

**VILLAGE OF LAKE BLUFF
JOINT PLAN COMMISSION & ZONING BOARD OF APPEALS
SPECIAL MEETING**

MARCH 19, 2018

APPROVED MINUTES

1. Call to Order & Roll Call

Chair Kraus called to order the regular meeting of the Joint Plan Commission and Zoning Board of Appeals (PCZBA) of the Village of Lake Bluff on Monday, March 19, 2018, at 7:00 p.m. in the Village Hall Board Room (40 E. Center Avenue).

The following members were present:

Members: Sam Badger
Leslie Bishop
David Burns
Mary Collins
Elliot Miller
Gary Peters
Steven Kraus, Chair

Also Present: Brooke Lenneman, Village Attorney
Glen Cole, Assistant to the Village Administrator (AVA)
John Scopelliti, Administrative Intern

2. Non-Agenda Items and Visitors (Public Comment Time)

Chair Kraus stated the PCZBA allocates 15 minutes during this item for those individuals who would like the opportunity to address the PCZBA on any matter not listed on the agenda. Each person addressing the PCZBA is asked to limit their comments to a maximum of three minutes. There were no requests to address the PCZBA.

3. A Public Hearing for Text Amendments to the Zoning Regulations (Short-Term Rentals)

Chair Kraus introduced the item and administered the oath to those participating in the public hearing.

Prior to the proceedings, Chair Kraus asked for a motion to formally incorporate all the previously submitted public comments, respective Advisory Board Agenda packets, and discussion documentation relating to short-term rental regulations in the formal record. Member Bishop made a motion to formally incorporate the documentation into the record. Member Collins seconded the motion. The motion passed on a unanimous voice vote.

Chair Kraus opened the public hearing and reviewed the public hearing procedures.

Chair Kraus said the Village Board referred a draft ordinance, amending the Lake Bluff Zoning Regulations and the Lake Bluff Municipal Code to establish short term rentals as a permitted use in all residence districts and the central business district subject to certain restrictions. The PCZBA has the authority to either adopt as presented, adopt with amendments or not adopt the draft ordinance. In addition, the PCZBA was asked to provide feedback on lot size review,

minimum number of nights review and life safety and sprinkler review. His goal tonight was for the commissioners to vote on the matter.

In response to a question from the audience, Chair Kraus said he will not set an end time for the meeting but he is hopeful to be expedient with the time. He said PCZBA meetings typically go until 10:00 p.m. and given the number of people that took the oath, it is feasible to have complete the public comment time in an hour followed by a discussion.

Following a request from Chair Kraus, AVA Cole said the text amendment was initially referred to the PCZBA in April 2017 and the commission drafted a different set of short term rental regulations for consideration. The PCZBA did not vote at its May 2017 meeting but asked for direction from the Village Board. AVA Cole said the Village Board directed Trustees Grenier and Lemieux, Staff and Legal Counsel to further review short term rental regulations and he summarized the results: 1) two year pilot program, 2) responsible ownership regulations, 3) restrictive use for coach houses, two flats amongst other dwelling, 4) intensity of use rules, 5) number of consecutive nights, 6) limitation on the total amount of time that a single resident can be used, 7) life safety requirements, 8) annual registration requirement, 9) use of log to verify compliance, 10) restriction on outdoor advertisement and signage, 11) require that tax be collected. The last two requirements sets an expiration date and administrative fee of \$250 per year. The review scope was very broad and there was a recommendation to allow the Village Board to consider the tax precise fee. AVA Cole said the Village Board has requested the PCZBA review lot size restriction, the proposed number of nights and the life safety requirements. He said lot size restrictions are common in zoning regulations to control density and commented on what the PCZBA should consider for lot size review. He briefly commented on fire sprinkler system requirements pursuant to the Village Code.

Following a request from Chair Kraus, Village Attorney Brooke Lenneman introduced herself to the audience.

Member Badger asked how the proposed lot size would affect 7,000 sq. ft. lots. AVA Cole said the exhibits presented illustrate the effect of limitation applicable to lots smaller than 10,000 and 7,000 square feet. The typical lot size in the Village is 70 x 100 but neither exhibit necessarily matches what is conforming or non-conforming in the district.

Following a comment from Member Miller, AVA Cole said the PCZBA may want to suggest a lot size limit. Chair Kraus said the draft ordinance as written, has it where any lot located in a residential or central business district zoning, as a matter of right, can operate a short term rental. The Village Board has asked if that was appropriate or should it consider lot size restrictions.

Chair Kraus opened the floor for public comments.

