

**VILLAGE OF LAKE BLUFF
BOARD OF TRUSTEES
REGULAR MEETING
APRIL 24, 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 Aaron Towle called the roll.

The following were present:

Village President: Kathleen O'Hara

Trustees: Barbara Ankenman
Steve Christensen
Mark Dewart
Eric Grenier
John Josephitis
William Meyer

Also Present: Aaron Towle, Village Clerk
Drew Irvin, Village Administrator
Peter Freidman, Village Attorney
Susan Griffin, Finance Director
Jeff Hansen, Village Engineer
Michael Croak, Building Codes Supervisor
David Belmonte, Police Chief
Glen Cole, Assistant to the Village Administrator

2. PLEDGE OF ALLEGIANCE

President O'Hara led the Pledge of Allegiance.

3. CONSIDERATION OF THE MINUTES

Trustee Ankenman moved to approve the April 10, 2017 Board of Trustees Regular Meeting Minutes with the requested changes. Trustee Grenier seconded the motion. The motion passed on a unanimous voice vote.

4. 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. Julie Capps (resident) stated she noticed increased activities at her neighbor's home and recently found the home listed on the Airbnb website. The two properties share a driveway because they are in close proximity and every night there is a different car in the driveway. She stated it was not a good feeling to find out about the Airbnb on the internet or that there are other short term rentals in her neighborhood. Ms. Capps stated she objects to short term rentals because it changes the complexion of the neighborhood; attracts transients; there is no dependable vetting process for the patrons; safety concerns; increased traffic; and impact on the environment of her property which she considers a hardship. Ms. Capps stated this is not what she signed up for when she came to Lake Bluff, as the renters are able to observe their routines and this makes her very uncomfortable. She stated that the frequency of traffic does not just occur on the weekend, it occurs every single night and she asked the Board if they would want short term rentals next to their home.

President O'Hara thanked Ms. Capps for her comments and stated there will be a Committee-of-the-Whole Meeting on May 8, 2017 at 6:00 p.m. to further discuss short term rentals.

5. AWARDS AND PROCLAMATIONS

President O'Hara read the proclamation declaring May 2017 as *National Historic Preservation Month* in the Village of Lake Bluff.

President O'Hara read the proclamation declaring May 2017 as *National Bike Month* and the Week of May 15-19, 2017 as *Bike to Work Week* in the Village of Lake Bluff

6. VILLAGE BOARD SETS THE ORDER OF THE MEETING

At the request of those present, Trustee Dewart moved to take Agenda Item #19, #20 and #8a then return to the regular order of the meeting. Trustee Josephitis seconded the motion. The motion passed on a unanimous voice vote.

7. ITEM #19 – A RESOLUTION APPROVING A SITE PLAN FOR EXTERIOR ALTERATIONS AT 104-110 SCRANTON AVENUE, 612-616 OAK AVENUE, 41 E. NORTH AVENUE AND 35 E. NORTH AVENUE

President O'Hara reported Brick House Farms X, LLC is the owner of the properties in Block 2 formerly known as the Harlan properties. The proposed plans are for several exterior alterations to these properties which includes landscaping, sidewalks, a patio, the relocation of garbage containers, the screening of garbage containers, window replacement, signs, exterior lights, and exterior painting. She further reported the applicant is proposing individual garbage cans for each unit. Currently residents from several buildings bring their trash to the dumpster behind 41 E North Avenue. Five garbage cans screened by a hedge are proposed near the northeast corner of the 104-110 E Scranton building, in the Central Business District (CBD) zoning district. Four cans are proposed behind the 41 E North building, also screened by a hedge. These hedges were originally proposed to be cotoneaster, which is deciduous, but after a discussion about the code requirement for evergreen bushes when used to screen garbage containers in the CBD, the applicant has changed them to arborvitae.

President O'Hara reported one wall sign is proposed for each building. The wall sign on the 104-110 Scranton Avenue building will be 16" by 24," which complies with the Sign Code for the CBD zoning district. The signs on the other buildings will be 1 square foot in order to comply with the requirements

for the R-5 zoning district. She further reported the Architectural Board of Review (ABR) voted 5-0 to recommend approval of the Site Plan Review with the condition that the driveway for 35 E North Avenue be made out of a paver that is designed to allow grass to grow through it. The applicant is asking that the Village Board approve the Site Plan Review without this condition for the reasons described in the attached letter. The ABR also requested that the applicant provide a more detailed depiction of which replacement lights are going in which locations. That plan is included in attachment two below.

Ms. Marina Puryear (resident) commented on the existing driveway at 35 E. North Avenue and asked if an attractive permeable surface could be considered as opposed to asphalt. The Village would open itself up to more people parking on Village parkways if the asphalt driveway is allowed and this would create an unattractive environment. She is also concerned about the proposed trash containers because there is no place for them except in front of the unit, and North Avenue would be a nightmare if a trash and refuse container is allowed for each unit. The proposed improvements are great but there could be a better plan.

Mr. Gregg Handrich, the property owner's representative, said that the driveway material was discussed at the Architectural Board of Review Meeting. The initial proposal was for asphalt in lieu of the gravel surface which predominately is the surface used for the single-family homes on North Avenue. He stated cars are constantly parking at this location and their landscape consultant believe grass will not grow and that a fine gravel surface would be a challenge to maintain. He believe the pockets would create an icy surface in the winter and a trip hazard in the summer. From a maintenance perspective neither solution is beneficial and the cost for more expensive materials is a concern because of the limited budget. The proposed driveway resurfacing plans were revised, following a discussion with Staff, to include a single row of bricks going east to west to improve the appearance. Mr. Handrich stated the proposal is consistent with the existing conditions on North Avenue for single-family homes and he feels they should not be held to a higher standard for a permeable pavement.

