

VILLAGE OF LOMBARD
REQUEST FOR BOARD OF TRUSTEES ACTION
For Inclusion on Board Agenda

Resolution or Ordinance (Blue) _____
Recommendations of Boards, Commissions & Committees (Green) _____
Waiver of First Requested
Other Business (Pink) _____

TO: PRESIDENT AND BOARD OF TRUSTEES

FROM: David A. Hulseberg, Village Manager *DAH*

DATE: July 11, 2008 (BOT) Date: August 21, 2008

TITLE: PC 08-09: 1050 & 1051 N. Garfield Street

SUBMITTED BY: Department of Community Development *WVA*

BACKGROUND/POLICY IMPLICATIONS:

Your Plan Commission transmits for your consideration its recommendation relative to the above-mentioned petition. This petition requests that the Village approve the following actions for the subject properties located within the I Limited Industrial District:

1. For the property located at 1051 N. Garfield Ave., grant a conditional use, pursuant to Section 155.420(C)(35) of the Zoning Ordinance to allow outside storage of motor vehicles.

2. For the property located at 1050 N. Garfield Ave., grant a conditional use, pursuant to Section 155.420(C)(22) of the Zoning Ordinance to allow off-site parking. (DISTRICT #4)

The Plan Commission recommended approval of this petition.

Please place this item on the August 21, 2008 Board of Trustees agenda.

Fiscal Impact/Funding Source:

Review (as necessary):

Village Attorney X _____
Date _____
Finance Director X _____
Date _____
Village Manager X _____
Date 8/10/08

NOTE: All materials must be submitted to and approved by the Village Manager's Office by 12:00 noon, Wednesday, prior to the Agenda Distribution.





MEMORANDUM

TO: David A. Hulseberg, Village Manager

FROM: William Heniff, AICP
Acting Director of Community Development

DATE: August 21, 2008

SUBJECT: PC 08-09: 1050 & 1051 Garfield Street

Attached please find the following items for Village Board consideration as part of the August 21, 2008 Village Board meeting:

1. Plan Commission referral letter;
2. IDRC report for PC 08-09;
3. An Ordinance granting approval of a conditional use for the outside storage of automobiles and off-site parking; and
4. Plans associated with the petition.

The Plan Commission recommended approval of the zoning actions associated with the petition.

VILLAGE OF LOMBARD
 255 E. Wilson Ave.
 Lombard, Illinois 60148-3931
 (630) 620-5700 Fax (630) 620-8222
 www.villageoflombard.org



August 21, 2008

Mr. William J. Mueller,
 Village President, and
 Board of Trustees
 Village of Lombard

Subject: PC 08-09: 1050 & 1051 N. Garfield (SGS Logistics)

Dear President and Trustees:

Your Plan Commission transmits for your consideration its recommendation regarding the above-referenced petition. The petitioner is requesting a conditional use to allow outside storage of motor vehicles and a conditional use to allow off-site parking for the subject properties located in the I – Limited Industrial District.

After due notice and as required by law, the Plan Commission conducted a public hearing for this petition on June 16, 2008. Chairperson Ryan asked if there was anyone to cross-examine the witnesses. Hearing none, he requested that the petitioner begin their presentation.

John Clery, 1111 Plaza Drive, Suite 580, Schaumburg, IL, stated he is representing Greg Pawlak and SGS Logistics (1051 N. Garfield Lombard, IL). Seated to his left is Greg Pawlak whose office is at 1051 N. Garfield and the other subject property across the street at 1050 N. Garfield. Mr. Clery stated that he read through the staff report and was disappointed with its conclusion and unfavorable recommendation made by staff. He then mentioned his previous experience as a mayor and how they dealt with petitions. Mr. Clery then stated he wanted to make sure that the Plan Commissioners read the staff report so they could draw their own conclusions and then proceeded to give his opinion on how the Plan Commissioners should handle the case. He then asked the Plan Commission to put themselves in the petitioners' shoes as this will put Greg Pawlak and his employees out of business. Mr. Clery then stated that his client loves Lombard and is proud to be part of the community. He then added that Mr. Pawlak has brought business to Lombard. Mr. Clery asked that the Plan Commission read the report for the facts and not put SGS Logistics out of business. Mr. Clery stated that there are two separate issues to discuss - 1051 N. Garfield (outside storage of motor vehicles) and 1050 N. Garfield (freight containers being stored across the street).

"Our shared vision for Lombard is a community of excellence exemplified by its government working together with residents and businesses to create a distinctive sense of spirit and an outstanding quality of life."

"The Mission of the Village of Lombard is to provide superior and responsive governmental services to the people of Lombard."

Village Manager
 David A. Hulseberg

Trustees
 Greg Alan Gron, Dist. 1
 Richard T. Tross, Dist. 2
 John "Jack" T. O'Brien, Dist. 3
 Dana L. Moreau, Dist. 4
 Laura A. Fitzpatrick, Dist. 5
 Rick Soderstrom, Dist. 6

Village President
 William J. Mueller
 Village Clerk
 Brigitte O'Brien

Mr. Clery stated that he wants to refute illogical conclusions. Mr. Clery added that he hopes the Plan Commission visited the site today. He stated that the grass has been trimmed and the landscaping blocks the cars. He also stated that the building looked great and was an asset to Lombard. Mr. Clery stated that at the back of property all cars are aligned neatly. Referring to the adjoining properties to the east and to west of the subject property, Mr. Clery stated that he saw piles of steel beams that were behind the buildings. Mr. Clery added that none of that is on the SGS Logistics property. Mr. Clery mentioned the Code Enforcement citations that were given for failure to maintain fire access around the facility. He added that this was a wake up call to his client and that issue was resolved. He stated that there were no further complaints from the Village. Mr. Clery added that his client did what he was told. Mr. Clery asked the Plan Commission the right to allow him to operate his business as he needs the storage of outside vehicles, which is ninety percent of his business. Mr. Clery stated that it is true that the Certificate of Occupancy did not allow outside parking; however he thinks there was a miscommunication between his client and staff. Mr. Clery stated that they worked out plan to store vehicles outside within a section north of the building and staff expressed concerns about following the plan. Mr. Clery added that Greg Pawlak only makes money when he moves his freight and if he didn't that would inhibit his business. Mr. Clery stated that staff has pictures of the property littered with cars, but that was due to the snow and terrible winter, which Mr. Clery said won't happen again. Referring to the staff report, Mr. Clery stated that on page six staff concluded that the petitioner demonstrated that he couldn't adhere to the plan. He then added that on the next sentence staff notes that they have shown significant improvement. Mr. Clery stated that the petitioner has done everything he can. Referring again to the staff report, Mr. Clery asked why there is a concern with aesthetics when this is a light industrial district and the cars would be screened or blocked. Mr. Clery stated that there are no more safety issues. Referring to staff and Plan Commissioners, Mr. Clery stated that safety concerns are not brought up while aesthetics are which can be taken care of through the process.

Mr. Clery stated that in part of the staff report, it notes that it would be a problem to keep an eye on the property. He then mentioned that if it's screened and it takes Code Enforcement to get out of the car and walk around the property, he has no problem with that. Mr. Clery stated that it is a matter of aesthetics, they will do whatever screening is necessary to be compliant. He noted that the outside parking could shield cars from the street and he would continue to move freight in order not to have negative aesthetics. He stated that his client's property looked like a gem compared to others. Referring to 1135 N. Garfield, Mr. Clery noted the screened in area which has piles of dirt, metal and other material in excess of 10 feet (in height).

Referring to the 1050 N. Garfield site, Mr. Clery stated that staff mentioned on page 7 of the staff report that "trailers deviated from more than 25 to less than 15" - he added that today there were only 5 trailers on site. Mr. Clery stated that another concern is that the trailers were not on hard surfaces, but those were the landlord's trailers that screened his client's trailers. He added that there was a complaint about the thoroughfare and it is clear but not clear when they are moving trucks.

Mr. Clery stated that they have provided staff with a 5-year lease but there still is a concern whether it is considered a long-term lease. He added that that's all the time the landlord has. Mr. Clery stated that you can't convey to someone more time than you have. He added that in these economic times, who wants to go beyond 5 years. Mr. Clery stated that they are committed until 2013. Mr. Clery then explained Webster's 'Dictionary definition of long-term. He added that it could be around 10 years for bonds but for rent it could be 6 months. He suggested that 5 years is a long time in this climate.

Mr. Clery stated that page 7 of the staff report states that the 5-year lease is insufficient. Mr. Clery asked what this assumption was based upon. He added that page 7 also concludes that if the 1050 N. Garfield site becomes unavailable they would have to be relocated outside of the Village or to a new offsite area. Mr. Clery then stated that if his client could not extend the lease, they would look elsewhere, which he hopes would satisfy the Commissioners' concerns. Referring again to the staff report, Mr. Clery quoted the portion that states "if the off-site parking became unavailable, the business would falter due to the lack of storage". He stated that they would find another site for parking the containers if necessary. He added there could be other alternatives. Mr. Clery again quoted pages 7 and 8 of the staff report which stated "if there were no automobiles then there would not be a need for the storage of the cargo containers." Mr. Clery explained that this statement is not plausible as 90 percent of his client's business is shipping automobiles. Referring to Page 8 of the staff report, Mr. Clery mentioned the impact on adjoining properties as a "visual and traffic nuisance." Mr. Clery asked for proof of this statement. He mentioned that the trailers sit back far from the road. As for the traffic nuisance, Mr. Clery stated that "having trailers off-site" clears traffic off and away from the street. Because he has the area across the street it clears traffic. He mentioned staff's concerns about safety issues, but added that there are no complaints or incidents that occurred because of trucks going across the street. He explained that it appears that under this recommendation, he would be unable to operate business the way he has done today.

Mr. Clery stated in staff's report staff talks about standards for conditional uses on page 8. On page 9 the report indicates that "the operation of one business across the span of two non-contiguous properties could pose safety issues". He noted that that there is no one in the audience to speak negatively about the petition to make sure it is denied which indicates that if there was such a great concern, somebody would be here.

Mr. Clery stated that on page 9 of the staff report it states "staff is unaware of any business operating from two sites in that area". Mr. Clery explained that just because there aren't any businesses there that run off two sites yet, he finds that hard to deny the petitions for that reason. He then added that there are other areas locally besides Lombard where this occurs.

Referring to staff's comments to the Standards of Conditional Uses on page 9 Mr. Clery made comment regarding the following specific Standards:

Standard #2 of the staff report - Mr. Clery asked if the concern is too many cars on the site or the viewing or screening of property. He explained that if it is the extra cars, screening would take care of that. Mr. Clery added that his client is happy at that property.

