

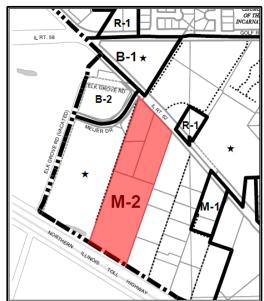
<u>VILLAGE OF ARLINGTON HEIGHTS</u> STAFF DEVELOPMENT COMMITTEE REPORT

To: Plan Commission Prepared By: Sam Hubbard, Development Planner Meeting Date: January 24, 2018 Date Prepared: January 19, 2018

<u>Petitioner</u>: Joshua Spinks <u>Address</u>: Morgan/Harbor Construction, LLC 7510 S. Madison Street Willowbrook, IL 60527

**Existing Zoning**: M-2, Limited Heavy Manufacturing District

Project Number: PC 17-013 Project Title: 703-723 W. Algonquin Rd. PUD Address: 703-723 W. Algonquin Rd. PIN: Multiple PIN's



# SURROUNDING LAND USES

Direction	Existing Zoning	Existing Use	Comprehensive Plan					
North	M-2	Multi-tenant office/light industrial building	R&D, Mfg, Warehousing					
South		Elk Grove Village – Forest Preserve						
East	M-2	Self-Storage facility, 2 light industrial/office buildings	R&D, Mfg, Warehousing					
West	M-2	Light industrial/office building (Weber Packaging Solutions)	R&D, Mfg, Warehousing					

# **Requested Action:**

- 1. Planned Unit Development.
- 2. Preliminary Plat of Subdivision to consolidate all lots into one lot.

# Variations Identified:

1. None.

### Project Background:

The subject property is a composed of multiple lots of record totaling 15.4 acres in size. The site is occupied by two light industrial/office building, one on the northern half of the site and one on the southern half of the site. There are two driveway entrances along Meijer Drive and one full access driveway along W. Algonquin Rd. The intersection of Meijer Drive and W. Algonquin Road is a full access lighted intersection. To the south, the property abuts the I-90 Toll Road and the property is within the M-2, Limited Heavy Manufacturing zoning district.

Hamilton Partners has proposed the site and is proposing a two phase development on the subject property. Phase I would involve the demolition of the north building, which is currently vacant, and the construction of an approximately 138,469 square foot distribution facility with 26 loading spaces and 151 parking spaces. Phase II would involve the demolition of the southern building and include a 167,250 square foot addition to the Phase I building, for a total of 331,014 square feet for distribution/warehousing. The total amount of onsite parking provided would increase to 305 surface parking spaces and 4 interior bay parking spaces.

The entire development would include up to 66 exterior truck docking bays, which would line the western elevation of the building. Access to the truck bays would come from an existing shared private drive owned by the subject property and the Weber Packaging Solutions property to the west. The petitioner estimates 130 full time employees working out of the warehouse once both phases are occupied. The site would likely operate around-the-clock.

The subject property would be built on speculation and no anchor tenant has signed on to lease space. The building would be designed to allow the interior to be demised into 40,000 square foot spaces. The petitioner believes that proximity to I-90 and Algonquin Road will make the site attractive to distribution and logistics companies.

# Zoning and Comprehensive Plan

Warehousing and distribution facilities are allowed as a permitted uses within the M-2 District and therefore no special use permit is required for the proposed development. However, if tenants other than warehouse/distribution businesses are located for the building, a special use permit may be required in the future depending on the proposed use by the tenant. Additionally, all developments on property over 4 acres in size and within the M-2 District are required to obtain Planned Unit Development (PUD) approval. As the property is 15.4 acres in size, PUD approval is needed.

The Comprehensive Plan designates the subject property as appropriate for "Research & Development, Manufacturing, and Warehousing." The proposed use and PUD is consistent with this designation.

Additionally, the petitioner has proposed a Preliminary Plat of Subdivision to consolidate the subject property into one lot to accommodate the singular building that will occupy the site. Final Plat of Subdivision approval will come at a later date when the petitioner has provided the necessary documents for Final Plat of Subdivision review and approval. Since the project will proceed with zoning approvals for both Phase I and Phase II at the same time, approval of the lot consolidation is also required as part of the PUD process.

All developments within the M-2 District are required to conform to the Industrial Performance Standards as identified within Section 5.1-18.2 of Chapter 28, which does mostly with odor, noise, vibrations, and other physical impacts that an industrial development can have on neighboring properties. Although the general classification of use as a distribution and warehouse facility does not have issues relative to compliance with

these standards, all future tenants within the building must adhere to the Industrial Performance Standards as outlined within the M-2 District.

Staff has reviewed the plans and determined that no variations will be required.

### Site & Building

Both phases of development conform to all setback and bulk standards within the M-2 District. As identified above, the petitioner will proceed with Phase I and will not begin Phase II until all leases for tenants within the existing building on the southern portion of the site have expired. The building is compatible in both height and architecture to other buildings in the proximity.