Trustee Dewart asked if the proposed surface was similar to the area in front of the Fire Department as, if it were, the surface would be problematic.

In response to a comment from Trustee Dewart regarding parking on the Village parkway, Mr. Handrich stated the plan is not to change the use of the existing driveway but resurface the apron and driveway with asphalt.

Trustee Grenier inquired of the ABR's decision regarding the proposal. Mr. Handrich stated his belief that it was due to the appearance related issues mentioned by a neighbor. Village Administrator Drew Irvin stated the idea was to seek some aesthetic treatment to visually break up the asphalt because it is approximately the width of a lot across the frontage, and most of the homes have a single access along that street. The ABR review considers exterior modifications in the R-5 District, but their jurisdiction does not allow them to review parking locations for single-family buildings unless there are unusual circumstances.

Trustee Dewart stated cost should not be the determining factor because it is difficult to maintain the type of surfaces similar to the one in front of the Fire Department. He fears that, although well intended, the surface will become mud or gravel because grass does not take well in these areas, which has been the experience in front of the Fire Department.

In response to a comment from Trustee Grenier, Village Administrator Irvin stated the pavers that were shown as an alternative are not brick but similar to the grass surface.

Trustee Ankenman asked if this was the type of material used when parking is not the norm. It would be impermeable but allow grass to grow in that area.

Trustee Grenier asked if the applicant would experience any hardship if the matter was remanded back to the ABR for further consideration. Mr. Handrich commented on the hardscape and landscape improvement schedule and their preference to resolve the issue without going back to the ABR. The decision would not impact the entire project, but they would like to be informed soon, to further determine improvement costs.

Village Administrator Irvin stated the next regular ABR meeting is scheduled for May 2, 2017. The Village Board could approve the item tonight subject to an ABR final review and it would not have to come back to the Board.

Trustee Meyer stated he prefers the matter come back to the Board for final review because of the comments expressed about how these types of surface could create a hazardous condition.

Trustee Meyer stated he is concerned that if the Board mandate the type of material to be used, when the applicant is considering other alternatives, the Village could be imposing potential liability issues on the applicant if a tenant gets injured. Trustee Meyer stated this is a single story rental property with older residents and he would prefer the applicant explore an alternative solution that would help the aesthetics but not create a hazardous condition.

Ms. Puryear stated the sidewalk slope is quite significant making it difficult for vehicles to get up the gravel surface during the winter months and questioned if asphalt would be any easier. There is a possibility for grass to grow in this area because the vehicles are not parked in the driveway during the daytime hours. She stated there has to be another solution because the thought of having the parkway resurfaced entirely with asphalt could make it appear as a parking lot to patrons that visit our downtown.

Trustee Christensen asked if the trash containers for 35 E. North Avenue could be placed in the rear of the units. Mr. Handrich stated the Oak Avenue building has three containers in the rear by the patio area. The Scranton Avenue and 41 E. North Avenue building will have a landscape designated area behind each building for their trash containers. The trash container for 35 E. North Avenue will be in the rear of each unit near the back walkway, similar to the arrangements for Oak Avenue.

President O'Hara stated 35 E. North Avenue and 41 E. North Avenue used to share a trash container which frequently overflowed and was an eyesore to the community and asked if they would have separate trash containers. Mr. Handrich stated there will be a separate unit behind 35 E. North Avenue and the plan is to give each unit their own trash container.

In response to a question from Trustee Christensen, Mr. Handrich showed the landscape plan depicting the location of the trash container and proposed screening for 35 E. North Avenue. Staff was presented with the revised window plans for the Scranton Avenue building which consist of a dark bronze window with white trim installed on a medium gray building to give it a sharper architectural appearance.

Member Ankenman stated the revised plans will create a significantly different look and she would prefer the ABR review the revised plans. Mr. Handrich expressed his preference to move forward with the project. He also reviewed with the Village Board a change in window color from white to dark bronze.

The Village Board consensus was there was no concern with the change in window color to dark bronze for the building.

Trustee Dewart moved to take no action and remand the driveway material item to the ABR for further review. Trustee Josephitis seconded the motion. The motion passed on a unanimous voice vote.

8. ITEM #20 – AN ORDINANCE AMENDING SECTIONS 10-5-3 AND 10-6A-5 OF THE LAKE BLUFF ZONING REGULATIONS REGARDING SETBACKS FOR BLOCK THREE IN THE CENTRAL BUSINESS DISTRICT

President O’Hara reported at its regular meetings in January, February, and March, the PCZBA held a public hearing to consider amendments to the Lake Bluff Zoning Ordinance that would eliminate ambiguity regarding the minimum building setback along Scranton Avenue for lots within Block 3 of the CBD. Specifically, Section 10-6A-5 of the Municipal Code states that there is no setback along Scranton Avenue for lots within Block 3 while Section 10-5-3C1 imposes certain conditions upon commercial property that is, effectively, on the same side of the same block as residential property. *“Any lot in any business district that fronts on the same street and has the same front line as an adjacent lot in the same block that is in a residence district shall conform to the setback requirements of the adjoining residence district; provided, however, that no building on such a lot in a business district shall be required by this subsection to set back more than fifteen feet (15’) from the street line.”*

President O’Hara reported during the public hearing, the PCZBA performed an extensive review of the legislative history behind the Block 3 setbacks (Section 10-6A-5), including discussions about the idea of a residential transition in Block 3 and an adopted setback map that does not show a setback from Scranton in Block 3. After great deliberation, on March 15, 2017 the PCZBA voted 6-1 to amend the Code to require a 7.5 ft. minimum building setback along Scranton Avenue; to move the conflicting Section 10-5-3C1 adjacent to the other CBD sections of the Zoning Code; and to exempt Block 3 from the relocated Section 10-5-3C1.

