

TO: The Sycamore Plan Commission

FROM: Bill Nicklas
City Administrator

DATE: May 7, 2003

RE: May 12, 2003 Special Plan Commission Meeting

This agenda has seven action items.

I. Action Items

A. Consideration of a Petition From Jeff Jacobsen to Rezone the Property at 413 East Exchange Street from “R-1” One Family Residence District to “R-2” Two Family Residence District.

Jeff Jacobsen, a local appraiser, recently purchased the property at 413 East Exchange Street, across the street from Brown’s Country Market, as an investment. The property is currently zoned “R-1” One Family Residence District, but the principal structure has been in use as a duplex for generations. In zoning terms, this makes the property “legal, non-conforming.” Although this designation allows the present users to legally reside in the structure, if the building were damaged by more than 60% of its replacement value, it could not be reconstructed as a duplex. This conventional zoning rule makes sense if one wants a legal tool to change a property’s use at the point of sale. In this case, the propertyowners are in a dilemma in terms of re-financing or in the event they want to re-build after a catastrophic loss. In a housing market wherein home sales are brisk and demand is high, lenders and underwriters are loath to approve loans for properties that are “non-conforming”.

The petitioner has approached the Commission for a rezoning of the property to “R-2” Two Family Residence District. The applicable zoning provisions are found in Chapter 4 of the Zoning Code, “General Provisions.” This chapter addresses existing neighborhoods that were platted before zoning codes were adopted. The lot size (11,907 square feet) satisfies the minimum lot area of 7,000 square feet in older neighborhoods. In addition, the lot conforms to the setback requirements and frontage provisions (the existing 75 feet exceeds the allowable 45 feet for older neighborhoods). In short, with the exception of

the land use designation, the lot is in conformance with the City's zoning provisions according to Zoning Officer Lyle Doty.

A favorable Plan Commission recommendation is requested.

B. Consideration of a Request From the National Bank & Trust Company to Vacate the Alley South of the Main Bank Building, Between Somonauk Street and Maple Street.

The National Bank & Trust Company has petitioned the City for the vacation of a 15-foot wide public alley on the south side of the main bank building. The alley runs from Somonauk Street to South Maple Street. For many years, the alley has served as a walkway rather than a route for motor vehicles. It does not conform to the minimum fire lane width of 18 feet, and as a practical matter would not be used for emergency vehicle access because of its narrow width and the regular competition of pedestrians appearing from several directions.

To the east of the bank property, the alley abuts two other parcels on the north side. On the south side, the Bank owns all of the adjacent property. Upon vacation, the alley area is evenly split between adjacent propertyowners. The City Engineer has approached the other propertyowners and has not received any objection to the bank's request.

The City will need to impose two conditions on the vacation. First, the City must be granted a permanent easement for access to the underground utilities that run beneath the 15-foot alley. The National Bank has plans to demolish two smaller structures between the alley and its drive-through area, but does not intend to erect or plant any obstacles in the alley area that would impede the City from repairing its underground infrastructure. Second, the City will need an access easement to assure the adjacent propertyowners of the ability to get to and from garbage dumpsters that are located in the rear of their buildings. Both easements should be referenced on the plat before it is recorded.

A favorable Plan Commission recommendation is requested.

C. Consideration of a Petition From Dahlco, LLC for an Amendment to the Annexation Agreement Dated March 27, 1996 and for the Annexation of Property Along the West Side of Hopkins Lane, South of Mt. Hunger Road.

At the March 10 meeting of the City Council, the petitioner requested an amendment to the Townsend Woods annexation agreement revising the preliminary plan to allow the annexation of a 3.71-acre strip running along the west side of Hopkins Lane. The proposed preliminary plan revision depicted eleven single-family lots with driveway access to Hopkins Lane (see attached).

