



VILLAGE OF LINCOLNSHIRE

MINUTES ZONING BOARD MEETING Tuesday, August 9, 2022

Present:

Chair Bichkoff

Member Hersh

Member Kalina

Assistant Village Manager/Community &
Economic Development Director Roesler

Member Cohen

Member Curtin

Member Josephson

Planning & Development Manager Zozulya

1.0 ROLL CALL

Chair Bichkoff called the meeting to order at 7:01 p.m. and Planning and Development Manager (PDM) Zozulya called the roll and declared a quorum present.

2.0 APPROVAL OF MINUTES

2.1 Approval of the minutes of the Zoning Board meeting held on Tuesday, April 12, 2022

Member Cohen moved and Member Hersh seconded the motion to approve the minutes as presented for the July 12, 2022, Zoning Board. Motion passed unanimously by voice vote.

3.0 ITEMS OF GENERAL BUSINESS

3.1 Recognition of Former Zoning Board Members Christine Udoni and Joseph Kelly.

Chair Bichkoff stated his appreciation for Member Chris Udoni's service on the Zoning Board during her six-year tenure and noted the number of projects she was part of.

Chair Bichkoff also thanked former Member Joe Kelly for his service on the Zoning Board over the last three years.

Chair Bichkoff also welcomed new member Bert Cohen to the Zoning Board.

3.2 Continued Public Hearing Regarding:

- A. Map & Text Amendments of the Lincolnshire Village Code - Creation of "Office" and "Industrial" Zoning Districts; Repeal of the O/Ia, O/Ib, O/Ic, and O/Id Office/Industrial Zoning Subdistricts; and Rezoning of Properties from the O/Ia, O/Ib, O/Ic, and O/Id Office/Industrial Zoning Subdistricts to Either the New "Office" or "Industrial" Zoning Districts (Village of Lincolnshire)

- B. Text Amendments to Title 6 (Zoning), Chapter 8 (Office/Industrial Districts) of the Lincolnshire Village Code to Create Uses and Bulk/Development Regulations in the Proposed “Office” and “Industrial” Zoning Districts (Village of Lincolnshire)
- C. Text Amendments to the Lincolnshire Village Code to Replace All “O/I” Zoning District References with Proposed “Office” and “Industrial” Zoning District References: Chapter 3 (General Zoning Regulations), Chapter 4 (Zoning Districts), Chapter 11 (Off-Street Parking & Loading), Chapter 13 (Nonconforming Uses, Structures, and Lots); Chapter 16 (Personal Wireless Communications Facilities), and Chapter 17 (Alternative Energy Collection Systems) (Village of Lincolnshire)

Chair Bichkoff reviewed the procedures for the public hearing, and requested PDM Zozulya to give the staff presentation.

PDM Zozulya summarized the direction staff received from the Zoning Board at the July 12, 2022, meeting, including rezoning the following properties to the “Industrial” District:

1. 107, 109, 111, and 121 Schelter Road;
2. 575 Knightsbridge Parkway;
3. 405, 425, and 625 Barclay Boulevard; and
4. 500 Tower Parkway

PDM Zozulya stated due to the proposed rezoning of these properties to “Industrial”, staff adjusted the zoning boundaries to include the Lincolnshire-Riverwoods Fire Protection District Station 51 and the United States Post Office into the “Industrial” district given their adjacency. With these changes, PDM Zozulya stated 40 properties are proposed to be zoned “Office” and 74 properties are proposed to be zoned “Industrial”. PDM Zozulya stated the “Office” district will not be just office uses but continue to include restaurants, hotels, assembly uses, daycare centers, and other uses.

PDM Zozulya stated staff still recommends the property at 325 Marriott to be rezoned “Office”. She added staff and the Village Attorney communicated with the property owner to discuss alternatives to a0 rezoning, including a Planned Unit Development (PUD) designation, but were not able to hold a meeting. PDM Zozulya stated the owner and his attorney stated they would prefer to present their comments to the Zoning Board during the public hearing.

