

**ITEM MOT 2015-6062**

**VILLAGE OF DOWNERS GROVE**  
**Report for the Village Council Meeting**  
**2/17/2015**

<b>SUBJECT:</b>	<b>SUBMITTED BY:</b>
Zoning Ordinance Text Amendment to the O-R, Office-Research zoning district	Stan Popovich, AICP Planning Manager

**SYNOPSIS**

A motion has been prepared directing staff to draft a text amendment to the Zoning Ordinance that would amend the existing permitted use regulations to permit e-commerce, e-retail and warehousing activities in the O-R, Office-Research zoning district.

**STRATEGIC PLAN ALIGNMENT**

The goals for 2011-2018 include *Strong and Diverse Local Economy*.

**FISCAL IMPACT**

N/A

**RECOMMENDATION**

Deny the request and maintain the existing permitted and special use regulations in the O-R zoning district.

**BACKGROUND**Introduction

Staff received a request to amend the permitted uses that are in place for the O-R, Office-Research zoning district. Permitted and special uses within the O-R zoning district are shown in Table 5-1 (attached) of the Zoning Ordinance. The request is to permit e-retailing, e-commerce and warehousing in the O-R zoning district, which would allow businesses within this zoning classification to sell goods over the internet from the O-R zoning district and to ship goods directly from their location to the consumer. The current Zoning Ordinance allows e-retailing, e-commerce and warehousing as permitted uses in the O-R-M, Office Research and Manufacturing District and the M-1, Light Manufacturing District.

Background

Section 3.010.B.4 of the Zoning Ordinance identifies the Office-Research zoning district as primarily intended to accommodate office, research and development activities in an office-like setting. There are 14 O-R zoned parcels, 13 of which are located around the intersection of Highland Avenue and 31<sup>st</sup> Street. The only other O-R zoned property is at 3041 Woodcreek Drive.

The O-R zoning district is a distinct area that is known for its Class A office spaces. Class A office space is the highest-quality space on the market and is generally newly constructed, and has been outfitted with top-of-the-line fixtures, amenities and systems. Class A buildings are usually aesthetically pleasing, as they reside in high-visibility locations. These spaces are normally maintained by reputable property management companies that keep them looking impeccable. Rates for Class A office spaces are typically higher than

average rent for other office space. Class A space is competitively sought after by banking, real estate and law firms.

### Specific Request

The request is to permit e-commerce, e-retailing and warehousing within the O-R zoning district. As proposed by the applicant, the request would be to:

- Permit e-commerce and e-retailing only from the confines of an office building
- Limit the area of occupancy to a maximum of 10,000 square feet for all business operations, including areas for product storage (warehousing)
- Prohibit direct sales from the site of the e-commerce, e-retail and warehousing business site
- Allow pick-up and delivery of all product is via normal delivery vans and delivery trucks only

### Analysis

According to Section 5.050.K of the Zoning Ordinance, office uses are uses in an enclosed building, customarily performed in an office, that focus on providing executive, administrative, professional or medical services. An office use is not a traffic intense use, as employees tend to arrive in the morning and leave in the evening. Occasional deliveries may also generate traffic to the building.

