1	BEFORE THE ILLINOIS POLLUTION CONTROL BOARD
2	ANTHONY and KAREN ROTI,) PAUL ROSENSTROCK and)
3	LESLIE WEBER,)
4	Complainants,)
5	vs.) No. PCB 99-019) VOLUME VI
6	LTD COMMODITIES,)
7	Respondent.)
8	The following is the transcript of a hearing
9	held in the above-entitled matter taken
10	stenographically by DEBORAH T. BRAUER, CSR, a notary
11	public within and for the County of Lake and State of
12	Illinois, before JOHN KNITTLE, Hearing Officer, at 118
13	West Cook Avenue, Libertyville, Illinois, on the 23rd
14	day of May, 2000, A.D., commencing at 9:35 a.m.
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Τ	
2	PRESENT:
3	STEVEN P. KAISER & ASSOCIATES BY: MR. STEVEN P. KAISER 4711 Golf Road
4	Suite 708 Skokie, Illinois 60076
5	(847) 677-7066
6	Appeared on behalf of the Complainants;
7	
8	BAIZER & KOLAR BY: MR. JOSEPH E. KOLAR 513 Central Avenue
9	5th Floor Highland Park, Illinois 60035
10	(847) 433-6677
11	Appeared on behalf of the Respondent.
12	<u>-</u>
13	ALSO PRESENT:
14	Mr. Michael Hara Ms. Leslie Weber
15	
16	
17	
18	
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1	HEARING OFFICER KNITTLE: Good morning. My name
2	is John Knittle. I'm a hearing officer with the
3	Illinois Pollution Control Board. I'm also the
4	assigned Hearing Officer for this matter which is PCB
5	Docket No. 1999-019, Anthony and Karen Roti, Paul
6	Rosenstrock and Leslie Weber versus LTD Commodities.
7	This is the second go-around of hearings.
8	The first set of hearings were held November 1st
9	through November 5th in 1999. This hearing was noticed

10	up pursuant to the Illinois Environmental Protection
11	Act and the Board of Regulations. It is approximately
12	9:35 a.m.
13	I do not think there are any members of the
14	public.
15	Sir, are you here to testify?
16	MR. BYRNES: Yes, I am.
17	HEARING OFFICER KNITTLE: Okay. There are no
18	members of the public present, and I think that's all I
19	have.
20	As in the last hearing, this hearing will be
21	run pursuant to the Board's Rules under Section 103201
22	and 202, I think. Let me take a look.
23	(Pause in proceedings.)
24	HEARING OFFICER KNITTLE: 103202 and 203, my

1	apologies. And we'll be conducting it in that manner.
2	Correct me if I'm wrong but we're still proceeding with
3	complainants' case in chief?
4	MR. KAISER: Yes, that's where we left it when we
5	adjourned back in November. And at this point the

6	respondents rest.
7	HEARING OFFICER KNITTLE: The complainants?
8	MR. KAISER: The complainants rest.
9	HEARING OFFICER KNITTLE: We don't want to rest
10	Mr. Kolar quite yet.
11	All right. The complainants rest.
12	Have you offered all your exhibits, Mr.
13	Kaiser?
14	MR. KAISER: I believe we have. I just had a
15	chance to look over the Hearing Officer's notes and the
16	exhibits, and I believe we have offered every exhibit.
17	And virtually every exhibit offered has been admitted.
18	HEARING OFFICER KNITTLE: I think so. I see there
19	were a couple. One was reserved and that is C-23.
20	MR. KAISER: Let's take a look at that.
21	HEARING OFFICER KNITTLE: That's the only one I
22	really want to address. The rest have either been
23	admitted or denied.
24	MR. KAISER: C-23. A letter from Schomer &

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1 Associates to Thomas Thunder dated February 27, 1998.

2	HEARING OFFICER KNITTLE: Correct.
3	And, for whatever reason, in my disposition
4	column of the exhibit list I have "reserved."
5	MR. KAISER: This was a letter which I believe was
6	referenced extensively in Dr. Schomer's deposition
7	transcript which was Exhibit C-65. I would ask you,
8	Mr. Knittle, to review your notes and see whether C-65
9	has been offered and admitted.
10	HEARING OFFICER KNITTLE: C-65 is offered and
11	admitted.
12	MR. KAISER: And I would suggest that C-23 be
13	admitted at this point.
14	MR. KOLAR: I think the reason we reserved this is
15	because Mr. Thunder is testifying in my case, in fact
16	tomorrow, and I had a problem with this just being
17	admitted without him because of the reference in
18	Paragraph 1 where Mr. Schomer implies that Mr. Thunder
19	agrees it should be a Class B use and in fact he does
20	not.
21	HEARING OFFICER KNITTLE: Mr. Kaiser, is that your
22	recollection? You want to wait until we hear Thunder's
23	testimony?

And, Mr. Kolar, would you allow Mr. Kaiser to

offer it at that point?

1

23

24

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2
              MR. KOLAR: Sure.
              HEARING OFFICER KNITTLE: Even those his case is
 3
          closed?
 5
              MR. KOLAR: Sure.
 6
              HEARING OFFICER KNITTLE: Is that okay with Mr.
 7
         Kaiser?
 8
              MR. KAISER: That's fine.
 9
              HEARING OFFICER KNITTLE: Let's do that then.
                    Mr. Kolar, you mentioned you had a
10
          preliminary matter you wanted to address before we got
11
12
         rolling?
              MR. KOLAR: Right.
13
14
                    And just one thing for the record, Mr. Hara
          is here as well this morning.
15
              HEARING OFFICER KNITTLE: Correct.
16
              MR. KOLAR: I don't recall if I heard that. Maybe
17
18
          you said that.
               HEARING OFFICER KNITTLE: I did not, you are
19
20
          correct. I do note Mr. Hara from LTD Commodities is
21
         present here today.
22
              MR. KOLAR: And the complainants are not here.
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HEARING OFFICER KNITTLE: I also note that there

are no complainants present at this point in time.

1	MR. KOLAR: One thing I wanted to do is I thought
2	it would help for the record at the start of our case I
3	have the complainants each answered basic
4	interrogatories, which are marked as Respondent's 1, 2
5	and 3. I just wanted to read, as admissions into the
6	record, at one spot what the complainants have stated
7	regarding when they acquired their property because now
8	we have a very lengthy record with that information
9	throughout the proceedings.
10	HEARING OFFICER KNITTLE: You want to let Mr.
11	Kaiser take a gander?
12	MR. KOLAR: Interrogatory 4 for each of the
13	complainants. And I would just read verbatim their
14	answer. Do you have a problem with that?
15	MR. KAISER: I mean, I think it's a little
16	unusual. All three of those individuals were called
17	here, were sworn and testified at some length under
18	oath. And if there was any issue about when they moved
19	into their house, I think that was better addressed
20	through direct testimony.
21	MR. KOLAR: Well, it's my case. They have made

22	admissions in interrogatory answers, and, as I recall,
23	they all didn't have the best of memories as to when
24	exactly they moved into their homes or purchased their

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2	issue with the case regarding priority of location I
3	think is what it says under Section 33 factors.
4	HEARING OFFICER KNITTLE: You'd want to read these
5	in as acknowledging that they're hearsay statements but
6	the fact that they're admissions from the opposite
7	party?
8	MR. KOLAR: Right. And I think admission is not
9	hearsay. Admission of a party by definition is not
10	hearsay.
11	MR. KAISER: I withdraw my objection. I mean, I
12	assisted in the preparation of those. Those are clear
13	statements as to when they moved in. It will benefit
14	the Board to have unequivocal statements about when
15	they moved in. And so I withdraw my objection.
16	HEARING OFFICER KNITTLE: Okay. Let's do it.
17	MR. KOLAR: Okay. First, Respondent's Exhibit 1,

1 homes. It's a pretty simple matter. It's a crucial

18	the Rotis, Mr. Roti moved in in August 1990.
19	Next, Paul Rosenstrock. He entered into a
20	contract to purchase the land and house in the fall of
21	1987. He closed on the purchase in the summer of 1988
22	Leslie Weber. July 6, 1988 purchased the
23	vacant land. January 1992 assumed occupancy of home.
24	HEARING OFFICER KNITTLE: Mr. Kolar, those are

1255

2	planning on offering those at a later time?
3	MR. KOLAR: I'm not sure yet.
4	HEARING OFFICER KNITTLE: Can you just identify
5	then for the record when the interrogatories were
6	proffered and responded to?
7	MR. KOLAR: Sure.
8	Respondent's Exhibit 1, the Roti interroagory
9	answers signed by Karen Roti December 21, 1998.
10	Paul Rosenstrock signed his interrogatory
11	answers December 17, 1998. And his is Respondent's
12	Exhibit 2.
13	Respondent's 3, Leslie Weber signed hers also

1 your Respondent's Exhibits 1, 2 and 3. Are you

14	on December 17, 1998.
15	HEARING OFFICER KNITTLE: Thank you.
16	MR. KOLAR: Then respondent would call the first
17	witness, appraiser Kevin Byrnes.
18	HEARING OFFICER KNITTLE: Mr. Byrnes, can you have
19	a seat and the court reporter will swear you in.
20	(Witness sworn.)
21	HEARING OFFICER KNITTLE: Mr. Kolar.
22	KEVIN BYRNES,
23	called as a witness herein, having been first duly
24	sworn, was examined and testified as follows:

1	DIRECT EXAMINATION
2	BY MR. KOLAR:
3	Q. Could you state your name for the court
4	reporter, please?
5	A. Kevin Byrnes, B-y-r-n-e-s?
6	Q. And what do you do for a living?
7	A. I'm a real estate appraiser and consultant.
8	Q. Where do you live?
9	A. In Elmhurst, Illinois.

10	Q. Who do you work for?
11	A. William A. McCann & Associates.
12	Q. Where is that business located?
13	A. That's located at 414 North Orleans in
14	Chicago.
15	Q. How long have you worked at McCann &
16	Associates?
17	A. Approximately five years.
18	Q. How long has McCann been in business if you
19	know?
20	MR. KAISER: Objection, relevance.
21	HEARING OFFICER KNITTLE: Mr. Kolar.
22	MR. KOLAR: No response.
23	HEARING OFFICER KNITTLE: Overruled.

THE WITNESS: Mr. McCann has been independently in

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1	business under his own name since 1962.
2	BY MR. KOLAR:

- 3 Q. Can you tell the Pollution Control Board what
- 4 you do for William A. McCann & Associates?
- 5 A. I'm an appraiser on the staff, principal

associate partially responsible for day-to-day 6 7 management of the firm, as well as performing appraisal 8 projects. 9 Q. How many appraisers are there on the staff? 10 Α. There is approximately 10 at the moment. 11 Q. And for the five years that you have been 12 there can you name some representative clients of the 13 firm that would have no objection with you giving their 14 names? 15 MR. KAISER: Objection. Representative clients of 16 the firm doesn't tell the Board anything about Mr. 17 Byrnes' qualifications. I wouldn't object to 18 representative clients that Mr. Byrnes has done work for. To try to buff up his credentials by reference to 19 20 what the firm has done I think is inappropriate. 21 MR. KOLAR: I'll withdraw the question. BY MR. KOLAR: 22

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You were hired by LTD Commodities regarding

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this noise hearing?

23

- 2 And you're being paid? Q. 3 Α. Yes. 4 Q. What's your rate? 5 We're billing LTD at my hourly rate, which is 6 \$175 per hour. Q. And is that a standard rate for private 8 clients? 9 A. Yes, that's what we charge generally. 10 Q. In the five years prior to coming to McCann 11 what did you do for a living? 12 I was a commercial appraiser for a company 13 called Real Estate Analysis Corporation located in 14 downtown Chicago. Q. And what type of properties did you appraise 15 16 working for that company? 17 A. A variety of commercial and residential properties. 18 How long were you there? 19 Q. 20 Α. For five years.
- 24 southwest suburbs of Chicago.

Analysis Corporation?

Q.

21

22

2.3

What did you do before working at Real Estate

I was a real estate salesperson in the

If I understand the law correctly, a

1

18

19

20

```
2
          salesperson works under a broker's license?
 3
               Α.
                    That's right.
 4
               Q.
                    What business did you work for?
 5
                    At the time the sponsoring broker's name was
               Α.
 6
          Regina Mundell, and the franchise was ERA Reggie &
 7
          Associates on Cicero Avenue.
 8
                    So as a salesperson you had some sort of
 9
          license from the State of Illinois?
10
                    Yes, I had a salesperson's license.
               Α.
11
                    How long did you -- can we call that -- was
12
          that when you were a realtor or is that not a proper
13
          term?
                    Well, I was a dues paying member of the
14
          National Association of Realtors. And "realtor" is a
15
          trademark name. And if you're a member of the
16
17
          Association of Realtors, you can call yourself a
```

21 A. Approximately five years before going to Real

All right. How long were you in this

- 22 Estate Analysis Corporation, although I continued to
- 23 hold my real estate license after that.

realtor. So the answer is yes.

business as a salesperson/realtor?

Q. As of today?

Ο.

1	A. Currently it's not active. I haven't really
2	used it.
3	Q. That was just a voluntary decision on your
4	part because you were in a new line of business?
5	A. Yes.
6	MR. KAISER: Objection, leading.
7	HEARING OFFICER KNITTLE: Mr. Kolar, you want to
8	rephrase.
9	BY MR. KOLAR:
10	Q. Why don't you have your license active
11	anymore?
12	A. Because I'm not engaged in the sale of
13	single-family homes. My business is completely taken
14	up as a real estate appraiser/consultant.
15	Q. When you were a salesperson what type of
16	properties did you list?
17	A. Either vacant lots for development or
18	improved single-family homes, also attached
19	single-family homes, condos and townhouses.
20	Q. What is your education after high school?
21	A. After high school I attended University of
22	Notre Dame and received a Bachelor of arts degree. And

23	then I attended the University of Chicago and received
24	a Master of arts degree. Following that I have also

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1	taken education courses related to the real estate
2	field, which were required both for my real estate
3	salesperson license and for my state general
4	certification license from the Office of Banks and Real
5	Estate.
6	Q. What did you have to do to obtain your
7	salesperson license when you did that in terms of
8	courses?
9	A. That was basically to take a course which I
10	believe met nightly. That was quite a while ago, but
11	my recollection serves it met nightly for eight to ten
12	weeks, and there was an exam. When you passed the
13	exam, then you were qualified to sit for the State's
14	exam for a salesperson.
15	Q. And then you took the State's exam?
16	A. Yes.

17 Q. And passed it?

A. Yes.

19	Q. And in terms of education as a real estate
20	appraiser can you explain to the Board the courses you
21	took in that regard?
22	A. Well, the requirements of the State of
23	Illinois to become a State General Certified Appraiser
24	which is my current designation with the State, at the

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2	hours of courses and 2,000 hours of appraisal
3	experience submitted in a log and also passing an
4	examination. And I submitted all those requirements
5	and was accepted.
6	Q. So then you have been in the business as a
7	real estate appraiser as of today for how many years?
8	A. Approximately ten years.
9	Q. Now, there is a designation in the appraisal
10	business known as MAI for Member Appraisal Institute,
11	correct?
12	A. That's right.
13	Q. Do you have that?

A. No, I don't.

14

1 time that I was so qualified, were, I believe, 165

15	Q.	Are you doing anything to obtain that?
16	Α.	Yes. I'm in the last close to the final
17	stages of	finishing the requirements of the Appraisal
18	Institute	to apply for that designation.
19	Q.	Have you had any experience in Lake County
20	regarding	appraising homes?
21	A.	Yes, I have.
22	Q.	Can you explain to the Pollution Control
23	Board the	areas in Lake County where you have had
24	experience	e appraising homes?

1	A. I have appraised homes in Lake Bluff, in
2	Highland Park, in Barrington and South Barrington. The
3	homes were either single-family detached homes singly
4	or, in one case, the entire Wynstone subdivision, which
5	included a large number of single-family homes.
6	Q. And that's in the Barrington area?
7	A. Right, off of Route 12.
8	Q. Is that a golf course community?
9	A. Yes.
10	Q. About how many homes were involved there?

11	A. I believe there were about 100 homes.
12	Q. And for what purpose did you appraise those
13	homes?
14	A. The Homeowner's Association was embarking on
15	a collective property tax appeal, and, therefore, I had
16	to appraise all the homes in the community.
17	Q. Do you have any non-residential appraisal
18	experience in Lake County?
19	A. Yes.
20	Q. Can you explain that to the Board?
21	A. In the last ten years I have appraised
22	various industrial properties, office properties, and
23	vacant land in areas again such as Lake Bluff. I'm

24 currently working on an appraisal for the City of Lake

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1	Forest on Western Avenue of some vacant land. I have
2	also appraised property in the Waukegan area, in
3	Libertyville, and throughout the general Lake County
4	area.
5	Q. How about experience outside of Lake County

6 in terms of residential and non-residential?

7	A. I have appraised residential properties
8	including both single-family homes, attached
9	condominium type homes, and large garden apartment or
10	elevator apartment buildings throughout the six county
11	area over the last ten years. That would include Cook
12	County and all the surrounding collar counties.
13	Q. What states have you worked in as an
14	appraiser?
15	A. Well, they're listed on my professional
16	biography, which I believe you have a copy of. But,
17	among others, obviously the State of Illinois. I have
18	appraised property in Missouri, Ohio, Florida, Texas,
19	New York State, Tennessee recently. In about ten
20	different states.
21	Q. As an appraiser have you testified before an
22	courts or administrative agencies?

- ny
- 23 A. Yes.
- 24 Q. Where have you testified in terms of court

1265

1 experience?

A. I have testified before the Circuit Court of

3	Cook County and the Bankruptcy Court of the Northern
4	District of Illinois.
5	Q. In terms of administrative agencies where
6	have you testified, what boards?
7	A. Illinois Property Tax Appeal Board, various
8	Boards of Review around the State, City of Chicago
9	Zoning Boards of Appeals, the Cook County and Du Page
10	County Zoning Boards of Appeals.
11	Q. And when you say various Boards of Review
12	around the State, these are the county boards that
13	initially hear and assess valuation complaints from
14	property owners?
15	A. Yes, once those property owners have reached
16	what they think is a satisfactory result from the
17	township assessor, they can then pursue their appeal
18	with the Local Board of Review at the county level.
19	Q. And then the level after that is what?
20	A. The Property Tax Appeal Board.
21	Q. And have you testified before that Board?
22	A. Yes.
23	Q. The Property Tax Appeal Board, that's an

24 Illinois statewide --

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- 1 A. Yes.
- Q. -- Board, correct?
- A. That's right.
- 4 Q. Do you have any knowledge of LTD Commodities
- 5 before work on this project?
- 6 A. Yes.
- 7 Q. And how did you have familiarity with LTD
- 8 before this project?
- 9 A. Before this project I was actually hired by
- 10 LTD to appraise its property in relation to an assessed
- 11 value question.
- 12 Q. Okay. And as part of that project did you
- familiarize yourself with the area?
- 14 A. Yes, I did.
- 15 Q. In terms of again the LTD appraisal project
- 16 what did you do in terms of familiarizing yourself with
- 17 the area?
- 18 A. Well, at the time I did what I --
- 19 MR. KAISER: Can we get a time frame on that just
- 20 for foundation?
- 21 HEARING OFFICER KNITTLE: Mr. Kolar.
- 22 BY MR. KOLAR:
- Q. Do you recall when that was?
- 24 A. That would have been -- I believe we were

1 first hired in 1996 and worked through the early part 2 of 1998 prior to the resolution of that matter. 3 And in terms of familiarizing yourself with the area what did you do in terms of the appraisal 5 project? Well, in addition to inspecting the property 7 itself, I did what I always do when I'm appraising a property which is to look at what the surrounding uses 8 9 are. I didn't investigate the area to the north, which is part of the subject case right now, as intensively 10 11 as I have for this assignment. But I was aware that there were single-family homes immediately to the north 12 of LTD at that time, as well as commercial office 13 buildings to the east, and commercial uses to the 14 south, and the Tri-State to the west. 15 And is LTD your client in this case? 16 Q. 17 Α. Yes. 18 Respondent's Exhibit 4 is a copy of the Pollution Control Board complaint. Have you seen this 19 20 before?

21

22

Α.

Yes, I have.

Q. And Paragraph 8, did you read this at some

point?

24 A. Yes.

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1	Q. In Paragraph 8 did you read the allegation by
2	the complainants that LTD "depresses the value of the
3	complainants' properties"?
4	A. Yes, I did.
5	Q. Did LTD or I guess myself on behalf of LTD
6	request you to do anything in regard to that
7	allegation?
8	A. Yes.
9	Q. Okay. Have you formed opinions relative to
10	that allegation?
11	A. Yes, I have.
12	Q. Before we get to that, what, if anything, did
13	you do to investigate or do background work before
14	forming your opinions?
15	A. Well, initially, after receiving the
16	assignment, I reviewed any of the documentation that we
17	were sent, which in the early course I believe was a

18 copy of the Pollution Control Board complaint. And

then, towards the end of March and beginning of April
of 1999, I received copies of deposition transcripts
for each of the complainants plus two real estate
brokers and also one of the complainant's husband's,
which was Henry Weber. And so I read those.

I also investigated the area, through

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1	physical inspections, on a number of occasions. Of
2	course, I immediately inspected the area after being
3	retained and then also went to the local township
4	Assessor's Offices, reviewed plats of survey and the
5	plats of the subdivision. I went on the MLS to see
6	what homes were selling for in the area.

Q. What's MLS?

A. That the Multiple Listing Service of Northern Illinois which is a computer-related service where you can call up properties which have either been sold or listed or currently listed and expired, what they sold for, who the brokers were, and that sort of information.

Q. In terms of inspecting the area, can you be

16	A. Well, on my first inspection I believe I
17	exited the Tri-State and drove east to Telegraph Road
18	and then north on Telegraph and then eventually made my
19	way along Arbor Lane and down to Wedgewood Drive which
20	is where the three complainants' homes were located.
21	And at that point Wedgewood Drive is parallel to it
22	runs east and west. It's parallel to the south
23	property lines of the complainants' properties. So I
24	drove through there and noted what kinds of

more specific where did you go, walk, drive?

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1	improvements were on the lots. I had tax plat maps and
2	subdivision maps in hand both from the Wedgewood Drive
3	side and also the LTD parking lot side. I looked to
4	see where those property lines were and how the land
5	was actually improved.
6	In the LTD case there was a surface parking
7	lot leading up to a short grassy area and then some
8	shrubbery and trees and then fences for the backs of
9	the lots of the complainants.
10	And then on the subdivision side, obviously I

And then on the subdivision side, obviously I

11	saw a number of single-family homes which I was aware
12	were built generally from the late '80s into the early
13	1990s.
14	Q. And in terms of you mentioned improvements
15	on the lots, you're talking about the homes on the
16	complainants' lots?
17	A. That's right.
18	Q. For this particular project did you go on the
19	LTD property?
20	A. Yes.
21	Q. Did you look at Lake Forest more generally as
22	part of this assignment?
23	A. Yes. I drove through areas north of Old Mill
24	Road, which is an east-west road which more or less

1	defines the northern terminus of the immediate
2	residential market area for the complainants'
3	properties. I also drove up and down Telegraph Road
4	and then east of Telegraph Road, in other words, more
5	or less an area that would be described as Central Lake
5	Forest. And then east all the way to the Market Square

7	area on Western. And finally over towards the lake
8	front just to generally be acquainted with the range of
9	housing types and the prices that were paid for houses
10	based on the MLS information throughout that whole
11	geographical area.
12	Q. Did you, through document review or
13	otherwise, investigate when the complainants purchased
14	their homes and when the LTD operations were built,

16 A. Yes.

expanded, etc.?

15

17

18

19

20

21

22

23

24

Q. Why did you do that?

A. Well, part of the question at hand is, as I understand it, that there was an additional level of operations causing noise and light problems as specified in Item A of the complaint. And I knew from my appraisal of LTD that the property originally was built in the late 1970s, I believe 1977. And it was expanded in 1986 and '87 to provide what is the current

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1 truck dock configuration. And then the warehouse

2 operation was physically expanded in 1995 on the side

- 3 of the LTD property away from the complainants' houses.
- And part of what I considered was whether there were
- 5 any depreciative influences on market value when the
- complainants first moved into their homes.
- 7 And you heard me read into the record the 8 information regarding when the complainants acquired
- 9 their properties?

Α.

10

12

- 11 Ο. And that's consistent with what you learned as well?
- 13 Α. Yes, that's right.

Yes.

- I know I cut you off, but anything else that 14 Q. you -- before we get to your opinions, anything else 15 16 that you did investigative wise, preparation work that
- 17 we haven't discussed?
- 18 That's generally it. I mentioned the MLS,
- 19 the assessor's records, the depositions of the
- complainants, the deposition of the two brokers who 20
- have listed the Rotis' house, physical inspection of 21
- 22 the area, and observation of the layout of the area and
- how it correlated to some of the things that were 23
- testified to in those depositions that I had reviewed. 24

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- 1 Q. You read those depositions?
- 2 A. Yes.
- 3 Q. And you reviewed assessor records?
- A. Yes.
- 5 Q. Now, depositions, are those things that you
- 6 typically rely upon in your profession in forming
- 7 opinions relative to real estate valuation issues?
- 8 A. Yes.
- 9 Q. And the assessor documents, can you be more
- 10 specific? What does the assessor have that you look at
- in this case?
- 12 A. The assessor has property record cards for
- 13 each established lot. And in the case of the subject
- 14 subdivision each established subdivision lot
- 15 corresponds to a property index number, which then can
- 16 be identified in the assessor's records. And I was
- 17 able to see when the subdivision was first platted,
- 18 what the initial assessed values were, as well as what
- 19 the assessed values were when I did my investigation.
- Q. And do assessors have tax maps?
- 21 A. Yes.
- Q. Did you look at tax maps as well?
- A. Yes, I did.
- Q. Do tax maps have the permanent index numbers

1 on them?

2	A. That's right.					
3	Q. And do you as an appraiser typically rely					
4	upon property record cards in forming your opinions as					
5	an appraiser?					
6	A. That's one of the sources that we use, yes.					
7	Q. People in your profession do that on a					
8	regular basis?					
9	A. Yes.					
10	Q. Do you typically rely upon tax maps in					
11	forming your opinions as an appraiser?					
12	A. Yes, that's one of the ways that we can					
13	identify where properties are located.					
14	Q. The MLS service that you explained, is this a					
15	computer service?					
16	A. Yes, it is. In the last ten years the MLS					
17	services in the Northeast Illinois area pretty much					
18	banded together from a loose association of groups that					
19	put out either some were putting out books, some had					
20	on not on-line but computer services. And I believe					
21	for the last seven or eight years there has been a					
22	group called the Multiple Listing Service of Northern					
23	Illinois which you can access through on-line					

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2 Illinois.	1	records	for	practically	any	property	in	Northeast
	2	Illinois	5.					

- 3 Q. How do you access that service, do you access it at home, at the office?
- 5 I do it at home and at my office.
- 6 Q. Does MLS have listings and sales or just 7 listings?
- They have listings. They have sales. They 8 9 have records of property that were listed but the contracts expired. They have listings of properties 10 which are under contract or which are under contract
- 11
- 13 different categories of properties as they're listed on

subject to a contingency. There is six or seven

14 the MLS service.

12

- And that service, is that something that you 15 and appraisers typically rely upon in forming opinions
- 17 regarding property valuation?
- 18 Α. Yes.
- 19 Q. In this case did you form an opinion whether

- 20 LTD's operations, specifically noise, depresses the
 21 value of complainants' properties?
- 22 A. Yes, I did.

