

**GALENA OAKS PROPERTY OWNERS' ASSOCIATION
PROPOSED AMENDMENT REGARDING LEASING
JUNE 2023**

FREQUENTLY ASKED QUESTIONS

Q1: Do I have to vote on all 3 of the items that are on the ballot?

A: No. You can vote on one item, two items, or all three items.

Q2. There are three items on the ballot. Is each one tallied independently of the others? In other words, is it possible for only 1 or 2 of the items to be passed?

A. Yes. If 2/3 of the votes cast on that item are in favor, then that item will be adopted by GOPOA.

Q3. Do I have to mail in my vote?

A. No. You can attend the meeting and vote at that time (paper ballots will be on hand); or hand-deliver your ballot to a Board member in advance of the meeting. If you mail in your ballot or hand-deliver it in advance, and then attend the meeting and vote again, the in-person vote cancels out the prior votes.

Q4. I can't attend the meeting on June 24th and have already mailed in my ballot, but now want to change my vote. What can I do?

A. You may mail a new ballot which must be received by Friday, June 23rd. The new postmark of the updated mailed ballot would be used as your official vote. You may also hand-deliver a new ballot to a Board member in advance of the meeting. The newest date on a hand-delivered ballot would be used as your official vote.

Q5. What if I think that the limit on rentals should be lower or higher than the Amendment says?

A: The votes cast on June 24 are based on a maximum of FOUR short-term rentals and on 10% max long-term rentals. Vote (or not) on each of these limits as you wish. If these limits are NOT approved by the Member vote, it would require another Special Meeting and another round of voting with different limits.

Q6. If the limits are adopted, can they be changed in the future?

A. Yes, by following the same process as we are undertaking now (ie, draw up new Amendment with legal counsel, announce Special meeting, take a vote, file with County if passed)

Q7. What is 10% of 66 properties?

A. Ten percent is 6.6 properties, which would round to 7.

Q8. How many properties are licensed already as short-term rentals?

A. Three Guest Accommodation Licenses have been issued by Jo Daviess County. A fourth application is in the early stages as of May.

Q9. If the Amendment is adopted and I am one of the four authorized short-term rental properties, and then I sell my property, can the new owner continue to do short-term rentals if they continue to renew the County license?

A. Yes. This is consistent with how Jo Daviess County handles Guest Licenses when there is a new property owner. Per the County, *"The license stays with the property and will transfer if the house is sold. The County must be notified if a rental property changes owners. The new owner must pay the renewal fee at the end of each year and provide any required information to keep the license current."* GOPOA would need a copy of the renewed license.

Q10. If I have no interest in leasing, will this cost me any money?

A. No

Q11. Will fees be charged by GOPOA to the owner of a property being used as a rental?

A. The Amendment allows for the Association to charge an annual leasing fee. The Board may determine a fee structure in the future.

Q12. If this Amendment is passed, how will it affect my property?

A. For most of the homeowners in Galena Oaks, there will not be any impact. The proposed Amendment would impact your home if either of the following is true:
1) You want to use your home as a short-term rental property (STR) - which means it would be rented to transient guests, usually through a website like Airbnb or VRBO. The proposed Amendment would limit the total number of short-term rentals (STRs) to four. If there were already 4 STRs here in the Oaks, you would put your name on a waiting list. Also, Jo Daviess County requires a Guest Accommodation License, so you would need to apply for and receive a license to operate an STR. A copy of the current license would be given to the Association Board at each annual renewal.

2) You want to rent your home on a long-term basis to one tenant. The proposed Amendment defines this as a lease with a length of 30 to 365 days, and would limit the number of leases in Galena Oaks to 10% of the homes. The Amendment requires that a copy of the lease is provided to the Association Board. If there are already 7 current leases in the Oaks, you would be put on a waiting list.

Q13. How will adopting this Amendment impact the value of my home?

A. Of course, there is never a guarantee on the future value of your home. The concept behind the Amendment is to preserve the character of the community, by controlling the number of homes which are operated as businesses.

Q14. Do I have to read the entire Amendment?

A. We recommend reading it. The long first section (Section IX) is about leasing in general, and the rights of Owners and of the Board. The two small sections (Section X and Section XI) are the ones that propose limits on leasing.

Q15. This legal Mumbai jumbo confuses me. Why should I vote?

A. Your vote matters! Your property is a large investment that you want to protect as you see fit.

Q16. Why are we doing this now?

A1. 1) We have had concerns voiced by current homeowners about leased homes over the past couple of years. There are some owners that wish for there to be zero short-term rentals, for example. There are others who feel that an owner should have the right to use their home as they wish. As a Homeowners Association, we need to come to an agreement. To settle the question as fairly as possible, legal counsel was sought to guide us in the legal procedure for taking a membership vote on the question in order to amend the Declaration which was written in 1977.

2) Recently, we have seen that homes that are up for sale have had realtors showing the homes to purchasers who are interested in buying them as investment properties, i.e. absentee owner rental businesses. If we want to cap the number of properties used as rentals, we need to act now.

Q17. What does STR mean?

A. STR is an abbreviation used for "short-term rental."

Q18. What is CICAA?

A. CICAA ("see-ka") is an abbreviation for "Common Interest Community Association Act", which is an Illinois law. The Board will vote on June 24 on whether or not to opt in to this Illinois law.

Q19. What is GOPOA?

A. GOPOA is an abbreviation we have used for "Galena Oaks Property Owners Association"

Q20. I still have more questions. What should I do?

A. Your questions are welcome! Please ask a Board member, particularly one of the Board's officers, as they have had the most contact with the Attorney. The officers can be reached at:

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