

**VILLAGE OF LAKE BLUFF
HISTORIC PRESERVATION COMMISSION
SPECIAL MEETING**

**January 30, 2020
7:00 P.M.
Village Hall Board Room
40 East Center Avenue**

APPROVED MINUTES

1. Call to Order and Roll Call

A Special Meeting of the Historic Preservation Commission (HPC) of the Village of Lake Bluff was called to order on January 30, 2020 at 7:00 p.m. in the Village Hall Board Room.

The following members were present:

Present: Paul Bergmann
 Janie Jerch
 Randolph Liebolt
 Lois Nicol
 Cheri Richardson
 Steve Kraus, Chair

Also Present: Peter Friedman, Village Attorney
 Glen Cole, Assistant to the Village Administrator (AVA)

2. Non-Agenda Items and Visitors

Chair Kraus stated that the Chairperson and Members of the HPC allocate fifteen (15) minutes at this time for those individuals who would like the opportunity to address the HPC on any matter within its area of responsibility that is not listed on the agenda.

There were no requests to address the HPC.

3. Advisory Review Conference for Demolition of the Stonebridge Landmarked Manor House, Carriage House, and Landscape Features (0-230 Jensen Lane a.k.a. 136 Green Bay Road)

Chair Kraus asked AVA Cole to provide a summary of the item.

Staff Report

AVA Cole stated that this evening was dedicated to the HPC's advisory review of the proposed demolition of the Manor House, Carriage House, and elements of the landmarked landscape at the Stonebridge development. He provided an overview of the Village's historic preservation regulations and the matters that were and were not within the HPC's purview in conducting an advisory review, as well as the limits of its authority. He stated that the purpose of the HPC's advisory review was to "reach a mutually satisfactory resolution of the Commission's concerns" and noted that future

development would be within the purview of the Village's Plan Commission and Zoning Board of Appeals, and that the terms or enforcement of The Roanoke Group's development agreement would be within the purview of the Village Board. He summarized the demolition request, noting that the applicant was not intending to remove some of the features marked for demolition on their plans, and stated that the HPC may wish to question the Applicant as to these features. He concluded by stating that the HPC would ultimately have one of three choices. It could (i) choose to conclude its advisory review; (ii) continue its advisory review at future meetings to further consider the evidence, up to a maximum of 120 days from the date a final application was submitted; or (iii) continue the meeting and request that the Village Board extend the advisory review period by up to an additional month, or a maximum of 150 days.

Chair Kraus noted that this process is designed both to review modifications to landmarks as well as their demolition, and that the process was best suited to modifications. He reviewed the procedure and order of the meeting and encouraged the audience to limit their comments to a maximum of three to four minutes in the interest of time.

Applicant's Presentation

Peter Kyte, founder of The Roanoke Group (TRG) and representing the applicant SB 2011, LLC, came forward to present to the HPC. He stated that TRG had acquired the Stonebridge property in 2011 and that he had provided over 1,000 pages of various studies that TRG had pursued since that time at a cost of over \$1 million. He intends for his presentation to be a brief overview of these materials.

Before starting, Mr. Kyte stated that he would like to apologize to Janet Nelson, the former chairperson of the HPC that he was here seeking to demolish these structures. He emphasized that he was not expecting the HPC's support to demolish historically significant buildings, but that he wanted to present the amount of work that has gone into trying to save these buildings.

Mr. Kyte displayed a slide comparing the 2006 and 2014 proposed site plans for the Stonebridge development. He stated that the 2006 approved plan called for 71 homes as well as the restoration of the Manor House and the Carriage House to be used as 14 condominium units. The 2014 preliminary approval called for 98 homes and restoring the Manor House to be used as an homeowner's association (HOA) facility.

Mr. Kyte emphasized again that there were over 1,000 pages of work presented and another 1,000 pages of work not presented and that TRG had spent over \$1 million with various architects, landscape architects, and consultants as part of this project. He stated that this work probably should have been done before the project was approved in 2006. He stated that these investigations could be divided into two phases.