Ms. Julie Astbury Capps (7:22 p.m.) said like many other she remain in disbelief that short term rentals are even a consideration for the Village and she supports a ban on short term rentals. Tonight she would like to address the following community feedback, what other towns have been doing, enforcement concerns, options available to the PCZBA and recommendation. She said there has been a lot of community feedback (approximately 300 pages) expressing some of these key concerns (property value, safety of both guess and neighboring properties, commercial use versus residential use, character of neighborhood, property rights-quiet enjoyment, parking,

unpaid hotel taxes, insurance and Village resources to regulate). Based on the community feedback from various Advisory Board meetings, an overwhelming majority of residents do not support short term rentals by a ratio of 3 to 1. If the signatures on the petitions were included it is closer to 6 to 1. The Village Board continues to state community feedback is 50/50 but when she raised this to the Village Board she was told signatures do not really matter. Ms. Capps said this is somewhat ironic as she was counseled by other Trustees to obtain signatures. She said a referendum was required and she was told that would not work for this situation. Like many others she finds the process confusing. Since Lake Bluff began the process approximately one year ago, the following towns have moved forward and prohibit short term rentals (Park Ridge, Mettawa, Vernon Hills, South Barrington and Rosemont) and she would like to see Lake Bluff added to the list. Ms. Capps said the topic of enforcement greatly concerns her and quoted Trustee comment presented during the workshop “only seek to create regulations the Village intends to enforce” such as 45 night/year, 15 stays/year and 2 night minimum. The Village has no way to monitor this activity, and if it cannot be monitored it cannot be enforced. Ms. Capps said the sharing economy is here to stay, it is new and has severe growing pains; perhaps the Village should wait until there are proven ways to monitor such activities. She asked why we should experiment with our homes, neighborhoods and limited Village resources and commented on the options available to the PCZBA. Ms. Capps said PCZBA is also responsible for zoning noting its purpose to promote the safety, healthy, convenience, comfort, morals, prosperity and general welfare of the public. She asked the PCZBA not to recommend the draft ordinance but consider prohibiting short term rentals, allow bed and breakfasts via a special use permit, adopt with amendments (mandatory life safety sprinklers and monitoring systems, larger lots only and require minimum longer stays).

Linda Newman (7:20 p.m.) said she has been a Lake Bluff resident since 1977. She thanked the Volunteers for serving on the Village Advisory Boards. She favors a ban on short term rentals in Lake Bluff. Her family has concluded that short term rentals cannot add to the quality that brought and kept them in Lake Bluff. Ms. Newman said she has always had confidence that the Village Board had the best interest of the majority of the residents at heart but not in regards to short term rentals, which not only divides the Village Board but also the community. She is not sure the Village Board has had the best interest of the majority of its residents at heart. This is one of the most divisive issues that has a rise since her time in Lake Bluff. She said care must be taken so as not to allow this issue to have a negative impact on the safety, quality of life, property value and home sales. The priceless reward for living in Lake Bluff is there is a deep sense of belonging to neighborhoods and community. Ms. Newman said to her knowledge none of her neighbors supports short term rentals that could inject commercial enterprises in the small and beautiful residential neighborhoods. The only entity benefitting from short term rentals would be a small handful of entrepreneurs and multi-billion dollar marketers such as Airbnb. She said many communities in the Chicago area have banned short term rentals and commented on issues associated with the ban. Ms. Newman said she strongly encourage the Advisory Boards to delay action on this issue and study how short term rentals could affect Lake Bluff, communicate this information to the residents and allows a public referendum. This issue is too important for the Village Trustees to pass an ordinance without knowing how the majority of residents feel about short term rentals that could negatively impact Lake Bluff safety, character and home values. Ms. Newman said she encourage the Advisory Boards to prioritize the primary concerns of real issues facing Lake Bluff such as safety, responsible financial management, appropriate zoning ordinances amongst others that give such rich texture/substance to Village life. She said short term rentals do not fit in here anywhere and the unique quality of life in Lake Bluff must be maintained.

She said short term rentals should be banned as well as any other commercial enterprises that could be injected into Lake Bluff's beautiful residential neighborhoods.

Nancy Isham (7:32 p.m.) said she and her husband have spoken in opposition to short term rental in Lake Bluff since 2017 and they are both disappointed about the Village Board's decision to permit short term rentals. The Village Board was clearly deadlocked and at this point a public referendum should have been allowed as opposed to having the Village President cast the tie breaker. Ms. Isham said their previous statement remains the same and she believes that residential zoning allows residents to be free of transients residing on a commercial bases within such districts. She said homeowners are losing a valuable right of enjoyment upon which they relied upon when purchasing their home. She believes that home sales will suffer if short term rentals are permitted to coexist nearby and that the Village risks litigation if the home value is diminished at the sale of an adjacent short term rental. She believes the character of the Village will be diminished by short term rentals and further division will result. There has been no data provided showing how short term rentals could benefit the community and to her this is a significant life safety concern. Also, she is really concerned that the first loss will be continuity amongst neighbors which is a huge plus in the Village.

David Andersen (7:35 p.m.) said he thinks the proposal is a good compromise but rather restrictive. He said Airbnb hosts put a lot of trust in their renters and conduct a screening process so he does not think safety of the area is in any danger. This type of activity is low key and he does not believe it will cause a disturbance like a commercial Airbnb. He said he believes some of the concern come from weekend renters and as a veteran he think it is inappropriate for people to say "thank you for your service but we do not want you or your families in our neighborhood".

Following comments from the audience, Chair Kraus stated this is a Lake Bluff public hearing and asked the audience to act like Lake Bluffers.

