

**STAFF DEVELOPMENT COMMITTEE REPORT**

**To:** Plan Commission  
**Prepared By:** Sam Hubbard, Development Planner  
**Meeting Date:** August 24, 2016  
**Date Prepared:** August 19, 2016  
**Project Title:** Arlington Ale House  
**Address:** 111 W. Campbell St. – Unit 301

**BACKGROUND INFORMATION**

**Petitioner:** Kevin McCaskey  
**Address:** 106 N. Kaspar Ave.  
 Arlington Heights, IL 60005

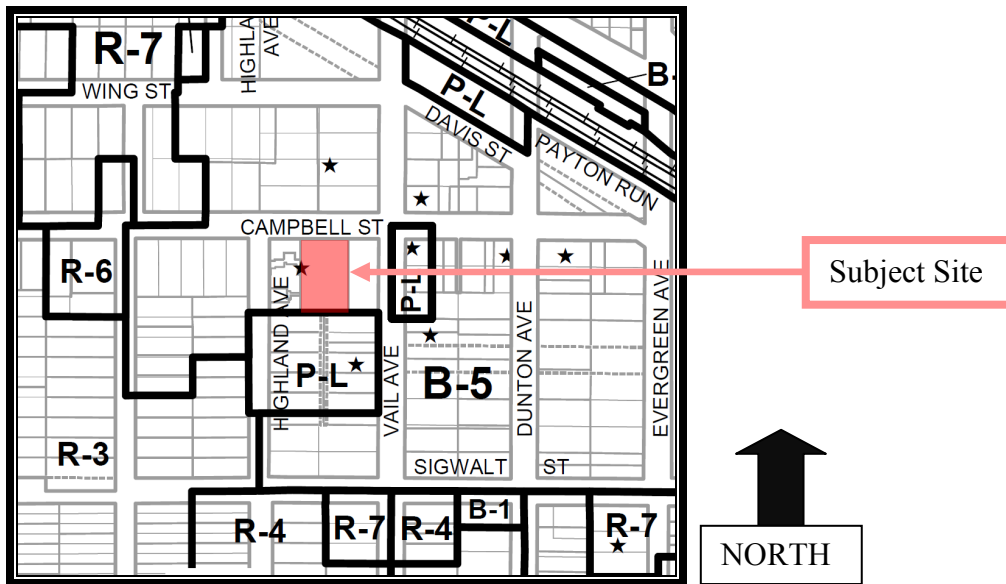
**Existing Zoning:** B-5, Downtown District

**Requested Action:**

- Special Use Permit to allow a restaurant within the B-5 District.

**Variations Identified:**

- Land Use Variation to allow a restaurant with no on premise kitchen facility.
- Land Use Variation to allow a “Restaurant, Amusement Device Arcade” of up to 20 amusement devices within the B-5 District.
- Variation to waive the requirements in Section 6.12-1 to eliminate the requirement for a traffic and parking study prepared by a qualified professional engineer.



**Surrounding Properties:**

Direction	Zoning	Existing Use	Comprehensive Plan
North	B-5, Downtown District	Mixed Use multi-story commercial/residential building	Mixed Use
South	P-L, Public Land District	Vail St. Parking Garage	Government
East	B-5, Downtown District	Multi-tenant commercial building	Mixed Use

<b>West</b>	B-5, Downtown District	Mixed Use multi-story commercial/residential building (Metropolis Place)	Mixed Use
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**Background:**

The subject property is part of the Metropolis PUD, which was approved in 1998 to authorize the redevelopment of the northern portion of the block bounded by Campbell Street to the north, Vail Avenue to the east, Highland Avenue to the west, and Sigwalt Street to the south. The Metropolis PUD contains the 7-story Lofts at Metropolis Place condominium building on the west side and the two-story restaurant and banquet building on the east side. The center of the PUD contains the 4 story Metropolis building, which has restaurant space on the ground floor, as well as the Metropolis Theater which occupies space on both the ground floor and second floor. The 3<sup>rd</sup> floor of the Metropolis building contains the subject property and the fourth floor contains office space.

