

IMPACT STUDY
Proposed Health Center

860 W. Irving Park Road
Itasca, Illinois

POLACH APPRAISAL GROUP, INC.

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August 7, 2020

Bridget O'Keefe
Attorney
Daspin & Aument
300 S. Wacker Drive
Suite 2200
Chicago, IL 60606

Re: 860 W. Irving Park Road
Itasca, IL 60143
PAG Inc. File #19-0813

Dear Ms. O'Keefe,

Pursuant to your request, we have conducted a study to determine whether the proposed health center at 860 W. Irving Park Road in Itasca will cause substantial injury to the value of other property in the neighborhood in which it is located or be injurious to property values or improvements in the vicinity of the subject property. The study has been requested in connection with Haymarket DuPage LLC's Petition for Special Use applications for a special use permit from the Village of Itasca for the conversion of a hotel to a health center and a special use for a planned development to permit a health center. This report is to be used by the petitioner, Haymarket DuPage LLC, and its representatives for this purpose.

We have completed similar studies for various property types including the following:

Assisted living residence; transitional house for ex-offenders; single room occupancy residence; troubled women's shelter; hospital; hospital garage and helipad; nursing home; public park, student housing; community center; recreation center; cellular tower; industrial development/use; big box retail-Costco/Meijer; shopping center/Jewel; proposed hotel; auto dealership; horse stable/arena/riding academy; water tower; Sunday school; fast food with drive-in; aquatic center; office building; school; elderly housing; broadcast antenna; storage yard; gravel pit; golf course; landfill; waste transfer station; composting facility; retail store; country club and tennis club; food processing; power lines; gas station; adult uses; bank; concrete/asphalt processing plant; townhouse development; playground.

The subject property is the former Holiday Inn Chicago West located at 860 W. Irving Park Road within Itasca that is located on a property containing approximately 7.0 acres or 304,942 square feet. The property is located within the Village of Itasca in an area generally improved with commercial, and industrial uses. The primary arterial streets within the area are West Irving Park Road to the north and Rohlwing Road to the west. Interstate 290 is located directly east of the subject; however, the subject property does not have direct access.

We have considered the surrounding land uses with respect to any impact as a result of the proposed use. Commercial uses, schools and residential uses within the area have been considered in this analysis to determine any potential impact. We have also considered any impact on the economic development potential within the area. The proposed use has been planned to be operated in a manner that the public health, safety and welfare will be protected.

According to the Village of Itasca Zoning Ordinance, the subject property is zoned B-2 Community Business District. The type of use proposed for the subject property is not permitted by right and would therefore require approval of a special use permit. A special use must be approved by the Village Board of Trustees and must meet the criteria of the Village of Itasca Zoning Ordinance.

A Special Use approval is being sought by the petitioner, Haymarket DuPage LLC, to operate a health center. According to the Petition for Special Use, "The request is for approval of a special use for a health center under Section 8.04.2.m of the Itasca Zoning Ordinance. Health Centers (Healthcare Facilities) include "clinics" and "hospitals" such as that proposed. The Petitioner will operate and maintain the existing building and facilities on the subject property without new site development, other than interior renovation, enhanced landscaping improvements and fenced patio. There will be no change to the height, size or location of existing structures. The facility will hold a maximum of 240 beds (144 Recovery Home beds and 96 Treatment beds)."

In addition, a Special Use for a planned development approval is being sought by the petitioner, Haymarket DuPage LLC, to permit a health center. According to the Petition for Special Use, "The request is for approval of a special use for a planned development under Section 14.12 of the Itasca Zoning Ordinance to permit a Health Center under Section 8.04.2.(m) and (u) of the Itasca Zoning Ordinance. Health Centers (Healthcare Facilities) include "clinics" and "hospitals" such as that proposed. The Petitioner will operate and maintain the existing building and facilities on the subject property without new site development, other than interior renovation, enhanced landscaping and fenced patio. There will be no change to the height, size or location of existing structures. The facility will hold a maximum of 240 beds (144 Recovery Home beds and 96 Treatment beds)"

Assignment

Specifically, we have examined the subject and its environs in order to provide an opinion as to whether or not the proposed use will cause substantial injury to the value of other property in the neighborhood in which it is located.

The steps taken in our analysis included:

- Inspection of the subject property and the adjoining properties
- Inspection of the surrounding area
- Review of the zoning map and relevant maps for the Village of Itasca
- Review of pertinent documents
- Analysis of the immediate area and the real estate trends within the area.
- Review of the proposed use
- Review of Village of Itasca Zoning Ordinance
- Research of market data within the subject area
- Review and consideration of prior studies
- Review of similar uses within the area and research of surrounding market data
- Analysis of the information and data to arrive at an opinion
- Preparation of a consulting report

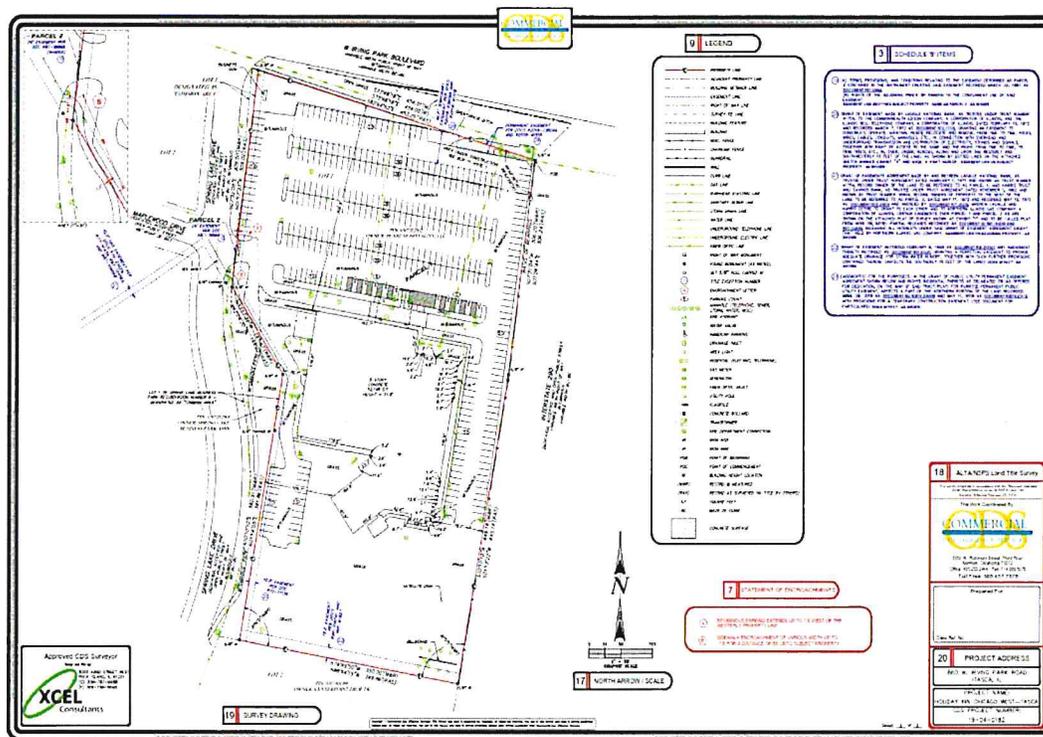
Subject Property

The subject property is the former Holiday Inn Chicago West located at 860 W. Irving Park Road within Itasca that is located on a property containing approximately 7.0 acres or 304,942 square feet. We have been provided with the following Plat of Survey prepared by Gremley & Biedermann that is dated May 23, 2019 and was signed June 3, 2019.



According to this Plat of Survey, the subject property contains an area of 7.00 acres or 304,942 square feet and the building has a total building footprint area of 52,158 square feet. The building height is indicated to be 52.0 feet above grade.

We have also been provided with the following ALTA/NSPS Land Title Survey prepared by Xcel Consultants dated April 26, 2019 with a latest revision date of May 3, 2019.



According to this Plat of Survey, the subject property contains an area of 7.00 acres or 304,942 square feet and the building area is 52,198 square feet. The building height is indicated to be 51.8 feet.

A legal description of the subject property land is contained within the previously referenced survey.

PARCEL 1:
 LOT 1 IN ITASCA CENTER ASSESSMENT PLAT OF PART OF FRACTIONAL SECTION 7, TOWNSHIP 40 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED SEPTEMBER 27, 1971 AS DOCUMENT R71-49442, IN DUPAGE COUNTY, ILLINOIS.

ALSO DESCRIBED AS:
 THAT PART OF FRACTIONAL SECTION 7, TOWNSHIP 40 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:
 BEGINNING AT THE INTERSECTION OF THE NORTH LINE OF LOT 1 IN ITASCA CENTER ASSESSMENT PLAT ACCORDING TO THE PLAT THEREOF RECORDED SEPTEMBER 27, 1971, AS DOCUMENT R71-49442 AND THE WEST RIGHT OF WAY LINE OF F.A.I. 80; THENCE SOUTH 07 DEGREES 26 MINUTES 44 SECONDS EAST ALONG SAID WEST RIGHT OF WAY LINE A DISTANCE OF 306.24 FEET (FORMERLY A RECORD DISTANCE OF 306.20 FEET) TO AN ANGLE POINT IN SAID WEST RIGHT OF WAY LINE; THENCE SOUTH 01 DEGREES 13 MINUTES 22 SECONDS WEST, A DISTANCE OF 445.19 FEET TO THE SOUTHEAST CORNER OF SAID LOT 1, SAID POINT BEING ALSO THE NORTHEAST CORNER OF LOT 2 IN SPRING LAKE BUSINESS PARK RESUBDIVISION NO. 6 PER DOCUMENT R91-060677; THENCE NORTH 88 DEGREES 44 MINUTES 15 SECONDS WEST ALONG SAID SOUTH LINE OF LOT 1 A DISTANCE OF 349.86 FEET (FORMERLY A RECORD DISTANCE OF 350.00 FEET) TO THE SOUTHWEST CORNER OF SAID LOT 1, SAID POINT BEING ALSO THE SOUTHEAST CORNER OF LOT 1 IN SPRING LAKE BUSINESS PARK RESUBDIVISION NO. 6 AFORESAID; THENCE NORTH 01 DEGREES 14 MINUTES 05 SECONDS EAST ALONG THE WEST LINE OF SAID LOT 1 IN ITASCA CENTER ASSESSMENT PLAT A DISTANCE OF 581.86 FEET (FORMERLY A RECORD DISTANCE OF 582.51 FEET); THENCE NORTH 42 DEGREES 04 MINUTES 30 SECONDS WEST A DISTANCE OF 148.23 FEET (FORMERLY A RECORD DISTANCE OF 147.47 FEET); THENCE NORTH 01 DEGREES 17 MINUTES 33 SECONDS WEST ALONG THE WESTERLY MOST LINE OF LOT 1 IN SAID ITASCA CENTER ASSESSMENT PLAT, SAID LINE BEING ALSO THE EAST LINE OF LOT 2 IN SPRING LAKE BUSINESS PARK PER DOCUMENT R87-37278, A DISTANCE OF 309.02 FEET (FORMERLY A RECORD DISTANCE OF 309.50 FEET) TO THE NORTHWEST CORNER OF SAID LOT 1; THENCE SOUTH 82 DEGREES 44 MINUTES 50 SECONDS EAST ALONG THE NORTH LINE OF SAID LOT 1, BEING ALSO THE SOUTH RIGHT OF WAY LINE OF ROUTE 19 (IRVING PARK ROAD) AS OCCUPIED, A DISTANCE OF 453.25 FEET (FORMERLY A RECORD DISTANCE OF 454.0 FEET) TO THE POINT OF BEGINNING, IN THE CITY OF ITASCA, DUPAGE COUNTY, ILLINOIS.

