

**VILLAGE OF LAKE BLUFF
BOARD OF TRUSTEES
REGULAR MEETING
FEBRUARY 24, 2020**

APPROVED MINUTES

1. CALL TO ORDER AND ROLL CALL

Village President O’Hara called the meeting to order at 7:03 p.m. in the Lake Bluff Village Hall Board Room, and Village Clerk Megan Michael called the roll.

The following were present:

Village President: Kathleen O’Hara

Trustees: Barbara Ankenman
Mark Dewart
William Meyer
Aaron Towle

Absent: Regis Charlot
Joy Markee

Also Present: Megan Michael, Village Clerk
Peter Friedman, Village Attorney
Drew Irvin, Village Administrator
Bettina O’Connell, Finance Director
Jeff Hansen, Village Engineer
Mike Croak, Building Codes Supervisor
Mike Hosking, 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 OF THE FEBRUARY 10, 2020 VILLAGE BOARD MEETING

Trustee Dewart moved to approve the February 10, 2020 Board of Trustees Regular Meeting Minutes as presented. Trustee Ankenman seconded the motion. The motion passed on a unanimous voice vote.

4. ITEM #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.

There were no requests to address the Board.

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

President O’Hara recommended taking Agenda Item #7a then return to the regular order of the meeting. There were no objections from the Board.

6. IEM #7A – VILLAGE ADMINISTRATOR’S REPORT: PRESENTATION OF CONGRESS FOR NEW URBANISM ILLINOIS CHAPTER “THIRD PLACE” AWARDS TO PRAIRIE ESPRESSO+WINE BAR AND LAKE BLUFF BREWERY

Congress for New Urbanism Illinois Chapter (CNU) Board Member Mike Kritzman said the focus of the organization is on understanding how the quality of the built environment impacts lives and then it applies the knowledge to build vibrant and thriving communities statewide. He said CNU Illinois recently held its Third Place competition. A Third Place is a designation for a place that hosts informal gatherings beyond home and work, offers social connection and a place for civic life. The Lake Bluff online submittals for Prairie Espresso+Wine and Lake Bluff Brewery emerged amazingly regionally wide as the submissions were not just about the walls or space which the businesses occupies but about their connectivity with other businesses and organizations in the community. Mr. Kritzman said the Third Place awards have been presented to John Davis (Prairie Espresso + Wine Bar) and Mike Dorneker (Lake Bluff Brewery).

Village Administrator Irvin expressed his thanks to both owners and said this is good timing for the presentation as it is “Restaurant Week” in Lake Forest/Lake Bluff chamber area.

President O’Hara thanked the business owners and noted both establishments are premier in the community as each business provides service, a place for people to connect and meet, and are a big part of making Lake Bluff a vibrant community.

7. ITEM #6a – WARRANT REPORT FOR FEBRUARY 16-29, 2020

President O’Hara reported expenditure of Village funds for payment of invoices in the amount of \$385,308.97 for February 16-29, 2020 was resulted in total expenditures of \$385,308.97.

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

Ayes: (4) Ankenman, Dewart, Meyer and Towle
Nays: (0)
Absent: (2) Charlot and Markee

8. ITEM #6b – FIANANCE REPORT

Following a request from President O'Hara, Finance Director Bettina O'Connell provided a brief summary of the January 2020 Finance Report highlighting major revenue sources and expenditures for the period.

- The sales tax revenue on a cash basis for FY20 through November is \$2,040,953, 6.9% or \$132,228 greater than the same reporting period in FY2019;
- Home rule sales tax revenue on a cash basis for FY20 through November is \$592,180, or 3% greater than the same reporting period in FY2019, with annual administrative fees totaling \$8,997.84;
- Building Permit revenue for FY20 to date is \$252,150 or \$44,328 less than last fiscal year for the same time period;
- The May-January FY20 expenditures of \$7,581,925 are \$167,750 greater than the expenditures for the same period in FY19; and
- Current expenditures are consistent with or less than the budget.

In response to a question from Trustee Dewart, Finance Director O'Connell said the December sales taxes reflecting the holiday season revenue will be presented in a future finance report.

President O'Hara moved to accept the Finance Report. There were no objections from the Board and the motion passed on a unanimous voice vote.

