

TO: The Sycamore Plan Commission

FROM: Bill Nicklas  
City Manager

DATE: January 7, 2004

RE: January 12, 2004 Plan Commission Meeting

The Plan Commission has nine action items and two workshop items on its regular agenda. Several of these items have been continued from the December 8 Plan Commission meeting.

**I. Action Items**

**A. Consideration of a Petition From DeKalb Clinic Chartered for an Amendment to the Annexation Agreement Between the City of Sycamore and DeKalb Clinic Chartered, Dated October 20, 1999.**

This item was continued from the December 8, 2003 Plan Commission meeting to allow additional time for the attorneys for the DeKalb Clinic and the contract purchaser for the North Grove Crossing project, Dave Fagenal, to work out certain details. These details have been resolved, according to Brett Brown (in behalf of the DeKalb Clinic) and Kevin Carrara (in behalf of Mr. Fagenal). Consequently, this matter is again placed before the Commission for a recommendation to the City Council.

The following background may be useful in the consideration of this item: On March 15, 1999, when the DeKalb Clinic and the Roush family petitioned the City Council for the annexation of approximately 20 acres of land at the northeast corner of Plank Road and IL. Rt. 23, the annexation agreement included a provision for a north-south road running along the eastern boundary of the property. According to that agreement, the Clinic was entitled to a reimbursement for 60 percent of the cost of the roadway improvements and the fair market value of the land beneath. The smaller relative cost borne by the Clinic was owing to the fact that the roadway was to be built entirely on the Clinic's property, which would result in less land available for development on the west side of the common boundary with the Kocher farm.

Upon the approval of the North Grove Crossing P.U.D. on June 16, 2003, Dave Johnson of John Clare Ltd. and the DeKalb Clinic Chartered began work on an understanding that would permit the developer to proceed with road improvements without requiring an untimely contribution of capital from the Clinic, which has no present plans for the development of the east third of its Plank Road property. These negotiations continued as Mr. Johnson transferred the title to the development parcel to David Fagenal, a Batavia home builder. The attached revision to the original DeKalb Clinic agreement, along with minor revisions to the text of the John Clare annexation agreement, described in item "B," below, together set out the terms of that understanding. The specific provisions are as follows:

- a) The DeKalb Clinic will donate the land for the right-of-way for that portion of Luther Lowell Drive that runs north and south along the east boundary of the Clinic property;
- b) The developer, John Clare, or its successors and assigns, will pay for the entire cost of the construction of that portion of Luther Lowell Drive that is contiguous with the Clinic property;
- c) The DeKalb Clinic will pay for the lesser of \$30,000 or 40 percent (40%) of the cost of the intersection improvements at Luther Lowell Drive and Plank Road, including a turn lane and widening of Plank Road;
- d) The DeKalb Clinic will pay up to 50 percent (50%) for any future traffic signals at the intersection of Plank Road and Luther Lowell Drive, once warrants are established.

This understanding between private parties needs to be memorialized in order to insure that public bodies will not be financially accountable for public improvements that will be necessary at an undefined future date, and which are typically the responsibility of private development firms.

A favorable Plan Commission recommendation is requested.

**B. Consideration of a Petition from John Clare for an Amendment to the Annexation Agreement Between the City of Sycamore and John Clare, LTD. and the Kocher Trusts #102 and #102, Dated May 19, 2003.**

As noted above, the revised amendments to the John Clare agreement (see attached) are principally focused on the reciprocal responsibilities of the DeKalb Clinic and John Clare Ltd. regarding the construction of the Luther Lowell Drive extension to Plank Road. In addition, the preliminary plat is revised to reflect the following changes:

- a) A reconfiguration of the relationship between house lots 1 through 8 and the commercially-zoned Kocher farmstead. On the original plan, the house lots backed up to the commercial zoning and the roadway ran between the houses and the park. In the revised plan, the lots are separated from the commercial zoning by the roadway, and the house

lots now back up to the park. The staff believe this revision will reduce potential conflicts between the commercial and residential zoning districts and afford a safer access to the interior park from the adjacent house lots.

