

**REPORT OF THE PROCEEDINGS OF  
THE PLAT & SUBDIVISION COMMITTEE  
OF THE VILLAGE OF ARLINGTON HEIGHTS PLAN COMMISSION  
HELD AT VILLAGE HALL ON:**

**December , 9 2015**

**Project Title:** Kensington School SU  
**Address:** 840 E. Kensington Rd.  
**Petitioner:** Charles Marlas  
743 McClintock Drive  
Burr Ridge, IL 60527  
**Existing Zoning:** B-2, General Business District

**Requested Action:**

- A Special Use to allow a Day Care Center in the B-2 district.
- Amendment to PUD Ordinances #06-043, 07-007, 07-077, 14-015.
- Amendment to the Plat of Subdivision R07-007.

**Variations Required:**

- Chapter 28, Section 6 Height of Fences to allow a 4 foot tall fence in the front yard along Dryden Avenue where 3 feet is permitted.

**Attendees:** Gene Kraus, Property Owner  
Dan Hyman, Real Estate Agent  
Barbara Marlas, Petitioner  
Charles Marlas, Petitioner  
Bruce Green, Plan Commissioner  
Lynn Jensen, Plan Commissioner  
Jay Cherwin, Plan Commissioner  
John Sigalos, Plan Commissioner  
Bill Enright, Deputy Director of Planning & Community Development

**Project Summary**

The subject site is approximately 87,000 square feet ( 2.0 acres) located at the northwest corner of Dryden Avenue and Kensington Road. The site is part of the Arlington Market PUD, approved in 2006 and amended in 2010, 2011, and 2014. The amendments pertained to the north portion of the project which allowed for a change from condominiums to townhomes (Arlington Crossings) and later to allow for modifications to the Plat of Subdivision and variations for the single family homes in the mid portion of the PUD. The south portion of the PUD consists of two commercial lots, and is approved for approximately 42,000 square feet of commercial space. Lot 1 has been developed for approximately 16,500 square feet of commercial space and includes Eros Restaurant, Subway fast food, a dental office and a bank with a drive through. Lot 2 is currently vacant, although Lot 2 does include a large underground detention vault that provides detention for the commercial lots and the residential to the north within the PUD.

Kensington School is seeking approval of a Special Use and an amendment to the PUD to allow for a 15,000 square foot day care. The Plat of Subdivision would also need to be amended as there are easements for pedestrians living in the homes to the north within the PUD to connect to the required outdoor plaza when lot 2 is built upon, and for shared parking with commercial Lot 1. There are also existing utility easements that may impact the proposed layout. These easements will be detailed later in this report.

Kensington School as described by the petitioner is classified as a day care, not a pre school. A summary of the project is attached and the day care will include approximately 140 children and 25 staff. Hours of operation will be 6:30am to 6:30pm and there will be two programs offered: Preschool program offered in two sessions (AM and PM), and a Full Day program (6:30 am to 6:30 pm). The site plan includes a large outdoor playground area for the children which would be fenced around the perimeter. Parking includes 56 spaces in front of the building with a one way circulation system.

**Meeting Discussion:**

**Mr. Kraus** stated that he represented the owner of the property he provided the history of the overall development, which includes the residential area to the north. He said that the subject property was the last piece in the “puzzle” for the development, and that development on the residential portion was currently ongoing. He said that Mr. Hyman will be giving a summary of his efforts to market the property, and that Chuck and Barbara Marlas will explain the proposed daycare facility.

**Mr. Hyman** stated that he started marketing the project 4 and ½ years ago, and has been in the real estate business for 35 years. He said that marketing the subject property had been a challenge, and he explained his history and experience in the real estate industry. He outlined some of the ways in which the property had been marketed, including signs, mailings, internet postings, and the MLS database. He provided history on some of the developers that had shown interest in the site, which included a Chase Bank, McDonalds, and Midland Equities. He explained that a trend in the retail industry is that more items are being sold online as opposed to brick and mortar locations. He explained that the problem that Midland Equities had was that they could not locate tenants to sign on to the development. He said one of the primary challenges of the site was that it is not located on a main street. Due to this “secondary” location, he said that rental rates would be somewhere in the \$18 per square foot range. He said that new construction was not feasible at this rent per square foot rate.

**Commissioner Jensen** asked what type of rent per square foot would be needed to support new construction.

**Mr. Hyman** responded that one would need around \$34-\$35 per square foot to support new construction, which he said people were asking for in places like West Chicago. He reiterated that this site was a secondary location and also located next to Mariano’s, which would compete against certain businesses on the subject property.