9. ITEM #7b – VILLAGE ADMINISTRATOR'S REPORT CONTINUED: REPORT REGARDING THE FEBRUARY 19, 2020 JOINT PLAN COMMISSION AND ZONING BOARD OF APPEALS HEARING CONCERNING POSSIBLE AMENDMENTS TO THE MAXIMUM HEIGHT OF PLANNED MIXED-USE DEVELOPMENTS AND BLOCK THREE OF THE CENTRAL BUSINESS DISTRICT

Village Administrator Irvin reported in November and December 2019, the Joint Plan Commission and Zoning Board of Appeals (PCZBA) conducted workshops regarding a proposed 20-unit condominium redevelopment of the former PNC Bank site at 120 E. Scranton Ave., also known as Block 3 of the Central Business District. At the conclusion of its December workshop, the PCZBA requested that the Village Board initiate the process to eliminate the two story or 30 foot maximum height restriction applicable to Planned Mixed-Use Developments (unless a variation is received). At its January 13, 2020 meeting, the Village Board voted to submit the application for a text amendment as requested. She further reported the PCZBA conducted its public hearing on Wednesday, February 19 and considered three options presented by Staff, including:

1. Take no action and leave the height limitation in place;
2. Delete the height limitation applicable to Planned Mixed-Use Developments. A developer would still need to seek a modification and satisfy certain standards to exceed the applicable underlying height limitation; and
3. In addition to #2, adjust the underlying height limitations applicable to Block Three and the adjacent residential zones only when pursuing a unified development. No modification would be needed to exceed the applicable underlying height limitation.

Village Administrator Irvin reported following considerable public comment and discussion, the PCZBA recommended (3-2) that the Village Board take no action and leave the height limitation and associated variation process in place.

President O'Hara opened the floor for public comments and asked that each person addressing the Village Board limit their comments to a maximum of three (3) minutes.

Jean Niemi (resident) reiterated that "nothing has changed since the last proceedings" and expressed her opinion regarding various comments made at the PCZBA meeting. The site is being described as an "eyesore" but it is her understanding the current owners are required to maintain the site and she is concerned that if the condos are built, and the units do not sell, the site will not be maintained. Also, it is her belief that a three story development would change the look and feel of Lake Bluff. Ms. Niemi said she received a response from Staff regarding the validity of the 500 signatures on the petition and she commented on the *change.org* process and noted the signatures on the petition are valid.

Rick Lesser (resident) said he is not a neighbor of the property but he supports maintaining the current zoning and height restrictions which applies to this property. The regulations were established to protect the interests of existing residents who have acquired and are committed to the homes. He encouraged the Village Board to consider maintaining the current restrictions in order to preserve harmony within the neighborhood.

Jim Arnold (resident) said a two story development would be appropriate for Block Three because currently there are no apartments/condos for people that desire to downsize and remain in Lake Bluff, but he is concerned that the proposed price range maybe too expensive.

Robert Isham (resident) said work have prevented him from attending the meetings but he does support the residents that have spoken in support of the PCZBA recommendation. He asked the Village Board to listen to residents that would be significantly impacted by the development as well as those that are not opposed, but desire a development that complies with the current zoning and height requirements.

Brad Andersen (resident) said he would prefer the discussion this evening address the PCZBA recommendation regarding the proposed amendment. On December 18th PCZBA Member Murray stated "he did not feel as though the PCZBA could comment on a petition coming forth without an endorsement that the Village Board would at least consider something above the current height regulations." The discussion should not be about previous proposals, but about drawing a line in the sand, stating the Village Board will not consider or look at any new proposals. Mr. Andersen said in regards to economic development, he does not see how the Village could write off any possible future developments, in excess of 30 ft., which was reduced by the Village Board after the previous development was withdrawn.

Mark Stolzenburg (resident) said the property owners are asking the Village Board to solve their financial problem by requesting a denser development to make a bigger profit, but this is not a reason to change the zoning regulations. He expressed his belief that the proposed development could negatively impact the surrounding properties and change the character of Lake Bluff. In 2016 the Village Board enacted the 30 ft., two story height limitation as a bargain with the community and allow developers more flexibility while preserving the small town community charm and protect its residents. Mr. Stolzenburg said the presentation from Paul Bergmann was literally an exposition as to how Lake Bluff was designed to be a two story town. It is not the Village Board role to create a new market in response to the profit demands of developers and he thinks the proper solution would be to wait for the housing market to operate under the current zoning regulations. He said there are options that could benefit everyone, if the Village believes something needs to be done, such as acquire Block Three through eminent domain and modify it for public use, rehabilitate the existing parking to address the current parking shortage in the CBD, create more open space, and preserve the mature trees along Evanston Avenue.

