APPROVED

Village of Riverwoods Plan Commission Meeting Meeting Minutes May 4, 2023

A meeting of the Village of Riverwoods Plan Commission was held on Thursday, May 4, 2023 at Village Hall. Chairperson Laurie Breitkopf called the meeting to order at 7:30 PM.

Present: Laurie Breitkopf, Chairperson Karl Blalock Sherry Graditor Stephen Levin Carey Rothbardt

Absent: Jay Datt

Also Present: Kris Ford, Mayor Henry Hollander, Village Trustee Vivian Hofeld, Village Building Coordinator Bruce Huvard, Village Attorney

1. Approval of Minutes

Commissioner Graditor moved to approve the minutes from the April 20, 2023 Plan Commission meeting as corrected. Commissioner Levin seconded the motion. The motion passed unanimously on a voice vote.

2. Visitors wishing to address the Plan Commission

Edward Ruda, 30-year Meadowlake resident, addressed the Commission regarding the Lexington plan. Speaking on behalf of an ad hoc committee of Meadowlake residents and other Riverwoods residents, he stated the substantial majority (but not all) of the committee support having the Lexington project move forward with the following stipulations: 1) Keep the berm intact on the Lexington property that separates Meadowlake from the proposed Lexington townhomes. Not only does it shelter Meadowlake from Lexington, it is also home to many birds, rabbits and other wildlife. 2) Erect a black chain link fence and plant a substantial number of trees on the Lexington side of the berm from east to west to separate the properties and block the view of the townhomes from Meadowlake. 3) Consider removing one unit from each of the six townhome buildings on the northern part of the property that are contiguous to

Meadowlake to allow additional open space and screening. 4) Implement the recommendations of the Village's planning consultant.

Mary Oler, Meadowlake resident, stated that she was not in opposition to what Mr. Ruda had recommended, but expressed concern for other issues that needed to be represented, specifically density. The last consensus from the committee was a recommendation of 32 units on the site or 4 units per acre.

She thought that the ad hoc committee was going to include in their requests that all of the recommendations of Teska Associates would be fulfilled including a reduction of density to improve traffic flow, safety and livability. This would also provide enough recreational space for a play area, dog run, etc. Ms. Oler remarked that the Lexington plan to date is too great a departure from the Village norms for spaciousness.

Ms. Oler expressed concern and confusion amongst some of the residents that the ad hoc committee's proposal had been rushed this afternoon. She requested an opportunity for the neighborhood to meet regarding the concept.

Ms. Oler concurred that an attractive durable fence with tall evergreens, natives and possibly giant arborvitaes be planted on the Lexington side as well as an irrigation system to keep landscaping maintained, unlike other Lexington properties she has visited. She requested that the Village address child safety regarding the storm water retention ponds on the site. She stated that the appearance of the buildings should be improved with muted colors and stone and timber accents that reflect the natural environment and look more like Riverwoods.

Ms. Oler also suggested long-term, enforceable agreements are needed with funds escrowed because of the bad management experience of The Shoppes of Riverwoods.

Ms. Oler concluded that if Lexington can't do these things, there are other ideas for the site, such as affordable low-rise housing for seniors who are downsizing, similar to the Lake Forest model of senior duplex cottages. The Village shouldn't be held hostage for an access road with a development that doesn't fit the Village. She would like greater community consensus and proceed with planning that is thoughtful and best for the community.

Ch. Breitkopf explained that the Plan Commission's purpose is to advise the Board. She encouraged residents to make their thoughts and concerns known to the Board of Trustees, who are the decision makers.

Christy Sherman, Meadowlake resident, reinforced Mr. Ruda's comments that the Meadowlake ad hoc committee is seeking to protect Meadowlake. She walked through the woodland buffer recently and it was perfect. The buffer should be left as it is.

Mathew Eisenstein, Meadowlake resident, stated that he is against the development. He is concerned about the sustainability of the buffer and remarked that just planting trees won't be enough. He asked if there are plans for irrigation. William Lauth, Meadowlake resident, commented that he is unhappy with current buildings at the entrance to the Riverwoods community: gas station, storage facility, etc. He remarked that the Lexington project seems contrary to the common sense, neighborhood responsibility and environmentally friendly community of Riverwoods. He does not want to have a three-story monstrosity at the entrance of the community. He questioned how many cars would be added which would worsen existing traffic issues. Mr. Lauth doesn't understand why the Village can't "just say no" to the proposal. He moved to Riverwoods to stay away from this type of intrusion. Riverwoods is a modest Village and has compromised too much.

