the entity would file a return with the Village of Libertyville by the 20<sup>th</sup> day of the month following the end of the year.

### *What paperwork would I have to complete?*

You would need to complete the registration form and Places for Eating tax return. Copies of these forms will be available on the Village of Libertyville website.

*Who is exempt from the tax?*

Entities that are exempt from the sales tax provisions of the state statute (e.g. local school districts) are exempt from the Place for Eating Tax.

*What happens if a business pays the tax late?*

If, for any reason, the tax is not paid when due, interest in the amount of one percent (1.0%) per month on the outstanding balance will be assessed until the tax is paid in full. The Ordinance also provides for additional penalties for refusal to comply.

*Do non-profit groups pay the tax if they are in a Libertyville Place of Eating?*

If an entity is exempt from Illinois sales tax, they do not have to pay the Places for Eating tax.

*When a caterer has a dinner at a not-for-profit facility, is the Places for Eating Tax charged on the meal?*

Yes. The caterer is responsible for charging the tax regardless of where they hold their particular event. However, if the event is sponsored by and is an event of the not-for-profit agency, and the not-for-profit agency is sales tax exempt, then the "Places for Eating" tax does not apply.

*Is gratuity to be included in the cost of the meal?*

No. The tax is paid on gross receipts. Gross receipts do not include amounts paid as gratuities for the employees of the place of eating.

*How would this impact Village places for eating?*

With a 1% Places for Eating tax, Libertyville would still remain competitive with surrounding municipalities, many of which have either instituted a home-rule sales tax and/or a food and beverage tax, resulting in a tax rate that is higher than Libertyville. The following chart summarizes the tax rate on prepared food & beverages:

Community	Sales Tax Rate	Food & Beverage/ Places for Eating Tax Rate	Total Tax on Prepared Food/Beverage
Vernon Hills	7.25%		7.25%
Gurnee	8.00%	1.00%	9.00%
Lake Forest	7.50%		7.50%
Lake Bluff	8.00%	1.00%	9.00%
Mundelein	8.00%		8.00%
Wheeling	8.00%	1.00%	9.00%
Libertyville (proposed)	7.00%	1.00%	8.00%

*What revenue is expected?*

Based on the 2014 calendar year sales tax information provided by the State of Illinois Department of Revenue, a 1% Places for Eating tax would provide approximately \$700,000 in revenue to the Village. As this tax is passed on to the consumer, the tax will not directly impact homeowners or merchants in the Village unless they choose to purchase/consume food and beverage in Libertyville. The revenue will be used for promotion and other activities designed to attract customers to the Village, streetscape improvements, ongoing maintenance of Village owned parking garages and parking lots, and capital/infrastructure improvements.

*If I have questions who should I contact?*

Please call Patrice Sutton, Finance Director, or Ariel Tax, Assistant Finance Director at 847-362-2430.

