Village of Arlington Heights
Plat and Subdivision Committee
Community Room, 3rd Floor
Arlington Heights Village Hall
33 S. Arlington Heights Road
Arlington Heights, IL 60005
March 23, 2016
6:30 PM

I. CALL TO ORDER

II. ROLL CALL

III. APPROVAL OF MINUTES

IV. REPORTS

V. OLD BUSINESS

VI. NEW BUSINESS

A. Ivy Hotel - 519 W. Algonquin Rd. - T1526
Land Use Varation

B. Lambs of Faith Early Childhood Center - 431 S. Arlington Heights Rd. - T1539
Special Use Amendment

C. Metro Auto Detail - 500 E. Northwest Hwy. - T1543
Special Use for a Car Wash

VII. OTHER BUSINESS

VIII. ADJOURNMENT

Persons with disabilities requiring auxiliary aids or services, such as an American Sign Language interpreter or written materials in accessible formats, should contact David Robb, Disability Services Coordinator, at 33 S. Arlington Heights Road, Arlington Heights, Illinois 60005, (847)368-5793 (Voice), (847)368-5980 (Fax) or drobb@vah.com.

Item: Ivy Hotel - 519 W. Algonquin Rd. - T1526

Department: Planning & Community Development

Requested Action

A Land Use Variation to allow a 165 room hotel in the M-2 zoning district.

Variations Identified

Chapter 28, Section 11.4 Parking to allow 177 parking spaces whereas 341 are required, a variation of 164 spaces (Note that these figures do not include the proposed second floor conference rooms which will need to be calculated once the dimensions of the conference rooms are provided, thus increasing the required parking)

Recommendation

The Staff Development Committee reviewed the proposed request on March 8, 2016 and generally supports the concept of a hotel at this location, however prior to a recommendation on the project, there are several significant issues that must be evaluated during the formal review process including but not limited to the following:

1. The parking study must include more parking counts over multiple days for the existing facility.

2. On site detention shall be required to meet current standards of the Village and MWRD.

3. The petitioner shall explore shared parking agreements with adjacent properties for evening and weekend parking, and provide copies of any existing parking agreements.

4. Design Commission review shall be required for the hotel. It is recommended that the petitioner seek a preliminary meeting of the Design Commission to obtain feedback from the Design Commission.

5. The market feasibility study shall be further evaluated.

6. The petitioner must provide a written response to the following Land Use Variation criteria:

- The property in question cannot yield a reasonable return if permitted to be used only under the conditions allowed by the regulations in that zone; and
- The plight of the owner is due to unique circumstances; and
- The variation, if granted, will not alter the essential character of the locality.

7. A Plan Commission application shall be submitted with all required documents and plans. The process includes a public hearing of the Plan Commission and Village Board approval.

8. These are preliminary comments only and should not be relied upon as identification of the only major issues. The Staff Development Committee reserves the right to change its position on issues upon submittal of a formal application and detailed review.

ATTACHMENTS:

Description	**Type**
Staff Report	Board or Commission Report
Market Study	Correspondence
Location Map	Exhibits
Site Plan, Elevations, Floor Plan	Correspondence
Traffic Study	Correspondence

STAFF DEVELOPMENT COMMITTEE REPORT

To:	Plat and Subdivision Committee
Prepared By:	Bill Enright, Deputy Director Planning and Community Development
Meeting Date:	March 23, 2016
Date Prepared:	March 18, 2016
Project Title:	Ivy Hotel
Address:	519 W Algonquin Road

BACKGROUND INFORMATION

Petitioner: James Cazares
233 E Ontario
Chicago, IL 60611

Existing Zoning: M-2 District

Requested Action:

- A Land Use Variation to allow a 165 room hotel in the M-2 zoning district.

Variations Identified:

- Chapter 28, Section 11.4 Parking to allow 177 parking spaces whereas 341 are required, a variation of 164 spaces (Note that these figures do not include the proposed second floor conference rooms which will need to be calculated once the dimensions of the conference rooms are provided, thus increasing the required parking)

Surrounding Properties

Direction	Zoning	Existing Use	Comprehensive Plan
North	M-2 Limited Heavy Manufacturing	RDMW	RDMW
South	M-2 Limited Heavy Manufacturing	RDMW	RDMW
East	M-1 Research Development and Light Manufacturing	RDMW	RDMW
West	M-2 Limited Heavy Manufacturing	RDMW	RDMW

*RDMW: Research Development Manufacturing Warehousing

Background:
The subject site is approximately 112,000 square feet or 2.6 acres and includes the existing European Crystal Banquet Hall. The banquet hall required a Land Use Variation which was approved in Ordinance 00-012. The current facility requires 176 parking spaces and there are 178 on site. The proposal is to add a 165 room 8 floor hotel at the north end of the building, which will include conference rooms on the second floor. The petitioner has provided a market study and parking study both of which are included in this packet. While staff is supportive of the hotel use, issues related to parking, market need, architectural design, and site improvements such as detention and landscaping, will need to be further analyzed in order to determine if the site can support this scale of development.

Zoning and Comprehensive Plan
The current M-2 zoning does not permit a hotel, which is permitted as a Special Use in the B zoning districts. Therefore a Land Use Variation will be required for the proposed hotel. As part of the formal review process, the Petitioner must provide a written response to the following criteria:

- **The property in question cannot yield a reasonable return if permitted to be used only under the conditions allowed by the regulations in that zone; and**
- **The plight of the owner is due to unique circumstances; and**
- **The variation, if granted, will not alter the essential character of the locality.**

The Comprehensive Plan designates the site as Research Development Manufacturing and Warehousing. Hotels would typically locate in Commercial areas as designated on the Comprehensive Plan, however given the location of the property along Algonquin Road near the I90 interchange, and the multiple hotels in the vicinity of the site, the location is good for a hotel subject to addressing the issues identified in this report and during the formal review process.

The petitioner has provided a market study which indicates a demand need for this hotel. Staff is in the process of evaluating the market study.

The maximum Floor Area Ratio for M-2 is 250% meaning the total square footage of floor space allowed on the site is 2.5 times the land square footage. The petitioner shall provide details on the total square feet of the hotel and banquet hall to determine if a variation is necessary.

Site Plan, Building and Landscaping
Design Commission review shall be required. It is suggested that the petitioner meet on a preliminary basis to discuss the current architectural elevations in order to obtain input early on from the Design Commission members. Given the proposed scale of the hotel at approximately 120 feet height, this building will be very visible to I90 and the surrounding areas, therefore design of the building will be a critical component of the overall project and it's compatibility with the area. Foundation landscaping for the hotel will also be important to the design of the building. In addition all site landscaping shall conform with code.

The building footprint does not adequately integrate with the existing site layout and parking/drive areas. There is little or no areas around the base of the building for landscaping as the drive aisles are adjacent to the building in certain areas. Site modifications to the parking areas and drive aisles in the front of the building will need to be evaluated for a more efficient layout with two way aisles and drive aisles that are consistent in width and not narrowing down from 30 feet to 17 feet as depicted.

Also, on site detention shall be required to meet current Village and MWRD standards, therefore site engineering plans shall be required as part of the Plan Commission process.

Traffic & Parking
A variation for parking is required as the components of the project parking requirements exceed the parking provided as illustrated below:

	Parking Required by Code	Parking Required	Parking Provided	Deficit
Banquet Hall/Restaurant	1:45 and 30% of occupancy	176		
Hotel Rooms	1 per room	165		
Hotel Conference Rooms	30% of occupancy	not known		
Total		**341 + conference rooms**	**177**	**164***
	* need to include conference rooms in deficit once floor space known			

The petitioner has provided a parking study from KLOA which provides an analysis of parking needed for the site. Staff has concerns with the parking variation and is evaluating the study and at a minimum will require many more than one parking count as provided in the study. Multiple parking counts will need to be provided to fully understand the existing parking required for the banquet hall as that is a critical aspect of the project feasibility. Other similar hotels shall be evaluated as well in order to determine parking demand.

Also there is a shared driveway along the west portion of the site which also provides access to other adjacent properties. The petitioner shall need to explore if there is an existing cross access shared drive easement on the site. Also the petitioner shall provide any documentation of existing shared parking agreements with adjacent properties, if any exist.

RECOMMENDATION

The Staff Development Committee reviewed the proposed request on March 8, 2016 and generally supports the concept of a hotel at this location, however prior to a recommendation on the project, there are several significant issues that must be evaluated during the formal review process including but not limited to the following:

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____ March 18, 2016

Bill Enright, Deputy Director of Planning and Community Development

Cc: Randy Recklaus, Village Manager
All Department Heads

TR Mandigo & Company

"Over 35 Years of Hospitality Consulting"

Market Study

Market Study for A 165 room hotel located adjacent to the European Crystal Banquets Building in Arlington Heights, Illinois

Prepared by:

TR Mandigo & Company
338 N. Highland Avenue
Elmhurst, Illinois 60125
TEL: (630) 279-8144
FAX: (630) 279-4701

Submitted to:

Mr. James Cazares
Mr. Anthony Cazares
European Crystal Banquets
Arlington Heights, IL 60004

Submitted on:

March 8, 2016

TR Mandigo & Company
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Tuesday, March 08, 2016

Mr. James Cazares
Mr. Anthony Cazares
European Crystal Banquets
Arlington Heights, IL 60004

Dear Mr. Cazares:

We have completed our market research to assess the potential market feasibility for the construction of a 165 room hotel in the business corridor along Algonquin Road in the southern end of Arlington Heights, Illinois. Current plans call for a facility adjacent to the existing banquet center, with first floor common areas and lobby, a second floor meeting facility and a 165 room hotel tower.

The report below presents an inventory of transient lodging accommodations in Arlington Heights and properties in the immediate proximity of the community that serve local room accommodation requirements. We have classified these by quality/brand assessment and have researched proposed additions to the market in the immediate area that would impact on local hotel operations. We have obtained through STR, market performance statistics on the local market detailing the past six years of monthly data for those properties we consider most competitive with the proposed hotel property, and analyzed this against historical data from the region and other subsets of hotels located nearby to create a more complete picture of the market.

Our research and analysis has resulted in estimates of demand and room rate (ADR) growth both historically and projected and estimate the growth in demand and prospective occupancy levels that would be representative of the expected competitive market performance over the next several years, the performance of the proposed hotel property for its initial period of operation and the ability of the market to absorb the additional rooms.

We have included our professional estimates of parking requirements for the hotel property based on the proximity to the airport and mix of business served to assist in review of the parking requirements for the property. This analysis includes commentary on the overlap of banquet and transient room parking, the reliance on public transportation and shared rides that would mitigate the parking requirements. We also address peak demand and compatibility of available space in this heavily industrial area where adjacent businesses require parking for a typical weekday daytime workforce with little demand for overnight and weekend accommodations, precisely the time period where the demand for hotel and banquet parking has its peak. We also indicate other factors that would serve to mitigate parking requirements such as valet parking which increases the density of use of existing space vs. self-park, and group transportation that might be provided during some specific events.

Included in our commentary would be the impact of airport van service, either by the hotel or contracted, that would additionally reduce parking requirements.

The study concludes with estimates of level of demand for the project, including determination of attainable occupancy and average daily rate, as well as the absorption period for the hotel and statements of estimated annual operating statistics in terms of occupancy and average daily rate set forth in a stabilized year projection in current value (2016) dollars. The results of this analysis are presented in this report showing the salient market information and our conclusions on market feasibility as well as the effect of any incentives on potential development.

This study also includes Statements of Estimated Operating Results outlining the first six years of operations for the hotel. This provides a forecast of revenues and expenses for the property based on our market findings, including departmental, undistributed, and fixed expenses considering local market conditions and the results of operations of comparable properties. Both revenues and expenses are stated in conformance with the Uniform System of Accounts for Hotels, the industry's standard reporting format. These Statements of Estimated Annual Operating Results form the basis for the determination of the value of the property applying both a Direct Capitalization and a Discounted Cash Flow (DCF) approach to value.

Thank you for the opportunity to be of service to the village of Arlington Heights.

Sincerely,

Theodore R. Mandigo, CPA, ISHC

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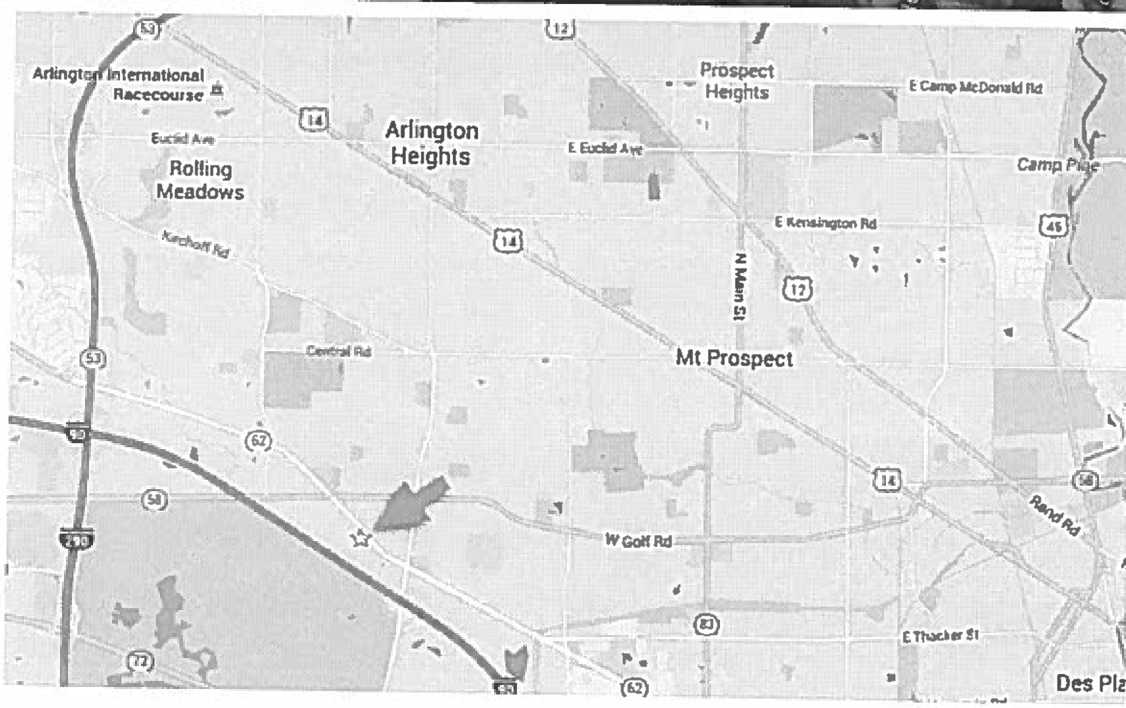
Table 1: Map of Site Location



Images from Google 2016

Summary of Conclusions

In the interest of full disclosure, TR Mandigo & Co. has produced several feasibility studies in and around Arlington Heights within the last 6 years. The conclusions of those studies have varied from strongly positive to negative based on a number of factors, specifically location, access, and local market served. In brief, we found that mid-ranged hotels in the area saw the slowest recovery, followed by large regional convention properties, while extended stay properties had the highest occupancy. Daily rates were highest among regional convention hotels, followed by the upscale local market. Rates were weakest among regional mid-range properties.

In this study, we examined the upper-midrange hotels located off the same intersection of Algonquin Road and Arlington Heights Road, immediately north of the I-90 exit to determine the strength of the primary market served, and compared this against performances from the above mentioned categories to create an extensive picture of the health of the region in general, and the sub-market served by the proposed property in particular.