The subject unit is located on the 3<sup>rd</sup> floor and contains approximately 10,000 square feet of floor area as well as an exterior patio that opens out and extends onto the roof of the 2<sup>nd</sup> floor. Originally, the space was used by Labatt Brewing Company as an office/training facility for bartenders and brew personnel. The space provides a unique interior, which is built out with three separate bar areas each having their own theme (English pub, classic American, and Spanish cantina) and also includes a 126 seat auditorium space. There are two interior fire escape stairways but primary access to the site comes from a double set of elevators in the lobby of the Metropolis building. Since all restaurants are required to have a special use permit, the proposed ale house must be approved for a special use permit. Additionally, since the space does not have a full kitchen, a land use variation must be approved to allow a restaurant without a full kitchen. It should be noted that on July 18<sup>th</sup>, 2016, the Village created a new classification of liquor license that is available to restaurants located on the 2<sup>nd</sup> floor or above and within the B-5 zoning district and that have food available for purchase, either from food prepared on site or from food prepared elsewhere and delivered to the premises.

The petitioner plans to serve food prepared by local restaurants and would offer a limited selection of items provided by these partnering restaurants. Food would be ordered through staff at the Arlington Ale House and delivered by the restaurant that prepares the food. All food would be delivered in disposable containers as there would be no full kitchen on site. The proposed hours of operation are 3:00pm – 1:00am Mondays through Thursdays, 3:00pm – 2:00am on Fridays, 11:00am – 2:00am on Saturdays, and 10:00am - 1:00am on Sundays.

A variety of entertainment options would be included within the Arlington Ale House, such as three ping pong tables, two baggo courts, and four pool tables. These elements are considered “amusement devices” and the petitioner has indicated that he may have a future need for up to 20 amusement devices. Restaurants with 10 or more amusement devices are classified as “Restaurant, Amusement Device Arcades”. This classification of use is neither a permitted nor special use within the B-5 District, and therefore a Land Use Variation is required.

As indicated above, the subject unit contains a 126 seat theater area, which the petitioner would use for a variety of functions, including live music, seminars, corporate events, lectures, wine tastings, and fantasy football. The unit has an existing 1,272 square foot exterior patio, and the petitioner has proposed an expansion to this patio, along with a future bridge connection to the neighboring Vail Avenue public parking garage. Although the subject property does not provide any off-street parking spaces, the original PUD from 1999 granted a variation to allow no on-site parking for the PUD properties. Parking may be provided within the neighboring Vail Avenue garage, and staff is has surveyed the garage to determine its capacity to accommodate parking for the proposed use. Further details on this will be provided within the Traffic & Parking section of this report.

Finally, it should be noted that staff has concerns about the potential over-occupancy of the proposed space given the existing means of egress from the 3<sup>rd</sup> floor unit in emergency situations. Additional details on this will be provided within the Occupancy Issues section of this report.

**Plat and Subdivision Committee Meeting Summary**

A public meeting of the Plat and Subdivision Committee was held on July 27, 2016. The Subcommittee was supportive of the petitioner’s efforts and they were excited about the concept, which they believed was unique and different to the Village and surrounding communities. The Plat and Subdivision Committee did not convey concern with parking, however, they did mention that

the petitioner would be required to address the effect of the outdoor patio on the surrounding property owners during the public hearing with the Plan Commission. Additionally, both staff and the Plat and Subdivision Committee recommended that the petitioner hold an informational meeting with the owners of the residential condo building (Metropolis Place) to the west of the subject property prior to appearing before the Plan Commission in order to introduce the project to the surrounding residents. The petitioner has scheduled this meeting for Monday, August 22<sup>nd</sup> and will provide a summary of the meeting to staff prior to the Plan Commission hearing.

The Plat and Subdivision Committee encouraged the petitioner to continue forward with the approval process.