**POSSIBLE USES OF PLACES FOR EATING TAX REVENUES**

	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
Mainstreet Libertyville annual contribution	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Lake County Convention & Visitor's Bureau annual contribution	\$ 11,500	\$ 11,500	\$ 11,500	\$ 11,500	\$ 11,500
Communications Specialist (25%)	\$ 4,820	\$ 4,964	\$ 5,113	\$ 5,266	\$ 5,424
Special Events (Fireworks)	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Economic Development Coordinator (25%)	\$ 26,905	\$ 27,712	\$ 28,544	\$ 29,400	\$ 30,282
Promotions & Activities	\$ 4,995	\$ 5,070	\$ 5,146	\$ 5,223	\$ 5,302
Downtown Streetscape/Beautification	\$ 50,995	\$ 51,760	\$ 52,536	\$ 53,324	\$ 54,124
Tourism Promotions	\$ 25,070	\$ 25,446	\$ 25,828	\$ 26,215	\$ 26,608
Special Events	\$ 15,900	\$ 15,900	\$ 15,900	\$ 15,900	\$ 15,900
West Parking Structure:					
Concrete Repairs	\$ -	\$ -	\$ -	\$ -	\$ 13,000
Waterproofing	\$ 60,000	\$ -	\$ -	\$ 23,000	\$ 30,000
Stair/Elevator Tower Repair	\$ 3,100	\$ -	\$ 10,000	\$ -	\$ -
Mechanical/Electrical/Plumbing	\$ 1,550	\$ 7,000	\$ -	\$ -	\$ 5,000
Architectural/Miscellaneous	\$ 8,700	\$ 25,000	\$ 5,000	\$ 5,000	\$ 5,000
Church Street Parking Structure:					
Ongoing Maintenance (estimated)	\$ -	\$ 33,000	\$ 33,000	\$ 33,000	\$ 33,000
Central Business District Parking Landscaping/Snow Removal	\$ 17,800	\$ 18,067	\$ 18,338	\$ 18,613	\$ 18,892
Peterson Road Landscaping/Streetscape	\$ 9,635	\$ 25,000	\$ 50,000	\$ 50,000	\$ 50,000
Streetlight Painting & Replacement	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000
Park Improvements (Cook and Rotary Parks)	\$ 10,000	\$ 12,800	\$ 13,184	\$ 13,580	\$ 13,987
South Milwaukee Ave/Rt 176 Construction/Maintenance/Streetscape	\$ -	\$ 100,000	\$ 50,000	\$ 50,000	\$ 50,000
Police Enforcement/Bike Patrols/Liquor Enforcement, etc.	\$ 90,000	\$ 92,700	\$ 95,481	\$ 98,345	\$ 101,296
<b>TOTAL</b>	<b>\$ 430,970</b>	<b>\$ 545,919</b>	<b>\$ 509,570</b>	<b>\$ 528,367</b>	<b>\$ 559,315</b>

**DRAFT**

**COMPARISON OF VILLAGE TAXES & CHARGES**

	Home Rule Tax	Places for Eating/Food & Beverage Tax	Total Tax on Places for Eating	Property Tax on \$400,000 home (1)	Telecommunications Tax (2)	Electric Utility Tax (3)	Gas Utility Tax (4)	Average Annual Water & Sewer Bill	Total
Grayslake	0%	0%	7%	\$ 2,980.00	\$ 57.00	\$ 67.68	\$ 35.28	\$ 702.54	\$ 3,842.50
Deerfield (residential)	1%	0%	8%	\$ 2,833.00	\$ 68.40	\$ 73.20	-	\$ 679.28	\$ 3,653.88
Mundelein	1%	0%	8%	\$ 2,841.00	\$ 68.40	-	-	\$ 562.68	\$ 3,472.08
Lake Bluff	1%	1%	9%	\$ 1,747.00	\$ 68.40	\$ 66.36	\$ 60.00	\$ 489.24	\$ 2,431.00
Vernon Hills	0.25%	0%	7.25%	\$ 1,423.00	\$ 68.40	\$ 69.00	\$ 60.00	\$ 638.28	\$ 2,258.68
Lake Forest	0.50%	0%	7.50%	\$ 1,698.00	\$ 68.40	\$ 64.44	\$ 60.00	\$ 348.84	\$ 2,239.68
Highland Park (residential)	1%	1%	9%	\$ 1,737.00	\$ 68.40	\$ 65.52	\$ 60.00	\$ 262.23	\$ 2,193.15
Libertyville *	0%	1%	8%	\$ 931.00	\$ 68.40	\$ 48.00	-	\$ 652.09	\$ 1,699.49
Gurnee	1%	1%	9%	\$ 708.00	\$ 68.40	-	-	\$ 587.88	\$ 1,364.28

(1) Includes Village, Fire District and Park/Recreation Taxes

(2) Amount of tax paid/year -Monthly Bill Average \$95.00

(3) Amount of tax paid/year -Monthly Bill Average \$100.00

(4) Amount of tax paid/year -Monthly Bill Average \$100.00

(5) Highland Park also has an \$8 per month Stormwater Utility Fee that is not included in this total