TJ May, Wheeling resident, said Riverwoods is meant to have single family homes, but the advantage of this proposed project is an increased tax base. He suggested having a dedicated in-and-out turn lane to assist with traffic.

3. Old Business

Discussions of report on Lexington Reserve to the Village Board.

Mr. Huvard presented the draft recommendation and report to the Village Board reflecting the Plan Commission vote on April 27.

Commissioner Graditor stated that the report doesn't reflect how strongly she feels about certain aspects of the proposed development. First, the project is too dense. Second, the appearance of the buildings doesn't represent Riverwoods. The current design has a cookie cutter appearance that does not represent the community. She wants to see a project be built – people may want to downsize and be near family -- but it has to fit the character of Riverwoods

Commissioner Blalock suggested highlighting Commissioners' concerns during the hearings about project density and appearance. Commissioner Rothbardt agreed the density has been a major concern and that the development needs to look like it belongs in Riverwoods.

Commissioner Graditor stated that three affordable on-site housing units is not enough and would like to see six on-site affordable units.

Ch. Breitkopf stated that she agrees with the requested edits to the report. She stated that she is supportive of the ideas that Mr. Rupa presented and will discuss them with the Board when she presents the Plan Commission report.

4. New Business

Discussion of short-term home rentals (e.g., Airbnb) and permitted home occupations.

Mr. Huvard presented short-term rental ordinances and approaches taken by Highland Park, Northbrook and Lincolnshire. Riverwoods currently only requires that homeowners with short term rentals should register with the Village. However, recent online listings reveal that homeowners are not registering as required.

Last summer, the Village became aware that homeowners are renting out their swimming pools and tennis courts separately from their homes. Mr. Huvard stated that the use of a swimming pool for that type of short-term rental violates Village ordinances.

Hr. Huvard stated that some people argued residents should be able to make a little money from short-term rentals of their properties. Now the trend is for companies to buy houses remotely and manage short-term rentals as a business.

Mr. Huvard read highlights of other local ordinances addressing short-term rentals.

Mr. Huvard noted that Riverwoods doesn't seem to want homes that are a business and not someone's primary residence. Limits can be set on how many days a year a resident can rent their home or require the homeowner to be present when the dwelling is used as a short-term rental. Other conditions could state that short-term rentals can't be rented for less than two consecutive 24 hour periods or that accessory/secondary dwelling units can't be used as a short-term rental.

Commissioner Graditor asked whether ordinances in other towns address rentals of tennis courts and swimming pools for parties. Mr. Huvard acknowledged that there are gaps in the ordinances.

Commissioner Rothbardt explained that he has a VRBO in Walworth County, Wisconsin. He remarked that there are ways to create enforceable rules. He explained that a 45-day rule is normal. In Walworth County, most owners cannot rent their property for more than 7 consecutive days or more than 45 – 52 days in a year.

Commissioner Rothbardt asked if anyone pays a fee for shot-term rental registration in the Village and explained that in Walworth County, owners are notified by mail to pay a fee and other requirements. Commissioner Rothbardt suggested that the Village look up short-term rentals on the rental websites and study the photographs to get an idea of where they are located in the Village.

Commissioner Rothbardt asked how many properties are offering short-term rentals in Riverwoods. Ms. Hofeld answered three that she has knowledge of, but she has received many phone calls from people wanting to purchase a home to be used as a full-time short-term rental.

Commissioner Graditor stated that many residents wouldn't be happy as the neighbor of a person who is renting his pool for two hours with a boom box and 50 guests, or if every two weeks there is a different group of people in the neighborhood. She said that if short-term rentals are allowed, it must be regulated so a resident can call the Village to see if it is legitimate.

Commissioner Blalock noted that one of the ideas that seems attractive is making rentals not less than two consecutive days. Perhaps it should be three days or seven days, since we want to discourage someone renting a home to just have a party.

Commissioner Levin asked how we would decide on the number of rental days. Mr. Huvard replied that setting a maximum rental period of 45 days per year means that homes would continue to serve as a primary or secondary residence. The rule allows short-term rentals but for a limited time.

Commissioner Rothbardt noted that it's a benefit if an owner travels to Florida for the winter and can make some money on his home while away. He agrees that it would not be a good idea to allow someone to buy a house in Riverwoods for the purpose of being a short-term rental.

The Commissioners then discussed varying requirements such as requiring the owner to be on the premises during all short-term rentals, or requiring a lengthier period for the minimum stay.

