PLAN	
	REPORT OF THE PROCEEDINGS OF A PUBLIC HEARING
	BEFORE THE VILLAGE OF ARLINGTON HEIGHTS
	PLAN COMMISSION
COMMISSION	

RE: RAMEN USA - 926 & 928 WEST ALGONQUIN ROAD - PC #23-018 LAND USE VARIATION FOR BAKERY PRODUCTS, WHOLESALE AND PRODUCTION IN THE B-2 DISTRICT

REPORT OF PROCEEDINGS had before the Village of

Arlington Heights Plan Commission Meeting taken at the Arlington Heights Village

Hall, 33 South Arlington Heights Road, 3rd Floor Board Room, Arlington Heights,

Illinois on the 10th day of January, 2024 at the hour of 7:30 p.m.

MEMBERS PRESENT:

SUSAN DAWSON, Chairperson MARY JO WARSKOW JOE LORENZINI BRUCE GREEN GEORGE DROST TERRY ENNES JAY CHERWIN

ALSO PRESENT:

HAILEY NICHOLAS, Assistant Planner SAM HUBBARD, Development Planner MICHAEL LYSICATOS, Assistant Director, Planning and Community Development

CHAIRPERSON DAWSON: Welcome to the Plan Commission meeting. Pledge allegiance.

(Pledge of Allegiance recited.)

CHAIRPERSON DAWSON: All right, roll call, please.

MR. LYSICATOS: Yes, sorry about that. Okay, Chair Dawson.

CHAIRPERSON DAWSON: Here.

MR. LYSICATOS: Commissioner Cherwin.

COMMISSIONER CHERWIN: Here.

MR. LYSICATOS: Commissioner Drost.

COMMISSIONER DROST: Here.

MR. LYSICATOS: Commissioner Ennes.

COMMISSIONER ENNES: Here.

MR. LYSICATOS: Commissioner Green.

COMMISSIONER GREEN: Here.

MR. LYSICATOS: Commissioner Jensen.

(No response.)

MR. LYSICATOS: Commissioner Lorenzini.

COMMISSIONER LORENZINI: Here.

MR. LYSICATOS: Commissioner Sigalos.

(No response.)

MR. LYSICATOS: And Commissioner Warskow.

COMMISSIONER WARSKOW: Here.

CHAIRPERSON DAWSON: All right, first order of business, approval of the minutes from the last meeting.

COMMISSIONER GREEN: I'd like to make a motion to approve those

minutes.

COMMISSIONER ENNES: I second.

CHAIRPERSON DAWSON: All in favor?

(Chorus of ayes.)

CHAIRPERSON DAWSON: Any abstentions or opposed?

COMMISSIONER WARSKOW: I guess I should abstain since I didn't attend

that meeting.

CHAIRPERSON DAWSON: Okay, so we have the first petition on the agenda. Which one is first? Ramen. Is Ramen, is the Petitioner present? Yes. Would you like to come up to the podium please?

First of all, have all public notices been given?

MS. NICHOLAS: Yes.

CHAIRPERSON DAWSON: Thank you.

I need to swear in anyone who'll be testifying. Even if you're not going to, if you think you might, let's just get you sworn in. Just you or would the two behind you be potentially testifying? It's all right.

MR. KIMORI: I'm KC, owner of the business, and I brought one of my employees. She's the operation manager and she's going to do the presentation today. MR. PENAVIC: I'm just representing the ownership and here as moral

support.

CHAIRPERSON DAWSON: Okay, so why don't we just swear you two in, and then if for some reason ownership needs to stand up, we will swear you in later.

(Witnesses sworn.)

CHAIRPERSON DAWSON: Terrific. Then go ahead and give us your report. If you don't mind stating your name and spelling your last name for the record, that would be great.

MR. KIMORI: Okay, I'm KC Kimori, owner of the business. Thank you very much for your time today.

CHAIRPERSON DAWSON: Could you spell the last name? Spell the last name for the record.

MR. KIMORI: Spelling is K-o-i-c-h-i-r-o, my first name Koichiro, and last name is K-i-m-o-r-i, Kimori.

CHAIRPERSON DAWSON: Great, thank you. Do you have a presentation for us? If you don't, that's fine.

