

**VILLAGE OF LAKE BLUFF
BOARD OF TRUSTEES
REGULAR MEETING
NOVEMBER 27, 2017**

APPROVED MINUTES

1. CALL TO ORDER AND ROLL CALL

Village President O'Hara called the meeting to order at 7:00 p.m. in the Lake Bluff Village Hall Board Room, and Village Clerk Joy Markee called the roll.

The following were present:

Village President: Kathleen O'Hara

Trustees: Barbara Ankenman
Mark Dewart
Paul Lemieux
William Meyer
Aaron Towle

Absent: Eric Grenier, Trustee

Also Present: Joy Markee, Village Clerk
Drew Irvin, Village Administrator
Peter Friedman, Village Attorney
Bettina O'Connell, Finance Director
Michael Croak, Building Codes Supervisor
Jeff Hansen, Village Engineer
Jake Terlap, Public Works Superintendent
Matt Smizinski, Deputy Police Chief
Glen Cole, Assistant to the Village Administrator (A to VA)

2. PLEDGE OF ALLEGIANCE

President O'Hara led the Pledge of Allegiance.

3. NON-AGENDA ITEMS AND VISITORS

President O'Hara stated the Village President and Board of Trustees allocate fifteen minutes for those individuals who would like the opportunity to address the Village Board on any matter not listed on the agenda. Each person addressing the Village Board of Trustees is asked to limit their comments to a maximum of five (5) minutes.

Ms. Caryn Wilcox (resident) stated she has exhausted opportunities available to homeowners regarding flooding but the extra precautions will not work unless the storm drainage system is addressed. She expressed safety concerns associated with the stagnant water and noted the problem needs to be addressed. Ms. Wilcox thanked the Village for conducting the studies and the Board for their service.

Following a request from President O'Hara, Village Engineer Jeff Hansen stated there are two dips in West Sheridan Place, one located west of Lincoln Avenue and the other near Mawman Avenue. The Village's stormwater consultant, Christopher B. Burke Engineering, Ltd. provided a draft report which identified a potential fix for the dip west of Lincoln Avenue. Village Engineer Hansen stated stormwater flows through approximately 14 different yards onto this particular lot to reach the roadway. According to Ms. Wilcox it would cost approximately \$4,000 to identify a solution for the flooding on her property.

In response to a question from Trustee Dewart, Village Engineer Hansen stated the stormwater flows northeast down the rear yards because the dip on Lincoln Avenue is lower than the one on Mawman Avenue. The initial subdivision should have included a swale to divert stormwater to the east. Currently there is not enough space to install a swale because the driveway located south of the property is on the lot line. Presently, the stormwater flows northeast toward this property and the other alternative would be to divert it toward West Sheridan Place.

In response to a comment from Ms. Wilcox, Village Engineer Hansen stated the flooding could be prevented if the stormwater was diverted to the roadway but it would accumulate in front of the property. Village Engineer Hansen stated the Village' stormwater consultant identified a potential solution for the dip west of Lincoln Avenue and estimated the cost to increase the pipe coming out of the area at approximately \$800,000. Staff will continue to review cost efficient alternative solutions.

Village Administrator Drew Irvin stated Staff will continue to review the draft report and provide feedback to the Village's stormwater consultant. The draft report and recommendation will be presented to the Village Board and Finance Committee for consideration regarding future capital expenditures.

President O'Hara stated it does matter how Village funds are allotted and expressed her apology that there are no simple solutions to fix the flooding in certain areas of the Village.

4. CONSIDERATION OF THE MINUTES

Trustee Dewart moved to approve the November 13, 2017 Board of Trustees Regular Meeting Minutes as amended. Trustee Lemieux seconded the motion. The motion passed on a unanimous voice vote.

5. ITEM #5 – VILLAGE BOARD SETS THE ORDER OF THE MEETING

At the request of those present, Trustee Meyer moved to take Agenda Item #15 then return to the regular order of the meeting. Trustee Ankenman seconded the motion. The motion passed on a unanimous voice vote.