\* Includes PROPOSED Places for Eating Tax

## Draft Financial Sustainability Strategy

The Mayor and Village Board and Village Staff have continued to review Village finances, with the goals of maintaining a balance budget, maintaining an appropriate level of services, maintaining a necessary and aggressive level of ongoing capital improvements, while monitoring of the State of Illinois worsening financial crisis and potential collateral damage to local municipalities. Specifically, the Governor and General Assembly have discussed: 1) a reduction of 50% in the Local Government Distribution Fund (LGDF) which is the 8% of State Income Tax revenue collected by the State and shared with cities and counties, and which would potentially have a negative impact of \$ 990,000 to the Village; and 2) and the Governor's proposal for a "temporary" 2 year property tax freeze, which would apply to all taxing districts in Illinois and which would have an impact of \$200,000 to \$400,000 to the Village. Furthermore, without a current budget the State presently lacks the appropriation authority to distribute certain revenues to municipalities such as the Motor Fuel Tax (MFT), Income Tax, 911 funding, video gaming/casino revenues, and use tax revenues. The Village is currently due \$500,000 from the State for these payments. It is anticipated that once a 2016 State budget is approved, or legislation is enacted to authorize distribution of these revenues, local governments will then receive the backlog revenue owed to them.

In response to the potential negative impact that the State of Illinois financial crisis might have on Libertyville finances, along with identifying additional and/or dedicated funding sources for Village services and capital improvements, the Staff has summarized recent discussions with the Finance Committee and Mayor and Village Board and prepared a draft Financial Sustainability Strategy with both short-term and long-term actions for consideration:

### Expenditure Control/Reductions

First and foremost are ongoing efforts by the Mayor, Village Board and Village Staff to review all expenditures within the Village Budget to assure taxpayers that the Village is providing services and programs in the most cost-effective and efficient manner. The Village continues to operate with a balanced budget, and expenditure savings have been realized over the last several years through a reduction in personnel, consolidation of certain Village services, joint purchasing with other communities, privatization of certain services, and increased utilization of technology. The Mayor and Village Board and Village Staff will continue to analyze expenditures prior to consideration of any new or additional revenue sources. However, it is anticipated that any further revenue reductions will impact personnel and the Village's ability to continue to provide the current level of services enjoyed by Libertyville residents. Furthermore, of specific concern are expenditures related to employee pensions and the annual required subsidy for the Libertyville Sports Complex (LSC).

### Short-Term Financial Strategies

1. Utilization of General Fund Reserves: the Finance Committee and Mayor and Village Board established a revised Fund Balance Policy during the 2012-13 fiscal year, and the current 2015-16 Village Budget projects a year end General Fund balance of approximately \$14.5 million (55% of expenditures). While these reserves can be utilized on a short-term basis to cover delayed reimbursements from the State or short-term loss(es) of State revenue, such use should be limited.
2. Reinstitute Utility Taxes: for many years the Village has utilized a "Telecommunications Tax" of 6% to generate revenue (\$1,320,000) for Village technology purchases, capital improvements and economic development. During the recent recession the Village also instituted a Natural Gas Utility Tax of 5% (which generated approximately \$550,000) and an Electric Utility Tax of approximately 5% (which

generated approximately \$1,500,000). The Gas and Electric Utility Taxes were enacted on a temporary basis, and as the economy and Village revenues improved, the Village Board eliminated the Gas Utility Tax and reduced the Electric Utility Tax to 4 %. Reinstating these utility taxes can be enacted quickly and would provide the Village with a potential funding source to offset reductions in State revenues.

3. Places for Eating Tax: this is a tax that can be imposed up to 1% of prepared food that is sold for immediate consumption. The tax is imposed on the owners of a business which qualifies and is typically passed on to the customer, and the Village is responsible for collecting the tax from the business owner. Staff estimates that revenue from this tax at the 1% level would be approximately \$700,000 per year.
4. Amusement Tax: a 5% tax can be imposed upon any amusement such as theatrical performances, motion picture show, videogame, carnival, bowling, billiards and pool games.

