

**VILLAGE OF LINCOLNWOOD
PRESIDENT AND BOARD OF TRUSTEES
REGULAR MEETING
VILLAGE HALL COUNCIL CHAMBERS
OCTOBER 3, 2018**

Call to Order

President Bass called the regular meeting of the Lincolnwood Board of Trustees to order at 7:43 PM Wednesday, October 3, 2018, in the Council Chambers of the Municipal Complex at 6900 N. Lincoln Avenue, Village of Lincolnwood, County of Cook, and State of Illinois.

Pledge to the Flag

The Corporate Authorities and all persons in attendance recited the Pledge of Allegiance.

Roll Call

President Bass, Trustees Ikezoe-Halevi, Hlepas Nickell, Cope, Patel, Sugarman (10:40 pm)
ABSENT: Trustee Spino

A quorum was present.

Also present: Village Attorney Steve Elrod, Interim Village Manager, Robert Merkel; Acting Assistant Village Manager, Chuck Meyer; Public Works Director, Andrew Letson; Management Analyst Heather McFarland, Development Manager Doug Hammel, and Community Development Director Steve McNellis.

Approval of Minutes

The minutes from the September 20, 2018 Village Board meeting was presented to the Village Board. Trustee Ikezoe-Halevi made a motion to approve, seconded by Trustee Hlepas Nickell.

The minutes were approved by a voice vote.

Warrant Approval

President Bass presented the warrants for approval in the amount of \$360,101.15. Motion to approve the warrants made by Trustee Hlepas Nickell, seconded by Trustee Ikezoe-Halevi.

Upon roll call the results were:

AYES: Trustees Ikezoe-Halevi, Hlepas Nickell, Cope, Patel.

NAYS: None

The motion passed.

Village President's Report

1. An Ordinance Mending Section 2-1-7 of the Municipal Code of Lincolnwood Regarding Appointment of a Temporary Chairman for Meetings of the Village Board of Trustees

Mr. Elrod presented the Ordinance and described the purpose of the Ordinance was to allow the President to select a Temporary Chairman for meetings for planned absences.

A motion to approve the Ordinance made by Trustee Cope, seconded by Trustee Hlepas Nickell.

Upon roll call the results were:

AYES: Trustees Ikezoe-Halevi, Hlepas Nickell, Cope, Patel.

NAYS: None

The motion passed.

2. Touhy Ave. Overpass Bridge

Mayor Bass asked for residents to join the Village on Thursday, October 11 at 5:30 p.m. as we celebrate the official opening of the Touhy Avenue overpass project. The Mayor stated that the Touhy overpass allows cyclists and pedestrians a safe way to cross Touhy Avenue as they travel along the Valley Line Trail. The Mayor finished by saying that they couldn't be more excited about the successful completion of the Touhy Avenue overpass as a beautiful gateway into the Lincolnwood community and a wonderful enhancement for path users.

3. Turkey Trot Volunteers

Mayor Bass stated that the Turkey Trot 5 and 10K race is just around the corner with the race being on Sunday, November 18th and the Village is looking for volunteers to assist with a wide variety of duties such as course marshals, handing out water, assisting in the tents and most importantly cheering on the runners as they make their way down the course, plus a variety of other duties. To register as a volunteer please go to our website at Lincolnwoodil.org and head on over to the Parks and Recreation page for the sign up link. If you should have any questions please contact Olivia Antosz at oantosz@lwd.org

4. Butterfly and Pollination Garden

In a collaborative project between the Village, School District 74 and the Lincolnwood Lowes store, the section of the UP Path between Lincoln and Pratt Avenues is becoming an educational trail for the Lincolnwood community. The project will include educational boards, benches and landscaping that is friendly to pollinators such as butterflies. Frames for the educational boards are currently being installed and the landscaping will be planted in the spring. Special thanks to Lincolnwood Lowes for providing assistance through their Heroes Project and the students at Rutledge Hall who have adopted this section of the path. Stay tuned for more information as the project continues to unfold.

