

**Forest Preserves of Cook County
Conservation & Policy Council
Minutes for July 18, 2018 Meeting at Camp Reinberg, Palatine, IL**

Call to order. Council Chair Wendy Paulson called the meeting to order at 8:30 am and welcomed special guests Commissioner Suffredin and Janet Trowbridge from Commissioner Goslin’s office. Forty-one people attended the meeting, including the following Council members, staff, and presenters:

| <u>Council</u> | <u>Staff</u> | <u>Presenters</u> |
|----------------------------|----------------|-------------------------|
| Wendy Paulson, Chair | Arnold Randall | Benjamin Cox, FoFP |
| Emily Harris | Cathy Geraghty | Byron Gully, Cub Scouts |
| Laurel Ross | Eileen Figel | Chris Adas, FPCC |
| Mark Templeton | | Cynthia Moreno, FPCC |
| Michael DeSantiago | | Dave Kircher, FPCC |
| Peter Ellis | | Jim Boudreau, CBG |
| Sylvia Jenkins | | John Sterenberg, FPCC |
| Terry Guen | | Julie Vandervolt, FPCC |
| Commissioner Stanley Moore | | Linda Helm, Cub Scouts |
| | | Marilyn Brink, CZS |
| | | Rich Gamble, CZS |

Public comment. There were no comments from the public.

Approval of minutes. A motion was made by Laurel Ross and seconded by Michael DeSantiago to approve the minutes of the April 5th meeting. The minutes were approved unanimously.

Celebrating Successes—Camping in the Preserves. Cynthia Moreno introduced Byron Gully and Linda Helms from Pathway to Adventure Cub scouts (PTAC). Linda explained that when she began bringing scout troops to Camp Sullivan nearly twenty years ago, people warned her to bring cardboard to lay atop the old spring-board mattresses. Linda and Byron described how pleased they are with the recent renovation to the campground. Linda explained, “What you all did with the barn and the climbing wall--that was fantastic; it is all very family-friendly. I love that you updated the cabins and put in bunk beds with mattresses. It is a big change and it fits all our needs. The sleeping quarters work out great, the cooking facilities are great.” Linda added that the upgraded campgrounds are bringing more families to the Forest Preserves.

Celebrating Successes – Engaging Communities through Nature Play. Marilyn Brink from the Brookfield Zoo and Julie Vandervolt from Little Red School House described how FPCC and the Zoo are working with early childhood educators to connect children and their families to nature through nature play.

Update from Superintendent Randall. Arnold Randall explained that the Forest Preserves should be a place where everyone feels welcome and safe. He stated, “We feel very strongly about this. The incident at Caldwell Woods did not reflect this. People who know us know that this is not who we are. But, we have some work to do with the larger public so they understand this.” Arnold stated that the officer involved resigned prior to the conclusion of the investigation. Wendy Paulson commended Arnold and

FPCC for handling this difficult situation well. Emily Harris suggested that FPCC host an event which emphasizes our goal to welcome ALL residents.

Building a Community of Support. Laurel Ross, Bob Megquier and Benjamin Cox led a discussion about engaging networks and stakeholders. Laurel reminded everyone that the founders of the Forest Preserves had huge obstacles and setbacks, but they were able to build a community of support to create the Forest Preserves. The leaders of the community did this together. Dr. Sylvia Jenkins is hosting a forum for all eight community colleges in Cook County to explore how they can engage faculty and students in conservation; Bob Megquier stated that this is an excellent opportunity to connect to thousands of students. Cathy Geraghty added that she recently met with community college Sustainability Officers and hopes they will incorporate an overview of the Forest Preserves into the orientations for new students. Laurel suggested the Council engage FPCC Commissioners by (1) visiting Commissioners and cultivating relationships, and (2) giving regular reports at board meetings. Benjamin Cox suggested Council members bring someone from the Commissioner’s district to each meeting. He also suggested a “green paper” recently updated by FoFP may be helpful to the Council; Eileen Figel was asked to forward the paper to the Council.

Commissioner Suffredin explained that the Board has little experience dealing with advisory boards like the Council, and several commissioners have no Forest Preserves in their districts. He encouraged Council members to have more direct contact with Commissioners and to encourage all candidates running for the board to include Forest Preserves issues in their top three campaign issues. Laurel suggested Council members bring photos that Commissioners can put up in their offices. Wendy Paulson indicated she used selected slides from the Forest Preserves PowerPoint overview at her village board meeting and board members were very attentive.