PARCEL 2:
 PERPETUAL NON-EXCLUSIVE EASEMENT FOR THE BENEFIT OF PARCEL 1 AS CREATED BY GRANT OF EASEMENT DATED MARCH 11, 1987 AND RECORDED MARCH 22, 1987 AS DOCUMENT R87-38966 FOR A PERMANENT AND PERPETUAL EASEMENT GRANTING INGRESS AND EGRESS OVER THE LAND SHOWN ON EXHIBIT C OF SAID GRANT OF EASEMENT, AND BEING A PART OF THE FOLLOWING DESCRIBED LAND:

LOT 2 IN SPRING LAKE BUSINESS PARK, A SUBDIVISION OF PART OF FRACTIONAL SECTION 7, TOWNSHIP 40 NORTH, RANGE 11 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED MARCH 18, 1987, AS DOCUMENT R87-37278, IN DUPAGE COUNTY, ILLINOIS.

THE LAND SHOWN IN THIS SURVEY IS THE SAME AS THAT DESCRIBED IN CHICAGO TITLE INSURANCE COMPANY, COMMITMENT #CCH1901461LD, DATED MARCH 26, 2019.

We recommend that the legal description be verified by legal counsel prior to use in any document or conveyance.

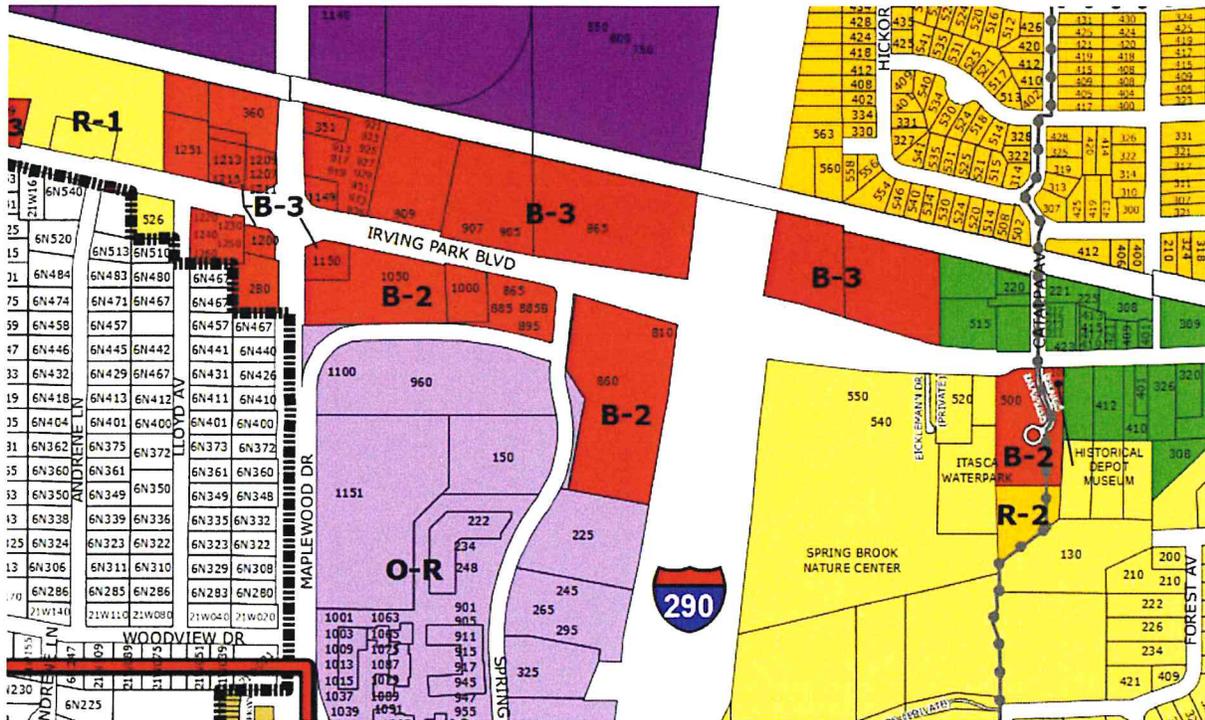
The property is located at the southeast corner of West Irving Park Road and Spring Lake Drive within the Village of Itasca. The tax identification number is 03-07-202-002. The subject property is comprised of a five story building. According to the previously referenced Surveys, the site area is 7.00 acres or 304,942 square feet. The building has been reported to contain approximately 128,000 square feet with 373 parking spaces and 11 ADA compliant spaces for a total of 384 marked parking spaces total. We understand petitioner will install bicycle racks to meet village code requirements for vehicle and bicycle parking on site. We have not inspected the interior of the subject property improvements.



The property has frontage and exposure along West Irving Park Road, Spring Lake Drive and Interstate 355/Interstate 290 (Eisenhower Expressway). Access to the property is provided via Spring Lake Drive. Surrounding the subject property is a mix of commercial and industrial uses and Interstate 355/Interstate 290 to the immediate east.

The owner, according to the 2019 DuPage County tax information, is reported to be Haymarket DuPage LLC. The property is located within the Police, Fire, Library and Park Districts of Itasca. According to the DuPage GIS information, the subject property is located within District 10 Grade School District and District 108 High School District.

The zoning map for the Village of Itasca indicates that the property is zoned B-2, Community Business District.



ZONING DISTRICTS

- R-1** SINGLE FAMILY RESIDENCE DISTRICT
- R-2** SINGLE FAMILY RESIDENCE DISTRICT
- R-3** GENERAL RESIDENCE DISTRICT
- B-1** LOCAL BUSINESS DISTRICT
- B-2** COMMUNITY BUSINESS DISTRICT
- B-3** SERVICE BUSINESS DISTRICT
- B-4** TRADITIONAL DOWNTOWN NORTH DISTRICT
- B-5** TRADITIONAL DOWNTOWN SOUTH DISTRICT
- B-6** IRVING PARK ROAD DISTRICT
- ROC** REGIONAL OFFICE CENTER DISTRICT
- O-R** OFFICE RESEARCH DISTRICT
- M** LIMITED MANUFACTURING DISTRICT

The petitioner is requesting approval of a special use for a health center for the subject property under section 8.04.2.m of the Village of Itasca Zoning Ordinance which identifies “health centers, including clinics and hospitals” as a special use within a B-2 zoning district within the Village of Itasca. Also requested is approval of a special use for a planned development to permit a health center.

We have reviewed the Village of Itasca PD (Planned Development) zoning regulations, specifically with regard to the request for approval of a special use for a planned development under Section 14.12 of the Itasca Zoning Ordinance to permit a Health Center under Section 8.04.2.(m) and (u) of the Itasca Zoning Ordinance. We have been

provided petitioner's applications and a copy of Attachment D to the Petition for Special Use for Planned Development dated August 2020. We have reviewed and retained these documents in our workfile.

Our review of the proposed special use indicates that it is generally consistent with the types of uses and development allowed under the B-2 zoning district within the Village which includes medical clinics and as special uses health centers including clinics and hospitals.

We have considered the surrounding area and surrounding uses to the subject property. Adjoining uses consist of the following:

- North - Industrial Building occupied by Mr. David's Flooring International, LLC
- Northwest - Industrial Building occupied by Gym Stars, ETC & Music & Arts, Hankyu Hashin Express (shipping and logistics) and Westmont Realty Capital
- South - Industrial Building occupied by Stephen Gould Corporation, custom products and packaging
- East - Interstate 355/Interstate 290, Springbrook Nature Center, Village of Itasca Village Hall and Police Department
- West -
 - Multi-tenant retail building at SWC of Irving Park & Spring Hill Drive (Including America's Best Train, Toy & Hobby Shop)
 - Industrial Building occupied by Glass Solutions, Inc. at SWC of Spring Hill Drive & Maplewood Drive

Considered Factors

Factors including, but not limited to, those considered in our analysis:

- The existing property and the proposed use
- Present zoning of the subject property.
- Present use of the subject property.
- Existing landscaping which will be maintained and improved.
- Traffic generation of the existing and proposed use.
- Health center activity will be limited to within the interior of the improvements.
- The facility will be staffed, including security, 24 hours a day.

Following is some of the information that has been considered in our analysis:

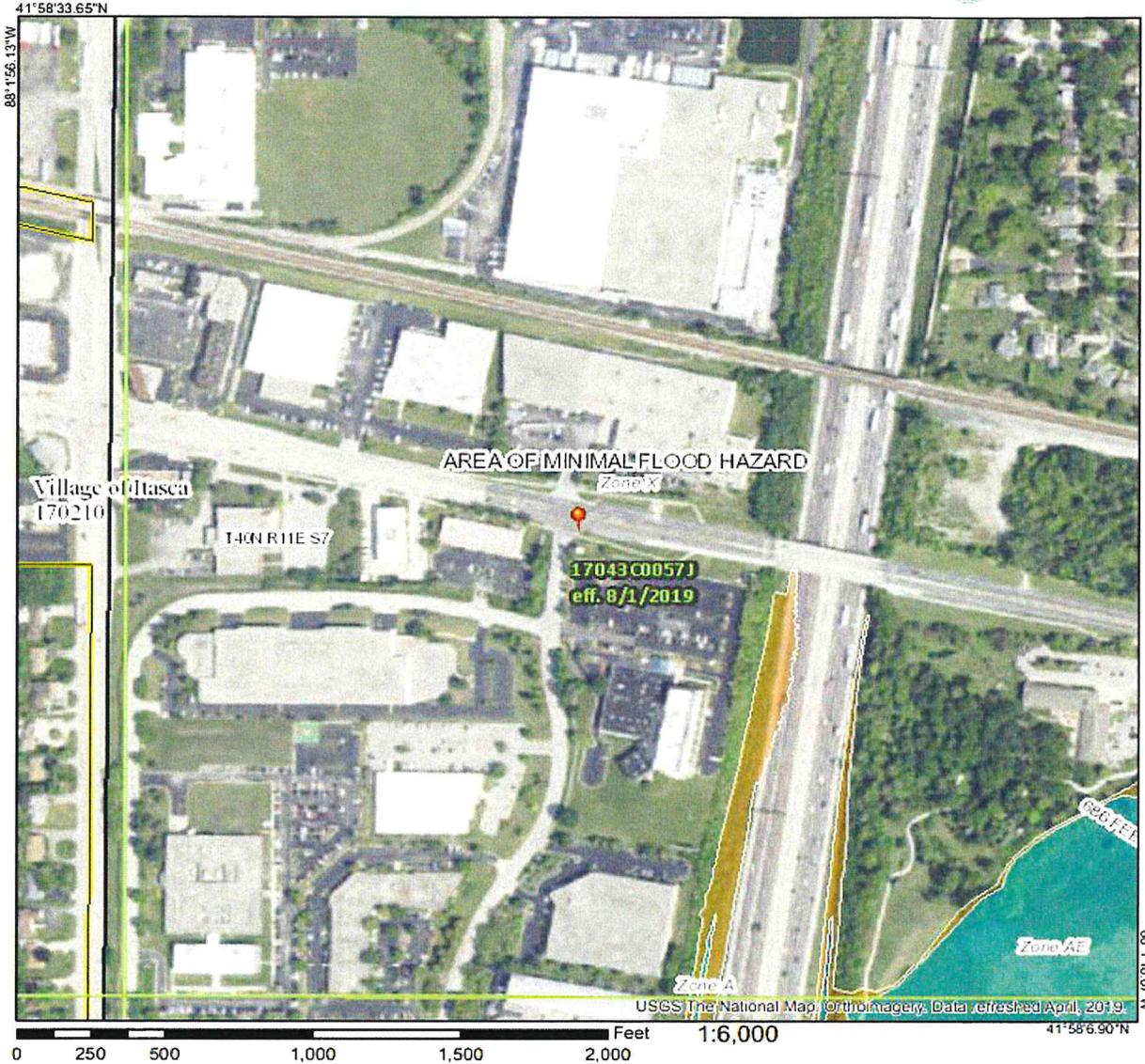
- Aerial Photos & Tax Maps
- Village of Itasca Zoning Map and Zoning Ordinance
- Village of Itasca Website
- DuPage County Website
- Legal Description of Property
- Applicant Statement of Ownership
- Haymarket Bulk Standards Chart

