

TO: The Sycamore Plan Commission

FROM: Bill Nicklas
City Manager

DATE: June 8, 2005

RE: June 13, 2005 Plan Commission Meeting

The Plan Commission has three action items and six workshop items on its agenda.

I Action Items

A. Consideration of the Vacation of a Portion of South Sacramento Street Adjoining 441 West High Street in the City of Sycamore, Illinois.

At a recent real estate closing, a discrepancy was noticed in the recorded plat and a survey for the property known as BP Amoco at 441 High Street which postponed the signing of final documents. Based on a comparison of the different surveys and field measurements, it appears that the service station's sign and other appurtenances are on the City's Sacramento Street right-of-way. To clear up this confusion, a plat of vacation has been prepared which shows an area of public property to be vacated, including the portion below the station sign.

City Engineer John Brady does not believe the City needs the right-of-way for any foreseeable road reconfiguration. The Council may, with its home rule powers, waive the bidding process for the property, and the staff will recommend that it do so, since it is a strip of land that has long been maintained by the private owner and there is no other legitimate purchaser.

A favorable Plan Commission recommendation is requested.

B. Consideration of a Petition from US Bank, NA for an Annexation Agreement for Property on the South Side of Illinois Route 64, Being East and West of Peace Road, and the Subsequent Annexation and Rezoning of Said Property to "C-3" Highway Business District.

This petition requests the Commission’s consideration of an annexation agreement that would define the terms and conditions for the annexation of the Simon Farm, which includes approximately 35 acres at the southwest corner of IL Rt. 64 and Peace Road and approximately 44 acres on the east side of Peace Road, south of the Hove property. These parcels are within an area slated for commercial business on the 2003 Comp Plan.

The key features of the proposed twenty-year annexation agreement are noted below:

1. Upon the approval of the annexation agreement, the Owner or assigns agrees to
 - Pay all applicable annexation fees, as they may change from time to time, only as final plats are submitted and approved.
 - Incur the expense for the recording of the annexation agreement and annexation ordinance, and for the preparation and recording of any plats pertaining thereto.
 - Within thirty (30) days of the approval of the agreement, the Owner agrees to execute a non-exclusive easement for sewer and water service (see Exhibit C) covering a twenty-five foot (25’) strip as described on Exhibit D (attached).
 - Pay recapture fees for the extension of Sarah Drive and related utilities westward from Peace Road and south of the common property line with the Artery Farm, at such time as the area of the Subject Property adjoining the Artery Farm is developed.

2. Upon the approval of the annexation agreement, the City agrees to
 - Enact a valid and binding ordinance annexing the property and zoning it “C-3” Highway Business District.
 - Pay the cost of the survey associated with the preparation of a legal description and plat for the sewer and water easement.
 - Abate any City real estate tax on the Subject property unless or until it is developed.
 - Extend the sanitary sewer that exists at a point approximately 1,400 feet west of Peace Road on the south side of Illinois Route 64 along the south side of IL Rt. 64 to 600 feet east of the center line of Peace Road (see Exhibit D), at the City’s sole expense.

In sum, the City is offering to provide a substantial incentive—the cost of extending sanitary sewer to the east side of the intersection of Peace Road and IL Rt. 64—in order to annex and zone the two Simon parcels for commercial development. The annexation of these parcels along the terms outlined above will also make the Hove property contiguous and provide it with a sanitary sewer. Additionally, the extension of the sewer to the vicinity of IL Rt. 64 and Peace Road will provide another option for running sanitary sewer to the Artery Farm. Finally, the agreement provides a rationale for the joint access of the Simon and Artery parcels to the future Sarah Drive, as it may be extended westward from the Peace Road right-of-way. Altogether, these incentives should propel the commercial development of a prime commercial corridor defined by the 2003 Comp Plan.

A favorable Plan Commission recommendation is requested.