Commissioner Rothbardt commented that three to four days would be good. Commissioner Blalock agreed that a four-day minimum would be fine. Commissioner Rothbardt said that usually it's a three-night minimum and often with a house the renters want to stay longer anyway.

Mayor Ford noted that if short term rentals are considered as a business, then the Village should require a business license on an annual basis. Mayor Ford asked it the Village wants to allow short-term rentals within a residential area. Commissioner Rothbardt answered that it's a good opportunity, especially if people want to travel and have some extra income. Mayor Ford asked if the Village wants to differentiate between those people who want to buy a home strictly as a business and residents who want to rent their Riverwoods home when they are not using it. Mr. Huvard stated that, under the ordinances being discussed, the home still has to be primary residence that you can rent out, not a business asset.

Mr. Huvard said the purpose of requiring a longer minimum stay is to limit behaviors from parties, etc. that neighbors find objectionable.

Mr. Huvard noted that having many short-term rentals without clear regulations could become an administrative headache for the Village. The Village would collect a small license fee and spend much time arguing about whether someone violated the ordinance.

Commissioner Graditor stated that she is unequivocal that the Village should not permit the rental of ancillary features on the property like pools and tennis courts. All rentals should be inside the residence. It would be okay for someone renting the house to use the pool or tennis court, but not to isolate the pool or tennis court for rental.

Commissioner Blalock asked if other communities require that the owners notify the neighbors. Attorney Huvard responded that Northbrook requires that prior to the first short-term rental of each calendar year, the owner must notify in writing all the owners of parcels that abut his property of his intent to offer the property as a short-term rental.

In the notice, the owner must include his rental registration number and contact information.

Commissioner Graditor reiterated that cars must be parked on the rental property. She was not sure if we wanted to stipulate how many people may be present during a rental. Mr. Huvard stated that Highland Park's ordinance provides no more than 12 people at any time and Northbrook provides that only two bedrooms may be used.

Julie Varvaro, Riverwoods resident, commented that there's a short-term rental listed by the host on Evolve. If the Village can't convince residents to clean out their drainage ditches, she doubts it would be able to enforce short-term rental restrictions. She said the Village already has too few staff. She believes that the Village should have a policy that says no short-term rentals or only allow something straightforward like 30 days maximum per year. Otherwise, the Village won't have the ability to control it.

Trustee Hollander suggested the issue of short-term rentals be looked at in reverse. What are we trying to avoid, rather than trying to make it easier for residents to do shortterm rentals. If the main objection is to avoid parties rather than having someone rent a house for three months, then making the minimum stay longer avoids the problem. Someone renting a place for a month will probably behave like any other resident. If someone wants to throw a party, they will pay for a three-day rental. Trustee Hollander recommended making the ordinance fairly restrictive – at first. If short-term rentals aren't a problem, the ordinance could be broadened. He suggests instituting a minimal rental period such as 7 or 14 days.

Commissioner Graditor added that any ordinance should be clear that if the minimum rental is 30 days, it must be 30 days to the same tenant. Commissioner Rothbardt noted that if someone is traveling for a weekend, then a minimum stay of 3-4 days is optimal. Commissioner Levin agreed with Trustee Hollander's comments. A longer minimum stay would help reinforce the point that Riverwoods is residential and not a vacation spot.

Mr. Ruda stated that he would like the short-term rental policy to be resolved before the Lexington project is completed. He is concerned there could be a lot of rentals within the property on an ongoing basis. Mr. Huvard noted that any ordinance for short-term rentals would apply to any kind of housing in the Village. In addition, homeowner association documents would address rentals and the declaration that covers the townhomes will be subject to Village review and approval. Commissioner Rothbardt asked if there could be a restriction that says short-term rentals are only allowed in properties over a certain square footage, and that footage would be more than the square footage of the townhomes. Mr. Huvard will look into the question.

Mr. Huvard said he will draft a proposal addressing short-term rentals. The notice of public hearing will provide several options. The public will have a chance to comment after the Commission discusses and recommends a policy.

4. Comments by the Chairperson

The Chairperson thanked visitors for their comments and attendance.

5. Adjournment

There being no further business or discussion, Commissioner Blalock moved to adjourn the meeting. Commissioner Rothbardt seconded the motion. The motion passed unanimously on a voice vote. The meeting was adjourned at 8:55 pm.

The next scheduled meeting of the Plan Commission is June 1, 2023 at 7:30 pm.

Respectfully submitted,

Dana Litwin