

**HIGHLAND, ILLINOIS
MINUTES OF REGULAR SESSION
COMBINED PLANNING & ZONING BOARD
CITY HALL, 1115 BROADWAY
WEDNESDAY, APRIL 7, 2021
7:00 PM**

Call to Order:

The April 7, 2021, meeting of the Combined Planning & Zoning Board was called to order at 7:00 PM by Chairman Brad Korte.

Roll Call:

Members present: Chairman Brad Korte; Robert Vance; Shirley Lodes; Deanna Harlan; Alan Stoecklin; Bill Koehnemann; and, Anthony Walker.

Members absent: None

Also present: Newly Appointed Mayor Kevin B. Hemann; City Attorney Michael McGinley; SIUE Intern Matt Kundrat; Deputy City Clerk Lana Hediger; and, Recording Secretary Megan Von Hatten.

Approval of Minutes:

Bob Vance made a motion to approve the minutes of the March 3, 2021, Regular Session meeting of the Combined Planning & Zoning Board; seconded by Deanna Harlan. All members voted aye by roll call; none voted no; the motion carried.

Public Comments Relating to Items Not on the Agenda:

None

Public Hearings on Items Listed on the Agenda:

Chairman reviewed the procedures for testifying on any item during the hearings and swore-in members of the public wishing to testify on items specifically listed on the agenda.

New Business:

Miles Maggio (1320 Zschokke Street), on behalf of Marge Donnelly (308 Laurel Street), is requesting a Special Use Permit to allow for a short-term rental at 1320 Zschokke Street, in an R-1-D zoning district. PIN #01-2-24-05-11-204-030

Matt Kundrat reviewed a prepared Power Point presentation, as follows:

Applicant: Miles Maggio

Property Owner: Marge Donnelly

Summary: Special Use Permit to allow for a short term rental in the R-1-D district

- The zoning matrix identifies "short term rental" as Special Use within the R-1-D single family residential zoning district.
- Comprehensive Plan Consideration: The subject property is denoted as downtown on the Comprehensive Plan's Future Land Use Map. A short-term rental is an appropriate Special Use for the downtown area.

Surrounding Uses

Surrounding uses to the North, South, East, and West are all R-1-D, Single-family residential.

Standards of Review for Special Use Permits

Below are the six (6) consideration items listed in Section 90-79 of the Zoning Code which the Combined Planning and Zoning Board shall take into account while reviewing a SUP request.

1. *Whether the proposed amendment or Special Use is consistent with the City's Comprehensive Plan;*
The proposed Special Use is consistent with the Comprehensive Plan.
2. *The effect the proposed amendment or Special Use would have on public utilities and on traffic circulation;*
The proposed Special Use would not have an adverse effect on public utilities or traffic circulation on nearby streets. Off-street parking may need to be identified.
3. *Whether the proposed design, location and manner of operation of the proposed Special Use will adequately protect the public health, safety and welfare, and the physical environment;*
The proposed Special Use will adequately protect the public health, safety and welfare, and the physical environment.
4. *The effect the proposed Special Use would have on the value of neighboring property and on this City's overall tax base;*
The proposed Special Use will not have a detrimental impact on the value of neighboring property. It will contribute to the City's overall tax base through the hotel-motel tax generated.
5. *The effect the proposed Special Use would have on public utilities;*
The proposed Special Use will utilize public utilities.
6. *Whether there are any facilities near the proposed Special Use, such as schools or hospitals that require special protection.*
There are no facilities near the proposed Special Use that require the need for special protection.

Staff Discussion

Short-term rentals would help fill the need for more hospitality industry in the community. In this case, it is not the property owner that is the short-term rental host, but rather the renter. The renter has an agreement with the property owner to utilize the property as a short-term rental. It should be noted that this residence consists of two rental units. The main floor is the proposed short-term rental, while the upper unit would remain a traditional rental property.