Trustee Josephitis recused himself and left the board room for the duration of the Council’s discussion.

Mr. Gerald Callaghan of Freeborn & Peters, LLP spoke on behalf of the owner of the three lots on Block Three. There are five lots between Evanston Avenue on the east and Oak Avenue on the west, and he represents the owner of the three westerly lots located within the CBD. The remaining two lots are in the R-4 District and are non-conforming lots which is essentially one residential building site. Mr. Callaghan stated there were at least three PCZBA public hearings to consider this proposal and he was engaged at the second and third public hearing and submitted a letter addressing the conflicting sections and which one applies. At present the Village’s interpretation is no setback on Scranton Avenue per a written interpretation from Staff submitted in connection to a proposed multi-family development on this property. His current position is there is no setback on Scranton Avenue and the owners have not requested a text amendment. They request the zoning restrictions not be changed but remain 0 ft. setback on Scranton Avenue.

Mr. Callaghan stated the owner would like the Board to know that there no pending development proposals or contract to sale the property. The owner has no intention to try to develop the property in any way other than under the current zoning, and should the owner sale the property, there will be no zoning contingency considered. There were two proposals presented and withdrawn, the second one having never made it to the Village Board. In the owners view, he is minding his own business and the Village wants

to add a setback, which does not exist today, to his property. He objects to what is being proposed. Mr. Callaghan summarized his letter that addressed the owners concerns and alleged spot zoning. The Village's Legal Counsel provided a memorandum to the PCZBA which stated "this is not spot zoning because, spot zoning is a change of zoning applied only to a small area which is not in harmony with the Comprehensive Plan and not for the good of the community". On the Village's website there is statistic of approximately 2,200 households, most of which are single-family. The proposed text amendment only applies to three lots in the Village of Lake Bluff. He expressed his opinion this is spot zoning. He stated the text amendment is not consistent with the Village's Comprehensive Plan. The PCZBA concept was to protect the two residential lots yet the Village's Comprehensive Plan, as amended last year, does not show any single-family homes on the north side of Scranton Avenue between Evanston and Oak Avenue. He suggested this is considered spot zoning based on the definition that was provided by the Village.

Mr. Callaghan stated the proposed text amendment will render the existing conforming building as non-conforming which would affect values or interest of a potential buyer. He stated by turning this property into something that it is not today will diminish the property's value and the owner did not ask for a text amendment but prefers to keep the current zoning.

Mr. Callaghan stated if you look at the history regarding CBD setback regulations, there was approximately seven meetings where the PCZBA reviewed the CBD regulations. He stated one of the main topics discussed was setbacks and it was determined there should not be any setbacks on Scranton Avenue. The intent was to make the area a business district and, if setbacks were allowed, it would defeat the purpose of the CBD. There are some comments and guidelines within the CBD zoning that showed there should not be a setback on Scranton Avenue. The design guidelines showed you must express intimacy by placing the businesses next to the street to allow people to interact with the business. There was also an assertion that the look should be like a small town main street. He looked at some of the planning organizations that do those types of studies, and all of them said the stores should be next to the street, not pushed back, to allow people to interact with store fronts when walking down the street. Mr. Callaghan stated the other interesting thing about this block is that former PNC Bank building is close to the lot line, which is 19.5 ft. from the curb line, so there is a very wide right-of-way. The 19.5 ft. consist of 10 ft. of parkway, 5 ft. of sidewalk, 4.5 ft. of building should the additional 7.5 ft. be approved there would be a 23 ft. setback, which is not consistent with any of the other businesses on Scranton Avenue that are all up to the property line. The proposed setbacks will push the property back and is not consistent with the design guidelines of intimacy and small town main street look.

Mr. Callaghan stated he was troubled by the public hearing process because the history of why there were no setbacks in the CBD was not mentioned until the third public hearing. He thanked Staff for providing the information which was helpful in understanding the process. He thought the process would not move forward after review of the extensive studies on why there should be no setbacks in the CBD. At the PCZBA public hearing, he observed the discussion which resulted in three votes for 0 setbacks and three votes for at least 7.5 ft. setbacks. At the end of the day, it seemed to him the board thought "we are here, so we may as well do something, lets impose a setback". To him it was a default that they had to come up with a setback requirements as opposed to saying "now that we know the history and have reviewed the design guidelines and zoning regulations, let's not make any changes to the setback" which is what the owner is requesting.

President O'Hara opened the floor for questions from the Board.

Trustee Meyer asked if the prior proposal for redevelopment submitted by Mr. Callaghan's client had a 5 ft. setback. Mr. Callaghan stated The Roanoke Group proposal was submitted with his client's consent but he is not sure if there was a request for a 5 ft. setback.

