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Title: Receive the staff report for the property located at 1350 E. Ogden Avenue - PZC 19-1-092 (Item 1 of 5)

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Date	Ver.	Action By	Action	Result
12/3/2019	1	City Council	received	Pass

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Receive the staff report for the property located at 1350 E. Ogden Avenue - PZC 19-1-092 (Item 1 of 5)

DEPARTMENT: Transportation, Engineering and Development

SUBMITTED BY: Sara Kopinski, AICP

BOARD/COMMISSION REVIEW:

The Planning and Zoning Commission considered this matter on November 6, 2019 and voted to recommend approval of the request (Approved 7-0). Staff concurs.

BACKGROUND:

The subject property consists of 2.265 acres of land at the southwest corner of Ogden Avenue and Tuthill Road. The property is currently developed with the Regency Inn, a motel with 123 rooms. The motel has been described as an underperforming use along the Ogden Avenue corridor, and the petitioner proposes reuse of the property by converting the existing motel into a one hundred and twelve (112) unit, micro-apartment community. To do so, the petitioner seeks approval of the following entitlements: rezoning the subject property from B3 to OCI (Office, Commercial and Institutional District); a conditional use for a multi-family residential building in the OCI district; a variance to the required minimum lot size per dwelling unit; and, a parking variance to decrease the number of required parking spaces.

The subject property is bordered by Ogden Avenue and the vacant Fair Oaks Ford property (zoned B3) to the north, Chase Bank (zoned B3) and KLA Schools (zoned OCI) to the east, the Naperville Salt Cave and Aldi (zoned B3) to the west, and unincorporated single-family homes to the south. The property functions as a transitional piece of land between more intensive business uses along Ogden

Avenue, and lower intensity residential uses to the south.

The East Sector Update (1998) identifies the future land use of the property as “Commercial”. The proposed OCI zoning is compatible with this designation, though the overall development concept differs from what was previously planned for. Despite this difference, staff finds the current proposal to be a good complement to surrounding land uses and development trends in the area, and notes that the subject property has been identified as underperforming with its current B3 zoning designation.

DISCUSSION:

Rezoning

The petitioner seeks to rezone the subject property to OCI (Office, Commercial and Institutional District). The adjacent properties to the south are predominantly unincorporated single-family homes, and the new KLA Schools to the east was rezoned to OCI in early 2019. The intent of the OCI district is to act as a transitional zone between intensive business areas and residential neighborhoods. The proposed development is anticipated to provide that transition between the commercial areas along Ogden Avenue and the less intensive uses to the south and southeast.

Additionally, staff notes that in its current condition, the property has been described as underperforming and would benefit from increased property maintenance and upgrades. The proposed rezoning will facilitate reuse of the property into an attainable rental housing opportunity near multiple transportation modes, commercial goods and services, as well as aesthetically enhance the Ogden Avenue corridor. Diversification of housing options and Ogden improvements are consistent with the goals established in the City’s long-range plans. Consequently, staff is supportive of the petitioner’s proposed rezoning and finds it to be compatible and consistent with properties in the surrounding area.

Findings of Fact

The petitioner’s responses to the Standards for Granting a Map Amendment can be found in the attachments. Upon review, the Planning and Zoning Commission and staff agree with the petitioner’s Findings and recommend their adoption by City Council.

Conditional Use to Allow Multi-Family Residential in the OCI Zoning District

The Municipal Code recognizes that there are certain uses which, because of their unique characteristics, cannot be properly classified in any particular zoning district without consideration of their impact upon adjacent land and the public need for the particular use in a certain location. The OCI zoning district classifies multi-family residential units as a conditional use. Staff finds the proposed micro-apartments to be appropriate on the subject property due to the site layout and aesthetic enhancements planned, as well as diversification of the City’s housing stock in a location close to multiple transportation modes, commercial goods and services.

The petitioner has designed the site to deemphasize the residential nature of the development along Ogden Avenue by locating the amenity areas (lobby/lounge, kitchen, gym, management, laundry) along the Ogden frontage and the residential units behind. Several aesthetic enhancements to the site are also proposed, including improvements to the building elevations, installation of new landscaping and hardscaping amenities, and removal of a non-conforming pole sign.

The micro-apartment community will provide market rate housing; however, monthly rental rates are anticipated to fall within the Illinois Housing Development Authority’s (IHDA) affordability levels due to

the size of the units. The units will not be income or rent-restricted and the developer does not intend to pursue any federal funding for the project.

The proposed development will generally maintain the existing site layout and will be accessible from both Ogden Avenue and Tuthill Road. Staff finds the development to maintain a sufficient design and serve as an appropriate transition between the more intensive commercial areas along Ogden Avenue, and the single-family homes to the south. Accordingly, staff is supportive of the requested conditional use.

Findings of Fact

The petitioner's responses to the Standards for Granting a Conditional Use can be found in the attachments. Upon review, the Planning and Zoning Commission and staff agree with the petitioner's Findings and recommend their adoption by City Council.