- Elevation Drafts prepared by Archiplan International, Ltd., dated January 1, 1996 and revised February 22, 1996
- Interior Floor Plans prepared by Arco Murray, dated May 30, 2019 and July 20, 2020
- Plat of Survey prepared by Gremley & Biedermann, dated June 3, 2019
- Photometric Lighting Plan prepared by Nova Consulting Group, dated June 5, 2019
- Dynamic Survey prepared by XCEL Consultants, dated June 6, 2019
- Authorization Letter to the Village from owners of record, dated June 23, 2019
- Letter from the Village of Itasca Community Development Department regarding correspondence requesting waiver dated June 25, 2019
- Petition for Special Use for approval of a special use, dated July 22, 2020
- Petition for Special Use for approval of a planned development, dated July 22, 2020
- Traffic and Parking Impact Study prepared by Kenig, Lindgren, O'Hara, Aboona, Inc.
- Village of Itasca Consultant Services Agreement, dated July 1, 2019
- Letter from Michael M. Roth of Ice Miller regarding Zoning Proposal, dated July 3, 2019
- Lobby Level Occupancy Plan prepared by Arco Murray, dated July 7, 2019
- Tower Level Occupancy Plan prepared by Arco Murray, dated July 7, 2019
- Landscape Plans prepared by LG Workshop, LLC, dated July 18, 2019
- Letter regarding zoning proposal submitted by Ice Miller LLP., dated August 2, 2019
- Letter from Michael M. Roth of Ice Miller regarding Sign Ordinance Enforcement, dated September 6, 2019
- Village of Itasca Staff Report for proposed Public Hearing
- Petition for Special Use for approval of a special use, dated August 7, 2020
- Petition for Special Use for approval of a planned development, dated August 2020
- Updated Interior Floor Plans prepared by Arco Murray, dated July 7, 2020
- Updated Landscape Plan prepared by LG Workshop, LLC, dated July 18, 2020
- Public Safety Impact Report prepared by James Dominik, Managing Member of Polaris Public Safety Solutions, LLC
- Evaluation Report titled, "Evaluation of an application for a Special Use to allow the establishment of a not-for-profit health care facility, in a B-2 Community Business District" prepared by George V. Kisiel, AIA, AICP, President of Okrent Kisiel Associates, Inc. dated August 2020.
- The Fiscal and Economic Impact of the Proposed Haymarket DuPage prepared by Gruen Gruen + Associates, *Urban Economists, Market Strategists & Land Use/Public Policy Analysts*, dated August 2020

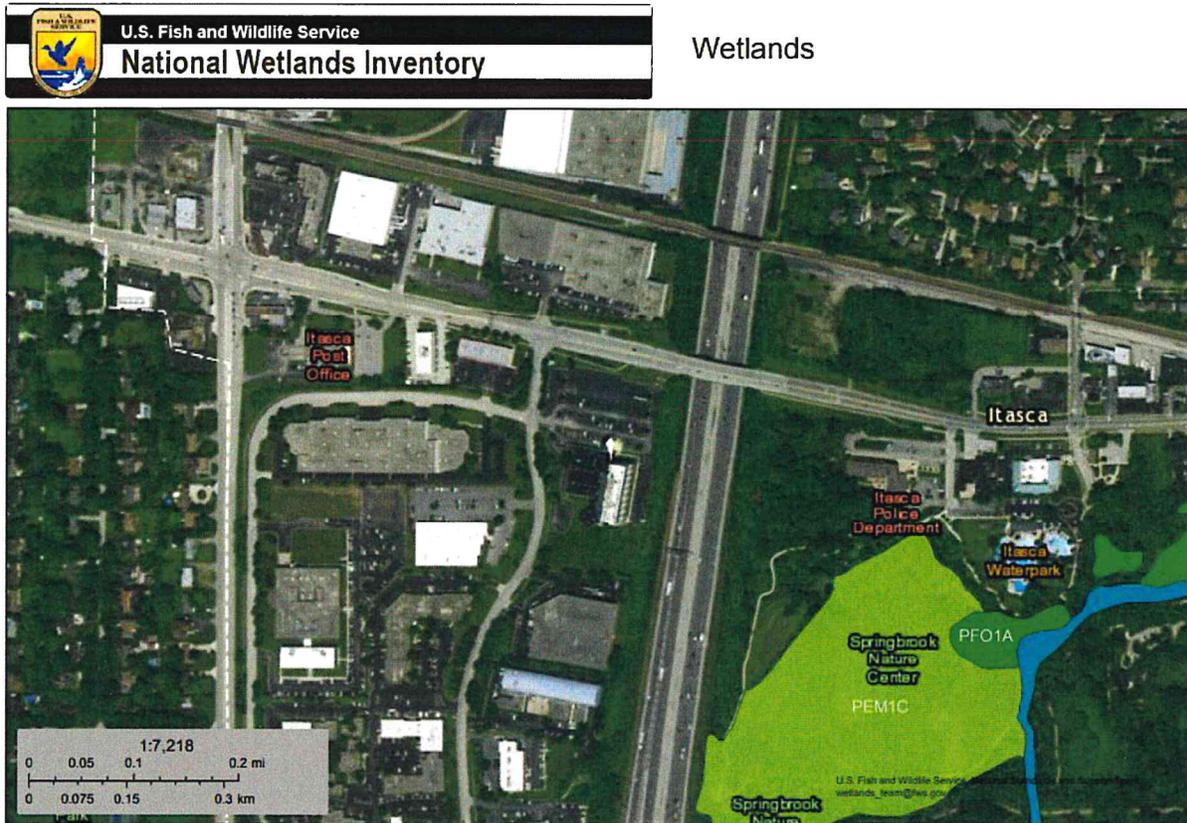
The prior list is a partial list of the information considered. Additional information not listed above has been considered and retained in our work file.

We have reviewed the Federal Emergency Management Agency floodplain maps and according to map number 17043C0057J, dated August 1, 2019, the subject property is within Zone X, an area outside of any 100 year mapped flood hazard area and floodway.

National Flood Hazard Layer FIRMette



According to the U.S. Fish and Wildlife Service National Wetland Inventory Maps there are no areas of mapped wetland located at the subject property. No formal wetland study was provided regarding wetlands.



Special Use

The subject property is proposed to be used as a health center facility. The proposed use will utilize the existing improvements that are currently located on the subject property.

A Special Use approval is being sought by the petitioner, Haymarket DuPage LLC, an Illinois limited liability company to operate a health center.

According to the Petition for Special Use:

The request is for approval of a special use for a health center under Section 8.04.2.m of the Itasca Zoning Ordinance. Health Centers (Healthcare Facilities) include "clinics" and "hospitals" such as that proposed. The Petitioner will operate and maintain the existing building and facilities on the subject property without new site development, other than interior renovation, enhanced landscaping improvements and fenced patio. There will be no change to the height, size or location of existing structures. The facility will hold a maximum of 240 beds (144 Recovery Home beds and 96 Treatment beds).

The Petitioner will provide diagnosis, treatment, and recovery support for persons disabled by substance use and behavioral health disorders who voluntarily seek care. Services will include inpatient, outpatient, and recovery programming, as described in detail in Attachment A.

Petitioner also requests a variation permitted under Section 4.11.8 of the zoning ordinance to waive the site plan standards as stated in Section 14.13.7.c, 14.13.7.d, and 14.13.7.e.

In addition, a Special Use approval is being sought by the petitioner, Haymarket DuPage LLC, an Illinois limited liability company, for a planned development to permit a health center.

According to the Petition for Special Use:

The request is for approval of a special use for a planned development under Section 14.12 of the Itasca Zoning Ordinance to permit a Health Center under Section 8.04.2.(m) and (u) of the Itasca Zoning Ordinance. Health Centers (Healthcare Facilities) include "clinics" and "hospitals" such as that proposed. The Petitioner will operate and maintain the existing building and facilities on the subject property without new site development, other than interior renovation, enhanced landscaping improvements and fenced patio. There will be no change to the height, size or location of existing structures. The facility will hold a maximum of 240 beds (144 Recovery Home beds and 96 Treatment beds).

The Petitioner will provide diagnosis, treatment, and recovery support for persons disabled by substance use and behavioral health disorders who voluntarily seek care. Services will include inpatient, outpatient, and recovery programming, as described in detail in Attachment A.

Petitioner requests the exceptions to the special use planned development standards and to the required site plan standards as stated in Attachment D be considered as part of the planned development application.

Attachment D states:

Attachment D summarizes the exceptions being sought from Section 14.12(7) and Section 14.13 of the Itasca Zoning Code. Pursuant to a letter from the Itasca Director of Community Development dated June 25, 2019, the Village informed the Petitioner that certain planned development standards were not applicable to this project and agreed to a waiver of these requirements. This letter was attached to the original application for a special use as a planned development filed with the Village on July 3, 2019. The purpose of Attachment D is to list the exceptions that are still sought to be considered as part of the application for a planned development.

Per prior agreement with the Village, it was determined that a previously filed application for two bulk variations is not required due to the fact that they are legal, non-conforming conditions that have been in place since the building was originally built pursuant to a previously issued special use approval from the early 1970s. These are being included on this list of exceptions per the request of the Village.

The following exception approvals are requested from Section 14.12 of the Itasca Zoning Code governing Planned Developments:

- An exception for Section 14.12(7)(a)(6) of the Itasca Zoning Ordinance (Standards – Bulk Exceptions) is requested to allow the continuation of each existing bulk deviation for the Property. Applicant proposes no redevelopment of the site (other than enhanced landscaping improvements requested by the Village which are depicted on the revised Landscape Plan attached hereto) or the existing building. The Property was formerly a hotel, which is a special use under the Village of Itasca B-2 zoning classification. As such, any existing deviations from bulk standards have been previously permitted by the Village. The known existing deviations from standards are: (i) the existing 5-story (51.8') building; and (ii) the existing 36.7' side yard (west) building setback.

The following exception approvals are requested both because no development, redevelopment, or change to the exterior of the building is proposed; and because no dwellings, dwelling units, or residential occupancy as defined in Section 3.02 of the Itasca Zoning Ordinance are proposed:

- Exception for Section 14.12(7)(b)(1) of the Itasca Zoning Ordinance (Standards-Residential Density)
- Exceptions from Section 14.12(7)(b)(2) of the Itasca Zoning Ordinance (Standards-Residential and Business uses) There will be no business uses provided within the facility. Only health care uses will be provided on-site.
- Exception from Section 14.12(7)(b)(3) of the Itasca Zoning Ordinance (Standards-Residential Open Areas) Regardless of the requested exception, there be a fenced patio provided which will be directly accessible from the building. The patio will be landscaped and available for use only by clients and staff. The fenced patio is depicted on the revised Landscape Plan attached hereto.
- Exception from Section 14.12(7)(b)(4) of the Itasca Zoning Ordinance (Standards-Residential Access to Dwellings) The building and the existing means of ingress and egress for vehicular and pedestrian traffic will remain unchanged.
- Exception from Section 14.12(7)(e)(1) of the Itasca Zoning Ordinance (Standards-Minimum Requirements for separate spaces) This is not applicable because the applicant does not proposed to provide and set-out, by platting, deeding, dedication, restriction or covenant any land or space to be used for parks, playgrounds, commons, greenways or open areas. The entire property will be used as a healthcare facility center.
- Exception from Section 14.12(7)(e)(2) of the Itasca Zoning Ordinance (Standards-Minimum Requirements) There will be no business uses on site; the entire property will be used as a healthcare facility. Sections 14.12(7)(e)(2)(b)-(e) and (g)-(k) are not applicable because the building will remain unchanged as will the site except for the provision of enhanced landscaping per the revised Landscape Plan attached hereto. While the applicant disagrees with the Village's interpretation that the healthcare facility will feature dwelling units, as to such, there will be no dwelling units on the first floor where only detox units, which are health care in nature, will be located on the first floor.