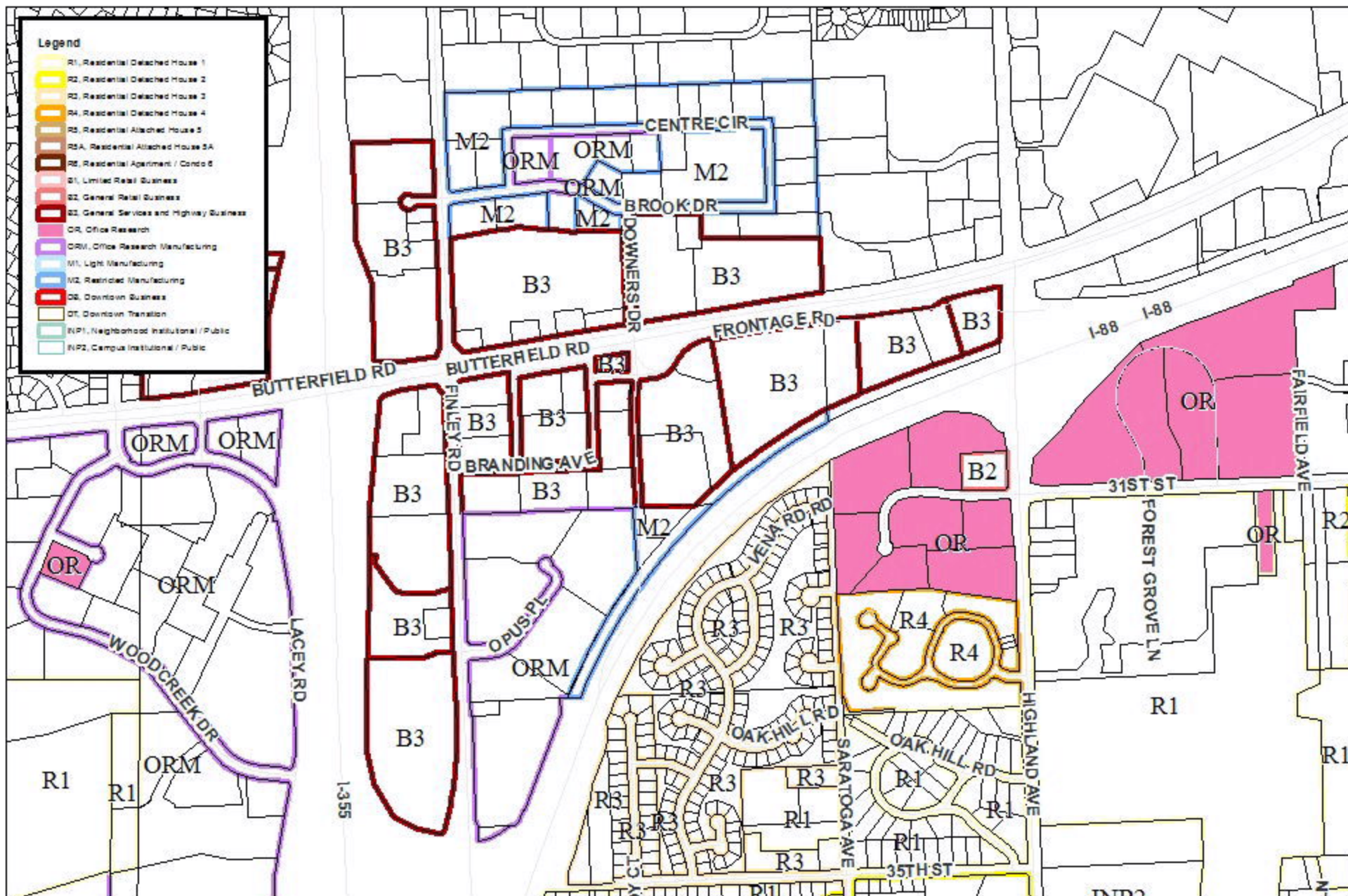
The proposed e-commerce, e-retail and warehousing uses would create a more intense use within an office campus. There is a potential for additional traffic via increased shipping into and out of the warehouse. Additionally, the use of some space for warehousing is counter to the desire to have Class A office space in the district. The proliferation of goods storage could lead to a deterioration of the desirability of these office buildings. Additionally, warehousing in a Class A office building has the potential to eliminate the ability of property owners to attract the highest quality tenants affording the highest rents.

The proposed e-commerce, e-retail and warehousing is not consistent with the Comprehensive Plan. The Comprehensive Plan identifies the O-R zoned properties as Office / Corporate Campus. This designation notes that:

These offices include large-scale buildings and office parks that have a significant presence in Downers Grove and should continue to play an important role in the local economy. The Village should continue to support office development along the I-88, I-355 and Butterfield Road corridors to maximize visibility and minimize potentially negative impacts on residential areas. As prominent features along major regional roadways, office development should be of a high quality and reflect the character of the Village in the manner of the Esplanade and the Highland Landmark.

