

TO: The Sycamore Plan Commission

FROM: Bill Nicklas  
City Manager

DATE: December 3, 2008

RE: December 8, 2008 Plan Commission Meeting

The Plan Commission agenda has five action items and one workshop item.

## **I Action Items**

### **A. Consideration of a Petition from Milan Krpan for a Final Plat and Rezoning of Krpan's Peace/Bethany Road Division, Unit One.**

Milan Krpan has petitioned for the rezoning of two lots at the east end of the terminus of Gateway Drive. These lots, totaling 10.55 acres in area, were formerly part of the Thorald and Emma Anderson Trust and were annexed on September 17, 2007. At that time, the lots were zoned "ORI," Office, Research, and Light Industrial which conformed to the Comp Plan of 2003 and linked them with the Bethany Road corridor, which has been marketed as a prime location for campus-style office uses similar to those under development by Dr. Collins to the west, the DeKalb County Farm Bureau complex to the northeast, and the older structures that house NICOR and Johnson Controls on the north side of the corridor. At the time of the annexation and rezoning, Mr. Krpan proposed a "C-3," Highway Business Zoning for the area at the end of Gateway Drive, which would be consistent with the zoning of other lots to the west along Gateway Drive. However, in the absence of any development interest, the City staff proposed the "ORI" zoning for the entire Anderson parcel even though portions of that zoning area were considerably "deeper" than the existing lots along the south side of the Bethany Road corridor. The Commission and the City Council concurred with the staff recommendation.

Since the 2007 annexation, the Plan Commission and City Council have created a new Comprehensive Plan and Future Land Use Map that continues to show the entire Anderson parcel as "ORI." However, Mr. Krpan's proposal raises some practical planning questions which may be addressed in a way that does not conflict with the Comp Plan vision for the Bethany Road corridor. The distance from the northern boundary of the proposed Lot One to the Bethany Road right-of-way is 1,060 feet, which is an abundance of depth for an "ORI" use at the southwest corner of the Peace and

Bethany Road intersection. The reservation of this area only for “ORI” zoning would continue the “look” of the corridor as imagined in the 2008 Future Land Use Map. By way of comparison, the Three Sula parcel immediately west of the Voluntary Action Center is 1300 feet deep. If approved, the total area of “ORI” zoning preserved at the southwest of Peace and Bethany Roads would be about 14.5 acres.

In addition, with respect to the southern boundary of the proposed lots, it is more realistic to imagine a consistent commercial use at the end of the commercial corridor known as Gateway Drive than to imagine an office or research use there. Moreover, if a commercial or medical office use were to have an interest in the proposed lots, they could be accommodated under the “C-3” zoning, just as the DeKalb Clinic has fit that zoning classification.

In view of these considerations, the City staff support Mr. Krpan’s petition for a rezoning and re-platting of the 10.55-acre area at the east end of Gateway Drive. A favorable Plan Commission recommendation is requested.

**B. Consideration of a Petition from the City of Sycamore to Annex Property Owned by Jerome Johnson at 401 N. Main Street and to Rezone the Property to “C-1,” Neighborhood Business District.**

Considerations B, C, D, and E have a common thread. Each concerns a former railroad parcel from an earlier era. A recent title search has revealed that none of the parcels have been annexed to the City of Sycamore, although each is surrounded by City-zoned property. The title search was prompted by the interest of BTS Tower Development in the Johnson parcel at the northwest corner of N. Main and Page Streets. As the Commission will recall, this firm had petitioned the Plan Commission and City Council in the summer of 2008 for a special use permit to erect a monopole wireless communication tower at the southeast corner of Page and N. California Streets. The interest of the firm in the Johnson parcel was revealed to the City staff by DeKalb County’s planning director, Paul Miller, who had been approached by the vendor’s representative when he discovered that the parcel had not been annexed. With reference to both the DeKalb County Comp Plan and the Sycamore Comp Plan, Mr. Miller appropriately advised the gentleman that the parcel should be developed for urban uses within the City of Sycamore’s zoning and development codes.