The building design has received approval from the Design Commission, which met on November 28, 2017. The Commission required additional greenspace with foundation plantings be added to the northeast corner of the building, and additional landscape planting be added to the foundation of the building at other locations. The attached plans incorporate these required changes.

### **Easements**

The site is encumbered with multiple easements relating to utilities, access agreements, and stormwater detention areas. Some of the proposed improvements fall within these easement areas, and staff has been working with the petitioner to outline whether the provisions of each easement allow for the proposed improvements within. Prior to Final Plat of Subdivision approval, the petitioner shall provide a written analysis of all relative easement documents and cite within these documents that provisions that allow for each proposed encroachment.

Relative to the site, the petitioner shall coordinate with the property owner located to the west (Weber Packaging Solutions) on the shared use of the private access drive that both properties share where they touch along the western edge of the subject property and eastern edge of the Weber property. This private access drive has been established through several easements that have been recorded over the years, and the petitioner must coordinate the proposed improvements with Weber to ensure that the existing easements allow for the proposed used and expected truck traffic on the shared private road. To date, staff has been contacted by an attorney representing Weber who had some concerns regarding the proposed development and its impact on the shared access drive. At the time that this staff report was prepared, it was uncertain if there are any issues regarding the proposed developments impact on this shared private drive.

The petitioner is proposing alterations to the existing off-site detention basin to the northwest of the site ("Outlot A") and a new detention basin will be installed within the southeast corner of the subject property. Because Outlot A is owned by Weber, the petitioner shall verify that the provisions of the easement that governs the detention basin give them the right to make the proposed improvements within the easement area (which includes paving for a portion of their driveway). When Meijer Drive was created in 2002, a condition of approval required Weber to transfer ownership of Outlot A to the subject property. As it appears that this has not been done, the petitioner shall initiate this process and, prior to building permit approval, will be required to alter the language of the easement governing Outlot A if it is determined that alterations to the easement provisions are needed to accommodate for the petitioners' proposed improvements. Finally, the Public Works Dept. has required the installation of a fence on the outside of detention basin "N-2" due to the 2'-3' drop inside of its retaining walls.

### **Landscaping**

The petitioner has submitted a tree preservation plan and landscape plan in conjunction with their application. Per the plan, 129 trees are presently on the subject property. As a result of the development, 108 of these trees will be removed and 21 trees will be saved. 235 new trees will be planted during the proposed development.

At the request of staff, additional landscape plantings have been added to the foundation of the building and code required shade trees were added to parking lot landscape islands. However, there is one landscape island located in the southwest corner of the site that must incorporate greenspace and a shade tree. A condition of approval to accommodate for this has been included.

#### **Intergovernmental Agreement**

When Meijer Drive was created in 2002, the Village entered into an Intergovernmental Agreement (IGA) with the City of Rolling Meadows as part of the overall Meijer development. Per the terms of this agreements, the segment of Meijer Drive that is within the Village of Arlington Heights was to be under the jurisdiction of the City of Rolling Meadows, which would pay to maintain this road until such time as the vacant piece of land fronting Algonquin Road within the Village of Arlington Heights was developed. Once the property was developed, jurisdiction and maintenance of the road would be transferred to the Village of Arlington Heights. As this property still remains undeveloped, Meijer Drive is under the jurisdiction of Rolling Meadows.

On January 17, 2017, the City of Rolling Meadows provided a preliminary review of the proposed development (attached). Based on their review, they've asked for additional clarifications on certain items and revisions to the KLOA traffic study. They've also asked the Village to consider accepting the jurisdiction and maintenance responsibilities for Meijer Drive due to the impact of heavy truck traffic generated by the proposed development, which action may require an amendment to the previously approved IGA. The petitioner provided a preliminary response to Rolling Meadows on January 18, but staff has not had the opportunity to respond to Rolling Meadows.

Staff notes that the IGA includes a provision that limits the ability of Rolling Meadows to challenge or protest zoning and/or development plans within Arlington Heights on the subject property, provided that the proposed development was substantially compliant with the IGA. Staff has reviewed the IGA and believes the proposed development to be in substantial compliance, however, staff believes that the issues raised by Rolling Meadows warrant further consideration by both the Village and the petitioner.

### **Traffic and Parking**

The petitioner has provided a traffic and parking study prepared by Kenig, Lindgren, O'Hara, Alboona, Inc. (KLOA). The study has found that the proposed development will result in 32 truck trips during the morning peak (7:30am-8:30am) and 25 trips during the evening peak (4:30pm-5:30pm). 25% of the trucks entering the site will enter from Golf Road to Meijer Drive from the west (located in Rolling Meadows) and 75% will enter from Algonquin Road to Meijer Drive to the east (located in Arlington Heights). All trucks leaving the site will utilize the existing traffic signal at Algonquin Road and Meijer Drive.