C. Consideration of a Petition from Bethany Road Development, LLC, Pappas Development, LLC and Bethany Business Condominiums, LLC to Rezone Property Fronting on Both Sides of Mediterranean Drive from “M-1” Light Manufacturing to “C-3” Highway Business District in the City of Sycamore, Illinois.

Mr. Pappas along with Dr. Glasgow, the original developer of the Bethany Business Campus, met with the City staff several weeks ago to discuss an unforeseen dilemma affecting the layout of new commercial buildings on lots abutting Mediterranean Drive. As the Commission will see from the attached photocopy of the preliminary plan, the lots are of modest width and considerable depth. If each lot had a single user and all parking was in the rear of the principal buildings, the options for configuring the building on the lot would be numerous. However, the commercial market for multiple tenant buildings is unusually strong, and in order to squeeze several commercial tenants into a building with its front elevation facing Mediterranean Drive a building would need to approach both side lot lines. The sideyard setback requirement in an “M-1” Light Manufacturing District is fifteen (15) feet. Mr. Pappas has requested a rezoning to allow for a sideyard setback of ten (10) feet. The M-1 designation was originally chosen to conform to the zoning of Johnson Controls immediately to the west, and not because light industrial uses were expected to settle in the commercial subdivision. In fact, the “C-3” Highway Business District zoning to the north of the subdivision, to the west of Johnson Controls, and to the south (Three Sula; Collins developments) offers a wider range of uses complimentary to the health care and office uses sprouting on this stretch of the Bethany Road corridor.

The City staff support the rezoning request and do not believe it will adversely alter the essential character of this area. A favorable Plan Commission recommendation is requested.

II Workshop Items

A. A Report on the Work of Mayor Mundy’s Ad Hoc Committee on Growth Management.

The joint meeting of the Sycamore City Council and Sycamore Board of Education and other local stakeholders on May 19 led to the first meeting of Mayor Mundy’s Ad Hoc Committee on Growth Management on May 25 and another meeting on June 1. The two Ad Hoc Committee meetings took up the challenge posed by the joint meeting of May 19: to assess ways and means to close what NIU consultant Roger Dahlstrom termed a “fiscal gap” between the School District’s projected revenues and expenditures over the next ten years. Bill Davey represents the Plan Commission on the Committee.

At the first Ad Hoc Committee meeting on May 25, moderated by John Lewis, a wide variety of proposals were laid on the table for consideration. During the Committee’s

discussion, Mayor Mundy expressed the City's reluctance to raise the Home Rule Sales Tax rate at this time, because three recurring sources of critical capital revenue tied to the current rate would be at risk. Speaking for the Board of Education, Jim Dombek reported that the Board was not eager to raise student fees at this time. None of the Committee members were interested in raising the overall School District property tax rate. The Committee did agree on the following:

- The 2003 Comp Plan supports a balanced vision of community growth and should be supported;
- The "circuit breaker" regulation that has paced the annual number of permits since November of 2003 (Ordinance 2003.65) and has also deferred the timing of initial permits on a sliding scale from one to six years, based on the size of the residential development, is working and should be maintained;
- Impact fee schedules that are tied to the value of developed land should be adjusted at least every two years or more often if increases in land values spike higher than the average annual trend of 7-8%.

At the June 1 meeting, the diverse Ad Hoc Committee reached a consensus on the following recommendations:

1. To support a real estate transfer fee within the Sycamore corporate limits. According to the County Clerk's records, there were 888 transactions affecting property within the Sycamore corporate limits with a total value of \$206,392,702. If a ½ percent fee had been in place, the resulting revenue would have been \$1,031,964. Looking forward, but taking a more conservative view of the annual value of the real estate transactions in Sycamore, it is not unreasonable to conclude that the projected *annual* School shortfall of an average of \$850,000 could be offset by a ½ percent tax. A real estate transfer fee requires a referendum. The next general election is in March 2006. The referendum would have to set the rate and the purpose of the fee. Unlike impact fees and transition fees, this fee would fall on both new and existing home sales. City occupancy surveys over the past fifteen months confirm the 2000 Census conclusion that about one out of three Sycamore households have school-aged children. More specifically, about two-thirds of Sycamore's school-aged children reside in homes built before the current housing boom began in 2002.
2. To increase the School impact fees by 10.6%. The land value that is a critical variable in the School impact fee schedule that was last revised in February 2004 is significantly below present land values. If the School impact fees are adjusted upward by about 10.6 percent the fee revenue should keep pace with the likely bond and interest costs associated with the elementary school slated to be opened in 2008-2009. Detached single-family lots of 12,000 square feet are now selling for \$67,000 which computes to a quarter-acre price of \$60,803. In the present school impact fee schedule, a quarter-acre lot is presumed to be \$55,000. The difference is about 10.6%. In 2004 the