In general, hotels in the area operate based on a select number of factors, most easily broken down into local and regional: local demand includes transient and business demand generated from the immediate area, contracts with area businesses, and groups, such as social organizations. These tend to be drawn from an area of no larger than a 5-mile radius. Roughly speaking, they are distinguished by transient guests and organizations seeking value, and personal relationships. Regional demand, on the other hand, consists of larger groups, transient tourist demand, and tends to value corporate and brand loyalty, price and number of services, and importantly, ease of access to highways and the region at large.

The Northwest Chicago region, centered on Schaumburg, is the largest suburban office market in Illinois. Businesses in the area are most concentrated west of Route 53, as well as along Northwest Highway, though offices in the downtown area tend to be smaller, with limited hotel demand. By far the greatest concentration of businesses is located in Schaumburg, with over 12 million square feet of office space. The greater Schaumburg area, consisting of Schaumburg, Rolling Meadows, Arlington Heights, Palatine, Streamwood, Roselle, Elk Grove Village and Wood Dale, includes 45 hotels with 10 hotels in Arlington Heights, making the Northwest Chicago area the largest suburban hotel market in Illinois and the second largest overall in the state, just behind the downtown Chicago concentration of hotels. Of these, 27 are located in Schaumburg, with an additional 5 listed as under development.

The Village of Arlington Heights is a major suburb located northwest of the city of Chicago, thirty miles from downtown via I-90/94. I-290/Illinois Route 53 is the major north-south highway linking both I-55 and the Eisenhower Expressway with I-90/94, the Northwest Tollway, which runs east-west along the southern boundary of the village. Several major regional arteries link the northwest suburban market to the surrounding region as well, making travel to and from the village to the city of Chicago, surrounding suburbs and the interstate highway network relatively easy. Visitors to area office parks and major retail destinations are most likely to choose a facility along major arteries serving the area and providing convenient access to the interstate highway network, O'Hare International Airport, area shopping and attractions, particularly with the number of lodging facilities available throughout the area and within those clusters of demand generators.

Historically Chicago suburbs could count on overflow hotel demand from the downtown market during large events and peak periods. However, because of significant increases in rooms downtown and other factors, most of these guests now choose to stay downtown. This has affected the overall suburban market as it has historically been a significant secondary or overflow market for the city of Chicago. This changed as a result of the 2008 recession, and rapid construction of the recovery period. An influx of new rooms in the CBD addressed the compression periods that had previously displaced rooms to the regional market, and resulted in a loss of overflow rooms outside of Chicago. The end result was an uneven recovery in the suburbs in which older and mid ranged properties saw occupancy recovery to the low to mid 60% range, while newer properties and ones with recent renovations reached over 70%.

This cycle is nothing new, as motels were almost entirely displaced by limited service chain hotels in the decades following interstate construction, though it does mark something of a turning point as hotels built during the 1980's and 1990's approach the end of their typical usable life. Ultimately, this has effectively separated the market between hotels that can be competitive into the foreseeable future, and those properties that have essentially been passed by, and may never see pre-recession numbers again unless they invest in significant renovations.

The clearest local example of this is the 426 room Sheraton, closed at the end of 2009 (though there are many other extenuating circumstances). When this hotel exited the market, its former guests left for other properties, primarily in Schaumburg.

Our conclusions regarding the proposed European Crystal Banquet facility hotel follows:

1. We find sufficient local support along the Algonquin corridor combined with the demand currently and prospectively generated by the European Crystal Banquet facility to support the development of the 165 room hotel as proposed.
    - The site is surrounded by low to medium rise office, industrial and hotel buildings, and should have visibility from the highway coming east, and partial visibility coming west prior to the exits. Additional signage would improve visibility.
2. The intersection nearby the I-90 exit contains the largest concentration of rooms in the Arlington Heights Market, owing to its ease of access and commercial density.
3. Although there are several economy level properties in the area, most of the surrounding facilities are considered upscale or upper-midscale and are performing well for the market (above average in both occupancy and rate), indicating a somewhat resilient local market.
4. The property should perform at a level of 72% occupancy with an Average Daily Rate (ADR) of $120 in current (2016) dollars.
5. The depth of the market and current demand growth trends indicate a two-year absorption period for the additional 165 room with a nominal initial impact on the occupancy performance of existing properties in the market (1 to 1/5%) with no direct impact on the continued annual growth in ADR of 3.25%, above the general level of inflation over the past 6 years as a reflection of regaining lost ADR during the bottom of the recession and both recovery and new growth in ADR in recent years.

6. The only new addition to the market that we are aware of is the Four-Points property now under development at the Arlington Park Track site as an appropriately sized replacement and state of the art facility proximate to the former Sheraton.
7. The facility currently provides adequate parking for the banquet and meeting activity through on-site surface parking with occasional overflow parking in open lots adjacent to area commercial and industrial development in the immediate vicinity of the European Crystal Banquet property.
    - In addition to the complimentary use of parking, the facility itself will see efficiencies in its operation, with combined storage, office, back of house services and others, making it less expensive to run than a similar standalone hotel operation.
8. The development of the 165 room hotel property will generate only a limited additional parking requirement for several reasons:

    - The property will be providing van and shuttle service to and from the airport on a scheduled basis and will also provide group transportation to area attractions on wither a scheduled basis or on request, depending on the level of demand for such services.
    - The facility will be heavily marketed to group meeting business, a mid-week staple of the existing banquet and meeting facility. The primary hotel business will consist of those currently and prospectively attending functions during the mid-week at the facility and the current capacity will readily accommodate this mid-week business
    - Individual commercial travelers will provide a secondary source of business for the property. Many of these will arrive at the property via commercial transportation, either cab, limousine or shuttle services. Frequently commercial travelers are with other corporate visitors for the same purpose and share transportation. Because of the nature of this shared ride and commercial transportation, airport area hotels indicate that a provision for parking for approximately 40% of the room inventory is sufficient to serve the mid-week business.
    - For evening events during the week, the surrounding commercial establishments have historically permitted use of spaces proximate to the banquet facility for overflow parking as evening use does not overlap their needs.
    - Weekend events at the banquet facility currently find adequate parking for their needs given the existing parking capacity and the aforementioned use of shared parking in adjacent commercial establishment lots. Persons now coming to the facility from area hotels with their own vehicles would merely be replaced by the same volume of vehicular traffic that would now stay at the property, creating only a nominal increase in parking requirements that can easily be accommodated by agreements with adjacent properties for overflow parking on weekend.
    - For larger groups the organizers or hotel would make provision for dedicated shuttle service transportation to and from the airport as well as to any area attractions.

- For larger scheduled special events the developers would partition the parking area and provide valet parking that will increase the capacity of the existing facility through a denser use of the space.

We have prepared an analysis of the market for hotel properties in the Arlington Heights area including depth of market, performance of comparable properties in the northwest corridor, size of property and nearby facilities.

Reviewing area hotel performances, we found the Arlington Heights market to be operating at around the 64% range for 2015, which is generally considered marginal to attract development without incentives. However, the competitive set of properties around the banquet facilities operate well above the average level for all categories, with the exception of the extended stay market (which is typical). Rates are somewhat lower than other categories, but the Revenue Per Available Room is again higher. It is generally easier to move rates upward with higher occupancy, therefore, in the future, we see the competitive set increasing ADR faster than other segments, partially buoyed by the opening of the Four Points at Arlington Downs and the proposed hotel, as new properties tend to provide leverage.

Table 2: Comparison of Area Properties by Type

COMPARISON DATA, 2015			
	OCC	ADR	RevPAR
MIDRANGE	59.01%	$93.57	$55.22
UPSCALE	61.0%	$101.73	$62.06
CONVENTION	58.0%	$105.29	$61.07
EXTENDED STAY	74.50%	$108.45	$80.79
COMP SET	69.4%	$93.13	$64.61
AVG	64.38%	$100.43	$64.75

COMPARISON DATA, TYPICAL YEAR (2018)			
	OCC	ADR	RevPAR
MIDRANGE	59.18%	$105.62	$62.51
UPSCALE	67.00%	$113.32	$75.92
CONVENTION	64.00%	$137.36	$87.91
EXTENDED STAY	76.00%	$120.42	$91.52
COMP SET	77.14%	$125.24	$96.61
AVG	68.66%	$120.39	$82.89

From an operating standpoint, the competitive set performs strongly during midweek with performance peaking on Tuesday and Wednesday at around 75%, and near 70% on Monday, Thursday. Saturday sees a secondary peak of 73%, and the relatively strong 69% on Friday shows a strong transient and group market. The proposed hotel, with its ample meeting and banquet space, would likely perform above the set during this time.

Table 3: Competitive Set Day of Week Performance

DAY OF WEEK 3 YR AVG (2013-2015)				DAY OF WEEK 2015		
	OCC	ADR	RevPAR	OCC	ADR	RevPAR
Sun	54.9%	$ 82.35	$ 45.23	55.3%	$ 86.71	$ 47.97
Mon	69.8%	$ 94.15	$ 65.69	69.5%	$ 98.08	$ 68.19
Tue	76.8%	$ 98.06	$ 75.31	75.1%	$ 103.32	$ 77.60

Wed	75.7%	$ 97.64	$ 73.92	74.7%	$ 102.91	$ 76.85
Thu	70.3%	$ 89.32	$ 62.80	68.8%	$ 92.64	$ 63.70
Fri	68.6%	$ 78.87	$ 54.12	69.5%	$ 82.66	$ 57.46
Sat	72.8%	$ 79.04	$ 57.52	72.7%	$ 83.17	$ 60.50

As is typical for the Chicagoland market, monthly performance peaks in mid-summer, with a strong falloff for the winter months. Unlike the CBD market, this growth is essentially a bell curve, while the downtown market tends to show a more pronounced dip before fall convention season. As mentioned in the summary, this is likely due to the diminished effect that major conventions have on the suburban markets, though strong summer numbers indicate robust leisure travel. Rates are somewhat flat during all periods, which is a consequence of the compressing effect on the suburbs of increased CBD room supply.

Table 4: Competitive Set Monthly Performance

	MONTHLY 2014			MONTHLY 2015		
	OCC	ADR	RevPAR	OCC	ADR	RevPAR
Jan	52.6%	$83.25	$43.77	54.0%	$85.67	$46.23
Feb	58.3%	$84.69	$49.38	60.9%	$87.08	$53.01
Mar	63.2%	$83.08	$52.49	65.3%	$90.83	$59.30
Apr	72.7%	$85.13	$61.93	66.3%	$93.38	$61.93
May	80.7%	$85.76	$69.22	72.2%	$89.06	$64.33
Jun	85.5%	$89.81	$76.81	78.0%	$98.94	$77.22
Jul	83.1%	$88.31	$73.35	82.5%	$98.01	$80.86
Aug	82.5%	$87.29	$72.06	73.5%	$97.30	$71.48
Sep	81.3%	$93.20	$75.74	76.4%	$98.80	$75.49
Oct	77.3%	$89.70	$69.30	76.2%	$97.60	$74.38
Nov	70.5%	$84.47	$59.53	68.2%	$90.50	$61.75
Dec	55.8%	$82.74	$46.21	58.6%	$83.42	$48.89

The proposed hotel would likely see 20 to 50 fill days, as a result of some spillover from downtown, and the banquets and events hosted at the facility. During off-season would operate around the 60% range. This winter number would essentially represent the floor demand, or inelastic demand that exists in the area and is difficult to displace elsewhere. Strong weekend events business and summer leisure demand would yield an annual occupancy of approximately 70% on average, achieving an average daily rate of $115 in current value dollars. The challenges in minimizing costs during off-peak will be greatly reduced by the flexibility and efficiency of operations generated by the existent structure and banquets business

Based on our research and the performance of similarly positioned properties in the northwest Chicagoland area we prepared estimated of occupancy and average daily rate for a new construction small boutique property as follows:

Table 5: Projected Operating Results, Proposed Hotel

	OCC	ADR	RevPAR
TYPICAL	70.00%	$115.00	$80.50
2018	69.00%	$123.19	$85.00
2019	70.73%	$127.50	$90.18
2020	72.14%	$131.97	$95.20
2021	72.86%	$135.92	$99.04
2022	73.59%	$140.00	$103.03

Further, we have been asked to comment on several other municipally funded or unique properties, and their performance or outcomes.

Lombard Westin: This project was part of a large redevelopment plan for the Yorktown Mall area, which also included construction of numerous out lots for upper end restaurants and more retail space. Financing was backed by several issues of bonds from the city of Lombard. The hotel was meant to serve as an anchor and focal point, with over 40,000 sq/ft of meeting and banquet space. The hotel opened before the recession and operated within expected parameters for a time, but the 2008 crash essentially completely destroyed the base of business for the hotel. During the recession the property had to drastically reduce rates to fill its rooms, and as a consequence underperformed its goals.

The city in 2014, after refusing to spend additional dollars renovating the property for its capital expenditure plan, took the dramatic step of defaulting on its bonds. This has caused the hotel to essentially stop any renovations and deferred maintenance has continued to impact its performance. Further, the decision of Lombard has essentially poisoned the well for many neighboring municipalities, as well as essentially closing the books on the prospect of suburbs financing though bond deals large convention hotel properties.

Schaumburg Renaissance: The Renaissance Schaumburg Hotel & Convention Center is not included in the competitive set but is mentioned as it is a special case. The property entered the market in 2006 as a pet project for the city of Schaumburg as part of its economic development program to attract new business and conventions to the downtown Schaumburg area. It is much larger than any of the surrounding area hotels and building costs were about $500,000 per room all in (including all development costs for the total complex), construction was heavily subsidized with funds from the city of Schaumburg and the costs of the operation are subsidized through special tax assessments on F&B and hotels, at around 2% each.

The facilities include an attached 100,000 sq. ft. of conference space, with an additional 48,000 sq. ft. of meeting rooms. The hotel features a heavily landscaped entrance with an external architectural element, creating a dramatic entrance, with plans for two more art pieces to be located in front of the conference center and next to the hotel. The large second floor open lobby contains a Sam & Harry's Steakhouse, a bar and numerous guest lounge areas, with a built in retro-inspired fireplace as its focal point. The 500 rooms contain HDTV, Wi-Fi Internet access, customized shower fixtures, and other high-end amenities. The hotel provides room service, pool, fitness area and 24 hour concierge service. Banquets at the Renaissance cost upwards of $130 a plate and rooms cost over $200 a night, making it cost prohibitive for small groups and weddings.

Speaking with management at the property, the Renaissance reiterated its commitment to being a regional player, generally uninterested in the local competition. In so doing, the hotel has managed to avoid becoming trapped in bidding wars for local events, though at some cost to their occupancy. Further, it should be stressed that the reason that the hotel can be aloof and selective is because it is partially paid for by the taxes on restaurants and other hotels, so although it may not compete for the same clients, it affects their bottom lines. According to the Renaissance, the local market is struggling with oversupply, which has led to discounting as everyone competes for the same events. Conventions are up, though the average convention-goer spends less compared to a meeting attendee. Weekday business consists of business travel, as it has historically, while weekends have been dominated by sports groups, SMERF travel, and some leisure.

Although rates were listed at $199 on booking sites, this appears to be a strategy for the OTAs to make other hotels seem like a better deal. On its own website, rates were listed at $119 for January 2nd and $129 for December 26th. This is a better deal than most other properties, but far from the $200 show online or the $3000 maximum room rate listed.

Conclusion

Financial statements were also prepared, reflecting the performance characteristics of new construction properties with an upscale positioning. These statements reflect the efficiencies in operation of some joint operations with the banquet facility vs. traditional transient lodging properties.

The results of this analysis were used in determining a relative value and support for development costs for the property as a basis for determining economic feasibility of the project. The results of that exercise yielded a value of $150,000 per room or support for an overall investment of $24.7 million in development cost of the property. Typical construction costs for a property of this type range from $85,000 per room for budget facilities to $160,000 per room for more upscale projects similar to the ideal positioning of the subject property. This correlation between value of the project as developed and construction costs indicates a market viability of the project given economic and competitive market conditions.

