

Project Narrative: 116-120 Eastman, Arlington Heights

A Mylo Residential Branded Apartment Community

Compasspoint Development is an urban developer constructing a series of mixed-use residential and commercial buildings in a number of suburban towns in the Chicago Suburbs. Their idea is to provide urban living near restaurants, shopping and transportation with what until now have been underutilized real estate. Mylo Residential, a luxury apartment brand in the developers portfolio currently has a soon to be completed building in downtown Des Plaines. They will be starting on projects in Des Plaines, Barrington, Naperville and hopefully Arlington Heights.

The property upon which the Project will be constructed is located at Eastman Ave, Highland St and St. James St. It totals 43,584 sq. ft and is currently occupied with two commercial buildings that are partially occupied. Any remaining tenants will move out once the project is approved and Compasspoint closes on their acquisition. The property is located just west of the AT&T building (that will remain) and just east of the Wintrust Village Bank and Trust building. The Property shares Highland (a private street) with Wintrust and has rights to traverse in a shared access easement. The project also has a permanent easement to park up to 29 cars on Village Bank and Trust property, adjacent to and on Highland Street.

Compasspoint Development is seeking approval of a 7 story, 154 unit residential building with a maximum height of 85 feet. The project will include a restaurant on the first floor. The restaurant will be open to the public much like a boutique hotel in the City. The building will contain a number of amenities for its residents including an outdoor pool, deck and grill station on the third level, with a covered dog run. There will be a library/co-working space in the lower level along with a fitness room. On the third level adjacent to the pool deck will be an amenity room with tables, sitting areas a private dining area and a bar for the residents. On the seventh floor there will be an additional outdoor roof deck along with another amenity room with a multimedia sky lounge.

The dwelling unit mix will be 26 studios, 120 one bedrooms and 8 two bedrooms. We do not expect that there will be any school age children in the building. There will be a total of 220 parking spaces located on the lower level, first level, second level and within Highland. The Highland spaces total 14 spaces which will be available for the commercial (restaurant spaces) plus an additional 29 spaces will be available on the west side of Highland and on the Village Bank and Trusts eastern property. Two loading berths will be provided, accessible from Eastman and from Highland.

The petitioner will provide 8 inclusionary dwelling units on site representing 5.19% of the units. The units will be split between studio and one bedroom units. The rent charged will be in compliance with the Village's Inclusionary Housing Ordinance. The remaining inclusionary housing units 2.5% or 4 units will be satisfied through the Fee in Lieu of process.

Compasspoint will be making several public and private improvements, including new landscaping in the public parkway along St. James Street, a new larger watermain is contemplated to be run from the building east to Vale Street and connect to the water main at that intersection.

The developer has already met with the neighborhood association located to the north and west of the property. We listened to their comments and concerns and have incorporated some of those requests in this first submittal. Some of the questions revolved around traffic on St. James Street. They requested that we limit traffic generated from our building to be cut off from exiting north on to St. James from Highland. We considered shutting off access entirely, but was met with resistance from the fire department. We then considered movable or break away gates or embedded cones at the north exit on Highland and that still was too restrictive for Fire and Police. Our traffic engineer, Eriksson anticipates that most traffic will exit the garage entrance to the South toward NW Hwy and East to Vale, where there is a traffic Signal. Also, as part of this process some residents asked if we could modify the north façade at the first two levels to make it look more like a single family house and we did our best to accommodate that request in the new design by adding more window like openings in the garage and changing the façade materials and colors and added landscaping to the parkway. We all agreed that the replacement of the existing deteriorating underutilized buildings with a new vibrant luxury building is more than welcomed. Some residents were also excited about the new neighborhood restaurant that would be a short walk away.

It is our intention to create a new luxury mid-rise residence in downtown Arlington Heights, bringing much needed for-rent housing options for residents and newcomers. We will be working with the highly acclaimed property management firm Lincoln Properties to market and lease the property as well as professionally manage the building. Compasspoint and its principals have a long track record of building high quality residential real estate properties throughout the Chicago market and other markets around the country.

Requested Relief:

The applicant is seeking two variations and a Special Use for the required Planned Unit Development.

The Planned Unit Development is required in order to allow for development of a residential use in the B5 Downtown Zoning District. A Planned Unit Development is approved as a Special Use. Special Use Standards:

1. That said special use is deemed necessary for the public convenience at this location:

The proposed mixed use Planned Unit Development conforms to the trend of development in the general downtown B5 District and surrounding neighborhood. The building is located near enough to the commuter train facilities to take advantage of the mode of transportation. The building by adding residents to this area and the downtown as a whole will serve to enhance the nearby commercial uses.

2. That such case will not under any circumstances of the particular case be detrimental to the health, safety, morals or general welfare of persons residing or working in the vicinity.