Kate Briand (resident) expressed her opinion that no reasons have been stated that warrants amending the existing ordinance and shared a slide showing other reasons that have been presented. She shared her opinion as to why Block Three is still vacant, real reasons for a text amendment and her concern regarding marketing strategic associated with the property. She said Block Three is part of a larger plan noting that the study for Blocks Two and Three were done in conjunction pursuant to the Lake Bluff Visioning Study. Ms. Briand expressed her opinion that a text amendment is bad policy because decisions are made on ultimatums from developers and not constituents. She expressed her concern regarding parking and asked the Village Board to keep Lake Bluff a two story town.

As there were no further public comments, President O'Hara opened the floor to comments from the Board.

Trustee Meyer said Block Three is currently an "eyesore" that has long outlived its utility. The Village has an opportunity to consider something better for the property consistent with its duty to protect the character of Lake Bluff, respect the interest of its citizens and help shepherd the Village's productive economic future. It is his point of view that the Village has the ability to consider any and all viable redevelopment plans in an open and fair forum, in which all viewpoints are heard, before making a thoughtful decision. Trustee Meyer said there have been no new proposal presented to the Village Board therefore he has no view at this time, but if a new proposal is presented the Village Board must reserve the right to proceed on a path that is in the best interest of Lake Bluff. Trustee Meyers said he respects the concerns of the neighbors that believe that certain developments will adversely impact their property; their concerns have been and will continue to be heard. Also, he respects the concerns of property owners and developers that desire to find a viable redevelopment plan for the property; however, it is his opinion their ideas are not being heard by the Village Board. To him this is a challenge/problem and he would like to see the Village Board facilitate a civil and open forum to consider any new ideas, issues, and alternatives then come to a thoughtful decision after hearing all viewpoints. Trustee Meyer said his statement should not be considered an endorsement of any plan, character or dimension. He would prefer that a procedural path be identified that would allow the Village Board to hear ideas and the public process to continue.

Trustee Towle said he previously stated "that his vote is not an endorsement of any project and that he does not believe that a three story project is appropriate for Block Three." However, he does not want to limit the possibility of a creative solution that could fit within the 30 ft. height restriction. Trustee Towle said he would prefer to continue any process, hear ideas from any developer, and reserve the right to say "no" to whatever specific projects are proposed.

Trustee Dewart said he would prefer to find an open and flexible environment that will allow the Village Board to consider other alternatives. He said his comment is not based on any specific proposal but it is merely stated as an opportunity to continue the discussion, process and dialogue with potential developers. There have been a number of characteristics discussed about would or would not be a desirable structure on this site and he is hopeful for a solution that could address the matter from an arbitrary number as well as from a functional standpoint.

Trustee Ankenman said she is interested in further dialogue and would like to feel that everyone will be open-minded, collaborative, ask questions, willing to listen and proceed without fear. The Village Board has not received any new proposals for consideration but she thinks highly valued items, such as green spaces, should be made known. Trustee Ankenman expressed her concern regarding the scale and said she would like to see a development that fits the space beautifully, meld the CBD, and transition to the residential neighborhoods.

In the absence of Trustees Regis Charlot and Joy Markee, President O'Hara read their opinions for the record:

- Trustee Charlot stated he is not in favor or unfavorable and he would like the discussion to be continued and things looked at as a whole; and
- Trustee Markee expressed her thanks to everyone who has commented either at meetings or via emails regarding this topic. The community is stronger and better for the continued input and this is clearly a topic that deserves much conversation. After reviewing the February 19th PCZBA meeting she is inclined to agree with PCZBA Members Danly and Rider but, at this point, she has no opinion on the potential project on Block Three. She feels that the Village and community should be open to assessing different projects that could occupy this space. She views an updated PMD as a more flexible tool which will allow us to evaluate projects and work with residents and developers to determine the right use for Block Three.

President O'Hara said if there are no objections from the Board, she will direct Staff to draft an amended ordinance removing the 2016 height restrictions. There were no objections from the Village Board.

Village Administrator Irvin clarified that the recommended action is to delete the height limitation applicable to Planned Mixed-Use Developments and the associated variation process. A developer would still need to seek a modification and satisfy certain standards to exceed the applicable underlying height limitation.