Consent Agenda

- 1. Approval of a Resolution to Purchase 84 Trees from the Suburban Tree Consortium for the Fall 2018 Planting in the Amount of \$26,798.00**
- 2. Approval of an Ordinance Waiving the Competitive Bidding Process and Approving an Agreement with Christopher B. Burke Engineering, LTD. of Rosemont, IL, in the amount of \$155,498.00 for Professional Design Engineering Services for the North Shore Outfall Sewer**

Trustee Cope asked about the fees related to Item 2 on the Consent Agenda. Public Works Director Letson stated that the hourly rate for engineering services were consistent with the rates from CBBEL. Public Works Director Letson added that CBBEL had already completed 30% of the engineering services for the project and if the Village were to select a different vendor then there would probably be some duplicated work completed as the new vendor comes up to speed on the project.

Trustee Patel moved to approve the Consent Agenda. The motion was seconded by Trustee Ikezoe-Halevi.

Upon Roll Call the results were:

AYES: Trustees Ikezoe-Halevi, Hlepas Nickell, Cope, Patel.

NAYS: None

The motion passed.

Regular Business

3. Consideration of a Recommendation by the Economic Development Commission Regarding an Economic Incentive Request for Zeigler Auto Group at 6900 North McCormick Boulevard and 7373 North Cicero Avenue

This item was presented by Mr. McNellis with use of PowerPoint.

Proposal from Zeigler:

- Relocate existing Cadillac dealership from the Autoplex (6900 N. McCormick Blvd.) to an existing vacant industrial building at 7373 N. Cicero Avenue (which will be demolished and re-built as a new prototype dealership). **Cost = \$6,187,390 construction + \$3,600,000 land purchase.**
- Renovate the existing Autoplex, which will house the two remaining Buick and GMC dealerships. **Cost = \$3,500,000.**
- **Total Construction & Real Estate Purchase = +/- \$13,287,390.**

Incentive Request at EDC:

- 15 year sales tax sharing incentive agreement on sales tax revenue generated by Lincolnwood Buick GMC and Lincolnwood Cadillac dealerships.
- 50% of sales tax generated from dealerships on gross receipts up to \$50,000,000 per year (from "Dollar one").
- 65% of sales tax generated from dealerships on gross receipt over \$50,000,000 per year.
- Waive Village Building Permit & Incentive Application fees.
- Support for Cook County Class 7C Tax Incentive for Cicero Avenue Property.
- **Total Value (per Zeigler sales est.): +/- \$10,600,000 (\$375,000 RETA+ 200,000 Fees).**

Background - Auto dealer incentive agreements

Past

- Grossinger Autoplex (1990) – Village assisted in funding of an IDR to construct the Autoplex, which consolidated dealerships in and outside the village. Portion of sales tax used to fund bond payment. No fee waivers. Cap = \$5,000,000 Bond. 20-year payback – *paid*.

Current

- Loeber Porsche (2004) – Village shared 50% of sales taxes from the first dollar generated for new Porsche dealership relocated from Chicago. No fee waivers. Cap = \$5,000,000. 15-year payback – *to end in November, 2019*.
- Grossinger Hyundai (2009) – Village shares 50% of sales tax over a base amount of \$165,000, annually for a new dealer that replaced a Volvo dealership. No fee waivers. Cap = \$1,200,000. 20-year payback – *to end in 2029*.

Current Economic incentive Policy

- Economic Incentive Policy & Guidelines established in 1995 and updated substantially in 2012. Recommended by EDC. Approved by Village Board.
- Placed a cap of ten years on any agreement.
- Required a provision for inflation indexing for incentives which provide sales tax revenue sharing over a base amount.
- Agreements should be provided to new businesses that provide significant new sales tax revenue OR existing businesses that have a substantial change to their business (eg. New division or dealership added). Base would be instituted.
- Agreements should require new businesses to provide a Development Plan that enhances the value and appearance of the new business location.