MR. KIMORI: Yes, just, again, thank you for your time. I'm here for the petition of the land use variation and bakery and the wholesale. I brought Kristie Toondarack, the Operations Manager, and she's very familiar with the operations so she's going to do this presentation.

CHAIRPERSON DAWSON: Okay, terrific.

MR. KIMORI: The first page, there's the petition for the land use variation, I'm repeating in saying this, in the B-2 District. There you go.

MS. TOONDARACK: Hi, thank you, everybody. Thank you for joining us tonight and, you know, I really appreciate your time with us, spending this chilly Wednesday night, and of course, you know, next week we're going to be ending up in the negatives, but anyway, we do appreciate you guys joining us.

CHAIRPERSON DAWSON: Can I interrupt? State your name and spell your last name, just it helps the court reporter.

MS. TOONDARACK: Sure. My name is Kristie Toondarack, and the first name is spelled K-r-i-s-t-i-e, last name T-o-o-n-d-a-r-a-c-k.

CHAIRPERSON DAWSON: Great, thank you so much.

MS. TOONDARACK: Yes, no problem. Okay. All right, so first and foremost, I've been working with KC since 2020 up until now. I have a pretty extensive knowledge about the restaurant business. My family has been in the restaurant business since I was a child. Up until now for at least eight years, I've been very familiar with these operations and it's been a great journey working with Mr. Kimori and, you know, we are here to continue our journey and we're hoping to expand our business.

So, in the first slide, you can see we will be talking about our business milestones, a little bit about our history. At this time, right now our restaurant Ramen USA, we're currently operating as a full and dine-in restaurant as well as doing takeout orders. Sorry, I'm just going to adjust the microphone.

So, now first and foremost, we started our business in 2020, and we started as a takeout lunch pack operations. Of course during 2020, the pandemic presented a lot of, you know, natural, you know, due to the nature of the circumstances of, you know, COVID-19, we faced many challenges as with other businesses as well such as, you know, having to face

the minimal capacity of people, lots of social distancing, and trying to keep sanitation up to par. During this time, we were also having Mitsuwa Marketplace as one of our clients helping us, or not helping us but more so we were providing them packing services during the time of 2020. During 2020, our takeout service at the restaurant, our retail and restaurant as well was not doing so well, but throughout these years we've seen a lot of progressive growth in our restaurant and retail business, and more rapidly so as we've seen growth in the Mitsuwa Marketplace as we were packaging our products to Mitsuwa Marketplace. Up until now we've seen a rapid growth, and since we've seen the demand to rapidly grow, we need more space to expand.

Okay, and our second slide, now I would like to point out why we need more space. Know that Mr. KC submitted a building permit application for the new unit of 926, and this location was previously used as a State Farm office. Some alterations that we are looking to do to expand our business is install like simple hand sinks replacements or new hand sinks, prep tables, refrigerators and wire shelving. Our main purpose of using this space is of course to expand our space for packaging operations and additional storage space in order to compensate with the increasing rapid orders we are receiving from Mitsuwa Marketplace.

Okay, now you can see here this is our architect floor plan. Some couple of points I would like to point, that we are looking to do some minor alternations, it would be like to demolish the old furniture, tiles, you know, replace some new power plugs, new hand sink, floor tiles, wire shelving, refrigerator, appliances, prep tables, and also allowing accesses throughout all the units. Of course all of our equipment is NSF certified, and also we have submitted the fire safety and egress plans. So, everything is up to code, and of course we talk with health inspectors and building inspectors and we've done everything to keep everything up to code.

MR. KIMORI: The left side drawing in this before, the left side drawing, all the prep tables and shelvings and refrigerators, that's after the alterations.

MS. TOONDARACK: All right, thank you. Now, here we'd like to kind of visualize our work environment and our operational volumes. So, under our present circumstances right now, we are, excuse me, we are, for the majority of our operations, we are either doing any type of cook, prep, pack, process or any deliveries. Our labor costs and revenues and hours of operations, this is between the wholesale and restaurant business, as you can see below, and of course our percentages are, you know, are various depending on seasonal customer volume, holiday traffic, and of course depending on our manpower situation. Here, we have Mr. Kimori putting out our ratios.