- Q. And what is that opinion?
- A. Well, in my opinion, and this is taking into

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1	consideration the scope of work, which was not only the
2	allegation in the complaint but in reading the
3	complainants' depositions and in moving through this
4	case, understanding that the focus is the reported
5	increase in operations from some time in 1996 and
6	continuing through the dates of the complainants'
7	depositions, in other words, a change from a
8	one-shift-a-day to a two-shift-a-day operation. And so
9	my opinion was specifically focused on the effect of
10	that change in operations. And, in my opinion, by
11	going from one-shift-a-day to two-shift-a-day
12	operations the LTD operations did not have any impact
13	to add depreciation on the value of the complainants'
14	homes.

Q. Did you form an opinion as to whether these

16	particular lots were priced at a value before the
17	complainants purchased their homes to take into
18	consideration their location?
19	A. Yes.
20	Q. What's your opinion in that regard?
21	A. Well, in forming my opinion I found that
22	there are a number of factors that preexist the
23	addition of a second
24	MR. KAISER: Excuse me, I'm going to interpose an

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2	disclosed.
3	HEARING OFFICER KNITTLE: Mr. Kolar.
4	MR. KOLAR: It has been disclosed. Besides his
5	deposition that Mr. Kaiser took the opinion disclosed
6	is, LTD's operation has not depreciated the value of
7	complainants' homes since trucking docks existed on the
8	site before the homes were built. Any depreciation in
9	the value of complainants' property occurred before
10	they bought their lands and homes.
11	So I think this opinion is certainly

1 objection. I don't know that this opinion has been

12	consistent with the second sentence. I guess I
13	basically just want him to explain his opinion here.
14	HEARING OFFICER KNITTLE: Mr. Kaiser.
15	MR. KAISER: I mean, if we begin with the opinion
16	that was disclosed in response to respondent's
17	interrogatories, I'm more comfortable using that as a
18	starting point. It sounds as if Mr. Byrnes has begun
19	to shape and taylor his opinion as the litigation is
20	unfolding and has tried to form his opinion to more
21	fully meet LTD's perceived litigation needs, which have
22	changed over the last nine months. So I think if he
23	begins with the opinion he originally gave us, and so
24	we can see the evolution of his opinion so the board

- can take that evolution into consideration, I'd be more comfortable with that.
- 3 MR. KOLAR: I'll restate the question here. I'll
- 4 make it more specific.
- 5 BY MR. KOLAR:
- Q. Do you have an opinion whether there was any depreciation in the value of the three complainants'

8	properties before they bought their land and homes?
9	A. Yes.
10	Q. And what is that opinion?
11	A. That there was depreciation to the value of
12	those properties.
13	Q. What's the basis for that opinion, that there
14	was existing depreciation before they came in and
15	purchased the lots?
16	A. Well, there were several factors at work
17	there. And hopefully as I explain this, this may or it
18	may not clarify for Mr. Kaiser my opinion, but the
19	factors at work here are location it's essentially
20	the location but there are several elements of location
21	at work here. One is that the three complainants'
22	properties are all immediately adjacent to a commercial
23	industrial district in Bannockburn. That commercial
24	industrial district preexisted the subjects'

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1	subdivision.	Now,	part	of the	e reason	for	this	aris	ing
2	historically,	and	it was	s just	a matte	r tha	at I	noted	and

considered, is that there are two different

- municipalities here. The LTD property comes up to the
 north end of the Bannockburn corporate border. North
 of that is Lake Forest. If you go to the south along
 the east side of the Tri-State, you see there is -- and
 extending beyond the map, which is in front of us as an
 exhibit --
- 10 Q. Exhibit 89 for the record.
- type developments extending far to the south. Now,
 when you go north of LTD, you have got a residential
 subdivision. And I just note that historically you
 have had a commercial industrial development in LTD and
 the Corporate 100, then the subdivision was built. Now
 the three properties that are fronting on that --
- 18 MR. KAISER: I'm going to object with respect to
 19 lack of foundation with respect to Corporate 100 unless
 20 he wants to lay a foundation as to when that was built.
 21 I move to strike his testimony with respect to
 22 Corporate 100.
- 23 HEARING OFFICER KNITTLE: Mr. Kolar.
- 24 MR. KOLAR: I'll ask him a question in that

- 1 regard.
- 2 BY MR. KOLAR:
- Q. What's the basis for -- strike that.
- 4 Exhibit 89 --
- 5 A. Yes.
- 6 Q. -- you have seen this before, correct?
- 7 A. Yes.
- Q. And it shows the LTD facility, right?
- 9 A. Yes.
- 10 Q. And your understanding, based on working for
- 11 LTD, is that this box that says 1986, that's the FMC
- 12 building?
- 13 A. Yes.
- 14 Q. And your understanding is that was there
- 15 since when?
- A. Approximately 1977.
- 17 Q. And then the '87 box, that means what to you
- as an appraiser with a familiarity of this building?
- 19 A. That was in addition to the original
- 20 building.
- 21 Q. 1995, that's what?
- 22 A. That's a further addition to the south of the
- 23 same subject property building.
- Q. When you said "Corporate 100" was that -- do

1	you see where we wrote "C100" on this map?
2	A. Yes.
3	Q. What do you understand that building to be?
4	A. That's an office building.
5	Q. And is that what you referred to as
6	"Corporate 100"?
7	A. Yes.
8	Q. Now, do you know when Corporate 100 was
9	built?
10	A. No, I don't.
11	Q. Do you know when Corporate 100 was built
12	relative to the subdivision to the north?
13	A. Well, I can tell you that in the depositions
14	of the complainants
15	MR. KAISER: Objection, asked and answered. He
16	doesn't know when it was built.
17	HEARING OFFICER KNITTLE: I think it's a different
18	question.
19	Correct, Mr. Kolar?
20	MR. KOLAR: Right. The second question was, "What
21	do you know about Corporate 100 versus the subdivision
22	to the north in terms of priority?"
23	HEARING OFFICER KNITTLE: I'll let him attempt to

1	THE WITNESS: Thank you.
2	Based on complainants' depositions, they
3	stated that one of the factors they were aware of, when
4	they were buying their lots or their homes, was the
5	existence of the Corporate 100 building, which they
6	didn't always identify as Corporate 100 but they
7	identified it as a commercial office building, which
8	means that regardless of when it was built it certainly
9	preexisted the complainants coming to their properties.
10	MR. KAISER: I'm going to move to strike. I don't
11	think that satisfies the foundational requirement
12	unless he can tell me which complainant's deposition
13	he's recalling and who made that observation. I don't
14	think it holds uniformly to complainants plural, it may
15	apply to one but not all of the complainants.
16	HEARING OFFICER KNITTLE: Mr. Kolar.
17	MR. KOLAR: I think it's a big waste of time to go
18	through deposition transcripts. I think the record
19	will speak for itself regarding the complainants'

20	knowledge of commercial to the south. If you want to
21	make it one or more of the complainants, that's fine,
22	we would stipulate that one or more of the complainants
23	had knowledge of the office building to the south when
24	they purchased their lots.

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2	alleviate your objection and motion to strike?
3	MR. KAISER: Yes. I allow it to be qualified to
4	that extent.
5	BY MR. KOLAR:
6	Q. Unless you can tell us as you sit there.
7	A. I can tell you as I sit here that Henry
8	Weber, who is not one of the complainants, but he's
9	married to Leslie Weber who's one of the complainants
10	jointly with her purchased their lot in 1988. And when
11	they were discussing the fact as was stated in the
12	depositions, one of the factors that he considered was
13	there was a commercial office building to the south of
14	their property. And in some respects he thought that
15	that was there were certain pluses because it would

1 HEARING OFFICER KNITTLE: Mr. Kaiser, does that

16	be a quiet neighbor but then certain negatives because
17	you're located next to an office building.
18	However, my foundation for stating that the
19	Corporate 100 preexisted any of the complainants coming
20	to their properties is at the very least Mr. Weber
21	saying that they bought their lot in 1988 and he knew
22	that the office building was there.
23	Q. Anyway, I think you were giving us the basis
24	for your opinion that three complainants' lots had

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2	their lots, do you recall where you were in that
3	regard?
4	A. Yes.
5	Q. Okay.
б	A. There were several factors that already
7	preexisted the complainants purchasing their lots or,
8	in the case of the Rotis, they bought the house already
9	built. The Tri-State was there. LTD was already
10	there. Corporate 100 was already there.
11	Another factor is the fixed character of

experienced depreciation before they even purchased

their location in the far southwest corner of Lake
Forest has a negative impact on the value of these
properties compared to what they would have if they
were in central or eastern Lake Forest. That's a
preexisting factor that can't be changed. All those
factors were there prior to the reported 1996 and later
addition of the second shift operation at LTD. And, in
my opinion, all those factors contributed substantial
depreciation already to the complainants' homes.

- Q. In terms of setting the value of the lots before the complainants purchased them?
- A. Yes or in the case of the Rotis' property, their home when they bought it in 1990.

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1	Q. Based on what you told us, this '95 expansion
2	came after each of the complainants were living to the
3	north?
4	A. Yes.

Q. And what's the basis for your opinion that you don't believe the '95 expansion has depressed the value of their homes?

A. Well, maybe the best way to do this is
explain how I looked at this. And if you say the
positive hypothesis I was testing was, was there
depreciation caused by what they're alleging in their
complaint which is that in some time in 1996 there
was an increase in operations and that the noise and
light from LTD causes depreciation.
Now, in looking at the three complainants'
depositions, Karen Roti said when she was asked if
there was a depreciative effect, she said that she
thought there was because no one would want to live
next to a 24 hour operation. So she was very clear in
thinking that, yes, there was a clear depreciative
effect, not only I assume since 1990, but she
specifically referenced a 24 hour operation. In other
words, what I understood was a two-shift operation not

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a three-shift operation, but, in any event, a growth in

- 1 the operations of LTD is what she was referencing.
- Now, I next looked at --
- Q. Let me ask you a question.

Α.	Yes.
	Α.

5		Q.	Do	you	have	any	knowledge	that	LTD	is	а	24
6	hour	opera	atio	on?								

- A. Well, I can tell you I have never spent 24 hours at the LTD property. However, I spoke with Jack Voigt, who's employed with LTD, and specifically asked him, "Has there ever been a 24 hour operation at LTD?" And he told me there was not, there was a second shift that went from -- that was added that went from 3:30 to 12:30, and that at certain points in the late '90s, during the period under question, they did incur some overtime which would take them to 1 or 1:30 in the morning. That's what was represented to me. And that then the addition of a warehouse in Aurora took some of the pressure off that overtime.
- Q. So what did that mean to you relative to

 Karen Roti's comment that nobody would want to live by

 a 24 hour operation?
- A. Well, I understand that Mrs. Roti is not a -
 say a litigation expert or I understand where she's

 coming from so to speak. On the other hand, if she

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- 1 really was trying to base her argument on the fact that
- 2 there were 24 hours of operations, then to some extent
- 3 you have to discount her opinion because it was not a
- 4 24 hour operation. However, I will grant that in her
- 5 opinion she thought there was a depreciative value
- 6 based on increased operations. The way she put it was
- 7 24 hour, maybe she was saying that for emphasis or
- 8 maybe she really thought there were 24 hours of
- 9 operations, but that's not what I understand.
- 10 Q. And then the other bases for your opinion
- 11 that you don't believe the '95 expansion has depressed
- the value of their land?
- 13 A. Well, as I was saying --
- MR. KAISER: Excuse me. Just by way of
- 15 clarification, '95 expansion, are you talking about
- 16 strictly the physical expansion of the warehouse to the
- south in 1995 or are you talking about the increase in
- 18 truck traffic on the dock area located at the northern
- 19 end of the building?
- 20 MR. KOLAR: Well, I object to his objection. I
- 21 don't know if that accurately states the facts in the
- 22 record, but I assume he's going to explain to us the
- 23 basis for his opinion and whether it's the warehouse
- 24 itself or any alleged increase in truck traffic. So I

1	think it's premature. I think he was getting to that.
2	HEARING OFFICER KNITTLE: Mr. Kaiser.
3	MR. KAISER: Well, let's see where he goes.
4	THE WITNESS: Okay.
5	MR. KAISER: I just want to note for the record
6	there is some ambiguity to the question.
7	HEARING OFFICER KNITTLE: I take it, Mr. Kaiser,
8	you're concerned that the Board is going to be confused
9	about the '95 expansion to the south of LTD and the
10	alleged
11	MR. KAISER: Right. If you confuse the '95
12	expansion if you confuse a physical expansion of the
13	warehouse facility with an increase in truck traffic
14	I mean, he's about to tell us the 1995 expansion didn't
15	have any impact. And if you're reading the records and
16	you're not certain that he's talking about just an
17	increase in the square footage of the warehouse and not
18	the increase in truck traffic, I think you could be
19	confused about his opinion.
20	HEARING OFFICER KNITTLE: Okay. I'm going to
21	overrule it. I think you can address that on cross
22	examination.
23	MR. KAISER: All right. Thank you.

1	BY MR. KOLAR:
2	Q. Mr. Byrnes, you have been to the LTD property
3	how many times since that expansion to the south was
4	completed?
5	A. Well, I was there several times when I was
6	appraising the property. I was there four times, I
7	believe, before Mr. Kaiser took my deposition last
8	July. And I have gone by there probably three or four
9	times, maybe more, since then. In some cases if I was
10	doing appraisal work in the area I would just go by to
11	see if anything had changed.
12	Q. So as part your work for this particular
13	noise hearing have you observed LTD's trucking
14	operations since the building was expanded in 1995?
15	A. Yes.
16	Q. Can you continue on explaining the basis for
17	your opinion regarding that?
18	A. I suppose I can clarify at this point, just
19	to make life easier for everybody, that what I was
20	talking about, even back in my deposition and what I

21	would represent today, is that I'm talking about the
22	effect of not only the physical construction of the
23	1995 addition but the increased level of operations
24	because, as I think I said, Mr. Voigt did tell me that

1	there was a second shift added. So I do understand
2	that there was an addition to the level of activities.
3	And that's part of the basis of my opinion.
4	All right. So I was going through the
5	complainants' depositions particularly with what they
6	said about the question of whether there has been
7	depreciation on their properties. Okay. Karen Roti is
8	pretty clear that she thinks there was. Now, Leslie
9	Weber, when she was asked that question she was
10	asked in her deposition, "Now, do you believe that the
11	value of your house and lot have in any way been
12	depreciated by LTD's operations?" And her answer was,
13	"No." That was the sum total of her answer. So from
14	Leslie Weber's answer, you would think that she didn't
15	think there was that there had ever been any
16	depreciation, let alone from the recent increase in

17	operations, which is a contradiction to what Karen
18	Roti's opinion seems to be.
19	Then the third complainant Paul Rosenstroc
20	was asked, "Do you believe that your house is worth
21	more than \$550,000 today?" And his deposition was
22	taken in March of 1999. And his answer was, "I hope
23	so." In other words, he hopes that it is worth more
24	O. What was the relevance of the \$550.000

1	number?
2	A. The \$550,000 is the amount that Mr.
3	Rosenstrock paid for the lot and house which was built
4	for him as a build-to-suit.
5	And then as a follow-up question he was asked
6	whether his house has depreciated due to the influence
7	of LTD's operations. And his answer was, "I don't
8	know."
9	So in looking at what complainants had to
10	say, as a first level of seeing what the opinions would
11	be, Karen Roti says "Yes;" Leslie Weber says, "No;" and
12	Paul Rosenstrock savs. "I don't know." So there

13	doesn't seem to be a consensus among the complainants,
14	at least in their deposition records, as to whether
15	there is any depreciative influence due to LTD's
16	operations.
17	Now, why would I be interested in what they
18	have to say? Well, the reason is that depreciation
19	Q. Why would you be interested in let me ask
20	you a question.
21	Why would you be interested in what the
22	complainants had to say about this issue?
23	A. I'm sorry, I wasn't try to play the
24	attorney's role.

1	MR. KAISER: Objection, narrative I think would be
2	appropriate at this point.
3	HEARING OFFICER KNITTLE: But we have corrected
4	that, correct?
5	MR. KAISER: yes.
6	HEARING OFFICER KNITTLE: You can proceed, sir.
7	THE WITNESS: The complainants are owners of their
8	properties and therefore they are part of the potential

9	market for their properties. And that's relevant
10	because the question of depreciation has to be examined
11	in the context of market value. Market value is
12	developed by what buyers and sellers think and perceive
13	to be the influences on value.
14	BY MR. KOLAR:
15	Q. So besides the deposition testimony of the
16	complainants, what other bases for your opinion
17	relative to the '95 expansion and any activity because
18	of that depresses the value of the complainants'
19	properties?
20	A. I also took into account the statements in
21	their depositions of Marcia Rowley and Karen Dickey.
22	Q. And who are they?

24

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A. They are real estate brokers who successively

listed the Rotis' house for sale in 1996 and 1997.

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1	Q.	What, if	anything,	did yo	ou rely	upon in	that
2	regard?						
3	Α.	I noted	that each	of the	brokers	showed	the

homes many times. I believe Marcia Rowley showed the

	5	house I shouldn't say that she personally showed it,
	6	but while it was listed with her she testified that
	7	there were about 60 showings. Karen Dickey, while the
	8	property was listed with her, testified that there were
	9	30 to 40 showings. And neither of these brokers had an
1	LO	offer on the property.
1	L1	Now, when asked about various factors that
1	12	were negative factors for the Roti house, which was the
1	13	house they listed, not one of them cited noise
1	L 4	specifically from LTD. They did have some very
1	L5	specific and in some cases reiterated opinions on what
1	16	the true factors were that caused depreciation to the
1	L7	Rotis' property. Namely, the location in the sort of
1	L8	peripheral or far southwestern part of Lake Forest as
1	L9	well as simply the physical
2	20	MR. KAISER: I'm going to object at this point
2	21	unless he's going to site particular portions of Ms.
2	22	Rowley and Ms. Dickey's deposition transcripts. I know
2	23	we're going to have Ms. Rowley testify, but his summary
2	24	without reference to the actual transcript, I think is

- 1 too unreliable.
- 2 MR. KOLAR: I don't think he's required to do
- 3 that. He's an opinion witness. He said that these are
- 4 things he typically relies upon. Maybe he can do that.
- 5 BY MR. KOLAR:
- 6 Q. Can you do that? Can you give us, Mr.
- 7 Byrnes, the pages from the transcript that you're
- 8 referring to?
- 9 A. If you're willing to wait while I find the
- 10 references.
- 11 HEARING OFFICER KNITTLE: Mr. Kaiser.
- 12 MR. KAISER: We'll wait if the Board will.
- 13 BY MR. KOLAR:
- Q. What transcript are we talking about?
- 15 A. This is Marcia Rowley's deposition taken
- 16 March 19, 1999.
- 17 HEARING OFFICER KNITTLE: Let's go off the record
- 18 for a second.
- 19 (Discussion off the record.)
- 20 BY MR. KOLAR:
- 21 Q. Mr. Byrnes, did you find in Marcia Rowley's
- 22 transcript the page where she indicates the drawbacks
- relative to the Roti property?
- 24 A. Yes.

- 1 Q. What page is that?
- 2 A. Page 28.
- 3 Q. Is that the page that you were relying upon
- for your earlier comment of drawbacks?
- 5 A. Well, it's certainly one of the pages. I
- 6 read her entire deposition. She makes several, but I
- 7 can read you what she said, the question and the
- answer.
- 9 Q. This is something you relied upon?
- 10 A. Yes. Now, the uestion was, "What were the
- 11 drawbacks to the Roti home?" The answer was, "The
- drawbacks were that the yard, in that there was more
- 13 side yard than backyard, so people felt it was less of
- 14 a functional backyard because most of the yard was to
- 15 the side. And the house wasn't placed in the center of
- the property. The fact that it was very far west,
- 17 southwestern corner of Lake Forest, and the noise, and
- 18 the commercial development. Those four things."
- 19 Q. And that and other references in the
- 20 transcript, what relevance did that have to your
- 21 opinion that the '95 expansion and trucking activity
- did not depress the value of the complainants'
- 23 properties?
- 24 A. Well, I also took into account in answering

1	your question Page 37 where she was asked this
2	question, "And I take it, just so I'm clear, as you sit
3	here today you're not able to distinguish between noise
4	that would come from the office building to the south,
5	noise that might be coming from the LTD facility or
6	noise that's coming from the tollway?" Marcia Rowley's
7	answer was, "Correct."
8	Q. For the record that was a question by Mr.
9	Kaiser.
10	So those two passages, how do those provide
11	the bases for your opinion that the '95 expansion and
12	truck activity from that expansion did not depress the
13	Roti property value and the other complainants'
14	properties?
15	A. Because Marcia Rowley cited a number of
16	factors that she thought were important, such as we
17	just heard: The location within Lake Forest, the

proximity to commercial development, the particular

the short backyard. But she wasn't able to

configuration of the way the house is cited on the lot,

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19

- specifically point to noise from LTD as a factor that

 she could distinguish from the tollway noise or any

 other noise in the area.
- 24 Q. In your experience, as a realtor and an

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1	appraiser, do people look at homes at 12:30 in the
2	morning?
3	A. No.
4	Q. Does that have any impact on your opinion as
5	to the LTD operations?
6	A. Yes.
7	Q. How is that?
8	A. Well, one of the factors involved here is,
9	again, as the two realtors testified in their
10	depositions, there were anywhere from 90 to 100
11	showings of this property. Now, neither Karen Roti nor

the brokers told the buyers that there was a noise

problem or that they felt there was a noise problem

properties at the traditional times of day, some of

them will look at the property during weekdays during

from LTD. So if the buyers are looking at the

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the day, some when they get home from work which may be late afternoon, early evening, maybe right after dinner, others will look at properties that they might be wanting to buy on Saturdays or Sundays but they're not going to be looking at properties late in the evening, 10:30, 11:30, 12:30 at night. So for the alleged factors -- even if we said, for the sake of argument, that the hypothesis was true, that these late

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night operations did cause some additional depreciative
effect, there is no way that the prospective buyers
going to the Roti property would have known about it
because it wasn't disclosed by the brokers or by the
Rotis. And unless they went by late at night, they
being the potential buyers, to see this, they wouldn't
know about any alleged unpleasant noise at night. And
if they don't know about it, it can't be a factor in
their purchase decision. If it's not a factor in their
opinion of the price or value, then it can't have a
depreciative effect because depreciation again is
dependent on the perceptions of buyers and sellers.

And as we -- again, as I said, there was no such perception on the part of the prospective buyers.

Q. In your experience as a realtor and an appraiser when people come to look at any of the three complainants' properties and they see the tollway, they see the LTD and office to the south, making a decision whether to buy is a black and white decision that either I don't mind living by that or I do or do they go to degrees like as long as it's not noisy at night I can live there, what's your experience in that regard?

MR. KAISER: Objection, calls for speculation.

HEARING OFFICER KNITTLE: Overruled.

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THE WITNESS: The factors that were mentioned by, for example, Marcia Rowley and also by Karen Dickey, which were the proximity -- the physical proximity to commercial industrial development, in my experience as a realtor, formerly, and in my appraisal of properties, you're going to find buyers are going to either want to live -- they'll be willing to live next to a major 400,000 square foot warehouse distribution center or

they won't. And you're not going to find people, in my opinion, basing their decision on is there or isn't there a second shift at this 26 truck dock 400,000 foot distribution warehouse. They're going to base their decision on there is a distribution warehouse south of my property line, do we want to live here? What's the effect going to be on potential resale? That's a subject the Webers discussed when they first bought their lot, which predated the 1995 expansion.

So, to summarize the answer to your question, in my opinion either buyers are going to say that living next to a distribution warehouse does not bother them or it does. And the question of whether there is

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a second shift or not is not going to add further

recognize already were inherent in that location.

depreciation to all the depreciative factors that I do

RY	MR	KOLAR:

Q. And I guess just to sort of summarize, then
I'll be done, the depreciative factors that you
mentioned, the tollway, LTD and the office building,

- you acknowledge that those at some point did have an impact on setting the value for these -- what became the Roti, Rosenstrock and Webers' lots, right?
- 8 A. Yes.
- 9 Q. It's just that that happened when the
 10 subdivision was first platted and the market is setting
 11 the value for the complainants' lots versus lots to the
 12 north in the subdivision?
- 13 A. Yes.

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- Q. I don't know, do I have any other questions?

 I think we covered your -- have we covered the bases

 for your opinions? Anything that we missed that you

 feel is important for the Pollution Control Board to

 know?
 - A. There were a few other ancillary or supportive factors. And, again, I apologize to the Board, these are based on things I read in the complainants' depositions. If required, I can find the references precisely, but one major factor, that was cited by several of the complainants, was a piece of

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- equipment called a yard pig, which was -- I believe Mr. 1 2 Rosenstrock even said that was the worst offender as 3 far as noise was concerned. And they also admitted that they knew, they being the complainants, they knew 5 that LTD in 1998 had gotten a new yard pig to haul the 6 trailers around and that it was quieter. So that's a 7 subsidiary consideration that I have taken into account 8 that if one of the major alleged sources of extra noise 9 is now quieter, then all the less likely that this 1995 10 expansion of building and operations has had a 11 depreciative effect on the complainants' properties. 12 Okay. Anything else or is that it? Q. 13 No. Α. MR. KOLAR: I don't have any further questions. 14 15 MR. KAISER: Cross. 16 HEARING OFFICER KNITTLE: Mr. Kaiser. 17 CROSS EXAMINATION BY MR. KAISER: 18 Mr. Byrnes, have you read any of the 19 20 transcripts from the first part of this hearing which was conducted in early November 1999? 21
- A. No, I haven't.
- Q. You have not then read the testimony of Henry or Leslie Weber in this case?

1

24

Α.

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No.
 2
               Q.
                    You have not read --
 3
               MR. KOLAR: Objection, I think there was a motion
 4
          to basically exclude witnesses, so I think it would
 5
          have been improper for him to read the transcript.
 6
          That that would have been, I think, tantamount to
          violating the motion to exclude witnesses.
 8
               MR. KAISER: I think if there had been any kind of
9
          motion made for Mr. Byrnes to be allowed to update his
10
          information by reference to the transcript in this
11
          hearing, it would have been allowed by the Hearing
12
          Officer. I think that's an argument without merit.
               HEARING OFFICER KNITTLE: I'm going to allow the
13
          question to stand but with both caveats noted.
14
          BY MR. KAISER:
15
16
                    And I take it then you didn't review Karen
               Q.
          Roti's testimony during the course of this hearing?
17
               Α.
                    No.
18
19
               Ο.
                    Nor that of Mr. Rosenstrock?
               Α.
                  That's correct.
20
                    And so this impact of the yard pig being
21
               Q.
          quieted in 1998, you don't know what affect that had on
22
23
          noise levels at LTD and in the vicinity of LTD during
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the fall of 1999, do you?

1	Α.	No.

- Q. Now, as I understood your argument towards
 the end here, it's essentially that there is a certain
 class of buyers who will go out to the south end of the
 subdivision, see Corporate 100, see LTD's dock area,
 see the tollway, and decide they either can live near
 those uses or they can't, is that your opinion?
- 8 A. I would say that -- yes, as a generalization 9 that's my opinion.
- Q. And that those who can live next to those
 uses will not be disturbed by LTD's now extended hours
 of operation, is that right?
- 13 A. No, I think the record shows that they are disturbed by it.
- Q. I see. So you're making the distinction -and this is important. You're not saying that LTD may
 not be a nuisance, right?
- 18 A. I'm not here to testify as to whether it's a nuisance or not.
- Q. That's right. You're solely here to tell the
 Board whether you think LTD's operations and the noise

- from LTD depreciates the value of the Roti, Rosenstrock
- and Weber homes, correct?
- A. That's right.

- 1 Q. And you have no opinion to offer the Board as
- 2 to whether LTD is currently or in the past has been a
- 3 nuisance as defined by the Illinois Environmental
- 4 Protection Act, correct?
- 5 A. That's correct.
- 6 Q. Now, in fact -- and you're familiar with this
- 7 aerial photograph, aren't you?
- 8 A. Yes.
- 9 Q. You have seen this many times, haven't you?
- 10 A. No.
- 11 Q. Well, you saw it today, right?
- 12 A. Yes, I saw it yesterday.
- Q. All right. When you were with Mr. Kolar
- 14 preparing for your testimony, right?
- 15 A. That's right.
- 16 Q. And how many hours did you spend with Mr.
- 17 Kolar?