Table 6: Typical Year

European Crystal Hotel and Banquet Facility
Arlington Heights, Illinois
STATEMENT OF ESTIMATED ANNUAL OPERATING RESULTS
FOR A TYPICAL YEAR OF OPERATION IN 2015 DOLLARS
BASED ON 165 AVAILABLE ROOMS. GENERATED 06-NOV-08; REVISED 01-MAR-16 4:08 PM

PERCENTAGE OF OCCUPANCY		73%			
AVERAGE DAILY RATE		$120.00			
REVENUES:		AMOUNT	RATIO		AMOUNT\ROOM
ROOMS	$	5,276,000	94.6%	$	31,976
FOOD		0	0.0%		0
BEVERAGE		0	0.0%		0
TELEPHONE		18,000	0.3%		109
RENTALS & OTHER INCOME		110,000	2.0%		667
OTHER OPERATED DEPTS		176,000	3.2%		1,067
TOTAL REVENUE	$	5,580,000	100.0%	$	33,818
DEPARTMENTAL EXPENSES (1):					
ROOMS	$	1,266,000	24.0%	$	7,673
FOOD & BEVERAGE		0	0.0%		0
TELEPHONE		54,000	300.0%		327
OTHER OPERATED DEPTS		106,000	60.2%		642
TOTAL	$	1,426,000	25.6%		$8,642
TOTAL OPERATED INCOME	$	4,154,000	74.4%	$	25,176
UNDISTRIBUTED EXPENSES:					
ADMINISTRATIVE & GENERAL	$	413,000	7.4%	$	2,503
MANAGEMENT FEE (2)		0	0.0%		0
MARKETING		371,000	6.6%		2,248
FRANCHISE FEES (3)		0	0.0%		0
PROPERTY OPERATION & MAINT.		248,000	4.4%		1,503
ENERGY		248,000	4.4%		1,503
TOTAL	$	1,280,000	22.9%	$	7,758
INCOME BEFORE FIXED CHARGES	$	2,874,000	51.5%	$	17,418
FIXED CHARGES:					
REAL ESTATE & PROPERTY TAXES	$	390,000	7.0%	$	2,364
BUILDING & CONTENTS INSURANCE		74,250	1.3%		450
INCENTIVE MANAGEMENT FEE		0	0.0%		0
RENT: (4) BASE RENT		0	0.0%		0
PERCENTAGE RENT		0	0.0%		0
TOTAL	$	464,000	8.3%	$	2,814
INCOME BEFORE RESERVE	$	2,410,000	43.2%	$	14,605
RESERVE FOR REPLACEMENT	$	279,000	5.0%	$	1,691
INCOME BEFORE OTHER DEDUCTIONS (5)	$	2,131,000	38.2%	$	12,914

NOTES: (1) Each departmental expense ratio is based on the department's estimated revenue and does not add to the total departmental expense ratio.
(2) The basic management fee is normally classified as an administrative and general expense.
(3) Royalties only; franchise fees are normally classified as marketing expenses.
(4) Rent may be at base rate, percentage rate, or a base + percentage.
(5) Income before other fixed charges such as interest, amortization, depreciation and income taxes.
* Totals may not add due to rounding.

THIS STATEMENT SHOULD BE READ SUBJECT TO THE COMMENTS CONTAINED IN THE ATTACHED REPORT

European Crystal Hotel and Banquet Facility
Arlington Heights, Illinois
STATEMENT OF ESTIMATED ANNUAL OPERATING RESULTS
BASED ON 165 AVAILABLE ROOMS. GENERATED 06-NOV-08; REVISED 01-MAR-16 4:08 PM

YEAR #:	0.833			1.833			2.833		
PERIOD:	MAR-DEC 2018			JAN-DEC 2019			JAN-DEC 2020		
OCCUPANCY AND ADR:	69%	at	$124.00	71%	at	$129.00	72%	at	$133.00
REVENUES:	AMOUNT	RATIO	AMT\ROOM	AMOUNT	RATIO	AMT\ROOM	AMOUNT	RATIO	AMT\ROOM
ROOMS	$ 4,294,000	94.4%	$ 26,024	$ 5,516,000	94.5%	$ 33,430	$ 5,767,000	94.6%	$ 34,952
FOOD	0	0.0%	0	0	0.0%	0	0	0.0%	0
BEVERAGE	0	0.0%	0	0	0.0%	0	0	0.0%	0
TELEPHONE	15,000	0.3%	91	18,000	0.3%	109	19,000	0.3%	115
RENTALS & OTHER INCOME	94,000	2.1%	570	117,000	2.0%	709	120,000	2.0%	727
OTHER OPERATED DEPTS	146,000	3.2%	885	184,000	3.2%	1,115	191,000	3.1%	1,158
TOTAL REVENUE	$ 4,549,000	100.0%	$ 27,570	$ 5,835,000	100.0%	$ 35,364	$ 6,097,000	100.0%	$ 36,952
DEPARTMENTAL EXPENSES (1):									
ROOMS	$ 1,082,000	25.2%	$ 6,558	$ 1,340,000	24.3%	$ 8,121	$ 1,382,000	24.0%	$ 8,376
FOOD & BEVERAGE	0	0.0%	0	0	0.0%	0	0	0.0%	0
TELEPHONE	45,000	300.0%	273	56,000	311.1%	339	58,000	305.3%	352
OTHER OPERATED DEPTS	91,000	62.3%	552	112,000	60.9%	679	116,000	60.7%	703
TOTAL	$ 1,218,000	26.8%	$ 7,382	$ 1,508,000	25.8%	$ 9,139	$ 1,556,000	25.5%	$ 9,430
TOTAL OPERATED INCOME	$ 3,331,000	73.2%	$ 20,188	$ 4,327,000	74.2%	$ 26,224	$ 4,541,000	74.5%	$ 27,521
UNDISTRIBUTED EXPENSES:									
ADMINISTRATIVE & GENERAL	$ 387,000	8.5%	$ 2,345	$ 436,000	7.5%	$ 2,642	$ 450,000	7.4%	$ 2,727
MANAGEMENT FEE (2)	0	0.0%	0	0	0.0%	0	0	0.0%	0
MARKETING	348,000	7.7%	2,109	431,000	7.4%	2,612	404,000	6.6%	2,448
FRANCHISE FEES (3)	0	0.0%	0	0	0.0%	0	0	0.0%	0
PROPERTY OPERATION & MAINT.	185,000	4.1%	1,121	241,000	4.1%	1,461	259,000	4.2%	1,570
ENERGY	208,000	4.6%	1,261	260,000	4.5%	1,576	269,000	4.4%	1,630
TOTAL	$ 1,128,000	24.8%	$ 6,836	$ 1,368,000	23.4%	$ 8,291	$ 1,382,000	22.7%	$ 8,376
INCOME BEFORE FIXED CHARGES	$ 2,203,000	48.4%	$ 13,352	$ 2,959,000	50.7%	$ 17,933	$ 3,159,000	51.8%	$ 19,145
FIXED CHARGES:									
REAL ESTATE & PROPERTY TAXES	$ 276,000	6.1%	$1,673	$ 366,000	6.3%	$2,218	$ 403,000	6.6%	$2,442
BUILDING & CONTENTS INSURANCE	64,000	1.4%	388	79,000	1.4%	479	81,000	1.3%	491
INCENTIVE MANAGEMENT FEE	0	0.0%	0	0	0.0%	0	0	0.0%	0
RENT: (4) BASE RENT	0	0.0%	0	0	0.0%	0	0	0.0%	0
PERCENTAGE RENT	0	0.0%	0	0	0.0%	0	0	0.0%	0
TOTAL	$ 340,000	7.5%	$ 2,061	$ 445,000	7.6%	$ 2,697	$ 484,000	7.9%	$ 2,933
INCOME BEFORE RESERVE	$ 1,863,000	41.0%	$ 11,291	$ 2,514,000	43.1%	$ 15,236	$ 2,675,000	43.9%	$ 16,212
RESERVE FOR REPLACEMENT	$ 136,000	3.0%	$ 824	$ 233,000	4.0%	$ 1,412	$ 305,000	5.0%	$ 1,848
INCOME BEFORE OTHER DEDUCTIONS (5)	$ 1,727,000	38.0%	$ 10,467	$ 2,281,000	39.1%	$ 13,824	$ 2,370,000	38.9%	$ 14,364

NOTES: (1) Each departmental expense ratio is based on the department's estimated revenue and does not add to the total departmental expense ratio.
(2) The basic management fee is normally classified as an administrative and general expense. (3) Franchise fees are normally classified as marketing expenses.
(4) Rent may be at base rate, percentage rate, or a base + percentage. (5) Income before other fixed charges such as interest, amortization, depreciation, and income taxes.
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European Crystal Hotel and Banquet Facility
Arlington Heights, Illinois
STATEMENT OF ESTIMATED ANNUAL OPERATING RESULTS
BASED ON 165 AVAILABLE ROOMS. GENERATED 06-NOV-08; REVISED 01-MAR-16 4:09 PM

YEAR #:	3.833			4.833			5.833		
PERIOD:	JAN-DEC 2021			JAN-DEC 2022			JAN-DEC 2023		
OCCUPANCY AND ADR:	73%	at	$138.00	73%	at	$143.00	73%	at	$148.00
REVENUES:	AMOUNT	RATIO	AMOUNT\ROOM	AMOUNT	RATIO	AMOUNT\ROOM	AMOUNT	RATIO	AMOUNT\ROOM
ROOMS	$ 6,067,000	94.7%	$ 36,770	$ 6,287,000	94.7%	$ 38,103	$ 6,507,000	94.7%	$ 39,436
FOOD	0	0.0%	0	0	0.0%	0	0	0.0%	0
BEVERAGE	0	0.0%	0	0	0.0%	0	0	0.0%	0
TELEPHONE	20,000	0.3%	121	21,000	0.3%	127	21,000	0.3%	127
RENTALS & OTHER INCOME	124,000	1.9%	752	128,000	1.9%	776	131,000	1.9%	794
OTHER OPERATED DEPTS	198,000	3.1%	1,200	204,000	3.1%	1,236	210,000	3.1%	1,273
TOTAL REVENUE	$ 6,409,000	100.0%	$ 38,842	$ 6,640,000	100.0%	$ 40,242	$ 6,869,000	100.0%	$ 41,630
DEPARTMENTAL EXPENSES (1):									
ROOMS	$ 1,425,000	23.5%	$ 8,636	$ 1,468,000	23.3%	$ 8,897	$ 1,512,000	23.2%	$ 9,164
FOOD & BEVERAGE	0	0.0%	0	0	0.0%	0	0	0.0%	0
TELEPHONE	61,000	305.0%	370	63,000	300.0%	382	64,000	304.8%	388
OTHER OPERATED DEPTS	119,000	60.1%	721	123,000	60.3%	745	127,000	60.5%	770
TOTAL	$ 1,605,000	25.0%	$ 9,727	$ 1,654,000	24.9%	$ 10,024	$ 1,703,000	24.8%	$ 10,321
TOTAL OPERATED INCOME	$ 4,804,000	75.0%	$ 29,115	$ 4,986,000	75.1%	$ 30,218	$ 5,166,000	75.2%	$ 31,309
UNDISTRIBUTED EXPENSES:									
ADMINISTRATIVE & GENERAL	$ 465,000	7.3%	$ 2,818	$ 479,000	7.2%	$ 2,903	$ 493,000	7.2%	$ 2,988
MANAGEMENT FEE (2)	0	0.0%	0	0	0.0%	0	0	0.0%	0
MARKETING	418,000	6.5%	2,533	430,000	6.5%	2,606	443,000	6.4%	2,685
FRANCHISE FEES (3)	0	0.0%	0	0	0.0%	0	0	0.0%	0
PROPERTY OPERATION & MAINT.	279,000	4.4%	1,691	287,000	4.3%	1,739	296,000	4.3%	1,794
ENERGY	279,000	4.4%	1,691	287,000	4.3%	1,739	296,000	4.3%	1,794
TOTAL	$ 1,441,000	22.5%	$ 8,733	$ 1,483,000	22.3%	$ 8,988	$ 1,528,000	22.2%	$ 9,261
INCOME BEFORE FIXED CHARGES	$ 3,363,000	52.5%	$ 20,382	$ 3,503,000	52.8%	$ 21,230	$ 3,638,000	53.0%	$ 22,048
FIXED CHARGES:									
REAL ESTATE & PROPERTY TAXES	$ 423,000	6.6%	$2,564	$ 438,000	6.6%	$2,655	$ 453,000	6.6%	$2,745
BUILDING & CONTENTS INSURANCE	83,000	1.3%	503	86,000	1.3%	521	88,000	1.3%	533
INCENTIVE MANAGEMENT FEE	0	0.0%	0	0	0.0%	0	0	0.0%	0
RENT: (4) BASE RENT	0	0.0%	0	0	0.0%	0	0	0.0%	0
PERCENTAGE RENT	0	0.0%	0	0	0.0%	0	0	0.0%	0
TOTAL	$ 506,000	7.9%	$ 3,067	$ 524,000	7.9%	$ 3,176	$ 541,000	7.9%	$ 3,279
INCOME BEFORE RESERVE	$ 2,857,000	44.6%	$ 17,315	$ 2,979,000	44.9%	$ 18,055	$ 3,097,000	45.1%	$ 18,770
RESERVE FOR REPLACEMENT	$ 320,000	5.0%	$ 1,939	$ 332,000	5.0%	$ 2,012	$ 343,000	5.0%	$ 2,079
INCOME BEFORE OTHER DEDUCTIONS (5)	$ 2,537,000	39.6%	$ 15,376	$ 2,647,000	39.9%	$ 16,042	$ 2,754,000	40.1%	$ 16,691

NOTES: (1) Each departmental expense ratio is based on the department's estimated revenue and does not add to the total departmental expense ratio.
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(4) Rent may be at base rate, percentage rate, or a base + percentage. (5) Income before other fixed charges such as interest, amortization, depreciation, and income taxes.
*Totals may not add due to rounding.

