

**VILLAGE OF LAKE BLUFF
BOARD OF TRUSTEES
REGULAR MEETING
DECEMBER 11, 2017**

APPROVED MINUTES

1. CALL TO ORDER AND ROLL CALL

Village President O'Hara called the meeting to order at 7:05 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
Eric Grenier
Paul Lemieux
Aaron Towle

Absent: William Meyer, 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
David Belmonte, 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. AWARDS AND PROCLAMATIONS

President O'Hara read the proclamation designating December 2017 as "National Drunk and Drugged Driving (3D) Prevention" month.

4. CONSIDERATION OF THE MINUTES

Trustee Dewart moved to approve the November 27, 2017 Board of Trustees Regular Meeting Minutes as presented. Trustee Towle seconded the motion. The motion passed on a unanimous voice vote.

5. 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.

There were no request to address the Board.

6. ITEM #6 – VILLAGE BOARD SETS THE ORDER OF THE MEETING

At the request of those present, President O'Hara moved to take Agenda Items #16, #18a and #8a then return to the regular order of the meeting. There were no objections from the Board.

7. ITEM #16 – SECOND READING OF AN ORDINANCE AMENDING AN EXISTING SPECIAL USE PERMIT, GRANTING VARIATIONS AND AMENDING AN EXISTING SITE PLAN 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 sought to amend an existing special use permit for an automobile dealership previously granted to 1 Sherwood Terrace to: (i) include an adjacent property at 915 Sherwood Drive, (ii) amend the special use permit's site plan to show seven (7) vehicle display pads on the perimeter of 1 Sherwood Terrace, and (iii) 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.

President O'Hara 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 the Applicant had not satisfied the criteria for variation relief. She further reported at the Architectural Board of Review's (ABR) regular December meeting the ABR unanimously recommended the Village Board approve the site plan as presented. Since first reading at the Board's second November meeting, the Ordinance has been revised to:

- Incorporate site plan approval (in lieu of a separate resolution);
- Amend the completion date for construction from May 1 to July 1 at the applicant's request, to allow additional time for the weather-sensitive task of resurfacing the asphalt parking lot prior to restriping; and
- Revise Section 6(k) to read the "Applicant's member's personal property." This is a technical correction noted verbally to the Board in November.

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

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

8. ITEM #18A – TRUSTEE’S REPORT: AN UPDATE REGARDING SHORT TERM RENTAL POLICY (STR)

Trustee Lemieux reported the subcommittee comprised of himself, Trustee Grenier and Village Staff met several times and the information being presented tonight is the result of those meetings.

Trustee Grenier stated the information presented tonight is not a recommendation to the Board. The intent is to review the process and, present a frame work for future discussions and potential goals. He began the presentation with a slide showing various signage about STRs, both positive and negative, and he noted STRs are being debated across the country.

Trustee Lemieux reviewed the current states of STRs in the Village: STRs for a period fewer than 30 days are prohibited; the Village experienced STR for period of 24 months without any reported complaints about noise, parties, or vehicles unlawfully parked; substantive public comment has been received; bans are difficult to enforce; and proper and practical enforcement will be necessary whether the Village permits the activity or not.

Trustee Lemieux stated the Village has issued cease and desist orders. However, homeowners can still legally advertise on STR sites and it would be difficult to prove they actually rented the property. He stated if the Village does ban STRs there has to be a diligent effort to enforce the ban.

Trustee Grenier stated the market context data obtained from various media sources indicates there has been explosive growth in extremely fragmented markets; STRs in certain situations can drive economic activity and be disruptive to traditional industries; STRs are evolving; site consistency depends on hosts and guests rating each other and publishing the results; and STRs are a global phenomenon.

Trustee Lemieux stated there was a question of “who would be served by having STRs in Lake Bluff.” The reasons for purposeful visitors were identified as: families of Lake Bluffers visiting for holidays, events, etc.; short term home remodel; visiting Abbott, Rosalind Franklin Medical School scientists, faculty and other business professionals; Great Lakes Naval Base graduation; local businesses creating marketable experiences; visitors and users of Northwestern Lake Forest Hospital; and future residents, investors and businesses. Trustee Grenier stated that, should STRs be regulated, these visitation types represent the majority that should be included in a draft ordinance.