18	Α.	About 4	5 M11	nutes.	•				
19	Q.	And you	see	that	this	is	marked	 here	is

the Weber house, Mr. Rosenstrock's house and the Roti

21 residence, you recognize those in relation to LTD,

don't you?

23 A. Yes.

Q. And you told us that the Webers purchased

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1 their land in 1988, did you m	a not?
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- 2 A. I believe that's correct, yes.
- 3 Q. And you told us that you reviewed Henry
- 4 Weber's deposition, right?
- 5 A. Yes.
- Q. And you recall the portions of Mr. Weber's
- 7 deposition where he acknowledged that to the south
- 8 there was the Corporate 100 office building, right?
- 9 A. Yes.
- 10 Q. And he saw that LTD had a warehouse operation
- 11 to the southwest, correct?
- 12 A. Yes.
- 13 Q. And Mr. Weber at that time was a person who

14	found he could live next to Corporate 100, LTD and the
15	tollway as it existed and as it was in operation in
16	1988, correct?
17	A. Yes.
18	Q. Did you ever ask Mr. Weber whether he would
19	buy the property now, now that LTD operates five months
20	a year for 20 hours a day?
21	MR. KOLAR: Objection, misstates the testimony in
22	the record.
23	HEARING OFFICER KNITTLE: Mr. Kaiser.
24	

1	BY MR. KAISER:
2	Q. It's a simple question. Did you ever in
3	part, in preparation of your opinion, ask Mr. Weber
4	whether he would buy his property today?
5	MR. KOLAR: Objection, it's an unfair question.
6	Since he's represented by counsel, I don't think my
7	opinion witness or LTD's opinion witness could ask Mr
8	Weber that question.
9	MR. KAISER: He certainly by agreement could have

10	asked that question. His counsel could have asked that
11	question in the course of the deposition. He's telling
12	us that people who once they make the jump and can buy
13	next to these uses will be happy with that, they can
14	accommodate those uses to the south.
15	HEARING OFFICER KNITTLE: Hold on, Mr. Kaiser.
16	I'm going to sustain the objection as to a
17	mischaracterization of testimony, but then you asked it
18	a second time which I did not think mischaracterized
19	the testimony. If you want to ask that question, that
20	will be allowed.
21	MR. KAISER: Just so we know what question is
22	acceptable, maybe the court reporter could read that
23	back.
24	HEARING OFFICER KNITTLE: Go ahead.

1	MR. KOLAR: My objection was he could not ask that
2	question to Mr. Weber because he's represented by
3	counsel. And that would be like me discussing an issue
4	with a person represented by counsel.
5	He's LTD's retained opinion witness. I don't

6	think the rules permit him to call on Mr. Weber and
7	say, "I know you're represented by Steve Kaiser but I'd
8	like to talk to you on the side here."
9	MR. KAISER: I would have allowed Mr. Kolar to
10	call me and say, "Mr. Byrnes feels it important to know
11	whether Mr. Weber and Ms. Weber, whether Mr.
12	Rosenstrock, whether the Rotis would still pay the
13	price they paid for their property in light of the
14	changed circumstances to the south."
15	HEARING OFFICER KNITTLE: I'm going to overrule
16	the objection and allow the question to stand. I'm not
17	making a ruling one way or the other whether that's a
18	proper question or whether that could have been asked
19	under the Board's procedural rules. But if you want to
20	ask that question, you can go ahead.
21	BY MR. KAISER:
22	Q. Did you ever ask Mr. Kolar to contact me so
23	that you could get information whether Henry and Leslie
24	Weber would still purchase their property?

1308

1 A. No.

- Q. And did you ever ask Mr. Kolar to try to talk
 with me so that you can inquire of Mr. Rosenstrock
 whether he would still purchase his property?

 A. No.
 - Q. And did you ever ask Mr. Kolar to contact me so that he could ask the Rotis whether they would still today buy their property?
- 9 A. No.

7

- Q. Now, it was your testimony, in light of your experience as a real estate salesperson here in the State of Illinois, that people don't typically go look at houses they're interested in buying at 12:30 a.m., was that your testimony?
- 15 A. Yes.
- 16 Q. But those same people who may buy those 17 houses live in their houses at 12:30 a.m., do they not?
- 18 A. Yes.
- Q. And it was your testimony that the market
 doesn't take into consideration LTD's increased dock
 operations because potential purchasers don't know
 about the increase, that was your testimony, wasn't it?
- 23 A. Yes, that's one of the bases of my opinion.
- Q. Which way had real estate prices in southwest

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1 Lake Forest been trending over the last three years?
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- 2 A. Over the last three years there has been a
- 3 rather minimal amount of sales activity in southwest
- 4 Lake Forest. In my opinion there is not enough
- 5 information to make a meaningful trend analysis. You
- 6 could probably take one or two sales and say that the
- 7 trend may have been upward, but I haven't found any
- 8 evidence to the contrary.
- 9 Q. You haven't found evidence to the contrary,
- 10 that is, that the trend has been upward?
- 11 A. I haven't found any evidence of a downward
- 12 trend.
- 13 Q. Well, are you aware of any downward trend in
- 14 the price of real estate anywhere along the North
- 15 Shore --
- MR. KOLAR: Objection, relevance.
- 17 BY MR. KAISER:
- 18 Q. -- over the last three years?
- 19 MR. KOLAR: Objection, relevance to the North
- Shore.
- 21 HEARING OFFICER KNITTLE: Mr. Kaiser, you want to
- 22 explain the relevance.
- MR. KAISER: I think it's common knowledge that
- real estate in the Chicagoland area, unless you're in a

1 community like Dalton or Harvey or Waukegan or Zion, 2 has gone up and gone up rather dramatically over the 3 last three years. BY MR. KAISER: Q. Is that your sense of the market, Mr. Byrnes? A. Yes. In general that's --6 7 MR. KOLAR: Objection, I thought he was --MR. KAISER: I'll rephrase. 8 9 MR. KOLAR: -- responding to my objection. HEARING OFFICER KNITTLE: So did I, Mr. Kaiser. I 10 11 didn't realize you were going to ask another question. 12 MR. KAISER: I rephrased the question. HEARING OFFICER KNITTLE: Do you want to withdraw 13 14 your objection based on that rephrasal? MR. KOLAR: Fine. 15 16 Is Dalton on the North Shore? I don't know. HEARING OFFICER KNITTLE: I don't even know where 17 Dalton is so --18 19 MR. KAISER: It's in the Chicagoland area. 20 MR. KOLAR: If you rephrase it, I'll --

BY MR. KAISER:

22	Q.	Unless you're in a distressed or blighted
23	community	the market prices have gone up, isn't that
24	true, Mr.	Byrnes?

1	MR. KULAR: I object. He had a question pending.
2	I withdrew my objection. He had another question
3	pending before he gave him a chance to answer that one,
4	then he gave another question. So I move to strike
5	that question and let Mr. Byrnes answer the previous
6	question.
7	MR. KAISER: I'd go along with that.
8	HEARING OFFICER KNITTLE: I'll go along with that
9	too.
10	Do you recall the previous question or do you
11	need the court reporter to read it back?
12	THE WITNESS: I believe the previous question
13	was I'm paraphrasing of course isn't it true that
14	over the last three years in virtually the whole
15	Chicagoland area that residential prices have gone up
16	dramatically except for areas like Dalton, Harvey,
17	Zion, Waukegan and other similar areas which I assume

- 18 counsel thinks are less desirable areas for people to
- 19 live in. And if that's the question, I can answer it.
- 20 BY MR. KAISER:
- 21 Q. That's a fair paraphrase of the question,
- 22 yes.
- 23 A. Okay. Generally speaking the answer is yes.
- Q. So what would be possible --

- 1 MR. KOLAR: This is the Marcia Rowley who entered.
- 2 MR. KAISER: No, this is Ms. Weber.
- 3 MR. KOLAR: You're right. I'm sorry.
- 4 I apologize, Ms. Weber.
- 5 MR. KAISER: One of the complainants, Leslie
- Weber.
- 7 Good morning. Welcome.
- 8 MR. KOLAR: I stand corrected.
- 9 BY MR. KAISER:
- 10 Q. I mean, that's a fair general statement of
- 11 the trends in real estate in the Chicagoland area for
- the last three years, correct?
- 13 A. Yes. In fact Karen Dickey said that she

14	thought the Rotis in 1999 would have a much better
15	chance of selling their property than when she listed
16	it in 1997.
17	Q. And that's because the market for many
18	reasons has improved over the last three years, right?
19	A. That would certainly be one of the reasons.
20	Q. Now, you read us from portions of Mr.
21	Rosenstrock's deposition transcript, and you read us
22	the section where Mr. Kolar asked Mr. Rosenstrock
23	whether he thought his house was now worth more than
24	\$550,000, do you recall reading that portion?

1	A. Yes.
2	Q. You recall that Mr. Rosenstrock's answer was
3	"I hope so"?
4	A. Yes.
5	Q. And you took that as an argument or a
6	statement that supported your opinion that LTD's
7	increased dock operations have not reduced the value of
8	Mr. Rosenstrock's home, wasn't that one of the bases?
9	A. Yes.

10	Q. Now, it's possible, is it not, speaking
11	strictly theoretically here, for Mr. Rosenstrock's home
12	to have increased in value but not at a rate similar to
13	homes in southwest Lake Forest over the same time
14	period?
15	A. Theoretically, yes, that's possible.
16	Q. And it's theoretically possible that it
17	didn't keep pace with the increased value in southwest
18	Lake Forest over the last three years in part because
19	of the increased dock operations at LTD to the extent
20	prospective purchasers knew about the increased dock
21	operations?
22	A. It doesn't correspond to my opinion.
23	Q. That's not your opinion. Even theoretically
24	you wouldn't admit that as a possibility?

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1	A.	That's correct.
2	Q.	Now, you talked about the hypothesis that you
3	were tes	ting, do you remember using that term?
4	А.	Yes.

5 Q. And do you recall during the course of your

6	deposition that you were investigating a theory as to
7	whether LTD's increased dock operations had an impact
8	on the fair market value, do you recall that?
9	A. That's correct.
10	Q. And you referred to this was a somewhat
11	subsidiary analysis in line with the general
12	theoretical analysis, an analysis based on my
13	experience, do you recall that description of your work
14	in process?
15	A. Yes.
16	Q. And I don't think you're going to tell the
17	Board that appraising real estate is a hard science,
18	are you?
19	A. Well, I'm not sure what that question means.
20	But I think what you're saying is it's not a hard
21	science in the respect of if you're a chemist testing a
22	chemical reaction, it's going to come out
23	quantitatively a certain way, whereas when you're
24	appraising properties, there is not enough market data

- 2 use some judgment.
- Q. And you used judgment here, did you not?
- 4 A. Yes.
- 5 Q. And you'd admit to the possibility, wouldn't
- 6 you, Mr. Byrnes, that another appraiser could reach the
- 7 exact opposite conclusion that you have reached and
- 8 given the Board here this morning, correct?
- 9 A. Yes.
- 10 Q. Do you have any idea how much McCann &
- 11 Associates have billed LTD for your work to date?
- 12 A. Yes.
- Q. How much is that?
- 14 MR. KOLAR: Objection. For this particular
- 15 project?
- 16 MR. KAISER: Yes, for this particular project.
- 17 HEARING OFFICER KNITTLE: Is the objection
- 18 withdrawn based on the --
- MR. KOLAR: Yes.
- 20 THE WITNESS: Approximately \$5,900 on an hourly
- 21 basis.
- 22 BY MR. KAISER:
- Q. And that's for your time in connection with
- the preparation of your opinion?

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1 A. Yes.
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- Q. And, as I understood it, during your
- deposition I asked a question, "Who else did you rely
- 4 on down there at McCann to help you formulate this
- 5 opinion?" And you told me it was essentially your
- 6 opinion, you may have used somebody to pull some
- 7 information together but really this is your work
- 8 product, right?
- 9 A. Yes.
- 10 Q. Now, you gave us a list of what I called
- 11 locational elements --
- MR. KOLAR: That's Marcia Rowley, I think.
- MS. ROWLEY: Yes.
- 14 BY MR. KAISER:
- 15 Q. -- that affected the value of Ms. Weber's
- 16 property, Mr. Rosenstrock's property and the Rotis'
- 17 property.
- 18 A. Yes.
- 19 Q. Do you recall those?
- 20 A. Yes.
- Q. And you noted that all three of the
- complainants' properties were immediately adjacent to
- 23 commercial usages, correct?
- 24 A. Yes.

1	Q. And that these commercial usages preexisted
2	to some extent the Webers' arrival, Mr. Rosenstrock's
3	arrival and the Rotis' arrival, right?
4	A. Yes.
5	MR. KAISER: And I would just take a minute here,
6	Mr. Knittle, to ask that the witness be excluded
7	because her testimony may bear or be influenced to a
8	certain degree by Mr. Byrnes' testimony.
9	HEARING OFFICER KNITTLE: Mr. Kolar.
10	MR. KOLAR: I think you have a right to do that.
11	That's why I didn't have Mr. Byrnes read the
12	transcripts from the hearing. I have no objection. I
13	understanding that's the order we're working under.
14	HEARING OFFICER KNITTLE: Ma'am, if you could step
15	outside. We'll come get you.
16	Let's go off the record.
17	(Discussion off the record.)
18	BY MR. KAISER:
19	Q. Mr. Byrnes, as I understand your opinion, you
20	make no distinction between LTD's level of dock
21	operations in 1986 and LTD's current level of dock
22	operations, is that correct?

- A. No, that's not correct.
- Q. Well, explain to me and to the Board how you

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take into account the increased volume of truck traffic

2 at LTD's dock operations?

A. Well, in answering your previous question you asked if I considered that there was a difference

5 between the 1986 level of operations and what there was

6 say today, and, properly considered, what I looked at

7 was the level of 1987 and subsequent operations because

8 the current number of truck docks were not added until

9 1987, they weren't all there in 1986.

Q. All right. So by 1987 then we have 20 or more truck docks along the north end of LTD?

12 A. That's right.

10

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Q. And just so I'm clear, it's your statement that once you get the 20 docks in there, whether they're used 12 hours a day or 20 hours a day doesn't really matter?

A. What I'm saying is whether they're -- just to sharpen my answer in relation to your question, whether

- it's a one-shift or two-shift-a-day operation is not
 the major factor contributing to the depreciation of
 these properties.
- Q. Is it a factor at all?
- 23 A. No.
- Q. That's my point. You're telling the Board

- 1 that as soon as you get the 20 docks in, whether
- 2 they're in operation 12 hours a day or 20 hours a day
- 3 doesn't matter if we're talking about fair market value
- 4 of the Roti, Rosenstrock and Weber residences, right?
- 5 A. Yes, Counsel. As I said, the question is
- 6 whether --
- 7 Q. That's fine. You have answered it. Your
- 8 answer is yes, right?
- 9 MR. KOLAR: Objection. I don't think his question
- 10 called for a yes or no answer, so I would object and
- 11 ask that the Hearing Officer allow him to finish his
- 12 answer.
- 13 HEARING OFFICER KNITTLE: Overruled. You can
- 14 address this in redirect.

- 15 BY MR. KAISER:
- 16 Q. Now, one of the sources of information that
- 17 you relied on was a conversation you had with Jack
- 18 Voigt, right?
- 19 A. Yes.
- 20 Q. And Jack Voigt's one of the senior managers
- 21 at LTD, correct?
- 22 A. That's what I understand.
- 23 Q. And you brought that question to him and you
- said, "Mr. Voigt, is it true you're operating 24 hours

- 1 a day?" You asked him that, didn't you?
- 2 A. Yes.
- 3 Q. And he told you that is absolutely false,
- 4 didn't he?
- 5 A. Not in those exact words but --
- 6 Q. But he told you, "We don't operate 24 hours a
- 7 day, "right?
- 8 A. That's what he told me.
- 9 Q. "We only operate two shifts," that's what he
- 10 told you, right?

11	A. He told me two shifts and that at some points
12	they had had overtime prior to the opening of the
13	Aurora facility.
14	Q. And that sometimes that overtime went even
15	until 1 or 1:30 he told you, right?
16	A. Yes.
17	Q. But he didn't tell you that overtime went on
18	some occasions until 2:30 in the morning, did he?
19	A. Not to my recollection.
20	Q. Well, when I asked you that question during
21	the course of your deposition on July 21, 1999, you
22	told me he didn't tell you that, do you remember that?
23	MR. KOLAR: Objection, not impeaching. I think he
24	said the same thing in his answer here moments ago.

1321

1	HEARING OFFICER KNITTLE: Sustained.
2	I don't understand, Mr. Kaiser, how this is
3	any different than
4	MR. KAISER: I'm going to impeach him properly.
5	BY MR. KAISER:

Q. Question -- and this is reading from the

- 7 transcript of your deposition.
- 8 HEARING OFFICER KNITTLE: Mr. Kolar, do you have a
- 9 problem? Do you want to look at it before he does?
- 10 MR. KOLAR: I'd like to know the page and line.
- MR. KAISER: Page 58, Line 15 through 20.
- 12 BY MR. KAISER:
- Q. Question, "And did he" --
- 14 MR. KOLAR: Objection, not impeaching. Before he
- 15 reads it in the record, if you can take a look at it, I
- 16 think he just answered consistently with the deposition
- 17 testimony.
- 18 BY MR. KAISER:
- 19 Q. All right. May I refresh your recollection
- 20 as to what Mr. Voigt told you --
- 21 HEARING OFFICER KNITTLE: Hold on, Mr. Kaiser.
- MR. KOLAR: Objection, asked and answered.
- 23 HEARING OFFICER KNITTLE: I think --
- 24 MR. KOLAR: Page 58, Line 15.

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1 HEARING OFFICER KNITTLE: Let's go off.

2 (Discussion off the record.)

- 3 HEARING OFFICER KNITTLE: Mr. Kaiser, I don't see
- 4 how it's any different but I'm going to allow you to
- 5 make an offer of proof if you like.
- 6 MR. KAISER: I'll offer to refresh his
- 7 recollection.
- 8 BY MR. KAISER:
- 9 Q. You have just told us now, Mr. Byrnes, this
- 10 morning that you don't recall whether Jack Voigt told
- 11 you that LTD's docks on occasion operated until 2:30
- 12 a.m., do you recall saying "I don't remember if he said
- 13 that"?
- 14 A. Yes.
- 15 Q. All right. Now, I want to show you Page 58
- 16 of your deposition transcript where I asked essentially
- 17 that same question.
- 18 A. Yes.
- 19 Q. And if you'd look there at Lines 15 through
- 20 20 and let me know if that refreshes your recollection
- as to what Mr. Voigt told you?
- 22 A. It refreshes my recollection of my answer to
- the question that you phrased to me.
- Q. But it doesn't refresh your recollection with

- 1 respect to what Mr. Voigt told you?
- 2 A. No.
- 3 Q. Now, did Mr. Voigt ever tell you that with
- 4 some regularity semitractors and their trailers arrive
- 5 at the LTD facility before 6 a.m. in the morning?
- 6 A. No.
- 7 Q. No, he didn't tell you that, did he?
- 8 A. No.
- 9 Q. Do you feel there is a significant
- 10 difference -- well, strike that.
- 11 Now, one of the sources of information that
- 12 you relied on was information you obtained from the
- Township Assessor's Office, is that right?
- A. That's right.
- 15 Q. And you went over -- is that the west
- 16 Deerfield Township Assessor's Office?
- 17 A. Yes.
- 18 Q. And you went to that office in person, didn't
- 19 you?
- 20 A. Yes.
- Q. And you had them pull out these property
- 22 record cards, right?
- 23 A. Yes.
- 24 Q. And you pulled out some tax maps so you could

1 see where those parcels of real estate were located in 2 relation to one another, correct? 3 Α. That's right. And you looked at the entire subdivision in 5 which the Roti, Weber and Rosenstrock residences are 6 located, correct? 7 Α. Yes. And you looked at the assessed value of every 8 9 parcel of real estate within that subdivision, did you not? 10 11 Α. Yes. And with one exception, the West Deerfield 12 13 Township assessor assessed the value of the parcels within the entire subdivision --14 MR. KOLAR: Objection, relevance, assessment. 15 MR. KAISER: It's one of the bases he relied on. 16 17 MR. KOLAR: He didn't say he relied on assessment. 18 Assessment is some assessor's note of a percentage of fair market value and it often has nothing to do with 19 20 fair market value even though the statute may indicate 21 an assessment should be one third of fair market value

or sometimes counties have an ordinance that it should

be a certain percentage of fair market value. But if

he's going to offer what the assessor does in terms of

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1 assessment, he should have called the assessor. Assessment is completely different than fair market 3 value. HEARING OFFICER KNITTLE: Mr. Kaiser. 5 MR. KAISER: Mr. Kolar knows that in the course of 6 Mr. Byrnes' deposition we spent almost an hour going 7 over the assessed value of these properties and certain conclusions Mr. Byrnes drew or couldn't draw on the 8 basis of that assessment and he's kept that out of the direct examination because he knows it's harmful to 10 11 LTD. 12 MR. KOLAR: It doesn't make it relevant because he 13 asked him questions at his deposition about assessment. 14 HEARING OFFICER KNITTLE: I agree. Mr. --MR. KAISER: Oh, absolutely does. Absolutely 15 does, Mr. Knittle. His argument that he's getting paid 16 17 175 an hour to put in front of the Board is that the

properties on the peripheral of the -- the periphery of

19	the subdivision are less valuable than the properties
20	in the center and north. That's his argument, that
21	because they're located next to these inharmonious land
22	uses, to borrow Mr. Byrnes' expression from the
23	deposition, that they're less valuable. Now I think
24	it's highly relevant whether the Township assessor

Τ	considers these parcels less valuable.
2	HEARING OFFICER KNITTLE: I wasn't disagreeing
3	with you on relevance. What I want to know, Mr.
4	Kaiser, is and, sir, your last name again?
5	THE WITNESS: Byrnes.
6	HEARING OFFICER KNITTLE: Mr. Byrnes, what did
7	you you pulled the assessor's cards?
8	THE WITNESS: Property record cards, yes.
9	HEARING OFFICER KNITTLE: Property record cards.
10	Mr. Kaiser, what I wanted to know is whether
11	or not he covered this on his direct examination, if it
12	was in fact beyond the scope of the direct examination.
13	MR. KAISER: Yeah, he covered it. He said he went
14	to the office and he pulled these cards, and these were

part of the basket of information he put together to evaluate this hypothesis that he tested.

MR. KOLAR: It's relevant and the reason is because in Illinois you have -- the statute says assessment should be one third of fair market value but in fact they're not. That's why we have things called township multipliers and state multipliers because you have variances across the county which requires the county officials to apply a multiplier onto assessment to try to bring them up to what the statute says they

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1	should be. And then on top of that, the state tries to
2	equalize assessments throughout the state by use of a
3	state equalizer. So what I'm telling you is the
4	objection is not assessments are not relevant because
5	more often than not assessments are not one-third of
6	fair market value as the assessed as they're
7	supposed to be by statute. And that's because you
8	might have an assessor who hasn't had a chance to get
9	through that subdivision in a number of years or
10	because of a whole multitude of factors. So we're

11	talking fair market value in his opinion, and I think
12	it's irrelevant to bring in what the assessor has in
13	terms of assessments for these particular properties.
14	HEARING OFFICER KNITTLE: Mr. Kolar, he based his
15	opinion in part on what the assessed values of these
16	properties were.
17	Correct, sir?
18	THE WITNESS: I believe what I said, and I hope I
19	didn't misstate it, is, one of the sources of
20	information that I consulted was the assessor's
21	property record cards so that I knew historically when
22	the lots were developed. Also, I did review in one of
23	my files, which Mr. Kaiser looked at in my deposition,
24	was a listing of the assessor's indicated fair market

1	value of the lots, the land only for all the lots
2	within the subdivision. And that is something we
3	talked about at my deposition. And I considered it,
4	but I wouldn't say that it was something that I based
5	my opinion on if I can make that distinction.
6	HEARING OFFICER KNITTLE: I'm going to overrule

- 7 the objection, Mr. Kolar.
- 8 Mr. Kaiser, go ahead.
- 9 MR. KAISER: Thank you.
- 10 BY MR. KAISER:
- 11 Q. Just to get back on track here, you went to
- the West Deerfield Township Assessor's Office, correct?
- 13 A. Yes.
- 14 Q. You pulled these property cards, right?
- 15 A. That's right.
- Q. You pulled the tax map, right?
- 17 A. Yes.
- 18 O. You looked at the valuation the assessor had
- 19 given to every lot within the subdivision in which the
- 20 Roti, Weber and Rosenstrock homes are located, correct?
- 21 A. Yes.
- Q. And you noted that, with one exception, the
- 23 West Deerfield Township assessor assigned the identical
- value to all the property within that subdivision,

- 1 correct?
- A. To all the lots, yes.

Q. All the lots in that subdivision. 3 4 And that was -- if I'm recalling correctly --5 the assessed value was 90,000, right? 6 The assessed value was about \$98,000. 7 Q. \$98,000. 8 That 98,000, that was the assessed value for 9 the Weber property, right? 10 A. Right. 11 Q. And for the Rosenstrock property, right? 12 A. Yes. 13 Ο. And for the Roti property, correct? A. Yes. 14 15 MR. KOLAR: Objection, relevance and foundation. 16 You get a new assessment every year, so he's just 17 saying for this assessment, for this assessment, for 18 this assessment without any reference to a year. BY MR. KAISER: 19 Q. Do you recall, Mr. Byrnes, what year you 20 looked at? 21 22 Since my investigation was done at the Assessor's Office I believe in April of 1999, the 23

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relevant tax year probably would have been 1998.

- 1 Q. And you looked at lots located in the
- 2 interior of the subdivision, did you not?
- 3 A. Yes.
- 4 Q. And the assessor had assigned the value of
- \$98,000 for those lots, correct?
- 6 A. Yes.
- 7 Q. And you looked at lots within the subdivision
- 8 located closer to Telegraph Road and closer to the
- 9 center part of Lake Forest, right?
- 10 A. Yes.
- 11 Q. And the assessor has assigned the value to
- those lots of \$98,000, correct?
- 13 A. I'm sorry, you're asking about lots which are
- no longer located within the subject subdivision?
- 15 Q. No, within the subject subdivision.
- 16 A. Then the answer is yes, they are uniform on
- 17 all those lots.
- 18 Q. Now, this MAI certification, is that -- what
- 19 is that?
- 20 A. That's a designation given by a private
- 21 appraisal organization which is called the Appraisal
- 22 Institute. And it's given after taking a number of
- courses, submitting experience credits, and writing a
- 24 demonstration appraisal and passing a comprehensive

1	exam. They then grant that professional designation of
2	MAI.
3	Q. And do you have that?
4	A. No, I don't.
5	Q. When was the last time you talked to Jack
6	Voigt?
7	A. In 1999.
8	Q. Do you know whether the construction of LTD's
9	facility in Aurora actually reduced noise emissions
10	from LTD's dock areas during the fall of 1999?
11	A. I don't know.
12	Q. After talking with Mr. Voigt you concluded
13	that the increase in dock operations at the LTD
14	facility in Bannockburn was but a temporary phenomenon
15	and that you didn't foresee it would go on into the
16	future, was that the conclusion you drew from your
17	conversation with Mr. Voigt some time in 1999?
18	A. Mr. Voigt, yes, basically told me that and
19	I believe it may have been in the context of overtime,
20	but generally the conversation I had with him indicated
21	that any of the extra overtime pressures that were
22	leading to these later hours would be relieved by the
23	Aurora facility.

