

VILLAGE OF ALGONQUIN
COMMITTEE OF THE WHOLE
Meeting Minutes
Algonquin Village Hall Board Room
May 27, 2008

AGENDA ITEM 1: Roll Call to Establish a Quorum

Present: Chairperson – Trustee Steigert; Trustees Dianis, Glogowski, Smith, Spella, and Sosine; and President Schmitt

Staff Members Present: William Ganek, Village Manager; Jeff Mihelich, Assistant Village Manager; Robert Mitchard, Public Works Director; Katie Parkhurst, Senior Planner; Andrew Bogda, Planning Intern; Kelly Cahill, Village Attorney

AGENDA ITEM 3: General Administration

- A. Consider Public Event Permit and Waiver of Fees Request for Founders' Days Festival July 24-27, 2008.

Mr. Ganek presented to the Committee a request for permits, fees, and waivers relating to the Algonquin Founders' Days Festival.

The Committee of the Whole recommended unanimously that the Public Event Permit and Waiver of Fees Request for Founders' Days Festival be forwarded to the Village Board for consideration.

AGENDA ITEM 2: Community Development

- A. Esplanade Phase II – (2007-12)/Southwest Corner of Corporate Parkway and Randall Road
 - 1. Annexation – 28.11 Acres
 - 2. Zoning Upon Annexation to B-2 General Retail, OR&D Office, Research and Development, and B-P Business Park
 - 3. Preliminary Planned Development – Entire 28.11 Acres
 - 4. Final Plat of Subdivision – 11 Lots
 - 5. Final Planned Development:
 - a. Combination Office/Retail Space Totaling 40, 351 Square Feet
 - b. 280 Luxury Apartments
 - c. Special Use Permits for Daycare, Medical Office, and Residential Units Above Commercial
 - 6. Annexation Agreement

Mr. Mihelich provided a PowerPoint presentation of the Esplanade Phase II annexation. This mixed use development is to include mixed use buildings with retail space on the first floor and apartments on the second and third floors, luxury apartment buildings, a clubhouse for the apartment complex, a daycare center (Primrose Preschool), a trail system for pedestrians and bicycles, and ample parking. All buildings include four-sided architecture. Garages have been upgraded to include brick fronts and garage doors with windows. The garages will also be located in the back of the development and will not be a prominent feature. Mr. Mihelich also outlined the fees to be paid, noting that the sewer and water tap-on fees totaling over \$2,000,000 will be paid in a one-time lump sum payment with the application of the first building permit.

Mr. Dianis stated the developer did a wonderful job on the architecture but was disappointed that the large corporate building had been taken out of the plans. He felt that it was a cornerstone of the Esplanade and set it apart. He was also disappointed with how the buildings on the corner that framed out the development have been taken out as well. Mr. Mihelich stated the intent is to use the four three-story buildings to frame the open space, but he agrees the intimacy of the original plan has been lost with the new design.

Mr. Dianis then asked if the area from the three-story buildings heading towards the Esplanade (Village Green) will be pavement. Mr. Mihelich replied that the Village Green will be in that area, and they plan on extending the Village Green to the clubhouse via a boulevard concept that will be heavily landscaped. Mr. Dianis then emphasized how he likes and appreciates the architecture on the three-story buildings; however, he prefers the original plan that included the larger corporate office building. He is concerned with the density of the buildings stating they appear to be real close together. Mr. Dianis is also apprehensive about the garages, especially the ones located on the west and south sides of the development. He stated that it appears the only screening on the back side of these garages will be landscaping, and he is not sure there is enough area to accomplish this. Mr. Mihelich replied there may be a couple of things to be able to take care of the issue with the garages. The first option is to see if there is sufficient room to build a small berm. Secondly, when the land just behind the garages is developed, the landscaping will be doubled. Mr. Dianis stated he does not want to put the responsibility on another developer to cover up something that is being done on other property.