The first phase, re-entitlement, ran from 2011 to 2014 and led to the 2014 approval of the demolition of the carriage house (as part of the preliminary plan) and restoration of the Manor House as an HOA facility. Mr. Kyte said that TRG commissioned a structural analysis and proposed a tax increment financing district that the Village Board was not receptive to. After that, TRG abandoned the concept of a residential use for the Manor House and looked to rehabilitate it as an HOA facility. They

developed a reserve and operating budget based on the previous developer's plan set in order to ensure that the facility was financially sustainable for the long term and that someone would not seek demolition in 10-30 years. The budgets would need to provide for operating costs and reserves for repairs such as roof replacement, stucco, and etc.

The next phase, the path to final approval, spanned from 2014 to 2019. Mr. Kyte said that TRG presented to the various Village bodies and thought TRG had a plan that worked. They were pursuing final approval including the creation of a complete construction drawing set, landscape plans, and etc. As the reserve analysis for the Manor House as HOA facility continued, it became clear that the structure's upkeep was too much of a burden for homeowners to maintain. TRG believed that the best option was to turn the manor house back into an events center, based on AbbVie's successful acquisition of Deerpath Inn and the success realized by Lake Forest Academy in wedding rentals. He said that parking would be essential for an event space and that they pursued a landscape plan with screening and minimal lighting around a parking area within the development's conservation easement. He also said that TRG became aware of the complaints surrounding the Middlefork and Elawa Farm development in Lake Forest with a similar arrangement.

Mr. Kyte noted that the original developer had provided 9 pages of due diligence drawings regarding this work, and that the original plan did not contemplate restoration until significantly into the project. The previous developer did not have to go to this level of planning and estimated \$4.46 million to fully (interior and exterior) restore both historic buildings as fully saleable condominiums.

Mr. Kyte said that TRG engaged W.B. Olson, a general contractor with experience in historic renovation work (including at Northwestern University), to develop realistic budgets from plans. W.B. Olson's conclusion was that the Carriage House would cost \$3.9 million to renovate as five saleable condominiums, and that the Manor House would cost \$11.4 million to renovate. In total, this represented over \$15 million based on their adaptive reuse experience and not on construction plans. As entitlement continued, TRG abandoned the residential component and looked at repurposing the building as an HOA facility in the hopes that eliminating the residential interiors (such as kitchens and bathrooms) would reduce costs substantially and allow the shell of the building to be restored. TRG would be able to at least make the first floor work and leave the second floor until market conditions were more favorable.

Mr. Kyte continued and said that, based on this plan of action, TRG retained Wiss, Janney, Elstener Associates ("WJE") to plan an envelope restoration that would make the exterior watertight. The resulting report included a 25-page plan set for preliminary bidding assuming that the roof could be repaired. After the polar vortex and other recent weather, TRG's insurer informed TRG that it would no longer insure the building until the roof was completely rebuilt.

Mr. Kyte said that, after the WJE report, TRG retained Northworks Architects and Planners of Newport, Rhode Island, an architecture firm specializing in adaptive reuse, as well as Skender Construction and a number of engineers, designers, and landscape architects to develop construction drawings. He stated that much of the interior demolition seen during the tour was a function of these consultants looking behind the walls of the building. He also stated that TRG was advised that the best way to protect the building was to remove all of the non-historic hotel improvements.

Mr. Kyte said that, as the plans developed and were bid, TRG received their first bid from Skender Construction with figures that he considered enormous. He said that they sought alternative bids from non-union contractors, including Baird Andrews (general contractor for the Deerpath Inn restoration) and Vanir Construction. These bids were also big. He stated that TRG asked them to rebid a value engineered plan that would restore the buildings but not meet National Register of Historic Places criteria for restoration, such as by installing new windows instead of rehabilitating the old windows. He stated that the average of these two bids in 2016 was \$9 million to restore the Manor House and \$5.1 million to restore the Carriage House, equal to about \$96,000 of restoration costs attributable to each unit in the development. He noted that he recently contacted Baird Andrews, who estimated that these costs had increased by about 17% since 2016 given their opinion that 4% annual cost inflation is normal for Chicago's construction market.

Mr. Kyte continued that part of the goal of using an outside operator was so that the operator, rather than the HOA, would bear the cost of building maintenance as part of their lease of the Manor House. Without these maintenance costs, the HOA's total assessment would be \$295 per month per owner. He stated that TRG abandoned their plans to restore the Carriage House as a substitute HOA amenity building as this would create about \$184,000 in annual reserve costs or a total assessment of \$462 per month per owner.