Responding to Tough Questions. Jim Boudreau, a member of the NCCP Economics Committee, stated that committee members are meeting with elected officials and others to get the word out. Jim explained that everyone must be prepared to respond to tough questions such as: What is your financial situation? How much money do you need? What will happen if you do get it? What will happen if you don’t? Jim emphasized that many messengers need to be out with one message. Rich Gamble, co-chair of the Economics Committee, explained that we are on a message arc. We have been building awareness and now we need to be prepared to answer tough questions and to emphasize the important work we are doing; we cannot paint this as the “end of days.” Emily Harris stated that we need professional advice about how we respond to tough choices like selling or leasing land—especially when we are hoping to get people to support a referendum for more funding. Benjamin responded that FOFP and Openlands are seeking funding for a professional consultant to guide this effort. Arnold added that we are still raising the profile of the Forest Preserves, but we must also be honest about the choices we face. It is going to be hard to maintain what we are doing without new resources. Jim concluded that we need crisp answers to tough questions and we need to limit it to one page. Benjamin added that the Forest Preserves are all about the quality of life in this region, and we all need to take pride in this and celebrate it. Wendy Paulson added that the Forest Preserves should be known as “Chicago’s best idea.”

Budget Update. Mark Templeton and Stephen Hughes presented an overview of current spending. For 2018, \$108.6 million was appropriated, including \$8.9 million for the Chicago Botanic Garden and \$14.4 million for the Brookfield Zoo. Steve outlined major budget concerns related to FPCC’s self-insurance fund, assumptions about high turnover amounts, pension funding, capital needs, and resources needed to achieve NCCP goals.

Pension Strategies. Mark Templeton stated that we have a moral and ethical obligation to our employees and taxpayers to meet pension obligations. We must also provide adequate funding for retiree health care and we must stop pushing the burden of these costs onto tomorrow's taxpayers. Stephen Hughes explained that the FPCC has 548 active members paying into the pension fund and 527 retirees and beneficiaries receiving pension payments. The average payment to a retiree is \$30,566 per year; most of these retirees do not receive social security. Based on the funding formula set by state law, the pension fund will be depleted by 2040. The pension fund is also currently used to subsidize health care premiums for retirees. The current amount of unfunded pension debt is at \$126.6 million; the Annual Required Contribution (ARC) is \$14 million. FPCC currently contributes \$4.1 million per year to pensions; therefore, an additional \$10 million per year is required to meet the ARC and eliminate the existing deficit over forty years.

Steve described several changes made in recent years to begin addressing the pension gap, including the creation of a second tier of benefits for employees hired after 2010 which increased employee contributions and raised the retirement age from 62 to 67. Proposals currently under consideration include changing state law to lift the current cap on employer contributions in order to meet the annual required contribution. Steve explained that, without new resources, this would require the Forest Preserves to cut costs or raise revenues. Steve added that the FPCC is recommending that the proposed legislation also include authority for the board to increase property taxes to fund pension obligations. The proposed increase would cost the average homeowner an additional \$5 per year.

Steve presented an eight-year budget projection which assumes ramping up pension payments over several years and results in a funding gap of \$7.1 million in year six. Steve explained that the status quo is not sustainable. Without new revenue, major services will suffer significant funding cuts.

Mark Templeton asked if a voter referendum is still needed if the state legislature passes a bill which allows for a property tax increase. Steve replied that the proposed legislation would authorize the board to approve a property tax increase without going to referendum. Arnold Randall explained that the goal is to secure resources to fund the pension deficit and to scale up restoration work. He added that there is no guarantee that the state will pass legislation.

Laurel Ross asked if Council members should be meeting with state representatives. Arnold replied that the Council should be speaking with state representatives because we need their support.

Commissioner Larry Suffredin reminded the Council that Cook County has broad power, but FPCC is non-home rule and has much more limited powers. He explained that there are only two ways for FPCC to increase revenues—through an increase to property taxes or an increase in fees. Commissioner Suffredin suggests a referendum to increase the property tax because he does not believe fee increases can generate the level of resources needed. He added that every non-home rule government entity has a pension problem. Wendy Paulson suggested that orientation materials for new Council members include information related to FPCC's limited powers as a non-home rule government entity.

High Impact Initiatives. Overviews of three (3) high impact initiatives were presented as follows:

- (1) **Best Practices in Conservation Funding.** Wendy Paulson, Sylvia Jenkins and Eileen Figel discussed the key findings from recent studies by the Trust for Public Land and the Civic Consulting Alliance. Eileen reviewed 51 initiatives to reduce costs or raise revenue, and discussed other best practices related to evaluation, scaling up volunteers, expanding partnerships, and racial equity assessments.

