



VILLAGE OF GLENCOE MEMORANDUM

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Date: December 15, 2022

Staff Contact: Nikki Larson, Finance Director, Finance

Agenda Item: *8.a.1. – An Ordinance Providing for and Requiring the Submission of the Proposition of Issuing General Obligation Bonds to the Voters of the Village of Glencoe, Cook County, Illinois, at the Consolidated Election to be Held on the 4th day of April, 2023*

Strategic Priority Addressed: Financial Sustainability, Infrastructure Replacement, Operational Effectiveness

BACKGROUND AND ANALYSIS:

At the June 16, 2022 Committee of the Whole and October 18, 2022 Finance Committee meetings, the Village Board and staff reviewed information regarding the deteriorating condition of the Glencoe Golf Club Clubhouse buildings that are now more than 90 years old, planning efforts for their possible replacement, updated concept budgets and incremental revenue opportunities that may be generated from these improvements. As part of the presentation, the Friends of the Glencoe Golf Club (“GGC”) also presented on the fundraising efforts that are currently underway to help defray the potential construction costs. Also presented were a number of design concepts ranging in cost from \$19 million down to \$5 million. As a result of these discussions, the Village Board directed staff to compile a referendum question to ask voters if they are willing to support a General Obligation Bond issue to fund these improvements in an amount not to exceed \$15 million.

As the Board is aware, this discussion started back in 2012 when the Clubhouse Task Force presented a report to the Village Board that noted that the current clubhouse and pro shop building were beyond their useful life and should be replaced. Based on the Task Force’s determination, several actions have taken place including the following:

- Negotiation of the first amendment to the original 1923 land use agreement with the Cook County Forest Preserve District to extend the term of the agreement (*approximately 50% of the land on which the GGC resides*);
- Formation of the Friends of the Glencoe Golf Club (FGCC), a 501c3 organization, to undertake fundraising efforts for improvements to the GGC;
- Completion of a fundraising feasibility study with Campbell and Company;
- Completion of a 10-year plan to forgive the nearly \$1.8 million owed to the General Fund by the

Golf Fund; and

- Completion of preliminary work with FGM Architects to develop concept site plans and W.B. Olson (a construction management company) to ascertain estimated construction costs.

As time has passed the buildings have continued to degrade, and in the past several years, numerous investments have been necessary to keep the building operational. Despite that, the list of necessary repairs and the energy inefficiencies has grown exponentially.

To remain viable, successful public golf courses must be able to earn substantial food and beverage revenues, generate revenues from large golf outings and facility rentals and attract non-golfers through other amenities. The new clubhouse concept presents amenities that not only add value to the community at large but will add incremental revenue to the golf operations. The proposed expanded capacity and year-round restaurant and bar will cater to the non-golfer by adding a family friendly destination in the Village Golf operations will benefit by creating new revenue streams through group outings, improved restaurant operations, special events, indoor simulator and in season leagues and pro shop revenues. Staff also anticipates a 10% increase in rounds played due to the upgraded golf amenities, full use range and short game area, as well as the after-golf attraction of an upscale restaurant and bar. Staff estimates that the incremental revenue generated by these improved facilities will be \$300,000 annually.

FINANCING OPTIONS:

While the FGCC has worked diligently to raise private funds to support the clubhouse project, public investment is necessary to move forward with this project. As a non-home rule community, the Village must request voter approval for a bond issuance of this magnitude. As a reminder, doing so requires that the Village Board act on an Ordinance (not less than 79 days before a public election) that sets forth a question that would be placed on the ballot. The soonest such a referendum question could be placed on the ballot is the April 4, 2023 municipal election which necessitates Board action not later than December 15, 2022.

As discussed at the October Finance Committee meeting, resources from both FGCC fundraising and available funding in the Golf Fund will be used to lower the amount of funding required from referendum approved General Obligation Bonds. As a result, if approved by Glencoe voters, it is recommended that the bond issuance be staggered over a period of 2-3 years to allow for downsizing of the total amount borrowed. At present, the Golf Fund has approximately \$800,000 in available cash reserves to utilize towards this project. As the Village continues to forgive portions of the Club's outstanding loan to the General Fund, additional resources will become available for this purpose.

