

CITY OF WEST CHICAGO

WHERE HISTORY & PROGRESS MEET

Approved with changes May 12, 2014

MINUTES

DEVELOPMENT COMMITTEE

April 14, 2014, 7:00 P.M.

1. Call to Order, Roll Call, and Establishment of a Quorum

Chairman Stout called the meeting to order at 7:00 P.M.

Roll call found Aldermen John Banas, James Beifuss, Laura Grodoski, Jim Smith, John Smith and Rebecca Stout present.

Also in attendance were Chief of Police Laz Perez and Director of Community Development John D. Said.

2. Approval of Minutes

A. March 10, 2014

Alderman Banas made a motion, seconded by Alderman John Smith, to approve the March 10, 2014 Development Committee Minutes as presented. There was no discussion. The members unanimously agreed and the motion carried.

3. Public Participation

None.

4. Items for Consent

None.

5. Items for Discussion

5A. Proposed Gas Station /C-Mart, Northwest Corner of Route 59 & Roosevelt – Conceptual Review

Mr. Said gave an overview of the proposal in accordance with the Agenda Item Summary. Bluestone Development proposes to construct a gas station and future restaurant at the northwest corner of Route 59 and Roosevelt Road. The four acre

Development Committee Minutes

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475 Main Street
West Chicago, Illinois
60185

T (630) 293-2200
F (630) 293-3028
www.westchicago.org

Ruben Pineda
MAYOR
Nancy M. Smith
CITY CLERK

Michael L. Guttman
CITY ADMINISTRATOR

development will encompass the undeveloped corner parcel owned by Airhart Construction and 1300 S. Oak Street as well as the Oak Street right-of-way (R.O.W.) between Roosevelt Road and Dayton Avenue.

The site is currently zoned B-2, General Business District, which allows gas stations by special use. The City Council had previously indicated that a gas station would be an acceptable use on this site, if designed and developed to minimize impacts (such as traffic) on the residential neighborhood to the north.

If this project progresses, City staff will work with the developer on some of the larger aspects of this development, such as street access to the site, traffic circulation on-site and buffering the residential neighborhood to the north. City staff has asked the developer to provide denser landscaping along the north edge of the site due to the adjacent residential neighborhood. The layout of the detention areas as shown will have to be modified because of an existing City sanitary sewer main in the Oak Street R.O.W. that will need to remain and be accessible for maintenance.

Overall City staff believes that this is a compatible use for the site given the underlying commercial zoning and its location at the intersection of two major arterial roads.

The developer has had discussions with IDOT regarding reopening the intersection of Dayton Avenue and Route 59 to make it a four-way signalized intersection again. This improvement is coupled with the vacation of the Oak Street R.O.W. in order to discourage cut through traffic between Roosevelt Road and Route 59, which has been a City Council objective for nearly a decade. In addition to the full access off of Dayton Avenue the site will also have two additional points of access: one on Route 59 which will be right in/right out only and the other on Roosevelt Road that will be full access in, but only right turn out. As reflected in the attached letter from 2010, IDOT indicated that they would consider approval of the Dayton Ave. curb cut, subject to City support and provision of technical information (traffic study and engineering plans).

Mike MacKinnon from Bluestone Development summarized the site plan which incorporates the 1300 S. Oak Street property and includes a convenience store, fuel center, and a restaurant. In consideration of the neighborhood to the north of the development, they are proposing to close Oak Street and also restrict Roosevelt access to right-out only. He has met with IDOT and they are in support of the proposal provided a deceleration lane is added and the City passes a resolution in support of opening Dayton Ave. to Route 59.

Alderman Banas asked about a retention pond and about the diesel pump area.

Alderman Jim Smith expressed his support of the concept.

Alderman Beifuss asked if a turn lane would be added at the intersection of Dayton and Route 59 and if so who would be responsible for the costs involved. He also inquired about lighting issues at this location.

Mike MacKinnon stated that the developer would provide for the turn lane in their formal submission.

Rick Claes from Bluestone Development reiterated that they would be responsible for the intersection changes and also discussed the possibility of a sales tax sharing agreement. He stated that a convenience store with a gas station is one of the best generators of sales tax revenue especially allowing for Motor Fuel Tax as well. They conducted an economic impact analysis and determined the City of West Chicago would potentially receive \$300,000 per year in tax revenue. Rick Claes also suggested the possibility of using the car lot located to the west as a storm water retention area.

