

Winnetka Village Council
RESCHEDULED REGULAR MEETING
Village Hall
510 Green Bay Road
Thursday, November 3, 2016
7:00 p.m.

Emails regarding any agenda item are welcomed. Please email contactcouncil@winnetka.org, and your email will be relayed to the Council members. Emails for the Tuesday Council meeting must be received by Monday at 4 p.m. Any email may be subject to disclosure under the Freedom of Information Act.

AGENDA

- 1) Call to Order
- 2) Pledge of Allegiance
- 3) Quorum
 - a) November 10, 2016 Rescheduled Study Session
 - b) November 15, 2016 Regular Meeting
 - c) December 6, 2016 Regular Meeting
- 4) Approval of Agenda
- 5) Consent Agenda
 - a) Approval of Village Council Minutes
 - i) October 13, 2016 Rescheduled Study Session.....3
 - ii) October 18, 2016 Regular Meeting.....6
 - b) Approval of Warrant List dated October 14 - 27, 2016.....9
 - c) Ordinance No. M-12-2016: Amending the Winnetka 2020 Comprehensive Plan to include the Downtown Master Plan (Adoption)10
 - d) Ordinance No. MC-4-2016: Amending Liquor Code Regarding Renewal of Liquor Licenses (Adoption).....115
- 6) Stormwater Report: None.
- 7) Ordinances and Resolutions
 - a) Resolution No. R-54-2016: Approving an Agreement with Lauterbach & Amen LLP for Auditing Services (Adoption)121
 - b) Resolution No. R-56-2016: Police Communications Consolidation (Adoption)130
- 8) Public Comment

- 9) Old Business: None.
- 10) New Business
 - a) Electric Fund Rate Study153
 - b) FY 2017 Proposed Budget Review
- 11) Appointments
- 12) Reports
- 13) Closed Session
- 14) Adjournment

NOTICE

All agenda materials are available at villageofwinnetka.org (Government > Council Information > Agenda Packets & Minutes); the Reference Desk at the Winnetka Library; or in the Manager’s Office at Village Hall (2nd floor).

Broadcasts of the Village Council meetings are televised on Channel 10 and AT&T Uverse Channel 99 every night at 7 PM. Webcasts of the meeting may also be viewed on the Internet via a link on the Village’s web site: <http://www.villageofwinnetka.org/government/village-videos/>.

The Village of Winnetka, in compliance with the Americans with Disabilities Act, requests that all persons with disabilities who require certain accommodations to allow them to observe and/or participate in this meeting or have questions about the accessibility of the meeting or facilities, contact the Village ADA Coordinator – Megan Pierce, at 510 Green Bay Road, Winnetka, Illinois 60093, 847-716-3543; T.D.D. 847-501-6041.

MINUTES
WINNETKA VILLAGE COUNCIL RESCHEDULED STUDY SESSION

October 13, 2016

(Approved: xx)

A record of a legally convened meeting of the Council of the Village of Winnetka, which was held in the Village Hall Council Chambers on Tuesday, October 13, 2016, at 7:00 p.m.

- 1) Call to Order. President Greable called the meeting to order at 7:01 p.m. Present: Trustees Andrew Cripe, William Krucks, Penny Lanphier, Scott Myers, Christopher Rintz and Kristin Ziv. Absent: None. Also in attendance: Village Manager Robert Bahan, Assistant Village Manager Megan Pierce, Village Attorney Peter Friedman, Public Works Director Steve Saunders, and approximately 30 persons in the audience.
- 2) Stormwater Early Action Study for Western and Southwestern Winnetka. Mr. Saunders explained that full implementation of Strand Associates' Final Concept Vision will require community and stakeholder negotiations to ensure mutual benefits. He added that much of the Village's ability to bring large-scale flood relief to the Southwestern Winnetka study area hinges on a large stormwater detention project on Cook County Forest Preserve District (CCFPD) property. He said a framework for an agreement between the CCFPD and Winnetka is anticipated within the next few months, paving the way for a public process.

Mr. Saunders reviewed a proposed alternate phasing chart offering a broad overview of an approximate five-year implementation timeline, contingent upon approval from the CCFPD and other Village partners.

Mike Waldron, Strand Associates' Project Manager, presented the results from the Early Action Study, beginning with a review of the watershed conditions. He explained that the central problem for the area lies in finding a place to store excess stormwater until it can be safely and legally released into the Skokie River. He summarized the stormwater management opportunities identified in the Final Concept Vision, which was presented to the Council in June. At that time, the Council requested the Vision be further refined in an effort to identify whether any early action projects could provide interim relief while negotiations with the CCFPD take place.

Mr. Waldron reviewed potential early action projects that could provide limited relief to the "tree streets" north of Willow Road. The proposals include underground storage at Duke Childs Field, increased stormwater conveyance along Hibbard Road and Ash Street, and green infrastructure improvements. He explained that not much relief would be provided by early projects in the area south of Willow Road until a suitable detention project is constructed.

Mr. Waldron and the Council discussed the Skokie Ditch, a piece of Winnetka's storm sewer system that runs through private back yards in the southwest Winnetka area, and which is prone to overflowing during heavy rains. Mr. Waldron suggested starting discussions with property owners who would be affected by a potential Skokie Ditch project about the future of this conveyance.

Mr. Saunders reiterated that without the addition of significant stormwater storage, not much can be done to mitigate flooding in the watershed south of Willow Road. He stressed that

there is no recommendation for any type of early improvement at Crow Island Park, since the ultimate shape of any such project is dependent on the potential agreement with the CCFPD. He added that any potential project at Crow Island would only become reality after a great deal of community discussion.

Mr. Waldron next reviewed the “mitigation zones,” areas that would still be at risk of flooding even with full implementation of the Final Concept Vision. A pilot area has been identified for further evaluation, including gathering field data, verifying flood risk and evaluating individual or group flood remedies.

Mr. Saunders explained that the proposals in the Final Concept Vision hinge upon an agreement with the CCFPD for a mutually beneficial project on Forest Preserve land. He suggested discussions with New Trier Township High School (NTTHS) about storage under Duke Childs field be accelerated as negotiations with the CCFPD continue. He reviewed possible alternative phasing scenarios to keep the Concept Vision moving forward and to pave the way for timely construction of stormwater projects.

The Council discussed Mr. Waldron’s presentation at length. It was pointed out that early action should not involve making plans and spending money on projects that may never come to fruition; however, much necessary community engagement can be accomplished until it is possible to begin engineering and construction activities. There was general consensus to hold off on starting any early projects until the CCFPD negotiations are finished. In the meantime, the Village can start discussions with NTTHS about Duke Childs field detention prospects and also begin a dialog with residents affected by the Skokie Ditch.

President Greable called for public comment.

Bernard Hammer, Tower Road. Mr. Hammer had a question about how rainfall on grassy areas affects calculations of stormwater utility fees.

Jim Gordon, White Oak Lane. Mr. Gordon requested the Village investigate who owns the Skokie Ditch and who has easements along it, and he proposed filling it in. He also urged the Council to take a second look at the Tunnel Project.

Lisa Kaestle, Apple Tree Lane. Ms. Kaestle asked about the permit process for a potential CCFPD detention project. Mr. Saunders explained that most of the permits required would have a very manageable process, and he added that the permitting times have been baked into the project timeline and construction cost estimates.

Chris Crone, 1205 Sunset. Mr. Crone suggested tapping the expertise of Winnetka’s neighboring Village Engineers, and possibly forming a regional stormwater task force, since every municipality in the region is struggling with flooding issues.

Hugh Abrams, 1152 Ash. Mr. Abrams said the Village needs to provide flood relief right away as the conversation has been going on for years, and meanwhile his neighborhood and home still experience flooding.

Leslie Farmer, 388 Berkeley. Ms. Farmer urged the Council to implement the Early Action projects for north of Willow Road.

Trustee Cripe cautioned that the Village might need to construct a much larger detention project at Duke Childs Field if the CCFPD project does not come to fruition, so early implementation of a detention project there is risky.

Tim Foley, 165 DeWindt. Mr. Foley said the problem is not with pumps but with bottlenecks in the system because there is no open space to detain excess stormwater. He cautioned against performing a cost/benefit analysis of the Final Concept Vision, urged the Council to spend money on flood risk reduction in this area, and expressed support for detention at Crow Island.

Jeff Franzen, Euclid Avenue and Save Crow Island Woods. Mr. Franzen said the objective of his group is to have Crow Island Woods removed from the Final Concept Vision, as the park is a popular site and is in the middle of an improvement project.

The Council debated how best to move forward with discussions about Duke Childs field, and Mr. Saunders noted the high school is very concerned about losing access to the field during baseball season. After more discussion, the Council agreed that the Possible Alternate Phasing scenario was the most effective way to proceed, and that planning for a potential Duke Childs field detention project can begin while negotiations with the CCFPD are heading towards a preliminary agreement.

Mr. Saunders was requested to begin immediate discussions with NTTHS about Duke Childs field, and to bring mitigation zone and green infrastructure proposals to the 2017 budget meetings. The Council also directed Attorney Friedman to determine who owns the Skokie Ditch and whether there are associated easements.

- 3) Public Comment. None.
- 4) Closed Session. None.
- 5) Adjournment. Trustee Cripe, seconded by Trustee Myers, moved to adjourn the meeting. By voice vote, the motion carried. The meeting adjourned at 10:15 p.m.

Deputy Clerk

**MINUTES
WINNETKA VILLAGE COUNCIL
REGULAR MEETING
October 18, 2016**

(Approved: xx)

A record of a legally convened regular meeting of the Council of the Village of Winnetka, which was held in the Village Hall Council Chambers on Tuesday, October 18, 2016, at 7:00 p.m.

- 1) Call to Order. President Greable called the meeting to order at 7:00 p.m. Present: Trustees Andrew Cripe, William Krucks, Penfield Lanphier, Scott Myers, Christopher Rintz and Kristin Ziv. Absent: None. Also present: Village Manager Robert Bahan, Assistant Village Manager Megan Pierce, Village Attorney Peter M. Friedman, Community Development Director Mike D’Onofrio, Deputy Police Chief Marc Hornstein, and approximately 5 persons in the audience.
- 2) Pledge of Allegiance. President Greable led the group in the Pledge of Allegiance.
- 3) Quorum.
 - a) October 20, 2016 Budget Meeting. All of the Council members present except Trustee Rintz indicated that they expect to attend.
 - b) October 25, 2016 Budget Meeting. All of the Council members present indicated that they expect to attend.
 - c) October 27, 2016 Budget Meeting. All of the Council members present except Trustee Myers indicated that they expect to attend.
 - d) November 1, 2016 Regular Meeting. All of the Council members present indicated that they expect to attend.
- 4) Approval of the Agenda. Trustee Cripe, seconded by Trustee Myers, moved to approve the Agenda. By voice vote, the motion carried.
- 5) Consent Agenda
 - a) Village Council Minutes.
 - i) October 4, 2016 Regular Meeting.
 - b) Warrant List. Approving the Warrant List dated September 30 – October 1, 2016 in the amount of \$1,176,215.15.
 - c) Resolution No. R-53-2016: Purchase of Police Patrol Vehicle (Adoption). Approving the purchase of a 2016 Ford Utility Police Interceptor and trade-in of a 2009 Dodge Charger Pursuit and a 2008 Dodge Charger Pursuit, for a total purchase price of \$21,031.00.

Trustee Ziv, seconded by Trustee Cripe, moved to approve the foregoing items on the Consent Agenda by omnibus vote. By roll call vote, the motion carried. Ayes: Trustees Cripe, Krucks, Lanphier, Myers, Rintz and Ziv. Nays: None. Absent: None.
- 6) Stormwater Report. None.

7) Ordinances and Resolutions.

- a) Ordinance No. MC-4-2016: Amending Liquor Code Regarding Renewal of Liquor Licenses (Introduction). Deputy Chief Hornstein explained that the proposed amendment to the Liquor Code establishes a late fee for renewal applications that are submitted after the December 1 deadline.

Trustee Lanphier suggested informing the license holders and the Chamber of Commerce about the proposed amendment.

Manager Bahan said notification would be sent in time for comment to be received before the November 1st Regular Council meeting, when the Subject Ordinance is up for adoption.

Trustee Myers, seconded by Trustee Cripe, moved to introduce Ordinance No. MC-4-2016. By voice vote, the motion carried.

- b) Public Hearing: Winnetka Comprehensive Plan Amendment.

- i) Ordinance No. M-12-2016: Downtown Master Plan Adoption (Introduction).

President Greable opened public hearing at 7:10 p.m.

Gwen Trindl, 800 Oak Street and DMP Steering Committee member. Ms. Trindl commented that the Steering Committee was the best committee she had ever worked on, Chair Benson was one of the best chairs she had ever worked with, and she thanked the Council for the experience.

There being no further comment, the public hearing closed at 7:11 p.m.

Mr. D’Onofrio said the process began almost exactly one year ago, and he thanked the Steering Committee and working groups for their dedication and input, and the community for staying engaged and offering valuable comments. He explained the Plan will replace Chapter 5 of the Comprehensive Plan once it is adopted by the Council.

Ms. Pierce previewed the DMP budget priorities, and noted that the proposed implementation schemes will be discussed in-depth at the upcoming Budget meetings. She explained that the Village wishes to continue using Teska Associates for planning consultation and Task Force support. The Task Force would be composed of five members of the Steering Committee and would continue building on the community engagement established by the DMP.

Trustees Myers and Lanphier asked that the Zoning Board of Appeals (ZBA) and Plan Commission (PC) be involved with Task Force objectives, and also requested a breakdown of responsibilities for the Task Force, ZBA and PC.

Ms. Pierce explained that the Task Force will operate under the Council’s direction, and the Council will assign tasks to the PC and ZBA as it sees fit.

Trustee Lanphier, seconded by Trustee Ziv, moved to introduce Ordinance No. M-12-2016. By voice vote, the motion carried.

8) Public Comment.

Scott Halleman, 839 Locust. Mr. Halleman listed problems being caused by two construction projects taking place on his block. He said he has called the Village, and enforcement actions such as Stop Work orders and fines have been used, but the construction infractions continue.

Mr. D’Onofrio said there have been compliance problems with this builder and he is meeting with his staff on Wednesday morning to address the issues. He noted that he has personally visited the site several times, and added that his department will continue the use of fines and Stop Work orders in an effort to modify the behavior of the contractors.

Trustee Cripe asked if the developer could be sanctioned at other of his building sites in Winnetka over the infractions at Locust Street. Attorney Friedman said he would examine the Code to see if such measures exist.

Manager Bahan said he has ensured the Police and Community Development Departments are collaborating on this project and he suggested Mr. D’Onofrio also meet with the developer.

9) Old Business. None.

10) New Business. None.

11) Appointments. None.

12) Reports.

a) Village President. None.

b) Trustees.

i) Trustee Ziv reported on the first Community Conversation held the previous Saturday, where nine people came to talk about a range of topics.

c) Attorney. None.

d) Manager. None.

13) Closed Session. None.

14) Adjournment. Trustee Rintz, seconded by Trustee Ziv, moved to adjourn the meeting. By voice vote, the motion carried. The meeting adjourned at 7:45 p.m.

Deputy Clerk



Agenda Item Executive Summary

Title: Approval of Warrant List

Presenter: Robert M. Bahan, Village Manager

Agenda Date: 11/03/2016

Consent: YES NO

- | | |
|-------------------------------------|-------------------------|
| <input type="checkbox"/> | Ordinance |
| <input type="checkbox"/> | Resolution |
| <input type="checkbox"/> | Bid Authorization/Award |
| <input type="checkbox"/> | Policy Direction |
| <input checked="" type="checkbox"/> | Informational Only |

Item History:

None.

Executive Summary:

The Warrant List dated October 14 - 27, 2016 was emailed to each Village Council member.

Recommendation:

Consider approving the Warrant List dated October 14 - 27, 2016.

Attachments:

None.



Agenda Item Executive Summary

Title: Ordinance No. M-12-2016: Amending the Winnetka 2020 Comprehensive Plan to include the Downtown Master Plan (Adoption)

Presenter: Michael A. D'Onofrio, Director of Community Development & Megan Pierce, Assistant Village Manager

Agenda Date: 11/03/2016

- Ordinance
- Resolution
- Bid Authorization/Award
- Policy Direction
- Informational Only

Consent: YES NO

Item History:

July 7, 2015 Village Council Meeting - Approved Teska Associates as Downtown Master Plan consultant.

September 13, 2016 Village Council Study Session - Reviewed Draft Downtown Master Plan.

October 18, 2016 Village Council Meeting - Introduced Ordinance No. M-12-2016 amending the Winnetka 2020 Comprehensive Plan to include the Downtown Master Plan.

Executive Summary:

Winnetka's Downtown Master Plan (DMP) process officially kicked-off in October, 2015. The Village engaged Teska Associates, including Goodman Williams Group and Sam Schwartz Engineering, to guide the Village toward improving its business districts and ensuring their long-term vitality. In addition to the consultant support, the DMP was truly led by the Winnetka community-including an 11-member Steering Committee, 70-plus members of six Working Groups, and numerous other participants at workshops, meetings, online, etc. At its August 29, 2016 meeting, the Steering Committee reviewed the draft DMP and voted to advance it to the Village Council for consideration and adoption.

At the September 13, 2016 Village Council Study Session, the draft DMP was presented to the Village Council. This presentation highlighted "what we learned" through the extensive engagement and careful evaluation, as well as review of key areas from each Plan chapter. Additionally, there was a review of the DMP Action Plan, an important component in transitioning the Village from planning document to implementation. At the conclusion of the meeting, the Council directed staff to draft an ordinance adopting the DMP.

At the October 18, 2016 Village Council Meeting, two actions were taken. First, a public hearing was held, which was required in that any change to the Winnetka 2020 Comprehensive Plan requires a formal public hearing be held. Second, the Village Council voted to introduce Ordinance No. M-12-2016.

The focus of tonight's meeting will be to adopt Ordinance No. M-12-2016, thereby replacing existing Chapter V, Green Bay Road Corridor & Business Districts Issues and Recommendations, of the Winnetka 2020 Comprehensive Plan, with the Downtown Master Plan.

Recommendation:

Consider adoption of Ordinance No. M-12-2016.

Attachments:

Attachment A: Ordinance No. M-12-2016

Attachment B: Downtown Master Plan

ATTACHMENT A
ORDINANCE NO. M-12-2016

**AN ORDINANCE AMENDING THE COMPREHENSIVE PLAN OF
THE VILLAGE OF WINNETKA TO INCLUDE THE DOWNTOWN MASTER PLAN**

WHEREAS, the Village of Winnetka has the authority pursuant to the provisions contained in 65 ILCS 5/11-12-1 *et seq.*, to adopt an official comprehensive plan, or any amendment or revision thereto, for the present and future development or redevelopment of property within the corporate limits of the Village and for contiguous property not more than one and one-half miles beyond the corporate limits and not included in any other municipality; and

WHEREAS, on November 16, 1999, the Village Council adopted Ordinance M-592-99, adopting its current comprehensive plan, titled “Winnetka 2020 – A Comprehensive Plan for the Village of Winnetka” (“*Comprehensive Plan*”); and

WHEREAS, pursuant to the Village’s home rule authority, the Village created a steering committee (“*Committee*”) to create a “Downtown Mater Plan,” which Committee engaged in numerous workshops and public meetings to assist in the formulation of, and to obtain feedback on, the Downtown Master Plan; and

WHEREAS, the Committee has recommended that the Comprehensive Plan be amended to include the Downtown Master Plan (“*Comprehensive Plan Amendment*”); and

WHEREAS, pursuant to proper notice, the Village Council held a public hearing on the Comprehensive Plan Amendment at its regular meeting on October 18, 2016, prior to the adoption of this Ordinance; and

WHEREAS, the Village Council has found and determined that the Comprehensive Plan Amendment will preserve and foster reasonable development in the downtown of the Village and otherwise will be in the best interests of the Village and its residents;

NOW, THEREFORE, the Council of the Village of Winnetka do ordain as follows:

SECTION 1: RECITALS. The foregoing recitals are hereby incorporated into this section as the findings of the Village Council, as if fully set forth herein.

SECTION 2: APPROVAL OF COMPREHENSIVE PLAN AMENDMENT.

A. Amendment. Pursuant to the Village’s home rule authority, the Comprehensive Plan is hereby amended by (i) deleting from the Comprehensive Plan Chapter V, titled “Green Bay Road Corridor & Business Districts Issues and Recommendations;” and (ii) substituting in its place within the Comprehensive Plan the “Downtown Master Plan” attached hereto as Exhibit A.

B. Conflicts. The Comprehensive Plan Amendment set forth in Subsection 2.A of this Ordinance is intended to modify and amend the Comprehensive Plan. To the extent that the terms and provisions of the Comprehensive Plan Amendment conflict with or are inconsistent

with other provisions of the Comprehensive Plan, the terms and provisions of the Comprehensive Plan Amendment shall control.

SECTION 3: CERTIFICATE OF NOTICE. The Village Clerk is hereby authorized and directed to file a Certificate of Notice of Adoption of the Comprehensive Plan Amendment with the office of the Cook County Recorder.

SECTION 4: EFFECTIVE DATE. This Ordinance will be effective following passage by the Village Council and publication in pamphlet form in the manner required by law;

PASSED this ____ day of _____, 2016, pursuant to the following roll call vote:

AYES: _____

NAYS: _____

ABSENT: _____

APPROVED this ____ day of _____, 2016.

Signed:

Village President

Countersigned:

Village Clerk

Published by authority of the President and Board of Trustees of the Village of Winnetka, Illinois, this ____ day of _____, 2016.

Introduced:

Passed and Approved: _____, 2016

ATTACHMENT B
DOWNTOWN MASTER PLAN

WINNETKA

DOWNTOWN MASTER PLAN

August 25, 2016

To the Winnetka Village Council:

The members of Winnetka's Downtown Master Plan Steering Committee thank you for the opportunity to serve on a project critical to the future health and vibrancy of our village. We appreciate the faith you put in us and your support. We trust that you will embrace the plan we are recommending and that it will serve Winnetka well.

As you know, this was a twelve-month project. During that time, we met monthly, gathered and analyzed information about the Village—its residents and businesses, its demographics, physical plant and transportation needs, its past, its present and its future. We analyzed this information, discussed it and argued about it. Ultimately, we reached consensus. This is the Winnetka way.

We learned about parking sign confusion and pedestrian plazas, considered brew pubs, murals, gateway elements and wayfinding signage. We created, then tweaked, Vision Statements for all three of our downtowns. These visions provided the structure for our discussions and decisions.

In the effort to complete the Master Plan we were not alone. We are pleased to report that a significant number of people participated throughout the process. They contributed in Working Group discussions and presentations, attended community workshops, and shared their thoughts online. The input came from people who live and work here; people who own and rent homes; business owners and developers; community leaders and community staffers; long-time residents and new-comers. We listened to their concerns and their ideas, from finding better outdoor spaces for children, teens and the elderly, to finding ways to keep Winnetka walkable and livable and enhancing the economic health of our business area. The input we received from our neighbors and colleagues helped create the Visions and formulate our recommendations herein.

This is not the end of the process. While our work is done, yours is just beginning. These recommendations cover a lot of ground—literally and figuratively. Our hope is that this plan gives the seven of you, future council members, staff, developers and others the tools to guide, build and invigorate our downtowns for years to come.

Thank you again for your faith in us and in what Winnetka is and will be.

STEERING COMMITTEE MEMBERS

*Bill Krueke
Jim Gordon
Steve Hudson
Z*

E. Gene Grable

Kristina Dalton

Scott Myers

Gregory

John Tanski

Paul J. Jolley

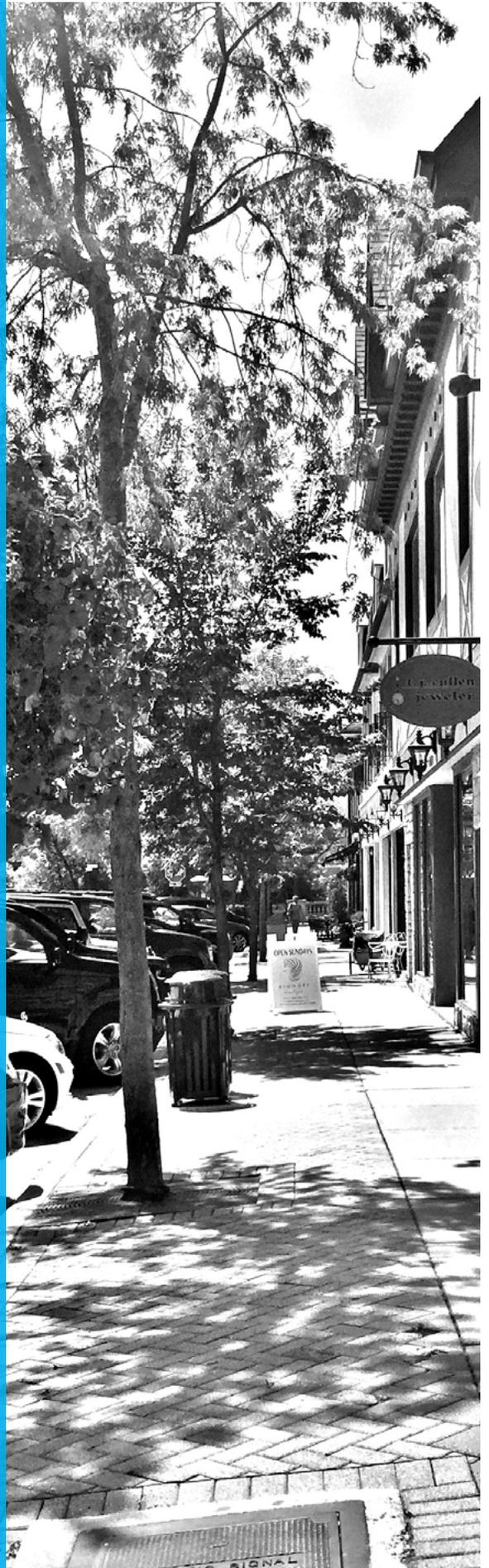
Bob Winters

VILLAGE OF WINNETKA

DOWNTOWN MASTER PLAN

ELM STREET
HUBBARD WOODS
INDIAN HILL

ADOPTION DRAFT | 10/18/16



SPECIAL THANKS

The Winnetka Downtown Master Plan would not have been possible without the steadfast insight, oversight, and support of a select team of truly dedicated folks. For that, we owe special thanks to the following individuals.

** Listed alphabetically by last name*



Steering Committee

Meg Benson, Chair

Tina Dalman

Jim Gordon

Gene Greable

Steve Hudson

Bill Krucks

Ian Larkin

Scott Myers

Jon Talty

Gwen Trindl

Bob Winter

Village Council

Past and Present

E. Gene Greable, President

Andrew Cripe, Trustee

Carol Fessler, Past Trustee

William Krucks, Trustee

Stuart McCrary, Trustee

Scott Myers, Trustee

Marilyn Prodromos, Past Trustee

Chris Rintz, Trustee

Kristin Ziv, Trustee

Village Staff

Robert Bahan, Village Manager

Michael D'Onofrio

Brian Norkus

Megan Pierce

Lori Weaver

Working Groups

Property Owners

Bob Berger

Josh Braun

David Hoffmann

Kearby Kaiser

Leslie Stevens

Glen Weaver

Cliff Zimmerman

Developers / Real Estate

Paul Dunn

Tom Eilers

Bob Horne

Warren James

Steve Livaditis

Design Character

Gary Frank

Tom Kerwin

Paul Konstant

Penny Lanphier

Peggy Stanley

John Swierk

Residents At Large

Richard Pierce

Dan Streif

Todd Helmick

Kristin Ziv

Wes Baumann

Gil Fitzgerald

Mike Nielsen

Working Groups (cont.)

Community Organizations

Matt Bradley

Laurie Cahill

Bethany Crocker

Patti Van Cleave

Terry Dason

Erin Donaldson

Amber Farashahi

Christy Fowler

Linda Furey

Dorsey Gordon

Harry Grace

Mary Hastings

Matt Hulsizer

Beth Kauffman

Trish Kocanda

Greg Kurr

Besty Landes

Dee Macey

Gina Matthews

Tim McCabe

Tracey McDowell

Alison McNally

Greta O'Keef

Laurie Petersen

Paul Salley

Rose Selker

Ann Sharp

Heather Smith

Greg Robitaille

Kim Ronan

Rebecca Wolf

Linda Yonke

Working Groups (cont.)

Business Districts

Louie Alexoukis

Pat Berwanger

Wade Bundy

Dan Fields

Bill Hiscott

Stephanie Hochschild

Vickie Hofstetter

Bill Leske

Patrick O'Neil

Shermin Pelinski

Peg Swartchild

Paul Zurowski

Project Consultants

Teska Associates, Inc.

Michael Blue

Erin Cigliano

The Goodman Williams Group

Linda Goodman

Zach Lowe

Aneesha Marwah

Sam Schwartz Engineering

Kelly Conolly

Mark de la Vergne

CONTENTS

The following chapters include the overall findings and recommendations by topic area of the Winnetka Downtown Master Plan. In addition to the chapters noted below, there is a separate 'Plan Appendix' document which includes the Existing Conditions Report and technical plans for the market, transportation, urban design and land use chapters.



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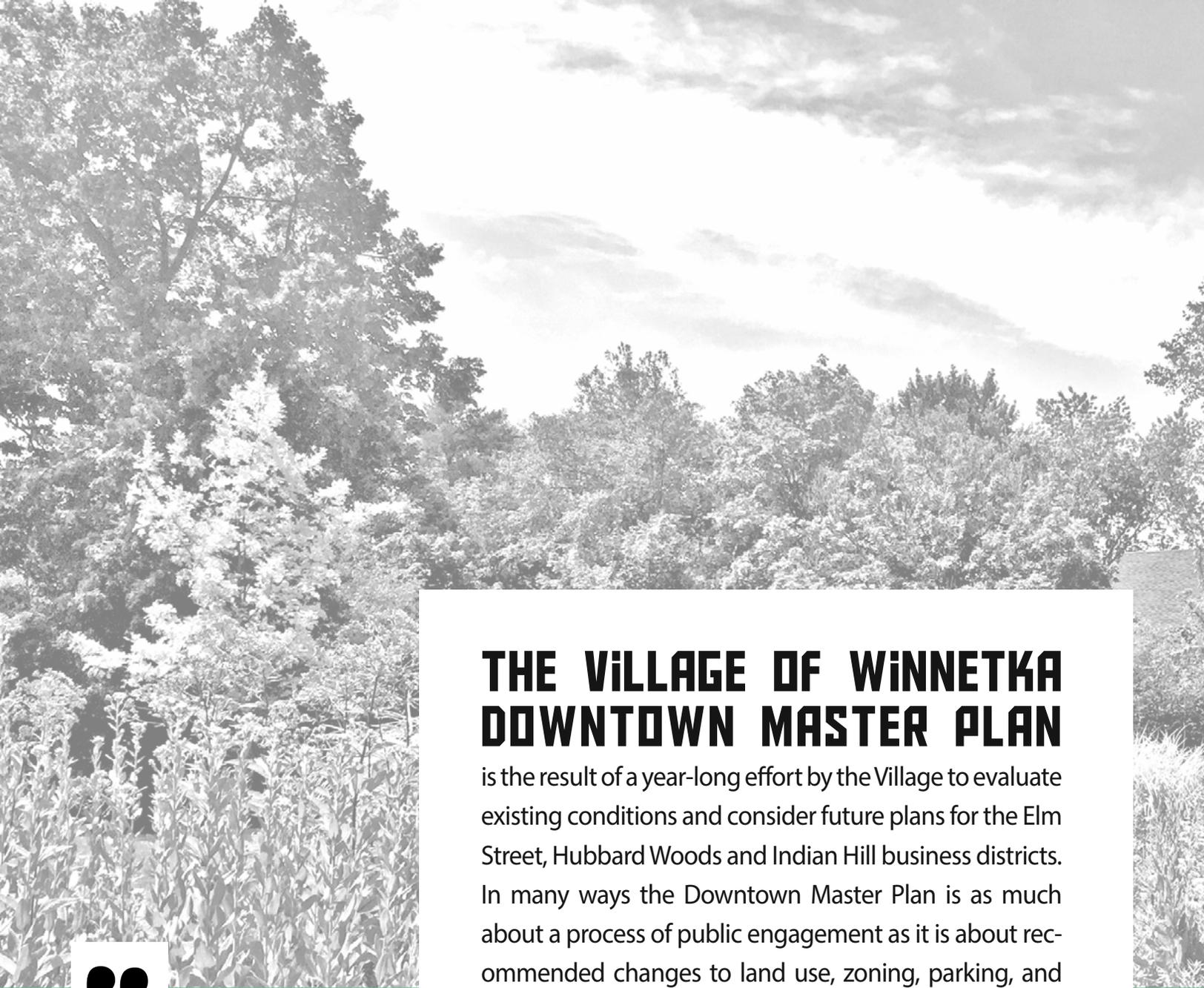
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CHAPTER 4
Transportation



CHAPTER 1

INTRODUCTION



THE VILLAGE OF WINNETKA DOWNTOWN MASTER PLAN

is the result of a year-long effort by the Village to evaluate existing conditions and consider future plans for the Elm Street, Hubbard Woods and Indian Hill business districts. In many ways the Downtown Master Plan is as much about a process of public engagement as it is about recommended changes to land use, zoning, parking, and urban design. A great deal of energy was put toward understanding what residents, property owners, and merchants need and want for their community. How people will live, work, and shop in a community with Winnetka's long history and unique character is not about dramatic and large scale change; the Village is well established both in regard to its land use and sense of community. This Plan is about enhancing how the business districts fit into the established community and reflect the quality of life that Winnetka provides. This mission for the Plan is straightforward, but not simple. In fact, the notion raises any number of questions...



THIS MISSION FOR THE PLAN IS STRAIGHTFORWARD, BUT NOT SIMPLE. IN FACT, THE NOTION RAISES ANY NUMBER OF QUESTIONS...



WHOSE IDEAS ARE IN THE PLAN?

The Plan is built on three pillars. The first is a set of sound technical evaluations related to real estate markets, land use, development regulations, parking, traffic, and design character. The second is in-depth public engagement process that garnered input from hundreds of residents, both in person (at meetings, workshops, and events) and online (via the project website, Village website, and e-newsletters, quick polls, and community chalkboards). Fundamental to those ideas are the carefully crafted Vision Statements for each district. It is important to recognize that the public input process did not occur just at the start of the process to craft the Vision Statements, as is often the case with planning projects. It actively sought out community insights throughout and established a feedback loop to continually refine ideas. Most significant to public engagement was the direction provided to the Plan and its recommendations from the residents and other stakeholders serving on the Steering Committee and Working Groups. Lastly, the third pillar of the Plan is provided by the recommendations for the future. These best practices for planning and development are designed to reflect both the technical realities of the first pillar and the specific community needs of the second. In this way, the Plan is both aspirational regarding the future of Winnetka's business districts and practical, firmly based in the realities of the market place, traffic and parking needs, and land use practices.



WHAT DID WE LEARN?

The findings and key recommendations of the Winnetka Downtown Master Plan are presented via a series of topic-specific reports that are appendices to this Plan: 1) Existing Conditions, 2) Market Findings, 3) Parking and Circulation Findings, 4) the Land Use and Zoning, and 5) the Urban Design Plan. These reports present the full findings and recommendations of the consultant team and reflect the policy direction of the Steering Committee. Based on the in-depth detail of the individual reports, they are provided as separate documents, with the major findings summarized in this Plan.

Some of the important new and noteworthy takeaways from the process are highlighted on the following page: →

WHAT DID WE LEARN?**RESTAURANTS**

The desire expressed by the community for active, vibrant business areas in Winnetka is reflected to a great extent in wanting more restaurants—considered a desirable place to visit with friends or family.

MARKET REALITY

Supportive of the desire for more restaurants, there is capacity in the local retail market to accommodate more shops and restaurants in Winnetka. While there may be challenges to filling individual spaces, the potential shopper dollars are available and are currently “leaking” to other communities.

ATTRACT VISITORS

A strong future for the Winnetka business districts requires that they attract patrons from not only within the Village, but beyond – Winnetka is not just for Winnetkans.

BETTER WAYFINDING

Finding one’s way to and around the business districts is challenging for those that are not residents or regular visitors. Even more confusing is understanding where to park and how long that can be done legally.

BICYCLE-MINDED

Travel to and through the Village by bicycle, and in particular access to the business districts, is becoming more popular, but is hampered by lack of clear routes and bike amenities.

HOUSING TYPES

The market for residential dwellings in the business districts creates opportunities for downsizing empty nesters and younger families looking to move to the Village.

ELM STREET

The Elm Street District functions as a single district (rather than an East and a West District) even if crossing Green Bay Road or the railroad tracks is seen as a challenge.

UNIFIED DESIGN

The lack of unified urban design, gateway, and streetscape elements diminishes the visibility, character, and appearance of the business districts.

COOPERATION

In cases where redevelopment of older buildings is not feasible, successful occupancy of commercial buildings requires cooperation and flexibility by three key parties – the existing property owner, the merchant, and the Village.



WHAT DO WE DO MOVING FORWARD?

The process of preparing this Plan has done well to help the Village understand the business districts, plot out a vision for the future, and engage many different people and perspectives. Moving forward, the Plan has three primary functions:

1. The Plan recommendations and action steps should be reviewed by the Village Council and staff when preparing annual budgets and the Business Plan to determine which Plan priorities should and can be accomplished in the coming year. In addition, the Plan should be continually considered so as to take advantage of opportunities that arise to meet Plan objectives (such as new developments, cooperative ventures with other agencies, or a granted funding source).
2. The Plan should be referenced when the Village considers development proposals within the districts. The Plan and Visions Statements should be incorporated into discussions and deliberations about new developments.
3. The Plan should be shared with other downtowns and community – wide groups (as well as the Villages of Glencoe and Kenilworth) to identify and pursue common objectives. Local groups would include the Community House, Chamber of Commerce, and New Trier High School, to name just a few.



WHAT ARE THE CONTENTS OF THE PLAN?

The Village of Winnetka Downtown Master Plan is presented in seven chapters:

1. **Introduction** – The passages presented above provide context for why and how the Plan was done, as well as notions for how to use the document moving forward.
2. **Defining Community Vision** – The approach to preparing the Plan and essential existing conditions findings are provided in this chapter. In addition, the depth of public engagement and the resulting visions statements are presented.
3. **Market Assessment** – The evaluation of commercial and residential real estate markets prepared to direct sound finding for this Plan are summarized.
4. **Transportation** – Parking and circulation findings and recommendations for the Plan are outlined.
5. **Urban Design** – Findings and recommendations related to enhancing how each district functions and responding to and serving the varying users are presented.
6. **Land Use and Zoning** – Recommended changes to the Village's development regulations are explained.
7. **Action Plan** – Next steps to be taken to implement the Plan are spelled out.



CHAPTER 2

OUTREACH + VISION

DEFINING THE VISION

Plans ask three primary questions: Where are we? Where are we going? How do we get there? This chapter considers the first two questions by looking at the underlying existing conditions of the business districts and presenting Vision Statements for their future. The assessment of existing conditions is somewhat technical to the extent it considers the buildings, businesses, and development standards that are already in place. Vision statements developed for each of the districts are the result of much language crafting, extensive community engagement, and consensus building.



EXISTING CONDITIONS

The inventory of existing conditions that took place at the start of Winnetka's Downtown Master Plan Process was an essential first step in that it provided baseline data and an understanding of the current state and workings of each district. How do they function, look, and feel? What is the composition of uses and types of users? How easy is it to get around – drive, bike, walk and park?

The Existing Conditions Report, which is included as an Appendix to this Plan, answered all these questions and more. It included a thorough review of Village demographics and detailed sections focused on the following for each district: —————>

LAND USE: What is the general mix of uses; are they complimentary? Where are vacancies and opportunities?

ZONING: What is the nature of zoning and how has it impacted the districts?

TRANSPORTATION: What is the working state of transportation, parking and infrastructure – do they flow and function well together?

URBAN DESIGN: How has development impacted the design of each district; what does the pedestrian experience feel like?

BUSINESS INVENTORY: What does market data tell us? How is space utilized?

VILLAGE DEMOGRAPHICS

POPULATION has remained stable over the years at right around 12,200 individuals. Between 2000 and 2015 the Village experienced a -1.2% decrease in total residents.

2000 12,419 Residents

2015 12,187 Residents (estimate)

MEDIAN AGE is 44.7 years; higher than the Chicago Metropolitan Agency for Planning (CMAP) estimates for Cook County (35.5) and Lake County (37.0). Since 2000, the median age has risen from 39.8 years to 44.7 years in 2015, a 12.3% increase.

Contributing factors may include: the population 55 and older has increased since 2000 and now makes up about 1/3 of the community. The population from 25-44 has declined but the number of young people from 20-24 has increased significantly. This could correlate with the national trend of college graduates living at home while they look for full-time employment. The overall increase in median age over the past 15 years may indicate that the tenure of residents is long-lasting but that the Village hasn't drawn in as many young families with children.

| Winnetka Age Distribution | | | | |
|---------------------------|-----------|-----------|------------|-----------|
| Age Range | 2000 | 2015 | % Change | % of 2015 |
| 0-19 | 4,486 | 4,159 | -7% | 34% |
| 20-24 | 230 | 598 | +160% | 5% |
| 25-34 | 599 | 472 | -21% | 4% |
| 35-44 | 2,069 | 945 | -54% | 8% |
| 45-54 | 2,133 | 2,189 | +3% | 18% |
| 55-74 | 2,222 | 3,065 | +38% | 25% |
| 75+ | 685 | 844 | +23% | 7% |
| Median Age | 39 | 44 | 12% | |

Source: 2000/2010 data from U.S. Census Bureau. Where Census Data are not available, estimates and projections are from Esri Business Analyst.



HIGHLY EDUCATED

Winnetka population is extremely well educated.

- 88% of the 25 years+ population has either a bachelors or graduate degree.



AVERAGE HOUSEHOLD SIZE

The average size of households (HH) in Winnetka has remained constant over the years at right around 3 persons.



OWNER VS. RENTER OCCUPIED

Winnetka has a high percentage of owner-occupied units.

- 93% Occupied Housing
- 88% Owner Occupied
- 12% Renter Occupied
- 7% Vacant



FAMILY HOUSEHOLDS

The percent of family households within the Village experienced a slight decrease of -1.7% in the past 15 years, which also factors into the increase in median age being that there are less children.



MEDIAN HOUSEHOLD INCOME

Median household income has increased from \$167,458 in 2000 to \$207,995 in 2010.

POPULATION BY RACE

Relative to race, Winnetka is primarily white, with Asians accounting for the largest minority at 3.8% of the population.

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CONTEXT + SIMILARITIES

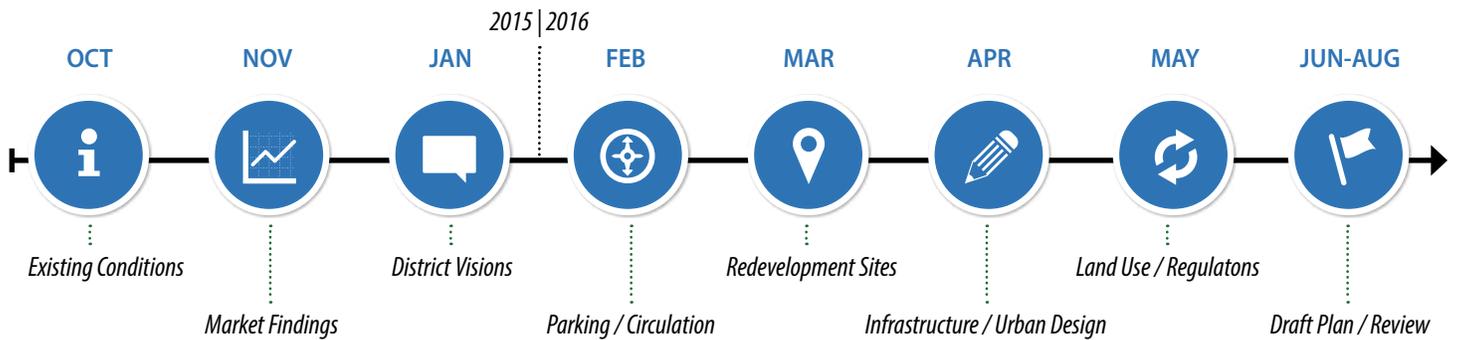
The findings of this analysis provided the context upon which Winnetka's Downtown Master Plan was created. It set forth the key opportunities and issues unique to each District, while also recognizing the similarities among them. For example, Elm Street, Hubbard Woods, and Indian Hill:

For example, Elm Street, Hubbard Woods, and Indian Hill:

- Are situated along, connected by, and divided by Green Bay Road.
- Are served by a Metra station.
- Have direct access to the Green Bay Trail.
- Include/are near major destinations (Village Hall, Hubbard Woods Park, New Trier HS).
- Are unique in how they function, look, and the users they serve.