Trustee Grenier stated the possible regulatory paths would be to prohibit STRs, do nothing, or regulate STRs. He commented on the regulatory paths taken by other communities noting the Village must be careful when reviewing actions taken by other communities. The intent is not to direct the Board regarding any decision but to provide them with choices available for Lake Bluff. Trustee Grenier stated the mandate for the subcommittee was to explore and develop a proposed best policy for the regulation of STR; consider all public comments; look for best practices; learn from others and ourselves; and make a good faith effort to facilitate a constructive dialog among stakeholders to formulate a final policy.

Trustee Lemieux read the 2023 Strategic Plan Shared Values used during the review process and noted the values will be helpful when forming the atmosphere for the proposed workshop.

Trustee Grenier stated the proposed STR policy should adhere to the following objectives: ensure that traditional residential neighborhoods are not turned into tourists areas to the detriment of residents; ensure

that homes are not turned into pseudo-hotels or party houses; minimize public safety risks and the noise, trash and parking problems; and seek to protect, rather than erode, property rights.

Trustee Lemieux stated additional policy objectives should be to only seek to create regulations the Village intend to enforce; seek to increase, not erode, the tax base and property values; avoid negatively impacting people who are not directly involved in sharing economy exchanges; stay simple, nimble and flexible; and support local businesses and restaurants.

Trustee Grenier stated that, based on the policy objectives, the “do nothing” possible regulatory path is not an option. The subcommittee believe that future discussions should be to either prohibit or regulate STRs.

Trustee Lemieux stated the framework for future discussions should consider distinctions among: primary residence; occupation by owner; accessory and secondary dwellings; parking; limiting the number of adults; registration; life safety requirements; taxation and/or fees; and enforcement. He stated whether STRs are prohibited or allowed there needs to be a scenario where, if you advertise on a STR site, the assumption is you are renting.

Trustee Grenier stated additional framework discussions should include neighborhood awareness; advertising; geographic and proximity limitations; minimum rental period; maximum number of rental days/year; maximum number of rooms for rent; access; and special use permits.

Trustee Lemieux reviewed the proposed timeline noting the plan is to conduct a Village Board Workshop meeting in January 2018, establish a plan of action, direct Staff to draft documents for review, and vote on the matter. A detailed informational packet will be publicly available prior to the workshop meeting and there will be planned period during the meeting for public comment.

President O’Hara stated her preference is to have everything finalized by the January 22, 2018 Village Board Meeting.

Trustee Grenier expressed his concerns with the length of time the Village has taken to consider STRs and noted other communities have taken longer periods of time and other communities have deferred the matter indefinitely rather than address it.

President O’Hara opened the floor for comments.

Mr. Robert Isham (resident) thanked Trustees Grenier and Lemieux for meeting with residents to discuss the STR proposal. He is predisposed to be anti-STR. He feels the Village is designing a solution that is looking for a problem. He thinks the primary interest should be to preserve Lake Bluff’s character. The Village differs from other communities considering STRs because of its smaller lot sizes and he feels STRs place stress on neighborliness which needs to have a higher premium. Mr. Isham stated he would not purchase or sell a home in Lake Bluff in close proximity to a STR. He stated residents go through a lot of expense to preserve the Village’s charming character and he resents commercialization by allowing a new age motel that would leverage these efforts for profit. There seems to have been a thoughtful approach on how to create STR regulations, he would like to see more focus on the prohibition of STRs. He expressed his belief that a special use permit could be used to address local STRs should the need arise. The Village should proceed slowly because it will be difficult to reverse any negative effects that may

occur. Mr. Isham commented on the increase of crime along the North Shore and stated his interest is to preserve the character, safety and neighborliness of Lake Bluff.

9. ITEM #8A – VILLAGE ADMINISTRATOR’S REPORT: INFORMATIONAL REPORT REGARDING POLICE DEPARTMENT IMPLEMENTATION OF E-TICKETING PROGRAM

Village Administrator Drew Irvin stated Staff’s memorandum outlines the 2023 Strategic Action Plan to *exploring innovations in safety and law enforcement*. One such innovation is automation of the citation process. Lake County Police Departments are quickly adopting these technologies now that the Lake County Courts has formally approved two competing e-citation programs. He commented on the cost associated with the e-citation program. To stay within the budget and implement the program as planned, Police Chief Belmonte recommends the deferral of the body-camera program (\$30,000) until the next fiscal year.

