City Council Special Meeting
July 18, 2019

Call to Order
The City Council of the City of McHenry, Illinois, met in a special session on Thursday, July 18, 2019, at 4:00 p.m. in the McHenry City Council Chambers, 333 S. Green Street, McHenry, IL.

Roll Call

Pledge of Allegiance
Mayor Jett proceeded to lead those present in the Pledge of Allegiance.

Public Comment
There were no comments from the public in attendance.

Discuss and possibly approve an ordinance amending Chapter 12, Licenses, and Permits Generally, Section 12-64, Prizes, of McHenry’s Municipal Code

Alderman Miller asked for a background explanation of the ordinance and asked why the amount goes down to $1 million after September 1st. Chief Birk explained the history of the raffle prize limits. The ordinance originally called for a $100,000 limit on July 18, 2016. As the VFW had increasing sizes of their raffle prizes, the Council increased the limits. Ordinances were passed to set limits of $500,000 on September 5, 2017; $1 million on February 5, 2018; $3 million on July 4, 2018; and $6 million on August 6, 2018. At the March 18, 2019, meeting, an ordinance was passed that stepped prize limits down to $3 million through July 30, 2019; and to $1 million after July 31, 2019. At the time the VFW appeared to be happy with and agreed with the new ordinance setting raffle prize limits.

The VFW is asking for the prize limits to be raised temporarily because the prize is large enough that it won’t be able to pay out a winner by the end of July when the prize limit is lowered down to $1 million. A lengthy discussion ensued about the possibility that they may be requesting ordinance changes in the future if the proposed ordinance is passed tonight. There is no way to tell how big the prizes could get or the issues that the City could run into if the prizes were to increase as they have in the past.

A lengthy discussion ensued regarding traffic and parking issues from last year’s raffle. Alderwoman Baehne stated that she has been talking with a business who states they have lost
$100,000 due to the raffle. Mayor Jett also commented on the negative impact on the Hickory Pit and other nearby businesses. Other Council members talked about the positive impact that the raffle may have had on the community.

Attorney McArdle explained the indemnification Agreement that has been presented to the Council. There have been rumors that there are people not happy with the deadline being extended for the prizes. Some have claimed that their odds of winning have changed, and the City does not want to become liable if a person were to bring suit or claim against the VFW and/or City.

Alderman Glab asked what was being done with the money being raised. Ben Keefe of the VFW explained that the goal was to take care of issues with the building. Last year $100,000 was spent on other things due to the size of the raffle. The VFW reimbursed all expenses needed from the McHenry Police Department. Money was also given to other charitable organizations, the FVW International, and children’s homes. The parking lot was an issue before the game started, and that has been taken care of. A beer garden has already been approved by the City Council. The goal is to break ground on that this fall. A furnace has been replaced as well as upgrades to the electrical service. The intention moving forward is to make more improvements to the building and make new meeting spaces.

A motion was made by Alderman Santi and seconded by Alderwoman Miller to approve an ordinance amending Chapter 12, Licenses, and Permits Generally, Section 12-64, Prizes, of McHenry's Municipal Code subject to the condition that an indemnification agreement will be fully executed as modified and agreed upon by both parties. Roll call: Vote: 6-ayes: Alderman Santi, Alderwoman Miller, Alderman Glab, Alderman Schaefer, Alderman Mihevc, Alderman Devine. 1-nays: Alderwoman Baehne. 0-abstained. Motion carried.

Adjournment
A motion was made by Alderman Santi and seconded by Alderman Schaefer to adjourn the meeting at 4:48 p.m. Roll call: Vote: 7-ayes: Alderman Santi, Alderman Schaefer, Alderman Glab, Alderwoman Baehne, Alderman Mihevc, Alderman Devine, Alderwoman Miller. 0-nays, 0-abstained. Motion carried.

Mayor Wayne Jett

Deputy Clerk Monte Johnson