

**WINNETKA PLANNED DEVELOPMENT COMMISSION SPECIAL MEETING MINUTES
AUGUST 14, 2023**

Members Present:

Matt Bradley, Chairman
Mamie Case
Layla Danley
Chris Foley
John Golan
Lynn Hanley
Liz Kunkle
Mike Nielsen

Members Absent:

Todd Vender

Village Attorney:

Benjamin Schuster

Village Staff:

David Schoon, Director of Community Development
Ann Klaassen, Assistant Director of Community
Development

Call to Order:

The meeting was called to order by Chairman Bradley at 7:00 p.m. Ms. Klaassen took roll call of the Planned Development Commission Members present.

Approval of Minutes:

- a. Draft July 19, 2023, Planned Development Commission Meeting Minutes.

Chairman Bradley asked for a motion to approve the Draft July 19, 2023, meeting minutes. A motion was made by Ms. Danley to approve the Draft July 19, 2023, Planned Development Commission meeting minutes and seconded by Ms. Case. A vote was taken and the motion unanimously passed, 8 to 0:

AYES: Bradley, Case, Danley, Foley, Golan, Hanley, Kunkle, Nielsen

NAYS: None

Public Comments:

No comments were made at this time.

Community Development Report:

Mr. Schoon stated there is no Community Development Report.

Continued Applications:

- a. Case No. 22-25-PD: 714-16, 718-732, 736 & 740 Elm Street and 511 & 515 Lincoln Avenue - One

Winnetka Preliminary Planned Development: An application seeking the following approval of subdivision and zoning relief to allow the construction of a new four-story mixed-use building: (1) a plat of consolidation to create one lot of record, which consolidation requires an exception to allow a side lot line to abut a rear lot line; and (2) preliminary planned development plan approval with the following zoning exceptions and special use approvals: (a) an exception from the maximum permitted building height; (b) an exception from the maximum front yard setback requirement; (c) an exception from the maximum corner yard setback requirement; (d) an exception from the minimum rear yard setback requirement; (e) an exception from the rear yard landscaped area requirement; (f) an exception from the

1 minimum fourth story setback requirement; (g) a special use to allow parking on the ground floor level;
2 (h) a special use to allow medical office uses within the C-2 Commercial Overlay District; and (i) a special
3 use to allow financial service office uses within the C-2 Commercial Overlay District. The Village Council
4 has final jurisdiction on this request. This item was continued from the July 19, 2023, Planned
5 Development Commission special meeting.

6
7 David Schoon, Community Development Director, reviewed with the Commission what occurred
8 at the July 19 Planned Development Commission meeting. He summarized that the Commission
9 generally spoke in support of the project and that Commission members discussion focused on
10 the commercial parking lot and the Applicant's request for Village approval of medical special
11 uses and financial services special uses without knowing specific tenants. Mr. Schoon very briefly
12 summarized the Applicant's request leaving it to the Applicant to review in more detail.

13
14 John Murphy and Hal Francke, attorney for the applicant, introduced themselves to the Commission. Mr.
15 Franke stated in terms of the special use approval they are requesting for the medical uses and financial
16 uses, they are attempting to get further down the line in the special use process but not asking for final
17 approval of the special uses. He stated they want the project to appear more "shovel ready." Mr. Franke
18 explained that it helps to finance and lease up the project and that this has been done in other
19 communities. He also stated it helps the project to be more successful.

20
21 Chairman Bradley asked how the special uses they are requesting meet the first three standards. Mr.
22 Franke stated the question with these three standards is whether these uses would be acceptable in this
23 location. Chairman Bradley stated financial services are very broad and it is the same with medical uses.
24 He explained it is difficult to know whether a use is appropriate when the specifics are unknown or where
25 the uses would be located. Mr. Murphy stated it might be difficult to set the location because of the
26 lessee's specific needs (i.e., window lines, etc.). He asked whether the limits they are suggesting are too
27 loose.

28
29 Chairman Bradley stated the natural spots for special uses would be on the east and south ends of the
30 commercial space. Mr. Murphy stated their preference is visibility for financial uses but there would not
31 be a problem with bookending the medical uses on the east and south ends. He also stated financial
32 services do not want to be on the ends. Mr. Murphy stated they would be fine with firming up the criteria.

33
34 Mr. Francke stated they would still have to come back before the Commission in connection with each
35 financial service use or medical use request as the tenants will need to prove they meet the remaining
36 special use standards. Ms. Hanley stated the ones they want waived are the substantive standards. She
37 also stated they have a problem without knowing what the use is. Mr. Francke stated they are asking for
38 approval for a certain use, not users. Mr. Schuster stated that different uses would have different impacts
39 and there are different types of uses for medical and financial services in terms of how they operate. Ms.
40 Hanley stated there would be a need to assess the intensity of the use. Mr. Golan asked if the applicant is
41 requesting the Commission to approve a medical spa and if the tenant would have opaque windows,
42 would they have to go through the full special use review. Mr. Francke responded yes and that there are
43 certain criteria which must be met.