Following an extensive discussion, Village Attorney Peter Friedman said this will come back to the Board as an ordinance which will require two readings for approval.

10. ITEM # 8 – VILLAGE ATTORNEY'S REPORT

Village Attorney Friedman had no report.

11. ITEM #9 – VILLAGE PRESIDENT'S REPORT

President O'Hara had no report and allowed a brief intermission for residents to leave the meeting.

12. ITEM #10 – ACCEPTANCE OF THE CORRESPONDENCE

President O'Hara introduced the correspondence from the Informational Reports on February 7 and 14, 2020.

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

13. ITEM #11 – A RESOLUTION ESTABLISHING THE REGULAR MEETING DATES AND COMMITTEE OF THE WHOLE MEETING DATES FOR THE BOARD OF TRUSTEES FOR FISCAL YEAR 2020-2021

President O'Hara reported Illinois Statutes require the Village Board to provide notice of the regular schedule of meetings. In keeping with past practice, the proposed schedule establishes the Regular meeting of the Village Board, scheduled start time 7:00 p.m., on the second and fourth Monday of each month. Additionally, the proposed schedule also includes Committee of the Whole (COW) meeting dates,

scheduled start time of 6:00 p.m., for the same night as the Regular meetings of the Village Board. She further reported the meeting schedule includes only one meeting for May (Memorial Day Holiday) and December (last meeting cancelled due to proximity of the holiday season). Also, Staff will (i) continue to hold “significant” COW meetings in the Public Safety Building Community room and (ii) provide cancellation notices (in the event that there is a lack of business for upcoming meetings).

As there were no questions from the Board, Trustee Ankenman moved to adopt the resolution. Trustee Towle seconded the motion. The motion passed on a unanimous voice vote.

14. ITEM #12 – A RESOLUTION APPOINTING AS VILLAGE ATTORNEY, AND APPROVING A LETTER OF ENGAGEMENT WITH, PETER M. FRIEDMAN AND ELROD FRIEDMAN LLP TO PROVIDE LEGAL SERVICES

President O’Hara reported in accordance with the Lake Bluff municipal code, the Village Attorney is appointed by the Village President, by and with the approval of a majority of the Board of Trustees. The duties of the Village Attorney include, without limitation, the following:

- Provide advice to the Village President and Board of Trustees, committees thereof, the Village Administrator and officers of the Village on legal questions;
- Attend all regular meetings of the Board of Trustees;
- Render legal opinions on questions submitted;
- Draft ordinances and legal documents on behalf of the Village; and
- Appear for and defend the Village in all suits at law or in chancery to which it may be a party, and perform such other duties on behalf of the Village as pertains to the office.

President O’Hara reported as described in the memorandum, Peter Friedman and the rest of the attorneys in the Holland + Knight real estate group in Chicago have started their own law firm and look to continue providing counsel to the Village. Execution of the letter of engagement will confirm Mr. Friedman and Elrod Friedman LLP as Village Attorney and that the full scope of legal services as outlined above will be provided.

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

Ayes: (4) Dewart, Meyer, Towle and Ankenman
Nays: (0)
Absent: (2) Charlot and Markee

15. ITEM #13 – A RESOLUTION AUTHORIZING THE WAIVER OF COMPETITIVE BIDS AND THE EXECUTION OF A CONSTRUCTION CONTRACT WITH HOERR CONSTRUCTION, INC OF GOODFIELD, ILLINOIS, FOR THE VILLAGE OF LAKE BLUFF 2020 SANITARY SEWER LINING PROJECT

President O’Hara reported the FY2020 budget includes \$165,000 to reduce inflow and infiltration into the sanitary sewers that are tributary to the intersection of Moffett Road and East Witchwood Lane. The sanitary sewers in this area were televised in 2019 and the report from the televising recommended lining several sewer segments within this sewershed.