- b) A separate preliminary plat is created to give more definition to the R-3-zoned townhouse area. Brian Grainger, a local builder, who introduced himself to the Commission on December 8, will be working with Dave Fagenal to build the townhouses. Now that more extensive engineering has been completed, typical layouts have been refined. There are 110 townhouses on 15.64 acres for a gross density of 7.03 units per acre. The original plan showed 106 townhouses on 10.83 acres, or a gross density of 9.79 units per acre. The two interior road, Buckboard Lane and Overland Road, will be privately owned and maintained.
- c) The overall gross density of the combined townhouse and single-family development areas is 2.84 units per gross acre (164 single family detached; 110 townhouses on an acreage of 96.275 acres), slightly less than the original gross density of 2.98 units per gross acre.

A favorable Plan Commission recommendation is requested.

**C. Consideration of a Petition from Charles Laing for a Final Plat for the Willows Subdivision.**

On August 20, 2001 the City Council annexed a 63-acre parcel at the northwest corner of IL Route 64 and Airport Road. The major portion of the property was zoned "R-3" Multiple Family Residence District, but an 8-acre section with frontage on Rt. 64 was zoned "C-3" Highway Commercial. The Council also approved a preliminary plan that depicted a planned residential development that would feature 90 attached townhouses plus 288 one or two-bedroom apartments for a density of 6.85 units per gross acre. Since the annexation and rezoning, the developer, Charles Laing, has been at work grading and shaping the land to create stormwater detention for the property as well as the runoff from about 2.8 square miles of farm property to the north and east. The observer will notice two very large detention areas and a reconfigured water course.

Mr. Laing has now petitioned for the approval of a final plat for the entire development area. As the Commission will recall, no portion of the property will be sold to occupants since all units will be leased through Mr. Laing's family firm. The attached plat has been reviewed by City Engineer John Brady and satisfies the City's codes and ordinances.

A favorable Plan Commission recommendation is requested.

**D. Consideration of a Petition from Norm Adshade and Castle Bank, N.A. Trust No. 2169 for a Special Use Permit and Resubdivision of the Duplex Lot at 1633 Oak Lane and 2207 Highland Drive in Sycamore, Illinois.**

Mr. Adshade is the beneficiary of Castle Bank Trust No. 2169. In cooperation with the Trustee, Mr. Adshade wishes to subdivide the aforesaid duplex rental property in order to sell each of the units in fee simple. This requires a special use permit as well as a resubdivision plat and a declaration of cross easements.

The attachments satisfy the City’s legal requirements. A favorable Plan Commission recommendation is requested.

**E. Consideration of a Petition from Kishwaukee Hospital Systems for a Plat of Subdivision for a Nine-Lot Commercial Subdivision on Gateway Drive.**

The attached plat depicts a nine-lot commercial subdivision of approximately 12.5 acres of land immediately east of the property supporting the Hauser-Ross Eye Institute on Gateway Drive. The petitioner, Kishwaukee Health Systems, is interested in developing the small commercial subdivision for health-related uses. The further development of this commercially-zoned area has long been a goal of the City, and this initiative is welcome.

The plat satisfies the City’s codes and ordinances. A favorable Plan Commission recommendation is requested.

**F. Consideration of a Petition from B&B Development L.P. for the Annexation, Rezoning, and Planned Development of 366 Acres Along Plank Road, to be Known as Sycamore Creek, Phase Two.**

At the December 8 Plan Commission meeting, Chuck Hanlon of Land Vision presented a revised concept plan for the development of 366 acres north of Lindgren Road and the Sycamore Creek subdivision, along the Plank Road corridor. The B&B development team have provided a formal petition for annexation along with an annexation agreement and preliminary plan for the residential development of this acreage. The following report summarizes the main features of the proposed development.

The Preliminary Plan

The proposed plan has the following features:

1. Land Uses. The following table depicts the various land uses by their relative area:

Single-Family Homes	Acres	Percentage
Single Family Lots	153.01	41.86
Townhomes	13.29	3.63
Private Parks & Conservation Areas	77.34	21.16
Public Park Land	18.90	5.17
School Site	22.09	6.04
Municipal Site	4.55	1.24
Public Road Right-of-Way	76.35	20.89
Total	365.54	100%

2. A gross area of about 366 acres;

3. A total of 568 single-family detached homes;
4. A total of 75-80 townhouses that might be constructed in the rust-colored areas on the plan if preferred densities are achieved (i.e. 6 units per acre);
5. A gross density of 1.77 units per acre (648/366= 1.77);
6. The donation of a 22.09-acre school site. Detention for this site will be provided by the developer, as well as the rough grading for the site, eliminating those costs from any future school construction.
7. The donation of lake and open spaces to the Park District consisting of about 19 acres;
8. The donation of 4.55 acres abutting Whipple Road (offering the required 500 feet of "green" belt) that could be used for a new City water tower. This area is the proverbial "high ground" for the northeast planning area.
9. A designation of opposing entrances on a straight section of Plank Road;
10. A shifting of traffic through the subdivision via Springfield Street to the intersection with Plank Road, to diminish the use of the intersection at Moose Range Road and Plank Road. The Plan also anticipates the realignment of Plank Road and ties the location of Springfield Street to that future realignment, per the recommendation of the County Engineer.
11. The signature B&B arrangement of private parks in addition to public park dedications. A total of 77.34 acres of private open space and detention would be provided.

