



VILLAGE OF WINNETKA

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BUSINESS COMMUNITY DEVELOPMENT COMMISSION

**Monday, January 27, 2014
7:00 P.M.**

The Winnetka Business Community Development Commission will convene its regular meeting on **Monday, January 27, 2014**, in the Village Council Chambers, 510 Green Bay, Winnetka, Illinois, at 7:00 PM.

Agenda

1. Review and approval of December 9, 2013 minutes
2. Discussion of Parking Regulations
3. Discussion of Zoning Height and Bulk Regulations
4. Discussion of Zoning Overlay District
5. Staff Update from Community Development
6. Public Comment
7. Adjournment

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BUSINESS COMMUNITY DEVELOPMENT COMMISSION
DECEMBER 9, 2013 MEETING MINUTES

Members Present:

Jason Harris
Terry Dason
Arthur Braun
Jim Sayegh
Paul Dunn

Members Absent:

Patrick O'Neil
Tom Eilers
Mike Leonard

Village Staff:

Michael D'Onofrio, Director Community Development
Brian Norkus, Assistant Director Community Development

Call to Order

The meeting was called to order at 4:25 pm, in Village Hall Council Chambers, 510 Green Bay Road, Winnetka, IL.

Discussion of Parking Regulations

Director D'Onofrio outlined the outstanding parking items that still needed to be addressed. First, he stated that the Village of Wilmette's current commercial parking district standards went into effect in 2001. D'Onofrio pointed out that given the 2001 date, the regulations were in effect well in advance of Wilmette's ULI TAP process.

D'Onofrio said the second outstanding issue was to consider reducing the minimum requirement for studio and one-bedroom dwelling units from the proposed 1.25 spaces per unit to one parking space per unit. He added the third outstanding issue was to consider alternative language related to parking lots and associated Special Use requirements. D'Onofrio said the final parking issue was whether to apply new residential dwelling unit parking standards established for the C-2 district to the B-1 and B-2 Multi-Family residential districts.

Chair Harris mentioned that any recommendation on parking would likely go to the Plan Commission. He added that since several Commission members are not at the meeting he would like to hold off on a vote on these parking issues until those members were present. He asked staff to provide additional language that it might suggest with respect to parking lot and Special Use requirements.

Paul Dunn suggested that staff prepare language on the parking issues and distribute it prior to the December 23rd meeting.

Chair Harris confirmed that the current recommendation is to require 1.25 parking spaces for studio and one bedroom units; 1.5 spaces for two bedroom units; and, 2 spaces for 3 bedroom

units. Chair Harris suggested putting all the parking related issues on the next agenda and provided there are five members at the next meeting, the Commission will vote on the recommendations then.

Jim Sayegh said that one of the goals of revising the parking standards is to increase the critical mass of people in and around the commercial districts. To that end he added it might be of some benefit to have similar parking requirements in the B-1 and B-2 Multi-Family districts.

Trustee Braun asked whether any changes were being proposed to the parking requirements related to non-residential uses in the commercial districts.

Mr. Sayegh responded that the current regulations are reasonable. He added that there was discussion to reduce the existing requirement (two spaces/1,000 s.f. of floor area) by making it a net calculation rather than the current gross floor area one.

Mr. D'Onofrio mentioned that the proposed language included a change in the definition of floor area to exclude certain portions of floor area that are currently included in the calculations. He added that the standard of two spaces per 1,000 s.f. would remain the same.

Mr. Sayegh pointed out that one of the revisions being proposed by staff is to allow changes in use without the need for additional parking, if the increase in use would not add to an existing non-conforming parking situation.

Discussion of Zoning Height

Director D'Onofrio mentioned that he had done a previous study on building height as part of the Post Office site redevelopment study. He then distributed a handout showing photos of various buildings in the commercial districts and their associated heights. Director D'Onofrio then went on to discuss the various buildings in the handout. He mentioned that in many cases the issue with height is not the overall dimensional height of a building or the number of stories, but rather the design of the building.

Chair Harris said that to date the Commission has discussed the height issue, but to date has not made any recommendations.