MR. KIMORI: Yes, the operation volumes means how much stuff that our employees do it in timely schedules. Operation volumes is 50/50. Wholesale is when we package for the Mitsuwa Marketplace, that's the wholesale part, and the restaurant part is 50 percent, 50/50 operation volumes. Labor costs, they're 40/60.

In the restaurant business, in the Ramen side, the restaurant business, it needs more manpower. That's why the labor cost is higher than the wholesale business. The revenue, Mitsuwa is the last variable. We're doing everyday packaging, so its volume is higher than the restaurant business, but the restaurant, we are picking it up more, more sales. So, down the road is, hopefully, like 50/50, 60/40.

Then the hours of operation, the packaging, all the preparations for the Mitsuwa Marketplace, it's only the morning time. On the right-hand side, there's a diagram. So, package work, molding, boxing, delivery, cleaning stuff, it's morning time. We start it from

6:00 a.m. to 11:30, and after 11:30 we start doing the preparation for the Ramen restaurant business.

MS. TOONDARACK: Okay, pictures. All right, so here above, you can see this is our restaurant menu. From my left side, I believe your left as well, you can see those are some samples of our ramen menu. Ramen in Japanese, this is just ramen noodle bowls or, yes, noodle soup bowls. Then addressing to the right, you can see we do have like a Japanese poke style fish over rice and Japanese curry. Like I said, these are the items that we offer at our restaurant location.

Below, what we see are, this is our packaged products that we deliver to Mitsuwa Marketplace. As you can see, we have some sushi, in the middle we have, those are, we call it rice bowls or uni kyuri. To the third picture, we also do rice bowls and also more varieties of sushi.

MR. KIMORI: Oh, then the salaries. Like I said, Mitsuwa's operation is only 6:00 a.m. to 11:30, and after that 11:45 to 2:00 p.m. for the lunch restaurant business, and dinnertime 5:00 to 9:00. So, the last site, the other business owner, I really appreciate letting us doing the business in Arlington Heights. This is, it really got challenging after the pandemic. Actually, I used to do another Japanese restaurant in Rolling

Meadows, and right before the pandemic I closed it. I've been through a few years helping our friends' restaurants. Finally, I found his property and then we started up the new business in Arlington Heights. This is our first time in Arlington Heights.

So, our goal is to satisfy customers, and our motto is to keep the good quality of our products and service. I believe there is mutual benefit for our experience and for our customers in Arlington Heights. Thank you very much.

CHAIRPERSON DAWSON: Thank you so much. Just one question, have you read the Staff report, and do you agree to the conditions of approval?

MR. KIMORI: Yes.

CHAIRPERSON DAWSON: You do, all right. Great, thank you. Thank you so much. We'll move to Staff report now and if there's questions we'll call you back up in a minute.

MS. TOONDARACK: Okay, thank you.

CHAIRPERSON DAWSON: All right, Hailey?

MS. NICHOLAS: All right, thank you. Today I'll be providing the Staff presentation for Project #23-018, Ramen USA.

So, the subject property is 926 and 928 West Algonquin Road which is located in the B-2 General Business District. The Comprehensive Plan designates this property as appropriate for commercial land uses. The Petitioner is requesting a land use variation to allow bakery products, wholesale and production facility in the B-2 District, and there are no variations requested.

This image provides an aerial view of the subject property which is located within the Surrey Ridge Shopping Center. This shopping center is a planned unit development that was approved in 1975 which includes the Lowe's to the northwest, also the southeast, the bank and the auto repair business next to the outlined red parcel which is the subject property. Access to the site comes from three curb cuts on Algonquin Road and one curb cut on Golf Road, and the parking is shared among all businesses within the planned unit development with a total of 685 parking spaces on site.

Ramen USA has operated their existing restaurant since 2020 at 932 West Algonquin Road. They received a special use waiver to expand their operations into 928 West Algonquin Road in March of 2023. At that time, it was not clear that Unit 928 was used for the preparation, packaging and storage of food products to be delivered to the Mitsuwa Marketplace, a local grocery store, where it's then sold as a retail food item. Now, the Petitioner is looking to expand this operation into 926 West Algonquin Road, and this expansion requires a land use variation for bakery products, wholesale and production.