6. ITEM #15 – AN ORDINANCE AMENDING AN EXISTING SPECIAL USE PERMIT AND GRANTING VARIATIONS FOR AN AUTOMOBILE DEALERSHIP (Chevy Exchange – 1 Sherwood Terrace and 915 Sherwood Drive)

President O'Hara reported in July, the Village received a request for zoning relief that, ultimately, will amend an existing special use permit for an automobile dealership previously granted to 1 Sherwood Terrace to include an adjacent property at 915 Sherwood Drive; to amend the special use permit's site plan to show seven (7) vehicle display pads on the perimeter of 1 Sherwood Terrace, and to provide a connecting pedestrian path and culvert. Variation relief is also required for the display pads. The scope of the relief was narrowed throughout the Joint Plan Commission and Zoning Board of Appeal's (PCZBA)

consideration. She further reported the PCZBA conducted an initial hearing in September which was continued due to a procedural error, but wherein concerns were expressed by an adjacent property owner regarding the absence of screening between his property and the subject property. The PCZBA also expressed concerns about the number and location of display pads which, at that time, included additional display pads (now eliminated) along the Sherwood Terrace frontage.

President O'Hara reported the PCZBA continued their hearing to October, wherein the hearing was continued again to allow the Applicant time to respond to a number of concerns (enumerated in the November staff memorandum). During that time, the ABR conducted an advisory review of the Applicant's plans, and numerous Village departments reviewed the proposed work for traffic and life safety compliance. She further reported at the PCZBA's regular November meeting, by a 6-1 vote, the PCZBA recommended the Village Board approve the relief with a number of conditions, shown on Pages 4 and 5 of the Ordinance. The PCZBA member who voted against the recommendation expressed that, in their opinion, the Applicant had not satisfied the criteria for variation relief.

President O'Hara reported the proposal will be the subject of site plan review by the Architectural Board of Review (ABR) in December and, if the Board provides first reading approval this evening, both the site plan and zoning relief will be presented for final action at the Board's December 11 meeting. One recommended condition refers to a landscape plan for the western site entry, since provided by the Applicant, which will also be reviewed at the December ABR meeting.

As there were no questions from the Board, Trustee Dewart moved to approve first reading of the ordinance. Trustee Lemieux seconded the motion. The motion passed on the following roll call vote:

Ayes: (5) Ankenman, Dewart, Lemieux, Meyer and Towle
Nays: (0)
Absent: (1) Grenier

7. ITEM #6A – WARRANT REPORT FOR NOVEMBER 16-30, 2017

President O'Hara reported expenditure of Village funds for payment of invoices in the amount of \$119,534.88 for November 16-30, 2017.

As such, the total expenditures for this period is in the amount of \$119,534.88.

As there were no questions from the Board, Trustee Meyer moved to approve the Warrant Report. Trustee Ankenman seconded the motion. The motion passed on the following roll call vote:

Ayes: (5) Dewart, Lemieux, Meyer, Towle and Ankenman
Nays: (0)
Absent: (1) Grenier

8. ITEM #6B – OCTOBER 2017 FINANCIAL REPORT

In response to a comment from Trustee Lemieux regarding decline in sales tax revenue, Finance Director Bettina O'Connell stated there was a journal entry recorded from the previous year, that should not have been logged, which reflected in the quarterly comparison.

At President O'Hara's request, Finance Director O'Connell provided a brief summary of the October 2017 Finance Report highlighting major revenue sources and expenditures for the period.

- Sales tax revenue for FY18 of \$851,453 is \$7,500 or .9% greater than 2016;
- Home rule sales tax for May-July of \$258,989 is 8% less than May-July of 2016;
- The additional chart on pages 3 and 4 shows bar graph information for sales taxes and home rule taxes which depict totals in incremental grading for the months within the calendar years;
- Building permit revenue for May-October 2017 of \$386,000 is \$105,000 or 38% higher than the same period in 2016; and
- Expenditures are consistent with or less than the budget.

President O'Hara asked if there were any speculations why home rule sales tax revenues declined. Finance Director O'Connell stated she thinks the decline is associated with the State claiming approximately \$5,000 in collection fees on home rules sales tax revenue.

Trustee Lemieux moved to accept the Finance Report. Trustee Dewart seconded the motion. The motion passed on a unanimous voice vote.

9. ITEM #7A – VILLAGE ADMINISTRATOR'S REPORT: APPROVAL OF MOU ESTABLISHING THE NORTHERN ILLINOIS BENCHMARKING COOPERATIVE

Village Administrator Irvin reported the Memorandum of Understanding (MOU) results from discussions with other Northern Illinois communities (Lake Forest, Buffalo Grove, and Schaumburg) about forming a performance management cooperative. This is a reflection of the Village's Strategic Plan goal to convene partners and peers to re-imagine partnerships, champion innovation and create leading-edge practices help improve service provision. He commented on the difficulties associated with benchmarking but noted the practice will provide the Village with an opportunity to share and improve management practices. The Village will exchange information with other municipalities or well-known organizations at a very low cost. The initial focus would be on Police Department metrics which encompass issues such as mental health, cases of crime, communication amongst others.

