

VILLAGE OF ORLAND PARK

14700 Ravinia Avenue
Orland Park, IL 60462
www.orlandpark.org



Meeting Minutes

Monday, July 15, 2019

6:00 PM

Village Hall

Development Services, Planning and Engineering Committee

*Chairman William R. Healy
Trustees Daniel T. Calandriello and Michael R. Milani
Village Clerk John C. Mehalek*

CALL TO ORDER/ROLL CALL

The meeting was called to order at 6:29 P.M.

Present: 3 - Chairman Healy; Trustee Calandriello and Trustee Milani

APPROVAL OF MINUTES

2019-0479 Approval of the June 17, 2019 Development Services, Planning and Engineering Committee Minutes

I move to approve the Minutes of the Regular Meeting of the Development Services, Planning and Engineering Committee of June 17, 2019.

A motion was made by Trustee Calandriello, seconded by Trustee Milani, that this matter be APPROVED. The motion carried by the following vote:

Aye: 3 - Chairman Healy, Trustee Calandriello, and Trustee Milani

Nay: 0

ITEMS FOR SEPARATE ACTION

2019-0530 66 Orland Square Drive - Class 7c Renewal Resolution

Assistant Director of Development Services Mike Coleman reported that the applicant, Steven J. Field, representing Field and Goldberg, LLC, is petitioning on the behalf of his clients, GW Property Group, LLC - Series 8 and BlitzLake Orland Park, LLC, for a renewal of a Class 7c tax incentive from Cook County pursuant to the abandonment of the subject property at 66 Orland Square Drive and the fulfillment of all other criteria associated with the Class 7c Ordinance. The Cook County Board of Commissioners adopted the Class 7c Commercial Urban Relief Eligibility incentive in 2014, aiming to encourage real estate development in the region. The incentive is intended to encourage commercial projects which would not be economically feasible without assistance. Unlike the more familiar Class 6b and Class 8 incentives, the 7c incentive allows all commercial properties to apply instead of restricting the incentive to only those properties which currently have or are marketed towards industrial uses.

The five year incentive applies to all newly constructed buildings or other structures, including the land upon which they are situated; the utilization of vacant structures abandoned for at least 12 months, including the land upon which they are situated; or all buildings and other structures which are substantially rehabilitated to the extent such rehabilitation has added to their value, including qualified land related to the rehabilitation.

Projects which qualify for the Class 7c incentive will receive a reduced

assessment level of 10% of the fair market value for the first three years, 15% for the fourth year and 20% for the fifth year. Without the incentive, the commercial property would normally be assessed at 25% of its market value.

The Class 7c incentive may be renewed during the last year in which a property is entitled to a 10% assessment level or when the incentive is still applied at the 15% or 20% assessment level. A renewal application must be filed, along with a certified copy of a resolution or ordinance adopted by the municipality in which the real estate is located. The number of renewal period requests is limited to one.

The subject property consists of a one-story, steel frame structure with masonry walls containing approximately 161,327 square feet of leasable area.

The Village Board of Trustees previously voted to support the Class 7c incentive for the subject property. On March 16, 2015, the Board of Trustees passed Resolution Number 1507, "A Resolution Determining the Necessity of and Benefit from Commercial Uses and Supporting Granting of Class 7c Status Pursuant to the Cook County Real Property Classification Ordinance for Certain Real Estate located at 66 Orland Square Drive 27-10-400-018, Orland Township in Orland Park, Illinois." The Class 7c Incentive was subsequently approved by Cook County later in 2015.

The Class 7c incentive was intended to help the property owners transform the vacant spaces into new retail spaces. Prior to the approval of the Class 7c incentive in 2015, the building was occupied by Carson's Furniture Gallery within a tenant space measuring approximately 70,383 square feet in size, representing about 43% of the building on the subject property. The remaining 90,944 square feet, representing approximately 56% of the building, had been vacant for approximately 13 years.