### **Zoning and Comprehensive Plan**

As indicated above, the property is within the B-5, Downtown District, and all restaurants are classified as a special uses within the B-5 District. Therefore, a Special Use Permit is required. The petitioner is required to demonstrate conformance to the following criteria necessary for Special Use Permit approval:

- 1. That said special use is deemed necessary for the public convenience at this location.***
- 2. That such case will not, under the circumstances of the particular case, be detrimental to the health, safety, morals or general welfare of persons residing or working in the vicinity.***
- 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.***

The petitioner has provided a response to these criteria (attached). Staff notes that the petitioner will comply with all liquor license provisions, and will offer a unique dining and entertainment experience that is not currently found within Downtown Arlington Heights. As such, staff concurs with the petitioner that the necessary criteria for Special Use Permit approval has been met.

Since there will be no on-site kitchen, a Land Use Variation to allow a restaurant without a full kitchen is required. Additionally, a Land Use Variation to allow a "Restaurant, Amusement Device Arcade" is required, and petitioner must demonstrate conformance to the Land Use Variation criteria as summarized below:

- 1. The property in question cannot yield a reasonable return if permitted to be used only under the conditions allowed by the regulations in that zone.***
- 2. The plight of the owner is due to unique circumstances.***
- 3. The variation, if granted, will not alter the essential character of the locality.***

The petitioner has provided a response to these criteria (attached). Staff notes that the subject property has been vacant for close to a decade and has been unable to attract a tenant. Furthermore, staff agrees that the installation of a full kitchen is a financial burden and logistically difficult to install. As such, requiring a full kitchen would jeopardize the ability of the subject property to yield a reasonable return. Given the 3<sup>rd</sup> floor location, which is atypical for suburban restaurants, staff believes a unique circumstance exists in this instance. Staff concurs with the petitioner that the necessary criteria for both Land Use Variations has been met.

The Village's Comprehensive Plan designates the future use of the subject property as "Mixed Use". The proposed use is part of the Metropolis mixed use development and therefore consistent with the Comprehensive Plan.

### **Exterior Rooftop Patio**

As indicated above, the petitioner is proposing to expand the existing outdoor patio from 1,272 square feet to 4,749 square feet, as well as provide a future bridge connection from the patio area to the 4<sup>th</sup> floor of the Vail Avenue garage. A picture of the existing outdoor patio is contained in Exhibit I. The outdoor patio area has room for two baggo courts and three ping-pong tables, and would also contain lounge chairs and exterior patio chairs and tables with approximately 124 seats. A screen would enclose the patio area, and a "green roof" would be added to the remaining areas of the roof that are not covered by the patio. The petitioner has indicated that exterior speakers would be added to the outdoor patio area but would be designed as a "directional sound system" so as to contain most of the sound to the patio area.

The exterior patio must comply with hours of operation for outdoor dining, which prohibits usage of the patio after 11:00pm on any day of the week. Additionally, the petitioner will be required to obtain a one-time “Outdoor Eating Café” permit. As part of this process, staff will have the ability to review all elements of the patio, such as the patio furniture, exterior speakers, lighting, screening elements, etc. It should be noted that the remaining areas of the rooftop outside of the existing patio are a common element and the existing patio is a limited common element. Therefore, approval to expand the patio area and to install the “green roof” will require approval from the condo board of the commercial building. As the Village is the owner of the Metropolis Theater unit, the Village is a member of the commercial building condo board.

Furthermore, although the petitioner has provided a report from a structural engineer that indicates the rooftop can accommodate an additional 145 pounds per square foot of “dead weight”, it is unclear as to whether the proposed patio expansion elements can conform to this requirement. Any expansion of the patio and any addition of a “green roof” will require review by a structural engineer to ensure that these elements will not compromise the structural integrity of the roof. Therefore, it is not known at this time whether the roof can accommodate the additional elements as proposed by the petitioner. The Village’s structural engineering consultant will review any proposed expansion to the rooftop area during the permitting process.

Finally, as the outdoor patio is located directly above the Metropolis Theater, the petitioner will be required to demonstrate, through an acoustical analysis prepared by a sound engineer, that use of the patio area will have no detrimental noise impact on the theater below.