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VALUATION ANALYSIS

FOR THE European Crystal Hotel and Banquet Facility IN Arlington Heights, Illinois

GENERATED 06-NOV-08; REVISED 01-MAR-16 4:10 PM

ASSUMPTIONS:

38. Discount Rate:	11.5%	40. Costs of Sale:	3.0%
	11.0%		
	10.5%	41. Avg Annual Inflation Rate:	3.5% / year, or
39. Overall Rates:			0.28709% monthly
A. Current, Hi Value-	8.0%	42. CRITICAL DATES:	
B. Current, Low Value-	8.5%	1st Forecast Year Open Date:	01-Mar-18
C. Reversion-	9.0%	Apprs'l "As Of" Date:	01-Mar-16
		Months- "As Of" Date to Opening:	24

43. Renovation Costs:

	Item	Quantity	Units	Unit Value		Total Value
(1)		-	systems	$ -	per system	$ -
(2)		-	systems	$ -	per system	$ -
(3)		-	rooms	$ -	per room	$ -
(4)		-	rooms	$ -	per room	$ -
(5)		-	rooms	$ -	per room	$ -
			Total Conversion Costs:			$ -

44. PIP Cost: $ -

DISCOUNTED CASH FLOW ANALYSIS

Year Number	Year	Income Before Other Deductions	P.V. @ 11.5% P.V. Factor	Present Value	P.V. @ 11.0% P.V. Factor	Present Value	P.V. @ 10.5% P.V. Factor	Present Value
0.833	2018	1,727,000	0.9133	1,577,236	0.9167	1,583,154	0.9202	1,589,122
1.833	2019	2,281,000	0.8191	1,868,335	0.8259	1,883,793	0.8327	1,899,450
2.833	2020	2,370,000	0.7346	1,741,017	0.7440	1,763,329	0.7536	1,786,029
3.833	2021	2,537,000	0.6588	1,671,476	0.6703	1,700,522	0.6820	1,730,208
4.833	2022	2,647,000	0.5909	1,564,079	0.6039	1,598,427	0.6172	1,633,690
5.833	2023	-	0.5299	-	0.5440	-	0.5585	-
6.833	2024	-	0.4753	-	0.4901	-	0.5055	-
7.833	2025	-	0.4263	-	0.4415	-	0.4574	-
8.833	2026	-	0.3823	-	0.3978	-	0.4140	-
9.833	2027	-	0.3429	-	0.3584	-	0.3746	-
10.833	2028	-	0.3075	-	0.3229	-	0.3390	-
11.833	2029	-	0.2758	-	0.2909	-	0.3068	-
Subtotal PV From Cash Flow				$8,422,142		$8,529,225		$8,638,498
Reversion	2022	29,682,000	0.5909	17,538,723	0.6039	17,923,883	0.6172	18,319,298
Total PV As Of:		01-Mar-18		$25,960,865		$26,453,108		$26,957,796
Deflated to Appraisal Date @:			3.50%					
Months to Appraisal Date:			24	0.9335		0.9335		0.9335
Present Value As Of:		01-Mar-16		$24,234,745		$24,694,260		$25,165,391
Less Renovation Costs				0		0		0
Less PIP				-		-		-
Adjusted Present Value				$24,234,745		$24,694,260		$25,165,391
			Rounded:	$24,200,000		$24,700,000		$25,200,000
				$146,667		$149,697		$152,727

DIRECT CAPITALIZATION ANALYSIS

	Low Value	High Value
Typical Year NOI	$2,131,000	$2,131,000
Divided by OAR	0.085	0.080
Indicated Value	$25,070,588	$26,637,500
Less Renovation Costs	0	0
Less PIP	0	0
Net Value	$25,070,588	$26,637,500
Rounded	$25,100,000	$26,600,000
Price per Room	$152,121	$161,212

REVERSION CALCULATION:

Net Income for Year:	2023	$2,754,000
Divided by Reversion OAR		0.09
Gross Reversion		$30,600,000
Less Costs of Sale @:	3.0%	918,000
Net Reversion		$29,682,000
Indices:	$179,891	per hotel unit

VALUATION INDICES			
Indice	11.5%	11.0%	10.5%
Appraised Value:	$24,200,000	$24,700,000	$25,200,000
Price Per Hotel Room:	$146,667	$149,697	$152,727
OVERALL RATE (OAR)			
OAR- 1st Yr:	7.14%	6.99%	6.85%
OAR- 2nd Yr:	9.43%	9.23%	9.05%
OAR- 3rd Yr:	9.79%	9.60%	9.40%
OAR- 4th Yr:	10.48%	10.27%	10.07%
OAR- Typ Year:	8.81%	8.63%	8.46%
GROSS ROOM RENT MULTIPLIER (GRRM)			
GRRM- 1st Yr:	5.636	5.752	5.869
GRRM- 2nd Yr:	4.387	4.478	4.569
GRRM- 3rd Yr:	4.196	4.283	4.370
GRRM- 4th Yr:	3.989	4.071	4.154
GRRM- Typ Year:	4.587	4.682	4.776
% of PV from CF:	34.80%	34.53%	34.28%

COMPARISON OF DIRECT CAPITALIZATION ANALYSIS WITH DISCOUNTED CASH FLOW APPROACH

CALCULATION OF INCOME DIFFERENCE

Year Number	Year	DCF Income Before Other Deductions	Inflated Rep Year Income	Difference	Times PV Factor @ 11.0%	PV of Difference
0.833	2018	1,727,000	1,775,833	(48,833)	0.9167	(44,766)
1.833	2019	2,281,000	2,260,778	20,222	0.8259	16,701
2.833	2020	2,370,000	2,470,413	(100,413)	0.7440	(74,709)
3.833	2021	2,537,000	2,780,472	(243,472)	0.6703	(163,196)
4.833	2022	2,647,000	3,223,329	(576,329)	0.6039	(348,024)
5.833	2023	0	0	0	0.0000	0
6.833	2024	0	0	0	0.0000	0
7.833	2025	0	0	0	0.0000	0
8.833	2026	0	0	0	0.0000	0
9.833	2027	0	0	0	0.0000	0
10.833	2028	0	0	0	0.0000	0
11.833	2029	0	0	0	0.0000	0
				Total PV of Difference		($613,995)
					Rounded:	($610,000)

COMPARISON OF TWO APPROACHES

Direct Capitalization Value		$26,600,000
Less PV of Difference		(610,000)
Adjusted Direct Capitalization Value		27,210,000
Less DCF Value @	11.0%	24,700,000
Difference		2,510,000
Percent Difference		9.22%

Assumptions and Limiting Conditions

The report has been made with, and subject to, the following general limiting conditions and includes the following general assumptions:

- No responsibility is accepted by the consultant for considerations requiring expertise in other fields. Included in this category are ownership legal description and other legal matters, survey of property boundaries, geologic considerations including soils and seismic stability, civil, structural or other engineering, and identification of hazardous or toxic substances. Data furnished or obtained from public sources relative to these matters has been adopted and is assumed to be correct.

- Under the operating projection the property is assumed to be under responsible ownership and management.

- The definitions and assumptions upon which our analyses, opinions and conclusions are based are set forth in appropriate sections of this report and in this section and are to be part of these general assumptions as if included here in their entirety.

- The information furnished us by others and contained in this report is considered to be from reliable sources and, where feasible, has been verified; however, no responsibility is assumed for its accuracy. We reserve the right to modify the estimates of operating results should more reliable information become available subsequent to delivery of this report.
- The sketches, plot plans and drawings included in this report are included only to assist the reader in visualizing the property.

- There are no hidden or unapparent conditions in the property, soil, subsoil, or structures, which would render the site unsuitable for its intended use or would constrain the continued operation of the property. No responsibility is assumed for such conditions or for arranging for engineering studies, which would be required to discover them. The consultants are not construction, engineering, environmental, or legal experts, and any statement given on these matters in this report should be considered preliminary in nature.

- It is assumed that there is full compliance with all applicable federal, state and local environmental regulations and laws, that all applicable zoning and use regulations and restrictions have been complied with or can and will be complied with, unless a nonconformity has been stated, defined and considered in the report, and that all required licenses, certificates of occupancy, legislated or administrative consents from any local, state or national government or private entity or organization have been or can be obtained for any use on which the estimates of future operating results contained in this report are based.

- The Americans with Disabilities Act ("ADA") became effective January 26, 1992. We have not made a specific compliance survey and analysis of the property to determine whether or not it is in conformity or can be brought into conformity with the various detailed requirements of the ADA. It is likely that a compliance survey of the property together with a detailed analysis of the requirements of the ADA could reveal that the property is not in compliance with one or more of the requirements of the act. If so, this fact could have an effect upon the capital spending plans for the property. Since we have no direct evidence relating to this issue, we did not consider possible non-compliance with the requirements of ADA in estimating the results of future operations of the property.

- All estimates shown in the report are projections based on our analysis as of the date of the study. These estimates may not be valid in other time periods or as conditions change. We take no responsibility for events, conditions, or circumstances affecting the property's operation that take place subsequent to either the date of this report or the date of our field inspection, whichever occurs first.

- By reason of this report, we are not required to give further consultation, testimony or to be in attendance in court or at any governmental or other hearing with reference to the property without prior arrangements having been made relative to such additional employment.

- Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of TR Mandigo & Co. and in any event only with properly written qualifications and only in its entirety.

- The party for whom this report was prepared may distribute copies of this report only in its entirety to such third parties as may be selected by the party for whom this report was prepared; however, portions of this report shall not be given to third parties without our written consent. Liability to third parties will not be accepted.

- Neither all nor any part of the contents of this report shall be disseminated to the general public through advertising or sales media, public relations media, news media, or other public means of communication without prior written consent and approval of the consultant.

- In any case, this report is not intended for use in registered or unregistered security offering documents without consultation and an opportunity for a complete review of the use of the report and a review of all related documents.