#### The Annexation Agreement

On November 17, 2003 the Council enacted a measure (Ordinance 2003.65) that revised the City's Zoning Code to limit the number of building permits that could be issued per year from each new annexation and to impose a time lag following annexation before any new building permits could be issued. The proposed B&B development is designed to comply with that new regulation in all respects. Interestingly, the application of the new regulation raises some challenges regarding the wording of an annexation agreement, since the first permits cannot be issued until 2010, and the build-out of the development, at a maximum rate of 75 units per year, may not be reached until 2018 at the earliest, presumably after any officials involved in this process have moved on. Sycamore's long-range planning has never had to be so technical and detailed!

The principal terms of the annexation agreement are as follows:

1. The Name. At the Plan Commission meetings of November 10 and December 8, the proposed development was known as "Harvest Lakes." In keeping with the Comprehensive Plan's preference for a gateway development on the northeast side that suggested one is arriving in "Sycamore," the staff and the developer have cooperated on a change in name to "Sycamore Creek, Phase Two." The subdivision name "Sycamore Heights" has already been taken. "Sycamore Creek" has been taken, as well, but since this development proposal can be seen as an extension of Sycamore Creek in style, layout, and amenities, since the two development areas are under common ownership, and since any other "Sycamore" names carry the potential for confusion at the

City's planning edge, "Sycamore Creek" seemed the logical name. For legal purposes, the name of the subdivision will be "Sycamore Creek Phase Two (similar to Mr. Krpan's successive "Grandview" subdivisions). To the observer, there would be a unified entry scheme with "Sycamore Creek" on the upscale entry features that will eventually be built along Plank and Lindgren Roads.

2. The agreement runs for twenty years.
3. The eventual development of the "R-3" zoned property for townhouses shall only be permitted after a public hearing to consider a mini-development plan for such acreage.
4. The developer shall provide an irrevocable letter of credit for the public improvements on the site.
5. The developer shall donate 22.09 acres for a school site. In addition, the developer shall voluntarily contribute \$750 per lot to the Sycamore School District over and above the impact fee per lot, as it may be amended during the life of the agreement. The net combination of these contributions, not including impact fees as they may change over time, is \$2,855,900 (22.09 acres x \$110,000 = \$2,429,900; plus \$750 x 568 = \$426,000). By way of comparison, the net Sycamore Creek voluntary contribution for 352 single-family homes was \$606,000, excluding impact fees. The Sycamore Creek formula was calculated as follows: the developer got a land credit for 7.04 acres of \$528,000 [7.04 x \$75,000 per acre]; the District got an offsetting contribution of \$528,000 [\$1,500 per lot x 352 lots]; and the developer donated the remaining 8.08 acres for the school site [8.08 x \$75,000 = \$606,000].
6. Impact fees shall be assessed at the rate in effect at the time a permit is issued, allowing the rates to float upward over time as the City Council determines their appropriate levels, with the advice of local taxing bodies. At the rate recently proposed by School Superintendent Bob Hammon for a four-bedroom house, the school impact fee revenue from this development would yield an additional \$2,701,976 (\$4,757 x 568). Assuming the proposed fee of \$4,757 per four-bedroom home is enacted in the coming months, it will represent an increase of \$1,893 (66%) over the April 2002 level of \$2,864 per four-bedroom home. If we assume a conservative increase of 10% per year until 2010, the School impact fee per four-bedroom single family detached home would be \$7,611. Given this assumption, it would be more realistic to assume that the developer is assuring the City that the development might generate at least an additional \$4,323,048 in School impact fees after permitting begins in 2010.
7. The developer shall donate 18.90 acres of public park space to the Park District, with a value of about \$2,079,000 calculated on the current basis of \$75,000 per acre of developed land suitable for neighborhood park purposes. According to the Park fee ordinance, the developer is required to dedicate, not donate, land. In the event that the District does not want to develop park space in the subdivision, the developer must make a cash contribution.