In order to plan for orderly growth and to ensure that the goals and objectives of the 2008 Comprehensive Plan are met, the City staff have petitioned the Commission and the Council for the annexation of the Johnson parcel at 401 N. Main Street and its rezoning to “C-1,” Neighborhood Business. The “C-1” zoning designation is consistent with the commercial zoning immediately south of the parcel in question. The owner, Jerome Johnson, and his attorney, R. Duane Slayton, will be present at the hearing. A letter from Mr. Slayton in his client’s behalf has been attached to this agenda.

Due to a surveyor’s error in the attached plat and related legal description that was identified by Mr. Johnson’s counsel, it is recommended that this consideration be held over until the January 12 Plan Commission meeting, at which time a favorable Plan

Commission vote in support of the staff recommendation for annexation and “C-1” zoning will be requested.

**C. Consideration of a Petition from the City of Sycamore to Annex Property Adjoining 421 N. California Street and Owned by Sycamore Industrial Park, LLC/Sycamore Industrial Park and to Rezone the Property to “M-2,” Heavy Manufacturing District.**

The former railroad right-of-way that is the focus of Consideration “B,” above, is also the focus of this consideration. At some point the strip adjoining the Sycamore Industrial Park came into the possession of the owners of the park, but was not annexed or given municipal zoning. Since the transfer did not involve the city authorities, the jurisdictional status of the parcel was never in dispute. After consultation with the owners of the industrial park, a voluntary annexation has been initiated at the City’s expense. The attached plat depicts the location and size of the strip in question. The proposed zoning is “M-2,” Heavy Manufacturing, which is consistent with the zoning of the adjacent industrial park.

A favorable Plan Commission recommendation is requested.

**D. Consideration of a Petition from the City of Sycamore to Annex Property Adjoining 355 N. Cross Street and Owned by DeKalb County Residential Development and to Rezone the Property to “R-3,” Multiple Family Residence District, Planned Unit Development.**

This proposed annexation likewise concerns a strip of former railroad right-of-way that passes adjacent to apartments owned by the DeKalb County Housing Authority. Upon annexation, the property would be zoned “R-3,” Multiple Family Residence District, consistent with the adjacent zoning.

A favorable Plan Commission recommendation is requested.

**E. Consideration of a Petition from the City of Sycamore to Annex Property Adjoining 355 N. Cross Street and Owned by Cornerstone Christian Academy and to Rezone the Property to “R-3,” Multiple Family Residence District with a Special Use Permit for School Use.**

It is understood that this strip of former railroad right-of-way was previously owned by the DeKalb County Housing Authority and was sold to the Cornerstone Christian Academy for school purposes. The proposed annexation would result in an “R-3,” Multiple Family zoning to be consistent with the adjacent zoning, but with a special use permit for school purposes rather than residential purposes. A favorable Plan Commission recommendation is requested.

**II. Workshop Items**

**A. Consideration of a Request by John Pappas for Direction Regarding a Concept Plan for a Senior Housing Development.**

On September 2, 2008, the City Council voted 5-4 to oppose a planned development and annexation brought by John Pappas for the Walters and Cambier Farms at the northeast

corner of Peace and Brickville Roads. A super-majority of six votes is needed in the case of annexation agreements. Since that time, the developer has re-considered the focus of his development. He remains interested in developing an assisted living facility, and he is considering the targeting of the remaining portion of the roughly 95-acre development site for persons 55 years of age or older. The ability of Mr. Pappas to restrict ownership by age is based on the provisions of the Fair Housing Act of 1995, and the Housing for Older Persons Act of 1995. These federal enactments permit developers to require that buyers be 55 years of age and over, and have no children in their units under the age of 19 for more than 30 consecutive days or 45 days in any six month period. These provisions effectively preclude the possibility that school-aged children will remain long enough to be enrolled in the local school system. In June 2004, the Council approved the one and only age-restricted housing development in Sycamore, Gracious Living Homes, which is located on a 17-acre parcel south of Bethany Road and immediately west of the City's regional detention pond.