School District received about \$575,000 in impact fees associated with 2004 City permits. That number reflects about 9 months of fees at the current rate (in the first quarter of 2004, the fee levels were about 75% lower for 4-bedroom homes). With the proposed 10.6% increase, and on the assumption that City permits will meet or exceed the 2004 total, the school impact fee revenue for 2005 should reach \$667,000, which is the threshold in annual debt service that the School District administration has set for a new 55,000 square foot elementary school on one of the two school sites donated by B&B Development.

If enacted, a revised School impact fee schedule reflecting a 10.6% increase would be portrayed as follows (the 2004 fees are shown in parentheses):

Per Unit Fee	2 BR	3 BR	4 BR	5 BR
Detached Single Family	814 (736)	3,259 (2,947)	5,544 (5,013)	4,298 (3,886)
Attached Single Family	772 (698)	1,441 (1,303)	2,941 (2,659)	
Apartments	789 (713)	2,140 (1,935)		

3. To revise Ordinance 2003.65 (approved in November 2003) to eliminate the use of “banked” permits in the first full year of permitting. According to the text of this ordinance, in determining the allowable annual permits for a new residential planned development, “*the annual allowance for the issuance of dwelling unit permits shall commence on January 1 of each year. The owner or developer of the planned unit development may carry over dwelling units not permitted from year to year and add those lots to following years, so long as the “bank” does not exceed one year’s allowance. For example, if a developer is allotted 40 dwelling units per year, but receives permits for only 20 dwelling units in the first year, then 40 permits plus 20 unused permits would be allowed in the second year. In the year of annexation, the owner or developer of the planned unit development shall receive only a pro-rata allowance of permitted dwelling units, e.g. if a planned unit development is annexed on November 30, then the allowance for the first year would be 1/12th of the allowance for the year.*” In the present context, when all entities represented by the Ad Hoc Committee are eager to more rigorously plan for future growth, the “banking” of permits can confound the precise prediction of maximum units per development per year. Eliminating this provision would tend to allow better fiscal planning.

4. To encourage the Board of Education to rely upon its general operating reserve to offset any actual shortfall in 2005-2006 or until the result of the referendum on a transfer fee is known. On May 10, 2005, Moody's Investors Service upgraded the District's bond rating to Aa3 in advance of its refunding of the outstanding Series 1997 bonds. This new bond rating will affect all of the District's \$37 million of outstanding parity debt—an achievement for which the District should be warmly applauded. Moody's Investors Service issued a press release noting that the District's "\$19.7 million General Fund balance or a healthy 72.4% of General Fund revenues (fiscal 2004) provides significant budgetary flexibility." District representatives and the Committee agreed that this reserve should not be seen as a long-term answer to the larger projected shortfall over the next ten years, but as a management fiscal tool that is useful in offsetting any deficit that may actually arise in the next school year.