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1 know whether that Aurora facility relieved any of these 2 overtime pressures on the LTD Bannockburn facility during the fall and winter of 1999, do you? 3 MR. KOLAR: Objection, asked and answered. HEARING OFFICER KNITTLE: Sustained. 5 BY MR. KAISER: 6 7 Q. Did Mr. Voigt ever tell you that the LTD Bannockburn facility, once the Aurora facility was up 8 9 and running, would scale back to only one shift a day? 10 A. No. MR. KAISER: I have no further questions. Thank 11 12 you. 13 HEARING OFFICER KNITTLE: Redirect, Mr. Kolar. 14 MR. KOLAR: Yes. Thank you. REDIRECT EXAMINATION 15 BY MR. KOLAR: 16 17 Q. Mr. Byrnes, the designation MAI, that means 18 Member Appraisal Institute, correct?

A. Yes.

20	Q. And people who are currently MAIs are members
21	of the Appraisal Institute?
22	A. Yes.
23	Q. And they're the ones who set the courses and
24	other requirements for people like you who want to
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1	become part of this group, right?
2	A. That's right.
3	Q. And you're in the process of doing that?
4	A. Yes. Technically I'm identified as an
5	associate member which is not given, you know, a letter

or abbreviation type designation like the MAI.

an MAI, correct?

A. Yes.

county area, correct?

A. Yes.

Q. And you're following the normal progression

that a person who wanted to become an MAI follows to be

Q. Now, you told us that you have testified

Q. And you have testified before the Illinois

before local boards of review throughout the collar

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16	Property Tax Appeal Board, correct?
17	A. Yes.
18	Q. And that's where people come before Boards of
19	Review or the Property Tax Appeal Board and say, "My
20	assessment is too high because it doesn't accurately
21	reflect the fair market value of the property," for
22	example, right?
23	MR. KAISER: Objection, leading.

24 HEARING OFFICER KNITTLE: Sustained.

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1	Can you rephrase, Mr. Kolar.
2	BY MR. KOLAR:
3	Q. In your experience people come before the
4	Board of Review or the Property Tax Appeal Board and
5	complain that their assessment is too high, right?
6	A. Yes.
7	Q. So based on your knowledge the Rotis, the
8	Rosenstrocks and the Webers, if they really believe
9	that their property value was depressed because of
10	operations of the LTD property, they, like anybody
11	else, would have the right to file an assessed

12	valuation complaint with the Lake County Board of
13	Review and make that argument, right?
14	MR. KAISER: Objection, leading.
15	HEARING OFFICER KNITTLE: Sustained.
16	BY MR. KOLAR:
17	Q. To your knowledge do the Rotis, the Webers
18	and the Rosenstrocks have the right here in Lake
19	County, Illinois to file assessed valuation complaints
20	regarding their assessments?
21	MR. KAISER: Objection, foundation.
22	HEARING OFFICER KNITTLE: Mr. Kolar, any response?
23	MR. KOLAR: No.
2.4	HEARING OFFICER KNITTLE: Foundation how. Mr.

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1 Kaiser, his knowledge -2 MR. KAISER: I mean, we could put Mr. Kolar on the
3 stand, and I think he could qualify as an expert in
4 this area. I don't know that Mr. Byrnes knows a thing
5 about it other than what Mr. Kolar's spoonfeeding him
6 this morning in the form of leading questions.
7 MR. KOLAR: I thought I heard a foundation

^	
8	objection
U	OD JECCTOIL

- 9 MR. KAISER: Yeah, it is because you're trying to
 10 give him the foundation through a leading improper
 11 question.
- 12 HEARING OFFICER KNITTLE: I think the question

 13 probably was leading and I would sustain on that. But

 14 I think this witness has been well qualified to answer

 15 this type of question. So I would allow these

 16 questions to go forward but in a nonleading fashion.

 17 BY MR. KOLAR:
- Q. Have you ever testified regarding the
 assessment of a property where a property owner said
 there is a negative influence that affects the value of
 my property?
- A. Well, yes, actually every time I have worked for a tax payer who's protesting their assessment, they have always said that there is some factor that the

- 1 assessor hasn't recognized that's a negative on their
 2 value and should push it lower.
- 3 Q. And based on -- have you worked in Lake

4 County in terms of assessed value? 5 You have assessed valuation complaints in Wynstone, right? 6 7 Α. Yes. 8 Q. That's Lake County? 9 Α. Yes. 10 Ο. So have you appeared before the Lake County Board of Review? 11 12 Α. Yes. Have you appeared before the Illinois 13 Q. 14 Property Tax Appeal Board concerning Lake County 15 properties? 16 Α. No. 17 So do you have a knowledge as to generally Ο. 18 how the system works if a person believes his assessments is too high? 19 Yes, I do. 20 Α. So, for example, if the Rotis tell me -- if 21 22 the Rotis believe that LTD Commodities, the operations

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from LTD Commodities depresses the value of their

property, based on your understanding of the process,

23

- can they file an assessed valuation complaint and make
- 2 that argument?
- 3 A. Yes.
- 4 Q. And if Rosenstrock believes that his property
- 5 is depressed by LTD operations, he could do that as
- 6 well?
- 7 A. Yes.
- 8 Q. Same for the Webers, correct?
- 9 A. Yes.
- 10 Q. And then if they prevail, and you went and
- 11 looked at the assessor's records, we would see a lower
- 12 assessment for the land of the Roti, Rosenstrock and
- Weber properties relative to the other lots in the
- 14 subdivision, correct?
- MR. KAISER: Objection, calls for speculation.
- 16 HEARING OFFICER KNITTLE: I think the speculation
- is inherent in the question. You said if they win?
- 18 MR. KOLAR: Right.
- 19 HEARING OFFICER KNITTLE: Based on that
- 20 assumption, I don't think there is any speculation, so
- 21 overruled.
- 22 THE WITNESS: Based on what I would represent to
- 23 you is my considerable experience with property tax
- 24 matters in Illinois, the results of property tax

1 appeals, the likely result of any of the complainants 2 winning such a hypothetical appeal would be a reduced 3 assessment either of their land assessment, the 4 improvement assessment or both components. But, at any 5 rate, their total assessment would be reduced. 6 BY MR. KOLAR: If you win, your assessment is reduced, Ο. that's a fact, right? 8 9 Α. Yes. 10 Ο. Do you have any knowledge of in the last five years the Rotis, the Rosenstrocks, the Webers filing an 11 12 assessed valuation complaint with the Lake County Board of Review? 13 14 Α. No. Now, in terms of your fee for this hearing, 15 Q. 16 you kind of in effect appeared twice, correct? 17 Α. That's right. 18 Q. You thought you were going to testify in 19 November 1999, right? 20 Α. Yes. 21 Ο. You prepared at that time, correct?

22

23

Α.

Yes, I did.

Q. You were geared up to testify?

24 A. Yes.

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1	Q. And you set the file down, correct?
2	A. Yes.
3	Q. You had to gear up again here in May 1999,
4	correct?
5	A. Year 2000.
6	Q. May 2000. You had to gear up again in May
7	2000 for the hearing, correct?
8	A. That's right.
9	Q. Now, you mentioned on direct then with Mr.
10	Kaiser that in your experience there is a class of
11	people who will come to the Roti, the Rosenstrock and
12	the Weber property, look at the tollway and the
13	influences to the south and either say "I'll buy the
14	property" or "I won't," right?
15	A. Yes, that was a major distinction that I
16	made.
17	Q. So the Rotis, the Rosenstrocks and the
18	Webers, based on your understanding of the chronology

of events here, fit into the class of people who knew

of the tollway, looked to the south and bought the
lots?

A. Yes.

And based on your review of the record, only

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the Rotis have listed their property for sale since

1340

1	they acquired it, correct?
2	A. To the best of my knowledge that's right.
3	Q. Mr. Kaiser went into great detail regarding
4	the '95 expansion and trucking operations, do you know
5	if Mr. Hara testified in this hearing that there were
6	nighttime trucking operations before 1990 when Mr.
7	Voigt started working at the property, do you know what
8	he said in that regard?
9	A. No, I don't.
10	Q. Do you know if Mr. Voigt testified that there
11	were nighttime truck operations in 1994 before the '95
12	expansion?

A. I don't know how he testified on that.

further support for your opinion regarding this case?

If those things were true, would that be

- A. No, it wouldn't change my opinion.

 Q. In terms of looking at Mr. Rosenstrock's

 transcript, when he was asked if this property had

 appreciated, and he said, as Mr. Kaiser indicated, "I

 hope so," you read that question and read that answer,

 correct?
- A. That's right.
- Q. And did you look at that testimony by Mr.
- 24 Rosenstrock relative to his allegation that LTD

- "depresses the value of complainants' properties"?
- A. Yes.
- ${\tt Q.}\,$ $\,$ And that was the hypothesis that you were
- 4 testing, correct?
- 5 A. Yes.
- 6 Q. So that was information you thought was
- 7 relevant to testing the allegation by the complainants?
- 8 A. Yes, I certainly wanted to see what they had
- 9 to say about it.
- 10 Q. You felt from that testimony that Mr.
- 11 Rosenstrock was at least not consistent with this

12	allegation?		
13	A. Yes, I felt it was inconclusive.		
14	Q. When you have been out to the street that the		
15	complainants live on have you heard tollway noise?		
16	A. Yes.		
17	MR. KAISER: Objection, beyond the scope.		
18	HEARING OFFICER KNITTLE: Sustained.		
19	MR. KOLAR: I don't have anything else.		
20	MR. KAISER: Briefly redirect.		
21	HEARING OFFICER KNITTLE: Yes, recross.		
22	MR. KAISER: Yes, recross.		
23			
24			

1	RECROSS EXAMINATION
2	BY MR. KAISER:
3	Q. Now, you have just told the Board that you
4	have substantial experience and even expertise in
5	property tax assessment challenges, is that right?
6	A. Yes.
7	Q. You told us that if the Rotis, Webers and Mr.

8	Rosenstrock felt that LTD's dock operations were
9	depressing the value of their property, they could go
10	to the assessor, right?
11	A. I believe they have that legal right, yes.
12	Q. But you wouldn't expect them to get any
13	relief from the assessor, would you?
14	A. I don't know how the assessor would react,
15	although I did ask him specifically about that
16	hypothetical.
17	Q. Well, you have told us that LTD's dock
18	operations even operating 20 hours a day, don't depress
19	the value of the Roti, Weber or Rosenstrock homes,
20	isn't that right?
21	A. What I said was that under the preexisting
22	conditions that the presence of LTD was one of the
23	depreciative factors, along with the tollway, the other

commercial uses and the location of the far southwest

1343

1	part	of	Lake	Forest.
---	------	----	------	---------

Q. Did the preexisting conditions include LTD

dock operations five and a half days a week for 20

4	hours a day for five months, is that the preexisting
5	condition?
6	MR. KOLAR: Objection, misstates the record
7	regarding LTD operations.
8	THE WITNESS: What I'm saying is that
9	HEARING OFFICER KNITTLE: Hold on, sir.
10	THE WITNESS: I'm sorry.
11	HEARING OFFICER KNITTLE: I'm going to overrule
12	and take that in terms of a hypothetical. I can't
13	recall what the record states, Mr. Kolar, at this
14	point. We have come back and forth on it a number of
15	times and I don't think the record is entirely clear -
16	MR. KAISER: I certainly can, and I think I
17	formulated that accordance with what the proofs have
18	been so far.
19	HEARING OFFICER KNITTLE: I'm going to allow the
20	question to stand.
21	THE WITNESS: Can I hear the question again.
22	HEARING OFFICER KNITTLE: Can you read it back.
23	(Record read as requested.)
24	THE WITNESS: I guess I would have to ask you to

- 1 further explain that question in terms of preexisting
- 2 to what date or just generally preexisting?
- 3 BY MR. KAISER:
- Q. Well, weren't you saying the docks were added
- 5 in 1987?
- 6 A. Yes.
- 7 Q. All right. That's the preexisting condition,
- 8 right?
- 9 A. Right.
- 10 Q. That's the baseline, right?
- 11 A. Yes.
- 12 Q. Nothing since 1987 has affected or further
- depreciated the value of the Roti, Weber or
- Rosenstrock's residences, right?
- 15 A. As I answered, there was substantial
- depreciation from those preexisting factors and, yes,
- 17 what's happened since then has not added to the
- 18 depreciation for market value.
- 19 Q. Has not added in any way, correct?
- 20 A. Not from a market value point of view.
- Q. Perhaps from a noise nuisance, perhaps from
- 22 an ability to use and enjoy your property it might have
- 23 affected it, right?
- A. I don't know.

Ţ	Q. Now, when this prospective buyer comes, looks
2	at either the Weber, Roti or Rosenstrock residences and
3	observes the tollway to the west, Corporate 100 to the
4	south, and LTD's dock operations, do you think that
5	prospective purchaser makes an assumption that LTD will
6	conduct its operations in accordance with Illinois
7	state law?
8	A. Well, I would assume that if a buyer posed
9	that question to themself, and I think only a minority
10	of buyers would actually pose the question to
11	themselves in that manner, but if they did, I would
12	assume, yes, that they would think that they would
13	operate legally.
14	Q. With that be a full hearty assumption that
15	LTD would operate within the bounds of state law here
16	in Illinois?
17	A. No.
18	Q. That would be a fair assumption, right?
19	A. Yes.
20	Q. So to the extent that Leslie Weber thought
21	LTD would operate its dock in compliance with Illinois
22	state law, that was a fair assumption she made, wasn't
23	it?
24	MR. KOLAR: Objection to the question. It's

1	basically assuming that LTD is violating Illinois state
2	law and that hasn't been determined at all.
3	MR. KAISER: I think that's been there is ample
4	support for that in the record.
5	HEARING OFFICER KNITTLE: I think that's what
6	we're here to decide.
7	MR. KOLAR: I didn't know Mr. Kaiser made that
8	determination. That's my objection.
9	HEARING OFFICER KNITTLE: I'll allow the question
10	to stand, but I will note for the record that there has
11	been no determination to the best of my knowledge that
12	LTD is in violation of any state laws at this point.
13	BY MR. KAISER:
14	Q. Do you recall the question?
15	A. Yes, I do.
16	And I never thought of the question in
17	exactly those terms, whether Mrs. Weber particularly
18	thought that LTD would operate a legal operation. But
19	I can tell you that I would think that any of the
20	complainants, and in fact any property owner, would be

21	fair to assume that any adjacent use would be operated
22	legally.
23	MR. KAISER: Thank you. I have no further
24	questions.

1	HEARING OFFICER KNITTLE: Mr. Kolar, do you have
2	any re-redirect?
3	MR. KOLAR: No.
4	HEARING OFFICER KNITTLE: Sir, I thank you very
5	much for your time. You can step down.
6	THE WITNESS: Thank you.
7	HEARING OFFICER KNITTLE: Let's go off the record.
8	(Short break.)
9	HEARING OFFICER KNITTLE: Mr. Kolar, your next
10	witness is on the stand.
11	MR. KOLAR: Yes, we call Marcia Rowley, a
12	realtor.
13	HEARING OFFICER KNITTLE: Can you swear her in,
14	please.
15	(Witness sworn.)
16	MARCIA ROWLEY,

17	called as a witness herein, having been first duly
18	sworn, was examined and testified as follows:
19	DIRECT EXAMINATION
20	BY MR. KOLAR:
21	Q. Can you state your name for the record,
22	please?
23	A. Marcia Rowley.
24	Q. And what do you do for a living?

1	A.	I'm a realtor with Caldwell Banker.
2	Q.	And would it be correct that you're a
3	salespers	on?
4	Α.	Yes, a sales associate.
5	Q.	And you work under some brokers license?
6	Α.	Yes, I do.
7	Q.	Are you licensed by the State of Illinois?
8	Α.	Yes, I am.
9	Q.	Where is your office located?
10	Α.	280 East Deerpath in Lake Forest.
11	Q.	Where do you live?
12	А.	In Lake Forest.

13	Q		How long have you lived in Lake Forest?
14	А	•	18 years.
15	Q		Do you have a business administration degree
16	from K	ansa	s?
17	А	•	Yes, I do.
18	Q		How long have you been a realtor?
19	А		Almost nine years.
20	Q		Do you take listings outside of Lake Forest?
21	А	•	In Lake Bluff I do.
22	Q		So in terms of where you handle real estate
23	listin	gs t	hat would be what?

A. 99 percent Lake Forest.

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1	Q.	And then some in Lake Bluff?
2	A.	Lake Bluff, yes.
3	Q.	And at one point were you working as a
4	salespers	on for the Anthony and Karen Roti property on
5	Wedgewood	in Lake Forest?
6	А.	Yes, I was.
7	Q.	How many listings did you have, do you
8	recall?	

- 9 A. At that point in time?
- 10 Q. That's a vague question. I'll withdraw that.
- 11 Let me show you Respondent's Exhibits 8 and
- 12 9. I'll show you 9 first. What do you recognize 9 to
- 13 be?
- 14 A. The listing agreement.
- Q. For the Roti property?
- 16 A. Yes.
- Q. And this one is dated when?
- 18 A. June 1, '96.
- 19 Q. Then what do you recognize Exhibit 8 to be?
- 20 A. Also the renewal listing agreement.
- Q. For the Roti property?
- 22 A. Yes.
- 23 Q. I should have numbered those differently,
- but, all right, so Exhibit 9 is the first listing and

- then Exhibit 8 is a renewal?
- 2 A. Yes because it was for 90 days and then this
- 3 should have been about six months, yes, for 180 days.
- 4 Q. So when you say "90 days," you were pointing

- 5 to the first listing, Exhibit 9?
- 6 A. Correct.
- 7 Q. And then the second one was 180 days?
- 8 A. Correct.
- 9 Q. It's a little hard to read.
- 10 On Exhibit 9, the first listing, the market
- 11 price or listing price is?
- 12 A. 695.
- Q. And then on the second one we have what?
- 14 A. 674.
- Q. Who decided on what the listing price should
- 16 be?
- 17 A. Mr. Roti.
- 18 Q. And did Mr. or Mrs. Roti tell you why they
- 19 wanted to sell their home, do you recall?
- 20 A. Basically what I remember it as being that
- they wanted more space.
- Q. Do they have children, if you recall?
- 23 A. Yes.
- Q. The number of children?

- 1 A. Four or five.
- 2 Q. During the time that you were working with
- 3 the Rotis as their realtor trying to sell their house
- did either of them ever say to you that LTD is noisy at
- 5 night from fall until Christmas time?
- A. I don't recall that.
- 7 Q. Did either of them ever say to you LTD's
- 8 noise prevents them from falling asleep at night?
- 9 A. No, I don't recall that statement.
- 10 Q. Did either of them tell you that LTD's noise
- 11 wakes them at night?
- 12 A. I never recall a conversation like that.
- Q. Did either of them tell you that LTD
- operations shake their home?
- 15 A. I don't recall a conversation like that.
- Q. You were at the Roti property?
- 17 A. Yes.
- 18 Q. You looked it over, I assume, right?
- 19 A. Yes.
- 20 Q. Did you hear noise when you were at the Roti
- 21 property?
- A. Noise?
- 23 Q. Yes.
- 24 A. I heard noise.

Do you recall hearing truck noise?

1

Q.

BY MR. KOLAR:

Ο.

22

23

24

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2
               Α.
                    No.
 3
               Q.
                    Would you characterize what you heard as just
          noise but you weren't able to really distinguish
 5
          whether it was tollway noise, office building noise or
          LTD operation noise?
 6
7
               MR. KAISER: Objection, leading.
 8
               MR. KOLAR: I'll withdraw that question.
          BY MR. KOLAR:
9
                    Were you able to determine where the noise
10
               Q.
11
          was coming from that you heard?
                    I can tell you what I thought the noise was.
12
               Α.
13
          Is that answering the question? Is that what --
                    Let me ask you this question. Could you
14
               Q.
15
          distinguish --
               MR. KAISER: Can we get a foundation as to when
16
17
          she was there, whether it was daytime, nighttime, which
          season, what year?
18
19
               HEARING OFFICER KNITTLE: Mr. Kolar, do you mind
20
          asking those questions?
               MR. KOLAR: That's fine.
21
```

So the record is clear, the first listing,

Respondent's Exhibit 9, was for 90 days beginning what

1	day?	
2	Α.	Technically the date my broker signed it,
3	June 3rd.	
4	Q.	So you had a listing for 90 days from June 3,
5	1996, rig	ht?
6	Α.	Uh-huh.
7	Q.	Yes?
8	Α.	Yes.
9	Q.	And then a 180 day listing from September 19,
10	1996?	
11	Α.	Correct.
12	Q.	Were you at the Roti property on summer days?
13	Α.	Yes.
14	Q.	Were you able to hear noise on days in the
15	summer in	1996?
16	Α.	Yes.
17	Q.	Was it really bad during the summer?
18	MR.	KAISER: Objection.
19	BY MR. KC	DLAR:
20	Q.	How would characterize it in the summer?

21	A. Well, in the summer the windows are open, so
22	you would hear more noise inside, but you really didn't
23	hear anything unless you were outside.
24	Q. Do you recall being there on some nice summer
	L.A. REPORTING (312) 419-9292
1	days at the Roti property?
2	A. Yes.
3	Q. And do you have a specific recollection of
4	what the noise was like on the nice summer days?
5	A. It depended. It was different each time I
6	was there. Some days it was quieter than other days
7	when it was the noise was louder. It also depended
8	on what way the wind seemed to be blowing too.
9	Q. Did you hear noise with windows closed?
10	MR. KAISER: Objection, foundation.
11	HEARING OFFICER KNITTLE: Sustained.
12	BY MR. KOLAR:
13	Q. Were you in the Roti house at times when the
14	windows were closed?
15	A. Yes.
16	Q. Were you able to hear noise with the windows

17	closed?	
18	Α.	No, not that I recall.
19	Q.	And at some point did you make a report
20	strike th	at.
21		Were you able to sell the Roti house?
22	Α.	No.
23	Q.	At some point did you report to them feedback
24	you recei	ved from brokers and/or buyers as to their

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2	A. Yes, after every two or three showings that
3	we would have, I would call them and give them feedback
4	on after I was able to get ahold of the other
5	agents, sometimes it would be the same day, sometimes
6	it would be several days later, I would give them
7	feedback on what the agents told me why the people
8	didn't what they thought about the house.
9	Q. Do you recall then giving what you would
10	classify as drawbacks to the Rotis concerning selling
11	their house?
12	A. Yes.

1 property?

13	Q. What drawbacks did you tell them in terms of
14	feedback?
15	A. Okay. The ones that I can remember today
16	were the okay, the size of the family room was
17	small, how the house was placed on the lot, that it was
18	not centered on the lot, it was all side yard, no
19	backyard, and noise. Those are the three that come to
20	mind right now.
21	Q. And the noise that was strike that.
22	The things you just mentioned, those were
23	things reported to you that you reported to the Rotis?
24	A. Yes.

1	Q. Do you recall if anybody reported to you the
2	location of the Roti house as being in the southwestern
3	corner of Lake Forest as being an issue?
4	A. You mean geographically away from the center?
5	Q. Right.
6	A. Right now I can't remember. I don't recall.
7	They might have. I don't remember.
8	Q. Let me show you Page 28 of your deposition

9	transcript starting at Line 17. Read that answer to
10	yourself and then tell me when you're done to see if
11	that refreshes your recollection.
12	(Pause in proceedings.)
13	THE WITNESS: That's almost what I just said.
14	BY MR. KOLAR:
15	Q. So do you recall reporting to the Rotis that
16	there were comments that their house was located in the
17	southwest corner of Lake Forest?
18	A. Yes, I'm sure
19	MR. KAISER: Excuse me, Mr. Knittle, are we
20	offering this for the truth of the matter asserted,
21	these hearsay second and thirdhand hearsay statements
22	or what is the basis? I guess I'm objecting as
23	hearsay.
24	HEARING OFFICER KNITTLE: Objecting as hearsay

1	how, her statements to the Rotis?
2	MR. KAISER: This witness is about to tell us what
3	she heard from brokers who heard it from people once
4	removed there, prospective purchasers. So we're

- 5 hearing double hearsay at this point.
- 6 MR. KOLAR: The question, which she was answering,
- 7 was, "What did you tell the Rotis regarding drawbacks
- 8 to selling their home?"
- 9 MR. KAISER: Which I have no problem. That's a
- 10 perfectly fine question. But what did these people
- 11 say, as if this secondhand/thirdhand reporting of what
- they said can be reliable in any way, I object.
- 13 HEARING OFFICER KNITTLE: Yeah, I don't think
- that's before us right now though based on this
- 15 question.
- 16 MR. KAISER: All right. I mean, I think Mr. Kolar
- 17 can ask a question that's not objectionable.
- 18 MR. KOLAR: I think I have done that quite a bit
- in this hearing.
- 20 MR. KAISER: You certainly have, Mr. Kolar.
- MR. KOLAR: Thank you.
- 22 BY MR. KOLAR:
- Q. I'll break it down.
- 24 Ms. Rowley, do you recall telling the Rotis

- 1 that the drawback in selling their home was that there
- was a small backyard and a relatively large side yard?
- 3 A. Yes.
- Q. In this Exhibit 9 here, do you recognize from
- 5 an aerial perspective the Roti house here, can you see
- 6 that far?
- 7 A. Yes, I can see that far.
- 8 Q. And so this area to the east is the side yard
- 9 you're talking about?
- 10 A. Yes.
- 11 Q. And do you recall, in terms of drawbacks you
- told the Rotis, that another one was their home was
- 13 located in the southwest corner of Lake Forest away
- 14 from the central town area?
- 15 A. Correct.
- 16 Q. Do you recall as a drawback that some of the
- amenities inside the home were a problem?
- 18 A. It had a smaller family room but that was it.
- 19 Q. Anything regarding bathrooms?
- 20 A. It would have been nice to have another
- 21 family bathroom upstairs. There was only two full
- 22 baths upstairs.
- 23 Q. In your experience how many baths do people
- looking for homes in Lake Forest expect with a house

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the size of the Rotis?
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- 2 A. Well, they would like to have three family
- 3 bathrooms upstairs.
- Q. In terms of your personal experience at the
- 5 Roti property how often did you hear noise?
- A. Well, just about the majority of the time
- 7 when you would go on the property you could hear noise.
- 8 Q. Could you tell us where the noise came from
- 9 that you remember hearing?
- 10 A. I --
- 11 Q. Yes or no? I think you to have answer that
- 12 question, then I'll ask you another.
- 13 A. Yes, I can try. I can tell you where I'm
- 14 assuming it was coming from, yes.
- 15 Q. Well, I'm asking back at the time when you
- were there in '96 did you know where the noise was
- 17 coming from that you heard?
- 18 A. Yes.
- 19 Q. Well, as you recall you gave your deposition
- in March 1999, correct?
- 21 A. Uh-huh.
- Q. Right?
- 23 A. Yes.
- Q. And you don't have a copy of your transcript,

	1	right?
	2	A. I have never seen a copy of it.
	3	Q. So you don't remember exactly what you said
	4	in that transcript, right? Is that accurate?
	5	A. Yes, that's accurate. I mean, hopefully it
	6	would be the same answers that I'll give you today.
	7	Q. I understand. I'm not staying you're doing
	8	anything improper.
	9	As of strike that.
1	LO	March 19, 1999, that sounds like about the
1	L1	date that you gave your deposition?
1	L2	A. Yes.
1	L3	Q. Okay. And as of the date of the deposition
1	L4	were you able in your mind to distinguish between noise
1	L5	that would come from the office building to the south,
1	L6	noise that might be coming from the LTD facility, and
1	L7	noise that was coming from the tollway?
1	L8	A. Was I asked that question?
1	19	Q. Do you recall if you were asked that
2	20	question?

21 A. I don't think I was ever asked that question.

22 Q. Let me show you Page 37 starting at Line 15. 23 Read Line 15 to the end there and see if you recall 24 being asked that question by Mr. Kaiser. L.A. REPORTING (312) 419-9292 1 (Pause in proceedings.) 2 BY MR. KOLAR: 3 Q. Is your memory now refreshed? 4 Α. Yes. 5 You were asked that question? Q. 6 Α. Okay. 7 Q. Right? 8 Α. Yes, I was. 9 So as of the date of your deposition you could not distinguish between where the noise was 10 11 coming from that you heard on the Roti property, 12 correct? Correct, because it was noise. I didn't go 13 14 look to see where the noise was coming from.

It was just noise?

A. It was just noise.

Q. It was just loud?

15

16

17

Q.

- 18 A. Very loud at times.
- 19 Q. And it was just noise and it was just loud in
- the summer months of June and July 1996?
- 21 A. Yes.
- 22 Q. August 1996?
- A. August, right.
- Q. It just seemed to be loud whenever you were

- 1 there?
- 2 MR. KAISER: Objection.
- 3 HEARING OFFICER KNITTLE: Yes, Mr. Kaiser.
- 4 MR. KOLAR: I'll withdraw that question.
- 5 I don't have any further questions for Ms.
- 6 Rowley. Thank you.
- 7 THE WITNESS: Uh-huh.
- 8 HEARING OFFICER KNITTLE: Ms. Kaiser -- Mr.
- 9 Kaiser, do you have cross examination?
- 10 MR. KAISER: Yes. Thank you.
- 11 HEARING OFFICER KNITTLE: I didn't mean to slur
- 12 your masculinity there, Mr. Kaiser.
- 13 MR. KOLAR: Actually I had one more question. I

14	said I didn't, but
15	HEARING OFFICER KNITTLE: Mr. Kaiser, do you
16	object to letting Mr. Kolar have one more go here?
17	MR. KAISER: No.
18	HEARING OFFICER KNITTLE: Go ahead, Mr. Kolar.
19	BY MR. KOLAR:
20	Q. As you sit here today do you recall Tony Roti
21	ever saying to you, Marcia or Ms. Rowley, do I need to
22	disclose noise to any of these prospective buyers?
23	A. I never recall having any kind of
24	conversation like that with Tony.

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2	else.
3	HEARING OFFICER KNITTLE: Mr. Kaiser.
4	MR. KAISER: Thank you.
5	CROSS EXAMINATION
6	BY MR. KAISER:
7	Q. About how many times did you talk with Tony
8	Roti?
9	A. Maybe once.

1 MR. KOLAR: Thank you. I don't have anything

10	Q. Maybe once.
11	During the course of that conversation you
12	don't recall whether he asked you whether he had to
13	disclose to prospective purchasers the noise from LTD's
14	dock area, is that your testimony?
15	A. I don't recall us having that conversation at
16	all.
17	Q. All right. You're not denying or
18	contradicting Mr. Roti if he said that he had that
19	conversation, are you?
20	A. Denying that he said that to me?
21	Q. Yes.
22	A. It was four years ago. I don't remember him
23	ever saying that to me.
24	Q. All right. So you don't recall that?

1	A. No, I don't recall him ever saying that to
2	me.
3	Q. All right. Do you recall how long this one
4	conversation you had with Mr. Roti lasted?
5	A. Yes.

6	Q.	How long	g did it last?
7	A.	About 45	minutes.

- 8 Q. Where did it take place?
- 9 A. At the hockey rink.
- 10 Q. In which community?
- 11 A. Highland Park.
- 12 Q. Do you recall everything that was said
- between you and Mr. Roti during that 45 minute
- 14 conversation at the Highland Park hockey rink?
- A. Every word, no.
- Q. Every subject that was discussed?
- 17 A. I remember the subject that -- I was giving
- 18 him the market evaluation of his home there during
- 19 hockey practice or something during a game.
- 20 Q. Was one of your children engaged in hockey
- 21 practice?
- 22 A. Both of our children.
- 23 Q. Is it fair to say you were talking business
- and watching what was going on on the rink?

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1 A. We weren't watching what was going on.

- 2 Q. You have seen enough hockey practices in your life to --3 4 Α. Right. 5 Q. All right. Other than the summer months, 6 June, July, August, September of 1996 have you ever 7 been out to the Roti residence? 8 A. During those --9 You were there during those months, June, O. 10 July, August, September of 1996? Α. Yes. 11 12 Q. Have you been there since then? 13 Α. On the property? 14 Q. Yes. I have not actually been to their house since 15 Α. 16 I have lost the listing in March of '97. March of '97 would have been the last time? 17 Q. 18 I have been in the area but not at their house, right at their house. 19 20 Did you ever go back to their house or to the area for the purposes of gathering more information in 21
- 24 A. Back to that property?

hearing today?

22

23

preparation for your deposition testimony or for the