Mr. Andersen said he does not think short term rentals will put the community in any danger. He does not plan on renting but he does not mind if others rent their homes. Mr. Andersen said he believes that short term rentals are safer than long term rentals.

Before proceeding, Chair Kraus reminded everyone testifying that testimony should be given to the commission not the audience.

Brenda O'Neil (7:38 p.m.) said she and her husband have lived in the community since 1975 and Lake Bluff has been an outstanding town to raise their family. She said the important unanswered question to her is "how will short term rentals affect the property value" but the Village Board could not provide her an answer. She asked young parents if they would purchase a home in close proximity of a short term rental and their response was "no", because they did not want their children living close to transient visitors. She asked why the Village Board is gambling with children safety and residential investments, for just a couple of residents, that need to operate short term rentals to pay their property taxes. She said that is really disheartening and it seems to her it comes down to property taxes. She shared her opinion regarding the financial position on Navy graduates and their families and she feels that the graduation is being used as a pawn to allow short term rentals.

Chair Kraus said he understands that everyone has a legal right to express their pleasure or displeasure with an individual speaker, even though he disagrees because he thinks it is rude in a public forum, but it is their right. Chair Kraus said he feels it is his right to express how he feels.

Peter Capps (7:43 p.m.) said he will continue his urge to ban short term rentals. The Village Board continues to ignore public feedback and had dismissed the idea of a public referendum. The Village Board established a task force to make a decision based on facts. The task force admitted it did not have legitimate facts to support an Airbnb, yet, the Village Board still voted on this draft ordinance. Mr. Capps said he believes it is to benefit a few at the expense of the many. The Village Board has been asked how short term rentals will benefit the Village but have not replied. There was no economic impact or supply and demand study done to determine if short term rentals are really needed in the Village, but the process continues to move forward. Mr. Capps said this will become a divisive financial burdensome issue for the Village if it moves forward. He commented on the expenses he perceives the Village will incur and asked who will be responsible for the funding. He said if this moves forward he intends to experiment with various sharing economy businesses. The Pandora box will be open and the Village is going right to hell. The Village Board wants to turn the beautiful neighborhoods into a transient hotel district without a good reason and he urge the PCZBA to use their common sense and not approve the draft ordinance.

Pam Russell (7:46 p.m.) said she considers herself one of the silent majority who favors the draft ordinance and she does not think there is anything to fear. The focus should be on the three items the PCZBA was asked to consider. She asked the PCZBA if it should consider lot sizes, maybe there should be a two year trial to determine if this can be successful in the Village. In regards to the fire sprinklers, she assumes the Fire Department has been consulted and the Village will conform to their guidance.

Heather Klepitsch (7:47 p.m.) said she supports a ban on short term rentals because like many others, she feels the change will benefit a few residents not the majority. She is supremely disappointed in the Village Board's decision to forward a recommendation to allow/regulate short term rentals. To her there should have been two recommendations, to continue a ban on short term rentals or to allow a higher restrictive ordinance. Ms. Klepitsch said the Village Board is asking to PCZBA to agree to short term rental regulations which will benefit a few residents at the costly seen/unseen expensive of others in the Village. Also, property values should be mentioned, although the Village Board adamantly refused to discuss how short term rentals could impact property values and she found that incredibly disheartening. She believes short term rentals will adversely impact property values. In the absence of data showing how this would impact property values, she would suggest the PCZBA enact an ordinance that requires all neighbors, of anyone desiring to operate a short term rental, to receive a written agreement. The agreement would reflect their okay with their neighbor operating a short term rental and random people come in/out for 45 days a year and 15 visits. She asked the commissioners if they are good with one or more homes near them operating as short term rentals, and if they felt as a property owner they should have the right to agree to someone boarding their property to have a short term rental. Ms. Klepitsch said she did not sign up for this when she moved to Lake Bluff and it is not a reasonable request on any Village member to except a short term rental next door.

Kate Briand (7:52 p.m.) said living in Lake Bluff as a child was an extraordinary experience and anything that can be done to preserve that should be done. She said everyone can be impacted by

short term rentals. The draft ordinance is moving forward although there have been no studies done showing how it could impact the Village. She said in her view fire sprinklers are a change of use. The draft ordinance incorporates the State Statute Bed and Breakfast Act, to her this is an admission that this is a hospitality business. Also, collection of hotel occupancy taxes clearly makes this a change in use. Although, the PCZBA scope is narrow their ability is broad because zoning has great power to impact property values. She feels short term rentals should be banned and the original zoning ordinance which was done to prohibit this type of activity remain effective.

