

VILLAGE OF LAKE ZURICH

Board of Trustees
70 East Main Street



Tuesday, September 3, 2024 7:00 p.m.

APPROVED MINUTES

1. **CALL TO ORDER** by Mayor Tom Poynton at 7:00 pm.
2. **ROLL CALL:** Mayor Thomas Poynton, Trustee Mary Beth Euker, Trustee Jake Marx, Trustee William Riley, Trustee Marc Spacone, Trustee Roger Sugrue, Trustee Greg Weider.
Also in attendance: Village Manager Ray Keller, Police Chief Steve Husak, Assistant V.M. Michael Duebner, Community Development Director Sarosh Saher, Finance Director Amy Sparkowski, Parks and Rec Director Caputo, Public Works Director Mike Brown, and Village Attorney Scott Uhler.
3. **PLEDGE OF ALLEGIANCE**
4. **PRESIDENT'S REPORT / COMMUNITY UPDATE**
 - Recognition of Ela Township Pageant Queens – Teen Miss Alexis Alt, Junior Miss Meghan Zaehler and Little Miss Zoey Kumar.
 - Recognition of Trustee Dan Bobrowski for Public Service on the Village Board.
5. **PUBLIC COMMENT**
 - Eric Dubiel, 25 North Pleasant Road, addressed the Board on what he called Soviet-style strategies for municipal operations and provided his opinions on a range of topics from Block A, taxes, water rates, an increasing population, and traffic on U.S. Route 12.
 - Linda Joern, 670 South Old Rand Road, addressed the Board regarding the proposed OSK development on the agenda tonight. As the current property owner, the Joern family believes the proposed development will improve the immediate neighborhood and strikes a good balance.
6. **CONSENT AGENDA**
 - A. **Approval of Minutes from the Village Board Meeting of August 19, 2024**
 - B. **Approval of Warrant Register Dated September 3, 2024, Totaling \$1,327,483.25**
 - C. **Ordinance Approving a Special Use Permit for The Simulation Zone at 189 South Rand Road (Ord. # 2024-09-583)**
Summary: The owners and operators of The Simulation Zone request a Special Use Permit at 189 South Rand Road to open a business offering realistic racing, golf, flight, and other simulation technology experiences. The Planning and Zoning Commission held a public hearing on August 21, 2024 and voted 6-0 in favor of recommending approval of this Special Use Permit.

D. Ordinance Granting a Variation to Allow for the Construction of a Terrace Within the Rear Yard at 474 Rush Court (Ord. #2024-09-584)

Summary: The owners of 474 Rush Court request a Zoning Variation to allow a terrace patio in the backyard that exceeds the minimum setback requirements. The Planning and Zoning Commission held a public hearing on August 21, 2024 and voted 6-0 in favor of recommending approval of the Zoning Variation.

E. Change Order to Previously Awarded Contract for Buffalo Creek Building A Flooring Replacement in the Amended Amount Not-to-Exceed \$34,636

Summary: The Village Board awarded a contract to NPN Flooring for flooring replacement at Buffalo Creek Building A on May 20, 2024 in the amount not-to-exceed \$34,196.40. During construction, a moisture test was conducted after removal of existing floor which found the levels of moisture in the concrete subfloor to be at a level too high to allow proper bonding of the new flooring to the concrete. The proposed change order results in a cost increase of \$439.60 over the previously awarded amount of \$34,196.40 with the final project cost to be in the amount not-to-exceed \$34,636.

Actions: A motion to approve the Consent Agenda as presented was made by Mayor Poynton, seconded by Trustee Spacone.

AYES: 6 Trustees Euker, Weider, Spacone, Marx, Riley, Sugrue.

NAYS: 0

ABSENT: 0

MOTION CARRIED.

7. NEW BUSINESS

A. Ordinance Granting Approval for a Planned Unit Development for OSK Residential Development Located at 670 South Old Rand Road (Ord. #2024-09-585)

Summary: Developers at OSK Capital Partners request approval of a Planned Unit Development, Zoning Map Amendment and Preliminary Plat of Subdivision to develop a new residential community at 670 South Old Rand Road.

This application was originally submitted to the Village in 2022 for construction of 50 townhouses within 12 buildings but was denied by the Village Board due to concerns about too high of density, parking, wetlands disturbance, and structures within the creek area.

OSK Capital Partners has now resubmitted a revised development proposal consisting of 18 single family homes and 18 townhomes. The Planning and Zoning Commission considered this revised application at Public Hearings held on June 19 and July 17, 2024.

At its meeting on July 17, 2024, the Planning and Zoning Commission voted 6-0 to recommend approval of this revised development concept plan incorporating the conditions for approval provided by staff in its report.

Director Saher introduced the OSK Capital Partners Team. Lawrence Freedman, Attorney for OSK Capital Partners, addressed the Board regarding a brief history of the changes of the development plan over the last two+ years

and how his team has addressed the concerns raised at the previous Public Hearings, including lower overall density and lower building heights.

Mr. Freedman introduced his architect and civil engineering team, who highlighted the site plan changes that have been incorporated into the current proposal. The OSK team emphasized the access point onto South Old Rand Road, sidewalks, the south-end vegetation buffer, the interior park space, and stormwater management.

