

PLAN COMMISSION REPORT

2021-24P: Chapter Amendment

Community Development Department

Council Chambers, 8:00 PM, February 7, 2022

To: Mayor and Board of Trustees
From: Paul Luke, Chairman, Skokie Plan Commission
Case: **2021-24P: Zoning Chapter Amendment**
Allow Auto Dealer and Marine Craft Dealer within the OR Office Research District

PLAN COMMISSION ANALYSIS

At its November 18, 2021 meeting, the Plan Commission reviewed Carvana’s request to amend the OR district by allowing auto dealers and marine craft dealers as a restricted use.

The Plan Commission considered the Comprehensive Plan, the current OR district regulations, and the classification of OR as an industrial district in its discussion.

The proposed use will be restricted by requiring that all inventory be located within the building or within a parking space, auto repair is prohibited, and outdoor intercom is prohibited.

INTERESTED PARTIES

Legal Notice was properly advertised as prescribed by the Zoning Chapter. The case was heard alongside the Carvana site plan. As with the site plan case, the Plan Commission received 100’s of emails and multiple people spoke during the meeting.

PLAN COMMISSION RECOMMENDATION AND VOTING

The Plan Commission recommended, by a vote of 5 ayes, 2 nays, and 2 members absent, that Chapter 118 Zoning of the Skokie Village Code be amended as recommended in the Staff Report for 2021-24P.

<u>ATTENDANCE</u>	<u>AYES</u>	<u>NAYS</u>	<u>ABSENT</u>
Mitchell			X
Quane			X
Shah	X		
Franklin (second)	X		
Gevaryahu		X	
Lakahani	X		
Burman	X		
Mathee (moved)	X		
Luke		X	

RECOMMENDED CHAPTER AMENDMENT

Appendix A

Use	Residential					Mixed-Use				Business						Industrial			
	R1	R2	R3	R4	R5	NX	TX	CX	Retail	B1	B2	B3	B4	B6	H1	M1	M2	M3	OR
Car Dealer and marine craft dealer											P	P				P	P	P	R

Sec. 118-75

(11) *Restricted uses.* Uses listed as restricted uses in the district shall be permitted uses and be located within buildings containing other unrestricted uses or residences.

(a) Residences shall only be located south of Old Orchard Road.

(b) Auto Dealer and Marine Craft Dealer shall be restricted as follows:

(1) All inventory shall be located within the building or within a parking space that meets dimensional standards for parking spaces.

(2) Auto repair is prohibited.

(3) Outdoor intercom or speaker systems are prohibited.

ATTACHMENTS

1. Staff Report
2. Meeting Minutes

STAFF REPORT

2021-24P: Zoning Chapter Amendment

Community Development Department

Council Chambers, 7:30 PM, October 21, 2021

To: Paul Luke, Chairman, Skokie Plan Commission

From: Matt Brandmeyer, AICP, Community Development Director

Case: **2021-24P: Zoning Chapter Amendment**

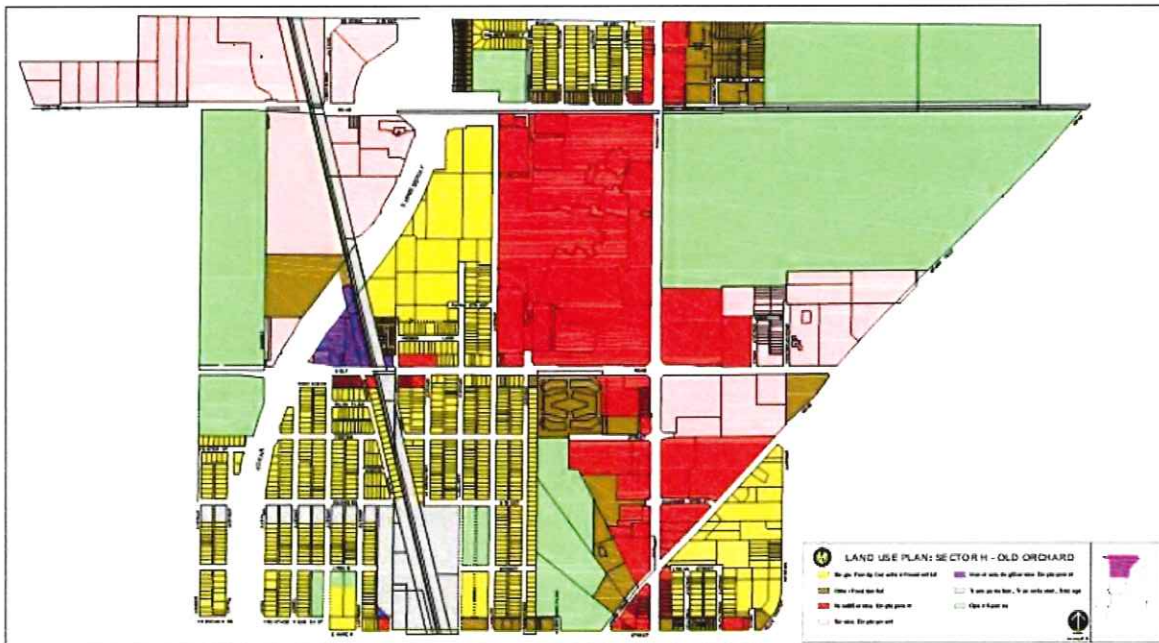
Allow Auto Dealer and Marine Craft Dealer within the OR Office Research District