TIMELINE

Prior to, during, and following the analysis of Winnetka's Existing Conditions, an in-depth and multi-faceted outreach process was put into full-effect to engage the community. The purpose of this was to establish a line of communication, to connect with residents and stakeholders on all of the topics the Plan would address. The timeline below provides an overview of those topics, meetings and milestones covered by month.

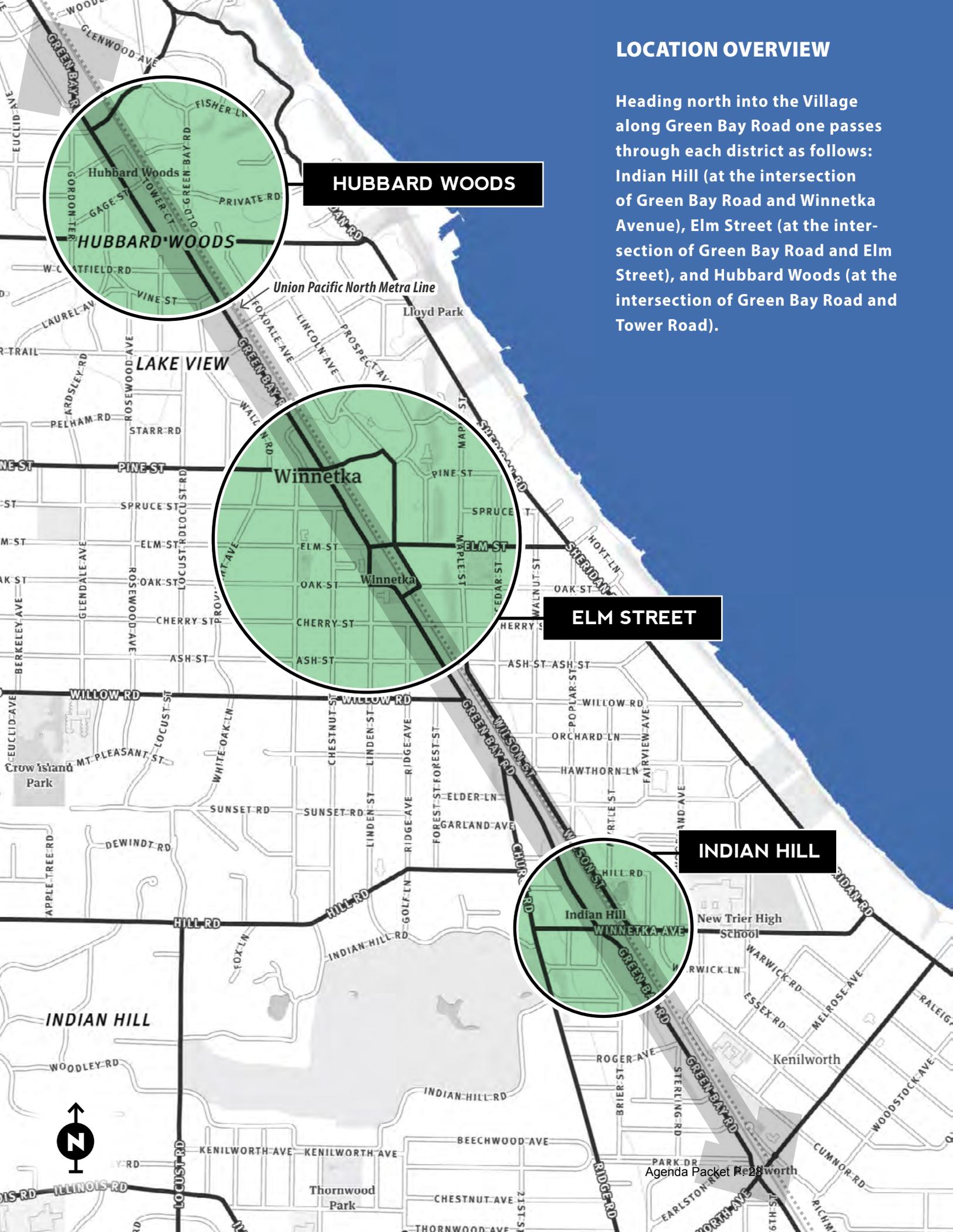


Open House to review Vision Statements | January 25, 2016



LOCATION OVERVIEW

Heading north into the Village along Green Bay Road one passes through each district as follows: Indian Hill (at the intersection of Green Bay Road and Winnetka Avenue), Elm Street (at the intersection of Green Bay Road and Elm Street), and Hubbard Woods (at the intersection of Green Bay Road and Tower Road).



HUBBARD WOODS

ELM STREET

INDIAN HILL



OUTREACH



A plan for the people of Winnetka, by the people of Winnetka.

Winnetka is home to a community of very involved residents and stakeholders. Building on this connection to the community, Winnetka's Downtown Master Plan involved extensive public outreach and a variety of engagement mediums. A main driver and top goal from the very start of the planning process was to ensure the Downtown Master Plan would be a plan for the people of Winnetka, by the people of Winnetka. Successfully meeting this goal meant generating project interest, building awareness, marketing outreach tools and community workshops, and gathering people together to begin the conversation of what the Plan should address. It meant asking the right questions, attending community events to spread the word, providing regular and progressive updates over

the course of the project, and generating content and documents that could be readily accessible for all, whether in-person (at meetings and workshops), online (via the website), or in-print (via newsletters and broadly distributed project marketing materials posted around town).

Bottom line, Winnetka's Downtown Master Plan provided an outreach menu of sorts; people were able to choose how to connect and provide their ideas and feedback in a way that was easy, comfortable, and natural to them. The best type of engagement is "easy" engagement – meaning, it must be easy for people to learn about the Plan and provide input. The diverse array of outreach components speak to just that.

PROJECT PARTNERS: PUBLIC, STEERING COMMITTEE, WORKING GROUPS, STAKEHOLDERS

The people of Winnetka were partners in this effort from day one through the overall community dialogue that took place via outreach with residents and stakeholders. Beyond that, a framework was established to solicit expert insights, steady guidance and support from individuals who understood and knew Winnetka the best, and could help champion the Plan and help further outreach along the way. In addition to the public, the three other major partners were **(1)** the Steering Committee, **(2)** Working Groups, and **(3)** other stakeholders.

STEERING COMMITTEE:

The Steering Committee was comprised of eleven community officials and residents selected by the Village. The group reflected varied perspectives, and included those with insights and expertise to best evaluate the Plan and its elements. The Steering Committee met monthly to review and refine consultant findings, and provide policy direction and suggestions for further analysis.

All Steering Committee meetings provided focused and insightful review and discussion of Plan topics. Furthermore, all meetings were open to the public and marketed via posters, print materials at Village Hall, the project website, Village website, print, and e-newsletters. At the end of every meeting there was time provided for additional public comments and suggestions.

WORKING GROUPS:

The Working Groups were established to augment the insights provided to the planning process and broaden the perspectives heard by the Steering Committee. The groups drew on the depth of expertise in the community on topics related to the Plan. One Working Group was established for each of the following: 1) Business District Members, 2) Design Character, 3) Development and Real Estate, 4) Community Organizations, 5) Property Owners, and 6) At Large Residents. Each Working Group session was conducted directly before the relevant Steering Committee meeting. Following, one member would report back to the Steering Committee on the discussion and major findings. In this way, the insights and ideas of the Working Groups were directly incorporated into the process and Steering Committee deliberations.

STAKEHOLDERS:

Members of the community with interest in and knowledge about the business districts were interviewed in small groups to secure their insights and ideas for the areas. These groups included: 1) residents, 2) business owners, 3) property owners / realtors / developers, and 4) other public bodies. These meetings, conducted early in the process, provided insight and understanding of the study areas. Separate meetings were conducted for each of the three business districts; these meetings provided the chance to include more persons and their perspectives.

OUTREACH TOOLS AND EVENTS

PROJECT WEBSITE

The website was set up prior to any planning activities (www.WinnetkaDowntownPlan.com). Its role in the process was invaluable. The project website served as a collaborative workspace for residents and stakeholders over the course of the project to learn about the Plan, stay up-to-date on news and upcoming meetings and engage with each other and the effort. Varying tools were integrated allowing residents to share and post ideas, upload photos of what they'd like to see in Winnetka, take quick polls, and vote on varying Plan topics such as urban design priorities. Furthermore, the website integrated a "follow" feature, allowing users to receive project updates direct to their email. Over the course of the planning process the website included over 40 news postings and project updates. It was accessed by over 2,600 unique visitors making 10,000 page views. Interactive elements included:

- **Follow Feature**
- **Share an Idea**
- **Upload Photo**
- **Quick Polls**
- **Project Updates + News Posts**

WEB STATS

40+ NEWS POSTS
2,600+ UNIQUE VISITORS
10,000 PAGE VIEWS



VISIONING WORKSHOP

Date: 11/17/15

A Public Visioning Workshop, held at North Shore Country Day School, asked residents to provide input on what they would like to see in Winnetka's business districts. The Workshop was organized around four activity stations set up to gather residents' ideas. This workshop served as the main catalyst and checkpoint upon which the Vision Statements for the districts were drafted.

Below are the top two priorities for each district, as voted on by attendees.

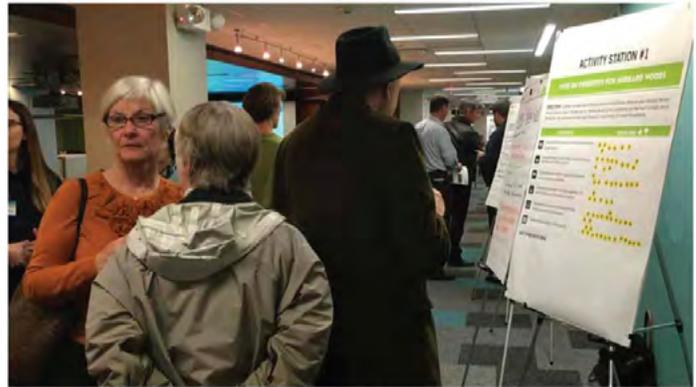
- **Elm Street needs more dining options and / or pubs to enhance nightlife**
- **Elm Street's future Post Office Site development should be a mixed-use building**
- **Hubbard Woods needs more family friendly dining options and coffee houses**
- **Hubbard Woods needs to expand festivals and events to enhance nightlife**
- **Indian Hill is fine as is, the focus of this plan should be on Elm Street and Hubbard Woods**
- **Indian Hill users need to cater to New Trier High School**

"It would be great to get some family-friendly businesses in."

Idea Submitted via the Project Website:
www.WinnetkaDowntownPlan.com

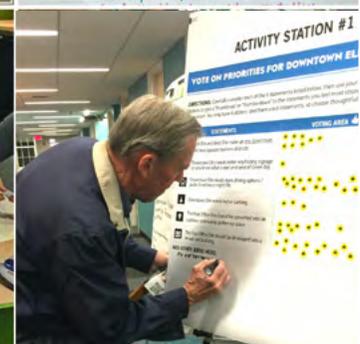
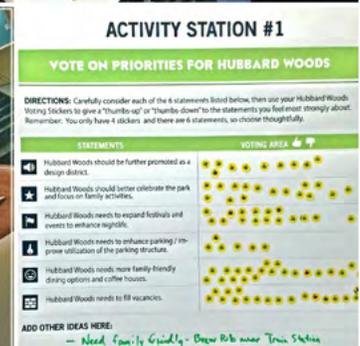
Winnetka Envisions Revitalized Downtowns

by Emily Spectre • November 17, 2015
 Leave a Comment



Winnetka residents weigh-in on downtown plan.

WINNETKA – Winnetka residents gathered at North Shore Country Day School on November 17 to provide input on what they would like to see in Winnetka's business districts. The workshop was organized by consultants Teska Associates as they work with village officials to develop a new downtown master plan for Winnetka's struggling business districts.



VILLAGE COUNCIL WORKSHOP

Date: 12/13/15

The Village Council Workshop provided another step forward in refining issues and opportunities for Winnetka's business districts. Council members took part in a group visioning exercise wherein discussion centered on what should be focused on in the future. Council members noted that Hubbard Woods needs more anchor-style tenants or draws to attract users and fill vacancies. In terms of looking ahead, the Council noted that future planning would have to reflect trade-offs. For example, promoting historic character of the districts only has value if the area is vibrant and vacancies are filled.

OPEN HOUSE TO REVIEW VISION STATEMENTS

Date: 1/29/16

The Vision Open House, which preceded the Steering Committee meeting, provided the opportunity for reviewing final drafts of the Vision Statements. Residents, stakeholders, working group participants, and members of the Steering Committee worked together to discuss, refine, and prioritize the fundamental elements unique to each district.

NEWSLETTERS

Date: Fall 2015 | Spring 2016

Two special newsletters were designed and distributed to the community during the Downtown Master Plan process. The first, distributed in the Fall of 2015, was a double-sided insert in the Winnetka Report introducing the Plan and ways to get involved. The second newsletter was a twelve-page April 2016 Special Report, sent to every residence in Winnetka highlighting the Downtown Master Plan, efforts to date, next steps in the process, and ways to get involved.

Images at right: Print materials, including project cards, posters and newsletters were integrated throughout the process to market and inspire feedback and attendance at project events.



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URBAN DESIGN QUICK POLL

Date: April 2016

To better identify and measure community attitudes towards elements of urban design, an online Quick Poll was posted to the project website in April 2016. The poll, which asked the question, “Which urban design elements would benefit Winnetka the most?” was cross-promoted via the project website, Village website, and weekly Winnetka e-newsletter. Within 2-weeks’ time, over 1,000 votes had been submitted by the community regarding their urban design ideals, the final results of which are noted in the pie chart below.



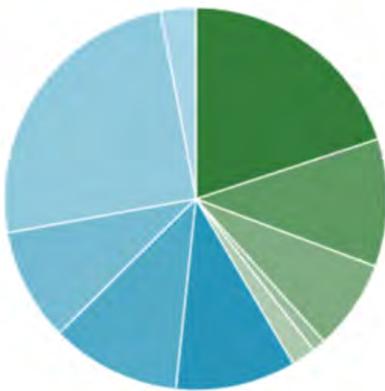
“There are too few benches for our future of increased pedestrian traffic and regular use of the sidewalks.”

Idea Submitted via the Project Website:

www.WinnetkaDowntownPlan.com

Which urban design elements listed below would benefit Winnetka the most? Select your top three categories.

Total Votes
1,074



| | | |
|--|-----|--------|
| Landscaping - Trees / Planters | 214 | 19.93% |
| Bike Amenities - Paths / Parking | 116 | 10.8% |
| Pedestrian - Crossings / Connectivity | 82 | 7.64% |
| Wayfinding - Directional Signage / Info Kiosks | 12 | 1.12% |
| Gateways - Welcome Signage / Feature | 22 | 2.05% |
| Parking - Amount / Location / Signage | 109 | 10.15% |
| Lighting - Pedestrian Scaled / Ornate | 118 | 10.99% |
| Street Furniture - Benches / Trash Recepticals | 102 | 9.5% |
| Outdoor Dining - Sidewalk Patios | 267 | 24.86% |
| Other: | 32 | 2.98% |

The results of the poll relayed that outdoor dining, landscaping, lighting, and bike amenities were among the top four urban design elements as ranked by Winnetkans. The wish to advance these four components was further supported by the comments and ideas shared via the project website throughout the planning process.

The feedback received via the poll helped to further solidify many of the elements already noted as priorities by the community. But just as it is important to understand what elements ranked high, it is necessary to review and understand why certain design elements ranked low. For example, wayfinding signage was the lowest ranked need via the quick poll; yet the goal of “furthering business district vitality by attracting visitors from outside Winnetka,” was consistently noted throughout the planning process as a driver of downtown vitality and desire for Winnetka. To this point, it was reasonable to understand that residents taking the quick poll didn’t share the immediate need for wayfinding signage because, as residents, they know how to get to stores, restaurants, parking, and other destinations.

Points such as these were considered along with the findings of the public quick poll at the April, 2016 Steering Committee meeting. In addition to understanding the public’s voice and desires, the Committee took part in detailed discussion and further refinement to determine how best each urban design element fit into fulfilling the goals of the overall Downtown Master Plan and district specific visions.

Together, the 1,000+ quick poll results, ideas shared throughout the planning process, and Steering Committee discussions led to the identification of a set of urban design themes and district specific recommendations. Whereas the themes relate to the overall priorities for urban design that apply to the Village’s business districts as a whole, the district specific recommendations are just that – objectives that address specific concerns and desires as they relate to the differing environments in each of the business districts – Elm Street, Hubbard Woods, and Indian Hill. Extensive outreach, review and feedback solidified both the themes and district specific recommendations through online and in-person outreach.

BUILDING THE VISION

Together, the engagement tools successfully empowered the Steering Committee with a clear sense of the community’s desire for the future of the business districts. This allowed consensus to be reached and concerns to be overcome. The functionality, design, and targeted marketing of the project website, in-person tools, workshops, events, and Steering Committee meetings provided the foundation for total engagement. Furthermore, the consistent news postings to the website and at meetings ensured public concerns and aspirations were consistently understood and considered throughout the planning process. Collectively, these components worked together to build on past plans, generate new ideas and create a shared vision for Downtown Winnetka. It is from these efforts that the Downtown Master Plan is a plan for the people of Winnetka by the people of Winnetka.

***** Turn to view the Vision Statements! *****

BUSINESS DISTRICT VISION STATEMENTS

Thanks to the extensive feedback received from Winnetka residents and others via the variety of outreach mediums, the Vision Statements for Winnetka's three business districts were finalized in January 2016. The Visions celebrate the desired look, feel, function, and overall objectives for each district for the future. They represent what Winnetka desires the business districts to become, not what they are today. These statements will serve as the foundation of the Winnetka Downtown Master Plan, helping guide and direct each district to move toward its Vision.

ELM STREET VISION

The Elm Street business district is the main hub and Downtown of Winnetka, serving as the Village's community core. The district features a variety of multi-modal transportation options including the Green Bay Trail and Elm Street Metra station, which provides great regional access via the Metra line. The area's inviting mix of thriving restaurants, businesses, and community amenities attracts residents as well as visitors from across the North Shore. Those living in the district and housing nearby especially enjoy the wide sidewalks, benches, outdoor patios, and parks that make the Elm Street District a special place to stroll, shop, and dine. With upscale and historic architecture abundant in the area, the collective mix is complementary and respectful of the distinguished and historic character that is uniquely Winnetka.

HUBBARD WOODS VISION

The Hubbard Woods business district is happening, active, and multi-generational. The area's complementary mix of specialty design stores, every day goods, coffee houses, and evening dining options draws nearby residents as well as those from surrounding communities. Hubbard Woods Park, located at the north end of the district, is a prominent focal point and gathering spot for families and nearby residents of all ages via its year-round festivals and programming. The look and feel of the district is similar to Elm Street; the buildings display a mix of masonry, stone and historic influences. With sidewalks supported by bump-outs on the corners and select outdoor pocket patios, Hubbard Woods is a great spot in Winnetka to grab a coffee and window shop for unique goods or attend an event at the park followed by an evening sip and bite at a local brewpub.

INDIAN HILL VISION

The Indian Hill business district, located a short distance south of the Elm Street District is the southern entrance into the Village. The area's attractive streetscape features ornate lighting and interesting landscaping that provide a sense of arrival. The district serves as a major access point for students attending or those visiting New Trier High School, just a couple blocks due east. Indian Hill offers a mix of service, convenience, and professional uses that cater to a daytime population. Beyond its strong auto-oriented businesses, the district benefits from the Indian Hill Metra station and pedestrian amenities that enhance access and safety for the students and other users.



CHAPTER 3

MARKET

MARKET ASSESSMENT

Understanding the commercial and residential markets in the Village and surrounding area are fundamental aspects of preparing this Downtown Master Plan. Market factors frame a realistic expectation for what development is possible and how it could support the Village's vision for the future. To accomplish this objective a market assessment was prepared in the fall of 2015 – that work was refined based on the most current market data in June 2016.

This chapter presents conclusions on the near-term potentials for additional retail, commercial space, and new residential development in the Elm Street, Hubbard Woods, and Indian Hill business districts. It should be noted that implementation of this Plan, including transportation improvements and streetscape enhancements, will help the business districts capture the market potentials outlined here. The recommendations will position Winnetka to compete successfully with the downtowns in other North Shore communities.



SUMMARY OF WINNETKA SOCIOECONOMIC TRENDS

The following points highlight some of the key demographic findings:

- ❑ With an estimated 2015 population of 12,187, Winnetka has a larger population than Glencoe, Northfield, and Kenilworth, but is still one of the smaller North Suburban communities.

- ❑ Median household income (as reported in 2014) for the 4,164 households in Winnetka is \$207,540. Not surprisingly, this is significantly higher than the median for Cook County (\$54,828). Kenilworth and Glencoe are the only other neighboring suburbs with median incomes in excess of \$150,000.

- ❑ The population of Winnetka historically has been relatively stable. While it declined slightly from 2000 to 2015, forecasts show a slight increase through 2020. The number of households remains unchanged. The Asian population is Winnetka's largest minority group, but remains only 3.8% of the population in 2015.

- ❑ The nine communities tend to have older populations. The median age of the population in Winnetka is 44.7 compared to CMAP's estimates for Cook County (35.5).

- ❑ The median age of Winnetka residents has risen by 12% since the year 2000. The number of children has decreased, and the population 55 and older has increased by 38%. Those aged 55 and older now comprise nearly one third of the population in the Village.

- ❑ The population aged 25-44 has declined during the past 15 years, while the number of young people from 20-24 has increased. One explanation is the national trend of college graduates returning to live at home while they plan their next career steps post-graduation.

- ❑ Winnetka has an extremely well-educated population, with 88% of residents aged 25 or older having at least a bachelor's degree.



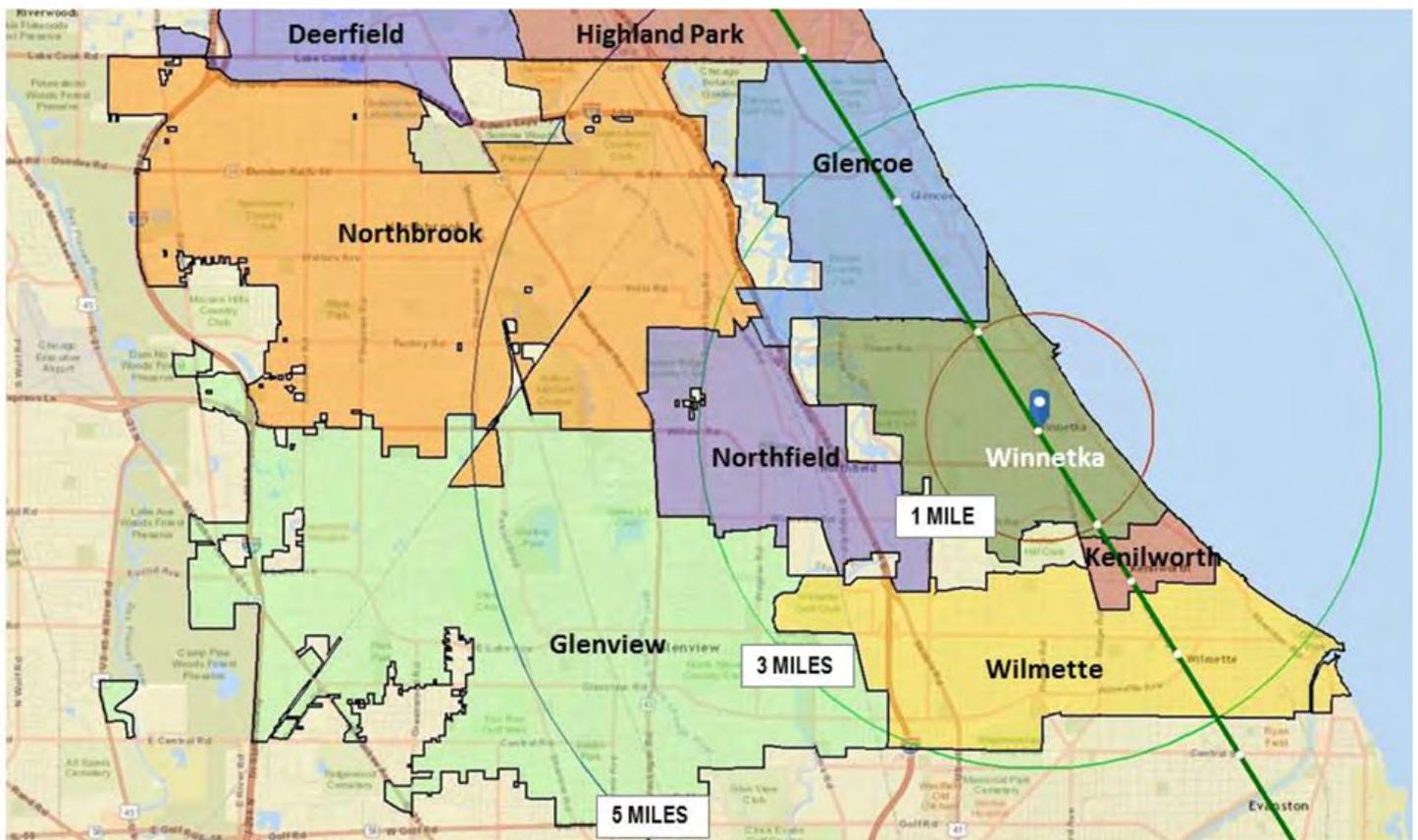
Table 3.1 summarizes key demographic and market information for the Village of Winnetka and eight other North Suburban communities. Figure 3.1 shows Winnetka and its surrounding communities in context. The Metra line which runs through Winnetka and its neighboring suburbs is shown on the map in dark green.

TABLE 3.1. COMPARATIVE DEMOGRAPHICS | WINNETKA AND SURROUNDING COMMUNITIES

| Community | 2015 Population Estimate | 2015 Household Estimate | 2015 Median Age Estimate | 2014 ACS Median HH Income | 2014 Annual Retail Sales Tax | SF Unit Permitted (2012-2014) | MF units Permitted (2012-2014) |
|---------------|--------------------------|-------------------------|--------------------------|---------------------------|------------------------------|-------------------------------|--------------------------------|
| Glenview | 45,626 | 17,227 | 46.1 | \$92,350 | \$15,672,366.53 | 347 | 708 |
| Northbrook | 33,431 | 12,888 | 49.8 | \$112,943 | \$9,334,798.81 | 112 | 0 |
| Highland Park | 29,880 | 11,578 | 46.6 | \$111,271 | \$9,270,135.29 | 62 | 0 |
| Wilmette | 27,367 | 9,884 | 46.3 | \$129,551 | \$3,182,273.89 | 112 | 0 |
| Deerfield | 18,271 | 6,707 | 44.2 | \$135,881 | \$5,434,044.33 | 87 | 248 |
| Winnetka | 12,187 | 4,164 | 44.7 | \$207,540 | \$1,351,382.58 | 74 | 0 |
| Glencoe | 8,746 | 3,029 | 45.4 | \$161,976 | \$1,915,452.90 | 69 | 0 |
| Northfield | 5,471 | 2,229 | 50.6 | \$109,260 | \$1,768,645.72 | 17 | 0 |
| Kenilworth | 2,567 | 823 | 44.2 | \$227,250 | \$32,144.49 | 19 | 0 |

Sources: Esri Business Analyst (2015 estimates), IL Dept of Revenue, 2009-2013 American Community Survey (ACS) 5-year estimates, Censtats

FIGURE 3.1. MAP OF WINNETKA AND SURROUNDING COMMUNITIES



Source: Esri Business Analyst

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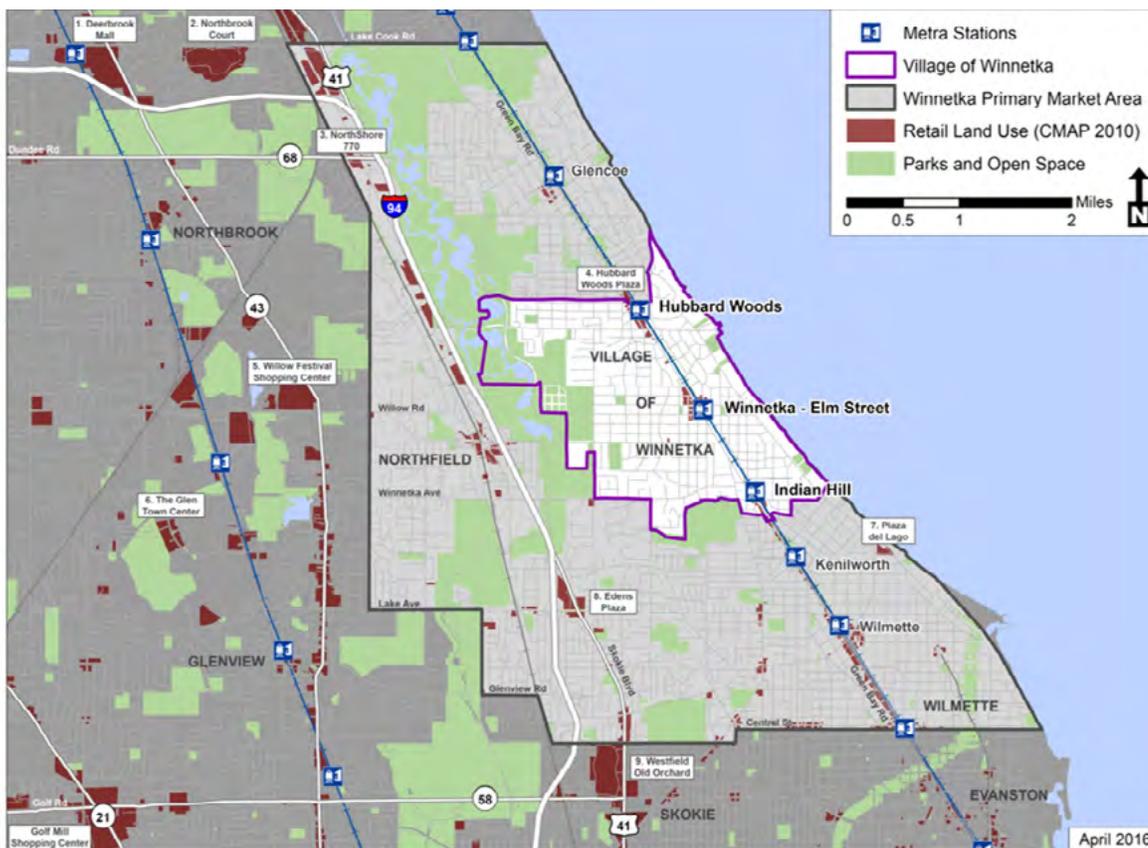
COMMERCIAL MARKET

The Elm Street, Hubbard Woods, and Indian Hill districts are primarily neighborhood-serving business districts located along Green Bay Road near their respective Metra Stations. Neither Elm Street nor Hubbard Woods has a large employment-based daytime population, and none of them has nearby residential density. The most significant source of daytime population in Winnetka is New Trier High School (current enrollment of 3,121), which is located near the Indian Hill business district. The districts mainly serve Village residents but attract some customers from surrounding communities; a few businesses in the Village have a regional draw.

PRIMARY MARKET AREA

When assessing the shopping and dining potential of an area, an essential step is to define a primary market area (PMA). According to the International Council of Shopping Centers (ICSC), a Primary Market Area provides 60% - 80% of the patronage for area businesses. Obviously, some individual businesses are destinations and attract from a larger trade area, while others serve a very local clientele. Therefore, defining a community's market area is much an art as a science. It is derived by evaluating local drive times and patterns, and considering the locations of competitive commercial districts and shopping centers. The area is further refined by considering insights provided by residents, real estate brokers, retailers, and local officials.

FIGURE 3.2. PRIMARY MARKET AREA



Winnetka's Primary Market Area, shown in Figure 3.2, represents the source of most of the patronage for Winnetka's business districts. The boundaries include:

*North: Lake Cook Road
East: Lake Michigan
South: Central Street in Evanston
West: West of Route 41 (including a portion of Northfield).*

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COMPETITIVE RETAIL DISTRICTS, CORRIDORS, AND SHOPPING CENTERS

An analysis of opportunities for additional retail in Winnetka must consider the other commercial districts, corridors, and large and small shopping centers in and near the Primary Market Area. These various destinations are competing with Winnetka’s business districts for retailers, as well as for residents’ dollars. The most significant ones are described below.



SHOPPING DISTRICTS:

Glencoe and Wilmette have attractive downtown shopping districts that are also adjacent to their respective Metra stations. In Downtown Glencoe, the new Jeanne Gang-designed Writers Theater recently opened at 325 Tudor Court. In Downtown Willmette, a number of new restaurants have opened in recent years, and development is underway for a new mixed-use building at 611 Green Bay Road.

SKOKIE BOULEVARD:

Skokie Boulevard (U.S. Route 41), is lined with commercial developments, many of which are auto-oriented. Traffic counts along Skokie Boulevard are high, averaging 20,000 daily vehicles near the intersection with Dundee Road. The new Northshore 770 rental development located near that intersection contains more than 100,000 square feet of commercial space and is anchored by a Mariano’s Fresh Market.

EDENS PLAZA:

Edens Plaza (350,000 SF) and Plaza del Lago (100,000 SF) are two shopping centers located in Wilmette. Both include a pharmacy, grocery store, and Starbucks, and provide ample off-street parking.

REGIONAL MALLS:

Westfield Old Orchard and Northbrook Court are the major regional malls in the Northern Suburbs. Both are located proximate to I-94 and draw from much larger trade areas. Each contains more than 1 million square feet of commercial space. While these regional malls certainly attract Winnetka shoppers, they are not included in the Primary Market Area for Winnetka as they don’t compete directly with most Village merchants.

LEAKAGE ANALYSIS

To quantify potential demand for additional retail in Winnetka, the expenditure potential of households within the Primary Market Area is compared to estimates of actual sales. If certain categories are “leaking” sales to other shopping districts outside the market area, (shown in green on Table 3.2) it may represent an opportunity for additional stores. Conversely, if sales exceed the market area’s expenditure potential, the existing stores are attracting dollars from a larger area. None of the categories in the PMA are showing this influx of dollars. The leakage analysis of the Primary Market Area (PMA) indicates that the 24,464 households in the market area spent an estimated \$2.6 billion in 2015 on Retail and Food & Drink.

Existing establishments within the PMA have sales totaling approximately \$1.3 billion, indicating that dollars are indeed being “leaked” to stores located outside the market area. In fact, leakage is occurring in every standard retail category.

The leakage analysis suggests that the Elm Street and Hubbard Woods business districts have the capacity to capture some of this retail expenditure potential. To better understand the number and types of stores and restaurants that could be supported, it is necessary to review the current inventory and recent market activity.

TABLE 3.2. PRIMARY MARKET LEAKAGE

| Summary Demographics | | | |
|---|---------------------------|-----------------------|-------------------|
| 2015 Population | | | 68,360 |
| 2015 Households | | | 24,464 |
| 2015 Median Disposable Income | | | \$110,313 |
| | Demand | Supply | |
| Industry Summary | (Retail Potential) | (Retail Sales) | Retail Gap |
| Total Retail Trade and Food & Drink | \$2,567,474,351 | \$1,294,120,016 | \$1,273,354,335 |
| Total Retail Trade | \$2,302,462,990 | \$1,184,944,585 | \$1,117,518,405 |
| Total Food & Drink | \$265,011,361 | \$109,175,430 | \$155,835,931 |
| By Category: | | | |
| Motor Vehicle & Parts Dealers | \$524,477,254 | \$333,268,075 | \$191,209,179 |
| Gasoline Stations | \$144,668,070 | \$31,830,502 | \$112,837,568 |
| Furniture & Home Furnishings Stores | \$71,119,736 | \$57,561,590 | \$13,558,146 |
| Electronics & Appliance Stores | \$121,657,988 | \$39,230,988 | \$82,427,000 |
| Bldg Materials, Garden Equip. & Supply Stores | \$139,236,487 | \$34,514,546 | \$104,721,941 |
| Food & Beverage Stores | \$417,511,858 | \$212,647,785 | \$204,864,073 |
| Grocery Stores | \$367,409,139 | \$188,015,320 | \$179,393,819 |
| Specialty Food Stores | \$22,318,457 | \$15,556,527 | \$6,761,930 |
| Beer, Wine & Liquor Stores | \$27,784,261 | \$9,075,938 | \$18,708,323 |
| Health & Personal Care Stores | \$113,303,309 | \$86,652,310 | \$26,650,999 |
| Clothing & Clothing Accessories Stores | \$128,207,400 | \$100,274,314 | \$27,933,086 |
| Sporting Goods, Hobby, Book & Music Stores | \$70,126,028 | \$46,329,006 | \$23,797,022 |
| General Merchandise Stores | \$415,306,785 | \$155,267,131 | \$260,039,654 |
| Miscellaneous Store Retailers | \$77,249,065 | \$69,952,437 | \$7,296,628 |
| Food Services & Drinking Places | \$265,011,361 | \$109,175,430 | \$155,835,931 |
| Full-Service Restaurants | \$147,058,664 | \$67,574,468 | \$79,484,196 |
| Limited-Service Eating Places | \$99,841,291 | \$39,553,441 | \$60,287,850 |
| Special Food Services | \$6,231,487 | \$902,895 | \$5,328,592 |
| Drinking Places - Alcoholic Beverages | \$11,879,919 | \$1,144,625 | \$10,735,294 |

Source: Esri Business Analyst
April 2016

WINNETKA BUSINESSES

In evaluating local businesses:

- 206 Total Individual Ground Floor Business Establishments
- Office Space made up 63% of businesses with 130 establishments categorized as (1) Professional Services/Office, (2) Personal & Household Services, and (3) Medical offices.
- Retail Stores made up 19% of all Winnetka businesses, with 39 establishments.
- Food Service & Drinking Places made up 11% of the total, with 23 establishments.



VACANCY AND RENTAL RATES

At the time the market assessment was performed, Elm Street and Hubbard Woods had a combined total of 582,300 square feet of ground floor commercial space. A total of 62,355 square feet of this space was vacant, resulting in a vacancy rate of 10.7%.

In the Elm Street district, seven storefronts, with a total of 28,900 square feet, had been vacated in anticipation of the One Winnetka Planned Development. Excluding these seven vacant storefronts, the Elm Street district has an extremely small vacancy rate of 1.5%. Further, if the vacant One Winnetka properties are excluded from the combined Elm Street and Hubbard Woods inventory, the overall vacancy rate is 6.0%. For comparison purposes, CBRE (a worldwide commercial real estate services firm) reports that the 2016 Q1 vacancy rate in the in North Suburban market (south of Lake Cook Road) is 4.9%, and the rate in the Far North Suburbs (north of Lake Cook Road) is 9.5%.

The vacancy rate in Hubbard Woods is higher than in Elm Street. At the time of analysis, 16 storefronts were vacant in Hubbard Woods contributing to a vacancy rate of 13.4%. The largest vacant storefront is the former Antique Emporium at 915 Green Bay Road. That business was closed after 40 years following the retirement of the owner. Five small vacancies were in courtyard-facing spaces, which are less desirable than storefronts that face the street. The Hubbard Woods Business District will benefit from the \$2 million improvements to Hubbard Woods Park. Improvements include a new playground with a splash pad, pedestrian pathways, landscaping, and a pavilion for programmed community events.

Co-Star, a leading source of commercial real estate data, currently lists rents for Elm Street spaces in Winnetka ranging from a low of \$20/sf on a modified gross basis up to \$33/sf net of utilities and other charges.

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COMMERCIAL MARKET OPPORTUNITIES

Over the next five years, the Elm Street and Hubbard Woods business districts are poised to capture new retail, restaurant, and service businesses. Some of these could occupy space in new developments, while others would be better suited for modernized storefronts in existing structures. Analysis of the data suggest a potential net increase of more than 80,000 square feet of occupied ground floor commercial space. However, the actual amount will depend on a number of factors that will relate to the larger economy, decisions made by individual business owners, and actions taken by the Village of Winnetka.

Analysis of data suggests a potential net increase of more than 80,000 square feet of occupied ground floor commercial space.

- Market Assessment Finding

TABLE 3.3. COMMERCIAL POTENTIAL

| Primary Market Area - Leakage Analysis | | | | Winnetka - New Retail Potential | | | |
|---|--------------------------------------|----------------------|----------------|---------------------------------|------------------|---------------|-------------------------|
| Category | Leakage in Primary Market Area (\$M) | Typical Sales Per SF | Supportable SF | Typical Store Size (SF) | Number of Stores | Potential SF | % capture of PMA (calc) |
| Furniture and Home Furnishings | \$13,558,146 | \$300 | 45,194 | 4,000 | 1 | 4,000 | 8.9% |
| Specialty Food Stores | \$5,328,592 | \$600 | 8,881 | 2,500 | 1 | 2,500 | 28.2% |
| Health & Personal Care Stores | \$26,650,999 | \$700 | 38,073 | 15,000 | 1 | 10,000 | 26.3% |
| Small Independent Retailers | <u>\$59,026,736</u> | <u>\$300</u> | 196,756 | 2,000 | <u>5</u> | <u>10,000</u> | 5.1% |
| Subtotal - Retail | \$104,564,473 | | 288,903 | | 8 | 26,500 | 9.2% |
| Full-Service Restaurants | \$79,484,196 | \$300 | 264,947 | 4,000 | 4 | 16,000 | 6.0% |
| Limited-Service Eating Places | <u>\$60,287,850</u> | <u>\$500</u> | 120,576 | 2,500 | <u>3</u> | 7,500 | 6.2% |
| Subtotal - Restaurants | \$139,772,046 | | 385,523 | | 7 | 23,500 | 6.1% |
| Subtotal Retail & Restaurants | | | 674,426 | | 15 | 50,000 | 7.4% |
| Office/Medical | | | | | | <u>30,000</u> | |
| Net increase in commercial space | | | | | | 80,000 | |

Sources: Esri Business Analyst for Leakage Analysis; Goodman Williams Group.

COMMERCIAL MARKET OPPORTUNITIES CONTINUED...



RETAIL STORES. Specialty independent retailers offering quality apparel, furniture, specialty food, and other merchandise categories are more likely to choose locations in Winnetka than would national chains or value-oriented retailers. The former typically seek higher-income markets and are more comfortable with village center locations, while the latter typically choose sites with more off-street parking, higher traffic counts, and greater daytime population densities. The analysis shows potential for eight new retail stores in a variety of categories, adding a total of more than 28,000 square feet of new space. A Furniture and Home Furnishings store would likely choose to locate in Hubbard Woods, while a new full-service pharmacy (Health & Personal Care category) is more likely to be located in the Elm Street district, given the locations of Walgreen's and CVS stores in neighboring communities

Retail: Analysis shows potential for 8 new retail stores, adding 28,000 square feet of new space.

- Market Assessment Finding



RESTAURANTS. Opportunities for both Full-Service Restaurants and Limited-Service Eating Places exist in both Hubbard Woods and Elm Street districts. The analysis shows that the large expenditure potential (demand) exceeds the current volume of restaurant sales (supply). Limited services eating places include fast food and fast casual restaurants. The analysis includes potential for as many as seven new eating and drinking establishments with a total of more than 23,000 square feet, which represents a relatively conservative 6.1% of the unmet expenditure potential in the Primary Market Area.

Restaurants: Analysis shows potential for as many as 7 new eating and drinking establishments, with a total of ~ 23,000 square feet.

- Market Assessment Finding



OFFICE / MEDICAL / SERVICE USES. Service uses that support vibrant commercial corridors are important assets to communities and their downtowns. Medical practices, educational tutoring services, fitness and recreational uses, and cultural classes are examples of non-retail uses that bring people into the districts and often support nearby restaurants and retailers. The analysis includes up to 30,000 square feet of additional non-retail commercial space in Winnetka's business districts over the next five years. While some of these uses would be more appropriate for ground floor space, others are well accommodated in upper floor space.