Following a request from President O'Hara, Deputy Police Chief Matt Smizinski reviewed the mental health training available to Police Departments as well as the State mandates. Village Administrator Irvin stated the Village has access to social workers as needed.

Trustee Dewart moved to approve the MOU. Trustee Towle seconded the motion. The motion passed on a unanimous voice vote.

10. ITEM #8 – VILLAGE ATTORNEY'S REPORT

Village Attorney Peter Friedman had no report.

11. ITEM #9 – VILLAGE PRESIDENT'S REPORT

President O'Hara reported on the upcoming event, "It's a Wonderful Life... in Lake Bluff" scheduled for December 2nd. She invited everyone to attend the event which will include the Christmas tree lighting, caroling and reindeer on the Village Green.

12. ITEM #10 – ACCEPTANCE OF THE CORRESPONDENCE

President O’Hara introduced the correspondence from the Informational Reports on November 10 and 17, 2017.

Trustee Ankenman moved to accept the correspondence as submitted. Trustee Lemieux seconded the motion. The motion passed on a unanimous voice vote.

13. ITEM #11 – A PUBLIC HEARING REGARDING YEAR 2017 PROPERTY TAX LEVY

President O’Hara reported the Village of Lake Bluff, in keeping with past practice, will conduct a public hearing on the proposed YR 2017 property tax levy. Finance Director O’Connell will present information on the Finance Committee’s tax levy recommendation. The hearing notice was published in the *Lake Forester* on November 16, 2017 and on the Village’s website on November 20, 2017.

President O’Hara declared the public hearing open.

Finance Director O’Connell thanked the Board for allowing her time to present information on the 2017 property tax levy. The levy presentation is for the property tax bills that will be sent to property owners in May 2018 and due in two equal installments in June and September.

Finance Director O’Connell’s powerpoint presentation began with the property tax history and main variables of the tax levy (Assessment and Rates). Finance Director O’Connell stated the Village as a home rule community is not subject to the Property Tax Extension Limitation Act (PTELL) but passed a Resolution in 2005 committing to abide by the PTELL limit. This means that any increase greater than 5% from the prior year request would require a public hearing for approval. She stated taxing districts determine the amount of money needed and the levy ordinance must be prepared prior to adoption of the levy.

Finance Director O’Connell explained that the Village requests a dollar amount but has no role in the assessment process and described basics of the assessment process. The Township assessor calculates the assessed value of the property. Annually, the Lake County Chief Assessor determines the level of assessment in each Township based on 3 prior year’s sales transactions. The County Chief Assessor adds a multiplier to all non-farm parcels based on analysis of change in assessments for each class – residential, commercial and industrial. The measurement of market value is the job of assessors, who use one or more of three basic approaches to measure it 1) market data – comparing recent selling prices of similar properties, 2) cost – coming up with a value of the cost of reproducing the property minus accrued depreciation plus land value and 3) income – calculating the present worth of the income from a commercial property. The goals of equalization process is to bring the 3 year average of the median assessment levels in a township to 33.33% of market value.

Finance Director O’Connell showed a chart of the billing cycle noting the lengths between the taxing districts and assessments that lead to the actually taxable cycle. The County Tax Extension Unit uses the levy to determine the tax amount to be “extended” against all properties located within the boundaries of the taxing district. Taxing districts levy for a higher amount in order to capture any new growth within their district boundaries, which is not subject to the Tax Cap, she noted the Village abides by the cap. The Clerk’s Tax Extension Unit determines the rate needed per \$100 of taxable value to generate the requested revenue, based on the EAV within the district boundaries.

Finance Director O'Connell showed a chart reflecting how tax dollars are used. The Village represent 9%, Library 2% and, local schools 60% of the total property tax bill. The Village levy partially finances police protection, fire protection, sanitation, recycling collection street, sidewalk and bike path maintenance, street lighting, sewer maintenance, and the ancillary services that support these personnel. There are other taxing bodies that levy their own property taxes separately from the Village such as the Mosquito Abatement District which is less than 1% of the total levy. Also Sanctuary residents are slightly different because they do not pay into Central Lake County Joint Action Water Agency as their water is provided by North Chicago, and they pay into the Rockland Fire Protection District and not the Village's fire protection property tax.

