REPORT OF THE PROCEEDINGS OF

THE CONCEPTUAL PLAN REVIEW COMMITTEE

OF THE VILLAGE OF ARLINGTON HEIGHTS PLAN COMMISSION

HELD AT VILLAGE HALL ON: February 27, 2019

Project Title: Dogtopia

Address: 660-676 E. Rand Rd.

Arlington Heights, IL 60004

Petitioner: Chris Barnes

ToMac Holdings 1965 South Egret Ct Libertyville, IL 60048

Requested Action:

1. Special Use Permit to allow a "Kennel, Commercial".

Variations Required:

2. Variation from Chapter 28, Section 6.12-1of the Municipal Code, to waive the requirement to provide a traffic and parking study from a certified Traffic Engineer.

Attendees: Chris Barnes, Petitioner, ToMac Holdings

Catherine Barnes, ToMac Holdings Jay Cherwin, Plan Commissioner John Sigalos, Plan Commissioner Bruce Green, Plan Commissioner Lynn Jensen, Plan Commissioner Jake Schmidt, Assistant Planner Sam Hubbard, Development Planner

Project Summary:

The subject property is part of the Southpoint Shopping center, an approximately 27-acre shopping center development located at the southeast intersection of Rand Road and Palatine Road. The proposed location for the facility is within four currently vacant units, immediately east of Laser Quest. Primary access to the property comes from a full access drive aisle (non-signalized) at Palatine Road to the north, a full access signalized drive aisle at Rand Road to the west, and a full access non-signalized drive aisle at Jane Avenue to the south, which eventually leads to another signalized full access intersection with Rand Road.

The petitioner is Chris Barnes, representing ToMac Holdings, a franchisee of Dogtopia. The petitioner has a lease agreement to occupy the aforementioned four vacant units, and would establish a 5,220 square-foot doggy-daycare with overnight boarding. This facility would offer the following services:

Grooming
Overnight Boarding

Pet Training
Outdoor Play Area

Day Care for Dogs
Live-stream viewing of play areas and kennels

The proposed facility includes three large playrooms for the dogs ("Toy", "Romper", and "Gym"), a spa room for grooming services, a "suite" kennel room, and an outdoor play area. Their target customer, as outlined in their business summary, are female millennials and baby boomers. However, the services they offer extend to the dog-owning community at large, who seek a service that provides social interaction and play for their dog during the workday when they are not home.

Hours of operation would be between 7am - 7pm on Monday through Friday, and 10am to 5pm Saturday and Sunday. For boarding operations, staff will arrive at 6:30am, and depart at 9pm. When staff is not present, boarding areas will be monitored via a security camera feed, which allows "staff" to be notified of any issues. It is anticipated that the facility will employ 15 to 20 persons once the facility reaches full operation. It is estimated that the maximum number of employees on-site at any given time will be 6 to 8 employees.

The subject property is part of the Southpoint Shopping Center PUD, which was approved in 1988. This PUD includes the subject unit as well as the building to the north, which is the home of Floor & Décor, and the outlot buildings to the west of the subject unit. The entire Southpoint Shopping Center is subject to a lengthy Reciprocal Easement Agreement (REA) that provides for shared access and shared parking between all users within the PUD.

Meeting Discussion:

Mr. Barnes began by explaining that the was seeking to open a Dogtopia doggy-daycare facility. Dogtopia is a franchise, with 85 locations nationwide. He has already signed a lease for the 5,600 square-foot tenant space at the subject property.

Commissioner Green asked the petitioner to provide some additional background.

Mr. Barnes explained that Dogtopia provides dog-centric services. The primary service offered would be doggy-daycare (approximately 65% of total business), though overnight boarding would also be offered as a small portion of the business. Morning drop-off and afternoon pick-up will bring approximately 70 vehicles into the site.

Commissioner Green noted that the subject site has plenty of parking.