5. To resist the adoption of transition fees, provided the transfer fee is approved. Transition fees are a category of exaction that has been adopted by expanding Illinois communities in recent years (including Waterman and Yorkville). The purpose is to provide additional revenue for a School district from the time of occupancy of a new home until tax money based on the full assessed valuation of the new home has been received by the District. To date, many of the transition fee schedules in effect in Illinois communities have been implemented to raise revenue for operating purposes. Several issues would need to be addressed with respect to transition fees: (a) to avoid a legal challenge some analysis needs to be undertaken to determine service costs per student; (b) such fees fall on new homes and not on existing homes; and (c) the Illinois courts have not considered challenges as to whether these fees are truly taxes since their justification is usually tied to the delay in full assessment. If considered taxes on court review, they may be judged selective in their impact as they would not apply to commercial and industrial property. The safer way to apply these fees, legally speaking, is through mutual agreement in the context of an annexation agreement.

If local residents were to approve a real estate transfer fee by referendum, transition fees would not be necessary, based on the projections of the Dahlstrom study.

6. To continue to meet to outline a marketing plan that will attract quality commercial and industrial businesses to Sycamore. The next meeting is set for June 21 at 4:00 p.m. in the lower level of the Sycamore Center.

At the close of the June 1 meeting, the appointed representatives agreed to review the list of recommended policies with their respective policy making bodies. The City Council took up the Ad Hoc Committee's proposals on June 6 and Council action is expected on June 20. The other representative bodies will be considering them in the next few weeks. No Plan Commission action is requested; this is an informational item.

B. Consideration of the Intent of the Unified Development Ordinance With Respect to the Display of Recreational Vehicles in "C-3" Highway Business Districts.

Kevin Marsh, the president of Recreation Products, is interested in purchasing a vacant and unannexed lot in the Prairiefield Center, to the north of the Taco Bell and with visibility at the northeast corner of DeKalb Avenue and Peace Road. His intent is to sell recreational vehicles ("RV's") on this parcel, which is zoned "C-3" Highway Business. The new Unified Development Ordinance (UDO) permits the sale of such vehicles in C-3 zoning districts by special use permit (Table 5.3.1). Mr. Marsh intends to display other types of vehicles as well, and is interested to know if the special use process would be invoked if he displayed only a few RVs at one time, or if some "number" was in the mind of the authors of the Table of Permitted Uses.

The City Manager was a principal author of this table and the UDO. It was not the intent of Table 5.3.1 to relegate the sale of recreational vehicles to obscure locations where sales would be diminished, nor was a particular number considered "just right." Rather, it was the author's intent to employ the public hearing process to alert city officials and surrounding commercial neighbors that rather large vehicles would be displayed next to what could be restaurants, clinics, and a wide range of commercial uses permitted in "C-3" zoning districts. Such larger vehicles are not easily presented in neat rows for passersby to admire, as in the case of smaller sedans, SUVs, or pickup trucks. Consequently, the prospect, however remote, of a less than attractive presentation on a major commercial corridor should be addressed with the widest opportunity for public notice. More specifically, the public hearing process would provide an opportunity for a respected and successful business such as Recreation Products to explain how they would meet the high expectations of the Comp Plan for such uses. Plan Commission direction is requested.

C. Consideration of the Intent of Ordinance 2003.65 With Respect to Multiple Annexation Plats on Tracts of 100 or More Acres.

Recently, the City staff were been asked to interpret the intended meaning of a provision of Ordinance 2003.65—the growth management regulation which established both a restriction on the number of permits that may be issued per new development per year, and also the number of years before the first permit can be issued, based on the number of dwelling units in the subdivision (see the attached copy). According to the ordinance,

"In order to plan for orderly growth and to discourage the submittal of a series of annexation plats and preliminary plats from tracts of 100 or more acres held by the owner of record as the

effective date of this ordinance, the City Council shall only consider, unless otherwise approved by a 2/3 vote of the corporate authorities, a single petition for annexation and preliminary plat approved for said tract and will only consider another petition for annexation and preliminary plat approval for said tract after a period of at least five years has elapsed.”

The staff reading of this passage is illustrated in the example below:

EXAMPLE:

260-acre farm parcel; 390 dwelling units.

If Developer “X” purchases 80 acres of a larger 260-acre farm parcel with the intent of developing 120 dwelling units, the Developer can submit a preliminary plan and annexation petition for the 80 acres and may, upon approval, receive no more than 35 permits per year after waiting one year. A preliminary plan and petition for annexation of the remaining 180 acres and 270 dwelling units may not be submitted for another five years, unless the City Council waives this restriction by a two-thirds vote.