Based on consultation with Park Director David Peek, the developer will likely be asked for a land donation since the likely population of the proposed subdivision justifies significant public park space. How much space is required? The dedication requirement is 11.5 acres per 1,000 population. Using the ordinance formula of 3.5 persons per single family detached home and 2.25 persons per two-bedroom townhouse, the overall land requirement is 24.93 acres ( $3.5 \times 568 = 1,988$  plus  $2.25 \times 80 = 180$ , or a total of 2,168, at 11.5 acres per 1,000 population, the total is  $2,168 \times 11.5 = 24.93$ ). Since *the developer is not asking for a "credit" for the 18.9 acres donated, and is offering to provide the park space fully built rather than in a raw shape*, it is not likely that the District will expect the developer to donate additional acreage. The Board will review the developer's proposal on January 20.

If the negotiation is carried forward on the basis of the cash value of dedicated land per the ordinance, the developer's credit would be 18.9 times \$75,000 = \$1,417,500. The dedication required by the District in this instance would be 24.93 acres, with a value of \$1,869,750 according to the impact fee ordinance ( $24.93 \times \$75,000 = \$1,869,750$ ). The developer would typically "owe" 6.03 acres, or \$452,250. But since the developer in this case is donating the land and saving the District the "credit", the developer is actually contributing a net value of \$965,250 if all of the proposed donated land is accepted by the District.

8. The developer shall donate a 4.55-acre site at the northwest corner of the development, abutting Whipple Road, for a future City water tower.
9. The developer shall contribute \$750 per lot or a value of \$426,000 ( $568 \times \$750$ ) to the City to offset the cost of future City services to the development.
10. Roadways. The developer will be responsible for all improvements to Lindgren Road to the easternmost portion of the Sycamore Creek Phase One frontage. Lindgren Road will be reconstructed to urban standards along this stretch, with a width that is 35 feet measured from the backs of the facing curbs.
11. Bike Paths. The developer has the option of building standard sidewalks along both sides of Lindgren Road, or creating a 10-foot wide bituminous bikepath/sidewalk with an additional five feet of dedicated right-of-way to create a sufficiently wide parkway. A series of additional 10-foot wide paths will course through the subdivision (see the preliminary plat) to afford connections for walkers or bicycle enthusiasts with the public and private parks, as well as the original Sycamore Creek planned development to the south. In all, 3.9 miles of bikepaths will be constructed according to the plan.
12. Recapture. The intersection on Plank Road that is roughly half-way between the realigned Lindgren Road and Moose Range Road will be the subdivision's main entrance. It will also serve as a major outlet for contiguous land areas over time. Accordingly, the developer will be allowed to recover 25% of the intersection costs from the developers of the Wallis/Mapes farms and 25% from whomever develops the 284-acre Wolfenburger parcel to the east.

13. Signals. The developer will also pay a pro rata share of any signal costs, when warranted, at the main subdivision entrance at Plank Road (Springfield Street). The cost will be determined by the percentage of traffic generated by the development at the intersection.
14. Water and Sewer main extensions. Section 7 details the developer's responsibility for water and sewer main extensions. To avoid the surcharging of City sewer mains with storm water before houses are weather-tight, Section 7.7 recapitulates the City's new policy of requiring builders to use sewer ejector units in basements if they wish to connect the building drain to the City system in the early stages of construction.
15. Variations. There are no proposed variations from City policies or practices.

#### The Traffic Study

A traffic study performed by Kenig, Lindgren, O'Hara, Aboona, Inc. of Rosemont is attached. The study overestimated the number of townhomes, but that will make it more conservative for our purposes.

A steady growth in traffic volume in the seven years prior to the development's first homes has been added to the base figure, and the projection takes the study to 2012, when new home construction would likely be steady. Most of the subdivision streets are minor streets, but there are several collector roadways designed to bring the traffic to the entrance/exit at Plank Road (Springfield Street). Not surprisingly, the southern portion of the development with the larger number of units is projected to generate the greatest share of the trips per day, and the principal activity will be at the new intersection with Plank Road (Springfield Street).

Because the new intersection will also serve development to the east and west of the B&B development area, and since the level of traffic from such sources will not be known for many years, an intersection design study would be premature, but will be required before signals are warranted. Such a study would have to take into account any traffic going to and from the future school site.