President O’Hara reported the Illinois Municipal Partnering Initiative (MPI) has regularly secures bids for sanitary sewer lining work, most recently for the Village of Mundelein and the Cities of Lake Forest and Highland Park, with the low bidder being Hoerr Construction of Goodfield, Illinois. Due to the last MPI bid pricing being from 2019, Hoerr Construction requested an increase in the unit prices from the 2019 rates of 2.2%. Upon review of the MPI bid and the requested 2.2% increase, the Village Engineer believes it to be in the best interest of the Village to “piggy back” on the MPI procurement and enter into a contract with Hoerr Construction for sewer lining. It is believed this will allow for the completion of the project at a lower cost than by the Village bidding out the project separately. Section 7 of the Village’s Purchasing Policies & Procedures Manual provides the Village the ability to enter into construction contracts using cooperative purchasing arrangements such as MPI, however due to the 2.2% increase in pricing from 2019 MPI costs, the Village Board will also need to formally waive the competitive bidding process to award the contract to Hoerr Construction. President O’Hara further reported the Village Engineer recommends that the Village Board waive the competitive bidding requirements in accordance with section 4.5 of the Village of Lake Bluff Purchasing Policies & Procedures Manual and award a construction contract to Hoerr Construction in the amount of \$112,136.20. The remaining budget is expected to be spent on sewer repairs in areas where the current condition of the sewer does not allow it to be lined.

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

Ayes: (4) Meyer, Towle, Ankenman and Dewart
Nays: (0)
Absent: (2) Charlot and Markee

16. ITEM #14 – AN ORDINANCE AMENDING THE LAKE BLUFF ZONING REGULATIONS AND THE LAKE BLUFF MUNICIPAL CODE TO EXTEND THE SHORT TERM RENTAL REGULATIONS FOR AN ADDITIONAL YEAR

President O’Hara reported following extensive public comment and engagement, the Village Board adopted a two year pilot program authorizing short-term rentals in the Village’s residential areas subject to licensure, inspection, and various other regulations. The pilot program is set to expire on April 23, 2020. On January 27, 2020, the Village Board’s Committee-of-the-Whole reviewed the pilot program (memorandum attached). At the conclusion of its discussion, the consensus of the Village Board was to maintain the status quo and extend the pilot program by an additional year in order to gather more information. President O’Hara further reported because the pilot program’s sunset date is codified in the Zoning Regulations, increasing the length of the pilot program requires a public hearing and recommendation by the PCZBA. The PCZBA conducted its public hearing on Wednesday, February 19 and unanimously (5-0) recommended approval of the attached Ordinance, which would extend the pilot program by one year.

Village Administrator Irvin commented that at the PCZBA meeting a few Members discussed the idea of revisiting the driveway and separation requirements in the pilot program regulations.

President O’Hara opened the floor to comments from the Board.

Trustee Towle said although there has been limited data and no complaints he principally remains opposed to allowing short-term rentals in the Village and commented on why he intends to vote “no.”

Trustee Meyer said he had initially voted “no” but now he is in favor of gathering more information.

Trustee Dewart had no comment.

Trustee Ankenman said she still does not support the idea of short-term rentals mainly because she likes the peace and quiet enjoyment of her property.

Following a brief discussion, Trustee Meyer moved to approve first reading of the ordinance. Trustee Dewart seconded the motion. The motion passed on the following roll call vote:

Ayes: (3) Dewart, Meyer and President O’Hara
Nays: (2) Towle and Ankenman
Absent: (2) Charlot and Markee

17. ITEM #15 – TRUSTEE’S REPORT

There was no Trustee’s report.

18. ITEM #16 – EXECUTIVE SESSION

At 7:53 p.m. Trustee Dewart moved to enter into Executive Session for the purpose of discussing Threatened Litigation (5 ILCS 120/2(c)(11)) and Purchase of Real Property (5 ILCS 120/2(c)(5)). Trustee Meyer seconded the motion. The motion passed on a unanimous voice vote.

There being no further business to discuss, Trustee Dewart moved to adjourn out of executive session. Trustee Towle seconded the motion and the motion passed on a unanimous voice vote at 8:57 p.m.

19. ITEM #17 – CONSIDERATION OF THE FEBRUARY 10, 2020 EXECUTIVE SESSION MEETING MINUTES

Trustee Meyer moved to approve the February 10, 2020 Board of Trustees Executive Session Meeting Minutes as presented. Trustee Towle seconded the motion. The motion passed on a unanimous voice vote.

20. ITEM #18 – ADJOURNMENT

Trustee Dewart moved to adjourn the regular meeting. Trustee Ankenman seconded the motion and the motion passed on a unanimous voice vote. The meeting adjourned at 8:58 p.m.

Respectfully Submitted,

R. Drew Irvin
Village Administrator

Megan Michael
Village Clerk