```
2
                   Not that I recall, no.
3
              Q.
                   All right. During September, October,
```

Yes.

Q.

- November, December of 1997 do you know what noise
- 5 levels were like at the Roti residence between the
- 6 hours of 6 p.m. and 12 -- 11:59 p.m. Monday through
- 7 Friday?

- 8 Α. You said '97, I was never there in the fall
- 9 of '97.
- So you have no information about noise levels 10 Ο. at the Roti property during that time frame, 1997? 11
- 12 Α. Not after March of '97.
- And, similarly, you have no information or no 13 Ο. 14 ability to tell the Board anything about noise
- conditions at the Roti property in 1998? 15
- 16 Α. No.
- And you can't tell the Board whether LTD was 17 Ο.
- noisy or quiet during the fall and early winter of 18
- 1999, can you? 19
- 20 Α. No.
- 21 Do you have any reason to doubt or call into
- question Karen Roti's testimony that LTD's dock 22
- 23 operations disturb her while she's in her home with the
- 24 windows closed during the evening hours?

1	A. Say that again, please.
2	MR. KAISER: Read that back.
3	MR. KOLAR: Objection. It's an improper question
4	for her to I guess rule on the credibility of Karen
5	Roti's testimony I think is what he's in fact doing.
6	MR. KAISER: Well, he asked the question: "Did
7	Karen Roti ever tell you it's noisy at night?" with the
8	implication being, and the argument I can anticipate in
9	LTD's response brief, in 1996 when Karen Roti listed
10	her house she never even told the realtor, it wasn't a
11	problem in '96.
12	Now Karen has told us it was loud in '96.
13	HEARING OFFICER KNITTLE: I agree though with Mr.
14	Kolar. I don't know if it's proper for this witness to
15	comment past whether or not she heard from Ms. Roti
16	whether there was a noise a problem. You're asking her
17	to speculate whether there was a problem with Ms. Roti.
18	BY MR. KAISER:
19	Q. Ms. Rowley, did you ever ask Karen Roti
20	whether noise from LTD's dock operations interfered
21	with her use and enjoyment of her property?

A. I had no reason to ever ask her about noise from there.

Q. So you never asked her?

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1	A. I never asked her. I had no reason to ask
2	her.
3	Q. During the course of your 45 minute
4	conversation with Tony Roti did you ever ask him
5	whether noise from LTD's dock operations interfered
6	with his use of enjoyment?
7	A. I had no reason to ask him that question.
8	Q. So is your answer no that you never asked
9	them?
10	A. I have never asked them about that noise from
11	LTD operations.
12	HEARING OFFICER KNITTLE: Can you hold on a
13	second, ma'am?
14	THE WITNESS: Yes.
15	HEARING OFFICER KNITTLE: Do you guys know who
16	this is?

MR. KOLAR: I don't know. Who is that?

- 18 MR. KAISER: Mr. Kracower, the witness for the
- 19 afternoon.
- 20 HEARING OFFICER KNITTLE: Sir, is your name Mr.
- 21 Kracower?
- MR. KRACOWER: Yes.
- 23 MR. KAISER: We don't need to exclude him. I have
- 24 no problem with him being here.

- 1 HEARING OFFICER KNITTLE: Have a seat then, sir.
- You can proceed, Mr. Kaiser. Sorry to
- 3 interrupt.
- 4 BY MR. KAISER:
- 5 Q. Have you ever driven up Lakeside Drive and
- 6 into the parking lot at the north end of LTD's dock
- 7 operations?
- 8 A. No, never.
- 9 Q. Which part of Lake Forest do you live in?
- 10 A. I live east of 41.
- 11 Q. And --
- 12 A. North of Westlake.
- Q. And west of the railroad tracks?

- 14 A. Which railroad tracks? There is three sets.
- 15 Q. The Chicago Northwestern railroad tracks by
- 16 Deerpath.
- 17 A. No, I live west of those tracks.
- 18 Q. West of those tracks but east of Highway 41?
- 19 A. Correct.
- Q. Thank you.
- 21 Have you ever lived in the vicinity of a
- 22 warehouse and loading dock operation?
- 23 A. No.
- Q. Have you ever shown property to people in the

- 1 vicinity of a warehouse and loading dock operation?
- 2 A. Specifically a warehouse and loading dock?
- Q. Yes.
- 4 A. Okay. Ask that question again.
- 5 Q. Have you ever shown prospective purchasers
- 6 residential property which was in the vicinity of a
- 7 warehouse and dock operation?
- A. I believe I showed the Roti property.
- 9 Q. All right. Fair enough. So you showed that.

10		But any others besides the Roti property?
11	А.	Not that I can immediately recall, no.
12	Q.	Now, you have been in real estate for nine
13	years, rig	ght?
14	Α.	Uh-huh.
15	Q.	Do you think, on the basis of your nine years
16	experience	e, and over that course of the nine years
17	well, how	many people did you show the Roti home to?
18	А.	Over 60.
19	Q.	And I take it and you ask the people and
20	try to get	feedback from them as to what they like and
21	don't like	e about the homes, right?
22	Α.	Right.
23	Q.	And is it fair to say you have had thousands
24	of convers	sations over the last nine years with

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1	prosp	pectiv	ve purchasers	of re	sidential	property	about
2	what	they	like and don	't lik	te?		
3		A.	I don't know	about	thousands	but hun	dreds.
4		Q.	Certainly hu	ndreds	:?		

5 A. Yes.

6	Q. All right. Based on your experience do you
7	have an opinion as to whether a prospective purchaser
8	of somebody like the Rotis' home would make a
9	distinction between a loading dock that operated only
10	five days a week between the hours of 6 a.m. and 4 p.m
11	and a loading dock which operated five and a half days
12	a week between the hours of 6 a.m. and 1:30 or 2 a.m.
13	in the morning?
14	MR. KOLAR: Objection, beyond the scope.
15	THE WITNESS: It was a long question.
16	MR. KAISER: Could you read it back, Madam Court
17	Reporter.
18	HEARING OFFICER KNITTLE: Let me check what he
19	talked about on the record.
20	(Pause in proceedings.)
21	HEARING OFFICER KNITTLE: I can't say for sure
22	whether it's beyond the scope. I'm going to allow the
23	question. Maybe you could make it well, you can
24	read it back for her.

HEARING OFFICER KNITTLE: Ma'am, do you understand 2 3 that question? THE WITNESS: I think I do. 4 5 HEARING OFFICER KNITTLE: Okay. Answer to the 6 best of your ability. THE WITNESS: To the best of my ability in my 8 opinion someone who's looking at that house isn't going to know, by looking at it, when it operates. I mean, 9 10 they're just going to see a building there. All they're going to see is a building. 11 12 BY MR. KAISER: But if they were made aware of the fact that 13 14 the dock, instead of closing at 3:30 or 4 in the 15 afternoon, ran a second shift, which continued until 16 12:30, 1, 1:30 in the morning, continuous operation 17 between 6 a.m. and 1 or 1:30 in the morning, do you think that would make a difference to a prospective 18 19 purchaser? Okay. In my opinion it would, but I was 20 21 never made aware of any issues there. So if someone asked me I could never have told them because the Rotis 22 never told me there was a problem that I can recall 23

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with loading facilities there.

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I understand. But, as I understood, your

1

22

23