Ivy Hotel

March 16, 2016

1:2,257

0 0.0175 0.035 0.07 mi

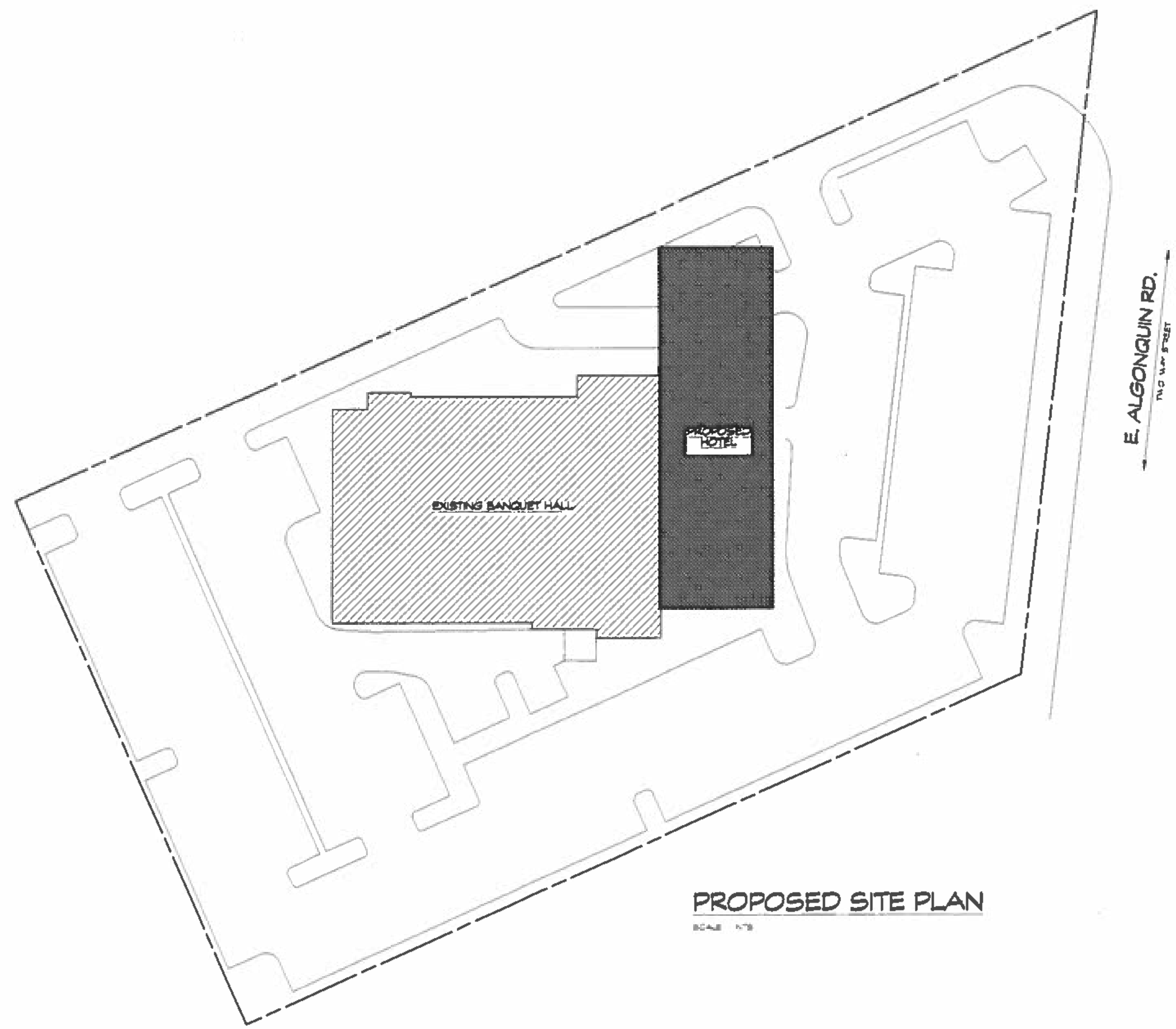
0 0.03 0.06 0.12 km

NEW 8 STORY HOTEL

LOCATION: 519 E. ALGONQUIN RD., ARLINGTON HEIGHTS, IL 60005

ARCHITECT: LASZLO SIMOVIC, ARCHITECTS, L.L.C.
6512 N. ARTESIAN AVE
CHICAGO, IL 60645

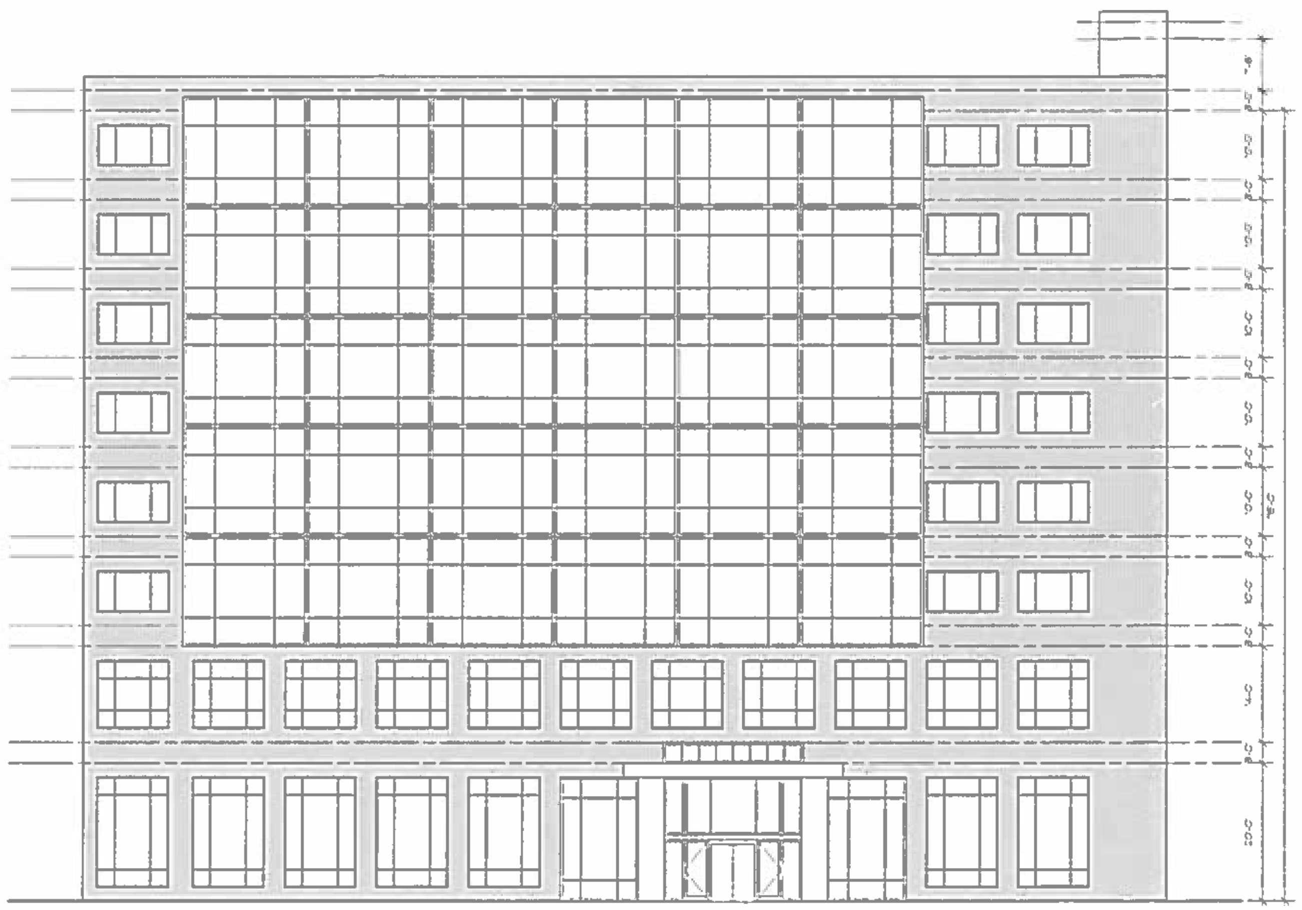
JANUARY 5TH, 2016



PROPOSED SITE PLAN

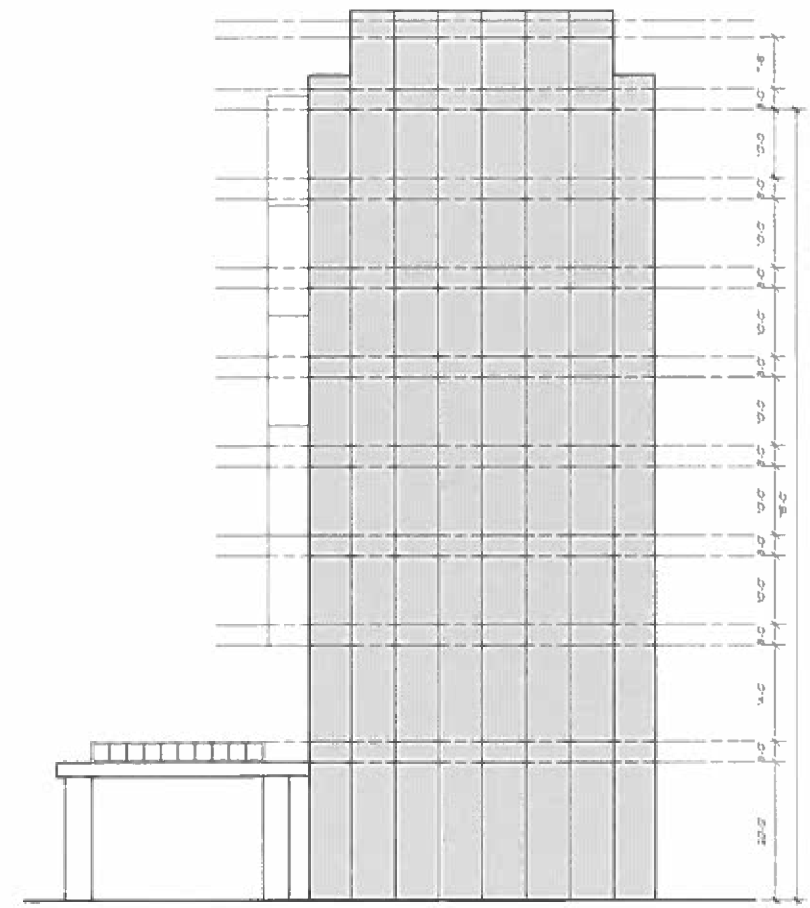
NEW HOTEL INFORMATION

BUILDING HEIGHT	75-0
GROSS SQUARE FOOTAGE	64,256 SQUARE FEET
LODGING ROOMS	120
CONFERENCE ROOMS	8
BUSINESS CENTER	1



FRONT ELEVATION

SCALE: NTS



SIDE ELEVATION

SCALE: NTS

LASZLO SIMOVIC, ARCHITECTS, L.L.C.
6512 N. ARTESIAN AVE.
CHICAGO, IL 60645-5328
EMAIL: LASZLO@LASZLOARCH.COM
FAX: 773-338-2226 TEL: 773-338-2225

NO.	DESCRIPTION	DATE
	ISSUED FOR PERMIT	6-13
	PROGRESS PRINTING	

PROJECT:

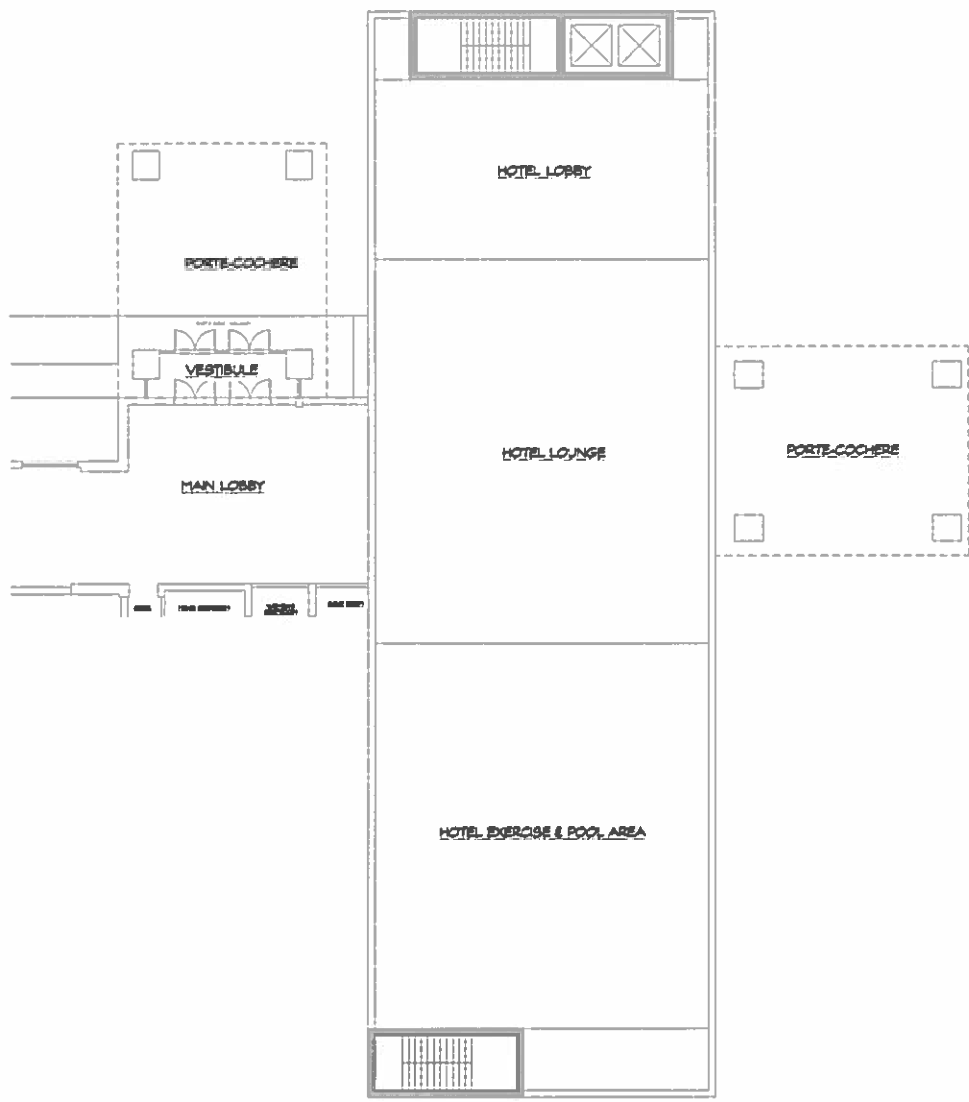
OWNER:

SHEET NAME

SCHEMATIC FLOOR PLANS

PROJECT: 3766
SCALE: AS NOTED
DATE: 1/6/2015

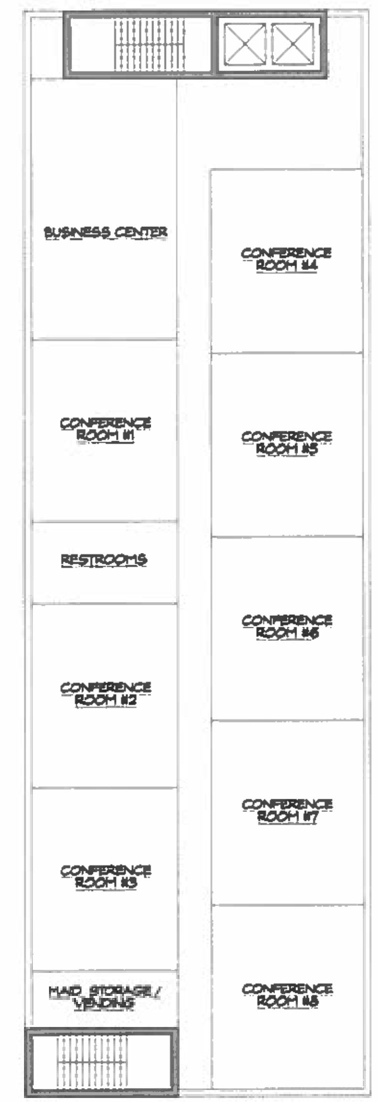
A-



GROUND FLOOR PLAN

SCALE: NTS

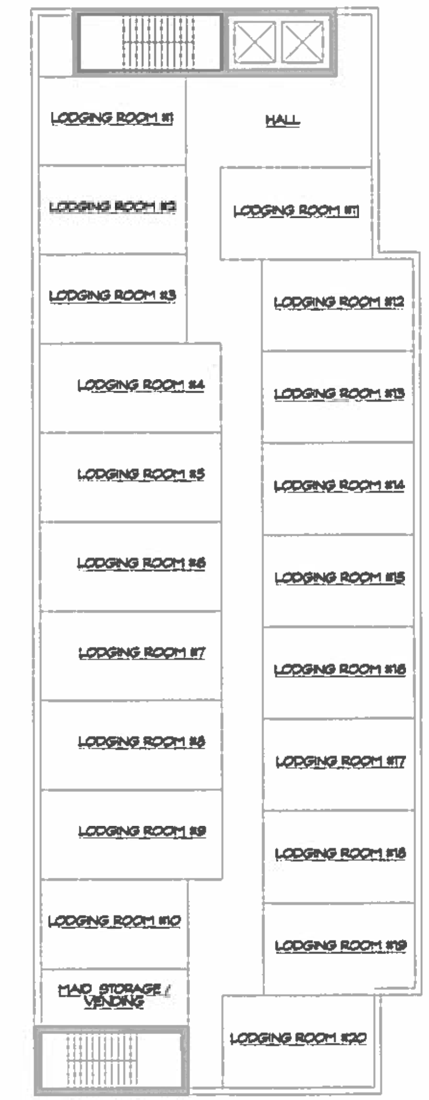
8,032 GROSS SQUARE FEET



2ND FLOOR PLAN

SCALE: NTS

8,032 GROSS SQUARE FEET
1 BUSINESS CENTER
8 CONFERENCE ROOMS



TYPICAL FLOOR PLAN (3RD-8TH)

SCALE: NTS

8,032 GROSS SQUARE FEET
20 LODGING ROOMS

LASZLO SIMOVIC, ARCHITECTS, L.L.C.
6512 N. ARTESIAN AVE.
CHICAGO, IL 60645-5328
EMAIL: LASZLO@LASZLOARCH.COM
FAX: 773-338-2226 TEL: 773-338-2225

NO.	DESCRIPTION	DATE
	PROGRESS PRINTING	
	ISSUED FOR PERMIT	1.8.15

PROJECT:

OWNER:

SHEET NAME
SCHEMATIC FLOOR PLANS

PROJECT: 3766
SCALE: AS NOTED
DATE: 1/8/2015

A-

Kenig,Lindgren,O'Hara,Aboona,Inc.

9575 West Higgins Road, Suite 400 | Rosemont, Illinois 60018
p: 847-518-9990 | f: 847-518-9987

MEMORANDUM TO: James Cazares
European Crystal Banquet

FROM: Brendan S. May
Consultant

Luay R. Aboona, P.E.
Principal

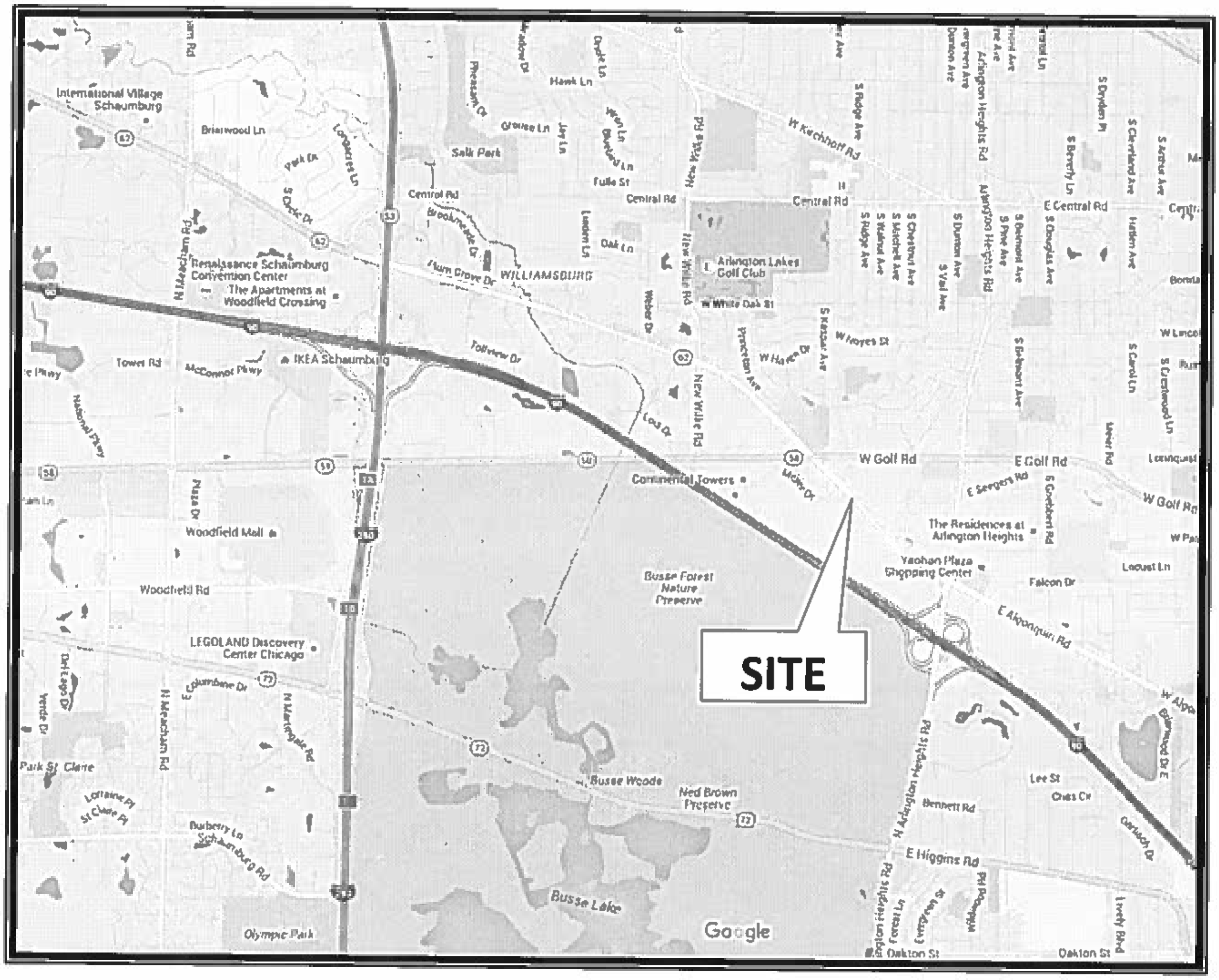
DATE: February 29, 2016

SUBJECT: Parking Study
Proposed Ivy Hotel
Arlington Heights, Illinois

This memorandum presents the findings and recommendations of a parking study conducted by Kenig, Lindgren, O'Hara, Aboona, Inc. (KLOA, Inc.) for the proposed Ivy Hotel to be located at 519 West Algonquin Road in Arlington Heights, Illinois. The site currently contains the European Crystal Banquet facility with a maximum occupancy of 350 people and a 175-space parking lot. The plans call for adding a 165-room boutique hotel that will result in a modified parking lot with 177 parking spaces. (See **Figure 1** for the site location and **Figure 2** for an aerial exhibit.)