Director D'Onofrio mentioned that the changes to the building height regulation came in the late 1990's as a reaction to the multi-use building constructed at Oak and Chestnut.

Director D'Onofrio suggested that the Commission not look at building height simply as a numerical exercise, but rather as its potential economic impact on development.

Mr. Sayegh said that the height issue is related to the goal of attracting more people to the commercial districts. He questioned the role of design and the Design Review Board in ensuring, that regardless of height, good design is achieved.

Director D'Onofrio cautioned the Commission that from a zoning perspective any maximum height standard that is established will become the minimum. He added that from a design

perspective the Village has adopted design guidelines that must be adhered to. D'Onofrio also mentioned that when establishing a building height, that it be based on sound construction and design principles with respect to floor heights and building infrastructure.

Assistant Director Norkus described the Village's design guidelines and the role of the Design Review Board, with the respect to the architecture of a building.

Mr. Sayegh said that having gone thru the design review process, it resulted in a better building than what was originally proposed.

Mr. Dunn thought that the Commission could propose a height maximum over the current 2.5 stories and 35 feet. He suggested that if the overall height is addressed it may not be necessary to set a number of stories maximum. Mr. Dunn suggested somewhere around the 45 ft. height limit makes sense to him. He added however, that the context in which a building is located needs to be factored in.

Director D'Onofrio mentioned that prior to the current regulation of 2.5 stories and 35 feet, the allowed maximums were 4-stories and 42 feet in height.

Assistant Director Norkus discussed the possibility having variable height and setback requirements based on where a building is located. He suggested that the Commission might want to consider a setback requirement for upper floor(s).

Discussion of Zoning Overlay District

Mr. Dunn mentioned that his goal with respect to the Overlay District is to have a frank discussion by the Commission as to whether it should remain as is, be amended, or be eliminated altogether. He said that in order to have this discussion it is necessary to layer in common sense, as well as the building space metrics put together by Brian Norkus, rent metrics from Jim Sayegh and lastly, what the community wants. He added other factors to consider include consumer buying habits, competition in the market and neighboring communities, all of which have an impact on Winnetka's retail market. Dunn said the purpose of this review is to make Winnetka more business friendly.

Mr. Dunn said his goal is to have thoughtful discussion that will result in a report that will either say everything is okay with the Overlay District and not to change anything, or there should be some changes to the overlay district regulations and the reasons behind those changes.

Assistant Director Norkus provided a spreadsheet hand out that provided data on tenant spaces in the commercial districts. He added that this data included buildings located both in and outside of the Overlay District. Norkus mentioned that it includes not only first floor space but also second and third floor space. He then went thru the spreadsheet data and answered questions from Commission members.

Mr. Dunn said he wanted to see the overall square footage of real estate offices and banks. He added that the innuendo around the community is that there are too many banks and real estate

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offices. He mentioned the metrics provided in the spreadsheet would verify the accuracy of those innuendos.

Assistant Director Norkus mentioned that one of the things the data could be used for is to determine the amount of retail space per capita and how that relates to neighboring municipalities. He mentioned comparing us to Glencoe which has a similar population.

Director D'Onofrio said the data on the spreadsheets can be used in a variety of ways in order to improve the business climate in the Village. Furthermore, decisions can be made based on factual data rather than on anecdotal information.

Chair Harris said that an overview of the Overlay District issues will need to be done at the next meeting in that three members are absent from tonight's meeting.

Mr. Dunn questioned whether East Elm should be a service district, which he did not necessarily agree with.

Mr. Sayegh provided an explanation as to why he believes East Elm acts as a service district. He added that due to the preponderance of service uses in the East Elm district it has activated a number of restaurants in the area.

Trustee Braun asked whether the vacancies in the commercial districts are due to competition from other businesses, or the Overlay District requirements.

Mr. Sayegh responded by providing a synopsis of the rental history at 572 Lincoln Avenue. He added that any business that comes to the village needs to have good economic development. He concluded by stating that he's not sure that the village has the right commercial mix.

Chair Harris asked that the language for the parking regulations and building height be drafted and presented at the December 23rd meeting, with the goal to wrap those two items up. He asked that a spreadsheet be completed for Hubbard Woods.