**Mr. Hyman** stated that the petitioners were proposing an attractive building and that it was a single-tenant user which would not have the drawback of vacancies if it was multi-tenant retail development.

**Ms. Marlas** said that she had been in the child care industry for 46 years. She said that they recently opened a Kensington School location in Elmhurst and that it was fully booked before it opened its doors and had a waiting list. She mentioned that Kensington School was a family owned business and not an institution that owned hundreds of locations. She said that the site fit their needs well and that she believed the community would welcome the use at this location. She added that she thought it would have a positive impact on the neighboring retail locations as it would bring additional families to the area.

**Mr. Enright** stated that the fundamental question was whether this use was appropriate for this location given the context of the original PUD and approval for the entire site. He said that he was honored that an institution like Kensington School was interested in a site in Arlington Heights, and if the subject site did not work that he would help locate another viable site in the community should one exist. He outlined some of the site constraints, which consisted of an underground detention vault in the south of the site, as well as some easements on the north side of the site for utility purposes, and an easement on the west side of the site for pedestrian access that was contemplated during the original PUD approval to link this site to the rest of the PUD. He stated that this development would create a positive TIF increment, which would be similar to what would be generated with a retail development. He added that a single-use development on this property would only cater to the specific segment of the market that was captured by the single

user on the site, whereas a multi-tenant development could cater to a larger portion of the market. He mentioned that staff had reached out to a local broker who opined that the site was still viable for retail users, however, likely in only the 10,000 – 12,000 sq. ft. range. For comparison, he stated that the neighboring retail center was fully occupied. He concluded that staff was of the opinion that a multi-tenant development would be a better use for the site.

**Commissioner Green** asked if there was a daycare across the street.

**Mr. Enright** responded that there was a school on Dryden and Miner, which did contain a daycare.

**Commissioner Green** asked about the building on the northeast corner of Kensington and Dryden..

**Mr. Enright** clarified that this building was a medical office building.

**Commissioner Jensen** asked what the size of the daycare was that was located within the school.

**Mr. Enright** responded that he believed it was around 100 students, similar in size to the proposed daycare.

**Ms. Marlas** stated that the Kensington School daycare would have space for 150 children.

**Commissioner Jensen** said he would like to see a market study that outlined how the market would support the proposed use at the proposed location.

**Ms. Marlas** stated that the demographics of the Arlington Heights community matched the demographics of their clientele. She said that the community was well educated, which usually meant that they were they type of people that would want childcare options. She said that the community would recognize that Kensington School provides superior child care establishment when compared to their competitors.

**Commissioner Jensen** asked if the Kensington School did something that differentiated it from its competition.

**Ms. Marlas** responded that she strongly believed that the services provided at Kensington School were exceptional and that communities recognized this as a distinctive characteristic.

**Mr. Marlas** added that because the Kensington School has nine other locations within the Chicagoland area, they are very familiar with the local markets and understand what works. He compared this to a national daycare center, which may require a market study because they may not have the local experience that Kensington School does. He mentioned that the nearby daycare (A Mothers Touch) likely catered to a different client base because it was on a smaller scale.

**Commissioner Jensen** asked what the cost would be per year for a child enrolled full time.

**Ms. Marlas** responded that infants were around \$375-\$400 per week, and non-infants were around \$250-\$275 per week. She believed that these rates were competitive and affordable to most people.

**Commissioner Jensen** asked if they believed that the owners of the townhomes and single-family homes being constructed next door would send their children to the daycare.

**Mr. Marlas** replied that he hoped they would.

**Commissioner Jensen** asked if the daycare use was allowed within the zoning district where the subject property was located.

**Mr. Enright** responded that yes it was, via a special use permit.

**Commissioner Jensen** clarified if staff's concern with the use was then relative to the underlying PUD, and asked if the formed amendments to the PUD dealt with the retail portions or the residential portions.

**Mr. Enright** responded that the previous amendments all related to the residential portions of the PUD.

**Commissioner Jensen** stated that the present proposal did not conform to the original intent of the PUD for this site, but that he was somewhat moved by the presentation from Mr. Hyman that the site was more of a "secondary" retail location.

**Mr. Hyman** reiterated that he believed the site was a "secondary" location but still a great location for the proposed daycare.

**Commissioner Jensen** questioned how long should the Village wait for the perfect fit for the site before they realize that their vision was not obtainable? He wondered what the petitioner could do to prove that this was a suitable use for the subject property? He stated that he understands the decline in brick and mortar locations as he has only shopped online around the holidays for the last five years. He stated that it looked like the property would remain vacant for quite some time should the petitioners not move forward with their proposal, which would mean less property taxes for the Village. He asked how strongly did staff feel that a multi-tenant use was more appropriate and viable at this location.