Mr. Haymes of Pappageorge Architects reviewed the front elevations and home types on Old Rand Road and Buesching Road, as well as the interior rowhome types.

Trustee Spacone said he likes the revised site plans and appreciates the thoughtfulness of the OSK team, emphasizing the community process worked as it should.

Trustee Weider asked the OSK team what the benefit is of this development to the people of Lake Zurich. Mr. Freedman said every undeveloped piece of land will eventually be developed to its highest and best use with the current plan providing the right balance with the right mix of housing types that will work for the village as a whole and the surrounding properties.

Trustee Sugrue asked the OSK team about the anticipated cost of the units. The OSK team said \$700,000 - \$800,000 for single-family homes and the mid-\$500,000's for the townhomes. Trustee Sugrue said this site plan is much improved over previous versions.

Trustee Euker asked about the impact to the traffic study with the lower density plan and the OSK team said they did a traffic study in April 2022 and another one in 2024, but they did not have both reports available tonight to talk about comparisons.

Trustee Riley said he still has concerns about density with this development but appreciates the changes that have been made.

Trustee Marx said he thinks this site plan could increase the overall walkability/bikeability of the Village and wants to make sure connectivity with the surrounding area is achieved. Director Saher said the developer will be required to connect to the public sidewalks in the area.

Mayor Poynton emphasized the Village democratic process over the last 2+ years and the resulting community discussion has resulted into a better site plan that will benefit the Village as a whole.

Actions: A motion was made by Trustee Marx, seconded by Trustee Spacone, to approve Ordinance #2024-09-586 Granting Approval of a Planned Unit Development, Amendment to the Official Zoning Map, Preliminary Plat, Development Concept Plan, Special Use Permits, and Modifications to the

Zoning and Land Development Code for a Residential Subdivision at 670 South Old Rand Road.

AYES: 4 Trustees Spacone, Marx, Riley, Sugrue.

NAYS: 2 Trustees Weider, Euker

ABSENT: 0

MOTION CARRIED.

B. Ordinance Approving an Increase in the Non-Home Rule Municipal Retailers; and Municipal Service Occupation Tax (Ord. #2024-09-586)

Summary: The provided ordinance enacts a 0.5% increase to the Village's Non-Home Rule (NHR) Sales Tax, increasing the rate to a total of 1.0%, effective January 1, 2025. A recent change to state statute now allows non-home rule municipalities to adopt a local sales tax without requiring referendum approval. The Village previously adopted a 0.5% NHR sales tax in 2011, which has funded the Village's road program since.

The proposed rate increase will generate an additional \$2.5 million annually, which will be used to fund Lake Michigan project-related expenses and debt service. The revenue from this sales tax will cover one-third of the project's costs, reducing the reliance on future water rate increases for utility customers to fund the project.

Approximately 40% of retail purchases at Lake Zurich establishments that are subject to sales tax are made by non-residents. Considering this proposed increase in the NHR sales tax rate, non-residents will contribute approximately 15% of the cost to bring Lake Michigan water into the Village.

Upon the adoption of this ordinance, staff will prepare an ordinance to reduce the scheduled Lake Michigan project water rate increases planned for 2025-2028, in accordance with the previously-discussed project funding strategy.

Village Manager Keller revised the five-year water rate schedule previously adopted by the Village Board as a way to fund the Lake Michigan water transition and how this proposed 0.5% sales tax rate increase would allow the Village to reduce those scheduled water rate increases.

Actions: A motion was made by Mayor Poynton, seconded by Trustee Weider, to approve Ordinance #2024-09-586 Approving an Increase in the Village of Lake Zurich Non-Home Rule Municipal Retailers' Occupation Tax and Non-Home Rule Municipal Service Occupation Tax.

AYES: 6 Trustees Spacone, Marx, Riley, Sugrue, Weider, Euker.

NAYS: 0

ABSENT: 0

MOTION CARRIED.

8. TRUSTEE REPORTS

- Trustee Weider thanked the Public Works staff for their efforts on storm damage cleanup after the storm event of August 27, 2024, allowing Paulus Park to be open again in time for the Friday Farmers Market and for the Labor Day weekend.
- Trustee Riley emphasized that the aggressive comments received during tonight's Public Comment period were not productive and he hopes in the future, criticism of the Village could be provided in a more productive or collaborative manner.

9. VILLAGE STAFF REPORTS

- Parks Director Caputo highlighted the upcoming Rock the Block event on September 14, 2024 and encouraged the Board and community to come out and enjoy the party.

10. EXECUTIVE SESSION

- Motion was made by Trustee Euker, seconded by Trustee Spacone, to adjourn into Executive Session for the purpose of 5 ILCS 120 / 2 (c) (21) review of Executive Session minutes and 5 ILCS 120/2 (c) (11) pending or imminent litigation.

There will be no further business conducted in Open Session.

AYES: 6 Trustees Riley, Spacone, Euker, Sugrue, Weider, Marx,

NAYS: 0

ABSENT:

MOTION CARRIED.

The Open Session meeting adjourned at 8:11 pm.

12. ADJOURNMENT

The Open and Executive Sessions adjourned at 8:33 pm.

Respectfully submitted:

Kyle Kordell, Deputy Village Clerk

Approved by:



 Mayor Thomas M. Poynton

9-17-2024
 Date