Staff Update from Community Development

Mr. Norkus provided an update on the former BMO Harris Bank building at 1052 Gage St.

Terry Dason mentioned she had spoken to someone who is looking to open a spice store and asked if village staff if they had been contacted.

Public Comment

None.

Adjournment

The meeting was adjourned at 5:55 pm.

MEMORANDUM

TO: ZBA MEMBERS
FROM: MIKE D'ONOFRIO, DIRECTOR OF COMMUNITY DEVELOPMENT
DATE: JANUARY 20, 2014
SUBJECT: ZONING OVERLAY DISTRICT

Ahead of the discussion on the Zoning Overlay District at the January 27, 2014 BCDC meeting, a collection of data has been compiled which staff thought may assist in the review of the district. The data below builds upon the district spreadsheets that Brian Norkus distributed at the Dec. 23 meeting; also, included is information concerning banks and real estate offices and sales tax.

Business District Data

Following are two tables that summarize the amount of square footage, compare size from district to district, and identify vacancy statistics for each of three business districts. As you will see this information is also delineated by whether it is in or outside of the Overlay District. Following the tables is a number of bullet points providing additional information.

Overall Square Footage by District & Overlay v. Non-Overlay

Business District	Total Sq. Ft.	Sq. Ft. in Overlay (%)	Sq. Ft. out of Overlay (%)
East Elm	143,857	71,837 (50%)	72,020 (50%)
West Elm	224,294	119,509 (53%)	104,785 (47%)
Hubbard Woods	214,300	133,214 (62)	81,086 (38%)
Total	582,451	324,560 (56%)	287,891 (44%)

Vacancy Square Footage by District & Overlay v. Non-Overlay

Business District	Total Sq. Ft.	Sq. Ft. in Overlay (%)	Sq. Ft. out of Overlay (%)
East Elm	36,492 (25%)	30,992* (21%)	5,570 (4%)
West Elm	8,854 (4%)	1,400** (1%)	7,454 (3%)
Hubbard Woods	45,540 (21%)	41,610*** (19%)	3,930 (2%)
Total	90,886 (16%)	74,002 (13%)	16,954 (3%)

**Significant vacancies include: former Fell store (14,500 s.f.); former Baird & Warner (7,300 s.f.); former Marian Michael store (2,100 s.f.); 722 – 724 Elm - former JS Computer and space next door (1,100 s.f.); 574 Lincoln – G. Weaver property (1,335 s.f.); 567 Lincoln former real*

estate office (1,077 s.f.); 554 Lincoln – former real estate office (1,048 s.f.). Of the vacant properties the first four, which total 25,000 s.f., are under the same ownership and will most likely, be part of a redevelopment project.

***The only significant vacancy includes the former Gray women’s clothing store (1,400 s.f.).*

**** Significant vacancies includes: former GAP clothing store (11,800 s.f.); former Antique Emporium (10,000 s.f.); former Boris’ Café, Salon 970 & hot dog stand (11,200 s.f.) (under same ownership); former Beat Street store (1,985 s.f.); former From Afar home furnishings store (1,920 s.f.); former Bedside Manor store (1,478 s.f.); 986 Green Bay Rd (1,436 s.f.).*

Number of Leasable Spaces by District

East Elm - 87	West Elm – 118	Hubbard Woods – 128	Total - 333
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- Of the total vacancies, 81% of the square footage is in buildings located in the Overlay District.
- With respect to the vacancies in the East Elm district, a significant portion of the vacant space is associated with the former Fell property redevelopment project site – see first four listed properties above. These properties total 25,000 s.f. of the sum of 36,492 s.f. of vacant space.
- Hubbard Woods can be characterized as having several types of vacancies. The first type includes larger single use buildings that previously had single tenancies such as the GAP and Antique Emporium. These two buildings alone compromise 21,800 s.f. of the vacant retail space. The second type of vacancy includes contiguous properties owned by one entity. This includes 966-972 Green Bay Rd. (former Boris’s, Salon 970 and vacant lot), which combined totals 11,200 s.f. or approximately a quarter of the vacant space in the district. The remainder of the vacancies is comprised of smaller retail spaces ranging in size from 850 to 1,900 s.f. that are located throughout the district.
- The West Elm district has basically one significant retail vacancy and that is a 1,400 s.f. space previously occupied by the Gray women’s clothing store.