The proposed building, except for the minor density variation noted below, is in conformance with all of the B5 requirements as to bulk, density (except for the 4 additional units being requested) and parking. The building is similar or smaller in size and scale to other buildings similarly located and there is no evidence that there are any detrimental effects on surrounding uses. The building is set back along St. James in order to allow for an additional buffer from the single family residential uses on the opposite side of St. James. Sufficient parking for both the residential units and the commercial space is provided so there will be no negative impact due to the residents or commercial patron parking on neighboring streets. The use itself by meeting zoning requirements should be considered to have no detrimental impacts (the zoning ordinance does not require any additional setbacks from the neighboring residential district).

3. That the proposed use will comply with the regulations and conditions specified in this ordinance for such use, and with the stipulations and conditions made a part of the authorization granted by the Village Board of Trustees:

As noted herein, except for the two minor variations noted below, the building complies with the B5 zoning regulations. The development will comply with all other conditions that may be imposed by the Village Board of Trustees.

Variations:

Two variations are being requested:

A. Allowance for a residential use in the B5 District. (A mixed use residential with commercial uses on the majority of the ground floor is a permitted use) The common trend of development both within the B5 Downtown district is for mixed used residential and commercial buildings. Establishing such additional commercial uses on the ground floor would require adding commercial uses to the north boundary of the property. This would establish commercial uses directly across from the residential neighborhood north of the Property. The addition of Residential dwelling units has helped the downtown neighborhood become a successful neighborhood that supports a range of commercial (restaurants, stores and service) uses.

1. The use will not alter the essential character of the locality and will be compatible with the existing uses and zoning of nearby property. As noted mixed use residential and commercial buildings have been the trend of development in the downtown neighborhood, so the proposal is inherently compatible. The building's residential units, while smaller are compatible with neighboring residential uses. St. James serves as the dividing line between the lower density and higher density residential uses. Requiring commercial uses on the ground floor facing the residential neighborhood to the north would be out of character.
2. The plight of the owner is due to unique circumstance which may include the length of time the subject property has been vacant as zoned. While not vacant the existing two commercial buildings are not being utilized for their highest and best use. Redevelopment will not occur without establishing the residential component as proposed. The location of the property immediately across from the residential neighborhood is somewhat unique in the downtown/B5 area.
3. The proposed variation is in harmony with the spirit and intent of this Chapter. The fact that the Ordinance allows for a residential building so long as approved as a

Planned Unit Development demonstrates that the residential use is in harmony with the spirit of the Ordinance. The addition of ground floor commercial uses across from the Residential neighborhood would not be in harmony with intent of the Ordinance.

4. The variance requested is the minimum necessary to allow for the reasonable use of the Property. Without approval of the residential land use the property will continue to not be redeveloped in a positive manner.

B. Allow for an additional 4 residential units in excess of those allowable through the establishment of inclusionary housing units on site.

1. The proposed use will not alter the essential character of the locality and will be compatible with the existing uses and zoning of nearby property. Seeking an additional 4 dwelling units without the additional inclusionary housing units will not alter the essential character of the neighborhood. The overall density of the project is compatible with other such buildings in the B5 Downtown district. An additional four units impose no significant negative impacts on neighboring uses.

2. The plight of the owner is due to unique circumstances which may include the length of time the subject property has been vacant as zoned. Adding an additional number of inclusionary units will significantly impair the financial feasibility of the project due the cost of construction and the expense of the building's amenities that are now required in order to create a successful rental project in downtown neighborhoods. The building has to compete with existing rental apartment buildings and rental units in condominium buildings that are already built in the neighborhood. Those buildings have the advantage of having been constructed at a time where construction costs were significantly lower and where being located near a train line was the only amenity required to be successful. The real estate market has significantly changed and the project's amenities are required in order to compete in this marketplace. Without the additional units the project would not go forward and the existing under-utilized buildings will remain.

3. The proposed variation is in harmony with the spirit and intent of this Chapter. The ordinance allows for the variance to be requested. The developer is proposing to establish 8 inclusionary housing units onsite which is consistent with other developments. The additional 4 units impose a significant financial burden of the project.

4. The variance requested is the minimum variance necessary to allow the reasonable use of the property. The project includes 8 inclusionary units as required per the Code with no request to allow a payment of a fee in lieu of those units (as permitted per the Inclusionary Housing Ordinance). The additional four market rate units are necessary to permit the return on investment needed for the project to be successfully financed.

March 14, 2023

MEMORANDUM

Re: 116-120 W Eastman St, Arlington Heights, IL
OKW Project No. 22008

The Below Sustainable features are to be provided at the proposed project at 116-120 W. Eastman St.

- Green Roof(s) and planters on third floor
- Native Landscape
- Energy Efficient Appliances
- LED lighting
- Occupant sensor and daylight controls in common area lighting
- Enhanced U factor and SHGC for glazing assemblies
- Low flow plumbing fixtures
- Unit Fan Efficiency
- Heating and Cooling System Efficiency
- Smart thermostats in units
- Electric car charging stations
- Waste Reduction via building recycling program
- Bicycle Parking
- Low-emitting interior materials
- Local/ Recycled Interior Finishes



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