General Information	
<i>Petitioner</i>	Carvana, Co.
<i>Purpose</i>	Carvana Co. is requesting an amendment to Section 118, Appendix A of the Skokie Village Code to allow Auto Dealer and Marine Craft Dealer as a restricted use.

STAFF REVIEW

Staff reviewed the Comprehensive Plan, the OR Office Research District, and Appendix A “Use Table” in its analysis of the proposed text amendment.

The OR district is entirely located near the Old Orchard and Woods Drive intersections and adjacent to I-94. This area is denoted as “Service Employment” in the Comprehensive Plan – shown as pink in the map below. The brown area shown on the map is Optima Old Orchard Woods, which is zoned OR but is shown as “Other Residential” on the map.



The "Service Employment" area land use designation is not limited to the OR district. It can be found throughout the city and includes B4, B6, H1, M2, and OR zoning districts and consists of a wide variety of permitted office, retail, and service uses.

The OR district is considered part of the Industrial class of zoning districts. Like most municipalities, the different classes of districts include Residential, Business, Mixed-Use, and Industrial zoning. The classes represent a hierarchy of least flexible to most flexible regulations where industrial zoning provides the most flexibility.

This is apparent in the OR district's height requirements, which allows buildings to reach 180 ft. The Science & Tech Park (B6) allows 180 feet, Old Orchard Mall (B4) allows 175 feet, Downtown Skokie (CX) allows 156 feet, and the remaining industrial districts allow 120 feet in building height. The maximum height requirement in other nonresidential districts is 75 feet or less.

Lastly, from a land use perspective, car dealerships are permitted in B2, B3, and each of the industrial districts (M1, M2, and M3) except OR. It's worth noting that storage of vehicles, auto repair, fuel stations, and car washes that are commonly associated with car dealerships are not allowable. These uses are not permitted in the OR district, and they are not being added through this request.

STAFF RECOMMENDATION

Staff recommends that Chapter 118 Zoning of the Skokie Village Code be amended with the text in **BOLD** as follows:

Appendix A

Use	Residential					Mixed-Use				Business						Industrial			
	R1	R2	R3	R4	R5	NX	TX	CX	Retail	B1	B2	B3	B4	B6	H1	M1	M2	M3	OR
Car Dealer and marine craft dealer											P	P				P	P	P	R

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(a) Residences shall only be located south of Old Orchard Road.

(b) Auto Dealer and Marine Craft Dealer shall be restricted as follows:

(1) All inventory shall be located within the building or within a parking space that meets dimensional standards for parking spaces.

(2) Auto repair is prohibited.

(3) Outdoor intercom or speaker systems are prohibited.

Draft Plan Commission Meeting Minutes
Date: November 18, 2021

A motion to approve the minutes of the October 21, 2021 Plan Commission meeting was made by Commissioner Burman and approved by all with a voice vote.

Case Description:

2021-24P – Zoning Chapter Amendment: Allow Car Dealer and Marine Craft Dealer in the OR Office Research District

Carvana Co. is requesting an amendment to Section 118, Appendix A of the Skokie Village Code to allow Auto Dealer and Marine Craft Dealer within the OR Office Research District.

2021-25P – Site Plan Approval: 9801 Woods Drive

Carvana Co. is requesting site plan approval for a Carvana car dealership. The proposal involves the construction of a 135' 6" building, relief from Chapter 82 of the Skokie Village Code to allow wall signs on each side of the building, and any relief discovered during the review of the case. PIN: 10-09-304-044-0000

As these cases are related, they were discussed together but voted on separately.

Discussion and Interested Parties

Legal notice was advertised, posted, and delivered to all property owners within the area as prescribed by the Zoning Chapter. Corporation Counsel determined that notice was proper and correct.

