

APPROVED MINUTES  
VILLAGE OF LAKE ZURICH  
Board of Trustees  
70 East Main Street



Monday, November 21, 2016 7:00 p.m.

1. **CALL TO ORDER** by Mayor Thomas M. Poynton at 7.00pm.
2. **ROLL CALL:** Mayor Thomas Poynton, Trustee Jim Beaudoin, Trustee Jeff Halen, Trustee John Shaw, Trustee Marc Spacone, Trustee Jonathan Sprawka, Trustee Dan Stanovich. Also present: Village Manager Ray Keller, Asst. Village Manager Roy Witherow, Village Atty. Greg Smith, Dir. of Innovation Michael Duebner, Police Chief Steve Husak, Deputy Fire Chief Rick Johnson, Public Works Director Mike Brown, Community Development Director Sarosh Saher, Atty. Kathy Orr
3. **PLEDGE OF ALLEGIANCE**
4. **PUBLIC COMMENT**  
*Public Comments on Agenda item #8 B and C were held at that time, with the consent of the Board.*  
There were no other public comments.
5. **PRESIDENT'S REPORT / COMMUNITY UPDATE**  
Miracle on Main Street will be held in downtown on Saturday, December 3, from 4.30 to 7pm. Donations of non-perishable foods will go the St. Vincent de Paul Food Pantry.
6. **CONSENT AGENDA**
  - A. **Approval of Minutes of the Village Board Meeting, November 7, 2016**
  - B. **Semi-Monthly Warrant Register Dated November 21, 2016 Totaling \$496,451.57**
  - C. **Letter of Credit Reduction to \$16,128 for Tuf-Tite at 1200 Flex Court**  
**Summary:** Tuf-Tite has requested a reduction of the letter of credit for the recent expansion of 1200 Flex Court in the Lake Zurich Industrial Park. Staff recommends the letter of credit be reduced from \$161,281 to a remaining 10% escrow of \$16,128 as a maintenance guarantee to be held for one year from the date of occupancy.
  - D. **Intergovernmental Agreement with the Village of Island Lake for Utilization of Firearms Training Range**  
**Summary:** The Island Lake Police Department has requested permission to utilize Lake Zurich's firearms range for training. The proposed agreement will allow Island Lake to use the range while indemnifying and setting minimum insurance coverage to protect Lake Zurich.
  - E. **Resolution Urging the General Assembly and Governor to Refrain from Reducing State-Collected Local Government Revenues RES. #2016-11-6E**

**Summary:** The Village seeks to join a collective of municipalities across Illinois to formally urge elected officials in Springfield to refrain from any actions that would result in a reduction in shared revenues. Upon approval, the proposed resolution will be sent to the Governor, Senate President, Senate Minority Leader, House Speaker, House Minority Leader, and the Illinois Municipal League.

**Recommended Action:** Motion was made by Trustee Beaudoin, seconded by Trustee Sprawka, to approve the Consent Agenda as presented.

AYES: 6, Trustees Beaudoin, Halen, Shaw, Spacone, Sprawka, Stanovich.

NAYS: 0

ABSENT: 0

MOTION CARRIED.

7. **OLD BUSINESS**

None at this time.

8. **NEW BUSINESS**

A. **Resolution Appointing Siemens Industries, Inc. to Conduct an Investment Grade Energy Audit of Municipal Infrastructure RES #2016-11-8A**

**Summary:** An analysis of water billings indicates that 20% of water production is not registered by residential and commercial water meters. A system-wide leak detection has not revealed significant leaks that account for the loss of unbilled water. On June 11, 2016 an Energy Audit and Performance Contracting RFP was issued by the Village and responses evaluated. A system-wide replacement of water meters is envisioned to ensure fair and equitable billing of water consumed. Additional operational and energy savings are sought to ensure long-term sustainability of municipal infrastructure. Staff requests Village Board consideration of a resolution appointing and authorizing Siemens Industry, Inc. as the vendor to perform the investment grade energy audit as the next step in developing innovative energy conservation measures leading to consideration of a performance contract.

Dir. of Innovation Michael Duebner gave a synopsis of the analysis from June 2016. He displayed an old water meter which could be responsible for the 20% water loss.

**Recommended Action:** A motion was made by Trustee Stanovich, seconded by Trustee Spacone, to approve Resolution # 2016-11-8A appointing Siemens Industries, Inc. to Conduct an Investment Grade Energy Audit of Municipal Infrastructure.

AYES: 6, Trustees Beaudoin, Halen, Shaw, Spacone, Sprawka, Stanovich.

NAYS: 0

ABSENT: 0

MOTION CARRIED.

