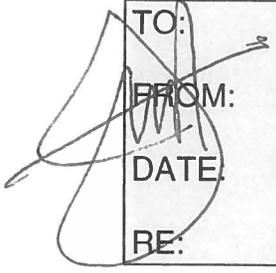




MEMORANDUM

TO: Long Grove PCZBA
FROM: James M. Hogue, Village Planner
DATE: September 28, 2016
RE: Update - Temple Chai Cell Tower Request

At the August 23rd Village Board meeting the petitioner for the Temple Chai cell tower request attempted to present new information to the Village Board regarding this request. As that action was considered inappropriate as the public hearing on the matter had been closed the matter was referred back to the PCZBA for further consideration.

Information received to date consists of the attached correspondence to Mr. Derick McGrew and dated August 17th 2016. No additional information has been received. Additional evidence/testimony may be presented at the hearing however.

I have included approved PCZBA minutes of the May meeting when this request was first heard as well as the staff report presented to the PCZBA. This is for use as a reference by the PCZBA.

The meeting has been re-noticed and the certification of publication is also attached.

Should you have any questions or concerns feel free to contact me at (847) 634-9440.

Hilco Real Estate Appraisal, LLC

4906 Main Street, Suite 101 • Lisle, IL 60532 • 630.729.1000 • fax: 630.729.7930 • www.HilcoValuationServices.com

August 17, 2016

Mr. Derek McGrew
CelluSite, LLC
103 Wilshire Court
Noblesville, IN 46062

Re: Proposed Communications Equipment Site #CH73325H
1670 Checker Road, Long Grove, IL (PIN 15-31-201-048)
(File #16LI065)

Dear Mr. McGrew:

Pursuant to your request, I have completed an inspection and review of the above captioned location, relative to the potential impact, if any, on the Market Value of surrounding properties by the installation of communications equipment on the site. This consultation letter is therefore a summarization of the scope of work and background leading to my opinions on this matter, but does not constitute an appraisal report under the Uniform Standards of Professional Appraisal Practice (USPAP). Additionally, while this letter contains references to the supporting data and documentation leading to my opinions, said data and documentation is maintained in our files and, while available, is not presented in detail herein.

The proposed equipment is to consist of a 125-foot monopine communications facility, to be situated in the northeast quadrant of the property situated at the above captioned address (host property). A monopine is a monopole communications tower that is camouflaged to have the appearance of a pine tree. The monopine will be situated on a leased site ("the site") measuring 60.0 x 60.0 feet. The location of the leased site is towards the rear of the host site, which backs to a wooded area and is bordered to the immediate east by a medical office facility, and on the north by an equestrian facility. The host property on which the site will be located is also improved with a commercial structure, currently occupied by Temple Chai, and having site dimensions approximating 310 feet along the north side of Checker Road by a depth of 606 feet. The total land area approximates 4.27 acres (per assessor). The site is zoned R2, Residential; Minimum 2 Acre Lots by the Village of Long Grove.

The immediate surrounding area is residential in nature to the west, while properties to the east include the adjacent Avantara Post-Hospital Medicine & Rehabilitation Center, as well as Hope Lutheran Church. Adjacent to the north is the Galway Farm equestrian center, with residential property beyond that. The Buffalo Creek Forest Preserve is to the south across Checker Road. East of the subject a distance of about 600 feet is Arlington Heights Road, which has an average annual daily traffic (AADT) count of over 20,000 vehicles (per IDOT).

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In the general area surrounding the subject property there are a number of visible existing communication towers. General Data Resources, Inc. reports on their web site there are 75 existing communication towers within a 4 mile radius of the subject location, about 1/3 of which exceed 100 feet in height. Thus, while the need for the proposed tower is outside the area of expertise of the undersigned, towers of this nature are a relatively typical part of the overall landscape in the area. In addition, and as with most developed areas, there are multiple nearby protrusions into the sky, including existing light poles, telephone poles, and power lines.

