

CITY OF WEST CHICAGO

WHERE HISTORY & PROGRESS MEET

Approved December 13, 2021

MINUTES

DEVELOPMENT COMMITTEE

October 11, 2021 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, Christine Dettmann, Matthew Garling, Jayme Sheahan and Rebecca Stout present.

Also in attendance was Community Development Director, Tom Dabareiner.

2. **Approval of Minutes.**

A. **August 9, 2021.**

Alderman Garling moved and Alderman Sheahan seconded a motion to approve the minutes with changes. Voting Aye: Aldermen Beifuss, Dettman, Garling, Sheahan and Stout.

3. **Public Participation.** None.

4. **Items for Consent.**

A. 440 W. North Ave. / Belle Tire—Petitioner seeks a Special Use Permit, Minor Subdivision, and a Final PUD for a Motor Vehicle Care Center in accord with Sec. 10.4-5(C) of the West Chicago Zoning Code. The owners hope to operate a 10,000 square foot facility.

Alderman Beifuss moved, and Alderman Garling seconded the motion to approve Items for Consent 4. A. Voting Aye: Aldermen Beifuss, Dettmann, Garling, Sheahan and Stout.

5. **Items for Discussion.**

Development Committee Minutes
October 11, 2021

- A. SEC Roosevelt / Fabyan Pritzker Realty Group Concept Plan** – A discussion on a spec warehouse proposal at the southeast corner of Roosevelt and Fabyan, along with the extent of warehousing that may be built in light of the marketplace versus the original intent of the creation of the ORI Zoning District and not having intense uses fronting Roosevelt Road.

Tom Dabareiner provided this staff update. A few years ago, another petitioner expressed interest in this same property for warehousing at the southernmost end, wanting to use the adjacent the rail line. This is a new proposal for speculative warehousing/ distribution center at this same location. The area is zoned ORI (Office, Research, and Industrial) and distribution centers are not a permitted use here. Committee members will need to consider rezoning to Manufacturing (M) for that area and in particular, the area along Roosevelt Road.

Katie Michael, VP of Pritzker Realty Group (PRG), introduced herself and the other members present from her team: David Gardstrom, VP of Construction for PRG, Project Engineer, Mark Richards of Webster, McGrath & Ahlberg, and Andrew Scott of the law offices of Dykema Gossett. They are looking to obtain the members' feedback on this proposal. Ms. Michael stated her company is under contract to purchase this parcel and they are in the due diligence process. If all goes well, they would close in early 2022. Their company has done other projects in West Chicago, such as the construction of the Suncoast building in 2019, with a second facility currently under construction. In addition, they have built over 2 million square feet of development projects in the Chicagoland area in the last two years. She turned the plan development details over to Mr. Scott.

Mr. Scott distributed handouts to the Committee and went on to identify the proposed location using an overhead map. It is a 63-acre parcel, zoned ORI and is currently vacant. He described the surrounding land uses and stated this would be a three-phase project. The Phase 3 building would be a 150,000 square foot, Phase 2 would be a 277,000 square foot building and Phase 1 would include a building of 400,000 square feet. All buildings would have loading docks, parking, detention, landscaping, etc., in accordance with City ordinance. There would also be a dedicated public right-of-way connecting Fabyan to Roosevelt, until such time that IDOT would approve a traffic signal to the east. The development would begin in 2022 and end in 2025. The total investment would be 75 million dollars. In terms of tenants, there is interest in the Phase 1 building. It is of particular interest to warehouse/distribution companies because of the rail access nearby. They are looking to change the zoning to Manufacturing to accomplish this. They anticipate 300-350 temporary construction jobs and then 100-150 jobs when all buildings are leased. The warehouse development would have a significant impact to the City's real estate tax base. It is located within a TIF district, and that financing is necessary for the developers to make this project viable. That said, however, the project would bring substantial dollars into the TIF district for other projects the City may wish to pursue.