Analysis includes up to 30,000 square feet of additional non-retail commercial space over the next 5 years.

- Market Assessment Finding

COMMERCIAL MARKET RECOMMENDATIONS

The commercial market analysis provided context for Winnetka's three business districts and identified the potential for additional commercial development over the near term. In addition, to successfully attract new retail, restaurant, and commercial uses, landlords in both Elm Street and Hubbard Woods need to provide space that is appropriately configured, built out to current industry standards, and priced competitively. Existing storefronts will likely provide lower-cost space than ground floor space in new mixed-use or strictly commercial developments. In addition, the Village of Winnetka has a role in enhancing the ability of Elm Street and Hubbard Woods to capture future commercial demand. The zoning and development recommendations described elsewhere in the Plan are important to attracting investors, developers, and new retailers.

Each of the districts has different assets and Visions, and therefore is likely to attract different types and amounts of this commercial potential. The following summarizes findings by business district.

□ ELM STREET

Elm Street serves as the main hub of Winnetka. With more than 370,000 square feet of space in older single story and mixed-use buildings located on both sides of Green Bay Road, it has the largest inventory of ground floor commercial space in the Village. In addition, several future development sites have been identified that will likely include new commercial space. Not all of this new commercial space should come on the market at the same time—the success of the near-term developments will help redefine the district and expand its commercial potential.

Among the key development sites is One Winnetka, which includes more than 30,000 square feet of ground floor commercial space. The Elm Street and Chestnut Street frontages on the Post Office site offer opportunities for ground floor businesses that would strengthen one of Winnetka's most active commercial submarkets. Approximately 17,500 square feet of ground floor space could be subdivided as appropriate on that site. Tenants could include restaurants (Quick-Service and Full-Service), specialty retail stores, and service uses (including the post office) that would attract people to the area. A limited amount of office space could be included on upper floors.

HIGHLIGHTS

- *370,000 Square Feet of Space*
- *Largest inventory of ground floor commercial space*
- *Several Future Development Sites - Post Office Site, One Winnetka*
- *Success of near-term developments will help redefine the district's potential*

□ HUBBARD WOODS

Hubbard Woods has a unique collection of stores, restaurants, and service businesses located proximate to Hubbard Woods Park. It has been branded and is currently being marketed as the Hubbard Woods Design District, highlighting the independently owned fashion, home furnishings, antique, and gift shops located there. While not all of the businesses in the district can be described as such, this high-end branding will serve to attract patrons from throughout the North Shore. Improvements to existing structures will help fill the 28,400 square feet of vacant space. In addition, the potential exists for new retail development and mixed-use development on select sites.

Additional commercial development could be supported on the Green Bay frontage. Tenants could include specialty retailers that fit into the “Design District” branding, convenience retail, or service businesses. Additional restaurants are also possible, including those that cater to families attracted to Hubbard Woods Park.

The sites on the south side of Tower Road have good visibility and access from cars traveling along Green Bay Road. Consequently, these sites have the potential for attracting commercial development, particularly eating and drinking establishments. Market opportunities could include Full-Service or Limited-Service restaurants or perhaps a brew pub.

HIGHLIGHTS

- *Branded as Hubbard Woods Design District*
- *Branding will serve to attract patrons from throughout the North Shore*
- *Structural improvements will help fill vacant space*
- *Potential for new retail and mixed-use development on select sites*
- *Additional opportunities for restaurants / brew pub / family-friendly dining*

□ INDIAN HILL

Indian Hill has a limited commercial inventory and virtually no vacant space. With a few notable exceptions, most of the existing ground floor businesses are not retailers. Despite the proximity of the Metra Station and New Trier High School, it is unlikely to attract significant new commercial development.



HIGHLIGHTS

- *Limited existing commercial, new commercial development unlikely*
- *Opportunities relate more to transportation and urban design*

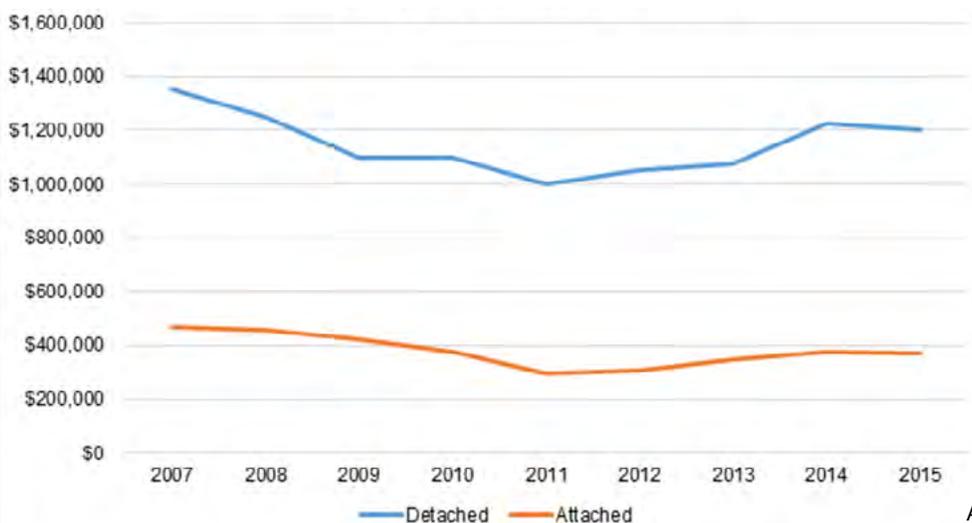
RESIDENTIAL MARKET

This section provides guidance on what are deemed to be realistic opportunities for supportable residential development within Winnetka's commercial districts under market conditions as they currently exist and as projected over a three- to five-year planning horizon. However, as an overarching strategy, any plan for new development must be responsive to prevailing market realities. In particular, care must be taken not to "out build" the market. Winnetka and its neighbors to the north and south are not large communities, and support within any given market segment, while significant, may not be particularly deep. Thus, this Plan advocates for a measured approach to development at the reasonably conservative scale that allows ample time for adequate market incubation to occur prior to and/or between new projects.

CURRENT RESIDENTIAL MARKET CONDITIONS

The majority of dwellings in Winnetka are detached single family homes, making up 91% of ownership homes and 45% of rental units. Attached ownership forms (including townhomes, duplexes, and condominiums) have very little representation within the Village. Many of Winnetka's detached single family homes are high in value; according to Census estimates, the median value of owner-occupied homes within the Village stands at \$941,800, and 44.3% are valued at over \$1,000,000. Many are historic homes built before 1939 and updated to high standards through the years, though tear-down and rebuilding (particularly of mid-century and later homes) has become increasingly common over the last two decades. Many of these newly built homes carry values in excess of \$2,000,000. By contrast, Winnetka's stock of rental apartments is minimal, with most units located in older walk-up buildings that have received few, if any, recent updates. Few contemporary apartments exist within the Village. As such, Winnetka is primarily a Village of homeowners. In fact, by Census estimates, nearly 91% of households in Winnetka own their own homes, compared to 58% for Cook County and 67% for Illinois as a whole.

FIGURE 3.4: MEDIAN HOME PRICE BY TYPE IN WINNETKA



CURRENT RESIDENTIAL MARKET CONDITIONS CONTINUED...

Apart from scattered single family home construction (which has averaged 24 units annually over the last five years), little new residential development has occurred in Winnetka since before 2000. The Winnetka for-sale market has recovered its momentum in terms of sales volume, and while detached home median sale prices are significantly higher than most areas of the region, they remain well below pre-recession highs.

Winnetka's rental apartment stock is primarily located in older buildings within the Village's three business districts. Among approximately 260 units, 48% are located in the Elm Street District, 40% in Hubbard Woods, and 12% in Indian Hill. The units are largely located in mixed-use buildings constructed in the first half of the 19th century, and few (if any) have been updated to Class A standards. Even so, occupancies among the units are extremely high. Apart from these rental units in multifamily buildings, a number of "built for sale" condominiums and single family homes have also been entered into the rental market.

FINDINGS: RESIDENTIAL MARKET

The number of households in Winnetka is unchanged from 2000 and is expected to grow only minimally over the next five years. This slow rate of household growth may be attributable in part to significant gaps in the Village's housing supply as well as the high values of its single family homes. In particular, for many younger individuals and families, ownership housing in Winnetka is simply not attainable. Yet neither do viable rental options exist. Even though these younger households may find Winnetka highly desirable (particularly with regards to local public schools), the Village thus has difficulty attracting them. As evidence, between 2000 and 2015 (as median home values within the Village rose an estimated 25%) the number of Winnetka residents age 25-34 fell 21% and those age 35-44 fell 54%.

Since 2000, a significant amount of rental apartment development has occurred within the Chicago region's northern suburbs. Sixteen new developments containing a total of 3,100 units have been completed in the communities of Evanston, Skokie, Deerfield, Glenview, Northbrook, and Highland Park. The new developments are generally located near expressways and other primary traffic routes, including Waukegan Road and Green Bay Road. However, new rental development has completely by-passed the North Shore communities of Wilmette, Kenilworth, Winnetka, and Glencoe.

While rental apartment development has been absent from Winnetka and its environs in recent years, a number of plans and proposals now in the development pipeline could change that. Most significant for Winnetka are plans for One Winnetka, a mixed-use building proposed at Elm Street and Lincoln Avenue in the Village's Elm Street district.

At the other end of the age spectrum, in 2015 Winnetka had 38% more residents age 55-74 and 23% more residents age 75 and above than it did in 2000. By 2020 individuals age 55 and older are expected to make up nearly 37% of the Village's population. Yet few housing options exist for older households who may wish to downsize to single level, maintenance-free living environments. Thus, many households who would otherwise prefer to remain in the Village may find themselves at risk of "aging out" of it. And indeed, recent reports from residents and real estate professionals alike suggest that older households routinely leave Winnetka – often for other northern suburban locations – to get the housing they seek. In the coming years, however, Winnetka's changing demographic profile will present both unique challenges and new opportunities for the Village's housing market due in large part to empty nester households.

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RESIDENTIAL MARKET OPPORTUNITIES

Efforts to strengthen Winnetka's business districts and to widen and diversify the types of businesses located within them are an important factor in the success of new residential development. For all three of the housing types described below, market acceptance of new units will grow as the commercial districts are strengthened and new shopping, dining, entertainment, and personal service options are introduced.

Residential development opportunities within Winnetka are found to exist in three distinct housing product types.

1. AGE-TARGETED CONDOMINIUMS: Analysis of current occupancy characteristics and projected householder age dynamics suggests that demand for for-sale housing targeting householders 55 years and older could be significant over the near to mid-term (i.e., 1-5 years). When current estimates of housing tenure are projected onto a forecast of household makeup by age in 2020, the results suggest that significantly more housing units in Winnetka will be occupied by householders age 55 and older than is the case today. While the first choice for many households is to age in place, research shows that nation-wide approximately 6% of older households move in any given year. Many of these moving households will be motivated by a desire to downsize into a single level home in a maintenance-free living environment and in a location that offers convenient access to shopping, dining, entertainment, and services. Thus, demand for new condominium units in Winnetka is expected to be relatively robust in the coming years. Based on analysis of potential market depth among area higher income householders age 55 and above, between 45 and 55 new condominiums could be absorbed over a five-year period, provided price points are equivalent (on a price per square foot basis for comparable footage) to those for new detached single family construction within the Village.

2. ATTACHED SINGLE FAMILY HOMES: Attached single family homes (i.e., townhomes or rowhomes) represent a relatively small percentage of housing in Winnetka. The introduction of a limited number of these units could serve as an alternative to single family homes and attract younger families who desire a walkable, single family environment with some outdoor space, immediate access to commercial amenities and mass transit, and/or for whom Winnetka's detached homes are financially out of reach. These lower density attached homes are an appropriate form for suburban commercial districts, where they serve as a transitional product between detached single family homes and higher density multi-family units. They can be easily adapted to a multitude of architectural environments and have proven successful in many locations across the region. Though market opportunities for this product type will be limited, at price points roughly equivalent to area newly constructed detached homes (on a square foot basis), a five-year absorption potential of between 25 and 30 units is possible.



Demand for housing targeting householders 55 years and older could be significant over the next 1-5 years.

- Market Assessment Finding



A limited number of townhome / rowhome units could attract younger families.

- Market Assessment Finding

3. RENTAL APARTMENTS: Market fundamentals suggest that demand for rental apartments in Winnetka is minimal at present (particularly as new apartment developments in other North Shore communities continue to capture a large proportion of higher end rentals). However, given the dearth of newer apartment units in the immediate North Shore market area and an anticipated increase in the number of householders age 25-34 in the coming five-year period, in a longer term planning context (i.e., 3+ years) a small amount of high quality apartment housing targeting this age group could potentially be supported. Apartments, if priced in line with market averages for newer rental units elsewhere in the northern suburbs, would further act as a draw to younger households. Analysis of market depth suggests that up to 75 units could be supported within the next 3-5 years.

A small amount of high-quality apartment units targeting householders ages 25-34 could potentially be supported.

- Market Assessment Finding

RESIDENTIAL MARKET RECOMMENDATIONS

Given the analyses and conclusions developed as part of the planning process, and in consideration of the supportable housing product types discussed above, the following development strategies for Winnetka's three business districts are recommended:

ELM STREET:

Elm Street is most appropriate for ownership housing. Offering easy access to Winnetka's most robust collection of shops, restaurants, and service businesses, this district is considered an excellent location for new condominium units in mixed-use buildings targeted primarily to older households. Additionally, a small number of townhomes/rowhomes could provide desired variety and would be particularly appropriate in locations facing the existing detached homes aligning the district. Elm Street offers the most distinctive architectural styling among Winnetka's three commercial districts, and care must be taken in planning and design to ensure that new development preserves the district's architectural integrity.

HUBBARD WOODS:

Hubbard Woods, with a somewhat lower profile than Elm Street, is seen as the most appropriate location among Winnetka's commercial districts for new rental apartments. Particularly if constructed within a mixed-use TOD environment, new rental apartments located near Hubbard Woods' Metra station – if appropriately priced with respect to northern suburban market averages for newer units – could serve as a catalyst for attracting younger individuals and households who wish to put down roots in Winnetka and would provide support to local businesses (and who, in the future, may choose to "move up" to ownership housing). Additionally, if suitable land can be found, Hubbard Woods would be a desirable location for new townhomes/rowhomes aimed at attracting younger families, particularly if these homes were priced below any townhomes/rowhomes developed within the Elm Street district.

INDIAN HILL:

Finally, Indian Hill lacks the commercial infrastructure considered crucial to the support of new residential development at this time. While it does offer convenient Metra access and could, at some point in the future and in a higher growth market, support a modicum of development, for now and into the foreseeable future much stronger opportunities for residential development can be found within the Elm Street and Hubbard Woods districts.



CHAPTER 4

TRANSPORTATION

Use and enjoyment of Winnetka's business districts relies on people's ability to get there and comfortably visit the areas. With that simple notion in mind, all elements of transportation are critical to achieving the vibrancy described in the Vision Statements. This chapter details key findings and recommendations related to walkability, traffic circulation, parking, and bike connectivity.

TRANSPORTATION THEMES

Three major themes embody transportation recommendations across the business districts: **(1)** Green Bay Road, **(2)** Street and Sidewalk Design, and **(3)** Customer Parking. While these themes are present throughout the Village, they play out differently in each of the three business districts.

1. GREEN BAY ROAD

Changing the character of Green Bay Road is critical to creating cohesive, walkable business districts.

Today, Green Bay Road is a perceived barrier bisecting each district as a corridor through Winnetka. The character of Green Bay Road should overcome this perception of being a barrier and reflect its role as a connection to local destinations in each of the business districts, and as a central feature of the street network in each district.

There are several locations where Green Bay Road has excess capacity and there are options to convert from four lanes to two or three (one travel lane in each direction with a center turn lane). A narrower cross section will serve traffic adequately and provide opportunities to change the character of the street through shorter crossing distances at intersections, more street parking, and wider sidewalks.

Improvements to key east-west pedestrian crossing locations on Green Bay Road (at Tower Road, Elm Street, Oak Street, and Winnetka Avenue) are another way to support success of the districts. Changing the character of these intersections to make pedestrians as a priority is a focus of Plan recommendations. In addition, the types of intersection enhancements that make crossings easier and safer for pedestrians have been shown to slow passing vehicles, calming the traffic at these key gateways and increasing visibility of businesses and amenities.



Intersection of Green Bay Road and Elm Street
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Looking west on Green Bay Road, approaching Oak Street

2. STREET AND SIDEWALK DESIGN

Redesign of business district streets and parking can help to implement the Vision for Downtown Winnetka. Through careful design consideration, transportation infrastructure can serve to enliven the districts and create spaces where people want to spend time. In this regard, transportation improvements should be understood as closely related to urban design in creating more visually cohesive districts.

Simple improvements, such as consistent crosswalk treatments and maintaining a continuous sidewalk and landscaping can begin to build visual connections along the corridor. In combination with gateways that create a sense of arrival into a district, visually similar blocks reinforce to those passing through that they have entered someplace special. This visual shift reinforces to drivers that they are in an area with more pedestrian activity and must drive more slowly and cautiously.

Sidewalks throughout the business districts must be of sufficient width to support both 'passing' and 'pausing' pedestrian activity. The use of sidewalk space and curb extensions (also known as bump-outs) is a key element of design to achieve a walkable, vibrant downtown feel. Where it isn't possible to expand the entire sidewalk, bump-outs can make the sidewalk feel wider by positioning trees further from the storefronts or creating a gathering area. Bump-outs also afford space to create or expand outdoor dining areas.

The Green Bay Trail is a unique asset to all three business districts and presents an opportunity to capture foot-and bike-traffic from trail users. However, capturing this activity requires creating visible and convenient connections directly from the trail to key/relevant destinations in the districts. It also requires that the trails be highlighted in the districts with signage and programming to cross-promote the proximity of the recreational destination with related goods and services.



3. CUSTOMER PARKING

Providing parking for customers is a priority for successful business districts. Customer parking in the Winnetka districts is provided on-street, as well as in Village parking lots, in the form of free, time-restricted parking. However, knowing where to park can be complicated by the variety of parking regulations (and the signs that designate them). To address this, there is need for management of all types of parking to prioritize and balance needs of different users and their access to parking.

Currently, there is an inefficiency in how the existing parking supply is designated. On-street customer parking is hard to find at times on some blocks because it is the most convenient location to park. It is impossible to provide a parking space for everyone directly in front of their destination. There is customer parking available at all times in the districts but it may be difficult to find because of signage or location. Parking is further complicated by the Village's two permit parking designations; one for employees of local businesses (A Pass) and the other for commuters (C Pass). Clarifying how parking is designated and regulated will benefit all business district users.

Essential to addressing parking in the business districts is establishing a hierarchy of parking priority, with customer parking at the top. The appropriate parking user hierarchy, starting with the most important, is as follows:

1 CUSTOMER – Customer parking is priority and should be accommodated within the most convenient spaces.

2 EMPLOYEE – Employees are parked for long periods of time and very familiar with the area so they can be expected to walk longer distances and utilize less convenient parking.

3 COMMUTER – Commuters are parked for long periods of time and spend limited time within the business districts while they are parked. Therefore, they can be expected to walk longer distances and utilize the least convenient spaces, especially if there is a price incentive. Agenda Packet P. 57

PARKING RECOMMENDATIONS

- **TIME RESTRICTIONS:** With the customer priority framework in mind, street parking time restrictions are best set at 90-minute or 15-minute (i.e. no 1-hr, 2-hr, 4-hr, etc.) to simplify usability of the system and encourage turnover of these most desirable spaces.
- **ON-STREET PARKING:** On-street parking should be generally used for customer parking and as much on-street customer parking should be supplied as possible. That may require relocating permit parking that is currently on-street to off-street facilities, which creates more customer parking on-street in the more desirable locations. This change can be addressed as development occurs in the districts.
- **OFF-STREET FACILITIES:** In addition, surface parking lot designations should be reallocated and simplified. All customer parking should be 4-hour in off-street facilities in order to force users into an off-street lot if they desire to park for a longer period. This maximizes turnover of the on-street spaces.
- **LOT DESIGNATIONS:** To the extent possible, each lot should be wholly or mostly designated for a particular user – whether its customers, employees or commuters to make usability of the system most clear. Signage at the entrance of the lot should display the type of parking accommodated within the lot.
- **WAYFINDING:** Parking maps should be categorized in an easy to read manner. Signage and wayfinding should direct customers to the appropriate lots, thereby creating a pool of easily accessible customer parking.
- **PERMIT PARKING:** Overall, better management of permit parking and signage can also result in more accessible customer parking. This would include limiting the pool of employee parking permits to reduce employee parking demand needs, and perhaps encourage carpooling, commuting, or walking when possible.
- **EMPLOYEE FEES:** Employee permit fees should be increased (currently \$10 per year) to at least cover administration of the employee parking program. Employee parking has a cost to the Village and should not be considered the Village's sole burden.
- **COMMUTER PARKING:** Commuter parking management could also free up some customer parking. For example, some commuter parking demand may be relocated out of the Elm Street district by varying the cost of commuter permits to encourage the use of Hubbard Woods and Indian Hill commuter parking (where there is excess capacity) with lower permit fees.

ELM STREET

Transportation in the Elm Street business district consists of Metra service at the Winnetka Station (which has more frequent trains than other stations in the Village), Pace bus options, a complete street grid and sidewalk network, a parking system, and access to the Green Bay trail.

A key finding from the planning process is that throughout the Elm Street District, Green Bay Road functions as a perceived barrier that bisects the east and west sides of the district. Particularly difficult are the intersection pedestrian crossings at Elm Street and Oak Street where the irregular intersection shape can be more challenging to pedestrians due to longer crossing distances, more limited crossing options, and vehicles turning more sharply into the crosswalk. Furthermore, although the street network continues over the Metra tracks, the Elm Street bridge fractures the perceived relationship between retail and restaurant destinations east and west of the bridge. Sidewalks on the Elm Street bridge are more narrow than the sidewalks extending east on Elm Street. A lack of shade, landscaping, and seating along the sidewalk crossing of the bridge contributes to the perceived disconnection between east and west.

With regard to parking generally in the district, the key challenge relates to time restriction variations and excessive signage making parking difficult for customers, particularly those unfamiliar with the system. Based on these findings, recommendations were developed for the Elm Street District.



Elm Street Bridge, looking east towards Lincoln Avenue



Post Office Site, Parking Lot

ELM STREET TRANSPORTATION RECOMMENDATIONS

□ MODIFY GREEN BAY ROAD CROSS SECTION: A “road diet” implemented on Green Bay Road would support pedestrian use and maintain traffic flow. This would include:

- The road would be three travel lanes wide between Spruce Street and Oak Street.
- The segment between Pine Street and Spruce Street would provide four travel lanes with the southbound right-hand lane becoming a separate right-turn lane at Spruce Street.
- The segment between Spruce and Elm Street would accommodate three lanes and parking on both sides. The additional right-of-way could be used to widen the sidewalk on the west side and introduce a carriage walk along the east side of the street serving the parking lane.

Figure 4.1 and Figure 4.2, respectively, show the Existing and Proposed sections of Green Bay Road in the block between Spruce Street and Elm Street. The segment between Elm Street and Oak Street should continue to be two lanes in each direction with diagonal parking on each side.

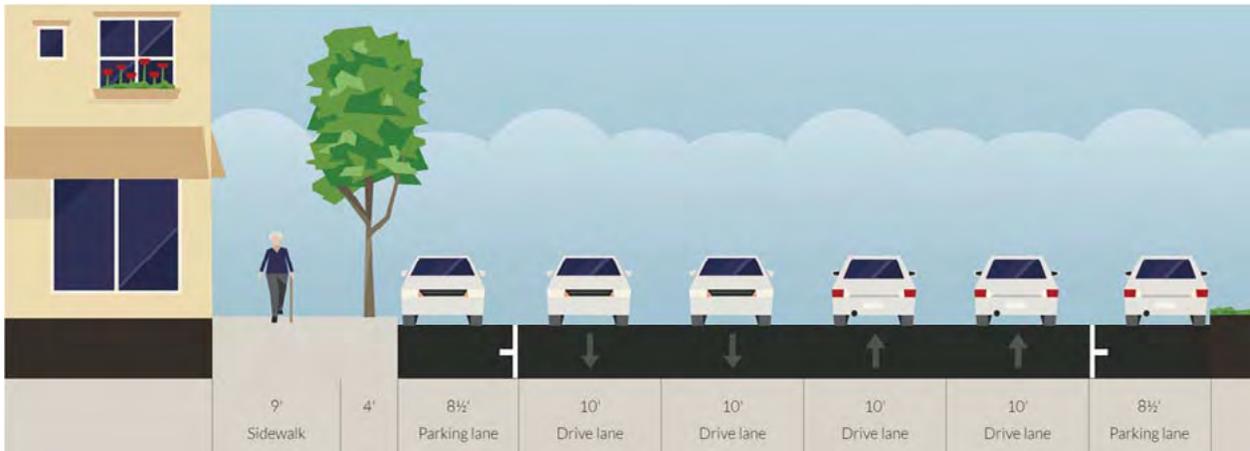


FIGURE 4.1: EXISTING SECTION OF GREEN BAY ROAD (SPRUCE – ELM)

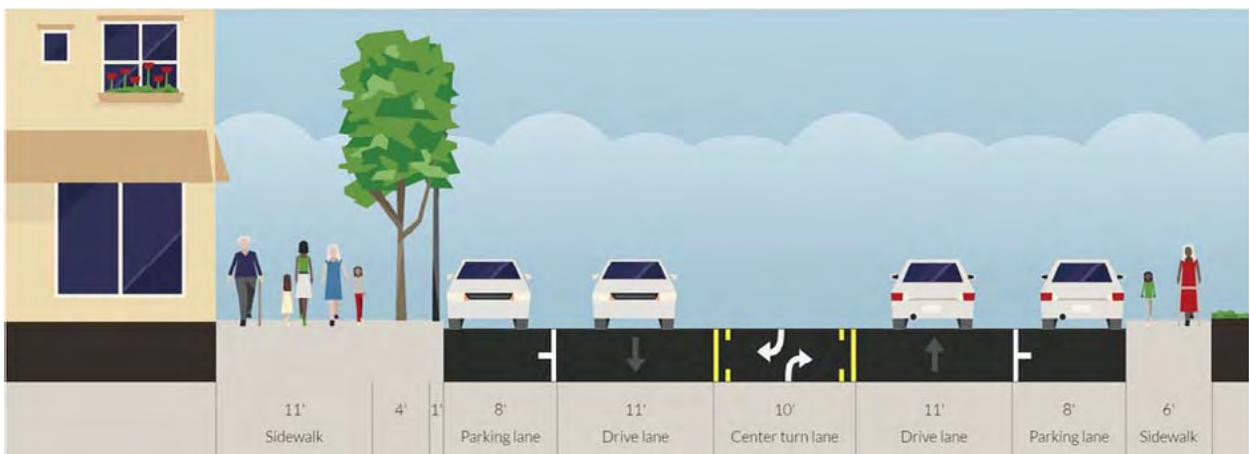


FIGURE 4.2: PROPOSED SECTION OF GREEN BAY ROAD (SPRUCE – ELM)

ELM STREET TRANSPORTATION RECOMMENDATIONS

- **GREEN BAY AND ELM: INTERSECTION + BRIDGE IMPROVEMENTS:** There is significant opportunity for traffic calming and pedestrian enhancements at the intersection of Green Bay Road with Elm Street and on the Elm Street bridge. The Village would apply the Green Bay Road “road diet” through the Elm Street intersection to provide one travel lane in each direction and an exclusive left-turn lane to Elm Street (see Figures 4.3 through 4.6).

Pedestrian safety and urban design goals can be supported by:

- Curb extensions to further reduce pedestrian crossing distances.
- The planned updating of the signal with pedestrian countdown timers and continental-style crosswalk markings.
- The travel way of the bridge being narrowed to two 11-foot lanes, one in each direction, and an 8.5-foot parking lane on each side.
- Curb extensions framing the parking lane and sidewalks being widened to 16 feet or more.
- Gateway features installed in the curb extensions to visually connect east-west across the bridge.



FIGURE 4.3:

CURB EXTENSIONS AND REDUCED LANE CAPACITY AT THE GREEN BAY ROAD/ ELM STREET INTERSECTION AND ON THE ELM STREET BRIDGE

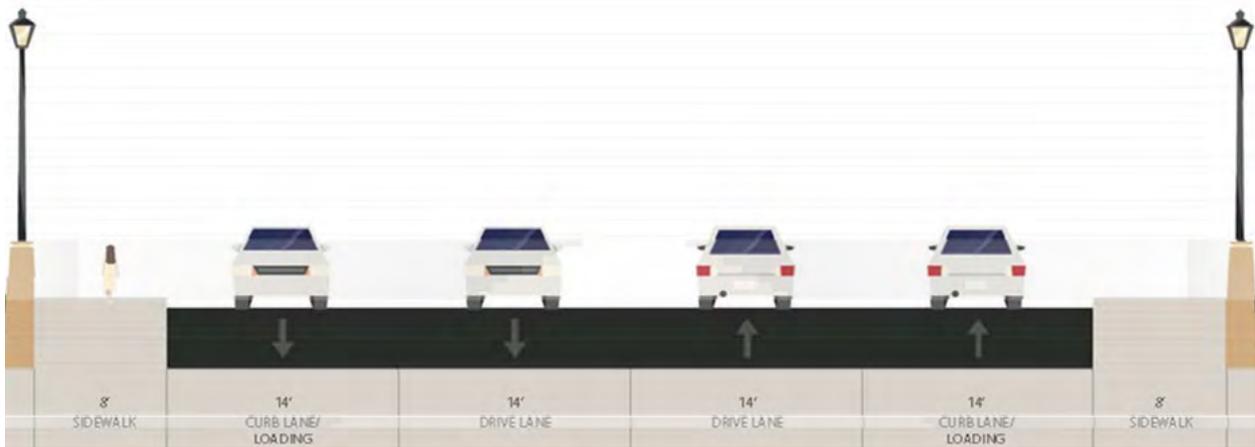


FIGURE 4.4: EXISTING SECTION OF ELM STREET BRIDGE

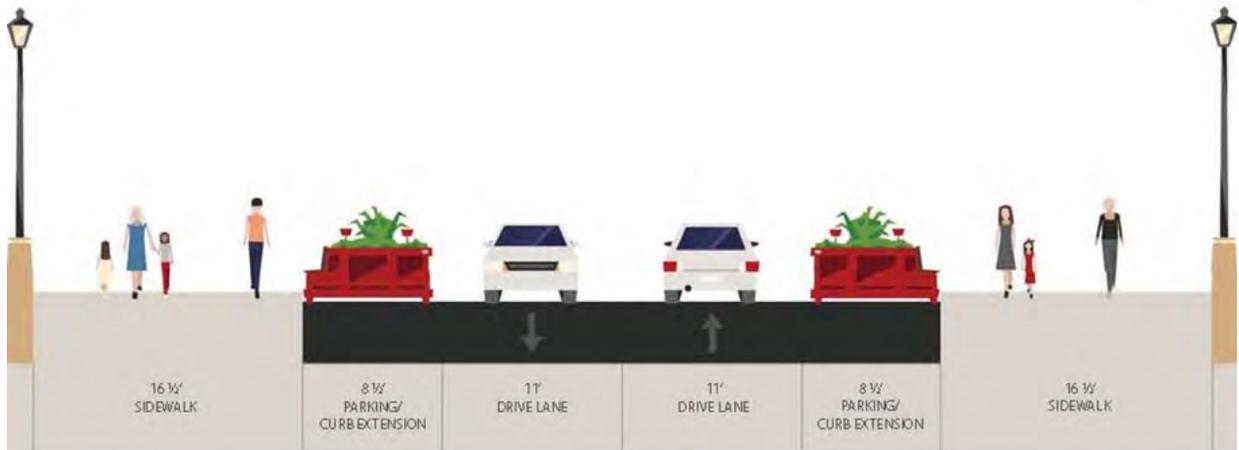


FIGURE 4.5: PROPOSED SECTION OF ELM STREET BRIDGE



FIGURE 4.6:

GATEWAY FEATURE THAT FRAMES THE PARKING LANE ON THE MAIN STREET BRIDGE IN ST CHARLES, ILLINOIS

ELM STREET TRANSPORTATION RECOMMENDATIONS

- GREEN BAY AND OAK: INTERSECTION IMPROVEMENTS:** The road diet on Green Bay Road to further reduce crossing distances and calm turning movements that conflict with the pedestrian crossings also can be extended through the north Oak Street intersection, with the southern eastbound lane on Green Bay eliminated and curb extensions introduced (see Figure 4.7).



FIGURE 4.7:
CURB EXTENSIONS AND REDUCED LANE CAPACITY AT THE GREEN BAY ROAD/OAK STREET INTERSECTION

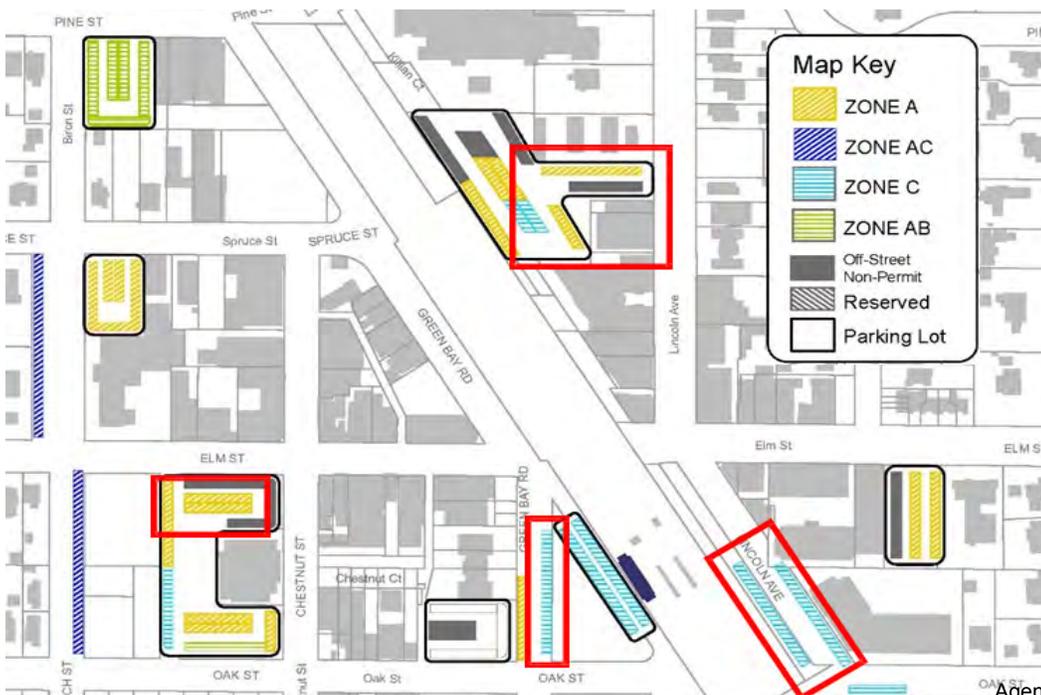


FIGURE 4.8:
PERMIT PARKING LOCATIONS THAT MAY BE BETTER SUITED FOR CUSTOMER PARKING

ELM STREET TRANSPORTATION RECOMMENDATIONS

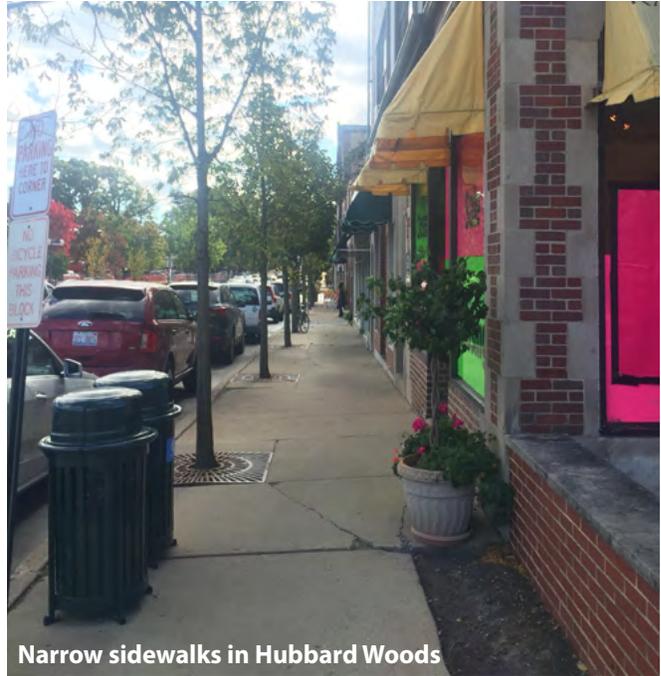
□ **CREATE MORE CUSTOMER PARKING ON-STREET:** As noted earlier, primary parking goals are for on-street parking to be generally used for customer parking and as much on-street customer parking to be supplied as possible. Those concepts are particularly important with regard to the Elm Street district. Maximizing customer parking may include relocating permit parking that is currently on-street to off-street facilities to have more customer parking on-street in more desirable locations. As development occurs, permit parking may be accommodated within a new structured parking. Figure 4.8 shows locations in the red boxes where customer parking would be better placed, if existing permit parking could be relocated to other sites.

- **Change Customer Parking Time Limits/Signage:** To simplify customer usability of the system and encourage turnover of these most desirable spaces, all street parking time restrictions in the Elm Street district should be 90-minute or 15-minute. In addition, customer parking should be 4-hour in off-street facilities in order to force users into an off-street lot if they desire to park for a longer period. This maximizes turnover of on-street spaces.
- **Simplify Public Parking Lot Designations:** To make use of the parking system most convenient, and to the extent possible, each parking lot should be wholly or mostly designated for a particular user – whether it's customers, employees or commuters. Also, signage at the entrance of the lot would display the type of parking accommodated within the lot. This may also mean relocating permit parkers out of a particular lot and to less convenient locations further from destinations to increase efficiency for customers. Specifically, relocating or reallocating permit parking at the Lincoln Avenue lot will make it more attractive to customer overflow. This lot is well located and has potential to accommodate much more customer parking in the Elm Street shopping area east of Green Bay Road.

□ **CROSS PROMOTE THE GREEN BAY TRAIL AND ELM STREET DISTRICT:** Within the Elm Street District, access to the Trail is provided at a point south of Ash Street and at the Metra Station stairs on Elm Street, Oak Street and the pedestrian bridge. The access points are not clearly marked and the latter locations are stairs to the train platform, requiring a cyclist to carry his or her bike up or down. Wayfinding and directional signage on the Trail and within Elm Street will serve to cross promote the two destinations and should be coordinated with the Park District. Other enhancements are to provide bike parking throughout the district and a bike ramp along the side of the stairs.

HUBBARD WOODS

Transportation in the Hubbard Woods business district consists of Metra service at the Hubbard Woods train station, Pace bus service, the Green Bay Road travel corridor, a complete sidewalk system, parking facilities, and access to the Green Bay Trail. Key findings from the transportation analysis show pedestrian comfort has room for improvement along Green Bay Road as sidewalks are narrow. Although the character of the street (active storefronts, pedestrian-scale lighting, and frequent crossings) support pedestrian circulation, the sidewalk width does not allow café seating or desirable activity nodes. Customer parking is difficult to find in the district on-street. The Hubbard Woods parking garage is consistently underutilized, mostly because it is difficult to find and access. Based on these findings, recommendations were developed for Hubbard Woods.



Narrow sidewalks in Hubbard Woods

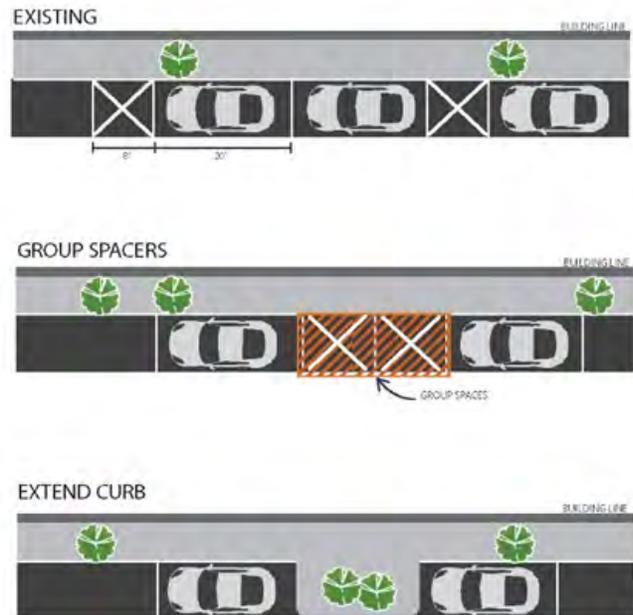


FIGURE 4.9: CREATE CURB EXTENSIONS ON GREEN BAY ROAD TO WIDEN SIDEWALK

HUBBARD WOODS TRANSPORTATION RECOMMENDATIONS

□ **WIDEN AND ACTIVATE THE SIDEWALKS:** To enhance pedestrian comfort in along Green Bay Road, portions of the parking lane can be used to bump out the curb and widen the sidewalk to create pockets for seating or other amenities where the sidewalk is currently too narrow. This can be done by combing the existing painted parking spacers to minimize the loss of parking spaces, as shown in Figure 4.9. Green Bay Road is under IDOT jurisdiction and their approval will be required for this change.

□ **CHANGE CIRCULATION OF MERRILL AND GAGE STREETS:** Access to Hubbard Woods Park and the parking garage can be reinforced by changing the existing traffic circulation and providing pedestrian improvements:

- Merrill Street can be converted from a one-way westbound street to a two-way street. A small turnaround will be needed at the eastern end of Merrill Street to allow eastbound traffic an option to make a U-turn instead of entering the parking garage.
- Pedestrian improvements along the north- south portion of Gage Street would include pavers, a speed table and bump-outs to calm traffic. Traffic along this portion should remain one-way northbound to allow for train station drop- off and pickup and general circulation but at the same minimize the through movements and keep the street skinny. The two-way circulation change will also improve access and connectivity to the parking garage. Outbound traffic from Merrill to Green Bay Road would be under stop sign control

□ **CHANGE CIRCULATION OF MERRILL AND GAGE STREETS:** Directional wayfinding from Green Bay Road to the Scott Street parking garage is needed to improve utilization of the parking garage. Merrill Street, converted to two-way traffic, in addition to Scott Avenue, will become the primary routes into the garage. Traffic on Green Bay will need to be directed with signage to the parking garage via those roads.

□ **CROSS PROMOTE THE GREEN BAY TRAIL AND HUBBARD WOODS:** Within the Hubbard Woods District, access to the Trail is provided at a point north of Tower Road, on the Hubbard Woods Metra Station pedestrian bridge and at Scott Avenue. The access points are not clearly marked and the latter two locations are stairs to the train platform and require a cyclist to carry his or her bike up or down. Wayfinding and directional signage on the trail and within Hubbard Woods should serve to cross promote the two destinations and should be coordinated with the Park District. Elevators are planned as part of Hubbard Woods station upgrades and the stair structures can include a bike ramp along the side.

INDIAN HILL

The Indian Hill business district is focused around the intersection of Green Bay Road and Winnetka Avenue. Due to its location adjacent to Metra, New Trier High School and the student permit parking lot, the intersection sees high pedestrian volumes daily. Figure 4.10 shows the intersection of Green Bay Road and Winnetka Avenue, illustrating key transportation characteristics at the intersection including the New Trier student walking route to the 7-Eleven convenience store. Recent work has been conducted to improve pedestrian safety at the intersection. Transportation in the area consists of the Indian Hill Metra station, Pace bus service along Green Bay Road, sidewalks along both corridors, public (permit and non-permit) parking, and direct Green Bay Trail connectivity on Wilson. From a parking and transportation perspective, continued communication with the New Trier district to support continued traffic and pedestrian safety is considered an important component of this plan.



FIGURE 4.10:
WALKING
ROUTE OF
NEW TRIER
STUDENTS TO
7-ELEVEN

CONCLUSION

Transportation related findings and recommendations in this chapter support easily reaching the business districts, spending time there, and patronizing local businesses. A focus of that effort is on parking, particularly the need to create an understandable parking hierarchy with visitors as a priority. Non-motorized transportation also is addressed in order to make the districts more comfortable and safe. For pedestrians, improvements include sidewalk widenings so that crossing Green Bay Road in the Elm Street business district and strolling along it in Hubbard Woods are easier. For those on bicycle, recommendations include adding bike racks and strengthening access to the Green Bay Trail in conjunction with the Winnetka Park District. Beyond addressing access, many transportation improvements also present opportunities for urban design enhancements to the districts.

