

Approved

**Village of Gurnee  
Planning and Zoning Board Minutes  
July 10, 2024**

**1. Call to Order and Roll Call**

The meeting was called to order at 7:30 p.m.

Planning and Zoning Board Members Present: Chairman James Sula, R. Todd Campbell, Dane Morgan, Roneida Martin, David Nordentoft, Edwin Paff, and Liliana Ware

Planning and Zoning Members Absent: none

Other Officials Present: David Ziegler, Community Development Director; Atrian Fard, Senior Planner, Gretchen Neddenriep, Acting Village Attorney

**2. Pledge of Allegiance**

After the Pledge, Chairman Sula took the opportunity to introduce the newest member of the PZB, Ms. Roneida Martin, and offered a brief summation of her personal history, education, career, volunteer work, and civic activity. He then asked for a round of applause for her.

**3. Approval of the PZB's May 15, Meeting Minutes**

Mr. Sula pointed out an error in the use of the word "re-zoning" in what should have been "request."

Mr. Sula then asked if there was any other discussion on the minutes, and stated that--if not--a motion would be in order.

Mr. Morgan motioned, seconded by Mr. Paff, to approve the May 15, 2024 meeting minutes.

Voice Vote:

All "Ayes," no "Nays," none abstaining

Motion Carried: 7-0-0

**4. Final Plat of Subdivision: 3437 Cheyenne Road (Kranz Subdivision)**

Approved

*Mr. Scott Kranz, on behalf of Ms. Pamela Nilles Johnson, is seeking the subdivision of property located at 3437 Cheyenne Road into two lots. The subject property is approximately 30,618 square feet and is zoned R-2, Single Family Residence District.*

Ms. Fard introduced this item by stating the the petitioner, Mr. Scott Kranz, on behalf of Ms. Pamela Johnson, is seeking the subdivision of property located at 3437 Cheyenne Road. The subject property is approximately 30,600 square feet and is zoned R-2, Single Family Residence District. The PZB has recently recommended approval of a variance to the R-2 District minimum lot area standard to allow the subdivision of the subject property into two lots, one of which was to be substandard. The Village Board approved the variance request on June 3, 2024. To refresh your memory, the petitioner also resides at the property across the street from the subject site – 3438 Cheyenne Road and intends to subdivide 3437 Cheyenne to rent out the existing home on the eastern portion of the site and keep the western portion vacant for the family's passive recreational uses. The scope of project does not include any changes to the existing public improvements and easements, and no new public improvements or easements are proposed. The plat has yet to be finalized, but the draft is provided on the screen. Engineering staff recommends that the PZB forward a favorable recommendation to the Village Board for the subdivision. The applicant is here to answer any questions you may have.

Mr. Sula asked the members of the Board is they had any questions or comments. As they did not, he then suggested a motion would be in order.

Mr. Paff motioned, seconded by Mr. Campbell, to forward a favorable recommendation to the Village Board on the Final Subdivision Plat on the property at 3437 Cheyenne Road.

Mr. Sula then asked if there was any discussion to be had on the motion. As there was not, a vote was taken.

Roll call vote:

Ayes: Campbell, Martin, Morgan, Nordentoft, Paff, Ware, and Sula

Nays: None

Abstain: None

Motion carried: 7-0-0

## **5. Informal Review: Fiduciary Real Estate Development – 16.7 Acres on Tri-State Parkway, Between Grand Avenue and Cemetery Road**

*Mr. Anthony DeRosa of Fiduciary Real Estate Development is seeking informal feedback to rezone a 16.7-acre parcel along Tri-State Parkway from O-2 General Office District to R-6, Multi-Family*

Approved

*Residential District to accommodate the development of 140 residential units housed in 10 structures.*

Ms. Fard introduced this next item by stating that the petitioner, Mr. Anthony DeRosa of Fiduciary Real Estate Development, is seeking informal feedback on purchasing a 16.7-acre parcel along Tri-State Parkway and rezoning it from O-2 General Office District to R-6, Multi-Family Residential District to develop 140 multi-family dwelling units, housed in 10 freestanding buildings. The proposed development will be located on the east portion of the site so as to not impact the existing wetlands and stormwater detention facility that exists on the site.

The property, currently owned by the Rohrman family, is located directly across Tri-State Parkway from the new Restaurant Depot. The Comprehensive Land Use Plan denotes this property as Industrial Mixed-Use as an extension of the Grand Tri-State Business Park.