Standard #3 of the staff report - Mr. Clery stated that he is not sure how staff based their conclusion that his client would still be able to conduct business without the approval.

Standard #5 of the staff report - Mr. Clery stated that he was not sure where staff's comment came from. Mr. Clery stated that he expects that the drive aisle might be blocked for a few minutes while they are moving vehicles but then afterward it is clear.

Standard #6 of the staff report - Mr. Clery addressed the 2nd italicized heading by stating that his client is doing good things with the property and it looks great. He added that it is one of the nicer properties in the area.

Standard #7 of the staff report - Mr. Clery explained that his client has the lease for 5 years. He added that Greg Pawlak is a successful businessman and asked why he would extend a lease on his business and not for the off-site parking. Mr. Clery mentioned that the building looks great, Mr. Pawlak works hard and progress has been made. He then explained that in staff's view the property may appear as a salvage yard, but he argued that his client doesn't make money if he doesn't move the cars. Mr. Clery stated that his client does need off site parking. He added that it doesn't aesthetically bother anyone and it improves traffic because the trucks are not in the street. He then stated that there had been no other complaints made by anyone else.

Chairperson Ryan then opened the meeting for public comment. No one spoke in favor or in opposition to the petition.

Chairperson Ryan then requested the staff report.

Michael Toth, Planner I, presented the staff report by stating that the following report supersedes the original staff report submitted as part of this petition. The petitioner is seeking approval for the outdoor storage of motor vehicles to be stored in an enclosed area on the subject property within the I Limited Industrial District. The petitioner is also seeking approval to store freight containers across the street from the subject property, which is considered to be off-site parking. As the outdoor storage of motor vehicles and off-site parking are both listed in the Zoning Ordinance as a conditional use within the I - Limited Industrial District, Village Board approval is required.

The proposed motor vehicle storage yard would occupy the northern portion of the subject property and would be used for the storage of automobiles on a rotating basis, as not to become a salvage yard. The automobile storage yard will serve as an ancillary staging area with the principal warehousing/storage/distribution use being conducted within the existing commercial

building. The automobiles being stored outside will eventually be circulated through the building where they will be driven into cargo containers and shipped to the customer.

The petitioner applied for and received a final Zoning Certificate on November 7, 2007 to conduct warehousing/storage/distribution activities. As a condition of the final Zoning Certificate, there was to be no outdoor storage of automobiles.

During a routine inspection effort, staff found that a number of automobiles were being parked throughout the entire subject property. Further investigation of this activity found that the petitioner has leased the subject property and was using a majority of the property for the storage of motor vehicles, contrary to the conditions of the final Zoning Certificate. The outdoor storage of automobiles is listed as a conditional use within the I - Limited Industrial District. As the Zoning Certificate specifically prohibited the outdoor storage of automobiles and there were no prior Village approvals that could legally tie that specific use to any legal rights afforded to the subject property, the property was found to be in violation.

After meeting with the petitioner and discussing the logistics of their business, staff also learned that the petitioner had been utilizing a portion of the property across the street (1050 N. Garfield) for the off-site parking of freight containers.

Staff continually worked with the petitioner to create a plan which designates specific areas of the site for the outdoor storage of motor vehicles. The compromise plan allowed for the outdoor storage of motor vehicles within a 9,680 square foot area north of the building and within four (4) parking spaces on the southeast corner of the parking lot. The plan also specified that the area in which the motor vehicles were to be stored should be screened with an eight (8) foot solid fence. The mandated eight (8) foot solid fence will provide screening of the storage area from Garfield Street and also the adjacent property to the north.

Had the outdoor storage of motor vehicles occurred within the confines of designated parking areas, the subject site would have been suitable for motor vehicle storage. After a number of site visits, staff concluded that the petitioner demonstrated that they could not regularly adhere to the submitted plan if approved. Staff would like to note that both properties have shown significant improvement as shown in Appendices A, B & C since the initial visits from Code Enforcement earlier this year. The operations of the business over the past few months have shown that during peak periods, the storage element would expand beyond the plan's design, further suggesting that continued operations of the use could lend itself to be non-compliance with the submitted plan.

The rear 25,600 square feet of the off-site parking area, which is located directly across the street from the subject property, will be reserved as an ancillary staging area for the freight containers needed for the exporting of goods from the subject property. SGS Logistics employee and visitor parking shall be prohibited at the off-site parking area. The plan submitted for the off-site parking area designates fifteen (15) spaces for the parking of the cargo containers; however,

during a routine staff inspections, the number of trailers deviated at times from more than twenty (20) to less than fifteen (15) freight containers at any given time.

The original lease agreement submitted by the petitioner represented that subleasing for the off-site parking area (1050 N. Garfield) had began January 1, 2008 and continued on a month-to-month basis only. On June 10, 2008 the petitioner submitted an updated lease agreement to which they had entered with the subleasing party of 1050 N. Garfield. The new lease establishes a definitive time period - commencing on February 1, 2008 with an expiration date of February 28, 2013 (five years). The duration of a long-term lease is to be determined by the Village Board; however it is staff's opinion that a five-year lease of the off-site parking area is an insufficient 'long-term' timeframe.

The petitioner has stated that the off-site parking area is an integral function of their business as that location serves as a staging area for the cargo containers that are used to deliver goods from the 1051 N. Garfield site, directly across the street. Currently, there is inadequate space to store any such cargo containers on the 1051 N. Garfield site based on their operations model. Should the 1050 N. Garfield site become unavailable after the said five-year lease expiration date, the cargo containers (which are a vital part of their business) would have to be either relocated outside of the Village or a new off-site parking area would have to be established under a new petition for conditional use.

As the off-site parking of cargo containers is directly linked to the outside storage of automobiles across the street at the 1051 N. Garfield site, both conditional uses are being evaluated as one conjoined case. Essentially, if the off-site parking element were to become unavailable, the business model for the entire operation could falter due to lack of storage area and if there were no automobiles be shipped from the 1051 N. Garfield site; there may not be the need for the off-site parking area for the cargo containers in the first place

The Comprehensive Plan recommends Light Industrial at this location. The definition of Light Industrial includes areas used for manufacturing, assembly, production, storage, distribution and warehousing. The Certificate of Occupancy/Zoning Certificate issued to the petitioner allows a storage, distribution and warehousing use for the subject property, which complies with the recommendation of the Comprehensive Plan.

As a policy goal in the Plan, new businesses are encouraged to maintain and enhance the overall condition of existing industrial developments. Staff believes that in addition to screening provisions, the overall use of the property must be considered. While the use itself may meet the designation noted on the Plan map, concerns remain as to whether the use will be compatible with the Plan's stated goals.

Some staff interjections included:

Mr. Toth mentioned that he visited with Greg Pawlak on site and there were cars outside of the staging area but cars were being moved on site and sometimes they were parking on the eastern portion of the site.

Mr. Toth referred to the petitioner's counsel note about the off-site parking area stating that there were originally between 20-25 trailers on the 1050 N. Garfield site but that number had diminished and the trailers were moved onto hard surface.

Referring to the long-term lease issue, Mr. Toth stated that over the last few years there was a required 20-year off-site parking lease term in the downtown at the Parkview Pointe condos.

Concluding, Mr. Toth indicated that staff recommended denial of both conditional use requests. Chairperson Ryan then opened the meeting for questions and comment among the Commissioners.

Commissioner Nelson asked what the petitioner's main business is. Greg Pawlak responded that it is international freight forwarding. He added that all the automobiles are immediately placed in containers and shipped to other countries.

Commissioner Sweetser stated that it seems there are two main issues and asked for collaboration - one with the Comprehensive Plan and the other a record of non-compliance or violation of the Certificate of Occupancy. She added that there are other things that trace back to these root causes and she is interested to see if the other Commissioners agree. She mentioned such things like screening and traffic and the other issues to see if they could be dealt with.

Chairperson Ryan stated that the Certificate of Occupancy clearly stated no outside storage of automobiles. He then asked the petitioner how he would respond to that.

Greg Pawlak replied that he is not storing them because they are moved on a constant basis. He added that they would be on the property a maximum of time for 2-3 days. In response to Greg Pawlak's comment, Chairperson Ryan asked him "isn't that the meaning of storage?". He added that even if it is 1-2 days, it is still considered storage. Chairperson Ryan stated that the storage tends to lead to the whole problem - you are in violation of your Certificate of Occupancy. He added that the storage timing issues don't resolve the Certificate of Occupancy issue.

John Clery explained that he thinks there was a lack of communication; it may be part of a language barrier. Mr. Clery added that he can't dispute what the Certificate of Occupancy says, but now we know what his business is and that the Village is willing to work with him.

Commissioner Sweetser stated that if staff was willing to work with him, the weight of the violation of the Certificate of Occupancy is lessened. She added that if the Certificate of

Occupancy was violated in a way that could not be tolerated, he would have to move. She then stated that she sees this as less of a factor as there was a way to go forward with a blessing from staff. She mentioned that if the other piece of noncompliance is with the Comprehensive Plan, which is an issue that violates standards, we should take that into consideration.

William Heniff stated that if we do find a business operating without a Certificate of Occupancy or find a situation where they are not operating consistent with one, we inform property owners of the concern. He added that this is one of the venues they would look at. He mentioned other cases that have come forward to the Plan Commission whereas some were supported and some not.

Chairperson Ryan stated that the Certificate of Occupancy is in violation right now and asked how the issue get resolved. He also asked if there would be a new Certificate of Occupancy with outdoor storage if the petition is approved. William Heniff stated that if the petition were to be approved by the Board of Trustees the petitioner would have the legal right to store vehicles and conduct that business activity so the Certificate of Occupancy could be amended to remove that statement.

Commissioner Nelson asked if the petitioner could operate his business properly without the Certificate of Occupancy. William Heniff explained that staff has been holding off on violations pending this approval.

Commissioner Nelson asked if he will be out of business. William Heniff responded by stating that if denied, he cannot do that business activity on the property.

Commissioner Flint stated the alternative is if we don't agree with what the petitioner is proposing, he cannot operate his business and it then becomes a vacant piece of property. He added that there are other businesses in that area that have outdoor storage. Mr. Toth answered that Enterprise Rent A Car has a similar use but a different function. Commissioner Burke stated that there is a U-Haul rental place further west on North Ave that has outdoor storage. William Heniff responded that they do; however it is an ancillary function. He added that Penske truck rental also has outdoor storage, but that is a legal non conforming use.