Mr. Barnes continued, stating that the focus of the business is to provide great service to dog owners and lovers, and would drive additional traffic to the shopping center and area businesses. The subject site was chosen as it is a perfect "halfway point" between homes and the highway, which makes it easy for customer drop-off and pick-up of their animals. This allows for their clientele, referred to as "pet parents", to coordinate the drop-off/pick-up with other activities such as buying morning coffee, picking up dry-cleaning, etc.

Commissioner Green stated that he thinks that the proposed facility would be a great use for the site.

Mr. Barnes stated that 65% of the business is doggy-daycare, and added that approximately 15% would be overnight boarding. Boarding would be targeted towards current clients. The facility would also offer a "salon" as a small portion of the business, which provides nail trimming and similar grooming services. Approximately 5% of the business would be retail.

Commissioner Green asked Mr. **Schmidt** to provide the Staff perspective.

Mr. Schmidt began by stating that the petitioner is proposing to operate a Dogtopia facility. The subject property is zoned B-3, and allows commercial kennels as a Special Use. The petitioner is seeking Special Use Permit approval to operate the proposed facility (classified as a "Kennel, Commercial), which requires Plan Commission review and Village Board approval. The petitioner has signed a lease to occupy four tenant spaces at 660-676 E. Rand Road, immediately east of Laser Quest, with the intent to operate a doggy-daycare with overnight boarding. The facility would offer grooming, pet training, day care for dogs, overnight boarding, an outdoor play area, and live-stream viewing of the play areas and kennels. The proposed facility would include three large playrooms for dogs, a spa room for grooming services, and a suite kennel room in addition to the outdoor play area. Their targeted customers would be the dog-owning community at large, who seek a service that would provide social interaction and play for their dog during the workday when they are not home.

The hours of operation would be 7:00am to 7:00pm on Monday through Friday, and 10:00am to 5:00pm on Saturday and Sunday. For boarding operations, staff would arrive at 6:30am and depart at 9:00pm. When staff is not present, boarding areas will be monitored via a security camera, which allows staff to be notified of any issues. It is anticipated that the facility

will employ 15 to 20 persons once the facility reaches full operation. The maximum number of employees on-site at any given time will be 6 to 8 employees. In order to demonstrate compliance with the standards of approval for a Special Use Permit, the petitioner must provide written justification to the Special Use criteria as outlined in the Plan Commission Application Packet. In order to substantiate the public need for this type of facility, typically the petitioner is required to provide a market study that evaluates the demand for a facility of this type and size at this location. The study would address the potential effect this facility would have on similar facilities within the vicinity. As part of the Conceptual Plan Review Committee process, the petitioner has provided a lengthy business summary which details target customers, demographics, and operations. Staff will evaluate if this business summary is sufficient for the purposes of substantiating the public need for this facility.

The subject property, within Southpoint Shopping Center, is designated as appropriate for commercial uses per the Comprehensive Plan. The proposed special use permit is compatible with this designation. The Southpoint Shopping Center is governed by a set of covenants and restrictions established during the original construction of the shopping center, which may be applicable to the proposed use. If not discussed during leasing process, the applicant is advised to obtain a copy of the covenants and restrictions for the shopping center to determine if the proposed use would be affected by these documents.