The Public Hearing on this issue was opened:

Deanna Harlan asked the applicant about the number of people of on the property at any given time. Under the belief that the applicant's residence was in the upstairs apartment of the subject property, she was interested in whether the 12 person limit included his apartment and any visitors, or if it only applied to the short-term rental. The applicant (Miles Maggio) indicated that the maximum number allowed in the rental space is 12, and that is for the entire structure, including the upstairs apartment and the short-term rental. Mrs. Harlan noted that the application states that the strict rules will be promptly and formally enforced. She asked the applicant if he was the one that would be enforcing the rules. He stated, "Yes; it would be me." He explained that the rental space is equipped with security cameras and a non-invasive noise level monitoring

system, which detects the noise level of the home. Mr. Maggio receives a notification of loud activity via his cellular phone. Mrs. Harlan asked the applicant how parking will work at the site. Mr. Maggio indicated that it is in the house rules that only six cars are allowed, including three in the provided parking spaces and three more within short proximity to the home. Every guest has to sign that they have read and understand the house rules and then those rules are enforced proactively.

Shirley Lodes asked if the downstairs portion of the property has been rented out prior to this. Mr. Maggio indicated that it has, recently. He referenced a policy that he indicated that prior to his undertaking this venture, he was told this use was allowed; but, found out later that it is not allowed without a Special Use Permit. Upon learning that a special use permit was needed, he immediately submitted an application for it.

Mrs. Lodes asked if the property had been rented out long-term prior to Mr. Maggio's involvement. Mr. Maggio stated that the property had been rented out long-term prior to his involvement. Mrs. Lodes inquired if there had been any issues with parking during the long-term rental. Mr. Maggio stated that there were zero parking issues in the past.

Mr. Maggio indicated that he had been given verbal permission to continue with the short-term rental with the understanding that if his application for a special use permit was denied that he would have to cease activity at that time. He stated that most of his clients are travelling business professionals and beautiful families.

Chairman Korte asked for clarification as to who is notified, as primary contact, when there is a fire alarm in the rental. Mr. Maggio indicated that he receives a cell phone notification of fire alarms. The chairman asked Mr. Maggio where he lives. Mr. Maggio indicated that his residence is in Collinsville. His Minut Home Monitoring system sends notifications to his cell phone. There are sensors that detect high levels of noise, breaking glass, elevated carbon monoxide levels and smoke. Mr. Maggio indicated that when he receives a smoke alarm he reaches out right away to the guests and refers to the cameras. If he is unable to reach the guests, he visits the property, personally. He indicated that this happens about a dozen times per year. Chairman Korte reiterated for clarification, that if someone was needed on-site, Mr. Maggio would be coming from Collinsville. Mr. Maggio then stated that he has friends in Highland who have promised to respond, in case of any emergency.

Shirley Lodes asked for clarification on the arrangement, positing that the downstairs only will be short-term rental, and the upstairs is still long-term rental. The applicant confirmed this.

Deanna Harlan expressed surprise, indicating that she was not aware that the applicant lived in Collinsville. During her review of this issue, she noted that Mr. Maggio's address on the application is listed as the same as the subject property leading her to believe that he would be living in the upstairs apartment, giving her some comfort level with arrangement. Mr. Maggio indicated that his church friend lives two doors away.

Chairman Korte asked how long this has been advertised as an Air B&B. The applicant indicated that he has been advertising this property as an Air B&B for about a month. Chairman Korte clarified that the ordinance allowing this as a special use, has been in effect for a couple of months. Mr. Maggio stated that he had verbal consent to do so

and understands that he must cease operations if he does not receive this Special Use Permit. He has been conducting this type of business for 2 ½ years in other communities and is still growing and learning. He has 500+ customers, in Collinsville and Fairview Heights and wants to follow all city ordinances.

Jennifer Scott of 1320A Zschokke St. – Ms. Scott indicated that she lives in the upstairs of the subject property and contradicted testimony of the applicant, stating that the applicant has been renting out the downstairs, as short-term rentals since Jan. 11, 2021. She was concerned and confronted the owner, asking, “Are you starting a hotel?” To which, according to Ms. Scott, the owner responded, “Yes. I am.” Ms. Scott testified that there is no thermostat in the upstairs apartment, forcing the upstairs tenant to rely on the downstairs tenant to adjust the temperature for her upon request. Further, there is only one water heater for the entire house. She believes the house is not set up for this type of business. There are only two parking places for the upstairs tenant, so there is no room for five or six vehicles for the downstairs guests. Ms. Scott has witnessed an underage party, and notified Mr. Miles, via a cellular phone number he had provided to her, but he did not respond until the next day. Ms. Scott testified that Mr. Miles does not maintain the property (snow removal, grass cutting, etc.). She notified the city of this, not Mr. Miles.