They are mindful of the ORI zoning and the City's vision for possible users. However, they have done their homework about potential retail by checking with brokers and retail

developers. What drives retail development are demographics and access. For demographics, they look for population density, or rooftops. He shared some graphics to illustrate the impediments of the surrounding area, which suggest that even 10 years from now there will not be enough residential infill for this area to become an attractive site for retail. The population density for this area is very low compared to what big-box retailers are looking for, and even mid-box retailers look for more density. In addition, this area is far from any downtown with greater density and the traffic counts are not ideal. The other issue is access to the property. This stretch of Roosevelt is a divided highway, and IDOT would probably only allow for a right-in, right-out going east along Roosevelt Road to access this area. They would not allow for westbound access. In having dealt with other retailers, Mr. Scott knows this limited access to be the death of a site. Retailers will choose areas with full access and the demographics to support their financial investment. Their assessment of ORI zoning is that there is not enough demand for office or light industrial either. R & D facilities have tended to cluster over the past couple of years so they can feed off the synergies of being near other facilities. With office vacancies on the rise and coming on the market, it is unlikely there would be demand for new construction offices. If sales taxes are desired, he discovered that Illinois passed an act in 2019 to allow municipalities to capture sales tax from internet-based users, such as Amazon. He concluded his presentation to say they welcome the City's thoughts and comments.

Alderman Beifuss asked if they are looking to rezone the entire area, and Mr. Scott said they are. Alderman Beifuss recalled that Home Depot was originally interested in the southern part of this site given its rail access and this area is more amenable to this type of warehouse use. He asked about an area up near Roosevelt and if that is being proposed for a small retail use at the corner. Mr. Scott stated that while Pritzker Group is an industrial and not a retail developer, they thought some small retail might work at that location despite the constraints. Alderman Beifuss stated they are looking to have an access road that would provide access to Roosevelt Road to develop more retail and/or less intensive development near that road. On the current proposal, there does not seem to be any access to the parcel in the northwest corner, which would make it unusable. They like the idea of an access road to give access to this parcel and to the one on the east side of the proposed development. They would like to see both of these properties developed. However, they want to make sure there are less-intensive uses in the front along Roosevelt Road. Maybe they do not have rooftops right now, but there is a lot of traffic on Roosevelt and Fabyan, and there will be more new business park jobs coming online. The members had previously discussed that they want the area to remain ORI. He is okay with more intensive uses in the back, or to the south, of this area. Mr. Scott asked if his objections are more about the intensity of the use or the appearance. Alderman Beifuss replied that he objects to both. He added it would need to be office or retail.

Alderman Garling stated that he wants to think carefully about giving up rail access to one specific building. The City does not have a lot of property with rail access.

Alderman Stout asked about the potential of a PUD with mixed-use development to retain ORI at the front and have M at the back. Mr. Dabareiner responded that it is possible and a

PUD would be required to accomplish everything they want to do. Alderman Stout agreed with Alderman Beifuss that the property to the back with rail access lends itself better to warehousing. There has been talk of a hotel going in the eastern parcel along Roosevelt Road, and another warehouse next to that would be detrimental for that possibility ever to come to fruition. Something of less intensive usage would make sense along that frontage. Mr. Dabareiner stated there have been other developers interested in this area besides Home Depot. One developer proposed squaring off the corner triangular parcel, which was an interesting notion to staff, but a proposal never made it to the Committee.

Mr. Scott suggested the idea of making the northern portion of the northernmost building read as if office and if vehicular traffic was limited to the access road in and out of Fabyan. Alderman Beifuss said that would not be ORI, it would just be cosmetic work on the building. Discussion ensued about the access road, the proposed stop light location, and their implications on traffic patterns.

Katie Michael agreed that their proposal does not provide for access to the corner triangular property. There could be a way to do that by providing an easement to the southeast of this property. While it was not contemplated before, she believes there is a way to ensure that future development there has access to the new right-of-way. Discussion followed about how this access point might work.

