

- Golf Course Fund
- Land and Building 574.64
- Debt Service/SSA Fund
- Total All Funds \$190,468.95

PRESIDENT’S REPORT – In response to statements that the Redwood Development is being pushed through, President Hettermann reviewed a timeline related to the development. He explained that the matter first came to the attention of the Village in 2022 and at the June 6 2022 board meeting the board was advised that Redwood was interested in purchasing a portion of Village owned property located behind the sled hill. At that meeting, the Board agreed to solicit bids for the property. Notice was then placed in the Northwest Herald three times beginning June 10, 2022 advertising that the Village was seeking bids for the property. At the July 12, 2022 board meeting, it was reported that a bid was received and contract terms were being prepared for the Board’s consideration. On July 27, 2022, a Redwood representative attended the Development and Governmental Affairs Committee meeting to present the proposed development. One July 28, 2022, Trustee Curry presented the development to the Committee of the Whole and reported that the development was positively received by the Development and Governmental Affairs Committee. On August 2, 2022, the Village Board discussed the bid received from Redwood to purchase a portion of the Village’s property at which time the board requested some changes to the contract. At the August 16, 2022 board meeting, the Village Board unanimously approved the Purchase Agreement with Redwood. On December 7, 2022, Redwood held a neighborhood stakeholder meeting for which 52 invites were mailed to adjacent property owners. Persons from six households and one business were in attendance at the meeting. The proposed development was then referenced in the June 14, 2023 State of the Village presentation and on June 21, 2023, a public hearing was held before the Planning and Zoning Commission. Following the public hearing, the Commission recommended approval of the zoning request. President Hettermann explained that the matter was included as a First Read on the Board’s agenda but no action will be taken. The matter will then be placed on the July 18, 2023 agenda for consideration by the Board. If approved, Redwood will proceed with final engineering design and come back before the Board to show that the final plan is consistent with the concept plan.

NEW BUSINESS

REDWOOD USA LLC – Paul DeKruiff and Kevin Serafin were in attendance on behalf of Redwood USA, LLC. Mr. DeKruiff reviewed a PowerPoint presentation detailing Redwood’s approach to development. He explained that Redwood is a property management firm that builds neighborhoods. The company was founded in 1991 and began building homes in 2003. He reported that Redwood currently has housing developments in several Midwest states, with more than 15,000 existing units. Mr. DeKruiff stated that Redwood only builds ranch units in their developments which tends to draw empty nesters. He explained that approximately 70% of their renters are empty nesters and the average age of a Redwood resident is 50.6 years. The average number of residents per apartment home is 1.65 generating about 1.5 cars per home and approximately 11 school-aged children per 100 homes.

Mr. DeKruiff discussed the background check requirements of their tenants which include credit, rental history, civil judgment and criminal background checks. He explained that every adult must be on the lease and all must undergo the background check. He reviewed exhibits comparing Redwood homes with homes currently in the surrounding neighborhoods to show that Redwood homes are in conformance with the neighborhood. Mr. DeKruiff discussed building materials used in homes in the area as compared with Redwood and stated that Redwood owns all of their developments and has never sold anything they’ve built. He explained that capital investments are regularly made in each of Redwood’s developments to

insure that they are well maintained and upgraded. Mr. DeKruiff discussed the maintenance standards related to snow removal, mowing and road maintenance along with their Forever Tree program which proactively replaces landscaping. He explained that the landscape buffers will meet the Village's requirements at a minimum and are sometimes even greater than the Village's standard. He reviewed interior details and discussed square footage of the units pointing out that each unit has a separate zero grade entry and two car garage. All units incorporate lever handles and ADA compliant drive accesses which is valued by the older population.

Mr. DeKruiff pointed out the site location and explained that the property is currently zoned R-1 and B-2. He added that the Downtown Comprehensive Plan, approved in 2016, identifies the property for high density residential development. He stated that the property consists of 18.9 acres on which they proposed to develop 110 homes for an overall density of 5.82 homes per acre. He remarked that the proposed development is consistent with the intent of planned development zoning and the Village's Master Plan.

Trustee Letzter stated that he visited the Volo site and questioned how that density compares with the Johnsburg proposal. Mr. Serafin stated that the net density in Volo is a little higher at just over 6 units per acre. He added that most of Redwood's sites range between 5 to 7 units per acre. Trustee Letzter questioned if an HOA would be established. Mr. DeKruiff stated that there will be no HOA as Redwood owns the development and they establish rules and regulations for their tenants. Trustee Letzter questioned the expected build out timeline. Mr. DeKruiff stated that in the current market they expect 8-10 homes per month once roads are in. He added that it usually takes approximately 6 months to prepare the site.