Research of the Midwest Real Estate Data (MRED) multiple listing service indicates an active market for homes in the immediate area over the past 12 months. Using a geographic area of a ½ mile radius from the subject location, there have been 24 closed transactions of detached single family homes over this time period, with prices ranging from \$230,000 to \$1,400,000, averaging about \$415,000 and having a median just over \$350,000. There are currently 12 properties available for sale within that same geography, at an average asking price slightly under \$500,000. A significant portion of this area was developed in the 1970's and 80's, although some newer homes are present, along with a small number of older homes. Activity involving attached housing (condominiums or townhouses) in this same area is more limited, with 16 closed sales over the same 12 month period and 5 current listings. The sold properties averaged sale prices just under \$170,000, while the current listings have average asking prices just over \$180,000. Observation from the street reveals overall maintenance levels for all types of housing appearing to be average to good.

As noted above, the proposed equipment is to consist of a 125-foot monopine communications facility, to be situated in the northeast quadrant of the host property. The monopine will be situated on a leased site ("the site") measuring 60.0 x 60.0 feet. The equipment typically associated with this type of facility will be located on a 10' x 20' concrete equipment pad immediately to the north of the monopine, and within the site. The site will be surrounded with a 6-foot high cedar wood fence, which will additionally be surrounded by 5-foot tall evergreen trees each having an 18-inch diameter.

As you are aware, I have extensive experience in evaluating the effect on surrounding properties of communications equipment sites of this type, summarized as follows:

For your general information, I am presently the Managing Director of the Lisle, IL office of Hilco Real Estate Appraisal, LLC. I have been directly involved in the valuation and analysis of real estate of all types since 1981. I hold the MAI designation from the Appraisal Institute, am licensed as a Certified General Appraiser, and additionally am a licensed real estate broker, holding the commercial brokerage designation of CCIM. A more detailed summary of my credentials and professional background, as well as my experience in the real estate valuation/consultation field, is attached.

16LI065

HILCO REAL ESTATE APPRAISAL, LLC

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Specifically with regard to the type of situation you have called upon me to address, I have been involved in dozens of consultation assignments specific to this issue since the mid 1990's. All of these assignments have been in the Chicago metropolitan area, including but not limited to the communities of Aurora, Barrington, Barrington Hills, Bartlett, Buffalo Grove, Chicago, Glencoe, Homewood, Lincolnshire, Kenilworth, Maple Park, Midlothian, North Barrington, Oak Forest, Streamwood, Vernon Hills, Westmont, Willow Springs and Winnetka. These locations have involved a variety of neighborhood types, including residential, commercial, industrial, and farmland. The work we have performed in each case has varied, ranging from providing written studies on specific sites, to giving presentations at planning and/or zoning committee hearings and/or testifying in court for litigation matters relating to this property type.

In the process of completing these assignments, the request specifically made in each case has been to determine what effect, if any, a communications equipment site may have on the value of surrounding and/or nearby properties. Of significant importance to these consultation assignments is the following: I am not paid, nor do I accept assignments in which a specific position on this issue is advocated. The sole impetus is to be entirely objective, providing sound reasoning for the conclusions, and based upon the actions and reactions of the buying and selling real estate market.

In each of these situations the basic plan of analysis has been twofold. First, property sales are researched, including all details of the transactions and the physical characteristics of the properties involved, in order to ascertain if any difference in actual sale prices could be detected due to location near or in view of a communications equipment site. The basic premise of this analysis type is founded in the principles of real estate valuation commonly accepted and utilized by all courts of law, governmental bodies, and major banks. This premise is that of the direct comparison of physical and locational characteristics of properties that have sold, resulting in a determination of the market reaction, if any, to various factors relative to those properties, and expressed in dollars.

The second aspect of the analysis plan has been to interview and consult with other real estate professionals, specifically those directly involved in the marketing and sale of properties, to discover their opinions of this same issue, relative to their daily professional lives in dealing directly with buyers and sellers of real estate.

