

APPROVED

**Village of Gurnee
Planning and Zoning Board Minutes
March 5, 2025**

1. Call to Order & Roll Call

Chairman Jim Sula called the meeting to order at 7:00 p.m.

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

Other Officials Present: David Ziegler, Community Development Director and Shannon Coleman, Associate Planner

2. Pledge of Allegiance

3. Approval of PZB's January 8, 2025 Meeting Minutes

Before proceeding to the agenda, Chairman Jim Sula welcomed Shannon Coleman to the Planning Staff. Ms. Coleman previously worked in Barrington.

Motion to approve by Mr. Paff, seconded by Mr. Nordentoft. Motion carried unanimously.

4. Approval of PZB's January 8, 2025 Meeting Minutes

Mr. Paff noted an error on page three, pointing out that an intended phrase "not to proceed" had been documented as "to proceed." With the correction acknowledged, Mr. Nordentoft made a motion to approve as amended, seconded by Mr. Campbell. Motion carried unanimously.

5. Public Hearing: Special Use Permit – Impulsive Details - 3590 Grand Avenue

Andrew Perez is requesting a Special Use Permit to operate ImpulsiveDetails, a hand car wash and detailing business at 3590 Grand Avenue in the C-2 EGG, Community Commercial East Grand Gateway Overlay District. In addition to hand car washing, ImpulsiveDetails will also offer ceramic coating and window tinting as an optional feature by appointment only.

Ms. Coleman introduced the item, stating Andrew Perez from ImpulsiveDetails is requesting a Special Use Permit to operate a hand car wash and detailing business at 3590 Grand Avenue in the C-2 EGG, Community Commercial East Grand Gateway Overlay District. In addition to hand car washing, ImpulsiveDetails will also offer ceramic coating and window tinting as an optional feature by appointment only. The subject property is currently vacant, but formerly a paint retail business. The property is approximately 19,100 square feet and is improved with a one story commercial building with an existing loading dock located in the rear and a 14 space parking lot.

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Mr. Perez greeted the Board. Mr. Sula swore in attendees who were present for public comments. Mr. Perez detailed his plans for the property at 3590 Grand Avenue. He stated the planned renovation to open a hand car wash was to install two garage doors at the front and back of the building for ease of entry and exit. Business will be appointment-only, with an eco-friendly hand wash, ceramic coating and window tinting, using no heavy machinery. He stated parking should be sufficient for the business operations.

Mr. Sula opened the discussion to Board members. Ms. Martin questioned if the business was truly appointment-only or if customers could drive in without scheduling. Mr. Perez stated it depended on their schedule, but the goal was to be appointment based in order to offer additional services. Ms. Martin asked if they would be open 7 days a week and there was only one way in and one way out of the business, Mr. Perez confirmed.

Mr. Nordentoft asked whether garage doors would be open or closed during business hours, especially during the summer heat. Mr. Perez stated the doors may need to be kept open due to heat. Mr. Nordentoft asked about any tools that would be used that could generate noise. Mr. Perez stated they would use shop vacs and power washers.

Mr. Morgan noted traffic concerns based on the location and how the business would operate. He noted eastbound drivers on Grand Avenue may use Belle Plaine to enter the business, which could cause congestion.

Mr Paff inquired about the discrepancy between the application and the testimony concerning the difference between appointment only versus drive up service. He also expressed concerns about noise from pressure washers and shop vacs.

Mr. Campbell inquired if the sign could state by appointment only.

Chairman Sula then opened the floor to the public.

Public Comments:

Jorie Stuckwisch of 987 Belle Plaine noted that there are two other car washes less than 0.4 miles away from the proposed business. She indicated concerns about traffic.

Becky Kotsinis of 907 Belle Plaine expressed concerns about traffic generation with nearby school bus stops and also noise generation.

Karen Rozwadowski of Belle Plaine Avenue expressed concerns about traffic speeds in the area.

Debbie Hoselton of 1601 Belle Plaine expressed concerns about the intersection and the proximity of the driveways to the intersection. She also inquired about the drainage off the property and runoff from wet cars.