Neighboring propertyowners who reside on the east side of the rural Township roadway objected to the plan because of the dramatic increase in housing density at their doorstep, the monolithic array of front-loaded garages, and the promise of many more vehicle trips in and out of Hopkins Lane each day. The Commission asked the City Attorney to render an opinion as to whether the newly annexed land would be automatically zoned "R-1"

One Family Residence upon annexation. If not, the Commission would be in a position to negotiate over the most restrictive zoning.

Action on the petition was continued until the April 14 meeting. At that time it was reported that the City's most restrictive zoning was "A-1," Agricultural District, according to the revised Zoning Code of 2001. A rezoning was thus required before any residential uses could be introduced on the 3.71-acre strip to the west of Hopkins Lane. In anticipation of this ruling, the City staff, the petitioner and his attorney, and residents of the homes on the east side of Hopkins Lane opened a dialogue in the interest of arriving at a plan that satisfied all parties. The plat before the Commission represents such a compromise. It depicts a re-designed residential development area to the west of Hopkins Lane that allows no access to Hopkins Lane. Further, it calls for an elevated berm with a screening hedge of fir trees that will have a minimum height of 4 feet at the time of planting, and the trees will be staggered in two rows at 10-foot centers. Another feature of the plan is the permanent rural character of the Hopkins Lane right-of-way. The roadway will be re-built by Sycamore Township but will retain the ditch system for the conveyance of storm water, rather than a curb and gutter system. The proposed Land Use Map of 2003 considers the Hopkins Lane right-of-way a permanent "edge" between the corporate limits and the unincorporated County jurisdiction. This plan would tangibly support such a vision.

A favorable Plan Commission recommendation is requested.

D. Consideration of a Petition From Sycamore Township and the Sycamore Township Road District for an Annexation Agreement, Annexation, and Rezoning of the Township Property on Brickville Road.

Sycamore Township officials have petitioned the City for the annexation of their property at 545 Brickville Road. The Township offices and maintenance facilities comprise about 1.3 acres in an area that is predominantly zoned for industrial purposes. The proposed zoning is "M-1" Light Manufacturing.

An annexation agreement concerning the proposed annexation is attached. Since the property is already connected to the City's water and sewer systems, some of the usual language concerning utilities is not included. The public uses that are part of the Township's statutory functions are enumerated since the Zoning Code does not detail such uses in the M-1 provisions.

Since the property is currently surrounded by the City's corporate boundaries, the annexation of this site will contribute to the orderly planning of the area, while increasing the property tax base. A favorable Plan Commission recommendation is requested.

E. Consideration of a Plat for Conveyance of City Property ("Sycamore Lake") to the Sycamore Park District.

Local recreational fishermen have long known about the sizeable fish in a stream-fed pond that is at the end of North Cross Street, east of the City's waste water treatment facility. As the attached aerial view shows, the pond, informally known as "Sycamore

Lake,” is also adjacent to the northwest tip of the Sycamore Industrial Park (formerly the Anaconda Wire Company). Until recently, the pond was posted because of higher than acceptable readings of various metals, but the IEPA has recently concluded that periodic samples reveal a natural cleansing that would allow fishing again.

The Sycamore Park District and the City of Sycamore have discussed the possibility of converting the spot to more active recreation for a number of years. With the lifting of restrictions on fishing (the official metals readings are similar to those of Lake Shabbona), planning can proceed. The property is currently owned by the City. The proposal is to transfer the property to the Park District that would in turn invest in improvements that would make fishing, jogging, walking and other relaxing activities more agreeable. Such improvements would include a bike path and walking path around the pond, a cleaning of the banks of scrub vegetation and branches, and some docks. The City would retain access easements on the west side of the property to assure access to the “hill” that contains City construction equipment and materials. Access through the main City gate leading to the treatment facility would also have to be assured.

The Plan Commission is responsible for reviewing plats of conveyance and making recommendations to the Council. The attached plat shows five different access easements and the legal descriptions of the easements are attached. A favorable Commission recommendation is requested.