The subject property is located within TIF V, which was established in 2005 and includes both the Southpoint Shopping Center and the Town & Country Shopping Center. One of the goals of TIF V is to facilitate the redevelopment and revitalization of the Southpoint Shopping Center. Dogtopia is a destination user, and the location of a destination user within the shopping center will help to bring additional traffic and customers to the other businesses within Southpoint, especially with the daily traffic generated via drop-off and pick-up of pets. The petitioner is also encouraged to reach out to the Building Department early on in this process in order to understand the extent of any building upgrades/improvements that may be needed. The proposed use of the space may change the occupancy classification per Building Code, and if so the unit would be required to update to current life safety, accessibility, and building code standards. Regarding sound attenuation, the petitioner has indicated that they will be using fire-X drywall over insulated walls, with a 1-1/2 inch air gap, to prevent sound transmission outside of their building envelope. This would prevent any disruption to other tenants within the shopping center. The applicant has identified one site alteration as part of the proposed special use permit application. This alteration would be the addition of an outdoor play area, in the open courtyard immediately east of the tenant space. The outdoor play area would be configured in way which maintains access to the rear auxiliary parking area, as well as allows for any future potential site modifications north of the Bif Furniture space. The open-air play area would be enclosed with a privacy screen, preventing any unwanted interaction between dogs in the play area and customers outside. Staff encourages the utilization of high-quality materials in the construction of the privacy screen, in addition to landscaping to soften the appearance of the screen. During the formal Plan Commission review process, staff will evaluate the condition of the parking lot to determine if any repairs, resurfacing, or restriping is needed. Additionally, staff will also evaluate the existing site landscaping to ensure that it conforms to all code requirements.

Per the Staff analysis, a total of 17 spaces would be required for the proposed Dogtopia facility, leaving a site-wide surplus of 412 parking spaces. Parking is shared throughout the center, and there is no parking area specifically dedicated to the proposed Dogtopia tenant space. Per section 6.12-1 of Chapter 28 of the Municipal Code, any special use permit application over 5,000 square feet in floor area must include a traffic and parking study from a certified Traffic Engineer that assesses access, on-site circulation, parking, trip generation, and impacts to adjacent roadways. However, due to the relatively small magnitude of the space in comparison to the entire shopping center, which is 2% of total PUD square footage, and due to the substantial code-required parking surplus on-site, 412 spaces, Staff supports a variation from this requirement. If a variation is requested, the petitioner will need to provide a written response to the hardship criteria in order to justify the variation, as listed in the Plan Commission Application Packet. The petitioner shall also provide Staff with an estimate of parking demand. With respect to bicycle parking, the provision of bicycle parking spaces is required when there is a requirement for additional off-street motor vehicle spaces. As there is no change in the number of required vehicular spaces for the proposed Dogtopia from the previous use, no additional bicycle parking spaces are required as part of this petition.

The Staff Development Committee reviewed the proposed special use permit to allow a "Kennel, Commercial" on the subject property, and is generally supportive of the application, subject to resolution of the provision of a written justification to the

Special Use Permit and Variation Criteria, an estimate of parking demand, and a market study if it is determined that the provided business and demographic information within the business summary is insufficient. Additionally, missing or deficient landscaping identified by Staff must be provided or replaced, and the petitioner shall provide details on any proposed fencing and screening for the exterior play area.

Commissioner Cherwin stated that his primary questions were regarding sound attenuation and pick-up/drop-off operations, which were addressed. He asked if the petitioner had examined the restrictive covenants prior to executing the lease.

Mr. Barnes stated that he had not.

Commissioner Cherwin recommended that the petitioner research the restrictive covenants, as they may impact his business. Neighbors could take action against the petitioner should the covenants be violated. He stated that he believed the proposed use would be an excellent fit for the subject site.

Commissioner Sigalos asked for clarification on where the proposed outdoor play area would be located.

Mr. Barnes indicated that it would be located to the east of the tenant spaces.

Mrs. Barnes indicated the location of the play area on the site plan. She added that the proposed fencing would be a privacy fence.

Commissioner Sigalos stated that on the elevations multiple doors were shown. He asked if ingress and egress would be allowed through all doors.

Mr. Barnes indicated that all ingress and egress would be through the front door only.

Mrs. Barnes added that the only way into the play area would be though the tenant space.

Commissioner Sigalos indicated that he believed the project was a good use for the site.

Commissioner Jensen stated that he believed the proposed facility would be a good use for the site, and that as an emptynester with two dogs he believed it was a good service. He asked what differentiates their business from other establishments such as PetSmart.