In the drafting of this ordinance in the fall of 2003 it was the staff intent to prevent a skirting of the permit restrictions in Ordinance 2003.65, but not to control the timing of private sales and purchases so long as the five-year waiting period was observed. The Council concurred. If a development firm chose to test the Sycamore market by purchasing a portion of a farm, the precise interpretation of this passage would be important in the staff and Commission review. Plan Commission direction is invited.

D. Consideration of Concept Plans Presented by B&B Development LP for the Mapes, Lindgren, and Wolfenberger Farm Parcels.

B&B Development LP of St. Charles has requested a workshop session to discuss a new residential development plan involving properties in the vicinity of the Sycamore Creek developments. Since February of 1999, B&B Development has actively developed residential and commercial parcels within the Sycamore corporate limits. The relationship between the firm and the City has been uniquely constructive: not only has the firm consistently produced infrastructure that meets or exceeds the City’s standards without requests for variances or relief, it has also produced land use plans that have set a high standard for other development firms to match. Among the examples of such engineering and planning initiatives are a series of neighborhood parks, bike paths, nature trails, and retention innovations that set the bar for other firms interested in the Sycamore area. Further, B&B Development has consistently been responsive to local concerns about the fiscal impact of residential development. Before the City Council imposed growth control regulations, B&B voluntarily postponed the initiation of development work on Sycamore Creek for three years. When the School District asked for school site dedications, it agreed to two sites and dedicated these sites without compensation, in the same manner that it has dedicated hundreds of acres to the Park District for passive and active recreation. The firm also pioneered the concept of “voluntary” fees to help the School District with operational

costs associated with unregulated lots that were permitted in the mid-1990s but which have only recently come into development.

Now the firm is interested in taking on several projects that would take the City toward its planning horizon over the next 12 years and create a unique northeast entry feature, while accommodating the pace of development with the results of the recent fiscal impact study. Three farms of varying sizes owned by three different owners are for sale in the northeast quadrant of the City and are currently under contract with B&B Development. The development firm has the resources and the patience to bring each farm to the City government for “entitlement” (i.e. annexation) one at a time. However, the firm is well aware of the City’s interest in planning deliberately and comprehensively with all available information at its disposal. Consequently, representatives of the development firm have been upfront about their investment opportunities and objectives, and want to engage the City in a planning discussion that would possibly lead to concurrent annexation actions and afford a more orderly and fiscally sound development of the land areas in question.

Specifically, the B&B Development team would like to explain the firm’s intentions for the following farm parcels:

- The Lindgren Farm on Lindgren Road. This farm comprises about 37 acres. It is provisionally named “The Hamlet of Sycamore Creek” to distinguish it from other portions of the Sycamore Creek evolutionary development.
- The Mapes Farm on the west side of Plank Road, between North Grove Crossing and Sycamore Creek II. This farm contains about 117 acres and is provisionally called “The Commons of Sycamore Creek.”
- The Wolfenberger Farm that lies north and east of the Lindgren Farm. This is the largest farm parcel, containing about 280 acres, and would be called Sycamore Creek III.

Chuck Hanlon of Land Vision, Inc. will lead a brief power point presentation to highlight the firm’s goals and invite questions and discussion about the planning and fiscal implications of this long-term vision (2005-2017) for the evolutionary development of Sycamore’s northeast sub area plan.

To place this ambitious proposal in perspective in terms of the Comp Plan, our permit regulations, sewer capacity, and fiscal impacts the City staff offer the following observations.