(2) **Lease/Sell Land.** Emily Harris explained that the mission of FPCC is to restore and protect the land--not to develop land. For this reason, the Forest Preserves does not have the authority to sell land. Emily asked, "If our resources are strained to meet a \$10 million pension obligation, are there real estate options we would consider and how will we determine the criteria in making the selection?" Chris Adas then presented options which could be explored, including expanding a list of surplus sites which could be sold, leasing high traffic and/or high market sites, leasing already developed and/or heavily disturbed sites, and redeveloping one or more golf courses.

(3) **Licenses & Inter-governmental Agreements (IGAs).** Peter Ellis, Dave Kircher and John Sterenberg presented an overview of current licenses and IGAs. They analyzed potential avenues for increasing revenue from the easiest to the hardest as follows:

- Renew expired licenses. Complete a comprehensive search to identify all expired licenses and notify license holders. Offer license renewals at full-fee or a discounted fee.
- Renegotiate licenses with indefinite terms.
- Renegotiate inter-governmental agreements which are inconsistent with FPCC policy.
- Identify unlicensed facility installations and other encroachments; notify and impose fees.

High Impact Initiative Breakout Sessions. The three high impact initiatives were discussed during breakout sessions. A summary of key issues discussed in each breakout session is provided in Attachments 1 and 2.

Updates. Council members asked for additional information related to various updates included in the agenda packet, including:

- **Scaling up Volunteers.** Joanna Huyck explained that 1,500 volunteers have created on-line profiles listing specific skills they offer, and the list is growing every month. Cynthia Moreno added that her team is coordinating with Volunteer Resources to create nature ambassadors, and each nature center has identified various roles for volunteers.
- **Billboards.** Karen Vaughan explained that the billboard initiative is still in process. A third-party vendor has been selected to identify potential sites. Proposed sites will then be reviewed by FPCC's land use committee; FPCC can accept or reject any site presented. Karen noted that a lot of negotiating is required before we move into the site selection phase.

Celebrating Successes: Promoting the Preserves. Rich Gamble from the Chicago Zoological Society and Jim Boudreau of the Chicago Botanic Garden described how the Economic Committee is promoting the preserves, including:

- The Zoo is promoting the Forest Preserves via new signage installed throughout the Zoo, external billboards bearing the FPCC logo, cross-marketing for events, social media, and member communications which reach 110,000 households. The Zoo also assists FPCC with diversity and inclusion training and wildlife research.
- The Chicago Botanic Garden used multiple media sources to promote *Bird the Preserves* and continues using its network of 30,000 members to spread the word about conservation and restoration. A story about the Forest Preserves is now featured in each issue of the Garden's quarterly magazine, *Keep Growing*. New signs at the Garden incorporate Forest Preserves branding. The Garden is also collaborating with the Forest Preserves on a new native plants program, Perennial Winners.

Mark Templeton noted that partnerships with the Zoo and the Garden have evolved and thanked Rich and Jim for these initiatives.

Wendy Paulson suggested that the Garden should become a regional leader in native plants.

Wrap-up and Next Steps. Benjamin Cox summarized key issues discussed throughout the day and identified next steps, as follows:

Best Practices in Conservation Funding

- Council members will focus on setting direction for tough choices.
- Council members will work more closely and intentionally with board members, convening one-on-one meetings with Commissioners and providing frequent updates at board meetings.
- Eileen Figel will work with the communications team and NCCP co-chairs to prepare concise answers to the tough questions posed by Jim Boudreau.

Lease/Sell Land

- Develop messaging which emphasizes the conservation mission. Beware of setting a dangerous precedent, but also demonstrate to the public that we've exhausted all other avenues for reducing costs or raising resources.
- Establish criteria and pursue the sale of surplus sites up to 10 acres. One criterion to be considered is "no net loss of acres". Apply proposed criteria to several case studies.
- Pursue hybrid solutions for disturbed sites, including long term leases which include funding to cover future cost of removing facilities and restoring sites.
- Pursue hybrid options for golf courses.

Licenses & Inter-governmental Agreements

- Review of all licenses for compliance and pursue expired licenses.
- Seek pro bono assistance to pursue key licenses (such as those which are silent or indefinite regarding end dates) and encroachments, and to identify appropriate changes to policy.

Wendy Paulson thanked everyone for their active participation throughout the workshop. She also thanked Commissioner Suffredin for attending and advised him to encourage other commissioners to attend.

Next Meeting. The final meeting for 2018 will be September 24th at Swallow Cliff. The content will cover budget recommendations and the Council's annual report to the President and Board.

Adjournment. The meeting was adjourned at 3:30 pm

Attachment 1: Break Out Session Summaries

Topic 1: Best Practices in Conservation Finance

The following issues were discussed:

Shared Vision. Do we (Council, staff, and Board) have a shared vision?