Trustee Grenier stated there are already constraints on what can fit on this lot and the existing setbacks match Block Two. Consistency across those Blocks with the rest of the business district make sense to him. There is conflict in the existing regulations and he is looking at some sort of compromise. The intent seems to be to manage the transition from residential to CBD. Trustee Grenier provided examples of how other communities handled these type of situations such as to plan an angle restriction on the last building where there is a transition period. He suggested the Village look at just the section adjacent to the residential lots, and perhaps push that area back a little by regulation. He stated given the existing restrictions on that lot, maybe a plan could be developed to deal with the transition to the residential district without impacting the entire Block Three transition.

Trustee Dewart expressed his understanding that we are setting an as-of-right setback that would not preclude Mr. Callaghan's client or a future developer from coming in with an alternative that may include the features that are being mentioned, as part of a negotiated development process. He feels uncomfortable with this area having no setback requirements. Given that someone may with a well-developed alternative to use some of the more creative approaches, the generic guidelines as-of-right are appropriate to him.

Trustee Grenier stated by producing the 7.5 ft. setback, that is the length of Block Three, the project must come before the PCZBA and ultimately the Board for approval to change the setback requirements. His intent would be to find a way to minimize the negative impact on future developers. He understands this would not necessarily restrict the Board from allowing a smaller setback to happen, maybe in the context of having a project that has been proposed with some definition that the Board can consider.

Village Administrator Irvin stated that a zoning petition for setback relief and the PMD tool allows flexibility to developers in regards to setbacks.

Trustee Grenier agreed with the need for intimacy and stated he likes where the 0 ft. setback is right now. However, he is conscious of the transition, which is a concern to him.

Trustee Meyer stated that a 5 ft. setback is appropriate by virtue of the outline of the footprint of the prior proposed project. Another way of viewing this is if we acknowledge that the need for a transition in setback has already been conceded as appropriate in this situation by the owner.

In response to a comment from the Board, Village Administrator Irvin stated the two proposals submitted were for the entire Block including the residential lots now sold to a third party.

Trustee Christensen noticed the PCZBA minutes never answered the question "Was the existing bank building built according to as-of-right, or was a variance needed?" He expressed his belief it was built as-of-right. There were strong efforts in the late 1990s during the Teska Study which came up with the setbacks. In this case, the conflict is between the 0 ft. and 15 ft. setback and he has a few problems with the process. The proposed ordinance will only alter Block Three and not any of the other potential CBD Blocks that abut residential neighborhoods. He does not feel the process is complete and asked if the previous proposal were the reason this matter is being considered. He stated that the 1990 study intent was done, which was the 0 ft. setback for this property, but he would like to see the CBD dealt with in its entirety rather than just this particular area.

Trustee Christensen stated the PCZBA minutes did not want the Board to hear this discussion until it had received the minutes from their meeting during which Village Attorney Ben Schuster stated “the straw poll was needed because there are two draft ordinance before the PCZBA”. Chair Kraus conducted the straw poll, Member Miller had two responses (0 or 7 ft. setback), Members Bishop, Burns and Miller voted for a 0 setback and Members Collins and Peters for a 7 or 7.5 ft. setback. Chair Kraus stated “a 0 ft. setback is fine if it is well designed”. Trustee Christensen questioned how a 4 to 2 straw poll, which favored a 0 ft. setback, became a recommendation to the Board to consider a 7.5 ft. setback. The PCZBA minutes stated “Chair Kraus stated the PCZBA should engage in an effort to continue having more eyes on more things that happen in the Village, and the way to do this is to have a more restrictive provision in the code that will require someone that desires to build closer to the lot line than 7.5 ft. to seek a variation.” It appears to him that Chair Kraus did not want to allow a 0 ft. setback, but, as a group, the PCZBA is 4 to 2 in favor of a 0 ft. setback. Trustee Christensen stated he is confused by the PCZBA’s deliberation and would like to deal with this conflict in the CBD regulations or, at a minimum, disregard the 7.5 ft. setback and leave it at 0 ft. setback that was determined by the previous work of the PCZBA.

In response to a comment from Trustee Ankenman regarding timing of the adoption of the conflicting sections. Village Attorney Peter Friedman stated there are regulations that predate the 1999 provisions.

Trustee Ankenman expressed her understanding that floor area calculations are considered when an addition is requested. The shape or footprint of the building does not matter but the addition could only be built within a certain limit. She asked if there was something like this for the CBD properties that would require a development to be built with a certain number of square footage. She asked if it would be a hardship if they are still able to build on a certain square footage or if it effects just where its positioned on the lot.

Building Codes Supervisor Mike Croak stated there is no square footage limit in the CBD so such a regulation would reduce the square footage. They have to provide parking based on the square footage for the existing building, but there is no floor area ratio limitations.

Mr. Callaghan expressed his understanding there is a 30 ft. height limit and a building coverage limit of 60% limits what can be developed.

President O’Hara stated she does not vote except if there is a tie, but she is concerned about imposing further restrictions downtown especially when the PCZBA is sending mixed messages. She is concerned about more restrictions being placed on a particular lot that could potentially be developed downtown and asked the Board to take that into consideration.