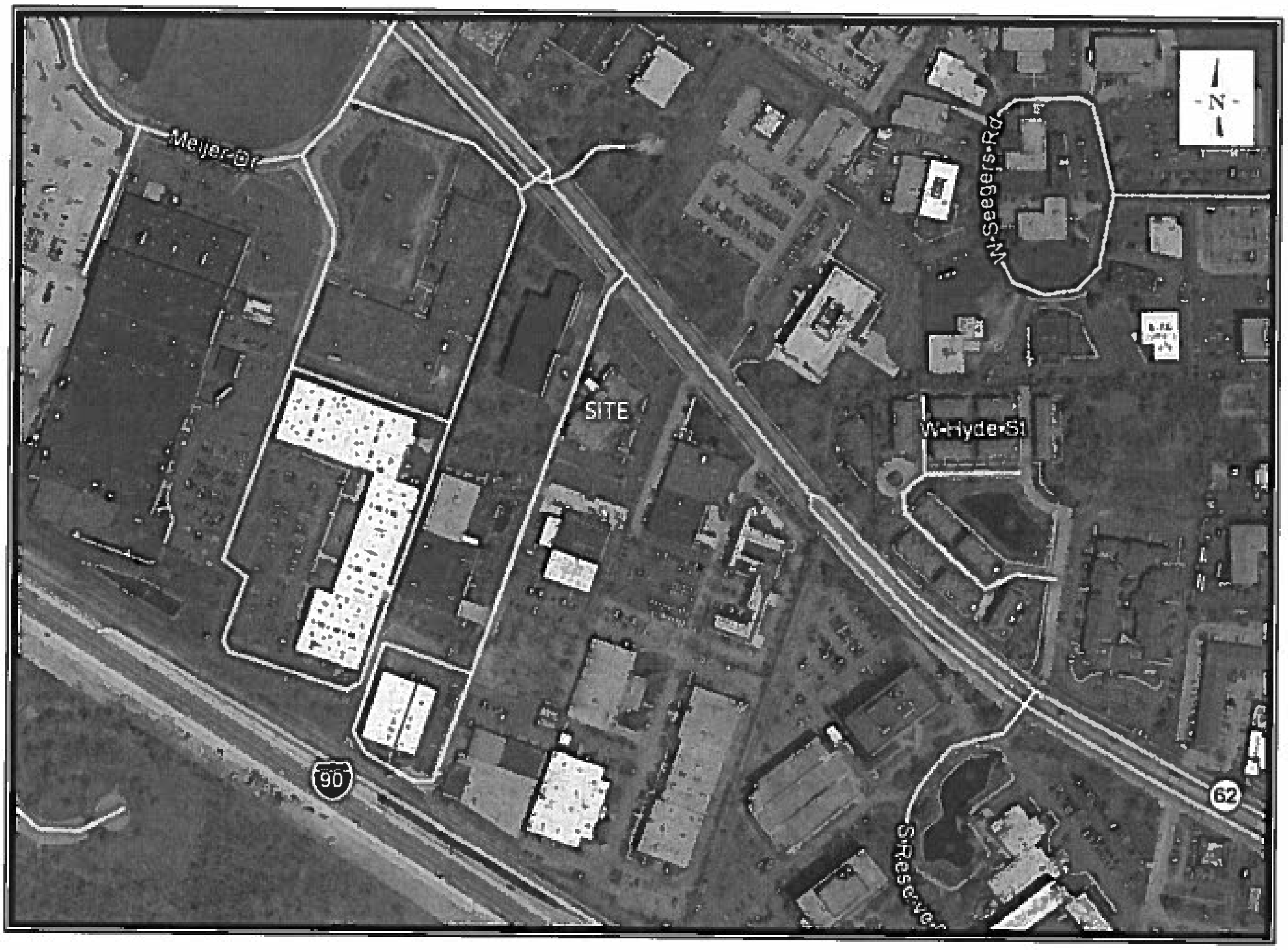
The purpose of this parking study is to determine the adequacy of the parking supply in meeting the parking needs of the existing banquet facility as well as the proposed hotel. In order to do that, the following tasks were undertaken:

- Parking occupancy survey of the parking field on Saturday from 6:00 P.M. to 9:00 P.M.
- Evaluation of existing conditions within the site to establish the adequacy of the current supply in meeting existing needs.
- Estimates of the parking demand of the proposed hotel based on parking ratios per Village of Arlington Heights code and information provided regarding average occupancy and room usage on weekdays and weekends.



Site Location

Figure 1



Aerial View of Site Location

Figure 2

European Crystal Banquet Operations

The existing banquet facility has a maximum occupancy of 350 people and is served by a surface parking lot with 175 parking spaces. The facility is in use primarily on Fridays through Sundays. A review of the schedule of events for 2016 confirmed that all of the upcoming functions will be held during those three days.

To determine the parking occupancy during an event, KLOA, Inc. conducted a parking occupancy survey on Saturday, February 20, 2016 during two events that had a combined attendance of 350 people. The survey was conducted between 6:00 P.M. and 9:00 P.M. and showed a peak occupancy of 97 spaces or 55 percent of the available parking. This indicates that at least 78 parking spaces were not occupied during these peak events.

Proposed Hotel Parking Needs

As indicated earlier, the proposed Ivy hotel will be a boutique hotel that will contain 165 rooms. The parking lot will be reconfigured and a total of 177 parking spaces will be provided plus 30 valet spaces, if required, for a total of 207 spaces. Based on the Village of Arlington Heights zoning code, the proposed hotel will require parking at a ratio of one space per room or 165 spaces. This demand will be easily accommodated by the provided parking on weekdays for the following reasons:

- European Crystal Banquet is not in use on weekdays (Monday through Thursday) when the hotel occupancy is highest.

- A shuttle will be provided between the hotel and the airport to facilitate use by business travelers and, as such, reduce the parking demand.

- It is anticipated that 20 to 30 rooms will be booked by airlines for use by pilots and flight attendants who will not drive and instead will use the airport's shuttle service.

- Historically, the average occupancy of similar hotels in the same market is between 60 and 70 percent, further reducing the parking requirements.

On weekends, it is anticipated that the hotel occupancy will be reduced as business traveler demand will be low. This provides the necessary synergy with the banquet facility as follows:

- The banquet facility demand peaks on weekends when the hotel occupancy is low.

- Some of the attendees of events at the facility may opt to stay at the hotel resulting in sharing of the parking spaces.

- Airlines will continue to use 20 to 30 rooms on weekends which creates no parking demand.

Evaluation and Recommendations

Based on the parking occupancy surveys conducted on Saturday, February 20, 2016 during a peak event at the facility, there were a minimum of 78 parking spaces available. This will increase to 80 parking spaces with the proposed reconfiguration. This surplus in parking can easily accommodate any additional demand that may be generated by hotel guests on weekends that are not airline employees, have not taken the airport shuttle, or are not attending a function at the banquet facility. Further, in the unlikely event additional parking is needed during peak banquet events, valet service can be offered which will result in 30 additional parking spaces being accommodated.

Conclusion

Based on the preceding evaluation, the proposed parking supply of 177 parking spaces will be adequate in accommodating the peak parking needs of the European Crystal Banquet facility and the proposed Ivy hotel based on the following:

- The two facilities have different peak parking characteristics with the hotel peaking on weekdays (Monday through Thursday) and the banquet facility peaking on weekends.

- The proposed hotel will be a boutique hotel primarily catering to business travelers on weekdays.

- Shuttle bus service will be offered to and from Chicago-O'Hare Airport which will reduce the parking demand.

- Approximately 20 percent of the rooms will be allocated for airline personnel who will use the shuttle bus service and as such will not drive to the hotel.

- Hotel occupancy on weekends is typically low in the northwest suburbs with occupants being primarily airline employees and attendees of events at the banquet facility.

- Parking occupancy surveys conducted at the banquet facility during a peak Saturday event indicated a parking occupancy of 55 percent leaving ample parking for use by the hotel.

- In the unlikely event that additional parking is needed, valet service can be provided during peak events at the banquet facility accommodating 30 additional vehicles.

Item: Lambs of Faith Early Childhood Center - 431 S. Arlington Heights Rd. - T1539

Department: Planning & Community Development

Requested Action

Amendment to Special Use Ordinance 03-022 to allow an increase in the number of children and floor area used by the daycare.

Recommendation

The Staff Development Committee reviewed the Petitioner's request and is generally supportive of the Special Use amendment to allow the expansion of the Lambs of Faith preschool at 431 S. Arlington Heights Road. However, the following additional information is required:

1. The Petitioner shall provide information on the projected maximum enrollment for the Lambs of Faith preschool.

2. The Petitioner shall provide information on the total floor area for the Lambs of Faith preschool.

3. The Petitioner shall provide a parking analysis and parking survey. These are preliminary comments only and should not be relied upon as identification of the only major issues. The Staff Development Committee reserves the right to change its position on issues upon submittal of a formal application and detailed review.

ATTACHMENTS:

Description	**Type**
Staff Report	Board or Commission Report
Location Map	Exhibits
Floor Plan	Exhibits
Narrative	Correspondence

STAFF DEVELOPMENT COMMITTEE REPORT

To: Plat & Subdivision Committee
Prepared By: Sam Hubbard, Development Planner
Meeting Date: March 23, 2016
Date Prepared: March 18, 2016
Project Title: Lambs of Faith Lutheran Daycare
Address: 431 S. Arlington Heights Road

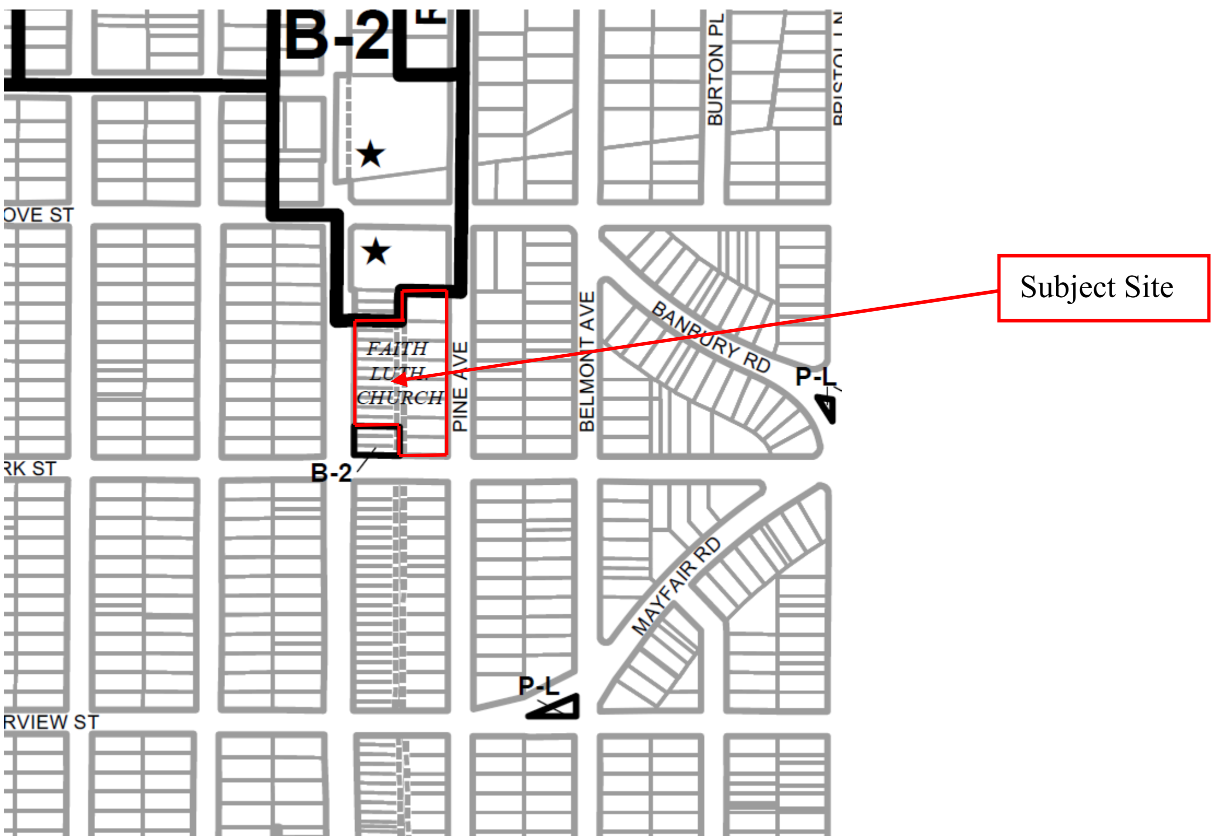
BACKGROUND INFORMATION

Petitioner: Jori Reuter – Faith Lutheran Church
Address: 431 S. Arlington Heights Road
Arlington Heights, Illinois 60005

Existing Zoning: R-3, One Family Dwelling District

Requested Action:

- Amendment to Special Use Ordinance 03-022 to allow an increase in the number of children and floor area used by the daycare.



ANALYSIS

Surrounding Land Uses:

Direction	Existing Zoning	Existing Use	Comprehensive Plan
North	B-2, General Business District	Commercial Building	Commercial
South	R-3, One Family & B-2, General Business District	Single Family Detached Homes & Automobile Service Station	Single Family Detached & Commercial
East	R-3, One Family Dwelling	Single Family Detached Homes	Single Family Detached
West	R-3, One Family Dwelling	Single Family Detached Homes & Parking Lot	Single Family Detached

Background:
In March, 2003, the Village Board granted a Special Use permit that allowed a private Montessori school to lease space within the administrative wing of the Faith Lutheran church to operate a preschool. Several conditions of approval were required, including the following restrictions:

1. The maximum enrollment for the Montessori school shall be limited to 30 children/students
2. The maximum floor area for the Montessori school shall not exceed 1,400 square feet.

In 2013, the Montessori school ceased operation and Faith Lutheran approached the Village to determine if the existing Special Use Permit would allow the church to open their own preschool (Lambs of Faith) on the subject property. It was determined that Faith Lutheran could assume the underlying Special Use provided that they comply with the conditions as contained within Ordinance 03-022.

Project Summary:
The subject property, which is currently zoned R-3, One Family Dwelling District, is approximately 1.95 acres (85,130 square feet) in size and located near the northeast corner of Arlington Heights Road and Park Street. The site is composed of a single story church building attached to a two story administrative wing that has an overall area of approximately 11,000 square feet. The Lambs of Faith daycare currently operates within the 1st floor of the administrative wing.

Two parking lots exist on the site; one to the north of the church building and one to the south. The north parking lot is accessible from both Arlington heights Road and Pine Street, and the south parking lot is accessible from Arlington Heights Road, Pine Street, and Park Street. The parking lots appear to provide upwards of 70 spaces, but the total amount of on-site parking is unknown at this time.

The proposed action, if approved, would allow Lambs of Faith to increase operations beyond the 1,400 sq. ft. restriction as outlined within the original Special Use granted in 2003. The preschool would expand within existing space on the second floor of the building, which would contain a "motor room" (indoor gym) and an additional classroom. The number of students may increase beyond the 30 student restriction, however, the petitioner is waiting for DCFS to determine a cap on total number of students (currently they are limited to 39 students by DCFS). The Petitioner must provide total area calculations for the existing and proposed preschool spaces allow staff to determine the overage square footage for the preschool. Additionally, the Petitioner must decide on the maximum number of students that they will provide services for to allow staff to analyze parking requirements.