As has been done for the Board in past discussions of possible referenda, staff has developed an expected annual debt service cost, as well as a projection for costs for individual homeowners. It is anticipated that the average bond payment on a General Obligation Bond would be approximately \$1.1 million per year on a \$15 million bond (*approximately \$140 per \$10,000 in paid property taxes per year for each Glencoe household*). However, as previously noted, the improvements to the Club are expected to generate incremental revenue that could be utilized to abate (*reduce*) a portion of the tax levy associated with the issuance of General Obligation Bonds. For each \$100,000 in incremental revenue that the Club could generate to abate the tax levy, the impact of this issue could be reduced by approximately \$10 per \$10,000 paid in taxes. The decision to abate a portion of the repayment of the property tax levy is made on an annual basis following the issuance of bonds and can be made based on

the cash available in the Golf Fund at the close of the season for the following tax levy year.

RECOMMENDATION:

Staff recommends the review and consideration of an Ordinance providing for and requiring the submission of a referendum question for the April 4, 2023 ballot proposing the issuance of General Obligation Bonds to fund improvements to the Glencoe Golf Clubhouse and surrounding campus.

Based upon the direction provided by the Village Board at the October 18, 2022 Finance Committee meeting, the language of the referendum question (developed along with Bond Counsel and the Village Attorney) is as follows:

Shall the Village of Glencoe, Cook County, Illinois, which commissioned a feasibility study of its publicly owned and operated golf course clubhouse and related facilities, and subsequently evaluated deteriorating conditions and the increasing costs of repairs, replace the clubhouse structure with a new, multi-purpose facility to include a restaurant and event space that would be open and available to the public and that will also expand opportunities for community use of the property year-round, and make other necessary improvements to the parking lot and infrastructure and issue its general obligation bonds to the amount of \$15,000,000 for the purpose of paying the costs thereof, said bonds bearing interest at not to exceed the rate of 7% per annum?

The attached ordinance that authorizes the bond referendum to be placed on the April 2023 ballot will be presented at the December 15, 2022 Village Board Meeting. If the Village Board approves this ordinance, staff will proceed with filing the ballot question with Cook County. Staff will be present at the meeting on December 15 to answer any questions the Board may have.

MOTION:

Move to approve an Ordinance providing for and requiring the submission of the proposition of issuing General Obligation Bonds to the voters of the Village of Glencoe, Cook County, Illinois, at the Consolidated Election to be held on the 4th day of April, 2023.

EXTRACT OF MINUTES of a regular public meeting of the President and Board of Trustees of the Village of Glencoe, Cook County, Illinois, held at the Village Hall, located at 675 Village Court, in said Village, at 7:00 p.m., on the 15th day of December, 2022.

The President called the meeting to order and directed that the roll be called.

Upon the roll being called, the following Trustees were physically present at said location: _____

The following Trustees attended the meeting by video or audio conference: _____

The following Trustees were absent and did not participate in the meeting in any manner: _____

The following officials of the Village were physically present at said location and ensured the availability of electronic meeting access by video or audio conference to any members of the public attending the meeting in person at said location and requesting such access: _____

The President announced that the President and Board of Trustees would next consider the adoption of an ordinance providing for and requiring the submission of the proposition of issuing General Obligation Bonds to the voters of the Village at the Consolidated Election to be held on the 4th day of April, 2023.

The President presented, and the Village Clerk read by title an ordinance as follows, a copy of which was provided to each Trustee prior to said meeting and to everyone in attendance at said meeting who requested a copy:

ORDINANCE NO. _____

AN ORDINANCE providing for and requiring the submission of the proposition of issuing General Obligation Bonds to the voters of the Village of Glencoe, Cook County, Illinois, at the Consolidated Election to be held on the 4th day of April, 2023.

