

TO: The Sycamore Plan Commission

FROM: Bill Nicklas
City Manager

DATE: February 4, 2009

RE: February 9, 2009 Plan Commission Meeting

The Plan Commission agenda has two action items.

I Action Items

A. 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-3,” Highway Business District.

This matter is continued from the Plan Commission meeting of January 12. In that meeting, Mr. Johnson requested a continuance to provide additional time to discuss the proposed annexation and the City’s preference for a “C-3” zoning designation with the City staff. Mr. Johnson requested an appointment with Mayor Mundy on February 3 and was joined in this meeting by City Manager Bill Nicklas and Mr. Johnson’s attorney, Duane Slayton. In the meeting, the prospect of a subdivision of the Johnson parcel to provide for commercial zoning along the Main Street frontage and M-1 zoning on the western portion of the parcel was discussed. It was agreed that the City and the property owner needed some more time to plot such a subdivision, but that the multiple zoning was mutually agreeable to both parties. The City Manager requests a further continuance until the March Plan Commission meeting, at which time it is expected that a new plat of annexation and a subdivision plat will be offered for the Commission’s review and recommendation.

B. Consideration of a Petition to Vacate Hollnick Drive and to Re-Subdivide the Tsiagalis Subdivision in the City of Sycamore, Illinois.

In July 2008 the Plan Commission recommended the rezoning of a portion of the property at 112 Kingsway Drive from “C-2” Central Business District to “R-3” Multiple Family Residence District. The property is located immediately north of the Parkway Restaurant. The Commission action, along with the Council’s approval on July 21, created a larger area of “R-3” zoning to permit the development of seven apartment units.

The Commission will recall that the concept plan for the apartment units showed a street right-of-way—Hollnick Drive”—that had never been built. The City no longer has any interest in building a public street at this location, so the vacation of the public right-of-way will afford some additional space for parking and site work to address floodplain issues. As required by state statute, the vacated right-of-way is divided equally between the adjacent landowners, so the northern half of the right-of-way would go to Joe Manczko.

The right-of-way vacation is accompanied by a re-subdivision that is consistent with the zoning of the surrounding property. A re-subdivision plat is attached. A conceptual exhibit showing the possible apartments on the site is also attached. The precise number of apartments must conform to existing City zoning and building code provisions. As reported in July 2008, the location of any units with respect to the floodplain limits is subject to the review of the Illinois Department of Natural Resources (IDNR). In November, 2008 Jim Sparber with Rempe-Sharpe Consulting Engineers sent the engineering site plan with the required cut and calculations for the proposed seven-unit multiple family project to the Illinois Department of Natural Resources, Office of Water Resources, for their review. In December, 2008 Rempe-Sharpe received approval from Mark McCauley, Senior Permit Engineer with IDNR, that the project as shown can be authorized by Statewide Permit No. 6 so the project can now move forward for City approval.

A favorable Plan Commission recommendation concerning the right-of-way vacation and re-subdivision is requested.

C. Consideration of a Petition to Annex Property at the Northeast Corner of Peace Road and Brickville Road and Rezone the Property to “R-2,” Two Family Residence District, Planned Unit Development, with a Special Use Permit for Single-Family Attached Dwellings and “R-3,” Multiple Family Residence District, Planned Unit Development with a Special Use Permit for an Assisted Living Facility and “R-1,” One Family Residence District in the City of Sycamore, Illinois.

At the December Plan Commission meeting, John Pappas presented a revised concept plan for the development of the Walters and Cambier farms at the northeast corner of Peace Road and Brickville Road. On September 2, 2008, the City Council had voted 5-4 to oppose a planned development and annexation brought by Mr. Pappas which featured detached single family homes and an assisted living facility immediately west of the Stonegate townhouse development (six votes are needed in the case of annexation agreements). The new concept showed continued interest in an assisted living facility and featured duplex lots for persons 55 years of age or older. The Commission was interested in his new direction and encouraged him to return with a formal petition.

The Development Plan

The proposed development plan has the following features:

1. Land Uses.

- An assisted living facility on a 2.874-acre site adjacent to the Stonegate development.
 - 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). 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 (a.k.a. Somerset Farms), which is located on a 17-acre parcel south of Bethany Road and immediately west of the City's regional detention pond.
 - One (1) single family lot of about 0.75 acres to provide a more agreeable transition to the existing homes on the present Brickville Road.
 - A clubhouse area on a 1.5-acre site near the project's main entrance and backing up to the proposed detention lake.
 - Public park land totaling 3.174 acres.
 - The realignment of Brickville Road.
2. Gross Density. The density of the duplex portion of the development (approximately 76.5 acres) is 3.76 units per acre (288 units divided by 76.5).
 3. Access. There are essentially two access points.
 - The chief access point is at the re-aligned Brickville Road and the other connects the proposed subdivision with the Stonegate development and Frantum Road to the east.
 - To minimize the impact of new traffic on Brickville Road as it winds toward Peace Road, Mr. Pappas has collaborated with the Sycamore Township Road Supervisor, Tom Reynolds, to develop a dramatic re-routing of Brickville Road (see the attached concept plan). The developer would build a new roadway of 2,050 feet at the developer's sole expense (estimated to be about \$500,000) that would course more directly toward Motel Road. After its construction, the new roadway would become a City street. The Township would continue to maintain the former Brickville Road (to be re-named), which would experience a remarkable decline in usage.
 4. Bikepaths. The attached concept plan shows a dashed brown line along the south side of Stonegate Drive connecting to a bike path along the east side of Brickville Road that connects to Motel Road on the west end of the property and Peace Road to the east.
 5. Open Space. The plan dedicates 17% of the overall land area to open space, either in the form of conservation areas to be maintained by a homeowner's association,

or public park land. The City requirement for open space in a low-density planned residential development is 10% (UDO, Article 4.3.4.B.11 “Planned Development: Residential”).

6. Buffer Areas.

- The rear yards of the homes on the north side of the present Brickville Road are buffered from traffic on the re-aligned Brickville Road by either natural or detention areas.
- The west, north and east sides of the development adjoin mature tree stands which will remain undisturbed. The inability to serve the adjacent land areas in terms of future sanitary sewer line capacity will sustain the presence of these trees.

The Annexation Agreement

The principal terms of the annexation agreement are as follows:

1. The Name. “Vellagio Estates.”
2. The Term. The agreement runs for twenty years (Section 24).
3. Performance Guarantees. The Owner may provide an irrevocable letter of credit or bond security for the public improvements on the site (Section 5.3).
4. Fees. The Owner shall comply with the City’s annexation and impact fees (Section 5) and Park fees (Section 16.3) as they may be amended from time to time. Because of the effective age-centered restrictions, no School impact fees are proposed, but the transfer tax of \$5 per thousand dollars of value upon the transfer of property shall apply (Sections 16.1 and 16.2). Finally, in the event the City enacts an ordinance which creates a transportation impact fee for addressing the fiscal impact of development on the City’s transportation system, the amount of such impact fee as amended from time to time shall be payable at the time a building permit is issued for each single family residential lot (Section 16.4).
5. Developmental Exactions. The Owner is not required to comply with the time limitations on the issuance of the first permit as defined in Ordinance 2005.60, but is required to comply with the limitations on the number of permits that may be issued annually, per Ordinance 2005.60 (Section 17.1).
6. Water Main, Storm Sewer and Sewer Main Extensions. The Owner shall provide proper storm sewer, sanitary sewer and water main systems in accordance with the City’s standards and at the developer’s sole expense (Section 12).
7. Variations. No variations from the City’s codes and ordinances are requested, except as noted above.

Traffic Study

Wendler Engineering performed a traffic study for this project in September 2008. The traffic study showed the total ADT from the developed site at 1,260 vehicles with an estimated 70% to the entrance from Brickville Road and 30% to Stonegate Drive. It was assumed that the morning and afternoon traffic volumes would be the same. Of the 880 vehicles to and from the Brickville Road entrance it was estimated that 800 vehicles would go to and from Peace Road and the remaining 80 vehicles to

Brickville Road to and from the north. The change from single-family detached housing to senior housing would normally change some of the assumptions about average daily trips. However, the additional number of units in the senior housing project probably offsets the lower number of daily trips assigned to individual senior housing units. In short, it has been assumed that the traffic impacts outlined in the September report are still generally valid.

Summary and Recommendation

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 level 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 Park impact fee calculation. The City impact fees for sewer and water connections will also apply because water and sewage impacts are expected no matter the age, sex, or education of the occupant.

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, either the imposition of a transportation impact fee or the inclusion of such a fee obligation in the annexation agreement could offset the capital cost of such infrastructure work over time.

An assessment of the potential property tax revenue from this development is shown in the tables that follow.

Property Tax Projections:

Senior Owner Occupied Attached Homes (75% or 216 units)			
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

Non-Senior Owner Occupied Attached Homes (25% or 72 units)			
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

Assisted Living Facility			
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.

Total Residential/Assisted Living Property Tax		
Net EAV (upon completion):	\$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
*Uses proposed 2008 City Tax Rate and 2007 Tax Rates for other taxing bodies.		

Impact Fee Calculation:

	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
City Revenues:					
	Acres	Per Acre:	Total:		
Annexation Fee	94.95	\$3,000.00	\$284,850.00		
State Shared	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.					
Sales Tax*	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.					

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.

The proposed development is welcome in these economic times. The fiscal benefits, along with the street realignment at the developer’s expense, are measurable and positive contributions. The additional benefit of diverse housing for seniors who will shop our stores and use our medical, social, and recreational services is likewise significant. A favorable Plan Commission recommendation is requested.