Finance Director O'Connell showed a chart reflecting the assessed value by class for the past 10 years along with the tax extension over the same period which also included the library extension. The slope of the orange line at the top reveals that the total EAV peaked in 2008 and declined by 25% until last year. The factors that changes EAV are market value and income generating capacity of current properties and new construction or annexation added to the tax rolls. The Village has had no annexations of property since 1998 when the Sanctuary Subdivision became part of the municipal boundaries. Finance Director O'Connell stated the 2017 aggregate levy calculated under the PTELL is \$4,219,520 compared to the prior year of \$4,108,008. She stated utilizing the consumer price index factor of 2.1% could have a potential increase of \$111,512 new dollars. The Village has several financial policies which guide the preparation of the tax levy and the budget and allow the Village to proactively seek solutions to changes in revenue streams.

Finance Director O'Connell stated levies are made in dollar amounts to raise the money and county clerks must calculate a tax rate for each fund for which the taxing district levied. The tax rate is a number that, when multiplied by the tax base, will produce the levy amount. She showed a chart of the 2017 levy breakdown by functions. The chart shows the levy by purpose; however, it is important to note that they levy does not fully fund these functions. The Village relies on multiple sources of revenue such as sales and other taxes; building permits and other user fees; and licenses and fines to cover the costs to provide these services. The Pension levy represents 26% of the total levy. That represents over \$1 million of the \$4.2 million total levy. The Library levy is \$921,475 which will provide \$24,352 new dollars to the Library. The most significant of these is the dollars will be used for capital projects. This property tax revenue represents 98% of the Library's FY17 total revenue projections and funds 89% of total budgeted expenditures.

Finance Director O'Connell stated the Finance Committee deliberated the amount of the levy with sensitivity to the effect of increases on homeowners. After consideration of the volatility of this recovery and the uncertainty regarding some State shared revenue sources, the Finance Committee recommended a levy that is the amount allowed under the tax cap law. She reviewed the long term budget concerns as: sales tax revenue is heavily reliant on auto sales, future state-shared revenue sources are uncertain, grant funds are diminishing, low or negative investment returns require larger pension contributions, and infrastructure improvements and capital equipment reserve funding.

Finance Director O'Connell reviewed the Village share of the tax bill on a home with a market value of \$600,000 if rate increase from \$.743 to \$.751 per \$100 of EAV. The tax bill increased estimated at \$16.77 for the Village portion of property tax if no change in EAV.

President O'Hara opened the floor for comments from the public.

A resident stated she purchased her home in May 2016 and recently noticed the assessed value and property taxes have increased. She asked if she should expect yearly increases. President O'Hara stated property value reassessment are done every 3 years. A discussion ensued.

In response to a question from the resident, Finance Director O'Connell stated property value reassessments do not consider current projects or existing problems with the home. Capital improvements relative to correcting issues that improve drainage, etc. can increase home values and intern may affect property tax changes.

Trustee Lemieux inquired of a slide showing the new dollar amount for the Village. He expressed his understanding the Village share of new dollars would be approximately \$85,000 of which \$56,000 will be for pension and \$24,000 for general use. Trustee Dewart stated the Village share of new dollars is really modest.

As there were no further comments from the public, Trustee Meyer made a motion to close the public hearing. Trustee Lemieux second the motion. The motion passed on a unanimous voice vote.

14. ITEM #12 – AN ORDINANCE LEVYING PROPERTY TAXES FOR THE FISCAL YEAR BEGINNING MAY 1, 2017 AND ENDING APRIL 30, 2018 FOR THE VILLAGE OF LAKE BLUFF, LAKE COUNTY, ILLINOIS

President O'Hara reported pursuant to State law, on or before the last Tuesday in December, the Village must file with the County Clerk an Ordinance requesting a property tax to be levied on all taxable property within the Village. After review of levy estimates and financial projections as presented by staff, the Finance Committee recommends that the Village levy \$3,298,045 for the year 2017, which represents a 2.7% increase over the 2016 property tax extension. She further reported the Lake Bluff Public Library Board has requested a property tax levy of \$921,475 for the year 2017, which is a 2.7% increase over the previous year. The total levy amount of \$4,219,520 is in compliance with the Property Tax Limitation Act and the Truth In Taxation Act was not required for this levy.

