

## PLANNING & ZONING COMMISSION MEETING MINUTES

October 12, 2022, 6:30pm

66 Thillen Drive, Fox Lake, IL

Also Available Virtually Through the Link Below

### I. Call To Order

The meeting was called to order by Chairman Gauger at 6:30 PM

### II. Pledge Of Allegiance

### III. Roll Call

		Present	Absent
Commissioner:	LaPianna	<u>          </u>	<u>  X  </u>
	Bongiovanni	<u>  X  </u>	<u>          </u>
	Legge	<u>  X  </u>	<u>          </u>
	Swanson	<u>  X  </u>	<u>          </u>
	VanderWeit	<u>          </u>	<u>  X  </u>
	Nakanishi	<u>  X  </u>	<u>          </u>
Chairman:	Gauger	<u>  X  </u>	<u>          </u>

A quorum was established.

Also in attendance: Director Day

### IV. Approval of Minutes From September 14, 2022

Commissioner Legge made a motion to approve the meeting minutes as submitted, seconded by Commissioner Nakanishi.

		Aye	Nay	Abstain
Commissioner:	LaPianna	<u>          </u>	<u>          </u>	<u>          </u>
	Bongiovanni	<u>  X  </u>	<u>          </u>	<u>          </u>
	Legge	<u>  X  </u>	<u>          </u>	<u>          </u>
	Swanson	<u>          </u>	<u>          </u>	<u>  X  </u>
	VanderWeit	<u>          </u>	<u>          </u>	<u>          </u>
	Nakanishi	<u>  X  </u>	<u>          </u>	<u>          </u>
Chairman:	Gauger	<u>  X  </u>	<u>          </u>	<u>          </u>
Motion passed				

## **V. New Business**

None

## **VI. Old Business**

### **1) Short-term Rental Discussion**

Chairman Gauger explained that the Village Board of Trustees tasked the Planning and Zoning Commission to research and discuss the topic of short-term rentals in the village and draft a proposal to go back to the Village Board for them to adopt or not adopt. It is our job to hash out things that we can do or cannot do and make recommendations to the Board. A non-home-rule village cannot just say “no short term rentals allowed”.

Tonight, we are looking for good, concrete ideas that will help anybody involved to know what they can do or not do. The Chairman thanked everyone for coming and advised that what we want to talk about are things that show why short term rentals are good or why we need other regulations or types of regulations that will help the community.

The audience was sworn in as a group.

**Jeri Barr** (Lakeside Lane) suggested that the full-time residents are “getting outnumbered”. She doesn’t have neighbors anymore, she has strangers. She asked for a list of what properties have applied to become short-term rentals and have been denied. Director Day provided the list. (Someone also requested a copy of the rules and regulations concerning short term rentals and was provided with the rules by Director Day.) Jeri recommended that there should be a limit on the number of STR’s on a street. She stated that Galena has a limit of 20 vacation rental licenses in residential districts. Jeri feels that her neighborhood is becoming a commercial district and they did not buy into that. Unincorporated Lake County does not allow short term rentals. Jeri suggested that we should put a referendum “on the ballot”.

In addition, Jeri suggested that “nothing is enforced”. You can make every policy in the world but if there is no enforcement, it doesn’t do anybody any good. Some AirB&B’s that have 3 bedrooms are advertising for 10-person occupancy. How do we deal with that? Enforcement would be a nice thing.

She mentioned that many towns have a minimum stay of 2 days or more. Also, the properties should be the principal residents of the owners, not owned by companies. When the companies come in and buy up all the properties, we are going to wind up with a town of transients.

**David Ostertag** (Monterrey Terrace) stated that the STR’s are disruptive to the neighborhoods. He also suggested that if there are problems and the police respond, the owner of the property should have to reimburse the Village for any expenses caused by problems at their rental property. Also, there should be a better method for publishing the rules and regulations so the public will be better informed. There should be a way for someone to check and see if there

have been any complaints or actions taken against these properties. What's the history of the property? What happened at the property? The ability to find these answers through the village would help a lot. Perhaps the Village could publish a list of what actions have taken place, perhaps once per quarter.