Trustee Christensen stated although the second proposal never made it to the Board for consideration, it was clear the residents did not want a development that exceeded the height restriction. He commented on the multi-family development being building in the City of Lake Forest and noted his concern regarding future housing stock for Lake Bluff because it is not in the market for this type of development. He recalled demographic information presented during a Park District meeting noting from 2000 to 2016 the average age in Lake Bluff has gone from 39.4 to 46 years old, which to him is very dramatic in terms of change to the population. There are several factors that may have contributed to the change and noted there have been several residents that left Lake Bluff but would have preferred to stay in Lake Bluff, and for those reasons, he would hate for the Village to be more restrictive.

President O'Hara stated the Village's Strategic Plan addresses the Village's need for diverse housing and she would hate to discourage anything that would provide the Village some potential options at some point in time.

Trustee Dewart asked how the Planning Principles address this particular geographical area.

Trustee Christensen stated there was a comment in the PCZBA minutes about the single-family residential homes that was going to be built, and should that home be allowed to be built closer to the street. There was a comment stating "We do not need to do that" and his thoughts were "Why not" if it is close to the CBD. He does not know the plans for the lots, but he does not think it is in conflict with the residential character nearby and whoever purchased the property had to have known it was next to the CBD property. He would hate to see further restrictions authorized.

Trustee Meyer asked if there is a right to build at 0 ft. setback today. He asked if the Village loses control of the issue of transition as a matter of public discussion if the Board does not act. Village Administrator Irvin stated any project for this area must go through the ABR review process but the developer does have the right to build pursuant to the current setback regulations.

Trustee Grenier asked if the PCZBA could reconsider the possibility of a 0 ft. setback and submit something that addresses the transition which would give the Board some flexibility for that side of the property. Village Administrator Irvin stated there are different methods available that can provide flexibility.

Trustee Meyer stated he would like the opportunity for discussion with the various Advisory Board, and public to address the issue of transition for a development proposal. His perspective is not to lose the ability to have open discussion, with public input, to determine transition if this is considered the appropriate thing that should happen.

Trustee Grenier agreed with Trustee Meyer and stated there need to be provisions included that would not scare away potential developers.

Trustee Meyer stated it appears everyone wants to work together in good faith to welcome an appropriate development, understanding the process includes community input. Also, he would like to see the Board maintain some ability to respond to community input and make a good development that would be in the best interest of Lake Bluff.

Trustee Christensen noted that, at the public hearing meeting regarding height restrictions, many people objected to more than two stories in downtown. There was only one public comment recorded in the February 15th PCZBA meeting minutes from Mr. Callaghan, and his request was not to change the setback requirements. He discussed how to encourage the desire for feedback with a desire to avoid scaring off a potential developer.

Trustee Meyer stated he does not want to scare off potential developers, but to preserve options which will allow the Board to response to community feedback.

Mr. Callaghan stated he would think the Village would want any building to be pushed up against Oak and Scranton Avenue and away from the residential. There is a more substantial setback along the east

side of Scranton Avenue separating the CBD from the residential lot, and he think if you can orient the development toward the other commercial properties that would be best for everyone.

In response to a question from Trustee Grenier, Mr. Callaghan stated the two non-conforming residential have been sold but he does not know the buyer.

Village Attorney Friedman stated the discussion the Board is having is where it should be. He can tell the discussion is not based on Mr. Callaghan's legal opinion regarding spot zoning. The fact there is a small piece of property that may require a specific text amendment does not mean illegal spot zoning. Mr. Callaghan did not read the second paragraph of the memorandum which is where the court would look when determining spot zoning. In order for something to be spot zoning, it has to be an invalid zoning ordinance which is unreasonable, arbitrary, bears no relation to the public health safety, morals and welfare. The Board has the authority to consider all the appropriate changes to the proposed zoning text amendment. There is nothing illegal or improper about a text amendment that creates non-conformities because they become legal non-conformities and the Board would not be making a property illegal. There is nothing illegal or unconstitutional about a text amendment that may adversely or reduce the value of a piece of property. The standard for whether or not there is a taking or constitutional devaluation of property is not whether it reduces the value of the property, as there is an understanding that zoning sometimes does that.

Village Administrator Irvin responded to Trustee Dewart's earlier question regarding Planning Principles. Village Administrator Irvin stated that there was a recent amendment to the Village Comprehensive Land Use and read aloud Planning Principles #3, #4, #7, #9 and #10.

Trustee Dewart stated he is uncomfortable with the 0 ft. setback because there needs to be some setback on the western end of Block Three. The Library is noticeably setback from the frontage of Block Two on the south side the Museum, which is setback further from the northern perimeter of the Library. The two adjacent resident properties have further setbacks. If you stand in the middle of that street you would see an opening expanding from the corner of Oak and Scranton Avenue looking east. As he listened to the Planning Principles, he thinks that was the intention here, and as-of-right he is uncomfortable with the 0 ft. setback. He would, as part of a PMD or variance, be very receptive to hearing a development plan from future developers, but not as-of-right without any further limitations on the Village's part. He thinks the Board have to impose a setback, if it believes the Planning Principles that the area needs to open up and provide some transition. This action does not block the Village from necessarily approving something else but a development without any further action on the Village's part should at least reflect the Planning Principles.

Trustee Grenier stated the most compelling view of that argument is to give the Village control to be able to approve a project and maintain flexibility the Village needs to control how the development would be positioned on the lot and grant the setbacks based on the overall project. He asked if this would outweigh the concern of making it more difficult to get a project approved.

Trustee Dewart stated he does not believe the action would block any future opportunities but it does create the opportunity for an architect to provide the Village with a creative presentation that make that setback or transition less noticeable. However, if someone was to come forward, and the 0 ft. setback is allowed, there could be a 30 ft. tall building built right next to the sidewalk. He is not sure that is what the Village propose to be acceptable as-of-right.