The Petitioner has indicated that their primary business activities include cooking, preparing, packaging and storing food products as listed here and mentioned by the Petitioner previously with lovely pictures. Once these products are prepared and packaged, the food is delivered daily to Mitsuwa Marketplace using two delivery vehicles owned and operated by the Petitioner. The vehicles are not kept on site overnight.

The hours of operation are before the restaurant opens from 6:00 a.m. to 11:30 a.m., Monday through Sunday. Loading and delivery occurs between 8:45 and 11:00 a.m. There are 10 employees total, and four of which are responsible for the food production and processing side of the business.

This is the site plan. I'm showing the subject property, particularly the three units that the Petitioner will be occupying, two of which they currently occupy, 932 and 928. Loading and delivery will occur in the rear of the building through the backdoors of Units 926 and 928.

This is the floor plan for the business. They currently occupy 932 and 928, so 932 is the existing restaurant floor plan, and 928 is their current processing and storage production, and 926 is where they plan to expand. As you can see in the picture here, they plan to open some walls between the units to create open access among all three units and some other work as they had previously mentioned. To expand into Unit 926, the Petitioner will be working with their contractors and they're already working with the Building Department to obtain permits for all of this remodel work.

These are the parking requirements for the planned unit development as calculated by Staff. There's an overall surplus of three spaces, and with all tenant spaces currently occupied, Staff has determined that there is sufficient parking on site to support all uses within this development. That being said, as required for a Plan Commission application, a parking survey was submitted by the Petitioner and this was then combined with a survey submitted by another business in the shopping center.

The Petitioner surveyed the parking area for the shopping center within the development shown in this aerial image so it wasn't the entire parking lot. So, they surveyed the 110 spaces that were closest to the unit which was determined by Staff. This table shows six days of survey data in which the highest utilization was 56 percent. Staff has reviewed the survey and conducted site visits and did not observe any issues with parking availability.

The Petitioner has responded to the criteria of approval for variation requests. Staff is recommending a condition of approval for this petition to confirm compliance with these conditions and the Comprehensive Plan. As mentioned, the subject property is designated as appropriate for commercial land uses. That being said, the proposed use, bakery products, wholesale and production, is classified as a manufacturing land use in the Zoning Code. However, due to the connection and association with the Petitioner's existing restaurant, Ramen USA, Staff concurs with the Petitioner that the proposed use will not alter the character of

the shopping center, and that the proposed use generally complies with the intent of the Comprehensive Plan.

The Staff Development Committee recommends approval of the application subject to the conditions, the first addressing what I had previously mentioned, that the Petitioner or a future tenant must keep the restaurant or another comparable use in order for the bakery products, wholesale and production facility to remain in operation. Therefore, if a future facility were to occupy the space without having an associated restaurant or comparable use, they will not be permitted to do so without securing their own zoning approvals. The final condition is that the Petitioner shall comply with all applicable regulations and policies. That concludes the Staff presentation.

CHAIRPERSON DAWSON: Great, thank you.

Do I have a motion to approve the Staff presentation?

COMMISSIONER LORENZINI: I'll make that motion.

COMMISSIONER DROST: I'll second it.

CHAIRPERSON DAWSON: Did you catch that? Because I don't know who said what. Who has the motion and who has the second?

MS. NICHOLAS: Lorenzini motioned.

COMMISSIONER LORENZINI: I had the motion.

CHAIRPERSON DAWSON: Commissioner Lorenzini has the motion.

Commissioner Drost, you're the second?

COMMISSIONER DROST: And I was the second, yes.

CHAIRPERSON DAWSON: Okay, wow.

All right, all in favor?

(Chorus of ayes.)

- CHAIRPERSON DAWSON: Any opposed? Any abstentions?
 - (No response.)

CHAIRPERSON DAWSON: All right, motion passes. Terrific. So, then we'll go ahead and go to questions.

Let's start with you, Commissioner Warskow.

COMMISSIONER WARSKOW: I think it's a wonderful project and I have no

questions.

CHAIRPERSON DAWSON: Great.

Commissioner Lorenzini?

COMMISSIONER LORENZINI: I agree, it's a good project and no

questions.

CHAIRPERSON DAWSON: Commissioner Green?

COMMISSIONER GREEN: Thumbs up, no questions.

CHAIRPERSON DAWSON: Commissioner Drost?