* * *

WHEREAS, the Village of Glencoe, Cook County, Illinois (the "*Village*"), is a duly incorporated and existing municipality created under the provisions of the laws of the State of Illinois, and is now operating under the provisions of the Illinois Municipal Code, and all laws amendatory thereof and supplementary thereto; and

WHEREAS, the needs of the Village require the expenditure of not to exceed \$15,000,000 for the purpose of paying the cost of replacing the clubhouse structure with a new, multi-purpose facility to include a restaurant and event space that would be open and available to the public and that will also expand opportunities for community use of the property year-round, and making other necessary improvements to the parking lot and infrastructure (collectively, the "*Project*"), all in accordance with the estimate of cost heretofore provided to the President and Board of Trustees of the Village (the "*Village Board*"); and

WHEREAS, before the Village Board can undertake the Project and borrow money and issue bonds for such purpose, a proposition therefor must be submitted to the voters of the Village and be approved by a majority of the voters of the Village voting on such proposition at an election to be held in and for the Village, and it is deemed advisable, necessary and in the best interests of the Village that a proposition therefor be submitted to the voters of the Village at an election to be held and conducted in accordance with the general election law:

NOW, THEREFORE, Be It Ordained by the President and Board of Trustees of the Village of Glencoe, Cook County, Illinois, as follows:

Section 1. Incorporation of Preambles. That the Village Board hereby finds that all of the recitals contained in the preambles to this Ordinance are full, true and correct and does incorporate them into this Ordinance by this reference.

Section 2. Need for Projects. That it is necessary and in the best interests of the Village that the Village Board be authorized to undertake the Project, and that it is necessary and in the best interests of the Village that money be borrowed and in evidence thereof bonds of the Village be issued therefor in the aggregate amount of not to exceed \$15,000,000.

Section 3. Submission to Voters. That the proposition hereinabove referred to be submitted to the voters of the Village in accordance with the general election law at the Consolidated Election to be held on Tuesday, the 4th day of April, 2023, between the hours of 6:00 o'clock A.M. and 7:00 o'clock P.M. on said day (the "Election").

Section 4. Voting Precincts and Polling Places. That the Election shall be held in the voting precincts and at the polling places established by the County Board (the "County Board") of The County of Cook, Illinois (the "County"), for voters of the Village at the Election.

Section 5. Election Notice. That the County Clerk of the County (the "County Clerk") shall give notice of the Election, including the Spanish, Chinese and Asian Indian translations thereof, as deemed required by law by the County Clerk (the "Notice") in accordance with the general election law by (i) publishing the Notice once not more than 30 nor less than 10 days prior to the date of the Election in a local, community newspaper having general circulation in the Village, and (ii) posting a copy of the Notice at least 10 days before the date of the Election at the principal office of the County Clerk.

Section 6. Local Notice. That the Village Clerk shall post a copy of the Notice at the principal office of the Village.

Section 7. Newspaper of General Circulation. That it is hereby found and determined that the *Glencoe News* is a local, community newspaper having general circulation in the Village

as required by Section 12-5 of the Election Code of the State of Illinois, as amended (the “*Election Code*”).

Section 8. Form of Notice. That the Notice shall appear over the name or title of the County Clerk and shall be substantially in the following form:

NOTICE IS HEREBY GIVEN that at the Consolidated Election be held on Tuesday, the 4th day of April, 2023, the following a proposition will be submitted to the voters of the Village of Glencoe, Cook County, Illinois:

Shall the Village of Glencoe, Cook County, Illinois, which commissioned a feasibility study of its publicly owned and operated golf course clubhouse and related facilities, and subsequently evaluated deteriorating conditions and the increasing costs of repairs, replace the clubhouse structure with a new, multi-purpose facility to include a restaurant and event space that would be open and available to the public and that will also expand opportunities for community use of the property year-round, and make other necessary improvements to the parking lot and infrastructure and issue its general obligation bonds to the amount of \$15,000,000 for the purpose of paying the costs thereof, said bonds bearing interest at not to exceed the rate of 7% per annum?

The polls at the election will be open at 6:00 o’clock A.M. and will continue to be open until 7:00 o’clock P.M. of that day.

Dated this ____ day of _____, 2023.