Commissioner Olbrysh indicated that this is not a clear cut issue but after listening to both sides he understands that the petitioner has been working with staff to come to an agreement. He added that the safety issue is not a critical issue in that it was mentioned in the staff report but nothing that raised a red flag. He visited the property again and saw other properties in worse shape than the petitioners. The screening would help and the petitioner is willing to work with staff on this issue.

Mr. Toth added that in the event that the petition was to be approved, a condition would be to screen the outdoor storage element. He added that the entire property should not be screened in

case of fire. Mr. Toth explained that staff only wants the north side of the building to be screened.

Commissioner Sweetser stated that as logically as we all identify with the idea of denial, going out of business based on the objections is counterproductive to what is expected to go on. She mentioned the Certificate of Occupancy, and stated that the departures are not out of the normal and it seems that the violation of the Certificate of Occupancy occurred, but can be rectified. She mentioned the other issues, which include: safety, traffic and screening. She stated that she thought it was pushing it to screen the property from Code Enforcement. In any case, Commissioner Sweetser thought that staff took the lead in helping the business owner abide by the terms of the Certificate of Occupancy. Referring to the lease of the off-site parking area, Commissioner Sweetser added that with respect to the lease they have no option to extend it further than 5 years because the property owners have only 5 years. She stated that it is out of their control.

Commissioner Burke agreed with the petitioner's comments that a 5-year term in today's real estate market is long. He explained how a parking lot rental would be on a yearly or month-to-month basis but mentioned that with the DuPage Theater parking leases the Village was looking for something long term. The petitioner is a lessee and we know he has it available for the next 5 years. Commissioner Burke then asked if they can tie to the Certificate of Occupancy to those 5 years so the Certificate of Occupancy can be terminated at the time the lease expires.

William Heniff stated that one of the clauses they had relative to the issue is that the petitioner made representations that the two conditional uses are conjoined. He added that staff is hesitant of any relief on a time period because after it expires, then what happens. Mr. Heniff explained that the petitioner would have to leave or significantly alter their plans.

Commissioner Burke stated at that time, the petitioner may have the ability to enter into a long term lease.

Referring to the off site parking of trailers, Chairperson Ryan stated that if the property owner sells the land, then it's up to the petitioner to find another place, which becomes a business decision. He then added that if the petitioner has a 5 year lease after that he loses the off-site parking then it's a business decision, which might mean a bigger piece of property somewhere else.

Commissioner Burke agreed and indicated he is not concerned about the 5 years. Commissioner Burke stated that it's all over the staff report and conditions of approval. He added that it is a lengthy period of time and after that time it is his chance to change his business plan. Commissioner Burke explained that today he need not make that decision, if we can change the Certificate of Occupancy.

Chairperson Ryan stated that if this petition is approved, the Certificate of Occupancy will be changed.

Commissioner Burke asked if it makes sense to terminate the Certificate of Occupancy or have the Certificate of Occupancy changed to be terminated at time of lease expiration across the street.

William Heniff responded that we could make the Certificate of Occupancy effective until 2013, and then the petitioner shall provide the Village with a new lease agreement. He added that this way, the Certificate of Occupancy would have been granted so you are free and clear.

Chairperson Ryan stated that he doesn't see it necessary to the both together and that it is really unnecessary to make the petitioner come back he has 5 years for the off site parking. He added that is his why are we adding to this dilemma. Chairperson Ryan mentioned that by us tying it to the Certificate of Occupancy, it now becomes a gun to his head to get an extension or we make him move out of town.

Commissioner Sweeter asked if the Certificate of Occupancy would be valid if the Board of Trustees approves the petition.

If the petition is to be considered, William Heniff stated that the off site parking use should be conditioned to state that the parking agreement should be covered.

Lance Malina stated that analytically you have to look at the two requests separately. He then stated that you have someone who has a piece of property and running a business out of it, but operating in a way that posed some problems with Village Code. He added that one is on-site itself and the other is the business owner using another piece of property that had a problem with another Village Code requirement. If the Board of Trustees grant the conditional use #2, the Board of Trustees is allowing a conditional for this business at 1050 N. Garfield, which is the off-site parking. If the business owner looses that lease, they don't have problem anymore, because the code concern goes away as he would not be using 1050 N. Garfield at all. In Mr. Malina's opinion, no conditions are needed at all.

Referring to the 1051 N. Garfield site, Lance Malina stated that if the Commission were to give him a break because with the off site parking, he can run his business consistently even if he lost 1050 N. Garfield site (if you put that condition on it). Mr. Malina stated that if you do have a condition to for conditional use #1 by allowing the use of the outside storage contingent with the plan. Mr. Malina added that the petitioner might find a better off-site parking location or a solution without any problem to satisfy any concerns.

Commissioner Sweeter asked if there were a motion with conditions - would they have to be tied with the address or property. She then added that if they are conjoined, the conditions should be per property.

Lance Malina concurred with Commissioner Sweetser. He then added that the concern should not be both conditional uses as there would be no need to worry about the off-site parking if he they were not granted the conditional use for the outside storage of automobiles. The conditions should be to maintain adequate storage at 1050 N. Garfield and preserve the legal and conforming status.

William Heniff stated that if this is approved it is recommended for the petition be tied to a site plan so both properties are operating in conformance and to also ensure that there is no vehicular conflict with both properties. Mr. Heniff added that when we talk about off site parking, this is making reference to 1050 N. Garfield. He then stated that if they found another property within the Village, they would need another conditional use for that site.

Lance Malina stated that they wouldn't have to if they didn't have that site - as long as they have adequate parking and comply with code.

Commissioner Burke asked if the petitioner provided a drawing and asked which one it was.

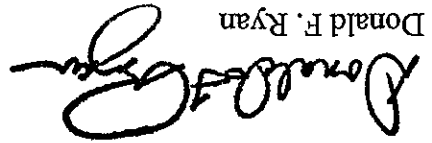
William Heniff explained that the 1050 N. Garfield site is illustrated on the graphic and aerial.

Commissioner Sweetser made a motion without conditions based on Chairperson Ryan's statement that the off-site parking would be a business decision, which was seconded by Commissioner Olbrys.

William Heniff asked if there are any conditions. Lance Malina stated that there are no conditions under the current motion.

Respectfully,

VILLAGE OF LOMBARD



Donald F. Ryan
Lombard Plan Commission

c. Petitioner
Lombard Plan Commission

**VILLAGE OF LOMBARD
INTER-DEPARTMENTAL REVIEW GROUP REPORT
AMENDED REPORT**

TO: Lombard Plan Commission
FROM: Department of Community Development
PREPARED BY: Michael S. Toth
Planner I
HEARING DATE: June 16, 2008

TITLE

PC 08-09; 1050 & 1051 N. Garfield Street: The petitioner requests that the Village approve the following actions for the subject properties located within the I Limited Industrial District:

1. For the property located at 1051 N. Garfield Ave., grant a conditional use, pursuant to Section 155.420(C)(35) of the Zoning Ordinance to allow outside storage of motor vehicles.
2. For the property located at 1050 N. Garfield Ave., grant a conditional use, pursuant to Section 155.420(C)(22) of the Zoning Ordinance to allow off-site parking.

GENERAL INFORMATION

Petitioner: Greg Pawlak
SGS Logistic Services
1051 N. Garfield
Lombard, IL 60148

Property Owner: Capital Realty
385 Airport Road
Suite 100
Elgin, IL 60123

Petitioner/Property Owner Relationship: Tenant/Lessee

PROPERTY INFORMATION

| Existing Land Use: | Size of Property: | Comprehensive Plan: | Existing Zoning: |
|--------------------------------|-------------------|---------------------|-------------------------------|
| Retail commercial strip center | 2 acres | Light Industrial | I Limited Industrial District |
| Off-site parking | 1.225 acres | Light Industrial | I Limited Industrial District |

1051 N. Garfield

1050 N. Garfield

Surrounding Zoning and Land Use:

1051 N. Garfield:

North: I Limited Industrial District; developed as a manufacturing facility, known as Grimm Metal Fabricators.

South: I Limited Industrial District; developed as a cell tower site.

East: Unincorporated tract of land.

West: I Limited Industrial District; (1060 – 1072 N. Garfield) developed as a commercial/warehouse strip center and (1050 N. Garfield) developed as employee parking for Kent H. Landsberg (KHL) Engineering Packaging Solutions and the parking of freight containers.

1050 N. Garfield (Off-site parking area)

North: I Limited Industrial District; developed as commercial/warehouse strip center.

South: I Limited Industrial District; developed as warehouse, known as Kent H. Landsberg (KHL) Engineering Packaging Solutions.

East: I Limited Industrial District; developed as warehouse/distribution, known as SGS Logistics.

West: I Limited Industrial District; developed as commercial/warehouse strip center, known as 1051 N. Main

ANALYSIS

SUBMITTALS

This report is based on the following documents filed with the Department of Community Development on March 25, 2008:

1. Petition for Public Hearing.
2. Response to Standards.

3. Plat of Survey, prepared by Glen D. Kirsch Land Surveyor, Inc., dated September 5, 2007 (includes site plan created by the petitioner).

4. Lease agreement for off-site parking area at 1050 N. Garfield, submitted by the petitioner June 10, 2008.

5. Counsel's Narrative submitted by the petitioner's counsel (John T. Clery, P.C.), dated June 10, 2008.

DESCRIPTION

The petitioner is seeking approval for the outdoor storage of motor vehicles to be stored in an enclosed area on the subject property within the I Limited Industrial District. The petitioner is also seeking approval to store freight containers across the street from the subject property, which is considered to be off-site parking. As the outdoor storage of motor vehicles and off-site parking are both listed in the Zoning Ordinance as a conditional use within the I - Limited Industrial District, Village Board approval is required.

The proposed motor vehicle storage yard would occupy the northern portion of the subject property and would be used for the storage of automobiles on a rotating basis, as not to become a salvage yard. The automobile storage yard will serve as an ancillary staging area with the principal warehousing/storage/distribution use being conducted within the existing commercial building. The automobiles being stored outside will eventually be circulated through the building where they will be driven into cargo containers and shipped to the customer.

This petition was originally scheduled for the April 21, 2008 Plan Commission meeting agenda, but was continued to the May 19, 2008 Plan Commission agenda to allow the petitioner's newly-appointed counsel to be updated on the case. The petition was then continued a second time to the June 16, 2008 Plan Commission meeting to allow the petitioner adequate time to establish the lease for the off-site parking area.