PDM Zozulya reviewed the proposed text amendments and the Zoning Board recommendations, including clarification on the “assembly use” definition. Staff recommends reducing the current assembly use cap to 100,000 square feet in response to the Zoning Board’s direction from the July 12 meeting. She stated 50,000 square feet are proposed to be allocated for the “Office” district and 50,000 square feet are proposed to be allocated for the “Industrial” district, given only up to 58,000 square feet has been used in the entire O/I Office/Industrial district to date. PDM Zozulya stated with the proposal to designate the 47,000-square-foot Willow Creek Church building for “Industrial,” the “Industrial” district will have 1,200 square feet available for other assembly uses if needed.

Regarding the Zoning Board's request to review the "Office" district name, PDM Zozulya said both the Village Attorney and staff do not recommend changing the title as the code use table in the "Office" district will make it clear it is not just the office use that is permitted. Maintaining the proposed name will also make it comparable to the "Industrial" district name.

PDM Zozulya reviewed the "abandoned" term in the proposed Non-Conforming Use Code. She stated per the recommendation of the Village Attorney, the term "abandoned" was replaced with "discontinued" for greater clarity in the redlined draft. The draft continues to recommend a 36-month timeframe for the discontinuance of nonconforming uses. As to other communities, PDM Zozulya indicated discontinuance requirements range from 30 days to 12 months. Staff's 36-month proposal is generous relative to other communities.

PDM Zozulya requested the Zoning Board's recommendation on permitting multi-family uses in the "Office" district, and what regulations they would prefer in terms of building height, density, and other regulations. PDM Zozulya noted the Zoning Board can choose to wait for the completion of the Comprehensive Plan and direction from the Village Board regarding this new use category.

In closing, PDM Zozulya requested the Zoning Board conclude the public hearing and make recommendations to the Village Board, with the Village Board's meeting date yet to be determined. PDM Zozulya directed the public and those in attendance to remain in contact with staff, continue to check the Village website for agendas and packets, and sign up for the Business Spotlight newsletter. She added the Comprehensive Plan consultant contract award will be in August or September.

Chair Bichkoff asked if any Zoning Board members had any comments or questions. Member Cohen commented staff covered many of the Zoning Board's concerns, except for 325 Marriott Drive, indicating he thought the Zoning Board discussed rezoning that property for "Industrial." Village Attorney Simon replied most of the impacted properties are on the boundaries of the "Industrial" district and not on a major arterial road. Village Attorney Simon noted the study commissioned by the Village was aimed at preserving aesthetics along the major arterials and not allowing new warehouse and industrial uses in high-visibility locations on Half Day Road, Milwaukee Avenue, and the eastern portion of Aptakisic Road. Regarding the 325 Marriott Drive property, Village Attorney Simon said the Village is not looking to remove the use but desires to implement the Village's use requirements through the zoning map changes. Village Attorney Simon noted allowing this property to be zoned "Industrial" would not be consistent with the Village's study. Member Kalina asked if there was legal precedent to prevent 325 Marriott from being zoned "Industrial", given all surrounding uses are in the "Office" district. Village Attorney Simon said he could not point to a specific statute or case that would say the Village is prohibited from zoning it "Industrial". Village Attorney Simon added it is land use best-practice for zoning districts to be contiguous and neighboring properties to be complementary.

Member Kalina asked about the PUD designation for the 325 Marriott Drive property and its impact on a future sale. Village Attorney Simon said the non-conforming use and structure regulations do not focus on the owner. If tenant or ownership changes occur but the use continues as what was established before the rezoning, such uses can continue. Village Attorney Simon said under a PUD, the Village Board can grant use exceptions. If granted, uses like the what the current tenants operate would be permitted; the Village Board could consider the impact and benefits to the public and add additional regulations for this property. Member Josephson asked if a deed restriction or covenant can be put in place, preventing an undesirable use upon sale. Village Attorney Simon said if the Village zones the property for "Industrial", he does not think the Village can place a covenant on the property.

Village Attorney Simon said he recommends leaving the current assembly use cap of 150,000 square feet which would collectively apply to both the "Office" and "Industrial" districts. PDM Zozulya stated the previous direction of the Zoning Board was to split the cap equally, but staff can recommend leaving the current cap to be used by both districts on a first-come, first-served basis. Member Kalina indicated his preference to leave it at 150,000 square feet. PDM Zozulya stated the cap was originally put in place to allow office and industrial uses sufficient space to locate in corporate areas. PDM Zozulya stated if a tenant needs additional space after the cap is exhausted it would require a text amendment to increase the cap.

