

VILLAGE OF LAKE BLUFF

**COMMITTEE-OF-THE-WHOLE
REGULAR MEETING**

**PLAN COMMISSION AND ZONING BOARD OF APPEALS
SPECIAL MEETING**

NOVEMBER 12, 2018

APPROVED MINUTES OF MEETING

The Village of Lake Bluff Board of Trustees met as a Committee-of-the-Whole (“COW”) in the Village Hall Board Room (40 East Center Avenue) on Monday, November 12, 2018. A quorum of the Village Plan Commission and Zoning Board of Appeals (“PCZBA”) was also present. Village President O’Hara called the meeting to order at 6:00 p.m. Village Clerk Joy Markee called the roll.

The following were present:

Village President: Kathleen O’Hara

Trustees: Barbara Ankenman
Mark Dewart
Eric Grenier
Paul Lemieux
William Meyer
Aaron Towle

PCZBA: Gary Peters, Chairman
Sam Badger
David Burns
Elliot Miller

Also Present: Joy Markee, Village Clerk
Drew Irvin, Village Administrator
Benjamin Schuster, Village Attorney
Glen Cole, Assistant to the Village Administrator

Non-Agenda Items and Visitors

President O’Hara stated the COW allocates 15 minutes for those individuals who would like the opportunity to address the COW on any matter not listed on the agenda. There were no requests to address the COW.

Consideration of the Minutes from the August 27, 2018 Committee-of-the-Whole Meeting

Trustee Meyer moved to approve the August 27, 2018 COW minutes as presented. Trustee Lemieux seconded the motion. The motion passed on a unanimous voice vote.

Continued Discussion Regarding an Ordinance Amending the Lake Bluff Zoning Regulations Regarding Building Height in the L-1 Light Industry District, L-2 Limited Light Industry District, and Service District; and Off-Street Parking Standards in Various Districts

Village Administrator Irvin introduced the item. He noted that the Ordinance under consideration was recommended by the PCZBA in response to a preliminary development workshop, but that the Village Board had deferred first reading consideration to allow for further review. He invited Jodi Mariano and Bridget Lane, key personnel from the Village's 2011 Waukegan Road Corridor Study, to provide a review of the study and an update on current development trends that may affect the Corridor.

Village Administrator Irvin provided a biography of each presenter. He stated that Ms. Mariano is a Principal of Teska Associates with a background in architecture and landscape architecture. She has directed public processes which have resulted in useful master plans, successful funding applications and dynamic implementation projects. Her professional responsibilities range from concept planning through design, construction phase services, development approval and project installation. Jodi is an instructor at the Joseph Regenstein, Jr. School at the Chicago Botanic Gardens where she teaches in the Garden Design Certificate Program.

He stated that Bridget Lane is a Director of Business Districts Inc. Ms. Lane specializes in commercial revitalization strategy, fiscal impact analysis, market analysis, and retail business development. Her ten years of experience as a retailing executive, seven years as a professor at Chicago's DePaul University and three years managing Downtown Evanston serve as a practical foundation for her market research and business development consultations. She has prior experience in historic preservation, and holds degrees from the University of Illinois and Harvard Business School.

Jodi Mariano and Bridget Lane thanked the Board for inviting them to return and began their presentation. Ms. Mariano provided an overview of the boundaries of the study area. Ms. Lane stated that four key takeaways of the original study were that:

- Rental rates in the study area exceeded those typical of light industry buildings.
- Existing users are expected to stay, but new users will choose locations that require less investment in exterior appearance.
- The corridor's diversity of uses and flexible space are strengths in today's economy.
- Reducing setbacks could provide for extra circulation, parking, and display space.

She stated that they believe these four points remain true of the corridor today.

Ms. Mariano provided three-dimensional renderings of future buildings presented to the Architectural Board of Review ("ABR"). She stated that, in response to these renderings, the ABR explored regulations that would step back the second story. Other study recommendations included enhanced bicycle and pedestrian accessibility through new bike lanes and pedestrian routes as well as the addition of coordinated entry signage. She showed a cross-section rendering of these improvements. She also noted that Teska and the Village's Sustainability and Community Enhancement Ad Hoc Committee ("SEC") were currently developing a Village-wide thematic identity study that would provide a "playbook" with goals for specific areas such as maximizing viewsheds, incorporating native and historic landscape patterns, and promoting sustainable landscape practices.

Ms. Lane began a review of current development trends and described her reaction to the economic stresses of 2008 as they affected her predictions prior to that time. She stated that logistics and industrial uses were dominating current development, and believes it is interesting that these uses have found a home in Lake Bluff given its demographics and high property values. She discussed the ongoing shift in

retail consumption from brick-and-mortar stores to online and mobile shopping. She stated that many logistics chains now involved retail uses as retailers use storefronts to support local deliveries. Sales tax allocations from online interstate sales were recently settled in a Supreme Court case, and Illinois law will allocate those proceeds on a per capita basis going forward. Following a question from Trustee Lemieux, a discussion ensued regarding the allocation of sales tax based on seller location and shipping destination.

Ms. Lane shifted to a review of office development trends. She stated that most new office developments are user driven, and that very little speculative development is occurring by developers without a client in hand. Rather, speculative construction is now for logistics uses. She provided a regional breakdown of Class A, B, and C office inventory and definitions thereof. She noted that Lake Bluff consists of Class B and Class C space, but also related an unusual story of reinvestment in Bannockburn that improved a Class B office space to Class A. Based on CBRE regional data, there is no office construction in the last two quarters which is weakening the market and leading to negative net absorption compared to last quarter and last year. She believes that tenants will look at Lake Bluff's office space differently because executives live close. She reiterated that these development decisions are being driven by users, which means that office buildings will tend to be high quality because this market means they are investing in their image if they are choosing this location to build or lease.