- 1) The Comp Plan. Each of the three farms appears in the “neighborhood” or low density residential portion of the northeast planning area. The Wolfenberger farm is uniquely situated to provide the distinctive gateway outlined in the Comp Plan and, in greater detail, in the Northeast Sub Area Plan.
- 2) Permit Timing. For reference, a permit projection showing all known developments as of January 1, 2005 is attached, along with a revised spreadsheet showing the same timeline with permits from the three proposed development areas. All three proposed development areas would fall under the

provisions of Ordinance 2003.65, which limits the number of permits per year and delays the issuance of the first permits based on the size of the development. Specifically, the “pace” of permitting would be as follows:

- a) Lindgren Farm. This plan anticipates 80 detached single family units. At this size, the developer would need to wait one year from the date of annexation before the first permit could be issued, and could receive no more than 35 permits per year. Assuming Council action on the plan in 2005, no permits would be issued until late in 2006 (see the attached spreadsheet).
- b) Wolfenberger Farm. This plan anticipates 457 detached single family homes. Assuming Council action on the plan in 2005, no permits would be issued until late in 2010 (see the attached spreadsheet). This plan would not be fully built out until 2017.
- c) Mapes Farm. This plan anticipates 200 detached single family homes. Assuming Council action on the plan in 2005, no permits could be issued until late in 2007, but the developer is willing to wait until 2009 when the average number of annual permits is reduced to the “250-permit-per-year” assumption in the recent fiscal study. This plan would not be built out until 2013.

3) Sewer Capacity. City Engineer John Brady recently re-calculated the sewer capacity in the northeast planning area. As the Commission will recall, in 2002 B&B Development extended a 27-inch interceptor sewer from the north side of the Kishwaukee River just west of Brickville Road north and east to the intersection of Kellum Street and Viking Drive (in the “estates” section of the Heron Creek development south of Peace Road). From this point, B&B constructed a 21-inch sanitary sewer trunkline to the north side of Peace Road at Frantum Road, and also constructed an 18-inch sanitary sewer to the east side of IL Route 23 at Heron Creek Drive. From the ends of these trunklines a number of tributary sanitary mains have been installed to serve property to the north, east and west. The theoretical capacity of this skeletal underground system of gravity sewers was designed to be 18,000 population equivalents (PE), inclusive of the roughly 100 acres of commercial zoning in the northeast planning area. The actual capacity would serve the following undeveloped farms with the approximate dwelling units shown below:

• Lindgren Farm	80 d.u.
• Wolfenberger Farm	457 d.u.
• Mapes Farm	200 d.u.
• Whitwell Farm	450 d.u.
• Lenschow Farm	102 d.u.
• Walters & Cambier Farms	176 d.u.
• Herst Farm	<u>162 d.u.</u>
Total:	1,627 d.u.

4) Fiscal Impacts. The B&B proposal is designed to fit into the fiscal projections of the recent fiscal study completed by the Center for Governmental Studies, and to adopt a pace of development that conforms with the limitations of the

“250-permit-per-year” assumption in the recent fiscal study. With a package of cooperative fiscal measures supported by the City government and other taxing bodies, as outlined in Workshop Item “A,” above, the new growth would pay for itself.

Plan Commission direction is requested.

**E. Consideration of a Second Workshop for “Sycamore Senior Village”
Presented by the Robert Arthur Land Company.**

At the last regular Plan Commission meeting of May 9, Arthur Zwemke, a partner in the Robert Arthur Land Company of St. Charles, IL, presented a proposal for an 840-870 unit “active senior” subdivision on the Palazzolo farm, north of Old State Road and east of the Willows P.U.D. (Laing development). The concept plan depicted a flag-shaped lot and its relationship to Old State Road, the future Airport Road extension, and the Willows development.

The Commission was asked to consider the proposed land use in the context of the Comp Plan’s preference for commercial development on the subject parcel. The Commission was also asked to consider the significant access issues posed by the need to align Old State Road, IL Route 64 and the future Airport Road extension north of Rt. 64. Mr. Zwemke asked for an additional opportunity to work out an engineering solution to the access issue before the Commission deliberated on the land use issue.