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CHAPTER 6

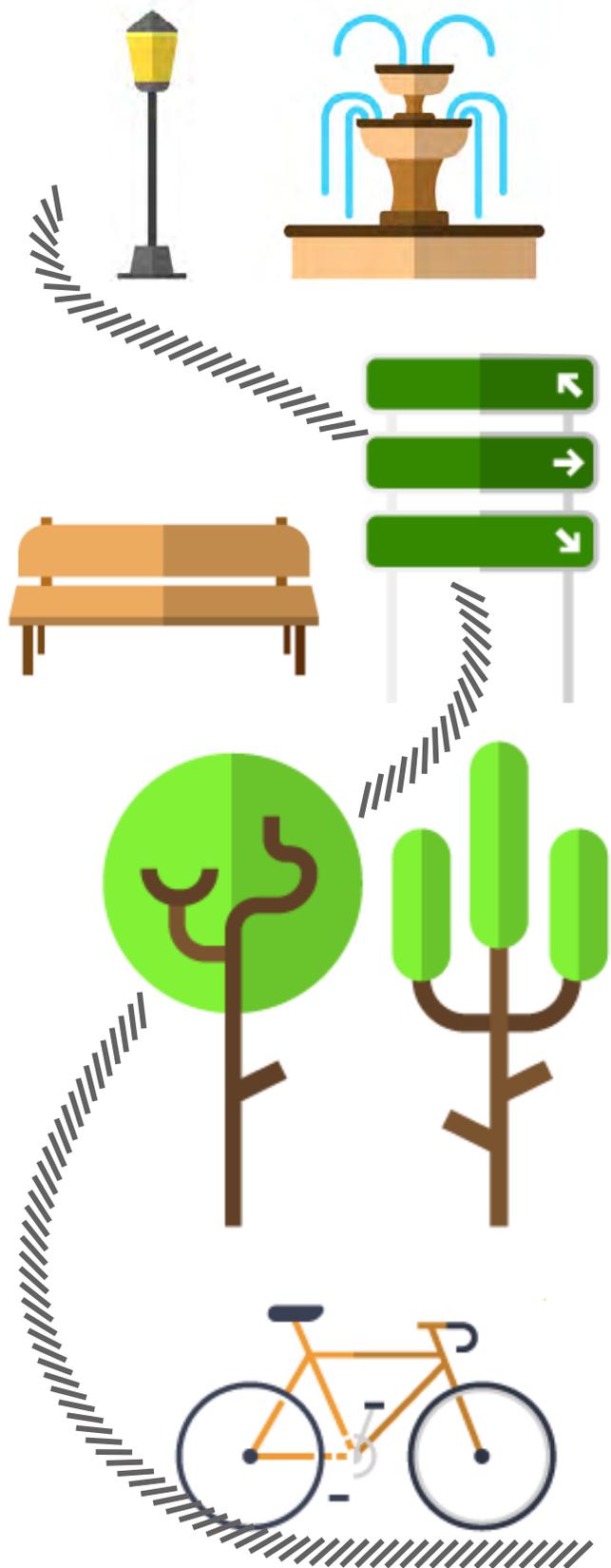
URBAN DESIGN

URBAN DESIGN isn't just about making places attractive. People tend to associate urban design with community beautification – and while it does many things to fulfill that role, it serves a much higher purpose. Elements of urban design / placemaking work together to compliment the look, feel, and function of Winnetka's business districts.

Effective urban design provides structure to the built environment by catering to all types of users – pedestrians, cyclists, drivers, residents, visitors, seniors, and children. It furthers safety via bike lanes, sidewalk connectivity, count-down signals, crosswalks, and bollards. It lets you know how to get places and when you have arrived at a community via directional and gateway signage.

Finally, it caters to enhancing users' quality of life via benches, patios, public art, shade trees, etc. that together provide a place to sit back, relax, and enjoy one's surroundings. High quality urban design encourages residents and visitors to stick around, enjoy the environment, dine at restaurants, and shop at stores.

Enhancing these elements is often referred to as "placemaking". Placemaking is a multi-faceted approach to the planning, design, and management of public spaces. Placemaking capitalizes on a local community's assets, inspiration, and potential, with the intention of creating public spaces that promote people's health, happiness, and wellbeing.



TO SUCCESSFULLY PLAN AND IMPROVE UPON URBAN DESIGN IN WINNETKA REQUIRES A REVIEW AND UNDERSTANDING OF FOUR ELEMENTS:

(1) How the Village's existing Streetscape Plan and Commercial Design Guidelines correspond to this Plan, (2) the community's ideals and desires for urban design as identified and refined through extensive outreach (highlighted in Chapter 2), (3) a common set of urban design themes to guide improvements in the Village as a whole, and (4) the district-specific urban design objectives that respond to each area's unique environment and celebrate the goals of the Vision Statements.

STREETSCAPE PLAN

The Village's existing Commercial Districts Master Streetscape and Wayfinding Plan (December 2008) provides a detailed framework of varying types of improvements, (i.e. street grates, bollards, and planters, as well as specific locations. The Streetscape Plan also presents proposed signage designs and locations.) The general design standards set forth within the Streetscape Plan remain applicable, but the location specific treatments and sign details require review and updating based on the findings and recommendations of this Plan. As noted here and in the Action Plan contained in Chapter 7, it is recommended that the Village pursue a wayfinding and identity project to refine and determine the final type, design, and location of signage (gateway, directional, parking) throughout the Village. This includes refreshing the tree logo design that was considered and incorporating it into new urban design elements.

COMMERCIAL DESIGN GUIDELINES

The Village of Winnetka already has Commercial Design Guidelines in place that set forth best practices for site and building design within the Village's business districts. The extensive document provides great detail on building architecture and massing, the treatment of pedestrian versus vehicular zones, public spaces, types of signage, and location-based open space guidelines. The Urban Design Guidelines that follow are specific to the discussion and findings that stemmed from Winnetka's Downtown Master Planning process. They set forth strategies and identify specific improvements for each district that speak to and advance the district-specific Vision Statements developed by Winnetka residents. They build upon and support, but do not replace the Village's existing Design Guidelines.



How should the Downtown Master Plan Design Guidelines be used?

The Urban Design Guidelines present a range of strategies to aid and encourage collaboration among different design and development professionals, Village staff and officials in promoting health, vibrancy, and district recognition through design. As development proposals within the districts come before the Village, these criteria should be reviewed and incorporated as appropriate whether the project is large or small, public or private, new construction, or renovation. The guidelines address all parties with a role in the design and construction of the built environment, and should serve as a continual reference point moving forward.

URBAN DESIGN THEMES

The following eight themes were identified by the community as priorities for the Plan. They are a direct reflection of desires by Winnetka residents and stakeholders, and served as the guiding principles to develop the recommendations described later in this chapter. As those improvements are implemented, they should be considered in light of these themes.

1. CHARACTER:

Future development and streetscape elements should promote consistent, cohesive application of urban design (lighting, street furniture, year-round landscaping, etc.) that celebrates Village identity and as outlined in the Commercial Design Guidelines. There should be a consistent character in the Village among design elements, but also a recognition of unique character to celebrate district-specific traits (i.e. Hubbard Woods Design District). In this way, urban design elements can reinforce the image of Winnetka and the business districts to residents and visitors.

2. DIVERSE USERS:

Urban design elements should reflect and cater to the diversity of people that frequent the business districts: pedestrians, cyclists, drivers, residents, visitors, families, shoppers, children, seniors, etc. Effective urban design elements will further everyone's enjoyment of districts and attract nonresidents as potential shoppers and diners.

3. DISTRICTS:

The three business districts (Elm Street, Hubbard Woods, and Indian Hill) are not all of comparable scale and role in the Village. To that fact, the extent of streetscape improvements are anticipated to reflect existing characteristics and functionality of the enhancements. Elm Street and Hubbard Woods are larger, more viable for new business and visited by more people; so they are anticipated to see more energy applied to urban design elements.

4. CONNECTIVITY:

Connections through the community as well as business district destinations should be thoughtfully considered and improved for all users, including: 1) children going to school, 2) residents on convenience & recreation trips and 3) regional bikers passing through town and 4) those benefiting from ADA accessibility are all important.



5. SIGNAGE:

Navigation from place to place is an integral part of everyday life. People use their knowledge and previous experiences to find their way in the built environment. Signage is key for welcoming visitors (at gateway locations) as well as orienting and directing users to destinations and parking. Wayfinding signage does just that, it helps visitors find their way, get around, and understand the business districts. It also sets a tone for what people feel and think when they come to Winnetka. Signage must be focused and thoughtfully considered to celebrate Village character and not appear cluttered or confusing. An important consideration is also “user distinction” i.e. residents, who understand their way around, versus visitors who may be unfamiliar with the districts.

6. AMENITIES:

Pedestrian and bike amenities should be further integrated and follow a design to respect the distinctiveness of the districts. The Village can also continue to provide and maintain street amenities including benches, interesting seating, creative / interactive public art, planters, trash containers, recycling and water fountains to ensure business districts invite users to stay and enjoy.

7. SAFETY:

Safety is crucial and should be thoughtfully considered for all users and furthered via lighting, pedestrian and bike amenities, crossings, bump-outs, etc. Future design guidelines should be integrated with the recommendations contained in the Transportation Plan to successfully plan for the interplay between pedestrians, cyclists, and motorists. A variety of tools are available to achieve the desired characteristics including signage, intersection treatments, crossing treatments, buffers, and traffic calming.

8. OUTDOOR DINING:

In the Midwest, where the warm seasons are limited, outdoor dining is especially dear as a way to enjoy community, friends, and neighbors. Outdoor dining is important to many residents and visitors (ranked #1 via the online quick poll). Creative integration should be explored via parklets (in Hubbard Woods), corner plazas, sidewalk patios (where the right-of-way allows), and temporary pop-up cafes at community events.

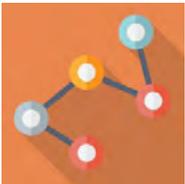
DISTRICT-SPECIFIC RECOMMENDATIONS

In addition to the overarching themes that should be applied at a macro-level and considered for each of Winnetka's three business districts, there are district specific recommendations to be applied at the micro-level. These ideas are aimed at advancing the Vision for each district and were developed over the course of the planning process. Throughout that effort, the varying environments, users, site characteristics, economic drivers, and design opportunities for the business districts were reviewed, refined, and revisited. Solidifying the Vision Statements for each of the business districts early in the process provided the framework from which detailed recommendations followed. The urban design elements can represent opportunities to make the districts more appealing to support a stronger commercial market. In many instances the enhancements correspond to recommended transportation improvements – indicating that the appearance of pedestrian, bicycle, and auto-related infrastructure are ways to enhance the character of the areas.

The district-specific recommendations highlight three primary features:



CONTEXT: Good urban design always arises from a thorough and caring understanding of place and context. How does the district function? What primary roles does it serve – entertainment, civic, leisure? How is it used and by whom? What are the site constraints, opportunities, and capacity for development?



KEY LOCATIONS: Good urban design includes aims, targets, and objectives. The aims are the Visions and themes addressed previously. The targets are the key locations, i.e. intersections, parks, and places, where people tend to congregate, activity is focused, and where urban design improvements should be concentrated. The objectives are the urban design recommendations explained below.



URBAN DESIGN OBJECTIVES: The urban design objectives help further the sort of place each district hopes to become via physical development and coordinated improvements. The objectives for each district are different because they reflect the unique circumstances of the particular place. Downtown Elm Street is a municipal hub, Hubbard Woods is family / design-oriented, and Indian Hill is a gateway into Winnetka, with the primary user being New Trier High School students.

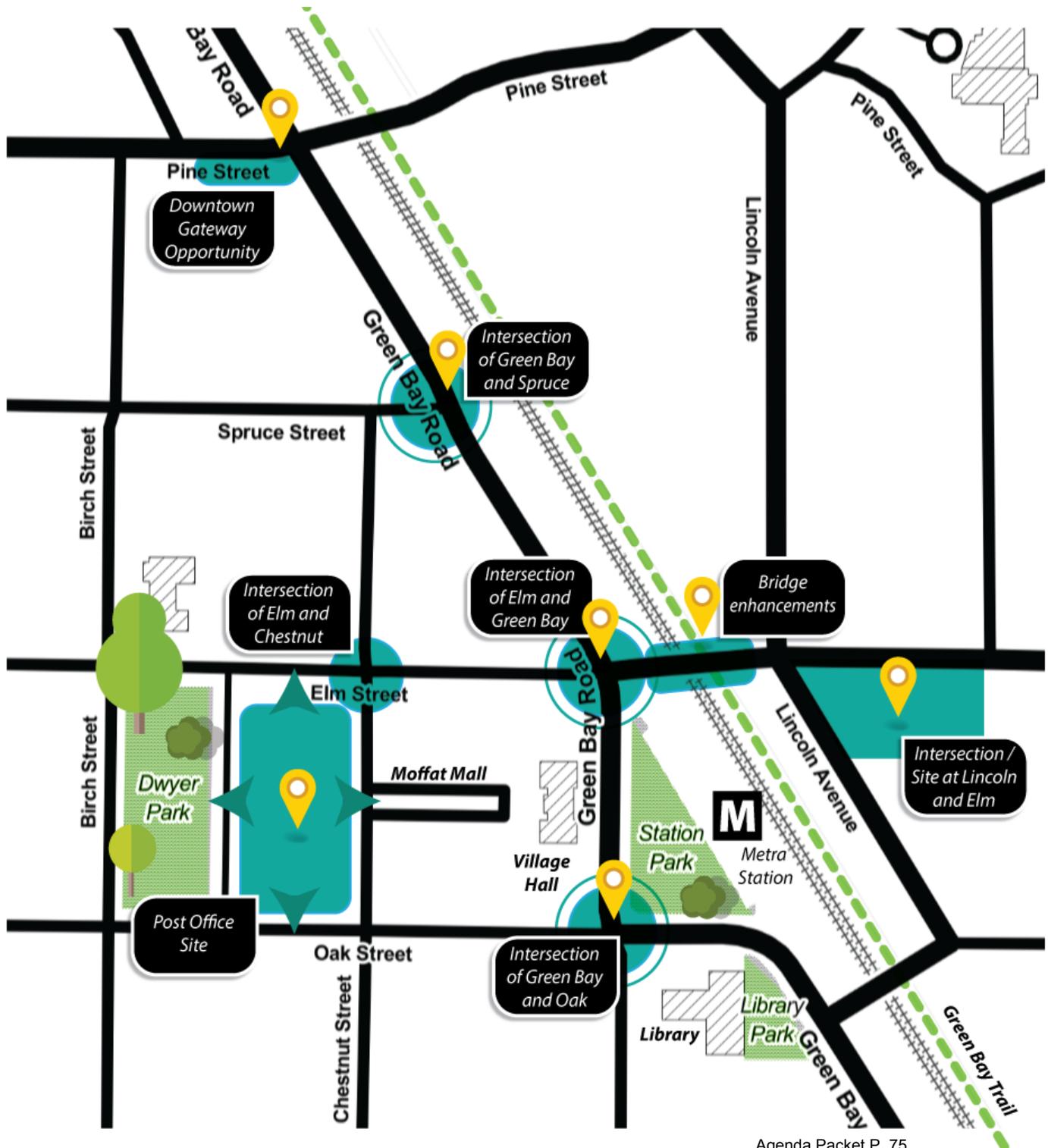
ELM STREET

The Elm Street business district is the main hub and heart of Winnetka's business and civic community. Visually and symbolically it is bisected by Green Bay Road and the Union Pacific Railroad. The district has a very pedestrian feel with sidewalks that provide ample room for pedestrian flow and streetscape features, neighborhood shops, and local restaurants. That said, the crossing of Green Bay Road by pedestrians and cyclists at Elm Street using the bridge / Metra overpass is perceived as daunting. The area west of Green Bay Road most notably includes (1) the Post Office site, which presents a major development opportunity for the Village, (2) Chestnut Court / Moffat Mall, which sits just west of Village Hall and is a defining landmark that will inform surrounding development and urban design improvements, (3) Dwyer Park, a desirable destination for residents and families, and (4) Station Park, which lies across from Village Hall next to the Metra Station. The area east of Green Bay Road is walkable, similarly scaled to the west side and includes a potential development site at the intersection of Elm Street and Lincoln Avenue that will affect future development and market opportunities. The Green Bay Trail, which runs north south, lies just east of the Metra tracks, connecting to the area to both Hubbard Woods and Indian Hill.



ELM STREET KEY LOCATIONS

The map below identifies the key locations, intersections and sites where urban design improvements should primarily be focused in the Elm Street district. These locations were identified as top priorities via feedback and discussion during the Downtown Master Plan process.



ELM STREET URBAN DESIGN OBJECTIVES

SIGNAGE

- **WAYFINDING PLAN:** The value of helping visitors coming to Winnetka find their way to shops, businesses, and parking has been often reiterated in this Plan and is certainly an important urban design element. The Village's existing plans for wayfinding should be coordinated with this Plan and implemented to help everyone find destinations in the districts; prior to improving Village signage (gateway, wayfinding, parking, etc.), an overall wayfinding program is recommended for the Village. Wayfinding and directional signage can better orient users to locations on both sides of Green Bay Road, Community House, Dwyer Park, the Metra Station, Green Bay Trail, public parking lots, and other key destinations in downtown.
 - **INSTALL GATEWAY SIGNAGE:** Opportunities to enhance welcome signage into the core business district of the Village should be incorporated at key locations such as Green Bay Road and Oak Street, as well as Green Bay Road and Spruce Street.
- **Parking:** Review, refine, and simplify parking standards, signage and location by user type. As noted in the Transportation chapter, it is important for visitor parking to take precedent over employee and commuter parking to further foot traffic and activate the district. Additionally, a consistent design and clear message needs to be applied so that restrictions are easily understood for public parking lots and street parking.
 - **Private Signage:** Continue to encourage creative integration of signs (such as blade signs) for commercial storefronts.
 - **Light Pole Banners:** Continue to further celebrate district identity and unification between districts via banners on light poles. Banners may be location, event, holiday, or sponsor specific.
 - **Kiosk:** Consider locating additional kiosks in the Elm Street district at key locations or near outdoor people places where there is a high amount of foot traffic and visibility. There is an existing display at Oak Street and Green Bay Road, additional locations and design of kiosks should be explored (potential location: future development of Post Office site).

ELM STREET URBAN DESIGN OBJECTIVES

PEDESTRIAN AMENITIES

- CONNECTIVITY + SAFETY:** East-west connections should be enhanced via intersection improvements and curb extensions at Elm Street and Green Bay Road and bridge enhancements / sidewalk widening as shown in the Transportation chapter. Likewise, pedestrian amenities that cater to user safety, access, and circulation at key locations should be added as appropriate.
- **Specialty Pavers:** Incorporate pavers at all four crossings at intersection of Green Bay Road and Elm Street to further identify pedestrian environment; continue decorative paving across bridge as noted in the Transportation chapter.
- **Bump-outs/Curb Extensions:** Add these elements to create a more pedestrian friendly environment at the intersections of Green Bay Road and Elm Street, Green Bay Road and Oak Street, and along bridge going over Metra as noted in the Transportation chapter.
- **Bollards:** Consider adding bollards at Green Bay Road and Elm Street to further pedestrian safety.
- **Crosswalks:** Add and repaint if fading.

BIKE AMENITIES

- BIKE PARKING:** Integrate attractive bike parking at some of the key locations in Downtown. Include intersections east and west of the Metra Station on Elm, Dwyer Park and Metra Station (improve existing); also incorporate into future development of Post Office Site. Bike parking also should be considered at the intersections of Elm Street and Lincoln Avenue, and Elm Street and Chestnut Street.
- **Creativity:** Bike racks can be a creative options to also serve as public art and provide an opportunity to further community identity (see idea board).
- **Repair Station:** Consider installing an air/fill repair station near the Green Bay Trail.
- **Bike Plan:** Coordinate with the adopted Park District Bike Plan for overall recommendations on circulation.
- **Green Bay Trail Connectivity:** Further pedestrian and bike connections between commercial districts via the Green Bay Trail.

ELM STREET URBAN DESIGN OBJECTIVES

BUILT + NATURAL AMENITIES

- **PEOPLE PLACES:** Creating comfortable environments for visitors includes elements large and small. Attention to detail helps define the character of and includes integrating plazas, benches, creative seating, outdoor patios and other amenities at key locations; and includes design elements such as bollards and landscaping that enhance safety, further attractive sight lines, and buffer users from traffic and noise.
- **Public Art / Sculptures:** Explore opportunities for art installations, sculptures and / or interactive and potentially kid-friendly fixtures at key locations – specifically the Post Office site.
- **Trash / Recycling Receptacles:** These elements are already installed and should be integrated as needed in the future relative to the Post Office site and development at Elm Street and Lincoln Avenue.
- **Landscaping:** Year-round landscaping is a high priority for the Village as noted via community engagement. Key locations should continue to integrate and maintain landscape treatments that respond to the surrounding environment by providing greenery, shade, and a sensory experience for users. Shrubs and landscape buffers should be incorporated at the edges of plazas and outdoor patios to buffer users from parking and traffic. Shade and ornamental trees should be added and maintained along sidewalks and surrounding plazas. Planters should continue to be integrated at corners.
- **Street Furniture:** Continue to integrate outdoor benches, tables, and seating options at key locations. Consider exploring creative options at plazas and where space allows. Special consideration of opportunities should be applied to the future development of the Post Office site (see idea board).
- **Seasonal Opportunities:** Continue installation of holiday lights, but also explore opportunities to embrace seasons with unique planter creations, light pole banners, etc.
- **Building Plaques:** Celebrate the history of significant structures via more building plaques at the street level that tell a story (see idea board).
- **Pavement Stampers:** Further Village / district identity at key locations via concrete stampers or inlaid designs (see idea board).

ELM STREET IDEA BOARD



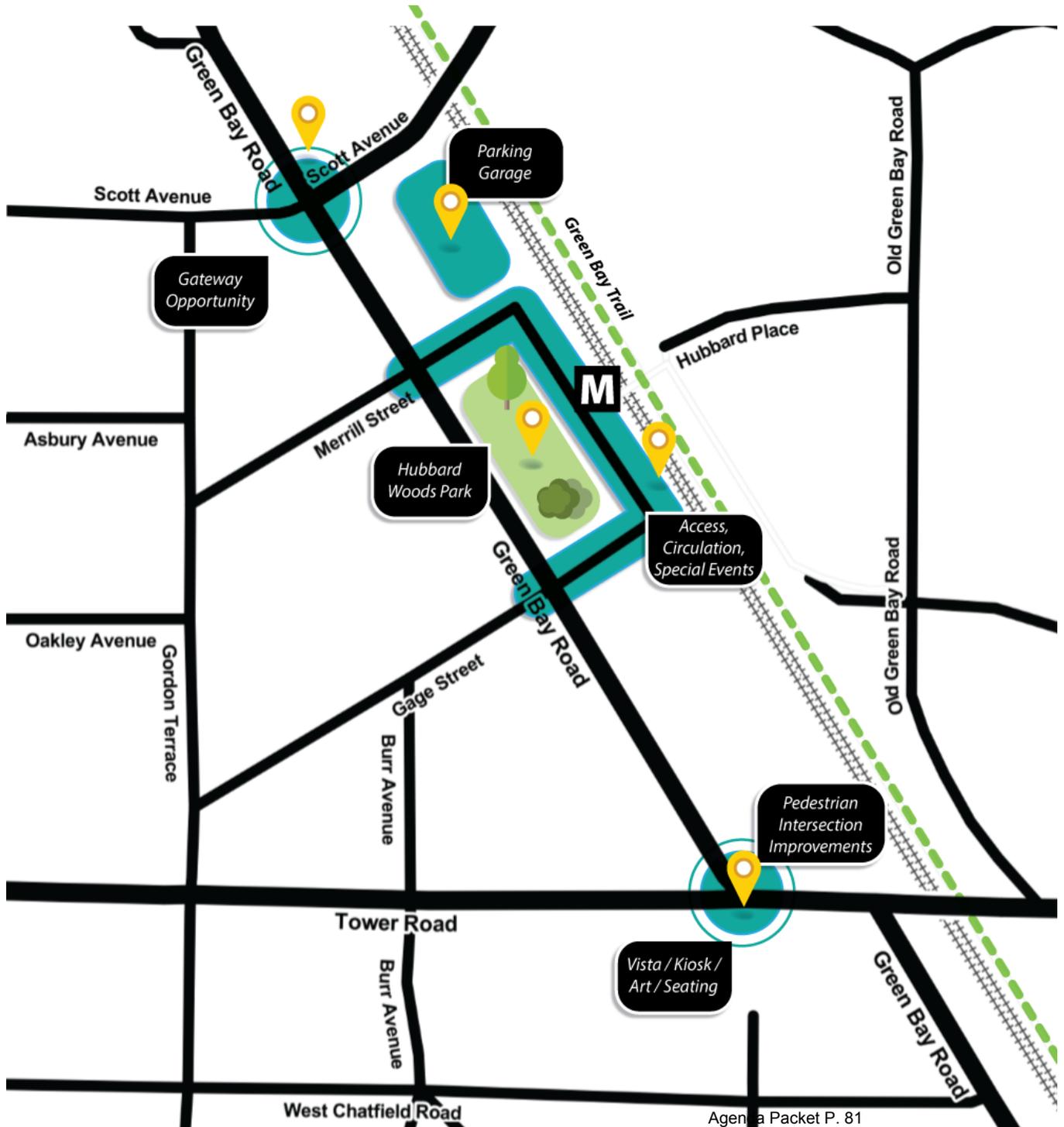
HUBBARD WOODS

Hubbard Woods is a linear business district built on both sides of a regional arterial roadway, Green Bay Road. The district is a major year-round destination due to Hubbard Woods Park and shopping options. It serves as the northern gateway into Winnetka (at the intersection of Scott Avenue and Green Bay Road) and shares its border with Glencoe. Based on the narrower street width of Green Bay Road in Hubbard Woods, it has a more intimate feel than the Elm Street District. It also has narrower sidewalks though, which limits opportunities to expand ground-level streetscape amenities and outdoor seating. That said, Hubbard Woods is walkable, family-friendly and ideal for shopping, playing at, or attending events in Hubbard Woods Park. Parking is primarily provided via on-street parallel spaces. There is also a two-level parking structure adjacent to the railroad tracks at Merrill Street and Tower Court, but it is difficult to access due to existing circulation and traffic patterns around the park at Merrill Street / Gage Street / Tower Court, The Hubbard Woods Metra Station and Green Bay Trail lie on the east side of the District. A public parking lot is located at the south end of the district on Tower Road.



KEY LOCATIONS

The map below identifies the key locations, intersections and sites where urban design improvements will primarily be focused in Hubbard Woods. The locations noted were identified as top priorities via feedback and discussion during the Downtown Master Plan process. As such, the locations provide significant opportunities for enhancement to advance the vision.



HUBBARD WOODS URBAN DESIGN OBJECTIVES

SIGNAGE

- **WAYFINDING PLAN:** As with the Elm Street District, Hubbard Woods can benefit from improved wayfinding. While many of the destinations in the district are located directly along Green Bay Road, some can be challenging to find for first time or occasional visitors. This is especially true of the Metra Station and Hubbard Woods parking deck.
 - **GATEWAY SIGNAGE:** An opportunity exists to add welcome signage to the Village at Green Bay Road and Scott Avenue. Similar signage announcing entry to the Hubbard Woods District could be located at Green Bay Road and Tower Road, and / or Green Bay Road and Merrill Street.
 - **WAYFINDING / DIRECTIONAL SIGNAGE:** Signage to better orient users to Hubbard Woods parking garage (a formal name for which should be determined and commonly applied), Hubbard Woods Park, Metra, Green Bay Trail, and other key destinations can be added to enhance understanding and comfort in the district for all visitors.
- **Parking:** Review and refine signage and location by user type; visitor parking takes precedent over employee and commuter. Again, directing visitors to the Hubbard Woods parking garage is a particular need.
 - **Private Signage:** Continue to encourage creative integration of pedestrian oriented blade signs for commercial storefronts.
 - **Light Pole Banners:** Further celebrate district identity and unification between districts via banners. Banners may be location, event, holiday, or sponsor/business specific; consider Hubbard Woods Design District.
 - **Kiosk:** Consider locating one or more additional kiosks in Hubbard Woods at key locations or near outdoor people places where there is a high amount of foot traffic and visibility. Possible locations include at Hubbard Woods Park and / or near Tower Road and Green Bay Road.

HUBBARD WOODS URBAN DESIGN OBJECTIVES

PEDESTRIAN AMENITIES

- CONNECTIVITY + SAFETY:** Pedestrian circulation can be enhanced around the Metra Station, Hubbard Woods Park, Green Bay Trail, and the intersection of Tower Road and Green Bay Road, which is particularly daunting.
- **Specialty Road/Shared Street:** Consider adding decorative paved crossings at Green Bay Road and Tower Road to further the pedestrian environment. Consider making the stretch of Tower Court adjacent to Hubbard Woods Park and the Metra Station a paved corridor for utilization as a shared street for special events.
- **Bump-outs/Curb Extensions:** These elements can be added at the intersection of Green Bay Road and Tower Road, Green Bay Road and Merrill Street, and Green Bay Road and Gage Street. Similarly, parking spaces along Green Bay Road in Hubbard Woods can be reorganized to allow for the creation of additional bump-outs for landscaping or outdoor seating.
- **Bollards:** Integrate bollards at key locations around park to further safety of pedestrians and children; consider additional at intersection of Green Bay Road and Tower Road.
- **Crosswalks:** Add and repaint if fading

BIKE AMENITIES

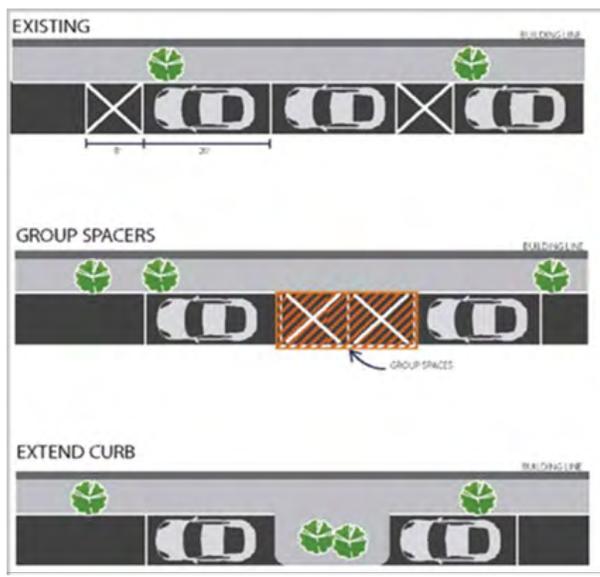
- BIKE PARKING:** The family oriented nature of the district is a point of emphasis for integrating bike amenities such as attractive bike parking at key locations. Particular attention is appropriate to opportunities at both the north and south ends of Hubbard Woods. At the north end, explore creative, family-friendly bike racks near Hubbard Woods Park. At the south end (near Green Bay Road and Tower Road) explore bike racks that celebrate the “design district”.
- **Creativity:** Create options for bike racks may also serve as public art and help further celebrate the Hubbard Woods Design District (see idea board).
- **Identity:** Bike racks provide an opportunity to further community identity.
- **Bike Repair:** Consider an air / fill station near the Green Bay Trail (one at bike shop).
- **Bike Plan:** Coordinate with the adopted Park District Bike Plan for overall recommendations on circulation.
- **Green Bay Trail Connectivity:** Further pedestrian and bike connections between commercial districts via Green Bay Trail.

HUBBARD WOODS URBAN DESIGN OBJECTIVES

BUILT + NATURAL AMENITIES

- **PEOPLE PLACES:** Due to the narrow width of sidewalks in Hubbard Woods, opportunities to create people places at intersections and along the right of way are limited. Encourage integration of creative seating, outdoor patios, public art, and accent landscaping via parklets within requirements for future development proposals.
 - **PUBLIC ART:** A key characteristic of Hubbard Woods is its family-friendly and design-centric nature. As such, there are opportunities to celebrate this via public art at key locations, gateways, and vistas. The Village may also consider temporary art installations at Hubbard Woods Park to replace annually as noted in the examples below.
- **Trash / Recycling Receptacles:** With the newly renovated park and additional park programming to further activate the district, trash and recycling receptacles can be added to ensure they are keeping up with increased use / community events.
 - **Landscaping:** Consider consolidating or grouping planters that are currently located within the sidewalk and in front of storefronts to bump-outs and parklets; this will improve the ease with which people can walk and shop.
 - **Seasonal Opportunities:** In addition to holiday lights, explore opportunities to embrace seasons with unique planter creations, light pole banners, etc.
 - **Building Plaques:** Celebrate the history of significant structures via building plaques at the street level that tell a story.
 - **Concrete Stampers:** Further district identity at chosen, high traffic intersections that celebrate Hubbard Woods Design District.

HUBBARD WOODS IDEA BOARD



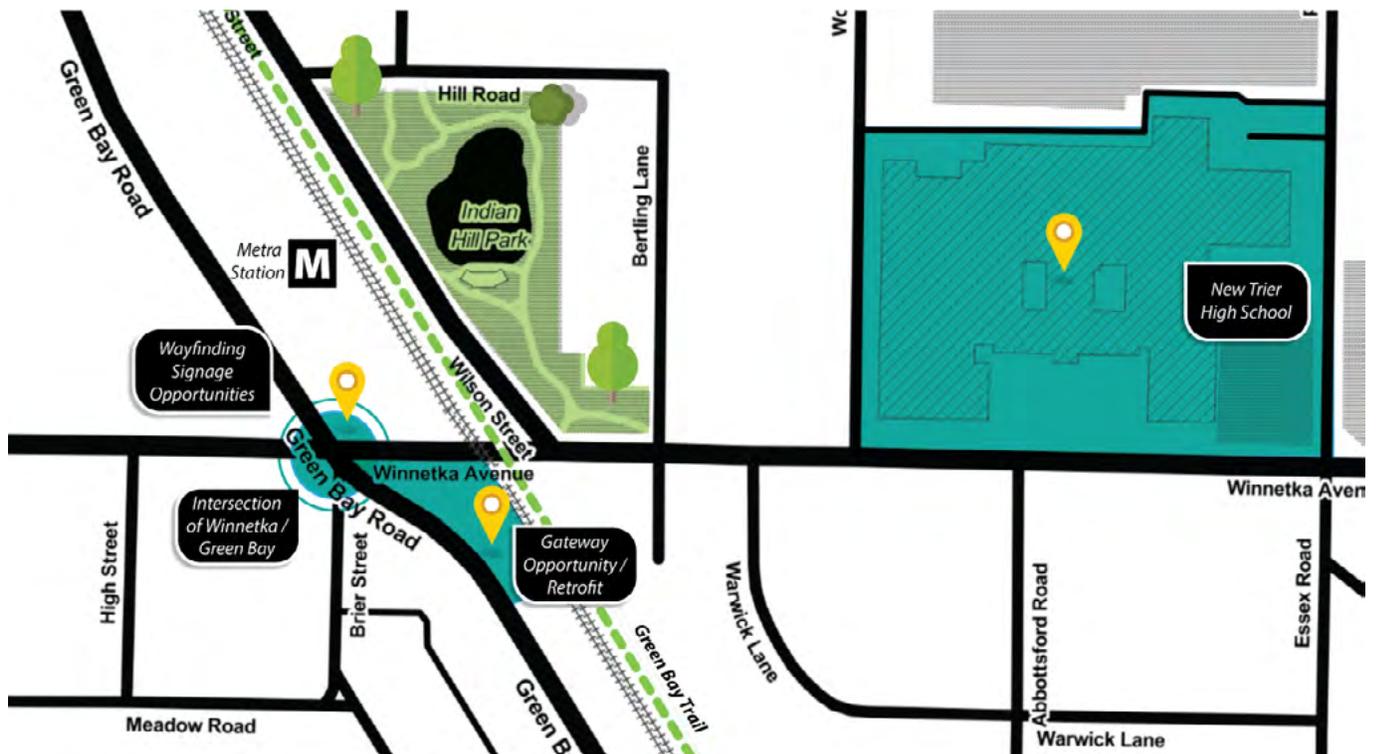
INDIAN HILL

Winnetka's Indian Hill Business District is an auto-oriented business corridor that serves as the southern gateway into the Village, sharing its border with Kenilworth. Other than a small sign, there is no real gateway welcome. The Metra / Indian Hill station sits on the east side of Green Bay along with a large commuter parking lot, the primary users of which are students heading to and from New Trier High School. The Illinois Department of Transportation recently installed traffic, safety, and signal improvements at the intersection of Winnetka and Green Bay. Green Bay Trail runs north-south along the UP-N railroad tracks, just east of Green Bay Road. The most significant opportunities present in Indian Hill is to install signage (both wayfinding and gateway), complimentary landscaping, and explore the retrofit / reuse of the Village owned garage structure on the southeast corner of Winnetka Avenue and Green Bay Road.



INDIAN HILL KEY LOCATIONS

The map below identifies key locations, intersections, and sites where urban design considerations are appropriate in the Indian Hill district. These locations were identified as top priorities via feedback and discussion during the Downtown Master Plan. While outside the study area, New Trier High School certainly impacts the district.



INDIAN HILL URBAN DESIGN OBJECTIVES

SIGNAGE

- **WAYFINDING PLAN:** Further developing the wayfinding concepts noted in the Plan are an important step to understanding each business districts' built environments and where information is needed to maximize legibility of the wayfinding system. As part of the overall wayfinding program indicated in this Plan. This southern gateway should receive consideration of how visitors can be directed to key locations such as the Elm Street District and New Trier High School.
- **GATEWAY SIGNAGE:** Enhancing the existing welcome signage at southeast corner of Green Bay Road and Winnetka Avenue can be accomplished by adding a more robust, site specific gateway sign closer to the intersection. This site was initially acquired by the Village for use as a gateway, and this Plan recommends pursuing that option. This will involve adding landscaping and signage that is highly visible and provided a special announcement that those coming north on Green Bay Road have reached Winnetka.
- **WAYFINDING / DIRECTIONAL SIGNAGE:** Signs should better orient users to New Trier High School, Downtown Elm, Green Bay Trail, Metra, and other notable destinations (North Shore Country Day and Music Institute) via wayfinding signage. Further pedestrian and bike connections between business districts via Green Bay Trail can also be highlighted. During the Downtown Master Plan process, it was noted that New Trier High School hosts many state-wide sporting events that draw thousands of visitors from across the state to Winnetka. But due to lack of wayfinding signage, visitors may not realize the proximity of Downtown Winnetka and the restaurants therein. Thus potential sales tax dollars may be leaving the Village due to lack of wayfinding / directional signage.
- **Light Pole Banners:** Further celebrate district identity and unification between districts via banners on light poles. Banners may be location, event, holiday, or sponsor specific.

INDIAN HILL URBAN DESIGN OBJECTIVES

PEDESTRIAN | BIKE | BUILT + NATURAL AMENITIES

- **PEOPLE PLACES:** In addition to further celebrating the entry into Winnetka via gateway signage near the intersection of Green Bay and Winnetka Avenue, that site (as highlighted in orange on the Key Location Map) is large enough to accommodate additional improvements that could cater to the high amount of student users, generate activity, and make the entry vista more of a “people place.” Potential improvements include retrofitting the existing building into a walk-up student led or student oriented shop (example: container café for coffee, gelato, etc.). If created into more of a destination, additional pedestrian amenities including patio seating, bike parking, benches, and festoon lighting should be considered; parking would also need to be addressed. Furthermore, landscaping should be installed at edges to buffer users from traffic and provide greater comfort / safety.

**** Ideas noted through the Downtown Master Plan outreach support this initiative:*

- 1) Parents of Winnetka want more places for their teens to be able to spend time and*
- 2) in addition to the desire for more restaurants and places to go out to eat, an ice cream / gelato shop was a specific desire noted many times over. ****

- **Public Art:** Consider the installation of a sculptural art element at gateway corner and consider a mural at the underpass. Consider art projects being led by New Trier High School Art classes.
- **Landscaping:** Integrate accent landscaping on east side of Green Bay leading up to Winnetka Avenue to compliment signage and provide attractive gateway approach into Winnetka.
- **Student Run Community Garden:** Consider coordinating with New Trier High School to make the gateway a pilot program for a student run community garden that could include a patio with picnic tables to enjoy lunch. The existing structure could become a tool shed and farmers stand to sell harvested goods and students could engage the community about urban farming / sustainable practices.

INDIAN HILL IDEA BOARD



CONCLUSION

Emphasizing the business districts' role as "people places" can, in part, be advanced through application of the urban design concepts described in this chapter. The enhancements to public and private spaces include elements such as new signage, pedestrian improvements, and street furniture (benches, kiosks, planters, etc.). Proposed improvements build on past plans, reflect the unique character of each business district, and create a consistent application of Village-wide wayfinding and gateways. Implementation of the urban design recommendations are intended to advance the district Visions Statements and build on the Village's history and physical characteristics.





CHAPTER 6

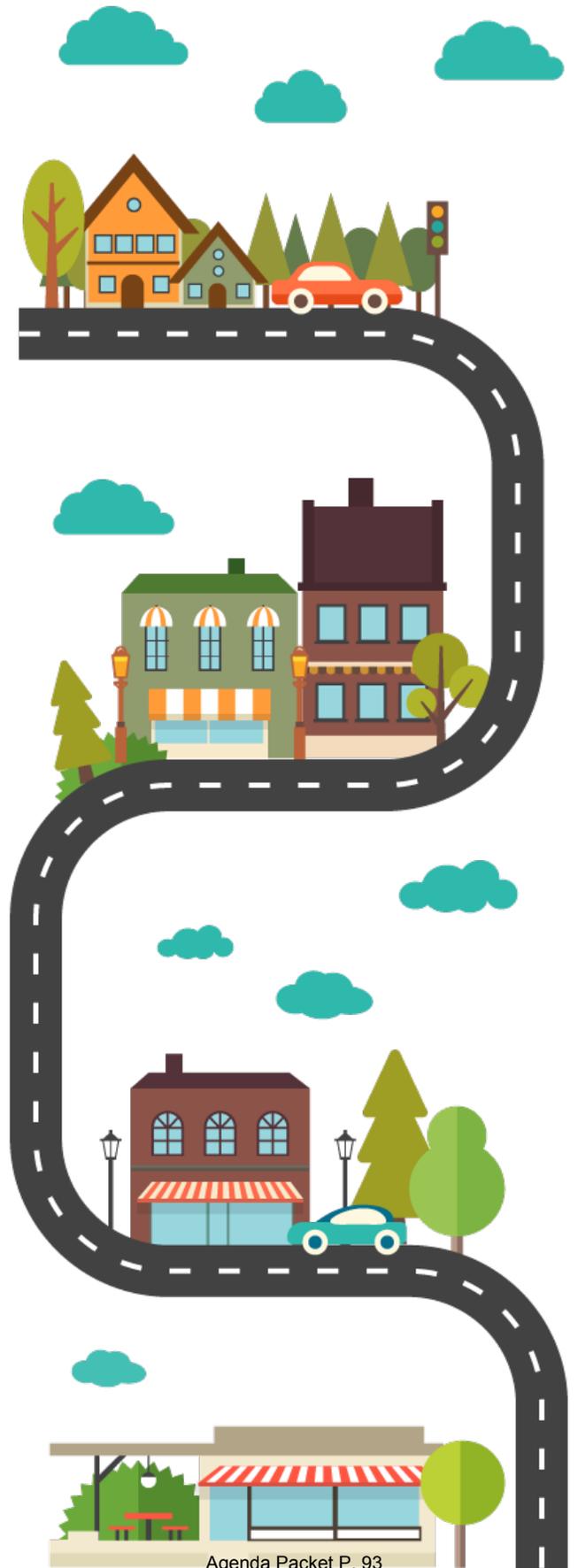
LAND USE + ZONING

LAND USE+ZONING

At its most basic, the Village of Winnetka Downtown Master Plan land use element defines the types of businesses and dwellings that are more appropriate for the Winnetka business districts. Changes in land use from what exists now are taken as a given in planning – although in built-up communities like Winnetka those changes are incremental and happen over longer periods of time. However, given the existing character of the business districts, the future land use pattern can be expected to reflect what’s there now: shops, restaurants, services, and some dwellings.