Mr. Dianis asked, in regards to the luxury apartments, if there has been any consideration as to the use and/or placement of satellite dishes by tenants. Mr. Mihelich replied that with Aspen Homes' multi-tenant buildings, the Village asked them to have a covenant addressing that issue and also to provide cable service internally to try to make it easier. He also stated that the Village cannot tell developers and their tenants that they cannot put up satellite dishes. Mr. Dianis asked, within the architecture, if it had been considered where satellite dishes can be positioned for proper use. Mr. Jeff Hitz, representative of RHA (Residential Homes of America), stated they will be providing the cable service and modern phone lines to tenants. There is no specific plan for location of satellite dishes.

Mr. Dianis then asked if recycling issues have been addressed, considering apartment living is not necessarily conducive to recycling all the time. Mr. Mihelich asked Mr. Hitz if the garbage chutes will offer a section for household waste and a section for recycling materials. Mr. Hitz replied that there are no garbage chutes in the apartment buildings; however, within the trash enclosures there will be a container for recycling materials as well as one for regular waste. Mr. Mihelich added that it will be education and encouragement that will convince tenants to utilize the recycling containers on a regular basis. Mr. Dianis agreed and stated the easier it is for people to do, the more likely they will recycle.

Mr. Dianis then commented on the preschool architecture. He stated the roof line is not up to the standards of the other building and asked if upgrades could be done to make it more attractive. Mr. Mihelich stated they thought of that and dormers could be constructed to add movement to the roof line.

Mr. Dianis concluded by stating he likes the architecture but is afraid they have lost some of the original plan which is what made the Esplanade so attractive.

President Schmitt then expressed his concern regarding the traffic. There seems to be sufficient ingress and egress from County Line Road and Boyer Road; however, the senior residential area just north of the Esplanade development has had issues with through traffic, and he is concerned that this will add to those issues.

President Schmitt asked, in regards to the area that is not going to be developed immediately, what the developer's plans are to keep that area manicured and looking presentable. Mr. Mihelich then asked the representatives of the development to walk the Committee through the plans as to what will be done and when. Ms. Linda Kost of Centerville Properties briefly summarized at which point buildings and areas will be developed as well as when landscaping will be completed. Mr. Mihelich then stated to Ms. Kost that the Committee wants to make sure that after the beautiful three-story buildings are complete, that construction debris and high grass and weeds will not be left throughout the development. President Schmitt added that, in Ms. Kost's plan, the seeding of the area behind the existing buildings was to be done last, and he would like that to be done first. Ms. Kost replied as soon as the area is stabilized and all utility work is complete, they will seed the area and maintain as needed. President Schmitt asked how that coincides with their first building permit. Ms. Kost stated it is all simultaneous.

President Schmitt then stressed that the architecture is very attractive. He asked what material will be used for roofing, due to the artist's rendering appearing as though it is slate. Ms. Kost stated it is an asphalt shingle. President Schmitt asked if it is the same thing that would be on any other house. Mr. Hitz replied it is an architectural grade asphalt shingle. Mr. Mihelich asked if it is a high relief shingle. Mr. Hitz stated yes. President Schmitt asked if the developer had a sample of shingle available. Mr. Hitz replied yes and showed the Committee the proposed shingles.

President Schmitt then agreed with Mr. Dianis regarding the density of the buildings. He is more concerned with the green/open space for the buildings. It appears that the apartment buildings in the northern part of the development have more open space than the southern buildings. He specifically noted 2N and 2L have a nice court yard between them; between 2U and 2K there is the clubhouse and the land surrounding that building. For buildings 2M, 2Q, 2R, 2S, 2T, and 2P, there seems to be significantly more parking lot space around them. President Schmitt continued by saying that a possible way to fix that issue is to eliminate one building. This issue is important because parking lots do not help maintain water aquifers whereas green space does. So not only is it important for aesthetic reasons as well as what potential residents are looking for, but also what residents will be doing for water in 50 to 100 years.