Jeremy Gable of 1360 Zschokke St. (next door to the subject property) – Testified that the neighbors don't want this. He indicated that there are 20 kids, ages 10 and under, in the vicinity of this parcel and the transient nature of the short-term renters is a real concern. He added that the subject property is not up to city code for the type of use being proposed.

Karen Mason of 1404 Zschokke St. – Agreed that there are lots of kids in the neighborhood and would be concerned for their safety. She contradicted the applicant's testimony saying that he has been advertising this property on Kingdon Stays for rent for months, starting at only \$40/night. Ms. Mason added that through some internet research she was able to learn that some Air B&B's are used for money laundering. Some scammers get people to send their money on a payment card, then they cash it, box the money up and send it to an Air B&B and another person would rent the space on the day that the delivery of cash is expected and then they get the money out of the country. She reiterated her concern for the kids in the neighborhood and stated that she is firmly opposed to this use of this property. This is too nice and quiet of a neighborhood to have this type of business. Finally, she added that in the advertisement for the rental, the minimum age for renters is only 18.

Russ Lentz of 1114 13th Street – He spoke in opposition of the proposed use. He would not feel safe in the neighborhood for himself or his children and the neighborhood children. He believes it would invite questionable tenants and would lead to theft of property, theft of pets, theft of children, and by the time anyone is notified, the perpetrators will be three states away.

Chris Korte of 1325 Pine Street – he is a concerned father of two and there are many other children in the neighboring homes. He is not in favor of the transient nature of the guests.

Jennifer Scott -- She cleans houses. She is concerned about the cleanliness of the property.

Mr. Miles stated that he screens guests to make sure the guests are safe. This is not a good location. He believes that owners should have the ability to do what they want with their property. He understands the concerns. He has not had any issues in 2 ½ years. Every guest has to submit their purpose for their stay. Any violations, the rental is terminated immediately and the guest must vacate. Mr. Miles indicated that the rental is not \$40/night...there are many more fees involved including a cleaning fee.

Deanna Harlan stated that when she uses Air B&Bs she does scope out homes in nice neighborhoods. The \$40/night advertisement concerns her. She has not been through a background check. Is that through the service?

He indicated that Kingdom Stays pays for a service whereby all guests are screened based on their entire travel history, including hotel stays. He had one incident where a property was left in a wreck and was unable to be recovered prior to the next guest.

Deanna Harlan added that her main concern with all of this is that she is unsure on how this has functioned well as a two-unit rental property to begin with, with the thermostat and water heater issues.

Mr. Miles indicated that he and the owner are having discussions about renting out the whole home. He added that nobody has pointed out any incidents that have actually occurred at this property (i.e. loud tenants).

Deanna Harlan asked what the holdup on the whole house rental is? Mr. Miles indicated that the upstairs is being renovated. He understands the issue with the children. Mr. Miles stated, in response to the question about the rental being \$40/night, that that isn't even close to the cost.

Brad Korte indicated that he saw the website today and it clearly says "\$40/night" under a picture of the subject property. Mr. Miles indicated that is just the base rate. There are additional fees added to that, including service charges, management charges, cleaning fees, taxes, etc. When guests enter dates for a stay they are given the exact cost, including all fees.

Karen Mason asked if Mr. Miles is he going to be able to handle a complaint from a tenant about his neighbor?

Ms. Carillion of 1400 Zschokke Street, a 53 year resident, stated that her concern is the value of her property. The neighborhood is improved and is a great place to live. Neighbors are investing in their properties. Kids are playing in the neighborhood. She doesn't want that to change. She is trying to be open minded. She is so proud to live there. She would hate to see it change such that she won't know who her neighbors are, that the neighbors are transient. The parking in the neighborhood is already tight. I have great neighbors. She thinks that means a lot.