The following exception approvals are requested because no development, redevelopment, or change to the exterior of the building is proposed:

- Exception from Section 14.12(7)(a)(7) of the Itasca Zoning Ordinance (Standards-Architectural Consistency). The exterior design of the building will remain unchanged by the adaptive reuse of the building.
- Exception from Section 14.12(7)(d) of the Itasca Zoning Ordinance (Standards-Business) There will be no business uses provided within the healthcare facility. Only health care uses will be provided on-site. In addition, there will be no change to the site except that enhanced landscaping will be provided as depicted on the revised Landscape Plan attached hereto.

The following exception approvals are requested from Section 14.13 of the Itasca Zoning Code governing Site Plan Regulations:

- Exception from Section 14.13(7)(c) of the Itasca Zoning Ordinance (Standards for Class 1 Site Plan-Open Space and Landscaping) because there will be no development or exterior remodeling of the building and there will be no change to the site except that enhanced landscaping will be provided as depicted on the revised Landscape Plan attached hereto. Signage will be processed pursuant to a separate permit at a future date. Lighting will be provided as depicted on the attached Photometric Plan attached hereto.
- Exception from Section 14.13(7)(d) of the Itasca Zoning Ordinance (Standards for Class 1 Site Plan-Open Space and Landscaping) because there will be no development or exterior remodeling of the building and there will be no change to the site except that enhanced landscaping will be provided as depicted on the revised Landscape Plan attached hereto.
- Exception from Section 14.13(7)(e) of the Itasca Zoning Ordinance (Standards for Class 1 Site Plan-Access and Circulation) because there will be no development or exterior remodeling of the building and there will be no change to the site except that enhanced landscaping will be provided as depicted on the revised Landscape Plan attached hereto.
- Exceptions from Section 14.13(7)(f)–(i) of the Itasca Zoning Ordinance (Standards for Class 1 Site Plan-Public Service and Utilities, Environmental Considerations, Preservation and Downtown Design Guidelines) because there will be no development or exterior remodeling of the building and there will be no change to the site which will involve changes to existing public services or utilities and environmental conditions. The existing building is neither historic in nature nor located in the Itasca downtown area.
- Exception from Section 14.13(3)(j) of the Itasca Zoning Ordinance to allow filing of sign elevation at a future date.

The demand for this type of use has been discussed within the previously referenced Applications. According to the provided applications:

The special use is necessary and desirable for the public convenience due to the rapid and widespread growth of the life threatening health and safety problems caused by substance use and behavioral health disorders in DuPage and the surrounding collar counties, as well as in Illinois and the rest of the country—as explained in more detail in Attachment B. The special use will contribute to the general welfare of the community because this location offers the Petitioner the ability to improve access to treatment and recovery services that are needed in DuPage County and the surrounding collar counties. This particular site is appropriate for the reasons stated in response to #4 herein

Itasca's zoning ordinance presents a hardship and impediment to community access to needed treatment because the zoning regulations exclude healthcare facilities, including clinics and hospitals, from all but the Village's one regional office center, except as allowed by special use permit. Further, Itasca's zoning director's letter dated May 9, 2019 states that a planned development must be approved for the proposed health center, notwithstanding that the planned healthcare center does not meet the features required for a planned development. The proposed use and occupancy of the subject property will promote the public health, safety and general welfare of the community, DuPage County and the collar counties as a whole. The grant of the requested special use at this location would be a reasonable accommodation in favor of individuals in need of the Petitioner's services. The hardship that the Petitioner—and those individuals needing care—would suffer by the denial of the Petition outweighs any gain to the public by refusing the Petition.

Currently the building is vacant and not in use. This use will revitalize an under-utilized property, enhance existing landscaping, and provide 163 new jobs to Itasca.

The need for the proposed use is described in more detail within Attachment B of the applications which have been retained in our workfile.

The applications to the Village explains the proposed facility. It is stated, "The Petitioner proposes to operate a behavioral health center with a range of medical and clinical services for inpatient, outpatient and recovery programming for substance use disorders and behavioral health treatment. The Petitioner will maintain the existing building and facilities on the identified property with no change to the height, size, or location of the existing former hotel structure and with no new site development except for enhanced landscaping and fenced patio. Planned interior renovations will be to convert some current guest rooms to group counseling rooms, clinical and medical staff offices, and nurse stations; to expand the recreation center; and to fill in the pool. Existing hotel rooms that are not renovated as described will be used for patient care. There will be a maximum of 240 beds on site: 144 Recovery Home beds and 96 Treatment beds. Haymarket's historic experience is 80%-85% occupancy at any given time. No room is a "Dwelling" or "Dwelling Unit," as defined in the Zoning Ordinance (pages 3-13 through 3-14), nor will become a "Dwelling" or "Dwelling Unit" through renovation or use."

The application continues, "The behavioral health center will be licensed by the Illinois Department of Human Services for a continuum of substance use disorder treatment services for adult males and females, ages 18 and older, under Title 77 Illinois Administrative Code Rule 2060 and as further described by the American Society of Addiction Medicine."

The continuum of services to be included are detailed within the application.

The petitioner states that the services included will consist of assessment and diagnosis of patients as well as inpatient programs, which may range from 14 to 90 days. The typical stay is indicated to be around 28 days.

These inpatient programs are stated as rapid stabilization programming with a maximum stay of 14 days and medically monitored withdrawal management with a typical stay of three to five days. The application states, "Residential substance use disorder programs are staffed with registered nurses or licensed practical nurses and Illinois Certification Board-certified or licensed counselors at least 40 hours per week and with additional program staff 24 hours per day, seven days per week, 365 days per year." More details are provided within the application which has been retained in our workfile.

The application reports that the outpatient programs are staffed with Illinois Certification Board-certified or licensed counselors and case managers.

In addition, it is stated that "Recovery home programs with separate programs for men and women. Recovery home stays will usually be 90 days but may be up to 365 days."

The programs that have a stay overnight or longer are reported to have two patients per room.

Security is addressed within the application. It is stated that "The facility will have trained security personnel on site 24 hours per day, seven days per week, 365 days per year, as well as security cameras. All individuals accessing treatment units, whether to visit or for receiving care, will be subject to a routine search by security staff."

It is stated that "Petitioner expects to employ 163 full time staff that will include medical, clinical, program support, administrative, security, housekeeping and janitorial services."

Traffic Impact Study

We have been provided with a Traffic Impact Study prepared by Kenig, Lindgren, O'Hara, Aboona, Inc. dated August 6, 2020, which discusses traffic and is referenced later in this report. At the subject's location, West Irving Park Road is a four-lane road running east-west with two lanes in each direction and a center lane allowing left-turn lanes/movements from intersecting roadways. According to the Illinois Department of Transportation, the average daily traffic count along this section of West Irving Park Road is 16,000 vehicles. Spring Lake Drive is a two-lane road running north-south with one lane in each direction. No count was provided for Spring Lake Drive. The Study concluded:

- The proposed development will have a low traffic impact on the surrounding roadway network.
- The signalized access off IL 53 and the two unsignalized access points off both IL 53 and IL 19 that serve the Spring Lakes Business Park and the proposed development, will continue to operate at acceptable levels of service during peak hours and no roadway or traffic control improvements are recommended at these intersections in conjunction with the proposed development.
- The existing full access drive off Spring Lake Drive opposite Maplewood Drive that serves the site will continue to be adequate to accommodate the projected traffic estimated to be generated by the proposed redevelopment.
- Based on the surveys of an existing similar facility, and data provided by Haymarket DuPage, the existing approximate 384-space parking lot serving the site will be adequate to accommodate the peak parking demand of the proposed development, which will primarily consist of employees and visitors.

Public Safety Impact

We have been provided with a Public Safety Impact Report prepared by James Dominik, Managing Member of Polaris Public Safety Solutions, LLC which provides that "The purpose of the report is to assess the projected impact that Haymarket DuPage will have on the Itasca Fire Protection District's ("IFPD") Fire and Emergency Medical Services ("EMS") programs and the Village of Itasca Police Department and the

community members currently served.” This report concludes, “Even with the minimal increases in projected calls, Itasca’s public safety agencies will continue to have sufficient capacity to handle these calls without the need for additional personnel or equipment. Haymarket DuPage will have a minimal impact on Itasca’s public safety agencies and their ability to continue to provide high quality services to the community members that they serve.”

Economic Impact Study

We have been provided with, and reviewed, a report titled, The Fiscal and Economic Impact of the Proposed Haymarket DuPage prepared by Gruen Gruen + Associates, *Urban Economists, Market Strategists & Land Use/Public Policy Analysts*, dated August 2020. This report has two stated purposes:

- Estimate the fiscal impact of Haymarket DuPage on the General Fund of the Village of Itasca and Itasca Fire Protection District #1.
- Estimate the economic impact of the on-going operation of Haymarket DuPage on the DuPage County, Illinois economy.

This report concludes the following:

PRINCIPAL FINDINGS FISCAL IMPACT ANALYSIS

- *Haymarket DuPage is estimated to generate over \$17,700 per year in tax revenues to the General Fund of Itasca.*
- *Haymarket DuPage is estimated to induce approximately \$27,716 to \$35,210 per year in municipal service costs.*
- *The net annual fiscal impact to the Village of Itasca General Fund is estimated at approximately (\$9,971) to (\$17,465). This equates to less than 1/10th to less than 2/10^{ths} of one percent of the total General Fund budget.*
- *Given estimated average service fee revenues of \$5,922 to \$7,896, and \$38,859 to \$54,198 of expenditures, the net fiscal impact estimated to be allocated to providing fire protection service to Haymarket DuPage is estimated at (\$32,937) to (\$46,302). This equates to 0.72 percent to 1.01 percent of the total Itasca Fire Protection District expenditure budget. On an annual cost per capita basis of only the Village residents and not the broader District, this range equates to approximately \$3.36 to \$4.72 per Itasca resident.*

PRINCIPAL FINDINGS ECONOMIC IMPACT ANALYSIS

- *On-going operations of Haymarket DuPage will support an estimated 191 total jobs (direct and indirect) and \$10.6 million of total annual earnings (direct and indirect) within DuPage County. Total annual output impact is estimated at \$27.7 million in DuPage County.*
- *Direct impacts of on-going Haymarket DuPage operations (estimated at 163 jobs and approximately \$9.6 million in annual earnings) will occur locally in the Village of Itasca.*

These findings demonstrate the relatively small costs potentially associated with the establishment of the proposed use.

Evaluation Report

We have been provided with an Evaluation Report titled, "Evaluation of an application for a Special Use to allow the establishment of a not-for-profit health care facility, in a B-2 Community Business District" prepared by George V. Kisiel, AIA, AICP, President of Okrent Kisiel Associates, Inc. dated August, 2020.

This report provides a conclusion of the Special Use Standards Analysis of, "Given the foregoing, the proposed adaptive reuse of the vacant commercial structure for a not-for-profit health care facility for substance use disorders meets the standards required for approval of special uses under the Itasca Zoning Ordinance."

This report provides a conclusion of the Planned Development Standards Analysis of "Given the foregoing the proposed adaptive reuse of the vacant commercial structure for a not-for-profit healthcare facility for substance use disorders meets the standards required for approval of planned developments under the Itasca Zoning Ordinance."

The Site Plan Review Standards Analysis concludes, "Given the foregoing the proposed adaptive re-use of the vacant commercial structure for a not-for-profit health care facility for substance use disorders meets the standards that would be applicable for site plan review under the Itasca Zoning Ordinance."