Even in the most stable business districts stores come and go, redevelopment opportunities are considered, and improving how the area looks is an ongoing effort by the Village, merchants, and property owners. The purpose of this chapter is to build on the Vision Statements and outline a path for the ongoing evolution of the business districts’ physical form and vibrancy.

THE PURPOSE OF THIS CHAPTER IS TO BUILD ON THE VISION STATEMENTS AND OUTLINE A PATH FOR THE ONGOING EVOLUTION OF THE BUSINESS DISTRICTS’ PHYSICAL FORM AND VIBRANCY.



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PHYSICAL FORM FOR THE VISION

The process of preparing the Downtown Master Plan included many discussions about vibrant business areas, family friendly restaurants, stores for home furnishings, ice cream shops, brewpubs, and much more. Those discussions are condensed into the Visions Statements for the business districts. This land use plan helps define a structure for the districts that is the physical form of those Visions. To test how the Visions might take physical forms, three potential development sites were evaluated for how they can best advance plan objectives. These scenarios did not reflect pending developments, nor were they to portray future specific developments.

They were intended to show one possible development outcome at the study site and convey Village expectations for all new development. The site studies highlight questions to be considered in understanding how new development supports the Vision, the site, and urban design objectives. Of the four sites evaluated, the Post Office is unique in that it is owned by the Village. Therefore, the development objectives and sketch plan for this site may well find themselves as part of a Village-led development effort.

REGULATING DEVELOPMENT

Zoning is the legal process by which land use is codified in a community. For better or worse, a zoning ordinance is too often considered the list of things people are prohibited from doing with their property, and can be a cause of frustration. Likewise, the development approval process associated with zoning often is seen as too long, too unpredictable, and too expensive.

In fact, done effectively, the process can be just the opposite. However, the reality is that development regulations are added to every community's code over time and all too often they occur as a reaction to something undesirable that occurred; typically, these codes will be strict and seek to maintain the status quo. Regulations presented in this format do not encourage new businesses and development.



Why address land use?

Change is challenging in a built-out environment because it always replaces something that has been a part of the community, whether an individual store or block of buildings being redeveloped. Yet, the Village has seen that changes, some small and some are large; and continued change is inevitable. Therefore, considering land use in a plan allows the community to set context for that change, outline where it can fit into the community, and set out how it can best occur.

Another reason to address land use is to be clear that the Village is open to changes. It is incumbent on the community to make clear to business and property owners, potential developers, and residents that the Village acknowledges change will happen. Furthermore, it seeks for the change to enhance the community and has defined thoughtful rules under which it should take place. This Plan paints that picture of what is desired by the community for its business districts. While a proposed business or development may bring an idea that is somewhat different from that picture, they will do so with an understanding of what the community has in mind and are responsible for showing how an idea otherwise supports the Vision.

GENERAL RECOMMENDATIONS

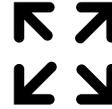
CODE AMENDMENTS

Recent changes to the Zoning Ordinance are recognized as a sound step in creating a development approval process more in keeping with the practices of business district users and supporting Village development objectives. Based on input from the Downtown Master Plan process and technical evaluation of the Zoning Ordinance, further code amendments are recommended. The form and purpose of those changes are outlined below. The specific changes to be adopted into the Village code are expected to be defined and drafted as a follow up to adopting this plan, as they merit further and public deliberation.

- **1. REDUCE / CLARIFY STANDARDS FOR ZONING ENTITLEMENT:** Per the Village Zoning Ordinance, Special Uses, Planned Unit Development, and Variations must be considered against a set of established standards to affirm that the proposed use or development is appropriate for the Village and the location where it will be located. The Winnetka Zoning Ordinance has multiple sets of standards for each of these approvals that must be addressed. In practical application, these multiple sets of standards lack focus and can be applied subjectively. This makes the approval process confusing for the applicant and Village officials, and does not constructively add value to the approval process or ultimate development. The standards should be consolidated and clarified without diminishing the regulatory control the Village maintains over proposed developments or its expectations for their quality.
- **2. REVISE THE COMMERCIAL OVERLAY DISTRICT:** Winnetka's C-2 Overlay zoning district regulates the uses (businesses) permitted in the core parts of the Elm Street and Hubbard Woods business districts. It permits fewer types of businesses than the underlying C-2 District, primarily allowing retail and personal service businesses on the first floor with the intent of supporting an active commercial street front. However, it has been noted during the planning process that lifestyles have changed in recent years and a notable level of activity is also generated by other types of uses. Recognizing this change and incorporating it into downtown zoning can advance stronger business districts. For this regulatory tool to be better in step with the direction of this Plan, four aspects of the C-2 Overlay should be changed, as noted on the following page.

CODE AMENDMENTS

□ 2. REVISE THE COMMERCIAL OVERLAY DISTRICT (CONTINUED):



1. PERMITTED USES:

Evaluate list of permitted uses to better reflect current trends in downtown business districts and potentials for success identified in this Plan's Market Assessment. The potential for "foot traffic" generated by a broader range of personal services and office uses should be reflected in the use list as "permitted". In some cases, businesses that attract activity are prohibited in the Overlay or require a Special Use process. This approach to regulating downtown uses is no longer a best practice in light of how people's use of downtown business districts have changed. In addition, there is increased competition for consumers' entertainment and shopping dollars from the surrounding communities and the internet.

2. SPECIAL USES:

Reduce number of uses considered as Special Uses. Best practice is to consider Special Uses as those that are desirable for a district, but merit further evaluation to address potential adverse impacts (points of traffic conflict, potential nuisances, impacts on adjacent properties, etc.). If a particular type of business is not a good fit for the district because it generates limited activity or is contrary to the plan's vision, that status should be clearly conveyed in the code and the use not permitted. This change should not be seen as restricting businesses in the overlay – the recommendation above suggests creating a broader list of permitted uses – but will create clarity in the code.

3. OVERLAY BOUNDARY:

Evaluate the merits of narrowing the extent of the C-2 Overlay geography in the Elm Street and Hubbard Woods districts. In keeping with the theme of creating vibrant business districts, the Overlay should be evaluated as to whether all areas designated support that objective. If not, it is appropriate to permit the broader range of land uses set by the underlying C-2 District and shrink the Overlay boundary. Strongest commercial activity will be located at key intersections, sites located farther from such intersections may no longer add value to the Overlay District and that designation can be removed.

4. OVERLAY TITLE:

Change the C-2 Overlay District name. The most common and appropriate use of "overlay" zoning is to set additional standards that will work in concert with the underlying district (as is often applied with historic preservation or urban design criteria to a specific part of the community). While the C-2 Overlay does have different standards in that it allows fewer businesses by right, it does not follow the conventional application of an overlay district. This can be confusing to business and property owners or developers. The most straightforward approach would be to rename the overlay as a C-3 Commercial Core District and apply it as a conventional zoning district.

CODE AMENDMENTS

□ **3. REFINE THE CURRENT DESIGN REVIEW PROCESS.** Building permit requests for commercial and multiple-family buildings in the C-1, C-2, and C-2 Overlay Districts come before the Village for consideration that building design, building materials, site plan, and landscaping are consistent with desired community character. The applications are heard by the Village Design Review Board (DRB), which makes findings on whether to issue a Certificate of Appropriateness of Design. Appeals to DRB determinations and all applications in the C-1 Zoning district (Indian Hill) are heard by the Village Council. This is a well-established process and is common in other communities. In Winnetka, the expectations for design characteristics are thoroughly spelled out in the Village of Winnetka Design Guidelines and Design Guideline Evaluation Checklist (which effectively summarizes the design guidelines and helps users through the Village Design Review Board process). In the interest of making the process more predictable and effective for applicants and the Village, several changes to the design review process should be considered:

| 1. CLEAR STANDARDS | 2. DESIGN REVIEW: | 3. EXCEPTIONS: | 4. C-1 DISTRICT: |
|---|--|---|--|
| <p>Establish clear standards of approval for the design review process. Standards for approval of Certificate of Design Appropriateness are broadly outlined in the Village Design Guidelines, Section 15.40.010.F of the Zoning Ordinance, and the Design Guideline Evaluation checklist - but are not specifically delineated. This collection of criteria should be evaluated and combined into a single set of standards for approval of a Certificate of Design Appropriateness. Articulated standards will provide clarity to both applicants and the DRB regarding intended outcomes for the process.</p> | <p>Require design review for a few structural items. Not all changes to building exterior may rise to the level of requiring DRB or Village Council approval. In the interest of encouraging improvements and providing a efficient process, some building elements could be permitted with a reduced level of review, such as administrative review and approval by staff. Most appropriate for this might be “like for like” replacements of existing elements such as awnings, windows, lights or doors that could be approved through the building permit process. Similarly, new elements reflecting the same style as existing features could be administratively approved.</p> | <p>Consider if there are circumstances in which administrative exception could be granted for limited relief from design review standards. This is mostly likely to occur after a design element has been approved by the DRB but an applicant needs to make a change to the approved design. In situations where the requested change provides a comparable or higher degree of design character and meets the intent approved by the Commission, such could be authorized through an administrative process.</p> | <p>Eliminate the need for buildings in the C-1 District to be considered by the Village Council architectural review. The process was established over concern that inappropriate buildings could be located too close to single family residential areas. In fact, the recent changes to Village Code and those proposed as part of this plan maintain a process through which concerns of adjacent owners can be heard and addressed.</p> |

CODE AMENDMENTS

- **4. APPLY ADMINISTRATIVE APPROVAL FOR MINOR VARIATIONS IN COMMERCIAL ZONING DISTRICTS:** In situations where renovating a structure in the business districts creates requirement for a small variation from the Zoning Ordinance, these could be allowed through the administrative approval process by the Zoning Administrator. Such approvals are possible in some instances, but are limited in type and scale – as spelled out in Section 17.60.035. However, additional use of the Minor Variation process for small variations in the business districts should be considered.
- **5. ESTABLISH A PLANNED DEVELOPMENT COMMISSION.** The process for considering Planned Developments (those over 10,000 square feet) in the Overlay District incorporates review of the Plan Commission, Zoning Board of Appeals, and Design Review Board. The time and materials required for this process can create a burden for applicants, Village officials, staff, and interested citizens as they must attend a series of meetings and review multiple packets of materials. To conduct the process in a more collaborative and efficient manner, and maintain a high level of evaluation, a Planned Development Commission can be created to evaluate planned developments in all commercial and multiple-family zoning districts. Such a body could include members of the Plan Commission, Zoning Board, and Design Review Board and consider all relevant standards; each member would receive training to understand and apply standards of the other commissions. The efficiency in the process is created by the project background not needing to be repeated to multiple groups. The integrity of the process is supported in that the concerns of each commission are thoughtfully considered in concert with the others.
- **6. CONSIDER ESTABLISHING A FEE IN LIEU FOR PARKING RELIEF.** The Village parking requirements are considered sound in meeting current needs, particularly in light of recent Code changes. When considering parking relief, the Village may choose add the option of an associated fee in lieu of parking as an alternate form of compliance (similar to the way that providing required parking in an off-site lot is a different way to meet parking requirements). The fee could be applied if other methods of meeting the intent of the code could not be achieved, but should be thoughtfully set so as not to be a disincentive to development. Typically established on a per space basis, the fee could be placed into a fund for upkeep of present parking and related facilities (such as signage) or assisting in financing new parking facilities.
- **7. PROVIDE COMMISSIONER TRAINING.** Assuring that members of commissions are appropriately trained supports the concept of more effective meetings and development reviews. While Village commissioners are well educated and committed to the well-being of the community, not all will be experienced in the topics specific to the commission on which they sit or the unique aspects of how municipal commissions operate. A training program could be established for current commissioners and required of all new commissioners prior to taking their positions. A training regimen will help maintain consistency between commissioners and commissions in how they apply Code standards, supporting more effective and efficient review processes.

BUSINESS DISTRICT RECOMMENDATIONS

As noted at the beginning of this chapter – ongoing land use and redevelopment in the business districts will reflect the current mixed use characteristics, as regulated by the underlying zoning. Therefore, the land use plan does not seek to designate land use beyond the underlying existing mixed use character of the districts. Where a specific concept or change of existing land use mix is anticipated, it is noted below.

ELM STREET

The Elm Street District is bisected by Green Bay Road and the Metra right-of-way. Both sides of Green Bay Road are a mix of uses including retail, personal/household services, restaurants, and government/institutional services. Office/professional services in the area include banks/financial services and medical offices. The area includes two large parks (Dwyer Park and Station Park) and the Green Bay Trail (along the east side of the tracks). Primary land use characteristics are:

- Mixed-use buildings (commercial on first floor and apartments or office on upper floors) are located throughout the district.
- Commercial uses are focused along Chestnut Street and Elm Streets and Lincoln Avenue.
- Single and multifamily housing are located throughout the district, but primarily south of Elm Street.
- Uses at the edges of the district commonly about single family residential uses.
- Off-street parking is available on both sides of Green Bay Road.

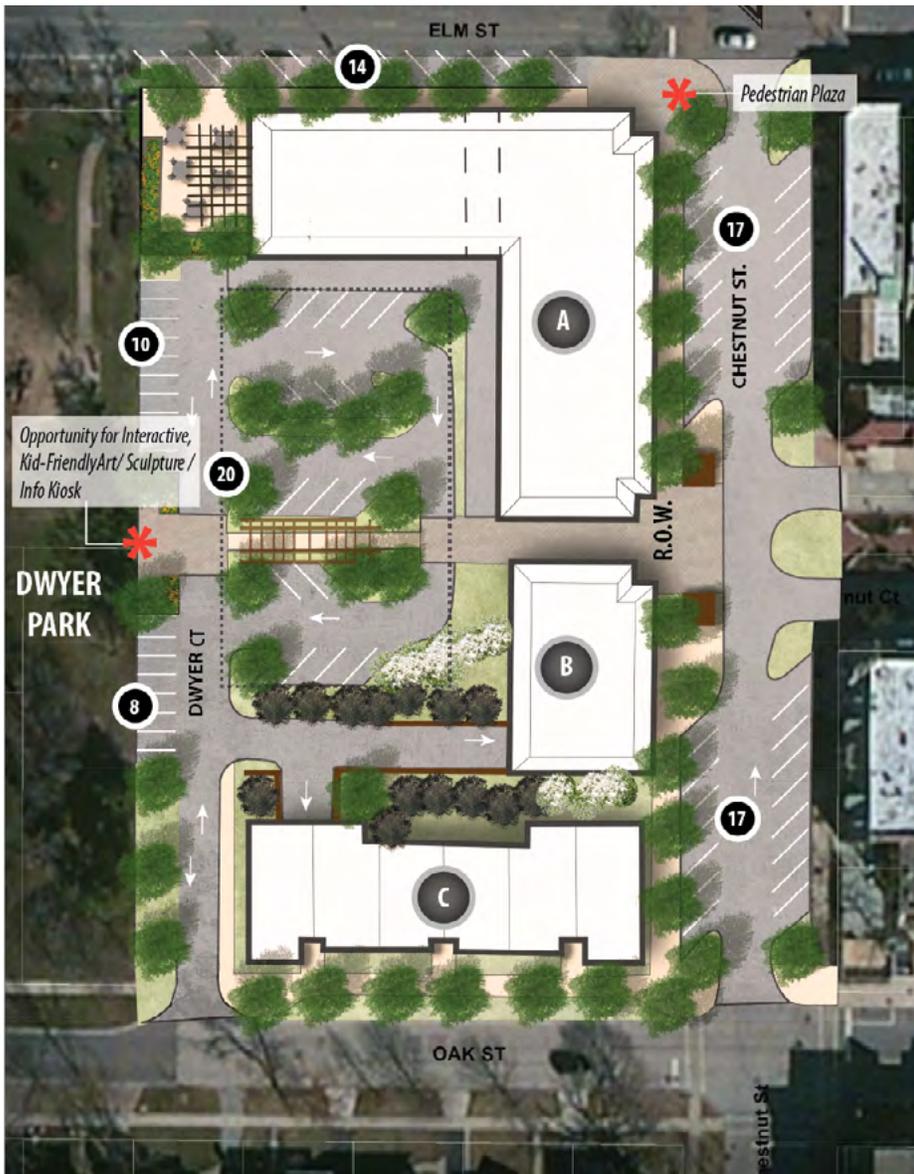
1. POST OFFICE SITE:

The Post Office Site is the most significant land use and development question addressed in this plan. Redevelopment of the Village owned property has been contemplated for a number of years and is again now that the national and local economies are rebounding. The site represents a significant opportunity to enhance the downtown and advance the Vision of a more vibrant place to live and experience the community.

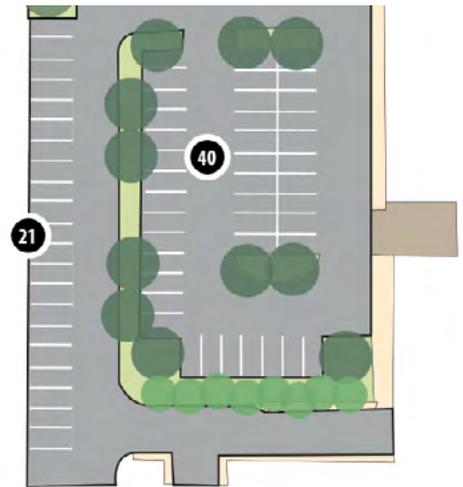
Figure 6.1 and Table 6.1 show a potential mixed use development concept with retail, office, condominiums, townhomes, and underground parking for residential and office uses, as well as key site development objectives. Development of the site will include replacing some or all of the existing public parking for downtown employees and customers, as well as new development on the property. Options for how public parking is provided on the redeveloped site will depend on the amount and location of other parking available in the district (existing now or to be built).

The approach to public parking shown on the plan reflects an ideal situation in which a strong, pedestrian friendly, mid-block, visual and physical connection between Moffat Mall and Dwyer Park is created. The challenge with this approach is that it reduces the amount of available parking. An alternative parking scenario is shown as Parking Alternative 1, which provides about 20 more spaces. Reducing the amount of public parking on the Post Office site depends on whether parking spaces to accommodate demand for downtown commuter parking can be added to the district. Parking Alternative 2 reflects the option of including a two-level parking deck as part of the development. This alternative adds greatly to the cost of developing the site, but is anticipated to be necessary if no other significant parking resource is added in the district on either the west or east side of Green Bay Road.

FIGURE 6.1. DOWNTOWN ELM - POST OFFICE SITE



PARKING ALTERNATIVE 1



PARKING ALTERNATIVE 2

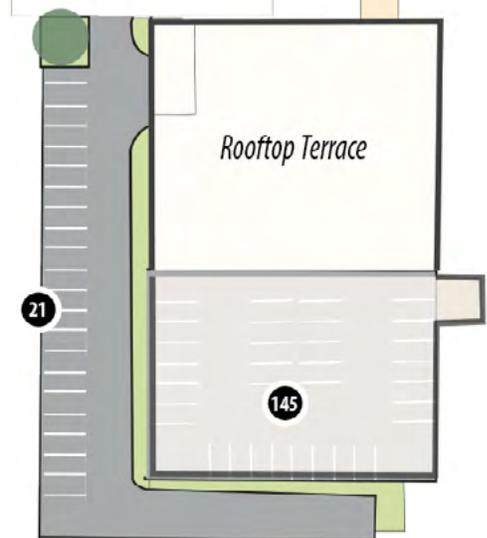


TABLE 6.1: POST OFFICE: DEVELOPMENT SCENARIO

Building A:

- A mixed use, four story building is located at the corner of Elm and Chestnut Streets.
- Ground floor commercial and/or restaurant.
- Three stories of condominium units above.

Building B:

- A three story commercial building is located mid-block on Chestnut Street.
- First floor commercial.
- Upper floor office.

Building C:

- Residential uses (2 ½ stories) located along Oak Street.
- Either townhomes or condominium units.

Site and Urban Design

- Building heights step down moving south on site to reflect and complement existing Oak Street residential. Heights of buildings are reflective of area character, nearby structures, and street width.
- Pedestrian plaza at corner of Elm and Chestnut Streets.
- Pedestrian plaza / connection across from Moffat Mall creates a gathering place, builds on design character of downtown, reflects unique Moffat Mall design, and forms an access point through to Dwyer Park. Alternative designs without a connection to the park facilitate increased parking.
- Building architecture should reflect and complement upscale historic character of the district.
- Connections to Dwyer Park reinforced with outdoor plaza at west end of site along Elm Street.

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2. ELM STREET NORTH SITE

The development scenario sketch and data shown in Figure 6.2 and Table 6.2 represents a potential redevelopment of this area. Different than the Post Office site, it does not reflect a single owner or a clear and definitive interest in redevelopment. Therefore, the conceptual scenario provides understanding for potential redevelopment in this area and in the Village generally. Regarding the site, this scenario points to the value of a downtown grocery in this district (Winnetka has two groceries serving the community for many years – Grand Foods shown here and Lakeside Foods on Elm Street). Should a development happen on the site, the grocery is expected to remain, with an improved parking field to support customers.

3. WORKING WITH PROPERTY AND BUSINESS OWNERS:

Placing businesses into older commercial structures like those in Winnetka, especially the Elm Street District, requires a substantial amount of flexibility on the part of the Village, the owners, and the businesses. All parties must compromise and think creatively to generate success. From the Village’s perspective, the recent zoning and Village Code changes and the additional changes recommended in this plan represent a change to how regulations are applied to support needed building improvements. In addition, the Village has placed a greater emphasis on economic development activities that support marketing for existing businesses and outreach to attract new ones. Finally, many of the landlords and businesses who contributed to the planning process highlighted their creative, persistent, energetic, and sometimes challenging efforts related to business and building improvement. Only through continuation of such individual and joint efforts can the land use and vibrancy aspects of the Elm Street Vision be achieved.

4. REHAB OR NEW CONSTRUCTION?

A question to be considered is whether parts of the Elm Street district should be redeveloped and whether there is interest in many of the existing buildings being renovated and new businesses located in those spaces. There is a natural question as to which is better: new construction or rehab of existing spaces? From the perspective of this plan, the answer is that in the Elm Street District is served well by either. The goal is that the appearance of buildings and types of businesses reflect the Plan’s Vision Statement and present an appearance in keeping with the design guidelines. The review and approval processes of the Village are set up to accomplish that aim; and the downtown is and should continue to be home to solid examples of both.

“It’s really getting extremely clear.”

- Gwen Trindl, Steering Committee

Member and first woman President of the Winnetka Village Council, comments on the Downtown Master Plan at the February 29 Redevelopment Sites Meeting.

FIGURE 6.2. DOWNTOWN ELM - NORTH



TABLE 6.2: ELM STREET - NORTH: DEVELOPMENT SCENARIO

Building A:

- A three story residential building is located along Spruce Street at Birch Street.
- Parking provided underground.

Building B:

- A two story commercial building is located mid-block along Spruce Street.
- Can be used as office, retail or combination.

Site and Urban Design

- Gateway element located at NW corner of Spruce Street and Green Bay Road.
- Gateway art option along north face of Grand Foods and / or as part of the Spruce Street and Green Bay Road gateway element.
- Visibility to Chestnut Street and downtown from Green Bay Road emphasized.
- Building set back slightly off of Birch Street, reflective of adjacent residential.
- Building architecture should reflect surrounding character.
- Number of curb cuts reduced on Spruce Street.
- Additional commercial development along Spruce Street should be facing the Laundry Mall so as to create facing commercial structures.
- Internal pedestrian paths/walkways provided through parking lot, running north/south, to enhance safety and connectivity.
- Larger parking field created in front of Grand Foods.

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HUBBARD WOODS

The Hubbard Woods District includes commercial uses on both sides of Green Bay Road. Businesses primarily include retail and personal/household services. Office/professional services in the area include design, banks/financial services, and medical offices. Principle characteristics of the district are:

- Mixed-use buildings are prevalent with commercial uses on first floor and apartments or offices on upper floors.
- Businesses south of Tower Road are served by an off-street parking lot, while businesses north of Tower Road are primarily served by on-street parallel parking. A parking deck on Scott Avenue is available but underused.
- Hubbard Woods Park provides a significant open space area and its recent renovations are a significant activity generator for the district.

1. HUBBARD WOODS DEVELOPMENT SCENARIOS:

The development scenario sketch plan and data shown in Figure 6.3 and Table 6.3 represents a possible redevelopment of the Hubbard Woods South Site. Similarly, the development scenario sketch and data shown in Figure 6.4 and Table 6.4 represents a potential redevelopment scenario of the Hubbard Woods North Site. As with the Elm Street North Site, the scenarios were prepared with the intent of better understanding potential opportunities and issues presented by development in the district.

Key factors of the Hubbard Woods South Site are: 1) Parking requirements for the retail and restaurant uses reflected in the scenario limit the potential new square footage, 2) similarly parking limitations point to the merits of the existing buildings being incorporated into any site redevelopment, and 3) any development activity in this area must be sensitive to existing, adjacent residential uses.

Key factors of the Hubbard Woods North Site are: 1) this area presents perhaps the best potential in the Village for new rental dwellings, 2) Hubbard Woods Park is a significant amenity to attracting development, and 3) the existing, underused Hubbard Woods parking deck presents an opportunity to support parking demands of new development.



Review and Discussion of Redevelopment Opportunities at the February 29th Steering Committee Meeting

FIGURE 6.3. HUBBARD WOODS - SOUTH

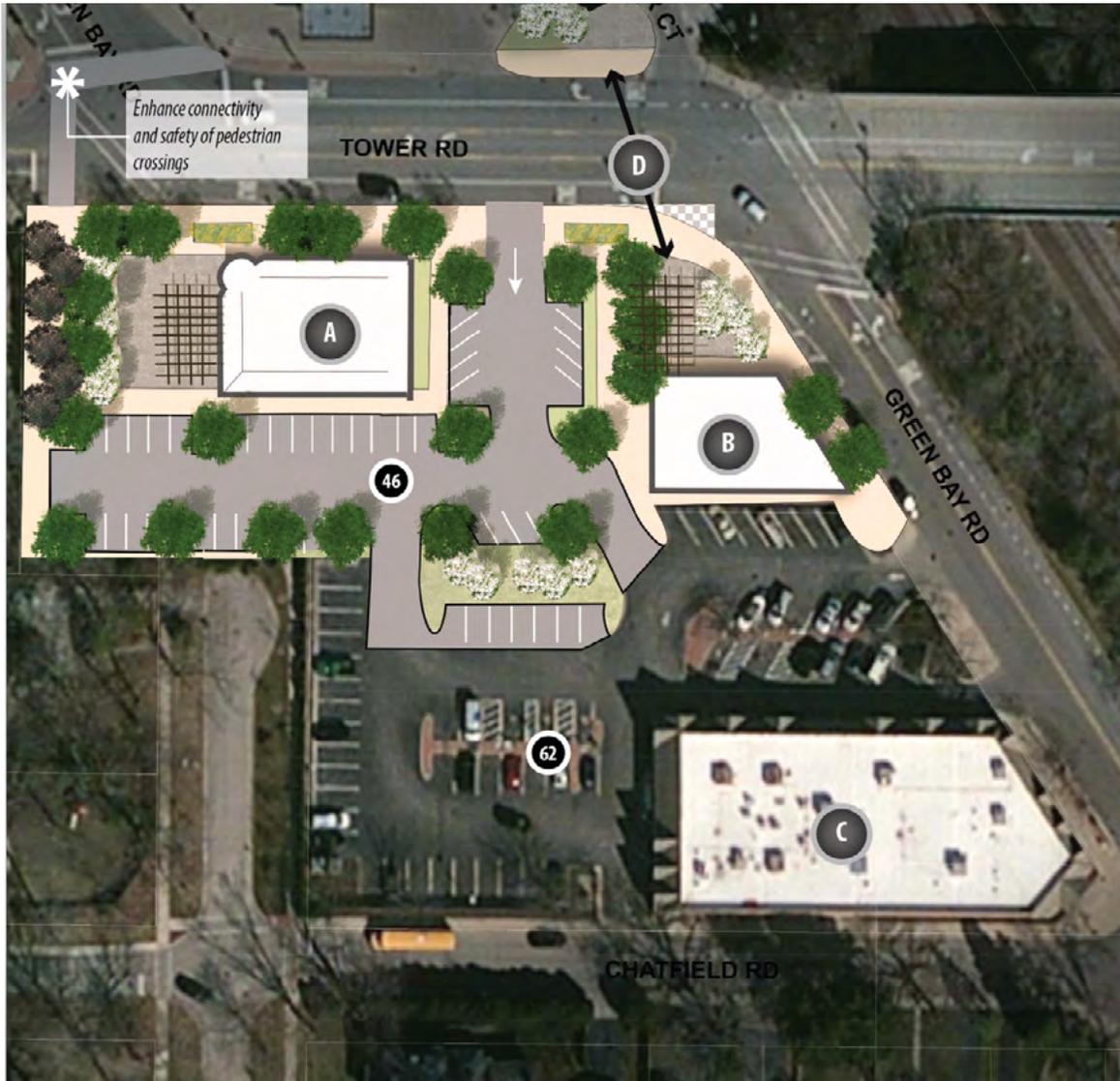


TABLE 6.3: HUBBARD WOODS - SOUTH

Building A:

- One story, high ceiling brew pub / restaurant located along Tower Road. Considered regional and local destination use. Adjacent outdoor dining / seating area included on west side of building.

Building B:

- Existing three story office building along Green Bay Road remains and continues use as commercial space. Building character / design and location fronting Green Bay Road are positives. Replacing space on site adds to parking impacts.

Building C:

- Commercial building at Green Bay and Chatfield Roads remains. Existing commercial space and orientation on site are positives. Redeveloping this portion of the site adds to parking impacts.

Site and Urban Design

- Gateway features located at south leg of Green Bay and Tower Roads is on the north and south sides of Tower Road. Features would have consistent design to establish district gateway. Feature on north side of Tower Road to be prominent for northbound traffic. Feature on south side of Tower Road may incorporate gathering spot in protected area.
- Restaurant building sited to be prominent vista point for southbound traffic.
- Safer, more comfortable pedestrian crossings emphasized.
- Streetscape incorporated along south side of Tower Road to enhance area character and appeal of uses south of road.
- Parking availability for restaurant will be key to establishing it as destination activity.

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FIGURE 6.4. HUBBARD WOODS - NORTH



TABLE 6.4: HUBBARD WOODS - NORTH

Building A:

- A mixed use, three story building is located at the NE corner of Green Bay Road and Merrill Street.
- Ground floor commercial.
- Two upper stories of multiple family rental dwelling.

Buildings B and C:

- Two, three and a half story high multiple family rental residential buildings constructed above the Hubbard Woods parking deck. Each includes two stories of rental units.
- Roof placed over top level of parking deck creates a passive recreational terrace area (Area D).

Site and Urban Design

- A residential building on, or over the deck, is conceptual and based on the ability to engineer such a structure.
- The design shown for the structure above the parking deck is intended to limit building bulk and visual impact on surrounding areas. Also facilitates similar development potential on remaining quadrant of the block.
- The NE corner of Merrill Street and Green Bay Road is set as a small pedestrian plaza to provide visual relief and to highlight proximity to Hubbard Woods Park and the parking deck.
- Two-way access on Merrill Street between Green Bay Road and parking deck entrance (Area E). This would facilitate, but not require, consideration of future two-way traffic around the park.
- Landscaping indicated along Green Bay Road to enhance pedestrian experience.
- Building architecture should reflect and complement upscale historic character of the district.
- A commonly accepted name should be determined for the Hubbard Woods parking deck. Such designation and wayfinding signage would help to brand the facility and direct users there.

2. HUBBARD WOODS DESIGN DISTRICT: The Hubbard Woods Design District is a local group of independent merchants that jointly market the area as focused on providing high quality personal fashion, home furnishings, antiques, art and architectural services. Recent marketing efforts, supported by the Village, have served to raise the area's profile and potential. From a land use perspective, there is opportunity to support the design district by continuing to evaluate related land uses in the C-2 Zoning District and ensure they are permitted and appropriate from a land use perspective.

3. FAMILY ORIENTATION: Hubbard Woods is very much a neighborhood district for nearby families. This results from the location of the park, the adjacent residential areas, and Sacred Heart Parish and School. From a land use perspective, this translates to restaurants and convenience / community retailers. While specific businesses may come and go, the family orientation of the district will continue to attract those types of businesses. Again, maintaining this character requires continuing to ensure that the appropriate types of uses are permitted in the C-2 Zoning District to reflect family needs.

There was been discussion throughout the planning process as to how the southern portion of Hubbard Woods is related the Design District and the northern portion is about families. That Hubbard Woods Park (Gage Street) is or should be the dividing line for these functions. From the perspective of this plan and implementing the Vision for Hubbard Woods, there is not and need not be a dividing line for these two points of emphasis for the district. Principally, the district is not so large that a clear division is necessary or would enhance the area. Further, the two types of users are not mutually exclusive – those coming from out of town for Design District businesses can certainly enjoy an ice cream cone or a few quiet moments at the park. Likewise, families purchase the type of goods found in the Design District. The land use plan or zoning ordinance should not create a distinction where one is not needed.

4. MAINTAIN STREET WALL: The building facades along Green Bay Road create a unique and attractive character for the Hubbard Woods district. Whenever feasible, future new development should not create breaks in the wall, and existing breaks should be filled when possible. Where a break in the wall creates an activity area, such as outdoor dining, it may be considered as fitting the Vision for the District. However, parking lots are the most likely use to create a gap – this is in part why they are Special Uses in the C-2 District. Public parking is available in the parking deck north of the park and the off-street lot south of Tower Road. The recent addition of a parking lot to the north of Mrs. Green's Neighborhood Market created such a break. However, it was approved as a Special Use in acknowledgment of the unique needs of the store and architectural elements used to narrow appearance of the gap. Consideration of future parking lots should strongly consider how they can be accommodated without creating street wall gaps.

INDIAN HILL

The Indian Hill District is composed of two distinct parts: a mix of offices/professional services and multifamily housing north of Winnetka Avenue, and a mix of commercial uses to the south. Businesses primarily include dining establishments and personal/household services. Office/professional services in the area include banks/financial services and medical offices. While not specifically in the business district, New Trier High School (located just east on Winnetka Avenue) is a significant influence. The majority of business in the district are located on the west side of Green Bay Road.

- Mixed-use buildings (commercial on first floor and apartments on upper floors) are only located along and north of Winnetka Avenue.
- Uses south of Winnetka Avenue are a wide mix of business and office uses.
- Businesses are primarily served by on-street parking, but some off street parking is available.

CONCLUSION

This land use plan presents themes for stewardship of the three business districts and recommendations for specific actions to bring about the Vision for each. The land use plan cannot be considered in a vacuum, but should be considered in concert with findings of the Transportation, Urban Design Plan, and Market Assessment chapters.

1. MAINTAIN CURRENT ZONING: Indian Hill is currently regulated by the C-1 Neighborhood Commercial District. The land use designations and building bulk standards in the C-1 closely reflect those of the C-2 General Retail District, which regulates the Elm Street and Hubbard Woods area. The few differences limit more intensive uses that might not be compatible with adjacent residential areas. No changes to these designations are considered necessary to advance the district Vision. However, the zoning and development related Code changes described earlier will support continued renovation and occupancy of commercial spaces.

2. REFLECT INFLUENCE OF NEW TRIER HIGH SCHOOL: While not in the study area, New Trier High School stands as a significant influence. It generates potential customers, vehicular and pedestrian traffic, and visitors from around the region. This influence is seen in current land uses (restaurants and a convenience store) and planning considerations related to markets, transportation, and urban design. Any future zoning or land use evaluations for development proposals should consider opportunities from and potential impacts on the school.

3. GATEWAY SITE: The southeast corner of Green Bay Road and Winnetka Avenue is a Village owned property that includes the structure from a former auto repair center and parking. This site presents an opportunity to include a Village gateway element (for which it was first acquired) and adaptive reuse of the building that is there. Such reuse may take any number of forms done through sale of the site or improvement as a public/private partnership. Another alternative, in keeping with the High School's influence, would be for the Village to consider reuse of the site as a joint effort with the school – having students perhaps involved in determining its final use, renovation, and even operation of a new (school focused) business.

4. COMMUTER LOT: The Metra commuter lot is a large land use in the area. Evaluation of the site through this process considered expanding parking via development of a parking deck, and possibly adding commercial space into the first floor of such. Additional parking was considered potentially necessary for the High School. The significance of the school on the area warrants continued dialogue with the school district on their potential need for parking in the lot. It is not the intent of this plan to recommend that a parking deck be built, but that the Village be open to working with the School District if they sought to expand parking on the site. In that case, the Village could consider how that could be done in a way that advanced the Vision of this plan.



CHAPTER 7

ACTION PLAN

ACTION PLAN

The Winnetka Downtown Master Plan is built around concepts of vitality and quality of life as defined by the Village's residents, business community, and public officials. Those ideas are conveyed in the Vision Statements developed for each of the Village's business districts and advanced in the various recommendations of this Plan. The task that remains for the community is determining how and when to implement related action items. Acting on an implementation task requires that funds and staff resources are available. Therefore, the most typical way for them to come about is to be considered as part of annual Village budgeting and integrated into the Village's Business Plan. However, opportunities also will arise for recommendations to be implemented through joint efforts with other governmental bodies, local organizations, and property owners. In addition, grant funds for programs or projects may come available and these options should be pursued whenever possible.

The implementation actions outlined below relate to recommendations discussed in the body of the Plan, where greater detail as to how they are to be implemented is presented. This chapter focuses on setting priorities and indicating relative costs of the actions.



Priority Ratings: Implementation actions are characterized here as high, medium, or low priority. High priority items are those having the greatest potential to advance the Vision Statements, or that are precursors to other implementation tasks. Medium priority items are those for which outcomes have secondary potential for advancing the Vision Statements. Low priority items may require a long lead time for planning or securing funds, but should not be seen as unimportant. In fact, some low priority items can require initial efforts well in advance of the outcome.



Cost Ratings: Action items also are designated with relative costs. High cost (\$\$\$) generally relates to infrastructure items, medium cost (\$\$) to modest physical improvements or those actions that can be accomplished using 3rd party consultant services, and low cost (\$) programs and actions are expected to be conducted internally by the Village. While these certainly require staff resources, additional budget outlays would be relatively low.

1. ECONOMIC DEVELOPMENT

1A. Ongoing Programs

In recent years, the Village has dedicated increasing focus and resources on an active economic development program – including a staff person leading the effort. The results of and opportunities from such work were highlighted in the Market Assessment and during the planning process as having benefit to continue. Recommendations for further actions are provided here.

i. Outdoor Dining: High Priority / \$

Dining outdoors was identified as a benefit to attract visitors, enhance resident's quality of life, improve community appearance and character, and enliven the business districts. With so many potential benefits, this activity has merit to be part of a Village led program to support and manage outdoor dining on private property and on sidewalks. While the Village currently permits outdoor dining, the Plan suggests the activity could be expanded; the program should incorporate a Village authorization to ensure clear access for pedestrians and public safety.

ii. Business Retention Visits: High Priority / \$

Discussions with the business community during the planning process were informative and productive for all who participated. This positive outreach and communication should be an ongoing effort in the form of business retention visits by staff and other Village officials. Economic and Community Development staff should work closely to develop and maintain relationships with businesses in all three districts. The Business Community Development Commission may also play a role in this effort.

iii. Targeted Business Attraction: Medium Priority / \$

The market assessment done as part of this Plan highlighted several business sectors with particular potential for success in Winnetka. With this in mind, the Village's business attraction efforts should focus on bringing new 1) restaurants, 2) retail, and 3) service businesses (office and medical users) to the community.

iv. Ongoing Public Engagement: Medium Priority / \$

As both an economic development and community involvement tool, the project website established for this Plan process would be maintained as a source of public information for implementation tasks. As an example, the website can be used to disseminate concepts related to future zoning amendments and facilitate comments related to their adoption. The site can also be used to solicit community input on planned urban design improvements like bike racks or street furniture. Finally, the site may be a tool to augment other Village outreach efforts and distribute information about district events and enhancements.

1B. Event Oriented Marketing

Retail and community events are widely seen as ways to expand awareness of business districts. Sidewalk sales, holiday events, and other events are opportunities for Winnetka's business districts to be marketed within the community and beyond.

i. Community / District Marketing: Medium Priority / \$\$

The Village has previously supported community – wide and district specific marketing events through print video, and radio media. These have been considered effective when tied to particular districts or events (such as related to the Hubbard Woods Design District) or sales events (such as Small Business Saturday) and should be continued.

ii. Coordinated Events: Low Priority / \$

Retail and community events are widely seen as ways to expand awareness of business districts. Sidewalk sales, holiday events, and other events are opportunities for Winnetka's business districts to be marketed within the community and beyond. Where appropriate, these events can be conducted jointly with other business and community groups to maximize efficiencies and effectiveness. The Village has previously budgeted for and facilitated event marketing and sponsorship, which has been well received.

2. TRANSPORTATION / INFRASTRUCTURE

2A. Parking Management

A simpler approach to parking management is set out in the Transportation Chapter to enhance use of the business districts. This task requires reviewing recommendations for appropriate parking locations for the three categories of parkers (shoppers, employees, and commuters) and making final determinations on optimal locations for those designations.

i. Parking Management: High Priority / \$\$

A simpler approach to parking management is set out in the Transportation Chapter to enhance use of the business districts. This task requires reviewing recommendations for appropriate parking locations for the three categories of parkers (shoppers, employees, and commuters) and making final determinations on optimal locations for those designations. Follow-up steps will be to prepare and install signage in keeping with those designations and the parking time limits noted in this Plan. It is recommended that rather than refine and reuse the plethora of existing signs for parking regulations, that a new, distinctive and attractive sign design be developed and rolled out. Ongoing enforcement of parking restrictions also will be an important aspect of implementing this program.

2B. Bicycle Access Improvements

The first, action item regarding bicycles is to coordinate with the Park District and their recently adopted Bicycle System Master Plan, which provides direction on routes throughout the Village. Recommendations for this Plan focus on amenities for people accessing the business districts by bicycle, and is seen as complementing the Park District Plan.

i. Bicycle Racks and Repair Stations: Medium Priority / \$\$

Identifying appropriate locations to install these items is an initial step for this recommendation. Installation can take place as resources are available. As noted in the Urban Design Chapter, unique and attractive bicycle amenities should be considered as they also function as public art for the business districts.

ii. Trail Connections: Low Priority / \$\$

Signage and other improvements, noted in the Transportation Chapter, will enhance awareness of and connection between the Green Bay Trail and business districts.

2C. Right of Way Improvements

The right of way (road and sidewalk) improvements noted in the Transportation Chapter are considered significant to enhancing the walkability and overall character of the Elm Street and Hubbard Woods business districts. Based on the recent pedestrian improvements and existing conditions for the Indian Hill District, no recommendations are specifically noted there.

i. Elm Street Bridge Road Diet: High Priority / \$\$\$

Enhancement of the Elm Street bridge east of Green Bay Road is spelled out in the Transportation Chapter. Preparing a detailed design and installing the planned improvement will support added parking and a pedestrian friendly crossing between two sides of the Elm Street Business District.

ii. Bump Outs / Road Diet: Medium Priority / \$\$\$

Additional pedestrian enhancements can come from widening sidewalks and narrowing Green Bay Road at key locations, as noted in the Transportation Chapter. These plans would be detailed as part of a revised streetscape program, and designate specific intersections and mid-block areas to be more pedestrian accessible in both the Elm Street and Hubbard Woods districts. These are substantial physical changes that will require thoughtful engineering, construction management, and coordination with the Illinois Department of Transportation for Green Bay Road improvements.

iii. Merrill Street Road Realignment: Medium Priority / \$\$

The change to make Merrill Street a two-way road east of Green Bay Road will improve access to the Hubbard Woods parking deck.

iv. Underground Utilities: Low Priority / \$\$\$

Great appreciation was shared by the community for Christmas lights displayed in the business districts during the holiday season. The ability to maintain and expand these lights is limited by capacity of underground utilities. While the cost of infrastructure improvements to support expanded light display is considered to be relatively high, coordinating such work with installation of new streetscape improvements may make the infrastructure changes more feasible.