B. **Ordinance Approving a Redevelopment Agreement by and between the Village of Lake Zurich and Bloomingdale 6, LLC for Redevelopment of 1.355+/- Acres at Northwest Corner of Main Street and Old Rand Road in Downtown Lake Zurich ORD. #2016-11-155**

**Summary:** The Village currently owns and maintains the portion of Block C that is subject to the proposed redevelopment agreement with Bloomingdale 6 LLC. This property is located within the Downtown TIF #2 district. The developer has demonstrated that it can only feasibly develop the property with incentives provided through the TIF district. The agreement proposes to convey the property to the developer and set the terms and conditions for the provision of certain other development incentives to enable the project to be completed to the satisfaction of the Village.

Mr. Tim Kellogg and Atty. Tom Burney, representing Bloomingdale 6 LLC., addressed the Board and Mr. Kellogg gave a PowerPoint presentation of the proposed development. There are two apartment buildings proposed with a total of 48 apartments which are one and two bedroom. The five townhomes originally proposed have been removed from the plans to accommodate more parking slots. Utilities will be buried by the developer and a corner park with a monument village sign will be provided.

Mayor Poynton opened up Public Comments on agenda items #8B and 8C

#### **PUBLIC COMMENTS**

Alex Samoila, 4 Lakeview Place, President of the Somerset Homeowners Association addressed the Board on numerous issues/concerns. These were: lack of retail, parking issues, apartments versus condos, over supply of apartments in the village, applying for Government subsidies in the future, among other concerns. Mr. Tim Kellogg and Atty. Tom Burney addressed the questions/concerns brought up by Mr. Samoila. Atty. Kathy Orr addressed the meeting and stated that the developer is not seeking reimbursement from the TIF #2 or the Village of Lake Zurich. Mr. Samoila continued his comments, including HOA for new buildings, maintenance, and snow removal. Atty. Burney responded that there will be no HOA as the townhomes were eliminated from the plans and the apartment management company will be responsible for the tasks. Mr. Samoila wished to share the results of an online survey he had performed and Mayor Poynton asked him to leave them with the Village Clerk.

Bob Mackey, 24 Lakeview Place, an original resident of Somerset, stated that the proposed plans are not the original plans for downtown and parking is his issue. Mr. Tim Kellogg and Atty. Tom Burney responded to Mr. Mackey's concerns. Police Chief Husak stated that the police department had no major concerns about the parking.

Ashley Samoila, 4 Lakeview Place, addressed the Board on the McCaffrey plan for 34 parking spots in Phase IV, retail and other possible developers. Mayor Poynton and Trustee Sprawka spoke to that concern. Public Works Director Mike Brown addressed the number of parking spots and twenty two are on the Village's right-of-way. Village Manager Ray Keller stated that retail would mean a high-rise building and create more traffic.

Bill Wehrwein, 16 Lakeview Place, addressed the Board on building apartments across the street at the old bank building. Village Manager Keller stated that the old bank building is privately owned.

Nicole Burns, 74 Lakeview Place, remarked that townhomes by her residence were slow in selling and her concerns were esthetics and retail. Mayor Poynton addressed her concerns.

Sharon Dudley, 6 Lakeview Place, addressed the Board on her concerns of density and parking.

*Public Comments was closed.*

Trustee Spacone addressed the residents' comments and requested they be open-minded. He stated that the developer responded to the request for more parking by removing the townhomes from the proposed plan. Trustee Sprawka said that the property was too narrow for retail which would require an alley for deliveries, garbage pick-up. He described the other failed proposals and suggested that Block B may be a parking option. Trustee Halen asked questions of the developers and staff, his concerns were about retail, # of parking spots, dimensions of parking spots and referring the agreement back to the Planning/Zoning Board before voting by the Village Board. Atty. Orr answered Trustee Halen question.

*A Break was taken from 9.15 to 9.25pm.*

Mayor Poynton asked for clarification on the comment of referring back to the PZC. Atty. Greg Smith advised that the developer is not looking for more relief on the proposal and therefore it was not required to be referred back to the PZC. Trustee Shaw stated that it was a good plan. Trustee Stanovich said that the property had been tirelessly marketed and the agreement is good for Lake Zurich. Trustee Beaudoin echoed the comments of other Board members.

There was discussion with staff and Board members on the parking slot numbers and ratios and start of construction dates. Atty. Orr requested information from the developers on start dates, and they responded it being contingent on receiving permits and probably after winter.

**Recommended Action:** A motion was made by Trustee Sprawka, seconded by Trustee Spacone, to approve Ordinance #2016-11-155 Approving a Redevelopment Agreement by and between the Village of Lake Zurich and Bloomingdale 6, LLC for Redevelopment of 1.355+/- Acres at Northwest Corner of Main Street and Old Rand Road in Downtown Lake Zurich.

AYES: 5, Trustees Beaudoin, Shaw, Spacone, Sprawka, Stanovich.