- The Council is on the same page regarding directional guidance. If there is a service or program that does not advance the mission, FPCC should, over time, divest from it. We need a unifying vision to explain why we would cut back so people understand and we don't erode support.
- I'm not sure we all have a shared vision. The majority of the County Board did not vote on the last amendments to FPCC's land use policy. To get to best practices, we need to re-educate the board so we are all on the same page. Consider sharing visual reminders (such as how kids are served by the preserves) and providing Commissioners with data on the number of their constituents that use the preserves.

Raising Revenue

- The Garden and Zoo have the ability to raise outside money. FPCC must also raise money without increasing the property tax. We need to find other sources of revenue such as developing high-traffic and highly-disturbed sites.
- FPCC is different than the Zoo and Garden; as a public entity providing a public service, we try to avoid entrance and parking fees. And donors are less willing to give to a public entity.

Raising Awareness

- How do we raise awareness and bring in more people? We need simple promotions like *Bird the Preserves*. How about *Hike the Preserves*, *Bike the Preserves*, *Paddle the Preserves*?
- We have so many people that are like-minded. The more we can share where the great jewels are throughout the county, the more we serve our members.
- Engage local entities with partnerships. We must give them more than just a perception. Concentrate more on programming and promotion to provide more inclusion. Invest in marketing with simple messages, volunteerism, and experiential learning.

Scaling up Volunteers

- Experiential learning is key.
- When we need them, they will be there. They will see the importance of the forest preserves the zoo and the garden together. That will be an important constituency we will lean on.

Topic 2: Lease/Sell Land

There were two sessions for this topic. The following issues were discussed:

SESSION 1

- FPCC has a \$126 million pension deficit which requires FPCC to increase payments into the pension fund by an additional \$10 million per year to eliminate the deficit over forty years. If no new resources are secured, are there options to lease or sell real estate that could raise significant revenues to help fill this gap?
- Based on preliminary analysis several golf courses could be considered for potential sale, including River Oaks or Burnham. Edgebrook isn't being considered because of flooding issues which negatively impact land value.
- Selling golf courses may reduce potential restoration sites, but they also have the highest potential to generate revenue to reduce the pension deficit. Sale of the golf courses has the potential to generate \$30 million to \$50 million.
- Expanding the criteria for surplus sites from 1 acre to 10 acres would require action by the Board of Commissioners and the state legislature.
- FPCC does not have authority to sell land. Additionally, FPCC is not permitted to lease land except for leasing to other governmental agencies for government purposes. Leases are currently permitted up to 40 years.
- FPCC should move away from sell/lease options and focus instead on monetizing partnerships and relationships with other governmental agencies through licenses. This would allow for more control over operations. The downside is FPCC would have to essentially become a developer with all the responsibilities and duties therein. The upside is this allows FPCC to generate direct revenue.
- Licenses are subject to a 10-year term for the full value of the land. Therefore, for a 40-year lease, the lease holder would pay the value of the land four times over; this is not economically feasible for most developers.
- Concerns were raised related to the implications of selling land when we're trying to build a community of support. Is the potential political fallout worth the \$3 million to \$5 million which would be generated by these sales?
- There was also concern over the precedent it would set if major land sale moved forward under today's positive political environment and supportive administration. FPCC needs to set strict regulations and establish a firm list of criteria and sites that can't be deviated from.
- Can the proceeds from selling surplus parcels be used to purchase land that provides more value to residents? Should we require "no net loss of acres" as a criterion?
- FPCC needs to consider social equity. After selling a parcel in one area, a potential replacement may be outside of that region. We need to be cognizant of the value a community may place on various parcels that we may be unaware of.
- We also need to have an unquestionable understanding of what constitutes a surplus parcel and maintain that definition into perpetuity. Chopping off corners that aren't perfectly placed could result in the loss of thousands of acres.

- The sale of land may be a necessary step to convince others of our need. We need to be leaner and more strategic. We cannot ask for more without demonstrating cost reductions.
- Should we lease disturbed sites, sites in high traffic areas, or high market sites for commercial use? Allowing commercial development at these sites brings us away from our mission. In addition, we need to maintain preserves in areas which are highly developed because these sites are often the last bastion of natural areas in these regions.
- Participants did not support the sale of high traffic sites with high market value, but were open to investigating heavily disturbed sites. However, there was concern over the definition of highly disturbed. In addition, selling highly disturbed sites may encourage encroachments as a means of intentionally degrading value and forcing our hand.
- Will the profit from any potential land sale be used to reduce pension debt, or will proceeds be used to acquire more land to ensure no net loss of acres? It could cost just as much or more to buy new property to replace what was sold. However, this could be offset by selling high value land and purchasing low value land.
- Is there an option that allows us to maintain a parcel as a forest preserve but monetize resources? For example, should we explore agricultural leases or mining in shallow bedrock areas that preserve an opportunity to repurpose the site for a recreational facility at some future date?
- How much money is enough to make this worthwhile?
- The group is generally supportive of raising the self-imposed surplus limit from 1 to 10 acres for investigative purposes.