F. Consideration of the Proposed Comprehensive Plan and Land Use Map.

In terms of the City’s future growth, the most important item on this agenda or any Plan Commission agenda for the past six months has been the consideration of a revised Comprehensive Land Use Map and Plan. At the special Plan Commission workshop of April 28, the Commission gave some final direction to the staff regarding the text of the Comp Plan and the configuration of the Land Use Map.

Commission members will receive a packet containing a revised version of the Comprehensive Plan as well as a Land Use Map, a Northeast Regional Plan, a Transportation Plan, and an Existing Land Use Map. Since the special Commission meeting of April 28, the following changes have been made:

1. Land Use Map

- ◆ The coloration of the Cortland city limits has been changed to avoid confusion with Sycamore’s zoning designations;
- ◆ The area comprising the Northeast Planning sector now depicts the regional retention areas and potential school sites;
- ◆ The legend has been cleaned up to more faithfully represent the meaning of the land use designations.

2. Comp Plan Text

- ◆ The section dealing with “Community Facilities” in Chapter 6, the Northeast Regional Planning Area, has been expanded to address the School Board’s estimate of needed school facilities as the area develops.

◆ Table 22 has been changed. On further reflection, it seemed more meaningful to compare the present mix of land uses with the proposed uses in the 2000 plan and the 2003 plan, than to simply compare the existing acres with the 2003 proposal. The new layout is as follows:

Table 22. Existing and Proposed Land Uses

Land Use	Existing Acres 2003	%	Proposed Acres 2000	%	Proposed Acres 2003	%
Neighborhood Residential	2,811	65	4,117	48	3,006	21
Rural Residential	0	0	0	0	2,145	15
Commercial	525	12	504	6	489	3
Industrial	453	11	468	6	290	2
Office/Research	0	0	551	6.5	670	5
Mixed Use	0	0	199	2	119	1
Schools	149	4	40	.5	2,245	15
Parks/Buffer Areas	275	6	375	4	894	6
Agricultural	75	2	2,287	27	4,581	32
TOTAL	4,288	100	8,541	100	14,439	100

The “Agricultural” row in Table 22 may not be in the text that is distributed to the Commission on May 8. Under the time constraints since the special meeting of April 28, the Land Vision technical staff had just finished the calculation of the agricultural land within the mile-and-a-half planning area as this memorandum was being written, and many of the copies of the Plan had already been produced. Minor corrections can be made to the text before Council action on May 19.

The total planning area including the existing City limits and the mile-and-a-half planning area comprises 18,727 acres or 29.26 square miles. The 2000 numbers were 20,175 acres and 31.52 square miles, respectively.

Managing the Rate of New Residential Growth.

At the April 14 and April 28 Plan Commission meetings, the City Manager presented a regulatory plan to manage growth in the City’s planning area. This tool would not apply to land already annexed, or planned developments already approved. It was reasoned that a volume of residential occupancies substantially above the historic pace established in 2002 would overwhelm the City government’s ability to provide essential municipal services to both established and developing areas of Sycamore. This was also likely to be the case with services provided by other taxing bodies.

How was this judgment reached? Speaking only for the City’s fiscal requirements, the answer lies both in recent policy decisions and in market dynamics.

In terms of policy, Sycamore City Councils became committed to lowering the City property tax rate in the mid-1990’s when the City’s composite tax rate—consisting of the rates of all taxing bodies—reached an uncompetitive height of almost \$9.50 per \$100 EAV, or about \$1.00 more per \$100 EAV than the composite rate in DeKalb. The relatively high rate was more the result of the taxing decisions of other taxing bodies,

since the City's share was seldom more than 12-13% of the overall rate. Nevertheless, the City has historically had a wider range of revenue sources than other taxing bodies, and it was understood that the City was in a better fiscal position to resist more substantial annual increases. There are two ways to reduce the rate: hope for substantial annual increases in the valuation of the community's property or minimize the annual levy. The City has benefited from annual EAV increases of 7-8%, but has also resisted levying taxes at or above the level of inflation. The City's tax rate has been reduced from \$1.65 per \$100 EAV in 1986 to .98 per EAV in 2002. If the City does not claim at least an inflationary share of the property tax extension, it is not going to realize one of the advantages claimed by developers of residential property.

