

CITY OF WEST CHICAGO

WHERE HISTORY & PROGRESS MEET

Approved July 8, 2019

MINUTES

DEVELOPMENT COMMITTEE

May 13, 2019, 7:00 P.M.

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

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

Roll call found Aldermen James Beifuss, Melissa Birch Ferguson, Michael Ferguson, Bonnie Gagliardi, Matt Garling, Jayme Sheahan and Rebecca Stout present.

Also in attendance was Community Development Director, Tom Dabareiner and Economic Development Coordinator, Pete Kelly.

2. Approval of Minutes.

A. April 8, 2019.

Alderman Beifuss moved and Alderman Garling seconded a motion to approve the minutes. Voting Aye: Aldermen Beifuss, Birch Ferguson, Ferguson, Gagliardi, Garling, Sheahan and Stout. Voting Nay: 0.

3. Public Participation. None.

4. Items for Consent.

A. Plat of Consolidation, 1817 and 1827 Blackhawk Drive.

Alderman Birch Ferguson moved and Alderman Garling seconded a motion to approve this Item for Consent. Voting Aye: Aldermen Beifuss, Birch Ferguson, Ferguson, Gagliardi, Garling, Sheahan and Stout. Voting Nay: 0.

5. Items for Discussion.

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A. Forming America, 1200 N. Prince Crossing – Biannual Progress Report.

Tom Dabareiner provided this item update, noting the owner of Forming America was present. The applicant received a Special Use Permit for an outside storage yard in August of 2007, which has included four amendments with several site improvements to be completed by specific dates. Earlier this year, the City Council approved a final completion deadline of July 31, 2019.

The applicant, Mr. James Langkamp, addressed the members. He stated that he has left to pave the back of the lot, and with better weather, they are ready to begin. Alderman Stout said that staff will be in touch with him as the deadline approaches, and thanked him for attending.

B. Midwest Industrial Funds, 2525 and 2555 Enterprise Circle (DuPage Business Center) – Final Development Plan Review.

Tom Dabareiner indicated the representatives for Midwest Industrial Funds were present. They are requesting Final Development Plan approval for the construction of two speculative warehouses/distribution buildings on 29 acres south of Fabyan Parkway and west of Enterprise Circle in the DuPage Business Center. The northern most building, 2525 Enterprise Circle, is a cross-docked facility of some 303,000 square feet with a total of 47 docks. Berms are being provided to block the view of the loading docks from Fabyan Parkway. There are 210 parking spaces, with an additional 28 land-banked spaces. The second building at 2555 Enterprise Circle will be 186,000 square feet with 38 loading docks that will not be visible from Enterprise Circle. Staff requests two conditions—one related to landscaping and the other to screening of rooftop mechanicals—be placed on the approval. DuPage Airport Authority (DAA) recently approved this plan, but based on our Agreement, both the City and the DAA need to approve it. Staff acknowledges that the proposal does comply.

Alderman Beifuss asked about the conditions. Mr. Dabareiner indicated that if the parapet is not high enough to screen the rooftop mechanicals, the condition would require the applicant to provide additional walls.

Alderman Garling moved and Alderman Gagliardi seconded a motion to approve Item C. Voting Aye: Aldermen Beifuss, Birch Ferguson, Ferguson, Gagliardi, Garling, Sheahan and Stout. Voting Nay: 0.

C. IDI Logistics, Fabyan Parkway – Review & Discussion.

Tom Dabareiner provided this item update. IDI Logistics is national investor and developer of distribution facilities, and they are working with Home Depot to locate a warehouse/distribution center in the Chicago area. There is a 55-acre site south of Roosevelt Road and east of Fabyan Parkway that could host a 650,000 square foot site,

linked to the BNSF railway, and would employ 100 full-time workers. The building would accommodate two rail spurs and 31 loading docks. Truck traffic is estimated to be 235 per day, with a peak of 300 per day. Access would be off of Fabyan Parkway, although he noted that if the road is extended to Roosevelt Road, there would be additional access. There would be some outside storage near the rail spurs on the south side of the building, but berms and landscaping would obscure the view for the surrounding properties. TIF revenue may be required to help offset some of the costs. Staff noted a couple of concerns with regards to rezoning from ORI to M, the traffic projections which did not include car counts nor disclose the supporting detail, and finally the timing of the improvements. DuPage County is proposing to widen Fabyan Parkway, which would impact the design of the site proposal and add more traffic to the area.

The other part of this project would include a hotel, but it could not commence without a signalized intersection along Roosevelt Road. Other concepts such as self-storage might be included to act as a buffer between the hotel and the warehouse/distribution facility. There has been some interest from a retail developer about this. Mr. Dabareiner indicated that staff has had discussions about linking the hotel/commercial phase more closely with the Home Depot phase. A PUD to consider the entire 80+ area will likely be required to coordinate the land use. At this point, Home Depot is looking at a number of sites for their new ecommerce concept, and they need to determine the City's level of interest for this project. He introduced the representative of IDI Logistics who was present to answer the members' questions.