President Schmitt then emphasized that he really likes the architecture and stated it is very attractive. However, he also agrees with Mr. Dianis in regards to the original plan. He is disappointed to lose the corporate office building and the impact it would have on Randall Road visually. He stressed his concern on how much of this new plan could change in the upcoming months. President Schmitt also added that he likes the potential of the apartments and thinks it would be a good addition to the community.

Ms. Sosine commented on the architecture and agreed that it was beautiful. Her concerns are with the allotment of space to residential buildings in comparison to business space. She stated it appears that there is 55% dedicated to apartments, 14% is mixed use and only 31% to office/retail, where she was led to believe that this was a corporate center and hoped it would be more business space than residential. She continued by stating the Village told restaurants on Randall Road that this area would be a corporate park and therefore possibly increasing the lunch crowd for those restaurants. Ms. Sosine also agreed that traffic would be an issue. She also thinks that there is inadequate parking available for residents. She concluded by agreeing with other Trustees in regards to expecting a showcase corporate center to lead into the business park and being disappointed when presented apartment buildings.

Mr. Glogowski stated that he agrees with everyone's sentiments regarding the changes from the original plan, adding the big picture has been lost. He is not sure how this benefits the existing businesses as Ms. Sosine pointed out. He has issues with aquifers as well. Mr. Glogowski is also concerned with traffic to the north of the Esplanade; he sees no southern extension to Longmeadow Parkway and wonders why the roads near building 2S could not meet and have a through to Randall

Road. He also stated that if this is to go through, buildings 2R and 2T are not necessary. He agrees with President Schmitt in regards to the landscaping and needing more of a green area.

Mr. Smith also agrees with the Committee that this new proposal is a disappointment and too dramatic a change from the original plan and asked why the corporate building was removed. Ms. Kost replied that there is no market demand for that type of office space at this time. Three years ago they had interest from a company called Tickets Now. Since that time they have moved to Crystal Lake. There have been no additional bidders since then, and it is not beneficial to build a big beautiful building and have it sit empty. The developer tried to be proactive and plan a development that would be beneficial to the community. She added the biggest demands right now are for luxury apartments. To address the issue with green space, Village staff had originally set a limit of 300 apartments for the development. However, there was still not enough green space and asked to eliminate one more building, which the developer did, bringing the total number of apartments to 280. In regards to parking, an analysis was done and the developer was shown to be right on with their numbers.

Mr. Smith asked what the price range for the luxury apartments will be. Ms. Kost replied the average cost will be about \$1000 per unit. Mr. Hitz added that prices will start at \$800 for the smallest unit and progress up to \$1550 for the largest.

Mr. Smith then asked, if this is rental property, why the Village can't put in a stipulation that no satellite dishes can be installed. Mr. Hitz replied there are laws regarding rental properties that they have to go over to fully understand before they can answer that question. Mr. Smith stated that was very important, because, as other Trustees have mentioned, the architecture is very nice, and he would not like to see it littered with satellite dishes.

Mr. Smith then asked where laundry rooms would be set up in the buildings. Mr. Hitz stated the units will each have their own. Mr. Smith commented on what kind of impact that will have on water use, being that it could have the same effect as a small home.

Mr. Smith then asked if any units will be handicap accessible. He wants it taken into consideration what types of appliances are installed to be able to accommodate these potential residents.

Mr. Mihelich wanted to clarify a few points to the Committee in regards to some of the issues brought up. He emphasized that a lot of the issues the Committee has have been discussed in detail at the staff level. Specifically, the traffic information put together by Metro Transportation is sound. Circulation into the site will be very good and there will be options to go in every direction. In regards to parking, the development is slightly over-parked. To add more parking would decrease the amount of green space, which the Committee feels is sparse to begin with. The fundamental question that staff needs direction with is does the Village want apartment living. In researching apartment developments, staff has found that 300 units is a magic number in regards to being able to build quality units and include a certain amenity package that would bring it from a standard apartment to what could be considered a luxury apartment, which allows for onsite maintenance and landscaping, and a clubhouse. There has been a significant amount of juggling as far as the layout of the development to maximize the amount of open space.

