



Legislation Text

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PLANNING AND ZONING COMMISSION AGENDA ITEM

ACTION REQUESTED:

Open and resume the public hearing for CityGate West - PZC 20-1-022 (Item 1 of 3)

DEPARTMENT: Transportation, Engineering and Development

SUBMITTED BY: Sara Kopinski, AICP

BOARD/COMMISSION REVIEW:

The Planning and Zoning Commission opened the public hearing for PZC 20-1-022 on November 18, 2020, and continued it to December 16, 2020.

BACKGROUND:

The subject property consists of approximately 60.226 acres at the southwest corner of IL Route 59 and Ferry Road. The property is currently zoned I (Industrial District) and consists largely of vacant land. Inter-Continental Real Estate & Development Corporation proposes CityGate West (CGW), a mixed-use development that includes: 7 restaurant sites; 2 multi-tenant retail sites; 19 acres of open space; 2 5-story mixed-use buildings with a combined total of 410 residential units; 1 medical office building; and, 2 hotels (one on Lot 11 and one on Lot 15).

The petitioner requests approval of rezoning the property to OCI, initiation of a text amendment to designate restaurants as a conditional use within PUDs in the OCI district, a conditional use to establish the CityGate West PUD and a preliminary PUD plat; conditional uses for multi-family residential, full service hotels, retail, and restaurants (subject to approval of a text amendment); and, multiple deviations to the Municipal Code.

When this item was presented to the PZC on November 18th, staff indicated that it did not support the proposed hotel on Lot 11 because it falls significantly short of meeting the intent of the full-service hotel requirements in the City Code. PZC discussion therefore focused on the hotel proposed on Lot 15. Staff continues to recommend denial of the Hotel on Lot 11 as discussed below (in **Outstanding Issues**).

A full list of the entitlements requested are identified in the Entitlement Request Table attached to this agenda item.

DISCUSSION:

Petitioner includes references throughout its application materials that Top Golf and Whirlyball are part of the CGW campus. It is important to note that Top Golf and Whirlyball are not included in the proposed CGW PUD and the revised phasing plan clearly delineates that these facilities, as well as CarMax, are not included in the proposed PUD. Accordingly, while these facilities provide amenities

to the City, they cannot be considered to fulfill any of the zoning or PUD requirements for the CGW development, as suggested by the Petitioner.

PZC Input

The Planning and Zoning Commission opened the public hearing for CityGate West on November 18, 2020, and continued it to December 16, 2020 to allow the petitioner time to address comments and provide additional information regarding the proposed project phasing, including the timing of the hotel and banquet facility construction on Lot 15; requested multi-family modifications; and school district position. The petitioner's response to these requests is attached. Staff provides the following additional information in regard to the PZC's requests and the petitioner's responses.

Project Development

Staff and the PZC requested that the petitioner provide additional detailed information to assure that the proposed development will be constructed and maintained as a mixed-use development. This included further details regarding the type of banquet facility proposed on Lot 15, assurances that it will be operated simultaneously with the hotel on Lot 15, and overall phasing details to understand the order in which the development will be constructed. The petitioner indicated that they cannot provide the level of detail requested because those items have not yet been finalized; however, the Petitioner noted that this information will be available in the future when the future Final PUD Plats are submitted.

Because Petitioner is seeking multiple entitlements which the City will be bound by (e.g. rezoning, five conditional uses, a preliminary PUD Plat, and multiple deviations), granting those entitlements without assurances from the Petitioner regarding development of the entire project would not be in the best interest of the City. Therefore, Legal and Planning staff have developed a preliminary list of conditions to be included in the ordinances approving the entitlement requests for CGW (see **Recommended Conditions** below); these Conditions will also be included in the Owners Acknowledgement and Acceptance (OAA) agreement attached to the Final Subdivision Plat when submitted for approval, and be applicable to each Final PUD Plat submitted.

Per the conditions, the Final PUD Plats for any phase of CGW will not be deemed to be in substantial conformance with the approved Preliminary PUD Plat until the Petitioner satisfies those Conditions. This approach allows for a detailed future review and approval process. The petitioner has indicated that the proposed Conditions are acceptable.

Multi-family Residential Modifications

The Petitioner has reduced their requested height deviation for the mixed-use/multi-family residential buildings from 77-foot-tall buildings to 66-foot-tall buildings which is consistent with the preliminary elevations they submitted.

Staff recommended a reduction in density for the two residential buildings from 410 units to 340 units in order for the recommended 750 SF lot area per dwelling unit to be met. In response, the petitioner reconfigured their lots so that the lot on which the residential buildings will be located (Lot 4) has a larger lot area. Therefore, Petitioner is still seeking 410 residential units.

Naperville School District 204's Objection

School District 204 objects to the residential component of the CGW development. Further, SD 204 is currently seeking a text amendment to update the District 204 donation tables which will be brought

to the City Council in early 2021. The School District has submitted a letter outlining the basis for their objection and indicating why a negotiated settlement as proposed by the petitioner is not acceptable.

CGW will be required to pay the land-cash donations in effect in the Code at the time permits for each residential structure are submitted. Per the Petitioner, this may not occur until 5 years from the date of Preliminary PUD approval.

Outstanding Issues

Proposed Lot 11 Hotel

While the Recommended Conditions address many of staff's concerns, staff continues not to support the hotel proposed on Lot 11 finding it to be more appropriately defined as a limited service hotel. The petitioner's attempt to rely on amenities (Top Golf & Whirlyball) located outside of the subject PUD to satisfy the full-service requirements of the proposed hotel is not acceptable. Section 6-7F-4:4 (Required Conditions/Full Service Hotels) states the following:

Full service hotels shall include at least one hundred fifty thousand (150,000) square feet of hotel, commercial, or service floor area, banquet and/or meeting space, either within a single building or multiple buildings located in a campus setting (**defined as a single lot or planned unit development**)...