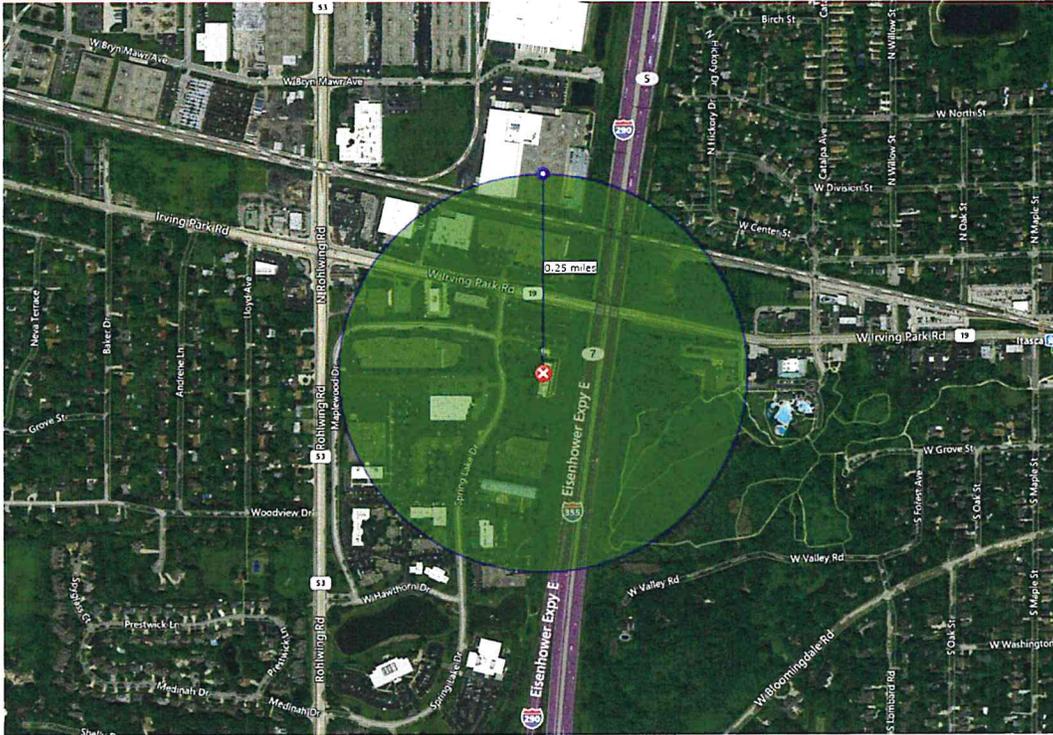
The overall conclusion of the report is stated as, "The proposed adaptive reuse of the vacant commercial structure for a not-for-profit healthcare facility for substance use disorders meets the standards for Special Uses contained in §14.11, the standards that would be applicable for Planned Developments contained in §14.12, and the standards that would be applicable for Site Plan Review under §14.13 the Itasca Zoning Ordinance. Any impacts caused by the proposed change in use are negligible and not of such a magnitude so as to justify discrimination against a protected class of citizens."

Adjoining Use Impacts

The proposed special use will not interfere with the use of any of the adjoining properties. The properties adjoining the subject, which are commercial and industrial can continue to be utilized as they could be prior to the proposed use of the subject as a health center. The proposed use will provide a viable reuse of a vacant property which had limited utility for its designed use. As stated in the Okrent report, "the site is located in a decidedly non-residential area with a mix of commercial, light industrial and smaller retail uses. The proposed not-for-profit health care facility is an institutional use and does not conflict with neighboring uses." A wide variety of commercial and industrial uses adjoin health related uses including hospitals, doctors offices, treatment centers, and health centers with no impact on their property value. Commercial and industrial properties typically coexist with a wider variety of uses without a significant impact on the property value than residential properties. The subject zoning provides for health centers in proximity to commercial uses indicating their compatibility. While we

have considered the commercial and industrial uses within the subject area we have also analyzed the potential impact on residential property values.

We have researched and analyzed residences proximate to the subject property. As can be seen on the following map from the Multiple Listing Service of Northern Illinois which indicates 0.25 miles from the subject property, there are generally no single-family residences within this area.



The nearest residential property to the subject (measured from the centers of the properties) is to the northeast of the subject property and is separated from the subject property by Interstate 355/Interstate 290, West Irving Park Road, vacant land and railroad right of way.

According to the Evaluation Report prepared by George V. Kisiel, AIA, AICP of Okrent Kisiel Associates, Inc., specific distances were measured from the subject property to the nearest residential properties. This report states, "The proposed site is well removed from any residential development with a 10-lane, grade separated expressway (I-290) with a 350 foot right-of-way and a 90 foot railroad right-of-way, all of which provides separation from the nearest residential parcel to the northeast. In addition a \pm 10 foot tall buffer wall lines the eastern boundary of the expressway right-of-way adjacent to the nearest residential properties. While the measured distance –"as the crow flies"– to the nearest residential parcel to the east is 714 feet, the nearest residential parcel is more than 2,287 feet away by travel distance."

The nearest residential property to the west is located on the west side of Rohlwing Road (Illinois Route 53) and is approximately 0.28 miles away (measured from the center of the properties). There are several residences located along and facing Illinois

Route 53 which are separated from the subject property by the intervening improved industrial/business park.

The previously mentioned Okrent Kisiel Associates, Inc. Evaluation Report provides more specific distances. The report states, "The nearest residential property to the west is separated from the subject property by the entire depth of Spring Lake Business Park. The measured distance – "as the crow flies"– to the nearest residential parcel to the west is 1,248 feet. Travel distance to that parcel measures in excess of 1,950 feet. It should be noted that no sidewalks are present on either side of Rohlwing Road south of the commercial properties at the southwest corner of Rohlwing Road and Irving Park Road."

We have researched sales of detached single family residences throughout the Village of Itasca. According to the Multiple Listing Service of Northern Illinois data for 2018 there were 73 detached single family sales throughout the Village of Itasca. The single family residences had an average sale price of \$356,723 and a median sale price of \$330,000. The reported 2019 sales figures in the Village indicate 83 sales with an average price of \$378,239 and a median price of \$325,000. The reported 2020 year-to-date sales figures in the Village indicate 43 sales with an average price of \$326,389 and a median price of \$310,000.

We have also researched detached single family sales for the same time period which have occurred within a half-mile radius and a one-mile radius of the subject.

Year	# of Sales	Average Sale Price	Median Sale Price
2018 (½ Mile)	7	\$296,821	\$304,250
2018 (1 Mile)	39	\$375,265	\$355,000
2019 (½ Mile)	11	\$343,513	\$308,750
2019 (1 Mile)	47	\$395,830	\$375,000
2020 YTD (½ Mile)	5	\$274,770	\$250,000
2020 YTD (1 Mile)	23	\$349,532	\$337,000

We have also researched sales of attached single family residences throughout the entire Village of Itasca. In 2018, throughout the Village of Itasca, there were 59 attached single family sales. The sales had an average price of \$245,398 and a median sale price of \$249,900. In 2019, throughout the Village of Itasca, there were 56 attached single family sales. The sales had an average price of \$253,987 and a median sale price of \$252,250. The year-to-date 2020 sales figures in the Village indicate 28 sales with an average price of \$251,285 and a median price of \$257,500.

We have also researched attached single-family sales for the same time period which have occurred within various radii of the subject. Due to the limited number of sales

within a half-mile we have expanded our search to a one-mile radius and a 1.5-mile radius of the subject. In 2018, within one mile of the subject, there were 27 attached single family sales with an average sale price of \$226,178 and a median sale price of \$222,500. In 2019, within one mile of the subject, there were 27 attached single family sales with an average sale price of \$246,129 and a median sale price of \$250,000. The 2020 year-to-date sales figures within one mile indicate 10 sales with an average price of \$216,050 and a median price of \$240,500.

In 2018, within 1.5 miles of the subject, there were 53 attached single family sales with an average sale price of \$238,068 and a median sale price of \$242,000. In 2019, within 1.5 miles of the subject, there were 51 attached single family sales with an average sale price of \$243,338 and a median sale price of \$248,500. 2020 year-to-date sales figures within 1.5 miles indicate 25 sales with an average price of \$246,440 and a median price of \$255,000.

There are examples of single family residences selling proximate to treatment centers. The following are a few of these examples which have been examined.

We have considered Woodridge Interventions located at 2221 64th St within Woodridge, Illinois. According to the website for this facility, they offer "four separate residential treatment programs for adolescents and adults with substance abuse issues." This treatment center is located adjoining single family, multiple family, sports facilities, retail commercial, restaurant and office uses. Using a radius of 0.25 miles from this address on the Multiple Listing Service of Northern Illinois and a time frame of 24 months back for detached single family residences, there were 9 sales with an average sale price of \$312,933 and a median sale price of \$320,000. Using the same parameters with a radius of 0.50 miles from the same address results in 65 sales with an average sale price of \$297,187 and a median sale price of \$285,000.

We have also considered Lutheran Social Services of Illinois located at 675 Varsity Drive in Elgin, Illinois. According to their website, "LSSI's Addiction Treatment Center in Elgin offers a residential rehabilitation ("rehab") program for adults (18+)." This treatment center adjoins single family residences, a high school, restaurant and various commercial uses. Using a radius of 0.25 miles from this address on the Multiple Listing Service of Northern Illinois and a time frame of 24 months back for detached single family residences, there were 9 sales with an average sale price of \$201,622 and a median sale price of \$218,700. Using the same parameters with a radius of 0.50 miles from the same address results in 23 sales with an average sale price of \$195,052 and a median sale price of \$214,500.

We have also considered Gateway Aurora located at 400 Mercy Lane in Aurora, Illinois. According to the website, this facility is, "a residential addiction treatment center." The treatment center is adjoined by single family and multiple family residences, medical center and medical clinics, restaurants and a wide variety of retail commercial uses. There are no detached single family residential sales within a radius of 0.25 miles from this address. Using a radius of 0.5 miles from this address on the Multiple Listing Service of Northern Illinois and a time frame of 24 months back for detached single

family residences, there were 17 sales with an average sale price of \$181,738 and a median sale price of \$189,900. Using the same parameters with a radius of one mile from the same address results in 150 sales with an average sale price of \$172,754 and a median sale price of \$170,000.

We have further considered Rosecrance, Lakeview, located at 3701 N. Ashland Avenue, Chicago, an adult and young adult substance abuse treatment center for long and short term residential treatment. The facility, which opened in mid-2016, is located at the northeast corner of Ashland and Waveland Avenues. The facility is located in the Lakeview neighborhood and is adjacent to single-family and multi-family residences as well as commercial businesses.

We have researched sales of detached single family residences within a 0.25 mile radius of the facility for the calendar year 2013, prior to the facility's opening, and for each subsequent calendar year through December 31, 2018.

Using the Multiple Listing Service of Northern Illinois for detached single family residences, there were 23 sales during 2013 with an average sale price of \$1,333,131. Using the same parameters with a radius of 0.25 mile from the same address results in sales during 2018 with an average sale price of \$1,498,795. Examining attached single family residences, there were 90 sales during 2013 with an average sale price of \$425,043. Using the same parameters with a radius of 0.25 mile from the same address results in 66 sales during 2018 with an average sale price of \$439,501.

The real estate market surrounding Haymarket Center Chicago was also reviewed. The area in which it is located has changed to a luxury market faster than any other area in the City with development of major residential and commercial projects. Haymarket is surrounded by luxury apartments and condominiums including ZOM, being developed across the street, Circa 922, 1000 W. Washington Lofts, 900 West and Hayden West Loop which has sold condominiums for over \$4,000,000. Sales of residences within 0.25 mile of Haymarket numbered 207 with an average sale price of \$721,310. Nearby commercial uses include banks, restaurants, hotels, retail stores, a Montessori school and offices including McDonald's and Google.