Lambs of Faith would essentially operate in the same manner should the proposed expansion be permitted. The preschool would continue to be open to children between the ages of two and six, and hours of operation would remain between 9:00am through 1:00pm. An existing outdoor fenced play area is located on the north side of the church and would remain unchanged.

Zoning and Comprehensive Plan
The subject property is currently zoned R-3, One Family Dwelling District. Special Use Ordinance 03-022 allows the operation of a preschool on the subject property, with certain restrictions. The 2015 Comprehensive Plan designates the land use of the subject property as "*Institutional*" and the proposed Special Use amendment is therefore consistent with the 2015 Comprehensive Plan.

The Petitioner has already demonstrated compliance with the standards of approval for special use permits during their previous application in 2003. The forthcoming approval from DCFS to expand the size of the preschool illustrates the continued community need for this particular use at this location.

Site & Landscape
The current site is non-conforming with regards to landscaping, perhaps most notably in the lack of landscape islands within the parking lot. This nonconformity was contemplated during the original Special Use Permit hearing. At that time, staff believed that it would likely place an economic hardship on the property owner (Faith Lutheran Church) should they be required to update the site landscaping to Zoning Ordinance requirements. Staff believes the same to be true today, and given the relatively minor scope of the proposed Special Use amendment, staff recommends against requiring the Petitioner to install the required landscape islands. Alternatively, the installation of these islands can be implemented at a time when the church makes substantial capital improvements to the subject property (building addition and/or parking lot resurfacing).

When contemplating approval of the original Special Use Permit in 2003, the Plan Commission added a condition of approval requiring screening of an existing dumpster enclosure located at the northeast corner of the church building. Staff does not believe that this enclosure has been constructed and will perform a site visit to verify.

Building Related

The Petitioner is not proposing any exterior modification to the existing building façade, therefore Design Commission review is not required. With respect to the interior floor plan, the Staff Development Committee does not have a problem with the basic layout and the Petitioner will be required to comply with all applicable Building, Life Safety, Health and accessibility requirements. The State Fire Marshall has already been to the site and advised the Petitioner on what interior changes will be required to expand operations onto the 2nd floor.

Traffic & Parking

According to the Village's Zoning Ordinance, any amendment to an existing Special Use Permit for projects under 5,000 square feet in size and located along a major or secondary arterial as defined in the Official Thoroughfare Plan are not required to submit a Traffic Engineering Study. However, the Petitioner is required to provide a detailed parking analysis. This analysis should include a breakdown of all uses within the church during the hours of operation for the preschool, with details on size of spaces and numbers of employees. Additionally, the Petitioner should clarify the total number of parking spaces that are provided on site, and provide a parking survey to determine peak usage of both parking lots during hours of operation for the preschool. Staff will analyze if the site has capacity to ensure adequate pick-ups and drop-offs given a slight increase in numbers of students.

RECOMMENDATION

The Staff Development Committee reviewed the Petitioner's request and is **generally supportive** of the Special Use amendment to allow the expansion of the Lambs of Faith preschool at 431 S. Arlington Heights Road. However, the following additional information is required:

1. The Petitioner shall provide information on the projected maximum enrollment for the Lambs of Faith preschool.
2. The Petitioner shall provide information on the total floor area for the Lambs of Faith preschool.
3. The Petitioner shall provide a parking analysis and parking survey.

These are preliminary comments only and should not be relied upon as identification of the only major issues. The Staff Development Committee reserves the right to change its position on issues upon submittal of a formal application and detailed review.

______________________________________March 18, 2016

Bill Enright, AICP
Deputy Director of Planning and Community Development

C: Randy Recklaus, Village Manager
All Department Heads
Temp File 1539

Lambs of Faith - T1539

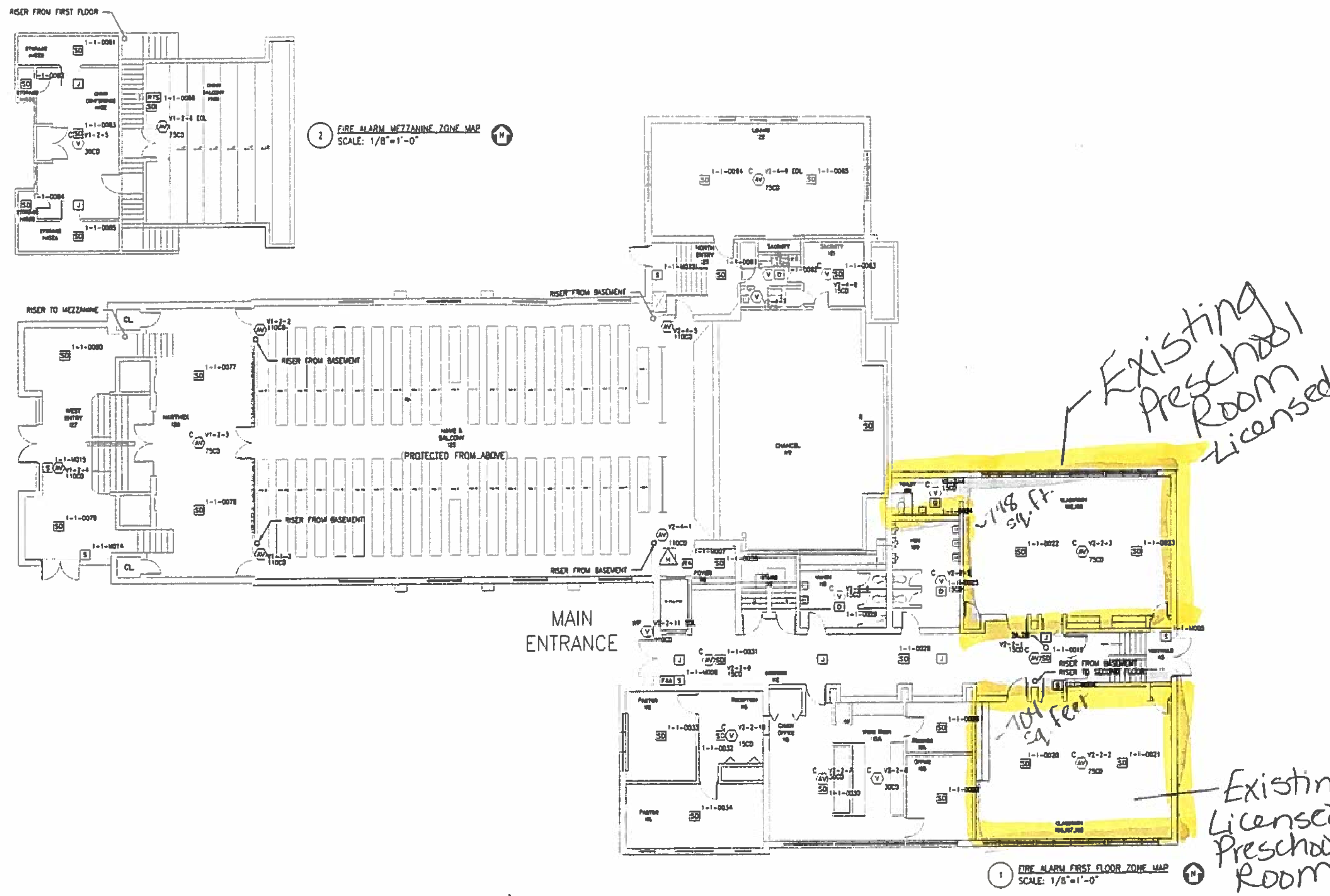
March 17, 2016

1:2,257

0 0.0175 0.035 0.07 mi

0 0.03 0.06 0.12 km

ARLINGTON SECURITY CO. LLC



Main Level

WIRE LEGEND:

NAC A	14/2 AWG. FPLR	A
SLC B	18/2 AWG. FPLR	B
AUX PWR C	14/2 AWG. FPLR	C
FAA D	18/2 AWG. FPLR	D
AUX PWR E	14/2 AWG. FPLR	E
NAC SYNC F	14/2 AWG. FPLR	F
RACEWAY	MULTICONDUCTOR RACEWAY	A,B,C...

NOTE: ALL WIRING TO BE ENCLOSED IN APPROVED FREEWIRE RACEWAY UNLESS OTHERWISE NOTED

LEGEND

SYMBOL	DESCRIPTION
FCP	FIRE ALARM CONTROL PANEL
BPS	BOOSTER POWER SUPPLY WITH MONITOR MODULE
RM	ADDRESSABLE RELAY FOR MAGNETIC DOORHOLDS
AV	AUDIO VISUAL
V	VISUAL
R SD	BEAM SMOKE DETECTOR REFLECTOR
T SD	BEAM SMOKE DETECTOR TRANSMITTER
FAA	FIRE ALARM ANNUNCIATOR
D	HEAT DETECTOR
J	JUNCTION BOX
M	MAGNETIC DOOR HOLD OPEN DEVICE
S	MANUAL PULL STATION
MM	SINGLE INPUT MONITOR MODULE
SD	SMOKE DETECTOR PHOTOELECTRIC
RTS	REMOTE KEY TEST SWITCH

APPROVAL STAMP

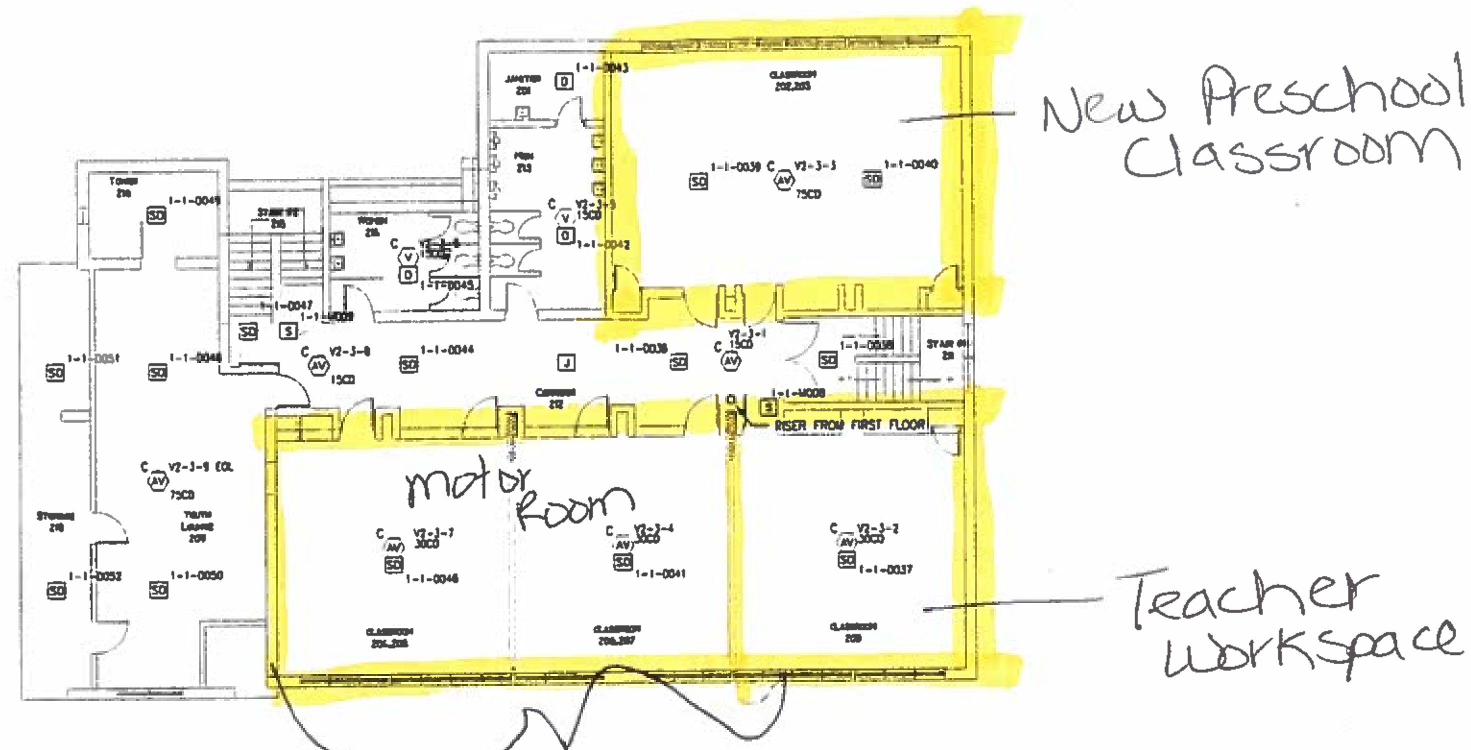
DEVICE LEGEND:

SUBSCRIPTS

WP	WEATHERPROOF	HT	HIGH TEMPERATURE
E	EXISTING DEVICE	C	CEILING MOUNTED
EOL	END OF LINE RESISTOR	H	HIGH CANDELA
DC	DROP CEILING	HC	HARD CEILING

DRAWING TITLE: FIRE ALARM FIRST FLOOR & MEZZANINE ZONE MAP

SCALE: 1/8"=1'-0"	JOB: FAITH LUTHERAN CHURCH, 431 SOUTH ARLINGTON HEIGHTS ROAD, ARLINGTON HEIGHTS, IL 60005	REVISIONS: △	
DATE: 4-5-11			
DRAWN BY: RIZWAN HUSSAIN	ENGINEER: FIRE BY DESIGN, INC., 485 PARK AVENUE, SUITE 5, LAKE VILLA, ILLINOIS 60046	PHONE: 847-265-4400 FAX: 847-265-4401	
APPROVED BY: C.U.J.O.			
PROJECT NO: 0040111-1063	CONTRACTOR: ARLINGTON SECURITY CO., LLC, 218 EAST GROVE STREET, ARLINGTON HEIGHTS, IL 60005	CONTACT: DANIEL ELIA III PHONE: 847-392-7997	AL3.01



1 FIRE ALARM SECOND FLOOR ZONE MAP
SCALE: 1/8"=1'-0"

2nd floor

Motor Room

ARLINGTON SECURITY CO. LLC

WIRE LEGEND:

NAC A	14/2 AWG, FPLR	A
SLC B	16/2 AWG, FPLR	B
AUX PWR C	14/2 AWG, FPLR	C
FAA D	16/2 AWG, FPLR	D
AUX PWR E	14/2 AWG, FPLR	E
NAC SYNC F	14/2 AWG, FPLR	F
RACEWAY	MULTICONDUCTOR RACEWAY	A,B,C...

