

MINUTES OF THE HISTORIC PRESERVATION COMMISSION
October 28, 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, Mike Kollman and Melissa Senatore.

Members absent: None.

A quorum was established.

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

Commissioner Kollman made a motion, seconded by Commissioner Hamilton-Smith, to approve the September 16, 2019, Historic Preservation Commission meeting minutes, as written.

Motion carried 6 - 0.

Old 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 previously appeared before the Commission on September 16, 2019, to request 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 that the Commission heard the proposal from the petitioner, took testimony from the public, and held a general discussion on the item. Mr. Sandine stated the Commission continued the proposal to October 28, 2019, to allow further deliberation and for a full Commission to review the information. Mr. Sandine 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.

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; or 3) Deny the proposal, as submitted. He noted that any recommendation will be forwarded to the Village Board of Trustees for a final decision on the proposal.

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Mr. Warren Fuller, attorney for the petitioner, presented the request for a Certificate of Appropriateness for demolition of the structure at 708 N. Milwaukee Avenue. Mr. Fuller stated the ownership has determined they are no longer able to continue to operate a theater at this location because it is a money-loser. He noted the owner is 80 years old and only getting older. Mr. Fuller stated that as of this date, there are no contracts in effect with anyone. Mr. Fuller stated the owner continues to have discussions with potential buyers, but the viability of those conversations is unclear. Mr. Fuller stated the purpose and intent of the owner is to comply with the regulations from the Commission and the Village. Mr. Fuller noted the proposal from ownership is to provide a green space that may enhance the Village.

Mr. Fuller went on to quote the Historic Preservation Commission Report provided by Staff, specifically Page 4 “Although extensively altered, the theater building still stands at the north end of the central business district. There are two (2) recreational buildings within the Downtown Survey Area. The first, the Brainerd Athletic Facility at 416 W. Park Avenue, was constructed in 1915, is rated as non-contributing to an Historic District. The second, the Liberty Theater at 708 N. Milwaukee Avenue, is also rated non-contributing. Despite its historic importance to the Village, the building has been extensively altered and no longer retains enough integrity to contribute to the historical character of the downtown” (Ramsey Historic Consultants, 2016). Mr. Fuller went on to state the property at 708 N. Milwaukee Avenue was constructed in 1937 and is listed as a non-contributing structure to a local historic district. There is no significant architectural style to the building as it has been significantly altered over the years. Mr. Fuller stated the owner has been a long-time owner of the property and it has come to a point where it is difficult to maintain a tenant who can pay for the fixed expenses for the building, which is maintenance and real estate taxes. Mr. Fuller stated the report of the Ramsey Historical Consultants is something that should be credible enough to support the proposal. Mr. Fuller stated the ownership does not have any immediate plans for the property. He also noted that no contracts or letter of intents have been signed at the moment.

Commissioner Hamilton-Smith questioned when the Rhyan family purchased the property. Mr. Thomas O’Brien, authorized agent for the petitioner, stated they purchased the property around 1965. Chairman Hartshorne confirmed the property is currently on the market. Chairman Hartshorne questioned how the property has been marketed. Mr. O’Brien stated it has been open to anyone, not necessarily for theater companies. Mr. O’Brien stated a few prospective clients have been interested in re-using the structure and others who have wanted to tear down the structure and put up something new. Commissioner Jondahl recalled the owner state that he does not need the money from the property and suggested they deed the property to the Village. Mr. O’Brien stated the owner was not available this evening so he is unable to answer his question, but noted that as his accountant, that statement would not be true. Commissioner Kollman confirmed the building is currently occupied and able to produce enough revenue to pay for the taxes. Commissioner Kollman confirmed the proposal is to demolish the structure and plant a green space. Commissioner Galo stated he finds it strange how someone with a valuable piece of property would want to tear the structure down and plant grass in the place. Mr. O’Brien stated the property will still be for sale, which is the end game. Commissioner Galo noted there will be a significant expense to demolish the structure, anyway. Mr. O’Brien stated the tenant is on a month-to-month lease and the building could become vacant soon.

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Mr. Ike Reilly, 536 Drake Street, questioned if any offers or letters of intents have been provided by potential buyers. Mr. Fuller stated he has been informed by ownership that there have been no written offers or signed letters of intent for the property.