Trustee Meyer stated these are the types of scenarios he would like the Village to have the power to prevent.

Trustee Christensen stated removal of the calculated setback requirements for Block Three is inappropriate and should be considered for other areas in the CBD which abut residential properties.

Trustee Dewart moved to direct Staff further review an ordinance amending sections 10-5-3 and 10-6A-5 of the Village's zoning regulations regarding setbacks for Block Three in the Central Business District. Trustee Meyer seconded the motion. The motion passed on a unanimous voice vote.

Trustee Josephitis took his seat at the podium and resumed his position as Trustee.

9. ITEM 8A – VILLAGE ADMINISTRATOR'S REPORT: INFORMATIONAL REPORT FROM THE LAKE BLUFF POLICE DEPARTMENT (Presentation of the 2016 Annual Report)

Police Chief David Belmonte introduced Sergeant Eric Gehrke to present the Department's 2016 Annual Report. The presentation detailed the mission, staffing (15 sworn members), specialties such as multi-agenda/task force assignments, divisions and functions, patrol (24/7 – 365 with a minimum 2 officers), patrol statistics (response calls, building/location checks, extra watches, crime prevention notices, ordinance violations, traffic stops, property thefts, common calls and serious incidents), 3-Year trend of felony/misdemeanor cases, Use-of-Force statics (no complaints), traffic enforcement, crash investigations (0 fatalities), DUI Enforcement (6 alcohol related crashes and 18 DUI arrests and NHTSA \$5,000 traffic safety grant to supplements DUI enforcement efforts), investigations, additional services (child seat installations, fingerprinting, liquor licensing, alcohol compliance checks, firearm destruction, drug disposal and bicycle donations), special events (Halloween hot dog roast, 4th of July Parade, Lake Bluff Criterium, special Olympics torch run and public safety open house, USMC toys for tots, LF/LB Rotary, the Pumpkin Chase, Chicago Cubs rally, CROYA Donut Bowl, and Lake Forest Bike Rodeo), awards and recognition.

Trustee Christensen thanked Sergeant Gehrke for the presentation and inquired of the citations/warnings statistics. Chief Belmonte stated the trend is to issue more warning notices because the Police Department views traffic enforcement as more of an educational tool rather than punitive. The plan is to address small behavioral offenses and equipment malfunctions with a warning. President O'Hara thanked the Police Department for keeping the community safe.

10. ITEM #7A – WARRANT REPORT FOR APRIL 16-31, 2017

President O'Hara reported Expenditure of Village funds for payment of invoices in the amount of \$313,326.52 for April 16-30, 2017.

As such, the total expenditures for this period is in the amount of \$313,326.52.

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

Ayes: (6) Ankenman, Christensen, Dewart, Grenier, Josephitis and Meyer
Nays: (0)
Absent: (0)

11. ITEM #8 – VILLAGE ADMINISTRATOR’S REPORT CONT.

Village Administrator Irvin had no report.

12. ITEM #9 – VILLAGE ATTORNEY’S REPORT

Attorney Peter Friedman had no report.

13. ITEM #10A -H – VILLAGE PRESIDENT’S REPORT APPOINTMENTS TO VILLAGE ADVISORY BOARDS AND COMMISSIONS, AND CREATION OF RESIDENTIAL BUILDING AD HOC COMMITTEE

President O’Hara reported the Village President is required by the municipal code to appoint members to the Village’s various advisory Boards and Commissions, subject to the consent of the Board of Trustees. The following Village residents are recommended for reappointment as indicated below:

Architectural Board of Review (2 year term):	Neil Dahlmann Edward Deegan Matthew Kerouac John Sorenson
Board of Fire & Police Commissioners (3 year term):	John Canty
Historic Preservation Commission (4 year term):	Robert Hunter
Joint Plan Commission and Zoning Board of Appeals (3 year term):	Leslie Bishop Steven Kraus
Police Pension Fund Board (2 year term)	Brad Adams
Senior Resources Commission (2 year term):	Steven Potsic Mary Jo Davis

President O’Hara stated the Village President also recommends reappointment of the following chairpersons and vice chairperson to one year terms:

- Architectural Board of Review – Robert Hunter
- Historic Preservation Commission – Janet Nelson
- Historic Preservation Commission Vice Chair – Robert Hunter
- Plan Commission and Zoning Board of Appeals Chair – Steven Kraus

President O’Hara stated Rebecca Quackenbush will not be reappointed to the Committee Representing Our Young Adults because Lake Forest regulation only allows a total of three (2 year) terms, which she has now served.

Trustee Grenier moved to approve the Advisory Board appointments. Trustee Meyer seconded the motion. The motion passed on a unanimous voice vote.

President O'Hara reported that pursuant to the Lake Bluff Municipal Code, the Village President shall be empowered to appoint from time to time such select or additional committees deemed necessary and proper. As listed in the attached protocol, Village President O'Hara believes the Residential Building Ad Hoc Committee should be established to provide advice to Village leadership on ways to maintain and improve the residential built environment of the Village through an examination of (i) existing Village regulations, (ii) other Illinois local government regulations, and (iii) best industry practices regarding historic preservation, residential bulk regulations, subdivision codes, and residential design management. Staffing of this Committee will initially be provided by the Village Administrator. Ideally, the proposed Committee will be able to start their work as soon as next month.