### **ATTACHMENTS**

O-R Zoning District Map  
Zoning Ordinance Table 5-1  
Future Land Use Map  
Request letter



O-R, Office-Research Zoning District Locations



Article 5 | Allowed Uses • Sec. 5.010 | Allowed Uses

Table 5-1: Allowed Uses

USE CATEGORY Subcategory Specific use (See <a href="#">Sec. 5.020</a> )	R-1	R-2	R-3	R-4	R-5	R-5A	R-6	B-1	B-2	B-3	DB	DT	O-R	O-R	M-1	M-2	INP-1	INP-2	Supplemental Regulations
	P = use permitted as of right   S = special use approval required   -- = not allowed																		
<b>RESIDENTIAL</b>																			
<b>Household Living</b>																			
Detached house	P	P	P	P	P	P	P	-	-	-	-	P	-	-	-	-	-	-	-
Attached house	-	-	-	-	-	-	-	-	-	S	-	P	-	-	-	-	-	-	-
Two-unit house	-	-	-	-	-	-	-	-	-	-	-	P	-	-	-	-	-	-	-
Apartment/condo	-	-	-	-	-	-	-	-	-	-	-	S	-	-	-	-	-	-	-
<b>Group Living</b> (except for the following uses)	S	S	S	S	S	S	S	-	-	-	-	-	-	-	-	-	-	-	-
Group home, small (8-person max. occupancy)	P	P	P	P	P	P	P	-	-	-	-	-	-	-	-	-	-	-	-
Group home, large (9 or more occupants)	S	S	S	S	S	S	S	-	-	-	-	-	-	-	-	-	-	-	-
Nursing home	S	S	S	S	S	S	S	P	P	S	-	-	-	-	-	-	-	-	-
Sheltered Care	S	S	S	S	S	S	S	P	P	S	-	-	-	-	-	-	-	-	-
<b>PUBLIC, CIVIC AND INSTITUTIONAL</b>																			
Aircraft Landing Area	-	-	-	-	-	-	-	-	S	S	-	-	S	S	S	S	-	-	-
Cemetery	-	-	-	-	-	-	-	-	-	-	S[6]	-	-	-	-	-	S	-	-
College or University	S[1]	S[1]	S[1]	S[1]	S[1]	S[1]	S[1]	-	-	-	S	S	S	-	-	-	-	-	-
Community Center	S	S	S	S	S	S	S	-	-	-	-	S	-	-	-	-	-	-	-
Fraternal Organization	S[2]	S[2]	S[2]	S[2]	S[2]	S[2]	S[2]	P	P	P	S	-	-	-	-	-	-	-	-
Governmental Facility	S[2]	S[2]	S[2]	S[2]	S[2]	S[2]	S[2]	P	P	P	P	P	-	-	-	-	-	-	-
Hospital	S[3]	S[3]	S[3]	S[3]	S[3]	S[3]	S[3]	-	-	-	-	-	-	-	-	-	-	-	-
Library	-	-	-	-	-	-	-	-	-	-	-	S	S	S	-	-	-	-	-
Museum or Cultural Facility	-	-	-	-	-	-	-	-	-	-	-	S	S	S	-	-	-	-	-
Natural Resource Preservation	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
Parks and Recreation	S	S	S	S	S	S	S	-	-	-	-	-	-	-	-	-	-	-	-
Religious Assembly	S	S	S	S	S	S	S	S	P	P	S[6]	S	S	S	-	-	-	-	-
Safety Service	S	S	S	S	S	S	S	S	P	P	S	S	P	P	P	P	P	P	P
School	S	S	S	S	S	S	S	-	-	-	-	-	-	-	-	-	-	-	-
<b>Utilities and Public Service Facility</b>																			
Minor	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
Major	S	S	S	S	S	S	S	S	S	S	S	S	S	S	S	S	S	S	S
<b>Wireless Telecommunications</b>																			
Freestanding tower	S	S	S	S	S	S	S	S	S	S	S	S	P	P	P	P	P	P	P
Building or tower-mounted antenna	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
<b>COMMERCIAL</b>																			
<b>Adult Entertainment Establishment</b>																			
Animal Service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Boarding or shelter	-	-	-	-	-	-	-	-	S	P	-	-	-	-	-	-	-	-	-
Grooming	-	-	-	-	-	-	-	-	P	P	P	-	-	-	-	-	-	-	-

