



AGENDA
SPECIAL PLANNING, BUILDING & ZONING COMMITTEE
Village of Hoffman Estates
June 22, 2009

Immediately Following the Public Health & Safety Committee

Members: Gary Pilafas, Chairperson
Karen Mills, Vice Chairperson
Ray Kincaid

I. Roll Call

NEW BUSINESS

1. Request for approval of an Entertainment District Sign on the north side of Hoffman Boulevard in the Prairie Stone Business Park, including approval of an amendment to the Cabela's Cost Recovery Agreement, approval of an Easement Agreement between the Village and Prairie Stone Property Owners Association, and direction for the Zoning Board of Appeals to consider a text amendment regarding signs

II. Adjournment

**COMMITTEE AGENDA ITEM
VILLAGE OF HOFFMAN ESTATES**

NB1

SUBJECT: Request for approval of an Entertainment District Sign on the north side of Hoffman Boulevard in the Prairie Stone Business Park, including approval of an amendment to the Cabela's Cost Recovery Agreement, approval of an Easement Agreement between the Village and Prairie Stone Property Owners Association, and direction for the Zoning Board of Appeals to consider a text amendment regarding signs

MEETING DATE: June 22, 2009

COMMITTEE: Special Planning, Building and Zoning

FROM: *Mark* Mark Koplin/Peter Gugliotta^{PK}/Gary Skoog^{GS}

PURPOSE: Request for approval of an Entertainment District Sign on the north side of Hoffman Boulevard in the Prairie Stone Business Park, including approval of an amendment to the Cabela's Cost Recovery Agreement, approval of an Easement Agreement between the Village and Prairie Stone Property Owners Association, and direction for the Zoning Board of Appeals to consider a text amendment regarding signs.

BACKGROUND: During the past few years, the Village has taken steps to establish an Entertainment District in the Prairie Stone Business Park. The initial "anchors" of the district include the Sears Centre Arena and the Cabela's store. Additionally, the Village has approved a large hotel/waterpark, outdoor amphitheater, and several restaurants, however, none of these have been constructed yet. The large facilities are expected to ultimately serve as magnets for several other entertainment/retail/restaurant uses. To advance this Entertainment District initiative, the Village retained consultants to assist with a district name, logo, tagline, streetscape, and signage, as well as invested resources in focused economic development and tourism related activities. Various factors, many related to the current economic conditions, have slowed construction of new buildings and public improvements in the district.

Recent discussion has focused on the need to establish highly visible signage for the district to attract and promote specific businesses and the district in general. Key needs identified include major signage visible from adjacent state highways and the Tollway, and wayfinding/directional signage within the district. The Village's streetscape consultant (Hitchcock Design Group) has advanced some conceptual designs based on direction from the Planning, Building and Zoning Committee, however, a lack of funding has hampered the Village's ability to finalize and construct specific signs. To advance development of the district, staff has actively discussed possible sign partnerships with private businesses and land owners in the district. While many are interested in participating, progress has been limited thus far.

BACKGROUND: (Continued)

Concurrent with recent Village efforts, Cabela's has been privately evaluating ways to enhance their brand identification within the region and to specifically increase performance of the Hoffman Estates store. Through this process, Cabela's identified a critical need for new signage at this location. After studying the property and surrounding area for several months, Cabela's met with staff and presented signage needs that are virtually identical to the Village needs for the overall Entertainment District. Cabela's has identified their top priority as a highly visible Tollway identification sign. In order to obtain a presence on a prominent sign near the Tollway that meets State and Federal regulations, it is necessary for Cabela's to partner with a larger entity representing the entire Village Entertainment District. A single purpose, off-site sign would not be permitted. Regulations do permit a Village-owned sign to be placed within the district near the Tollway advertising the Entertainment District and businesses therein.