Mr. Pappas is interested in the Plan Commission's direction regarding his concept for a "retirement" community. He has provided a copy of a recent newspaper article describing growing market interest in the northwest suburbs (see attached). Mr. Pappas asked Wendler Engineers to prepare the attached layout to provide a visual exhibit for the Commission's discussion. The concept plan shows the following:

- An assisted living facility on a 2.874-acre site adjacent to the Stonegate townhouse development. This is the same size as the assisted living site depicted on the September development plan (a copy of the September plan is attached as well).
- A clubhouse area on a 1.5-acre site near the project's main entrance. No clubhouse was shown in the September plan.
- 144 duplex lots for persons 55 years of age or older. This is the principal difference from the plan reviewed by the Commission and Council last summer. In the September 2008 plan, a total of 108 single family lots were proposed with an average size of one-half acre. The new concept shows 144 smaller lots with an average size of one-third acre (90 feet x 165 feet). No floor plans or elevations for the home models have been received at this writing but may be available for the December 8 meeting.
- A slightly larger public park dedication (3.174 acres versus 3.014 acres).
- The realignment of Brickville Road. The proposed realignment conforms to that shown on the September 2008 development plan.

#### Fiscal Impacts

The age restriction effectively removes any potential negative fiscal impact on the school district, and adds a significant property value for the taxing purposes of all local taxing bodies. In the absence of floor plans, this preliminary conclusion is based on the following working assumptions:

- ✓ 144 duplex lots, of which three-fourths (108 lots or 216 units) are assumed to be occupied by owners who would qualify for the senior citizen homestead exemption. This exemption is available to persons 65 years or older who live

in and own their home. This exemption is worth \$4,000 off the assessed value of the property, in addition to the owner-occupied exemption of \$5,500.

- ✓ Each duplex unit is valued at \$225,000 to \$250,000 (an average of \$240,000 is used for illustrative purposes).
- ✓ An average of 1.85 adults per duplex unit. The City's ongoing occupancy survey (see attached) which has been running since December 2005 shows 1.85 adults per occupancy. The actual number may be less because of the bias toward householders without children.
- ✓ The assisted living facility will have an occupancy of 54-61 residents and an EAV of \$1,577,728. This is a very provisional assumption using the EAV and the occupancy of the Grand Victorian facility on Somonauk Street.
- ✓ 75% of the duplexes will have two bedrooms and 25% will have three bedrooms. These assumptions are relevant to the impact fee calculation. When the age-restricted Gracious Living Homes complex was approved in 2004 the question of whether impact fees should apply was strongly debated; in the end the Council determined that they should apply. Since that time, a city transfer tax has been established and would apply. Whether school or park impact fees should also apply needs to be discussed in view of the unique features of the proposed development. The City impact fees for sewer and water connections will presumably apply because water and sewage impacts are expected no matter the age, sex, or education of the occupant.

**Property Tax Analysis:**

<b>Senior Owner Occupied Attached Homes (75% or 216 units)</b>				
Home Price:	\$240,000			
Gross EAV:	\$80,000			
Owner Occupied:	-\$5,500			
Senior Exemption:	-\$4,000			
Net EAV:	\$70,500			
Tax Bill/Distribution:	Tax Rate*	Extension:	216 units:	
City of Sycamore	0.58178	\$410.15	\$88,593.46	
Kishwaukee College	0.54965	\$387.50	\$83,700.70	
County	0.84486	\$595.63	\$128,655.28	
Forest Preserve	0.06768	\$47.71	\$10,306.31	
Sycamore Schools	4.78311	\$3,372.09	\$728,371.99	
Sycamore Library	0.18598	\$131.12	\$28,321.03	
Sycamore Park	0.41622	\$293.44	\$63,381.98	
Road and Bridge	0.22567	\$159.10	\$34,365.03	
Sycamore Township	0.10888	\$76.76	\$16,580.25	

<b>Non-Senior Owner Occupied Attached Homes (25% or 72 units)</b>				
Home Price:	\$240,000			
Gross EAV:	\$80,000			
Owner Occupied:	-\$5,500			
Senior Exemption:	\$0			
Net EAV:	\$74,500			

Tax Bill/Distribution:	Tax Rate*	Extension:	72 units:
City of Sycamore	0.58178	\$433.43	\$31,206.68
Kishwaukee College	0.54965	\$409.49	\$29,483.23
County	0.84486	\$629.42	\$45,318.29
Forest Preserve	0.06768	\$50.42	\$3,630.36
Sycamore Schools	4.78311	\$3,563.42	\$256,566.02
Sycamore Library	0.18598	\$138.56	\$9,975.97
Sycamore Park	0.41622	\$310.08	\$22,326.04
Road and Bridge	0.22567	\$168.12	\$12,104.94
Sycamore Township	0.10888	\$81.12	\$5,840.32