Alderman Stout stated she still has concerns about a warehouse at the northern most point of this development. She would like to see something less intensive there. She would also like to see them work with Joe Kiem about providing access for future development of the corner triangular property. In terms of the exterior appearance, she would prefer something less cookie cutter with more architectural features. The applicant pointed out the northernmost building is designed as a side loader, so the truck traffic is off to the side and not visible from Roosevelt Road. Alderman Beifuss agreed about wanting more architectural distinctiveness for all the buildings. He is not in favor of the Facility 3 building (Phase 3) at all. He wants this area to remain ORI.

Alderman Dettman asked if Facility 1 and 2 buildings (Phases 1 & 2) would be Manufacturing, and Alderman Beifuss said this would make sense. He asked the applicant if they have had contact with the hotel developer about the access road. Mark Richards responded they have not, but both have the same traffic study consultant. Alderman Beifuss asked if they will be contacting them, and Mr. Richards replied they would need to, as the road would go on their property. Ms. Michael indicated this is because they are trying to get through the initial steps of their diligence.

Alderman Stout said the members have expressed what they would like to see. They have reservations with Facility #3, and they would like to see something in line with ORI. Alderman Garling stated he hesitates to give up a rail spot for warehousing. He would prefer a manufacturing facility. Alderman Beifuss added that from a tax standpoint, manufacturing would bring more revenue. Ms. Michael talked about potential users for these facilities. At this point, they are not sure if it would be warehousing, manufacturing or

both. They have not yet identified a user yet. Alderman Garling stated he is concerned that they are giving up railway for a user they do not know; it could be manufacturing, but it could be warehousing, and it might not utilize the railroad at all. Alderman Stout asked the applicant to consider what vision the members have shared, and to come back again with those changes in mind. Alderman Garling departed the meeting at 8:00 PM.

B. 537 Discovery Drive / Spec Warehouse – Midwest Industrial Funds requests Final Development Plan approval to allow construction of a speculative industrial building, along with related site improvements, at 537 Discovery Drive in the DuPage Business Center.

Tom Dabareiner provided a staff update. Midwest Industrial has other projects in the DuPage Business Center. They are requesting final development plan approval for another speculative building. The property would contain a 400,000 square foot building, hold up to four tenants, with a cross dock. Because roads surround it, it would need a lot of landscaping, such as berms, to protect the views of trucks from the street. In accordance with the intergovernmental agreement with the DuPage Airport Authority (DAA), both the Airport and the City need to approve the proposal. The Final Development Plan materials meet the requirements. The DAA approved the Plan at its June 2021 meeting. Staff has been working hard with the applicant on a grading plan to allow them to start work on surface preparation. However, they have not turned in a grading plan to date. While they were told specifically what to turn in, they started work without a permit anyway. Staff has put a Stop Work Order at the site, and it will not be removed despite approval of the Plan tonight. Staff still does not have a grading plan. The City cannot be taken advantage of this way. Work without a permit will not be tolerated.

Pat Shaner, Director of Development for Midwest Industrial Funds, addressed the Committee. This is their third project in the City, and it is very similar in scope to the other two in that they try to build in as much flexibility as possible. This is a 24-acre site. He believes they have designed the site well to provide for enough car parking and truck access. He said they also have worked with staff on a landscaping plan. Mr. Dabareiner agreed that had been finished. Discussion ensued between Mr. Shaner and Mr. Dabareiner as to the events that resulted in the Stop Work Order. Mr. Shaner said they were stripping top soil, and they have done no other grading work. Mr. Dabareiner maintained they should not have done work without a permit.

Alderman Stout stated that the applicant needs to submit the grading plan to staff, so that it can be reviewed and the permit issued. At this juncture, the Committee needs to consider the Plan for approval, and she asked the members for questions. Alderman Beifuss asked if the Final Development Plan is in compliance, and Mr. Dabareiner said that it is. Alderman Stout asked if this is the third building completed by the applicant, why was there any ambiguity about the permit process. Mr. Shaner replied that things are taking longer, and communication has been difficult. Alderman Stout stated that nevertheless the process needs to be followed. Mr. Shaner said that they will do what they need to do.