DISCUSSION:

Cabela's has submitted a proposal for the construction and operation of a major Tollway sign to enhance the store's presence and to promote the overall district. The proposal is for a 60' tall sign, including a 30' by 15' electronic message panel, to be placed on Village property (and a small area leased from the Prairie Stone POA) and owned by the Village. Under the terms of the partnership proposal, Cabela's would fund the entire cost of the sign installation and be responsible for all operating and maintenance costs in the future, in return for a prominent presence on the sign. The proposal allows electronic message time for the Village, as well as the ability for other district entertainment uses to lease electronic message time or a fixed panel.

This sign would provide the Village with an otherwise unachievable level of visibility for the Entertainment District and will provide Cabela's with a significant means to market their store in Hoffman Estates. With the sign cost expected to exceed \$1 million dollars, it is not possible that the Village could achieve this opportunity without Cabela's commitment.

The Village still intends to pursue other important elements in the overall district signage and streetscape plan, including signs at major entrances to the district and wayfinding signs within the district. Cabela's remains committed to participating in those efforts and it is expected that other district businesses will also become involved.

IDOT Permit Process

To proceed with this sign, the Village will need to obtain a permit for an "on premise" sign from the Illinois Department of Transportation (IDOT), which is the agency responsible for administering the applicable Federal and State highway signage laws. As part of the amendment to the Cost Recovery Agreement, Cabela's will act as agent for the Village and be responsible for this permit process and all associated costs. In order to proceed with the IDOT application, the Easement Agreement with the Prairie Stone Business Park Property Owners Association (POA) needs to be finalized and included in the submittal to show the Village has secured all necessary rights to install the sign.

DISCUSSION: (Continued)

As an "on premise" sign, IDOT regulations restrict use of the sign only to the various businesses in the Hoffman Estates Entertainment District. IDOT also stipulates that only businesses and events related to the district can appear on the sign. Thus, the sign could not be used to advertise a festival at the Village Hall property, the Get Fit America activities around the AT&T site, or an event at a business such as the Stonegate Conference and Banquet Center. The agreement with Cabela's stipulates that they, acting as the Village's agent, will be responsible for complying with all IDOT regulations.

Cost Recovery Agreement Amendment

The sign operation and management terms are contained in a proposed amendment to the Cabela's Cost Recovery Agreement. The original agreement was approved in 2006 to provide certain incentives related to Cabela's construction of their new store in Hoffman Estates. Cabela's is proposing this amendment as a means to establish a formal partnership with the Village regarding a Tollway identification sign. Cabela's is offering to spend approximately \$1 million to install a sign that will advertise the Entertainment District and will prominently feature their name along with sales and special events at the Cabela's store. As a Village Entertainment District sign, the Village will also be able to display messages at no cost and leasable space will be available for other district businesses to advertise.

The amendment provides complete details on the sign location, design, and maintenance. The Village will own the sign and lease it to Cabela's for 20 years, with a potential for three additional 20 year periods. Cabela's will provide all necessary insurance throughout the term.

The Village will have use of the top sign panel for the Entertainment District name and the Village will be able to use up to 5% of the electronic message sign time, proportionately throughout the day, week, and month (5% of one day = 72 minutes). The time will be available throughout the morning and evening drive times, midday, and off-peak hours. Cabela's will assist the Village with programming both alphanumeric and other more complex messages.

The four fixed panels will be available for lease to other Entertainment District businesses who would pay market rate, however, Cabela's may utilize these panels for their own advertising in the absence of other lease agreements. Up to 15% of the electronic message sign time will be available for lease to other Entertainment District users. Cabela's does reserve the right to prohibit advertisement of any specific product that directly competes with Cabela's. For example, Sports Authority could lease time on the sign for a fall sporting goods sale, however, they could not specifically advertise hunting or fishing in the message.

Entertainment District Name

This major signage opportunity advances the need for the Village to reach consensus on a formal name for the Entertainment District. As part of their proposal, Cabela's has agreed to include a name chosen by the Village in the original manufacture of the sign with no additional expense to the Village. Because improving this store's success as soon as possible is critical, Cabela's senior management has placed a high priority on the installation of this sign (as early as August 2009 pending Village and State approvals).

