

James/Kilmer

Condominium Association Newsletter

Judy Barnes and Melissa Jones, Editors



Welcome Tom Kristufek, JK's new Property Manager!

Judy Barnes – JK Board of Directors and Editor, JK Newsletter

Since Tom has been with us for about a month, I wanted to be sure that, if residents/owners had not had an opportunity to meet him personally, they had some information from him that he'd like to share. So we sat down in his office for a conversation:

Q: For the residents that do not know your background, please tell us about your education and career to date.

A: Initially, I thought I would become a community college history professor, but discovered the market for MA's was not there any longer. I did not want to pursue a PhD,

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and realized that I did not want to be a high school history teacher, so I went into property management. Property management interests me and is similar to the study of history in that it is necessary to be knowledgeable about so many different areas—much like a historian, as I often need to wear different hats.

So with my focus on property management, I was hired by Community Specialists as Assistant Property Manager at Park Tower (5414 N. Sheridan Rd with 714 units). It may not have been the most ideal place to start a career in property management (chuckle) --but a tremendous learning experience with a 3-person office. After a year, I went to Sudler and after a year as Assistant Property Manager, I became Property Manager for 1000 W. Washington (across from Harpo Studios with <200 units) but with lots of challenges (e.g. problems with developer) that prepared me in a 'make it or break it fashion'. I was at 1000 W. Washington for 3 years.

I then received a great opportunity with Draper & Kramer and started at Skybridge Condo (237 units) as Site Property Manager for a short time and then moved to Kennelley Square (268 units) where I was for the past 8 1/2 years.

Q: What are your proudest accomplishments and/or biggest challenges?

A: I will respond in 3 areas: Professional, Academic and Personal.

Professional - In the 2 buildings with which I had the 2 longest tenures, I left on best terms after making quantifiable improvements. At Kennelley Square (mixed use development), I made the residential side stronger in relation to the commercial side, which benefited greatly the owner/residential side, especially on cost allocation.

Academic - I completed a Master's Thesis on the mid-20th Century development of the Douglas neighborhood in Chicago, or also called Bronzeville. Some years later, I lived there for 3 years at 29th and Michigan, South Commons--so I 'lived it' which I thought was kind of neat.

Personal - After my family, I would say competing in the annual Chicago Golden Gloves Tournament about 12 years ago.

My biggest challenges were:

Professional - I would say the first building I managed and ongoing – dealing with so many different personalities and expectations while attempting to satisfy at least most of the folks;

Academic - My master's thesis and calculus – ugh!

Q: Do you have any particular interests or hobbies?

A: I enjoy going to the health club and fishing and target or trap shooting, when I have time.

Welcome Tom Kristufek, cont. from Page 2

I also enjoy reading--especially history and often books on former boxers (e.g. Joe Lewis, Archie Moore and more recently 'Cinderella Man' (James Braddock)

Q: What was appealing about the JK job opportunity?

A: I thought the size of the association (and James House) was appealing along with the related challenges. It's also great to work with an office staff--because at the other properties where I was full manager; I was a '1-person office' for the most part.

Q: What has surprised or pleased you about the job so far?

A: I was impressed with how well the buildings and association seem to run without both an interim manager and a chief building engineer (with Kurt's absence) during the recent time period.

Q: What message would you like our residents/owners to have from you at this point?

A: First - 'my goal is your goal'. I want to increase property values and make services first class. I was told (outside the JK Association) that JK was the 'Crown Jewel of Sandburg' and that has stuck in my mind as a motivation and inspirational source for the job and for doing great work.

Property Manager's Corner

Tom Kristufek – JK Property Manager

A. Update on Projects:

1. Concrete repairs have commenced on the south side of the Kilmer building and should be completed by Friday, October 11.
2. The Board approved concrete work related to the James House metal sheathing last week, and we are hopeful that the sheathing replacement project will begin soon.
3. Engineers are scheduled to survey the garage structure and drainage system on October 22. Their report will most likely be followed by a garage rehabilitation project beginning sometime next year.