A review of these sales does not indicate a significant difference in sale price due to proximity to a treatment facility. Facilities of this type coexist with residential, commercial and industrial uses within the areas in which they are located.

We have reviewed the Village of Itasca Staff Report for proposed Public Hearing September 18, 2019. This report concludes within the Summary Section "Haymarket DuPage LLC seeks to convert an occupied commercial hotel to a mixed-use residential and healthcare facility, with other accessory uses, to provide a continuum of treatment services for people dealing with substance abuse. Haymarket's proposal to convert a commercial hotel, which generates significant revenue to the Village, to a non-profit, tax-exempt use presents both long-term fiscal concerns and impacts the Village's long-range plan to preserve and develop limited commercial properties for high-quality, tax producing uses. Further, the proposal is inconsistent with both the present zoning and the Village's Comprehensive Plan. Among the many issues and questions

addressed in this report, Staff does not find that the petitioner has adequately demonstrated the need for the proposed facility at the subject site in Itasca.” Since the date of the staff report, Haymarket DuPage LLC has acquired the property, thus there is no longer any commercial activity occurring on site to which the proposed use should be compared. Additional staff comments and concerns have been addressed by the petitioner and the petitioner’s consultants.

As reported in the Traffic Impact Study prepared by Kenig, Lindgren, O’Hara, Aboona, Inc, the proposed development will have a low traffic impact on the surrounding roadway network. The signalized access off IL 53 and the two unsignalized access points off both IL 53 and IL 19 will continue to operate at acceptable levels and no roadway or traffic control improvements are recommended in conjunction with the proposed development. The existing full access drive off Spring Lake Drive that serves the site will continue to be adequate to accommodate the projected traffic. And the existing approximate 384-space parking lot serving the site will be adequate to accommodate the peak parking demand of the proposed development. Inclusion of bicycle racks will meet village code requirements for vehicle and bicycle parking on site. No traffic issues are anticipated upon establishment of the proposed use.

If the proposed use secures a tax exemption, as compared to the past use of the property, the tax revenue to the taxing bodies will be reduced.

Any impact from the reduction of the subject property tax revenue could potentially be offset by potential benefits of a treatment center in the community. Within the study report “NBER Working Paper Series, Substance Use Disorder Treatment Centers and Property Values” written by Brady P. Horn, Aakrit Joshi, and Johanna Catherine which is also identified as Maclean Working Paper 25427 dated January 2019 the authors state “...our findings suggest that the potential benefits of SUDTCs (Substance Use Disorder Treatment Centers) to the community may offset potential costs, leaving property values unchanged.”

The Polaris report states that “Even with the minimal increases in projected calls, Itasca’s public safety agencies will continue to have sufficient capacity to handle these calls without the need for additional personnel or equipment.”

The Gruen Economic Impact Study indicates the following:

“The net annual fiscal impact to the Village of Itasca General Fund is estimated at approximately (\$9,971) to (\$17,465). This equates to less than 1/10th to less than 2/10^{ths} of one percent of the total General Fund budget.”

“Given estimated average service fee revenues of \$5,922 to \$7,896, and \$38,859 to \$54,198 of expenditures, the net fiscal impact estimated to be allocated to providing fire protection service to Haymarket DuPage is estimated at (\$32,937) to (\$46,302). This equates to 0.72 percent to 1.01 percent of the total Itasca Fire Protection District expenditure budget. On an annual cost per capita basis of only the Village residents and not the broader District, this range equates to approximately \$3.36 to \$4.72 per Itasca resident.”

While the tax revenue will be reduced the reduction will have little impact on individual taxpayers. As stated in the Okrent Kiesel report "Finally, these costs are minimal in the context of the overall budgets for the taxing bodies that provide services to the local population and the proposed facility."

We have also reviewed articles and publications that considered treatment centers and property values.

We have reviewed a publication titled, "Not in My Backyard": The Effect of Substance Abuse Treatment Centers on Property Values written by Claire R. LaRoche, Bennie D. Waller, and Scott A. Wentland which was published within JOSRE, Volume 6, No. 1 - 2014. This publication states that the effect of a rehab center was considered at different proximities. It is stated, "Specifically, we explore the effect of a rehab center (within 1/8 mile) on nearby real estate as compared to similar homes further out (i.e., within 1.5 miles, 1 mile, and 2/3 mile, respectively). This approach allows us to further homogenize location as a robustness check, and to provide additional evidence that the external effect is specific to the rehab facility, and not simply the part of town in which it is located."

This publication concludes, "In this study, we find evidence that residential substance abuse treatment centers adversely impact the price of neighboring homes. We find that homes within 1/8 mile of a treatment center sell for approximately 8% less than otherwise comparable homes that are located further away. Furthermore, we find that the market differentiates between potential risks that nearby treatment centers may carry, as living near a methadone clinic that treats opiate addictions such as heroin or morphine may be associated with a reduction in home values by as much as 17%. We find little evidence that nearby treatment centers affect a home's time on market."

This study's conclusions are based on the study of residential properties that are located within approximately 660 feet of the treatment center. The control areas used in comparison were beyond 660 feet indicating that any impact would not likely extend that distance. The nearest residential property to the subject (from the centers of the properties) is approximately 1/4 of a mile, and is more than 660 feet from property line to property line, and is separated from the subject by I-355, Irving Park Road, vacant land and railroad right of way. The study indicates that the residences within the area of the subject property would not be impacted.

We have considered a more extensive recent report titled, "NBER Working Paper Series, Substance Use Disorder Treatment Centers and Property Values" written by Brady P. Horn, Aakrit Joshi, and Johanna Catherine. This paper is also identified as Maclean Working Paper 25427 and is dated January 2019. It is stated within this paper:

Substance use disorders (SUDs) are a major social concern in the United States and other developed countries. There is an extensive economic literature estimating the social costs associated with SUDs in terms of healthcare, labor market outcomes, crime, traffic accidents, and so forth. However, beyond anecdotal claims that SUD treatment centers (SUDTCs), settings in which

patients receive care for their SUDs, have a negative effect on property values, there is scant empirical work on this question. In this paper, we investigate the effect of SUDTCs on residential property values using data from Seattle, Washington, and SUDTC location, entry, and exit information. To mitigate bias from the potential endogeneity of SUDTC location choices, we apply a spatial differences-in-differences (SDD) model, which uses property and SUDTC location to construct treatment and comparison groups. Our findings suggest that SUDTCs endogenously locate in lower value areas, and naïve models imply that the entry of an SUDTC leads to a 3.4% to 4.6% reduction in property values. When an SDD model is applied, we find no evidence that SUDTCs affect property values. Overall, our findings suggest anecdotal claims that SUDTCs reduce property values are potentially overstated.

This January 2019 study refers to the 2014 study previously referred to and dismisses the conclusions since the authors used an identification strategy which differs from approaches used currently leaving interpretation of the findings unclear.

Conclusions

We have conducted a study to determine whether in our opinion the proposed Haymarket DuPage facility and use will cause substantial injury to the value of other property in the neighborhood in which it is located or be injurious to property values or improvements in the vicinity of the subject property. We have also considered whether or not there would be any impact on development potential within the area.

In our analysis we have considered the surrounding land uses with respect to any impact as a result of the proposed use. Similar uses to the proposed use exist within DuPage County and the adjoining area. Various studies have been considered in this analysis to determine any potential impact. There is nothing unique about the proposed use of the subject property and nothing unique about the adjoining development which would create impacts not found in other uses of these types. This is shown by the similar uses referenced.

The subject area is significantly developed with commercial and industrial uses and any development or redevelopment can occur as it could prior to the proposed use. As described in the applicant's submittals the proposed use has been planned to be operated in a manner that the public health, safety and welfare will be protected. The special use will not be detrimental to the development of other property within the area.

Based upon our analysis of the proposed use and our experience, it is our opinion that the proposed use will not prevent the use of the adjoining property. The commercial and industrial properties can continue to be used for their current and potential uses just as before establishment of the proposed use. As is evidenced by the existing uses within the subject area we have concluded that the proposed use will not impede the normal and orderly development and improvement of surrounding property for permitted uses.

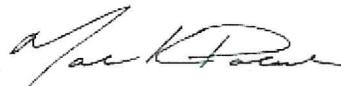
Based upon our analysis of the proposed special uses being sought by the petitioner, our analysis of the existing uses within the subject area, and our experience in real estate appraisal, it is our conclusion that the proposed use will not cause substantial injury to the value of other property in the neighborhood in which it is located and will not be injurious to property values or improvements in the vicinity of the subject property.

Respectfully submitted,

POLACH APPRAISAL GROUP, INC.