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Mike Castillo of 3515 Grove Avenue expressed traffic concerns and the aesthetics of the proposed garage doors. He also inquired about the sewer discharge.

Layne Moyer, owner of the building, indicated that the building has been for sale since 2022 and have considered several higher traffic generators that would be permitted by right.

Floor to the public is closed.

Chairman Sula then began discussion of the concerns.

- Traffic
 - Mr. Ziegler discussed capacity and through put
 - Discussed the potential for closing southwest entrance
- Land Use
 - Board considers the appropriateness of the land use, not the consideration of how many of a business type
- Sewer Use
 - Discharge into the sanitary sewer, treated by NSWRD
- Wet Cars
 - All cars towel dried before existing.

Motion made by Todd Campbell to approve the special use permit with the following conditions:

1. All vehicle services must be conducted inside the building.
2. Maintain 14 parking spaces, with 7 spaces at the rear to be properly striped.
3. Limit exterior vehicle queuing to two tandem spaces.
4. Any rooftop solar panels must be screened from public view.
5. Building permits required before any exterior modifications.
6. Signage must comply with village regulations;
7. Operations must be strictly appointment-based.
8. The north garage door must remain closed during business hours, except when a vehicle is exiting.
9. Close the south entrance on Belle Plaine to prevent additional traffic congestion.

Seconded by Edwin Paff.

Vote:

- **Ayes:** Paff, Campbell, Sula, Nordentoft, Martin, Ware
- **Nays:** Morgan
- **Motion carried.**

6. Public Hearing: Zoning Map Amendment & Special Use Permit for Ten Hotel & Residences
Khayat Enterprises is proposing a Zoning Map Amendment from R-1, Single-Family Residential District to C-2 PUD, Community Commercial District as a Planned Unit Development, a Special Use Permit for a Preliminary Planned Unit Development (PUD) Plan with certain departures from the Village's Zoning Ordinance, and a Final Planned Unit Development (PUD) Plan to redevelop 80 residential units and renovate hotel rooms and restaurant at the former Holiday Inn site at 6161 Grand Avenue.

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Mr. Ziegler described Khayat Enterprises' proposal to purchase the current Hotel Gurnee, the former Holiday Inn Hotel, and transform it into the Ten Hotel & Residences. The proposal includes converting the hotel rooms in the south Wing to 80 multifamily units, including 48 studio efficiencies and 32 one bedroom apartments. The residential units will be targeted to occupants 21 and older, allowing one occupant in studio in units and two occupants in the one bedroom units and also no pets. The project calls for the renovation and reuse of the remaining 105 hotel rooms on the west side of the building, remodeling the on-site restaurant and rebranding it to a breakfast restaurant and tapas café. The restaurant will be available to public and guests. To accomplish this request, Mr. Ziegler noted the applicant needs to accomplish two items:

- 1) Rezone the 0.09-acre parcel that was annexed by the village Monday night and rezone it from R1 to C2 consistent with the rest of the property.
- 2) Approve a preliminary and final PUD to
 - A) Allow the introduction of multifamily residential into the village's C2 zoning district.
 - B) Allow for the off-site parking coupled with valet services to meet the required parking demand for the multiple uses on the site.
 - C) Allow for a ground sign to exceed the allowable height by 1 foot 8 inches and include a changeable message board under the under the outlined conditions.

Mr. Ziegler noted the applicants and their consultants were in attendance to present the project.

Mr. Sula asked Brian Winter, the Village attorney, to swear in attendees who were present for public comments.

Glenn Christiansen of 3990 Prairie Oak Rd discussed the Khayat Enterprises proposal. He described the 0.09-acre parcel, noting it was originally a sewage treatment plant for the hotel before municipal sewer service was available in the area. He stated it was not annexed previously because it was not an allowed land use. Mr. Christiansen stated Khayat Enterprises was requesting the preliminary and final PUD plan at once. He noted that there is no new construction, but renovations will use the existing building. Mr. Christiansen described the plan to convert rooms in the south wing to residences, noting that this wing was chose since there's only one access on each floor. These doors will be electronically secured to restrict access to the residences. Mr. Christiansen noted that parking for the residents will be fenced in with an electronic gate. He stated that there will be some departures from the zoning ordinance, including allowing multifamily dwellings on the ground floor in a C2 district and valet parking to meet the required amount of parking. Mr. Christiansen also noted there is an exception to the monument sign on Grand Avenue. They plan to use the existing base. The existing sign is 1 foot 7 inches higher than the permitted 12 feet and is 8 feet 6 inches from the east driveway, but should be 10 feet away. The petitioner is requesting an electronic message board on the sign, which will meet the requirements recently requested for such signs. Mr. Christiansen noted that Khayat Enterprises was in contact with the other local districts for impact fees and formal agreements with their boards.