3. URBAN DESIGN

3A. Streetscape Planning

The urban design recommendations of this Plan require coordination with the current Master Streetscape and Wayfinding Plan. As noted in the Urban Design Chapter, the fundamental designs presented in the existing Streetscape Plan are sound.

i. Streetscape Planning: High Priority / \$\$

The urban design recommendations of this Plan require coordination with the current Master Streetscape and Wayfinding Plan. As noted in the Urban Design Chapter, the fundamental designs presented in the existing Streetscape Plan are sound. However, the concepts developed through this effort differ somewhat and require that designs and locations for gateways, signage, and sidewalk/curb extensions be confirmed and coordinated. It is anticipated that this work would be developed as an updated Streetscape Plan prepared by a 3rd party consultant.

3B. Wayfinding and Identity

There has been much discussion in the Village about how its identity is represented graphically

i. Refine Identity Graphic: High Priority / \$\$

There has been much discussion in the Village about how its identity is represented graphically. A determination as to how this will be done is required to advance streetscape, gateway, and wayfinding recommendations, and could be done in conjunction with the updated streetscape planning. To finalize this decision, the Village would work with a 3rd party consultant to conduct a graphics visioning process to acknowledge and refresh the current tree logo.

3C. Streetscape Elements

The various streetscape elements identified in the Urban Design Chapter can be implemented as part of ongoing business district improvement efforts. As noted earlier, project costs and capacity to implement these elements would be considered as part of the Village's annual budgeting process. In addition, opportunities to secure grant funds for improvements should be evaluated regularly. Examples of state and federal grant options include the Illinois Transportation Enhancement Program (ITEP), the Surface Transportation Program (STP), the Congestion Mitigation and Air Quality Improvement Program (CMAQ), and the Transportation Alternatives Program (TAP).

i. Master Streetscape and Wayfinding Plan Installation: Medium Priority / \$\$\$

Once the Streetscape Plan is refined, as noted above, a phasing program to implement these improvements would be developed and incorporated into Village budgeting.

ii. Indian Hill Gateway Site: Medium Priority / \$\$\$

The gateway and activity space described for the Village owned property at Green Bay Road and Winnetka Avenue calls for a unique gateway to be designed and installed. In addition, discussions would be held with New Township High School regarding their participation in renovation and use of the building at the site. The Village and School District currently have an agreement for the site to be available for school parking through the 2017 school year.

iii. Miscellaneous Urban Design Features: Medium Priority / \$

Various modest design elements recommended in this Plan can be incorporated into ongoing Village improvement efforts. In some cases, implementation can be advanced by working with community based organizations such as the Chamber of Commerce and the Winnetka Community House. These include: Public Art (for public and private properties), Pavement Stamping, Light Pole Banners, Sidewalk Planters, Street Furniture, Building Plaques, Kiosks

iv. Shared Street at Hubbard Woods: Low Priority / \$\$\$

Developing a hard surface activity space around the park that allows roads to be closed for additional programming would include design and installation of new paving for those streets (Merrill, Gage, and Tower Court). This enhancement also helps to define the area as pedestrian oriented and encourages drivers to be alert for people.

v. Façade Program: . Low Priority / \$\$

While very much tied to improvement of private property, a Village managed façade program could incentivize landlords to fix up the outside of buildings and enhance overall business district appearance. These programs typically supply matching grants to property owners, up to a fixed amount, for exterior renovations. The programs also require conformance with design criteria (such as currently exist in the Village Design Guidelines) and review of proposed designs. Development of a program could highlight particular elements desired for improvement

4. LAND USE AND ZONING

4A. Adopt Development Related Code Revisions

The Land Use Chapter recommends a number of zoning ordinance and design review process changes to encourage business and property development in the business districts. These revisions were thoughtfully deliberated, a process that should continue as they are implemented.

i. Code Amendments: High Priority / \$\$

The Land Use Chapter recommends a number of zoning ordinance and design review process changes to encourage business and property development in the business districts. These revisions were thoughtfully deliberated, a process that should continue as they are implemented. A community based effort led by a 3rd party consultant to provide an outside perspective, like that used to develop this Plan, will be useful in detailing changes and reaching consensus on the amendments. As with the Plan, a task force could lead the effort and include representatives from various groups and public bodies, such as the Plan Commission and Business Community Development Commission, in order to secure broad input. Changes to consider are:

- Reduce and Clarify Standards for Considering Zoning Entitlement
- Revise the Commercial Overlay District
- Refine the Current Design Review Process
- Apply Administrative Approval for Minor Variations in Commercial Districts
- Establish a Planned Development Commission
- Consider Establishing a Fee in Lieu for Parking Relief

4B. Post Office Redevelopment

As a Village-owned property, the Post Office site presents an opportunity to advance the Vision for Elm Street and development in the district.

i. Redevelopment Planning: Medium Priority / \$\$

As a Village-owned property, the Post Office site presents an opportunity to advance the Vision for Elm Street and development in the district. Securing development of municipally owned properties is best accomplished by issuing to the development community a Request for Qualification (RFQ) and a subsequent Request for Proposals (RFP) to a selected short list of potential developers. This requires first defining Village objectives for the property related to development parameters (outlined in this Plan), fiscal considerations, developer selection criteria, the selection process, and a timeline for the process. The RFP/RFP preparation and developer selection process often is managed for communities by a 3rd party consultant to ensure a process understood as impartial by all. As described in the Plan, timing of site disposition should ensure that there are no (or very limited) competing developments in the immediate area.

4C. Provide Commissioner Training

Training for existing and future members and Village Commissioners will help to create a more consistent and effective development review process.

i. Commissioner Training: Medium Priority / \$

Training can be led by Village Staff or Corporation Counsel. However, outside trainers bring a broad perspective and can be used for an initial session with current commissioners; training for future commissioners could be led internally. The Illinois Chapter of the American Planning Association provides commissioner training for a nominal charge.

ACTION PLAN SUMMARY

| PLAN AREA | TOPIC | DESCRIPTION | PRIORITY | COST |
|--|-------------------------------------|---|--------------------------------|--------|
| 1. ECONOMIC DEVELOPMENT | A. Ongoing Programs | <i>i. Outdoor Dining</i> | High | \$ |
| | | <i>ii. Business Retention Visits</i> | High | \$ |
| | | <i>iii. Targeted Business Attraction</i> | Medium | \$ |
| | | <i>iv. Ongoing Public Engagement</i> | Medium | \$ |
| | B. Event Oriented Marketing | <i>i. Community / District Marketing</i> | Medium | \$ |
| | | <i>ii. Coordinated Events</i> | Low | \$ |
| 2. TRANSPORTATION INFRASTRUCTURE | A. Parking Management | <i>i. Parking Management Plan</i> | High | \$\$ |
| | B. Bicycle Access Improvements | <i>i. Bike Racks / Repair Stations</i> | Medium | \$\$ |
| | | <i>ii. Trail Connections</i> | Low | \$\$ |
| | C. Right of Way Improvements | <i>i. Elm Street Bridge Road Diet</i> | High | \$\$\$ |
| | | <i>ii. Bump Outs / Road Diet</i> | Medium | \$\$\$ |
| | | <i>iii. Merrill Street Realignment</i> | Medium | \$\$ |
| | | <i>iv. Underground Utilities</i> | Low | \$\$\$ |
| | 3. URBAN DESIGN | A. Streetscape Planning | <i>i. Streetscape Planning</i> | High |
| B. Wayfinding and Identity | | <i>i. Refine Identity Graphics</i> | High | \$\$ |
| C. Streetscape Elements | | <i>i. Streetscape / Wayfinding Installation</i> | Medium | \$\$\$ |
| | | <i>ii. Indian Hill Gateway</i> | Medium | \$\$\$ |
| | | <i>iii. Misc. Urban Design Items</i> | Medium | \$ |
| | | <i>iv. Hubbard Woods Shared Street</i> | Low | \$\$\$ |
| | <i>v. Façade Program</i> | Low | \$\$ | |
| 4. LAND USE AND ZONING | A. Adopt Development Code Revisions | <i>i. Code Amendments</i> | High | \$\$ |
| | B. Post Office Redevelopment | <i>ii. Redevelopment Planning</i> | Medium | \$\$ |
| | C. Commissioner Training | <i>iii. Commissioner Training</i> | Medium | \$ |



Agenda Item Executive Summary

Title: Ordinance No. MC-4-2016: Amending Liquor Code Regarding Renewal of Liquor Licenses (Adoption)

Presenter: Patrick L. Kreis, Chief of Police and Peter M. Friedman, Village Attorney

Agenda Date: 11/03/2016

- Ordinance
- Resolution
- Bid Authorization/Award
- Policy Direction
- Informational Only

Consent: YES NO

Item History:

October 18, 2016 - Introduction

Executive Summary:

Winnetka liquor license holders are required to renew their licenses on an annual basis. In 2014, the liquor code was amended to make the effective dates of the licenses January 1 - December 31 in order to align with the Winnetka fiscal year. Village staff send renewal reminders and applications to all liquor license holders in October and second reminders in November. The renewal applications have also been simplified to encourage timely renewal. Despite the streamlined process, Village staff has had difficulty ensuring all liquor license holders submit their renewal applications and fees in a timely fashion to allow for processing prior to expiration on December 31.

The Village Attorney prepared a draft proposed amendment that would require all liquor license renewal applications and fees to be submitted to the Village of Winnetka by December 1. The amendment also establishes a \$200.00 late fee which will be added to the license fee for all renewal applications submitted after the December 1 deadline.

Notification letters were sent to all annual liquor license holders informing them of the proposed amendment.

At the October 18, 2016 regular meeting, Ordinance No. MC-4-2016 was introduced, discussed, and considered by the Council.

Recommendation:

Consider adoption of Ordinance No. MC-4-2016 - Amending the liquor control regulations regarding the renewal of liquor licenses to establish a deadline of December 1 for all liquor license renewals and impose a \$200.00 late fee for all renewal applications received after the December 1 deadline.

Attachments:

- 1) Ordinance No. MC-4-2016
- 2) Notification letter to liquor license holders

**AN ORDINANCE AMENDING THE WINNETKA VILLAGE CODE
REGARDING THE RENEWAL OF LIQUOR LICENSES**

WHEREAS, the Village of Winnetka is a home rule municipality in accordance with Article VII, Section 6 of the Constitution of the State of Illinois of 1970 and has the authority to exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, Chapter 5.09 of the Winnetka Village Code ("**Village Code**") regulates the sale of alcoholic beverages within the Village ("**Liquor Control Regulations**"); and

WHEREAS, the Liquor Control Regulations require, among other things, liquor licenses, other than Class C licenses, be renewed upon expiration; and

WHEREAS, Section 5.09.160 of the Liquor Control Regulations establishes the requirements and regulations for renewing a liquor license; and

WHEREAS, the Village Council desires to amend Section 5.09.160 of the Liquor Control Regulations to require that all liquor license renewal applications be submitted on or before December 1 and to impose a late fee for renewal applications received after December 1 ("**Proposed Amendments**"); and

WHEREAS, the Village Council has determined that adoption of the Proposed Amendments as set forth in this Ordinance is in the best interest of the Village and its residents;

NOW, THEREFORE, the Council of the Village of Winnetka do ordain as follows:

SECTION 1: RECITALS. The foregoing recitals are hereby incorporated into this Section as the findings of the Village Council, as if fully set forth herein.

SECTION 2: LICENSE RENEWALS. Section 5.09.160, titled "License Renewals," of Chapter 5.09, titled "Liquor Control Regulations," of Title 5, titled "Business Licenses and Regulations," of the Village Code is hereby amended to read as follows:

"Section 5.09.160 License Renewals.

A. Any license other than a Class C license is subject to renewal upon its expiration, subject to the following conditions and limitations:

1. All applications for renewal must be received by the Village on or before December 1.

2. Applications for renewal received after the renewal deadline of December 1 will be considered late and a late fee of \$200.00 will be added to the license fee.

13. The licensee shall not have any delinquent accounts with the Village, as defined in Section 1.04.140 of this Code;

24. The licensee shall continue to meet the same eligibility requirements as if applying for an original license;

35. The premises for which the license renewal is sought are suitable for such purpose;

46. The renewal of any license shall not be construed as a vested right and nothing in this chapter shall prevent the Village President and Trustees from decreasing the number of licenses that may be issued within the Village; and

57. All applications for the renewal of a liquor license shall include a statement describing all work on or alterations to the licensed premises during the term of the current license.”

SECTION 4: EFFECTIVE DATE. This Ordinance shall be in full force and effect from and after its passage, approval, and publication in the manner provided by law.

[SIGNATURE PAGE FOLLOWS]

PASSED this ____ day of _____, 2016, pursuant to the following roll call vote:

AYES: _____

NAYS: _____

ABSENT: _____

APPROVED this ____ day of _____, 2016.

Signed:

Village President

Countersigned:

Village Clerk

Published by authority of the
President and Board of Trustees
of the Village of Winnetka,
Illinois, this ____ day of _____,
2016.

Introduced: _____, 2016

Passed and Approved: _____, 2016



Winnetka Police Department

410 Green Bay Road
Winnetka, IL 60093-2576

Patrick L. Kreis
Chief of Police

Main: (847) 501-6034
Fax: (847) 501-6042

October 20, 2016

Winnetka Liquor Licensee
Business Name
Address
Winnetka, IL 60030

Liquor License Expiration Date: December 31st, 2016

Dear Liquor Licensee:

Your annual liquor license expires on the above referenced date. You cannot serve liquor after that date unless renewal of your license has been approved by the Liquor Control Commissioner. Accordingly, you should complete the enclosed paperwork and return it to Public Safety Analyst Keri Kaup at the Winnetka Police Department with the license fee as soon as possible (847-716-3440; kkaup@winnetka.org).

The liquor license renewal process has been streamlined in an effort to better serve liquor license holders. The renewal forms are attached. **Please submit your completed 2017 liquor license renewal application by December 1st, 2016.** Failure to submit by this date may delay the issuance of your liquor license. Please note, at the October 18th, 2016 regular meeting of the Winnetka Village Council, an ordinance change was introduced regarding the renewal of annual liquor licenses. **Once adopted, the ordinance will result in a \$200.00 late fee for any renewal applications submitted after the December 1st deadline.** The ordinance is attached for your reference and will be up for adoption at the November 1, 2016 council meeting. If you have questions or concerns regarding the ordinance change, please contact Public Safety Analyst Keri Kaup.

Only complete applications will be processed. The following items must be completed and attached for submission:

- LIQUOR LICENSE RENEWAL STATEMENT, notarized;
- LIQUOR LICENSE RENEWAL STATEMENT DATA SHEET; all changes in any owner(s) and/or manager(s) information must be completed;
- Copy of current Illinois State liquor license;
- Copy of Liquor Liability Insurance Certification; Naming the Village of Winnetka as Certificate Holder **and** Additional Insured;
- Full payment of License Fees

Please consult the Village website for a link to view Chapter 5.09 LIQUOR CONTROL REGULATIONS. Please see the reverse side of this page for current License Fees and Classifications.

Failure to renew your license will result in disruption of liquor privileges.

License Fees:

| | |
|--|-----------|
| Class A: Restaurant (Annual) | \$750.00 |
| Class A-1: Restaurant with Limited Bar (Annual) | \$1000.00 |
| Class A-2: Restaurant (Annual; Beer and Wine) | \$500.00 |
| Class A-3: Restaurant with Limited Bar (Annual; Beer & Wine) | \$750.00 |
| Class A-4: Specialty Restaurant (Annual; Wine) | \$500.00 |
| Class A-5: Specialty Restaurant (Wine) | \$500.00 |
| Class B: Grocery Store (Annual) | \$750.00 |
| Class D: Package delivery service/mail (Annual; Retail) | \$150.00 |
| Class D-1: Package Delivery Service/Mail (Annual; Wholesale) | \$500.00 |
| Class E: Limited Food Products Store (Wine Only) | \$500.00 |
| Class E-1: Limited Food Products Store (Beer and Wine) | \$500.00 |
| Class E-2: Limited Fine Wine & Premium Beer Store | \$500.00 |
| Class F: Sale of Wine and Beer by Coffee Shops | \$500.00 |
| Class P: Park District | \$500.00 |
| Class W: Wine Station Rider (eligible for A; A-1; A-2; A-3) | \$0.00 |

Proposed Ordinance: For all renewals submitted after December 1, 2016:

| | |
|------------------|-----------------|
| Late Fee: | \$200.00 |
|------------------|-----------------|



Agenda Item Executive Summary

Title: Resolution No. R-54-2016: Approving an Agreement with Lauterbach & Amen LLP for Auditing Services (Adoption)

Presenter: Timothy J. Sloth, Finance Director

Agenda Date: 11/03/2016

Consent: YES NO

- | | |
|-------------------------------------|-------------------------|
| <input type="checkbox"/> | Ordinance |
| <input checked="" type="checkbox"/> | Resolution |
| <input type="checkbox"/> | Bid Authorization/Award |
| <input type="checkbox"/> | Policy Direction |
| <input type="checkbox"/> | Informational Only |

Item History:

The Village is required by the State of Illinois to have an audit of its financial statements by an independent auditor following the close of each fiscal year. Lauterbach and Amen has been the Village's auditor since 2006, and Staff proposes to extend their contract for an additional three years.

Executive Summary:

Lauterbach and Amen was founded eighteen years ago with the goal of providing an unrivaled level of service and expertise to local governments. They are different from most accounting firms in that they are specialized in the governmental sector, and specifically in the area of governmental auditing and consulting. The firm consists of five partners, 23 Managers / Senior Accountants, and 22 Staff Accountants. Lauterbach and Amen is a member of the AICPA Governmental Audit Quality Center, with an unmodified peer review report - the highest level awarded for a firm's quality control system. They are located within DuPage County in the town of Warrenville.

Total fees for each of the annual audits are summarized below:

- 2016 = \$29,000
- 2017 = \$29,580
- 2018 = \$30,160

Last year the Village paid \$29,500 for the audit.

Recommendation:

Given the high quality of work exhibited by Lauterbach and Amen over the past several years on the Village's audit and the very reasonable pricing extended, Staff recommends executing the included agreement between the Village of Winnetka and Lauterbach and Amen to provide the annual audit for the next three years.

Attachments:

- 1) Resolution No. R-54-2016
- 2) Engagement Letter

RESOLUTION NO. R-54-2016

**A RESOLUTION APPROVING AN AGREEMENT WITH
LAUTERBACH & AMEN, LLP
FOR AUDITING SERVICES**

WHEREAS, Article VII, Section 10 of the 1970 Illinois Constitution authorizes the Village of Winnetka ("**Village**") to contract with individuals, associations, and corporations in any manner not prohibited by law or ordinance; and

WHEREAS, the Village has previously retained Lauterbach & Amen, LLP ("**Lauterbach**") to provide the Village auditing services; and

WHEREAS, the Village desires to renew its engagement with Lauterbach for Lauterbach to provide the Village auditing services for the years ending on December 31, 2016, 2017, and 2018 (collectively, "**Services**"), as more fully described in the engagement agreement attached hereto as Exhibit A ("**Agreement**"); and

WHEREAS, Lauterbach has proposed providing the Village the Services for the years ending in on December 31, 2016, 2017, and 2018 in amounts not to exceed \$29,000.00, \$29,580.00, and \$30,160.00, respectively; and

WHEREAS, the Village Council has determined that Lauterbach's proposal to perform the Services best meets the needs of the Village; and

WHEREAS, the Village Council has determined that it is in the best interests of the Village and its residents to enter into the Agreement with Lauterbach;

NOW, THEREFORE, BE IT RESOLVED, by the Council of the Village of Winnetka, Cook County, Illinois, as follows:

SECTION 1: RECITALS. The Village Council hereby adopts the foregoing recitals as its findings, as if fully set forth herein.

SECTION 2: APPROVAL OF AGREEMENT. The Village Council hereby approves the Agreement in substantially the form attached to this Resolution as **Exhibit A** and in a final form approved by the Village Attorney.

SECTION 3: AUTHORIZATION TO EXECUTE AGREEMENT. The Village Council hereby authorizes and directs the Village President and the Village Clerk to execute and attest, respectively, on behalf of the Village, the final Agreement after receipt by the Village Manager of two executed copies of the final Agreement from Lauterbach; provided, however, that if the Village Manager does not receive two executed copies of the final Agreement from Lauterbach within 60 days after the date of adoption of this Resolution, then this authority to execute and seal the final Agreement will, at the option of the Village Council, be null and void.

SECTION 4: EFFECTIVE DATE. This Resolution shall be in full force and effect from and after its passage and approval according to law.

ADOPTED this ____ day of November, 2016, pursuant to the following roll call vote:

AYES: _____
NAYS: _____
ABSENT: _____
ABSTAIN: _____

Signed

Village President

Countersigned:

Village Clerk

EXHIBIT A
AGREEMENT



August 19, 2016

The Honorable Village President
Members of the Board of Trustees and Village Manager
Village of Winnetka, Illinois

We are pleased to confirm our understanding of the services we are to provide the Village of Winnetka, Illinois for the years ended December 31, 2016, December 31, 2017 and December 31, 2018. We will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of the Village as of and for the years ended December 31, 2016, December 31, 2017 and December 31, 2018. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the Village's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the Village's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited: management's discussion and analysis, the budgetary comparison schedules, pension plan employer contribution schedules, changes in the employer's net pension liability schedules, pension plan investment return schedules, and other postemployment benefit obligation funding progress and employer contribution schedules.

We have also been engaged to report on supplementary information other than RSI that accompanies the Village's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and will provide an opinion on it in relation to the financial statements as a whole: combining and individual fund statements and budgetary comparison schedules, and other information listed as supplemental and schedules.

The following other information accompanying the financial statements will not be subjected to the auditing procedures applied in our audit of the financial statements, and our auditor's report will not provide an opinion or any assurance on that other information: introductory and statistical information.

Audit Objective

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of the accounting records and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of the Village's financial statements. Our report will be addressed to the Board of Trustees of the Village. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or may withdraw from this engagement.

Audit Procedures – General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the government.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards. In addition, an audit is not designed to detect immaterial misstatements, or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Audit Procedures – General (Continued)

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will also require certain written representations from you about the financial statements and related matters.

Audit Procedures – Internal Control

Our audit will include obtaining an understanding of the Village and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

Audit Procedures – Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, will perform tests of the Village's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Other Services

We will also assist in preparing the financial statements and required audit adjustments, if any, for the Village in conformity with U.S. generally accepted accounting principles based on information provided by you. You agree to assume all management responsibilities for any nonattest services we provide; oversee the services by designating an individual with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Management Responsibilities

Management is responsible for establishing and maintaining effective internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation in the financial statements in conformity with U.S. generally accepted accounting principles.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Management Responsibilities (Continued)

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws and regulations.

You are responsible for the preparation of the supplementary information in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

You agree to assume all management responsibilities for financial statement preparation services and any other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Village of Winnetka, Illinois
August 19, 2016
Page 5

Engagement Administration, Fees, and Other

Our fees for the December 31, 2016, December 31, 2017 and December 31, 2018 audit will be \$29,000, \$29,580 and \$30,160, respectively.

We appreciate the opportunity to be of service to the Village of Winnetka, Illinois and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign below and return it to us.

Cordially,



LAUTERBACH & AMEN, LLP

RESPONSE:

This letter correctly sets forth the understanding of the Village of Winnetka, Illinois.

By: _____

Title: _____



Agenda Item Executive Summary

Title: Resolution No. R-56-2016: Police Communications Consolidation (Adoption)

Presenter: Patrick Kreis, Chief of Police and Robert Bahan, Village Manager

Agenda Date: 11/03/16

- Ordinance
- Resolution
- Bid Authorization/Award
- Policy Direction
- Informational Only

Consent: YES NO

Item History:

06-21-2016 - Village Council Regular Meeting
08-16-2016 - Village Council Regular Meeting

Executive Summary:

Illinois Public Act 99-006 (Act) was enacted on June 29, 2015 mandating the consolidation of 911 phone centers, called public safety answering points (PSAPs). In Cook County, the Act specifically requires all PSAPs serve no less than 25,000 people. As a result, the Village is required to consolidate its PSAP by July 01, 2017.

In response, the Villages of Glencoe, Kenilworth, Northfield, and Winnetka (GKNW Working Group) studied forming a combined PSAP. Matrix Consulting Group was retained to help identify and assess alternatives. Both the Village Manager and the Chief of Police, along with other key staff members, were involved in the development of the feasibility report which was presented to the Village Council on August 16, 2016. The Village Council approved a recommendation to collectively pursue a GKNW contract for services with the Village of Glenview.

The GKNW Working Group has negotiated a basic draft dispatch services intergovernmental agreement (IGA) with the Village of Glenview. Since the specific needs of each community vary, each Village modified the draft to meet those needs and will enter into an individual IGA with the Village of Glenview. Staff and the Village Attorney have finalized the Winnetka IGA, which covers the required service parameters as identified by the GKNW Working Group. The parameters include:

- Full Service Dispatch - 24 hour call taking for all emergency 9-1-1 and non-emergency police telephone calls; 24 hour radio dispatching for emergency and non-emergency police, after-hours call taking for administrative police calls; perform supervised transfer of 9-1-1 fire and EMS calls to Red Center; after hours and emergency Public Works and Water & Electric notifications; activation of community warning sirens and emergency notification messages and passive monitoring of Village security cameras.
- Cost and Payment Schedules - cost-sharing models for operational and capital expenses among the GKNW communities; capital and quarterly payment schedules.

Executive Summary (continued):

- Insurance and Indemnification - general liability and property coverage, worker’s compensation, employer liability, law enforcement liability, cyber liability, proof of coverage requirements.
- Communication and Records Management - access and inspection of records pertaining to dispatch services, quarterly information sharing meetings, records access and maintenance.
- Dispute Resolution - negotiation, complaint procedure, negotiation, remedies.
- JETSB - Winnetka will submit an application to join Glenview's Joint Emergency Telephone System Board.
- General - performance standards, contract term, termination clauses, unfunded mandate cost sharing, general provisions.

The costs attributed to the first year of the contract total \$444,400: \$276,900 for operational expenses (pro-rated for a partial calendar year) and \$167,500 for one-time capital expenses. These costs are consistent with the estimates provided in the Matrix report. The agreement also establishes the fee structure through the duration of the contract ending on December 31, 2023. The total cost over the life of the agreement is \$3,321,832.

Approval of this IGA will set in motion the transition of dispatching operations from Winnetka to Glenview within the timeline required by the State of Illinois. Once the Village of Glenview approves the IGA in November, work will immediately begin to undertake the necessary equipment and software upgrades. It is the intent of both Glenview staff and Village staff to transition our services to Glenview prior to the July 1, 2017 mandate.

As this transition gets underway, staff will be working closely with the GKNW partners and Glenview regarding operational changes that will impact various administrative functions not related to emergency dispatch services, but which have been handled by dispatching staff in the past.

Recommendation:

Consider adoption of Resolution No. R-56-2016, authorizing the Village President and Village Clerk to execute an Intergovernmental Agreement with the Village of Glenview to provide dispatch services to the Village of Winnetka.

Attachments:

- 1) Resolution No. R-56-2016
- 2) Dispatch Services Agreement between the Village of Glenview and the Village of Winnetka (including Exhibit A)

RESOLUTION NO. R-56-2016

**A RESOLUTION APPROVING A DISPATCH SERVICES AGREEMENT WITH THE
VILLAGE OF GLENVIEW**

WHEREAS, Article VII, Section 10 of the Illinois Constitution of 1970 provides for intergovernmental cooperation between units of local government such as the Villages of Glenview and Winnetka, including the power to contract or otherwise associate among themselves to obtain or share services and to exercise, combine or transfer any power or function in any manner not prohibited by law or by ordinance, and to use their credit, revenues, and other resources to pay costs related to intergovernmental activities; and

WHEREAS, the Illinois Intergovernmental Cooperation Act, 5 ILCS 220/1 *et seq.*, provides that any power or powers, privileges or authority exercised or which may be exercised by a unit of local government may be exercised and enjoyed jointly with any other unit of local government; and

WHEREAS, the Village of Glenview operates a full service dispatch centers (“*Full Service Dispatch Center*”) and provides 9-1-1 call answering and dispatch services to a number of surrounding communities; and

WHEREAS, Winnetka is seeking to have 9-1-1 call answering and dispatch services performed by Glenview from the Full Service Dispatch Center, on behalf of its Department of Public Safety and other ancillary services (collectively the “*Dispatch Services*”); and

WHEREAS, Glenview anticipates concurrently providing services similar to the Dispatch Services from the Full Service Dispatch Center to the Village of Kenilworth, the Village of Northfield, and the Village of Glencoe (“*Additional Agencies*”); and

WHEREAS, Glenview and the other municipalities that Glenview provides Dispatch Services to have entered into an intergovernmental agreement forming a Joint Emergency Telephone System Board (“*JETSB*”); and

WHEREAS, Winnetka intends to submit an application to join Glenview’s JETSB in accordance with the provisions and requirements of the Illinois Emergency Telephone Systems Act 50 ILCS 750/0.01, *et seq.*, as amended; and

WHEREAS, Glenview and Winnetka have determined that it is in the best interests of each party to this Agreement and the public health, safety and welfare of persons and property within Glenview and Winnetka to enter into an agreement for Glenview to provide Dispatch Services to Winnetka (“*Agreement*”); and

WHEREAS, the Village Council has determined that it is in the best interests of the Village and its residents to enter into the Agreement with Glenview;

NOW, THEREFORE, BE IT RESOLVED, by the Council of the Village of Winnetka, Cook County, Illinois, as follows:

November 3, 2016

R-56-2016

SECTION 1: RECITALS. The Village Council hereby adopts the foregoing recitals as its findings, as if fully set forth herein.

SECTION 2: APPROVAL OF AGREEMENT. Pursuant to the Village's home rule authority, the Village Council hereby approves the Agreement in substantially the form attached to this Resolution as **Exhibit A** and in a final form approved by the Village Attorney.

SECTION 3: AUTHORIZATION TO EXECUTE AGREEMENT. The Village Council hereby authorizes and directs the Village President and the Village Clerk to execute the Agreement as well as such other documents may be necessary for Winnetka to join Glenview's JETSB.

SECTION 4: EFFECTIVE DATE. This Resolution shall be in full force and effect from and after its passage and approval according to law.

ADOPTED this 1st day of November, 2016, pursuant to the following roll call vote:

AYES: _____
NAYS: _____
ABSENT: _____
ABSTAIN: _____

Signed

Village President

Countersigned:

Village Clerk

EXHIBIT A
AGREEMENT

**DISPATCH SERVICES AGREEMENT BETWEEN
THE VILLAGE OF GLENVIEW AND VILLAGE OF WINNETKA**

THIS AGREEMENT is made as of _____, 2016, by and between the **VILLAGE OF GLENVIEW**, an Illinois home rule municipal corporation ("**Glenview**") and the **VILLAGE OF WINNETKA** ("**Winnetka**"), an Illinois home rule municipal corporation. In consideration of the mutual promises of the Parties hereto made each to the other and other good and valuable consideration, Glenview and Winnetka hereby agree as follows:

Section 1. Background.

A. Article VII, Section 10 of the Illinois Constitution of 1970 provides for intergovernmental cooperation between units of local government such as Glenview and Winnetka, including the power to contract or otherwise associate among themselves to obtain or share services and to exercise, combine or transfer any power or function in any manner not prohibited by law or by ordinance, and to use their credit, revenues, and other resources to pay costs related to intergovernmental activities. The Illinois Intergovernmental Cooperation Act, 5 ILCS 220/1 *et seq.*, provides that any power or powers, privileges or authority exercised or which may be exercised by a unit of local government may be exercised and enjoyed jointly with any other unit of local government.

B. Glenview and Winnetka (sometimes referred to herein individually as a "**Party**" and collectively as the "**Parties**") are units of local government.

C. Glenview operates full service dispatch centers at 2500 East Lake Avenue, Glenview, Illinois (the "**Glenview Facility**") and 1677 Old Deerfield Road, Highland Park, Illinois (the "**Highland Park Facility**"), and will continue to operate a primary dispatch center and secondary dispatch center for redundancy, known collectively as the "**Full Service Dispatch Center**". Glenview currently provides 9-1-1 call answering and dispatch services to a number of surrounding communities through the Full Service Dispatch Center.

D. Winnetka is seeking to have 9-1-1 call answering and dispatch services performed by Glenview from the Full Service Dispatch Center, on behalf of its police department and other ancillary services (collectively the "**Dispatch Services**") as those Dispatch Services are more fully described in Section 2.A of this Agreement.

E. Glenview anticipates concurrently providing services similar to the Dispatch Services from the Full Service Dispatch Center to the following additional municipalities: Village of Glencoe, Village of Kenilworth, Village of Northfield ("**Additional Agencies**").

F. Glenview and the other municipalities that Glenview provides Dispatch Services to have entered into an intergovernmental agreement forming a Joint Emergency Telephone System Board ("**JETSB**").

G. Winnetka intends to submit an application to join Glenview's JETSB in accordance with the provisions and requirements of the Illinois Emergency Telephone Systems Act 50 ILCS 750/0.01, *et seq.*, as amended.

H. Glenview and Winnetka have determined that it is in the best interests of each party to this Agreement and the public health, safety and welfare of persons and property within

Glenview and Winnetka to enter into this Agreement for Glenview to provide Dispatch Services to Winnetka.

Section 2. Provision of Dispatch Services by Glenview and Corresponding Obligations of Winnetka.

A. Operation of Full Service Dispatch Center and Provision of Dispatch Services by Glenview. Glenview shall continue to directly operate the Full Service Dispatch Center to provide Dispatch Services to Winnetka throughout the Initial Term and any Renewal Term of this Agreement. Glenview shall begin providing the Dispatch Services to Winnetka on July 1, 2017, or such earlier date mutually agreed upon in writing by the Parties (the “**Commencement Date**”). The Dispatch Services provided by Glenview to Winnetka shall include without limitation the following:

1. Provide 24-hour a day answering of all emergency 9-1-1 and police non-emergency calls; maintain updated telephone lists of Winnetka staff and employees; implement and utilize call-out procedures for emergencies and non-emergencies, and forward messages, utilizing reasonable telephone answering procedures adopted by Glenview and approved by Winnetka. All calls (emergency and non-emergency) shall be answered within ten (10) seconds at least ninety-five percent (95%) of the time, and a log of all calls shall be provided to Winnetka by Glenview on a quarterly basis or as otherwise reasonably requested by Winnetka. Said log shall be made available to Winnetka upon request within a reasonable time period of no greater than seven (7) days. Recordings of all aspects of each call received for Winnetka (including the incoming phone call, internal dispatch center conversations related to the call, out bound phone calls and any and all radio traffic relate to the call) shall be made available as soon as a qualified person is available to provide recordings, unless an emergency exists, to Winnetka upon request for such recording by Winnetka. Additionally, Glenview shall provide Winnetka with call answering performance metrics for Glenview and all other agencies contracting with Glenview for services similar to the Dispatch Services on an annual basis or as otherwise requested in writing by Winnetka, such requests to occur no more than quarterly. In addition, Glenview will, at all times, comply with the requirements of Part 1325 of Chapter IV of Title 83 of the Illinois Administrative Code regarding the maintenance of a backup PSAP for the Full Service Dispatch Center and maintain a secondary location to serve as the Primary PSAP for the Village in the event that the Glenview Facility goes offline;
2. Provide 24-hour a day dispatching for all Winnetka Police Department and after-hours' and emergency notification of Winnetka Public Works as requested by Winnetka. The “Performance Standard” for call handling will be procedurally and operationally consistent with contemporary industry recognized standards; as determined by the Association of Public Safety Communications Officials (APCO) or National Emergency Number association (NENA). Glenview agrees to proactively review and take reasonable steps to correct any operational practices in the Dispatch Center that increase average dispatch times to levels exceeding industry standards, or standards previously agreed to by the Parties, and provide notice of the issue and corrective actions taken to the Winnetka police chief or

his designee. Glenview shall provide reporting to Winnetka demonstrating compliance with the Performance Standard described above no less frequently than monthly;

3. Maintain and operate radio and computer communications with Winnetka for all Police Department and Winnetka Public Works and Winnetka Water and Electric calls, utilizing dispatching procedures adopted and agreed upon by the Parties. Any proposed changes or additions to the radio channel or talk group used by Winnetka and the Additional Agencies shall be discussed and agreed upon by the Parties;
4. Glenview will use best efforts to maintain the following minimum employee staffing levels to provide the Dispatch Services:
 - a. In the Full Service Dispatch Center, staff at least one (1) telecommunicator per radio channel to provide the Dispatch Services at all times; provided, however, in the event that temporary staffing difficulties caused by an emergency situation that is beyond Glenview's reasonable control prevent such minimum staffing, then Glenview shall notify the Winnetka Village Manager of any circumstances when such minimum staffing level will not be met and the expected duration of any such circumstance. The Parties shall mutually agree upon which facility will serve as the primary PSAP from which the Dispatch Services will be provided.
 - b. To the extent these minimum staffing levels require the hiring of any additional employees by Glenview, Glenview agrees to allow any and all current Winnetka dispatch employees to undertake any pre-employment examinations and perform any and all other requirements necessary for those employees to apply for and be considered for any available dispatchers/call taker positions. Winnetka acknowledges that, should Glenview hire any former Winnetka employees to provide the Dispatch Services, those employees will become Glenview employees and Winnetka will have no ability to make any personnel-related decisions concerning those employees.
5. Provide and continuously update training to all Glenview employees providing the Dispatch Services in the operation of Glenview's New World System for Winnetka, as further described in Section 2.B and 2.C of this Agreement, and other necessary skills including but not limited to Emergency Medical Dispatch (E.M.D.). Documentation and evidence of such training shall be provided by Glenview to Winnetka upon request;
6. Perform supervised transfers of 9-1-1 fire rescue calls to the appropriate Fire/EMS rescue agency as required by ICC 9-1-1 regulations. The transfer of calls will be consistent with industry recognized standards; NENA 56-005 and NFPA 1221;
7. Pursuant to informational materials provided by Winnetka, provide general information to, and answer questions from, callers related to Winnetka public

health and safety issues (i.e. boil orders or street closures) and general information related to Police, Fire/EMS, Public Works, Water and Electric, and other Winnetka services; provided, however, that Glenview will only answer non-emergency calls from Winnetka outside of regular Winnetka business hours as advertised by the Village on its website and posted on its facilities, as well as on weekends and designated holidays by Winnetka. Glenview shall not under any circumstances accept payment of any fees, fines or other amounts on behalf of Winnetka.

8. No more than seven (7) days following the final day of any month, or upon written request by Winnetka, provide copies of reports regarding service performance metrics, call volume, LEADS reports, officer time usage and any other requested reports;
9. Provide warning notifications to the Winnetka community and residents, including without limitation activating community warning sirens and reverse notification calls (e.g. Code Red), as requested by Winnetka and in accordance with Winnetka's policies and procedures and only at the direction of the Winnetka Chief of Police or his/her designee; however, Winnetka shall be responsible for providing the exact wording of the emergency message to be delivered, and for all costs associated with the purchase and installation, maintenance and/or relocation of any equipment necessary to activate Winnetka's community warning sirens;
10. Maintain a call logging and recording system of all emergency and non-emergency calls and, upon request, provide copies to Winnetka Police, Fire/EMS, Public Works, and Water and Electric Departments.
11. Provide passive electronic remote control monitoring for the Winnetka Police Department security system and other Village-controlled facilities as designated by Winnetka, including monitoring the entry to the Winnetka Police Station; provided, however, that Winnetka shall provide the necessary equipment and connections at Winnetka's cost to enable Glenview to accomplish this monitoring. This monitoring will include both video and audio, two-way communications;
12. Assist Winnetka in any manner necessary, including cooperating with representatives and assessors with Police and Fire/EMS performance metrics, and taking any other appropriate action, to ensure that Winnetka receives the any information necessary to satisfy the applicable agencies' professional accreditation or certification processes. It is understood, however, that Glenview's obligations in this regard are related solely to the telecommunications requirements of such accreditations, and not to any other aspects of Police/Public Safety activities undertaken by Winnetka, as the case may be. Any extraordinary compliance measures undertaken by Glenview in furtherance of this Paragraph 2.A.12 at the request of Winnetka will be done at Winnetka's expense;
13. Subject to the obligations of Winnetka described in Section 2.B herein, operate, maintain and manage the Law Enforcement Data System program ("**LEADS**")

and the National Crime Information Center program ("**NCIC**"), including without limitation the following activities:

- a. Assist and cooperate with all audits of the LEADS and NCIC program files and operations;
 - b. Enter into the LEADS or NCIC system information as requested by Winnetka, including without limitation warrants and sex offenders;
 - c. Maintain and manage hot files;
 - d. Maintain and manage all LEADS and NCIC files;
 - e. Remove from the LEADS and NCIC files information and data that is no longer current; and
 - f. Update and validate, on a regular basis, LEADS and NCIC data and files, with information provided by Winnetka;
 - g. Ensure all dispatchers operate in compliance with LEAD standards.
14. Maintain and operate mutual aid dispatch services for Winnetka in accordance with the emergency response plans and programs established by the Northern Illinois Police Alarm System ("**NIPAS**"), the Illinois Law Enforcement Alarm System ("**ILEAS**"), the Mutual Aid Box Alarm System ("**MABAS**"), the North Regional Major Crimes Task Force ("**NORTAF**"), the Major Crash Assistance Team ("**MCAT**"), and the Illinois Public Works Mutual Aid Network ("**IPWMAN**"), as well as any other applicable public safety organizations; provided, however, that Glenview's obligations in this regard are limited to monitoring, dispatching, documenting and updating of system information, based upon data provided by Winnetka;
15. Participate in reasonable periodic training exercise programs and scenarios conducted by Winnetka, including the provision of dispatch services employees to participate in the programs and scenarios, provided that adequate notice is given and staffing limitations permit such participation. Costs associated with the attendance of dispatch service employees (including supervisory staff) at special assignments or special events will be borne by Winnetka.
16. To encourage mutual personnel interactions, Glenview agrees that its dispatch personnel will accompany Winnetka Police officers and/or Winnetka Firefighters/EMS personnel on "ride-alongs" to become familiar with local geography and Winnetka Police and Fire/EMS Department procedures. Such "ride-alongs" will be conducted on no less than a semi-annual basis during the first year of the Initial Term (defined herein) and, thereafter, no less than an annual basis, at no additional charge to Winnetka. Periodic attendance at Winnetka Police or Fire Department meetings and other mutually agreed upon events is encouraged throughout the term of this Agreement;

17. Cooperate with Winnetka in the preparation of responses to any subpoenas and/or Freedom of Information Act requests concerning the Dispatch Services, including without limitation identifying and providing copies of responsive records (including documents, call logs, call recordings, video recordings). Winnetka will be responsible for completing and transmitting final responses to such subpoenas FOIA requests; and
18. Cooperate with Winnetka in the event that any litigation arises out of or is related to the services provided under this Agreement, including providing records and making employees available for depositions and testimony in accordance with service of legal process, provided that Glenview does not become adverse to Winnetka in any such litigation.

B. Obligations of Winnetka. Winnetka agrees to perform the following in order to enable Glenview to efficiently and properly fulfill its obligations under this Agreement:

1. Provide timely updated telephone lists, call out procedures, and suggested telephone answering procedures;
2. Provide timely notification of a Winnetka designee for receiving notice in the absence of Police Chief and or Fire Chief;
3. Provide informational materials on public safety, civic and utility issues for dissemination to residents of Winnetka;
4. Provide proper equipment and connections to enable Glenview to monitor designated security video feeds at Village-controlled facilities;
5. Provide reasonable cooperation in assisting Glenview to achieve accreditation as desired by Glenview;
6. Provide timely reports and other data needed for Glenview to comply with LEADS requirements and current MABAS box cards;
7. Provide work schedules, on-call schedules, training exercises and reasonable notification thereof;
8. Enter and manage warrants through New World RMS (defined as New World Records Management System), or other subsequently-implemented records management system; and

C. Party Obligations Relating to New World System.

1. Glenview will execute with New World an Additional Software License Agreement and any other required documentation to add the necessary licenses for Winnetka to join Glenview's New World System.
2. The parties acknowledge and mutually agree that Glenview shall be responsible for all IT costs and services related to maintaining the New World Computer Aided Dispatch, New World Records Management System, New World Mobile

and Field Reporting Systems, and all other software/hardware components, New World or otherwise, integrated with the New World software solution (collectively, the "New World System"), to the extent that those components are physically located at the Full Service Dispatch Center. In addition, Glenview agrees to schedule, perform, and complete, in coordination with Winnetka, any and all upgrades to the New World System servers.

