## VILLAGE OF JOHNSBURG JANUARY 19, 2016 REGULAR MEETING OF THE PRESIDENT AND BOARD OF TRUSTEES

President Hettermann called the meeting to order at 7:01 p.m. in the Village Hall.

## Attendees

Trustee John Huemann

Trustee Kevin McEvoy

Trustee Mary Lou Hutchinson

Trustee Tom Curry

Trustee Greg Klemstein (absent)

Trustee Kyle Frost

Village Attorney Michael Smoron

Special Projects Coordinator Rick Quinn

Village Engineer Tim Hartnett

Police Chief Keith VonAllmen

**AUDIENCE PARTICIPATION** - Len Keil of 4211 Jay Street stated that the Planning and Zoning Commission recommended that rentals not be allowed in the multifamily section of Remington Grove subdivision and asked that the trustees consider their recommendation when taking action on the matter.

**OMNIBUS AGENDA** Trustee Frost moved to approve the Omnibus Agenda. Trustee Hutchinson seconded the motion. All Trustees present voted aye on the roll. Motion carried.

- Move to approve the minutes of the January 5, 2016, Regular Meeting of the President and Board of Trustees
- Move to approve Ordinance 15-16-25 Amending Chapter 17 of the Johnsburg Municipal Code
- Move to approve Ordinance 15-16-26 Amending Chapter 20 of the Johnsburg Municipal Code
- Move to appoint the Planning and Zoning Commission as a Special Zoning Commission to review 11.3, Permitted Uses Table of the Johnsburg Zoning Ordinance.

## Disbursements

• General Fund \$319,371.01

• MFT

• Waterworks & Sewage Fund 7,674.13

Debt Service

• Total All Funds \$327,045.14

**PRESIDENTS'S REPORT** – President Hettermann reported that the Sewer Committee will meet the first week in March to further discuss the required sewer connection timeline. He explained that we need to provide further clarification however there is no violation of our ordinance currently.

## **NEW BUSINESS**

**ORDINANCE 15-16-28 BARTMAN VARIANCE** – The board performed a first read of Ordinance 15-16-28 regarding a variance request to the side yard setback for lots abutting residential made by Mr. Bartmann regarding the Radicom property at 2604 Chapel Hill Road. Trustee McEvoy sought confirmation of the location of the proposed accessory building. An exhibit was provided reflecting the proposed location. Trustee Frost questioned if the structure is metal. Mr. Bartmann confirmed that it is a metal pole barn which will match the principal building. Mr. Bartmann confirmed that he is keeping the existing tree line to maintain a buffer for the neighbors to the south. It was noted that no objections were raised by neighbors.

**ORDINANCE 15-16-29** – **GWF PARTNERS AMENDMENT** - Jeff Brown was in attendance on behalf of GWF Partners LLC regarding their request to amend Ordinance 04-05-29 to remove the restriction on rental units in Phase III of Remington Grove of Johnsburg subdivision. Minutes of Planning and Zoning Commission meeting were provided. Mr. Brown stated that there was a lengthy discussion at the hearing centering primarily around two questions: 1) will tax credits for subsidized housing come into play; and 2) the impact of rental units on surrounding property values. Mr. Brown explained that the units are priced such that the income demographics will prevent government subsidized housing from being a factor. He added that he does not believe the rental of the units will impact neighboring property values and that he believes it will actually help support new construction.

Mr. Brown explained that there is no plan to build additional buildings at this time as the market doesn't support it for neither owner occupied or rental units. He further explained that they are looking to rent the existing building and are seeking to remove the rental restriction on the remainder of the phase to place the property on an even playing field with other townhomes developments that do not have a rental restriction in place. In doing so, he expects that the market will dictate how it develops. Mr. Brown stated that he believes the six units will rent quickly and draw a higher income renter than if selling the unit. He added that economic conditions in the future will either support the construction of additional rental units or owner occupied units but at the current time he feels it is an impediment to the development of the project to not be able to rent the units. Mr. Brown stated that the homeowners are concerned about values and so is GWF Partners as they wish to continue selling lots in the single family phase and therefore have a vested interest too.

Trustee Hutchinson questioned if Mr. Brown is considering some other type of housing product in place of the townhomes. Mr. Brown stated that he is not at the current time and added that he believes the people that will rent the six units are the same people that would have bought them before the market crashed. He explained that two story single family homes are facing challenges in today's market too. He stated that GWF Partners has a home that they are currently building and once that sells, it will be a good indicator of what the market is like.

Trustee Huemann questioned if it is GWF Partners' intent to retain ownership of the property. Mr. Brown explained that it is there intent to do what will help make the property successful which could include GWF developing and building it out or selling to someone else to do so. Mr. Brown explained that he is not saying that it will be a rental community but it is the only townhome community he is aware of that has a rental restriction creating a disadvantage to marketing the product competitively. Mr. Brown stated that there is currently a 1.3 month supply of townhomes on the market to rent compared with a 6.3 month supply of townhomes for sale.

Rick Quinn stated that Patriot Estates in McHenry was originally planned to be an owner occupied development and has now turned into a rental community.

Huemann expressed concern regarding the enforceability of property maintenance issues if the units are rentals. Mr. Peters explained that the Village can enforce nuisance ordinances on rental properties the same as owner occupied properties. Chief Von Allmen added that if there is junk or items of no purpose beyond their original intent left on the property, the Village can take action.

Jeff Brown explained that GWF as the property owner would be responsible to enforce maintenance as well and it behooves them and any future property owner to properly maintain and enforce rules to ensure the property remains profitable.

Trustee Frost questioned if the units are not renting, would they decrease rent. Jeff Brown explained that if it is an indicator that the rents are too high they would decrease them.

President Hettermann questioned if additional information was necessary prior to making a decision at the next meeting. Trustee Huemann stated that he was going to follow up on a couple matters.

Trustee Hutchinson questioned if the petitioners considered other solutions. Mr. Brown stated that they looked at temporarily renting the existing building but it does not address the challenges for the entire property.

Hutchinson questioned if other townhomes in the Village are built out and sold. Ms. Peters explained that the townhomes in Running Brook Farms that have been constructed are occupied but it is not known how many are rented versus owned. She explained that there are vacant lots still not built in the development.

Trustee Huemann questioned if there is a certain sale price that would entice young people to buy versus rent. Mr. Brown stated there is not until the market changes as people are worried about being able to sell a townhome when they move up into something else.

Trustee Huemann questioned if GWF Partners would manage the development or hire a management company. Mr. Brown stated that they would probably hire a management company.

Mr. Brown stated that if there is a desire to pursue different units in the future, the Village would have to approve the change.

Trustee Hutchinson questioned if they attempted to sell the units. Mr. Brown stated that they have not as once they sell one, it will trigger a "for sale" community and the association will have to be established.

**COMMITTEE REPORTS** - Trustee Hutchinson stated that she will be meeting with Ms. Peters to update the Private Road Analysis and bring it to the Finance Committee and Village Board.

Trustee Curry reminded the Board that the Village's Family Skate Night is Saturday, January 23<sup>rd</sup> from 4-7 p.m.

**ADJOURNMENT** – Trustee Huemann moved to adjourn the meeting. Trustee McEvoy seconded the motion. All Trustees present voted aye. Motion carried at 7:48 p.m.

Respectfully Submitted

Claudett E. Peters Village Administrator