Mr. Spella agreed with the concerns brought about by other Trustees. He asked the developer if this was their plan B. Ms. Kost stated that it is not necessarily plan B, but, along with Village staff's input, an evolution due to the elimination of the 60,000-square foot office building.

Mr. Spella stated he likes the architecture as well and likes the development idea but agrees that the area is too dense. He doesn't think moving the buildings either closer together or farther apart is the solution, just less buildings. He added that, regardless of the traffic studies, there will be increased traffic. He also agrees with the water concerns regarding parking lot space and usage.

Mr. Spella then asked at what price is an apartment considered luxury from a rent standpoint. He thinks that the \$800 to \$1550 price range seems low. Mr. Hitz said he's not sure that there is a line to be drawn. Mr. Spella then asked what the average rent is for this area. Mr. Hitz replied that these rent prices are approximately 15% to 25% higher than in Crystal Lake, taking into consideration there are not a lot of apartment complexes to compare to. Mr. Spella then asked if he could compare the prices to a similar unit in Schaumburg. Mr. Hitz stated it would probably be 5% to 10% higher in Schaumburg. Mr. Spella commented that he thinks these prices are on the low side. Mr. Hitz added their rent structure was based on the recommendations of a consultant. The consultant believes that these rent prices are pushing to the top side of the market in this area. President Schmitt added that \$800 seems extremely low. Mr. Hitz stated that was for a very small studio apartment, essentially, a 600-square foot room with no bedrooms, and there are only 12 of these units in the entire complex.

President Schmitt then added that he believes the Village is not against apartments; they just don't have that much experience with them. There is some concern that these apartments would bring negativity to the area. He wants to weigh the negative aspects versus the positives that they could bring, especially to the businesses in the surrounding area. He concluded by stating he agrees that the development is too dense, and the choices are for the Village to accept it or the developer would have to lower it.

Chairperson Steigert stated he has mixed feelings toward the development. He likes the mixed use buildings and the architecture of the residential complexes. He is disappointed that the main focal point has been lost and thinks it would help the Committee if a modified design could be incorporated into the plan which would draw positive attention from Randall Road. He has also spoken with restaurants and other developments in the community, and the recurring concern from them is there is not enough daytime population; the area could be denser. He believes there is a strong argument that this development could be very beneficial for the community. He also believes that this proposal, with some modifications, would be a great addition to the community.

Mr. Smith added there is a need for apartments in the Village. He is concerned that, because of the current economy, the developer is proposing a plan that would help them now. However, this is a permanent change for the Village, and, once it is done, it will not be able to change back to the original plan. If this new plan goes through, he can see why it is important to keep a larger number of apartments. Revenue generated is necessary to maintain the property in a more upscale way. If the density is cut, that limits the resources available to keep the property the way the Village would want and, in turn, would lower the rent structure.

Mr. Spella asked for a definition of daytime population. Mr. Mihelich explained that it is how many people actually stay in the Village throughout the day, whether they live here or work here. Mr. Spella then asked if it is fair to term it as proximity population and Mr. Mihelich stated there was some truth to that. Mr. Ganek added that sometimes restaurant owners refer to daytime population as office; for instance, Oakbrook has a different daytime population than nighttime due to the amount of businesses in the area.

Ms. Sosine explained that she is not against apartments in the Village. The Esplanade was proposed as a business center that would take 15 to 20 years to build up. Being as the development isn't near the 10-year mark, it is hard to approve taking a large section of what was to be corporate and turn it into a residential area. She continued by stating they may not be able to sell a 60,000-square foot office building now, but in five years it may be possible. Ms. Sosine posed the question, does the Village want to start taking apart a corporate business center now and add more residential which was already done just to the north with the townhouses.

Mr. Dianis then asked if there will be elevator service within the apartment buildings. Mr. Hitz stated there will be elevators in the mixed use buildings, and there will be none in the luxury apartment buildings. Mr. Dianis then asked how many units will be handicap accessible if there are no elevators. Mr. Hitz does not know the exact number, but they will meet the ADA requirements.