Variances

Reduction in required minimum lot area

Section 6-7F-5 of the Municipal Code

[https://library.municode.com/il/naperville/codes/code_of_ordinances?](https://library.municode.com/il/naperville/codes/code_of_ordinances?nodeId=TIT6ZORE_CH7BUDI_ARTFOCOFCOINDI_6-7F-5ARRE)

[nodeId=TIT6ZORE_CH7BUDI_ARTFOCOFCOINDI_6-7F-5ARRE](https://library.municode.com/il/naperville/codes/code_of_ordinances?nodeId=TIT6ZORE_CH7BUDI_ARTFOCOFCOINDI_6-7F-5ARRE) identifies that there shall be a minimum lot area of 2,600 square feet per dwelling unit (or 16.75 dwelling units per acre) for multiple-family dwellings in the OCI zoning district. This requirement is not intended to impose a minimum interior/livable square footage requirement for each residential unit; rather, it is used as a means of controlling site density and the overall bulk of the building.

The petitioner requests approval of a deviation to allow a minimum lot area of 880.92 square feet per dwelling unit (or 49.45 dwelling units per acre) for a 112-unit, micro-apartment community. The increased density proposed does not increase the FAR of the building, and staff finds that the building remains compatible with surrounding land uses in terms of setbacks and building bulk. The petitioner identifies that this variance request relates to the affordability of the units and the lack of an appropriate zoning district that allows for the requisite density. The petition outlines that the proposed density offers the ability to efficiently utilize resources, which is critical for this project to be successful and provide housing at an attainable rental rate for local work force, millennials, seniors and others.

There are 123 motel rooms in the building as it exists today, and the petitioner proposes reducing the number of occupiable rooms down to 112. Staff is supportive of the requested variance, noting that a request for increased residential density does not increase the bulk of the building and is not anticipated to be detrimental to the provision of municipal services and infrastructure. Furthermore, the petitioner's traffic study indicates that the proposed residential development will generate less traffic than the existing motel.

Findings of Fact

The petitioner's responses to the Standards for Granting a Zoning Variance can be found in the attachments. Upon review, the Planning and Zoning Commission and staff agree with the petitioner's Findings and recommend their adoption by City Council.

Parking Variance

The petitioner requests a deviation from [Section 6-9-3:1 \(Off-Street Parking Facilities: Residential Uses\)](https://library.municode.com/il/naperville/codes/code_of_ordinances?nodeId=TIT6ZORE_CH7BUDI_ARTFOCOFCOINDI_6-7F-5ARRE) [https://library.municode.com/il/naperville/codes/code_of_ordinances?](https://library.municode.com/il/naperville/codes/code_of_ordinances?nodeId=TIT6ZORE_CH7BUDI_ARTFOCOFCOINDI_6-7F-5ARRE)

[nodeId=TIT6ZORE_CH9OFSTPA_6-9-3SCOFSTPARE>](#) to reduce the number of required parking spaces for the development. Per Code, multi-family dwelling units require 2.25 parking spaces per dwelling unit (2 of which are to be designated for residents, and 0.25 to be designated guest parking spaces), regardless of how many bedrooms the units have or the location of the development.

The proposed 112-unit building is required to provide 224 resident parking spaces and 28 guest parking spaces, for a total of 252 parking spaces. The petitioner proposes a site plan with 118 parking spaces, which is equivalent to 1.05 parking spaces per dwelling unit. 112 parking spaces are to be assigned to residents and 6 parking spaces are to be reserved for guests. A summary table of Naperville requirements versus the proposed parking numbers for 1350 E. Ogden is provided below:

NAPERVILLE REQUIREMENTS			1350 E. OGDEN	
	# of spaces per unit	Total # of spaces	# of spaces per unit	Total # of spaces
Overall Parking	2.25	252	Overall Parking	1.05 118
Resident Parking	2.0	224	Resident Parking	1.0 112
Guest Parking	0.25	28	Guest Parking	0.05 6

The purpose of the City's parking requirement is to ensure that adequate parking is provided to meet demand. To support the requested variance, the petitioner has submitted a detailed parking study that compares the City's parking requirements to National Parking Data, comparable residential developments, CoStar data, and U.S. Census Bureau data. The findings indicate that the proposed parking ratio of 1.05 parking spaces per dwelling unit surpasses the parking needs of the average renter-occupied, multiple-family residential dwelling unit on a per bedroom basis. Within the City of Naperville, there have been other residential parking variances submitted and supported that require one parking space per bedroom including Lincoln at CityGate and Ellsworth Apartments.

As studios/micro- apartments, none of the units in the 1350 E. Ogden proposal will have more than one bedroom. The petitioner has committed to restricting each unit/bedroom to one parking space, and maintaining six parking spaces as guest parking. Staff is supportive of the requested parking variance subject to the conditions that non-guest parking spaces are formally assigned/reserved to each unit, and should parking demand on the property exceed parking supply, the property owner will be required to correct the parking deficiencies.