Alderman Grodoski asked if there were any plans in place to address the concern of sound travel. Rick Claes commented that landscaping could be enhanced to limit sound as well as limiting the hours loud speakers could be used.

Alderman Stout commented that she felt this was a better concept for this particular site and that it would be a great addition to the City. She also stated she didn't think noise would be a big issue given existing traffic and a gas station already in this area. She expressed her support in moving forward with the next step.

5B. Midwest Regional Training Center (MRTC) - Market Study Summary Review

Mr. Said indicated that in August 2013, the City Council authorized completion of a Market Study to be done by SB Friedman & Co. for the potential commercial development area around Roosevelt Road and Fabyan Parkway, both with and without the Midwest Regional Training Center (MRTC). Since that time, SB Friedman has worked with City staff as well as College of DuPage (COD) to collect and analyze data, with the resulting Draft Report provided for Committee review.

The Market Study indicates that development of the MRTC would provide an overwhelming market for new commercial development in the area. Development scenarios contemplated in the Market Study consist primarily of hotels and restaurant projects catering to out-of-town training center visitors to the MRTC. The Study also shows that, as a result, the City would receive increased tax revenues, especially due to food/beverage consumption and lodging taxes collected.

Conversely, should the MRTC not be constructed, the Study concludes that there will be a very limited market for future commercial development in this area. A combination of factors, including the lack of residential uses in the immediate area, contributes to this prediction. The current limited business presence in this area, consisting of a pallet recycling business, car repair operations and a landscaping company, further supports this conclusion. In the long term, build-out of the DuPage Business Center and other development along Roosevelt Road will help support some commercial opportunities. However, the customer base would not match that of a facility, such as the MRTC, that would draw significant visitor volumes.

Should the Development Committee concur, as a next step, City staff will prepare a Business Plan for this project and area.

Mr. Said gave a brief overview of the MRTC study and noted the limited marketability of this particular development area.

Steve Friedman introduced his staff, including Ranadip Bose, who gave a PowerPoint presentation.

Mr. Bose stated that the MRTC would accommodate police and fire personnel with the potential for over 137,000 visitors to the facility annually. Approximately 52,500 of those visitors would be expected to stay overnight. The study projected that demand for overnight visitors from the MRTC could support the development of 2 hotels. Phased construction was suggested, with a smaller 80-room hotel being built in conjunction with the opening of the MRTC and then later, depending upon demand, a larger 120 room hotel could be built. A review of upper-midscale hotel chains suggested that government rates would support a \$90 to \$100 average daily rate per night which would generate hotel tax revenue for the City. It is also possible that further down in the development time frame, the MRTC could generate demand for restaurant and retail services.

Alderman Beifuss asked where the hotels would be located in relation to the MRTC.

Mr. Bose stated that the most competitive location would be directly adjacent to the MRTC facility.

Alderman Beifuss asked if the hotels would be within the specified study area.

Mr. Bose stated that hotels would be within the study area and located conveniently enough for visitors to walk to the MRTC.

Alderman Beifuss questioned the functionality of the proposal and if it would be commercially possible.

Mr. Bose stated that in order for the concept to be commercially symbiotic the design is critical. Access to the MRTC and sound proofing should both be considered.

Chief Perez inquired if the idea is to have the MRTC area entirely self-sufficient.

Mr. Friedman stated that all the facilities/amenities would ideally be at this location. He also stated that it is possible the hotels could request some form of guarantee from the MRTC as a level of commitment to provide for demand/sustainability.

Alderman Banas agreed that any amenities should be close and onsite. He also asked how soon development could begin and if the height of the hotels and flight paths for DuPage Airport had been considered.

Mr. Bose stated that the hotels would be three to four stories high and would be a bit off the flight path though they have not checked into specific flight paths at this stage in the study.

Alderman Banas stated that the hotels would need to be constructed in a timely fashion to avoid the loss of business to other hotels in the area.

Mr. Bose stated that the strategy would be to open the first hotel at the same time as the MRTC, and then approximately three to five years later the second hotel would be opened.

~~Alderman Beifuss asked who owns the project site, who would be the owner when the project is complete, and if there would be a property tax benefit to the City. inquired if the owner would be a public or private entity subject to property tax.~~

Mr. Bose stated this was not part of the scope of the study.

