

OVERVIEW OF POTENTIAL SPECIAL STUDIES AND INITIATIVES

Topic	Impetus	Components	Implementation Effort	Other Considerations
I-88 Land Use Plan	NDP's 2025 I-88 Corridor Strategy recommends a small area plan and zoning amendments as an implementation item	<ul style="list-style-type: none"> - Create a “place types” map for target industries - Determine needed code amendments to the ORI zoning district 	<ul style="list-style-type: none"> - Hire a land use consultant - Conduct stakeholder meetings and field research - Prepare draft place types map and ORI code amendments - Conduct a public hearing before the PZC; final approval by CC 	There is increased pressure to redevelop the I-88 Corridor with residential uses. This study will help to establish where new residential uses may be appropriate, thereby providing clear direction to staff and the development community.
5th Avenue Master Development Plan	The ULI TAP for 5 th Avenue recommends the preparation of a Development Master Plan as the first implementation step	<ul style="list-style-type: none"> - Establish a clear vision for the future of the 5th Avenue Area, including housing and sustainability - Establish design guidelines, including mix of uses and height, density, and building character, - Identify necessary public infrastructure improvements, including open space, parking, and stormwater - Develop a phasing plan 	<ul style="list-style-type: none"> - Hire a consultant to prepare plan - Obtain resident and stakeholder input to explore development trade-offs - Receive Council direction to finalize priorities - Prepare draft plan - Conduct a public hearing before the PZC; final approval by CC 	The “People Over Parking Act” is a 2025 Illinois law which prohibits local governments from enforcing parking minimums on any development project within 1/2 mile of a public transportation hub or 1/8 mile of a public transportation corridor. This law, which will become effective on June 1 st , may significantly change the format of development near train stations.

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Inclusionary Zoning Ordinance (IZO)	CC New Business on 1/20/26 and CC discussion on 2/17/26	<ul style="list-style-type: none"> - Prepare an Inclusionary Zoning Ordinance 	<ul style="list-style-type: none"> - Hire a consultant to prepare menu of IZO options and their implications - Receive Council direction on IZO ordinance components - Obtain stakeholder feedback on draft ordinance - CC review of the final ordinance 	Upon adoption but prior to the effective date, either a new FTE or annual consultant dollars will be required to administer the IZO. Additionally, if fee-in-lieu is permitted, a Housing Trust Fund will need to be established (either specific to Naperville or regionally based if available).
Housing-Related Zoning Amendments	The City's 2022 Land Use Master Plan recommends establishing new zoning allowances for residential. CC discussed these items on 2/17/26	<ul style="list-style-type: none"> - Establish zoning allowances for accessory dwelling units, tiny homes, small lot single-family, residential in commercial areas, and reduced parking requirements. 	<ul style="list-style-type: none"> - Receive initial Council direction on development preferences - Complete research on best practices and draft ordinance - Conduct a public hearing before the PZC; final approval by CC 	On 2/17/26, Governor Pritzker announced the Building Up Illinois Developments (BUILD) bill which, if enacted, will result in statewide zoning standards which preempt local zoning authority, including increased density, legalization of ADUs, and limitations on minimum parking requirements which significantly differ from current Naperville allowances. If BUILD is enacted, staff does not recommend any further local zoning amendments.

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Other	While nothing formal has been submitted, staff is aware of the following special project discussions which, if pursued and/or supported, would necessitate (potentially significant) staff resources: <ul style="list-style-type: none"> - Naperville Preservation’s Preservation Plan and Recommended Incentive Program - Downtown Advisory Committee’s request to update the <i>Naperville Downtown2030</i> plan 			

SUPPLEMENTAL INFORMATION

1-88 Corridor Recommended Work

Based upon staff’s review of NDP’s 2025 I-88 Corridor Strategy, staff would recommend the following tasks (at minimum) related to the land use plan and ORI zoning.

Land Use Plan:

- Provide a land use recommendation for each of the 19 underperforming buildings identified in the Corridor Strategy
- Provide a land use recommendation for each of the parcels identified as “susceptible to change” in the Corridor Strategy
- Develop criteria for a mixed-use redevelopment along the I-88 Corridor:
- Provide additional direction related to desired housing (location and type)

ORI Zoning Review:

- Determine which targeted industries and/or supporting uses need to be added (and whether each should be listed as permitted or conditional)
- Determine if any existing permitted or conditional uses should be removed/amended
- Determine if any required conditions, area/lot width/yard requirements, or height limitations need to be amended

5th Avenue Development Master Plan (from ULI TAP Report)

The City of Naperville should start by creating a Development Master Plan for the 5th Avenue study area to establish a vision for the future and a development framework to help bring it to fruition.

Planning Process

To instill public confidence in the planning process, the panel recommends that Naperville hire a third-party consultant, rather than a potential future developer, to prepare the development master plan. Robust public engagement, with opportunities for residents and other stakeholders to explore development trade-offs and provide input, should be an integral part of the planning process.