INTER-DEPARTMENTAL REVIEW COMMENTS

PUBLIC WORKS

Public Works Engineering has no comments related to this petition.

PRIVATE ENGINEERING

The Private Engineering Division has the following comments on the subject petition:

- 1) If any portion of the parking lot that is proposed to be used for off-site parking is not currently paved, then it shall be paved to Village standards prior to allowing vehicles to park.
- 2) Stormwater detention for the new additional impervious area will be required.

FIRE AND BUILDING

The Fire Department/Bureau of Inspectional Services has the following comments:

- 1) The off-site parking (1050 N. Garfield) must maintain an 18' wide fire department access drive.
- 2) The parking areas (1051 N. Garfield) must maintain an 18' wide fire department access drive with access to three (3) sides of the building.
- 3) All vehicle storage must be at least 10' feet from a building.

PLANNING

The petitioner applied for and received a final Certificate of Occupancy/Zoning Certificate on November 7, 2007 to conduct warehousing/storage/distribution activities. As a condition of the final Certificate of Occupancy/Zoning Certificate, there was to be no outdoor storage of automobiles (Exhibit A).

During a routine inspection effort, staff found that a number of automobiles were being parked throughout the entire subject property. Further investigation of this activity found that the petitioner has leased the subject property and was using a majority of the property for the storage of motor vehicles, contrary to the conditions of the final Certificate of Occupancy/Zoning Certificate. The outdoor storage of automobiles is listed as a conditional use within the I - Limited Industrial District. As the Certificate of Occupancy/Zoning Certificate specifically prohibited the outdoor storage of automobiles and there were no prior Village approvals that could legally tie that specific use to any legal rights afforded to the subject property, the property was found to be in violation.

After meeting with the petitioner and discussing the logistics of their business, staff also learned that the petitioner had been utilizing a portion of the property across the street (1050 N. Garfield) for the off-site parking of freight containers.

The petitioner's latest response includes discussion of the standards for conditional uses – the criteria set forth within the Zoning Ordinance to determine if such a use is warranted. For reference purposes, staff offers the following definition included within the Zoning Ordinance:

USE, CONDITIONAL is a use - either public or private - which, because of its unique characteristics, cannot be properly classified as a permitted use in a particular district or districts. After due consideration, in each case, of the impact of such use upon neighboring land and of the public need for the particular use at the particular location, such "conditional use" may or may not be granted, subject to the terms of this ordinance.

The definition of a conditional use specifically notes that not all conditional uses are automatically appropriate within the respective zoning district – such uses must be considered in the context of their proposed location. As both outdoor storage of automobiles and off-site parking are listed as conditional uses, staff has compiled information pertaining to the use of both properties as they relate with the subject property as well as the surrounding area.

Compliance with the Zoning Ordinance

Automobile-oriented uses, including the storage of motor vehicles, are listed as conditional uses in the Limited Industrial District. Off-site parking is also listed as a conditional use because they can both potentially have an adverse impact on surrounding properties and therefore merit a more critical review. If not adequately screened or if packed too tightly on the site, the vehicle storage and off-site parking area can have a negative aesthetic impact. Also, if vehicles in disrepair were to be stored for an extended period of time, the property may become a de facto salvage yard. Another concern is that the storage of vehicles and/or cargo containers can take parking spaces away from employees and customers.

Zoning History

Since the mid 1990's, the subject property has been used exclusively for trucking and logistical services. In 1995, a Certificate of Occupancy/Zoning Certificate was issued to allow A & T Trucking Company Inc, rights to the subject property. In review of the A & T Trucking Company Inc, 1995 Certificate of Occupancy/Zoning Certificate application, staff found that A & T Trucking Company Inc. represented that their use was a warehouse/distribution use (a permitted use in the I Limited Industrial District), rather than a cartage facility (a conditional use).

In 2002, a new tenant came forward to occupy the subject property. At that time, staff informed the new tenant (Cobra Express) that they could occupy the site as a legal non-conforming use but should apply for a conditional use to bring their establishment into compliance with code as cartage and express was the more appropriate use of their business. On April 17, 2003, Cobra

Express received conditional use approval (Ordinance 5271) to operate cartage and express on the subject property.

1051 N. Garfield – Outside Motor Vehicle Storage Area

Staff continually worked with the petitioner to create a plan which designates specific areas of the site for the outdoor storage of motor vehicles. The compromise plan allowed for the outdoor storage of motor vehicles within a 9,680 square foot area north of the building and within four (4) parking spaces on the southeast corner of the parking lot. The plan also specified that the area in which the motor vehicles were to be stored should be screened with an eight (8) foot solid fence. The mandated eight (8) foot solid fence will provide screening of the storage area from Garfield Street and also the adjacent property to the north.

Had the outdoor storage of motor vehicles occurred within the confines of designated parking areas, the subject site would have been suitable for motor vehicle storage. After a number of site visits, staff concluded that the petitioner demonstrated that they could not regularly adhere to the submitted plan if approved. Staff would like to note that both properties have shown significant improvement (Appendices A, B & C) since the initial visits from Code Enforcement earlier this year. The operations of the business over the past few months have shown that during peak periods, the storage element would expand beyond the plan's design, further suggesting that continued operations of the use could lend itself to be non-compliance with the submitted plan.

Parking

The parking requirements listed in the Zoning Ordinance for warehouse uses sets a minimum of one (1) parking space per thousand (1000) square feet of gross floor area for the first twenty-thousand (20,000) square feet. As the warehouse located on the subject property has a gross floor area of 11,200 square feet, the total number of required parking spaces would be eleven (11). The final site plan depicts a total of fifteen (15) parking spaces, which results in a surplus of four (4) parking spaces. Although the plans reflect a surplus of required parking, the petitioner will be required to keep all fifteen (15) parking spaces reserved for employee and customer parking only. The storage of automobiles will be prohibited in those fifteen (15) parking spaces.

For parking lots with a total number of parking spaces between one (1) to twenty (20) spaces, the total number of required handicap accessible parking spaces would be a minimum of one (1) space. Out of the fifteen (15) total parking spaces provided, the site plan designates one (1) handicap accessible space. The provided handicap parking space will be required to be properly striped and signed per the specific Americans with Disabilities Act (ADA) requirements.

1050 N. Garfield - Off-Site Parking (See Appendix C)

The rear 25,600 square feet of the off-site parking area, which is located directly across the street from the subject property, will be reserved as an ancillary staging area for the freight containers needed for the exporting of goods from the subject property. SGS Logistics employee and visitor parking shall be prohibited at the off-site parking area. The plan submitted for the off-site parking area designates fifteen (15) spaces for the parking of the cargo containers; however,

during a routine staff inspections, the number of trailers deviated at times from more than twenty (20) to less than fifteen (15) freight containers at any given time. The petitioner indicated that the cargo containers would be no greater than forty (40) feet in length. The eastern portion of the subject off-site parking area is reserved for the employees of KHL, the owners of the said lot who also conduct business to the south of the off-site parking lot. KHL has gone to certain lengths to ensure that their aforementioned portion of the off-site parking is solely reserved for their employees by posting a warning sign that states that all unauthorized vehicles will be towed. The petitioner has also made representation that KHL will also occasionally store their fifty-three (53) foot containers on the off-site parking lot. Regardless of ownership, any cargo container parked on the subject property shall be required to be parked on hard surface.

Section 155.602(4) of the Zoning Ordinance states the following:

In cases where parking facilities are permitted on land other than the zoning lot on which the building or use served is located, such facilities shall be in the same possession as the zoning lot occupied by the building or use to which the parking facilities are accessory. Such possession may be either by deed or long-term lease, the term of such lease to be determined by the Village Board. The deed or lease shall require such owner or his or her heirs and assigns to maintain the required number of parking facilities for the duration of the use served or of the deed or lease, whichever shall terminate sooner.

The original lease agreement submitted by the petitioner represented that subleasing for the off-site parking area (1050 N. Garfield) had began January 1, 2008 and continued on a month-to-month basis only. On June 10, 2008 the petitioner submitted an updated lease agreement to which they had entered with the subleasing party of 1050 N. Garfield. The new lease establishes a definitive time period - commencing on February 1, 2008 with an expiration date of February 28, 2013 (five years). As stated above, the duration of a long-term lease to be determined by the Village Board; however it is staff's opinion that a five-year lease of the off-site parking area is an insufficient 'long-term' timeframe.

The petitioner has stated that the off-site parking area is an integral function of their business as that location serves as a staging area for the cargo containers that are used to deliver goods from the 1051 N. Garfield site, directly across the street. Currently, there is inadequate space to store any such cargo containers on the 1051 N. Garfield site based on their operations model. Should the 1050 N. Garfield site become unavailable after the said five-year lease expiration date, the cargo containers (which are a vital part of their business) would have to be either relocated outside of the Village or a new off-site parking area would have to be established under a new petition for conditional use.

As the off-site parking of cargo containers is directly linked to the outside storage of automobiles across the street at the 1051 N. Garfield site, both conditional uses are being evaluated as one conjoined case. Essentially, if the off-site parking element were to become unavailable, the business model for the entire operation could falter due to lack of storage area and if there were

no automobiles be shipped from the 1051 N. Garfield site; there may not be the need for the off-site parking area for the cargo containers in the first place.

Compatibility with the Comprehensive Plan

The Comprehensive Plan recommends Light Industrial at this location. The definition of Light Industrial includes areas used for manufacturing, assembly, production, storage, distribution and warehousing. The Certificate of Occupancy/Zoning Certificate issued to the petitioner allows a storage, distribution and warehousing use for the subject property, which complies with the recommendation of the Comprehensive Plan.

As a policy goal in the Plan, new businesses are encouraged to maintain and enhance the overall condition of existing industrial developments. Staff believes that in addition to screening provisions, the overall use of the property must be considered. While the use itself may meet the designation noted on the Plan map, concerns remain as to whether the use will be compatible with the Plan's stated goals.

Compatibility with Surrounding Land Uses

Under this petition, there are two separate and distinct conditional uses that may potentially impact surrounding land uses. One of the concerns with such uses is the storage of automobiles and the visual impact that may have on adjacent properties. Second, the off-site parking of over a dozen forty (40) foot cargo containers and the impact that may have on adjacent properties. The subject property is ideally suited for warehousing and distribution as it is located entirely within the North Lombard Light Industrial Area. The automobiles being stored at 1051 N. Garfield are visible from Garfield Street as there is currently no screening provided. Staff believes that the proposed automobile storage area (1051 N. Garfield) would have been compatible with the surrounding land uses under the full context of the site plan. The off-site parking area (1050 N. Garfield) also presents its own issues with the surrounding properties as a visual and traffic nuisance. When staff originally posted the public hearing sign for the April 21, 2008 Plan Commission meeting, concerns have been raised specifically related to the visual impact that the freight containers pose on the adjacent properties.