Banks and Real Estate Offices

Historically banks and real estate offices have been users of commercial property both in and out of the Overlay District. There are a total of seven banks in the three commercial districts occupying 38,790 s.f. of space. This represents 6.7% of the total square footage in the commercial districts. In terms of a breakdown by district, three banks are in West Elm, one in East Elm and two in Hubbard Woods. Of the seven banks, only the three in the West Elm District are located in the Overlay District (total 17,990 s.f.).

With respect to real estate offices, there are seven in the three commercial districts totaling 25,405 s.f. (@ properties in Indian Hill not included). This represents 4% of all commercial space. With respect to districts, three offices are in West Elm, three in East Elm and one in

Hubbard Woods. As for relationship to the Overlay District, four offices are located in the district (13,360 s.f.). Following are matrices for the banks and real estate offices.

Banks

Name	Address	Size (SF)	District	In Overlay Dist.
Chase	791 Elm	7,480	West Elm	Yes
BMO Harris	784 Elm	10,450	West Elm	Yes
Citibank	814 Elm	2,260	West Elm	Yes
Chase	851 Spruce	2,200	West Elm	No
North Shore Comm.	576 Lincoln	7,000	East Elm	No
Bank of America	1010 Green Bay	5,000	Hubbard Woods	No
Private Bank	1000 Green Bay	3,600	Hubbard Woods	No
Total		38,790 s.f.		

Real Estate Offices

Name	Address	Size (SF)	District	In Overlay Dist.
Koening & Strey	538 Chestnut	6,200	West Elm	Yes
Baird & Warner	594 Lincoln	3,960	West Elm	Yes
Jean Wright	559 Chestnut	1,700	West Elm	Yes
Jameson Sotheby's	586 Lincoln	1,835	East Elm	No
Conlon	565 Lincoln	1,500	East Elm	Yes
Coldwell Banker	564-568 Lincoln	7,260	East Elm	No
Rubloff	850 Green Bay	2,950	Hubbard Woods	No
Total		25,405 s.f.		

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Sales Tax

An issue related to the Overlay District is sales tax. Following is a chart showing the amount of sales tax generated in the Village. The data is from the Illinois Department of Revenue calendar year 2012. You will note that the revenue is broken into ten categories for the entire Village. Following are the types of uses within each category. It is not possible to get any further detail from the State.

2012 Sales Tax

Categories	Sales Tax Revenue (% of Total)
General Merchandise – <i>department & variety stores.</i>	\$0
Food – <i>grocery, meat/fish store, bakeries, candy store.</i>	\$237,779 (20%)
Drinking and Eating Places – <i>restaurants, bars</i>	\$155,497 (13%)
Apparel – <i>clothing stores, shoe stores</i>	\$151,622 (13%)
Furniture & H.H. & Radio – <i>furniture, upholstery, electronics, appliances</i>	\$79,510 (7%)
Lumber, Bldg, Hardware	\$0
Automotive & Filling Stations – <i>auto dealers, auto repair, service stations</i>	\$227,214 (19%)
Drugs & Misc. Retail – <i>drugs, liquor, book, sporting goods, camera, toy, jewelry stores</i>	\$254,507 (22%)
Agriculture & All Others – <i>beauty/barber shops, medical office, professional services</i>	\$58,585 (5%)
Manufacturers	\$16,945 (1%)
Total	\$1,182,109

- With respect to Village wide revenues, the sales tax represents 2% of the overall revenues collected by the Village.
- If all the square footage of retail space in the three districts is added together it totals 272,000 s.f. By district it breaks down as follows: West Elm - 97,774 s.f.; East Elm – 55,432; Hubbard Woods – 118,725.
- Based on the sales tax revenue and the amount of retail space in the three commercial districts (estimated revenue generated from the Indian Hill district revenue has been factored out), it is estimated that the amount of sales tax generated is approximately \$3.50/s.f. Based on this figure, if sales tax is extrapolated out, it translates into annual sales of \$350/s.f.