Second, the City's taxing policy has led to a greater reliance on annual sales tax revenues to pay for essential services. Sales and use taxes now constitute 43% of the annual general operating budget; in 1998 they constituted 30%. However, notwithstanding the City's encouraging land use policies and sales tax rebates, the rate of commercial growth in the corporate limits has been very slow because of the more competitive real estate locations and incentives offered by DeKalb, in conjunction with DeKalb County. New industrial growth has been modest, and does not generate substantial new revenue annually. The sum of the City's fiscal picture in the near term is this: very modest annual growth in operating revenue; increasing demands for a wider geographic allocation of essential services; and rising expectations for new services that cannot be funded by present revenues. In this context, we find the City faced with unparalleled interest in residential development, particularly in the northeast quadrant.

If the City can't—or won't—gather the property tax dollars that could be levied on new housing to offset City costs, and if other general revenue sources are rising slowly (assuming no new taxes), then fiscal prudence dictates a firmer hold on costs. The City has resisted new hires otherwise justified by widely accepted standards. Minimum shift strength in the Fire and Police departments has not changed since the 1970s, and staffing in the Water Department and Treatment Plant have likewise been unchanged for decades. Until something can be done about these urgent dilemmas, there can be no commitment to a planner, an economic development officer, an assistant engineer, or administrative support to meet the new growth. From a fiscal standpoint, the only responsible approach is to pace the growth of development at modest levels that can be incrementally “digested” by the City's operating employees.

A regulatory schedule governing the pace of annual permitting by development has been recommended to help achieve such a steady pace. This schedule will ultimately be written into the Zoning Code, as that body of codes is re-worked to conform with the changes in the Comprehensive Plan. As an interim measure, a City ordinance will be introduced with the ordinances adopting the Comp Plan and Land Use Map that would implement the schedule immediately. The schedule is reproduced below:

Annual Permit Pace by Development

Number of Dwelling Units on the Preliminary Plan	Dwelling Units Permitted Per Year As A Percentage of the Total Lots on the Preliminary Plan*
0 to 50 dwelling units	No Limit
51 to 100 dwelling units	No More Than One-Third In Any Year
101-200 dwelling units	25%
201-300 dwelling units	20%
301 to 400 dwelling units	18%
401-500 dwelling units	15%
Over 500 dwelling units	10%

*excludes unoccupied model homes

In concert with the regulatory scheme depicted above, the concept of a “development bank” would be introduced. Here is how it would work:

For a year or more following the filing of annexation actions, a developer is focused on the preparation of final engineering plans, the approval of those plans by the City Engineer, the bidding of the infrastructure work, the rough grading, and finally the preparation of a final plat for the first phase of development. During this period, lots are not sold but the clock is ticking, so to speak. Communities that impose a limit on annual housing starts typically provide the option of “banking” the number of units that might not receive building permits, but would otherwise be allowed in any given year. In this proposal, the bank could hold up to the maximum number of units that could be permitted in a year. For instance, if a developer is allotted 40 lots per year, but only 20 permits are issued due to a number of factors such as the market conditions, an extended period for preliminary development work, etc., then an additional 20 permits--or 60 in all--would be allowed in the following year, which begins on January 1. This would continue year after year so long as the “bank” did not exceed the annual allowance.

One final point: the schedule relies on fixed percentages assessed against a moving range of units. To mitigate the statistical anomalies that will inevitably ensue, it is recommended that the number of permits allowed at the bottom of a range should never be less than the number of permits allowed at the top of the preceding range. Without such a caveat, a developer of a plan with 300 units would be able to permit 60 units per year, and the developer of a plan with 301 units would only be able to permit 54 units per year.

This regulatory scheme would not be retroactive to previously approved developments. The reason is obvious: planned developments are typically approved according to the terms of annexation agreements. Unless both parties to such agreements concur in the application of new regulations that are not considered in such agreements, there would be no legal or ethical grounds for the City to impose them.