B. Owner/Resident Insurance Requirements:

Please be reminded that, per the JK Association rules, unit owners (and renters) are required to carry personal property and liability insurance. It is important for every owner/resident to realize that losses to personal property such as floor coverings, decorating, plumbing and electrical fixtures, cabinetry, appliances and HVAC units – essentially all components exclusively serving one unit – need to be covered by the homeowner's policy, typically - *no matter how the damage was caused*. Please see the

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Management Office for further information if you have questions.

C. JK Tax Assessment Appeal:

Good news for our JK Association Owners. Earlier this year, an appeal was placed with the Board of Review to lower the assessed values for the 2012 taxes. This appeal was the second successful appeal and our 2012 Tax Assessment was reduced again for JK. Our tax appeal attorneys (hired by the association) were Worsek & Vihon, LLP. They attained a \$165,000 savings for this second installment for 2012. For their work, they get a 15% contingency fee, which is \$24,752.

JK Owners received this savings reduction on their tax bill and individual JK owners will be billed for their portion of this attorney's contingency fee in their November assessments from D&K and will be due on December 1.

The individual owner's portion will be based on estimated tax savings per unit. The tax savings is based on 2 variables: the 2011 tax rate and the equalization factor (and does not account for individual exemptions or freezes).

Here's an example: Property Tax Estimated - \$5590; Estimated 2012 Reduced Tax - \$5191; Estimated Tax Savings - \$399; Portion of Individual Owner Tax Valuation Factor of 15% (for attorney contingency) - \$60. So \$60 will be billed on this individual owner's November Assessment bill and due on December 1, 2013.

D. JK Owner Monthly Assessments Now Available Electronically:

Owners can now receive paperless monthly assessment statements via email. Simply go to the DKCondo.com website to sign up.

FYI: Updated Management Office Staff Duties

Thomas Kristufek Property Manager

- All Major Projects
- Contracts
- Building Inspections
- Budget Preparation
- Administration
- Building Inspections

John Zissis Bookkeeper

- Assessment Issues
- Accounts Payable/Receivable
- Unit Sales

Nichelle Meadors Assistant Manager

- Resident Relations
- Employee Relations
- Rules Violations
- Unit Remodeling Projects
- Rentals

Melissa Jones Administrative Assistant

- Resident Information/Questions
- Bike, Pet and Fitness Registrations
- Work Orders
- Elevator Reservations/Moves
- Website Updates

Treasurer's Report

Betty Latson – Treasurer, JK Board of Directors

HVAC Direct Charge Summary: The direct charge for the HVAC pipe repair and replacement program was charged and became due to the Association on September 1, 2013. Unit owners were provided with the option to make payment in one lump cash sum or to use the Association's 36-month installment plan. If the payment plan was selected, unit owners were required to make their first installment payment to the Association on September 1, 2013, with monthly installments due each month thereafter until payment was made in full. 61% of the direct charge was collected in one lump sum cash amount. The remaining 39% of the direct charge was funded by a loan from BMO Harris.

The JK Finance Committee met on August 22 to review the 2013 draft copy of the JK Reserve Study. A number of follow up items were identified that must be completed before the 2013 Reserve Study will be finalized.

Work on the 2014 JK Budget is nearly complete. The Finance Committee and Management met on October 2 to review the operating and capital budgets. The Finance Committee and Management will be proposing a 2014 budget that decreases the monthly assessment unit owners pay to the Association.

The proposed operating budget will be presented to the Board for review at the October 22, 2013 Board Meeting. The Board will be voting to distribute the proposed operating budget to unit owners for their review. A unit owner meeting will be scheduled to review and answer any questions that unit owners may have prior to the December 10, 2013 Board Meeting, when the budget will be formally approved.

Financial Summaries: Summarizing the Association's results through the eight months of 2013, the Association reported revenues of \$4,308,000 including direct charge income, and \$3,624,000 excluding direct charge income. Revenues were over budget by \$33,000 due primarily to strong transfer fees, miscellaneous income, garage net income, and condominium lease fees, partially offset by lower service recoveries and legal reimbursements. Operating expenses were reported at \$2,694,000 and were higher than budget by \$13,000. Higher professional fees, legal fees, plumbing, garage repair expenses, and uninsured losses were offset by lower payroll, utility, and maintenance supply costs. After the capital reserve provision of \$913,000, the Association reported revenues over expenses of \$15,000, which compares favorably to the deficit of \$4,000 budgeted for this eight month period.