Donna Pugh and Mike Noonan, of Foley & Lardner, presented the case on behalf of Carvana Company. They introduced Bret Sassenberg, VP of Carvana – Arizona, Brett Hanlon, Carvana's project manager, Bill Grieve, transportation expert from Kimley-Horn, George Kisiel, architect and planner from Okrent Kisiel Associates, Inc., Emily Klingensmith lighting expert from Schuler Shook, and Mary Linberger, real estate appraiser from Linberger & Company, LLC, who all gave testimony.

Ms. Pugh explained that Carvana has nothing to do with the 5-lot subdivision case which was recently heard by the Plan Commission. There was much confusion and many questions. She displayed an aerial map of the area depicting all the properties. Starting from the north, there is the medical office building, day care center, dialysis center, and vacant office building and parking lot. Each is a separate stand-alone entity. Optima and the Holocaust Museum are at the southern end of Woods Drive.

Carvana is proposing a 15-story, slender, 40x40 lighted, glass tower to house 55 late model used cars for sale along with a 1-story welcome center and prep area. Signage relief has also been requested as they wish to place a lighted wall sign at the roofline on each side of the tower as well logos at the corners.

Mr. Sassenberg gave an overview of the Carvana operation. The business started in 2015 in Arizona. They are revolutionizing the way people shop for cars. They are changing the model by

not needing a brick & mortar building and are considered the "Amazon for cars". People don't come to Carvana to shop. There is no service department, no fueling station, and no intercom or loudspeakers to outside. Perspective customers look at inventory, select a car, and navigate financing options; all online. Providing auto insurance will be coming soon. Customers have the option to have their car delivered to them or pick up at the vending machine tower. There is a 7-day return policy, if needed. Carvana will also purchase vehicles from the public as well.

Mr. Kisiel spoke of the site plan changes that have been made since the meeting with Optima residents. He understands their concerns over lighting, noise, truck traffic, & vibrations. They have shifted the Carvana tower as far east as they can and upgraded the landscaping at the south end of their property as well as added stormwater control. The car haulers can only fit 9 vehicles and will be directed to use Old Orchard Road as the entry to Woods Drive. The road will be re-paved, reduced speed signs of 5 mph will be posted and drivers instructed to shut engines while loading and unloading cars on site.

Mr. Grieve is familiar with Skokie being involved with many projects. He was the transportation engineer for the development of the Holocaust Museum. The same traffic concerns that were circulated with that project and have never materialized are circulating once again. He has projected about 128 trips per day for Carvana which is considerably much less than a traditional car dealership. There will be no sales or service departments, no test drives, and limited customers on site. He concluded that traffic on Woods Drive will only increase by 3% of current use.

Ms. Klingensmith talked about the optical interior & exterior lighting. They will have the minimum amount of light for safety in the parking lots. They have found that colors of blue and green light are less intense and therefore, less disruptive despite being "on" overnight. Carvana will have the ability to control the intensity of the tower lighting but for her calculations, she used full intensity and brightness. The results were equal or lower than Skokie's regulations including the lighted signage.

Ms. Linberger stated that Carvana will not change the neighborhood. Optima is located in an industrial area with commercial neighbors. Carvana is modest when compared with what can be built there such as condos, hotel, and office buildings up to 17 stories high. It will be the least intrusive neighbor to Optima. She pointed out that the Carvana locations in Oakbrook, Tempe, Philadelphia, Cleveland and Houston all have expressway exposure and are within 500 feet or less to residential neighbors.

A commissioner inquired about where the re-conditioning of cars takes place before being put up for sale. Mr. Sassenberg reiterated that there is no sales or service center at the site. Cars needing work are taken to a separate location. Once they are "pinged" by an interested purchaser, the vehicle is trucked to a tower location to be detailed at the prep center and added to the inventory.

Another commissioner asked about hours of operation. Mr. Sassenberg stated that they will be open from 7am to 10pm Monday through Saturday but operational from 9am to 7pm. They will be closed on Sundays.

After reading submitted articles from the director of the Chicago Bird Collision Monitors, a commissioner wanted further information regarding the impact on nature and wildlife; specifically, bird strikes. He asked if Carvana would be using bird friendly glass. Mr. Sassenberg stated that they use clear glass with blue lights so that the cars will be seen in the tower. He didn't have any information on bird strikes as the issue was never raised before. According to the articles, the use of clear glass is a high threat to birds and suggested the use of "bird-safe glass".

Mr. Kisiel added that some large buildings can turn the lights off during peak migratory season. They are open to meeting with the Chicago Bird Collision Monitors and using a different glass that is transparent yet not reflective.