Trustee Lemieux stated he had questioned the ownership of the data and where it would be stored and Village Staff informed him the Village will own the data stored in the vendor’s cloud and the vendor cannot profit from the data.

Trustee Lemieux stated he thinks it is a wonderful program to have especially if it will improve officer safety then he asked how it would be implemented. Police Chief David Belmonte provided information on the program and invited Sergeant Thomas Vinson and Deputy Police Chief Matt Smizinski to the podium where they explained how the training would be implemented.

In response to a question from Trustee Lemieux, Sergeant Vinson stated the web based program will work with the existing laptops located in the squad cars and printers will be the only new equipment installed.

Trustee Dewart asked what other communities are utilizing this program. Sergeant Vinson stated the City of Lake Forest recently went live and the Villages of Buffalo Grove and Mundelein will also use the program.

In response to a question from President O’Hara, Sergeant Vinson stated the new computerized system will allow officers to print citations in their squad cars as opposed to handwritten citations.

Village Clerk Markee asked if this was the only vendor that offers the program. Village Administrator Irvin stated that the Lake County Court System identified two different providers that would be accepted. The programs are similar in their capabilities but the Village’s selected program is less expensive.

In response to a comment from Trustee Towle, Sergeant Vinson stated the program will reduce data entry, by Records Staff allowing them to be more productive with their other job requirements.

Trustee Ankenman stated this is a new system and inquired of the future with this particular vendor and how the Village could realize any advantage from future competition. Deputy Police Chief Smizinski stated the proposed 4 year contract has a payment structure that will secure a better rate and can be re-evaluated prior to the expiration date.

The consensus of the Board was to move ahead with the e-ticketing program.

10. ITEM #7A – WARRANT REPORT FOR DECEMBER 1-15, 2017 AND NOVEMBER 2017 PAYROLL EXPENDITURES

President O’Hara reported expenditure of Village funds for payment of invoices in the amount of \$242,718.74 for December 1-15, 2017 and payroll in the amount of \$272,848.18 for November 2017.

As such, the total expenditures for this period is in the amount of \$515,566.92.

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

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

11. ITEM #7B – NOVEMBER 2017 FINANCIAL REPORT

At President O’Hara’s request, Finance Director O’Connell provided a brief summary of the November 2017 Finance Report highlighting major revenue sources and expenditures for the period. She noted there was a correction distributed on page 2, home rules sales tax chart, fourth column. She also noted that statements with regards to interest from the Illinois Funds on the Maxsafe account was not received in time to generate this report but will be reflected in the December financial report.

- Sales tax revenue for FY18 May-August of \$1.108 million is \$15,000 or 1.4 % less than FY17;
- Home rule sales tax for FY17 May-August of \$335,160 is \$29,000 or 8% less than FY17 of which \$6,833 can be attributed to State Admin Fees that were imposed this year;
- Building permit revenue for May-October 2017 of \$407,000 is \$58,000 or 17% higher than the same period in 2016; and
- Expenditures are consistent with or less than the budget.

In response to questions from Trustee Lemieux, Finance Director O’Connell stated she has no upfront worries but, as a result of the State changes, sales tax revenue should be monitored. She stated State Administrative fees, warrants and reports for each respective community are posted on the Illinois Department of Revenue’s website.

Village Administrator Irvin stated, historically, Lake Bluff’s sales tax revenue has been closely linked to automobile sales. It seems that when the stock market does well it has a positive impact on automobile sale and he is hopeful this will occur this year.

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

12. ITEM #8A – VILLAGE ADMINISTRATOR’S REPORT CONT.

Village Administrator Irvin had no report.

13. ITEM #9 – VILLAGE ATTORNEY’S REPORT

Village Attorney Peter Friedman had no report.

14. ITEM #10 – VILLAGE PRESIDENT’S REPORT

President O’Hara reported this is the final Village Board meeting for 2017 and wished everyone a Happy Holiday Season. She thanked Trustees Grenier and Lemieux for doing an outstanding job on the STR study.

