

MINUTES OF THE HISTORIC PRESERVATION COMMISSION
September 16, 2019

The regular meeting of the Historic Preservation Commission was called to order by Chairman James Hartshorne at 7:01 p.m. at 135 W. Church Street, Libertyville, Illinois.

Members present: Chairman James Hartshorne, Les Galo, Katherine Hamilton-Smith, Thor Jondahl and Mike Kollman.

Members absent: Melissa Senatore.

A quorum was established.

Village Staff present: John Spoden, Director of Community Development; David Pardys, Village Attorney; and Chris Sandine, Associate Planner.

Commissioner Hamilton-Smith made a motion, seconded by Commissioner Galo, to approve the August 19, 2019, Historic Preservation Commission meeting minutes, as written.

Motion carried 5 - 0.

Old Business:

None.

New Business

HPC 19-05 Rhyan Holdings, LLC, Applicant
708 N. Milwaukee Avenue

Request is for a Certificate of Appropriateness for demolition of a structure.

Mr. Chris Sandine, Associate Planner, stated the petitioner is requesting a Certificate of Appropriateness to demolish the existing structure located at 708 N. Milwaukee Avenue, which is located within the Downtown Historic District. Mr. Sandine stated the petitioner is requesting to back fill the building pad with granular material and provide a green space where the building is located. Mr. Sandine noted there are no changes proposed for the existing parking on site. As background, Mr. Sandine stated the Village of Libertyville approved the Downtown Historic District in April 2018. He went on to say that per the Historic Preservation Ordinance, any building within an Historic District will need to first obtain a Certificate of Appropriateness prior to demolition. He stated the process of obtaining a Certificate of Appropriateness requires the Historic Preservation Commission to hold a public meeting on the matter and then make a recommendation to the Village Board of Trustees.

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Mr. Sandine stated that the Commission entered into a contract with Ramsey Historic Consultants to review over 350 properties in and around the Downtown area. He stated the purpose of this study was to help identify, document, and evaluate historic structures for their architectural significance. Mr. Sandine stated that the complete report indicated this property, 708 N. Milwaukee Avenue, was listed as a non-contributing structure to a local historic district. Mr. Sandine stated the report identified a lack of significant architectural style to the building, as it has been altered significantly over the years.

Mr. Sandine stated that at the conclusion of the public meeting, the Historic Preservation Commission may offer a recommendation to the Village Board of Trustees. He noted the potential recommendations will be one of the following: 1) Approve the proposal, as submitted; 2) Approve the proposal, subject to conditions; 3) Deny the proposal, as submitted; or 4) Continue the proposal to a following meeting for further deliberation, discussion, and/or to allow for additional materials to be submitted.

Mr. Thomas O'Brien, representative for the petitioner, presented the request for a Certificate of Appropriateness for demolition of a structure. Mr. O'Brien stated the Rhyan family has owned the Liberty Theater for over 50 years and has great regret applying for this demolition request. Mr. O'Brien stated the existing tenant has been given notice to vacate the premises by the end of October. Mr. O'Brien stated the revenue generated within the community has been insignificant, which has caused the family to reduce the rent three (3) times in the past few years. Mr. O'Brien stated the building was constructed in 1937 and will continue to have ongoing repairs due to its age. Mr. O'Brien stated the parking was redone a few years ago, which cost \$72,000. Mr. O'Brien stated the theater has been on the market since 2017, but interested buyers have not wanted to keep the theater building itself. Mr. O'Brien stated the Ramsey Historic Consultants report indicates the building is listed as non-contributing to an Historic District and there should be no reason for the Commission to reject the proposal for demolition.

Commissioner Jondahl questioned if there is any structural damage to the building. Mr. O'Brien stated a structural engineering consultant has not been contacted since the plan is to demolish the building. Commissioner Jondahl stated he is mystified on the request to tear down the structure without knowing if there is any structural damage. Commissioner Galo noted the petitioner has someone interested in the property and questioned their plan for the property. Mr. O'Brien stated it is not an appropriate time to discuss their proposal since there have been no contracts or letter of intents provided.

Ms. Bev Wilcox, 1129 Pinetree Lane, stated she was drawn to the Libertyville community and liked how the Liberty Theater added to the overall community aspect. Ms. Bev Wilcox noted that moving away from these type of amenities may affect those who enjoy visiting the Downtown. Ms. Bev Wilcox questioned if the property will stay a green space or if more condominiums will be built on the site, which may ruin some of the character of the Downtown. Mr. O'Brien questioned the last she had seen a movie at the Liberty Theater. Ms. Bev Wilcox stated it had been about five years, but noted she does not frequent the movies very much anymore. Ms. Bev Wilcox suggested remodeling the theater to allow for more artistic experiences, which seems to be a growing trend.