While trips associated with the proposed development can be predicted with some reliability, the deferral of the starting date for new permits certainly makes the prediction of ancillary trips more challenging. City Engineer John Brady will be prepared to discuss the report on January 12.

#### The Fiscal Impact Study

The attached fiscal impact study takes a more conservative approach than previous studies. Both the School and City impact fee revenues are shown but are not included in the calculation of net operational revenues. This approach may be no less controversial than the previous approach of mixing operational and capital revenues to depict a composite of the "basket" of benefits yielded by a development. For instance, it can be argued that developmental funding for land acquisition and school construction allows for cost-shifting within the school

organization that is not credited by the taxpayer or District. The same might be said of City capital expenses. However, the revised impact analysis should shed some of the confusion surrounding the application of impact fees.

The attached spreadsheet suggests the fiscal impact of the single-family home construction on both the City and the School District. For comparison, the North Grove Crossing analysis is presented, with revisions of the type described above.

There are two key ingredients in estimating the impact of the B&B contributions: the offsetting value of the donated school site and the voluntary contribution per unit. The extraordinary value of the voluntarily donated land—about \$2.9 million—plus the free rough grading of the lot and the creation of stormwater detention offsite more than offset any shortfall in the net income/expense calculation.

The City Manager met with Superintendent Bob Hammon on Tuesday, December 30, to discuss the proposed project and its fiscal impact. In that meeting, Dr. Hammon stated that he had “no problem” with the B&B proposal from a financial standpoint, and believed it was consistent with the preference in the District’s recent “Development Notebook” for larger developments that could work with the District to meet infrastructure needs.

#### Recommendation

The City staff request a favorable recommendation. The proposed annexation agreement and development plan epitomize good long-term planning in the following ways:

- They are consistent with the City’s Comp Plan and Northeast Sub-Area Plan, and all locally-adopted codes and ordinances;
- They promise a pace of development that conforms to our best judgment about the moment when new residential development could be absorbed without straining local operational services;
- They promise fiscal contributions that will more than make the School District, Park District, and City whole.
- They provide additional amenities--e.g. private parks, bikepaths, the conservation of undeveloped open spaces-- that will enhance the quality of living for residents within the subdivision.

There is an additional intangible reason which cannot fairly count as heavily as the aforementioned factors but is certainly on the minds of public employees: the B&B firm has a long track record of doing what it promises on paper, and doing it well. From City employees who test the underground piping to Park employees who work with the firm in planning and creating park space, the general opinion is that the developer delivers. As our community has extended its planning timeline five to ten years into the future, the City staff have asked ourselves the following question: in 2010, when many of the current elected and appointed public officials are gone, what are the talents and contributions we want from a

residential development firm? Our unreserved answer is: those typified by B&B Development.

**G. Consideration of a Petition from John Castle for a Preliminary Plat for Heron Creek Townhomes, Unit Two.**

The annexation of the Sycamore Creek subdivision in August 2002 included a small area of 4.45 acres that was zoned and designated for townhouses. This area was a fragment separated from the major portion of the Sycamore Creek P.U.D. by the future right-of-way for the extension of Airport Road. The area was also directly east of a 7.6-acre townhouse area in the Heron Creek P.U.D. under development by John Castle Builders. As the Commission will recall, Mr. Castle was required to provide access easements to the 4.45-acre parcel in the Sycamore Creek subdivision as a condition of the acceptance of the final plat for the adjoining townhouse development.

It is no surprise that Mr. Castle is the logical interested party to pursue the purchase and development of the 4.45-acre site at the northwest edge of the Sycamore Creek development. The continuation of his type of townhouse style will be consistent with the established look of the area and will result in a looped access arrangement that serves the present and future townhouses well. The attached plat depicts such an access plan as well as guest parking (24 spaces at .96 spaces per unit, vs. the required .75 spaces). The townhouse units are configured so the garages do not face Plank Road or Airport Road. The interior streets (Nancy Court and Delores Lane) will be privately owned and maintained by the homeowner's association.

A favorable Plan Commission recommendation is requested.