A favorable Plan Commission recommendation regarding the Comp Plan text, the Comp Plan maps, and the new regulatory methodology is requested.

G. Consideration of a Petition From David Johnson of John Clare, LTD for an Annexation Agreement, Annexation, Rezoning and Preliminary Plan for a Planned Unit Development Known as North Grove Crossing on the Property Known as the Kocher Farm.

In May of 2002, Dave Johnson and Shari Neeley of the development firm John Clare LTD met with the City staff to discuss their intention to develop the Kocher Farm for residential purposes. The farm is located on Plank Road, east of Illinois Route 23. At that time, Mr. Johnson and his partner were informed of the City's intent to update its Comprehensive Plan and to develop a sub area plan for the northeast quadrant of the City. They were also informed that the planning process might take six months to reach resolution, and that clear direction on any further development in the northeast quadrant could not be given until the Plan Commission and Council had carefully reviewed the possibilities. Mr. Johnson and Ms. Neeley were satisfied that the process would be deliberate and would give them the direction they needed as well. Since the initial meeting, Mr. Johnson has attended every regular Plan Commission meeting, a number of open houses, and a few special meetings. In October of 2002, he discussed a concept plan for the development of the Kocher Farm with the Plan Commission and derived some direction with respect to land use, the extension of public roads, access to the property, and stormwater retention. At the October 2002 meeting, the staff and the Commission felt obliged to ask him to wait for further formal direction before submitting a petition for annexation. Mr. Johnson acceded to this wish, although no formal moratorium had been established by the City Council.

In late winter, as the Plan Commission approached consensus on a provisional Land Use Plan and began detailed work on a northeast regional plan, Mr. Johnson and his partner felt they had sufficient direction with respect to land use, an internal road network, retention, and Plank Road access to proceed with further engineering and legal work that must precede a petition for annexation. The result of their effort will come before the Commission on May 12. At this writing, it is not known whether the Commission will make a final recommendation regarding the Comp Plan and related mapping. The staff have advised Mr. Johnson that neither the Commission nor the staff could make a recommendation with respect to his development plan if the Commission does not make final judgments regarding the Comp Plan documents. He understands this condition.

The balance of this report will review the annexation agreement and development plan submitted by Mr. Johnson in behalf of his firm.

The Preliminary Plan.

The North Grove Crossing plan comprises about 96.275 acres and features the following:

- a) Land Uses. About 85.45 acres of "R-1" One Family Residence zoning and 10.83 acres of "R-3" Multiple Residence zoning with a special use permit for townhouse development. The 5 acres of commercial zoning anticipated in the proposed Land Use Plan for the vicinity of Peace Road and Lindgren Road

would develop on the adjacent property retained by the Kocher family, which is not part of the development plan.

- b) Density. The overall density will be 2.8 dwelling units per gross acre. Forty-one (41) large single family home sites would be developed with a minimum lot size of 12,000 square feet and an average lot size of 15,242 square feet; and 122 single-family home sites would be developed with a minimum lot size of 10,000 square feet and an average lot size of 11,453 square feet. In addition, 106 townhomes would be developed.
- c) Average Pricing. Townhomes: \$165,000; Single Family homes: \$250,000 (comparable to Heron Creek).
- d) Open Space. The open space would be equivalent to 40.8% of the gross land area, inclusive of 6.35 acres of park space, 5.15 acres of detention, and 27.80 acres of right-of-way (excluding Plank Road).
- e) Public Park Space. The plan depicts a 6.35-acre park that greets the visitor upon entry at Peace Road. This park blends into an adjacent retention area to suggest a larger recreational area.
- f) Commercial Area. Future commercial zoning will arise when the Kocher homestead is annexed. The plat will need to be revised to show access from two points: one logical point of access is through Lot 4; the other would be through the townhome area and would require the removal of a unit from Building 8 and a unit from Building 9.
- g) Bike paths. A bike path originates in the entry park. It spreads west along Northgate Drive and southward to Alden Drive.