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Mr. Kyle Cashman, 125 N. Fourth Street, stated he worked at the Rhyan family for five years until 2008. Mr. Cashman stated that since he worked at the theater for so long, he knows the ins-and-outs of the facility as well as anybody. Mr. Cashman stated that to his knowledge, all of the equipment from when he worked there is still in the theater, which makes it viable. Mr. Cashman stated that there is still a niche market for the 35mm print movies. Mr. Cashman questioned why the owner would want to demolish the structure if there is still a viable tenant out there. Mr. Cashman stated he has a backer of investors who are interested in purchasing the property or working out a business deal with the owner so that it remains an entertainment structure. Mr. Cashman stated he would like to see the structure remain and would be very interested in taking over an operation to continue the entertainment aspect in that facility. Mr. Cashman stated it would be premature to grant a demolition request with other investors interested in the building.

Commissioner Jondahl questioned what kind of movies would be shown with this business model. Mr. Cashman stated an arthouse type theater would be a potentially viable option. Mr. Cashman stated he would be interested in having retro movies or family favorites instead of just doing first-run movies.

Mr. Scott Dehn, existing tenant for Liberty Theater, stated he has tried “midnight movie memories” in the past but he is up against the “Netflix, Hulu, Amazon Prime” apps that people can access at home. Mr. Dehn went on to state that options for movies are limited with large scale corporations owning these movies, like “Star Wars”. Mr. O’Brien noted that several cinema investors have looked into the space but nobody has been interested in providing the finances to complete the project.

Ms. Barbara Wilcox, 1129 Pinetree Lane, stated she was recently in Downers Grove and noticed how important the Tivoli Theater was to the residents and overall community. Ms. Barbara Wilcox noted she mostly agreed with Mr. Cashman and recommended showing more classic movies rather than the first-run movies. Ms. Barbara Wilcox noted how watching classic movies is just different on the big screen. Mr. O’Brien stated they have had conversations with Classic Cinema, but they were not interested in the project.

Mr. Cashman questioned the asking price for rent to have a tenant within the facility. Mr. O’Brien stated he would be happy to talk with Mr. Cashman after the meeting.

Mr. Warren Fuller, attorney for the Rhyan family, stated he wanted to refocus the purpose of the public meeting, in that the Commission should refer to the standards of issuance for the Certificate of Appropriateness. Mr. Fuller reiterated the Ramsey Historic Consultants report lists this structure as non-contributing and the Commission’s decision should be based on the facts and standards.

Ms. Barbara Wilcox stated there has been interest to restore the theater to how it once looked, including the Art Deco sign on the front facade. Ms. Barbara Wilcox noted there might be grants available to help make these restorations. Mr. O’Brien stated they have spoken with the Village about grants and the Village stated there is not any TIF money available. Ms. Barbara Wilcox noted the grants she was referring to could potentially come from non-profit enterprises or the

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Illinois Historic Preservation Agency. Mr. Cashman stated he would be interested in restoring the original facade, and noted this would be much cheaper than demolishing the structure altogether.

Commissioner Hamilton-Smith stated the non-contributing designation set forth by the Ramsey Historic Survey does not necessarily mean the structure is not historically significant. Commissioner Hamilton-Smith questioned the timing of when the Transit Oriented Development Plan for the Village was adopted in reference to when the Ramsey Historic Survey was adopted. Mr. John Spoden, Director of Community Development, stated the TOD Plan was adopted in 2017, while the Ramsey Historic Survey was completed in late 2016. Commissioner Hamilton-Smith stated she imagines the individuals who have not spoken are interested in seeing the Liberty Theater remain in some viable way. Commissioner Hamilton-Smith noted the TOD Plan states that the Liberty Theater is a rare entertainment opportunity within the Downtown and the plan endorses that the theater remain. Commissioner Hamilton-Smith noted the TOD Plan goes on to state how the expanded cultural and entertainment uses in general are important to the Downtown development. Commissioner Hamilton-Smith noted how Libertyville still looks like a Village, but there is a lack of entertainment besides the events provided by MainStreet Libertyville. Commissioner Hamilton-Smith goes on to state how the TOD Plan does point out the importance of the Liberty Theater and the value to the other business in the Village. Commissioner Hamilton-Smith stated the fact that the Rhyan family has owned the property for over 50 years is almost historic in that sense. Commissioner Hamilton-Smith hoped other groups may be able to come forward so the theater can be saved, but also accomplish the financial goals for the Rhyan family. Commissioner Hamilton-Smith stated she might be able to speak with other individuals who have had successful business models when turning around historic theaters so that it works with today's economic market.

Commissioner Kollman questioned the primary reason for demolition at this time. Mr. Dan Hiffman, real estate agent for the petitioner, stated the tenant is leaving and there has been a lot of deferred maintenance required. Commissioner Kollman confirmed the primary reason is for economic purposes. Commissioner Kollman questioned if there is a possibility to use the structure in the future. Mr. O'Brien stated there is a possibility, but the future tenant will need to agree to a five-year lease at a market rate rent on a triple-net. Commissioner Kollman questioned if the structure can be repurposed or reused, not necessarily as a theater. Mr. O'Brien stated that is a possibility but the prospective buyers have not shown the theater to remain in their plans. Mr. O'Brien stated any potential tenants would need good credit and agree to a triple-net lease, which means they are responsible for any repairs to the structure. Commissioner Kollman questioned how it is an economic advantage to demolish the structure for a green space. Mr. O'Brien stated their prospective buyers have all looked at demolishing the structure for their designs. Commissioner Kollman questioned why there is a rush to demolish the structure now versus in the future. Mr. O'Brien stated the approval will be good for one-year and will not plan on demolished the structure tomorrow. Mr. O'Brien stated they plan on renting the building through the winter. Commissioner Kollman questioned what the petitioner means by a green space. Mr. O'Brien stated sod will be planted over the building pad. Commissioner Kollman confirmed the proposal is for a lawn in the middle of the Downtown.