The primary challenge with any analysis of this type is that of isolating the factor in question. The goal is to determine the objective reality of what the market actually does. It therefore becomes incumbent on the appraiser to actually seek out a negative impact, as opposed to attempting to locate evidence that none exists.

The process of completing this type of analysis is highly detailed, and includes numerous difficulties that result in “dead ends” along the way. Some of the factors that come in to play in this process are as follows:

- ◆ The simple identification of a communications equipment site does not mean sufficient data exists in that location to isolate the factor in question.
- ◆ Even when potential sufficient data exists, if other influences affect the properties (i.e. busy streets, proximity to commercial/industrial property, etc.); it often voids these properties from consideration.
- ◆ Transactions are influenced by a number of factors that go beyond the physical location, size and condition of a given property. In particular with residential property, many people buy and sell based on intangible emotional factors.
- ◆ Opinion polls about the factor in question do not necessarily provide the answer and can easily result in biased answers depending on what question is actually asked. While general opinions can be a consideration, actual market evidence often shows the opinion has no real foundation.
- ◆ Many people react negatively to the proposed installation of a communications equipment site, opining that it will negatively impact their property value. However when asked about the impact of an existing site, they are often unaware it even exists, or express ambivalence about it.
- ◆ Pew Research Center (pewresearch.org) reported as of January 2014 that 91% of American adults have a cell phone, 58% of which are smartphones. Additionally, 32% of American adults own an e-reader and 42% of American adults own a tablet computer. Pew also reports that as of June 2012, 35.8% of American homes have become cell only and another 15.9% of people receive all or almost all their calls wirelessly, even though they still have landlines. This number of cell only homes is an increase of over 40% from a May 2010 article published on CNET News that reported nearly 25% of U.S. households had eliminated landlines at that time.
- ◆ From a real estate valuation standpoint, the availability of adequate utility services is of primary importance to a property’s value and standing in the market. As indicated above, the importance of adequate wireless communications services is an increasingly important factor for home buyers. It would therefore follow that lack of a utility service such as wireless communications could have a significant negative impact on value, similar to a negative impact created by lack of electricity or natural gas.

- ◆ The vast majority of people do not drive, bicycle or walk down a street looking up. There is a high frequency of people who pass by communications equipment sites on a daily basis without consciously noticing them.

As the aforementioned assignments have been completed, essentially three categories of potential impact and concern have been determined to exist. These categories are as follows:

- 1) *Environmental* - The potential for pollution of the air, surface, and/or sub-surface.
- 2) *Health* - The potential impact on nearby inhabitants and/or property users.
- 3) *View* - The potential impact on nearby inhabitants and/or property users.

In the process of completing these consultation assignments, the above two step analysis plan has been completed on 40 to 50 locations involving wireless communications facilities; several of which have been analyzed during separate time periods. As mentioned above, these locations involved a variety of property types (residential, commercial, etc.), however approximately 35 to 40 of these were residential in character. Although every situation has the potential for unique variables, the experiences with the locations analyzed have repeatedly resulted in the following 5 points of finding:

- 1) There is no evidence to suggest that any environmental or health issues arise as a result of communications equipment sites.
- 2) There is no supported perception, within the general buying and selling real estate populace, suggesting any environmental or health issues arise as a result of communications equipment sites.
- 3) No ascertainable difference in property values has been found as a result of this specific locational characteristic.
- 4) Other real estate professionals have repeatedly reiterated there is a lack of market evidence supporting an ascertainable difference in property values as a result of this specific locational characteristic.
- 5) Changes in market values, specifically appreciation, are not restrained as a result of this specific locational characteristic.

It is important to note that any situation of this type must be evaluated on its own merits, and within the context of the specific site and its environs. The location in question is in the northeast quadrant of a 4.27 acre parcel improved with a commercial structure, and adjacent to a medical facility to the east and an equestrian center to the north. As with most developed areas, there are

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multiple protrusions into the sky in the nearby area, including existing light poles, telephone poles, and power lines. There are 75 existing communication towers within a 4 mile radius of the subject location, about 1/3 of which exceed 100 feet in height.