**H. Consideration of a Petition from Hickory Terrace, L.L.C., Bruce Leonard, Timothy Clark and Laura Clark for Annexation of the Property at the Southeast Corner of Peace Road and Freed Road, a Zoning Classification of "R-1" One Family Residence District and "R-3" Multiple Family Residence District, and a Special Use Permit for a Planned Unit Development.**

Dave and Brad Sanderson presented a concept plan for the residential development of the Clark property at the October 13 Plan Commission meeting and a preliminary plan and annexation agreement for the property at the December 8 Plan Commission meeting. At the meeting of December 8, the Commission deferred action until the Sandersons could resolve questions concerning, among other things, access to the subdivision as well the related issue of safer access for the Born home at 1510 Freed Road, which is surrounded by the proposed subdivision. At this writing, the Sandersons and the Born family have not resolved the issue of access to the Born property. Consequently, the City Manager recommends a continuation of the public hearing opened on December 8 until the next regular Plan Commission meeting on February 9.

**I. Consideration of a Petition from Kevin Wynn for the Annexation, Rezoning and Preliminary Plan for a Townhouse Development Known as Prairie Ridge Townhomes on Coltonville Road.**

Kevin Wynn, owner of Wynn’s Freight Service in Sycamore, appeared before the Plan Commission on November 10 and again on December 8 to present his plan to purchase and annex the five-acre site that has been the home of Total Lawn Care at 2075 Coltonville Road, to raze the structures on site, and to develop the site for attached townhouses in the \$150,000 to \$170,000 price range. The parcel is presently within the jurisdiction of the County of DeKalb. Immediately to the east there are several parcels within Sycamore’s jurisdiction that are zoned “M-1” Light Manufacturing. To the south, the zoning is a mix of residential and commercial.

For the December meeting, Mr. Wynn prepared a revised plot plan showing a possible layout for townhouse units. The attached concept plan has the following features:

- Nine, 4-unit buildings for a total of 36 units on a 5.02-acre site, or a gross density of 7.17 units per acre.
- The units would be served by privately owned and maintained streets.
- A total of 26 guest parking spaces are provided, or .72 spaces per unit. The minimum expectation has recently been around .75 spaces per unit (e.g. Roncon; Castle, etc.).
- A detention area is located at the northwest corner of the property.
- Sidewalks are to be provided along the Coltonville Road frontage.
- No open space for organized recreation is shown.
- There is a 25-foot setback from the west and east parcel lines.
- There is no entry feature or turn lane shown.

A public hearing on this concept plan was opened and continued at the December 8 meeting. The revised plan, together with an annexation petition and annexation agreement, come before the Commission again for a recommendation to the Council.

A favorable Plan Commission recommendation is requested.

**II. Workshop Items**

**A. Consideration of a Concept Plan from Pacific Midwest Homes for the Development of 96.54 Acres North of Bethany Road, to the East of the Entrance to Krpan’s Parkside Estates.**

George Haviar, a principal with Pacific Midwest Homes, has requested an opportunity to present a concept plan for the residential development of a 96-acre parcel that lies between the Bethany Road entrance to Parkside Estates (Parkside Drive) and the floodplain of the East Branch of the Kishwaukee River. This infill area is mostly floodplain—only about 31 of the 96 acres could be developed. The concept plan shows 87 single family lots with road access to the Krpan P.U.D. as

anticipated in the Krpan preliminary plan and the Southeast Sub-Area Plan. The average lot size—11,403 square feet—is comparable to the average size of the lots in the adjacent portion of the Krpan plan (which are 90' x 127' or 11,430 square feet).

The concept plan shows a land use that is consistent with the 2003 Comp Plan and the 2001 Southeast Area Plan, as well as a general design that is consistent with the subregional planning of 2001. One particular issue, also raised in the regional plan, is the precise delineation of the floodplain fringe in relation to the proposed lots. As presently drawn, the plan shows the need to dig the east ditch line substantially deeper to remove a number of lots from the floodplain, and to provide adequate detention volume outside the floodplain.

According to the City's new regulatory guidelines, this particular plan would yield a maximum of 35 units per year, if ultimately approved, and no permits would be allowed for one year from the date of the approval. With reference to the timeline for all known and pending residential developments (see attached), one can more clearly envision the impact in terms of annual permits from some point in 2005 onward.

A very general discussion will be invited to suggest to the developer whether there is interest at this time in the area's annexation and residential development.

**B. Consideration of a Report From City Attorney Kevin Buick Concerning the Legal Parameters Surrounding the Imposition of Impact Fees in the State of Illinois.**

City Attorney Kevin Buick was asked to prepare a background report addressing the allegation that the City staff exaggerate the legal risk of establishing impact fees at arbitrary levels. His findings are summarized in the attached memorandum. Mr. Buick will address this relevant issue at the meeting on January 12 and will be prepared to field questions from the Commission or the audience.