### **Long-term Financial Strategies**

1. Non-Home Rule Sales Tax: this tax must be approved by referendum and an ordinance imposing the text must be sent to the state by April 1 (for a July 1 effective date) or October 1 (for a January 1 effective date). The tax will be imposed on the sale of general merchandise, and groceries, drugs and automobile sales are exempt. The taxes are collected by the State, and Staff estimates that each .25% increment would generate approximately \$400,000 per year, or \$1,600,000 per year for the full 1% tax. Several surrounding communities currently utilize this (or the home-rule) sales tax.
2. Home Rule Designation: the Village may hold a referendum in order to obtain home rule authority, which generally would provide the Village with greater flexibility for additional sources of revenue including: exemption from the tax cap, Home Rule Sales Tax, Prepared Food, Beverage and Package Liquor Tax ( up to 1.5%), Real Estate Transfer Tax, greater flexibility to utilize the Hotel/Motel Tax, increased bonding limits, and establishment of a Downtown Tax (up to 1 square mile) on gross receipts of food and beverages to use for public parking facilities. The Finance Committee and Staff have been researching home rule authority, and it was recently defeated in the communities of Barrington and Lake Zurich. The Mayor and Village Board have indicated their preference for holding such a referendum during non-Village Board election years, if such a referendum is attempted.
3. Storm Water Utility Fee: the Village can also establish a Storm Water Utility Fee to fund storm water related capital improvements and expenses, which continue to increase on an annual basis. Communities typically base the fee on the lot size or impervious area of a property, and the Village can collect the fee in conjunction with the bimonthly water and sewer billing process. This fee is becoming more common in older municipalities, and would generate revenue that would help reduce current general fund expenditures.
4. Property Tax Increase: the Village can increase the property tax rate through a referendum process, over the property tax cap limit. For each \$0.01 increase in the property tax rate, revenue in the amount of \$104,120 would be generated (each \$0.01 increase would amount to a 1.5% increase in a property owners total property tax paid) based on the 2014 EAV.

## Annual Maintenance Costs for Downtown Parking Structure and Downtown & Peterson Road Streetscapes

### Downtown Parking Structure-North Garage

Landscape Maintenance-Civic Center	\$ 1,280
Landscape Maintenance-Garage	\$ 1,285
Landscapemaintenance-Parking Lot	\$ 2,185
Snow Removal <sup>(2)</sup>	\$ 9,000
Materials & Supplies	\$ 2,000
Garage Maintenance	\$ 13,350
Janitorial Services (not budgeted)	\$ 10,320
Waterproofing - Capital over next 6 years averages \$50,000/year	\$ 60,000
<b>Total</b>	<u><u>\$ 99,420</u></u>

### Downtown Streetscape

Annual Landscape Maintenance	\$ 4,225
Snow removal <sup>(1)</sup> , sidewalk cleaning, fence painting, rose garden	\$ 46,770
	<u><u>\$ 50,995</u></u>

### Peterson Road Streetscape

Peterson Road Corridor Costs	\$ 25,000
Mowing	\$ 4,375
Phase II Landscaping	\$ 225
Phase III Landscaping	\$ 4,600
Plant Replacement	\$ 2,000
	<u><u>\$ 36,200</u></u>

**Total Annual Costs** \$ 186,615

<sup>(1)</sup> Downtown cleanup costs 16-17/ \$6545, 15-16/ \$31,323

<sup>(2)</sup> Snow Removal parking lots/garage 16-17/ \$3134, 15-16/ \$2860

Downtown Street Light Painting \$48,667

## Memorandum

**To:** Chairman Moras and Members of the Finance Committee

**Date:** April 6, 2015

**From:** Patricia A. Wesolowski, Director of Finance

**Subject:** Places for Eating Tax

During the recent budget discussions, the Village Board and Staff discussed the need for a new revenue source to be used to provide funding for maintenance of downtown streetscape and parking areas and to also provide funding for general infrastructure maintenance for all areas of the Village. In the 2015-16 budget, costs to maintain the parking garage along with the downtown and Petersen Road streetscape amount to approximately, \$175,000. With the addition of a second parking garage, the costs could increase to almost \$300,000 per year.

One option to pay these expenses would be to take the increase in sales tax from the restaurant category and dedicate this amount for these expenses. In reviewing the past 4 year history of sales tax from restaurants, there has been a \$152,000 increase in sales tax in this category. This revenue is already accounted for in the General Fund and with the allocation to these expenses, less revenue would be available for other General Fund operations.