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Chairman Hartshorne stated that the grandfathered parking will be revoked once the building is torn down. Mr. O'Brien stated the existing parking lot will remain but the parking for any future tenants should not be the Commission's issue. Chairman Hartshorne stated the parking will be an issue for the Commission in the future when they move forward with building plans and that should be taken into consideration now.

Commissioner Jondahl stated it was possible for the Prairie Crossing train station to be reused and not demolished. Commissioner Jondahl stated he does not buy into the prospect of tearing down a vacant building. Commissioner Jondahl stated once the building is torn down, it's gone.

Commissioner Hamilton-Smith confirmed the family is open to another viable lease and is not wanting to tear down the theater if there is another option. Mr. Jeff Rhyan, owner of the property at 708 N. Milwaukee Avenue, stated he does not want to tear down the theater but it is unviable to keep moving forward with this business plan. Mr. Rhyan stated the existing movie-theater structure has changed so much that the business is no longer able to move forward. He stated that if a business model wanted to use the structure and it was viable, then he would be happy to keep the structure. Mr. Rhyan stated it is the end of the movie theater business with this structure since it is unsustainable. Mr. Rhyan stated the request for demolition will help them with the taxes on the property. Mr. Rhyan suggested the best use for the Village is a parking garage with retail stores in the front. Mr. Rhyan stated the theater is at the end of its life and they do not know what to do with it, so they are requested to remove the old, worthless structure.

Commissioner Hamilton-Smith questioned the role of the Commission. Mr. David Pardys, Village Attorney, stated a property owner generally has the right to demolish their property, but the Commission has established a procedure that requires a Certificate of Appropriateness beforehand in an Historic District. Mr. Pardys stated the Code has a set of standards for the Commission to refer when determining whether or not a Certificate of Appropriateness can be demolished. Mr. Pardys noted that the Standard for Demolition include "whether the property, structure or object is of such historic, cultural, architectural or archeological significance that its demolition would be detrimental to the public interest and contrary to the general welfare of the people of the Village of Libertyville". Mr. Pardys stated the Commission should look to these standards on whether a Certificate of Appropriateness should be granted.

Commissioner Kollman continued on to say that the Certificate of Appropriateness looks for what will replace what is being requested for demolition. Commissioner Kollman stated that in this case, the request is for green space in the attempt to sell the property for a new structure in the future. Commissioner Kollman stated the proposal seems to short-circuit the Code since there is not a new structure planned at this time. Commissioner Kollman stated it sounds like the reasoning for requesting demolition is due to economic reasons or an economic hardship. Commissioner Kollman noted that the Historic Preservation Ordinance has a section on economic hardship, but it first requires the proposal to be denied.

Commissioner Jondahl questioned the standards for demolition in the Code. Mr. Pardys referred Commissioner Jondahl to the Staff Report which discusses the specific standards.

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Mr. O'Brien questioned if the Commission recommends to the Village Board of Trustees. Mr. Pardys stated the Commission will recommend to the Village Board of Trustees for a final approval or denial. Mr. Pardys stated that if the Village Board of Trustees denies the proposal, there is an option to apply for a Certificate of Economic Hardship.

Commissioner Jondahl questioned the time-frame for how long an approval is available. Mr. Spoden stated the Certificate of Appropriateness is good for one-year and is not transferable to another owner without the approval from the Commission.

Commissioner Hamilton-Smith reiterated their options are to approve the proposal as submitted, approve the proposal with conditions, deny the proposal, or continue the proposal to another meeting to deliberate and discuss any options. Commissioner Hamilton-Smith stated for the record that the Commission was missing one member, Melissa Senatore. Commissioner Hamilton-Smith noted that she would like her fellow Commissioner an opportunity to be involved with this matter.

Mr. Spoden stated the Civic Center is available for October 28, 2019 at 7:00pm.

Commissioner Hamilton-Smith made a motion, seconded by Commissioner Galo, to continue the request for a Certificate of Appropriateness for demolition of a structure at 708 N. Milwaukee Avenue, to the October 28, 2019, Historic Preservation Commission meeting.

Motion carried 5 - 0.

Commissioner Galo stated that given the importance of the theater within the Downtown, it is not unreasonable to continue the request for more deliberation.

COMMUNICATIONS AND DISCUSSION:

With no further discussion, Commissioner Kollman made a motion, seconded by Commissioner Jondahl, to adjourn the Historic Preservation Commission.

Motion carried 5 - 0.

Meeting adjourned at 8:15 p.m.