Article 5 | Allowed Uses • Sec. 5.010 | Allowed Uses

USE CATEGORY	R-1	R-2	R-3	R-4	R-5	R-5A	R-6	B-1	B-2	B-3	DB	DT	O-R	O-R	M-1	M-2	INP-1	INP-2	Supplemental Regulations	
	P = use permitted as of right   S = special use approval required   -- = not allowed																			
<b>Subcategory</b> Specific use (See <a href="#">Sec. 5.020</a> )																				
Veterinary care	-	-	-	-	-	-	-	-	-	-	P	S	-	-	P	P	-	-	-	<a href="#">Sec. 6.160</a>
<b>Assembly and Entertainment</b> (except for the following uses)	-	-	-	-	-	-	-	-	-	-	P	S	-	-	-	-	-	-	-	S
Auditorium	-	-	-	-	-	-	-	-	-	-	P	S	-	-	-	-	-	-	-	S
Cinema	-	-	-	-	-	-	-	-	-	-	P	S	-	-	-	-	-	-	-	-
Theater	-	-	-	-	-	-	-	-	-	-	P	S	-	-	-	-	-	-	-	S
<b>Commercial Service</b>																				
Building service	-	-	-	-	-	-	-	-	-	-	S	P	-	-	-	-	-	-	-	-
Business support service	-	-	-	-	-	-	-	-	-	-	P	P	-	-	-	-	-	-	-	-
Consumer maintenance and repair	-	-	-	-	-	-	-	-	-	-	P	P	-	-	-	-	-	-	-	-
Personal improvement service	-	-	-	-	-	-	-	-	-	-	P	P	P	P	P	S	S	-	-	-
Fortune-telling or psychic service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Massage therapy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	<a href="#">Sec. 6.070</a>
Research service	-	-	-	-	-	-	-	-	-	-	P	S	-	-	P	P	P	-	-	-
<b>Day Care</b>																				
Day care home	P	P	P	P	P	P	P	-	-	-	-	-	-	-	-	-	-	-	-	<a href="#">Sec. 6.030</a>
Day care center	-	-	-	-	S	S	S	P	P	P	S	S	P	P	P	P	S	-	-	<a href="#">Sec. 6.030</a>
<b>Eating and Drinking Establishment</b>																				
Restaurant	-	-	-	-	-	-	-	-	-	-	P	P	P	P	P	P	P	P	P	-
Wine boutique	-	-	-	-	-	-	-	-	-	-	P	P	-	P	P	-	-	-	-	-
<b>Financial Service</b>																				
Funeral or Mortuary Service	-	-	-	-	-	-	-	-	-	-	P	P	-	-	-	-	-	-	-	-
Lodging	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Office</b>																				
Business and professional office	S	S	S	S	S	S	S	P	P	P	P	S	P	P	P	P	-	-	-	<a href="#">Sec. 6.090</a>
Medical, dental and health practitioner	-	-	-	-	-	-	S	[4]	-	-	P	S	P	P	P	P	-	-	-	-
<b>Parking, Non-Accessory</b>																				
<b>Retail Sales</b>																				
Convenience goods	-	-	-	-	-	-	-	-	-	-	P	S	P	-	-	-	-	-	-	-
Consumer shopping goods	-	-	-	-	-	-	-	-	-	-	P	S	P	-	-	-	-	-	-	-
Guns and firearm supplies	-	-	-	-	-	-	-	-	-	-	[11]	[11]	-	-	-	-	-	-	-	-
Building supplies and equipment	-	-	-	-	-	-	-	-	-	-	P	P	P	P	S	S	-	-	-	-
<b>Self-service Storage Facility</b>																				<a href="#">Sec. 6.130</a>
Studio, Instructional or Service	-	-	-	-	-	-	-	-	-	-	P	P	P	S	-	-	-	-	-	-
<b>Trade School</b>																				
Trade School	-	-	-	-	-	-	-	-	-	-	P	P	S	S	S	S	-	-	-	-
<b>Vehicle Sales and Service</b>																				
Commercial vehicle repair and maintenance	-	-	-	-	-	-	-	-	-	-	S	-	-	-	-	-	-	-	-	-
Commercial vehicle sales and rentals	-	-	-	-	-	-	-	-	-	-	S	-	-	-	-	-	-	-	-	-