Mr. Miles stated that this is a new thing. Mr. Miles wants everyone to feel comfortable. Neighbors have caused problems (Jennifer), were disturbing the guests. That's why she was evicted. He is happy to answer questions and to share his personal phone number.

Jennifer Scott feels like she is being personally bullied.

The public hearing on this issue was closed.

Attorney McGinley asked the board if they had any questions of a legal nature with regard to this issue.

Deanna Harlan asked Mr. McGinley to explain the situation with a lessee renting this out, and the owner not being involved.

Mike McGinley stated that short-term rentals have been allowed by a Special Use Permit. There isn't anything in the code that prohibits this activity, but in order to do it, this process is required.

Anthony Walker, stated for clarification, that we have a two-family in a single-family residence and now someone is trying to turn a portion of the home into a short-term rental. Mike McGinley stated that at the last inspection (November 2020), we were looking for things like smoke detectors and other safety features. These other issues are market driven. We did not find anything that is not within code. Mr. Walker noted that if this isn't registered as a two-family dwelling, then what we are asking to do is circumvent other ordinances

Shirley Lodes made a motion to approve a Special Use Permit for a short-term rental at 1320 Zschokke Street for Miles Maggio; seconded by Deanna Harlan.

Deanna Harlan made a motion to allow a 5 minute recess to allow Attorney McGinley to make a phone call to obtain clarification on a couple of pertinent points; seconded by Bob Vance. All members voted yes; none voted no. The motion carried and the meeting recessed.

The meeting reconvened and Attorney McGinley indicated that the residence is registered as two units and the downstairs was the one that was inspected in November. It is currently operating as a non-conforming use.

Chairman Korte stated that he is concerned about the suitability of this property for rentals in the first place and believes this board should pay close attention to these types of things in the future. Attorney McGinley indicated that there may be some changes to this soon.

Chairman Korte asked that the roll be called for a vote. All members voted no; none voted yes. The motion failed. Chairman Korte announced that the Combined Planning and Zoning Board would be recommending denial of the Special Use Permit to the City Council who would be addressing this issue at their meeting on April 19.

City of Highland Request for Approval of a Preliminary Plat for Plaza Park at 911 & 913 Main St.:

The City of Highland (1115 Broadway) is requesting approval of a preliminary plat for Plaza Park at 911 Main Street & 913 Main Street. PIN #01-2-24-05-07-201-017, 01-2-24-05-07-201-016

Attorney McGinley reported that hopefully within six months these two parcels, that the city purchased from TJO Holdings, LLC, will be Plaza Park. TJO Holdings, LLC is the company that is developing the old bank property into a brew pub.

- Preliminary Plat
- Plaza Park on 911/913 Main Street
- Applicant and property owner: City of Highland
- In order to combine the two existing parcels into one lot, the subdivision process is necessary. However, this subdivision does not involve any new infrastructure. The lot combination is needed in order to center new public restrooms on the existing lot line, as no structure may be placed on a property line per the City of Highland's Code of Ordinances.
- Both the Public Works and Light and Power departments have verified that all necessary utility easements are shown on the preliminary plat.

Staff Discussion

Staff recommends approval of the Plaza Park preliminary plat in order to combine the two existing parcels into one lot.

The Public Hearing on this issue was opened:

Deanna Harlan asked for clarification from Attorney McGinley; that the City purchased the two lots for \$10 and will build a 1200 square foot patio; then will lease it back to Schlafly? Attorney McGinley confirmed that was the case. The lease will be \$10/year. Beer and wine consumption will be allowed on this property.

The Public Hearing on this issue was closed:

Bill Koehnemann made a motion to approve the preliminary plat for Plaza Park at 911 and 913 Main Street, as requested by the City of Highland; seconded by Deanna Harlan.

Chairman Korte asked that the roll be called for a vote. All members voted yes; none voted no. The motion carried. The Combined Planning and Zoning Board would be recommending approval of the Preliminary Plat to the City Council who would be addressing this issue at their meeting on April 19.

Next Meeting:

The next meeting of the Combined Planning & Zoning Board is scheduled for Wednesday, May 5, 2021.

Adjournment:

Deanna Harlan made a motion to adjourn; the meeting adjourned at 8:20 PM.