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Plan Elements

Shared Vision and Goals. The 5th Avenue Development Master Plan should articulate a clear vision for the future, shaped both by city leadership and the community. This shared vision should help establish priorities such as attainable housing for working families, promoting sustainable building practices, and fostering civic pride and connection. This will provide the framework necessary for guiding and evaluating development projects.

Development Guidelines. For each developable site, the Master Plan should define preferred mix of uses and height, density, and building character, making it easier for developers to propose projects aligned with the community's requirements. At the same time, the guidelines should be flexible enough to allow developers to respond to changing market conditions without impacting financial viability of their projects.

Public Infrastructure Improvements. The Plan should outline the public infrastructure improvements needed to support redevelopment within the study area. These may include enhancing existing or creating new open spaces, implementing traffic calming measures, and strengthening stormwater management systems. A traffic study should be conducted to anticipate potential impacts of new development and recommend strategies to mitigate them. A wayfinding plan should be prepared to make the area easier to navigate and create a distinctive character, enhancing overall user experience.

Development Phasing. The Panel recommends phasing development of the study area parcels rather than undertaking all improvements at once. This approach provides greater flexibility to adapt future phases to evolving market conditions. For instance, in the initial phase, the City could retain some surface parking lots rather than incurring the significant upfront cost of replacing all commuter spaces with structured parking. As post-pandemic commuting and parking patterns become clearer, the City will be better positioned to determine how much commuter parking can be reduced and to design subsequent phases accordingly.

Inclusionary Zoning Ordinance Components

Based on a review of Inclusionary Zoning Ordinances (IZO) established in other Illinois municipalities, IZOs can be highly customizable to meet the housing goals established by the municipality. City Council direction will need to be provided on the following key IZO components in order for the ordinance to be drafted for public review and feedback:

- Minimum development size that the IZO will be applicable to. This can be based on number of units or site acreage, as well as type of units (i.e., single-family, multi-family).

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- Targeted income levels for rental and ownership units. Income levels can range from affordable to attainable to just below market levels.
- The minimum percentage of the total units which must meet the established targeted income levels. Generally, minimum percentages range from 5-20% of total units.
- The number of years that the set-aside units must remain within the targeted income levels, which is generally not less than 15 years but may be applicable in perpetuity. During the established affordability term, units can be resold, but their sale price is restricted in accordance with the established IZO.
- The benefits offered to off-set the financial impact that the required targeted income level units have on the development proforma. Benefits often include automatic zoning allowances (density bonuses, height waivers), fee waivers (permits, inspections, impact fees), and expedited review times.
- The cash amount that can be paid in-lieu of constructing the units within the development. Fee-in-lieu amounts range greatly from community to community, but fee-in-lieu is currently offered in 100% of the Illinois IZOs.

Upon establishment of an IZO, additional staffing will be needed to review each residential development for compliance with the IZO, including unit design; collection/disbursement of the fee-in-lieu; establishment of permitted rental or sale price; and income-qualifying future residents. In addition, following construction and occupancy, ongoing monitoring is required to ensure rent/sale limits continue to fall within allowable ranges and that new residents continue to meet income qualifications. If a regional housing trust fund is not available, Naperville will be required to establish this locally; a housing trust fund undertakes housing projects (construction of new units, mortgage/rental assistance, home improvement programs, etc.) using cash-in-lieu funds collected through the IZO.

Housing Related Zoning Amendments/BUILD Bill

As noted above, if the Build bill is enacted, local municipalities will be prohibited from adopting local regulations which are more prohibitive than those provided for in the bill. A summary of the Build proposal is provided below; these allowances are significantly more generous than the City's current ordinances permit.

BUILD Bill Proposals:

Permit Multi-Family Units by Right on any Residential Zoned Property (including single-family) as follows:

- Lot sizes between 2,500 sq.ft. to 5,000 sq.ft. – 4 dwelling units permitted by right
- Lot sizes between 5,000 sq.ft. to 7,500 sq.ft. – 6 dwelling units permitted by right
- Lots in excess of 7,500 sq.ft. – 8 dwelling units permitted by right

Permit Single-Family Homes by Right on Lots less than 2,500 sq.ft.

Permit Accessory Dwelling Units (ADUs) in all Single-Family zoning districts

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Reduce Permit Review and Inspection Times as follows:

- Complete plan review 15 business days after complete application; 10 days for subsequent submittals
- Complete inspections within 2 business days
- 3rd Party reviewers/inspectors permitted if the City cannot meet established timeframes

Establish a statewide formula for School and Park Impact Fees

Waive Minimum Parking Requirements for:

- Units under 1,500 sq.ft.
- Affordable Housing Units
- Assisted Living Establishments
- Ground Level Commercial in Mixed-Use
- Buildings Converting from Residential to Non-Residential

Establish New Maximum Parking Requirements:

- No more than 0.5 parking space per multi-family unit
- No more than 1 parking space per single-family home