Mr. Dianis asked if fire protection has looked at the plans. Mr. Mihelich stated that they will not look at the development until it has been annexed. Ms. Parkhurst stated they have seen the overall sight layout in terms of the interior layout but has not reviewed each individual building. Mr. Hitz added that the developer has been in contact with both the Building Department and the Fire Department to ensure that all codes are being met.

Mr. Glogowski also stated he is not against apartments on the west side of the Village. He then asked RHA what they own in this area. Ms. Ann Danner, President and Owner of RHA, explained that their business has been building all over the Chicago area for 22 years. A list of every village mayor and manager they have worked with has been provided to Village staff for reference, and she encouraged the Committee to call on those references. Mr. Glogowski asked if they have or had any projects in McHenry County. Mr. Mihelich added to the question, if there are any developments similar to the one proposed that the Trustees could look at. Ms. Danner has been building single family housing since 1994 when they sold their last community. She continued by saying RHA builds institutional quality residences that stand the test of time. Ms. Danner added that she thinks the Committee may have been thrown by the rent of the efficiency apartment (\$800). That may sound cheap; however, the price is high for the apartment size. Mr. Glogowski asked if RHA plans on selling this community. Ms. Danner stated the business plan is to hold this community long term.

Mr. Glogowski asked what kind of security system there will be on the apartments. Ms. Danner said it will be a buzzer system, similar to what you would see in condominium complexes.

Mr. Hitz wanted to clarify that the rent prices quoted are in today's dollar value. He stated it is assumed that there will be reasonable inflation when the units are actually completed and ready to rent. Ms. Danner wanted to add that her venture partner in this development is E.J. Plesko; he currently owns the land that J.C. Penney is being built on.

Mr. Smith asked if the developer will be onsite and available to tenants once this complex is complete; he is concerned that issues will not be addressed. Ms. Danner stated there will be a 24-hour maintenance person on site, as well as seven day a week staff in the clubhouse. She specifically mentioned that the clubhouse will be similar to a business in that it will have offices, a staff lunchroom, conference room, etc.

Mr. Steigert asked, in regards to the out lots east of Esplanade Drive, what kind of prospects are there. Ms. Kost replied that the corner has been sold to Wildberry Pancake and Café. There are negotiations with Bistro Wasabi to buy lot J. There are talks with retailers that are looking into the market in general and are currently negotiating against the Galleria and the Dominick's Center up north. Mr. Steigert asked if plans east of the Esplanade are dependent on the issue at hand being approved. Ms. Kost replied yes.

Mr. Steigert suggested that the Committee make a decision on whether they want to forward this issue to the Village Board as is or with modifications, or table the item for further discussion.

President Schmitt asked if he could first get clarification on what buildings were concepts, already built and planned. Mr. Mihelich showed on the presentation which areas were which.

Mr. Dianis asked the time frame for the two mixed use buildings to be completed. Ms. Kost stated they would like to have the site development permit in July. Within 60 days of that, they will start

the clubhouse, garage, and model. The first mixed use building is approximately 12 months away. Mr. Hitz added their plan is to start two buildings per month at a minimum. Mr. Mihelich asked, in theory, if both mixed use buildings should be available in 18 months. Mr. Hitz stated that they should be at least under construction, if not complete, in 18 months.

Mr. Steigert presented to the Committee two options. Either disapprove it outright or accept the plan with modifications and specifically provide direction to staff as to what the Committee will or will not accept. He then asked for comments from the Committee regarding what kind of direction they should give staff. Mr. Glogowski stated he would like Village staff to lower the density of the buildings. Mr. Smith stated, if Committee is going to direct staff to lower the density, they will have to give them real numbers and not be so vague. Mr. Glogowski stated he would like the number of units to not exceed 250 (the point was made that there are 20 units in the building so it is assumed 260). Mr. Mihelich asked if the only issue to work with is to remove one 20-unit building and work on layout to provide more open space.