At 8/31/2013, the Association reported an operating fund balance of \$613,000 and a capital

JK Homeowner's Association Update

Jack Vedra, HOA President

We know that summer is over when we see Sandburg's empty pools. And soon HOA's maintenance staff will be closing down the tennis courts. The landscapers have installed the fall mums at the entrances of the Village buildings. Even though we are still enjoying some mild days, these are all signs that the season has changed.

HOA's major project this year has been the work in the large planters in the AB and CD malls. In order to reduce the weight on the slab above the garages, it was necessary to remove some of the large trees, which had been maturing and spreading roots since that part of the Village was built. Younger trees have replaced them, the height of the mounds has been reduced, and new plantings and lighting have been added.

Looking forward, HOA has been working on the budget for 2014. This proposed budget is being prepared to mail to all Sandburg unit owners. You should be receiving it in the next week or so, and you should be happy to see that there is *no planned increase* in assessments.

On October 8, HOA facilitated a meeting for Village residents in which a developer presented two possible options for the southwest corner of Clark and North. One was an eight-story building with small rental apartments, and the other was eleven stories having larger condominium units. The presentation was followed by a lively question and answer

2013 Annual Meeting Timeline

Tuesday, October 15, 10:00 AM – Deadline for Candidates' Names to Appear on Ballot

Make sure that your applications are received at the Management Office by this time.

Monday, October 21 – Ballots are mailed to all unit owners

Voting for the board will be a **direct vote** rather than voting by proxy. This means each owner will have the responsibility to **sign their own ballot** and **cast their own ballot** (and cannot give their ballot to someone else to sign and deposit) **in one of the following ways:**

- In person at the annual meeting
- Deposit directly into the locked ballot box in the Management Office – **Ballots slipped under the door will not be accepted.**
- Non-resident owners or those who are traveling can deliver their ballots to the Management Office by U.S. Mail, overnight delivery, messenger, or fax to (312) 654-2082

Note: If you are physically incapable of delivering your ballot, please contact the office for assistance.

Wednesday, November 6th – Meet the Candidates Night, James House Hospitality Room (Penthouse)

Tuesday, November 12th, 7:00 PM – Annual Meeting, James House Hospitality Room (Penthouse)

President's Corner

Nancy Slattery – JK Board of Directors

REDEVELOPMENT OF THE VILLAGE THEATER AND SOUTHWEST CORNER OF NORTH AND CLARK

For those of you who could not attend the HOA meeting on October 8, 2013, here is a summary of what was discussed.

Howard Weiner, Chicago Development Corp. and developer of the property, presented his proposed plans for the re-development of the property which includes the Village Theater and adjacent building which houses Elly's Restaurant, The Art of Hair Design, Elegant Nails, Pawsatively, Passport Photo, Berry Moon and the Shoe Repair.

The current zoning for this property is B3-5. That zoning restricts building heights to 80 feet for a lot size of 50x100 feet. For any request to re-zone this area for a taller building (Option 2 below), residents within 250 feet of the property would receive advance notice of a scheduled hearing on this matter. Residents would have an opportunity to protest at such hearing(s).

The two options that Mr. Weiner presented were as follows:

1. An 80-foot Rental building which would be constructed of concrete, glass and metal, containing 100 residential units. This height would alter the views in James House from floors 3-8. So roughly, 38 units in James House would be affected. Parking will be available for 54 cars.
2. A 125-foot tall Condominium building, which would be constructed of limestone and brick, and which would include a green roof. This building would contain approximately 70- 120 units and would alter the views in James House from floors 3-12. A total of 60 units in James House would be affected. Parking will be available for 84 cars.

Both options will have retail space on the first floor and a fitness center on the second floor of the Village theatre.

The Village Theater has Landmark status, thus the developer must preserve the façade (the marquee will be removed), and protected 20 feet back from the front. This space will be turned into retail and, as mentioned, fitness center on the second floor.

Among the issues that were brought up, parking and traffic congestion--were of great concern. To enter either of the proposed buildings from Clark Street, vehicles would turn

President's Corner, Cont.

to Germania, then on Sandburg Terrace, which is where the entrance to either garage would be located. In the developer's presentation, he said that a traffic study had not been done yet.