Cook county class 7c tax abatement request:

- Eligibility Requirements:
- Real Estate Taxes must have declined or remained stagnant (three of past six years).
- Reasonable expectation development is viable and likely to go forward on a reasonably timely basis (construction proposed in 2020, complete by 2021).
- Proof that the development would not go forward “but for” the requested Class 7C incentive (KMA).
- Provision of an analysis projecting real estate tax revenue and employment from the development with/without incentive (Zeigler proposes employment to double, added value of construction/rehab will raise assessed value).

September 5th EDC Consideration

- Analysis provided by Village Incentives Consultant (Kane, McKenna & Associates).
- Zeigler Auto Group CFO Dan Scheid in attendance to present proposal, answer questions.
- Dan Scheid and Aaron Zeigler (August 22nd EDC) both stated Zeigler had other options for sites in other communities which had conceptually agreed to the incentive request structure proposed to Lincolnwood.
- Goal of EDC considerations:
- Remove conditions that would create negative precedent for other Auto Dealer Incentive Requests.
- Remove risk to the Village, both in the short term and if Zeigler’s anticipated sales aren’t realized.

Village impacts:

- 31% of all sales tax revenues in the Village are from auto sales from all current dealers.
- Original Zeigler proposal would result in stagnant sales tax growth or loss of sales tax from existing base.
- Sales tax growth relies on more than double the current sales for all dealerships combined by 2021 for Village to maintain current revenues.
- Precedent with other Village Auto Dealers
- Similar renovation or reconstruction possible at existing dealers with aging facilities and demanding car manufacturers.
- Are other dealerships as equally “troubled” as Zeigler states Buick/GMC/Cadillac is? If so, can other dealers optimize sales and double them as Zeigler has proven an ability to do? If same

deal applied to others, they would need to at least double their business or the Village's sales tax losses would be exacerbated.

September 5th EDC recommendation:

- 15-year term for the Economic Incentive Agreement covering all dealerships
- A cap that is mutually-acceptable to each party
- Buick/GMC dealership will have 50/50 sales tax sharing, however, set a "target amount" of \$420,000 in sales tax the Village must receive each year for the Buick/GMC dealership. If target amount is not achieved in a given year, the Village distribution to Zeigler will be adjusted so that the Village is made whole
- "Target amount" would be adjusted by a to-be-determined percentage every five years
- No "target amount" for the Cadillac dealership, which will have 50/50 sales tax sharing from the first dollar, annually
- No waiver of Village permit fees
- Consent to a Cook County Class 7C Tax Abatement request for 7373 North Cicero Avenue
- To the extent Class 7C savings are greater than \$75,000 in any given year, deduct the overage from the sales tax cap

Mr. McNellis presented the EDC recommendation for the Village Board's consideration:

- 15-year term for the Economic Incentive Agreement covering all dealerships
- The Buick/GMC dealership will have 50/50 sales tax sharing, however, a "target amount" of \$420,000 in sales tax that the Village must receive each year for the Buick/GMC dealership will be set. If the target amount is not achieved in a given year, the Village distribution to Zeigler will be adjusted so that the Village is made whole
- No "target amount" for the Cadillac dealership, which will have 50/50 sales tax sharing from the first dollar, annually
- No waiver of Village permit fees
- Consent to a Cook County Class 7C Tax Abatement request for 7373 North Cicero Avenue

Mr. McNellis stated that the following item would no longer be considered as part of the recommendation:

- To the extent Class 7c savings are greater than \$75,000 in any given year, deduct the overage from the sales tax cap

Mr. McNellis stated that the following items were needing further discussion by the Village Board:

- A cap of \$10 million
- The "target amount" would be adjusted by 5% every five years

Dan Scheid, Chief Financial Officer for Ziegler Auto Group ("Ziegler"), spoke to the Village Board. Mr. Scheid stated that Ziegler required changes to the incentive agreement in order to proceed. Specifically, Mr. Scheid said that the target amount adjustment of 5% every five years should be removed. In addition, he stated that he did not believe that the base was actually \$420,000, and that it should be closer to \$300,000 or \$350,000 for the Buick / GMC dealership. Mr. Scheid stated that while he felt that Ziegler could meet financial goals, they preferred to not have these revisions made in the agreement. Mr. Scheid said that Ziegler received interest in their Autoplex property on McCormick and that they could sell that property and receive their desired deal from another community.