Trustee Christensen moved to establish the Residential Building Ad Hoc Committee with the member of Matt Kerouac, Leslie Bishop, Cheri Richardson, Jim Moss (Chair), Brad Andersen, Deb Fischer, Jennifer Beeler, George Russell, and Scott Streightiff. Trustee Meyer seconded the motion. The motion passed on a unanimous voice vote.

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

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

11. Correspondence Delivered in the April 7 and 14, 2017 Informational Reports;
12. A Resolution Approving the Appointment of the Building Commissioner and Deputy Building Commissioners; and
13. An Ordinance Amending Title III of the Village of Lake Bluff Municipal Code Regarding the Number of Liquor Licenses.

President O'Hara stated Wisma Concepts, LLC and The Noodle Shop, Co. are closed and their liquor licenses will not be renewed.

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

15. ITEM #14 – CONTINUATION OF A PUBLIC HEARING CONCERNING THE VILLAGE OF LAKE BLUFF PROPOSED FISCAL YEAR 2018 TENTATIVE BUDGET

President O'Hara reported as required by law, the Village must hold a public hearing on the Tentative Budget after which hearing the budget may be revised and passed without any further inspection, notice or hearing. Notice of this public hearing was published on Saturday, April 14th in the Lake County News Sun. At the April 10th meeting the Village Board opened and continued a public hearing to April 24th Village Board meeting. It is anticipate that subsequent to this public hearing, second reading and adoption of the budget will occur.

Finance Director Griffin stated the public hearing is for the second year of the Village's FY2018 Biennial Budget, approved last year, for the fiscal period beginning May 1, 2017 and ending April 30, 2018.

Finance Director Susan Griffin began a slide presentation on the FY2018 Tentative Budget describing the primary budget objectives and main types of funds (general, special revenue, water, police pension trust and library). The following comprise the major highlights of the Tentative Budget:

- The total proposed budget for FY2017 was \$13.04 million and FY2018 is \$14.04 million which is a 1.9% increase from the previous year as a result of the adjustment for sales tax rebate budget in the amount of \$250,000;
- The FY2017 Operating budget was \$10.09 million and FY2018 is \$10.54 million;
- The FY2017 total capital budget was \$2.9 million and FY2018 is \$3.5 million which is a 18.75% increase from the previous year;
- The Library's FY2017 total proposed budget was \$1.006 million and FY2018 is \$960,000 which is a 4% decrease from the previous fiscal year. The increase in FY2017 attributed to capital outlay in the amount of \$67,000.

Finance Director Griffin presented a slide showing FY2018 proposed expenditures by category (capital outlay 24%; debt service 3%; contingency 2%; pension 9%; contracts/commodities 28% and personnel services 34% and stated the personnel services decreased because there was an increase in capital outlay. She showed a slide of personnel projections noting there were no significant Staff changes. A slide of revenue sources (property taxes, sales taxes, licenses, water sales and charges, utility and other taxes, State shared taxes, water fund excess reserves, governmental funds excess reserves and grants/donations) and noted property taxes remain the main source of revenue for the Village. The FY2018 property tax dollars come from the Board approved 2016 property tax levy which will be collected in June and September 2017, then disbursed to municipalities.

Finance Director Griffin presented slides showing the 5 year history of the major revenue sources and noted highlighted the Finance Committee recommended to transfer \$2 million of General Fund excess reserves into a newly established Capital Projects Fund to be used exclusively for public works infrastructure projects. The General Fund balance is projected to remain in the range of 50% of one year's operating budget.

Finance Director Griffin showed a slide of the Water Fund and commented that this fund functions like the private sector. The purpose of the Water Fund is to pay for wholesale water, billing, reading costs, and annual capital maintenance. The Finance Committee reviewed a 10-year projection of revenues, expenses, unreserved net plan asset, and required water rates to meet the reserve policy and recommended the retail water rate increase from \$7.10 to \$7.31 per thousand gallons. This \$0.05 increase is a pass through to end users because the CLCJAWA rate is expected to increase from \$2.73 to \$2.78. In addition, the Finance Committee recommended changing the structure of the water service maintenance charge from \$7.50 to \$10.00 per quarter effective May 1, 2017. The proposed increase will affect approximately 91% of the Village residents. The recommended structure will revise the water service maintenance fee from \$7.50 per quarter to a quarterly fee based on meter size (1" or less meter - \$10; 1.5" meter - \$15 and incremental increases for meters greater than 2".)

Finance Director Griffin showed a slide of the proposed capital expenditures and described the following major capital projects: (i) street resurfacing and roadway improvements program - \$550,000; (ii) Moffett/E. Witchwood sanitary sewer project - \$20,000 has been spent on design for this year and remaining design and construction will be done in FY2018; (iii) East Prospect sanitary sewer - \$20,000 has been spent on design for this year and remaining design and construction will be done in FY2018; (iv) Train Station roof replacement and exterior maintenance (grant funded) - \$300,000; (v) the water meter auto read conversion project has been postponed until the review of the meter is completed to determine if it justify the \$1 million investment; (vi) vehicles, equipment and technology replacement - \$329,000; (vii) sanitary sewer lift station repairs - \$150,000; (viii) building maintenance and ADA improvements -

\$66,000; and (ix) lighting at the East Sheridan Place bike path crosswalk to the Mawman Avenue connection.