Frank Klepitsch (7:57 p.m.) said he was not present when the oath was taken, Chair Kraus administered the oath to Mr. Klepitsch. He said the Village Board is about to launch short term rentals in Lake Bluff and he would like to express his concerns regarding life safety. As a licensed and registered architect in the State of Illinois he is concerned about what measures and controls would be implemented for the life safety of those dwelling in a short term rental or airbnb. He shared information regarding hotel safety precautions and said the principles of life safety must comply to ensure customers are safe. The Village currently has an ordinance that requires new and existing homes to have a fire sprinkler system and excusing these requirements for homes hosting short term renters would be reckless. If strong building regulations are not put into place the question would not be “if a tragedy will happen but when a tragedy will happen”. This is not about sorting legal liability between an innkeeper and the Village but about our moral obligation to each other. He believes the PCZBA Member representing the Village would feel badly if they did not enforce appropriate life safety regulations for short term rentals especially if there was a fire fatality. If a shared economy is a part of Lake Bluff’s goal to become a welcoming community then the Village should be concerned about the well-being of its current residents. He asked that life safety regulations be part of short term rental approval to include a minimum of fire sprinklers, secondary access from upper levels, and a fire alarm system connected to a central station which will allow sufficient on scene response time. Mr. Klepitsch said this issue has bought a great deal of division among the Village residents and will leave it divided for a long time.

Michael Gassey (8:03 p.m.) said he and his wife have lived in Lake Bluff since 1982. He said they were long term renters and had a personal encounter with a short term renter while their home was being built. Mr. Gassey said he and his wife love the community and Lake Bluff brand, which is not individually owned, but unique and must be preserved. They are concerned with the matter and urge the PCZBA to carefully preserve the community. Mr. Gassey said he would consider moving if short term rentals move ahead. The Village needs to pump the brakes on this matter as the sentiment is the majority does not want this in Lake Bluff and he recommends a public referendum.

Marina Puryear (8:09 p.m.) read a letter from her son whom shared his story of how a home in Lake Bluff was available on Airbnb and by renting the house for a weekend it allowed their families to have a pleasant wedding experience. He is concern that others may be deprived of this opportunity. The perceived safe Lake Bluff environment does not come by keeping people out of the community but by looking out for each other. Perhaps a good middle ground, for those that do not agree with these sentiments, would be to only allow people to post their primary residence on an Airbnb site. This would prevent investors from purchasing homes just to rent and hold property owner accountable for their neighbors and community. He thanked the homeowner for allowing them to rent the property and said Lake Bluff would be better if it had more host and visitors. Ms.

Puryear said as a realtor in the community that a divided Village is already affecting the home values.

Bill Herman (8:13 p.m.) said he has lived in Lake Bluff since 2001 noting he moved here from downtown Chicago for a piece of mind. He thought this kind of community would allow his children to play outside without worrying about commercial ventures attracting transients to the community. Currently, there is an Airbnb and long term renters living in their neighborhood but he sees the long term renter as an investment establishing root in the community. There have been people coming to his home looking for the party house and this does not promote peace of mind. His wife is concerned about this issue which has impacted their lifestyle. He feels that a ban is appropriate and short term rents should not be allowed in the community. Mr. Herman said he submitted insurance documents to the Village which specifies the type of insurance that should be provided for short term rentals. Also, he is troubled because the draft ordinance is completely different than the previous ordinance which required owners to be present on the property as well as life safety initiatives. He expressed his belief the Village Board changed the ordinance when an Airbnb owner, located on his block, complained about the requirements. He believes there is legislation which states you cannot undertake legislation that only benefits one person or interest. Mr. Herman said he believes this action is problematic and the Village could face possible litigation. Also, he believes there is a legal construct “coming to a nuisance” which prevent complaints regarding existing nuisance such as train tracks. However, if the nuisance is introduced to the community there could be due process of law and property owners compensated for loss of property value. Mr. Herman said he has observed the Village President’s vehicle parked in front of a home operating an Airbnb and he thinks her tie breaking vote was problematic. He said short term rentals negatively impacts the community and his family and he is asking the PCZBA to ban short term or allow a public referendum.

AVA Cole advised Mr. Herman that the insurance information he provided was incorporated into the draft ordinance and thanked him for the documents.

Mike Brown (8:23 p.m.) thanked everyone for their time and service. He said the PCZBA is in a tight spot because there is obvious overwhelming opposition to short term rentals but it is important for any committee to avoid the appearance of impropriety. He said when legislation is put forth it should clearly benefit the many. Mr. Brown said property owners have the right to enjoy their property and expect their property rights to be protected. He questioned whether or not the owner should be at the location and if there is going to be a new renter every two days and risking the community the owner should be on location every night. If this move forward, against the majority of residents, he ask that the trial period be one year. At a previous Village Board meeting, three of the Trustees had reservation about dramatically and irreversibly changing the nature and brand of Lake Bluff without having the decency to ask Lake Bluff residents what they wanted and suggested a public referendum which was not considered. Mr. Brown said he believes the 6,000 Lake Bluff families did not move here to open motels and he would appreciate it if their position was taken into account.

Stan Ruffolo (8:29 p.m.) said he has lived in Lake Bluff for approximately 40 years. He shared some personal information and asked if he could make a case of impropriety as the Village Board did not consider a public referendum. He asked the PCZBA not to play into this with the Village Board which has ignored public comments regarding Airbnbs. He suggested the PCZBA make

certain there is a public referendum if they are unable to reach a conclusion. Mr. Ruffolo said he does not want short term rentals in the community mainly because of safety issues.