Article 5 | Allowed Uses • Sec. 5.010 | Allowed Uses

USE CATEGORY	R-1	R-2	R-3	R-4	R-5	R-5A	R-6	B-1	B-2	B-3	DB	DT	O-R	O-R-M	M-1	M-2	INP-1	INP-2	Supplemental Regulations
<b>Subcategory</b> Specific use (See <a href="#">Sec. 5.020</a> )																			
	P = use permitted as of right   S = special use approval required   – = not allowed																		
Fueling station	–	–	–	–	–	–	–	–	S	S	S	–	–	S	S	–	–	–	<a href="#">Sec. 6.040</a>
Personal vehicle repair and maintenance	–	–	–	–	–	–	–	–	S[10]	S	–	–	–	S	S	–	–	–	<a href="#">Sec. 6.100</a>
Personal vehicle sales and rentals	–	–	–	–	–	–	–	–	S[10]	S	–	–	–	–	S	–	–	–	
Vehicle body and paint finishing shop	–	–	–	–	–	–	–	–	–	–	–	–	–	–	S	–	–	–	
<b>WHOLESALE, DISTRIBUTION &amp; STORAGE</b>																			
Equipment and Materials Storage, Outdoor	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Trucking and Transportation Terminals	–	–	–	–	–	–	–	–	–	S	–	–	–	S	P	P	–	–	
Warehouse	–	–	–	–	–	–	–	–	–	–	–	–	–	P	P	P	–	–	
Wholesale Sales and Distribution	–	–	–	–	–	–	–	–	P	P	–	–	–	P	P	P	–	–	
<b>INDUSTRIAL</b>																			
Artisan Industrial	–	–	–	–	–	–	–	–	–	P	–	–	–	P	P	P	–	–	
Limited Industrial	–	–	–	–	–	–	–	–	–	P[11]	–	–	–	P	P	P	–	–	
General Industrial	–	–	–	–	–	–	–	–	–	–	–	–	–	P	P	P	–	–	
Intensive Industrial	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	S	–	–	
Junk or Salvage Yard	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	
<b>RECYCLING</b>																			
Recyclable Material Drop-off Facility	–	–	–	–	–	–	–	S	S	S	–	–	–	S	S	S	–	–	<a href="#">Sec. 6.110</a>
Recyclable Material Processing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	
<b>AGRICULTURE</b>																			
Animal Agriculture (except as allowed under <a href="#">Chapter 5</a> of the Downers Grove Municipal Code)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Crop Agriculture	P	P	P	P	P	P	P	–	–	–	–	–	–	–	–	–	–	–	
Community Garden	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	
<b>OTHER</b>																			
Drive-in or Drive-through Facility	–	–	–	–	–	–	–	–	S	S	–	S	S[15]	S[15]	S[15]	–	–	–	
Medical Cannabis Cultivation Center	–	–	–	–	–	–	–	–	–	–	–	–	–	–	S	–	–	–	<a href="#">Sec. 6.060</a>
Medical Cannabis Dispensing Organization	–	–	–	–	–	–	–	–	–	–	–	–	–	–	S	–	–	–	<a href="#">Sec. 6.060</a>