Mr. Scheid took questions from the Village Board regarding components and financing that would allow for Ziegler to continue in Lincolnwood.

After discussions concluded, it was recommended that the Village proceed forward with an economic incentive request for Ziegler, as recommended by the EDC that is amended to remove the language related to the 5% increase every five years and apply the \$420,000 base to apply to the Cadillac / GMC / Buick dealerships together.

Trustee Cope made a motion to direct the Village Attorney to draft an Agreement with Ziegler as amended. The motion was seconded by Trustee Patel.

Upon Roll Call the results were:

AYES: Trustees Ikezoe-Halevi, Hlepas Nickell, Cope, Patel.

NAYS: None

The motion passed

4. Consideration of a Recommendation by the Plan Commission to Approve a Special Use for Extended Hours of Operation and a Series of Amendments to Ordinances Adopted Between 1999 and 2015 and Related to a Planned Unit Development That Would Allow the Operation of a New Grocery Store Use at 6850 North McCormick Boulevard

This item was presented by Mr. Hammel with use of PowerPoint.

Property Information:

Subject to PUD (established in 2000)

Partially vacant building

Northern portion occupied by Planet Fitness

Former Dominick's Grocery Store

Adjacent to R-4 zoning district and the Carrington

Proposed Improvement:

"Grocery store" for Zoning Code use definition

Online ordering with at-your-vehicle loading

Approx. 41,700 sq ft of interior inventory space

Required Approvals:

- Special Use approval for Extended Hours of Operation
- Amendments to the original PUD (1999/2000) and subsequent PUD amendments (2000-2015) related to:
 - Hours of operation
 - Signage
 - Parking lot circulation
 - Parking lot landscaping
 - Canopies as accessory structures
- Hours of Operation:
 - Special Use approval/PUD Amendment for Extended Hours of Operation
 - Zoning Code: **7 AM-11 PM** for properties within 150' of residentially zoned properties
 - 2004 PUD Amendment: **6 AM-11 PM** for customers, but deliveries restricted to **7 AM-10 PM**

- Hours of Operation recommended for approval by Plan Commission: **4:30 AM-12 AM**
 - Customer grocery pick up from 8 AM-8 PM
 - Deliveries and interior operations not specifically addressed

- Signs:

- Directional Signs
- 2000 PUD Amendment and subsequent Amendments ***did not contemplate on-site directional signs***
- Wall Signs
- 2000 PUD Amendment included ***sign plans for different tenant***
- 2008 PUD Amendment permitted ***up to five wall signs***
- 2008 PUD Amendment contemplated a ***different tenant and sign design/sign area***
- Primary wall sign area would increase from 343 s.f. to 450 s.f.
- 2015 PUD Amendment ***restricts the number of wall signs*** on eastern façade to no more than the number of tenants
- Proposed improvement would result in three wall signs for two tenants
- 2015 PUD amendment identifies a ***smaller permitted signable area***
- Proposed improvement would restore signable area back to original approval

- Parking Area

- Parking Lot Landscaping
 - 2015 PUD Amendment: Site Plan and Landscape Plan indicate standard parking lot islands
- Parking Lot Capacity
 - 2015 PUD Amendment: Site Plan and Landscape Plan indicate 82 spaces in the area proposed to be modified
 - Proposed improvement would reduce parking by 30 spaces
 - Zoning Code would require approx. 188 spaces for a traditional grocery store of this size
 - Proposed operation would reduce customer parking through demand management and easily accommodate expected employee demand
- Parking Lot Circulation
 - 2015 PUD Amendment: Site Plan indicates two-way drive aisles