Mrs. Barnes explained that cleanliness is one of the differentiating factors separating their business form others. Dogtopia has an established cleanliness routine and uses cleaning products that are not harmful to the environment or to the dogs. Training and coach interaction is another differentiating factor. Controlled play is used within the play area versus "free-range" play. Branding is another factor; the design of the locations leads individuals to believe the location is a spa or salon. Camera access is also provided, which allows customers to view their pets. Twelve-step tours are also provided to customers, so that they will see where their pets will be throughout the day. PetSmart does not offer tours of their facility. Strict rules are also enforced at Dogtopia regarding separation of dogs by size, so that smaller dogs are never at risk.

Commissioner Jensen asked where the boarding of dogs would take place.

Mr. Barnes indicated the location of the boarding room on the plan. Four "suites" are provided.

Mrs. Barnes added that crates are provided within the playrooms as well. There is a 2-hour break during the day, and dogs are moved into the crates for naptime. Some customers opt for the playroom crates, and others choose the "suites" for overnight boarding.

Commissioner Jensen asked if half-days were offered.

Mrs. Barnes stated that only full-day daycare is offered. Taking dogs in and out of the playroom reduces the control that Dogtopia encourages. Pricing is competitive with competing businesses. Memberships are offered which reduce the cost for daycare. Packages are also offered which offer more competitive pricing. It is better for the dogs to remain in the facility for a full-day. Customers are encouraged to only bring their dog in every other day, so that the dogs have a break and will not be over stimulated.

Commissioner Jensen asked if Dogtopia would be competitive with PetSmart.

Mr. Barnes stated that PetSmart is primarily focused on boarding. Customers at PetSmart pay for boarding, and daycare is an upcharge. PetSmart costs are approximately \$50 a night for boarding, with a \$12 upcharge for daycare. Dogtopia offers \$36 per day for daycare. Boarding is offered at \$50 a night with daycare included.

Commissioner Jensen stated that he believed the business was a great idea and the subject site was a great location.

Commissioner Green asked if the glass storefront would create an issue with respect to noise.

Mrs. Barnes stated that the glass would be insulated.

Commissioner Green asked if the landlord would be providing the insulated glass.

Mr. Barnes indicated that he did not have a commitment from the landlord on replacement of the glass, however the windows may need to be replaced. Both the windows and parking lot may be repaired by the landlord if needed. They are located next to a furniture store and a laser tag establishment. He does not believe noise will impact either of these businesses.

Commissioner Green agreed, and stated that he believed that it was a good location.

Mr. Barnes added that branded decals would be placed on the windows, so that interaction between the public and dogs is reduced.

Mrs. Barnes stated the building would never be 100-percent soundproof.

Commissioner Green stated that he understood that.

Mrs. Barnes added that every step would be taken to minimize sound as much as possible.

Mr. Barnes added that the landlord would be installing a new HVAC system for the facility, with components which will kill airborne bacteria and mitigate odor issues.

Commissioner Green stated that the proposal was very well planned.

Mrs. Barnes stated that many of the issues were already addressed via Dogtopia's brand standard.

Commissioner Sigalos asked what the cost would be for 1 week of boarding.

Mr. Barnes reiterated that the cost for boarding was \$50 a night.

Mrs. Barnes reiterated that memberships and packagers were offered that could reduce the price. The price of boarding includes daycare and food, which is prepared on-site. Bedding could be brought in for individual pets.

Commissioner Jensen asked if the petitioner intended to bring specialized documents included in the Business Plan to the Plan Commission.

Mrs. Barnes confirmed she would. Dogtopia provides a template for the business plan, but the information within the plan is site-specific.

Commissioner Jensen asked when the petitioner hoped to open.

Mr. Barnes indicated they were planning to open October 15th.

Commissioner Jensen stated that the proposal was a great project.

RECOMMENDATION

The Conceptual Plan Review Committee advised the petitioner to proceed forward with their application.

Bruce Green, Chair CONCEPTUAL PLAN REVIEW COMMITTEE Jake Schmidt, Recorder