More communication will help a lot. The "rumor mill" isn't going away so sources for factual information would be helpful. Re-imbursement to the police department as a statute would be very helpful.

**Tom Weathers:** (Atwater Parkway) stated that at the August meeting it was mentioned that a survey might be sent out to residents. Mr. Weathers feels this is a good idea. (Director Day stated that there wasn't a survey.) Mr. Weathers also suggested some reports from other communities as examples of what those other jurisdictions have done regarding short term rentals, specifically density and enforcement issues. (Chairman Gauger has already printed copies of those reports.) Mr. Weathers also suggested that fees paid by the short-term rental owners could be used to hire people to enforce the rules. Mr. Weathers also asked how the taxes are collected from STR owners and suggested that enforcement might help with this also.

**Steve Jergenson:** Mr. Jergenson is a permitted STR owner in Fox Lake. The neighbors were not happy having a STR at first but have become friends over time and now have a good relationship. Mr. Jergenson suggested that Fox Lake rules need some improvement: 1) STR should only be approved for properties that touch the lake; 2) owner must install an approved fence on both sides of the property; 3) noise ordinance of 80 decibels with sound monitors on the property with notification systems and should be part of the annual inspection; 4) quiet hours should be in place and listed in each properties' book; 5) "no party" language should be in the welcome book for each property; 6) contact information should be given to neighbors on each side of property; 7) minimum of 2 or more night stay; 8) copy of rules should be supplied to neighbors on each side of property so that neighbors know what is or is not allowable for the renters.

**Shawn Good:** (N Pistakee Lake Road) The property he purchased previously was a resort and is zoned B4. Mr. Good purchased with intent to use as short-term rental property. Mr. Good suggested that 1) each rental property should be required to post a sign on the property with contact information of owner or management company so that they can be contacted if there are any problems or concerns; 2) there should be more vigorous and more frequent inspections by the Village; 3) occupancy should be based on sq. ft. as opposed to number of bedrooms; 4) additional fees should be imposed by the Village.

**Diana Vileta:** (Lakeside Lane) 1) Each property is supposed to have a rental book. These books should be given to the neighbors so that they will know what is or is not allowed; 2) neighbors needs to have someone in Village Hall to talk to; 3) would like a limit of short term rentals in the neighborhoods and in the Village as a whole.

**Ruth Igyarto:** (Lakeside Lane) 1) enforce regulations and ordinances; 2) owners should be residents, not businesses; 3) we can't run a business from our homes, why are these homes allowed to be run as a business? 4) limit the number of cars; 4) better management by the Village.

**Steve Mandell:** (Rabbit Run) Thanks to the Village for this forum and listening to what people have to say. Mr. Mandell is a former STR operator and will no longer purchase property in unincorporated Lake County because of too many regulations. The “good” side of rental properties is that the owners rehab the properties and that tends to increase property values and creating income and flow for the Village. The owners want regulations and want “bad” operators out of the business. We want to be a good neighbor and do whatever it takes to make good things happen. This is a destination community and STR helps with this. Many people don’t use hotels/motels anymore, they want a short-term rental.

**Christina Ostertag:** The short-term rentals are here to stay and we need to learn to deal with them. What plans are there for enforcement? Chairman Gauger stated that this will be one of our top issues in our response to the Village Board. This is a recurring theme, especially for the non-permitted rentals. The matter of adjudication needs to be reviewed. Mrs. Ostertag suggested that someone should be employed with the main function of enforcement of rental properties – the police are not equipped to handle this.

**Diana Vileta:** (Lakeside Lane) She agrees whole-heartedly with the remarks of the previous lady (Mrs. Ostertag). 1) Fees that short-term rentals pay to the Village should be raised. 2) What does the Village do with the fees that are received from the STR’s? Director Day stated that the application fee (about \$1,100) goes into the general fund. There is also a 5% hotel/motel tax that is paid quarterly – that tax can only be used for marketing the Village, tourism, etc. Also, the Village has hired a company to audit our income sources to see who is or is not paying their taxes. This company will set things up so that the STR companies (Airbnb and so forth) will pay the Village directly to assure compliance. Director Day also suggested that he will increase communication about rental properties with the police department. We do not have the funds to hire someone to deal with this full time.