The new exhibits attached to this packet are described in Mr. Zwemke’s cover letter of June 6. Mr. Zwemke has investigated the design alternative of a full intersection at Old State Road and an angular intersection with IL Rt. 64 (see his Exhibit 2). Further investigation has also been made into the sewer capacity to serve the proposed site.

The following issues will hopefully be addressed by the Commission:

1. Land Use. The area of intended commercial land uses covers close to one-third of the Palazzolo farm.
2. Access. The Comp Plan bias is in favor of a safe and long-term vision for the intersection of North Airport Road and IL Route 64, rather than a short-term solution to accommodate a particular development request. Mr. Zwemke’s cost estimates indicate that such high standards for planning and execution will come at a substantial cost. No County or City dollars have been offered to design and construct this intersection, so any improvements will be “development-driven.”
3. Entrance Feature. At present, there is no sub area plan for the City’s undeveloped east entrance. Without such a plan, the prospect of an integrated development of the Rt. 64 corridor east of Airport Road will be at risk, as it might evolve in a piecemeal fashion as one then another farm parcel is acquired and developed. The Comp Plan insisted on an entry feature that was integrated with a new intersection with South and North Airport Road.

Staff Recommendation:

Mr. Zwemke has professionally and methodically worked on a number of engineering and planning issues to try to accommodate both the City's planning objectives and his firm's development aims. However, as his work has indicated, more detailed public direction is needed on the important traffic corridor near the farm his firm wishes to develop. Such details are not presently in the Comp Plan. Rather than invite Mr. Zwemke and his firm to expend more resources in behalf of a single development plan in the absence of careful public planning for the Palazzolo and contiguous properties, the City Manager recommends more public reflection on what the City's east end should offer the visitor and the earnest investor. Specifically, an east end sub area plan would be useful as a backdrop against which plans like Mr. Zwemke's can be evaluated.

F. Consideration of a Revised Rezoning Proposal for Lot 5 of the Farm & Fleet Subdivision from Randy Yock of Territorial Development.

Most Plan Commission members will recall the last workshop presentation from Mr. Yock on April 12, 2004. At that time, Mr. Yock's interest in rezoning the 4.64-acre parcel was supported by the Foxpointe Townhome Association and Foxpointe Condominium Association to the north and east, and single-family residents living immediately across Hathaway Drive. However, his interest in rezoning all of the lot for a rather dense residential townhome development (8.7 units per gross acre) was unacceptable to the majority of the Commission. Aside from concerns about the density, the Commission voiced concern about "losing" just under 5 acres to residential development at a time when the City is trying to attract new commercial business.

The lot remains undeveloped so none of the allowable commercial uses in the underlying "C-3" Highway Business zoning are in play. No bona fide commercial retail business tenants have shown interest in the lot since the Farm & Fleet subdivision was approved about ten (10) years ago. Recently, some non-retail commercial interest has arisen. There has been some interest in storage garages and also in commercial condos for small contractor shops. However, the residential zoning of the vacant land to the east and the developed properties to the south have concerned commercial prospects who would not be interested in risking complaints about their commercial activities. After some considerable staff review, a hybrid option has been developed to provide a zoning transition on the lot, along with commercial uses that would be more compatible with adjacent residential neighbors. The attached plan might address all the various concerns while mixing uses.

The plan depicts twelve (12) commercial condos facing west, or toward the private drive that extends from Hathaway Drive to Walgreen, the Country Inn & Suites, and Farm & Fleet. These condos could be used for retail purposes, but the local market presently leans toward professional offices or contractor shops. No rezoning would be necessary for the west half. The east half shows "stacked" or up-and-down residential condos that would be buffered from the new commercial uses to the west and Farm &

Fleet to the north, and would offer two-car garages with ample guest parking. The overall property tax and potential sales tax generated per acre would likely exceed that generated from a single warehouse or commercial user. The residential condos would probably be valued at about \$80-plus per square foot, versus \$55 per square foot for warehouse/office or retail space.

Versus the option of a continuing lack of commercial development interest, or the earlier option of a dense residential development, this plan deserves a closer look in the opinion of the City staff.