Mr. John Ruffalo, 911 N. Milwaukee Avenue, stated he appreciates the owner has lowered the rent to keep a viable tenant. Mr. Ruffalo questions the business model in place, since it is clear that business model is not working. Mr. Ruffalo suggested the Village provides a subsidy or a sponsorship from some of the car dealerships. Mr. Ruffalo stated a significant amount of the historic nature has been removed from the theater, but it is a chance to make the Village something else that is other than the neighboring Village's. Mr. Ruffalo noted additional retail or parking structures would simply add to the gridlock in the morning rush hour. Mr. Ruffalo stated the quality of the Village is being destroyed by all of the new condominiums that are being produced, such as those on Winchester Road.

Mr. Kyle Cashman, 125 N. Fourth Street, stated he spoke at the last meeting with the idea of saving the structure and continuing to use it as an entertainment use. Mr. Cashman stated that since the previous meeting, his investors have been getting mixed signals from the realtor. Mr. Cashman stated the price was quoted at a \$3 million market valuation. He noted that when he walked through the place with other representatives, they valued the structure at a much lower price. Mr. Cashman noted that it was previously stated the theater would be closed on October 31, but the marquee is promoting a new movie that will debut on November 1. Mr. Cashman stated he is trying to find out the real timeline on when the tenant will be out of operation. Mr. Cashman stated he thinks the green space will be an eyesore within the downtown. Mr. Cashman stated he would be able to restore the original façade and create a similar marquee to what was existing. Mr. Cashman stated his team would love to move forward with their proposal, but they do not have all of the details, which makes it hard to submit a plan to them.

Ms. Heather Ruffalo, Deerfield Resident, stated she loves the old-world charm in Downtown Libertyville. Ms. Ruffalo stated the Liberty Theatre felt like a little museum with so much history. Ms. Ruffalo stated she was inspired by Mr. Cashman's speech and would be interested in contributing to his team. Ms. Ruffalo stated she thinks the whole community would come together to save the theater. She noted it would be amazing to see the marquee replaced as to how it was in the 1930's.

Ms. Barbara Wilcox, 1129 Pine Tree Lane, stated there is more to a structure that goes beyond the aesthetics. Ms. Wilcox stated there is an intrinsic value that you really can't measure. Ms. Wilcox stated that in all her conversations, there is a solid business plan in place to save the theater and it could really be profitable.

Ms. Elle Ruffalo and Ms. Sasha Ruffalo, 911 N. Milwaukee Avenue, stated they really enjoy going to the Liberty Theater. Ms. Sasha Ruffalo stated she enjoys going to the Liberty Theater with her family and it was really nice. Ms. Elle Ruffalo noted there are other options available, but they like to support the local businesses. Ms. Elle Ruffalo stated she enjoys the family time that her family is able to enjoy at the Liberty Theater. Ms. Elle Ruffalo stated that her family has written letters to the school district to gather ideas on how to use the Liberty Theater.

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Ms. Anastasia Thermos, 1918 Forest Creek Lane, stated she is in attendance to support Sasha after receiving a letter at the Adler Family Association, which she is the President. Ms. Thermos read the letter to the Adler Executive Board and District 70, and stated they are all in support of trying to keep the Liberty Theater. Ms. Thermos stated she has a little emotional tie to the Liberty Theater and thinks it helps make Libertyville feel like a small old-town.

Mr. Tim Archibald, 15514 W. Rockland Road, stated he tried to talk to as many people as he could since the last meeting to get a gauge on how people feel about the property. Mr. Archibald stated most of the people he has talked to indicate there is a lot of love for the theater and he knows it is part of a small town. However, Mr. Archibald noted he is worried the theater is not viable in the long-run. Mr. Archibald stated the property has been on the market for over two years and he is concerned the building will sit empty for a long-time. Mr. Archibald stated that if the building cannot be demolished, it may be difficult for the owner to sell the property. Mr. Archibald stated there can be good things that can happen in a new building, though. He went on to state the owners have been very good community members, but not allowing them to demolish he structure doesn't seem fair. Mr. Archibald stated the main point is that something really good can come of a new structure.

Mr. Jack Regan, 2070 Trenton Road, stated he works for the Liberty Theater and it has provided a unique work experience where everyone is family. Mr. Regan stated he has enjoyed being able to interact with people of all ages, while the building itself does house a number of historic mementoes. Mr. Regan stated Gurnee and Vernon Hills tend to have name-brand restaurants and what make Libertyville unique is the businesses and historic buildings within the Downtown.