These plans are not final, nor have they been approved by the Alderman or the City of Chicago.

I know that many of you have questions and concerns and would like more details. To that end, the developer has agreed to conduct an exclusive presentation/meeting for all JK residents, during which time you will be able to ask any and all questions. That meeting will be held on Thursday, October 17, 2013, in the James House Hospitality Room. Alderman Fioretti will be in attendance, and information will be posted throughout our buildings. I encourage you all to attend.

2013 JK BOARD ELECTIONS

The James Kilmer Board elections and Annual Meeting will be held on Tuesday, November 12, 2013. For those who submitted applications to run for the board, a 'Meet The Candidates Night' will be held on November 6, 2013, in the James House hospitality room.

This is a time when owners are able to participate in the governance of our association. Owners must vote and submit their own ballots.

Owners may cast their votes in any one of the following ways:

- a) In person, at the Annual Meeting
- b) Deposited by you directly in the locked Ballot Box located in the JK office, or handed to one of the office staff members, who will deposit it into the locked Ballot Box during regular office hours. No ballots will be accepted if they are slid under the office door.
- c) For non-resident owners or those traveling, you may deliver it to the JK Office by U.S. Mail, over-night delivery service, messenger, fax or electronically, if the Ballot is received at the JK office by the close of business (6pm) the day of the election/annual meeting.
- d) If you are incapable of physically getting to the office, contact the office and they will assist in picking up your ballot.

Ballots must be signed by owners, or they will not be valid.

Please take note of the following: Candidates, or their representatives, may not solicit signed or unsigned ballots by going door to door or by any other means.

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President's Corner, Cont.

When considering candidates, it is important to understand the positions of each candidate and how he or she plans to represent us on the board. Knowing if they are forward-thinking individuals who are capable of understanding the issues surrounding the long-term good of our buildings and community is important. Understanding their positions on the issues we will be facing over the next few years is key to having healthy representation on the board, vs. running to satisfy items on their own personal agendas. Candidates Night provides an opportunity to ask those questions and hear responses.

Please be sure that you make every effort to be informed about each candidate running and cast your vote. It is *very* important that we have a quorum of owners present at the Annual Meeting, in participating for the Association, to move forward with the Annual Meeting election.

**Website Committee Update
Ron Miller - JK Webmaster**

Your association website - JamesKilmerCondo.org - is a handy reference. While website content is available at the Management Office during office hours, your website resources are available 24/7 worldwide. Your Website is a handy resource for information about James and Kilmer Houses, as well as Association amenities, facilities, forms, documents . . . and much more! Our Summer and Winter photos are now available in larger size by clicking on the images. And please note that we recently have been experiencing problems with the online maintenance request form and hope to resolve the issues soon. Until we find a fix, just contact the Management Office with work order requests.

Additional Voting Instructions for the 2013 Direct Vote Election

Judy Barnes – JK Board of Directors & Editor, JK Newsletter

Besides the first 2 instructions for a direct vote with a secret ballot (already provided in the newsletter) that were adopted by the JK Board at its September 28, 2010 Board meeting in accordance with the requirements of Section 18 (b) (9) and Section 18 (b) (10) of the Illinois Condominium Property Act, the final 3 voting instructions adopted by the JK Board are as follows:

"3. A ballot must be signed by the owner. Tenants or other occupants of a unit may not sign for the owner. If anyone other than the owner of a unit signs a ballot, it shall be deemed invalid.

4. Candidates for the Board of Directors and/or their representatives may not solicit door to door or any other fashion for signed or unsigned/voted or un-voted ballots. Any violation of this procedure should be reported immediately to the Management Office. This is not intended to prevent candidates from campaigning, talking to owners about voting for specific candidates or passing out campaign literature.

5. Each ballot will contain a tear-off section which must be signed by the owner. The tear-off section will be removed by the Auditors at the time of the election to maintain the secrecy of the ballot. Any ballot submitted without a signed tear-off section will be deemed invalid."