Alderman Dettman moved, and Alderman Sheahan seconded the motion to approve Item for Discussion 5. A. with the understanding that the proper permits are obtained. Voting Aye: Aldermen Beifuss, Dettmann, Sheahan and Stout. Alderman Garling departed the meeting prior to the vote.

- C. Gravel Driveways** – A while ago, the City sought to have all gravel driveways converted to hard surface during an enforcement moratorium period. After the moratorium ended and enforcement began, due to complaints, the enforcement effort ceased, but the requirement remains part of the Municipal Code. Staff would like to hear discussion on the following question: Should enforcement be reinstated or a text amendment alter the requirement in some manner?

Tom Dabareiner updated the members on this Item. As of 1989, the Municipal Code requires that all parking and driveways consist of a hard surface and not gravel, and it set an amortization period of 5 years, which expired in 2004. Many property owners were upset with the requirement at that time, and enforcement was eventually halted by the Community Development Director. Recently, staff received a complaint from a resident who had complied with the conversion and cited several examples of existing properties that have not complied. Mr. Dabareiner then asked the inspectors to locate as many of these properties as they could. They found 151 properties with gravel driveways and/or parking areas throughout the City. However, the City inspected some of those homes when they changed hands, and the gravel was never commented on. Now staff is looking for direction. Mr. Dabareiner then reviewed the viable options for the Committee. He advised they cannot begin enforcement because property transfers were approved with gravel.

Alderman Beifuss stated he supports the idea of grandfathering the existing properties because so much time has gone by and many of these properties have already changed hands. The practical implications of implementing an amortization period for 150+ properties would be problematic. He has seen some gravel driveways around town, but he has also seen the action of the marketplace whereby the gravel areas are replaced with hard surfaces to improve their properties in their own best interest. What they do not want to see are driveway expansions. Many years ago, they used to see people over-paving their property. As a solution, staff developed the notion of lot coverage to curtail this. He asked staff if the gravel areas identified are driveways or entrances from alleys. Mr. Dabareiner replied that they are all driveways. Some properties have paved driveways and gravel parking areas. Alderman Beifuss restated he is in favor of grandfathering them. If someone needs a new driveway or wants to expand their driveway or parking area, as part of the permit process they would have to upgrade to a hard surface.

Alderman Sheahan asked Mr. Dabareiner how many people converted their driveways back when this first requirement started. Mr. Dabareiner did not have that number. Alderman Sheahan then asked why they should change the ordinance if they failed to hold people accountable for it. She stated she would be upset if she was asked to replace her driveway, did, only to learn the City did not require everyone to do so. Mr. Dabareiner replied that legally, they could not begin enforcement on these properties after all the time that has

transpired. They need another tool such as a new amortization period or the legal, non-conformity approach.

Alderman Stout stated that because this has been overlooked for so long, and the properties have changed hands without any encumbrance, it would not be fair to the new owners to enforce conversion. Unfortunately, people will be upset on both sides, but the option she supports is to grandfather the existing properties. Alderman Dettman asked if the City stance on this has changed. Alderman Stout responded that accounting for lot coverage during the permit process percentage has worked to address the problem of over-paving. Alderman Dettmann added that she wished there were a way to incentivize these property owners to comply. Alderman Stout surmised there was consensus among the members. Tom Dabareiner indicated that the grandfathering option would need to include additional rules to guide the permitting review. Staff will come back to the members with a draft ordinance for their review.

6. **Unfinished Business.** None.

7. **New Business.** None.

8. **Reports from Staff.**

Alderman Stout inquired about Forming America. Mr. Dabareiner replied that the property was sold. The new owners owe them improvements. Staff is working with the County on the wetland requirements so they can then inform the owner about what is needed. Forming America is still there as a tenant.

9. **Adjournment.**

Alderman Beifuss moved, and Alderman Sheahan seconded the motion to adjourn the Development Committee meeting at 8:40 p.m. Voting Aye: Aldermen Beifuss, Dettman, Sheahan and Stout.

Respectfully submitted,

Jane Burke