Standards for Conditional Uses

For a conditional use to be approved, the standards for conditional uses must be met. Staff has reviewed the petitioner's plan and the standards and offers the following comments:

1. *That the establishment, maintenance, or operation of the conditional use will not be detrimental to, or endanger the public health, safety, morals, comfort, or general welfare;*

The conditional use process allows staff the opportunity to review each applicable petition in context with the surrounding area in regards to health, safety, and general welfare. In this case, the petitioner has come forth to receive the right to store motor vehicles outside and provide off-site parking as an ancillary function of their business, on the subject properties. The operation of

one business across the span of two non-contiguous properties could pose safety issues. The surrounding properties along Garfield are industrial by nature; however, those industrial businesses operate within the confines of a single property. Staff does recognize that a number of semi-trucks idle along the right of way upon shipping and receiving to/from those businesses. Staff is unaware of any businesses operating from two separate sites in the North Lombard Light Industrial Area nor are there any business establishments in which the primary business activity is the outdoor storage of motor vehicles and/or off-site parking.

2. That the conditional use will not be injurious to the uses and enjoyment of other property in the immediate vicinity for the purposes already permitted, not substantially diminish and impair property values within the neighborhood in which it is to be located;

As part of the submitted site plan, specific areas were designated for the outdoor storage of motor vehicles. Those specific storage areas were assigned to minimize the visual impact on the surrounding properties, as screening was also to be provided. Through site inspections, the petitioner has shown that the storage of their motor vehicles could not be confined to those designated areas, which only further demonstrates that the site will have a negative visual impact on the area. Screening the entire property would only screen the Village's ability to monitor the site in the future.

3. That the establishment of the conditional use will not impede the normal and orderly development and improvement of the surrounding property for uses permitted in the district;

The I District provides for a wide variety of industrial uses. Staff notes that a denial of the petition would still afford the property owner with a significant and substantial ability to conduct business as a warehousing/storage/distribution use. Staff further notes that the outdoor motor vehicle storage and off-site parking uses should not be considered a loss of use, as the petitioner never complied with the Certificate of Occupancy/Zoning Certificate for the use of the subject property and was therefore never legally established as a permitted use in the first place.

4. That the adequate public utilities, access roads, drainage and/or necessary facilities have been or will be provided;

Any necessary infrastructural improvements are already in existence or shall be provided per the approved plans. The Private Engineering comments provided within this report shall address all on-site infrastructural improvements.

5. That adequate measures have been or will be taken to provide ingress and egress so designed as to minimize traffic congestion in the public streets;

The existing drive aisle leading into the property at 1051 N. Garfield is twenty-seven (27) feet wide, where a minimum of twenty-four (24) feet is required for a two-way drive aisle. No

improvements to the existing ingress/egress are required; however, the petitioner has occasionally demonstrated that the drive aisle will not always be free and clear of obstructions.

6. That the proposed conditional use is not contrary to the objectives of the current Comprehensive Plan for the Village of Lombard; and,

The Comprehensive Plan recommends Light Industrial at this location. The definition of Light Industrial includes areas used for manufacturing, assembly, production, storage, distribution and warehousing. The Certificate of Occupancy/Zoning Certificate issued to the petitioner allows a storage, distribution and warehousing use for the subject property, which complies with the recommendation of the Comprehensive Plan.

The outdoor storage of motor vehicle and off-site parking uses are viewed under the context of the conditional use process. Staff notes that the outdoor storage of motor vehicle area could be deemed compatible with the surrounding area, especially since it serves as an ancillary component to the permitted distribution facility.

The Comprehensive Plan establishes certain policies that should be used to guide all improvement and development within business and industrial areas. The following policies have not been satisfactorily addressed under this proposal.

Encourage property owners to maintain and enhance the overall condition of existing industrial, business and office developments.

This policy refers to the development in a property maintenance context. Not only would the petitioner need to demonstrate proper stewardship, future property maintenance must also be carried on through the life of the business.

New development shall have adequate off-street parking and loading facilities.

The ability to provide adequate parking and loading facilities should be provided for all light industrial sites. With a lack of ownership or long-term lease agreement, there are no guarantees that the off-site parking will be available for the life of the business.

7. That the conditional use shall, in all other respects, conform to the applicable regulations of the district in which it is located, except as such regulations may, in each instance, be modified pursuant to the recommendations of the Plan Commission.

Staff has reviewed the petition and if it were to be approved, the applicable code issues and/or conditions of approval would be addressed during the permit review process. The petitioner would also need to receive an updated Certificate of Occupancy/Zoning Certificate that permitted both of the proposed conditional uses. The petitioner has indicated that the off-site

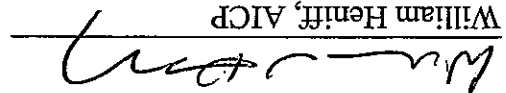
parking area is vital to their business operation. As the necessary long-term lease has not been established for the off-site parking area, staff believes that the proposed use could not be conditioned to eliminate the lack of off-site parking for the cargo containers.

FINDINGS AND RECOMMENDATIONS

Staff has reviewed the petition and finds that petition does not meet the standards set forth in the Zoning Ordinance. As such, the Inter-Departmental Review Committee recommends that the Plan Commission make the following motion to recommend **denial** of a conditional use to allow outside storage of motor vehicles on the subject property and recommend **denial** of the conditional use, to allow off-site parking as part of PC 08-09.

Based on the above findings, the Inter-Departmental Review Committee recommends that the petition as presented does not meet the standards set forth in the Zoning Ordinance and recommends that Plan Commission accept the findings of the Inter-departmental Review Report as the findings of the Plan Commission and therefore the Plan Commission recommends to the Corporate Authorities **denial** of the conditional use, to allow off-site parking and recommends **denial** of a conditional use to allow outside storage of motor vehicles on the subject property as part of PC 08-09.

Inter-Departmental Review Group Report Approved By:


William Heniff, AICP

Acting Director of Community Development

WH:MT

Exhibit A – Certificate of Occupancy/Zoning Certificate

Date: 11/1/07

VILLAGE OF LOMBARD
CERTIFICATE OF OCCUPANCY

Parcel No. 02-82-501-030
Permit No. 4444

We hereby certify that Capital Realty & Dev.
managing agent for the premises commonly known as 1051 N. CARTER,
has complied with all requirements of the Building, Health, and Zoning laws and ordinances set forth in
Ordinance 3274 and Ordinance 2561 and all its amendments thereto and that said building and use is
hereby qualified for occupancy by SGS Logistic Services
tenant/owner, for use as a warehouse/warehouse/office building under Zoning Classification I
subject to the following:
NO OUTDOOR STORAGE OF AUTOMOBILES
Structure in rear of Warehouse not approved at
this time. If structure to be used in future,
will need approval of Building Dept.
It is required by ordinance that an application for water service and garbage collection be made at the time of
occupancy and zoning.

Planning Services Division
[Signature]

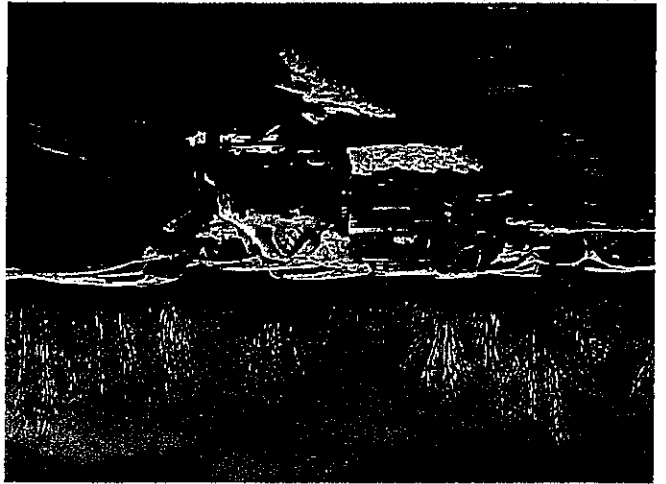
Private Engineering Services Division
[Signature]

Bureau of Fire Prevention
[Signature]

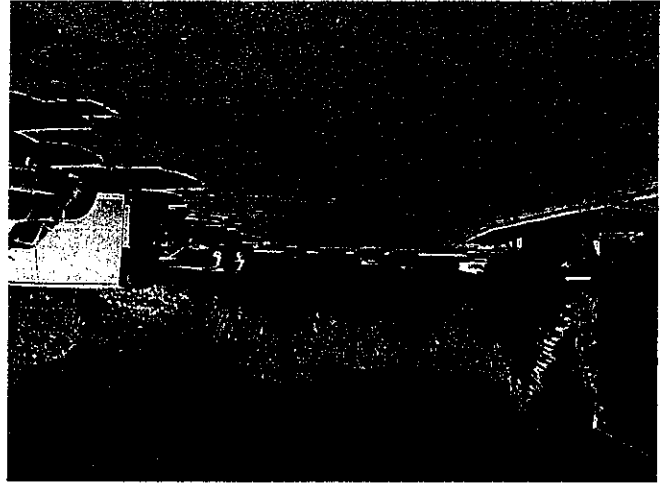
Bureau of Inspectional Services
[Signature] (Seal)

The Certificate of Occupancy issued to the petitioner on November 7, 2007. This Certificate of Occupancy
clearly specifies 'no outdoor storage of motor vehicles' for the subject property.