In regard to the multi-family text amendment proposal, Member Curtin asked about the timeline for the Comprehensive Plan completion. PDM Zozulya said completion and adoption are slated for fall 2023. PDM Zozulya indicated the Zoning Board will review the plan. PDM Zozulya stated some Village trustees were interested in exploring a multi-family use during the pre-application meeting. She also noted Van Vlissingen & Co. is in support of this use considering the high office vacancy rate. Village Attorney Simon stated the Village Board heard from businesses that more workforce housing is needed. Member Curtin said he would like to get more information on this before proceeding with the multi-family use discussion.

Chair Bichkoff opened the floor to the audience.

Jim Woldenberg, owner and developer of 325 Marriott Drive, was sworn in. He knows the Village has concerns about the appearance of his building. He does not know how long the PUD process would take or what the conditions would be. If the Village rezones his property for "Office," he may have to take legal action and would rather avoid that outcome. Mr. Woldenberg met with his architect and landscape contractors but needs ideas from the Village on further improvements. Mr. Woldenberg requested his property be left as an isolated industrial property. As far as potential concerns about additional loading docks, there is no room to place them. Mr. Woldenberg noted there is more truck traffic lined up on Schelter Road than near his property. Mr. Woldenberg stated he has always been responsive to the Village to address concerns.

Brett Kroner, broker with Cushman and Wakefield, was sworn in. Mr. Kroner stated he worked with Village staff for many years, noting the 325 Marriott Drive property had remained vacant for 30 years. Mr. Kroner pointed out

there were proposals for an inflatable soccer facility at this corner which would have been more unsightly than the existing building. Mr. Kroner added he has been working on developing the property next to Lifetime Fitness in Vernon Hills for a million square feet of precast industrial buildings which garnered support from Village of Vernon Hills officials. Mr. Kroner noted industrial developments are popular in today's real estate market and many office buildings continue to remain vacant. Mr. Kroner noted his concern regarding future marketing for 325 Marriott Drive and the uncertainty about how a new tenant would be received and how long the approval process would take.

There being no further comments from the audience, Chair Bichkoff opened questions to Zoning Board members.

Member Hersh asked about the concerns regarding the proposed rezoning for 325 Marriott Drive. Mr. Woldenberg stated the zoning changes will devalue the building as a non-conforming use which will make financing difficult, and he may encounter issues with insurance as well. Mr. Woldenberg stated this property is his biggest asset and has no plans to sell it. Chair Bichkoff noted the Zoning Board has concerns regarding traffic and usage if the truck docks are expanded. Village Attorney Simon stated the motivation for the rezoning effort is not focused on one property but on an entire area of the Village. Attorney Simon acknowledge Mr. Woldenberg's concerns, yet the Village's vision does not align with Mr. Woldenberg's desire for industrial zoning. Village Attorney Simon said this application was not designed to cause the 325 Marriott building to be taken down or vacated but to express to the public and the market how the Village views future development. Village Attorney Simon said there is a process in the Zoning Code for letters of zoning compliance which will telegraph to lenders and other parties what is allowed on a property. He stated if the uses are sustained, they can be maintained indefinitely. Village Attorney Simon stated he does not believe this rezoning would eliminate all the economic utility of the 325 Marriott Drive property. Member Curtin asked what the benefit to the Village is to rezone the property as the Village may be harming the Village's reputation. AVM/CED Director Roesler said the short-term benefit would be along the major corridors as the Village continues to feel the pressure to allow large-scale warehouses; it is more appropriate to push them into the industrial area. The long-term goal is to see more mixed-use development throughout the Corporate Center. Member Cohen said the Village needs to evaluate the outcomes of the rezoning, and what potential legal and reputational impacts to the Village might be. Chair Bichkoff noted the original plan for this building was the headquarters of Heathrow Scientific but that did not happen. Mr. Woldenberg stated he sold half of his business and that is why he did not move into the building.