Mr. Kyte stated that the parking necessary for an event venue was also prohibitive. He stated that the proposed parking plan would occur within the conservation easement area. TRG believed that they could legally trade acres in and out of the conservation easement area, but a recent Illinois Supreme Court case closed that option. Therefore, the parking lot would need to take the place of three single-family residences. He said that TRG had contacted three event venue operators in the past, but that only one, Wedgewood, remained interested. The operator felt they would need between 190 and 275 events per year, operating seven days per week, 7 a.m. to midnight to be successful. This equated to between 18,000 and 25,000 visitors annually. This would be a hurdle to entitlement and would cause additional traffic, but TRG was prepared to undertake this to save the Manor House. He said that Wedgewood offered a \$250,000 annual triple-net lease, which equated to a \$1.8 million valuation of the Manor House as a revenue generator versus the \$10.6 million restoration cost.

Mr. Kyte stated that his biggest mistake was falling in love with the buildings and in trying to figure out a way to get beyond the cost of the exterior shell renovation to find a use that worked. He said that he and TRG had spent considerable time evaluating a number of possible reuses such as office space, a bed and breakfast, or a single-family residence. However, the WJE report called for \$4.1 million in 2015 to restore the outside of the building without starting to repair the roof or 28,000 square feet of interior space. He said that TRG had kept the building heated and maintained along the guidelines recommended by its consultants, but that ultimately, just to get the exterior done would cost over \$5 million. He said that there are estate demolitions occurring regularly as well as homes sitting on the market for prolonged periods of time that are not selling at a \$3 million or \$4 million price point. He emphasized that those comparable buildings – unlike the Manor House – had continuous power and utilities.

Mr. Kyte concluded his presentation by showing the 2014 preliminary plan alongside a pending plan he said he intends to submit to the Village's Plan Commission and Zoning Board of Appeals shortly as TRG's last attempt to develop the site.

Commissioner Questions

Chair Kraus noted that the pending plan is not within the HPC's purview, but asked Mr. Kyte to describe it. He responded that the new plan is an extension of their previously philosophy of restoring the Jens Jensen landscape plan, including the original players green in front of the manor house. He said that Jensen was opposed to traffic and wanted people to be able to enjoy nature actively and passively when they returned home. He said that the new plan showed, philosophically, multiple homes fronting the Jensen players green.

In response to a series of questions from Chair Kraus, Mr. Kyte stated that TRG intends to:

- Totally demolish the Manor House.
- Totally demolish the Carriage House.
- Retain the stone bridge, keystone, and existing materials.
- Retain the pond.
- Retain the entry gate.
- Reuse the manor house benches in a historically appropriate location. He stated that TRG is not sure if the benches are historic, but that Jensen called for an outlook that may be a suitable site.
- Explore reuse of the features off the back of the terrace, or finding a group that could reuse the fountain edge.
- Remove the stone retaining wall, which was the ledge of a prior pool including steps into the pool. He said that TRG would seek to remove the ledge and try to reuse it on one of the ponds, and that Jensen used the exact technique along many pond edges.
- Reuse as much of the council ring as possible in a restored arrangement. He noted that the ring was removed by the previous developer and kept in the southern area of the project.

Member Jerch asked if the conservancy contemplated in the 2014 plan was ever consummated. Mr. Kyte responded that the land is presently in a conservation easement owned by a not-for-profit entity controlled by TRG. In response to a question from Member Bergmann, Mr. Kyte stated that TRG has been funding the easement while waiting for a PRD approval and ultimately intends to turn it over to the Village or the Park District. In response to a question from Chair Kraus, Mr. Kyte replied that the appearance of this area from Green Bay Road would not change.

Member Bergmann asked why TRG had not pursued any of the exterior envelope work recommended by the WJE report in 2005, even small leaks or repairs. Mr. Kyte replied that TRG had actively been patching the building, repairing the roof, and so on. He said that TRG had not done a good enough job of detailing the work done to preserve the building and emphasized that there was no way to get approval to spend \$4 million on restoration work without a plan that's ready to construct. Member Bergmann replied that TRG had not started on any portion of the proposed restoration work, and that there is no reason TRG's choice would be between doing \$4 million of work or no work. Mr. Kyte responded that they had done work, including the patching and interior demolition. He said that, without TRG's maintenance, water damage would have impacted the four

remaining rooms that are historically intact. He emphasized that TRG inherited a building without utilities or heat and believes the building is in as good a condition as it could be given that it has been without these facilities since 2007.