Porter Boggess (8:35 p.m.) said he is against short term rentals because of the various risk (potential death and lawsuits) to the Village. Housing stock such as campsite and boarding homes moved further away as the Village became more residential and he is confused as to why the Village Board desires to revert back to the boarding house system when there were safety issues. Mr. Boggess expressed his concern regarding safety conditions associated with the homes on the east side of Lake Bluff.

Liz Jensen (8:36 p.m.) said she has been a Lake Bluff resident for approximately 2 years and has followed this debate for one of those years. She supports a ban on short term rentals because of how the administration and enforcement will impact the already strapped Village finance and public safety resources.

As there were no further public comments, Chair Kraus opened the floor for the comments from the commissioners.

Chair Kraus said the plan is to discuss the three topics as directed by the Village Board, provide a recommendation, and discuss any other issues if needed. Member Collins said she is unclear as to the PCZBA options because she thought there were more than just tweaking the draft ordinance. Chair Kraus said the PCZBA has three options 1) recommend approval of the draft ordinance as presented, 2) recommend approval of the draft ordinance with changes, and 3) recommend the Village Board not approve the draft ordinance.

Member Collins asked what the procedure would be if any of the commissioner agrees with banning short term rentals. Village Attorney Lenneman said it is within the PCZBA purview to recommend short term rentals be prohibit in the Village.

Chair Kraus said if there are commissioners that are not comfortable with the concept to ban short term rentals, they could vote to not recommend the draft ordinance be advanced. Village Attorney Lenneman said the recommendation could be phrased “to prohibit”.

Chair Kraus said he would prefer to discuss the three specific points then discussion the concept regarding approval or denied of the draft ordinance.

Member Peters said this could turn into a prolonged discussion on a theoretical matter which at the end of the day might become mute with respect to the ultimate recommendation. Chair Kraus said from his perspective the reason to proceed with the exercise, even if the PCZBA ultimately recommends banning short term rentals, is to provide the Village Board with feedback on the three specific items for considering should they pursue short term rentals.

Member Peters said there is almost a presumption that the Village Board wants a recommendation to allow short term rentals. Chair Kraus said the PCZBA guidance is either to recommend approval, recommend approval with changes, or recommend denial.

Village Attorney Lenneman said she thinks the Village Board was looking for a recommendation from the PCZBA on those topics, to be consider if the draft ordinance is going to be recommended

for approval. These are matters that have not been incorporated into the draft ordinance and the Village Board wanted the PCZBA recommendation on the issue.

Member Peters said he understand where the Village Board is coming from and will participate in the process but it would not hurt to take a preliminary straw vote to see where the commissioners stand. Member Peters moved that the PCZBA recommend a prohibition of short term rentals in Lake Bluff. Chair Kraus clarified that the motion is not to adopt the draft ordinance. Member Badger seconded the motion.

Member Collins asked for clarification should the Village Board decide to go against the PCZBA recommendation. AVA Cole said the voting procedures will not change nor is a “super majority” vote required for this particular matter.

Following a brief discussion regarding voting, AVA Cole said whatever transpires after the vote will be incorporated in the draft minutes and transmitted to the Village Board.

Member Collins said she was reading the minutes from approximately one year ago in which she stated “she did not want a wide open permission of this type of use but she would support a tightly controlled bed and breakfast type ordinance”. She said after speaking with residents she is okay with the ban because it might be the best way to go. Member Collins said if the Village Board insists on passing an ordinance which will allow short term rentals she would like to provide the Village Board with input.

Chair Kraus asked for comments from the commissioners.

Member Badger said many of tonight’s issue were valid but the one that stood out for him is the impact it will have on Staff enforcing short term rentals regulations pursuant to the draft ordinance. He do not see how that can be effectively enforced by the Village. He expressed his concern with how short term rentals could affect property values noting these would be his reasoning to vote to ban short term rentals.

Member Bishop had no comments.

Member Burns said he is not in favor of the draft ordinance as written but he is in favor of some sort of compromise to regulate short term rentals on a small scale. This is not a black and white decisions and there needs to be more data collected. He is not in favor of a ban on short term rentals but he would like to see some changes to the draft ordinance.

Member Collins said she would support the ban at this point in time but if the Village Board is going to pass an ordinance she would like to provide input on how to make it a better ordinance.

Member Miller said the Village is so divided and he thinks a public referendum is needed. There is a place for short term rentals in this community, but the way it has been presented, in his opinion being forced through goes against the grain of what is fair. He would recommend banning short term rentals but the PCZBA should put some muscle in the draft ordinance, should it move forward, to make it better.