NAYS: 1, Trustee Halen.

ABSENT: 0

MOTION CARRIED.

- C. **Ordinance Granting Approval for a Planned Unit Development, Plat of Subdivision, Plat of Easement, and Exceptions to the Zoning and Land Development Code for Downtown Block C Streets of Somerset**  
ORD. #2016-11-156

**Summary:** Bloomingdale 6 LLC has filed a development application for the Block C property located on the northwest corner of North Old Rand Road and West Main Street. The proposed development consists of two residential buildings containing a total of 48 apartment units of which 36 are to be two-bedroom units and 12 are to be one-bedroom units. The developer also proposes to complete a number of public and private streetscape and landscape improvements as part of the development.

The Planning and Zoning Commission (PZC) held a public hearing on October 26, 2016 to consider the application and voted 7-0 in favor of recommending approval for a Planned Unit Development and plat of subdivision, subject to a condition that the parking ratio being adjusted from the Code requirement of 1.2 spaces per dwelling unit, to 2.0 spaces per dwelling unit.

Village Manager Keller stated that the PZC had recommended the adjustment for parking but it did not change the Ordinance.

**Recommended Action:** A motion was made by Trustee Sprawka, seconded by Trustee Spacone, to approve Ordinance #2016-11-156 Granting Approval for a Planned Unit Development, Plat of Subdivision, Plat of Easement, and Exceptions to the Zoning and Land Development Code for Downtown Block C Streets of Somerset.

AYES: 5, Trustees Beaudoin, Shaw, Spacone, Sprawka, Stanovich.

NAYS: 1, Trustee Halen.

ABSENT: 0

MOTION CARRIED.

**D. Ordinance of the Village of Lake Zurich, Lake County, Illinois, to Set a Date for, and to Approve a Public Notice of a Public Hearing on the Village of Lake Zurich Redevelopment Plan and Project Rand Road TIF District ORD.#2016-11-157**

**Summary:** The state TIF Act requires the adoption of an ordinance setting the date for a public hearing when contemplating the creation of a new tax increment financing (TIF) district. Approval of the provided ordinance would schedule the public hearing for the proposed Rand Road TIF District for the January 16, 2017 board meeting.

Village Manager Keller stated that this is the next step in creating TIF #3.

**Recommended Action:** A motion was made by Trustee Beaudoin, seconded by Trustee Halen, to approve Ordinance #2016-11-157 of the Village of Lake Zurich, Lake County, Illinois, to set a Date for, and to approve a Public Notice of a Public Hearing on the Village of Lake Zurich Redevelopment Plan and Project Rand Road TIF District.

AYES: 6, Trustees Beaudoin, Halen, Shaw, Spacone, Sprawka, Stanovich.

NAYS: 0

ABSENT: 0

MOTION CARRIED.

**E. Resolution of the Village of Lake Zurich, Lake County, Illinois to Induce the Redevelopment of Certain Property within a Proposed Redevelopment Project Area RES #2016-11-8E**

**Summary:** The state TIF Act requires the adoption of a resolution "inducing" the redevelopment of properties within the proposed redevelopment project area of a new tax increment financing (TIF) district. Approval of the provided resolution would make redevelopment costs incurred by the Village or the developer of the Kmart site eligible for future TIF reimbursement, should the proposed Rand Road TIF district be established. The inducement resolution does not commit the Village to creating the TIF at this time, nor does it commit to reimbursing the developer for any specific redevelopment cost.

Village Manager Keller gave an explanation of the resolution.

**Recommended Action:** A motion was made by Trustee Beaudoin, seconded by Trustee Shaw, to approve Resolution #2016-11-8E of the Village of Lake Zurich, Lake County, Illinois to Induce the Redevelopment of Certain Property within a Proposed Redevelopment Project Area.

AYES: 6, Trustees Beaudoin, Halen, Shaw, Spacone, Sprawka, Stanovich.

NAYS: 0

ABSENT: 0

MOTION CARRIED.

**9. TRUSTEE REPORTS**

There were none.

**10. VILLAGE MANAGER'S REPORT**

A. Monthly Data Metric Reports

**11. ATTORNEYS REPORT**

There was no report.

**12. DEPARTMENT HEAD REPORTS**

There were no reports.

**13. ADJOURNMENT**

Motion to adjourn was made by Trustee Halen, seconded by Trustee Sprawka.

AYES: 6, Trustees Beaudoin, Halen, Shaw, Spacone, Sprawka, Stanovich.

NAYS: 0

ABSENT: 0

MOTION CARRIED

Meeting adjourned at 10.03pm

Respectfully submitted:

Kathleen Johnson, Village Clerk.

Approved by:

  
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Thomas M. Poynton, Village Mayor

12-13-2016  
Date.