Mr. Steigert then called for a vote on the issue of working to remove one building and modify the layout. Trustees Smith, Glogowski, Dianis, Chairperson Steigert, and President Schmitt all voted yes. Trustees Sosine and Spella voted no.

Ms. Danner made an emphatic statement that a reduction in density limits investment return. There have been discussions on removing one or two more buildings in the past, and it is not doable unless Centerville Properties is willing to take a hit. Mr. Smith then agreed with Ms. Danner stating to lose a building that is generating \$30,000 per month would do one of two things. It would either drive up the cost of rent for the other units, or it would affect the amenities that can be offered, at which point would lessen the price of the unit.

President Schmitt stated that this is a huge project with complex issues. In order to go over everything that's been discussed, he suggested to table this issue until the next Committee meeting on June 10, 2008.

The Committee of the Whole recommended unanimously that the Esplanade Phase II Annexation be tabled for two weeks, at which time it will be brought before the Committee of the Whole on June 10, 2008.

B. Presentation of Algonquin Corporate Campus Upgrade to Village's Web Site

Ms. Parkhurst presented to the Committee an overview on how the Village is using its website to market the Corporate Campus. By clicking a link on the home page of www.algonquin.org, potential site selectors can see the entire list of developments in the Village, search properties by different characteristics that they are looking for, and view marketing information.

Ms. Sosine asked if the residential portion of the Esplanade is listed in this section of the website. Ms. Parkhurst stated no, this is for site selectors; they did not list residential. Ms. Sosine then asked if this plan is approved, if it would be included. Ms. Parkhurst replied it would be listed as a feature of the Esplanade Phase II.

With no official action to be taken on this issue, Chairperson Steigert closed the discussion to move on to the next item.

AGENDA ITEM 4: Public Works & Safety

A. Consider Resolution to Change the Name of County Line Road (East) to Lake Cook Road

Mr. Ganek provided a brief overview on the reasons for changing the name of County Line Road to Lake Cook Road. Specifically, with having two roads within the Village with the same name, this can pose a problem for economic development, mail courier and deliveries, and emergency response. Also, east side County Line Road goes through several name changes, and renaming the portion called County Line Road to Lake Cook Road would mean the same road would only have two names.

Mr. Smith has talked with business owners and they are all in favor. They have suffered from the name confusion.

President Schmitt asked if they could be designated as East County Line and West County Line. Mr. Steigert mentioned that Lake Cook makes more sense (even though it does not divide Lake and Cook Counties).

Mr. Dianis asked if the name changes to County Line Road at Haeger's Bend Road. Ms. Parkhurst stated that is where the county lines are, but the name County Line Road continues further east. Mr. Mihelich stated it continues to be County Line up to the Village of Barrington where it turns into Main Street, then after that it is Lake Cook Road again. Mr. Glogowski asked if this name will carry on into Barrington Hills. Mr. Ganek replied that this road is controlled by McHenry County; the resolution is an official request to change the name within the boundaries of Algonquin.

Mr. Dianis wanted to clarify that the section of road discussed is 0.2 miles long.

The Committee of the Whole recommended unanimously that the Resolution to Change the Name of County Line Road (East) to Lake Cook Road be forwarded to the Village Board for consideration.

B. Consider Ordinance Declaring Certain Vehicles and Equipment as Surplus

Since each item was clearly detailed in the memo received by the Committee, Chairperson Steigert called for the vote with no discussion.

The Committee of the Whole recommended unanimously that the Ordinance Declaring Certain Vehicles and Equipment as Surplus be forwarded to the Village Board for consideration.

AGENDA ITEM 5: Executive Session
None necessary.

AGENDA ITEM 6: Other business

AGENDA ITEM 7: Adjournment

There being no further business, Chairman Steigert adjourned the meeting of the Committee of the Whole at 9:25 pm.

Respectfully Submitted,


Susan Morgan, Recording Secretary