- Canopies

- Zoning Code Modification
 - Detached accessory structures prohibited in the front yard
- 2000 original PUD Ordinance
 - Requires that all structures in the PUD be of masonry construction and unified in architectural appearance
- 2015 PUD Amendment
 - Site Plan 'A' does not contemplate canopies
 - Photometric Plan does not contemplate the impact of under-lighting for the canopies

- Alignment with Previous PUD

- Proposed Improvements:
 - Meet existing use permissibility
 - Reduce parking demand and trip generation
 - Maintain existing site access/egress
 - Fit within original sign concept
 - Have minimal visual impact on the overall site
 - Provide adequate parking for proposed operating model

- Requested Extension of Hours of Operation is the primary deviation from current approvals
 - Currently 6 AM-11 PM for customers, 7 AM-10 PM for deliveries
 - Requested 8 AM-8 PM for customers, 4:30 AM-12 AM for deliveries and interior operations
- Consideration – Previous Plan Commission
 - Public Hearing held on September 12, 2018
 - Plan Commission discussed the following:
 - Traffic circulation
 - Concerns about traffic mixing with medical office building traffic
 - **PC recommendation:** Left-turn only be permitted at the east end of the one-way parking aisle providing egress from customer loading bays
 - Hours of Operation:
 - Concerns about truck noise and beeping with proximity to Carrington and neighborhood to the south
 - **PC recommendation:** Hours of operation be limited to 4:30 AM – 12:00 AM, with a follow-up period to assess impacts and potential modifications.
 - Public Hearing held on September 12, 2018
 - Plan Commission discussed the following:
 - Canopy structures
 - PC had questions about the materials and lighting. Petitioner stated that the canopies would be down-lit and would not provide a glowing effect
 - **PC recommendation:** Approve as shown
 - Parking
 - PC/staff clarified that parking demand would be reduced
 - **PC recommendation:** Approve as shown
- Considerations – Public Comment
 - Owner of 6810 McCormick:
 - Supportive of having a good use in the vacant space
 - Concerned about impacts on circulation
 - Concerned about the preservation of parking as per parking agreement
 - Public Comment during Plan Commission Hearing:
 - One resident offered comments
 - Concerns included traffic impacts on Pratt and impact of delivery trips identified in Trip Generation Report
- Requested Approvals:
 - Approval of a **Special Use** and an **Amendment to Ordinance No. 2004-236 Section 2.a** to permit **extended hours of operation** (deliveries as early as 4:00 AM, employees on site as late as 12:00 a.m.)
 - Amendment to:
 - **Ordinance No. Z2000-018 Sign Location Plan** and sign elevations to allow existing sign areas to include the **“Walmart Pickup” tenant identifier**
 - **Ordinance No. Z2000-018 Sign Location Plan** to allow the installation of **on-site directional signs**
 - **Ordinance No. 2008-2824 “2008 Sign Plans”** to reduce the permitted **number of wall signs from five to three** on the east side of the building, allow the **installation of the primary “Walmart Pickup” wall sign** with an area of 138.4

square feet; and allow the *installation of the secondary “Pick-Up” sign* with a sign area of 41.86-square feet

- **Ordinance No. 2015-3173** Section 3.F.3 to allow the *number of wall signs on the east façade to exceed the number of tenants*
- **Ordinance No. 2015-3173** Exhibit G (Proposed Elevations) in to modify the *signable area for the primary proposed sign*
- **Ordinance No. 2015-3173** Exhibit C (Proposed Site Plan ‘A’) and Exhibit D (Landscape Plans) to *relocate parking islands, reduce the total number of parking spaces*, and to *modify vehicular circulation* in the area of the parking lot including the canopies to require one-way-east circulation
- **Ordinance No. Z2000-064** Section 4.3.c to allow the detached *accessory structure to not be of masonry construction* and unified in architectural appearance
- **Ordinance No. 2015-3173** Exhibit H (Photometric Plan) to reflect the *new photometrics* resulting from the proposed lighting for the canopies
- **Modification from Zoning Code** Section 3.08.b to allow a *detached accessory structure in the front yard*