Member Bergmann responded that there appeared to be an extraordinary amount of interior demolition that simply stopped, and that no one has provided a power supply or utilities over this time. Mr. Kyte responded that TRG hired restoration experts and pursued their recommendations with Village oversight. He continued to say that the demolition was entirely of finishes and spaces that had been historically compromised by the hotel use, in the opinion of both Susan Benjamin and a state historic preservation official. He said that this work is what would be required as part of renovating the building. Member Bergmann continued to state that the building looks like it was under construction and that work suddenly ceased; it does not look like it is being intentionally preserved. Mr. Kyte replied that it looks like a construction site because that was the plan, and that TRG pursued lead paint and asbestos removal all in keeping with the recommendations of TRG's consultants. He said that, if TRG did not intend to restore the buildings, it would have left everything intact so that damage would be concealed and the building would have deteriorated more quickly. He recounted the structural deficiencies with the building when TRG acquired it and said that he does not believe that firms like Northworks and WJE would jeopardize their reputations.

Member Bergmann stated that there are at least half a dozen Howard Van Doren Shaw houses, all single family residences that are the same size, from the same era, with the same materials, and etc. that are still standing. He continued to say that these homeowners invested in the maintenance of their buildings. Mr. Kyte responded that none of these buildings was turned from an estate into a seminary and then into a hotel. He said that the prior operators would have stayed if the business had been viable and if the building had been viable. Member Richardson stated that she previously was an employee at the Manor House when it was the Harrison Conference Center. She described the business being acquired by Hilton and Aramark and said that, after these changes in management, the new owners refused to keep up the property until they closed down. She stated that the owners turned everything off, walked away, and left the property in a great state of disrepair. She said that she believes this property is different from Member Bergmann's comparable single-family houses that are still standing.

Member Bergmann said that he believes someone who owns a property for five years invests money in the property. Mr. Kyte replied that no money was invested in the property for 5 years before it was acquired by TRG, which created these issues.

Chair Kraus asked Mr. Kyte to summarize TRG's efforts to market the property. Mr. Kyte replied that TRG approached a hotel operator and developer when their plans contemplated that use. TRG engaged Johnson Consulting to perform a feasibility analysis of the use. As part of that process, in May 2016 they contacted two groups, a third party operator for event space and a golf course operator. He stated that TRG's plans were too preliminary and that the operators needed answers. TRG proceeded to evaluate the parking lot plans previously discussed, and these operators ultimately were not interested except Wedgewood. He stated that there was not a formal brokerage package published as, among other things, a public solicitation would first require approval of the parking lot changes.

Chair Kraus asked him to continue to describe how intensive the marketing was of the Manor House and Carriage House, and if TRG had explored a potential donation of the buildings. Mr. Kyte replied that TRG had been working on this for four years and spoke with two large groups, who were only interested in leasing and not purchasing. TRG explored selling or donating the property with the condition that the property had to be restored within 18 months such that the outside of the building looks attractive. They could not attract a purchaser with this condition. He said that he cannot provide more details because he is bound by certain confidentiality agreements with the prospective parties. He stated that he would be willing to provide an affidavit as to these facts.

Member Nicol quoted Mr. Kyte and reiterated that the renovation budget for residential units was estimated at \$4 million for the Carriage House and \$11.4 million for the Manor House by W.B. Olson. She said that TRG received bids from Skender, Baird Andrews, and Venir Construction all similar to this initial amount. Mr. Kyte replied and reiterated that it was a mistake for TRG to explore alternatives to these bids focused on interior construction without confronting the costs of the envelope restoration that WJE said would be required. He emphasized that the prior developer provided a sworn estimate of their costs for renovations, and that the housing market began to show positive signs in 2014 and 2015 in other North Shore communities. He believes that a bid for the residential project could be as much as twice the bid amount to construct.

Member Richardson said that, as a resident, it is easy to believe that nothing is transpiring on the property. She said that seeing all of the documents provided by TRG makes her realize how much work has been invested. She expressed her appreciation for Mr. Kyte's presentation, knowledge, and effort invested. She believes that the community feels attached to those buildings, just as Mr. Kyte says he is, and that this is an awful position to be in. Mr. Kyte replied that he has spoken to people who had children married there and who have an investment in the property beyond TRG's work over the last eight years. He does not expect community support or compassion, but stated that this is the work required to understand the costs of restoration. He believes this is why many homes are being demolished.