DISCUSSION: (Continued)

The Planning, Building and Zoning Committee has discussed the district name at prior meetings and "Hoffman Point" was temporarily accepted as a working concept name, however, the issue was left open for further discussion and thought. Some optional themes identified for the name include references to the Village name, names that incorporate a prairie-related element, and names that are grounded in some historical context, such as Poplar Creek.

Assuming the various approval steps move forward as desired by Cabela's, the window of opportunity for the Village to have the district name incorporated into the new sign is short. If the Village desires to take advantage of this initial opportunity, it is important for a name to be finalized as soon as possible. There is a significant benefit to including the formal district name as part of the initial sign installation because the sign will likely receive a great deal of attention when it is first constructed.

If a name is not provided for the initial sign construction, the Village will have the option of adding the name to the sign at a later date because the top panel will remain reserved for this purpose. However, the future addition of the name, just like any future name change, would have to be done completely at the Village's expense.

Village Sign Approval Process

Currently the EDA District Sign Regulations in the Village Zoning Code dictate the specific size and other details of most signs in the Prairie Stone Business Park, except for those developments which have an approved master sign plan. The Village has not yet established the Zoning Code mechanism for approval of any of the Entertainment District signage. In June 2008, based on direction from the Planning, Building and Zoning Committee, staff initiated the text amendment process to modify the EDA Sign Regulations to allow for various Entertainment District sign types. At the time, it was expected that specific sign designs may be available in the near future, however, the sign process shifted and specific signs designs were not finalized. With limited funds available, focus shifted more toward partnership discussions with various businesses and the sign designs were placed on hold.

As part of this current proposal, the text amendment notice has been re-initiated for an upcoming Zoning Board of Appeals meeting (June 30) and staff is preparing a proposal to modify the code to allow all Entertainment District signage to be reviewed and approved on a case-by-case basis through the Planning, Building and Zoning Committee and Village Board, rather than the Zoning Board of Appeals. This will be accomplished by expanding upon an existing exemption in the code for Village public purpose signs. The proposed amendment will also include allowances for temporary special event signs in the district, wayfinding and directional signs, identification signs at the district entrances, and this major identification sign along the Tollway. Because these will likely be Village owned or sponsored signs, and they will be reviewed by the Planning, Building and Zoning Committee for approval, a Zoning Board of Appeals review would be redundant. These signs are also of a unique and special nature related to a public purpose set forth by the Village Board and, therefore, the typical variation or special use standards utilized by the Zoning Board of Appeals would not be appropriate for these signs. The Village Board can still choose to involve the POA and send notification letters, as appropriate, for the review of each type of sign on a case-by-case basis.

DISCUSSION: (Continued)***Sign Location***

The sign location has been chosen based on a variety of factors. After evaluating several properties, the right of way area north of Hoffman Boulevard, approximately 160' west of the Canadian National tracks was chosen as the most desirable. The grade at this location is elevated above most of the surrounding land, thus enhancing visibility from the Tollway. The site is somewhat centrally located within the Entertainment District and is directly in front of the central wetlands, rather than adjacent to any particular business. The sight line study prepared by Cabela's demonstrates that this sign will not obstruct the existing Sears Centre Arena sign, and the State's restriction that no other sign be placed within 500' of this sign will not hamper other nearby property owners from installing on-site signs.

Prairie Stone POA Easement Agreement

In order to place the sign in the desired location, approximately 7' would need to overhang the north right of way line and extend above the central wetland property owned by the POA. This overhang occurs above a steep sloping embankment area that is not accessible and contains no improvements. The POA has been working with the Village and Cabela's on the terms of an Easement Agreement that would give the Village rights to install the sign with the overhang. At the time this memo was completed, the final version of the Easement Agreement was still being finished. A substantially complete draft is included in the packet.

Landscaping

For the sign installation, a total of eight existing Ash trees would be removed due to conflicts with the sign structure and visibility of the sign. A total of six new ornamental trees would be replanted in the right of way area around and near the sign, and five new shade trees (not Ash species) would be planted north of the sign area to buffer views from within the park. The ornamental trees will typically not exceed 15 or 20 feet in height, thus making them appropriate for buffering the sign base without risk of blocking any of the sign panel, the bottom of which is elevated 30' above grade. The landscape plan will also include screening of the electric transformer needed to power the sign. The bottom 5' of the sign pole will be surrounded by stone similar to that used throughout the business park. The initial landscape installation will be the responsibility of Cabela's and any ongoing maintenance (expected to be negligible) will be the Village's responsibility.