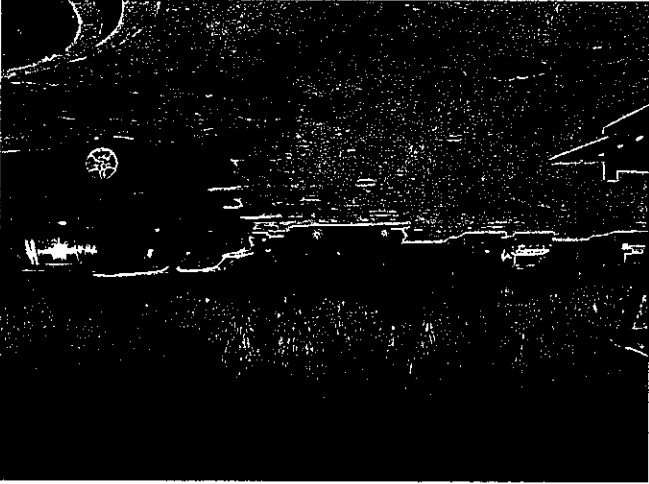
Appendix A – Employee/Customer Parking Area (1051 N. Garfield)



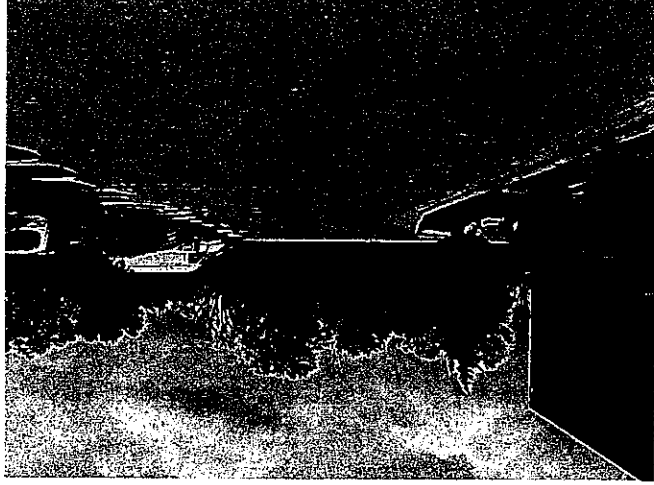
2/27/08 - employee/customer parking prior to conditional use application



5/6/08 – employee/customer parking area

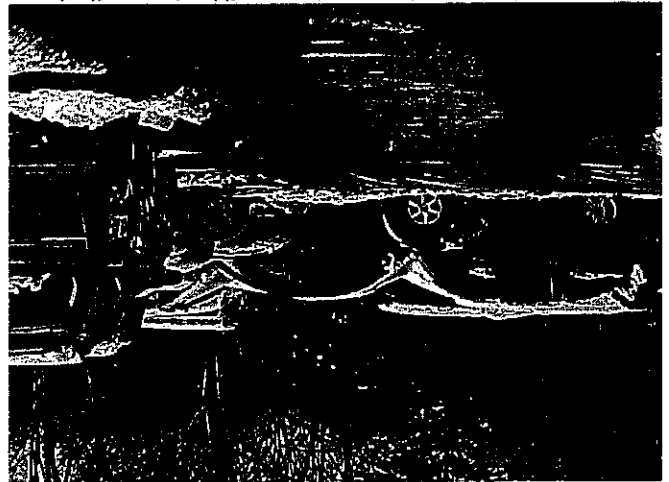


4/14/08 – employee/customer parking area

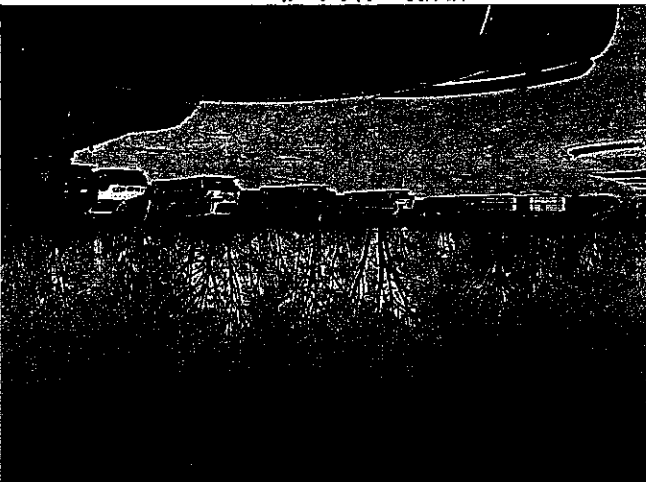


6/6/08 – employee/customer parking area

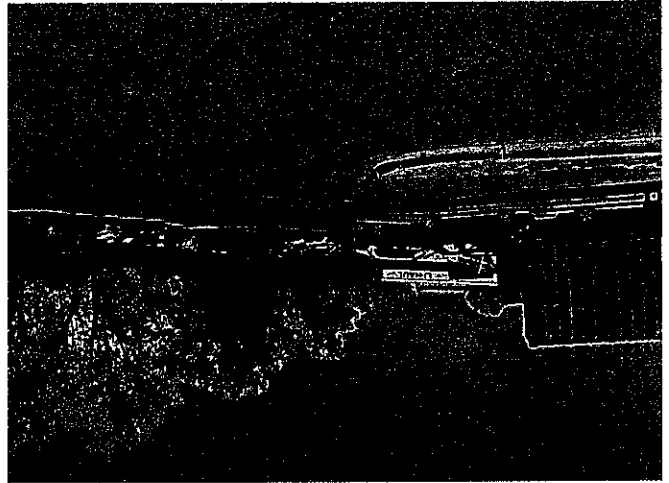
Appendix B – Vehicle Loading Area (1051 N. Garfield)



2/27/08 - vehicle loading area prior to conditional use application



4/14/08 - vehicle loading area

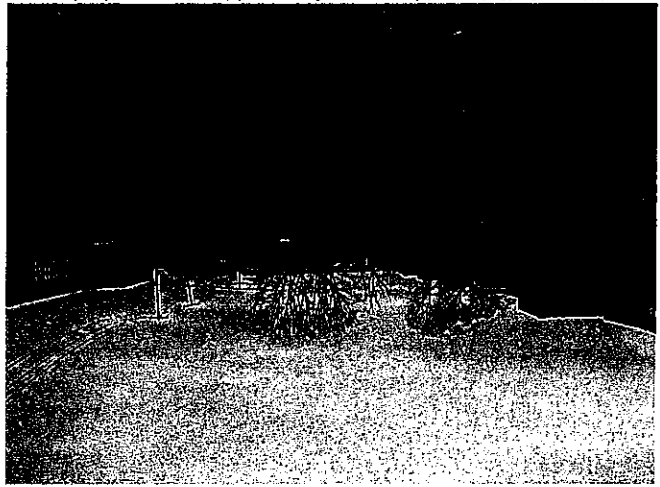


5/6/08 - vehicle loading area

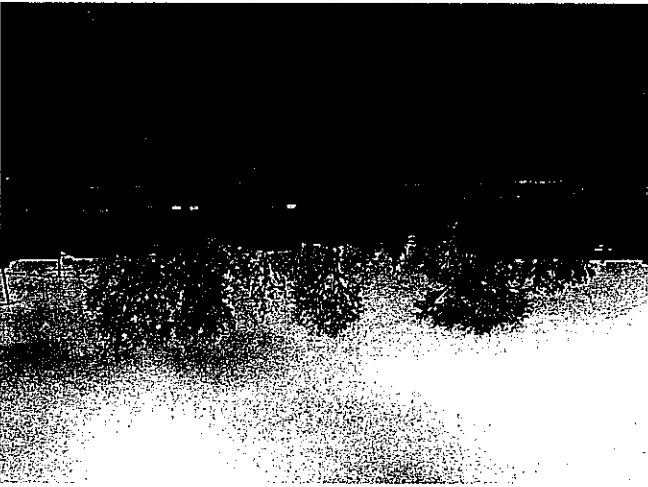


6/6/08 - vehicle loading area

Appendix C – Off-Site Parking Area (1050 N. Garfield)



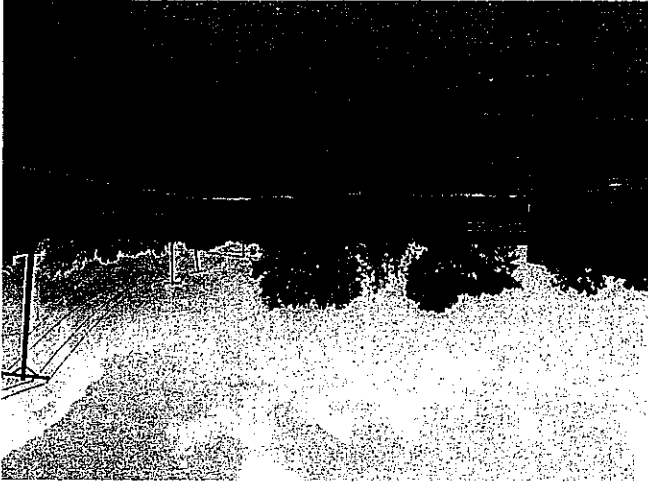
View of off-site parking area before conditional use application.



5/1/08 - View of off-site parking area (same viewpoint as above).



5/21/08 - View of off-site parking area (same viewpoint as above).



6/6/08 - View of off-site parking area (same viewpoint as above).

John T. Clery, P.C.

Attorney at Law

Michelle Iwanich
Legal Assistant

Kathu Reynolds-Ratney
Legal Assistant

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Phone: (847) 330-1000 • Facsimile (847) 330-0368 • Email: john.t.clery@aol.com
By Appointment Only • 67 S. Old Rand Road • Lake Zurich, IL 60047

June 10, 2008

Mr. Michael S. Toth
Village of Lombard
255 E. Wilson Avenue
Lombard, IL 60148

RE: SGS Logistic Services/Greg Pawlak

Dear Mr. Toth:

Please be reminded that I represent the interest of SGS Logistic Services/Greg Pawlak regarding his petition for the granting of a conditional use by the Village of Lombard to allow the outside storage of vehicles and to allow off-site parking. As I advised you in our previous meeting of April 28, 2008, the Petitioner is willing to adhere to any and all recommendations presented by the Village in order to continue his business operations in the Village of Lombard. Mr. Pawlak has related to me how pleased he is in his current location in the Village of Lombard.

During our phone conversation yesterday, you advised me that SGS Logistic Services has followed your previous recommendations of keeping the automobiles within certain areas of the parking lot and shipping them at a much quicker pace.

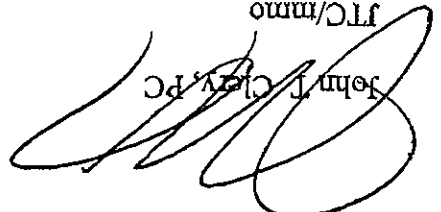
Also, we were informed that the sub-lessor has agreed to a long-term lease of five years for the off-site parking. We expect to have the executed lease in the next day or so when our contact person returns from his illness. We will forward a copy to you upon receipt.

During our phone conversation yesterday, you raised some concern regarding the five year term of the off-site parking lease. It is my understanding that the sub-lessor has only until February 28, 2013 remaining on their lease. Therefore, the sub-lessor cannot convey any more interest in the off-site parking than they currently have.