<b>Assisted Living Facility</b>			
Net EAV:	\$1,577,728		
Tax Bill/Distribution:	Tax Rate*	Extension:	
City of Sycamore	0.58178	\$9,178.91	
Kishwaukee College	0.54965	\$8,671.98	
County	0.84486	\$13,329.59	
Forest Preserve	0.06768	\$1,067.81	
Sycamore Schools	4.78311	\$75,464.47	
Sycamore Library	0.18598	\$2,934.26	
Sycamore Park	0.41622	\$6,566.82	
Road and Bridge	0.22567	\$3,560.46	
Sycamore Township	0.10888	\$1,717.83	
*Uses proposed 2008 City Tax Rate and 2007 Tax Rates for other taxing bodies.			

<b>Total Residential/Assisted Living Property Tax</b>			
Net EAV:	\$22,169,728		
Tax Bill/Distribution:	Tax Rate*	Extension:	
City of Sycamore	0.58178	\$128,979.04	
Kishwaukee College	0.54965	\$121,855.91	
County	0.84486	\$187,303.16	
Forest Preserve	0.06768	\$15,004.47	
Sycamore Schools	4.78311	\$1,060,402.48	
Sycamore Library	0.18598	\$41,231.26	
Sycamore Park	0.41622	\$92,274.84	
Road and Bridge	0.22567	\$50,030.43	
Sycamore Township	0.10888	\$24,138.40	

<b>Impact Fee Calculation:</b>					
	2 BR ATT	Total 2BR (216 units):	3 BR ATT	Total 3BR (72 units):	Total Impact Fees:
Library	\$82.25	\$17,766.00	\$120.32	\$8,663.04	\$26,429.04
Park District	\$1,311.00	\$283,176.00	\$1,917.00	\$138,024.00	\$421,200.00
School District	\$774.00	\$167,184.00	\$1,446.00	\$104,112.00	\$271,296.00
<b>City Revenues:</b>					
	Acres	Per Acre:	Total:		
<b>Annexation Fee</b>	94.95	\$3,000.00	\$284,850.00		
<b>State Shared</b>	Population*	Per Capita**	Total:		
Income Tax	587	\$92.40	\$54,238.80		
Use Tax	587	\$14.10	\$8,276.70		
MFT Tax	587	\$26.30	\$15,438.10		
*Assumes 1.85 people per household, 54 adults in Assisted Living Care.					
**Uses IML estimates for State of Illinois FY2010, released 10-31-08.					
<b>Sales Tax</b>	Audit FY2008	Population	Per Capita	Less 20%	
State 1%	\$2,834,383	15,500	\$182.86	\$146.29	
GF Home Rule .50%	\$951,090	15,500	\$61.36	\$49.09	
Restaurant/Bar	\$738,492	15,500	\$47.64	\$38.12	
Estimated Sales Tax Generated Per Year*					
	Population	Discounted Per Capita	Total		
State 1%	533	\$146.29	\$77,972.96		
GF Home Rule .50%	533	\$49.09	\$26,164.18		
Restaurant/Bar	533	\$38.12	\$20,315.68		
Capital HR .25%	533	\$24.54	\$13,082.09		
Road Fund HR .50%	533	\$49.09	\$26,164.18		
Total Sales Tax			\$163,699.09		
*Does not factor in those in Assisted Living Care.					

A potentially significant service obligation on the part of the City attends the long-term maintenance and repair of the public subdivision streets shown on the concept plan. However, a special service area could be established to cover road repairs and improvements and offset the capital cost of such infrastructure work over time.

Recommendation:

Since the Unified Development Ordinance (UDO) went into effect on May 1, 2005, all planned unit developments have been reviewed as special uses with all the public scrutiny and detailed documentation that such uses deserve. Section 4.3.4, B, "Planned Developments," Subsection 9, "Effect of Denial of a Special Use" of the

UDO (p. 60) requires a significant revision if a development plan is to merit further consideration as a planned unit development within one year of a Council denial of a special use petition. The proposed age-restricted development is a significant departure in terms of site layout and fiscal impact and merits the Commission's attention.

Plan Commission support is requested.