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Mr. Christiansen introduced Chris Khayat to further discuss the project. Mr. Khayat thanked the attendees. He explained the project will renovate the interior and exterior of the building, with luxury residences targeted at young adults. Mr. Khayat introduced his sons Elliott Khayat (36575 Fox Hill Drive, Wadsworth) and Christian Khayat (2895 Southern Hills Drive, Wadsworth) and daughter-in-law Nicole Khayat (36575 Fox Hill Drive, Wadsworth).

Elliott Khayat described the project, noting that the residences of the Ten Hotel & Residences will create a base to provide different amenities and ventures inside the hotel property.

Nicole Khayat noted that the project had developed based on the previous feedback provided by the Planning and Zoning Board. Ms. Khayat described the project in detail, noting a goal to provide an urban, luxury feel at an affordable price. She noted that target residents are returning college graduates who want to be independent but close to their families. She also noted the combination of residences with a boutique style hotel is unique to the area and the first of its kind. Ms. Khayat described some of the amenities the project would offer, including a state of the art exercise facility, a breakfast and lunch restaurant named Maple, a grab and go café and a revitalized banquet facility.

Elliot Khayat noted the difference between the current hotel's 30% occupancy rate for 210 rooms and the area average of 70% occupancy for 70-80 room hotels. He stated apartments have a 90-95% occupancy rate, so the combination of hotel and residences will maintain a higher occupancy. Mr. Khayat reiterated that their target audience was young adults seeking and apartment in a centralized entertainment area with multiple amenities. Studio apartments will be between \$1300-\$1600 per month depending on if they are furnished or not. One bedrooms will range from \$1600-\$1800 per month. One bedroom apartments will approximately 700 square feet with a kitchen including a fridge, freezer, stovetop, washer, sink and microwave.

Ms. Khayat discussed the design of the furnishings, focusing on high end, trending but timeless finishes. She noted the kitchenettes will have everything needed, especially since there will be a small market in the lobby.

Elliott Khayat described the layout of the one bedroom and studio apartments. One bedrooms will be 700 square feet with a kitchen, small closet, bathroom and separate bedroom. Studios will be about 350 square feet and will feature full kitchens with a fridge, freezer, sink, stovetop and microwave. Both types of apartments will have the same design aesthetics. He noted their amenities differentiate the project from other area apartment complexes, as well as its location near entertainment and restaurants.

Mr. Khayat described the amenities the development will offer. Amenities will include a full service laundry at about \$2 a pound, available via request on the Khayat app. There will also be coin laundry available. Residents will have access to 24-hour room service via the Khayat app. For an additional fee, residents can get maid service which can also be scheduled via the app.

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Christian Khayat explained the name Ten for the development. He reiterated their dedication to the project, drawing a personal connection by naming it "Ten" in memory of their late brother's jersey number as well as featuring a cardinal in the logo.

Elliott Khayat noted the project will feature a market with convenience items, some food, pharmacy goods, Ten logo apparel and grab and go foods and drinks. The market will also feature some local vendors. Nicole Khayat described local vendor collaboration.

Elliott Khayat announced the development's lounge would be named Twyla's after his mom. The lounge will be open from 4:00 until closing and will feature tapas style food, burgers, wings, some sushi items and drinks. The lounge will have live entertainment from Thursday through Sunday, which may feature some of the same acts as Primo. The lounge will also have two golf simulators available to guests and residents. He described the Maple restaurant and coffee bar.