**D. Specific Limitations**

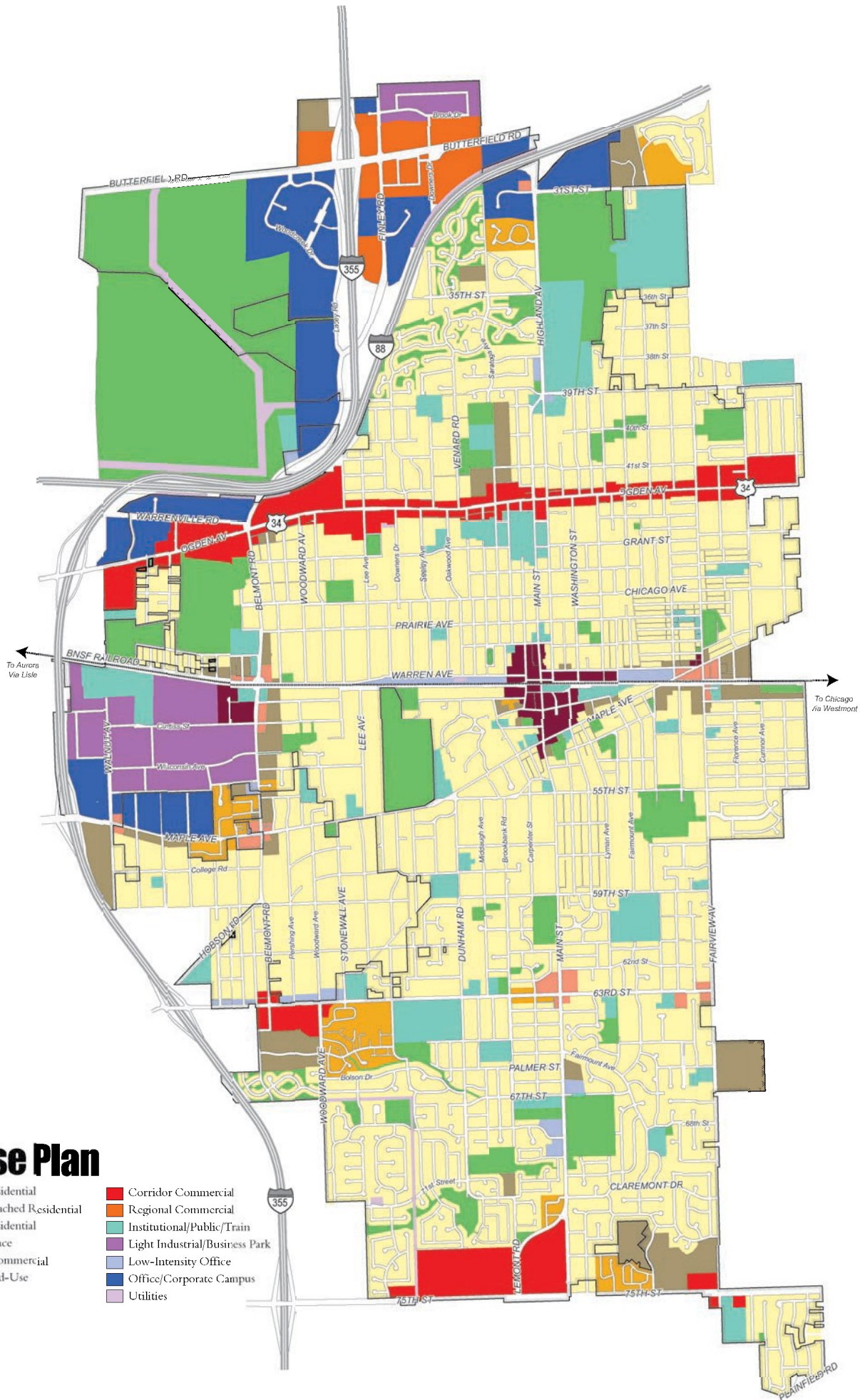
- [1] Requires minimum lot area of 4.0 acres. Maximum 25% building coverage.
- [2] Requires minimum lot area of 1.0 acres.
- [3] Requires minimum lot area of 2.5 acres. Maximum 25% building coverage.
- [4] Must be within 150 feet of a B district.
- [5] Requires special use approval if above one dwelling unit per 4,000 square feet of lot area.
- [6] Special Use only if use was in existence on or prior to June 7, 2005.
- [7] Requires minimum seating capacity of 125 persons.
- [8] Permitted as of right up to 3,000 sq. ft. (gross floor area); larger requires special use approval.
- [9] Must be in a completely enclosed building.

Article 5 | Allowed Uses • Sec. 5.010 | Allowed Uses

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- [10] Maximum 10,000 sq. ft. (gross floor area).
- [11] Permitted only if ancillary to the following principal uses: sporting goods stores, uniform supply stores and public safety equipment stores.
- [12] Consignment stores and martial arts studios permitted as of right up to 3,000 square feet (gross floor area); larger requires special use approval. Other uses permitted as of right up to 15,000 sq. ft. (gross floor area); larger requires special use approval.
- [13] Barber shops, beauty shops and salons only; must be on ground floor and may not exceed 2,500 square feet floor area.
- [14] Art galleries and studios only; must be on ground floor and may not exceed 2,500 square feet floor area.
- [15] Drive-through banks only.