Mr. David Steward, 918 Crestfield Avenue, stated he will be celebrating the 20th anniversary as the owner of the Improv Playhouse, located across the street from the Liberty Theater. Mr. Steward stated they are considered a cultural venue that is a multi-dimensional organization creating events for many different companies. Mr. Steward stated one of the major activities of the organization is film making. Mr. Steward stated several members of his staff are Emmy and Oscar nominated film-makers, while many students have went on to some of the highest academic levels of the country, and into the film-making industry. Mr. Steward stated he would like to see the present facility retained into a finer cinematic arts venue. Mr. Steward questioned if the revenue would support that type of facility. Mr. Steward stated in July 2019 he was given a phone call by a major leader within the community and questioned if he would like to partner with another theater company to repurpose the use of that space. Mr. Steward stated that after completing his due diligence, a classical theater would be unviable. Mr. Steward stated a hybrid, classical cinema, independent film center may be a viable option. Mr. Steward stated that he emphasizes with the owner's dilemma, but would be saddened to see it as just another space. He stated he would be in full favor of supporting the Liberty Theater as some kind of movie venue.

Commissioner Hamilton-Smith stated she has done quite a bit of thinking over the past month and revisited the documents supplied by the Village several times. Commissioner Hamilton-Smith noted four pieces of work that advise how the Commission should be viewing the proposal. Commissioner Hamilton-Smith stated the first piece of work is the Historic Preservation Ordinance, which refers to the Secretary of Interior's Standards for Rehabilitation

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of Historic Properties, as amended, and the guidelines included in Section 12.1 of the Historic Preservation Ordinance (codified as Section 7-120). Commissioner Hamilton-Smith noted these standards 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”. Commissioner Hamilton-Smith stated this standard is for anyone, anywhere in the United States, who is looking to have an historic structure demolished.

Commissioner Hamilton-Smith stated the second piece of work, the 2005 Comprehensive Plan of the Village, recommends “encouraging preservation and reuse of key character-giving structures as they become vacant or underutilized. Also, ensuring that new development in the downtown core area does not overwhelm the historic character of Milwaukee Avenue”.

Commissioner Hamilton-Smith stated the third piece of work is the 2016 Ramsey Historical Consultants report that indicates the Liberty Theater is non-contributing. Commissioner Hamilton-Smith noted she has been on the state Historic Preservation Commission Board and read countless documents about what is considered historic. Commissioner Hamilton-Smith noted the Ramsey document only discusses the architecture when determining if it is contributing or not. Commissioner Hamilton-Smith noted the owners have had the property since 1965 and have been the owners as the building has deteriorated.

Commissioner Hamilton-Smith noted the fourth piece is from the 2017 Transit Oriented Development Plan, which states the “Liberty Theater represents a rare entertainment venue in the downtown. These historic theaters have disappeared in many communities and this plan endorses this theater to remain serving the community. Building on the idea, a goal of this plan is that entertainment/cultural aspects of the use be expanded. While market and economic considerations make such a development challenging, this type of use would represent a unique, community based activity that would enhance the downtown. In that regard it remains the optimal alternative. This plan supports continued functioning of the theater, and endorses the idea of expanded entertainment/cultural uses generally”. Commissioner Hamilton-Smith stated the Historic Preservation Commission is one important component for the public to refer to when advising the Village Board on what is special to the Village. Commissioner Hamilton-Smith noted that it is not just the Ramsey report that should be taken into consideration. She stated significant architectural style does not mean magnificent architectural style, but they are both important.

Commissioner Jondahl questioned if the Certificate of Appropriateness were to be issued, how quickly can the process begin and can the Certificate of Appropriateness be revoked. Mr. David Pardys, Village Attorney, stated the applicant will have one (1) year from the issuance of the Certificate of Appropriateness and once it has been issued, there is no way of revoking it. Mr. Pardys reminded the Commission that they are making a recommendation and the Village Board makes the final decision on the matter.

Commissioner Kollman stated the purpose of the Historic Preservation Commission is to (1) Identify, preserve, protect, enhance, and encourage the continued utilization and the

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rehabilitation of such areas, properties, structures, sites, and objects having a special historical, community, architectural, or aesthetic interest or value to the village and its citizens; and (2) Fostering and encouraging preservation, restoration, and rehabilitation of areas, properties, structures, sites, and objects, including entire districts and neighborhoods, and thereby preventing future blight and deterioration. Commissioner Kollman stated the reason for the Commission to help protect the character of the community. Commissioner Kollman stated the public meetings give the public a chance to voice their concerns on matters, which is something the Commission should take into consideration. Commissioner Kollman stated that he had envisioned a replacement plan for structure looking to be demolished, so they know what will be going back in the future. Commissioner Kollman stated the proposal is to tear the building down without knowing what will happen in the future. Commissioner Kollman questioned the urgency to receive the Certificate of Appropriateness to tear the building down now. Commissioner Kollman stated economics do not seem like a proper reason to allow for the demolition.