Another option would be to hold a referendum to become a home-rule municipality. Home-rule municipalities have the option to increase sales tax on all merchandise sold within the municipality. Home rule tax would not apply to grocery type food or vehicles. The option of becoming Home-Rule was recently established as a Village Board goal, and Staff is in the process of gathering information about Home-Rule.

Another option would be instituting a Places for Eating Tax. The Places for Eating Tax is a new revenue source the Village is able to institute as a non home-rule municipality. This tax has been enacted by municipalities throughout the Chicagoland area to generate revenue for community programs, services and infrastructure improvements. Most of the municipalities that have enacted the tax, recognize the revenue in the General Operating Fund of the municipality. The tax rate ranges between 1% to 1.5%.

### *LEGAL AUTHORITY TO ENACT TAX*

The Places for Eating Tax is allowed under Chapter 65 ILCS 5/11-42-5 which states: The corporate authorities of each municipality may license, tax, regulate, or prohibit hawkers, peddlers, pawnbrokers, itinerant merchants, transient vendors of merchandise, theatricals and other exhibitions, shows, and amusements and may license, tax, and regulate all places for eating or amusement.

### *HOW IS THE TAX PAID*

Technically this is a tax on the owner of an establishment that serves food and/or beverages and have a dining area in which customers are intended to consume their food and/or beverage purchase. In most cases the business passes the tax on to the customer and is shown on the check as a separate tax line. The tax does not apply to vending machines or "qualifying food" which is subject to the lower state sales tax rate. The owner is responsible for remitting the tax to the Village on a monthly basis.

### *IMPACT ON VILLAGE*

Based on the 2014 calendar year sales tax information provided by the State of Illinois, Department of Revenue, a 1% Places for Eating Tax would provide approximately \$670,000 in

revenue to the Village. As this tax is passed on to the consumer, the tax will not directly impact homeowners or merchants in the Village unless they choose to consume/purchase food and beverage in Libertyville.

Currently sales tax on food and beverages sold at restaurants is taxed at the sales tax rate for Libertyville which is 7%. With a 1% Places for Eating tax, Libertyville would still remain competitive with the surrounding municipalities. Many of the surrounding local municipalities have either instituted a home-rule sales tax and/or a food and beverage tax and their tax rate for food purchased at restaurants is higher than Libertyville. The following table summarizes local taxes on prepared food & beverages:

Community	Sales Tax Rate	Eating Establishment Tax	Food and Beverage Tax	Total Tax on Prepared Food/Beverage
Vernon Hills	7.25%			7.25%
Gurnee	8.00%		1%	9.00%
Lake Forest	7.50%			7.50%
Lake Bluff	8.00%		1%	9.00%
Mundelein	8.00%			8.00%
Wheeling	8.00%	1%		9.00%
Libertyville	7.00%			7.00%

Attached is information obtained from other municipalities that have enacted a Places for Eating Tax that explains the tax and answers some commonly asked questions.

# PLACES OF EATING TAX MEETING

MAY 9, 2016

<u>name</u>	<u>BUSINESS</u>	<u>email</u>
Heather Rowe	VOL	hrowe@
JOHN SPODEN	VOL	jspoden@libertyville.com
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Chris Seckus	Colvers	Chris@colvers.biz
Lenny Morgan	Kuipers	Lmorgan340@Comcast.Net
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May 6, 2016

Mayor Terry Wepler &  
Village Trustees  
Village of Libertyville  
118 W. Cook Avenue  
Libertyville, IL 60048

Re: Proposed Station Square Development

Dear Mayor Wepler & Members of the Village Board,

As you may know, we are the current contract purchasers for the 7.03-acre property directly adjacent west of the train station site and commonly known as the Trimm Property. We respectfully request the Village Boards consideration of our proposed Master Concept Plan for this assemblage of properties.

Our team also participated in a visioning session several weeks ago with other members of the community to discuss the north end of the Business District, which included this property. We found that meeting extremely productive and appreciated the opportunity to share thoughts and refine our plan to incorporate some of the more creative solutions raised.