Another commissioner wanted to know more about truck deliveries after hours. Mr. Sassenberg confirmed that truck deliveries come between 8-10 pm and a handful could come to the site up to 11pm or midnight.

Staff requested the reports be entered into the record as written and gave a short summary of each. It should be noted that a petition of opposition from Optima property owners & residents was submitted into the record along with approximately 90 public comments.

The Comprehensive Plan lists the area as Office Research with service commercial uses and other residential. The OR district is in a class of industrial uses with the most flexibility in regulations. The maximum height is 180 ft, there is no FAR, no minimal lot size and building setbacks of 100 ft. from the property lines. Car dealerships are permitted uses in the other industrial districts and staff is recommending adding car dealerships as a restricted use to the OR district whereby all inventory is located inside, there is no auto repair, 50 ft. setbacks on each side, and loudspeakers or intercom systems prohibited.

For site plan approval, staff stated that currently the site is a vacant surface parking lot. The Appearance Commission will review the building design prior to the presentation to the Village Board. Signage relief is necessary as the applicant requested lighted wall signs for all 4 sides of the tower as well as logos at the recessed corners. Staff is recommending that the lights be dimmed at 11pm on the south & west sides overnight except for the 1st floor lights as needed and the building interior on the north and east.

Staff reviewed the summary of changes made to the original report after the meeting with Optima residents on October 21, 2021. The building height has increased to 140 feet and a condition added that a \$200,000 bond be provided by the petitioner to cover the cost of demolition or removal of materials for a period of 10 years, if necessary.

A commissioner noted that he would like litter waste containers added to the site and the standard garbage condition (inspection of the site every 4 hours) inserted. He also encouraged the petitioner to meet with staff regarding bird strikes and the use of special glass.

Asher Bronfeld, an Optima building Board President, displayed the view of the natural environment that he sees out his condo windows every day. He stated that when they bought their unit, it was never described as locating in an industrial zone but rather in a quiet, park-like setting. The 646 units (2,000 residents) of Optima comprise 3% of Skokie's population. They

593578- Plan Commission meeting minutes – 9801 Woods Drive

knew that redevelopment was coming to the area based on advertising signs for high density uses such as senior housing or multi-family.

Jerry Mayster, real estate attorney, spoke of the decreased property values of 15-30%. He has been representing Optima residents of the Elm & Maple towers for over 10 years. Optima was built in 2006 and so many years later the units sell at a decreased price from the original development sales price. He gave examples of several units comparing the original purchased prices to the recent sales of the same units. A car dealership will negatively affect people from wanting to relocate at Optima.

Many other Optima residents voiced their concerns ranging from continuing the cases to allow for cross-examination, heavy truck traffic, noise & vibrations, operating hours, property values, negative impacts to all flora and fauna, loss of quiet, unique community, threat factor to birds, visual distraction from the expressway, disrespect to the Holocaust Museum, betrayal of Skokie to the Optima residents, Carvana's poor business practices, other Carvana locations compared to Skokie, Village's concern for adding revenue over the wishes of Skokie residents, and the structural soundness of site.

A commissioner asked if the truck route can be changed and not circulate past Optima. Mr. Sassenberg answered that having a truck backup would be more disruptive. Another commissioner asked where the deliveries are made. Mr. Sassenberg responded that during the day deliveries are handled at the back of their property.

Another commissioner wanted information about what they will use the 200 parking spaces for. Mr. Sassenberg stated that the parking spaces will be used for expansion and growth. Also, employee cars need to be kept separate and not co-mingled with inventory cars that come in for inspection.

A commissioner commented that what could locate at the site could be more extreme than Carvana.

Recommendations and Voting

Case 2021-24P – Zoning Chapter Amendment

A motion was made to approve the request for amending Appendix A of the Village Code to allow auto dealer and marine craft dealer within the OR Office Research district.

Motion: Mathee

Second: Franklin

**Absent: Mitchell &
Quane**

Ayes: 5

Nays: 2 (Gevaryahu, Luke)

Case 2021-25P – Site Plan Approval

A motion was made to approve, as amended with conditions added, the request for a Carvana car dealership involving a 140' building and relief to allow wall signs on each side of the building at 9801 Woods Drive. The conditions to be added are:

- 1) Require some resolution in terms of light mitigation during migratory bird season to either dimming lights or turning them off and using a suitable glass.
- 2) Cut off on deliveries after a given hour to be determined and approved.
- 3) Minimize noise and disturbance of truck traffic as much as possible.
- 4) Standard garbage condition.

Motion: Burman

Second: Shah

**Absent: Mitchell &
Quane**

Ayes: 5

Nays: 2 (Gevaryahu, Shah)