```
2.
          testimony now is, yes, that information would make a
 3
          difference to a prospective purchaser?
 4
               Α.
                    If I knew it and it was asked, I would have
 5
          to share it. Yes, it would make a difference.
 6
               Ο.
                    And is it fair to say that the difference
 7
          would be the prospective purchaser would be less likely
 8
          to purchase the home if they knew the dock was
9
          operating from 6 a.m. in the morning until 1 or 2 a.m.
10
          the following morning as opposed to a dock that they
11
          knew would close at 3:30 or 4 in the afternoon?
12
               Α.
                    That's a tough question. I mean --
13
               Ο.
                    I mean, I don't want to push you beyond where
          you feel comfortable. If you don't have anything, then
14
          we can just --
15
                    You know, I can't -- I'm sure if someone
16
17
          thought it was going to run all night, it might make
          some influence on whether they purchased the house, but
18
          it also depends on if the house was priced to reflect
19
20
          that issue.
                    And the house would have to be reduced in
21
```

24 A. It should be. It should reflect it, but I

night and early morning?

price, wouldn't it, to reflect the operations into the

1	did not know about those issues.
2	Q. I understand. If you had known though
3	it's a hypothetical question. If you had known that
4	information, if in fact we demonstrated through the
5	record here that LTD did operate from 6 in the morning
6	until 1 or 2 in the morning, that's something that the
7	price should reflect, shouldn't it?
8	A. Right, but I never priced this house, Mr.
9	Roti priced this house.
10	Q. I understand. I'm simply asking you that
11	that would be a factor that you would take into
12	consideration in pricing the house, wouldn't you?
13	A. Yes.
14	Q. And the way you would the effect it would
15	have on the price is that if LTD operated late into the
16	night and into the early morning, the price of the Roti
17	home should go down, right?
18	A. Yes.
19	MR. KAISER: Thank you. No further questions.
20	MR. KOLAR: I have a few questions.
21	HEARING OFFICER KNITTLE: Mr. Kolar.

REDIRECT EXAMINATION

23	RV	MR.	KOLAR:

Q. So Ms. Rowley, as a realtor you rely on the

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1 sellers to be forthcoming with you regarding the 2 amenities for their property and any maybe negative influences? 3 A. Correct. 5 And you were relying on the Rotis to be 6 forthcoming to you regarding any negative influences on 7 their property? 8 Α. Correct. Would you agree that, generally speaking, 9 Ο. when prospective buyers come to the Roti house, you 10

when prospective buyers come to the Roti house, you could generally classify them into two groups, you're going to have one group that says, "I may be willing to live next to a truck operation, commercial building and a tollway" and another group will just say, "I don't want anything to do with this location"?

- 16 A. I guess you could classify them that way.
- 17 Q. You would agree with that generally?
- 18 A. Yes.

11

12

13

14

19	Q. Would you agree that if the north half of the
20	LTD building, with all the truck docks that existed in
21	1987, and there was no home on the Roti property, the
22	Rosenstrock property or Weber property, that at that
23	point in time the market would take into consideration
24	the presence of LTD in setting a value for those lots?

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Т	A. wait. It was there in '87?
2	Q. Let me break it down. Assume in 1987 we have
3	the tollway in existence, correct?
4	A. Correct.
5	Q. And in 1987 we have the north half of the LTD
6	building with all the truck docks in existence, okay?
7	A. Okay.
8	Q. And assume we have Corporate 100 with its
9	parking lot in existence, all right?
10	A. Yes.
11	Q. So then if we have a developer in Lake Forest
12	to the north that wants to subdivide this whole
13	property, at that point in time would you agree that

the market is going to take into consideration

- 15 Corporate 100, LTD and the tollway in setting the value
 16 of the lots closest to those influences?
- 17 A. Yes.
- 18 Q. And then that influence would be that the
- 19 lots closest to LTD, Corporate 100 and the tollway
- 20 would be worth less than lots away from those
- 21 influences?
- MR. KAISER: Objection, leading.
- THE WITNESS: Correct.
- 24 HEARING OFFICER KNITTLE: I'd sustain that. She's

- 1 already answered but --
- 2 MR. KAISER: So strike the answer.
- 3 HEARING OFFICER KNITTLE: Is that what you're
- 4 asking, Mr? Kaiser.
- 5 MR. KAISER: Yes.
- 6 HEARING OFFICER KNITTLE: I will grant your motion
- 7 to strike and ask Mr. Kolar to rephrase the question.
- 8 BY MR. KOLAR:
- Q. What would be the influence of LTD, Corporate
- 10 100 and the tollway on the lots immediately to the

11	north in terms of setting a price on those versus lots
12	farther north away from those influences.
13	A. The lots on the south side of Wedgewood would
14	be priced less than on the north side of Wedgewood or
15	further north.
16	In fact, in my market analysis I gave to Mr.
17	Roti, I had told him that the houses on the north side
18	sell better that the houses on the south side.
19	Q. Then that influence would that influence
20	continue on as long as strike that.
21	Would that impact on the value of the Roti,
22	Rosenstrock, Weber houses would that just continue on
23	into the future as long as you had a tollway, LTD and
24	Corporate 100?

1	A. Yes, I believe so.
2	MR. KOLAR: I don't have anything else.
3	HEARING OFFICER KNITTLE: Do you have any recross
4	Mr. Kaiser?
5	MR. KAISER: Yes, briefly.
6	RECROSS EXAMINATION

7	BY	MR	KAISER	

- Q. Do you know whether the West Deerfield

 Township assessor makes a distinction when he or she

 values properties within the -- is this the Oak Knoll

 subdivision?
- 12 A. I don't remember exactly.
- 13 Q. Within the subdivision in which the Roti,
- Weber and Rosenstrock's homes are located, do you know
- 15 whether the West Deerfield Township assessor
- 16 distinguishes in value between the homes located south
- of Wedgewood Drive and those located north of Wedgewood
- 18 Drive?
- 19 A. I don't know.
- 20 MR. KOLAR: Objection, beyond the scope of my
- 21 redirect.
- MR. KAISER: We just heard about sale prices north
- of Wedgewood, the value north of Wedgewood, it's
- 24 directly germane.

- HEARING OFFICER KNITTLE: I'm going to sustain the
- 2 objection. I don't think we covered what the assessor

- 3 feels or doesn't feel on redirect. We did not cover
- 4 that, Mr. Kaiser.
- 5 MR. KAISER: We talked about, Mr. Knittle,
- 6 opinions on value.
- 7 HEARING OFFICER KNITTLE: We did talk about this
- 8 witness' views of value and nothing else.
- 9 BY MR. KAISER:
- 10 Q. Ms. Rowley, do you know whether back in 1987
- 11 LTD operated the docks at the north end of its property
- in Bannockburn, Illinois during September, October,
- November and December of 1987, five days a week until
- 14 midnight or beyond?
- 15 A. I don't know that answer.
- 16 Q. And frankly you don't know really anything
- 17 about whether LTD's dock operations have increased or
- 18 decreased since 1987, do you know?
- 19 A. I don't know anything about their operations.
- 20 MR. KAISER: Thank you. I have no further
- 21 questions.
- MR. KOLAR: I have no questions.
- 23 HEARING OFFICER KNITTLE: Thank you, ma'am. You
- 24 can step down.

1	MR. KOLAR: Thanks for your time.
2	HEARING OFFICER KNITTLE: We're going to go take a
3	lunch break. Let's go off the record.
4	(Lunch break.)
5	
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1	A F T E R N O O N S E S S I O N
2	MR. KAISER: On the record, Mr. Kolar, still your
3	case.
4	MR. KOLAR: LTD would call Allen Kracower as a
5	witness.
6	HEARING OFFICER KNITTLE: Could you swear him in.
7	(Witness sworn.)
8	HEARING OFFICER KNITTLE: Mr. Kolar.
9	Allen Kracower,
10	called as a witness herein, having been first duly
11	sworn, was examined and testified as follows:
12	DIRECT EXAMINATION
13	BY MR. KOLAR:
14	Q. Would you state your name for the record,
15	please?
16	A. Allen Kracower, K-r-a-c-o-w-e-r.
17	Q. Where do you live?
18	A. I reside at 1111 Elm Road, Lake Forest,
19	Illinois.
20	Q. Is that east or west of 294?
21	A. West it's unincorporated Lake Forest Post
22	Office but west of 294.

Q. About how far from the LTD site as the way a

24 crow flies?

13

14

15

16

17

18

Α.

Q.

Α.

Ο.

Α.

existence?

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1 As the way a crow flies I would say somewhere around three miles, if that. How long have you lived in Lake County? 3 Q. I have lived in the county for approximately 5 30 years. 6 What do you do for a living? Q. 7 I'm a land planning and zoning consultant and 8 landscape architect. Where is your office located? 9 Q. 10 100 Lexington Drive, Buffalo Grove, Illinois. Α. 11 What's the name of the company that you're Ο. associated with? 12

That's you in the name?

My name is in the name, yes.

It is Allen L. Kracower & Associates, Inc.

Okay. How many years has that firm been in

I started the company approximately 30 years

- ago, a little over 30 years.

 Q. How long have you been in the business of land planning consultation?
- A. My whole career spans a period of approximately -- in the range of 36 years.
- Q. And you were hired by LTD Commodities

- concerning this noise complaint, correct?
- A. Yes.
- 3 Q. What's your hourly rate for working for LTD
- 4 Commodities?
- 5 A. \$285 per hour.
- 6 Q. And is that consistent with the rate you
- 7 would charge other private clients?
- 8 A. Yes.
- 9 Q. Is your compensation in any way contingent on
- 10 your testimony and participation in this case?
- 11 A. No.
- 12 Q. And you thought you were going to testify
- last November, correct?
- 14 A. That's correct.

15	Q. And did you prepare at that time as though
16	you were going to testify in that first week of
17	November?
18	A. Yes, I did.
19	Q. Then you learned that we weren't going to get
20	to you, correct?
21	A. That's correct.
22	Q. So did you have to prepare once again here in
23	May 2000?
24	A. Yes.

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1	Q. And as you sit here today do you know how
2	much you have charged LTD?
3	A. No, I don't.
4	Q. Regardless, it would include two preparations
5	because of the hearing being continued?
6	A. That's correct.
7	Q. And have you and I ever worked together on
8	another matter?
9	A. Not that I recall. It's been pleasurable

10 this time but I don't recall a previous occasion.

11	Q. What's your education after high school?
12	A. I have a Bachelor of science degree from the
13	University of Wisconsin, a major in landscape
14	architecture. And then I have another one, I have a
15	Master of science degree also from the University of
16	Wisconsin. I forgot.
17	Q. What's that one in?
18	A. That was a mixture of majors in planning.
19	The predominant one was still landscape architecture.
20	Q. What type of services do you provide as a
21	land planner or through Allen L. Kracower & Associates?
22	A. They're relatively diverse. Our office
23	provides services to local levels of government,
24	municipalities, counties in the area of comprehensive

1	planning, zoning, subdivision control. We review
2	development plans, when asked to, and render advice to
3	government generally in the area of regulatory controls
4	inclusive of zoning. In addition to that, then in the
5	private sector we work with builders, developers in
6	designing housing developments or office developments.

7	There is a wide range of things ranging all the way to
8	gravel sites and landfill sites. Then, in addition to
9	that, we do real estate consulting advising normally
10	private property owners, financial institutions, and
11	trusts relative to the highest and best use of their
12	property. And then, lastly, we also have a very large
13	landscape architectural component.

- Q. You mentioned comprehensive plan, what is that for the record?
- 16 Comprehensive plan is a document undertaken 17 by a local level of government, like a village or a 18 city or a county, that sets forth its goals and its 19 aspirations as to what it wants to be, how it wants to grow, the type of changes that it would like to see 20 21 take place. Their document is authorized under State 22 statute for local levels of government in the State of Illinois. 23
 - Q. Can you recall every municipality you have

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- 1 ever worked for in terms of as a land planner or
- 2 consultant?

14

15

3 A. No, I cannot. Do you have them listed in your CV? 4 Q. 5 A. Yes, most of them. 6 Q. Would these be municipalities that you have 7 worked for? 8 Α. Yes. 9 Q. So would the municipalities that you have 10 worked for include Addison, Batavia, Bensenville, 11 Bloomingdale, Blue Island and Boca Raton, Florida? 12 A. Those are some of them, yes. 13 Q. And others would include Buffalo Grove? 14 Α. Yes. Q. Burr Ridge? 15 Yes. 16 Α. Q. Carpentersville? 17 18 Α. Yes. 19 Q. Cicero? 20 Yes. Α. Darien, Illinois? 21 Ο. 22 Α. Yes.

Q. Des Plaines?

A. Yes.

23

24

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- 1 Q. Let me list a few more before you say, "Yes."
- 2 Have you also worked for Elk Grove Village,
- Fox River Grove, Gilberts, Glenview, Hanover Park,
- 4 Harwood Heights, Hazel Crest, Hickory Hills, Highland
- 5 Park, Hinsdale?
- A. Yes to all of those.
- 7 Q. Have you worked for the Illinois Attorney
- 8 General?
- 9 A. Yes.
- 10 Q. In what capacity?
- 11 A. As an expert in highest and best use study
- 12 and testimony in matters pertaining to eminent domain
- 13 litigation.
- Q. Have you worked for the Du Page Airport
- 15 Authority?
- 16 A. Yes.
- 17 Q. Du Page County Illinois Regional Planning
- 18 Commission?
- 19 A. Yes.
- MR. KAISER: Objection, cumulative.
- 21 HEARING OFFICER KNITTLE: Mr. Kolar, do you have
- any that you want to hit in particular?
- MR. KOLAR: Well --
- 24 HEARING OFFICER KNITTLE: As far as I can tell

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1	we're only on "I."
2	MR. KOLAR: Okay. I don't need to go on.
3	BY MR. KOLAR:
4	Q. Besides those have you worked from other
5	municipalities?
6	A. Yes.
7	Q. Approximately how many municipalities do you
8	think you have worked for as a land planner?
9	A. I would guess somewhere between 40 or 50.
10	Q. And in working for those municipalities,
11	would that be performing services that you described
12	for us earlier?
13	A. Some are difficult to remember as you were
14	going over them, but generally they were for
15	comprehensive planning, zoning, site plan review,
16	general consultation on land development policies,
17	subdivision control. Each one was a little bit
18	different, but the answer to your question would be
19	yes.
20	Q. What about private sector clients that you
21	have been involved with, some of the major ones that
22	you can recall?

A. Well, the closest to the village hall that

1	estate which was a 1,500 acre property. I was
2	responsible for the land planning, the zoning and all
3	of the landscape architecture. I have worked also
4	nearby would be Lake Forest for the Sunset Food chain
5	doing real estate consulting. And I did part of the
б	land planning, and I think we did all the landscape
7	architecture on their store, their shopping center in
8	Lake Forest. I worked for McDonald's in that same
9	area.
10	Q. In Lake Forest?
11	A. In Lake Forest.
12	Q. The one that doesn't look like a McDonald's?
13	A. The one that looks so nice, yes.
14	HEARING OFFICER KNITTLE: The one that doesn't
15	have a drive-in window?
16	THE WITNESS: Now it does because the sales
17	achieved a certain level so that they now are able to
18	drive through. In fact I broke my diet the other day
19	and drove through. That's the only reason I know it's

20	open	
20	ope	en

- 21 HEARING OFFICER KNITTLE: Thank you, sir.
- 22 THE WITNESS: I have worked on projects in Buffalo
- 23 Grove. We have done numerous communities in the Lake
- 24 County area, at least, you know, three, four, five. I

- 1 have -- I was mentioning before I represent the Brach
- 2 foundation and their properties, their hundreds of
- 3 acres, the Rice estate which was 1,500 acres. There is
- just many. I have designed and worked on these for so
- 5 many years, it's hard to recall all of them.
- 6 BY MR. KOLAR:
- 7 Q. Going back to municipalities, have you been
- 8 the village planner so to speak by contract for certain
- 9 municipalities?
- 10 A. Yes, I have.
- 11 Q. Can you name a few of those?
- 12 A. I was in Round Lake Beach which is north of
- here up until about a year or two ago, we're not any
- 14 longer. We were recently retained by the Village of
- 15 Gilberts, which is out in McHenry County. For a number

16	of years, about 12 years, I was the village planner for
17	the Village of Bloomingdale which is out in Du Page
18	County. Many of the ones that you read off in fact
19	in most instances, there were some exceptions, we
20	served or I served as the village planner where I
21	went attended their meetings and assisted them.
22	Q. Are you a member of any land planning
23	organizations?
24	A. I belong to the American Planning

1	Association, the American Association of Consulting
2	Planners I'm not quite sure what those initials
3	are and the American Society of Landscape
4	Architects.
5	Q. Have you ever lectured regarding land
6	planning issues, land consultation?
7	A. Yes, I have.
8	Q. Where at?
9	A. I have lectured at Northwestern University,
10	they have a graduate school in real estate. I lectured
11	before the Attorney General's Office. Every this is

12	about two or three years ago, they have an educational
13	seminar for attorneys on eminent domain. I have
14	lectured in the Department of Urban Geography at
15	Carthage College. And I have given numerous speeches
16	before planning commissions and other public bodies
17	throughout the years.
18	Q. Where did you work as a land planner before
19	starting Allen Kracower & Associates?
20	A. I worked with the United States Department of
21	Housing and Urban Development.
22	Q. HUD?
23	A. HUD.
24	Q. What did you do there?

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1	A. I served as the special assistant to the
2	administrator, and I was stationed in Chicago and
3	responsible, along with three other specials and the
4	administrator, for administration of the agency's
5	programs throughout the Midwestern sector of the United
5	States.

7

Q. And have you testified as a land planner in

8	courts	or	in	administrative	hearings?

- 9 A. Yes.
- 10 Q. Can you name some courts that you testified
- 11 in?
- 12 A. I have testified as an expert in this county,
- 13 Lake County, Will County, Kane County, McHenry County,
- 14 Cook County, Du Page County, Dekalb County. I think
- 15 there may be some others, but those are the ones that I
- 16 can recall.
- 17 Q. Have you ever testified before the
- 18 Environmental Protection Agency or in an E.P.A. matter
- or Pollution Control Board matter?
- 20 A. I have, yes.
- 21 Q. Are you familiar with the LTD property in
- 22 Bannockburn?
- 23 A. Yes, I am.
- Q. And did you have a familiarity with that

- 1 property before working on this project?
- A. Yes, I did, but more I would say in a
- 3 generalized sense because I live in the area and I have

been in the industrial park before and driven by it.

So my knowledge prior to this assignment was more of

a -- I think a generalized knowledge rather than a very

specific knowledge.

- Q. And just generally, relative to this project,
 what was the nature of your assignment?
 - A. It was to basically evaluate the subject property from a land use perspective and, based on my profession, to make a determination as to the compliance of the subject property in terms of the SLUCM code or the standards, environmental pollution control standards that would govern complainants' requests such as noise. And I generally looked at several criteria that I felt related to land use to make that determination. One of those would be the classification where there was A, B, C, D. Another was to generally make a general determination as to whether or not this property had any economic significance or social significance in the context of its geographic area and to ultimately determine if there was any significant adverse impact to the -- you know, the

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- 1 community as a whole.
- Q. And, in terms of your job, at some point I
- 3 had basically showed you the Section 33(c) factors from
- 4 the Environmental Protection Act and asked what, if
- 5 anything, you could investigate further from LTD's
- 6 perspective?
- 7 A. Yes.
- Q. About how many times have you been to the LTD
- 9 property for this?
- 10 A. Up until this, I would say five times as of
- 11 today.
- 12 Q. Have you been inside the warehouse building?
- 13 A. Yes.
- 14 Q. When were you last at the LTD property?
- 15 A. I was there yesterday.
- 16 Q. And when you were inside the building did you
- 17 receive a tour?
- 18 A. Yes, I did.
- 19 Q. And Jack Voigt do you recall gave you that
- 20 tour?
- 21 A. Yes. Mr. Voigt gave me a tour of almost all
- the building.
- 23 MR. KAISER: Foundation, please. Are we talking
- about yesterday's visit or the first visit?

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1	BY MR. KOLAR:
2	Q. When was it that you received a tour from Mr.
3	Voigt?
4	A. That was my first visit to the property back
5	in 19 I would say the latter part of 1999, in that
6	in time frame.
7	Q. And generally in the nonoffice part of the
8	building what did you see on your tour?
9	A. Certain storage of materials of various types
10	that are the best way I can describe them is they
11	are portrayed in a variety of catalogs. There are
12	hundreds of different things, so it would be difficult
13	to describe each one. Then I noticed predominantly
14	packaging and crating people were essentially taking
15	items off of shelves, packing them into boxes, sealing
16	boxes, taking the boxes, moving them off to the freight
17	area, and loading them on trucks.
18	Q. Did you see any conveyer belts?
19	A. Yes.
20	Q. And what were those used for generally?
21	A. It was movement of boxes and goods. There
22	were packing materials, quite a significant labor

supply, assembling, packaging, crating, taking the

- location they were going to.
- Q. And on any of your visits did you see the
- 3 trucking operations in terms of its truck staging area?
- 4 A. Yes.
- Q. And you walked around outside?
- 6 A. On all of my visits I drove through and/or
- 7 walked.
- 8 Q. Did you visit the complainants' properties to
- 9 the north?
- 10 A. I did.
- 11 Q. How did you do that?
- 12 A. I did it in two ways. I drove my car to the
- 13 back of the property -- to what I would call the back
- of LTD's property line. There is a hedge row back
- 15 there and fence. I parked my car on a couple occasions
- 16 and stood in the back along the fence because I felt
- that generally approximated the boundaries between the
- 18 residential core to the north or the industrial type or
- 19 LTD property to the south. I then inspected the front

20	of the plaintiffs' property by parking my car in the
21	street, I think it's Wedgewood Street, and then I would
22	either put my windows down 'cause I was interested in
23	noise and/or on a couple of occasions I got out and I
24	walked back and forth along the front property line.

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2	could hear anything that was going on at that
3	particular time. So that way I was able to hear noise
4	in the front property line and noise on the back
5	property line, which from a land planning or land use
6	perspective was adequate.
7	Q. What was your personal experience regarding
8	noise when you were on Wedgewood by the complainants'
9	properties?
10	MR. KAISER: Objection, relevance and lack of
11	disclosure.
12	HEARING OFFICER KNITTLE: Mr. Kolar.
13	MR. KAISER: It's not relevant to his opinion that
14	he's going to offer here today and it's never been
15	disclosed that he was going to render observations

1 which would be the street cross section, so that I

16 about noise or the qualities of noise. 17 MR. KOLAR: Well, he's got an opinion regarding the Section 33(c) factor which is since located at a 18 major commercial business interchange. LTD's 19 operations does not interfere with the health and 20 21 general welfare and physical property of the people, 22 and it's not -- well, it's not an opinion, number one, 23 he's here as a land planner regarding suitability of 24 the LTD site and classification of the LTD site. I

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1	think it's
2	HEARING OFFICER KNITTLE: Does his opinion that
3	you disclosed reference the 33(c) factors you just
4	enumerated?
5	MR. KOLAR: No, but I can pretty much quote them
б	verbatim the disclosed opinions. This is what was
7	given to Mr. Kaiser. I do have it marked as an
8	exhibit. This is my copy but
9	HEARING OFFICER KNITTLE: Mr. Kaiser, if it
10	references the 33(c) factors, I can see that the
11	suitability of the environment and LTD in that

12	environment are proper terms of disclosure. I know
13	that doesn't make a lot of sense, but I'm going to over
14	the objection.
15	MR. KAISER: That's fine.
16	HEARING OFFICER KNITTLE: It's too close to after
17	lunch for me to make large amounts of sense.
18	Mr. Kolar, you can proceed.
19	BY MR. KOLAR:
20	Q. What was your personal experience on your
21	visits on Wedgewood regarding noise?
22	A. In terms of noise, and I did not measure it
23	by machine, I'm not qualified in that area, but I
24	observed it because it's part of my land use analysis

1	and part of the foundation at least to a nominal
2	degree. The noise that I heard was tollway noise in
3	the front. On none of the occasions that I was there
4	did I hear any noise that I would consider to be truck
5	noise such as I did hear when I was on the LTD
6	property. There I heard trucks backing up and beeping
7	I heard engines running. But what I heard on the

8	street or at the curb line was predominantly and I
9	want to call it the roar of traffic from the Tri-State
10	toll road which I'm quite familiar with 'cause I hear
11	it at my home, it was a similar type of noise but much
12	stronger and louder than where I live. I live about
13	one mile from the tollway.
14	Q. One mile west of the tollway?

15 A. One mile west. And these homes, if you look
16 at that aerial photograph, which is exhibit -- I don't
17 know.

18 Q. 89.

A. Exhibit 89. And if one inch equals 100

feet -- I'm just going to estimate -- there are about

12 inches here, so you're about 1,200 feet less than,

you know, a quarter of a mile, and you would anticipate

the noise would be louder. So that's what I observed

in terms of generalized sounds from the frontage of the

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1400

Plaintiffs' properties, all three.

Q. In fact this Exhibit 89, a March 1999 aerial,

3 and Exhibit 88, a 1988 aerial, you obtained these maps?

- 4 A. Yes, I did.
- Q. And gave them to me?
- 6 A. Yes, sir.

- Q. I'd ask if you could step down so you can
 explain to us, using 89, the location of LTD and just
 explain the land planner, the land uses in the area.
- 10 A. Very generally, the predominant land use in
 11 the area is the Tri-State tollway going from Illinois
 12 to the south to Wisconsin further to the north.

LTD, which I'll call the subject property, is located on the northeast quadrant of the Tri-State tollway and Highway 22. Highway 22 is a state highway, an arterial highway going almost from the eastern limits of the lake, westerly out probably toward the Algonquin area and beyond. It transcends Lake County. So the subject property or at least the LTD property is at this northeast quadrant. Also significant, in terms of land use, is the fact that this is a four-way interchange. So traffic going east and westbound on Highway 22 can access the Tri-State tollway. And traffic that goes north and southbound on the Tri-State

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tollway can access Highway 22. So in land use planning eviction this would be called a large transportation node. LTD takes part in that location.

2.1

Very briefly, the other significant components on here would be Trinity College, which is south of Highway 22 and east of the tollway. There is an office structure immediately to the southeast corner of the tollway and 22. At the southwest corner of 22 and the tollway are the Tri-State office buildings. They front almost on the west side of the Tri-State tollway. They have been there for many years. There is also a hotel. And then, as one goes further west, the residential use.

Most of the land west of the Tri-State tollway and south of 22 is in the Village of Lincolnshire. Most of the land north of 22 and west of the Tri-State tollway, including the large structures, several large structures of the Hewitt buildings, they also are corporate office use. In Lincolnshire the land generally on the east side of Highway 22, both north and south -- east of the tollway, both north and south of 22, are generally located in the Village of Bannockburn.

24 The only other significant issues would be

1	east of LTD is an office structure with parking behind
2	it that fronts upon the residential area to the north.
3	There is a newer office building, a three-story
4	building built by Pazzuti.
5	Q. And that would be this building directly to
6	the east of the 1995 expansion of LTD?
7	A. Yes. And, lastly, I said that twice, but
8	really lastly, to the north of LTD is a totally
9	consistent change of land use including the plaintiffs'
10	properties and other residential land uses, and they
11	are in another regulatory control, the City of Lake
12	Forest, Illinois.
13	Q. And as part of your work did you examine the
14	Bannockburn zoning map?
15	A. Yes.
16	Q. That's a copy as Exhibit 90, a current
17	zoning, January 1, 1998, correct?
18	A. Yes.
19	Q. And in terms of land planning, laying out,
20	zoning, what does this show to you regarding the
21	Bannockburn area?
22	A. Well, the zoning map as well as aerial
23	photographs portray land use patterns. What's
24	significant here in terms of land use and land use

1	planning, and it's the Bannockburn zoning map, is that
2	this Tri-State tollway, which is a transportation land
3	use, is the western boundary. And all the land along
4	the eastern boundary in the Village of Bannockburn is
5	either listed as a C, a college district, an O, as an
6	office research district, and something that they call
7	FH, flood plan hazard overlay. In other words, all the
8	land uses adjacent to the Tri-State tollway are
9	nonresidential in character. There are no residential
10	land uses within this area of the Village of
11	Bannockburn. The same situation can be seen on the
12	aerial photograph but in more of a pictorial birds-eye
13	view.
14	Q. As you get further east from the tollway how
15	does it change?
16	A. As one gets further east of the tollway, with
17	the noise and its intended problems, then, as I
18	mentioned before, there are the commercial type office
19	uses that buffer the tollway. And then as Bannockburn
20	gets into its planning process, it's moved into

21	predominantly residential land uses as you get off
22	toward Waukegan Road. So it goes from the tollway to a
23	buffer of office/commercial type uses, then into the
24	residential section. So, in city planning terms, these

1	are all transitions of land use. And LTD is located in
2	the buffer what I'm going to call the buffer
3	transition zone, not just to the Tri-State toll road
4	but also to the interchange at 22 and the Tri-State
5	which places it in an ideal location from a city
6	planning perspective.
7	Q. Thank you.
8	Do you have an opinion whether LTD
9	Commodities is suitable for the area in which it is
10	located in Bannockburn?
11	A. Yes, I do.
12	Q. What is that opinion?
13	A. Well, it's suitable.
14	Q. What's the basis for that opinion?
15	A. Some of the things that I have just gone
16	over. First of all, it is a nonresidential use and

it's located at the northeast quadrant of the -- what I call the transportation node of 22 and the Tri-State toll road. It has a significant amount of truck traffic and vehicular traffic. So in terms of land planning, it should be located in an area where it has reasonable and rapid access to major arterial roads or highways so that traffic does not have to go through residential neighborhoods to get to it. In the case of

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1	LTD, traffic can go almost immediately from their plant
2	to Lakeview Drive, which is a road that goes out on
3	Highway 22, and then it can be dispersed onto a state
4	highway east or west on 22 to whatever its destination
5	is or go directly onto the Tri-State toll road for
6	intrastate type traffic either to the north or south.
7	So it probably couldn't have a better location in terms
8	of urban planning than it shares today.

Q. What about the homes to the north though in terms of how can LTD be suitably located and you have residential homes in Lake Forest immediately to the north?

12 north?

A. There are what's happened here is there
are two different governmental entities each having,
through their police power, zoning authority and
planning authority. There is Bannockburn of which the
subject of which LTD is in and then to the north the
plaintiffs, and the subdivision of which they are a
part, live in the City of Lake Forest. They're not
generally consistent land uses, one with the other,
residential single family with industrial type
development. But in this particular case LTD and the
office park of which it's a part were zoned prior or
I should say built prior to the time that the

1	residences or the plaintiffs' homes were built. So it
2	was a preexisting land use condition. And then
3	thereafter the City of Lake Forest allowed the
4	residential units to the north to be built without any
5	type of significant buffer in between them.
6	Q. And do you understand that LTD was expanded

- Q. And do you understand that LTD was expanded in stages?
- A. Yes, I do.

9	Q. You have been in the county long enough, do
10	you recall FMC had occupied the building originally?
11	A. I remember FMC. I never knew what FMC did
12	but I remember FMC.
13	Q. So from a land planning perspective, it's no
14	good planning by Lake Forest to allow homes
15	MR. KAISER: Objection, leading.
16	BY MR. KOLAR:
17	Q. Would you call it good planning by Lake
18	Forest strike that.
19	How would you characterize the planning
20	decision by Lake Forest to have the Roti, Rosenstrock
21	and Weber lots in their proximity to the uses in
22	Bannockburn to the south?
23	A. Under the condition in which they did it, it

24 was -- I don't know how to say this politely -- it was

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1	not properly designed, and that if residential land use
2	was to go there, two things should have happened.
3	There should have been a significant difference in
4	spacing between these homes and the Bannockburn

5	properties or a larger urban berm. In other words, it
6	should have been buffered and it was not. And the same
7	buffering should have taken place along the Tri-State
8	tollway, which in essence it did not.
9	As one goes further north on the tollway
10	today, you will see that Lake Forest and/or the
11	property owners, including Conway Farms, which is a
12	very large development north of Everett Road, have
13	correctly put in large urban berms to protect the
14	residential uses from the problems of the tollway. So
15	it was an example really of planning that lacked
16	excellence.
17	MR. KOLAR: Just for the record Mr. Hara has to
18	leave for his traffic ticket.
19	HEARING OFFICER KNITTLE: Thank you, Mr. Hara.
20	BY MR. KOLAR:
21	Q. Mr. Kracower, as part of your work on this
22	case did you review what I marked as Respondent's
23	Exhibit 34, and that's the Standard Land Use Coding
24	Manual?

- 1 A. Yes.
- Q. As part of your work in this case did you
- 3 form an opinion as to whether LTD should be classified
- 4 as a C classification or B classification under the
- 5 index attached to the Pollution Control Board
- 6 Regulations?
- 7 A. Yes, I did.
- 8 Q. Why did you refer to the Standard Land Use
- 9 Coding Manual in determining the proper classification
- 10 of LTD?
- 11 A. I referred to that manual, it's called S
- for -- a synonym almost, S-L-U-C-M. It's called
- 13 Standard Land Use Coding Manual. It's called Standard
- 14 Land Use Coding Manual because within the Pollution
- 15 Control Board Regulations there is reference to this
- 16 document, and it requires in part that a determination
- 17 be made as to the land use classification. And this is
- 18 the document that they make reference to.
- 19 Q. In terms of the regulations, where you note
- 20 that it's referenced, you talk about the definition
- 21 sections?
- 22 A. Well, one would be the definition sections
- and the other would be back in the standards section.
- The title would be under Section 901.101,

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1 classifications of land according to use. It indicates
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- 2 that land shall include all land used as specified by
- 3 the SLUCM code, and then it goes on.
- 4 Q. Then as we indicated earlier part of your
- 5 work in this case -- you see this Appendix B, standard
- 6 land use coding system --
- 7 A. Yes.
- 8 Q. -- attached to the regulations?
- 9 A. Yes.
- 11 proper classification under this Appendix B?
- 12 A. Yes, I did.
- 13 Q. Okay. Had you ever worked with that Standard
- 14 Land Use Coding Use Manual before this project?
- 15 A. Yes. I have that in my office, and I have
- something called the Standard Industrial Classification
- 17 System. And I periodically, although they're getting
- 18 rather dated I might add, would look at these things as
- 19 I prepared zoning ordinances for lists of uses. They
- 20 sometimes serve as an interesting guide.
- Q. So you said Standard something
- 22 classification, SIC?
- 23 A. Yes, Standard Industrial Classification.
- Q. Right. And that Appendix B has SIC

1	referenced on it as well, right?
2	A. Yes. I believe it's in industrial. It's a
3	SIC code, S-I-C.
4	Q. I think you're right. It says in Footnote 1
5	on the Appendix, the use of standard industrial
6	classification nomenclature.
7	When you were inside the LTD operations
8	I'll mark this as LTD Exhibit 100, a box did you see
9	boxes like this?
10	A. Yes, I saw boxes all different sizes that
11	look something like that.
12	(Respondent's Exhibit No. 100
13	was marked for
14	identification.)
15	BY MR. KOLAR:
16	Q. So based on your site inspection, your land
17	planning experience, the SLUCM, do you have an opinion
18	regarding the proper classification of LTD under this
19	Appendix B to the Pollution Control Board Regulations?
20	A. Yes, I do.

21 Q. In terms of lettering what would your opinion 22 be? C as in Charlie. 23 Α. 24 Q. And in terms of actual numbering, did you L.A. REPORTING (312) 419-9292 1411 form an opinion as to what would be the --1 Α. Yes. 3 Q. What would that be? There were two numbers. I had 4921, which is Α. 5 freight forwarding services. And 4922, packaging and 6 crating services. I believe those are the right numbers, but, if not, those are the terms that 8 accompany them. 9 Q. Here. Let's look. I have got a copy of Appendix B. 4921, freight forwarding services? 10 11 A. That's correct. 12 Q. That was your opinion? 13 Yes. Α. And 4922, packing and crating services? 14 Q. 15 A. That's correct.

Q. All right. And in terms of reaching that

17	conclusion	regar	rdin	ıg t	the Cl	lass	C ar	nd the	actua	.1	
18	numbering,	how,	if	at	all,	did	the	SLUCM	help	you,	the
19	manual?										

A. The manual basically sets forth the generic categories that breaks it down more definitively into more detailed categories. It also periodically has certain footnotes that one can use, if necessary, to refine terminology. As I have said before, it is

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1	getting a little the document becomes a little bit
2	dated. Some of the terms are a little different than
3	today, but generally, by almost a process of
4	elimination, one can go through and come up with what
5	really serves as a primary functional category. The
6	manual really indicates that the activity is the single
7	most important factor of determining land use. So you
8	really have to look at not just the building or the
9	generic character of a building that, you know, a lay
10	person might use or even an architect or anybody might
11	use but you have to look at what really is the
12	predominant activity or activities, plural, that go on

13 in a building in order to come up with an alphabetical 14 classification determination. And from a laymen's perspective I guess you 15 16 can call that building a warehouse? You could call it a warehouse. I'm sure a 17 18 lot of people do call it -- I mean, generally if you 19 look at it you'd say it's a warehouse or the city might 20 call it a warehouse. But calling it that generically 21 or crudely and then going back and having to comply 22 with the SLUCM regulations is a totally different 23 scenario, and at that point you're required to be far 24 more far specific.

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1	Q. In terms of you mentioned activity. In
2	terms of activity at the LTD headquarters, what in your
3	opinion of what you saw the largest activity that
4	the greatest activity there in terms of use of the
5	building?
5	A. Well, the greatest activity and the area that
7	consumed what I would call the predominant floor area
3	was packaging and crating.

9	Q. And that's one of the classifications you
10	have selected?
11	A. Packaging and crating services is 4922, and
12	that was one of the two categories that went on. Motor
13	freight forwarding would involve trucks, you know,
14	bringing materials there and taking them away.
15	Q. And you witnessed the truck activity?
16	A. Yes, I did.
17	Q. Now, this Appendix B to the regulations has a
18	code 637, warehousing and storage services, did you see
19	that?
20	A. Yes.
21	Q. Why didn't you use that code for LTD?
22	A. Warehousing and storage, in addition to what
23	you just read, also has, and it's hard to see it, a
24	little footnote after it, No. 2, and if you find that

1	footnote back here
2	Q. I think it's back here farther. Let's see
3	You were going the right way. Sorry. I
4	think it's on Page B20 of the appendix.

5	A. So if you research that foothote, if you're
6	inclined to do something like that under a code,
7	warehousing and storage includes only those facilities
8	that are used by or open to the public.
9	Q. What's your understanding of LTD's building
10	in that regard?
11	A. Well, LTD's building is not really a public
12	warehousing facility.
13	HEARING OFFICER KNITTLE: Mr. Kolar, the document
14	you were just referring to, is that going to be listed
15	as an exhibit?
16	MR. KOLAR: No, this is just I think anybody
17	would this is what I got from the Pollution Control
18	Board.
19	HEARING OFFICER KNITTLE: Then it must be proper
20	and accurate. I just want the Board to know what we'r
21	talking about.
22	MR. KOLAR: It's dated June '91, but this is what
23	Dorothy Gunn sent me in August of '99 when I had a
24	question regarding the impulsive section. I wanted to

make sure I had the --1 2 HEARING OFFICER KNITTLE: And this is Title 35, 3 Subtitle H, noise, Chapter I. MR. KOLAR: Yes. And it says, includes -- in terms of a regulation, includes amendments through 5 6 January 28, 1987. 7 HEARING OFFICER KNITTLE: And that's fine, you 8 identified the pages. I just wanted to make sure we 9 knew which documents we're talking about. 10 MR. KOLAR: And the appendix attached, Appendix B, 11 standard land use coding systems, it has numbers B-1 12 through B-25. 13 HEARING OFFICER KNITTLE: Thank you. BY MR. KOLAR: 14 15 Q. Mr. Kracower, again these -- using I think 16 Mr. Knittle's copy of the Environmental Protection Act, 17 Section 33(c)(i), you read that paragraph before today, 18 right? 19 Α. Yes. 20 It says, in making its orders and Ο. determination the Board shall consider "the character 21

2.2

23

24

and degree of injury to or interference with the

property of the people."

protection of the health, general warfare and physical

Do you have an opinion whether LTD's

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operation here at 294 and Route 22 in Bannockburn
 3
          interfered with the protection of the health, general
          welfare and physical property of the people?
 5
               MR. KAISER: I would object with respect to
 6
          foundation. I don't think Mr. Kracower has any
          expertise which would allow him to address injury to
8
          the health of the people.
              HEARING OFFICER KNITTLE: Mr. Kolar.
9
               MR. KOLAR: I think that's what land planning is
10
11
         all about, that you plan so as to minimize the impact
          of land uses on people. That's why you have transition
12
13
          zones and things like that.
               HEARING OFFICER KNITTLE: Objection, overruled.
14
          BY MR. KOLAR:
15
16
                    Do you have an opinion regarding that?
               Q.
17
              Α.
                    Yes.
                    And what is your opinion?
18
               Q.
19
               Α.
                    That generally the facility does not have a
          significant adverse impact to the public health, safety
20
         or welfare.
21
                    And you acknowledge that the Rotis,
22
23
          Rosenstrocks and Webers are complaining about LTD?
24
                    Well, I understand that they may be -- they
```

1	have complained about noise
2	Q. But in terms of
3	A but in terms of area wide planning, we
4	talked about the people and I would say there is no
5	significant adverse impact. And it's basically the
6	same finding that the Village of Bannockburn made when
7	they zoned this land.
8	MR. KAISER: Objection, foundation.
9	HEARING OFFICER KNITTLE: Mr. Kolar.
10	MR. KOLAR: I don't have a response.
11	HEARING OFFICER KNITTLE: I was going
12	MR. KAISER: Well
13	HEARING OFFICER KNITTLE: Go ahead, Mr. Kaiser,
14	what were you going to say?
15	MR. KAISER: I was going to say this. I mean, Mr
16	Kolar is going to make whatever arguments he will about
17	what the zoning approval by Bannockburn may or may not
18	be, but I don't think Mr. Kracower is entitled to do
19	that.
20	HEARING OFFICER KNITTLE: I was going to sustain
21	your objection.

MR. KAISER: You still will?

HEARING OFFICER KNITTLE: I still am.

Objection sustained.

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1	BY MR. KOLAR:
2	Q. From a land planning perspective when you
3	prepare comprehensive plans for villages or look at
4	land plans that a person brings to a village for
5	approval, does a land planner consider if a use will
6	interfere with the health, general welfare and physical
7	property of the people?
8	A. I don't know about other people. I do and I
9	have testified to it for many years. The answer is
10	yes. It's a general factor that we look at in
11	comprehensive planning and zoning.
12	Q. In terms of if you want an LTD facility in
13	your community, from a land planning perspective to
14	minimize the impact on the people generally in a
15	community, is this an appropriate location?

A. Yes. As I have said before, it is

16

17 appropriately located.

Q. Do you have an opinion if LTD provides social and/or economic value to the area, its operation there in Bannockburn?

MR. KAISER: Objection, foundation.

HEARING OFFICER KNITTLE: Mr. Kolar.

I can rule on it with no response.

MR. KOLAR: I have no response.

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2	overruled. I think this does qualify under his land
3	planning background.
4	Do you need the question repeated, sir?
5	THE WITNESS: No, I remember it.
6	Yes, I do.
7	BY MR. KOLAR:
8	Q. And what is your opinion?
9	A. It provides both social and economic
10	attributes and benefits to the community.
11	Q. In what regard?
12	A. Socially I mean, they employ somewhere in
13	excess of 600 to 1,200 or 1,000 people, so it provides

HEARING OFFICER KNITTLE: The objection is

an employment base, employment opportunities and economic opportunities for people who work there.

2.