Member Peters said from his perspective the whole issue has become somewhat of a runaway train in the Village. There has been a tremendous amount of support to ban short term rentals. As previously identified his primary questions would be “would you like to have a short term rental as your neighbor”? He understands that Planned Residential Developments do not have such a risk but he would be greatly concerned about having a short term rental as his neighbor if he did not reside in a PRD. There are health and safety issues which he thinks are critical but if the Village is going to allow this type of commercial enterprise in a residential neighborhood, a fire sprinkler system should be required to protect their customers. There has been quite a bit of concern expressed about how short term rentals could potentially negatively impact property values. Member Peters said there is an issue in respect to having such a scenario benefit so few at the expense of so many and he think that is a very grave issue. Another enlightening fact is when you look at the list of town that have prohibited short term rentals, the majority are North Shore towns and he wonders why is Lake Bluff taking a potentially different position. Furthermore he does not believe this is consistent with the Village’s branding initiative which he previously expressed and is still troubled by this. Member Peters said he thinks there is an erosion of individual property rights of those that bought into this community not anticipating this type of activity.

Chair Kraus said he thinks there is a place for this type of activity in the Village. There is a lot of fear in the Village regarding transient and he does not see people coming into the Village wanting to rent a house as being an different than those that live here. He shared his view on people that would potentially be seeking a short term rental in Lake Bluff. He realize there is concern and if the Village moves forward it must be done right, there has to be some controls on the process of renting out a house, consideration for neighbors rights and rigorous enforcements. He is not fearful of people that want to come to the Village to enjoy the environment and he would not be in favor of a ban. The draft ordinance could be improved but he thinks it is a step in the right direction.

Member Bishop said the audience behavior was inappropriate when the commissioners where speaking and said she wishes everyone could be respectful when others are expressing their views.

Chair Kraus said there is a motion on the table to recommend the Village Board not adopt the draft ordinance pertaining to short term rentals. AVA Cole said this is a motion to prohibit short term rentals so if there are four affirmative votes we are done with the recommendation prohibition but if it fails we continue on. **The motion to recommend the Village Board prohibit short term rentals passed on the following roll call vote:**

Ayes: (4) Peters, Miller, Badger and Collins
Nays: (3) Bishop, Burns and Chair Kraus
Absent: (0)

Chair Kraus said the motion passed on a vote of 4 to 3, the PCZBA recommendation to the Village Board will be not to adopt the draft ordinance as presented.

Chair Kraus asked Staff to give an update on the lot size review. AVA Cole said lot size restrictions are common in zoning regulations to control density not necessarily define the use. This exists on a small scale in the Village and applied to very large lots in the Country Estate District. Such requirements were recently applied to the pilot programs for backyard chicken and

bee keeping. The exhibits presented in the packet illustrate the effect of limitations applicable to lots smaller than 10,000 and 7,000 square feet. AVA Cole said Staff memorandum also outlines the strengths and weaknesses of such restrictions, as applied to any use. The idea that controlling lot size does necessarily create screening, setbacks, a guarantee of some of the typical zoning issues, but it could depending on where the PCZBA sets the line.

Chair Kraus said during the regulatory framework discussions the PCZBA addressed space, size and the potential for requiring offsite parking as a way to manage the number of cars regardless of the lot size.

Member Burns said he thinks the intensity of short term rentals have less to do with density but more with frequency. He does not particularly find this to be an issue for him and would not put any lot size restrictions on short term rentals.

Member Collins said as an occupant of a 50 ft. wide lot she strongly disagrees, there should be lot size restrictions. The proximity of her house to what could potentially be a commercial enterprise is really important and she wants separation. She said an important part of Lake Bluff is getting to know your neighbors and the idea of having different visitors each weekend is really disturbing. Also, she is struck by the requirements put forward for backyard chicken/bee keeping in comparison to short term rentals. AVA Cole reviewed the restrictions associated with the pilot programs such as submitting a survey, an application with fee (\$100), send certified mail to the immediate neighbors and appear before the Sustainability and Community Enhancement Ad Hoc Committee. He said if a neighbor objects to the applicant, they can attend the meeting, submit comments but this has no veto authority. A discussion followed.

Member Peters said the whole lot size issue is intriguing because the greatest impact is on the smaller lots and least impact on the larger lot and he is not sure where to draw the line to be equitable.

Member Badger said it would not be fair to allow a home owners on a 10,000 sq. ft. to operate a short term rental and prohibit the owners of a 7,000 sq. ft. lot. He said from a property right stand point how would you determine who can operate a short term rental because it does not seem right to prohibit short term rentals because of the lot size.

Member Collins asked if setbacks would be a more appropriate way to minimize the impact on neighbors. Chair Kraus said fencing or landscaping maybe more appropriate.

Member Bishop said the driveway on a smaller lots accommodate maybe two vehicles this in itself is restrictive because there is no overnight parking allowed. She said it would not be fair to require screening in her neighborhood because most of her neighbors park in their driveways, and she does not know how you can make screening mandatory.

Chair Kraus said in regards to the concept of lot size the majority of the commission suggests that restricting short term rentals based on the lot size would not be appropriate. He polled the commissioners regarding lot size restrictions with the following results: Member Collins was for a lot size restriction, Members Badger, Bishop, Burns, and Miller were against, and Member Peters did not take a formal position.

Chair Kraus said as a document is not being amended the minutes will reflect that the majority of the commission, while concerned about the relationship between neighbors, does feel that putting a lot size restriction is administratively feasible.