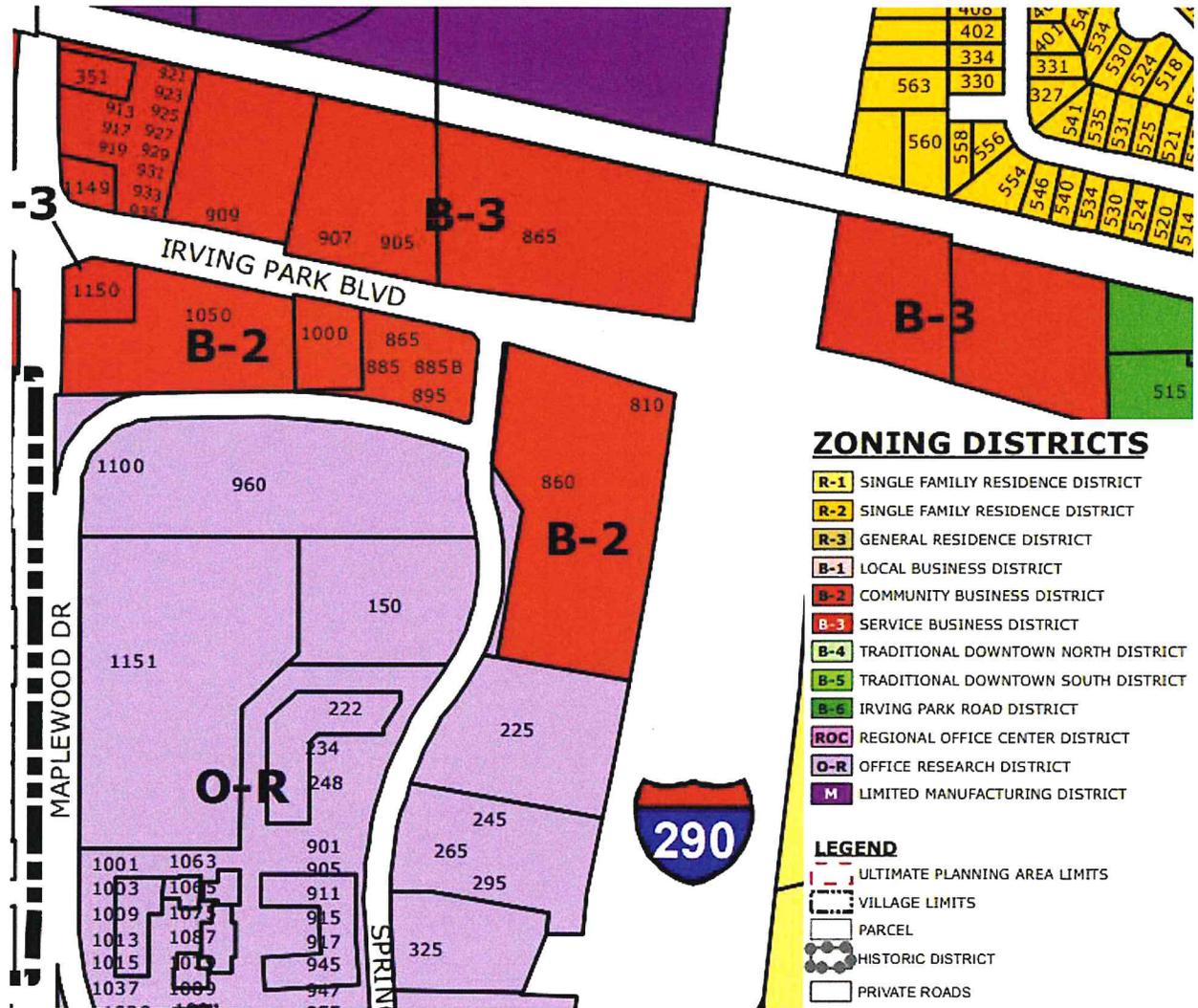


Kenneth F. Polach, MAI, SRA
IL Cert No. 553.000340 Exp. 9/30/2021



Mark K. Polach
IL Cert No. 553.001545 Exp. 9/30/2021

Village of Itasca Zoning Map



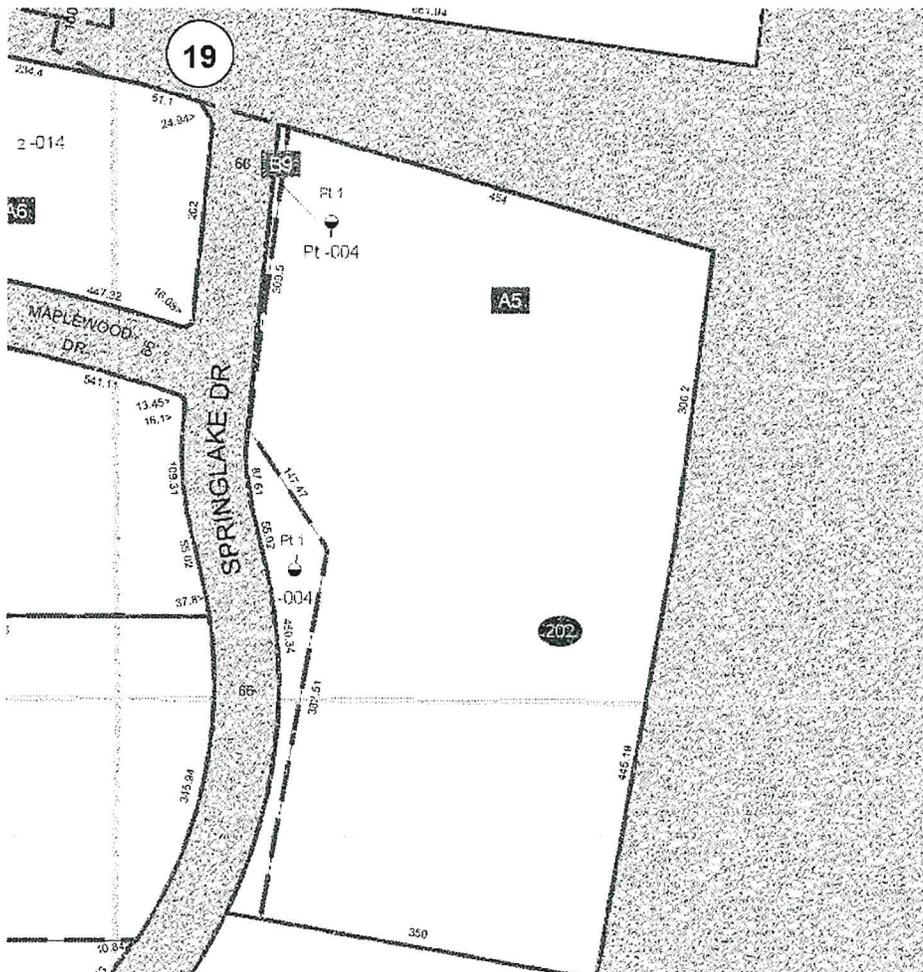
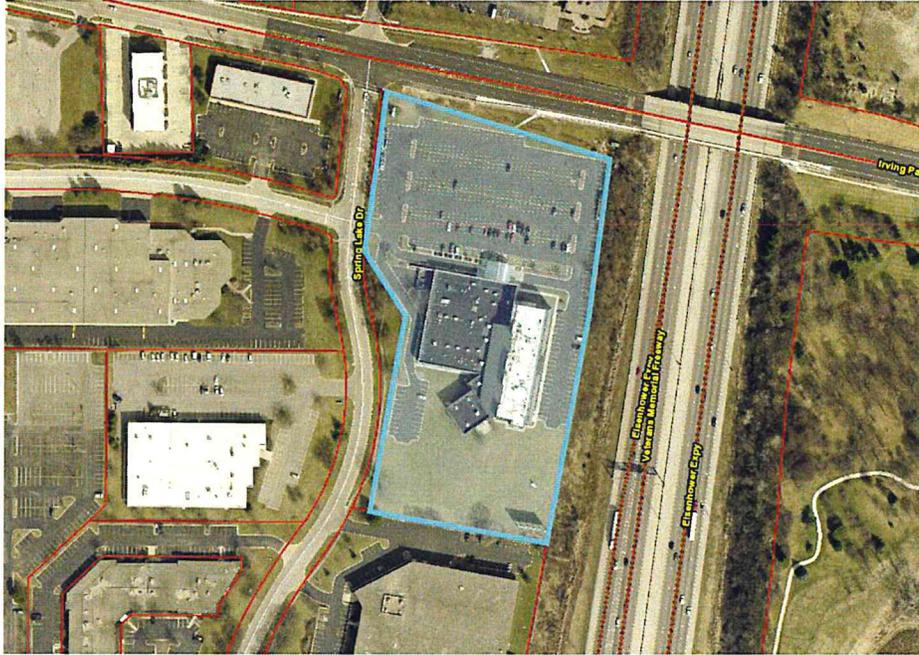
ZONING DISTRICTS

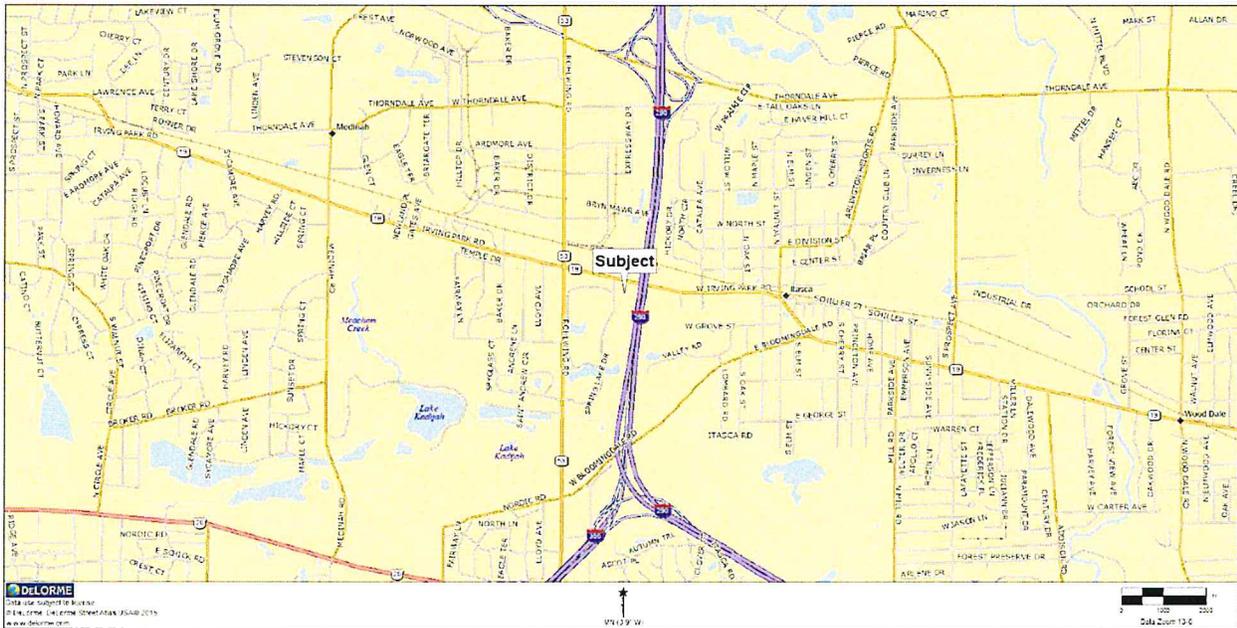
- R-1** SINGLE FAMILY RESIDENCE DISTRICT
- R-2** SINGLE FAMILY RESIDENCE DISTRICT
- R-3** GENERAL RESIDENCE DISTRICT
- B-1** LOCAL BUSINESS DISTRICT
- B-2** COMMUNITY BUSINESS DISTRICT
- B-3** SERVICE BUSINESS DISTRICT
- B-4** TRADITIONAL DOWNTOWN NORTH DISTRICT
- B-5** TRADITIONAL DOWNTOWN SOUTH DISTRICT
- B-6** IRVING PARK ROAD DISTRICT
- ROC** REGIONAL OFFICE CENTER DISTRICT
- O-R** OFFICE RESEARCH DISTRICT
- M** LIMITED MANUFACTURING DISTRICT

LEGEND

- ULTIMATE PLANNING AREA LIMITS
- VILLAGE LIMITS
- PARCEL
- HISTORIC DISTRICT
- PRIVATE ROADS

Subject Property





Subject Photos







CONTINGENT AND LIMITING CONDITIONS

It is assumed that the title to this property is good and marketable. No title search has been made, nor have we attempted to determine ownership of the property. The value opinion is given without regard to any questions of title, boundaries or encroachments. It is assumed that all assessments are paid. We assume the property to be free and clear of liens and encumbrances except as noted. No attempt has been made to render an opinion or determine the status of easements that may exist.

The legal description, if included in any report, should be verified by legal counsel before being relied upon or used in any conveyance or other document.

We are not familiar with any engineering studies made to determine the bearing capacity of the land. We assume improvements in the area appear to be structurally sound. It, therefore, is assumed that soil and subsoil conditions are stable unless specifically outlined.

Any exhibits in the report are intended to assist the reader in visualizing the property and its surroundings. The drawings are not intended as surveys and no responsibility is assumed for their cartographic accuracy. Drawings are not intended to be exact in size, scale or detail.

Areas and dimensions of the property may or may not have been physically measured. If data is furnished by the principal or from plot plans or surveys furnished by the principal, or from public records, we assume it to be reasonably accurate. In the absence of current surveys, land areas may be based upon representations made by the owner's agents or our client. No responsibility is assumed for discrepancies which may become evident from a licensed survey of the property.

Our value opinion involves only the real estate and all normal building equipment if any improvements are involved. No consideration was given to personal property, (or special equipment), unless stated.

It is assumed that the property is subject to lawful, competent and informed ownership and management unless noted.

Information in this report concerning market data was obtained from buyers, sellers, brokers, attorneys, trade publications or public records. To the extent possible, this information was examined for accuracy and is believed to be reliable. Dimensions, areas or data obtained from others are believed correct; however, no guarantee is made in that the appraiser did not personally measure same.

Any information, in whatever form, furnished by others is believed to be reliable; however, no responsibility is assumed for its accuracy.

The physical condition of any improvements described herein was based on visual observation only. Electrical, heating, cooling, plumbing, sewer and/or septic system, mechanical equipment and water supply were not specifically tested but were assumed to be in good working order, and adequate, unless otherwise specified. No liability is assumed for the soundness of structural members, since no engineering tests were made of same. The roof(s) of structures described herein are assumed to be in good repair unless otherwise noted.

The existence of potentially hazardous material used in the construction or maintenance of the building, such as urea formaldehyde foam insulation and/or asbestos insulation, which may or may not be present on the property, has not been considered. In addition no deposit of toxic wastes, unless specifically mentioned herein, have been considered. The appraiser is not qualified to detect such substances and suggests the client seek an expert opinion, if desired. Further, this report does not consider the potential ramifications due to the presence of Underground Storage Tanks (UST) or the possible environmental impact due to leakage and/or soil contamination, if present.