County Clerk, The County of Cook,
Illinois

Section 9. Form of Ballot. That the ballot to be used at the Election, including the Spanish, Chinese and Asian Indian translations thereof, as deemed required by law by the County Clerk, shall be in substantially the following form, with such necessary alterations, changes, deletions and insertions as may be required by Articles 24A, 24B or 24C of the Election Code if an electronic, mechanical or electric voting system is used at the Election:

(Face of Ballot)

OFFICIAL BALLOT

QUESTION TO ISSUE \$15,000,000 GENERAL OBLIGATION BONDS

(INSTRUCTIONS TO VOTERS: Mark a cross
(X) in the space opposite the word indicating the way you desire to vote.)

<p>Shall the Village of Glencoe, Cook County, Illinois, which commissioned a feasibility study of its publicly owned and operated golf course clubhouse and related facilities, and subsequently evaluated deteriorating conditions and the increasing costs of repairs, replace the clubhouse structure with a new, multi-purpose facility to include a restaurant and event space that would be open and available to the public and that will also expand opportunities for community use of the property year-round, and make other necessary improvements to the parking lot and infrastructure and issue its general obligation bonds to the amount of \$15,000,000 for the purpose of paying the costs thereof, said bonds bearing interest at not to exceed the rate of 7% per annum?</p>	<p>YES NO</p>	
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(Back of Paper Ballot)

OFFICIAL BALLOT

Official ballot for voting on the questions to issue \$15,000,000 General Obligation Bonds of the Village of Glencoe, Cook County, Illinois, at the consolidated election held on April 4, 2023.

Precinct Number: _____

Polling Place: _____

(Facsimile Signature)
County Clerk of The County of Cook,
Illinois

Section 10. Election Judges. That the Election shall be conducted by the election judges appointed by the County Board to act in the precincts at which said proposition will be submitted to the voters of the Village.

Section 11. Filing of Ordinance. That after the adoption hereof and not less than 68 days prior to the date of the Election, the Village Clerk shall certify a copy hereof to the County Clerk in order that the proposition set forth herein may be submitted to the voters of the Village at the Election.

Section 12. Canvass of Election. That the Election shall be held and conducted and the returns thereof duly canvassed, all in the manner and time as provided by the general election law.

Section 13. Severability. That if any section, paragraph, clause or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

Section 14. *Repealer and Effective Date.* That all ordinances and resolutions and parts thereof in conflict herewith be and the same are hereby repealed, and that this Ordinance be in full force and effect forthwith upon its adoption.

PASSED by the President and Board of Trustees on December 15, 2022.

APPROVED: December 15, 2022.

President

AYE: _____

NAY: _____

ABSENT: _____

RECORDED in the Village Records on December 15, 2022.

ATTEST:

Village Clerk

[SEAL]

Trustee _____ moved and Trustee _____ seconded the motion that said ordinance as presented and read by title be adopted.

After a full and complete discussion thereof, including a public recital of the nature of the matter being considered and such other information as would inform the public of the business being conducted, the President directed that the roll be called for a vote upon the motion to adopt the ordinance as read by title.

Upon the roll being called, the following Trustees voted

AYE: _____

NAY: _____

ABSENT: _____

Whereupon the President declared the motion carried and the ordinance adopted, and henceforth did approve and sign the same in open meeting and did direct the Village Clerk to record the same in full in the records of the Village Board.

Other business not pertinent to the adoption of said ordinance was duly transacted at said meeting.

Upon motion duly made and seconded, the meeting was adjourned.

Village Clerk

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

CERTIFICATION OF MINUTES

I, the undersigned, do hereby certify that I am the duly qualified and acting Village Clerk of the Village of Glencoe, Cook County, Illinois (the "Village"), and as such officer I am the keeper of the books, records, files, and journal of proceedings of the Village and of the President and Board of Trustees thereof (the "Village Board").

I do further certify that the foregoing is a full, true and complete transcript of that portion of the minutes of the meeting of the Village Board held on the 15th day of December, 2022, insofar as the same relates to the adoption of Ordinance No. ___ entitled:

AN ORDINANCE providing for and requiring the submission of the proposition of issuing General Obligation Bonds to the voters of the Village of Glencoe, Cook County, Illinois, at the Consolidated Election to be held on the 4th day of April, 2023.

a true, correct and complete copy of which said ordinance as adopted at said meeting appears in the foregoing transcript of the minutes of said meeting.