NOTE: ALL WIRING TO BE ENCLOSED IN APPROVED FREEWIRE RACEWAY UNLESS OTHERWISE NOTED

LEGEND

SYMBOL	DESCRIPTION
FCP	FIRE ALARM CONTROL PANEL
BPS	BOOSTER POWER SUPPLY WITH MONITOR MODULE
RH	ADDRESSABLE RELAY FOR MAGNETIC DOORHOLDS
AV	AUDIO VISUAL
V	VISUAL
R SD	BEAM SMOKE DETECTOR REFLECTOR
T SD	BEAM SMOKE DETECTOR TRANSMITTER
FAA	FIRE ALARM ANNUNCIATOR
D	HEAT DETECTOR
J	JUNCTION BOX
H	MAGNETIC DOOR HOLD OPEN DEVICE
S	MANUAL PULL STATION
MM	SINGLE INPUT MONITOR MODULE
SD	SMOKE DETECTOR PHOTOELECTRIC
RTS	REMOTE KEY TEST SWITCH

APPROVAL STAMP

DEVICE LEGEND:

DEVICE SUBSCRIPT (SEE SUBSCRIPTS)
DEVICE CIRCUIT NUMBER AND DEVICE WIRING LOCATION ALONG CIRCUIT (POWER SUPPLY 1, CIRCUIT 1, DEVICE 4)
C/WP/H V1-1-4 AV 110CD
1-1-0012 SD
DEVICE CANDELA RATING
DEVICE IDENTIFICATION DESIGNATOR (MODULE/DETECTOR) AND ADDRESS FOR PROGRAMMING (NODE 1, CIRCUIT 1, DETECTOR 12)

SUBSCRIPTS:

WP	WEATHERPROOF	HT	HIGH TEMPERATURE
E	EXISTING DEVICE	C	CEILING MOUNTED
EOL	END OF LINE RESISTOR	H	HIGH CANDELA
DC	DROP CEILING	HC	HARD CEILING

DRAWING TITLE: FIRE ALARM SECOND FLOOR ZONE MAP

SCALE:	1/8"=1'-0"
DATE:	4-5-11
DRAWN BY:	RIZWAN HUSSAIN
APPROVED BY:	C.U.J.O.
PROJECT NO:	D040111-1063

JOB:
FAITH LUTHERAN CHURCH
431 SOUTH ARLINGTON HEIGHTS ROAD
ARLINGTON HEIGHTS, IL 60005

REVISIONS:

ENGINEER:
FIRE BY DESIGN, INC.
485 PARK AVENUE, SUITE 5
LAKE VILLA, ILLINOIS 60046
PHONE: 847-265-4400
FAX: 847-265-4401

CONTRACTOR:
ARLINGTON SECURITY CO., LLC
218 EAST GROVE STREET
ARLINGTON HEIGHTS, IL 60005
CONTACT: DANIEL ELIA III
PHONE: 847-392-7997

AL3.02

Faith Lutheran Church
431 South Arlington Heights Road
Arlington Heights, Illinois 60005-1984
847 253-4839
847 398-5010 Fax
www.faithlutheran-ah.org

FAITH
Lutheran Church

Partnering with Christ in Building His Kingdom

March 8, 2016

Dear Village of Arlington Heights,

Lambs of Faith Early Childhood Center is located at Faith Lutheran Church, 431 S. Arlington Heights Road, Arlington Heights, IL 60005. Lambs of Faith ECC is a ministry of Faith Lutheran Church. We opened in the fall of 2013. We are licensed by DCFS #526829-02. We serve two – six year olds in part-time preschool programming (9:00am-12:00noon). Children can extend the day to 1:00pm with our Lunch Bunch program. At this time, we have two classrooms on the main level of the building that are licensed to serve thirty-nine students per day. Throughout our first three years of enrollment, we have not gone above twenty-eight children a day which meets the requirement of Special Use Ordinance #03-022.

Our enrollment has grown and for the first time in our existence our preschool classrooms will be full to DCFS licensing capacity during the 2016-17 school year. In addition, we are working with the Illinois State Fire Marshall and DCFS to expand our preschool program to the second floor of the building. We plan to add a Preschool Classroom (3-5 year olds-licensing capacity to be determined by DCFS) and a Motor Room (Indoor Gym area for 2-6 year olds) on the second floor of our education wing. The State Fire Marshall visited on March 3, 2016 and gave us a list of building upgrades to open the upstairs (see attached report). We are beginning to work on these upgrades by getting quotes. Our goal is to have the building and preschool space ready for approval by DCFS when they visit the beginning of August, 2016. Once DCFS has licensed the second floor for preschool space, we will provide the Village of Arlington Heights with an updated copy of our DCFS license.

I have included our building layout and plat of survey. Please contact me if you have any questions.

Sincerely,
Jori Reuter

Jori Reuter
Lambs of Faith Early Childhood Center, Director
Faith Lutheran Church
faithlutheranpreschool@ymail.com
847-253-4859 (Lambs of Faith ECC)
847-253-4839 (Faith Lutheran Church)
847-293-0960 (Jori's Cell)

RECEIVED
MAR - 8 2016
PLANNING & COMMUNITY
DEVELOPMENT DEPARTMENT

Item: Metro Auto Detail - 500 E. Northwest Highway - T1543

Department: Planning & Community Development

Requested Action

Special Use Permit to allow an Automobile Car Wash and Detailing in the B-3 Zoning District. Variations Identified: None have been identified at this time.

Recommendation

The Staff Development Committee reviewed the proposed request and generally supports the proposed Special Use Permit, subject to the following:

1. The Petitioner shall provide a parking inventory/survey over a two day period (including Saturday) of the available parking spaces on the subject property, and a parking analysis outlining the total number of existing and proposed employees, information on the total number of service bays, and information on the total amount of parking spaces on the subject property.

2. These are preliminary comments only and should not be relied upon as identification of the only major issues. The Staff Development Committee reserves the right to change its position on issues upon submittal of a formal application and detailed review.

ATTACHMENTS:

Description	**Type**
Staff Report	Board or Commission Report
Location Map	Exhibits
Narrative & Floor Plan	Exhibits

STAFF DEVELOPMENT COMMITTEE REPORT

To:	Plat and Subdivision Committee
Prepared By:	Sam Hubbard, Development Planner
Meeting Date:	March 23, 2016
Date Prepared:	March 18, 2016
Project Title:	Metro Auto Detail
Address:	500 E. Northwest Highway

BACKGROUND INFORMATION

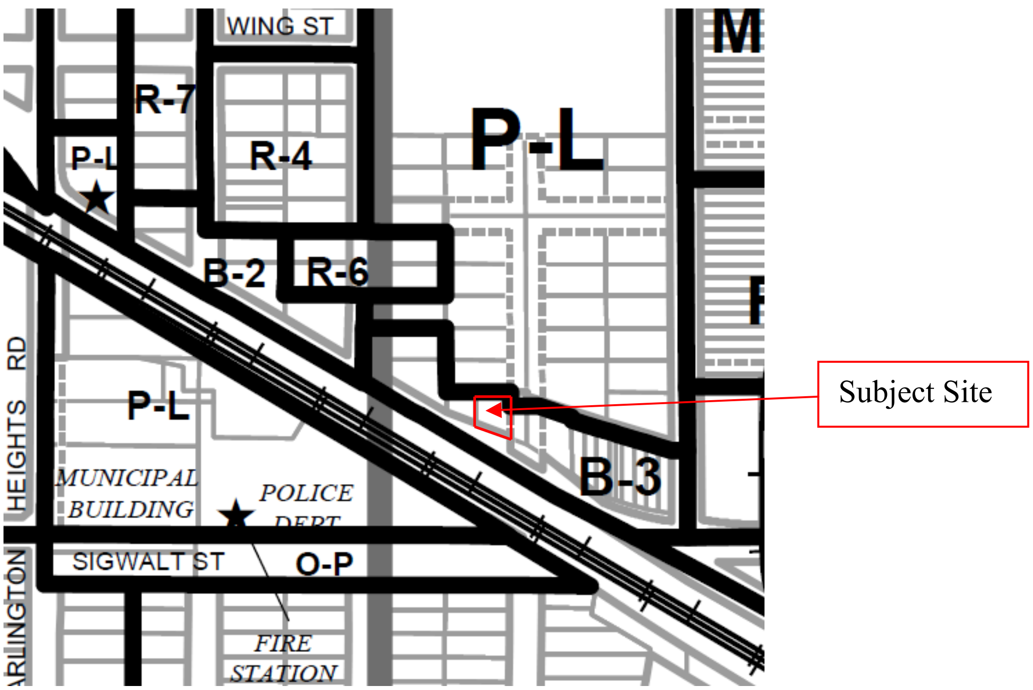
Petitioner:	Emperatriz Acevedo
Address:	1046 Rose Ave. Des Plaines, IL 60016

Existing Zoning: B-3, General Service, Wholesale and Motor Vehicle District

Requested Action:

- Special Use Permit to allow an Automobile Car Wash and Detailing in the B-3 Zoning District.

Variations Identified: None have been identified at this time**.**



Surrounding Properties

Direction	Zoning	Existing Use	Comprehensive Plan
North	P-L, Public Land District	Park (Recreation Park)	Park
South	R-3, One Family Dwelling District	Northwest Highway and METRA tracks	Government
East	B-3, General Service, Wholesale and Motor Vehicle District	Auto Repair Business	Park

West	B-3, General Service, Wholesale and Motor Vehicle District	Automobile Service Station with Convenience Mart	Commercial

Background:
The subject property is owned by the Arlington Heights Park District, who leases it to Arlington Auto Repair. The Petitioner would like to utilize a small area within the existing building to operate a car detailing business. Both the Petitioner and Arlington Auto Repair would occupy the building, which is approx. 3,500 square feet.

Access to the site comes from three curb cuts along E. Northwest Highway. A single overhead door exists in the area where car washing and detailing would take place, which provides adequate interior access for cars into the building. This area is large enough for only about two cars, and all washing will be manual (i.e. there will be no car wash machine).

Zoning and Comprehensive Plan
The current use of the property, as a motor vehicle repair business, is a permitted use within the B-3 District. The proposed automobile car wash use is classified as a special use within the B-3 District, hence the request for a Special Use Permit.

The Village's Comprehensive Plan designates the future use of the subject property as "Parks". Although the proposed Special Use Permit does not conform to this designation, the subject property will remain under ownership by the Arlington Heights Park District. If and when the Park District is ready to convert the subject property into parkland, the proposed Special Use shall not impede this process; as the property owner and landlord, the Park District can terminate the lease with Arlington Auto Repair with 90 days' notice. The lease is scheduled to expire on Dec. 31, 2018.

Site Plan, Building and Landscaping
All improvements will be interior and no modifications to the exterior layout of building or parking lot are proposed. The Petitioner should clarify if any additional signage will be proposed for the car wash/detail business.

Traffic & Parking
A detailed traffic study is not required due to the amount of floor area on the subject property (under 5,000 square feet). Staff believes that parking and circulation will not be an issue due to the small size of the proposed washing/detailing area. Similarly, staff does not take issue with stacking of automobiles given the scope of the use.

However, in order for staff to determine if all parking requirements can be met, the Petitioner must provide a parking inventory/survey and parking analysis.

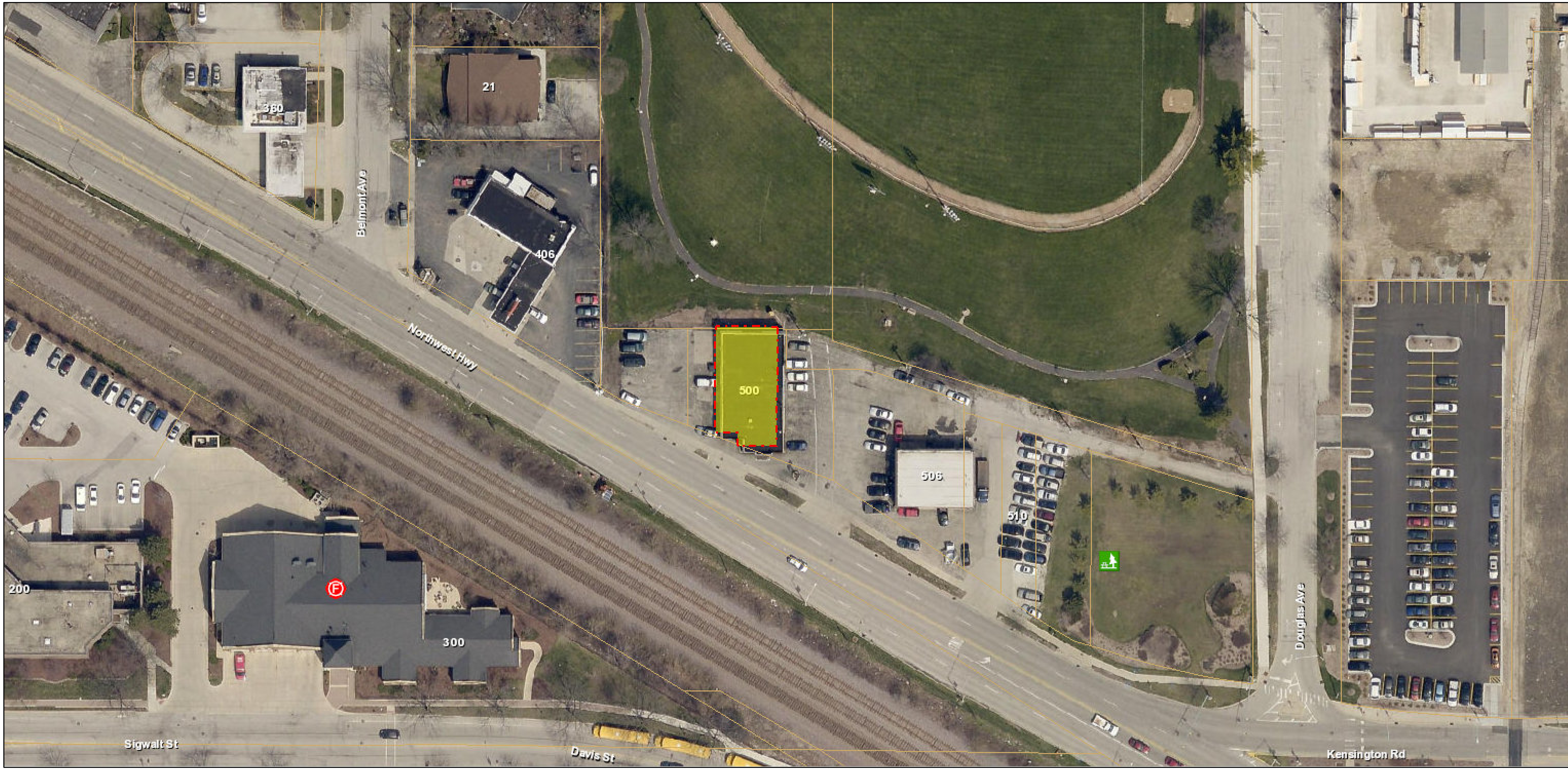
RECOMMENDATION
The Staff Development Committee reviewed the proposed request and generally supports the proposed Special Use Permit, subject to the following:

1. The Petitioner shall provide a parking inventory/survey over a two day period (including Saturday) of the available parking spaces on the subject property, and a parking analysis outlining the total number of existing and proposed employees, information on the total number of service bays, and information on the total amount of parking spaces on the subject property.
2. These are preliminary comments only and should not be relied upon as identification of the only major issues. The Staff Development Committee reserves the right to change its position on issues upon submittal of a formal application and detailed review.

____ March 18, 2016
Bill Enright, Deputy Director of Planning and Community Development

Cc: Randy Recklaus, Village Manager
All Department Heads

Metro Auto Detail - PC# 16-005



March 17, 2016

1:1,128

0	0.0125	0.025	0.05 mi	
0	0.02	0.04	0.08 km	

Review criteria

Friday, March 11, 2016 7:54 AM

To Arlington Heights il village
From metro auto detail and car wash inc.
President emperatriz torres acevedo
Vice president andres villares

We Metro Auto Detail and car wash are looking for a good place, to make our business grow. And offer a good quality in detailing. We believe that competition make us better in our quality and customer service. And we feel that this is a great town to do it,..

Our kind of business, is not by any means a threat to the Arlington Heights people.
For health or obstruction on any circumstances.

We want to do everything right and do all the requirements by city. And comply with all the regulations and conditions established by the village board of trustees..

Thank you for your time

President emperatriz torres acevedo
Vice president andres villares

PC#16-005

Building Square Ft 3,139
Detail shop square Ft 600
Cars per day 3 or 4