44
45 Mr. Nielsen asked if both medical and financial uses could be located on the east end so they are not at a
46 corner. He referred to them only being allowed on the east end of Elm Street and that they want to protect
47 the Lincoln frontage as well. Mr. Murphy indicated bookending the uses would work better. He stated

1 having financial services is critical to them in terms of getting the project financed. Ms. Hanley stated she
2 would be fine with it if it is only allowed in certain locations and for medical uses to be located on the far
3 east side and that she is less concerned with the financial uses because they vary so much.
4

5 The Commission then began discussing a possible time limit for the special uses to occupy space and the
6 applicant's suggestion of 15 years. Mr. Murphy stated a term of 15 years for the "approval of
7 appropriateness of financial and medical/dental office uses" would get to the second lease renewal term.
8 Chairman Bradley asked why it cannot be limited to the first user. Mr. Murphy responded they could do
9 that. He stated they are trying to preserve it and it could be the initial lease term which will be
10 approximately 10 years.
11

12 Chairman Bradley then asked for public comment. He swore in those speaking to this matter.
13

14 Bob Horn, 340 Birch, noted his familiarity of the creation of the Overlay District and his experience in
15 commercial development. He stated that this project will bring the best of the best to Winnetka. Mr. Horn
16 stated the applicant needed to be given flexibility to sign tenants. No additional public comments were
17 made at this time.
18

19 Mr. Foley stated he is hesitant because they do not know what this will be and questioned whether a
20 medical use would be located next to another medical use. He also stated they do not necessarily want
21 that and it represented a balancing act with their being enthusiasm for the project. Ms. Kunkle stated she
22 is less concerned in general and is concerned even less if the medical uses was removed from
23 consideration. She also stated she would like to limit it to the first tenant. Ms. Case stated she is not in
24 favor of pre-approval without conditions being placed on it. She agreed such uses should be pushed to
25 the edges and reiterated she would like to see conditions. Mr. Golan described it as prime retail space and
26 they are not going to get a group of internists or urologists. He stated they are going to get high quality
27 tenants and added there has not been retail in this location for over five years.
28

29 Mr. Nielsen stated he is generally in favor and the developer needs approval of the financial uses so they
30 can get financing. He reiterated he would prefer for medical uses to be located on the east end. Ms. Hanley
31 stated she is definitely on board with standards (a)-(g) and they can come to terms with financial services.
32 She indicated she is less excited about medical uses and referred to standard (h). Ms. Hanley then stated
33 she had no problem with suggesting conditions and there needed to be a good balance of retail and other
34 uses. Ms. Hanley added she did not want the broader area to be the medical district of Winnetka. Ms.
35 Danley stated she had no problem with the financial uses but would want to talk through conditions.
36 Chairman Bradley stated financial uses are the most important and they would likely want to consider
37 that they are able to market a glide path for special use approval for financial services although they would
38 still have to come back to approve the other standards. He suggested changing the 15 year time limit to
39 the initial term for the tenant and that they could be grandfathered in if the tenant needed to sublet.
40 Chairman Bradley also stated he would not designate it to specific areas. He then asked the Commission
41 Members how they felt about requiring conditions.
42

43 Chairman Bradley then stated that the proposed condition that no individual use be greater than 6,500
44 square foot could be reduced to 6,166 square feet or 6,200 square feet. He indicated he could get behind
45 medical uses if they claw back some of the standards. He also suggested limiting it to the first tenant or
46 sublessee, and 6,200 square feet. Chairman Bradley stated they need to make it as commercially viable
47 as possible.
48

1 Ms. Hanley confirmed for the record there are already four medical uses on Lincoln and if they were to
2 claw back one of the standards, she would recommend it be standard no. 2, of the regular special use
3 standards. She also stated it would be less so for financial services but it should definitely be applied for
4 medical uses. Mr. Golan asked the Commission Members why they were so against having medical uses
5 which generate a lot of foot traffic and suggested medical uses not be distinguished.

6
7 Ms. Danley responded the financial uses are important to the applicant in terms of their financing where
8 medical uses are not. She then stated she would be fine with not taking back on the financial use but with
9 a medical use, she would want to see standard no. 1 be clawed back as well as standard no. 2.

10
11 Chairman Bradley questioned whether it would be possible to limit it to the first and second sub-tenant
12 which would be the same sort of business and for no medical office to occupy no more than 6,200 square
13 feet. Mr. Schuster stated if they want to go above 6,500 square feet, then they would have to go back
14 through the special use process. The Commission Members discussed at length how the square footage
15 can be divided up. Chairman Bradley suggested to hold the square footage at a maximum of 6,200 square
16 feet and no more than 50% of the GFA. Chairman Bradley and Ms. Danley agreed they should pull back
17 standard no. 1. Ms. Case suggested they throw out medical uses which will have an impact but would not
18 be as significant as financial uses. Mr. Murphy stated medical uses would have an impact but it would not
19 be as significant as financial uses.