In order to ensure that this signal has proper timing to relieve all queued traffic awaiting egress from Meijer Drive onto Algonquin Road, the KLOA study recommended that 3 seconds be added to the signal for exiting traffic. As this intersection and signal are under the jurisdiction of IDOT, their review and approval of this change will be required. IDOT has conducted a preliminary review and requested additional information within the traffic study prior to opining on the proposal. The site currently has a full access driveway with Algonquin Road located at the northeast of the site. The site plan proposes no change to this existing intersection, which per the traffic study, accommodates 45% of the peak morning passenger vehicle traffic to make a left from Algonquin Road into the site. However, in the preliminary review from IDOT, this driveway entrance will need to be modified so that it is a right-in and right-out only driveway, which will prohibit the 45% of peak inbound passenger vehicles that currently use this driveway. The petitioner should modify their site and traffic study to accommodate for the preliminary review comments from IDOT and submit to staff for further review.

The subject property conforms to allow parking requirements. The table below shows these requirements relative to the proposed development.

PHASE	PARKING CODE USE	NUMBER OF EMPLOYEES	NUMBER OF VEHICLES	SQUARE FEET	PARKING RATIO	PARKING REQUIRED		
Phase I	Office	N/A	N/A	5,460	1 space per classroom plus two space per employee	18.2		
	Warehouses and Storage	65	26	N/A	1 space per vehicle plus 1 space per every two employees	58.5		
Phase II	Office	N/A	N/A	5,460	1 space per classroom plus two space per employee	18.2		
	Warehouses and Storage	65	42	N/A	1 space per vehicle plus 1 space per every two employees	74.5		
Total Parking Required								
Total Parking Provided								
Parking Surplus/(Deficit)								

<u>Note:</u> Phase I provides 151 parking spaces and two interior bay spaces, Phase II provides 154 spaces and two interior bay spaces.

The parking requirements are based, in part, on the number of employees within each business of the building. Since no tenants have been signed, the petitioner has provided their estimates on the number of employees and acknowledged that additional parking may be required depending upon the ultimate number of employees per tenant. Finally, staff notes that two spaces may be lost as a result of the outstanding easement encroachments, and the petitioner will need to adjust the site plan accordingly. The overall number of parking spaces would still exceed code requirements and staff believes the proposed parking capacity will be sufficient.

### **RECOMMENDATION**

The Staff Development Committee is supportive of the project and believes that the subject property is a suitable location for distribution/warehouse uses. However, there are three primary issues that remain unresolved relative to this petition:

- 1. There needs to be better coordination between the subject property and the Weber property to the west. These properties share a common private access drive, and the easements that govern this private drive need to be further studied to ensure that the proposed use will not have a negative impact on the shared drive and that the easement documents include the necessary permissions for use of the drive by trucks from the subject property.
- 2. The required changes from IDOT have not been incorporated within the plan and traffic study. The petitioner should incorporate the IDOT revisions and update the traffic study accordingly to

determine the effect of these changes. If possible, the petitioner should obtain a second preliminary review from IDOT to determine if they are supportive of the timing change for the signal at Meijer Drive and Algonquin Road.

3. The Village of Rolling Meadows has raised some issues about the truck traffic on Meijer Drive and its impact to the street relative to traffic and maintenance.

Due to these issues staff recommends a continuance until the February 28<sup>th</sup> Plan Commission for application #17-013, a Planned Unit Development and Preliminary Plat of Subdivision to allow the additional time to address the aforementioned issues.

Should the Plan Commission determine that approval of this application is warranted, staff recommends the following conditions:

- 1. Final Plat of Subdivision approval shall be required.
- 2. IDOT review and approval shall be required.
- 3. Prior to Final Plat of Subdivision approval, the petitioner shall provide a written analysis of all relative easement documents, which analysis shall cite the provisions within these documents that that allow for any proposed improvement within the easement area.
- 4. Prior to Final Plat of Subdivision approval, the petitioner shall work with the Village to resolve issues raised by the City of Rolling Meadows.
- 5. The petitioner shall install a fence around any detention area as requested by the Public Works Department.
- 6. The petitioner shall revise the site plan to incorporate greenspace and a shade tree within the parking lot island located at the southwest corner of the Phase II building.
- 7. Compliance with the Design Commission motion from November 28, 2017, shall be required.
- 8. The petitioner shall pursue ownership of "Outlot A" located to the northwest of the subject property.
- 9. Prior to issuance of a building permit, the petitioner shall cause to be recorded and amendment to the stormwater easement over "Outlot A" should any modifications to easement provisions be needed to accommodate for the proposed improvements.
- 10. The petitioner shall work with the Weber Packaging Solutions property owner to ensure that the easements governing the shared access drive are suitable to accommodate the proposed development on the subject property.
- 11. The Petitioner shall comply with all applicable Federal, State, and Village codes, regulations, and policies

January 19, 2017

Bill Enright, Deputy Director of Planning and Community Development

Cc: Randy Recklaus, Village Manager All Department Heads