



**DES PLAINES PLANNING AND ZONING BOARD MEETING
June 6, 2023
WORKSHOP MINUTES**

The Des Plaines Planning and Zoning Board held a special meeting on Tuesday, June 6, 2023, at 6:00 p.m. in Room 102 of the Des Plaines Civic Center.

Chair Szabo called the meeting to order at 6:00 p.m. and roll call was established.

PRESENT: Fowler, Hofherr, Saletnik, Veremis, Weaver, Szabo

ABSENT: Catalano

ALSO PRESENT: John Carlisle, AICP, CED Director
Jonathan Stytz, AICP, Senior Planner
Samantha Redman, Associate Planner

A quorum was present.

Chair Szabo made the following introduction based on staff-submitted meeting materials: The PZB is convening a special meeting on Tuesday, June 6, 2023 for a public workshop regarding a proposed re-development of the former Contours Saws properties. The goal is to facilitate community insights toward shaping proposed residential developments in these locations. *No actions or votes on proposed developments will be taken during this meeting.*

The concepts for review are the following sites. The attached zoning map of the surrounding area identifies them:

- **1217 Thacker/900 Graceland Avenue (Site A – 3.17 acres, former site of Contour Saws)**
 - PINs: 09-20-105-016-0000, 09-20-105-017-0000, 09-20-105-024-0000, 09-20-105-045-0000, 09-20-105-020-0000, 09-20-105-021-0000, 09-20-105-022-0000, 09-20-105-023-0000
- **Approx. 919/921 Graceland Avenue (Site B – 1.23 acres, surface parking lot).**
 - PIN: 09-20-203-006-0000

The proposed projects would lead to a multi-family residential building on each site and would require zoning map amendments (rezoning) for both properties. Site A is currently zoned for manufacturing, and Site B, the parking lot, is currently zoned as commercial. Rezoning requires a public hearing with the Planning and Zoning Board (PZB) and final approval by City Council. of the proposed projects.

The interested developer, Luz and Associates LLC (Barry Sidel), will deliver an introductory presentation, provide details on their concepts, and participate in an activity and discussion with the public and Board to collect feedback. Conceptual renderings and site plans have been provided for the proposed development (see attached materials). *Note: The developer has not filed a petition for any zoning entitlements yet. The workshop is intended to provide input into the projects prior to submission of applications.*

The following people are here for the proposed project.

Rolando Acosta- Attorney for the Project

Barry Side, l Principal – Proposed Developer for the project

Two Architects from Fitzgerald and Associates

Herb Milan, Traffic Consultant - - KLOA

The workshop will be set up with the following four stations.

1. Site Plan
2. History and Previous Projects
3. Elevations and Renderings
4. Zoning and Plan Use.

Two different sites

- **Site A -1217 Thacker/900 Graceland Avenue (Site A – 3.17 acres, former site of Contour Saws) Zoned M2.-Manufacturing**
- **Site B- Approx. 919/921 Graceland Avenue (Site B – 1.23 acres, surface parking lot). 125 parking spaces. Zoned C3- General Commercial**

Mr. Acosta gave an overview of the proposal. The current plan is to have both sites rezoned to R-4 Residential Multi Family. The build two separate four story buildings. Site A would have 122 Units, mostly one-bedroom units, and also studios and two bedrooms units. There would be 128 parking spaces that meet the parking requirements. Building at about 62% of the allowable R-4 density. The building would be multi-family and close to the downtown area. Site B will have 56 units, 64 parking spaces, with one-bedroom and two-bedroom units. This planned development will increase the tax base from 150,000 to about 600,000 in property tax revenue. The buildings are four stories. Site A will be 50 feet tall and Site B will be 48 feet tall. We are creating green spaces for the two properties including a small pocket park.

The Chair opened the station portion of the workshop and encouraged attendees to visit multiple areas of the room to learn about issues surrounding the proposed project. Multiple discussions occurred at the various tables, which were attended to by various members of the developer's team

After the Chair believed sufficient time and opportunity had been given for attendees to visit the various stations, the Board reconvened into a full group, and an open question-and-public-comment period was held.

Questions or Public Comment:

Who owns the property?

Contour Saws owns the building.

Why Apartment Buildings?

Developer -The apartments are comparable to existing development, it's close to downtown and we did not think manufacturing would be ideal for the site.

Will there be zoning variances?

Staff-There would be a zoning change from M2 to R4. They will be a consolidation of subdivisions to make Site A into one pin.

What is the city share of the real estate revenue going from M2 to R4?

Staff- City's share of any tax bill is the same based on use. It is between 11-15%. But in Cook County the level of assessment is changed based on the use of the property. Manufacturing is taxed at 25% and the Residential rate is 10%. But we will ask the Developers to run the numbers and bring them to the board.

What are the proposed rents?

Developer-	Studios-	\$1650
	One Bedroom	\$2200
	Two Bedrooms	\$2800

Are there other developers interested in the property?

John Carlisle -Only residential developers have been interested.

Why would this be a good location for the development?