I do further certify that the deliberations of the Village Board on the adoption of said ordinance were conducted openly, that the vote on the adoption of said ordinance was taken openly, that said meeting was held at a specified time and place convenient to the public, that notice of said meeting was duly given to all of the news media requesting such notice, that an agenda for said meeting was posted at the location where said meeting was held and at the principal office of the Village Board at least 48 hours in advance of the holding of said meeting, that said agenda remained continuously posted during the entirety of said 48-hour period, that said agenda contained a separate specific item concerning the proposed adoption of the ordinance, a true, correct and complete copy of said agenda as so posted being attached to this certificate as *Exhibit A*, that said meeting was called and held in strict compliance with the provisions of the Open Meetings Act of the State of Illinois, as amended, the Illinois Municipal Code, as amended, and the Election Code of the State of Illinois, as amended, and that the Village Board has complied with all of the provisions of said Act and said Codes and with all of the procedural rules of the Village Board.

There is hereby certified to the County Clerk of The County of Cook, Illinois for submitting to the voters of the Village at the Consolidated Election to be held on the 4th day of April, 2023, the proposition set forth in said ordinance, which said ordinance was duly adopted by the Village Board on the 15th day of December, 2022.

IN WITNESS WHEREOF, I hereunto affix my official signature and the seal of the Village, this 15th day of December, 2022.

Village Clerk

(SEAL)
STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

FILING CERTIFICATE

I, the undersigned, do hereby certify that I am the duly qualified and acting County Clerk of The County of Cook, Illinois (the "*County*"), and as such official I do further certify as follows:

1. That on the ___ day of _____, 202_, there was filed in my office a duly certified copy of an ordinance entitled:

AN ORDINANCE providing for and requiring the submission of the proposition of issuing General Obligation Bonds to the voters of the Village of Glencoe, Cook County, Illinois, at the Consolidated Election to be held on the 4th day of April, 2023.

duly adopted by the President and Board of Trustees of the Village of Glencoe, Cook County, Illinois, on the 15th day of December, 2022, and that the same has been deposited in the official files and records of my office.

2. That included in said certification was the form of public question (the "Question"), which ballot shall be prepared in English and to the extent required by law in Spanish, Chinese and Asian Indian, to be placed on the ballot at the Consolidated Election to be held on the 4th day of April, 2023 (the "Election"), and the date on which the Question was initiated by the adoption of said ordinance.

3. That the Question will be submitted to the voters of the Village at the Election.

4. That notice that the Question will be submitted to the voters of the Village at the Election (the "Notice") will be given as required by Section 12-5 of the Election Code of the State of Illinois, as amended, by (a) publishing the Notice once not more than 30 nor less than 10 days prior to the date of the Election in the *Glencoe News*, being a local, community newspaper having general circulation in the Village, and (b) posting a copy of the Notice at my principal office at least 10 days before the date of the Election, as set forth in Section 5 of said ordinance, and that the Notice will be substantially in the form set forth in Section 8 of said ordinance.

IN WITNESS WHEREOF, I hereunto affix my official signature and the seal of the County, this ____ day of _____, 202_.

County Clerk, The County of Cook,
Illinois

(SEAL)

NOTICE OF ELECTION

NOTICE IS HEREBY GIVEN that at the Consolidated Election to be held on Tuesday, the 4th day of April, 2023, the following proposition will be submitted to the voters of the Village of Glencoe, Cook County, Illinois:

Shall the Village of Glencoe, Cook County, Illinois, which commissioned a feasibility study of its publicly owned and operated golf course clubhouse and related facilities, and subsequently evaluated deteriorating conditions and the increasing costs of repairs, replace the clubhouse structure with a new, multi-purpose facility to include a restaurant and event space that would be open and available to the public and that will also expand opportunities for community use of the property year-round, and make other necessary improvements to the parking lot and infrastructure and issue its general obligation bonds to the amount of \$15,000,000 for the purpose of paying the costs thereof, said bonds bearing interest at not to exceed the rate of 7% per annum?

The polls at the election will be open at 6:00 o'clock A.M. and will continue to be open until 7:00 o'clock P.M. of that day.

Dated this ____ day of _____, 2023.

County Clerk, The County of Cook,
Illinois