The proposed facility will be a monopine designed tower with an adjacent concrete equipment pad, within a fenced area. The proposed facility will be set back well away from the street within a fenced area, and will not be directly in the line of site to passing vehicles and/or pedestrians. This results in communications equipment that will be largely unnoticeable to the eye by passing vehicles or pedestrians in relationship to the existing landscape, and results in a site location that is superior to many others for this type of use.

It is therefore my opinion, based on review of the proposed plans, inspection of the site, as well as my experience with this factor in other locations, that the proposed communications facility will not have any negative impact on the use, enjoyment, or value of surrounding properties. Additionally, it is my opinion no substantial or undue adverse effect upon adjacent property, the character of the area, or other matters affecting the public health, safety, and general welfare will occur.

If I can be of further service please contact me.

Sincerely,

HILCO REAL ESTATE APPRAISAL, LLC


David A. Kunkel, MAI, CCIM
Managing Director

Attachment

QUALIFICATION SUMMARY - DAVID A. KUNKEL, MAI, CCIM

March 2013 - Present -- Hilco Real Estate Appraisal, LLC; Managing Director
July 1987 - March 2013 -- Kunkel & Associates, Inc.; President / Owner
January 1981 – July 1987 -- Various staff and field appraiser positions

Scope of Experience:

Mr. Kunkel is the Managing Director of the Lisle, IL office of Hilco Real Estate Appraisal, LLC. Responsibilities include business development, appraisal, management, review and production.

Mr. Kunkel's real estate valuation career dates back to 1981, and has included work with a broad range of property types including multi-family, retail, office, industrial, self-storage, land development, proposed construction, partially-complete projects and distressed property valuations. Special purpose situations have included determining diminution of value, right-of-ways for utilities and/or transportation, water detention facilities, condemnation, religious/educational facilities and communication towers.

Mr. Kunkel has qualified on numerous occasions as an expert witness involving real estate matters in the Circuit Courts of Cook, DuPage, Lake and Will Counties in Illinois, as well as the United States Bankruptcy Court for the Northern District of Illinois. Mr. Kunkel has also testified before the Property Tax Appeal Board for the State of Illinois, the Property Tax Appeal Boards for the Counties of Cook, DuPage and Lake, as well as various planning and zoning commissions in the City of Chicago and surrounding suburban areas.

Mr. Kunkel is an Appraiser Qualifications Board Certified USPAP Instructor, and has served as a course instructor and faculty member for various appraisal courses at The Appraisal Institute, Elgin Community College and Triton College, in addition to being a guest speaker at various real estate related seminars and business meetings. He was also a member of the 1993 Urban Valuation Delegation to Latvia and Russia sponsored by People to People International.

Mr. Kunkel has valuation experience in over a dozen states, has held the MAI designation awarded by the Appraisal Institute since 1989, is a Certified General licensed appraiser, and is a licensed Real Estate Broker in Illinois, holding the commercial/investment designation of CCIM. Mr. Kunkel has also been awarded a Completion Certificate from the American Society of Appraisers (ASA) program entitled "Allocating Components in Going Concern Appraisals".

Professional Associations and Affiliations:

MAI Designation #8128, Appraisal Institute;
Certified General Real Estate Appraiser -- IL#553.000198; IN#CG41400017; WI#2038-10;
CCIM Designation #11909, CCIM Institute of the National Association of Realtors;
Licensed Real Estate Broker -- IL#471.015098;
Member: Illinois Coalition of Appraisal Professionals (ICAP);
Member: Northern IL Commercial Assoc. of Realtors (includes IL and National Associations);
Lifetime Member: National Eagle Scout Association (NESA).

Formal Education:

Bachelor of Arts, Metropolitan State University, St. Paul, Minnesota. Specialized appraisal and real estate education with the Appraisal Institute, ASA and various Realtor associations.



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