15. ITEMS #11, #12 AND #13 – CONSENT AGENDA

President O’Hara introduced the following Consent Agenda items for consideration:

- 11. Correspondence Delivered in the November 24 and December 1, 2017 Informational Reports;
- 12. Second Reading of An Ordinance Granting a Variation from the Village’s Corner Lot Side Yard Setback Restrictions (718 Sheridan Road); and
- 13. A Resolution Approving Revisions to the Village of Lake Bluff Employee Handbook and Sexual Harassment Policy.

Trustee Grenier moved to approve the Consent Agenda. Trustee Lemieux seconded the motion. The motion passed on a unanimous voice vote.

16. ITEM #14 – SECOND READING OF 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.

President O’Hara reported 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. The Village Board approved first reading of the ordinance at its meeting on November 27, 2017.

In response to a question from Trustee Ankenman, Finance Director O’Connell stated there have been no public responses received to date.

As there were no further questions from the Board, The motion passed on the following roll call vote:

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

17. ITEM #15 – SECOND READING OF 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. The Village Board approved first reading of the ordinance at its meeting on November 27, 2017.

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

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

18. ITEM #17 – A RESOLUTION AUTHORIZING CHANGE ORDER NO. 1 AND WAIVER OF COMPETITIVE BIDDING FOR THE VILLAGE’S 2017 SANITARY SEWER LINING PROJECT

President O’Hara reported on September 11, 2017 the Village Board approved a resolution authorizing the execution of a construction contract with Hoerr Construction for the 2017 Sanitary Sewer Lining Project in the amount of \$255,066.00. The work in this contract includes the lining of the large diameter sanitary sewer on East Washington, Maple, and East Prospect Avenues. She further reported the Village has also been televising sanitary sewers in the East Terrace and Bath & Tennis Club neighborhoods as recommended by the 2015 Sanitary Sewer Evaluation Survey of those areas. The televising reports revealed significant deterioration in two segments of sanitary sewer in the side and rear yards of homes on Forest Hills Road and Wimbledon Road. The Village requested a quote from Hoerr Construction for the lining of these segments and received a price of \$23,125 for the work. It is recommended that the Village waive the competitive bidding process as the cost to bid out the project (estimated at \$7,000) would exceed any potential savings from receiving competitive bids.

President O’Hara reported the Village’s FY2018 budget contains \$50,000 for Sanitary Sewer Improvements, which was intended to be used on projects identified by the 2015 study. To date, the Village has spent \$5,400 of the \$50,000 budget on repairing a collapsed segment of the pipe segment that is to be lined. If the change order is approved for \$23,125 it would leave \$21,475 of the budget uncommitted. Portions of this will be used for restoration of areas disturbed during the completed spot repair and any additional spot repairs that may be needed to allow for the pipe lining.

In response to a question from Trustee Lemieux, Village Engineer Jeff Hansen stated the repairs are for the sanitary sewer system and will have no impact on the current flooding situation.

Trustee Towle inquired of the life expectancy for the sanitary sewer lining system. Village Engineer Hansen stated the life expectancy is approximately 50 years.

In response to a question from Trustee Ankenman, Village Engineer Hansen stated the sanitary sewer system being repaired was built in the 1960s and he believe the life expectancy for this system is approximately 50 years. Clay pipes, such as those used in this area of the Village, have not been used for approximately 40 years as other materials have proven more durable.

Village Administrator Irvin clarified this was a request to waive competitive bidding because the change order will use the same contractor to complete the same scope of work in a different geographical area.

Trustee Dewart stated he had an opportunity to see the televising process and expressed his opinion that it is a valuable tool to use, particularly to address these type of problem areas.

As there were no further comments from the Board, Trustee Dewart moved to adopt the resolution. Trustee Ankenman seconded the motion. The motion passed on the following roll call vote:

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

President O'Hara stated a motion was not made for Agenda Item #14, Tax Levy, she then requested a motion to approve the agenda item. Trustee Dewart moved to approve the ordinance. Trustee Ankenman seconded the motion.

19. ITEM #18 – TRUSTEE’S REPORT CONT.

Trustee Dewart thanked the Public Works Staff for their cleanup efforts following the recent snow fall.

20. ITEM #20 – ADJOURNMENT

Trustee Grenier moved to adjourn the regular meeting. Trustee Ankenman seconded the motion and the motion passed on a unanimous voice vote. The meeting adjourned at 8:13 p.m.

Respectfully Submitted,

R. Drew Irvin
Village Administrator

Joy Markee
Village Clerk