3. Winnetka shall be responsible for the procurement of all third party software, including updates, upgrades, and service/maintenance packs, and hardware prerequisites required for New World System upgrades to be implemented properly on all Winnetka hardware, including the mobile clients.
4. The parties mutually agree that either party may elect to add New World System components, or third party components, to the New World System. Such new components added by either party shall be at the sole cost (including, but not limited to, implementation costs, software license/maintenance costs, and any necessary software or hardware components to the servers that house the New World System) of that same party. The parties may mutually agree, in writing, to share the cost of such new components. If at a later date the non-implementing party wishes to utilize a component paid by the implementing party, then the non-implementing party will agree to reimburse the implementing party for a portion of the implementing costs as agreed to by the respective parties. Any individual mobile unit/terminal software license or maintenance costs shall be the responsibility of the party where the unit is located.

Section 3. Determination and Payment of Costs by Winnetka.

A. Quarterly Fee for Dispatch Services. Winnetka agrees to pay to Glenview a fee for Dispatch Services in the amounts set forth in the attached **Exhibit A ("Quarterly Fee")**, attached hereto and incorporated by reference herein. The parties acknowledge and agree that the Quarterly Fee includes ongoing expenses to upgrade, improve and enhance the Dispatch Services and the equipment and facilities relating thereto. The Quarterly Fee shall be paid to Glenview each quarter, beginning on the Commencement Date; except that in recognition of the costs that Glenview must incur in advance of the Commencement Date, Winnetka shall begin payment of the Quarterly Fee 60 days in advance of the Commencement Date per the attached Exhibit A schedule.

B. Additional Expenses. To the extent that this Agreement provides for Winnetka to bear other expenses relating to the Dispatch Services, such other expenses mutually agreed upon shall be due and payable thirty (30) days after Glenview delivers an invoice for such expenses to Winnetka, as the case may be.

C. Credits Upon Termination. To the extent that this agreement terminates other than upon its expiration, under section 8.a (excepting termination due to a default of Winnetka) any Quarterly Fee covering a period after the termination date shall be refunded to Winnetka, on a pro rata basis within 60 days.

D. Capital Charges. The fees set forth in **Exhibit A** reflect certain capital expenses relating to the transition costs for providing Dispatch Services to Winnetka which shall be paid to Glenview no later than February 1, 2017. Except as otherwise expressly provided in this

Subsection 3.C, Winnetka shall not be responsible for any future capital expense by Glenview or any other entity related to the provision of the Dispatch Services to Winnetka.

E. New Recipients of Dispatch Services. Glenview may enter into agreements with other municipalities or fire protection districts to provide services similar to the Dispatch Services. Glenview agrees to consult with Winnetka prior to executing any agreement for such services. Under any and all circumstances, Glenview represents and warrants that the standards of performance for the Dispatch Services provided to Winnetka shall not diminish in any manner following any extension of similar services by Glenview to other municipalities or fire protection districts.

F. Participation of Additional Agencies. The parties agree and acknowledge that the business model underlying the Agreement is based upon the involvement of the Additional Agencies. In the event that any of the Additional Agencies: (i) does not enter into an agreement with Glenview for dispatch services; or (ii) terminates any such agreement, then, and in such event, the Parties hereto agree to enter into good-faith negotiations concerning pricing and operations hereunder.

G. Recapture Fees. If Glenview contracts with any agency other than Winnetka and the Additional Agencies, then and in such event, Glenview shall require such agency to pay a fee to Glenview for access to the redundancies of the Dispatch Services (the "**Recapture Fee**"). In such event, within sixty (60) days of Glenview's actual receipt of the Recapture Fee, Glenview agrees to distribute a portion of the Recapture Fee to Winnetka and the Additional Agencies in accordance with each entity's proportionate capital contribution hereto. Upon agreement of the Parties, such distribution can be in the form of a credit towards amounts owed to Glenview under this Agreement by Winnetka and the Additional Agencies.

Section 4. Insurance.

A. Coverage Provided. Glenview agrees to provide the following insurance coverages for the Dispatch Services:

1. Commercial General Liability combined single limit per occurrence for bodily injury and property damage, and personal and advertising injury limited to \$10 million aggregate for the Dispatch Services. Coverage includes the following: all premises and operations, products/completed operations, broad form property damage, defense and contractual liability;
2. Automobile Liability combined single limit per occurrence for all owned, hired and non-owned Glenview vehicles brought onto any of the Village's properties for bodily injury and property damage. Uninsured/underinsured motorist coverage must be secured per Illinois requirements.
3. General Liability and Property coverage for any equipment used in the provision of the Dispatch Services under this Agreement;
4. Workers' Compensation with statutory limits and Employer's Liability coverage;
5. Umbrella or Excess Liability for bodily injury, personal injury, and property damage limited to \$2,000,000 per occurrence and \$2,000,000 aggregate.

6. Law Enforcement Liability for bodily injury, personal injury, and property damage limited to \$2,000,000 per occurrence and \$4,000,000 aggregate with a \$200,000 Self Insured Retention.

7. Cyber-liability for media content, security & privacy liability, regulatory action sublimit, network interruption, event management, and cyber extortion limited to \$2,000,000 per occurrence and \$2,000,000 aggregate with a \$50,000 Self Insured Retention.

8. Additional Insured. The Village of Winnetka and its officials, officers, agents and employees (collectively "**Additional Insureds**") must each be named as additional insureds on a primary and non-contributory basis on general liability, automobile liability, and umbrella or excess liability insurance coverage. The Additional Insured status is strictly limited to the Dispatch Services Agreement.

Such coverages shall be in amounts no less than what Glenview maintains for itself in its normal course of business and upon the same terms, provisions and conditions of Glenview's coverage. Upon Winnetka's written request, Glenview shall provide Winnetka a copy of the insurance policy(ies) or coverage document(s) and additional insured endorsements which affords the insurance coverage required in this paragraph no later than ten days prior to the Commencement Date. Any insurance required to be carried by Glenview hereunder shall be primary and not excess to any other coverage carried by Winnetka in connection with any act or omission on the part of Glenview in the performance of the obligations of Glenview under this Agreement.

B. Indemnification.

1. To the fullest extent permitted by law, Glenview does hereby agree to defend, indemnify and hold Winnetka, its officials, employees and agents harmless from and against any and all claims, demands, losses, causes of action or liabilities of any nature whatsoever, including reasonable attorney's fees and expenses, arising out of, in whole or in part, or in connection with or in consequence of any act or omission on the part of Glenview, its officials, employees or agents, in the performance of or with relation to any of the work or services to be performed or furnished by Glenview under this Agreement, except to the extent caused by the negligence or willful misconduct of Winnetka.

2. To the fullest extent permitted by law, Winnetka does hereby agree to defend, indemnify and hold Glenview, its officials, employees and agents harmless from and against any and all claims, demands, losses, causes of action or liabilities of any nature whatsoever, including reasonable attorney's fees and expenses, which may arise out of, in whole or in part, or in connection with or in consequence of any act or omission on the part of Winnetka, its officials, employees or agents, in the performance of or with relation to any of the work or services to be performed or furnished by Winnetka under this Agreement, except to the extent caused by the negligence or willful misconduct of Glenview.

3. Nothing herein shall be deemed to diminish or waive any immunities or defenses available to the Parties under any applicable statute or rule of law.

C. Proof of Coverage by Glenview. Glenview agrees to furnish to Winnetka a certificate of coverage detailing the self-insurance or commercial insurance as provided by its insurer. The certificate shall be delivered to Winnetka within thirty (30) days after the effective date of this Agreement. Winnetka shall be added, by original endorsement, as an additional insured to all liability policies set forth in Section 4.A. Such endorsement shall be furnished to Winnetka with the certificate of coverage. The certificates and endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. The insurance coverage required under Section 4.A. shall be primary and not excess to any other coverage carried by Winnetka.

D. Termination of Coverage. If Glenview's coverage as provided by its insurer is terminated for any reason:

1. Glenview shall promptly notify Winnetka of receipt of any such notice; and
2. Glenview agrees to use its best efforts to provide comparable coverage either through membership in a joint risk management association or through commercial insurance carriers. However, the failure of Glenview to secure or provide such comparable coverage does not relieve it of its duty to defend, indemnify or hold Winnetka harmless as required in this Agreement.

E. Coverage by Winnetka. Winnetka agrees to maintain commercial general liability coverage, workers' compensation and employer's liability coverage for its operations. Upon request, Winnetka will provide proof of this insurance to Glenview. Any insurance required to be carried by Winnetka hereunder shall be primary and not excess to any other coverage carried by Glenview in connection with any act or omission on the part of Winnetka in the performance of the obligations of Winnetka under this Agreement, or any obligation related to the provision of police and/or public works services by Winnetka.

Section 5. Promotion of Interaction and Communication.

The parties agree that they desire to establish a variety of means to enhance and promote communication and cooperation between Glenview and Winnetka. In addition to those matters otherwise addressed in this Agreement, the Parties also wish to establish the following:

A. Access to Information about Service Delivery. Winnetka shall have access to records pertaining to the Dispatch Services provided to them for the purposes of inspection by any authorized representatives of Winnetka (during regular business hours, upon reasonable notice), to the same extent as such records are available for inspection by any authorized representatives of Glenview.

B. Complaint Procedure. Glenview shall establish a procedure for logging in and responding to complaints concerning the provision of the Dispatch Services. Glenview agrees to inform Winnetka when specific complaints are brought by their respective residents or customers, including without limitation the date and time of the call, complainant's contact information, and a description of the complaint. In addition, Glenview agrees to inform Winnetka of the actions taken by Glenview to resolve the complaint.

C. Regular Meetings. The parties agree that representatives of each of the Parties shall meet initially to consider the implementation of operational rules and procedures for the provision of the Dispatch Services pursuant to this Agreement. The parties further agree that their representatives shall meet on a regular basis, at a minimum of a quarterly basis, to discuss this Agreement and the Dispatch Services provided pursuant to this Agreement, including without limitation issues relating to the operation of the Dispatch Services and the complaint procedures described in Subsection 5.B of this Agreement.

Section 6. Records.

Glenview shall establish and keep a file and record system for all data relative to the Dispatch Services. The parties shall provide and exchange records in accordance with the provisions and limitations of the Health Insurance Portability Accountability Act, the provisions of which shall supersede any conflicting requirement of this Section, and as necessary to respond to requests pursuant to the Illinois Freedom of Information Act or to subpoenas issued by a court of competent jurisdiction.

Section 7. Dispute Resolution.

A. Negotiation. The parties desire to avoid and settle without litigation any future disputes that may arise between them relative to this Agreement. Accordingly, the Parties agree to engage in good faith negotiations to resolve any such dispute. If any party has a dispute about a violation, interpretation, or application of a provision of this Agreement or a dispute regarding a party's failure to comply with this Agreement, then that party may serve on the other party written notice, delivered as provided in Section 10 of this Agreement, setting forth in detail the dispute, the provisions of this Agreement to which the dispute is related, and all facts and circumstances pertinent to the dispute. The parties then, within seven (7) days, shall schedule a date certain for representatives of the Parties to meet in a conference to resolve the dispute. Such conference shall be conducted within thirty (30) days after notice of the dispute has been delivered as provided herein. If a resolution is not reached within such 30 (thirty) day period (or such longer period to which the Parties may mutually agree), then either party may pursue remedies available under this Agreement, including termination.

B. Continuation of Services and Payments. During all negotiation proceedings and any subsequent proceedings provided for in this Section 7, Glenview and Winnetka shall continue to fulfill the terms of this Agreement to the fullest extent possible. Glenview shall continue to provide Dispatch Services to Winnetka as provided by this Agreement. Winnetka shall continue to make all payments to Glenview for the Dispatch Services as provided by this Agreement, including all payments about which there may be a dispute.

C. Remedies. Provided that the Parties have met their obligations under Section 7.A., the Parties shall be entitled to pursue such remedies as may be available in law and equity, including without limitation an action to secure the performance of the covenants, agreements, conditions, and obligations contained herein. The parties agree that any such action must be brought in the Circuit Court of Cook County, Illinois. The requirements of Section 7.A. shall be waived in the event of either significant risk of irreparable harm or significant jeopardy to public health and safety.

Section 8. Term; Termination.

A. Term. The term of this Agreement shall begin on the Commencement Date and terminate on December 31, 2023 (“**Initial Term**”). The parties may agree in writing to renew or extend the Agreement for additional periods (each such period a “**Renewal Term**”) upon such terms and conditions as are mutually agreeable to the Parties. No less than one hundred eighty (180) days before the expiration of the Initial Term, the Parties agree to negotiate in good faith on the issue of pricing for any Renewal Term. If a Renewal Term cannot be agreed upon by the Parties prior to the expiration of the Initial Term, the Agreement may be extended at the option of Winnetka for one (1) year beyond the Initial Term (the “**Extension**”) with the annual escalator for Quarterly Fees payable during the Extension being limited to the annual escalator between the Year 6 (2022) Quarterly Fee and the Year 7 (2023) Quarterly Fee. After the expiration of any Renewal Term, the Parties may agree to renew or extend such term upon such terms and conditions as are mutually agreeable.

B. Termination. This Agreement may be terminated pursuant to one of the following procedures:

1. By written notice of no fewer than 365 days after termination is duly authorized by the appropriate legislative action of one of the Parties for its convenience;
2. By written amendment to this Agreement duly authorized by the appropriate legislative action of Glenview and Winnetka; or
3. In the event of a material default under this Agreement, and provided that the Parties have failed to resolve matters pursuant to the provisions of Section 7, the non-defaulting party may notify a defaulting party in writing setting forth the nature of the default and the requested remedy of such default. The defaulting party shall thereafter have ten (10) days to correct the default prior to the non-defaulting party's terminating this Agreement; provided that said ten (10) day period shall be extended, for a reasonable time not exceeding ninety (90) days, if said default cannot reasonably be cured within said ten (10) day period. If a defaulting party fails to cure the default within the cure period provided in this Section, the non-defaulting party shall have the right to terminate this Agreement by written notice of termination to the defaulting party, which termination will be effective immediately (or by such other date, not beyond the term of this Agreement, as the non-defaulting party may determine). A party that terminates this Agreement pursuant to this Section 8.B.3 shall retain its rights to pursue any and all other remedies that may be available, either in law or in equity under this Agreement.
4. The Parties acknowledge and agree that the permanent unavailability of the New World System, Highland Park Facility, or other critical infrastructure for the performance of the Dispatch Services will automatically constitute a default of this Agreement by Glenview. If Glenview learns or reasonably believes that the New World System, Highland Park Facility, or other critical infrastructure will become permanently unavailable for any reason, Glenview must immediately notify Winnetka and cure the default. If such default is not cured within ninety (90) days, as determined by Winnetka in its sole discretion, Winnetka may terminate this Agreement at any time thereafter.

Section 9. Unfunded Mandates. The parties acknowledge that significant changes have occurred in legal requirements of Dispatch Services over the past decade and are likely to occur in the future. In the event unfunded mandates arise which impose dispatch service obligations on Glenview over and above current obligations, then the Parties agree to negotiate a sharing of the costs incurred to comply with said mandates.

Section 10. Effective Date. This Agreement shall be effective as of the date it is signed by both parties, and Glenview will begin providing the Dispatch Services on the Commencement Date.

Section 11. General Provisions.

A. **Notice.** Any notice or communication required or permitted to be given under this Agreement shall be in writing and shall be delivered (i) personally, (ii) by a reputable overnight courier, (iii) by certified mail, return receipt requested, and deposited in the U.S. Mail, postage prepaid, or (iv) by facsimile. Facsimile notices shall be deemed valid upon confirmed transmission followed by notice in the manner described in either (i), (ii), or (iii) above within three business days thereafter at the appropriate address set forth below. Unless otherwise provided in this Agreement, notices shall be deemed received after the first to occur of (a) the date of actual receipt; or (b) the date that is one (1) business day after deposit with an overnight courier as evidenced by a receipt of deposit; or (b) the date that is three (3) business days after deposit in the U.S. mail, as evidenced by a return receipt or the date of confirmed fax transmission. By notice complying with the requirements of this Section 10.A, each party to this Agreement shall have the right to change the address or the addressee, or both, for all future notices and communications to them, but no notice of a change of addressee or address shall be effective until actually received.

Notices and communications to Glenview shall be addressed to, and delivered at, the following address:

Village of Glenview
2500 E Lake Avenue
Glenview, Illinois 60026
Fax: (847) 724-1518
Attention: Village Manager

with a copy to: Eric G. Patt
Robbins, Salomon & Patt, Ltd.
2222 Chestnut Avenue, Suite 101
Glenview, IL 60026
Fax: (847) 729-7390

Notices and communications to Winnetka shall be addressed to, and delivered at, the following address:

Village of Winnetka
510 Green Bay Road
Winnetka, Illinois 60093
Fax: (847) 501-3180
Attention: Village Manager

with a copy to: Peter M. Friedman
Holland & Knight
131 South Dearborn, 30th Floor
Chicago, IL 60603
Fax: (312) 578-6666

B. Time of the Essence. Time is of the essence in the performance of this Agreement.

C. Rights Cumulative. Unless expressly provided to the contrary in this Agreement, each and every one of the rights, remedies, and benefits provided by this Agreement shall be cumulative and shall not be exclusive of any other rights, remedies, and benefits allowed by law.

D. Non-Waiver. No party shall be under any obligation to exercise any of the rights granted to it in this Agreement. The failure of any party to exercise at any time any right granted to such party shall not be deemed or construed to be a waiver of that right, nor shall the failure void or affect the party's right to enforce that right or any other right.

E. Ownership and Capital Costs. Glenview will own the entire dispatch system, except the radio infrastructure equipment installed in Winnetka and the antennae, which shall be owned and maintained by Winnetka, unless otherwise agreed to in writing by both parties.

F. Consents. Unless otherwise provided in this Agreement, whenever the consent, permission, authorization, approval, acknowledgement, or similar indication of assent of any party to this Agreement, or of any duly authorized officer, employee, agent, or representative of any party to this Agreement, is required in this Agreement, the consent, permission, authorization, approval, acknowledgement, or similar indication of assent shall be in writing.

G. Governing Law. This Agreement shall be governed by, and enforced in accordance with, the internal laws, but not the conflicts of laws rules, of the State of Illinois.

H. Severability. It is hereby expressed to be the intent of the Parties to this Agreement that should any provision, covenant, agreement, or portion of this Agreement or its application to any person or property be held invalid by a court of competent jurisdiction, the remaining provisions of this Agreement and the validity, enforceability, and application to any person or property shall not be impaired thereby, but the remaining provisions shall be interpreted, applied, and enforced so as to achieve, as near as may be, the purpose and intent of this Agreement to the greatest extent permitted by applicable law.

I. Entire Agreement. This Agreement constitutes the entire agreement between the Parties and supersedes any and all prior agreements and negotiations between the Parties, whether written or oral, relating to the subject matter of this Agreement.

J. Interpretation. This Agreement shall be construed without regard to the identity of the party who drafted the various provisions of this Agreement. Moreover, each and every provision of this Agreement shall be construed as though all parties to this Agreement participated equally in the drafting of this Agreement. As a result of the foregoing, any rule or construction that a document is to be construed against the drafting party shall not be applicable to this Agreement.

K. Exhibit. Exhibit A attached to this Agreement is, by this reference, incorporated in, and made a part of this Agreement. In the event of a conflict between an exhibit and the text of this Agreement, the text of this Agreement shall control.

L. Amendments and Modifications. No amendment or modification to this Agreement shall be effective until it is reduced to writing and approved and executed by all parties to this Agreement in accordance with applicable law.

M. Changes in Laws. Unless otherwise provided in this Agreement, any reference to laws, statutes, ordinances, rules, or regulations shall be deemed to include any modifications of, or amendments to, such laws, statutes, ordinances, rules, or regulations that may occur in the future.

N. Authority to Execute. Each party hereby warrants and represents to the other parties that the persons executing this Agreement on its behalf have been properly authorized to do so by the corporate authorities of such party.

O. No Third Party Beneficiaries. No claim as a third party beneficiary under this Agreement by any person shall be made, or be valid, against Glenview and Winnetka.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS HEREOF, Glenview and Winnetka, respectively, have caused this Agreement to be executed by their respective Village President and attested by their respective Village Clerk as of the day and year first above written.

VILLAGE OF GLENVIEW

VILLAGE OF Winnetka

By _____
Village President

By _____
Village President

Attest _____
Village Clerk

Attest _____
Village Clerk

EXHIBIT A
Payment Schedule

**EXHIBIT A
PAYMENT SCHEDULE
WINNETKA**

OPERATING PAYMENTS

| | | Quarter 2 (May-Jun) | Quarter 3 (Jul-Aug-Sept) | Quarter 4 (Oct-Nov-Dec) | Annual Total | |
|---------------------|--------------|------------------------------------|-------------------------------------|--------------------------------------|------------------------------------|-----------|
| | | May 1 | July 1 | October 1 | | |
| | | <u>Jun 15</u> | <u>August 15</u> | <u>November 15</u> | | |
| Partial Year | 2017 | \$69,225 | \$103,838 | \$103,838 | \$276,900 | |
| | | | | | | |
| | | Quarter 1 (Jan-Feb-Mar) | Quarter 2 (Apr-May-June) | Quarter 3 (July-Aug-Sept) | Quarter 4 (Oct-Nov-Dec) | |
| | Invoiced on: | January 1 | April 1 | July 1 | October 1 | |
| | Due by: | <u>February 15</u> | <u>May 15</u> | <u>August 15</u> | <u>November 15</u> | |
| Year 1 | 2018 | \$107,670 | \$107,670 | \$107,670 | \$107,670 | \$430,681 |
| Year 2 | 2019 | \$112,220 | \$112,220 | \$112,220 | \$112,220 | \$448,879 |
| Year 3 | 2020 | \$116,934 | \$116,934 | \$116,934 | \$116,934 | \$467,734 |
| Year 4 | 2021 | \$121,957 | \$121,957 | \$121,957 | \$121,957 | \$487,830 |
| Year 5 | 2022 | \$127,454 | \$127,454 | \$127,454 | \$127,454 | \$509,816 |
| Year 6 | 2023 | \$133,123 | \$133,123 | \$133,123 | \$133,123 | \$532,492 |
| | | | | | \$3,154,332 | |

CAPITAL PAYMENTS

Feb 1, 2017 \$ 167,500



Agenda Item Executive Summary

Title: Electric Fund Rate Study

Presenter: Brian Keys, Director of Water & Electric

Agenda Date: 11/03/2016

Consent: YES NO

- | | |
|-------------------------------------|-------------------------|
| <input type="checkbox"/> | Ordinance |
| <input type="checkbox"/> | Resolution |
| <input type="checkbox"/> | Bid Authorization/Award |
| <input checked="" type="checkbox"/> | Policy Direction |
| <input type="checkbox"/> | Informational Only |

Item History:

At the request of the Village Council, a 2016 Water & Electric Department objective was to complete an electric utility rate study. Based on projects contained in the Electric Fund's Capital Improvement Plan, cash reserves were projected to be depleted. The last rate study was conducted in 2005. After receiving proposals for the required professional services, the Village Council approved Resolution R-11-2016, approving an agreement with Utility Financial Solutions (UFS) in March 2016. UFS was retained to examine the existing rate structures, power supply costs, capital requirements, fund balance policy, wholesale power cost adjustment methodology and to perform a cost of service study.

Executive Summary:

Utility Financial Solutions (UFS) has completed their comprehensive review of the Electric Fund's existing financial data and rate structures, and has determined the projected revenue requirements for the period of 2017-2021 while completing a Cost of Service Study. Based on this work, UFS has prepared preliminary recommendations on potential (revenue) rate tracks, cash reserves, diversification of the monthly service charge categories and changes to the wholesale power cost adjustment calculation.

UFS has prepared a report entitled; "Preliminary Report for Electric Cost of Service Study", which summarizes their analysis and recommendations. During the November 3, 2016 Council meeting, staff is seeking feedback and policy direction from the Village Council regarding the Cost of Service Study and five critical decisions outlined in the report. Thereafter, a full report including recommendations on rate design for each customer class will be provided to the Council.

A representative from Utility Financial Solutions will be at the November 3 meeting to present an overview of the work completed to date. Following the presentation, Village staff and the Consultant will address questions regarding the report and the next steps.

Recommendation:

Provide policy direction regarding the Electric Cost of Service Study and the critical decisions outlined with respect to the electric utility.

Attachments:

- Agenda Report dated October 25, 2016
- Utility Financial Solution's report entitled, "Preliminary Report for Electric Cost of Service Study" dated October 24, 2016

AGENDA REPORT

SUBJECT: Electric Fund Rate Study

PREPARED BY: Brian Keys, Director Water & Electric

REF: March 17, 2016 Council Meeting, pp. 183-344

DATE: October 25, 2016

At the request of the Village Council, a 2016 Water & Electric Department objective was to complete an electric utility rate study. Based on projects contained in the Electric Fund's Capital Improvement Plan, cash reserves were projected to be depleted. The last rate study was conducted in 2005. After receiving proposals for the required professional services, the Village Council approved Resolution R-11-2016, approving an agreement with Utility Financial Solutions (UFS) in March 2016. UFS was retained to examine the existing rate structures, power supply costs, capital requirements, fund balance policy, wholesale power cost adjustment methodology and to perform a cost of service study.

UFS has completed their comprehensive review of the Electric Fund's existing financial data and rate structures, and has determined the projected revenue requirements for the period of 2017-2021 while completing a Cost of Service Study. Based on this work, UFS has prepared preliminary recommendations on potential (revenue) rate tracks, cash reserves, diversification of the monthly service charge categories and changes to the wholesale power cost adjustment calculation.

UFS has prepared a report entitled; "*Preliminary Report for Electric Cost of Service Study*" (attached), which summarizes their analysis and recommendations. During the November 3, 2016 Council meeting, staff is seeking feedback and policy direction from the Village Council regarding the Cost of Service Study and proposed recommendations. Thereafter, a full report including recommendations on rate design for each customer class will be provided to the Council.

Preliminary Report Recommendations:

Rate Tracks

The primary purpose of the rate study is to identify the revenue requirements and the corresponding revenue adjustments required to insure funds are available for the electric utility to complete identified capital projects and to meet an established fund balance policy. In the absence of any revenue increases, the Electric Fund is expected to have an operating loss of \$61,000 in 2017 which increases to \$535,000 in 2021.

UFS has created three rate tracks options.

Option A: A rate increase of 4% in 2017 followed by 3.5% in years 2018-2021 with some variability in customer bills due to forecasted changes in wholesale power costs.

Option B: Levelized rate track through the next five years of 3.7% per year with some variability in customer bills due to forecasted changes in wholesale power costs.

Option C: Levelized customer bill impact of 5% per year through the next five years.

Each of the proposed rate tracks will fund the Electric Fund's Capital Improvement Plan and reach the proposed target for cash reserves.

The Cost of Service Study for the Electric Fund has been completed. The study has determined the costs of providing service to each class of customers and also identifies subsidizing that exists between certain types of customer classes.

In the next step of the project, UFS is tasked with the development of new rates for the Village's Electric Fund. As noted in the Cost of Service Study, some customer classes are subsidizing the electric costs of other customers. As such, it stands to reason that rate increases should not be equally applied across all rate classes. UFS is seeking an input on the acceptable bandwidth for the development of rates. If for example, the preferred rate track is 4% and a two percent bandwidth is utilized for the rate design, some customer classes would see rate increases in an amount up to 6% while other customer classes may result in a rate increase of 2%. Overall Electric Fund revenue would increase by 4%.

Critical Decision #1: What is the preferred rate track to be used in the development of rates?

And

Critical Decision #2: As new rates are designed based on the Cost of Service Study, is the proposed plus or minus 2.0% bandwidth for each class of customer acceptable?

Monthly Service Charges

As previously noted, UFS has completed the Cost of Service Study for the Electric Fund. One component analyzed in the study is the "monthly service charge". With the exception of street lights, the Village has only two classifications for assessing a monthly customer charge. Customers receiving single phase service pay \$9.46 per month and customers receiving three phase service pay \$15.76 per month. There is no differentiation between the customer classes (i.e. Residential, School & Government, Commercial, etc.). The Cost of Service Study indicates that most customer classes are paying charges below the cost of service. UFS is recommending changes not only to the amount of the monthly customer charge, but to also create a separate monthly service charge for each class of customer including: Residential, Large Residential, Water Heating, Space Heating, Commercial, School & Government (<1,000 kW) and School & Government (> 1,000 kW).

Critical Decision #3: The Cost of Service Study indicates that many customer classes are paying customer charges below the cost of service. The consultant is recommending that a monthly customer charge be developed for each customer class and adjusted accordingly.

Cash Reserve Policy

The Fund Balance Policy for the Electric Fund is currently four (4) months of operating expenses. For 2017, the targeted amount is \$4.9 million. Based on their review of O&M expenditures (less depreciation), the historical rate base, billing cycles and the Five Year Capital Plan, UFS is recommending that the cash reserve be increased to \$7.1M which is approximately 194 days of “cash on hand” (current policy is set at 120 days). Sufficient cash reserves ensure the timely completion of capital improvements and enable the utility to fund large unexpected expenditures.

Critical Decision #4: What is the desired Cash Reserve Policy for the Electric Fund?

Power Cost Adjustment Methodology

The Electric Fund currently makes adjustments on an annual basis for variability in the wholesale cost of power. Electric rates are modified at the time of the budget and a Wholesale Purchase Power Cost Adjustment provision is contained in the annual electric rate resolution. The electric system’s cost of purchasing power is estimated during the budget process for the coming year. The estimated cost is then incorporated into the energy costs for all customer classes. At the close of the fiscal year, the actual annual cost of purchasing power on a kWh basis is determined. The Wholesale Power Purchase Cost Adjustment is the calculated difference between the estimated cost of power per kWh and the actual cost of power. If the actual cost of power (per kWh) exceeds the estimated (budgeted) amount, the shortfall is annualized and recovered by billing all customers during the new fiscal year. If the estimated annual cost of power per kWh is higher than the actual cost experienced, the excess is annualized and credited to all customers at the same kWh.

UFS is recommending that the Electric Fund adopt a 12 month rolling average calculation that would be determined for each bi-monthly billing cycle. Every two months, staff would review the 12 month rolling average cost of power as compared to an established base rate. Any shortfalls and/or overages would be applied and collected or credited in the next two month period. This method is preferred as it provides revenue stability in times when the power supply varies from annual projections and reduces the customer bill impact between each annual adjustment.

Critical Decision #5: UFS has recommended changing the power cost adjustment methodology. Is the proposed methodology acceptable?

Next Steps:

The Consultant and staff require direction from the Council before proceeding with the development of proposed electric rates. Each of the five listed critical decisions will have an impact on the rate design.

- What is the preferred rate track?
- Is the proposed plus or minus 2.0% bandwidth for each customer class acceptable?
- Should the consultant proceed to develop separate monthly customer charges for each customer class?
- What is the desired Cash Reserve Policy for the Electric Fund?
- Is the proposed change in power cost adjustment methodology acceptable?

Based on policy direction from the Village Council, Utility Financial Solutions will make any required changes to their financial analysis and proceed with the development of three years of electric rates. The proposed rates will be presented to the Village Council for their consideration at a future meeting.

A representative from Utility Financial Solutions will be at the November 3rd rescheduled Council meeting to present an overview of the work completed to date. Following the presentation, Village staff and the Consultant will address questions regarding the report and the next steps.

Recommendation:

Provide policy direction regarding the Cost of Service Study and the critical decisions outlined with respect to the electric utility.



COS Report

**THE VILLAGE OF WINNETKA
WATER & ELECTRIC DEPARTMENT**

Preliminary Report for Electric Cost of Service Study

October 24, 2016



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October 24, 2016

Mr. Brian Keys
Director of Water & Electric
Village of Winnetka

Dear Mr. Keys;

We are pleased to present this executive summary report for an electric cost of service, financial projection and rate design study for The Village of Winnetka Water & Electric Department (VWWED). This report was prepared to provide VWWED with a comprehensive examination of its existing rate structure by an outside party.

The specific purposes of this cost of service rate study are:

- 1) Determine Electric Department's revenue requirements for 2017
- 2) Identify cross-subsidies that may exist between rate classes
- 3) Identify the appropriate monthly customer charge for each customer class
- 4) Develop retail rates to be implemented in 2017

This report includes results of the electric cost of service and unbundling study and recommendations on future rate designs. Specific recommendations included in this report are:

- 1) Rate adjustments that are based on the utilities ability to meet three factors listed below:
 - Debt Coverage Ratio
 - Minimum Cash Reserves
 - Optimal Net Income
- 2) Rate adjustments that are designed to provide the overall recommendation and within a bandwidth for each customer class based on the cost of service study completed by Utility Financial Solutions (UFS).
 - Recommend rates be designed to provide the Village Council's recommended rate adjustment within a bandwidth for each customer class based on cost of service results.
 - Recommend monthly customer charge variances between cost of service and actual be addressed in the proposed 2017 rates.
 - Recommended VWWED consider adjusting its current Cash Reserve Policy to help ensure timely completion of capital improvements and enable the department to meet requirements for potential large unexpected expenditures.

This report is intended for information and use by management for purposes stated above and is not intended to be used by anyone except the specified parties.

Sincerely,

A handwritten signature in black ink, appearing to read "Daniel Kasbohm", is written over a horizontal line.

Utility Financial Solutions, LLC
Daniel Kasbohm – Rates Manager

| Section | Executive Summary | Page |
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Introduction

This report was prepared to provide The Village of Winnetka's Water & Electric Department (VWWED) with an electric cost of service study and a comprehensive examination of its existing rate structure by an outside party. The specific purposes of the rate study are identified below:

- 1) **Determine electric department's revenue requirements for 2017.** The Electric Department's revenue requirements were projected for the period from 2017 – 2021 and included adjustments for the following:
 - a. Anticipated power costs from IMEA resources (provided by IMEA)
 - b. Anticipated annual sales growth as reviewed with VWWED
 - c. Five-year capital improvement plan as provided by VWWED
- 2) **Identify cross-subsidies that may exist between rate classes.** Cross-subsidies exist when certain customer classes subsidize the electric costs of other customers. The rate study identifies if cross-subsidies exist and practical ways to reduce the subsidies. The cost of service study was completed using 2017 projected revenues and expenses. The financial projections are for the period from 2017 – 2021.
- 3) **Recommend rate adjustments needed to meet targeted revenue requirements.** The primary purpose of this rate study is to identify appropriate revenue requirements and the rate adjustments needed to meet targeted revenue requirements. The report includes a long-term rate track for VWWED to help ensure the financial stability of the department in future years.
- 4) **Unbundled electric rates.** The cost of providing electricity to customers consists of a number of components, including power supply, distribution, customer services, and transmission. Electric unbundling identifies the cost of each component to assist the department in understanding its cost structure and developing special rate forms for customers such as net metering rates, standby rates, and time of use rates.
- 5) **Identify the appropriate monthly customer charge for each customer class.** The monthly customer charge consists of fixed costs to service customers that do not vary based on the amount of electricity used.

VWWED retained Utility Financial Solutions (UFS) to review the above items and make recommendations on the appropriate course of action. This report includes results of the electric department's long-term financial projection and cost of service study with recommendations on potential rate structures, cash reserves, and the power cost adjustment calculation.

Cost of Service Process Summary

Cost of Service Summary Results

The completed cost of service study will determine costs of providing service to each class of customer and help assist in design of electric rates for customers. The cost of service study consists of the following general steps:

- 1) Determine department revenue requirements for 2017 using VWVED 2015 & projected 2016 expenses
- 2) Classify department expenses into common cost pools
- 3) Allocate costs to customer classes based on the classes' contribution to department expenses
- 4) Compare revenues received from each class to the cost of service

Table One below is a cost of service summary which compares projected costs to serve each customer class with projected revenues expected from each customer class. The “% change” column is an adjustment that is necessary to meet projected cost of service requirements. Negative adjustments suggest current rates are collecting more than cost of service and positive adjustments are short of recovering costs spent to serve that customer.

Table One – Cost of Service Summary – Without Rate Adjustments

| Customer Class | Cost of Service | Projected Revenues | % Change |
|------------------------------|----------------------|----------------------|--------------|
| Residential | \$ 10,947,266 | \$ 10,087,608 | 9% |
| Space Heating | 335,230 | 321,109 | 4% |
| Water Heating | 3,284 | 4,796 | -32% |
| Street Lights | 321,340 | 63,915 | 403% |
| Commercial | 2,626,895 | 2,221,676 | 18% |
| School & Government <1,000kW | 1,654,150 | 1,308,223 | 26% |
| School & Government >1,000kW | 1,018,009 | 811,103 | 26% |
| Large Residential - Demand | 156,914 | 141,124 | 11% |
| Total | \$ 17,063,087 | \$ 14,959,554 | 14.1% |

VWVED’s cost structure consists of distribution costs to operate and maintain local infrastructure. The study indicates an overall revenue increase of 14.1% from current established rates.



Electric Fund Revenue Requirements

Department Revenue Requirements

Revenue requirements for VWWED were projected for 2017 based on 2015 actual expenses with adjustments made for known changes. Revenues for 2017 were analyzed with adjustments made to actual 2015 sales to reflect projected operating characteristics. Detailed descriptions of the methodology are included in the section “Summary of Significant Assumptions”. The table below is a summary of the financial projection based on the following assumptions:

1. Capital improvement plan as reviewed with VWWED
2. Power Supply projected annual increases as provided by IMEA
3. General Inflation rate of 3% on expenses
4. kWh unit sales growth as provided in the IMEA 5-year projection

VWWED is projected to have an operating loss of \$61 thousand in 2017 and increases to an operating loss of \$535 thousand in 2021.

Table Two – Projected Financial Statements – Without Rate Adjustments

| Fiscal Year | Projected Rate Adjustments | With PCA Annual Adjustment | Projected Revenues | Projected Expenses | Operating Income | Projected Cash Balances | Capital Improvements | Net Utility Plant in Service (UPIS) |
|---|----------------------------|----------------------------|--------------------|--------------------|---------------------|-------------------------|----------------------|-------------------------------------|
| 2017 | 0.00% | 0.2% | \$15,840,754 | \$14,926,704 | \$ (61,475) | \$3,958,551 | \$ 2,589,380 | 34.8% |
| 2018 | 0.00% | 0.8% | 15,947,774 | 15,254,949 | (329,789) | 2,602,514 | 2,804,557 | 34.9% |
| 2019 | 0.00% | 3.7% | 16,145,130 | 15,820,594 | (684,294) | 1,220,966 | 2,583,321 | 34.6% |
| 2020 | 0.00% | 1.1% | 16,790,277 | 16,188,502 | (409,581) | 17,340 | 2,787,529 | 34.3% |
| 2021 | 0.00% | 1.1% | 17,051,987 | 16,571,370 | (535,010) | (1,435,084) | 3,027,192 | 34.2% |
| Recommended Target in 2017 | | | | | \$ 2,017,058 | | | |
| Recommended Target in 2021 | | | | | \$ 2,375,542 | | | |
| | | | | | | Current Policy | | |
| Recommended MINIMUM Target in 2017 | | | | | | \$ 7,052,455 | \$ 4,358,227 | |
| Recommended MINIMUM Target in 2021 | | | | | | \$ 7,607,030 | \$ 4,754,496 | |

1. Financial projections should typically be updated during the budgeting process each year.
2. Cash balances include current cash and investments.
3. A number of additional assumptions were used in developing the financial projections. Please see summary of significant assumptions on page 19.

Electric Fund Revenue Requirements

DEVELOPMENT OF RECOMMENDED RATE TRACK:

When evaluating rates to charge customers, three factors must be considered:

1. Debt Coverage Ratio
2. Minimum Cash Reserves
3. Optimal Net Income

Each of these factors is discussed below:

1. Debt Coverage Ratio – The VWVED is currently debt free and not required to meet this target. If bonds were needed in the future, then debt coverage ratios are mandated by covenants established by the bond ordinance. Typical bond coverage ratios require that cash generated from operations exceed 1.2 times the debt payments. The department should maintain a minimum coverage ratio of 1.2. Due to fluctuations in sales, mainly the result of weather, a safety factor is recommended to help ensure coverage ratios are met during low sales years. UFS will typically establish a target of 1.4 for financial projection purposes. This becomes the minimum target and rates are established to meet the debt coverage ratio requirement.

Table Three is an example calculation for projected debt coverage ratios from 2017–2021.

Table Three – EXAMPLE Debt Ratio Coverage

| EXAMPLE Debt Coverage Ratio Calculation | | | | | |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| | Projected 2017 | Projected 2018 | Projected 2019 | Projected 2020 | Projected 2021 |
| Add Net Income | \$ (61,475) | \$ (329,789) | \$ (684,294) | \$ (409,581) | \$ (535,010) |
| Add Depreciation Expense | 1,670,430 | 1,778,309 | 1,886,067 | 1,993,484 | 2,109,778 |
| Add Interest Expense | - | - | - | - | - |
| Cash Available for Debt Service | \$ 1,608,955 | \$ 1,448,521 | \$ 1,201,773 | \$ 1,583,902 | \$ 1,574,768 |
| Debt Principal and Interest | \$ - | \$ - | \$ - | \$ - | \$ - |
| Projected Debt Coverage Ratio (Covenants) | n/a | n/a | n/a | n/a | n/a |
| Minimum Debt Coverage Ratio | 1.40 | 1.40 | 1.40 | 1.40 | 1.40 |

Winnetka has no current or foreseen debt throughout the projection period.

Electric Fund Revenue Requirements

- 2) **Minimum Cash Reserve Target** - To help ensure timely completion of capital improvements and enable the department to meet requirements for large unexpected expenditures, a minimum cash reserve policy should be established. Minimum cash reserves attempts to quantify the minimum amount of cash the department should keep in reserve, actual cash reserves may vary substantially above the minimum and is dependent on the life cycle of assets that are currently in service. The methodology used in this report is based on certain assumptions related to percent of operation and maintenance, rate base, capital improvements, and debt service. The establishment of minimum cash reserves should consider a number factors including:
- **Working Capital Lag** - Timing differences between when expenses are incurred and revenues received from customers. Establishing a minimum cash reserve helps to ensure cash exists to pay expenses in a timely manner.
 - **Investment in assets** – Catastrophic events may occur that require substantial amounts of cash reserves to replace damaged assets. Some examples of catastrophic events include ice storms, earthquakes, wind storms, floods, or tornadoes. Many of these catastrophic events may allow the department to recover the cost of damages from FEMA; however FEMA reimbursements can take between 6 months to 2 years to recover. The department should ensure adequate cash reserves exist to replace the assets in a timely fashion. The minimum reserve levels are often combined with emergency funding from banks or bonding agencies.
 - **Annual debt service** – VWWED is currently debt free and does not require cash reserves to be available for payments. If bonding is required in the future, debt service payments often occur at periodic times and the department has to ensure adequate cash reserves exist to fund the debt service payment when the payment is due.
 - **Capital improvement program** – Some capital improvements are funded through bond issuances and some through cash reserves. The establishment of a minimum cash reserve level helps to ensure timely replacement or construction of assets.

Electric Fund Revenue Requirements

The minimum recommended cash reserve for VWVED in 2017 is \$7.1 million and increases to \$7.6 million in 2021. For 2017, the projected cash reserve is \$3.9 million and decreases to a negative \$1.4 million in 2021 without rate adjustments. Table Four provides the minimum cash reserve calculation.