COMMISSIONER DROST: Thumbs up. Just a question as to the vacancy,

maybe the owner, the moral supporter here. What was the former tenant in that location at 928? CHAIRPERSON DAWSON: If he's going to --

COMMISSIONER DROST: He needs to be sworn in.

CHAIRPERSON DAWSON: Come on up.

COMMISSIONER DROST: I wanted to get you into the role here, you know, so you're showing value.

MR. PENAVIC: Thank you. (Witness sworn.)

CHAIRPERSON DAWSON: All right, and then state your name and spell your last name please.

MR. PENAVIC: Yes. My first name is Tin, T-i-n, last name is Penavic, P-en-a-v-i-c, and I represent the ownership. We've been the owner since 2016. So, when we bought the Surrey Ridge Shopping Center, it was occupied by an existing Japanese restaurant which was on the corner. Then right next to it was the State Farm office which had been there for about 32 years, and then after that was a gadget repair store.

The gadget repair store was the first to vacate after we took over due to lack of staffing and no business. They in turn leased it to another gadget store. They also were impacted directly by the pandemic by the time we took over and had them as a second tenant in 2019, so they didn't renew. Then from 2019 through 2021, that space was vacant and I couldn't get anybody even interested in a gadget store, especially if it was going to be the same style of use.

The State Farm store as well, people found out that they didn't want to pay and have a State Farm office when most of them were doing their office work remotely during COVID. Having a franchise agent, you know, meant a lot more paperwork and legwork for a lot of these agents, so they just decided not to renew as well.

COMMISSIONER DROST: Yes, so we're getting retail basically instead of

office use.

MR. PENAVIC: I think so, yes. COMMISSIONER DROST: So, this is going to be a boost to sales tax as

well.

MR. PENAVIC: It will be a boost to sales tax because the existing mart that he also just got approved on which is the M Cafe, that will be open soon, and that was a mart that was a vacant space when we took over and that was a Mediterranean bakery for three years, but they opted not to renew. So, he's been my only tenant and I've been in this business now since I was child, I've been doing this with my family. I've only seen one tenant and he's the only one that's grown from one space to two spaces to three spaces to four spaces.

COMMISSIONER DROST: He'll soon take over the whole center then.

MR. PENAVIC: We're already in negotiations that I'm ready to, you know, when the time comes, but --

COMMISSIONER DROST: Okay, just wanted to get this for the record so that, you know --

MR. PENAVIC: -- Mr. Kimori has been an excellent tenant of excellent character. I couldn't have been happier that when he came, he came at the right time, and he always made his payments and everything, even during, you know, the impact of the COVID-19 pandemic. When other tenants were asking me for breaks, he was still paying on time. I never had an issue with his character or how he was conducting business. Those of us that have tried his food have always come back for seconds. I recommend it to you guys as well.

COMMISSIONER DROST: Yes, and that's a disappointment because the pictures certainly whetted my appetite.

MR. PÉNÁVIC: Yes, exactly. COMMISSIONER DROST: Yes.

MR. PENAVIC: So, we hope to see you all there.

COMMISSIONER DROST: Yes. So, Mr. Kimori, could you come to the microphone please? Your business is developing into more of a wholesale business. This requires less staffing and from the chart that you looked at, it looks like the business to be in; is that right?

MR. KIMORI: Yes, sounds right, but I'm trying to develop all the businesses I'm doing. So, just the Mitsuwa Marketplace wholesale business, they're a larger scale business so that we're trying to develop the wholesale side but also the retail side. Mainly I wanted to do the restaurant business, but the Mitsuwa Marketplace, after the pandemic time, they helped us and they gave us more business. So, I try to keep both business improved.

COMMISSIONER DROST: Yes, and the wholesale is like an insurance policy in case there's another pandemic, or it basically allows you to sell off site.

MR. KIMORI: Yes.

COMMISSIONER DROST: So, you don't have to have a restaurant

clientele.

MR. KIMORI: Yes.

COMMISSIONER DROST: One final question. On sales tax, is there any differentiation between the wholesale and retail restaurant? You charge the same amount, correct?

MR. KIMORI: I file the tax, when my accountants --

COMMISSIONER DROST: I don't need to know your personal tax, but just from the standpoint as a business operator, the sales tax that's generated off of wholesale and the retail is the same, is that a correct statement?