The proposal calls for a density of 8.3 Units/Acre, which is considered High-Density Residential per the Village Comp Plan. All bulk standards will meet the Code for either the R-5 or R-6 districts, with the exception of the front setback, which is required at 30 feet but is proposed at 10 feet. With the presence of the wetland and stormwater detention, the developable area is narrow, resulting in a diminished front yard setback. This deviation in setback could be handled through a Planned Unit Development in exchange for the preservation of the wetlands on the site.

Some discussion points for the PZB may be:

- Comprehensive Plan Inconsistency
- Appropriateness of Multi-Family Residential along a very Commercial/Industrial Roadway
- Exchange of Reduced Front Setback versus Preservation of Wetlands

The applicant is in attendance to walk the PZB through their plans. Any feedback you can provide will help determine their next step.

Mr. Sula took the next few minutes to explain the process of an Informal Review, which allows potential petitioners to present projects they propose so as to receive feedback from the PZB regarding those potential projects. He stressed that no decisions would be made this evening, and that nothing offered by either the potential petitioners or the PZB this evening would be binding.

Mr. Sula then turned the floor over to the potential petitioner...

Mr. Anthony DeRosa of Fiduciary Real Estate Development introduced himself, then began a presentation (accompanied by PowerPoint slides) on the project they are proposing as well as a bit of information about their organization and other projects they have developed.

### The Team

- ▶ Fiduciary Real Estate Development
  - Tony DeRosa

## Approved

- David Ferrell
- Ashley Heidorn
- ▶ AG Architecture/Landmark Asset Partners – Architecture
  - Eric Harrmann
  - Justin Koeppler
  - Gene Kripak
- ▶ Manhard Consulting– Civil Engineering
  - Jared Placek

## About Us

- ▶ Fiduciary Real Estate Development, Inc. (FRED), based in Milwaukee, WI, is an experienced developer and investor in market rate multifamily real estate.
- ▶ Founded in 1984, FRED's proven track record of successful investment management has grown the business into one of Wisconsin's largest real estate companies. We've developed and owned upwards of 11,000+ multifamily units. The FRED real estate portfolio is conservatively valued at over \$1.5B.
- ▶ Since 2010, FRED has raised over \$500 MM in private equity and put in place over \$1B in financing on its projects.

## Subject Property

Property Size: 16.7 acres

Current Zoning: O-2 General Office

Proposed Zoning:

R-6 PUD Multi-Family Residential District

Proposed Residential Density: 140 units (10 buildings) / 8.3 units per acre

Site Constraints

Wetlands

Existing Stormwater Detention Facilities

Site Dimensions

Only 8 buildable acres

## Highest & Best Use Analysis

- ▶ Office
  - Office demand significantly declined over the past 10 years
  - Further accelerated with the onset of COVID; remote working trend
  - This trend is expected to continue for years to come
- ▶ Retail
  - Gurnee Mills is just to the north with nearly 200 stores
  - "Amazon Effect" & e-commerce reducing need for brick-and-mortar retail at a location like this

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- ▶ Industrial
  - Increased demand for large warehouse and distribution space in recent years
  - Site layout & existing wetlands present site challenges; too small of a site
- ▶ Multifamily
  - Limited multifamily development over the past 20 years in this area
  - Significant pent-up demand for modern rental housing options throughout the local submarket
  - The property meets the key criteria to be successful:
    - Proximity to jobs, retail conveniences, interstate access, high quality modern construction/design, and the appropriate type of housing that meets the needs of the local submarket
  - Easy access to Pace Bus Route at Grand Avenue
  - 6.5 miles to Washington St/Grayslake Metra Station
  - 7.5 miles to Waukegan Metra Station

## Market Demand

- ▶ Market Research
  - Pent-up demand for modern apartment homes
  - People looking to sell their homes but want to stay in the area
  - Old rental housing stock with dated finishes & lack of amenities
  - Lake County Housing Analysis: October 2023
  - *"In order for Lake County to attract and retain residents and businesses, it must have a diverse housing stock that provides options for households at different life stages, ages, incomes, and sizes. It needs a greater diversity beyond owner-occupied single-family detached homes."*
  - *"The lack of housing will limit the county's ability to attract and retain workers, particularly with an aging population, and projected decline in the working age population."*
  - *"There is a shortage of rental units in most of the county with rent pressure in all areas..."*
  - *"If the current rate of new construction continues, there could be a shortage of 11,400 units countywide by 2027."*
- ▶ Target Demographics
  - Demographic looking for modern suburban communities to call home
  - Empty nesters/baby boomers, young professionals and many of those that are "choosing" to rent
  - Typical resident employment: healthcare, finance, retail, insurance, real estate, technology, police/fire, management, government, education, service industries, retirees
  - Area employers
- ▶ Unique Community