Member Collins said Airbnbs are not operating pursuant to the bed and breakfast ordinance which addresses vehicular traffic, parking and screening.

Chair Kraus asked if the Village Board should consider, as part of the administrative approval, that there will be consideration of appropriate screening between neighbors. Chair Kraus said he thinks there should be appropriate screening between all neighbors but he believes it would be difficult to enforce.

Member Peters said he would be okay with appropriate screening minimum 6 ft. fence or vegetative fence. A discussion regarding screening followed. Chair Kraus said let the minutes reflect there was a discussion regarding screening and the commission feels screening is appropriate but should be further discussed.

Chair Kraus continued the discussion concerning the minimum number of nights review. The requirement in the draft ordinance limits aggregate guest use to 45 days or 15 stays, whichever comes first.

Member Burns said this is one area which he thought could be more restrictive. Should the Village Board move forward, he would prefer this is considered a study specific to Lake Bluff, to collect data rather than a pilot program that assumes it will continue. He would want the intensity to be reiteratively small. Member Burns said he is okay with two nights, but he would prefer 12 stays or 36 days, kind of a once of month concept.

Member Peters said it should be more restrictive, two nights is acceptable but he would prefer a 30 day of cumulative short term rental stay annually.

Member Miller had no further comments.

Member Collins said the draft ordinance should have appropriate restrictions but she does not know how this would be enforced.

Chair Kraus said he trust that residents would keep an accurate log and penalties should be applied for false documentation. He said let the minutes reflect that the PCZBA discussed minimum stay both intensity and duration.

Chair Kraus continued on the discussion concerning life safety. Staff's memorandum states "the opinion of the Village's Building Codes Supervisor is that the use of a single family residence as a short term rental would not change the structures use for family dwelling, to a lodging or rooming house". The memorandum also states "Village Staff would not ordinarily consider a property used as a short term rental to have triggered a change in use". The Village's Fire Chief and Building Codes Supervisory have reviewed the proposed draft ordinance and recommended reductions in the intensity of the proposed life safety requirements, which are incorporated in the draft ordinance. He said neither recommended the inclusion of fire sprinklers as an essential life safety requirement. The life safety standards proposed in the draft ordinance are smoke detectors,

alarms, appropriate stairway access, an alarm system monitored by a central station but not fire sprinkler systems.

Member Collins said Section 5(H) of the draft ordinance states “an alarm system” is required but some systems are only for home invasions. It was the consensus of the PCZBA to recommend amending the wording to “a fire alarm system”.

Member Collins said there was something behind Staff’s reasoning because she believes both codes would require a short term rental to have a fire sprinklers. The memorandum stated changes in use generally trigger a requirement to meet all the standards of the new use or occupancy. A discussion regarding use/fire sprinklers followed.

Chair Kraus questioned if all short term rentals should be retro-fitted for fire sprinkler systems.

Member Burns said this is a tough issue for him because the safety of customers is important. He said he would like to understand the effectiveness of the control fire alarm monitoring system and probe on the rational.

Chair Kraus asked if the consensus of the PCZBA is to suggest the Village Board continue dialogue, with the Fire Chief and Building Codes Supervisor, regarding the efficiency of the central station and comfort with that control in a short term rental environment.

Chair Kraus asked if the commissioner had any further comments.

Member Miller said there should be a limitation place on short term rental outdoor activities, to lessen the impact on neighbors as well as restrict parking on grassy areas on smaller properties incorporated in the draft ordinance. Chair Kraus said that would be a violation of the agreement entered into by the property owner as the ordinance states “that all parking must be on impervious surface off the street”. Chair Kraus said the concept on parties is appropriate and covered by Section 5(j)(f) of the draft ordinance and pursuant to existing Village ordinances.

Member Collins said many bed and breakfast ordinances addresses additional guest for events such as a banquet, wedding, etc. and she the draft ordinance address these type of functions. Member Collins said she suggest these type of gatherings not be allowed but if allowed, the ordinance needs to be more specific. A discussion regarding gatherings followed.

In response to a comment from Member Badger, Chair Kraus said this may be the only opportunity the PCZBA will have to influence the Village Board on the draft ordinance.

Member Peters echoed Member Badgers concerns regarding the ongoing text amendment discussion. Chair Kraus said should the commissioner desire to end the discussion, they would still be allowed to submit individual comments to the Village Board for consideration. Chair Kraus asked the commissioners what they would like the Village Board to consider.

Member Collins said her main concern is that the draft ordinance does not require short term rentals to undergo a review process similar to the backyard chicken/bee keeping. This is a pretty wide open draft ordinance with limited requirements. She thought that to do a trial period would be limited. She fears that property owners will feel it is their right to this type of income.

Member Collins said she prefer this be a special use as opposed to permitted use. This type of use should go through the PCZBA review process because a public hearing and notification of the neighbors is important.

Member Miller had no comments.

Member Peters said he is strongly opposed to this sort of scenario, and his goal is to have an ordinance that prohibit this type of activity. If he is asked to make modification to a draft ordinance, which he does not agree with, then for example there should be a 1000 ft. radius and better clarification on the insurance. Also, he was troubled by allowing 10 guests per night; to him 6 would be a reasonable number and a fire sprinkler system should be required. Member Peters again stated he is opposed to the draft ordinance.