Nicole Khayat explained the Maple restaurant would be a chic, modern breakfast and lunch open air restaurant, pending weather. The layout will be Maple, the terrace then the pool area separated by French doors. The terrace will feature dining tables and seating. Ms. Khayat noted Christian Khayat would be heading up the terrace project. Mr. Khayat noted they would be beautifying the green space with seasonal colors to meet the needs of residents and guests.

Elliot Khayat noted the pool area will be renovated as well, with new aesthetics and French doors that can be opened in warmer months. The pool will get more of a nautical theme including cabanas. The small existing gym will be converted to a yoga and flex studio. A new approximately 1200 square foot, state of the art gym will be added on the east side of the pool. Mr. Khayat stated the banquet hall would also be revitalized for the project, with the goal of bringing weddings, events and conventions back to Gurnee. Nicole Khayat discussed various expos and events that have made verbal commitments to exhibit at the proposed venue. She also noted that they may become one of the preferred hotels for Great Lakes Navy families.

Christian Khayat introduced Jonathan Moskowitz, owner of Chicago Valet, to discuss their solution for parking concerns. Mr. Khayat stated their solution to parking was to use one lane for valet and the other as a drive through. There will be full time valet every date for residents, hotel guests and event attendees. Elliott Khayat noted they have an agreement with Rohrman to use 50-75 spaces in their lot and up to 200 spaces at Gurnee Mills for events. He noted they had paperwork and application prepared for the ComEd lot east of the building.

Elliott Khayat noted the plan to update the exterior of the building. Mr. Khayat stated security was also a priority, including hiring McCarthy and Burns security agency and using 24 hour AI driven surveillance. Bobby Burns described their work with the project, including policies, procedures and work with the Gurnee Police Department to develop emergency plans. McCarthy and Burns will be available as their consultants and as security as necessary.

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Christ Khayat noted security and comfort are the main objectives for the project. Mr. Khayat stated the proposed project will benefit the area and municipalities through increased revenue. Christian Khayat discussed their goal to hire high level, experienced managers with Khayat Enterprises overseeing them.

Mr. Sula thanked the presenters for their presentation. Mr. Sula noted the apartments at this price point were needed in the area, saying he was impressed with the amenities on site. Mr. Sula stated a key concern was parking availability. He asked Village staff if the additional valet oriented spaces would be adequate. Mr. Ziegler concurred that with the arrangements at the time of occupancy for off-site leasing and valet services would be more than adequate per code.

Mr. Nordentoft noted the property is in a very important portion of the Village and is in need of attention. He asked for clarification on the 21 and over age component, asking if the restriction was on the person who signs the lease only or on all residents. Elliott Khayat responded that Illinois fair housing does not allow age restrictions but that 21 and over is their target market. Mr. Khayat noted the one-person limit in the studios and two people limit in the one bedroom apartments. Mr. Nordentoft clarified that a single parent with a child would be able to lease as long as the leaseholder was an adult.

Mr. Paff stated his issue on parking from the previous meeting was addressed. He asked if there were any written commitments from Rohrman or Gurnee Mills for parking spaces. Elliott Khayat responded the Board with written commitments in the PUD package, but that they would not fully execute them until they take ownership of the property.

Mr. Campbell stated his concerns about parking had been addressed.

Ms. Ware confirmed the occupancy limit for residences. She asked for clarification on how resident's guests would be handled. Elliott Khayat noted residents can have limited guests who are not staying in their apartments and that staff would manage them. Christian Khayat stated that they would have to have advanced notice of guests and there will be noise restrictions during certain hours in the hotel and residences. Ms. Khayat noted it was part of their security protocol for staff. Ms. Ware asked about residents' access to the hotel for the security of hotel guests. Mr. Khayat stated residents will have access to the entire facility and hotel guests will only have access to the hotel. Elevators will require a room key, so residents will not be able to get in the hotel area. Residents will have access to all common areas.