Secondly, I think from an economic point of view it provides a significant tax revenue about --- it's in excess of \$600,000 a year to all of the local taxing districts. And I know that -- as I recall the school districts here receive somewhere between 60 to 70 percent of the tax revenue in Bannockburn. That would be the Deerfield High School and the Bannockburn Elementary School district. So the attributes socially pertain to employment base and to the various levels of

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local government that are receptive to receiving in excess of \$600,000 on an annual reoccurring basis.

And then lastly, like many nonresidential

land uses, the tax revenues that go to the school districts are unique because this development does not generate any school children to the school system such as a residential development would. So that's an extra bonus for communities that have these kind of uses within them.

- 10 Q. In terms of real estate taxes, you would defer to the tax bill for the exact amount? 11 12 A. Yes. I think you mispoke. I would move to 13 14 introduce Respondent's Exhibit 39 which is a public record of the tax bill for 1999. 15 16 A. Did I say 600? 17 Q. Yes.
- 18 A. I meant over 300. I'm sorry.
- 19 Q. Okay. Good.
- 20 HEARING OFFICER KNITTLE: Mr. Kaiser, do you have
- 21 an objection to Respondent's 39 which --
- MR. KOLAR: Which is a photocopy of the real
- estate tax bill for 1999 payable this year 2000.
- 24 HEARING OFFICER KNITTLE: The '99 real estate

- 1 bill?
- 2 MR. KOLAR: Right.
- 3 HEARING OFFICER KNITTLE: Is that of LTD?
- 4 MR. KOLAR: Right.
- 5 MR. KAISER: I have no objection.

6	HEARING OFFICER KNITTLE: It's admitted.
7	(Respondent's Exhibit No. 39
8	was admitted into evidence.)
9	MR. KOLAR: For the record the I guess you
10	could check my math, but I added up '99, and it totals
11	304,339.68. So I'll give you that one.
12	BY MR. KOLAR:
13	Q. Did I forget anything? I don't have any
14	other questions.
15	HEARING OFFICER KNITTLE: I don't know, Mr. Kolar
16	MR. KOLAR: I always like to ask my witness that
17	question.
18	Then I have no further questions of Mr.
19	Kracower.
20	HEARING OFFICER KNITTLE: Mr. Kaiser, do you want
21	to start now or do you want a little break?
22	MR. KAISER: I'd like a break because I want to
23	see whether we already have in the record a document
24	I'd like to show Mr. Kracower. So if we could take

1422

1 a --

2	HEARING OFFICER KNITTLE: Take an eight minute
3	recess.
4	MR. KAISER: Sure. Thanks.
5	(Short break.)
6	HEARING OFFICER KNITTLE: Mr. Kolar, you had some
7	clarification on your Exhibit 39?
8	MR. KOLAR: Right. Just so there is no confusion,
9	1TD is made up of four parcels which have individual
10	permanent index numbers, and they are 16-18-300-021,
11	16-18-301-001, 15-13-407-001 and 15-13-400-026. And
12	those four pin numbers, if you add up the taxes for the
13	year 1999 payable in 2000, by my math equal 304,339.68.
14	HEARING OFFICER KNITTLE: Thank you.
15	Mr. Kaiser, you can begin your cross exam.
16	Mr. Kracower, you probably know this but
17	you're still under oath.
18	THE WITNESS: Thank you.
19	CROSS EXAMINATION
20	BY MR. KAISER:
21	Q. Mr. Kracower, now you identified LTD as
22	having certain social and economic value to the
23	community, is that right?

24 A. Yes.

Q. And with respect to the social value, you

1

21

22

23

2	said it employs somewhere between 600 and 1,200 people
3	at the Bannockburn facility, correct?
4	A. Yes.
5	Q. So that's 600 to 1,200 people at the building
6	right here in the center of Respondent's Exhibit 89,
7	correct?
8	A. I believe that's where they go, yes.
9	Q. And the economic value you said were the tax
10	revenues that were generated for the County of Lake,
11	the Forest Preserve, West Deerfield Township, Village
12	of Bannockburn, Deerfield-Bannockburn Fire and so forth
13	as indicated on Respondent's Exhibit 39, the tax bill,
14	right?
15	A. Yes.
16	Q. In what way would the social or economic
17	benefits of LTD have been diminished if LTD or if
18	Bannockburn had required LTD to build a berm on the
19	northern boundary of LTD's property?
20	A. There would be no relationship between the

A. I don't know what size berm one could build

Q. But you could build a berm and it wouldn't

reduce the commercial or economic benefits, would it?

social and economic benefits in a berm.

1	there. It's pretty narrow.
2	Q. Well, this is your business, isn't it?
3	A. It was not part of my assignment to get into
4	mitigation.
5	Q. You're a land planner, right?
6	A. Yes.
7	Q. You're a landscape architect?
8	A. Yes.
9	Q. You have designed berms before, haven't you?
10	A. Yes.
11	Q. You have been out to the LTD facility a half
12	a dozen times, right?
13	A. Yes.
14	Q. You were out there yesterday, weren't you?
15	A. Yes.
16	Q. You parked your own car at the northern
17	boundary of the parking lot, haven't you?
18	A. Yes.
19	Q. In order to look onto the Roti, Rosenstrock
20	and Weber properties, correct?
21	A. Yes.

22		Q. I	Do you	have a	professi	onal	opinio	n as	you	sit
23	here	today	whethe	er LTD	could have	e coi	nstruct	ed a	nois	se
24	berm	along	the no	orthern	boundary	of t	their p	rope	cty?	

1	A. It was not part of my assignment, but I can
2	tell you that I just designed a berm on the Pazzuti
3	building and it wouldn't fit.
4	Q. It would not fit here?
5	A. No.
6	Q. Would a noise wall fit here?
7	A. I have no expertise in noise walls.
8	Q. Did you read any of the transcripts of the
9	hearing from November in preparation for your testimony
10	today?
11	A. No.
12	Q. Do you have any reason to believe
13	construction of a noise wall, right along the northern
14	boundary of the truck staging area, would reduce the
15	social or economic value of LTD's Bannockburn facility?
16	MR. KOLAR: Objection, asked and answered
17	regarding noise walls.

18	MR. KAISER: It hasn't been asked nor has it been
19	answered.
20	HEARING OFFICER KNITTLE: You were talking noise
21	berms before?
22	MR. KAISER: Yes, and I said along the northern
23	property line. Now I have moved it into the area that
24	Mr. Huff described and Mr. Zak described immediately

1	north of the truck staging area and to the south of
2	LTD's northern parking lot.
3	MR. KOLAR: He said noise berm, then I thought he
4	said noise wall, and Mr. Kracower said it's not his
5	area, noise walls.
6	HEARING OFFICER KNITTLE: Right. But I think he's
7	moved the whatever the noise barrier is farther
8	south. Is that correct, Mr. Kaiser.
9	MR. KAISER: That's correct.
10	HEARING OFFICER KNITTLE: So I'll overrule.
11	Do you need the question repeated?
12	THE WITNESS: No. I remember the question.
13	As I said, I have no expertise at all in

14	noise walls, and I have no understanding of the heighth
15	of a wall or what it looks like or how it operates, and
16	it transcends the nature of my assignment. So I'm not
17	able to really tell you what impact something like that
18	could have. I don't know if it's, you know, six feet
19	high or 80 feet high.
20	BY MR. KAISER:

Q. Well, let me give you a few more facts, Mr.

Kracower. It would be 13 feet high, and it would run

from the western end of the dock area to the eastern

and make the curb towards Lake Drive there,

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1	whatever the heck it's called, that eastern road coming
2	up along the side of the LTD facility. With that
3	information, can you give us an opinion?
4	A. No.
5	Q. I see. So you can only give us a very
6	limited opinion of the economic and social value as it
7	is today, but you have no opinion as to whether a noise
8	wall would affect LTD's social and economic value, is

9 that right?

10	A. That's correct because I said that, number
11	one, I have no expertise in noise walls. I have never
12	seen a design for a noise wall in any of the
13	documentation that I have or was made available to me.
14	And, thirdly, it's such an innocuous subject that I
15	think that in the broad context of urban planning I
16	don't know how a noise wall would or would not have any
17	relationship at all to the broad ramifications of tax
18	revenues generated or an employment base.
19	Q. You can't put that together with all your
20	training, your 30 years of experience, your Master's
21	degrees, you can't tie in a noise wall and give us any
22	kind of an opinion as to whether that would affect the
23	tax revenues from LTD's Bannockburn facility?

MR. KOLAR: Objection, asked and answered. I'd

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1	ask	that	the	question	be	stricken.
				1		

- 2 HEARING OFFICER KNITTLE: Sustained.
- But, Mr. Kaiser, I think you misunderstand
- 4 his answer.
- 5 BY MR. KAISER:

6			Q.	What	part	of	а	noise	wall	is	innocuous	to	you
7	as	a	land	planr	ner?								

A. I think what I'm trying to what I have
tried to say is that, once again, not having any
expertise in it, not having any idea what you're
talking about or seen any real plans from an expert
other than your own testimony, the subject is so
innocuous in the context of generation of tax revenue
that it's like saying if I designed a building to be a
triangle versus a square, would that have any impact on
the tax revenue, and that has no relationship. So
whether there is a noise wall or no noise wall, whether
the building is square or triangle, none of those
issues really have any relationship to my direct
testimony pertaining to the generation of revenues,
economic benefits or social benefits to a community.

Q. Well then how did, if you know, the County of

Lake determine what the appropriate real estate tax

would be for LTD?

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- township assessor that made the assessment, and it's

 done in a rather complicated way with building land

 fixtures, and that's the extent of my knowledge. The

 assessor would know better that I would.

 O. So other than knowing that \$300,000 in tax
- Q. So other than knowing that \$300,000 in tax
 revenues is in general a good thing for the bodies who
 receive that money, you don't know much about real
 estate taxation, is that fair?
- 10 A. No.
- 11 Q. That's not fair?
- 12 A. No.
- 13 Q. Well, tell us what you know about real estate taxation.
- 15 A. First of all, the question is so broad, could 16 you refine it for me?
- 17 Q. No.
- 18 A. Then I couldn't answer it. I'm sorry.
- Q. Well, what, if any, impact does the fact that

 LTD's building is roughly rectangular -- it is

 rectangular and roughly a square, does the size of it

 and the shape of it as a square as opposed to a
- and one brake of to ab a blacke ab offered on the
- triangle have any impact on the tax revenues?
- 24 A. No.

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1 Q. None whatsoever, right?
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- 2 A. None.
- 3 Q. So why earlier did you throw out that example
- 4 of I don't know if it's triangle or square, that has no
- 5 relevance, does it?
- 6 A. I was trying to explain the innocuous nature
- 7 of the question that you posed to me in the context of
- 8 trying to relate it to social and economic benefits. I
- 9 think it's apples and oranges.
- 10 Q. So one of the benefits is LTD generates tax
- 11 revenues, right?
- 12 A. Yes.
- 13 Q. And you don't know or have any opinion as to
- 14 whether construction of a noise wall would raise, lower
- or keep the tax rate on LTD's Bannockburn facility the
- same, correct?
- 17 A. That's another question.
- Q. Do you have an answer?
- 19 A. If there was a physical improvement on the
- 20 property, it could impact the real estate taxes.
- Q. Would you consider a noise wall a physical
- 22 improvement?
- 23 A. Yes.
- Q. And what would be its impact, the

1	construction of a 13 foot noise wall along the northern
2	boundary of the dock staging area, what might its
3	impact be?
4	A. I have no idea.
5	Q. Okay. Fair enough.
6	Do you think any people would lose their jobs
7	if LTD had to build a noise wall, a 13 foot high noise
8	wall along and around the dock staging area on the
9	north end of its building?
10	A. I don't think it would be related to jobs or
11	employment.
12	Q. The question was, do you think anyone would
13	lose their job at LTD's Bannockburn facility if
14	Bannockburn were required to build a noise wall if
15	LTD was required to build a noise wall along the truck
16	dock area?
17	A. I couldn't see any employment loss due to a
18	noise wall.
19	MR. KOLAR: Except the person that trims those
20	hedges there, Steve.
21	BY MR. KAISER:

Q. Now, one of your opinions was that you

23	thought there was no significant adverse impact from
24	LTD's operations on the health and welfare of the

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1	people, is that right?
2	A. Yes.
3	Q. During the spring of 2000, other than what
4	you learned about health through your own experience,
5	did you take any courses in public health?
б	A. No.
7	Q. When was the last time you took a course in
8	public health?
9	A. I don't believe I have ever taken a course in
10	public health.
11	Q. What was the last article you read on the
12	health affects of sleep deprivation?
13	A. I just read an article while I was in the
14	hospital interestingly enough about a month ago.
15	Q. And what do you recall from that article?
16	A. That inadequate sleep leads to stress.

Q. Do you have any reason to argue with that

conclusion of the article that you read while in the

17

19	hospital?
20	A. It really meant nothing to me because I'm not
21	qualified in sleep deprivation.
22	Q. All right. But it at least struck you in
23	some way that you remember it here this afternoon?
24	A. Yes.
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2 proposition, that sleep loss can lead to stress? 3 Once again, I have no expertise at all in sleep loss or stress other than what I have incurred 5 myself in my 60 years of life, but I am not an expert 6 in stress or sleep loss. 7 Q. Did you read the deposition transcripts of 8 any of the complainants in preparation for your 9 testimony? 10 I did some time ago. Do you recall that Karen Roti talked about 11

A. I don't recall that, no.

noise from LTD's dock operations preventing her from

Q. Do you have any reason to doubt that

1

12

13

14

falling asleep?

15	Q. Do you recall Karen Roti testifying that
16	noise from LTD's dock operations awakened her, and on
17	numerous occasions her children, and kept them from
18	falling back to sleep?
19	A. I remember some statement to that effect.
20	Q. Those statements or that information that
21	Karen Roti and her family members were losing sleep
22	because of LTD's dock operations, did you take that
23	into consideration in reaching your opinion?
24	A. Yes.

1	Q. And in what way did you consider Karen Roti
2	and her family's loss of sleep in generating in your
3	opinion that LTD has no significant adverse health
4	effect?
5	A. Well, first of all I don't know that's
6	someone's statement that somebody testified to. I
7	don't know if there actually was a loss of sleep,
8	that's number one. Number two, I made my own on-site
9	observations external to the property in the front yard
10	and the rear yard. I did not go into their bedroom,

but I assume if I was in the rear yard, the noise would
be as loud if not louder. And it's my opinion that the
noises that I heard originating from the the toll road
were as severe or even worse in most instances than
what I heard coming from LTD. In fact on a couple of
occasions when I was at LTD there was almost no noise.
It was silent. And the only thing one could hear was
the tollway noise. The true test of what I'm
testifying is that for anybody to come to a conclusion
of the severity of the plaintiff's suggestion about
losing sleep would be to stand in the front yard of the
property and the rear yard, as I did, and see what they
hear for themselves. When I did that, I concluded that
there was no significant adverse impact to that

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1	property	from	$_{ m LTD}$	by	itself.	The	property	

- Q. How many times were you in a position to hear the sound either at the rear of LTD's property, that is to the south of the Rotis, or on Wedgewood Drive to the north of the Rotis?
- A. I have been there on five occasions, and on

7	five	of	the	five	occasions	Ι	went	through	that	same
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- 8 process. And on each one I was overwhelmed by the
- 9 significant noise coming from the tollway. And what I
- 10 observed on each one of those occasions --
- 11 MR. KAISER: Move to strike. The question as how
- many times. He told me five. Nonresponsive.
- 13 HEARING OFFICER KNITTLE: Mr. Kolar.
- 14 MR. KOLAR: I'm going to have to hear his question
- 15 again.
- 16 MR. KAISER: I asked how many times was he there,
- 17 he said five, the rest of it was nonresponsive.
- 18 HEARING OFFICER KNITTLE: I'll grant the motion to
- 19 strike.
- 20 BY MR. KAISER:
- 21 Q. What training do you have in the physics of
- 22 sound?
- A. None. As I testified I'm not a sound expert.
- Q. And do you know whether sound at the level at

- which you were standing at the northern edge of LTD's
- 2 parking lot would be perceived identically to the

3 sound -- if the sound source is LTD's dock area, do you have any basis for concluding that the way you 5 perceived the sound at the northern portion of LTD's 6 parking lot was identical to the way Karen Roti and her children perceived the sound from LTD's dock on the 8 second floor of their home? 9 Α. No. 10 What was it you concluded was the predominant Q. 11 activity at LTD's Bannockburn facility? Packaging and crating. 12 13 And how did you determine that packaging and Ο. crating was the predominant activity? 14 15 Α. By observation. Do you know how much of LTD's building in 16 Q. 17 Bannockburn -- approximately what percentage of the entire square footage is devoted to storage? 18 19 There is approximately a 400,000 square foot building. There is about 50,000 square feet in 20 21 administrative use, and the remainder of that is in the packaging and crating operation. And there is 22

approximately 24 loading docks attached to it.

23

24

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Q. Do you know what percentage of that 350,000

- 1 square feet remaining, after you subtract the 50,000 in
- 2 administrative areas, is committed to the storage of
- 3 boxes like these, LTD Exhibit 100?
- A. Well, no, because it doesn't operate that
- 5 way.
- Q. You were in there, weren't you?
- 7 A. Yes.
- 8 Q. You saw row after row after row of shelves
- 9 with boxes on them, didn't you?
- 10 A. Yes but they were being --
- 11 Q. That's enough. You answered my question, Mr.
- 12 Kracower. Thank you.
- 13 What is the predominant basis for LTD's
- 14 profits?
- 15 A. I'm sorry, I don't understand your question.
- Q. Do you know whether LTD makes a profit?
- 17 A. No.
- 18 Q. Did you talk with Jack Voigt or Michael Hara
- 19 about LTD's business?
- A. What do you mean by "business"?
- 21 Q. What do you know LTD to do? What does LTD
- do, Mr. Kracower?
- 23 A. They have a catalog, and they sell a variety
- of different products on a business-to-business basis.

1	Q. Have you seen Complainants' Exhibits C-2,
2	their Christmas 1998 catalog?
3	A. I have seen various catalogs, not the 1998
4	one. I have seen other ones.
5	Q. Have you seen the spring of 1999 catalog,
6	Complainants' Exhibit C-1?
7	A. I have seen several catalogs, but I can't
8	tell you this is the exact one I have seen, but they
9	all look very similar to me.
10	Q. Do you make any distinction between the
11	social value of selling nicknacks and gift items and
12	the social value of selling health care supplies?
13	A. No.
14	Q. You don't make any distinction between those
15	two?
16	A. No.
17	Q. As long as it makes a profit it has a social
18	value, is that right?
19	A. No. I think you're testifying for me, and
20	that is not what I said.
21	Q. As long as they pay taxes they have social

value, is that it?

23 Once again, I didn't say that. I mean, your A. questions are very argumentative, and I'm trying to 24 L.A. REPORTING (312) 419-9292 1439 1 answer them but you're suggesting that I have testified to things that I have not testified to. So the answer 3 to your question would be no. That there is no distinction -- well, I'll Ο. 5 withdraw the question. Do you know does LTD contract -- well, do you 6 7 know what percentage of LTD's profits are derived from the sales of the goods in these and similar catalogs? 8 9 No, that's beyond my assignment. 10 Well, your assignment was to determine Q. 11 whether this was a Class B or Class C land use, that 12 was part of your assignment, wasn't it? 13 Α. To determine what the classification would 14 be, yes. And part of your methodology was determining 15

the predominant activity of LTD at its Bannockburn

facility, wasn't it?

A. Yes.

16

17

Q. And "predominant activity" I think you would agree is a somewhat vague term, isn't it, Mr. Kracower?

A. I don't think it is in this case.

Q. But you didn't ask Mr. Hara or Mr. Voigt or find out from any source within LTD what is the predominant basis for LTD's revenues?

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1	A. That's correct, I did not use that word.
2	Q. Well, what word did you use? Did you ask
3	them at all how do you make money?
4	A. I asked them about the nature of their
5	business. I did not ask them to look at their books or
6	whether they made money or lost money. It was
7	completely irrelevant
8	Q. Did you ask them do you
9	MR. KOLAR: Objection, would he be allowed to
10	finish his answer before Mr. Kaiser cuts him off and
11	starts another question?
12	HEARING OFFICER KNITTLE: Sustained.
13	Did you pick that up? Did you pick up what

14

he said?

15	(Record read as requested.)
16	HEARING OFFICER KNITTLE: Is there anything past
17	there?
18	THE WITNESS: There was a few more words. It was
19	completely irrelevant to the nature of my assignment.
20	BY MR. KAISER:
21	Q. Do you know who owns this parcel of property
22	on which the LTD building is located at Bannockburn,
23	Illinois?
24	A. No, I do not.

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1	Q.	Do you know who leases this building which
2	houses LTI	D's operations?
3	Α.	No, I do not.
4	Q.	Do you know who owns the goods that are
5	stored und	der roof at LTD's Bannockburn facility?
6	Α.	No.
7	Q.	Do you know who owns the trucks that deliver
8	the goods	to LTD's Bannockburn facility?
9	Α.	Generally in a generic way they are

10 outside purveyors.

11	Q. Do you know who owns the trucks that take the
12	goods away from LTD's Bannockburn facility?
13	A. Same response.
14	Q. Do you know whether LTD stores anyone else's
15	products under its roof at the Bannockburn facility?
16	A. Not that I'm aware of.
17	Q. So what you're aware of is that everything
18	under the roof at the Bannockburn facility belongs to
19	LTD, is that right?
20	A. I just said I don't know who it belongs to.
21	You asked me that, and I said I do not know the actual
22	legal ownership.
23	Q. Do you have any reason to believe that LTD is
24	leasing out warehouse space in Bannockburn to third

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1	parties?
2	A. I'm not aware of that.
3	Q. Does that mean that well, do you have a
4	belief as to whether they're doing that?
5	A. I have no knowledge of it.

6 Q. How would you define -- do you have your

7	SLUCM code in front of you there, Mr. Kracower?
8	(Document tendered.)
9	MR. KAISER: Thank you.
10	BY MR. KAISER:
11	Q. Respondent's Exhibit 34.
12	Freight forwarding services 4921, that's what
13	you are telling the Board best describes LTD's
14	predominant activity at its Bannockburn facility, is
15	that right?
16	A. I said it was one of the predominant
17	activities.
18	Q. And the other predominant activities was
19	packing and crating services?
20	A. Yes.
21	Q. And you felt that those predominant
22	activities better describe what was going on at LTD
23	than, for instance, retail or wholesale sale of goods,
24	right?

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1 A. Yes.

Q. You looked at retail sales within the SLUCM

- 3 code, didn't you?
- 4 A. Yes.
- 5 Q. And you concluded that LTD is not really a
- 6 retail sales outfit, is it?
- 7 A. That's correct.
- 8 Q. And you looked at wholesale sales within the
- 9 SLUCM code, did you not?
- 10 A. That's correct.
- 11 Q. And you concluded, well, LTD is not really a
- 12 wholesaler either, right?
- A. You're correct.
- 14 Q. But you would concede LTD seems to sell an
- awful lot of stuff, you'd grant us that, wouldn't you,
- 16 Mr. Kracower?
- 17 A. Yes, they have a very large volume.
- 18 Q. And that volume comes in on Lakeside Drive,
- 19 right?
- 20 A. Yes.
- Q. It's unloaded into the warehouse, right?
- 22 A. Yes.
- Q. And it stays there for some period of time,
- 24 correct?

- 1 A. Yes.
- Q. And then it leaves again, right?
- 3 A. Yes.
- 4 Q. And didn't Mr. Voigt tell you that the
- 5 inventory at the LTD facility in Bannockburn turns
- 6 approximately 12 times a year?
- 7 A. Yes, every 30 days is the way he put it.
- 8 Q. Right. He said things come in, and at the
- 9 most they stay there every 30 days?
- 10 A. Yes.
- 11 Q. And you recall during your deposition you and
- 12 I explored whether the amount of time that goods stayed
- 13 there impacted whether it was viewed as a warehouse or
- 14 a storage facility, is that right?
- 15 A. Not correct. Not exactly.
- Q. What do you recall?
- 17 MR. KOLAR: Objection, relevance as to what he
- 18 asked him at his dep. I think the dep is only relevant
- 19 regarding impeaching.
- MR. KAISER: I withdraw the question.
- 21 BY MR. KAISER:
- Q. Do you know on the basis of your education
- and experience what the average time is for retail or a
- 24 catalog sales house for inventory to remain on-site?

Т	A. NO.
2	Q. Did you make any effort to find that out or
3	figure that out in order to render your opinion to the
4	Board?
5	A. The answer is no, it was not relevant.
6	Q. Thank you. That is the answer.
7	Is there any place that you would look for a
8	definition of freight forwarding services? Is there
9	any place within the Standard Land Use Classification
10	Manual where that term is defined?
11	A. I would not recall.
12	Q. You don't recall or you don't know?
13	A. I have not seen it, not that I remember.
14	Q. And packing and crating services, do you
15	recall seeing a definition of that within the Standard
16	Land Use Coding Manual?
17	A. Within the manual?
18	Q. Yes.
19	A. I would have to look at it to answer your
20	question. I didn't understand the last two questions
21	then.
22	Q. So you're saying that maybe it occurs within

the manual, maybe there is someplace within the manual

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1	A. Could you please ask the question again
2	because I don't understand the question.
3	Q. Well, you have described the predominant
4	activities as freight forwarding services, and you see
5	that in the footnotes there on the bottom of Page 55
6	where certain of these terms used in the manual are
7	defined. For instance, rapid rail transit and street
8	railway right-of-way includes only that land which is
9	not within the public right-of-way. The footnotes in
10	some ways define the terms. Did you find any place
11	within the manual where these terms, "freight
12	forwarding services" or "packing and crating services,"
13	were defined?
14	A. I don't recall seeing those definitions.
15	Q. Do you know of any other source that you or
16	people in your field might rely upon in order to locate
17	a working definition of freight forwarding services?

19 Q. Does the word "services" seem to be an

18 A. No.

- essential part of the definition or surplusage as used
 in the Standard Land Use Coding Manual?

 A. I have no opinion on that.
- Q. You have no opinion on that?
- A. That's correct.

- 1 Q. Does LTD provide freight forwarding services
 2 to any third party?
- 3 A. What do you mean by a third party?
- 4 Q. Someone other than LTD.
- 5 A. Yes.
- 6 Q. To whom?
- 7 A. I can't tell you that. I don't know. I
- 8 don't know where the truck goes. The truck leaves the
- 9 premises with product in it that have been packaged and
- 10 crated, and it is then distributed. I do not know
- 11 where it goes once it leaves the premises other than
- it's a business to business transaction.
- 13 Q. Do you know who owns the goods when they
- leave on the truck off of LTD's facility?
- 15 A. The customers, as I recall Mr. Voigt

16	explaining to me, and as I recall from Mr. Hara's
17	deposition, have an account with LTD. It is charged to
18	their account, the product then leaves the premises,
19	and, I imagine, after that they're appropriately
20	invoiced.
21	Q. Well, do you know when title to those goods
22	changes from LTD to the customer?
23	A. I would think that's more of a legal question
24	than a planning question, so I could not answer that.

1	Q. You don't know?
2	MR. KOLAR: Objection, that calls for a legal
3	conclusion. Probably a UCC Article II expert would
4	have to answer that.
5	HEARING OFFICER KNITTLE: I'll sustain it, but
б	he's already stated that he does not know the answer to
7	that question.
8	MR. KOLAR: Okay.
9	BY MR. KAISER:
10	Q. To whom does LTD supply packing and crating
11	services?

12	A. Their customers.
13	Q. And that's your basis for determining that
14	LTD each of these little customers then, those are
15	the people to whom they provide the service?
16	A. Yes.
17	Q. LTD is not providing goods to them, they're
18	not providing them the Spirited Hand Painter Holder
19	that's so realistically detailed, the Woodland Santa
20	Planter is that LTD's product?
21	A. That's one of the items that is packaged and
22	crated.
23	Q. Well, what is LTD selling, the product or the
24	service?