Commissioner Galo stated that the owner must be contributing a good deal of money to go through this process, but the Commission should not take that into account. Commissioner Galo noted that the petitioner can apply for a Certificate of Economic Hardship, but only after the proposal is denied by the Village Board of Trustees.

Mr. Pardys reminded the Commission that they are making a recommendation on the proposal before them and the Certificate of Economic Hardship is something that can be considered after the Village Board of Trustees makes a final decision, if necessary.

Mr. O'Brien stated there have been numerous offers on the table, with long due diligence periods that have not worked out. Mr. O'Brien stated many different proposals have included keeping the structure and demolishing the structure. Mr. O'Brien noted the previous statement of a listing price of \$3 million is actually \$1.925 million. Mr. O'Brien stated the structure will not come down before Spring 2020. Commissioner Kollman questioned what went into the due diligence. Mr. O'Brien stated the prospective tenants did their studies and understood their figures did not work. Commissioner Kollman confirmed people have expressed interest, though. Mr. O'Brien stated he would like to have the permit if nothing moves forward with any buyers.

Commissioner Senatore questioned if they are looking to have the Certificate of Appropriateness as a condition of sale in case the buyer is going to tear down the structure. Mr. O'Brien stated that is a vague term and he would not put it that way.

Mr. Gary Franzen, 1820 Torrey Parkway, stated he moved to Libertyville in 1965 and would be saddened to see a part of the Village's history removed. Mr. Franzen stated the petitioner reiterated they are not in a hurry until next Spring, and noted a lot of ideas have come out of this meeting. However, he noted that there has not been any discussions on the financing aspect. Mr. Franzen questioned if the Commission is comfortable enough to make a decision tonight. Mr. Franzen stated there is no need to rush and the Commission should continue the proposal to allow residents to pursue their ideas.

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Mr. Fuller stated he hasn't heard of a way to support the privately owned financially. Mr. Fuller stated the Village provides services to its residents and is not responsible to subsidizing a privately owned business. Mr. Fuller stated there has been a change in the world and how people are doing business. Mr. Fuller noted a few weeks ago, on a Saturday night, there were only 16 people in the theater that traditionally houses 500 patrons. Mr. Fuller noted several other locations that were built and knocked down in recent years. Mr. Fuller stated it is important to innovate changes to accommodate the changing world. Mr. Fuller stated that there is not a great demand for the Liberty Theater and the owners are seeking the alternative.

Mr. O'Brien stated there is some urgency to receive a Certificate of Appropriateness so that they can relay that information to potential sellers. Commissioner Kollman questioned if any re-use of the structure is available. Mr. O'Brien stated there is a possibility for the structure to remain, but it depends on the buyer.

Mr. Pardys stated the Commission has certain rights to allow a continuance, but the petitioner has the right to ask for a vote, too. Mr. O'Brien stated they would like for the Commission to vote on the proposal.

Commissioner Kollman clarified that any potential buyer who makes changes to the structure will need to appear before the Historic Preservation Commission for their new structure, too. Commissioner Kollman stated that the buyer is able to ask for a demolition permit with that process. Mr. John Spoden, Director of Community Development, confirmed any change to a structure within the Historic District will need to appear before the Historic Preservation Commission and Village Board of Trustees.

Commissioner Hamilton-Smith reiterated the Commission is charged with (1) Identifying, preserving, protecting, enhancing, and encouraging the continued utilization and the rehabilitation of such areas, properties, structures, sites, and objects having a special historical, community, architectural, or aesthetic interest or value to the village and its citizens; and (2) Safeguarding the village's historic and cultural heritage, as embodied and reflected in such areas, properties, structures, sites, and objects determined eligible for designation by ordinance as landmarks and historic districts. Mr. Pardys stated the standards within the Ordinance are also taken into consideration.

Commissioner Kollman made a motion, seconded by Commissioner Galo, to recommend the Village Board of Trustees approve the request for a Certificate of Appropriateness for demolition of a structure at 708 N. Milwaukee Avenue, in accordance with the plans submitted.

Motion denied 0 - 6.

New Business

None.

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COMMUNICATIONS AND DISCUSSION:

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

Motion carried 6 - 0.

Meeting adjourned at 8:23 p.m.