Infrastructure Committee Update

Barbara Grodzins – JK Board of Directors & Co-Chair, JK Infrastructure Committee

HVAC Pipe Project

The HVAC pipe project was completed in Kilmer House on September 17th, except for Tier 07 living room risers. The project was completed ahead of schedule, on budget and Fox Valley (the engineering consultants) determined that the work is of very good quality. The Kilmer Tier 07 living room risers were discovered to be between concrete walls so additional work needs to be performed to access these pipes and complete work on the living room HVAC pipes and valves. The work is estimated to take about three weeks and owners will be notified of the schedule and procedure as soon as it is available.

Garage Repairs

The Board of Directors awarded Bailey Edward the contract for mechanical engineering and plumbing (MEP) consultant. They will investigate the current drainage system in our garage. A Klein and Hoffman study of garage repairs dated October, 2011 will also be updated at this time. When these two reports are submitted, the Infrastructure Committee will meet to discuss the course of work to be performed.

Sun Deck

Peter Cremer, Chair of this Task Force, is awaiting further information from K&H on the pricing, so no further information is available for this newsletter. As we have information, we will be sure that it is put in an 'information frame posting' around the buildings for everyone to be aware of the updated progress on this project.

Metal Sheathing

The metal sheathing for James House has been ordered and should be installed by the end of the year.

Kilmer House Facade Construction

Work started Wednesday, October 9th on the Kilmer House south west corner to repair a few areas of the building façade. This project will be completed by Friday, October 11.

Upcoming Meetings:

Wednesday, 10/16 – Website Committee Meeting

7:00 PM, Hospitality Room

Thursday, 10/17 – Meeting Developer Re: Proposed Development of Village Theater

(Alderman Robert Fioretti will attend)

6:00 PM, Hospitality Room

Wednesday, 11/6 – Meet the Candidates Night

7:00 PM, Hospitality Room

Tuesday, 11/12 – JK Association Annual Meeting

7:00 PM, Hospitality Room

Engineer's Corner

Kurt Kruger – JK Chief Engineer

With the onset of the fall season, this is a reminder to change your HVAC fan coil unit filters, if you have not done so in the past 6 months. This should be done every 6 months -- preferably prior to the heating season and prior to the cooling season. Contact the office for your filter order and Maintenance will assist you in replacing, if you wish.

Also, please remember to redirect your white plastic HVAC 'grids' *toward* the windows for the heating season.

On November 3, we will be setting our clocks back an hour. Please remember to change your smoke detector batteries as well.

Although it is a bit early, here are a couple of reminders about the holidays approaching:

- Christmas tree bags for live trees will be available at the Receiving Room after Thanksgiving.
- Use caution when running extension cords for holiday lights. Check for worn spots. Make sure they are of the proper gauge for the length you desire. For longer runs, you must use a thicker gauge.

Neighborhood / Ward 2 Update

Judy Barnes - JK Board of Directors & Editor, JK Newsletter

Traffic Advisory – Bank of America 2013 Chicago Marathon

On **Sunday, October 13, 2013**, 45,000 runners from all 50 states and more than 100 countries will participate in the Bank of America Chicago Marathon - a 26.2 mile course which starts and finishes in Grant Park, winds through downtown streets in our 2nd Ward and Chicago neighborhoods. Motorists and pedestrians should anticipate delays due to street closures and large crowds. In addition, parking bans will be in effect along the route. The Chicago Marathon begins at 7:20am (wheelchair race), 7:30am (marathon wave 1) and 8:00am (marathon wave 2), and will continue throughout the day. The towing of vehicles along the course will be strictly enforced beginning at 1:00am on Sunday, October 13th. Please check signage for parking restrictions if you are parking near the marathon route. Vehicles will be ticketed and towed to the nearest auto-pound. For inquiries about towed vehicles, please call 312-744-4444.

Street closures along the marathon route will occur between 7:00am and 3:00pm.

Lake Shore Drive Resurfacing Project

Starting September 30, the Illinois Department of Transportation (IDOT) is resurfacing project Lake Shore Drive between IL 64 (North Ave) and Balbo Drive. **The work will require nighttime lane closures Monday - Thursday night from approximately 8 p.m. to 6 a.m. the following morning. The lane closures will last approximately five week (until November 4, 2013).**

Redevelopment of the Southwest Corner of Clark and North

Please see the articles from HOA President and the JK President's Corner for details.