Findings of Fact

The petitioner's responses to the Standards for Granting a Zoning Variance can be found in the attachments. Upon review, the Planning and Zoning Commission and staff agree with the petitioner's Findings and recommend their adoption by City Council.

Landscape Plan

The proposed landscape plan exceeds Code requirements with new parkway trees in the public rights-of-way, new outdoor amenity areas complemented by an overhead trellis, and additional landscaping and buffering in the rear yard to enhance separation between the proposed multi-family residential and single-family homes to the south.

Building Elevations

The petitioner proposes enhancing the existing building elevations by installing the following: floor to ceiling windows on the front façade facing Ogden Avenue to add transparency and visual interest to the building; vertical slats with an Italian walnut or similar finish for additional articulation to each

façade; painting existing (*already painted*) masonry in differing colors for visual interest.

Electric Service Agreement

Significant modifications to the subject property's electric service would be required as part of the conversion of the existing motel into a 112-unit micro-apartment community. In working with City staff, it has been found that retrofitting the existing building to provide a separate electric meter for each apartment (as is a standard requirement for multi-family residential) would be extremely difficult to achieve and cost prohibitive.

In lieu of providing an electric meter for each apartment, the petitioner requests the City approve centralized metering. Centralized metering would allow the property to be served by one or more electric meters that provides usage data on a monthly electric utility bill for the entire Building. Payment of the monthly electric bill would be the responsibility of the property owner.

City staff has worked with the petitioner on the Electric Service Agreement proposed and is agreeable to the centralized metering. Staff recommends City Council pass the ordinance approving the Electric Service Agreement for the subject property.

Resolution in Support of an Alternative Plan

The site plan, building elevations, and landscape plans submitted with the development petition assume the re-use and conversion of the existing motel structure for a 112-unit micro-apartment community building; however, the petitioner is currently investigating the feasibility of demolishing the existing structure and constructing a new 112-unit building should this alternative prove to be financially feasible. No redevelopment plans have been prepared to date, though the petitioner indicates a new structure could offer increased accessibility; enhanced common space amenities to its future residents; possibly increase the average unit size; and significantly improve the building's aesthetic value in compliance with the objectives provided in the City's *Ogden Avenue Enhancement Initiative*.

Prior to purchasing the Subject Property, the petitioner seeks City Council support of an option to demolish the existing structure and construct a new 112-unit micro-apartment community on the Subject Property as detailed in Resolution No. _____. Staff is in support of the petitioner's request.

Planning & Zoning Commission Action

The Planning and Zoning Commission considered this matter at their meeting on November 6, 2019. Two members of the Senior Task Force spoke in favor of the project and providing different types of housing products in the City, and nearby homeowner expressed support for the project as well. One member of the public raised concerns with traffic and stated that this project does not beautify the Ogden/Naper corridor. Following limited comments, the Planning and Zoning Commission closed the public hearing, and moved to adopt the findings of fact as presented by the petitioner and approve PZC 19-1-092 (approved 7-0). Staff concurs with the Planning and Zoning Commission's recommendation.

Key Takeaways

- The petitioner is requesting rezoning to OCI (Office, Commercial and Institutional District). Staff is in support of the request for rezoning due to consistency and compatibility with the zoning of surrounding properties, the intent of the OCI district, and the transitional nature of the area.

- The petitioner requests approval of a conditional use to allow a multiple-family development within the OCI zoning district. Staff is in support of the request due to the attainable housing option proposed and the development serving as an appropriate transition between more intensive commercial areas along Ogden Avenue and single-family homes to the south.
- The petitioner requests approval of variances to reduce the required minimum lot area per dwelling unit and the number of required parking spaces. Staff finds each of these requests meets the required standards.
- The petitioner requests approval of an electric service agreement that would allow centralized metering on the site. Staff is supportive of the request due to the logistical difficulties and cost prohibitive nature a retrofit of the existing electric service would have.
- The petitioner requests approval of a resolution in support of an alternative plan to demolish the existing structure and construct a new 112-unit micro-apartment community at the subject property. Staff is supportive of the request due to the significant benefits a new structure could have on the subject property.
- Staff is supportive of the proposed use and layout of the subject property. The proposed development complements the surrounding area and diversifies the City's housing stock.

Related Files

The following agenda items are related to PZC 19-1-092:

- Pass the ordinance rezoning 1350 E. Ogden Avenue to OCI (Office, Commercial and Institutional) - PZC 19-1-092 (Item 2 of 5)
- Pass the ordinance approving a conditional use in the OCI zoning district to allow for a multi-family building, and variances to reduce the required minimum lot area and reduce the required number of off-street parking spaces, for the property located at the southwest corner of Ogden Avenue and Tuthill Road (1350 E. Ogden) - PZC 19-1-092 (Item 3 of 5)
- Pass the ordinance approving electrical services agreement for 1350 E. Ogden Redevelopment - PZC 19-1-092 (Item 4 of 5)
- Pass the resolution in support of an alternative plan to demolish the existing structure and construct a new 112-unit micro-apartment community at the property located at 1350 E. Ogden Avenue - PZC 19-1-092 (Item 5 of 5)