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- Development will cater to those who are not looking to live in the typical 3 or 4 story building with common corridors
- Attached garages for select units & private entries

## Proposed Development

- ▶ Multifamily Community
  - Two story, townhouse style buildings with direct entrances
  - Maintenance free living
  - Multifamily apartment homes spread out over multiple – two story buildings (slab on grade construction)
- ▶ Apartment Amenities
  - High quality construction
  - Oversized windows
  - Open concept floor plans
  - In-unit full size washer & dryer
  - Stainless steel energy star rated appliances
- ▶ Community Amenities
  - Resort style clubhouse & pool
  - First class fitness center
  - Walkability within the community
  - On-site property management

## Project Benefits

- ▶ Meets market demand for new modern multifamily communities (underserved market)
- ▶ Abundant green space within the development
- ▶ \$667 current property tax bill
- ▶ Impact of additional consumer spending on local businesses: \$10,000,000+ over a 10 year period
- ▶ A development that represents the highest & best use for the property

Mr. Anthony DeRosa wrapped up his presentation by offering to answer any questions from the Board.

Mr. Sula started the discussion by praising the presentation. He then expressed that he would like to see this development in the Village, but—due to issues regarding density and setback—not at the proposed location.

Mr. Paff also praised the buildings proposed, but also expressed reservations about the location. He was concerned about the amount of added traffic along an already busy road, and the safety of both the travelers on the road and residents (especially children) of the proposed development. He feels the site is just too small for such a project.

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Mr. Nordentoft asserted that residential property really doesn't fit into the subject area per the Village's Comprehensive Plan. He praised the design of the project, but wished that it was proposed on another site.

Mr. Campbell also praised the project, but also agree the proposed site was too small.

Ms. Ware took exception to the assertion that the site allows for "walkability."

Mr. Morgan stressed that he really likes the project, but also feels the site is simply too small.

Ms. Martin concurred with her fellow Board members that--the project is desirable--but that the site is not appropriate, adding concerns over school buses in the area and mosquitos from the wetlands infringing on residents of the development.

Ending the discussion, Mr. Sula stressed that he and the other Board members would like to see the development in the Village, but on another site.

Mr. DeRosa thanked the Board for its time and expressed appreciation of its praise for the development; he stated that they will, perhaps, seek another location. Mr. Sula responded with encouragement, offering that he hopes they do.

## **6. PUBLIC HEARING: CarWise (6460 Gurnee Mills Circle West) Special Use Permit and Variations**

*Elite Motors, Inc., dba CarWise, is looking to purchase one of the Gurnee Mills Mall out-parcels at 6460 Gurnee Mills Circle West to establish and operate an independent used car dealership with outdoor storage and display. The petitioner is requesting the following:*

- 1. Special Use Permit to allow the establishment and operation of a "Vehicle Dealership with Outdoor Storage and Display";*
- 2. Variation from Article 10.1.3 to allow lighting levels to exceed 50 foot-candles internal to the site during operating hours; and*
- 3. Variation from Article 10.1.3 to allow lighting levels to exceed six foot-candles internal to the site during security hours.*

Moving along, Ms. Fard introduced the last item by stating that the petitioner, Elite Motors, Inc., dba CarWise, is looking to purchase one of the Gurnee Mills Mall out-parcels at 6460 Gurnee Mills Circle West to establish and operate a used car dealership with outdoor storage and display. The dealership will also offer service to customer-owned cars in addition to the dealership vehicles designated for sale. The subject site is zoned C-6, Regional Commercial District, and was formerly occupied by Saturn of Gurnee Auto Dealership. As part of Saturn's project, the property was developed in 1998 with a two-story 23,000 square feet building and ample parking throughout the site. The site has been vacant since 2009, when Saturn ceased its operations.

Approved

CarWise is seeking a Special Use Permit for a “Vehicle Dealership with Outdoor Storage and Display” and Variations from lighting levels interior to the site that exceed 50-foot candles during operating hours and six-foot candles during security hours.