The Annexation Agreement.

The proposed annexation agreement has the following main features:

- a) A twenty-year term.
- b) The developer is responsible for the extension of North Grove Road and Lowell Drive to Plank Road, subject to approvals from the DeKalb County Highway Department regarding intersection design, turn lanes and signalization. The developer may recapture 50% of the cost of the widening and turn lane improvements associated with such intersections since they will serve other developments in the immediate area.
- c) The developer shall build the portion of Lowell Drive adjacent to the subject property, but will be entitled to recapture some of the cost of the construction and interest (40%) from any future developer of land to the west.
- d) The developer shall donate \$200,000 to the Sycamore School District for construction projects and the proposed field house within 30 days of the approval of the initial final plat.
- e) The developer shall make the obligatory land or cash donation to the Park District.
- f) The bike paths shown on Exhibit "B" (the preliminary plan) shall be built to a width of 10 feet. The text of paragraph 35 should be revised to clearly identify the material to be used.
- g) The City shall review the design standards for the R-3 zoning area prior to final plat approval.

- h) The developer shall be allowed to pay an annexation fee of \$1,000 per acre if the entire acreage is paid by December 31, 2003.

The Traffic Plan.

A traffic study was conducted by CES, Inc. and is analyzed by John Brady in an attached memorandum. The CES study projects 2,180 vehicles per day. For reference, the Sycamore Creek plan will generate about 3,535 vehicles per day and the Wiseman-Hughes project was projected to generate 3,700 per day. About one-third of the traffic will be dispersed to Rt. 23 when North Grove Road and Northgate Drive are connected.

The Fiscal Impact Study.

The attached fiscal impact study shows an annual deficit for the School system, which is adequately offset in the opinion of the Board by the upfront donation of \$200,000. A positive fiscal trend is projected for the City until full build-out, when permit fees and impact fees stop. After that point, with only modest adjustments in property tax revenue owing to rising assessed valuations and relatively level sales tax income, the development moves to a net deficit position with respect to the City's fiscal impact. This study supports the assumptions noted in the analysis on page 6, above.

Park District Review and Annexation.

The Park Board will take up Mr. Johnson's petition on May 20. Mr. Johnson has appeared twice before the Board since the fall of 2002, and his concept plan has been favorably received, although a formal vote has not been taken.

Proposed Variations.

1. In view of his willingness to suspend steps to annex last fall, Mr. Johnson has requested the same relief from the higher annexation fees afforded Sycamore Creek and other developments recently annexed to the City. He agrees to pay all of the fees at once, before the end of the calendar year, provided he can do so at the reduced rate of \$1,000 per acre.
2. Mr. Johnson also asks for a minor allowance with respect to the proposed regulatory controls regarding allowable permits per year. Again, in light of his patience in waiting for a northeast plan to unfold, he asks that the clock start at the first of this calendar year, which would allow additional single family units (about 20) to be permitted in 2004—the first year he is likely to be ready to apply for permits.

Recommendation.

If the Plan Commission does not act favorably on the proposed Comp Plan and maps, no action should be taken. If the Commission does act favorably on such documents, a provisional approval should be recommended subject to the following conditions:

- a) City Council approval of the Comp Plan, Land Use maps, and regulatory controls prior to action on the John Clare LTD petition;
- b) Compliance with the City Engineer's requirements for water main and sewer main extensions.
- c) Revision of Paragraph 17 in the annexation agreement to require compliance with the proposed regulatory controls, with the size of the development bank

tied to a full year in 2003, rather than a partial year beginning on the date of approval.

- d) Council approval of the petitioner's request to pay all of the annexation fees upfront at the rate of \$1,000 per acre rather than \$3,000 per acre, paid at the time of the approval of each final plat.
- e) A better delineation of the bike path system on the preliminary plan, suggesting possible connections in the direction of some regional pathway.
- f) A revision of the preliminary plan to depict the two access points to the future commercial zoning area.