20
21 Chairman Bradley stated the proposal is to condition recommending approval on standards (a)-(i) with
22 special conditions applying to standards (h) and (i) that include the appropriateness of it to be limited to
23 the first tenant and successor tenant on either standard (h) or (i) for no one individual use to exceed 6,200
24 square feet before which they would need to go through the special use process for any additional square
25 footage. He stated the only remaining issues related to medical offices and whether any of the standards
26 be un-italicized for the pre-approval glide path for medical uses. Ms. Case suggested any medical use
27 should come back before the Commission.

28
29 Chairman Bradley asked the applicant with regard to the medical use, how important is it to the financing
30 and viability of the project. Mr. Murphy responded the medical use impact would not be as profound as
31 the financial services portion and suggested if the criteria can be tightened up to meet the Commission
32 members' requirements, he would be able to relay to the bank they have the ability to do it which is
33 necessary. Chairman Bradley asked if they could create a standard for a square footage maximum with
34 regard to medical uses. Mr. Murphy agreed with Chairman Bradley's suggestion. He informed the
35 Commission the likelihood of a dentist occupying the space is very remote since they would be paying a
36 significant amount for rent.

37
38 Chairman Bradley then asked the Commission Members for their comments on a proposal keeping in
39 exceptions (h) and (i) and to add a condition that states: "3. No individual Financial Use shall occupy more
40 than 1/3 of the gross commercial square footage, or 6,500 square feet, of the building" with the
41 Commission adding an additional item which reads: "No individual medical use shall occupy more than
42 3,250 square feet" outlining the limitation for the tenant and subtenant.

43
44 Commission members, Village Attorney, and Mr. Murphy discussed lease terms and how that would relate
45 to the term for the "approval of appropriateness" that is being requested. Mr. Schoon provided
46 clarification in what appeared the Commission was confusing tenant lease terms with the term for the
47 period of time the Applicant is requesting "approval of appropriateness" of certain special use standards
48 for the medical and financial service uses. The 15 years in the applicant's proposal is not about lease

1 terms for tenants, but it is about the length of time that initial "approval of appropriateness of financial
2 and medical/dental office uses" would be good for. That after 15 years, all financial uses and medical
3 uses requiring special use approval, would need to demonstrate that they comply with all 12 of the special
4 use standards. Up until that point in time, specific special use standards have found to be met. The
5 Commission Members and the applicant discussed the difference between 10 and 15-year term limits
6 from this perspective and whether it is critical to the application. Chairman Bradley asked if there were
7 any other comments. Ms. Hanley suggested they go with a 10 year term. Mr. Nielsen agreed with a 10
8 year term. Ms. Danley indicated she would be more inclined to have a 10 year term over 15 years. Mr.
9 Foley stated he is indifferent as to a 10 or 15 year term.

10
11 Chairman Bradley stated the Commission is in support of recommending approval on the application as
12 stated on pages 7- 11 of the staff report with the following amendments:

- 13
14 1. That C-2 Overlay special use standard iii. on page 9, but restated as follows:

15
16 *iii. The proposed special use at the proposed location will provide for active display windows,*
17 *provided that the street facing windows remain open and transparent as viewed from the sidewalk*
18 *into the tenant space.*

19
20 *The proposed special use at the proposed location will provide for facades, signage and lighting*
21 *similar in nature and compatible with that provided by retail uses.*

- 22
23 2. That Section F.1.c. on page 10 be amended to read as follows:

24
25 *No individual Financial Use shall occupy more than one third of the gross commercial square*
26 *footage, or 6,500 square feet, of the building.*

- 27
28 3. That a new subsection be added to Section F.1 on page 10:

29
30 *d. No individual Medical Use shall occupy more than 3,250 square feet of gross commercial square*
31 *footage of the building.*

- 32
33 4. What now becomes section F.1.e on page 10 (formerly F.1.d.), be amended to read as follows:

34
35 *e. Approval of the appropriateness of Financial Uses and Medical Uses for the Planned*
36 *Development will be limited to 10 years from the effective date of any ordinance the Village*
37 *Council may adopt approving the Final Planned Development.*

38
39 Chairman Bradley asked if there was a motion to that effect. A motion to recommend approval as stated
40 by Chairman Bradley was made by Ms. Hanley. The motion as seconded by Ms. Kunkle. A vote was taken
41 and the motion unanimously passed, 8 to 0:

42
43 AYES: Bradley, Case, Danley, Foley, Golan, Hanley, Kunkle, Nielsen

44 NAYS: None

45
46 **New Business:**

- 47 a. September 6, 2023, Regular Meeting - Quorum Check.

48 Mr. Schoon confirmed there are no agenda items for the September meeting.

1 b. October 4, 2023, Regular Meeting - Quorum Check.

2 The Commission Members discussed their availability.

3
4 **Adjournment:**

5 Chairman Bradley asked for a motion to adjourn. A motion was made and seconded. A vote was taken
6 and the motion unanimously passed, 8 to 0:

7 AYES: Bradley, Case, Danley, Foley, Golan, Hanley, Kunkle, Nielsen

8 NAYS: None

9 The meeting was adjourned at 9:21 p.m.

10
11 Respectfully submitted,

12
13 Antionette Johnson

14 Recording Secretary