As the site was developed and used as a car dealership, no major changes are proposed. Some of the site and building modifications include but are not limited to repair and refurbishing of the building interiors and exteriors to reflect CarWise branding, trimming and pruning the overgrown plants on the site and removing those rated as poor or dead, repairing and resealing the parking lot, new wall signage, reskinning existing ground signs, and replacing all interior and exterior light fixtures with LEDs. All new exterior light fixtures must comply with current Codes. The project meets the maximum lighting level allowed at the property lines, however, FC levels interior to the site exceed the maximum of 50 FC during operating hours by 0.2 FC, and 6 FC during security hours by 12.9 FC, and variations are requested. The highest lighting output will be mainly near the display areas close to Gurnee Mills Cir. It is worth noting that most, if not all, car dealerships operating in the Village have not been able to meet the code and have had to process some kind of relief for lighting levels. Also, keep in mind that the subject site sits lower than Hunt Club Road, has no direct visibility to a high-traffic road such as Grand Avenue, and is not adjacent to any residential use.

The PZB must make a recommendation on the requested SUP and variations, and the Village Board will make the final determination. The applicant is in attendance to answer PZB’s questions.

As this was a Public Hearing, Mr. Sula asked that anyone wishing to speak on this matter be sworn in. Ms. Neddenriep conducted the swearing-in.

Mr. Sula then turned the floor over to the Petitioner...

Mr. Steve Podolny, Dealer Principle and Owner of Carwise Auto Group, introduced himself and offered a bit of background on his organization and operations which employs about 90 people and generates about \$70 million in sales annually.

Continuing with his presentation, which included visuals, Mr. Podolny expressed that it is their desire to create a vibrant dealership on what has been a long-vacant site, offering affordable cars and vehicle services. He also offered their intent to become an active presence in the community.

Mr. Sula then asked members of the Board if they had any questions or comments.

Mr. Paff stated that he thought this development would be a great use of the property, noting that the site once held an auto dealership without any issue; Mr. Sula confirmed this with Mr. Ziegler.

Ms. Martin concurred, and expressed content that the site would be cleaned up.



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Mr. Morgan, noting that the variance was not without precedent, stated that he was fine with the request.

Mr. Campbell concurred, and expressed gratitude that the site would be cleaned up and put to good use.

Mr. Nordentoft also supported the project, but asked for a commitment to avoid any test drives in residential areas; Mr. Podolny confirmed that there would be training in appropriate test driving of vehicles.

Mr. Sula also expressed the positivity of the site being cleaned up and put to good use.

At this time, Mr. Sula opened the floor to the public. As no one in the audience wished to speak on this matter, he then closed the floor to the public.

Mr. Sula then asked if there were any more questions or comments, and suggested that—if not—motions would be in order.

Mr. Campbell, seconded by Mr. Nordentoft, motioned to forward a favorable recommendation on the petition of Elite Motors, Inc., dba CarWise for a Special Use Permit to allow the establishment and operation of a “Vehicle Dealership with Outdoor Storage and Display” on property located at 6460 Gurnee Mills Circle West, in substantial conformance with the attached plans, with the condition that the landscaping on the site meets the minimum requirements as set forth by the Zoning Ordinance and the Municipal Code.

Mr. Sula then asked if there was any discussion to be had on the motion. As there was not, a vote was taken.

Roll call vote:

Ayes: Campbell, Martin, Morgan, Nordentoft, Paff, Ware, and Sula

Nays: None

Abstain: None

Motion carried: 7-0-0

Mr. Campbell, seconded by Mr. Nordentoft, motioned to forward a favorable recommendation on the petition of Elite Motors, Inc., dba CarWise for a Variance to allow lighting levels interior to the site to exceed 50 foot-candles during operating hours by 0.2 foot-candles, on property located at 6460 Gurnee Mills Circle West, in substantial conformance with the attached plans.

Mr. Sula then asked if there was any discussion to be had on the motion. As there was not, a vote was taken.

Approved

Roll call vote:

Ayes: Campbell, Martin, Morgan, Nordentoft, Paff, Ware, and Sula

Nays: None

Abstain: None

Motion carried: 7-0-0

Mr. Campbell, seconded by Mr. Nordentoft, motioned to forward a favorable recommendation on the petition of Elite Motors, Inc., dba CarWise for a Variance to allow lighting levels interior to the site to exceed 6 foot-candles during security hours by 12.9 foot-candles, on property located at 6460 Gurnee Mills Circle West, in substantial conformance with the attached plans.

Mr. Sula then asked if there was any discussion to be had on the motion. As there was not, a vote was taken.

Roll call vote:

Ayes: Campbell, Martin, Morgan, Nordentoft, Paff, Ware, and Sula

Nays: None

Abstain: None

Motion carried: 7-0-0

Mr. Sula then advised Mr. Podolny that Village staff will inform of the next steps to follow, and welcomed him and his business to the community.