Mr. Said stated that there would be an explanation which would include the TIF.

Alderman Stout commented that this proposal could be a great draw for businesses and could really vitalize the corridor.

Mr. Said asked if the committee was in support of staff working up a business plan to which the committee directed him to prepare a business plan accordingly.

5C. Roosevelt Road/Fabyan Parkway TIF Eligibility Study

Mr. Said gave a brief introduction and reiterated that the preliminary report concludes that TIF can be supported in the Roosevelt Road/Fabyan Parkway Study Area. Mr. Said also noted that in July 2013, the City contracted with SB Friedman & Co. to complete a Tax Increment Finance (TIF) Eligibility Study for the area generally around Roosevelt Road and Fabyan Parkway (referred to as the "Study Area" in the Friedman Report). The goal of the Study was to determine whether a TIF District could be created in this area, based on existing conditions and characteristics that are present.

The TIF Study outlines existing area characteristics and identifies methods by which a TIF District can be created for the Study Area. Creation of a TIF District will likely be needed to help facilitate future commercial development in the Roosevelt Road/Fabyan Parkway area. Development trends in the area around Roosevelt Road and Fabyan Parkway, consisting of some industrial development and a few commercial uses, have not provided the necessary conditions for substantial commercial development (such as restaurants and hotels) to occur. Further, a TIF District would provide a mechanism to pay for possible future public projects in the Roosevelt Road/Fabyan Parkway Area, such as roads, streetscaping and sidewalks.

The Study concludes that the Study Area would likely qualify for designation as a TIF District based on State requirements. Requirements include deteriorated building conditions and blight (due to building age and related factors), obsolescence (due to lack of building functionality), vacant (undeveloped) land, lack of growth in the land's Equalized Assessed Value (EAV), lack of new investment (no new building or land improvements) and lack of community planning (consisting of land parcels not configured or platted for current development standards).

The factors and conditions noted above all contribute to this conclusion, although the Report concludes that additional property subdivisions will be needed. Subdividing existing parcels in the Study Area would be done to reduce site sizes, thereby providing more narrow lots. The resulting smaller, narrower lot sizes and shapes will support and confirm State TIF District criteria for lot platting.

Mr. Friedman gave a PowerPoint presentation in which he reviewed the Preliminary TIF Eligibility study for the area.

Alderman Beifuss asked how long it would take to put together a business plan.

Mr. Said stated it could take possibly three to six months but would be difficult to say at this point given all the variables involved including input from the College of DuPage, the Police Department, and City Administration.

Alderman Beifuss asked if TIF has been successful in this kind of project.

Mr. Freidman stated that this is an ideal project for TIF and hotels generate good increment tax. He also stated land/site assembly issues may arise and that TIF is a good resource for that. It is possible to overlay a business district as long as it is needed in this area as it could capture retail business from neighboring communities.

6. Unfinished Business

None.

7. New Business

None.

8. Reports from Staff

Mr. Said asked to informally discuss some development concepts that have come up for the Kuhn Site on the North Avenue frontage area. He stated that there has been some interest in developing medium-density residential in this location and asked the committee what their thoughts were. There was discussion regarding the interpretation of medium-density residential such as row houses, 3-story apartments, condos, or townhouses.

Alderman Beifuss was not in support of 3-story apartments *in this location in general*.

Alderman Stout stated that it would depend on the density but she doesn't initially support the idea of apartments.

Alderman John Smith and Alderman Grodoski agreed with Alderman Stout.

All committee members were supportive of ~~row-housing~~ *less dense residential development*.

Alderman Banas asked what the concern was with high density.

Alderman Stout stated that there were already too many high density apartments in the City and adding to that could place a burden on city services.

There were questions regarding which school district would serve that location and also some discussion regarding infrastructure.

Alderman Banas stated that he was interested in listening to the concepts.

Alderman Stout stated that she is interested in finding out more information and that residential would be okay but is leery of the density.

Alderman Beifuss ~~commented on the density and the proximity of services, stores, and transportation in the area~~ *stated that the proposed area is remote from services such as stores, and public transportation*.

9. Adjournment

Alderman Grodoski made a motion, seconded by Alderman Banas, to adjourn the April 14, 2014 Development Committee meeting at 8:25 p.m. The Committee members unanimously agreed and the motion carried.

Respectfully submitted,

Charity Mitchell
Executive Secretary