It is specifically noted that the appraiser(s) have not conducted tests to determine the presence of, or absence of, Radon. We are not qualified to detect the presence of Radon gas, which requires special tests and, therefore, must suggest that if the buyer is suspect as to the presence of Radon or any other potentially hazardous substances, he or she should take steps to have proper testing done by qualified firms who have the equipment and expertise to determine the presence of this substance in the property.

In addition, if the client has any concern regarding the structural, mechanical or protective components of the improvements described herein, or the adequacy or quality of sewer, water or other utilities, it is suggested that independent contractors or experts in these disciplines be retained by said client, before relying upon this appraisal.

The separate allocation between land and improvements, if applicable, represents our judgment only under the existing utilization of the property. A re-evaluation should be made if the improvements are removed or substantially altered, and the land utilized for another purpose.

All information and comments concerning the location, neighborhood, trends, construction quality and costs, loss in value from whatever cause, condition, rents, or any other data for the property appraised herein, represents the opinions of the appraiser formed after an examination and study of the property.

Any valuation analysis of the income stream had been predicated upon financing conditions as specified in the report, which we have reason to believe are currently available for this property. Financing terms and conditions other than those indicated may alter the final value conclusions.

Stabilized expenses shown in the income capitalization approach, if used, are projections, and are based on past operating history if available, and are stabilized as generally typical over a reasonable time period.

The appraiser is not required to give testimony or appear in court because of having made this appraisal, with reference to the property in question, unless arrangements have been made previously thereto. If the appraiser(s) is subpoenaed pursuant to court order, the client will be required to compensate said appraiser(s) for his time at his regular hourly rates plus expenses.

All opinions, as to values stated, are presented as the appraiser's considered opinion based on the information set forth in the report. We assume no responsibility for changes in market conditions or for the inability of the client or any other party to achieve their desired results based upon the appraised value. Further, some of the assumptions made can be subject to variation depending upon evolving events. We realize some assumptions may never occur and unanticipated events or circumstances may occur. Therefore, actual results achieved during the projection period may vary from those in our report.

Appraisals made subject to satisfactory completion of construction, repairs, alterations, remodeling or rehabilitation, are contingent upon completion of such work in a timely manner using good quality materials and workmanship and in substantial conformity to plans or descriptions or attachments made hereto.

Unless otherwise noted, it is assumed that the construction and use of the appraised property, if improved, complies with all public authorities having jurisdiction, including, but not limited to, the National Environmental Protection Act, and any other applicable federal, state, municipal, and local environmental impact or energy laws or regulations.

This report should not be used or relied upon by any other party except the client to whom the report is addressed. Any party who uses or relies upon any information in the report without the preparer's written consent, does so at his own risk. The Appraiser/consultant responsibility is limited to the client, and use of this appraisal by third parties shall be solely at the risk of the client and/or third parties.

A signatory of this appraisal report is a member or affiliate of the Appraisal Institute. The Bylaws and Regulations of the Institute require each member and candidate to control the use and distribution of each appraisal report signed by such member or candidate. Therefore, except as hereinafter provided, the party for whom this appraisal report was prepared may distribute copies of this appraisal report, in its entirety, to such third parties as may be selected by the party for whom this was prepared. Selected portions of this appraisal report, however, shall not be given to third parties without prior written consent of the signatories of this appraisal report. Further, neither all nor any part of this appraisal report shall be disseminated to the general public by the use of advertising media, public relations media, news media, sales media or other media for public communication without the prior written consent of the signatories of this appraisal report. This restriction applies particularly to the valuation conclusions, the identity of the appraisers, or any reference to the Appraisal Institute, or to the MAI, SRA, or SRPA designations.

Disclosure of the contents of this appraisal report is governed by the Bylaws and Regulations of the Appraisal Institute.

This Appraisal Report is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice. It presents only summary discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser's file. The depth of discussion contained in this report is specific to the needs of the client and for the intended use as stated. The appraiser is not responsible for unauthorized use of this report.

CERTIFICATE

The undersigned, representing POLACH APPRAISAL GROUP, INC., do hereby certify that, to the best of our knowledge and belief:

The statements of fact contained in this appraisal report are true and correct.

The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and represent the personal, impartial, and unbiased professional analyses, opinions, and conclusions of the undersigned.

We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.

We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

Our engagement in this assignment was not contingent upon developing or reporting predetermined results.

Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

The following persons from among the undersigned have made a personal visual observation of the property that is the subject of this appraisal report on the date(s) indicated:

Kenneth F. Polach and Mark K. Polach on September 18, 2019 & August 6, 2020

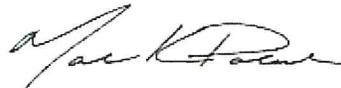
Travis J. Fisher performed market area analysis and sales comparison research for this assignment. (change description as needed)

This appraisal report includes 41 sheets, which are made an integral part of this report.

IN WITNESS WHEREOF, THE UNDERSIGNED has caused these statements to be signed and attested to on August 7, 2020.



Kenneth F. Polach, MAI, SRA
IL Cert No. 553.000340 Exp. 9/30/2021



Mark K. Polach
IL Cert No. 553.001545 Exp. 9/30/2021

As of the date of this report, I, Kenneth F. Polach have completed the continuing education program for Designated Members of the Appraisal Institute.

As of the date of this report, I, Mark K. Polach have completed the continuing education program for Candidates of the Appraisal Institute.

We have not provided any previous services regarding the subject property, including an appraisal, within the three years prior to this assignment.

APPRAISER'S QUALIFICATION SUMMARY

*** KENNETH F. POLACH, MAI, SRA ***

Kenneth F. Polach, President of the Polach Appraisal Group, Inc., has been engaged in the profession of real estate appraising and consulting since 1969 in the Chicago Metropolitan Area, including Cook, DuPage, Will, Lake, McHenry, Kane and Kendall counties, and has also completed assignments in other sections of the United States. He holds the professional designations MAI and SRA from the Appraisal Institute.

His experience includes market value appraisals on varied property types for acquisition, grant application, condemnation, mortgage, estate, real estate tax, historic preservation, and other purposes. Property types appraised and studies conducted include residential, commercial, industrial and special purpose properties, as well as highest and best use studies and impact studies. He has qualified as an expert witness in the Circuit Courts of Cook, DuPage, Kane, Lake, McHenry and Will counties in Illinois as well as in Federal Court. Mr. Polach has testified at Illinois Commerce Commission as well as municipal and county zoning hearings.

From June 1974 to December 1993, Mr. Polach was associated with and was appointed Executive Vice President of William A. McCann & Associates, Inc. From July 1972 to May 1974, Mr. Polach held the position of staff appraiser for a major suburban bank. He was responsible for the appraisal of residential, commercial, industrial and special purpose properties used as security for mortgage loans, as well as being involved in loan processing and servicing.

From September 1969 through July 1972, Mr. Polach was employed by the State of Illinois, Department of Public Works and Buildings, Division of Highways, Bureau of Right-of-Way. The positions he held with the State were Engineering Technician, and Right-of-Way Agent and Appraiser. His duties as an appraiser included the review and acceptance of appraisal reports on various residential, commercial, industrial and special purpose properties for highway acquisition.

Mr. Polach's educational background includes attendance at Roosevelt University resulting in the attainment of a Bachelor of Science Degree with a major in Engineering Science. Further studies at Roosevelt University resulted in the attainment of a Masters Degree in Business Administration.

Mr. Polach's specialized education includes real estate appraisal courses and various seminars and workshops given by the Appraisal Institute and other professional organizations. These courses covered the principles of appraising residential, commercial, industrial and special purpose properties and related topics. He also attended the National School of Real Estate Finance sponsored by the American Bankers Association at Ohio State University.

Mr. Polach has been qualified and has acted as an Arbitration Judge in alternative dispute resolution.

He was a contributor and panelist for the Seminar titled Vapor Intrusion: Law, Medicine and Science at the Law offices of Barnes & Thornburg.

Mr. Polach's professional affiliations include membership in the Appraisal Institute, with the designations of MAI and SRA. He is a Senior Member of the National Association of Review Appraisers with the designation of CRA, and he is a Member of the National Association of Realtors.

The Appraisal Institute conducts a voluntary program of continuing education for its designated members. Mr. Polach has completed the requirements of the continuing education program of the Appraisal Institute.

Mr. Polach is currently a State Certified General Appraiser in the State of Illinois and the State of Indiana.

APPRAISER'S QUALIFICATION SUMMARY

*** MARK K. POLACH ***

Mark K. Polach joined the appraisal staff of Polach Appraisal Group, Inc. in 1996. Since joining the firm, his experience has included market value appraisals of various residential, commercial, industrial, special use, and vacant land properties. These appraisals have been used for relocation, mortgage, condemnation, acquisition, easement and tax appeal purposes. Assignments have also included appraisals and studies of real estate located in Cook, DuPage, Grundy, Lake, Kane, Kendall, McHenry and Will counties. Mr. Polach has performed special impact studies in metropolitan Chicago and surrounding communities to determine the effect of large retail stores and shopping centers on the value, marketability, and rate of appreciation of residential properties.

He has qualified as an expert witness and testified in the Circuit Court of DuPage, Cook, Kane, McHenry and Lake Counties. Mr. Polach has also presented expert testimony in cases before DuPage County, Cook County Zoning and the City of Chicago Zoning Board of Appeals.

Mr. Polach was a contributor and panelist for the Seminar titled Vapor Intrusion: Law, Medicine and Science at the Law offices of Barnes & Thornburg. He has testified in court as to the diminution in value as a result of environmental impacts.

Assignments have included restaurants, gas stations, shopping centers, churches, agricultural use land, apartment complexes, large office buildings, schools, hotels, single-family and multi-family residences, quarry properties, zoning impact studies as well as highest and best use studies for proposed residential, office, townhouse, commercial, mixed use, and retirement developments in the Chicagoland area. He has also performed tax assessment studies for various types of commercial and special purpose property types and performed appraisals for permanent and temporary easements. Assignments have also included leasehold and leased fee interest valuations as well as retrospective values. More notable assignments have included the Willis Tower, O'Hare Airport, a UPS processing facility containing more than 2 million square feet of building area, large shopping malls and retail, trucking and distribution facilities, etc. He has written numerous Yellow Book appraisals which are completed to Federal Standards.

Mr. Polach attended the University of Dayton resulting in the attainment of a Bachelor of Arts Degree. Mr. Polach's specialized education includes the successful completion of and passing grades on examinations for all of the Appraisal Institute courses necessary towards the MAI designation. He has attended numerous Appraisal Institute's Seminars including the most recent "Conditions of the Chicago Real Estate Market."

Mr. Polach is attending the University of St. Thomas Graduate School of Business and working toward his Master of Science in Real Estate Appraisal. This includes the successful completion of the courses Legal Issues in Valuation, Effective Communication, Statistical Analysis for Real Estate Appraisal, Market Analysis and Feasibility Studies and Advanced Topics in Real Estate Appraisal which included such topics as highest and best use analysis; regional shopping centers; condemnation; environmental impact; utility easements; subdivision analysis; and business valuation.

As a representative of the Appraisal Institute Mr. Polach has also attended the Leadership Development and Advisory Council in Washington D.C. and lobbied on behalf of the Appraisal Institute. He is a Region Representative alternate as well on the Public Relations Committee for the Chicago Chapter of the Appraisal Institute. Mr. Polach is on the Illinois Department of Transportation approved appraisers and approved review appraisers lists. Mr. Polach is a Candidate for the MAI Designation of the Appraisal Institute and is currently a State Certified General Real Estate Appraiser in the State of Illinois, State of Indiana and State of Wisconsin.