Chair Kraus thanked Mr. Kyte for his candor regarding his mistakes in developing the property and that the Village is now faced with decisions. He invited members of the public to come forward and provide comments to the HPC.

Public Comment

Rick Lesser, resident, came forward to address the HPC. He said that, unlike other applications for demolition that come before this board, the property is subject to a development agreement between the owner and the Village that requires the developer to preserve and restore the property. He emphasized that this is not an ordinary homeowner and that the property is in much the same state today as when the original developer agreed to these conditions in 2006. He stated that he voted against this agreement as a Trustee and is now in the position of asking the Village to enforce the agreement. He also stated that the conservation easement is in effect and has been for 13 years; that the grantee is an entity controlled by the developer; that he attempted to join the grantee and was denied; and that he does not believe the easement is being enforced as evidenced by the use of herbicide and plastic mesh.

Lesser also provided Chair Kraus with a letter by John Graham, who was ill and unable to attend.

Cheryl Becker, resident, came forward to address the HPC. She stated that there has been over 12 years of investigation and analysis and asked if that is really how long it takes to figure out what's needed.

Tom Glusic, Lake Forest resident, came forward to address the HPC. He asked if it was possible for the developer to donate the house and an equivalent cash amount to the cost of demolition, which he imagines would be in the hundreds of thousands of dollars. He believes the developer should offer this to someone who could afford and desires to restore the house, similar to a project in Lake Forest across from West Park that was vacant for years and is now being restored. He said he empathizes with the change of market conditions as well as the developer's invested time and money.

Catherine Driscoll, resident, came forward to address the HPC. She thanked Peter Kyte and Mike Walline for joining a group of neighbors at the Lake Bluff Library recently for a community discussion, as well as for including the public on the Monday tour of the property. She stated that this is a difficult situation, and that the developer got a good deal when they purchased the 47 acre property in a distressed state in 2011 for \$8 million. When they bought the property, they knew that they were entering into an agreement with the Village. She said that all parties spent a lot of time compromising to make a plan that would add to Lake Bluff, and that the cornerstone of that agreement was saving the Howard Van Doren Shaw architecture. It was expensive to restore in 2011 and expensive to restore now, but TRG is obligated to do so. If the Village revokes the development approval, the site reverts to 1.5 acre lots that will not sell in the current real estate market while 98 homes are already for sale in Lake Bluff. She encouraged the HPC and the Village Board to work with the developer and seek creative solutions and preserve the additive property of the development.

Kate Briand, resident, came forward to address the HPC. She compared the present situation to the restoration of 1010 Green Bay Road, which also fell into disrepair and required substantial renovations exceeding \$1 million in cost. She compared this to the current situation and noted that no one is saying that the structure can't be restored; only that they do not want to. This building is not so degraded that demolition is the only option, and Mike Walline with TRG said repeatedly during the tour that the building is in great structural condition. She said that Howard Van Doren Shaw is one of the most remarkable architects in the area. She said that all of the due diligence necessary has been done and, at some point, you have to do the work that has been studied. Instead, she feels that this is an example of buyer's remorse because it is cheaper to spend \$1 million in demolition costs instead of \$15 million in rehabilitation costs; and more profitable to build new homes within the footprint of the manor house. She believes that Lake Bluff is too lax in the protection of these historic structures and that, in this instance, it needs to act by standing behind the developer's agreement and supporting preservation in the Village.

Matt Kerouac, resident, came forward to address the HPC. He said that he lives nearby and was here nine years ago seeking a solution to this development, and is here again chasing a solution. He is an architect with clients in Evanston paying \$80,000 to restore wooden windows. He believes that, if the Village is incapable of preserving this structure, it should not have historic preservation

regulations as this is the critical test. He believes that 98 homes won't sell in Lake Bluff and that tearing down the Manor House and Carriage House would only enable a site with two holes in the ground and a source of shame for the community.