SESSION 2

- Participants suggest exploring alternative uses which have less negative impact (such as solar panels or agriculture) for surplus or isolated properties.
- Participants support selling land that is not supporting the mission of the Forest Preserves.
- Some parcels, such as the triangular site at Touhy and Caldwell, are located on the periphery of a forest preserve and bisected by a road. But these sites have value for their ability to create preserves on both sides of a roadway, even if for a short distance. The preciousness of a pocket of nature in an urban environment was emphasized.
- An alternative to selling isolated parcels would be to allow groups to “adopt” sites to increase engagement and generate positive public relations.
- Should proceeds from selling surplus land be used for acquiring new land, rather than reducing the pension deficit? (This same question was raised in Session 1.)

Topic 3: Licenses & IGAs

The following issues were discussed:

- **Pursue private licenses which have expired.** This could generate significant revenue. A new 10-year license can generate fees of \$2.5 million to \$3 million. Whiteshore has a 3-mile gas pipeline. Renewing this license for a 10-year term could yield \$1 million. Peter Ellis explained that when the agreement with Whiteshore was established, it was based on a certain set of facts. Today those same facts would be considered unreasonable. Therefore, a new set of terms should be considered and agreed upon.
- **Pursue key indefinite and silent licenses.** Some agreements do not specify end dates; these are referred to as “indefinite” or “silent” licenses. Currently, there are four within the Forest Preserves which generated fees of approximately \$1.4 million.
- **Renegotiate “good neighbor” agreements.** Many government agencies have continuous licenses that never expire. These are considered “good neighbor” initiatives between government agencies. Many of these licenses are for water utilities. However, FPCC policies are changing. Even though water utilities are government entities, they are making money by using FPCC land and these agreements should generate revenue to support FPCC programs and services. Peter Ellis advised that future agreements should include a definite term and should provide FPCC authority to renegotiate the use of the land if there is the potential for making money during or after the lease term.
- **Renegotiating Bad Inter-governmental agreements.** Peter Ellis suggested FPCC utilize pre-suit discovery to assess the impact of renegotiating specific IGAs. He also suggested that FPCC seek pro bono legal assistance can assist to renegotiating agreements and licenses.

Attachment 2: Key Issues & Next Steps

Best Practices in Conservation Funding

Key Issues

- ① Resource Generation
 - revenue
 - volunteers
- ② Better Messaging

Next Steps

- ① Council Begin setting direction
- ② Work more closely + intent. usually w/ Board

Tough Questions
Loc + 385

Licenses & IGAs

Licenses & IGAs

ISSUES

- LIMITED UNDERSTANDING OF REV. POTENTIAL BASED ON UNKNOWNs.
- DISCREPENCIES FROM CURRENT PRACTICES & POLICY.

NEXT STEPS

- CONTINUE TO REVIEW ALL LICENSES FOR COMPLIANCE & PURSUE EXPIRED.
- SEEK PRO BONO ASSISTANCE TO PURSUE KEY LICENSES (SILENT, IND. TERMS), FOR ENCROACHMENTS & FOR POLICY CHANGE.

Sell/Lease Land

Lease/Sell Land

- Surplus 10 acres ok if
 - strict criteria
 - No net loss
- Hybrid solutions for disturbed sites
 - Lease - long term horizon (eg solar panels or agriculture, could also be new acquisition)
- Framing - looked at everything
 - Strategic plan guiding vision
 - Sharing the pain, "cutting into muscle"

Key Issues

- ① Messaging: Conservation Mission / dangerous precedent vs. Demonstrate to public we've exhausted all avenues
- ② No net loss for any sale

Next Steps

- ① Subcommittee - Criteria \leftarrow Surplus up to 10 acres
Lease disturbed
- ② Explore golf course for "Hybrid" options that maximize revenue (e.g. 1/2 pension burden)

Sell or Lease 2

- Surplus 10 acres
- Investigate using criteria
- Leasing -
 - W/ Due diligence
 - + recoup cost of restoring (eg removing)
- Explore big option
- Subcommittee
 - Criteria applied to case studies