## **7. Next Meeting Date: July 24, 2024**

Mr. Sula confirmed with Village staff that there are Public Hearings scheduled for the next meeting, so it will take place as scheduled.

## **8. Public Comment**

Before opening the floor to the public—and, in what seemed to be familiarity with what the many members of the audience were there to speak about--Mr. Sula asserted the expectation of order, and called for no cheering or booing of any kind as people spoke. He also advised that the Board would not be answering any questions nor offering any feedback on whatever issues were brought up, as they are not on this evening's agenda. He then opened the floor to the public.

Jorie Stuckwisch, 987 Belle Plaine Avenue, referred to herself as the “spokesperson” for those opposing the proposed Zoning Code Text Amendment and Special Use Permit that would allow the Fairbridge Inn Hotel located at 3732-3740 Grand Avenue (in the East Grand Gateway Overlay District) to be converted by PADS Lake County to a shelter for the homeless. She then proceeded

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to explain why she felt the request by PADS did not meet the standards for neither the Text Amendment nor the Special Use Permit, citing Zoning Ordinance, approval standards, and the Village Comprehensive Plan.

Picking up where Ms. Stuckwisch left off, Lori Isaacson of 1418 Deer Run continued citing Ordinance before adding that she thought approving these requests would harm economic progress and people of color in the area. She then offered a history of ownership of the property as suggestion that the current owner would be motivated to sell.

After Ms. Isaacson was done speaking, Ms. Stuckwisch asked for a “show of hands” by those who are against these requests, in an attempt to record opposition to them even by those who would not actually be speaking against them this evening.

The next speaker, Becky Kotsinis of 907 Belle Plaine, submitted a list of questions she claimed was sent to PADS and have remained unanswered. Some of the concerns that generated these questions— Use of key cards, program participation, employment requirements, drug testing, number of occupants in each room, criminal background checks, food service, availability of volunteers, substance abuse, etc. She expressed, in particular, concern over whether or not residents who drive will be required to show proof of being licensed to do so (because of a personal experience she then shared).

The next speaker, Cari Wagner of 4357 Eagle Court, insisted that any conflicts of interests between Board members and PADS be submitted in writing by Friday July 12<sup>th</sup>.

Nari Powers of 988 Belle Plaine Avenue expressed an overall discomfort being out in the area playing basketball on the local courts, walking to the gas station nearby, and being out with her niece. She attributed this discomfort to several experiences she claims to have had being approached by stranger who have asked her for money, sworn at her, etc.

Candace Stone of 988 Belle Plaine Avenue gave a rather long speech expressing concern over the drugs, crime, mental illness, and “so-called people who need help” she claims familiarity with and warned of the “element” that will be brought into the area if these requests are granted.

After Ms. Stone spoke, there was a round of applause. Mr. Sula silenced it, and warned that if such outburst happens again, he will close the floor to the public.

Andy Thieme, 1046 Waveland, read a paragraph from the PZB’s website and state that this “just wasn’t” the right spot for the proposed shelter.

Dave McCellan, 1188 Boulevard View, asked the Board to consider the number of cars driven by the homeless in the neighborhood, and claimed that his wife and son have been woken up by homeless (outside) in the neighborhood.

Approved

Brad Evans, 3538 Highland Avenue, claims to have been robbed by homeless who have been breaking into cars in the neighborhood; he insisted that it will “happen to you.”

Rachel Thieme, 1046 Waveland, gave examples of loitering, drinking in public, and such that she attributes to the use of the hotel by PADS. She mentioned, several times, the number of men in the area. She also expressed concern for the elderly and children in daycare centers in the area.

Mateen Khumawala, 1169 Waveland Avenue, spoke of the change in the area, for the worse, that he’s seen in the neighborhood over the last 20 years. He stressed that he is not opposed to a shelter, but opposed to one in that area.

The final speaker, John Allison of 5068 Fox Lane, spoke of his concern over the migration of “these people” and that migrants will end up in this shelter.

Mr. Sula then thanked everyone for speaking before closing the floor to the public.

## **9. Adjournment**

Mr. Campbell, seconded by Mr. Morgan, motioned to adjourn the meeting.

Voice vote:

All “ayes,” no “nays, and none abstaining

Motion carried: 7-0-0

The meeting was adjourned at 9:00 p.m.

Respectfully Submitted,

Joann Metzger  
Recording Secretary