**Traffic & Parking**

The petitioner has requested a variation from Section 6.12-1 to waive the requirement for a traffic and parking study prepared by a qualified professional engineer and has submitted written justification to the following criteria (attached):

1. ***The property in question cannot yield a reasonable return if permitted to be used only under the conditions allowed by the regulations in that zone.***
2. ***The plight of the owner is due to unique circumstances.***
3. ***The variation, if granted, will not alter the essential character of the locality.***

Staff is supportive of the requested Variation and concurs that the necessary criteria for approval have been met. Staff does not believe that the proposed use will have a negative impact on traffic within the surrounding area.

Although a parking Variation was granted when the original Metropolis PUD was established, staff has analyzed the capacity of the Vail Avenue garage to handle the additional parking demand that would be generated by the proposed use. Table 1 indicates the code required parking based on the use of the subject property:

**Table 1 – Code required parking**

SPACE	CODE USE	SEATING AREA (SQ FT)	NUMBER OF SEATS	PARKING RATIO (1:X)	PARKING REQUIRED
Auditorium	Theater	1,665	126	(1 per 4 seats)/2	16
Interior Seating Area	B-5 Restaurant	4,103	N/A	250	16
Exterior Patio Area	Exempt from Parking Requirements	N/A	N/A	N/A	0
<b>Total Required</b>					<b>32</b>
<i>Total Provided</i>					<i>32*</i>
Surplus / (Deficit)					0

\* No on-site parking is provided within this development. However, Section 11.3-3 of Chapter 28 allows all uses within the B-5 Zoning District to provide parking within 1,000 feet of the use served. The Vail Avenue public parking garage can provide the 32 required parking spaces for the proposed use.

Additionally, in 2002, the Village worked with Rich and Associates to prepare an analysis for the expected parking demand of uses within Downtown Arlington Heights. This analysis was based on surveys of local businesses, employees, and visitors to the downtown area, as well as models that the consultant had developed over multiples years of experience. Based on the Rich and Associates data, the projected parking demand for the proposed Arlington Ale House is as shown below in Table 2:

**Table 2 – Parking Demand per Rich and Associates Study**

SPACE	SEATING AREA (SQ FT)	NUMBER OF SEATS	WEEKDAY PARKING RATIO (1:X)	PARKING REQUIRED	WEEKEND PARKING RATIO (1:X)	PARKING REQUIRED
Auditorium	1,665	126	.45 spaces per seat	57	.45 spaces per seat	57
Interior Seating Area	4,103	N/A	9.48 spaces per 1,000 sq. ft.	39	11 spaces per 1,000 sq. ft.	45
Exterior Patio Area	4,413	N/A	9.48 spaces per 1,000 sq. ft.	42	11 spaces per 1,000 sq. ft.	49
Total Required (Weekday)				138		
Total Required (Weekend)				151		

Furthermore, in past instances the Village has utilized parking data prepared by HNTB (a nationally recognized engineering consultant) to forecast parking demands for downtown uses. Using the HNTB data, the projected parking demands is as shown below:

**Table 3 – Parking Demand per HNTB data:**

SPACE	SEATING AREA (SQ FT)	NUMBER OF SEATS	PARKING RATIO (1:X)	PARKING REQUIRED
Auditorium	1,665	126	1 space per 3.5 seats	36
Interior Seating Area	4,103	N/A	1 space per 100 sq. ft.	41
Exterior Patio Area	4,413	N/A	1 space per 100 sq. ft.	44
<b>Total Required</b>				121

Exhibit II illustrates the amount of available spaces within the Vail Avenue parking garage at various times of the day as per a survey conducted by the Village in July of 2016. Based on Tables 2 and 3, the likely the parking demand created by the Arlington Ale House will be somewhere between 121 cars and 151 cars. The parking survey illustrates that at no point during the Friday and Saturday evening dinner and late evening hours were there less than 128 available spaces on the 4<sup>th</sup> floor of the parking garage and 179 spaces available on the 5<sup>th</sup> floor parking garage. Based on this data, it is clear that the garage has capacity to accommodate the parking needs of the Arlington Ale House, as well as capacity to handle future uses within the downtown area. It should be noted that additional parking is also available on the street and in other parking facilities located within the downtown area.