The applicant previously demonstrated that the subject property meets the following incentive evaluation criteria. At the time of applying for the Class 7c incentive, the vacant spaces were totally vacant for nearly 13 years; the space was physically divisible from the remainder of the property; the property had declining assessments in three of the last six years; and an analysis of the impact of the incentives indicated an overall increase in relevant taxes and a significant positive impact on the local community and Cook County. The staff report presented at the March 16, 2015 Board of Trustees meeting detailing the Class 7c incentive for the subject property and the associated resolution is attached to the committee packet for review.

The incentive was applied to the vacant spaces in the building, which accounts for approximately 52% of the improvement and to 52% of the land's improvement assessment. At the request of the Cook County Assessor's Office, the property was divided into two separate PINs to allow for the incentive to be applied to the

eligible portion of the subject property. The north portion of the property, PIN 27-10-400-044-0000, receives the incentive and the south portion of the property, PIN 27-10-400-043-0000, does not receive the incentive.

The Class 7c incentive was first activated in 2017. The property is in its third year of utilizing the incentive. The applicant is currently requesting a renewal of the Class 7c incentive for an additional 5 years.

Since the Class 7c was granted, the subject parcel (PIN 27-10-400-044-0000) receiving the incentive has been converted into three separate tenant spaces. Collectively, these tenant spaces occupy 83,944 square feet of the 161,327 square foot building, or about 52% of the overall building. Charter Fitness occupies approximately 18,298 square feet, representing about 11.3% of the entire building area. Gizmos Fun Factory (Orland Park FEC, LLC) occupies approximately 37,000 square feet, representing about 22.9% of the entire building area. Gizmos Fun Factory occupies approximately 37,000 square feet, representing about 22.9% of the entire building area. Sky Zone Trampoline Park occupies approximately 28,646 square feet, representing 17.7% of the entire building area.

The parcel (PIN 27-10-400-043-0000) that does not receive the incentive includes two tenant spaces that collectively measure 77,383 square feet in size, or about 47.9% of the overall building area. One of these tenant spaces measures 7,000 square feet and the other, formerly occupied by Carson's Furniture Gallery, measures 70,383 square feet in size.

The applicant has provided a summary of the tax impact for the parcel (PIN 27-10-400-044-0000) during 2017 and 2018 with and without the incentive. In 2017, the subject parcel was billed \$126,506 in taxes, whereas without the incentive the taxes would have been \$316,265. In 2018, the parcel was billed \$129,431 in taxes, whereas without the incentive the taxes would have been \$323,578.

The reduced tax burden has allowed the property owner to stabilize and lease the tenant spaces in the building, which were previously vacant for 13 years. Without the incentive, the applicant has indicated that the development project would not have been economically viable and sustaining the success of the project would be challenging. Should the renewal of the incentive be granted, the applicant intends to maintain the leases for the existing tenants and avoid vacancy in the future. The applicant estimates that the current tenants employ approximately 58 full time and part time employees. The tax obligations would increase by 150% without the renewal of the incentive, which would negatively impact the existing tenants.

Chairman Healy, Trustee Calandriello and Trustee Milani had questions and comments regarding this matter. (refer to audio file)

Assistant Director Coleman responded to their questions and comments. (refer to audio file)

I move to recommend to the Village Board of Trustees approval of a resolution supporting and consenting to a renewal of the Cook County Class 7c Real Estate Tax Assessment Classification for the property located at 66 Orland Square Drive (P.I.N.: 27-10-400-044-0000) in the Village of Orland Park, Illinois.

A motion was made by Trustee Milani, seconded by Trustee Calandriello, that this matter be RECOMMENDED FOR APPROVAL to the Board of Trustees. The motion carried by the following vote:

Aye: 3 - Chairman Healy, Trustee Calandriello, and Trustee Milani

Nay: 0

2019-0511 Village Center Landscape Master Plan - Tree Preservation and Green Infrastructure Account

Assistant Director of Development Services Mike Coleman reported on February 4, 2019, the Village Board of Trustees approved funding for the Village to work with Hey and Associates to create a master landscape plan for the Village Center campus (see 2019-0007). To date, a landscape plan of any kind has never been created for Village Center, despite the campus being nationally recognized by the American Institute of Architects (AIA) with an AIA Certificate of Merit for Good Design. The result has been an inconsistent landscape aesthetic and higher than normal maintenance demands throughout the grounds.