It's no secret that this location has been previously considered by a number of qualified candidates and our team remains hopeful, we are successful in offering a plan that is a fitting improvement to this important part of the community. We are now at a point in our process where we will need to make a decision to continue with this seller or move on. It is therefore necessary to get some level of confidence our proposal will have a reasonable chance of success in gaining approval from the Village as currently proposed. We feel confident all of the objectives have been addressed and will offer a tremendous improvement to the combined parcels. Most notably, we are prepared to remediate the contaminated soils through either acceptable chemical treatment or total removal and replacement.

I am attaching our Preliminary Master Concept Plan for the overall area for your consideration. While we do not have any control of the properties east of Brainerd, we still recognize the importance these properties play in creating a cohesive vision and how they might seamlessly connect to our collective properties regardless of future development. For now, we wish to focus on the properties we do maintain some level of control and come back to our thoughts on the remaining properties at the end of this memo.

In developing our plan, we felt it was important to consider all of the existing elements including adjacent residential properties, public structures, traffic flow and relevant stakeholder objectives. For sake of clarity, I have outlined each separately as follows:

**Train Station-** We are very proud to have been selected to design the renovations to the existing train station structure and feel this provides the opportunity for the overall planning process to be more definitive and congruous. The train station is generally one of the primary structures defining the identity and character of any community. In this circumstance, it also has a profound impact on how our new buildings will relate, given the station structure typically serves as the focal point for the entire proposed master planned area.

Our plan follows the Villages preference of leaving the train station structure in its current location and doing a significant façade renovation to embrace the true character of the community and more efficiently serve the daily commuters using it. In my personal opinion, the building should be unique, iconic and not a repeat of other community depots.

In addition, our plan offers 461-total parking spaces, which represents a 196-space increase from the existing parking count. This will include development of unused Metra property west and adjacent to the existing extended platform in concert with the land we intend to swap for Village owned property along Lake Street to make the commuter options plentiful, convenient and efficient.

**Roundabout-** The central feature to our plan is the proposed roundabout element with clock tower. It is aligned on axis with the Brainerd Lane and the proposed future boulevard from Milwaukee Ave. The tower would compliment the proposed train station architecture with heavy fieldstone & timber details and be tall enough to serve as a defining element in this commuter centric portion of the business district by providing a transition point to and from the respective uses and allowing more efficient traffic flow. It also provides an entrance to the existing train station, proposed residential units and future business district enhancements along Milwaukee Ave.

**Attached Single-Family Residential Units-** One of the comments we heard consistently is the ability to create residential units that respect the existing architectural character of the neighborhood while providing an appropriate transition from the commercial districts to the east. Our vision is to design duplex product that appear in mass and scale as a single-family home, without upstaging the existing homes on Lake Street. Rather than develop townhomes that are clearly a multi-family product, we offer a more suitable conversion that is respectful of the neighborhood character. These units would average approximately 2,200 square feet with rear-loaded garages and traditional design vernacular. All of the units will have views of the detention pond, which also provides significant separation from the existing residential.

**Luxury Apartments-**There is a tremendous demand for high quality rental apartments in exceptional communities like Libertyville. That is particularly true in areas with close proximity to commuter stations with vibrant business districts. This community has always been well regarded and as a result, maintained high real estate values based on its excellent schools and a strong community system. The downtown is now considered one of the premier destinations on the North Shore and it is natural that folks will want to be close to these conveniences. The trend is toward rental apartments with upscale amenities like underground parking, modern design elements and easy access to entertainment options. We propose two, 4-story 56-unit buildings with 46-enclosed parking spaces underground with an additional 50-outdoor spaces. 92-of the proposed units will be market rate with the remaining 18-as affordable per the established

Affordable Housing Act. The designs will embrace the Craftsman vernacular and include brick veneer, shingles and historically correct detailing that is consistent with this casual but elegant style. The buildings have been intentionally sited to provide the least visibility to neighbors while preserving view corridors for the proposed residents of the luxury apartments.