• Recommendation

- Move to approve the Plan Commission’s recommendation to allow:
- A Special Use to allow hours of operation from 4:30 AM to 12:00 AM, with the condition that a follow-up period be established to assess impacts and potential modifications
- A Modification from Section 3.08.b of the Zoning Ordinance to allow accessory structures in the front yard
- A series of amendments, as enumerated in staff’s report, to Ordinances adopted between 1999 and 2015 establishing and subsequently amending the PUD related to this property
- Direct Village Attorney to draft a related Ordinance

Meg George, Akerman LLP, and Kevin Thompson, Public Affairs Director for Walmart, presented the project and concept generally to the Board. Mr. Thompson provided an overview of the project as being the first of its kind.

Trustees Ikezoe-Halevi and Hlepas Nickell asked about the materials to be used for the canopies to ensure that the structures would provide sufficient support in inclement weather conditions. The petitioner reported that the canopies are engineered for wind load and snow load in excess of typical conditions for the region.

Trustee Patel requested that efforts be made to encourage egress to and from the site to proceed to the Northwest Parkway as opposed to Pratt Avenue.

Bryan Rishforth, owner of the site, stated that the expected traffic for the site as proposed is significantly less than it was under the Dominick’s usage and would likely lead to less traffic concerns than previously with Dominick’s on the site.

Trustee Hlepas Nickell asked to ensure that debris and landscaping issues be addressed for the property.

Mark Yohanna, Plan Commission Chairman, stated that he had concerns for the property receiving deliveries so early in the morning. He requested that they receive deliveries no earlier than 5:30 am.

Trustee Patel stated that he lives in the area and has concerns about vehicle traffic and trucks backing up prior to 6 am and requested that the Village Board consider approving a recommendation for truck traffic no earlier than 6 am.

Mr. Thompson stated that while the business does not open up to customers until 8:00 am, the morning deliveries were needed logistically. Mr. Thompson stated that it would typically be no more than a single truck in the early hours, but that it was important to their business to have the ability to receive trucks prior to 6:00 am. During the course of the discussion Mr. Thompson stated that they would be amenable to a restriction of no earlier than 5:00 am.

Motion to approve and direct the Village Attorney to create the Ordinance that would include a provision of no truck deliveries prior to 5:00 am was made by Trustee Cope the, seconded by Trustee Ikezoe-Halevi.

Upon Roll Call the results were:

AYES: Trustees Ikezoe-Halevi, Cope, Hlepas Nickell.

NAYS: Patel

The motion passed

Manager's Report

None

Board and Commissions Report

Trustee Ikezoe-Halevi announced that the Human Relations Commission is working on the upcoming Iron Chiefs event and wanted to congratulate Martina Keller on becoming the Chair of the Zoning Board of Appeals and requested that a session be conducted on training for the Commissioners. Mayor Bass stated that Holland and Knight would be providing this training in the near future.

Village Clerk's Report

None

Trustees Reports

Trustee Hlepas Nickell asked to clarify her comment earlier from the Consent Agenda was to move the item to the Regular Business portion of the Agenda to allow for the Board to move onto to the other items where people were waiting and to help progress through the Agenda.

Trustee Patel stated that the Turkey Trot was coming up next month and encouraged the Trustees to volunteer or participate in this year's event.

Public Forum

None

Adjournment

At 10:47 PM Trustee Patel moved to adjourn the meeting to Closed Session for the purpose of discussing Setting the Price for the Sale of Property Per Section 2(c)(6), seconded by Ikezoe-Halevi.

Upon Roll Call the results were:

AYES: President Bass, Trustees Ikezoe-Halevi, Hlepas Nickell, Cope, Patel, Sugarman

NAYS: The motion passed.

Reconvention

At 10:55 PM Mayor Bass reconvened the Regular Meeting.

Adjournment

At 10:55 PM Trustee Patel moved to adjourn the Regular Meeting, seconded by Trustee Ikezoe-Halevi.

The motion passed with a Voice Vote

Respectfully Submitted,



Charles Meyer
Deputy Village Clerk