Ms. Lane described cultural changes that may affect the corridor's development. Facilities supporting last mile delivery are an increasing use trend. These are 35,000 – 50,000 square feet in size, tend to cover 60% of the lot in order to accommodate parking and truck loading and turning, and typically store goods for less than one day. Telecommuting is reducing space per employee by up to 60%, but increasing parking demands per square foot to accommodate the extra employee density that a building supports. Big box stores are smaller and fewer in number, as shopping at home increases. Drive times are increasing to up to 30 minutes, because people are driving having already made a purchasing decision and having confirmed that a product is ready for pickup or that they are interested in a restaurant or service based on reviews. The 30 minute drive time circle reaches all the way to Kenosha and Evanston.

Ms. Lane provided a review of local tax revenues. She noted that the Village is extremely dependent on automotive sales; has grown its revenues from general merchandise sales due to Target; and shows strong sales of building supplies due to business park tenants.

Ms. Mariano and Ms. Lane provided example developments from elsewhere in the region, including a medical building in downtown Elmhurst with high-end materials and façade design. By comparison, a last mile industrial site on Wooddale Road is built much more functionally. Cabela's in Hoffman Estates is an example of an effective 50' landscape buffer, and a medical office in The Glen illustrates a successful 20' landscape buffer. They contrasted these comparative developments to the Smedbo site in question at 999 and 1001 Sherwood Drive and noted that it was a clean slate for creative landscaping by a future developer.

Ms. Mariano and Ms. Lane concluded their prepared presentation. The Committee engaged in discussion.

Trustee Lemieux asked of the presenters' opinions concerning the final landscaping slides. Ms. Mariano responded that the subject site would have 50' of setback on top of a 25' right-of-way between the property line and the edge of curb. She believes that this would be a substantial landscape opportunity.

Trustee Lemieux stated that he is familiar with the example development located in The Glen and does not find it aesthetically pleasing as it feels crowded. Trustee Dewart stated that the context is different due to the presence of higher vehicle speeds and the adjacent Knollwood Club. Various trustees asked questions regarding the existing and proposed site dimensions based on existing condition photography.

Trustee Meyer asked about the appropriate parking ratio for the site. Ms. Lane responded that she is not a parking expert, but that these commercial uses tend to be parking heavy. Some communities, such as Champaign, are reducing or eliminating minimum parking requirements. Medical uses specifically are concerned with handicap parking availability for patients.

Trustee Meyer responded that the market has brought the Village this opportunity for a reason. He asked if the site plan would be functional and aesthetically pleasing. Ms. Mariano responded that full circle circulation, trash concealed behind the building, and a consistent landscape buffer were all common features in the North Shore.

Trustee Lemieux asked how this would benefit the Village from a sales tax perspective. Ms. Lane responded that this use may generate sales tax comparable to a restaurant due to sales of goods such as prosthetics and medicine. Trustee Lemieux, in response, asked if this would further push the park towards medical uses and be prohibitive of more intense sales tax generating activities. Ms. Lane responded that logistics and distribution is the biggest growth category and is a low-rent use. These users will continue to repurpose until the technology absolutely requires it, and then they will reduce the cost of the building as much as possible. North Chicago provides considerably cheaper rents for a minimum change in driving distances. The Village doesn't want these uses on Waukegan Road. The Board and the presenters continued to discuss the dynamics of the corridor's sales tax potential and the proposed development.

In response to a remark from Trustee Lemieux, Trustee Dewart asked if the extra traffic would drive the need for another traffic light. Ms. Mariano responded that IDOT would most likely not permit two lights so closely together in this area. A discussion regarding autonomous vehicles, parking, and transportation trends also ensued.

The Committee discussed landscaping, landscape cohesion, and the SEC's planning study currently underway. Village Administrator Irvin said that the goal of the study was to unify these decisions and that it should be ready close to the time this development would proceed.

Village President O'Hara noted the time. She thanked the members of PCZBA who were in attendance, and asked if they had any questions. Member Miller asked if the Board viewed the Ordinance positively. Village President O'Hara stated that this meeting happened to review the study so as to be better informed in evaluating the Ordinance. Member Dewart stated that he was unsure if this development would be discontinuous along the corridor and that the Ordinance deserved careful study to avoid a bad precedent. Trustee Lemieux stated that he was more positive after the presentation.

Members of the PCZBA commented on their deliberations concerning the Ordinance. Member Burns stated that this is an incremental fix, and that the PCZBA was not trying to study the entire corridor at this time. Member Badger said he believed that many of the possible bad effects of the Ordinance would not be supported by the market; for example, excess heights would be infeasible to park. Village Attorney Schuster provided a technical review of the components of the height regulation that the Ordinance would implement.

Brian Howard, representing the developer with an interest in the property, addressed the Committee. He discussed their decisions regarding height and parking ratio and stated that, while some compromises were made in view of the Village's desires, they were comfortable with proceeding with the design they presented. He stated that he was willing to work with the ABR on landscape design. Village Administrator Irvin stated that the adoption of the Ordinance means that the development proposal would not be subject to review by the PCZBA and could proceed by right, although it would still be subject to site plan review.

Village President O'Hara stated that this item would return to the Board's agenda for action at the next regular meeting. A motion to that effect was duly made, seconded, and passed by a unanimous voice vote.

Adjournment

A motion to adjourn was made, seconded, and passed on a unanimous voice vote. The meeting adjourned at 6:57 p.m.

Respectfully Submitted,

R. Drew Irvin
Village Administrator