3: LAND USE PLAN & POLICIES



# Land Use Plan

- Single Family Residential
- Single Family Attached Residential
- Multi-Family Residential
- Parks & Open Space
- Neighborhood Commercial
- Downtown/Mixed-Use
- Corridor Commercial
- Regional Commercial
- Institutional/Public/Train
- Light Industrial/Business Park
- Low-Intensity Office
- Office/Corporate Campus
- Utilities



STRAIGHTNORTH

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(630) 824-2150 WWW.STRAIGHTNORTH.COM

December 26, 2014

Mayor Martin T. Tully and Village Council  
Village of Downers Grove  
801 Burlington Avenue  
Downers Grove, IL 60515

RE: Request for consideration of a Zoning Ordinance text amendment to authorize Internet retail sales in the O-R Zoning District.

Dear Mayor Tully and Village Council Members:

I am an owner and the CEO in Straight North, LLC, an Internet marketing company based in the Village of Downers Grove at 1001 W. 31<sup>st</sup> Street. Straight North is a leader in the website development and design business focusing on building websites and performing ongoing Internet marketing for our clients. We relocated our business from Oak Brook to Downers Grove in 2012 and currently employ about 60 people at this office. Please feel free to visit Straight North's website at [www.straightnorth.com](http://www.straightnorth.com), to best understand our core business activities.

Straight North, LLC recently created a subsidiary company, Pro Stock Hockey, LLC, which we established in a vacant office space across the hall from Straight North. My partners and I are passionate about hockey and I have been involved in the sport for most of my life. Our close relationships with a number of NHL professional hockey teams revealed a business opportunity regarding the resale of brand new unused surplus professional hockey equipment. We currently purchase surplus equipment from 13 NHL hockey teams and sell it solely via Internet sales. Please feel free to visit our website at [www.prostockhockey.com](http://www.prostockhockey.com), to better understand our very unique position in the world of NHL hockey equipment sales.

When we began implementation of Pro Stock Hockey, we talked to our building owner, who is also a business partner. He encouraged us to use the office across the hall from Straight North's offices, as it was then a vacant but fully improved office space and would therefore require no build-out costs or activities. We were of the belief that we were compliant with the Village's requirements as we had successfully applied for and were granted an occupancy permit in 2012 for Straight North.

We were recently made aware, while applying to the Village for a sign permit that Pro Stock Hockey did not have an occupancy permit and would need its own occupancy in order to conduct business. We immediately applied to the Village for an occupancy permit and soon thereafter we were informed that the Village determined Pro Stock Hockey's business use was not an authorized land use in the underlying O-R zoning district. As you might imagine, this determination is greatly concerning and threatens



Mayor Martin T. Tully and Village Council

December 26, 2014

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the viability of our young e-commerce, e-retail company, which to date has been quite successful.

As zoning issues fall outside our area of expertise, we promptly engaged our legal counsel, Carlson Partners, Ltd., to open up the communication with the Village in an attempt to find a resolution that satisfied the Village and addressed Pro Stock Hockey's needs. Jason A. Doran has been in direct communication with Dawn Didier with that regard and I understand that the communication between them is continuing. We also engaged, Kenneth J. Rathje of Rathje Planning Services, Inc., as our zoning consultant.

My partners and I have concluded that the best way to address our current zoning issue is to seek approval of a text amendment to the O-R zoning district to include e-commerce and e-retailing as an authorized use. We anticipate, given the nature of the O-R district that e-commerce and specifically e-retailing can be a compatible use both to neighbors within the zoning district as well as to neighbors outside the district, by establishing several conditions. First, e-commerce and specifically e-retailing may be conducted only from the confines of an office buildings, second that the businesses be limited to an occupancy area not to exceed 10,000 square feet for all business operations including product storage, third that no product be directly deliverable to a customer from the site of the e-commerce, e-retail business site and fourth that pick-up and delivery of all products be via normal delivery vans and delivery trucks only.

I would request that each of you give consideration to the possibility of including e-commerce and e-retailing as an authorized use in the O-R zoning district and request that you forward our request for consideration of a possible text amendment to the Plan Commission for a public hearing on the matter.

I am available to speak or meet with any of you or the Village Staff on this matter. I look forward to your determination on this request.

Sincerely,

**STRAIGHT NORTH, LLC**



David M. Duerr

Chief Executive Officer

CC:

Jason A. Doran

Kenneth J. Rathje