Subsequently, on February 29, 2019, the Village Board of Trustees approved a conceptual master landscape plan for the Village Center (see 2018-0811) in conjunction with parking lot and entry plaza improvements. The conceptual master landscape plan was developed by the Development Service Department in conjunction with the Village Manager's Office and Parks Departments to help guide a Village Center Master Landscape Plan.

The Village Manager's Office, Development Services Department and Parks and Grounds Department then worked with the Village's landscape consultant Hey and Associates between March and June, 2019 to create a master landscape plan for the Village Center campus. The result of those efforts is attached to the committee packet for review and consideration by the Development Services, Planning and Engineering Committee and Village Board.

PROJECT DESCRIPTION and OBJECTIVE

The objective of the proposed Village Center Landscape Master Plan is to extend the architectural principles used to develop the Village Center buildings in to the surrounding campus, as well as incorporate goals of the Comprehensive Plan and Land Development Code, through the use of green infrastructure and sustainable

landscape design. The proposed master plan, a rendering and an opinion of probable cost is attached to the committee packet for review. In sum, the proposed plan focuses on:

- Green Infrastructure and Sustainable Landscape Design
- Low Maintenance / Native Plantings
- Stormwater Management Features
- Preservation of Quality Trees
- Enhanced Public Space
- Improved Outdoor Seating Areas
- Reuse of Existing Materials
- Overall Improved Aesthetics

The plan is broken into four (4) phases, as detailed below:

Phase 1 - Village Hall Foundation Landscaping
Cost Estimate - \$89,000
Scope of Work - Plants / Trees / Outcropping / Seating Area / Mulch / Soil / Installation

Phase 2 - Veteran's Plaza Permeable Walkway, Seatwall and Site Amenities
Cost Estimate - \$140,000
Scope of Work - Paver Walkway / Seatwall / Site Amenities

Phase 3 - Civic Center Foundation Landscaping and Parking Islands
Cost Estimate - \$70,000
Scope of Work - Plants / Trees / Outcropping / Mulch / Soil / Installation

Phase 4 - Demonstration Lawn and Parking Islands
Cost Estimate - \$85,000
Scope of Work - Plants / Trees / Mulch / Soil / Installation

Total Project Estimate = \$384,762.23

TIMELINE

If Board approves the use of Tree Preservation and Green Infrastructure Account (TPGIA) funds for Phase 1 of this project, Hey and Associates would then begin work on construction documents, funding for which would come out of the Parks and Grounds project consultant budget. The project could then go out to bid, and once the contractor was approved by Board, construction on Phase 1 could begin in the Fall, 2019.

This case is now before the Development Services, Planning and Engineering Committee for consideration.

Trustee Milani and Chairman Healy had questions and comments regarding this matter. (refer to audio file)

Assistant Director Coleman responded to Trustee Milani's and Chairman Healy's questions and comments. (refer to audio file)

I move to recommend approval of the landscape plan titled "Village Center Landscape Master Plan", prepared by Hey and Associates and dated 05/16/2019;

And

I move to recommend approval of the use of funds from the Tree Preservation and Green Infrastructure Account in an amount not to exceed \$89,000.00 for the construction of Phase 1 of the Village Center Landscape Master Plan.

A motion was made by Trustee Calandriello, seconded by Trustee Milani, that this matter be RECOMMENDED FOR APPROVAL to the Board of Trustees. The motion carried by the following vote:

Aye: 3 - Chairman Healy, Trustee Calandriello, and Trustee Milani

Nay: 0

ADJOURNMENT: 6:42 P.M.

A motion was made by Trustee Milani, seconded by Trustee Calandriello, that this matter be ADJOURNED. The motion carried by the following vote:

Aye: 3 - Chairman Healy, Trustee Calandriello, and Trustee Milani

Nay: 0

2019-0546 Audio Recording for the July 15, 2019 Committee Meetings - Finance, Development Services, Planning and Engineering, and Technology, Innovation and Performance Improvement

NO ACTION

/AB

Respectfully Submitted,

John C. Mehalek, Village Clerk