Member Josephson asked Mr. Woldenberg if he contacted his insurance and bank representatives regarding a rezoning on his property and what impact it may have. Mr. Woldenberg said he did not.

Mr. Kroner stated he reached out to investors to obtain their thoughts on the impact of the proposed zoning changes on this property. Their response was the rezoning would impact both resale and leasing. PDM Zozulya clarified the PUD process and that it would stay with the land; new tenants that meet all

PUD requirements would only need to apply for a certificate of occupancy and would not need to apply for a new PUD. Mr. Kroner said he believes the Village will scrutinize every tenant. Mr. Simon said the PUD could be amended if necessary.

Member Kalina noted the 325 Marriott Drive building is not going to go away, and that Mr. Woldenberg came to the Village in good faith four years ago, did everything that was asked of him, but also understands the responsibility of staff and the Village Board to protect Lincolnshire's vision. He believes the Village should not rezone this property to "Office". Member Cohen stated we need to also consider the impact to the Village's reputation and making commitments to the business community. Member Kalina noted concerns of the proliferation of truck traffic. Mr. Kroner said Amazon had received approvals in Vernon Hills but pulled back on the plan. Mr. Kroner said Amazon needs significant parking for its employees; the 325 Marriott building does not have the space to have a large amount of parking and loading docks.

Village Attorney Simon stated Mr. Woldenberg could apply for a PUD immediately to make industrial/warehouse uses permitted on the 325 Marriott Drive property while the rezoning process is continuing through the approval process.

Member Kalina asked about the process going forward. PDM Zozulya stated the Zoning Board is a recommending body; ultimately the Village Board will have the final authority regarding the proposed rezoning and code changes. Member Hersh noted Mr. Woldenberg's offer to add more landscaping and repaint the building. Chair Bichkoff stated if there were several of these large warehouses in a row, residents would object. Member Curtin commented on his desire to make an exception for the 325 Marriott Drive property while protecting the vision of the Village in the rest of the office/industrial area.

Regarding the assembly use cap, the Zoning Board agreed the current 150,000 square foot cap should be allowed cumulatively between the "Office" and "Industrial" districts. AVM/CED Director Roesler reminded the Zoning Board a Special Use permit would still be required for assembly uses.

Regarding the multi-family use category, the Zoning Board determined it is best to wait for the completion of the Comprehensive Plan. Chair Bichkoff noted his concern regarding school impacts. Member Cohen said employers have concerns regarding lack of workforce housing and high office vacancy rates and he would be open to considering multi-family uses. Member Kalina said he is not opposed to multi-family. Village Attorney Simon noted such uses should be dispersed as infrastructure is not designed for multi-family concentration. Chair Bichkoff agreed more study is warranted, recommending completing the Comprehensive Plan first.

Chair Bichkoff closed the public hearing.

Member Kalina moved, and Member Cohen seconded the motion to recommend approval of the proposed map amendments (rezoning) according to staff recommendations with the condition that the 325 Marriott Drive property be rezoned to "Industrial".

AYES: Kalina, Curtin, Cohen, Josephson, Hersh, Bichkoff
NAYS: None
ABSENT: None
ABSTAIN: None

Member Kalina moved, and Member Cohen seconded the motion to recommend approval of the proposed text amendments according to staff recommendations with the following conditions:

1. Maintain the current 150,000 square foot assembly use cap and apply it collectively between the "Office" and "Industrial" districts.
2. Defer the multi-family use discussion for the "Office" district until after the completion of the Comprehensive Plan.

AYES: Kalina, Curtin, Cohen, Josephson, Hersh, Bichkoff
NAYS: None
ABSENT: None
ABSTAIN: None

Chair Bichkoff declared the motion carried.

4.0 UNFINISHED BUSINESS

Chair Bichkoff thanked Member Josephson for taking over the July Zoning Board meeting in his absence.

Member Kalina stated he was very impressed with the staff presentation tonight.

5.0 NEW BUSINESS

None

6.0 CITIZENS COMMENTS

None

7.0 ADJOURNMENT

There being no further business, Chair Bichkoff adjourned the meeting at 9:47 p.m.

Minutes submitted by Carol Lustig, administrative assistant, Community & Economic Development Department.