MR. KIMORI: Same as in percentage-wise?

COMMISSIONER DROST: Yes, if you're getting 10 percent, or --

MR. KIMORI: Right.

COMMISSIONER DROST: Yes, so the point I'm making is that if you're making more wholesale volume, you're getting more sales tax for less space.

MR. KIMORI: Right.

COMMISSIONER DROST: So, all right, that's the point. Thanks.

CHAIRPERSON DAWSON: Any other questions or comments,

Commissioner Drost?

COMMISSIONER DROST: No, I'm done. I announced no more. I'm going to save you all, yes.

CHAIRPERSON DAWSON: Okay, I just want to make sure.

Commissioner Ennes?

COMMISSIONER ENNES: I don't. I think it's a great project and I like to see businesses expanded in Arlington Heights.

CHAIRPERSON DAWSON: Okay, Commissioner Cherwin?

COMMISSIONER CHERWIN: Yes, I would add, I mean, it's great to have Mitsuwa here but it's just really great to have you here, too, Mr. Kimori. It sounds like you're a great tenant and a great part of the business community in Arlington Heights so we're happy to have you. I can't wait to go over there and try out the restaurant. I live right in the neighborhood and I can't believe I haven't been there yet. So, I've got to get over there.

COMMISSIONER DROST: Yes, what time do you close?

COMMISSIONER CHERWIN: Yes, right.	
COMMISSIONER DROST: You've got an hour left.	
COMMISSIONER CHERWIN: Welcome now.	
COMMISSIONER DROST: Yes, there you go.	
COMMISSIONER CHERWIN: No, I'm happy to support it. In fact, I would	
make a motion.	
CHAIRPERSON DAWSON: No, we have to open to public commentary.	
COMMISSIONER CHERWIN: Oh, I forgot about that, yes.	
CHAIRPERSON DAWSON: That's okay.	
COMMISSIONER CHERWIN: We do that first, sorry.	
CHAIRPERSON DAWSON: All right, first, I'm going to quickly ask anyone	
in the audience, I'm looking at you, Mr. Moens, any?	
(No response.)	
CHAIRPERSON DAWSON: Okay, with that, I'm going to close public	
commentary.	
Commissioner Cherwin, you had a motion?	
COMMISSIONER CHERWIN: Yes, I would make a motion.	

A motion to recommend to the Village Board of Trustees <u>approval</u> of PC #23-018, a Land Use Variation to allow a 1,616 square-foot of *Bakery Products, Wholesale and Production* facility in the B-2 District.

This recommendation is subject to resolution of the following:

- 1. The Petitioner, or any future tenant(s), must keep the restaurant, or a comparable use, in order for the bakery products, wholesale and production facility to remain in operation. If at any point the restaurant, or comparable use, ceases operation, the bakery products, wholesale and production facility must cease operation as well.
- 2. The Petitioner shall comply with all federal, state, and Village codes, regulations and policies.

COMMISSIONER ENNES: I'll second that.
CHAIRPERSON DAWSON: All right, any discussion? (No response.)
CHAIRPERSON DAWSON: All right, roll call.
MS. NICHOLAS: Commissioner Drost.
COMMISSIONER DROST: Aye.
MS. NICHOLAS: Commissioner Green.
COMMISSIONER GREEN: Yes.
MS. NICHOLAS: Commissioner Lorenzini.
COMMISSIONER LORENZINI: Yes.
MS. NICHOLAS: Commissioner Warskow.
COMMISSIONER WARSKOW: Yes.
MS. NICHOLAS: Commissioner Ennes.
COMMISSIONER ENNES: Yes.

MS. NICHOLAS: Commissioner Cherwin. COMMISSIONER CHERWIN: Yes. MS. NICHOLAS: And Chair Dawson. CHAIRPERSON DAWSON: Yes.

All right, congratulations, that's a unanimous approval. MR. KIMORI: Thank you.

CHAIRPERSON DAWSON: We are a recommending body only. You need to go forward to the Village Trustees, but you do have our unanimous recommendation of approval. So, good luck to you. Congratulations.

MR. KIMORI: Thank you very much.

(Whereupon, at 8:02 p.m., the public hearing on the abovementioned petition was adjourned.)