**Mr. Enright** responded that he felt pretty strongly that the site was viable for commercial, and that staff had only reached out to one broker for their opinion of the retail viability of the site, and if this project were to move forward, that staff would reach out to additional brokers to get a well-rounded view as to the marketability of this site as multi-tenant retail.

**Mr. Hyman** stated that he's been marketing that site for 4.5 years and that if there was any other interest, he would have closed the deal if possible.

**Mr. Enright** stated that staff would also ask other brokers what their opinion was on how long the site could sit before a viable retail development would occur.

**Commissioner Sigalos** asked where the locations in Elmhurst and Wheaton were located.

**Mr. Marlas** responded that they were in Elmhurst on Spring Road, just south of St. Charles road, across the street from the football stadium.

Discussion ensued regarding the Elmhurst and Wheaton locations.

**Commissioner Sigalos** asked if the use was classified as a daycare or an early learning center (preschool).

**Mr. Enright** said that a preschool classification would require a land use Variation, and that per DCFS the facility was classified as a daycare.

**Mr. Marlas** explained that pre-schools usually meant that they were only half day, and the Kensington School was a full day facility.

**Mr. Enright** stated that this classification was analyzed by staff and the Legal Dept., and that staff does not believe this to be an issue as far as whether the use is classified as a daycare and requires a Special Use Permit, or whether it is classified as a preschool and requires a Land Use Variation. He confirmed that this is classified as a daycare from a zoning standpoint.

**Commissioner Sigalos** asked what their radius was for market capture.

**Mr. Marlas** said he expected the Arlington Heights location to draw clientele from a three mile radius.

**Commissioner Sigalos** asked if the existing daycare in this vicinity would make it difficult for the Kensington School to develop a client base.

**Ms. Marlas** said that each daycare has its own personality and that she was confident that the Kensington School would find a strong customer base within this location.

**Mr. Marlas** mentioned that the Kensington School has never closed a location and that he was confident that this school would thrive at this location for decades to come.

**Commissioner Cherwin** asked what the distance would be between the homes to the north and the subject property.

**Mr. Enright** responded that the southernmost home would be approx. 25' from the property line of the Kensington School, and that the actual school building would be about another 50' south from that point.

Discussion ensued regarding a previous day care proposal (Bright Horizons).

**Mr. Marlas** stated that both Elmhurst and Wheaton locations were directly abutting to residential properties.

**Commissioner Cherwin** stated that he was confident that the Kensington School understood the market and that this was not a concern to him. He said that he valued the opinion of Mr. Hyman, who he believed had put considerable effort towards marketing the site as retail. He said that he believed that the proposed use was compatible with the neighborhood and that if all other zoning issues were satisfied, then he would likely support the project.

**Commissioner Green** said that he wasn't concerned with impact to neighboring residential homes as those lots were extremely narrow and likely the homeowners would be accustomed to nearby uses. He stated that he would be very interested to see what staff comes back with regarding the viability of this site as retail, but that from what he has heard this evening, he thinks that the proposed use would be an excellent addition to Arlington Heights. He said that he thinks the proposed building is attractive and would be a better looking building than a retail building.

**Commissioner Jensen** reiterated that he thought a market study would be important, and that the market study needed to go beyond just a statement that the petitioner had a good feeling of the market and that they believe the use would succeed. He said that it would be very helpful if staff could provide reasonable assurance as to whether the site could see development in the next several months, or may site vacant for the next ten years. He stated that his personal belief was that the Village pushed for lots of retail, but that some retail centers are over 1/3 vacant. He stated that he concurred that the site probably wasn't a great retail location and that he was generally supportive of the proposed use.

**Commissioner Sigalos** said that the issue of the previous PUD approval and plaza area was not yet resolved, and the issue of shared parking had not been resolved either.

**Mr. Marlas** stated that he was originally against shared parking as they like to have full control of their parking facilities, especially because they have little children on their site. However, after a conversation with Mr. Enright, he said that he understood the neighboring shopping center may have a need for overflow parking on their site and that he could be comfortable with the shared parking if required.

**Mr. Enright** stated that, should the project move forward, he would like to see some site plan modification to address some of the issues as discussed in the staff report.

**RECOMMENDATION**

The Plat & Subdivision Committee was generally supportive of the proposal and was open to reviewing a formal application.

**Bruce Green, Chair  
PLAT & SUBDIVISION COMMITTEE  
Sam Hubbard, Recorder**