**Remaining Properties to the East-**As previously stated, we have no control over what happens with the remaining properties NW of Lake and Milwaukee Avenues. It's reasonable to take the position that the existing VA Hall and Tudor style retail center have historic significance or at the very least, iconic status. However, all remaining commercial properties could benefit greatly from better planning, traffic flow and more relevant replacement structures. The proposed plan offers the ability to seamlessly connect to our development and create all of the attributes they currently lack with potential benefit to both the property owners and the overall community. Assuming we had control of these sites, we would suggest a monumental 4-story retail/office structure be placed parallel with the proposed boulevard on axis with the proposed clock tower. The boulevard could include a fountain element or small public space to compliment the tower/train station and more artfully define the business district. We envision retail on the first floor with "boutique" office on the remaining floors. There are a number of professionals and entrepreneurs seeking smaller spaces in convenient locations. Most of the current options available are adaptive re-use of residential structures or outdated, inefficient office buildings. This would require a significant increase in parking demand, which could be met with stacked parking sited directly north of the existing parking structure at Brainerd and Lake Streets. This office user will also benefit from easy access to commuter services and multiple dining options within easy walking distance. Retail only works if there is direct exposure to vehicular and pedestrian traffic flow. The less exposure is provided, the more vacant space is created. Our suggested plan offers that exposure and provides an appropriate relationship to both Milwaukee Ave and the proposed re-development of the train station site. Again, we have no control of this at this time but feel our planning offers the ability to incentivize future development without compromising existing use and enjoyment.

We appreciate this opportunity to outline our vision for this important site. I wish to respectfully point out that we are proposing less density than is allowed and provide housing stock that is appropriate for this location. I am extremely proud of the work we have done in the community and confident we will design buildings that significantly enhance the aesthetic character of the site and serve as a fitting first impression for those passing through the Village.

We look forward to your response and the ability to present a more comprehensive presentation of our vision soon after.

Respectfully,

A handwritten signature in black ink, appearing to read "Rick Swanson", followed by a horizontal line extending to the right.

Rick Swanson AIA, NCARB  
Managing Member



ARTICLE 10 - PARKING AND LOADING

LIBERTYVILLE ZONING CODE

additional floor area will be added to the structure in connection with such building permit. Except in connection with the installation of windows, doors, stairwells or similar openings, the partial or complete removal of any exterior wall in connection with construction or demolition shall require that parking for such structure or portion of a structure or replacement structure be provided in accordance with Section 10-1. (Amended, Ord. No. 13-O-45, 08/27/13)

- 2) New Uses. Except as provided otherwise in this Section 10-1.3, the provisions of this Section 10-1 shall apply to, and parking spaces sufficient to satisfy the requirements of this Section 10-1 shall be provided for, all uses and structures first established or constructed after the effective date of this Code.
- 3) Change in Existing Use. Whenever a use existing on the effective date of this Code is changed thereafter to a new use, parking facilities shall be provided as required herein for such new use; provided, however, that when any such existing use was deficient in required parking spaces on such effective date, such new use may be established with a deficiency in required parking spaces equal in number to not more than such pre-existing deficiency.
- 4) Increase in Use Intensity. Whenever the intensity of use of any structure or use is increased through the addition of dwelling units, floor area, seating capacity or other units of measurement specified in this Section 10-1 for required parking spaces, parking spaces as required by this Section 10-1 shall be provided for such increase in intensity of use.
- 5) Exceptions.
  - i) Minor Additions. Notwithstanding the foregoing provisions of this Section 10-1.3, no building or use lawfully existing on the effective date of this Code shall be required to provide any additional parking spaces pursuant to this Section 10-1.3 unless and until the aggregate increase in units of measurement shall equal ten percent (10%) or more of the units of measurement existing upon such effective date, in which event parking spaces as required by this Section 10-1 shall be provided for the total aggregate increase.
  - ii) Exception from Off-Street Parking Requirements for Existing Building and Uses in the C-1 Downtown Core Commercial District. Changes in the use, or intensity of use, of a building or lot existing in the C-1 Downtown Core Commercial District on the effective date of this Code, which do not increase the floor area located on such lot, shall be exempt from the parking requirements of this Section 10-1.