**Occupancy Issues**

In review of the application, staff has determined that the maximum occupancy of the space will be limited to 313 persons, which is governed by the ability of occupants to safely exit the facility in case of an emergency. Based on this restriction, the petitioner has provided two practical scenarios for occupancy of the space as dictated by the functions of the business (see the petitioner response to round 1 review comments attached). In the first instance, the petitioner has outlined a scenario where 313 occupants could reasonably be expected within the restaurant and exterior patio. In the second instance, the petitioner has outlined a scenario

where 141 occupants could be expected to utilize the theater/auditorium area. Therefore, if use of both spaces occurs simultaneously, there is potential to exceed the maximum allowable occupancy of 313 individuals for the space.

Furthermore, although the building code provides a maximum occupant load for the space as based on the ability to provide safe egress for 313 individuals in emergency situations, the space as designed could exceed this limit. It is unclear as to the exact number of individuals that could fit within the space, which number could exceed the 313 occupant limit per egress requirements. The petitioner is working with his architect to clarify this figure. The size of the space will allow more occupants than as allowed per egress restrictions. The potential exists for the space to exceed the 313 occupant restriction and mechanisms to control and enforce this limit need to be established.

Options may exist that would address the occupancy concerns, such as the aforementioned bridge connection to the Vail Avenue parking garage, which could potentially provide another means of safe egress from the space. However, it is unknown as to the feasibility of this bridge connection, or whether it could even qualify as a means of safety egress. These details must be determined prior to appearance before the Village Board. If safe occupancy of the space cannot be provided given the plans as proposed, restrictions to and/or use of certain spaces may be required.

### **RECOMMENDATION**

The Staff Development Committee has reviewed the proposed request for a Special Use Permit to allow a restaurant, a Land Use Variation to allow a restaurant with no full kitchen, a Land Use Variation to allow a "Restaurant, Amusement Device Arcade" with up to 20 amusement devices within the B-5 District, and a Variation to waive the requirements in Section 6.12-1 to eliminate the requirement for a traffic and parking study prepared by a qualified professional engineer, and recommends approval of this application subject to the following conditions:

1. Prior to consideration by the Village Board for final approval of this application, the petitioner must provide a capacity analysis of the maximum number of individuals permitted to occupy the space based on all building code regulations. Upon receipt and review of this information, additional restrictions and limitations may be imposed on the use of the space, which may result in modifications to the floor plan.
2. The petitioner shall provide food service from Arlington Heights restaurants and /or catering establishments for customers within the restaurant in accordance with liquor license requirements.
3. Maximum occupancy of the space shall not exceed 313 persons and must be in accordance with all building code requirements, which maximum occupancy may be increased in the future in accordance with all building code requirements.
4. The outdoor dining patio shall be subject to the following:
  - a. Prior to issuance of a building permit to allow the expanded patio and associated improvements, the petitioner shall obtain Metropolis Condo Board approval and shall be subject to any conditions required by the condo association.
  - b. Prior to the issuance of a building permit for said expansion and associated improvements, construction details and material specifications shall be provided for review. The petitioner shall provide a review and certification from an acoustical consultant/engineer stating that the expanded patio design will not create noise that may impact the Metropolis Theater operation. Upon completion and use of the patio area, should any negative noise impact be experienced by the Metropolis Theater, the applicant will be required to add additional noise suppression materials to eliminate the noise impact to the theater.
  - c. Compliance with Outdoor Eating Café code requirements. As part of the Outdoor Eating Café Permit process and building permit process, the applicant must provide complete details on all screening and railing around the patio, all furniture and equipment on the patio, all lighting elements on the patio, and any sound/speaker elements on the patio, all for review and approval by the Village.
  - d. The petitioner must provide documentation from a licensed structural engineer certifying that an expansion of the patio, including all proposed improvements to the rooftop area, will not threaten the structural integrity of the

roof. Upon receipt and review of this documentation, the Village has the sole right to approve or deny any proposed expansion to the rooftop patio and/or any associated improvements to the roof.