Mr. Morgan asked for clarification on the sign exception from Mr. Christiansen. Mr. Morgan noted the plan to use the same sign base and clarified the existing sign was an exception. Mr. Christiansen noted the sign was not an exception when it was put up. Mr. Sula noted a permit would be required for modifications, which would require a review of high to ordinance, so the exception would then have to be modified enacted. Mr. Ziegler stated that instead of running through a minor exception process later on, the exception would be in the PUD agreement. Mr. Morgan confirmed the planned sign would be the same dimensions. Mr. Sula noted the

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planned sign includes an electronic portion. Mr. Morgan asked if the electronic portion would be consistent with the balance in the Village right now. Mr. Christiansen confirmed. Mr. Morgan noted that parking concerns had been addressed.

Ms. Martin noted she did not have a question but thanked the presenters. She thanked the presenters for responding to Board concerns.

Mr. Sula opened the floor to the public. As there was no one in the audience wishing to speak, he then closed the floor to the public.

Mr. Winter noted the standards for a PUD and that Mr. Christensen addressed those conditions. As the property does not require new construction, it appears to meet the conditions required for a PUD regarding use of the property, existing utility services, parking and effectiveness with the surrounding property.

Motion by Mr. Morgan to forward a favorable recommendation on the petition of Khayat Enterprises for a zoning map amendment to rezone approximately 0.09 acres located at 6161 Grand Avenue for from R1 single family residence district to C2 PUD Community Commercial District as a planned unit development in the Village of Gurnee. Seconded by Campbell. Motion carried unanimously.

Motion by Mr. Morgan to forward a favorable recommendation on the petition of Khayat Enterprises for a special use permit for a preliminary planned unit development PUD plan application with certain departures from the village's zoning ordinance to redevelop 80 residential units and renovate hotel rooms and restaurant on property located at 6161 Grand Avenue consistent with the applicant's testimony and subject to the following additional conditions.

- For parking, written and signed parking agreements indicating a continuous term and number of location of parking spaces be submitted to the village community development department prior to any occupancy permit being issued, being granted. The petitioner is responsible for to provide alternative parking solutions to meet the minimum parking requirements should either of parking agreements or valid service contract changes or terminates.
- For the electronic message center, no portion of the image may flash, scroll, twirl, change color, or in any manner imitate movement. The electronic message board sign must have an automatic dimmer and photocell which shall constantly monitor ambient light conditions and adjust sign brightness accordingly. The use of bright white backgrounds for electronic message displays is prohibited. The use of an amber color for the electronic message text on a dark background is encouraged. All portions of the electronic image message must have a minimum duration of thirty seconds. The electronic message board must be turned off between midnight and 6AM. The message duration in condition number four above will be reviewed by the village board in six months from the date of approval of the special use permit to determine whether it should be adjusted. The minimum height of electronic letters and numbers must be no less than six inches as to make the sign easier to read. The

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transition time between messages must be instantaneous. The entire message must be contained on one screen. There will not be any two part messages or continuations, and the electronic sign will have a resolution of eight millimeters.

Motion seconded by Ms. Ware. Mr. Sula asked if the sign height exception needs to be called out. Mr. Ziegler stated it is consistent with the application so it is kind of part of the original motion. Mr. Paff asked if it should read "two part message" and not "two party message". Mr. Ziegler and Mr. Sula agreed. Mr. Sula asked if Mr. Morgan was okay with changing it to "two part". Mr. Morgan restated

Number nine, the entire message must be contained on one screen. There will not be any two part messages or continuations.

Mr. Christiansen asked if this motion was for the preliminary plan only. Mr. Sula noted there was another motion for the final plan.

Motion carried unanimously.

Motion by Mr. Morgan to forward a favorable recommendation on the petition of Khayat Enterprises for a special use permit for a final planned unit development PUD plan application on property located at 6161 Grand Avenue consistent with preliminary planned unit development. Motion seconded by Mr. Paff. Motion carried unanimously.

7. Next Meeting Date: March 19, 2025

Mr. Ziegler noted there is a public hearing to rezone the other half of the annexation from Monday night on the Restaurant Depot side of the property line.

8. Public Comment

Mr. Sula opened the floor to the public. As there was no one in the audience wishing to speak, he then closed the floor to the public.

7. Adjournment

With no further business, Chairman Jim Sula adjourned the meeting.