As there were no questions from the Board, Trustee Dewart moved to approve first reading of the ordinance. Trustee Ankenman seconded the motion. The motion passed on a unanimous voice vote.

15. ITEM #13 – AN ORDINANCE ABATING 2017 PROPERTY TAXES LEVIED FOR GENERAL OBLIGATION DEBT SERIES 2011 AND 2012 BONDS OF THE VILLAGE OF LAKE BLUFF, LAKE COUNTY, ILLINOIS

President O'Hara reported the Village currently has Refunding Bonds Series 2011 and 2012 General Obligation ("G.O.") bonds outstanding. Pursuant to Ordinances 2011-19 and 2012-13 the County Clerk is required to extend a property tax levy in an amount sufficient to pay the interest and principal on the bonds. In the past the Village has abated the annual property tax levy. Because the bond ordinances directing extension of the annual property tax levy were filed with the County Clerk, an ordinance is required to abate (not levy) the property tax for these bonds. She further reported the Finance Director determined that the Waterworks Fund has the amount necessary to transfer to the Waterworks Bond and Interest Account for principal and interest payments on the 2011 Refunding Bonds. The 2012 Refunding Bond principal and interest payments will be paid by General Fund revenues.

As there were no questions from the Board, Trustee Dewart moved to approve first reading of the ordinance. Trustee Meyer seconded the motion. The motion passed on the following roll call vote:

Ayes: (5) Lemieux, Meyer, Towle, Ankenman and Dewart
Nays: (0)
Absent: (1) Grenier

16. ITEM #14 – AN ORDINANCE GRANTING A VARIATION FROM THE VILLAGE’S CORNER LOT SIDE YARD SETBACK RESTRICTIONS (718 Sheridan Road)

President O’Hara reported in September 2017, following a pre-application workshop by the Applicant, the Village opened a public hearing to consider an application by Ms. Marina Puryear for a corner lot side yard setback variation for the single-family residence at 718 Sheridan Road. The plans contemplate an approximately 10x20 addition to the north side of the structure to create a primary entrance from East Woodland Road. The structure’s current entry faces west onto Sheridan Road, with a driveway parallel to Sheridan Road on the east side of the lot (behind the structure).

President O’Hara reported the public hearing was continued in September after a request that the Applicant explore other possible configurations for construction occurring in the setback and public comment concerned about sight lines on East Woodland Road. The hearing was continued in October at the Applicant’s request. The Applicant returned in November with no changes to the plans submitted with her original application in conjunction with an opinion from the Village Engineer that vehicular and pedestrian visibility would be made no worse by the proposed work. She further reported at the PCZBA’s regular November meeting, by a 5-2 vote, the PCZBA recommended the Village Board approve a 17’1” variation (~85%) from the corner lot side yard setback requirement of Section 10-5G-2, Yards. The PCZBA members who voted against the positive recommendation expressed concern that the Applicant had not tried to minimize the amount of structure being added inside the setback.

Trustee Lemieux asked if concern expressed by the two PCZBA members had been addressed. A to VA Cole stated the concern was not addressed because the original proposal was approved. The discussion suggested alternative ways which the project could be done but the committee voted to approve the project anyway.

Trustee Lemieux stated for the project to be done appropriately a 20 x 12 space is needed and he asked if Staff had considered the line of sight for this area. A to VA Cole stated the structure is currently located within the sight triangle and the proposed rear addition would not cause any additional concerns.

Village Administrator Irvin stated there was a comment expressed during the public hearing regarding the sidewalk along the north side of Oak Avenue and noted continuation of the sidewalk will be discussed during the budget process. A to VA Cole stated there was also discussion regarding parking near the turn to and from on Sheridan Road onto that particular street as well as the parallel streets going south.

As there were no further questions from the Board, Trustee Ankenman moved to approve first reading of the ordinance. Trustee Lemieux seconded the motion. The motion passed on a unanimous voice vote.

17. ITEM #16 – TRUSTEE’S REPORT

There was no Trustee’s report.

18. ITEM #18 – ADJOURNMENT

Trustee Meyer moved to adjourn the regular meeting. Trustee Ankenman seconded the motion and the motion passed on a unanimous voice vote. The meeting adjourned at 7:48 p.m.

Respectfully Submitted,



R. Drew Irvin
Village Administrator



Joy Markee
Village Clerk