Katie Sekera, resident, came forward to address the HPC. She said that, at the HPC's last meeting, she expressed her concern that the historic structures on this site would be demolished, that the developer wouldn't finish, and that the Village would be left with a big empty lot with no historic value. She has listened to the developer present his details and speak about mistakes, but she believes that the biggest mistake would be if the Manor House is torn down. She believes that real estate development is difficult and that this may not be the right project or the right land. She further believes that the Manor House has huge historic value in the community and is a draw for Lake Bluff, as it distinguishes Lake Bluff from other communities that are subdivision after subdivision. She believes that houses are not selling and that tearing down this house will take value out of the house that would be built there. She concluded by reiterating her concern about the development and the lack of progress over the years.

Dave Syfarski, resident, came forward to address the HPC. He understands that the developer purchased the property at a low price and believes the HPC should ask the developer to explain more of the rationale behind his costs and losses to pursue renovation. He believes the situation looks dire from what's been presented to the HPC. He said that he has lived in this neighborhood since childhood and is particularly fond of the tower. The developer is presenting an all-or-none proposition, but perhaps some of the structure could stay. Towers are not built every day, and towers like this are so beautiful that people make paintings of the similar towers in Lake Forest. He asked what it would take to keep the Shaw tower in place and believes it will be as sad as the demolition of the children's home if the tower is destroyed.

Suzanne Soulsby, resident, came forward to address the HPC. She expressed her support for the prior comments. She has been involved in this project since 2006 and believes it would be a shame to allow these historic buildings to be torn down with no indication that anything positive will come of it.

Bernadette Petty, a Lake Forest High School student, came forward to address the HPC. She believes it would be a terrible shame to lose this property, which she sees vacant as she passes by on the bus to and from school every day. She believes it would be terrible for the community if it was torn down and, even if it was torn down, there would be no guarantee that anything else would happen. She believes the property should be cared for and restored.

Lucia Oddo, resident, came forward to address the HPC. She expressed her support for the prior comments. She said that she appreciates TRG's efforts but that, ultimately, this was their business problem and that the Village needs to preserve its history. She worries that the community will get two big holes and a bunch of homes in a community that already has too many homes to sell.

Seeing no further members of the public who wished to address the HPC, Chair Kraus closed the public comment period and invited Peter Kyte to return to the podium.

Applicant's Response to Public Comment

Mr. Kyte came to the podium and said that:

- He hopes Herb Nelson is watching and that Mr. Nelson appreciates that he is speaking clearly into the microphone.
- He apologizes to the Commissioners that they have to face criticism that is undue because they do not have the same preservation tools that other municipalities have. He said that any anger should be directed at him and TRG, and that it not the HPC's purview to endorse demolition.
- He agrees that the demolition of these structures is a shame. He understands that these buildings are TRG's business and that, if they lose money, it is their responsibility. He said that TRG had tried to find solutions that worked without a "unicorn" investor or public subsidies. He believes that being a municipality that truly gets behind preservation requires subsidies.
- It is unlikely they could find a lender that will lend over \$10 million to invest in a building that only generates enough revenue to justify a \$1.5 million valuation.
- In response to Mr. Lesser, he wishes the Village Board had the foresight to require a feasibility analysis to be done when the project was first approved in 2008 or when TRG acquired the property in 2013. He said that some plan commissioners asked for as much at the time and that he should have pursued one, which is his fault.
- It had been closer to 15 years, not 12, since the original developer started looking at the site but that the true analysis took place between 2014 and 2016. Documentation of this analysis has been provided to the HPC. He believes there is nothing to do but move forward.
- The comments regarding the contract are correct. The original developer entered into a contract with the Village and TRG assumed the original developer's responsibilities knowing that the Village could revoke the entitlement approvals if the site could not be developed as intended. He said that the development was envisioned as a three-legged stool involving the Manor House, the Carriage House, and the Jensen conservation easement.
- TRG is actively engaged in amending the entitlements for the property and does not plan to demolish any of the buildings until they know what the results of the process are. He emphasized that the amendments still preserve the "third leg" of the Jensen landscape.
- One of the reasons so much information was provided online was in the hopes that, if there is a "unicorn" investor who wants to get behind this building and restore it, they have the ability to research what is necessary.
- He believes removal of the current entitlements is the worst possible thing that could happen to the site. The underlying zoning does not allow for the Jensen landscape to be preserved, and he does not want to be discussing the removal of the landscape in eight months. He hopes that there still may be the opportunity to bring back another "leg" of the stool.
- TRG has explored incentives and, if the Village Board is serious about preservation, there are plenty of tools they can use. Those tools are not being used right now.