Hopefully, you will consider SGS Logistic Services attempts to correct any previous recommendations by the Village and their desire to remain as a tenant in the Village of Lombard in preparing your recommendations to the Planning Commission. I would hope that you would want energetic, honest, law abiding, good businessmen, such as SGS Logistic Services and Greg Pawlak, to continue as tenants in your Village.

CC: Greg Pawlak
William J. Heniff
Susan Mann

JTC/mmo



John T. Clery, PC

Sincerely,

If you have any questions, please contact me.

Rx Date/Time MAY-14-2008(VED) 16:42
MAY 15, 2008 6:56AM

P.002
No. 9056 P. 2/37

SUBLEASE AGREEMENT

WHEREAS, Sanjour Sunclips North America, a California corporation ("Sublessor"), presently leases approximately 193,000 square feet located at 100 Progress Road from Tropops ("Lessor") under a Lease dated December 23, 1996 (the "Master Lease");

WHEREAS, Sublessor wishes to sublease the Subleased Premises (defined below) to SCS Logistics Services, an Illinois corporation ("Sublessee") per Article 12 of the Master Lease (see attached Exhibit A incorporated into this sublease).

TERMS: Sublessor will sublet a portion of the above described space commencing on February 1, 2008 ("Sublease") for a period of sixty (60) months concluding on February 28, 2013. The terms and conditions of the Sublease are as follows:

1. Subleased Premises. The Subleased Premises, which are subject to this Sublease are shown on the drawing attached as Exhibit B incorporated into this sublease (the "Subleased Premises") being approximately 13,600 square feet.

2. Rent. Sublessee agrees to pay to Sublessor as defined in attached Exhibit C incorporated into this sublease. On execution of this Sublease, Sublessee will pay first and last months rent as a security deposit. Either party may terminate this Sublease on 60 days written notice to the other.

Sublessee's monthly rental will be due and payable by the 1st of each month and will be sent to the following address:

Kent H. Landberg Co.
100 Progress Road
Lombard, IL 60148
ATTN: Controller

In the event Sublessee fails to pay the installment rent within ten (10) business days after the 1st of each month, then Sublessee shall be obligated to pay to Sublessor, on demand, in addition to the rent, a late charge in the amount equal to 5% of such installment, and failure to pay such amount shall be considered an event of default hereunder. In the event of default by the Sublessor under the Master Lease, Lessor will have the right, at its option after informing Sublessee, in writing, of such election, to collect the monthly rental due under this Sublease directly from Sublessee. By collecting this rental directly from Sublessee, Lessor will not be waiving any of its rights under the Master Lease.

3. Access. Sublessee shall have exclusive control of the Subleased Premises and acknowledges that the Subleased Premises is entirely outside and subject to the weather. Sublessee agrees that it is solely responsible for maintaining the Subleased Premises, including plowing the snow in and around the Subleased Premises during the winter. Sublessee hereby agrees to indemnify, defend and hold Sublessor harmless from any loss or damage to the Subleased Premises, and all liability, loss or damage arising from any injury to the property of Sublessor, and any death or personal injury to any person arising out of such access, unless such loss, damage, liability, death or personal injury was caused solely by Sublessor's negligence.

4. Incorporated by Reference. Sublessee shall be obligated to perform all of the non-monetary obligations of Sublessor as provided in the Master Lease. A copy of the Master Lease is attached hereto as Exhibit A and incorporated herein by this reference. Notwithstanding any other provisions, Sublessee shall have no rights, privileges or remedies against Sublessor arising from any breach of the Master Lease by Lessor, but Sublessor shall use all necessary efforts to assure Lessor's compliance with the Master Lease. Notwithstanding any other provision hereto to the contrary, Lessor shall have no rights, privileges or remedies against Sublessee arising from any breach of the Master Lease by Sublessor.

5. Default Remedies. Any action or omission by the Sublessee, which results in a default of the Master Lease, shall be an event of default of this Sublease. In the event of Sublessor's default of this Sublease, or the Master Lease (incorporated by reference) and after Sublessee has been afforded the same rights to notice and to cure as provided to Sublessor in the Master Lease, the Sublessor is entitled to exercise each and every remedy to which it is entitled to by law or in equity against Sublessor, and in addition, at Sublessor's sole option, the Sublessor is entitled to exercise any right of remedy to which the Lessor is also entitled, including those described in the Master Lease. Sublessor shall continue to fulfill its obligations including, but not limited to, payment of rent under the Master Lease. In the event of default by Sublessor of any of its obligations under the Master Lease, including, but not limited to, payment of rent, the Lessor shall give written notice of such default to Sublessee and shall permit Sublessee ten (10) business days from date of such notice in which to cure such default provided, however, if such default

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6.

Leasing Improvements. Sublessor shall provide the space in an "As-Is" condition. Sublessee shall not make or cause, suffer, or permit the making of any alteration, addition, change, replacement, installation or addition (collectively referred to herein as "Alterations"), in or to the Subleased Premises without obtaining the prior written consent of Lessor and Sublessor in such instance. Any and all alterations shall be made strictly in accordance with the terms and conditions of the Master Lease. If, at the time Sublessor and Lessor grant approval to any particular Alteration, Lessor requires Sublessee to remove the Alteration prior to the expiration or sooner termination of this Sublease, repair and restore the Subleased Premises to the condition existing prior to the Alteration and repair any damage to the Subleased Premises due to such removal, Lessor approved alterations, ordinary wear and tear excepted.

7.

Collection Costs: Attorneys Fees. In the event of any default by any party to the Sublease, and should it become necessary for either party to bring action to enforce this Sublease or to sue for its default, the prevailing party shall be entitled to recover all costs of enforcement of suit, including, but not limited to, court costs, expenses of suit, and attorneys fees, if it prevails.

8.

Notices. Any notice, demand, or other communication which is permitted or required to be given under this Sublease shall be addressed as follows:

If to Sublessor: Kent H. Landsberg Co.
100 Progress Road
Lombard, IL 60148
Attn: Division Controller
If to Sublessee: SGS Logistics Services

10.

Sublessor's Indemnification. Sublessee will indemnify Sublessor and Lessor and save them harmless from and against any and all claims, actions, damages, liability and expense in connection with loss of life, personal injury and/or damage to business or property arising from or out of any occurrence in, upon or at the Subleased Premises, including while accessing the Subleased Premises (except for that which is caused by the negligence, willful misconduct or the acts/omissions of the Lessor, its employees, agents or contractors) or the occupancy or use by Sublessee of the Subleased Premises or any part thereof, or occasioned wholly by any act or omission of Sublessee, its agents, contractors, employees, servants, lessees or concessionaires. In case Sublessor and/or Lessor shall, without fault on its part, be made a party to any litigation commenced by or against Sublessor and/or Lessor in connection with Sublessee's use of the Premises, the Sublessee shall protect and hold Sublessor and/or Lessor in connection with such litigation. Sublessee shall also pay all costs, expenses and reasonable attorney's fees that may be incurred or paid by Sublessor in enforcing the covenants and agreements in this Sublease. Assuming Sublessor and Lessor agree to a mutual waiver of subrogation, Sublessee agrees to have all policies of insurance procured by it endorsed so as to waive any right of subrogation against Sublessor and Lessor and to name Sublessor and Lessor as additional insureds on such policies. Notwithstanding any provisions of this Sublease or riders to the contrary, Sublessee shall also pay all costs, expenses and reasonable attorney's fees that may be incurred or be paid by Sublessor in enforcing the covenants and agreements in this Sublease, and vice versa.

11.

Re-Assignment of Sublease. Sublessor and Sublessee acknowledge and agree on all of the terms, conditions, and provisions of this Sublease and to the extent that the terms, conditions, and provisions contained herein differ from the Master Lease, the terms, conditions, and provisions of this Sublease shall control between Sublessor and Sublessee.

12.

Use. Lessor and Sublessor hereby consent to Sublessee's use of the Subleased Premises for general storage. Sublessor and Lessor represent and warrant to Sublessee that the Master Lease is in full force and effect as of the date hereof and there are no events of default thereunder currently, or which, after the passage of time would result in...

SIGNATURES APPEAR ON FOLLOWING PAGE

14. Environmental Matters. Sublessee shall have no liability for any violation of Environmental Laws, release of any Hazardous Substances that exists in, on or about the Subleased Premises at or prior to the date of Sublessee's occupancy of the Subleased Premises. However, in the event Sublessee violates the Environmental Laws, uses or releases any Hazardous Substances or breaches Exhibit B of the Master Lease, Sublessee shall be liable to Sublessor and Lessor for any and all damages, costs and attorneys' fees and costs associated with the clean up of the violation or breach.

13. Insurance. Sublessee agrees to deliver to Sublessor within 10 days of execution of this Sublease a Certificate of Insurance with coverage's enumerated below for (a) Workers' Compensation insurance as required by law, (b) accident, \$1,000,000 policy limit for bodily injury or death by sickness or disease and \$1,000,000 each employee for bodily injury or death by sickness or disease or death by sickness or disease and (c) Comprehensive General Liability on an occurrence (not claims made) form, and automobile insurance covering all operations by or on behalf of Sublessee providing insurance for bodily injury liability for the limits of liability stated below and including coverage for (i) premises and operations, (ii) products and completed operations, (iii) contractual liability and automobile contractual liability and property damage (including liability insuring the obligations assumed by Sublessee in the Sublease, (iv) broad form property damage (including completed operations), (v) explosion, collapse and underground hazards, (vi) personal injury liability, (vii) owned, hired and non-owned automobiles, and (viii) employees covered as additional insured's. The limits of liability shall not be less than one million dollars combined single limit for bodily injury, property damage and personal injury liability each occurrence, and one million dollars aggregate. Such insurance shall name Armor Sunclips North America and its officers, directors, and employees, as additional insured's and shall be primary and non-contributing without thirty days prior written notice to Sublessor. Failure of Sublessee to maintain such insurance, may at Sublessor's option, be deemed a material breach of this Sublease allowing Sublessor to terminate this Sublease or to provide insurance at Sublessee's sole cost and expense. The required insurance, including the deductible amounts, shall be subject to the approval of Sublessor but any acceptance of Certificates of Insurance by Sublessor shall in no way limit or relieve Sublessee of its duties and responsibilities under this Sublease.

an event of default. Sublessee agrees that it will not park cars on or around the Subleased Premises, including in the adjoining parking lot unless specifically agreed to in this Sublease. Sublessor reserves the right to have towed any vehicles violating this provision of the Sublease without notice to Sublessee.