Ms. Vileta feels there should be a limit of how many STR’s are on a block, residents should have contact information for the STR owners. She also suggested that the non-renters on the lake should get a tax rebate for their inconvenience. The police department should not be bothered with this, they have enough to do.

**Michelle Stewart:** Owns a short-term rental in Fox Lake. She has had a good relationship with the Village and the Board. She feels that STR’s are good for the town; they spend their money in town (restaurants, etc). She suggested the Village search for non-permitted sites. She also suggested that the owners occupy the property before turning into a rental. Problems happen, open communication with the neighbors helps.

**Steve Jergensen:** Mr. Jergensen said that he no longer uses hotels because he has 5 children, also short term rentals are more affordable for large families as well as business trips.

**David Ostertag:** Restated that enforcement is key and suggested an interagency agreement with neighboring communities.

**Steve Donato:** Not an operator. The rental owners are not neighbors unless they live on site. The owners should be there, on site. It is not the residents’ job

to work for them by policing the property. Shouldn't have to be bothered with calling someone to say the trash was left out, or the lights were left on, or someone's car is parked in my driveway. Also, if there is a requirement that the owners be residents, it would stop the large companies from buying up all the properties in town.

**Jerry Simmons:** (With Shawn Good) He uses short-term rentals as a family. He runs a 360 unit condo association (not short-term rentals). They have a similar problem. They have a system of graduated fees based upon condition of the property. He also stated that if you try to restrict use of a property you have a lot of problems with lending institutions and it affects property values.

**Tom Weathers:** He says he doesn't see where the rentals are such a boon to the local economy as they are not occupied continually. The local economy sees much more benefit from full time residents.

**Steve Mandell:** Mr. Mandell suggested speaking with the authorities in Lake Geneva. He will send information to Director Day.

**Sean Stochl:** Mr. Stochl suggested the idea of short term rentals only on the water hinders to ability of the Village to grow. He feels that the Village would benefit from having STR's in the "downtown" area. People could come in to town by train and utilize the stores, restaurants, bars and Lake Front Park areas. He also disagrees with the density arguments. If Airbnb's are limited, there wouldn't be enough funds to hire someone to enforce STR rules. Mr. Stochl is concerned that funds will be taken from kid's sports programs to fund such a position. He suggested charging the short-term rentals more (Airbnb charges 15% which he believes should be coming to the Village).

Someone asked if there is a list of tax payments made and who made those payments. Director Day suggested that any information would require a FOIA request. It was asked if there is an annual report produced by the Village showing what has been paid as Hotel/Motel tax. Someone stated that the Village collected \$20,000 last year.

**Steve Jergensen:** He agrees that downtown areas should be included in the short-term rentals scenario. Tax payments can be set-up with Airbnb, VIRBO, etc.

**Frank LaMark:** Short-term rental owners need to be regulated. Priority is safety of neighbors. He is all for more regulations and fees. Vet the renters carefully to prevent problems.

Commissioner Bongiovanni asked how much a sound sensing system costs. Not more than a couple of hundred dollars.

**Adam** Has lived in Fox Lake for more than a year. Need enforcement on occupancy limits.

Chairman Gauger thanked to audience for their input. He also stated that he learned a long time ago that "the best compromise is where both people go away disappointed". We hope that at the end of this project there will be good take-a-ways and some disappointment.

Director Day also thanked everyone for their feed-back. He also invited audience members to add their information to his list and they can be updated by email as information becomes available.

**VII. Public Comment**

*In accordance with the Illinois Open Meeting Act, the general public may address the Commission regarding any matter on the agenda or not on the agenda.*

None.

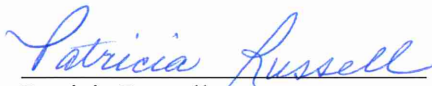
**VIII. Adjournment**

Commissioner Legge made a motion to adjourn, seconded by Commissioner Bongiovanni.

The motion was agreed to unanimously.

**Meeting adjourned at: 7:55pm.**

Respectfully submitted by,



Patricia Russell

Interim Secretary