In response to question from Trustee Dewart, Finance Director Griffin stated she anticipate the projected ROI timeframe for meter replacement will be approximately 10 to 15 years.

She showed a graph highlighting the increase in the public works infrastructure and stated we are looking at approximately \$2.7 million for the upcoming year. In conclusion she showed a slide of the 2015 property tax rates and noted the Village represents 9% and the Library represents 2% of the total tax bill and noted the 2016 property tax rates will be updated in the final budget document.

16. ITEM #15 – SECOND READING OF AN ORDINANCE ADOPTING THE TENTATIVE BUDGET FOR THE VILLAGE OF LAKE BLUFF FOR THE FISCAL YEAR COMMENCING MAY 1, 2017 AND ENDING APRIL 30, 2018

President O’Hara introduced the agenda item and requested a motion to approve the budget.

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

Ayes: (6) Christensen, Dewart, Grenier, Josephitis, Meyer and Ankenman
Nays: (0)
Absent: (0)

17. ITEM #16 – SECOND READING OF AN ORDINANCE AMENDING TITLE I OF THE MUNICIPAL CODE OF THE VILLAGE OF LAKE BLUFF REGARDING THE COMPREHENSIVE FEE SCHEDULE

President O’Hara reported as part of the budget development process, the Finance Committee reviews the comprehensive fee schedule. At the March 25, 2017 Finance Committee meeting, the members unanimously recommended the following changes to the comprehensive fee schedule:

User Charges and Connection Fees: (page 16 of the Ordinance)

- Adjust water rate for properties within Village limits from \$7.10 to \$7.31/1,000 gallons;
- Adjust water rate for properties outside of the Village limits from \$8.17 to \$8.41/1,000 gallons; and
- Revise the water service maintenance fee from \$7.50 per quarter to a quarterly fee based on meter size:
 - 1” or less meter - \$10,
 - 1.5” meter - \$15,
 - 2” meter - \$25,
 - 3” meter – \$50,
 - 4” meter - \$75,
 - 5” meter - \$100, and
 - 6” or greater meter - \$200 per quarter

President O’Hara reported the water rate and water service maintenance fee is revised pursuant to the multi-year rate projections developed and annually reviewed by the Finance Committee to adequately

cover the operating and capital costs associated with the Village water system. No other changes in the Village fees were recommended at this time.

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

Ayes: (6) Dewart, Grenier, Josephitis, Meyer, Ankenman and Christensen
Nays: (0)
Absent: (0)

18. ITEM #17 – A RESOLUTION APPROVING A REVISED EMPLOYEE HANDBOOK FOR THE VILLAGE OF LAKE BLUFF

President O’Hara reported the resolution is to approve a new revised Employee Handbook which sets forth the conditions of employment applicable to all employees of the Village except that certain sections are superseded by applicable collective bargaining agreements. Annually, Village Administration reviews and recommends the Board adopts changes to the Manual in keeping with best practices in human resources and the recommendations of the Village’s legal counsel. She further reported at their March 25th meeting, the Finance Committee reviewed the proposed changes and recommended approval. In addition to the changes presented to the Finance Committee, Staff recommends the Board adopt one additional change. The Employee Handbook incorrectly lists insurance coverage as beginning on the day of employment; the change revises that language to match Village practice, which is to start coverage on the first of the month following the first day of employment.

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

Ayes: (6) Grenier, Josephitis, Meyer, Ankenman, Christensen and Dewart
Nays: (0)
Absent: (0)

19. ITEM #18 – A RESOLUTION APPROVING THE VILLAGE OF LAKE BLUFF 2017-2018 OFFICIAL PAY PLAN

President O’Hara reported the resolution is to approve the Village of Lake Bluff Official Pay Plan (Pay Plan) for Fiscal Year beginning May 1, 2017. This document, which is updated annually, establishes the authority and official guidelines by which the Village Administrator may appoint, promote, evaluate and compensate all Village employees except those employees subject to one of the three collective bargaining agreements (Police Sergeants, Police Officers, and Public Works unions). She further reported a main component of the Pay Plan is the schedule of salary ranges for the various Village positions. Please know that actual employee pay increases are contingent on performance evaluations. The Fiscal Year 2017 Annual Budget includes a 2.5% pool for non-union salary adjustments. Consistent with Village pay policy, the attached Pay Plan reflects adjustments to the ranges for the following positions:

Title	Min	Max
Finance Clerk	No Change	\$67,600
Assistant Finance Dir.	\$80,080	\$112,060
Finance Dir.	\$121,160	\$158,080

Deputy Chief of Police	\$111,020	\$143,000
Chief of Police	\$121,160	\$158,080

President O’Hara reported at their March 25th meeting, the Finance Committee reviewed the schedule of salary ranges, the actual current salaries with a survey of comparable communities, and recommends approval of the Pay Plan.

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

Ayes: (6) Josephitis, Meyer, Ankenman, Christensen, Dewart and Grenier
Nays: (0)
Absent: (0)

20. ITEM #21 – TRUSTEE’S REPORT

The Village Board thanked Attorney Peter Friedman for hosting the biennial seminar for local government officials at the Glencoe Writers Theater.

21. ITEM #23 – ADJOURNMENT

Trustee Dewart moved to adjourn the regular meeting. Trustee Meyer seconded the motion and the motion passed on a unanimous voice vote. The meeting adjourned at 9:10 p.m.

Respectfully Submitted,

R. Drew Irvin
Village Administrator

Aaron Towle
Village Clerk