5. The proposed bridge connection between the Metropolis building and Vail Avenue garage shall be subject to the following:
  - a. Documentation from a licensed structural engineer indicating the structural ability of the Vail Avenue garage to accommodate said bridge connection (all costs to be incurred by the Petitioner).
  - b. An analysis of the impact of said bridge connection to the parking within the garage.
  - c. Acceptance of a maintenance and liability agreement for said bridge connection.
  - d. Upon receipt and analysis of the info outlined in items 4a through 4c above, the Village reserves the right as the owner of the garage to approve or deny said bridge connection at its sole discretion.
6. The exterior patio area shall not be detrimental to the health, safety, morals or general welfare of person residing or working within the vicinity. As such, the Village, at its sole discretion, reserves the right to impose additional restrictions on the exterior patio or revoke the portion of this special use permit that authorizes use of the exterior patio.
7. The petitioner is required to hold a neighborhood meeting with the residents of the Metropolis Place condo building. Prior to the Plan Commission hearing, the petitioner must provide a summary of this meeting to Village staff, which summary shall outline any concerns raised during the neighborhood meeting. Based on this summary, the Village may add additional conditions of approval prior to appearance before the Village Board for final approval.
8. The petitioner shall obtain the appropriate number of parking permits for employees to park in the Municipal Garage subject to availability.
9. The petitioner shall comply with all applicable Federal, State, and Village Codes, Regulations, and Policies.

August 22, 2016

Bill Enright, Deputy Director of Planning and Community Development

Cc: Randy Recklaus, Village Manager  
All Department Heads

EXHIBIT I – EXISTING OUTDOOR PATIO





EXHIBIT II – SURVEY OF VAIL STREET PARKING GARAGE

PARKING SPACE SURVEY - AVAILABLE OPEN SPACES														
VAIL GARAGE - "D"														
Date	Day of Week	Time	Level 1			Level 2				Level 3		Level 4		Level 5
			Garage 4-hour	Highland 4-hour	Handicap	Permit	Handicap	Dunton Tower Permit	Dunton Tower Handicap	Permit	Handicap	Permit	Handicap	Daily Fee
<b>TOTAL NUMBER OF SPACES =</b>			<b>181</b>	<b>24</b>	<b>12</b>	<b>149</b>	<b>8</b>	<b>38</b>	<b>4</b>	<b>243</b>	<b>2</b>	<b>241</b>	<b>1</b>	<b>252</b>
07/14/16	Thurs	Noon	107	2	11	5	2	2	4	38	2	175	1	68
		2:00 PM	99	4	9	2	3	3	4	47	2	144	1	67
		6:00 PM	43	0	9	13	3	0	2	76	2	170	1	122
		8:00 PM	4	0	1	15	2	0	2	100	2	115	1	166
07/15/16	Fri	2:00 AM	165	24	11	8	3	1	2	147	2	188	1	249
07/15/16	Fri	Noon	78	1	12	11	6	2	4	73	2	181	1	124
		2:00 PM	101	3	10	13	1	2	4	78	2	155	1	125
		6:00 PM	15	6	8	35	0	1	4	92	2	177	1	179
		8:00 PM	0	0	7	12	4	0	4	116	2	128	1	180
07/16/16	Sat	2:00 AM	168	24	12	1	4	0	4	161	2	199	1	250
07/16/16	Sat	Noon	66	4	8	39	4	5	4	150	2	206	1	223
		2:00 PM	63	0	10	40	4	1	4	148	2	207	1	224
		6:00 PM	4	0	10	42	6	0	4	135	2	203	1	217
		8:00 PM	5	0	7	32	4	0	2	127	2	150	0	191
07/17/16	Sun	2:00 AM	178	23	12	2	3	0	2	153	2	178	1	245
									Total 4-Hour Only Parking (Level 1 & Highland Avenue)					217
									Total Permit Parking Only - All Hours (Levels 2 & 3)					444
									Total Permit Parking/Free After 12 Noon Parking (Level 4)					242
									Total Daily Fee Parking (Level 5)					252
									Total Overall Spaces					1,155