Table Four – Minimum Cash Reserves

| Recommended Minimum Cash Reserve Calculation | | | | | | |
|---|-------------------|---------------------|---------------------|---------------------|---------------------|-----------------------|
| | Percent Allocated | Projected 2017 | Projected 2018 | Projected 2019 | Projected 2020 | Projected 2021 |
| O&M Less Depreciation | 18.1% | \$ 2,403,066 | \$ 2,443,014 | \$ 2,526,019 | \$ 2,573,240 | \$ 2,621,564 |
| Historical Rate Base | 3% | 1,890,992 | 1,975,129 | 2,052,629 | 2,136,255 | 2,227,070 |
| Five Year Capital Improvements - less bonding | 20% | 2,758,396 | 2,758,396 | 2,758,396 | 2,758,396 | 2,758,396 |
| Recommended Minimum Cash Reserve Calculation | | \$ 7,052,455 | \$ 7,176,539 | \$ 7,337,043 | \$ 7,467,890 | \$ 7,607,030 |
| Projected Cash Reserves | | \$ 3,958,551 | \$ 2,602,514 | \$ 1,220,966 | \$ 17,340 | \$ (1,435,084) |
| <i>Recommended Minimum Days cash on hand</i> | | 194 | 194 | 192 | 192 | 192 |

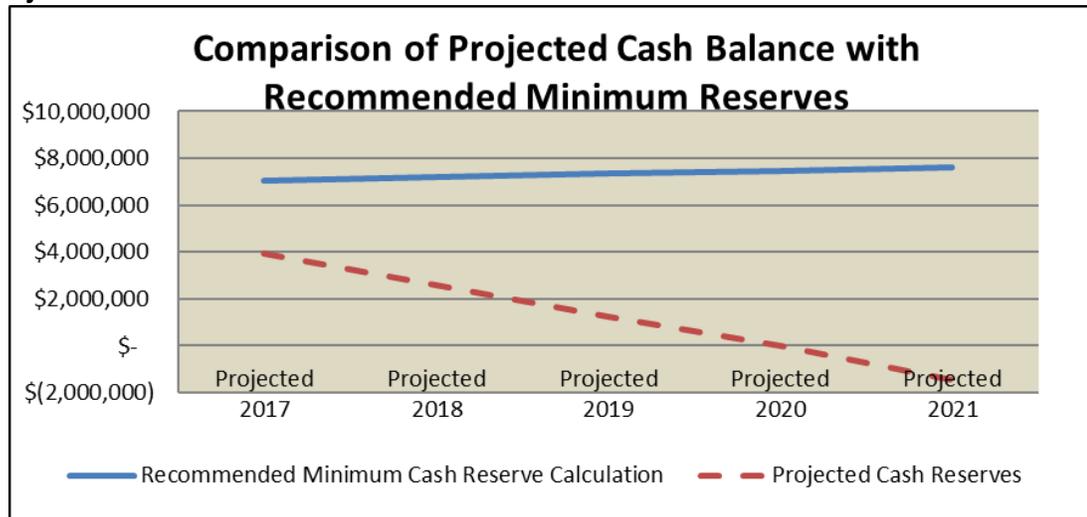
Cash reserves fail to meet recommended minimum targets in 2017 and throughout the projection period.

Notes:

1. Operation and maintenance expenses exclude power supply and depreciation expense
2. Annual Power Supply is total annual sum of power supply & generation resources
3. Rate base is historical investment in plant and equipment
4. Five-year capital improvement plan (CIP) includes total sum of budgeted capital improvements for the next five years and excludes capital improvements funded through debt issuances

The graph one below compares projected cash balances with minimum cash reserve levels established in the formula above.

Graph One – Comparison of Projected Cash Balances with Projected Cash Reserves – Without Rate Adjustment



Electric Fund Revenue Requirements

3) **Optimal operating income targets** - The optimal target for setting rates is the establishment of a target operating income to help ensure the following:

1. Funding of Interest Expense on the outstanding principal on debt. Interest expense is below the operating income line and needs to be recouped through the operating income balance.
2. Funding of the inflationary increase on the assets invested in the system. The inflation on the replacement of assets invested in the utility should be recouped through the Operating Income
3. Adequate rate of return on investment to help ensure current customers are paying their fair share of the use of the infrastructure and not deferring the charge to future generations.

As improvements are made to the system, the optimal operating income target will increase unless annual depreciation expense is greater than yearly capital improvements. The revenue requirements for the study are set on the utility basis. Charging the rates in the cost of service study would produce the target operating income identified in Table Five. The target established for 2017 is \$2.0 million and increases in 2021 to \$2.4 million.

Table Five - Optimal Operating Income Targets Compared to Projected

| Target Operating Income | | | | | | |
|----------------------------|-------------------|----------------|----------------|----------------|----------------|----------------|
| | Percent Allocated | Projected 2017 | Projected 2018 | Projected 2019 | Projected 2020 | Projected 2021 |
| System Equity | 9.2% | 2,017,058 | 2,106,804 | 2,189,471 | 2,278,672 | 2,375,542 |
| Target Operating Income | | \$ 2,017,058 | \$ 2,106,804 | \$ 2,189,471 | \$ 2,278,672 | \$ 2,375,542 |
| Projected Operating Income | | \$ (61,475) | \$ (329,789) | \$ (684,294) | \$ (409,581) | \$ (535,010) |
| Rate of Return in % | | 9.2% | 9.2% | 9.3% | 9.3% | 9.4% |

Projected operating income is insufficient throughout projection period of 2017 – 2021

Electric Fund Cost of Service Summary

COST OF SERVICE RESULTS

Table Six below shows the average cost of service per kWh and compares that cost to the average revenue per kWh for each customer class. The table is sorted from lowest to highest based on average cost of service.

Table Six - Average Cost per kWh compared with Average Revenue per kWh

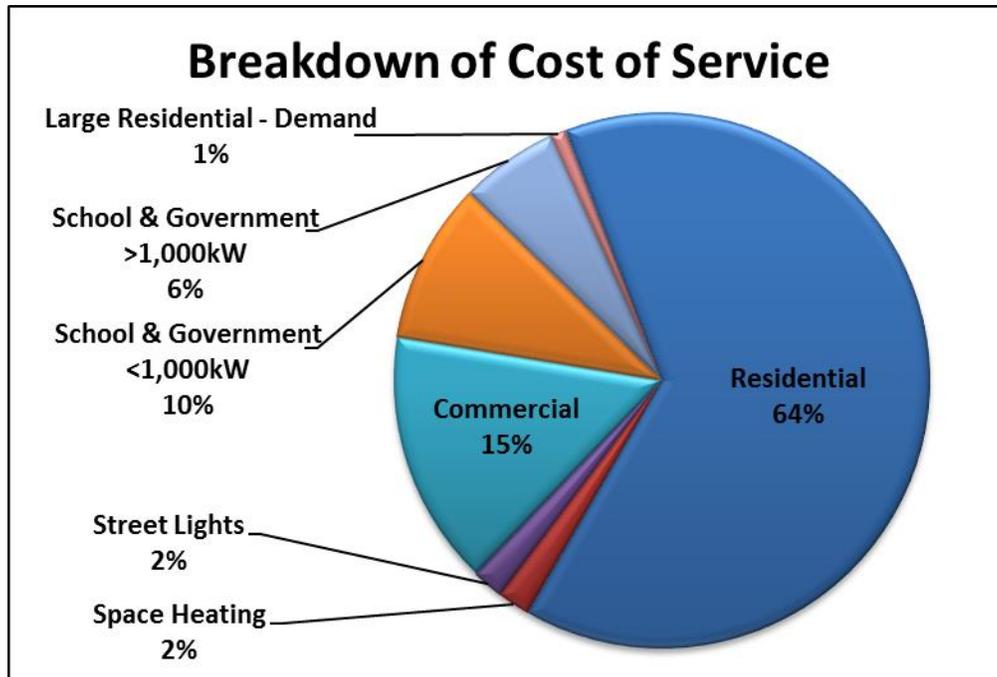
| Customer Class | Cost of Service | Projected Revenues |
|------------------------------|-----------------|--------------------|
| School & Government >1,000kW | \$ 0.1146 | \$ 0.0913 |
| Water Heating | 0.1179 | 0.1722 |
| Large Residential - Demand | 0.1229 | 0.1105 |
| Space Heating | 0.1284 | 0.1230 |
| School & Government <1,000kW | 0.1323 | 0.1046 |
| Commercial | 0.1355 | 0.1146 |
| Residential | 0.1389 | 0.1280 |
| Street Lights | 0.5278 | 0.1050 |

The average cost to serve a residential customer averages 13.89 cents on a per kWh basis.

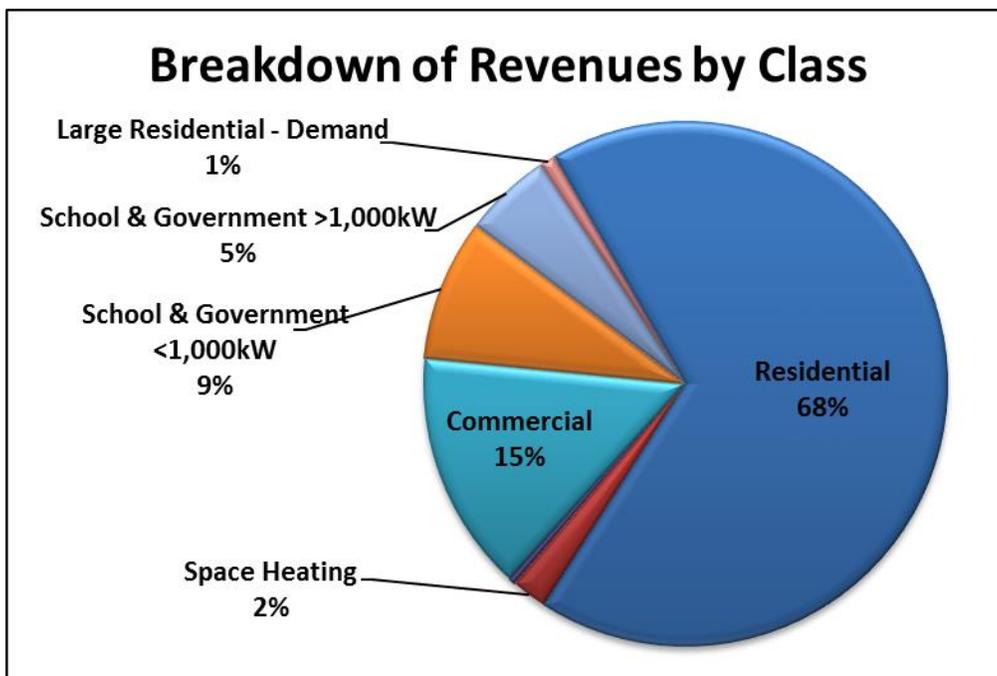
Graphs on the following page compare revenues received from customers to the actual cost to serve each customer class.

Electric Fund Cost of Service Summary

Graph Two – Comparison of Cost of Service by Customer Class



Graph Three – Comparison of Current Revenues by Customer Class



Electric Fund Unbundled Rates

DISTRIBUTION RATES

The separation of distribution cost helps identify distribution charges for each customer class and the fixed monthly customer charge for customers and to ensure the department recovers its operational costs.

Distribution rates include separation of the following costs:

- 1) Operation and maintenance of distribution & transmission system
- 2) Contributions to the Village
- 3) Customer service
- 4) Customer accounting
- 5) Meter reading
- 6) Billing
- 7) Meter operation & maintenance
- 8) Administrative expenses

The distribution rates consist of two components:

- 1) Monthly customer charge to recover costs of meter reading, billing, customer service, and a portion of maintenance and operations of the distribution system.
- 2) Distribution rate based on billing parameter, (kW or kWh) to recover the cost to operate and maintain the distribution system. The table below identifies the cost-based distribution rates for customer classes.

Distribution rates by customer are listed in Table Seven:

Table Seven– Distribution Rates by Customer Class

| Customer Class | Monthly Customer Cost | Distribution System Cost | Billing Basis | Contribution to Village | Billing Basis |
|------------------------------|-----------------------|--------------------------|---------------|-------------------------|---------------|
| Residential | \$ 15.38 | \$ 0.0327 | kWh | \$ 0.0094 | kWh |
| Space Heating | 18.85 | 0.0282 | kWh | 0.0093 | kWh |
| Water Heating | 4.51 | 0.0195 | kWh | 0.0094 | kWh |
| Street Lights | 1.54 | 0.4469 | kWh | 0.0094 | kWh |
| Commercial | 45.35 | 9.30 | kW | 0.0094 | kWh |
| School & Government <1,000kW | 74.33 | 9.29 | kW | 0.0094 | kWh |
| School & Government >1,000kW | 127.98 | 7.84 | kW | 0.0094 | kWh |
| Large Residential - Demand | 45.35 | 11.56 | kW | 0.0094 | kWh |

Delivery of electricity consists of many components that bring electricity from the power supply facilities to the communities and eventually into customer facilities. The facilities consist of four major components: transmission, distribution, customer-related services, and administration. Following are general descriptions of each of these facilities and the sub-breakdowns within each category.

Transmission

IMEA provides the transmission of power from generation resources to the VWWED distribution system. A transmission system can be comprised of four types of subsystems that operate together.:

- 1) Backbone and inter-tie transmission facilities are the network of high voltage facilities through which a department’s major production sources are integrated.
- 2) Generation set-up facilities are the substations through which power is transformed from a department’s generation voltages to its various transmission voltage
- 3) Sub-transmission plant consists of lower voltage facilities to transfer electric energy from convenient points on a department’s backbone system to its distribution system
- 4) Radial transmission facilities are those that are not networked with other transmission lines but are used to serve specific loads directly.

Operation of the transmission system also consists of providing certain services that ensure a stable supply of power. These services are typically referred to as ancillary services. The Federal Energy Regulatory Commission (FERC) has defined six ancillary service charges for the use of transmission facilities. For VWWED, these charges will be passed-through charges by IMEA ancillary services that consist of the following:

Typical Ancillary Service Charges:

- Regulation and Frequency Response Service
- Energy Imbalance Charges
- Operating Reserves Spinning
- Operating Reserves Supplemental
- Power losses from use of transmission system

Terminology of Cost of Service

FUNCTIONALIZATION – Cost data arranged by functional category (e.g. power supply, transmission, distribution)

CLASSIFICATION – Assignment of functionalized costs to cost components (e.g. demand, energy and customer related).

ALLOCATION – Allocating classified costs to each class of service based on each class’s contribution to that specific cost component.

DEMAND COSTS – Costs that vary with the maximum or peak usage. Measured in kilowatts (kW)

ENERGY COSTS – Costs that vary over an extended period of time. Measured in kilowatt-hours (kWh)

CUSTOMER COSTS – Costs that vary with the number of customers on the system, e.g. metering costs.

DIRECT ASSIGNMENT – Costs identified as belonging to a specific customer or group of customers.

Distribution System

The distribution facilities connect the customer with the transmission grid to provide the customer with access to the electrical power that has been generated and transmitted. The distribution plant includes substations, primary and secondary conductors, poles, and line transformers that are jointly used and in the public right-of-way.

Substations typically separate the distribution plant from the transmission system. The substation power transformer “steps down” the voltage to a level that is more practical to install on and under Village streets.

Distribution system provides primary circuits with voltages between 12.47 kV and 4.16 kV. Secondary circuits are 480 volts and less.

Distribution Customer Types

Sub-transmission customers are served directly from the substation feeder and bypass both the secondary and primary distribution lines. The charges for this type of customer should reflect the cost of the substation and not include the cost of primary or secondary line charges.

Primary serviced customers are typically referred to as customers who have purchased, owned, and maintained their own transformers that convert the voltage to the secondary voltage level. The rates for these customers should reflect the cost of substations and the cost of primary distribution lines and not include the cost of secondary line extensions.

Secondary customers have the services provided by the utilities directly into their facilities. The department provides this customer with a transformer located in the public right-of-way and the connection on the customers’ facilities.

Customer-Related Services

Certain administrative-type services are necessary to ensure customers are provided service connections and disconnections in a timely manner and the facilities are in place to read meters and bill for customer usages. These services typically consist of the following components:

- 1) Customer Services – The cost of providing personnel to assist customers with questions and dispatch personnel to connect and disconnect meters.
- 2) Billing and Collections – The cost of billing and collections personnel, postage, and supplies.
- 3) Meter Reading – The cost of reading customers’ meters.
- 4) Meter Operation and Maintenance – The cost of installing and maintaining customer meters.

Current VWWE monthly customer charges distinguish between a single and three phase customers but do not distinguish costs between various customer class types. Variances exist between customer classes because of:

- Time spent to read a meter
- Size, Type & Cost of meter
- Time involved to bill a meter/customer
- Customer Service involvement

Administrative Services

These costs are sometimes referred to as overhead costs and relate to functions that cannot be directly-attributed to any service. These costs are spread to the other services through an allocator such as labor, expenses, or total rate base. These costs may consist of property insurance, legal expenses, and wages for higher level management of the department.

System Losses

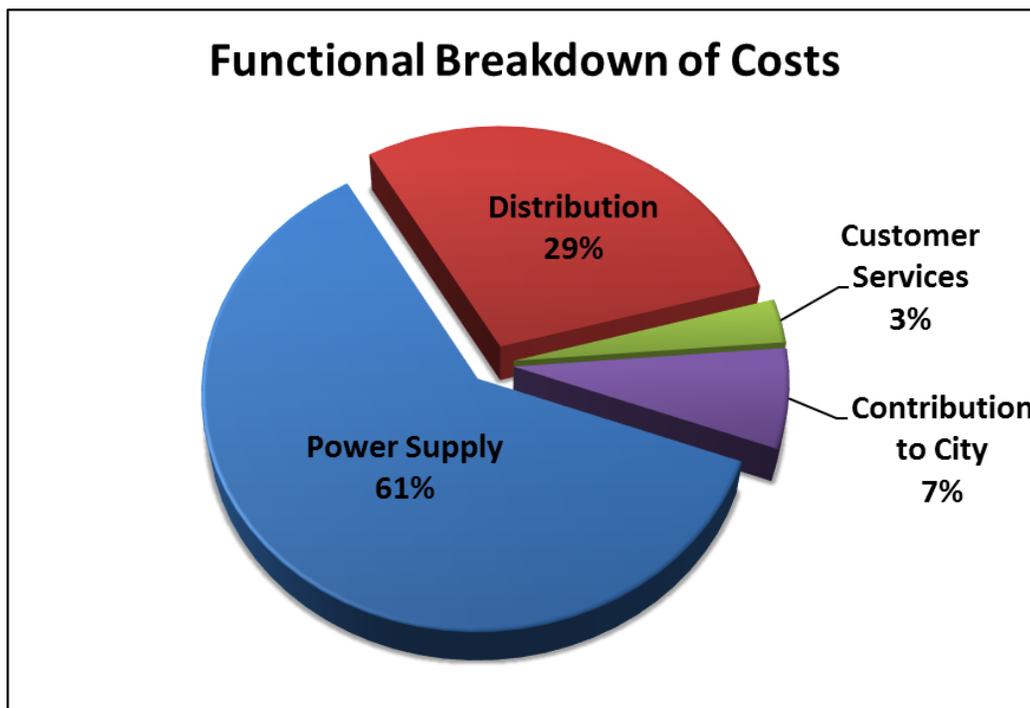
As energy moves through each component of the transmission and distribution system, some of the power is lost and cannot be sold to customers. Losses vary based on time of day and season. Typically, as system usage increases or ambient temperature increases, the percentages of losses that occur also increase. These losses are recovered from distribution customers through an analysis of the peak losses that occur in the system. Analysis of VWWE purchased sales and retail sales over the last three years identified average system losses of approximately 4.8%.

Unbundling Process

The cost of power supply, distribution, and customer services are identified as part of the unbundling process and are the first step in determining unbundled charges to customers. The total 2017 revenue requirements of \$17.1 million are separated into four categories identified in the Graph Four.

Graph Four – Breakdown of VWWED Cost Structure

| Expense Type | Amount | Percent of Total |
|----------------------|----------------------|------------------|
| Power Supply | \$ 10,423,790 | 61.1% |
| Distribution | 4,962,758 | 29.1% |
| Customer Services | 512,268 | 3.0% |
| Contribution to City | 1,164,271 | 6.8% |
| Totals | \$ 17,063,087 | 100% |

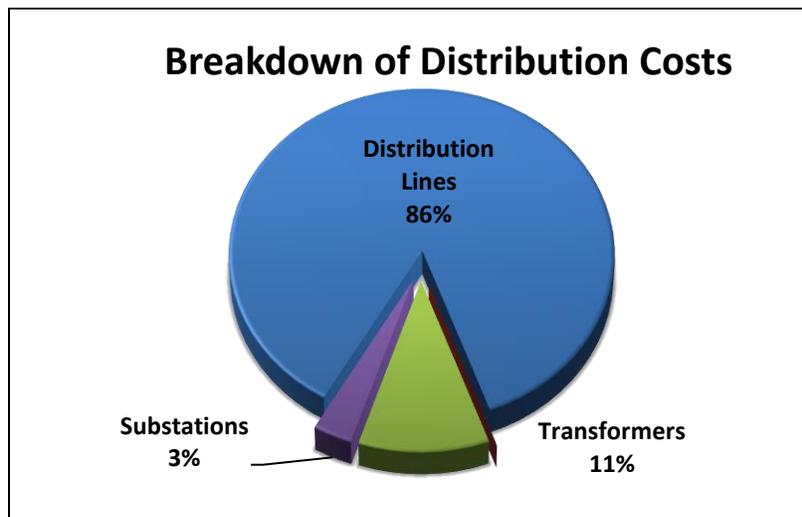


VWWED is projected to expend 61% of its total costs toward power supply from purchased power costs. Distribution-related costs are 29%, customer service amounts to 3%, and Contribution to Village is 7%. These components are broken down into each of the subcomponents and are identified in the following sections.

Distribution Breakdown

As stated earlier, distribution rates consist of a number of different components; total distribution-related costs of \$4.9 million for 2017 are broken down into the main components listed below, substations, transformers, and distribution lines.

Graph Five – Breakdown of Distribution Costs

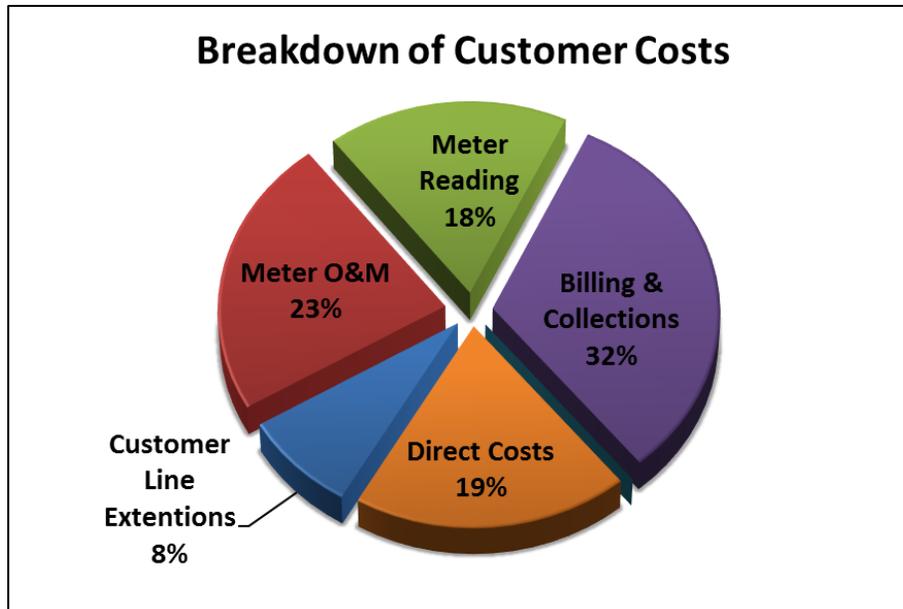


Each of these components are allocated to customer groups based on certain factors established in the study. These factors are based on the efficiency of each customer class and the time of day or the season the electricity is used. Other factors are also considered, such as the length of line extensions to reach certain customer classes.

Customer-Related Cost Breakdown

VWWED total expenses for customer-related costs are \$0.5 million for 2017. The cost is broken down into the following components.

Graph Six – Breakdown of Customer Costs



Each cost is broken down by customer class and additional detail of the breakdown is included in the detailed analysis section of this report.

Power Supply Cost Breakdown

Table Eight below identifies the average cost of providing power supply to customers of VWWEED.

Table Eight Power Supply Cost by Customer Class

| Customer Class | Summer | | Winter | |
|------------------------------|--------|-----------|--------|-----------|
| | Demand | Energy | Demand | Energy |
| Residential | \$ - | \$ 0.0923 | \$ - | \$ 0.0801 |
| Space Heating | - | 0.0814 | - | 0.0756 |
| Water Heating | - | 0.0657 | - | 0.0565 |
| Street Lights | - | 0.0657 | - | 0.0743 |
| Commercial | 10.36 | 0.0572 | 10.12 | 0.0511 |
| School & Government <1,000kW | 9.62 | 0.0571 | 9.86 | 0.0512 |
| School & Government >1,000kW | 10.32 | 0.0570 | 11.20 | 0.0510 |
| Large Residential - Demand | 12.23 | 0.0573 | 10.05 | 0.0512 |

Combined Cost Summary

Table Nine below identifies the cost of service rates for each customer class. Charging these rates would directly match the cost of providing service to customers identified in this study.

Table Nine – Total Costs by Customer Class

| Customer Class | COS Customer Charge | Annual | |
|------------------------------|---------------------------|--------|-----------|
| | | Demand | Energy |
| Residential | \$ 15.38 | \$ - | \$ 0.1265 |
| Space Heating | 18.85 | - | 0.1144 |
| Water Heating | 4.51 | - | 0.0882 |
| Street Lights | 1.54 | - | 0.5277 |
| Commercial | 45.35 | 19.51 | 0.0627 |
| School & Government <1,000kW | 74.33 | 19.07 | 0.0625 |
| School & Government >1,000kW | 127.98 | 18.71 | 0.0625 |
| Large Residential - Demand | 45.35 | 22.40 | 0.0628 |

See Recommendations section for comparison of COS and Current Customer charges

Power Cost Adjustment

Power cost adjustment mechanisms are important to a utilities financial health. VWWED currently adjusts its PCA on an annual basis as described below using projected power supply and distribution costs. UFS recommends a 12-month rolling average calculation be calculated for each bi-monthly residential billing cycle to:

- Reduce customer bill impacts between each annual adjustment
- Provide revenue stability in times where power supply varies from annual projections
- Eliminate the process of applying increases to only energy (kWh) units
- Only include variations in cost of power supply
- Improve bond rating if future bonding is required

Current Power Cost Adjustment Calculation

The VWWED reviews projected power supply costs with IMEA for the next year on a per kWh basis. The projected increase/decrease is then calculated, approved by council, and applied to all published energy (\$/kWh) rates only. The customer charge and demand charges are not adjusted in this activity. Additionally, each year the PCA is calculated in January for the next year where the original IMEA projected \$/kWh is compared with actual power supply costs incurred throughout that year. The difference is then applied as a PCA in the next 12 months.

Proposed Power Cost Adjustment

UFS proposal is to implement a rolling average cost of power method based on the following calculation.

$$\text{Monthly PCA} = \frac{\text{12 Month P/S Cost}}{\text{12 Month P/S units (kWh)} / 1.048} - \text{Base Power Supply Cost}$$

This calculation automatically adjusts to power supply costs and reduces the potential of significant bill impacts from power supply cost changes between year to year.

Below is a summary with the PCA base set at \$0.0660 (component 1) resulting in a variable charge of \$0.00 (component 2). The monthly average residential PCA charge would be \$0.00.

| EXAMPLE PCA | <i>Total P/S Cost</i> | | <i>Component 1</i> | | <i>Component 2</i> | |
|--|---|--------|---|--------|---------------------------------------|-------|
| Power Cost Adjustment Breakdown | IMEA 2017 Cost \$/retail kWh | | Base PCA included in published rates | | Variable PCA \$/retail kWh | |
| Base PCA (\$/retail kWh) | \$ | 0.0660 | \$ | 0.0660 | \$ | - |
| Average Residential Usage | | 1,245 | | 1,245 | | 1,245 |
| Average Residential Cost | \$ | 82.17 | \$ | 82.17 | \$ | - |

Significant Assumptions

This section outlines the procedures used to develop the cost of service and unbundling study for VWWED and the related significant assumptions.

Forecasted Operating Expenses

Forecasted expenses were based on 2015 expenses and adjusted for 3% inflation. Power supply includes IMEA projected increases. The table below is a summary of the expenses used in the analysis.

Actual and Projected Operating Expenses for 2015 – 2021

| | Actual 2015 | Projected 2016 | Projected 2017 | Projected 2018 | Projected 2019 | Projected 2020 | Projected 2021 |
|---------------------------|----------------------|----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Total Power Supply | \$ 7,521,803 | \$ 7,641,961 | \$ 7,937,457 | \$ 7,998,258 | \$ 8,291,794 | \$ 8,383,004 | \$ 8,475,217 |
| Generation Operations | | | 1,400,588 | 1,442,606 | 1,485,884 | 1,530,460 | 1,576,374 |
| Electric operations | 3,506,646 | 3,611,846 | 1,990,587 | 2,050,304 | 2,111,813 | 2,175,168 | 2,240,423 |
| Administration | 1,986,933 | 2,046,541 | 1,927,642 | 1,985,472 | 2,045,036 | 2,106,387 | 2,169,578 |
| Depreciation | 1,510,566 | 1,582,617 | 1,670,430 | 1,778,309 | 1,839,567 | 1,900,484 | 2,016,778 |
| Total O&M | \$ 14,525,948 | \$ 14,882,965 | \$14,926,704 | \$15,254,949 | \$15,774,094 | \$16,095,502 | \$16,478,370 |

Load Data

Load data is one of the most critical components of a cost of service study. Information from billing statistics was combined with VWWED load data to determine usage patterns of each customer class.

Forecasted Sales Forecast

Forecasted sales were projected using growth from the IMEA power supply forecast data:

Actual and Projected Sales Forecast for 2015 – 2021

| | Actual 2015 | Projected 2016 | Projected 2017 | Projected 2018 | Projected 2019 | Projected 2020 | Projected 2021 |
|--------------------------|----------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Energy (kWh) Consumption | | -0.6% | 2.3% | 0.5% | 0.5% | 0.5% | 0.5% |
| Power Supply Expenses | \$ 7,521,803 | \$ 7,641,961 | \$ 7,937,457 | \$ 8,038,249 | \$ 8,374,919 | \$ 8,509,379 | \$ 8,645,997 |
| Power Supply Units | 126,213,812 | 126,030,914 | 130,066,991 | 130,717,326 | 131,370,913 | 132,027,768 | 132,687,906 |

System Loss Factors

Losses occurring from the transmission and distribution of electricity can vary from year to year depending upon weather and system loading.

Power Cost Adjustment (PCA) Revenue

PCA charges calculated using the current annual adjustment method as discussed in Section 8 of this report.



Revenue Forecast

The revenue forecast was based on 2015 usages adjusted for growth assumptions and changes in power generation costs.

Actual and Projected Revenue Forecast for 2015 – 2021

| | Actual 2015 | Projected 2016 | Projected 2017 | Projected 2018 | Projected 2019 | Projected 2020 | Projected 2021 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Charges for services | \$ 13,920,812 | \$ 14,856,136 | \$ 14,959,554 | \$ 15,060,686 | \$ 15,251,931 | \$ 15,890,735 | \$ 16,145,861 |
| Electric Service Steam Sold to Water Plants | 8,779 | 8,779 | 8,779 | 8,823 | 8,867 | 8,912 | 8,956 |
| Electric Service Penalties | 63,560 | 63,560 | 63,560 | 63,878 | 64,197 | 64,518 | 64,841 |
| Electric Service Miscellaneous | (741) | - | - | - | - | - | - |
| Electric Service Undergrounding | 1,481,295 | 688,530 | 645,700 | 645,700 | 645,700 | 645,700 | 645,700 |
| Revenue from PPCA | (100,203) | (102,051) | - | - | - | - | - |
| Rent (cell towers) | 156,114 | 132,848 | 138,161 | 143,688 | 149,435 | 155,413 | 161,629 |
| Miscellaneous | 62,819 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 |
| Total Operating Revenues | \$ 15,596,335 | \$ 15,672,802 | \$ 15,840,754 | \$ 15,947,774 | \$ 16,145,130 | \$ 16,790,277 | \$ 17,051,987 |

Capital Plan

The capital plan below was provided by VWWED

Projected Capital Improvements for 2017 – 2021

| Year | Projected Capital Improvement |
|------|-------------------------------------|
| 2017 | \$ 2,589,380 |
| 2018 | 2,804,557 |
| 2019 | 2,583,321 |
| 2020 | 2,787,529 |
| 2021 | 3,027,192 |

Recommendations

- 1) The cost of service study indicates a 14.1% rate increase in 2017 as identified in Table One of this report. The proposed 2017 rate track includes the addition of a Power Cost Adjustment (PCA) and a 4.0% increase in 2017 followed by 3.50% in each of the following four projected years. Optional rate tracks are included in Appendix A

| Fiscal Year | Projected Rate Adjustments | With PCA Annual Adjustment | Projected Revenues | Projected Expenses | Operating Income | Projected Cash Balances | Capital Improvements |
|---|----------------------------|----------------------------|--------------------|--------------------|---------------------|-------------------------|----------------------|
| 2017 | 4.00% | 4.2% | \$16,439,137 | \$14,926,704 | \$ 536,907 | \$4,556,933 | \$ 2,589,380 |
| 2018 | 3.50% | 4.3% | 17,098,411 | 15,254,949 | 820,848 | 4,351,533 | 2,804,557 |
| 2019 | 3.50% | 7.2% | 17,884,979 | 15,820,594 | 1,055,555 | 4,709,834 | 2,583,321 |
| 2020 | 3.50% | 4.6% | 19,222,618 | 16,188,502 | 2,022,759 | 5,938,548 | 2,787,529 |
| 2021 | 3.50% | 4.6% | 20,174,983 | 16,571,370 | 2,587,985 | 7,609,119 | 3,027,192 |
| Recommended Target in 2017 | | | | | \$ 2,017,058 | | |
| Recommended Target in 2021 | | | | | \$ 2,375,542 | Current Policy | |
| Recommended MINIMUM Target in 2017 | | | | | | \$ 7,052,455 | \$ 4,358,227 |
| Recommended MINIMUM Target in 2021 | | | | | | \$ 7,607,030 | \$ 4,754,496 |

- 2) The cost of service study indicates that some customer classes are paying above cost of service and some below cost of service. It is recommended rates be designed with a plus or minus 2.0% bandwidth for each customer class.
- 3) The cost of service study indicates that some customer classes are paying customer charges that are below cost of service. It is recommended that a portion of proposed adjustment be applied to the monthly customer charge, addressing variances described on page 13 of this report and those identified in the table below.

| Customer Class | Current Customer Charge (1PH) | Current Customer Charge (3PH) | COS Customer Charge |
|------------------------------|-------------------------------|-------------------------------|---------------------|
| Residential | \$ 9.46 | \$ 15.76 | \$ 15.38 |
| Space Heating | 9.46 | 15.76 | 18.85 |
| Water Heating | 9.46 | 15.76 | 4.51 |
| Street Lights | - | - | 1.54 |
| Commercial | 9.46 | 15.76 | 45.35 |
| School & Government <1,000kW | 9.46 | 15.76 | 74.33 |
| School & Government >1,000kW | 9.46 | 15.76 | 127.98 |
| Large Residential - Demand | 9.46 | 15.76 | 45.35 |

Note: Customer charges include costs to read the meter, bill the meter, customer service and a portion of the distribution system maintenance. If this charge is not set appropriately any seasonal service customer is only charged for months which usage occurs.

- 4) To increase the financial health of the Electric Department, it is recommended that VWVED consider increasing its current Cash Reserve Policy based on the formula below to establish a minimum cash reserve based on financial factors discussed on page 4 of this report. Below is a table including the UFS detailed calculation and a comparison of the current VWVED Policy with and without proposed changes.

Recommended Minimum Cash Reserve Calculation

| | Percent Allocated | Projected 2017 | Projected 2018 | Projected 2019 | Projected 2020 | Projected 2021 |
|---|-------------------|---------------------|---------------------|---------------------|---------------------|-----------------------|
| O&M Less Depreciation | 18.1% | \$ 2,403,066 | \$ 2,443,014 | \$ 2,526,019 | \$ 2,573,240 | \$ 2,621,564 |
| Historical Rate Base | 3% | 1,890,992 | 1,975,129 | 2,052,629 | 2,136,255 | 2,227,070 |
| Five Year Capital Improvements - less bonding | 20% | 2,758,396 | 2,758,396 | 2,758,396 | 2,758,396 | 2,758,396 |
| Recommended Minimum Cash Reserve Calculation | | \$ 7,052,455 | \$ 7,176,539 | \$ 7,337,043 | \$ 7,467,890 | \$ 7,607,030 |
| Projected Cash Reserves | | \$ 3,958,551 | \$ 2,602,514 | \$ 1,220,966 | \$ 17,340 | \$ (1,435,084) |
| <i>Recommended Minimum Days cash on hand</i> | | 194 | 194 | 192 | 192 | 192 |

Current Cash Reserve Policy

| | | | | | | |
|--|-----|--------------|--------------|--------------|--------------|--------------|
| Minimum 4 months O&M less Depreciation | 33% | \$ 4,358,227 | \$ 4,430,676 | \$ 4,581,214 | \$ 4,666,855 | \$ 4,754,496 |
|--|-----|--------------|--------------|--------------|--------------|--------------|

Proposed Cash Reserve Policy

| | | | | | | |
|--|-----|--------------|--------------|--------------|--------------|--------------|
| Proposed 6 months O&M less Depreciation | 50% | \$ 6,628,137 | \$ 6,738,320 | \$ 6,967,263 | \$ 7,097,509 | \$ 7,230,796 |
| <i>Recommended Minimum Days cash on hand</i> | | 183 | 183 | 183 | 183 | 183 |

- 5) Power cost adjustment mechanisms are important to a utilities financial health. VWVED currently adjusts its PCA on an annual basis and UFS recommends a 12-month rolling average calculation be calculated for each bi-monthly residential billing cycle as discussed on page 18 of this report.

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Holland, MI 49424
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ACCOUNTANTS' COMPILATION REPORT

The Village of Winnetka Water & Electric Department

The accompanying forecasted statements of revenues and expenses of The Village of Winnetka Water & Electric Department (department) were compiled for the year ending December 31, 2017 in accordance with guidelines established by the American Institute of Certified Public Accountants.

The purpose of this report is to assist management in forecasting revenue requirements and determining the cost to service each customer class. This report should not be used for any other purpose.

A compilation is limited to presenting, in the form of a forecast; information represented by management and does not include evaluation of support for any assumptions used in projecting revenue requirements. We have not audited the forecast and, accordingly, do not express an opinion or any other form of assurance on the statements or assumptions accompanying this report.

Differences between forecasted and actual results will occur since some assumptions may not materialize and events and circumstances may occur that were not anticipated. Some of these variations may be material. Utility Financial Solutions has no responsibility to update this report after the date of this report.

This report is intended for information and use by the Board of Commissioners and management for the purposes stated above. This report is not intended to be used by anyone except the specified parties.

UTILITY FINANCIAL SOLUTIONS

Mark Beauchamp, CPA, CMA, MBA
Holland, MI
October 24, 2016

APPENDIX A

Optional Rate Tracks

OPTION A: Increase of 4% in 2017 followed by 3.5% in 2018 through 2021

| Fiscal Year | Projected Rate Adjustments | With PPCA Annual Adjustment | Projected Revenues | Projected Expenses | Operating Income | Projected Cash Balances | Capital Improvements |
|---|----------------------------|-----------------------------|--------------------|--------------------|---------------------|-------------------------|----------------------|
| 2017 | 4.00% | 4.2% | \$16,439,137 | \$14,926,704 | \$ 536,907 | \$4,556,933 | \$ 2,589,380 |
| 2018 | 3.50% | 4.3% | 17,098,411 | 15,254,949 | 820,848 | 4,351,533 | 2,804,557 |
| 2019 | 3.50% | 7.2% | 17,884,979 | 15,820,594 | 1,055,555 | 4,709,834 | 2,583,321 |
| 2020 | 3.50% | 4.6% | 19,222,618 | 16,188,502 | 2,022,759 | 5,938,548 | 2,787,529 |
| 2021 | 3.50% | 4.6% | 20,174,983 | 16,571,370 | 2,587,985 | 7,609,119 | 3,027,192 |
| Recommended Target in 2017 | | | | | \$ 2,017,058 | | |
| Recommended Target in 2021 | | | | | \$ 2,375,542 | Current Policy | |
| Recommended MINIMUM Target in 2017 | | | | | | \$ 7,052,455 | \$ 4,358,227 |
| Recommended MINIMUM Target in 2021 | | | | | | \$ 7,607,030 | \$ 4,754,496 |

OPTION B: Levelized rate track through next five years

| Fiscal Year | Projected Rate Adjustments | With PPCA Annual Adjustment | Projected Revenues | Projected Expenses | Operating Income | Projected Cash Balances | Capital Improvements |
|---|----------------------------|-----------------------------|--------------------|--------------------|---------------------|-------------------------|----------------------|
| 2017 | 3.70% | 3.9% | \$16,394,258 | \$14,926,704 | \$ 492,028 | \$4,512,054 | \$ 2,589,380 |
| 2018 | 3.70% | 4.5% | 17,082,883 | 15,254,949 | 805,320 | 4,291,127 | 2,804,557 |
| 2019 | 3.70% | 7.4% | 17,901,507 | 15,820,594 | 1,072,083 | 4,665,955 | 2,583,321 |
| 2020 | 3.70% | 4.8% | 19,275,882 | 16,188,502 | 2,076,023 | 5,947,933 | 2,787,529 |
| 2021 | 3.70% | 4.8% | 20,268,339 | 16,571,370 | 2,681,342 | 7,711,861 | 3,027,192 |
| Recommended Target in 2017 | | | | | \$ 2,017,058 | | |
| Recommended Target in 2021 | | | | | \$ 2,375,542 | Current Policy | |
| Recommended MINIMUM Target in 2017 | | | | | | \$ 7,052,455 | \$ 4,358,227 |
| Recommended MINIMUM Target in 2021 | | | | | | \$ 7,607,030 | \$ 4,754,496 |

OPTION C: Levelized customer bill impact through next five years

| Fiscal Year | Projected Rate Adjustments | With PPCA Annual Adjustment | Projected Revenues | Projected Expenses | Operating Income | Projected Cash Balances | Capital Improvements |
|---|----------------------------|-----------------------------|--------------------|--------------------|---------------------|-------------------------|----------------------|
| 2017 | 4.80% | 5.0% | \$16,558,813 | \$14,926,704 | \$ 656,584 | \$4,676,610 | \$ 2,589,380 |
| 2018 | 4.20% | 5.0% | 17,333,598 | 15,254,949 | 1,056,035 | 4,706,397 | 2,804,557 |
| 2019 | 1.30% | 5.0% | 17,765,072 | 15,820,594 | 935,647 | 4,944,790 | 2,583,321 |
| 2020 | 3.90% | 5.0% | 19,163,630 | 16,188,502 | 1,963,771 | 6,114,516 | 2,787,529 |
| 2021 | 3.90% | 5.0% | 20,187,179 | 16,571,370 | 2,600,182 | 7,797,284 | 3,027,192 |
| Recommended Target in 2017 | | | | | \$ 2,017,058 | | |
| Recommended Target in 2021 | | | | | \$ 2,375,542 | Current Policy | |
| Recommended MINIMUM Target in 2017 | | | | | | \$ 7,052,455 | \$ 4,358,227 |
| Recommended MINIMUM Target in 2021 | | | | | | \$ 7,607,030 | \$ 4,754,496 |



Agenda Item Executive Summary

Title: FY 2017 Proposed Budget Review

Presenter: Timothy J. Sloth, Director of Finance

Agenda Date:

11/03/2016

Consent:

YES

NO

Ordinance

Resolution

Bid Authorization/Award

Policy Direction

Informational Only

Item History:

A draft copy of the proposed FY 2017 budget was circulated to the Village Council, posted on the Village website, and filed at the Winnetka Public Library on October 14th, 2016. The Council and Staff subsequently held two budget review meetings on October 20th and 27th, 2016 to discuss operational revenues, expenses, and capital on an aggregate and per department basis.

Executive Summary:

During the previously scheduled budget review meetings, the Council reviewed Staff budget recommendations relating to operational revenues (including proposed utility rates), operational expenditures, and capital funding levels for fiscal year 2017.

The Council requested that Staff provide additional context and/or follow-up related to various budgetary recommendations.

As the approval of the budget is constrained by a strict statutory and operational time frame, Staff has scheduled a review of outstanding follow-up items during the Rescheduled Regular Council Meeting on November 3rd, 2016.

Recommendation:

Finance Department staff will be present at the November 3rd, 2016 Rescheduled Regular Council Meeting to review outstanding budget follow-up items with the Council and answer any additional questions.

Attachments:

None.