Trustee Letzter questioned what improvements can be expected on Johnsburg Road. Mr. Serafin stated that the traffic analysis reflects a low impact to Johnsburg Road so minimal improvements will be needed. He added that many of their tenants do not work so there is little impact during high peak travel times.

Trustee Fouke questioned the application/qualification process and how long someone is allowed to stay when in default on paying the rent. Mr. DeKruiff discussed the application process and stated that tenants in default are evicted in accordance with State laws. Trustee Foremann questioned if investors are allowed to lease and sublease. Mr. DeKruiff stated that subleasing is not allowed and applicants are required to meet directly with Redwood personnel to prevent investors from leasing/subleasing the units. Trustee Foreman questioned the enforcement of no parking on the roads. Mr. DeKruiff stated that Redwood will have vehicles parked in the road towed. He added that the speed limit is currently 13 mph and Redwood plans to reduce it to 12mph. He explained that the stringent requirements of the development help to minimize crime in the neighborhood.

Trustee Foreman questions if management is onsite. Mr. DeKruiff stated that approximately 60% of their site managers live on site and in cases where they do not, they maintain regular hours on site. Trustee Foreman questioned the length of the average lease. Mr. Kruiff stated that leases are for a 12 month period and added that they have experienced about a 40% turnover which includes tenants who choose to move to another Redwood neighborhood. He stated that in neighborhoods that are 10 years or older, approximately 3.5% of their tenants are the original tenant in the development. Trustee Foreman questioned how the units are retrofitted/upgraded after a lease turnover. Mr. Kruiff stated that it depends upon how long

tenant was in unit. He added that Redwood personnel regularly make rounds to inspect units and will upgrade them as needed and address any wear. He stated that the eviction rate is very low. Trustee Foreman questioned if the price of rent plays a role in the eviction rate. Mr. DeKruiff stated that it is likely a combination of service level and application requirements. He confirmed that the development is not a Section 8 housing development and explained that the estimated rent is based upon estimates at construction and will likely be higher.

Trustee Foreman questioned the outside lighting utilized. Mr. DeKruiff stated that a photometric study will be done but they do not utilize street lights. Ambient LED coach lights are installed by the garage door on the units which are on a photocell controlled by Redwood.

Trustee Foreman questioned if EV panels are incorporated in the garage. Mr. DeKruiff stated that Redwood has been discussing it. Trustee Foreman questioned Trustee Klemstein as to whether the proposed density is consistent with Remington Grove and other developments. Trustee Klemstein stated that Remington and Running Brook Farms actually have greater densities.

Trustee Hagen questioned the concerns raised regarding current drainage issues. Mr. Serafin stated that he has been working with the Village Engineer regarding the drainage issues. He added that he has frequently walked the property and understands the current conditions and reviewed how drainage will be addressed utilizing proper stormwater infrastructure to restrict and control drainage which will help alleviate some of existing issues neighbors are experiencing. Mr. Serafin explained that the small depressional area established when the Valmar Center was built will be filled in as it is undersized so they will be addressing the stormwater from that site as well. Trustee Morris questioned sidewalk plans for the development. Mr. Serafin stated that there is a 4 foot integral sidewalk along the roadway. Trustee Morris questioned if there is sufficient room for two cars to be parked in front of the garages. Mr. Serafin confirmed that each home can accommodate four cars – two in the garage and two in front of the garage. Additionally, Redwood is including additional off-street parking spaces.

Trustee Foreman questioned if the units will all be the same. Mr. DeKruiff stated that Redwood will work with the Village to come up with trim packages for the homes to prevent monotony in design. Trustee Foreman questioned if the larger units are on the ends of the buildings. Mr. DeKruiff confirmed that they are.

Trustee Foreman questioned if a tree inventory has been completed. Mr. Serafin stated that it has not yet been done but will be shortly. Trustee Foreman expressed the importance of establishing a good landscape barrier adjacent to the neighboring properties. President Hettermann encouraged everyone to visit the Volo site before the next meeting.

ADJOURNMENT – Trustee Hagen moved to adjourn the meeting. Trustee Foreman seconded the motion. All trustees present voted aye. Motion to adjourn was carried at 8:11 p.m.

Respectfully Submitted

Claudett Sofiakis
Village Administrator