- TRG owns this property, will continue to do best by it, and will not allow it to fall into disrepair.

He thanked the Commission and said that he hopes their active submittal will create better answers for some of these issues. Chair Kraus thanked Mr. Kyte for his comments.

Chair Kraus recognized Cheryl Becker from the audience, who came forward and asked Mr. Kyte to explain what other options the Village has regarding preservation. Mr. Kyte responded, saying that, first, they erred in not presenting all of this information sooner. Had TRG done more public presentations, it would not appear as though nothing were happening. Second, he said that TRG had previously presented a tax increment financing plan in 2013 or 2014 once it was apparent how expensive the restoration truly was. He said that the Village could modify its significant impact fees or building permit fees, especially permit fees, which are based on project valuation in Lake Bluff. He also believes that TRG should not have to pay impact fees to provide for a park when it is dedicating 10 acres of land for park use. He hopes the Plan Commission and Zoning Board of Appeals, as well as the Village Board, explore these opportunities.

Conclusion

Chair Kraus repeated that the HPC must ultimately choose to either: (i) conclude its advisory review; (ii) continue its advisory review at future meetings to further consider the evidence, up to a maximum of 120 days from the date a final application was submitted; or (iii) continue the meeting and request that the Village Board extend the advisory review period by up to an additional month, or a maximum of 150 days. He said that he suggests the HPC request the Board provide the maximum extension, as the HPC's efforts to preserve this landmark will promote the public welfare without causing undue hardship on the permit applicant.

Chair Kraus read aloud a list of certain criteria to be considered by the HPC during its advisory review as presented in the staff memorandum. He said that each criteria suggests the HPC should continue its review.

Chair Kraus said that Mr. Kyte provided 1,411 pages on Monday in anticipation of the present meeting on Thursday, which is not an adequate amount of time for review. Yet the materials are critical because, in his view, the essential question is the financial feasibility of adaptive reuse. He said that the HPC should consider continuing its review to a subsequent meeting where staff can review and comment, and where the HPC can create the record for the Village Board and the Village's advisory bodies to use in considering these requests.

Chair Kraus asked for a motion to request the Village Board extend the advisory review period for an additional 30 days. Member Bergmann made said motion. Member Jerch seconded the motion. The motion passed by unanimous voice vote.

Chair Kraus expressed the consensus of the HPC that it would continue its advisory review and ask the petitioners and the audience to return for a continued review meeting at a subsequent date. He said that the Village would provide notice to the public of the review when scheduled.

Chair Kraus said that this concluded this agenda item and called for a recess. As there was no objection, the HPC stood in recess to allow the audience to leave the room.

4. Staff Report

The HPC reconvened from its recess. Chair Kraus asked AVA Cole to provide a staff report.

AVA Cole said that Susan Benjamin would be present at the HPC's regular March meeting to give her final presentation of the recent historic survey work and asked the HPC to consider questions for Ms. Benjamin.

Chair Kraus asked that Village Staff review the 1,411 pages and discuss economic feasibility with the applicant. He said that the HPC should consider a subsequent special meeting, perhaps in late February, to continue its advisory review with this information in hand. He also said that there could be an update soon regarding *Choose Lake Bluff* given that there have been other activities in the Village recently.

Member Bergmann said that Peter Kyte brought up the idea of various economic incentives, which was part of *Choose Lake Bluff*. Chair Kraus said that possible financial incentives would be a later part of *Choose Lake Bluff* as discussed at the joint HPC-Village Board meeting. In response to a comment from Member Bergmann, AVA Cole said that – based on the Gruen analysis provided by Roanoke, assuming that it is fair and accurate and so on – there is approximately a \$5 million shortfall in the current development plan which would be a substantial financial challenge for any incentive to overcome. Chair Kraus expressed his preference that information regarding financial incentives come from the Village's staff or experts and not from the developer.

Member Liebolt and Village Attorney Friedman briefly discussed options available to the Village to enforce the development agreement.

5. Adjournment

There being no further business to consider, Member Bergmann motioned to adjourn. Member Nicol seconded the motion. Upon a motion duly made and seconded, the meeting was adjourned at 9:41 p.m.

Respectfully submitted,

Glen Cole
Assistant to the Village Administrator