John Carlisle -Community vision tends to add land use changes to housing. Which has been a signal of market demand. Adding housing first can be a catalyst for other types of commercial uses. It is a long-range planning and policy with the City.

Why aren't we focusing on retail, restaurants, and entertainment?

Member Saletnik -We are trying to keep some activity downtown. The city currently has some incentives for restaurants. But we need to make sure the businesses are successful. We need people to go to the business. That is why we have a need for residential.

We need a daytime population so the restaurants can open earlier and stay viable. We need to get people to come and work here. If we trade our manufacturing for residential, we are not going to get the daytime population.

Member Fowler- Do you know what percentage of the apartments are rented in Ellison or Welkin and do they have secured retail?

John Carlisle - Welkin 212 units with 125 units leased and occupied. That number is steadily climbing. I do not have an Ellison leased number, but it has 113 units. The high rents are a signal of demand. Still looking for retail at both Welkin and Ellison. There is

no secure retail in either building. The City is working with retailers and restaurants with business assistance programs.

How did you get your rental numbers?

Developer- We got our numbers by talking to local brokers and developers. The rental price is based on location and amenities. Parking is an additional price.

Tax projectons based on apartment building being 100% full or parcially full?

Developer- Based on full occupancy and turnover of 5-8%. Estimated taxes is based on income stream and expenses. The estimate is usually 1 year to 18 months. For taxes, they are assessed in three ways comparables, replacement values and income stream.

Concerned about lack of engagement of the residents by City Staff and Boards.

Concerned about truck traffic, can we reroute traffic or change the speed limit?

Member Weaver- Graceland Avenue are US 12 and US 45 which are national highways. Federal governments have allowed heavier truck weights over time, which has become a national issue.

Will you be updating the sewer system?

Chair Szabo stated that would be in the engineering report which would be after this informal meeting.

Member Veremis -What if you don't want to rent parking space – where would they park?

There are 44 surface parking spaces- 22 on each building and street parking.

What are the amenities?

Developer – We have an exercise room in each building. We also have a communal room/ lounge in each building.

What about the trains- there are freight trains several times a day?

Member Weaver – the freight trains do not come through our line as much. There are a number of long freight trains that go through Barrington.

How do we get people to buy purchase parking and not park on the street?

Member Saletnik said that the city needs to be concerned about the people not wanting to purchase parking space and then park on the street. Wants to make sure the developers do not incentivize their tenants to not purchase parking. There should be a requirement in the lease or an incentive to buy the garage parking. Parking needs to be policed and enforced. Developments need to make sure there is adequate parking. We cannot have all these people parking on the streets and in the neighborhoods.

What makes Des Plaines a desirable location for this project?

Developer - Des Plaines is developing into an exciting town. The vibrancy of the downtown, good community, safe community, and it also have good transportation. It is a good market for rental. The population will get the retailers here. They want rooftops and money.

Member Weaver – It sounds like the developer is OK with empty space in the building. We work on supply and demand. The developer need to price in order to get revenue. Why have a high price and have empty units instead of lowering the cost and filling.

Developer – we do not want empty space. We look at supply and demand to get the correct price. Having them full will give the return. If we add the parking space into the rent price, then we will have to add to the cost. Not everyone has a car and would not want to pay an extra each month. There is research that has been done that shows free parking incentivizes people to use cars, which is not good for the environment and cars like they used to.

Member Fowler -Why not condos instead of rental units?

Developer -Market trends and data are supporting apartments and not condominiums. Barry's numbers have to pass two entities- equity investors and banks. Right now, the apartments are getting financed.

Member Veremis- Can they be converted into condo?

Developer- They can always be converted. It is all based on market trends.

Is there a requirement that a certain percentage of the building has vouchers?

By Law you cannot reject someone because they have a voucher. There is no requirement that a certain percentage of the building has vouchers. We are not asking for Federal Government money.

How do you monitor the number of people living in the apartment?

Chair Szabo stated that our code enforcement would make sure that does not happen.

Developer – the owner of the building monitors to make sure there are no problem apartments.

John Carlisle – if there is suspicion of problems, the city has the right to inspect.

What incentives has the city given to this project?

John Carlisle – the Developer has not approached the City for incentives.

Developer- that is correct there is no request for city assistance.

How soon are the investors looking for a return on their money?

Developer – that will depend. It will probably be an 18 -24-month temporary loan and then it will be turned into a permanent loan. Until there is full occupancy, they are unlikely to sell it to a large portfolio.

I live near the project, and I am concerned about pollution and environmental concerns and

Chair Szabo – the environmental studies on the site since it was manufacturing will have to comply with the rules and regulations with EPA, State of Illinois and the City of Des Plaines.

Developer- We already done the studies and the site is clean.

What about the demolition of the building and asbestos?

Chair Szabo -The City of Des Plaines closely monitors asbestos removal. .

Member Saletnik- The County issues demolition permits, and they do an environmental assessment before they will issue the permit.

Chair Szabo thanked everyone for coming. This was the first time doing a workshop and it went well. He could see this being done again in the future if there for a larger-scale project. Make sure you fill out the comment cards.