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AGREED TO:

SUBLESSOR: AMCOR SUNCLIPSE NORTH AMERICA

NAME: SPEECE SHEWMAKE

TITLE: REGIONAL CONTRACTOR

DATE: 06/10/2008

SUBLESSEE: SGS LOGISTICS SERVICES

NAME: GREG BRULAC

TITLE: PRESIDENT

DATE: 06-01-08

(Witness)

DAVE HANSTAD

Regional Manager

6/10/08

(Witness)

CONSENTED TO:

In accordance with the Master Lease, Lessor hereby consents to this Sublease and the terms and conditions contained herein. To the extent required to do so, the Master Lease is hereby amended to conform to the intent hereof. Nothing in this Sublease shall affect Sublessor's obligations under the Master Lease.

LESSOR PROLOGIS

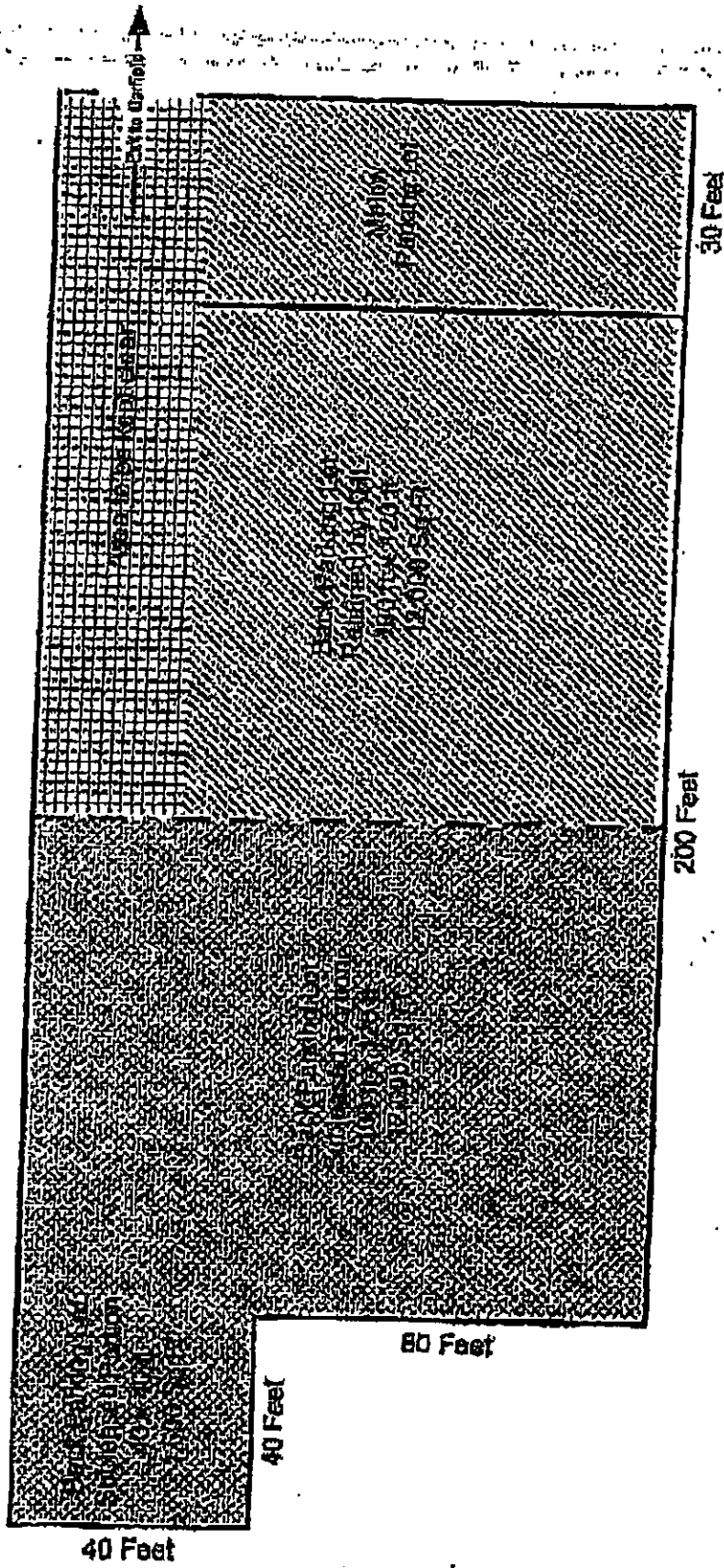
Name:

Title:

Date:

(Witness)

**Kent H. Lansberg Chicago
Back Parking Lot Dimensions**



Drawing Not to Scale
Measurements Not Exact

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 SHIP-TA FREIGHT MGMT
 No. 9056 P. 36/37
 P. 006/007
 P. 006/007
 P. 036
 05/03
 EXHIBIT 8 TO SCS SUBLEASE

Drawing Date
5/21/08

EXHIBIT C
RENT SCHEDULE

Base Rent (per month)

Months

| | |
|-------|-----------------------|
| \$600 | 02/01/2008-02/28/2009 |
| \$618 | 02/01/2009-02/28/2010 |
| \$637 | 02/01/2010-02/28/2011 |
| \$656 | 02/01/2011-02/29/2012 |
| \$676 | 02/01/2012-02/28/2013 |

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**AN ORDINANCE GRANTING A CONDITIONAL USE
PURSUANT TO TITLE 15, CHAPTER 155, SECTION 155.420 (C)
OF THE LOMBARD ZONING ORDINANCE**

(PC 08-09: 1050 & 1051 N. Garfield Street)

WHEREAS, the President and Board of Trustees of the Village of Lombard have heretofore adopted the Lombard Zoning Ordinance, otherwise known as Title 15, Chapter 155 of the Code of Lombard, Illinois; and,

WHEREAS, the Subject Properties as defined below is zoned I – Limited Industrial District; and,

WHEREAS, an application has been filed requesting approval of a conditional use, pursuant to Section 155.416 (C)(35) of the Zoning Ordinance, to allow for the outside storage of automobiles at the property described below in Section 2; and

WHEREAS, an application has been filed requesting approval of a conditional use, pursuant to Section 155.420 (C)(22) of the Zoning Ordinance, to allow off-site parking at the property described below in Section 5; and

WHEREAS, a public hearings on the foregoing application were conducted by the Village of Lombard Plan Commission on June 16, 2008 pursuant to appropriate and legal notice; and,

WHEREAS, the Plan Commission has filed its recommendations with the President and Board of Trustees recommending approval of the conditional uses described herein, subject to conditions; and,

WHEREAS, the President and Board of Trustees approve and adopt the findings and recommendations of the Plan Commission and incorporate such findings and recommendations herein by reference as if they were fully set forth herein;

NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF LOMBARD, DU PAGE COUNTY, ILLINOIS, as follows:

SECTION 1: That a variation from Section 155.416 (C)(35) of the Zoning Ordinance, to allow for the outside storage of automobiles is hereby granted for the Property, as described in Section 2 below and subject to the conditions set forth in Section 3 below.

SECTION 2: The approval granted in Section 1 above shall be limited and restricted to the property located at 1051 N. Garfield Street, Lombard, Illinois and legally described as follows:

1051 N. GARFIELD

LOT 1 IN NORTH GARFIELD LIMITED PARTNERSHIP RESUBDIVISION, BEING A RESUBDIVISION OF LOTS 1 AND 2 IN LOMBARD BUSINESS PARK, BEING A RESUBDIVISION IN PART OF SECTION 32, TOWNSHIP 40 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO SAID NORTH GARFIELD LIMITED PARTNERSHIP RESUBDIVISION RECORDED JUNE 24, 1994, AS DOCUMENT R94-140398, IN DUPAGE COUNTY, ILLINOIS.

Parcel Number: 03-32-301-030

SECTION 3: The conditional use, as provided for in Sections 1 of this Ordinance shall be granted subject to compliance with the following condition:

1. The subject property shall be developed in substantial compliance with the site plan for the automobile storage site (1051 N. Garfield) submitted by the petitioner, dated September 5, 2007.

SECTION 4: That a variation from Section 155.420 (C)(22) of the Zoning Ordinance, to allow off-site parking is hereby granted for the Property, as described in Section 5 below and subject to the conditions set forth in Section 6 below.

SECTION 5: The approval granted in Section 4 above shall be limited and restricted to the property located at 1050 N. Garfield Street, Lombard, Illinois and legally described as follows:

1050 N. GARFIELD

THE SOUTH 105 FEET OF LOT 2 (AS MEASURED ALONG THE EAST LINE OF SAID LOT 2) IN LOMBARD BUSINESS CENTER UNIT SEVEN, BEING A SUBDIVISION IN THE

SOUTH WEST ¼ OF SECTION 32, TOWNSHIP 40 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED NOVEMBER 6, 1974 AS DOCUMENT R74-56549, IN DUPAGE COUNTY, ILLINOIS. ALSO;

THE SOUTH 15.5 FEET OF THE EAST 372.0 FEET OF THE NORTH 535.26 FEET OF THE LOT 2 IN LOMBARD BUSINESS CENTER UNIT SEVEN BEING A SUBDIVISION IN THE SOUTH WEST ¼ OF SECTION 32, TOWNSHIP 40 NORTH, RANGE 11 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED NOVEMBER 6, 1974 AS DOCUMENT R74-56549, IN DUPAGE COUNTY, ILLINOIS.

Parcel Number: 03-32-302-017

SECTION 6: The conditional use, as provided for in Sections 4 of this Ordinance shall be granted subject to compliance with the following condition:

1. The subject property shall be developed in substantial compliance with the site plan for the off-site parking (1050 N. Garfield) submitted by the petitioner, dated January 1, 2008.

SECTION 7: This Ordinance, upon approval, shall be recorded by the Village with the Office of County Recorder.

SECTION 8: This ordinance shall be in full force and effect from and after its passage, approval, and publication in pamphlet form as provided by law.

Passed on first reading this _____ day of _____, 2008.

First reading waived by action of the Board of Trustees this _____ day of _____, 2008.

Passed on second reading this _____ day of _____, 2008, pursuant to a roll call vote as follows:

Ayes: _____

Nays: _____

Absent: _____

Approved by me this _____ day of _____, 2008.

William J. Mueller, Village President

ATTEST:

Brigitte O'Brien, Village Clerk

Published in pamphlet from this _____ day of _____, 2008

Brigitte O'Brien, Village Clerk