Jeff Lanaghan, Market Officer for IDI Logistics, spoke to the Committee. IDI is a 30-year industrial development company. He stated they were present to ask for a recommendation to move this project forward to the Planning Commission and Zoning Board of Appeals (PC/ZBA) and to answer any question the Committee members have. He recapped the project details. While they are still learning more about the project from Home Depot, this location is at the top of their list. He clarified that the estimate of daily truck volume was not just for semi-trucks. Mr. Lanaghan then spoke about Home Depot's current procedure for serving ecommerce, and how this presents certain challenges for their stores. As a result, they have come up with a concept whereby contractors can place orders and then have the materials delivered to the job site the next day. He mentioned the advantages for consumers of this business model and that this would only be the third site of its kind in the USA. They hope to have it up and running by 2020, and they believe this is the perfect site for them. They are looking at other sites, but IDI hopes to show them they have speed to market. He spoke about the site as a whole and that it has been undeveloped for the 20+ years it has been in the hands of the current owner. There is currently no infrastructure at this property, and they estimate the cost for it to be around 7 to 8 million dollars. The taxes on this building would support a TIF request of 10 to 12 million, but since they are only looking for infrastructure funding, there would be a surplus of tax revenue. The project has a lot of roadway to be built, not counting the widening of Fabyan Parkway. They believe the cost of the project to be somewhere in the

70 to 80-million-dollar range. He concluded his presentation saying that they hope to receive a favorable recommendation from the Committee.

Alderman Gagliardi asked if the location would be ecommerce only, and Mr. Lanaghan replied that it will be a warehouse/distribution facility and it will serve their ecommerce. There will be about 180 full-time employees with about half being Home Depot employees.

Alderman Beifuss asked if any sales would be done out of this facility, and Mr. Lanaghan believed there would not be. Alderman Beifuss asked questions about the inbound versus outbound vehicle types and the difference between the "BDC" and "FDC" truckloads. Mr. Lanaghan believed the inbound trucks would be more semis and the outbound trucks to be delivery vans, but he doesn't have all of the information yet. Another representative of IDI, Mr. Jeff Smith, explained that "FDC" shipments go directly to home sites, whereas the "BDC" will be distributed to stores.

Alderman Beifuss stated that one of their concerns is that they want to develop the site with some retail and a hotel, and they will need access to do that. He asked if they knew the distance from Fabyan to Roosevelt for where the signal would be. The applicant answered the minimum distance required is a quarter mile, which would satisfy IDOT. Alderman Beifuss stated they would need to have a signalized intersection there in order to get some retail frontage along Roosevelt Road, and he asked what their commitment is to get one there sooner rather than later. Mr. Lanaghan replied that Home Depot's requirement is immediate, but they have been told that to get approval for a new signal on Roosevelt, it would take 18 to 24 months. If they wait for that to happen first, Home Depot would not be locating here, and most likely the rest of the development would not happen either. He mentioned that they provided a letter to the members from Hamilton Partners who outlined that for retail, you need infrastructure and some development there first in order to make the property viable for more retail and a hotel. They are looking at this as a phased project with IDI Logistics handling Phase One. They are willing to participate with phases two and three as much as makes sense, but his company is an expert in industrial. He confirmed that they do have the hotel lined up.

Alderman Beifuss asked how large of an area is needed for outside storage. Mr. Lanaghan answered it is roughly 152,000 square feet located behind the building by the rail for servicing. Alderman Beifuss asked about the number of acres they plan to develop. Mr. Lanaghan responded there is a 14-acre parcel on the corner they have not been able to make much headway with that owner about, which leaves about 70 acres total.

Alderman Stout indicated that with the traffic studies that need to be done, the commitment of the infrastructure, and the buffering and berms, and the distance from the proposed hotel and retail, this a very positive venture. She asked the members for their opinions.

Alderman Ferguson commented that he sees nothing but positives. After over 20 years being undeveloped, he has seen it go from a sod farm to nothing.

Alderman Birch Ferguson stated that she agrees. She likes all of the elements and she would give it the green light to move forward to the PC/ZBA with the concerns they have outlined.

Alderman Sheahan agreed with that, and stated she likes the idea of it.

Alderman Beifuss stated he thinks it has some positive elements. He has concerns about making sure that the signalization is tied in and that it would be part of any PUD. They already have a lot of warehouse space in West Chicago—they just approved another 500,00 square feet—but this project helps them with this corner of the City. Mr. Lanaghan stated that the timing of the two is completely different and he asked him how he envisioned the two would be tied together. Alderman Beifuss responded that it would be through the PUD. He wants to make certain that the City is not on the hook for a big warehouse with no retail component if the signal does not go through. Mr. Lanaghan pointed out that without the warehouse component, and the infrastructure and roadway access it would provide, the retail will not arrive. However, he promised to do whatever to make the PUD work. Tom Dabareiner stated that staff has some thoughts about how they might make this work.

Alderman Stout concluded that the members want this to move forward and to work out the details of a PUD.

6. Unfinished Business. None.

7. New Business.

A. Election of Development Committee Chair and Vice-Chair.

Alderman Birch Ferguson moved to nominate Rebecca Stout as Committee Chair and Alderman Beifuss seconded the motion. Voting Aye: Aldermen Beifuss, Birch Ferguson, Ferguson, Gagliardi, Garling, and Sheahan. Voting Nay: 0.

Alderman Stout noted that while she would normally nominate Alderman Beifuss for Vice-Chair, it was brought to her attention that he is already the chair of another committee.

Alderman Stout moved to nominate Alderman Birch Ferguson as Committee Vice-Chair and Alderman Beifuss seconded the motion. Voting Aye: Aldermen Beifuss, Ferguson, Gagliardi, Garling, Sheahan and Stout. Voting Nay: 0.

8. Reports from Staff. None.

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9. Adjournment.

Alderman Birch Ferguson moved and Alderman Ferguson seconded the motion to adjourn the Development Committee meeting at 7:31 P.M. The Committee members unanimously agreed and the motion carried.

Respectfully submitted,
Jane Burke