Sign Design

The sign is proposed to be double sided with a 40' wide by 30' tall sign panel mounted on a single, covered pole base. The top of the sign would be 60' above grade. The sign face will include a band across the top for the Hoffman Estates Entertainment District name, a 30' x 15' LED electronic message sign in the middle, an 8' x 30' "Cabela's" logo on the bottom, four fixed 4' x 8' leasable panels on the side, and a "Next Exit" panel in the bottom corner. Illumination of the sign is expected to conform to industry standards for brightness, with the LED panel brightness to be reduced at night. Electronic messages will change no more frequently than every 10 seconds in accordance with IDOT regulations. The sign is intended to be operated 24 hours per day, 7 days per week, identical to the Sears Centre Arena approval.

DISCUSSION: (Continued)

The proposed sign is designed to meet State regulations, which specify that the maximum height of the actual signage panel cannot exceed 30'. There is no limit to the total height of the sign above grade and the total sign area is limited to 1,200 square feet per side.

Timing

In addition to obtaining an IDOT permit, the Village will need to complete the text amendment to the EDA Sign Regulations. A Village sign permit will also be required prior to installation. Cabela's anticipates beginning the manufacture of the sign in the next few weeks, assuming the approval process is completed. As stated earlier, Cabela's is trying to achieve installation of this sign as soon as possible this summer.

RECOMMENDATION:

In summary, there are several items that will need to be addressed for this sign.

1. Approval is needed for the design and installation of a Village Entertainment District sign on the north side of Hoffman Boulevard, approximately 160' west of the Canadian National railroad right of way based on the plans presented in the attached proposal, including authorization for Cabela's to act as agent for the Village in the submittal to IDOT, pending completion of all necessary documents for the IDOT permit process.
2. Direction needs to be give to the Zoning Board of Appeals to proceed with consideration of a text amendment to the EDA Sign Regulations to permit various types of Entertainment District signage.
3. Approval is needed for an Easement Agreement with Prairie Stone POA to grant rights to the Village for a portion of the sign to overhang POA property by approximately 7'.
4. Approval is needed for the proposed amendment to the Cabela's Cost Recovery Agreement to address the sign installation and operation responsibilities and costs.
5. For the Village to take advantage of the opportunity to have the Entertainment District name included with the initial sign installation at no cost to the Village, a decision is needed on a specific name fore the district. This issue is presented for discussion and possibly for action at this meeting. If a decision is not made on this issue in the near future, the Village will be able to modify the sign to add the name at a later date, however, all costs will be Village responsibility.

RECOMMENDATION: (Continued)

If the Committee concurs with the above direction, the following suggested motion is provided:

Approval is recommended for a new Village Entertainment District sign to be located on the north side of Hoffman Boulevard approximately 160' west of the Canadian National railroad right of way and in accordance with the design and details provided in this packet, the Zoning Board of Appeals is directed to consider a text amendment to the EDA Sign Regulations, approval is recommended for the proposed amendment to the Cabela's Cost Recovery Agreement, and authorization is granted for the Village President to execute an Easement Agreement with the Prairie Stone POA for the Village to obtain rights to install and maintain the sign with an overhang above POA property, subject to finalization of the Easement Agreement terms with the POA.

If possible, it is also recommended a motion be provided to formally adopt a name for the Entertainment District.

Attachments

cc: Steve Krajewski (Cabela's)
Greg Andre (K&L Gates, LLP)
Aris Hantgos (ConopCo Realty & Development, Inc.)

**THE ATTACHMENT IS TOO LARGE
TO INCLUDE.**

**THE ATTACHMENT CAN BE
VIEWED IN THE DEPARTMENT OF
DEVELOPMENT SERVICES AT THE
VILLAGE HALL**