Member Miller said he would recommend the property owners be present at the home throughout the rental period. Chair Kraus said the draft ordinance does not require the property owner to be present but it does require a local contact be identified. Member Peters expressed his preference to include 275 to 300 days per year.

Member Badger said he thinks this will be a huge burden on the Village to enforce regulations on short term rentals and the subject is incredible divisive. He is not in favor of putting a lot of hurdles (such as sprinklers) in front of people desiring to operate a short term rentals because, he would not want the Village telling him what to do with his property. He does not see how this will makes sense to amend the proposed code because the vote was to ban short term rentals.

Member Bishop asked for clarification regarding Section 5(M) Taxes in the draft ordinance. AVA Cole explained the taxes noting their similarity to the food and beverage taxes collected by the Village. Member Bishop said she is in favor of the taxes but believes it will be a burden on the Village to control.

Member Bishop asked why the administrative fee was decreased to \$250. AVA Cole said he believes the Village Board was trying to balance reasonable protections with the understanding this is a pilot program, and trying to be revenue neutral so it would be possible for someone to make a profit. Member Bishop said she would prefer a \$350 administrative fee, the homeowner to be present, and she would not be opposed to short term rentals being a special use permit as opposed to permitted use.

Member Burns had no further general comments. The neighbors should be notified when a short term rental host receives a license to operate in their neighborhood.

Chair Kraus said one specific comment he would like to share with the Village Board concerns Section 5(E), No short-term rentals shall serve more than 10 guests per night. He would prefer the PCZBA version which limit the number of guests based on the number of beds. Recognizing that this would be administratively more cumbersome and would need to be monitored. He would like the Village Board to consider this especially if smaller lots sizes are being considered.

Chair Kraus opened the floor for comments from the audience.

Mr. Klepitsch commented on the life safety aspects of the draft ordinance specifically fire sprinkler systems required for short term rentals. He said the PCZBA should recommend additional measures to ensure customers safety such as require short term rentals to have fire sprinkler systems as a minimum, central alarm system connected to a central station, and a secondary egress access from upper bedroom.

Following a request from Bill Herman, AVA Cole said a “supermajority vote” is required to overturn certain denial recommendation from the PCZBA. He provided an example when a “supermajority vote” would be required and stated there are no voting procedural changes would apply to the PCZBA recommendation regarding short term rentals.

Mr. Herman said the fire safety issues are not only for the occupancy but also for the surrounding building. He thinks that if the draft ordinance is amended the sentence stating “consider this to be a change in use” should be stricken from the draft ordinance and make it a change in use which to imply that fire sprinkler systems must be in place. Mr. Herman thanked the PCZBA for their service.

Ms. Briand said this should not be a question of what people can afford because a business incur overhead expenses. The question should be what is incumbent upon the PCZBA and residents to ask the commission to recommend more. It is not the responsibility of the residents of Lake Bluff to determine how to make this less expensive. She said she would like to know why Staff believes this is not considered a change in use. It is important to understand that people have reached a point of critical mass and hearing concerns about life safety should not be over written because of a host inability to pay to keep their guest safe.

Ms. Klepitsch said she hopes the PCZBA noticed the passion expressed regarding this topic and take into account the comments expressed. She asked the PCZBA to encourage the Village Board to have a public referendum, and to review how short term rentals will truly impact the community. She thanked the PCZBA for not supporting the draft ordinance but should it move forward she does hope that the PCZA continues to be involved with the process. Ms. Klepitsch said where you live is your haven, a safe place for family time and she does not need to worry about the neighbors brining people in and out the neighborhood.

Ms. Capps said based on tonight’s feedback she is hopeful and confident that the Village Board of Trustees will listen and take heed to the PCZBA recommendation. She asked what would be the process if the Village Board decides to move forward with a text amendment. Village Attorney Lenneman said the Village Board can vote against the PCZBA recommendation and refer the draft ordinance back to the PCZBA to further review text amendments to the draft ordinance.

Ms. Capps said the language in the draft ordinance is confusing concerning shared driveways. She thinks the intent was not to allow short term rentals to use adjacent driveways but the way the draft ordinance is written is unclear and needs to be clarified.

Chair Kraus closed the public hearing and announced the next regularly scheduled PCZBA meeting will be on March 21st.

In response to a comment from Member Miller, Chair Kraus said Institutional Zoning will be discussed at the next meeting.

Member Peters said he is troubled because the chicken/bee keeping ordinance never came before the PCZBA and the thought of having chickens adjacent to his property is rather troublesome. Also, he cannot believe the Village is going down that path. AVA Cole said animal control is a separate part of the Code and comments should be addressed to the Village Board.

4. Adjournment

As there was no further business to come before the PCZBA, Member Collins moved to adjourn the meeting. Member Burns seconded the motion. The meeting adjourned at 10:14 p.m.

Respectfully submitted,

Glen Cole
Assistant to the Village Administrator