1	A. Both.
2	Q. Can you describe for the Board your role in
3	preparing Appendix B to the noise the Board's noise
4	pollution regulations?
5	A. I don't understand the question. I'm sorry.
6	Q. Could you describe to the Board your role in
7	creating Appendix B to the Board's noise regulations?

8	A. I did not create Appendix B to the noise
9	regulations.
10	Q. So I take it you didn't have a role in the
11	preparation of Appendix B?
12	A. You would have to define for me what you mean
13	by "Appendix B."
14	Q. Well, that's the portion of the regulations
15	that refers to the Standard Land Use Coding Manual,
16	isn't it?
17	A. I would have to look. I don't recall. I
18	don't remember all the appendices.
19	Q. Did you look at any legislative history with
20	respect to the Board's noise pollution regulations in
21	preparing your opinion?
22	MR. KOLAR: Objection, the regulations are not
23	legislative, they're administrative regulations.

HEARING OFFICER KNITTLE: Sustained.

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1	ΒY	MR.	KAISER:
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24

Q. Did you look at any of the administrative

3 history with respect to the promulgation of the Board's

4	200100	2002110+iona		~~~~~~		aninian?
4	norse	regulations	TII	preparing	your	obtutous

5 A. No, it was not available to me.

an interesting anecdote.

- Q. What efforts did you make to get that
 information, the administrative history?
- A. I probably would not have reviewed it if it

 was available. It was irrelevant. I would rather look

 at the regulations rather than the legislative history

 which would be meaningless to me because they are

 not -- the administrative regulations that we use are

 something to be implemented, the legislative history is
 - Q. You have never in the course of your 30 years practice looked at a preamble to regulations or looked at legislative or administrative history with respect to regulations in order to better implement those regulations?
 - A. I have learned many years ago as a federal official, quite active in legislative matters, that the legislation itself is a document to be evaluated and implemented and that the legislative history is absolutely meaningless in the context of putting

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- 1 regulations or law into effect. Because if we went by
- 2 legislative history, each one of us would have a
- 3 different interpretation of what rules and regulations
- 4 are. That's why they end up in specific defined
- 5 guidelines even though they may be ambiguous in part.
- 6 Q. And if they're ambiguous in part, where does
- 5 7 someone like yourself go for clarification?
- 8 A. I rely on my training and my experience and
- 9 whatever libraries or documentation I have available to
- me that I use on a standard basis in my office.
- 11 Q. But you don't consider administrative history
- of the regulations you're seeking to interpret part of
- that working body of information that you would rely
- 14 on?
- 15 A. That's correct.
- 16 Q. Have you ever read any United States Supreme
- 17 Court opinions where the Court has relied on
- 18 legislative history in order to resolve a problem of
- 19 statutory or regulatory interpretation?
- 20 A. Opinions of the United States Supreme Court
- 21 periodically come to my office through our planning
- journals but I think they would be maybe more relevant
- 23 to somebody like yourself in the legal profession than
- they would be to me as a planner working on more

1	mundane matters. I would be more concerned about what
2	the opinion of the Court is versus how the Court got to
3	that opinion.
4	Q. Have you ever seen an invoice that LTD sends
5	its customers?
6	A. No.
7	Q. Do you know whether LTD breaks down on the
8	invoice a certain cost for the goods and a certain cost
9	for the freight forwarding, packaging and crating
10	services?
11	A. Since I haven't seen an invoice, I couldn't
12	answer your question.
13	Q. You didn't ask Mr. Voigt whether LTD
14	typically invoiced for the crating and packaging
15	services as a separate line item?
16	A. Again, it was not relevant to a land use
17	determination.
18	Q. You didn't ask Mr. Hara whether LTD invoiced
19	separately for the packing and crating services you
20	claim they provide their customers?
21	A. I think I answered that twice and the answer

MR. KAISER: Can we see the zoning map again, Mr.

22 is no.

24 Kolar.

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1	MR. KOLAR: Why certainly.
2	BY MR. KAISER:
3	Q. We're looking now at Respondent's Exhibit 90,
4	which you identified earlier as the Village of
5	Bannockburn zoning map. You can see that from where
6	you're seated, can't you, Mr. Kracower?
7	A. Partially, yes.
8	Q. And I'm looking in the upper left-hand corner
9	where it appears to be an "O," office research
10	district, in the far northwestern corner of
11	Bannockburn, is that where LTD's facility is located?
12	A. Yes.
13	Q. Do you see any manufacturing zones along the
14	tollway within the Village of Bannockburn?
15	A. No.
16	Q. So LTD is located within this office research
17	district, is that correct?
18	A. I can't see the legend from here but if
19	that's what the "O" means, the answer the yes.

20	Q. Yes, and I'll represent that's what the
21	legend says, office research district.
22	When you lectured at Northwestern University,
23	was the subject of your lecture interpretation and
24	application of the Standard Land Use Coding Manual?

1	A. No.
2	Q. When you did work for the many municipalities
3	you listed including Glenview, Highland Park, Cicero,
4	Buffalo Grove, Des Plaines, Addison, Batavia,
5	Bensenville, did any of your services to those
6	municipalities require you to interpret or apply the
7	Standard Land Use Coding Manual?
8	A. No.
9	Q. The courses you took at the University of
10	Wisconsin in Madison, did any of those assign to you as
11	assigned reading the Standard Land Use Coding Manual?
12	A. That's an interesting question. I remember
13	that there was a professor by the name of Henry Fagen
14	at the University of Wisconsin who was in one of my
15	courses. And I remember that he was one of the authors

16	or one of the people who worked on the Standard Land
17	Use Coding Manual.
18	But recognizing that I began college in 1958
19	I'm 60 years old, and it's the year 2000, my recall
20	isn't that great as to I'd probably have trouble
21	telling you what courses I took let alone whether or
22	not I looked at the Standard Land Use Coding Manual.
23	Q. Would you say that interpretation and
2.4	application of the tables within the Standard Land Use

1	Coding Manual is closer to an art or a science?
2	A. What I remember from graduate school is that
3	planning is both an art and a science, and I think that
4	that would be applicable here too.
5	Q. And with art it's been said beauty is in the
6	eye of the beholder, have you heard that expression?
7	A. Yes.
8	Q. And could it also be said that with respect
9	to the proper classification using the Standard Land
10	Use Classification Manual that the proper
11	classification or an appropriate classification is also

12	open to the interpretation of the person called upon to
13	render the opinion?
14	A. No, that would be the science part of it.
15	Q. Please distinguish for me which parts of your
16	analysis were the scientific portion that could yield
17	only one correct answer and which parts were the
18	interpretive elements?
19	A. Well, there is an interpretive element I
20	think to all of it, but it's not that ambiguous or it's
21	not that it would lead one to dramatically stray. And
22	I think that the science part of it is the fact that
23	through a winnowing down or a deductive reasoning
24	process one can come up with the answers that I have

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1	come up with. So if experience and science go hand and
2	hand, and I think they do, I think that any planner
3	looking at this, although I guess I'm the only planner
4	doing it, but that any planner looking at this would
5	come up with the same conclusions that I have come up
5	with.

7

Q. Any planner? You don't think there is a

8	single planner who would look at it and come up with a
9	different classification?
10	A. I have testified to what I believe to be the
11	truth, and if there is somebody else that would like to
12	testify, they'd be welcome to do the same.
13	Q. And you would admit, wouldn't you, Mr.
14	Kracower, that someone could describe this differently
15	and not be necessarily wrong about the way in which
16	they described it?
17	MR. KOLAR: I object to that and probably should
18	have objected to a similar question to the appraiser in
19	that there is no land planner on the other side. So I
20	think it's an improper method of getting another land
21	planning opinion in when they didn't hire a land
22	planner. It calls for speculation as well.
23	HEARING OFFICER KNITTLE: I'll sustain it on
24	calling for speculation.

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L	BY	MR.	KAISER

Q. Do most land planners in the Lake County area

3 charge \$285 an hour for their services?

- A. I have no idea what other people charge.

 Q. Do you have any idea how much you have

 charged LTD to date for your opinion?

 A. No. I actually do not even review bills in

 my office unless there is a problem with one.

 Q. Do you think you would be sitting here today
- peing paid \$285 an hour by LTD if you had told LTD in the spring of 1999 that under this SLUCM code they're actually a Class B land use?
- MR. KOLAR: Objection, argumentative.
- 14 HEARING OFFICER KNITTLE: Sustained.
- 15 BY MR. KAISER:
- Q. Have you ever spent time on the deck located at the southwest corner of Henry and Leslie Weber's property?
- 19 A. No.
- Q. Have you ever spent time in Paul
- 21 Rosenstrock's kitchen?
- A. No, I have never been in the gentleman's
- 23 kitchen.
- 24 O. Would you consider a falling light fixture a

- threat to human health?
- 2 A. A falling light fixture? Could you tell me
- 3 where or what?
- 4 Q. Yes, a light fixture suspended from the
- 5 ceiling of Paul Rosenstrock's kitchen and eating area.
- 6 If you were seated at the table beneath that light
- 7 fixture and it fell, would that pose a risk to human
- 8 health?
- 9 A. It's nothing I testified to, but I assume if
- 10 a light fixture -- I don't have any expertise in his
- 11 kitchen, I have no expertise in the light fixture or
- 12 any facts about what you're talking about. The only
- thing I can tell you is I imagine if a light fixture
- 14 fell on somebody, it would certainly not be beneficial
- to their health.
- MR. KAISER: Thank you. I have no further
- 17 questions.
- 18 HEARING OFFICER KNITTLE: Mr. Kolar.
- 19 MR. KAISER: Wait. Sorry. I spoke too soon. I
- 20 have a few quick questions if I may.
- 21 HEARING OFFICER KNITTLE: Go ahead.
- 22 BY MR. KAISER:
- Q. I want to show you what's previously been
- 24 marked for purposes of identification as Complainants'

1	Exhibits 60, 62, 63, 64 and I'm marking
2	MR. KOLAR: Do you have copies for me?
3	MR. KAISER: You have been given copies.
4	HEARING OFFICER KNITTLE: I think you were up to
5	65.
6	MR. KAISER: Complainants' 66.
7	(Complainants' Exhibit No. 66
8	was marked for
9	identification.)
10	BY MR. KAISER:
11	Q. With respect to Complainants' 60, it's a
12	building permit preapplication for zoning and
13	architectural review approval, Village of Bannockburn.
14	Have you ever seen this document before, Mr. Kracower?
15	A. I don't recall.
16	Q. You note that it appears that the applicant
17	is LTD Commodities, Inc.?
18	A. Yes.
19	Q. And that they describe their interest in the
20	subject property as a warehouse addition?
21	A. Yes.
22	Q. Do you see that term?
23	A. Yes.
24	MR. KOLAR: I don't have copies of these. Can I

1 have a moment to look at what you're showing him? MR. KAISER: Sure. 3 MR. KOLAR: Because I was not given copies of these exhibits. 4 (Pause in proceedings.) 5 HEARING OFFICER KNITTLE: Mr. Kolar, I have all 6 7 these admitted except C-61. 8 MR. KAISER: Okay. 9 HEARING OFFICER KNITTLE: Which was reserved, and C-65. 10 MR. KOLAR: There is no 61 here. 11 HEARING OFFICER KNITTLE: I didn't realize he 12 hadn't included it. I thought he went from 60 to 64. 13 14 MR. KAISER: Let's see what 61 is. 15 HEARING OFFICER KNITTLE: 61 is a Bannockburn ordinance. 16 MR. KOLAR: What he has here is 60, 62, 63, 64 and 17 a new one of 66. 18 HEARING OFFICER KNITTLE: Right. I have got 66. 19

60, 62, 63 and 64 are all previously admitted.

21	I wanted to tell you on 65
22	MR. KAISER: Which is the Schomer dep transcript.
23	HEARING OFFICER KNITTLE: I think we admitted
24	that.

1	MR. KAISER: I think so. That was
2	HEARING OFFICER KNITTLE: I can't read my
3	MR. KAISER: I believe we stipulated to that the
4	first day.
5	HEARING OFFICER KNITTLE: Is that your
6	understanding as well, Mr. Kolar?
7	MR. KOLAR: Well, that's certainly something that
8	is part of the record, but there are objections in
9	there that would have to be resolved.
10	HEARING OFFICER KNITTLE: Right, I have "subject
11	to objections."
12	MR. KOLAR: Right, that's accurate then subject to
13	you looking at the objections.
14	HEARING OFFICER KNITTLE: Right, we haven't done
15	that yet, right?
16	MR. KOLAR: Right.

17 HEARING OFFICER KNITTLE: I just can't read my 18 note whether it's admitted or not. 19 MR. KOLAR: I thought you were going to do that on 20 your own. 21 HEARING OFFICER KNITTLE: I think I probably will 22 at some point. 23 MR. KOLAR: I have looked at them.

24

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HEARING OFFICER KNITTLE: Go ahead, Mr. Kaiser.

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MR. KAISER: Thank you. 1 2 BY MR. KAISER: Q. All right. Just to pick up the thread here, 3 Mr. Kracower, I understand that you do not recall 5 seeing Complainants' Exhibit 60, this building permit preapplication for zoning and architectural review 7 approval, is that right? 8 A. Yes. 9 Do you recall seeing C-62 which is a letter 10 from Lohan & Associates to David Lothspeich, 11 L-o-t-h-s-p-e-i-c-h, of the Village of Bannockburn 12

dated February 21, 1994?

- 13 A. No.
- 14 Q. You have never seen that or you don't recall
- 15 seeing it?
- 16 A. I just don't recall seeing it. I don't
- 17 remember that name.
- 18 Q. All right. And, again, that talks about the
- 19 LTD warehouse expansion, do you see that?
- 20 A. Yes, I do.
- 21 Q. C-63, a letter again from Lohan & Associates
- to Mr. Lothspeich dated February 21, 1994, have you
- ever seen that?
- A. Not that I recall, no.

- 1 Q. C-64, Village of Bannockburn ordinance, do
- 2 you recognize that?
- 3 A. I may have seen this -- I think I have seen
- 4 this before.
- 5 Q. In connection with the preparation of your
- 6 opinions in this case?
- A. Yes.
- 8 Q. Do you recall about how much time you spent

9	looking at this document, Village of Bannockburn's
10	ordinances?
11	A. Well, I am not certain I have seen it. There
12	were several rezonings of the property dating back to
13	1977, and I don't know if that's one of them that I
14	have reviewed. I can't be that certain.
15	Q. But you see there in the first paragraph that
16	they refer to LTD is the occupant of a warehouse and
17	office facility?
18	A. Yes, I see that.
19	Q. Do you recall seeing anywhere in this
20	document reference to LTD operating a freight
21	forwarding service at the Bannockburn location?

MR. KOLAR: Then I object. It speaks for itself.

MR. KOLAR: This document is in evidence?

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People can read it and see if it says that.

HEARING OFFICER KNITTLE: Yes.

- 2 HEARING OFFICER KNITTLE: Sustained.
- BY MR. KAISER:

22

23

24

Q. And I'm just asking, can you, Mr. Kracower,

5	show us anywhere in that document where it describes
6	LTD's operations as either freight forwarding services
7	or packing and crating services?
8	MR. KOLAR: Same objection.
9	HEARING OFFICER KNITTLE: Mr. Kaiser, how is that
10	different than
11	MR. KAISER: I mean, if he wants to just say, "No,
12	I can't," then we're done, then Mr. Kolar can find it
13	and bring it to the Board's attention during his
14	response brief. I don't think it's in there.
15	THE WITNESS: It talks about loading areas.
16	BY MR. KAISER:
17	Q. Does it use the term "crating and packing
18	services" or "freight forwarding services"?
19	HEARING OFFICER KNITTLE: I'm going to sustain the
20	objection. I think the document will speak for itself;
21	and if it does say so, the Board will take note of
22	that.
23	MR. KAISER: Okay. Very good.

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- 1 BY MR. KAISER:
- Q. Have you seen this letter from Mr. Kolar to
- 3 the Village of Bannockburn dated May 4, 1998 and
- 4 identified for the record as Complainants' Exhibit 66?
- A. Yes, I have seen this.
- 6 Q. Did you read that in preparation of your
- 7 opinions that you offered here today?
- 8 A. Yes.
- 9 Q. Do you see here on Page 1 that Mr. Kolar
- 10 refers to FMC Corporation built an approximately
- 11 155,000 square foot warehouse with offices at the north
- half of the LTD property?
- 13 A. Uh-huh, yes, I see that.
- 14 Q. At what point in your preparation and
- analysis did you review Mr. Kolar's letter of May 4,
- 16 1998?
- 17 A. Rather early on.
- 18 MR. KAISER: Thank you. I have no further
- 19 questions.
- 20 HEARING OFFICER KNITTLE: Mr. Kracower, do you
- 21 want to take a break or --
- THE WITNESS: No, I'm fine.
- 23 HEARING OFFICER KNITTLE: Mr. Kolar, do you need
- 24 any time?

1 MR. KOLAR: No, I'd like to go ahead.

2	HEARING OFFICER KNITTLE: Let's do the redirect.
3	REDIRECT EXAMINATION
4	BY MR. KOLAR:
5	Q. In that letter of May 4, 1998 did you also
6	read the reference to the April 20, 1997 letter by Paul
7	Schomer?
8	A. Yes.
9	Q. And you read that Paul Schomer was
10	Bannockburn's noise consultant?
11	A. Yes.
12	Q. And in that letter of April 20, 1997 he
13	agreed with you that LTD should be a C, as in Charles,
14	classification?
15	A. That's correct.
16	Q. Again, in terms of that 400,000 square feet
17	thing in Bannockburn, generally or generically, it's a
18	warehouse, correct?
19	A. People such as yourself, and with all due
20	respect are lawyers, and there is another gentleman
21	here who's an architect who wrote a letter, Lohan
22	Company and others, there is nothing wrong calling the
23	entire structure a warehouse in a generic sense. And
24	that's commonly done, and I don't believe it's

1	inappropriate. In terms of looking at the SLUCM code,
2	in having to be more definitive and more scientific,
3	it's necessary to break things down in a much more
4	definitive manner, which I have done and which
5	everybody who uses that SLUCM code is compelled to do.
6	So you can't say to somebody that they're dramatically
7	wrong when they talk in broad terms about a warehouse.
8	But the SLUCM code says you must look inside the
9	warehouse and look at the specific uses and the
10	predominant uses that are going on. And it also says
11	you must look at those areas that have, you know, the
12	predominant floor area and what's happening in there.
13	And that's when a person is compelled to make a more
14	specific land use determination.
15	Q. Where we are today, we can call this a
16	building, right?
17	A. We are in an office building today but there
18	are all kinds of office buildings. We happen to be in
19	a public governmental building or we could be in a

courthouse or we could be in an insurance building that

21	is labor intensive, but there are all types of office
22	buildings, there are all types of so-called warehouses,
23	there are all types of manufacturing plants, there are
24	all types of housing, but housing can be single family,

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1	multiple family townhomes. So that really is the
2	purpose of the SLUCM code. And if you read the
3	introduction of the code, it goes through the analogy
4	of how at that time HHFA and the Bureau of Highways
5	felt it was necessary to be more for cities to be
6	more specific in land use determinations.
7	Q. In terms of that SLUCM code, did you read in
8	my May 4, 1998 letter that it was published in 1969, at
9	least according to my letter?
10	A. Yes.
11	Q. Were you in college in 1969?
12	A. No, I was not.
13	Q. Well, if that's true, it would have been
14	published after you completed your education?
15	A. That would be correct. Maybe that's why I

16 never read it.

17	Q. Could be.
18	Let me ask you some of the follow-ups that
19	you weren't able to answer in cross examination.
20	You mentioned you were at LTD on five
21	occasions, correct?
22	A. Yes.
23	Q. And on four of those occasions what did you
24	notice regarding the tollway?

Τ	A. On four of the five occasions I noticed that
2	the noise from the tollway was equal to, if not more,
3	severe than the generation of noise from the
4	truckloading docks at LTD.
5	Q. Would you say that on any of those four
6	occasions you were overwhelmed by the noise of the
7	tollway?
8	A. On four of those occasions, when I parked my
9	car and walked in front of the plaintiffs' three homes,
10	I was actually overwhelmed by the significance of the
11	noise from the tollway. I never anticipated that the
12	noise would be that severe.

13	Q. Mr. Kaiser mentioned or discussed with you
14	whether a berm could be built between LTD and the
15	complainants' properties, do you recall those
16	questions?
17	A. Yes.
18	Q. A good time for a landscape architect or land
19	planner to look at a berm would have been before this
20	whole subdivision was platted, correct?
21	MR. KAISER: Objection, leading.
22	HEARING OFFICER KNITTLE: Sustained.
23	BY MR. KOLAR:
24	Q. When would have been a good time for someone

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2	between LTD Commodities and the residential use in Lake
3	Forest to the north?
4	MR. KAISER: Objection, relevance.
5	HEARING OFFICER KNITTLE: Overruled.
6	THE WITNESS: It would have been at the time the
7	subdivision to the north of LTD was designed and
8	platted.

1 such as yourself to analyze a type of berm to put in

_	 	_
a	TR. KOLA	\mathbf{p}

- 10 Q. And the berm that you described along 294 by
- 11 the new subdivision to the north, Conway Farms --
- 12 A. Yes.
- Q. -- about how high is that berm?
- 14 A. I can only estimate that that would be
- 15 somewhere in the 20 foot range or more. It's a very
- 16 high berm.
- 17 Q. Could you fit a berm like that between LTD
- 18 and the complainants' properties at that width and that
- 19 height?
- 20 A. No because berms normally should be in the
- 21 range of three feet to one, and it would not physically
- 22 fit.
- 23 MR. KAISER: I'm going to object to this line of
- 24 questioning. It wasn't disclosed.

- 1 HEARING OFFICER KNITTLE: Overruled. This was
- 2 covered on cross examination.
- 3 BY MR. KOLAR:
- 4 Q. And in terms of social and economic value of

- 5 LTD to the community, it's your testimony that the real 6 estate taxes generated is one aspect of that value, 7 correct?
- 8 A. Yes.
- 9 Q. Another aspect would be jobs created,
 10 correct?
- 11 A. Yes, that's what I said.
- Q. But you're not saying here today that those
 two things are only things that go into determining the
 social and/or economic value of a business, is that
 accurate?
- No, they're -- but I think the employment 16 17 base, the tax revenue and -- I mean, there are other factors that I did not discuss such as secondary 18 19 sources of revenue. In other words. If you have in 20 excess of 60 employees, which they do, it's possible that they buy goods and services in the community. So 21 there are other revenues and attributes that go into 22 not just LTD but all of the nonresidential uses in that 23 24 development.

- Q. Why is the length of time that LTD's inventory would be in the warehouse before it's packed, crated and shipped to their customers, why is that not relevant to you? You had indicated that in an answer
- A. I don't know whether it's 10 days, 30 days or
 50 days has any relationship to determining the
 classification of land use. I mean, once you know what
 the use is, the time element is of no significance.
- Q. As you sit here today do you know if LTD

 Commodities includes in the cost it charges its

 customers for its products, its labor cost which would

 include picking product, packing product and shipping

 it?
- 15 A. I would only -- I don't know as a fact, I can
 16 only assume it would.
 - Q. You don't know if there is a separate line item for packing and crating --
- 19 A. No.

17

18

to Mr. Kaiser.

- Q. -- or if it's built into the cost of selling
 the products, right?
- 22 A. No, I had indicated I'm not familiar with 23 their invoicing system or their accounting system.
- Q. You know generally as a land planner that

businesses try to price their goods or services so that

1

23

24

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they'll make a profit?
 3
              Α.
                   I know I do that in my business. I assume
          that's pretty much the American way unless it's
 5
         not-for-profit.
 6
               MR. KOLAR: I don't have any other questions.
 7
              MR. KAISER: Just a few.
 8
              HEARING OFFICER KNITTLE: Recross.
                           RECROSS EXAMINATION
9
          BY MR. KAISER:
10
11
              Q. Mr. Kracower, how often do you think or do
12
          you know any of LTD's customers call up LTD and say,
          "We don't want to buy your goods, we just want you to
13
         pack and ship a few things of our own"? How often do
14
         you think that happens?
15
16
                    I don't understand. I don't know what you
         mean "of our own."
17
18
               Q.
                   Things that don't belong to LTD.
19
                    Say I'm one of LTD's customers, in the past I
20
          bought the Santa Planter from them. I paid them the
          invoice they sent me. Now I want them to store in
21
22
          their warehouse and then ship to me a lawn mower, how
```

often do you suppose that happens?

A. I don't believe they sell lawn mowers.

1	Q. Well, say I ask them to send me a nice towel
2	set but not one of the towel sets that LTD sells
3	through their catalog, do you think that happens very
4	often, Mr. Kracower?
5	A. I have no idea.
6	Q. How often do you think a customer of LTD's
7	calls up and says, you know, "I just need to store a
8	few of my own goods in your warehouse, give me 10
9	square feet in the back"? How often do you think that
10	happens?
11	MR. KOLAR: If at all.
12	BY MR. KAISER:
13	Q. If at all?
14	A. I have I just have no understanding of
15	what you're even asking me to be honest at this stage.
16	Q. You're telling the Board that LTD provides
17	packing and crating services to its customers. I'm
18	asking you how often do those customers, to whom LTD is
19	providing packing and crating services, how often do
20	they call up LTD and say, "I'd like you to pack and
21	crate products of my own, something I'm manufacturing"?

- 22 A. I have no idea. I think you're best off 23 asking somebody from LTD if that ever happened.
- Q. Did you ever ask anyone at LTD whether that

1475

happened? 1 2 A. I couldn't even contemplate that would 3 happen, so the answer is no. Q. And you couldn't contemplate that because 5 that's not what LTD does, right? A. I don't believe that's predominantly what 6 7 they do. MR. KAISER: Thank you. I have no further 8 9 questions. 10 MR. KOLAR: No questions. 11 HEARING OFFICER KNITTLE: Thank you, sir. You can 12 step down. 13 Let's go off the record. (Off the record.) 14 HEARING OFFICER KNITTLE: Mr. Kaiser, you wanted 15

to move for the admission of C-66?

MR. KAISER: Yes, I would ask that the Board to

16

18	receive Complainants' Exhibit 66.
19	HEARING OFFICER KNITTLE: Mr. Kolar, do you object
20	to that.
21	MR. KOLAR: No.
22	HEARING OFFICER KNITTLE: That's admitted.
23	(Complainants' Exhibit No. 66
24	was admitted into evidence.)

1	HEARING OFFICER KNITTLE: That's it for today.
2	We'll see you back here tomorrow.
3	MR. KOLAR: 9:30 tomorrow?
4	HEARING OFFICER KNITTLE: 9:30.
5	(Which were all the
6	proceedings had in the
7	above-captioned cause at this
8	time.)
9	
10	
11	
12	
13	

L.A. REPORTING (312) 419-9292

1	STATE OF ILLINOIS)) SS.
2	COUNTY OF C O O K)
3	I, DEBORAH T. BRAUER, Certified Shorthand
4	Reporter and Notary Public in and for the County of
5	Lake, State of Illinois, do hereby certify that I
6	caused to be reported in shorthand and thereafter
7	transcribed the foregoing transcript of proceedings.
8	I further certify that the foregoing is a
9	true, accurate and complete transcript of my shorthand

10	notes so taken as aforesaid; and further, that I am not
11	counsel for nor in any way related to any of the
12	parties to this action, nor am I in any way interested
13	in the outcome thereof.
14	IN TESTIMONY WHEREOF, I have hereunto set my
15	hand and affixed my notarial seal this 6th day of June,
16	2000.
17	
18	Deborah T. Brauer, CSR
19	Debotan 1. Brauer, CSK
20	
21	
22	
23	
24	