Top Golf and Whirlyball do not meet the requirement of providing amenities within a single lot or planned unit development. To allow the approach suggested by Petitioner (i.e. since Top Golf and Whirlyball are close-by, they should be allowed to be counted toward CGW amenities required by the Code) would negate the intent of the Code.

Furthermore, staff finds that support of the proposed deviations to allow for off-campus amenities will likely lead to additional limited service hotels requesting similar deviations based on amenities in general proximity to their location. Such an approach is not consistent with the intent of the full-service hotel policy, nor the subsequent zoning requirements, established by City Council in the early 2000s. Staff receives many requests for new limited service hotels throughout the City and consistently notes no support for them based on inability to meet the zoning requirements. Accordingly, staff does not support the requested deviations for the hotel on Lot 11 finding that the proposed hotel neither meets the intent nor definition of a full-service hotel.

Proposed Lot 15 Hotel

While deviations are also required for the proposed hotel on Lot 15, staff finds that the proposed Conditions which require simultaneous construction and operation of a banquet facility (sufficient for not less than 500 people), or an entertainment venue for greater than 500 people (in which case the banquet facility may accommodate less than the 500 people), as well as the other required components, will result in this hotel generally satisfying the intent of the full-service hotel requirements.

Recommended Conditions

Following the November 18, 2020 PZC meeting, staff has worked with the City's legal department to identify conditions to attach to any approval ordinances granted for the CityGate West development. These proposed conditions were presented and discussed with the petitioner prior to release of the December 16, 2020 PZC meeting packet. Subject to these conditions being included in the

ordinances, staff is supportive of the requested entitlements other than the hotel proposed on Lot 11 for the reasons noted above.

1. Compliance with the requirements of the City Code, including but not limited to conditional use and planned unit development requirements.
2. A final plat of subdivision for the entire Subject Property must be approved by the City and recorded prior to consideration of any final PUD Plat for any phase of the Subject Property. An overall Owner's Acknowledgment and Acceptance Agreement (OAA) approved by the City Attorney for the development shall be incorporated as an exhibit to the ordinance approving the final subdivision plat. In addition, unless otherwise determined to be unnecessary by the City Zoning Administrator, an OAA shall be required for approval of each Final PUD Plat for each phase of the Subject Property.
3. With submission of a Final PUD Plat for each phase of the PUD the following shall be included: final landscape plan; final open space exhibit; proposed Century Walk improvements; refuse plan; final building elevations in compliance with the Citywide Building Design Guidelines (as amended from time to time) and also consistent with the design intent of the approved Preliminary PUD; final signage plan; and a detailed design schedule per proposed building which includes final building square footage, final residential unit counts/hotel rooms (as applicable), tenant data needed to determine required parking, and parking spaces to be provided to satisfy Code requirements.
4. Shared parking cross access easements over the entire PUD shall be submitted for approval to the City Attorney and recorded prior to recordation of the first Final PUD Plat for any portion of the Subject Property. For each Phase, if required parking cannot be provided wholly with the parameters of that Phase, parking available on other Phases provided may be relied upon with the approval of the Zoning Administrator if such parking complies with the requirements of Section 6-9-2: 1-3 of the Code.
5. A phasing plan for the entire PUD shall be submitted with the first Final PUD Plat for the Subject Property which phasing plan shall specify which phases will be constructed in which order and the timeframe for each. The phasing plan shall include those access points, driveways and utilities, which shall be subject to approval by the City Engineer, that will be required to be constructed prior to issuance of an occupancy permit for any use contained within the first final PUD Plat. The same process shall be repeated with each subsequent Final PUD Plat. Financial surety, in an amount approved by the City Engineer and in a form and from a source approved by the City Attorney, shall be submitted with for each Final PUD Plat.
6. The City will accept Final PUD Plats in phases for the PUD subject to the requirement that all phases must achieve final PUD plat within five (5) years from approval of the Preliminary PUD. Any portion of the Subject Property for which a final PUD Plat has not been approved by City Council within five (5) years from the date of approval of the Preliminary PUD Plat shall be subject to revocation in whole or in part by the City Council at its sole discretion. The two residential structures on Lot 4 shall be submitted together as one phase. The Hotel and amenities on Lot 15 shall also be submitted as one phase.

7. Construction shall commence within three (3) years of the date of approval of each Final PUD Plat and shall be completed in the timeframe stipulated on the Phasing Plan.
8. Re: the residential structures on Lot 4 of the Subject Property: The number of residential units may not be increased over 205 per each structure; the unit mix (i.e., studio, one-bedroom and two-bedroom units) approved on the Preliminary PUD Plat shall not be altered without approval by the City Council. The land/cash donation required under the Code shall not be paid under objection and shall be paid per permit in compliance with Section 7-3-5 of the Code then in effect (with each structure receiving a single permit).
9. At least one restaurant must be operational within the PUD prior to and at the time an occupancy permit is issued for either the Hotel on Lot 11 or the Hotel on Lot 15 (whichever comes first). In addition, at least one of said restaurants shall provide room service to guests of each Hotel. *[Note: if only the Hotel on Lot 15 is approved, this condition shall be modified accordingly.]*
10. A banquet facility (sufficient for not less than 500 people) and a Hotel on Lot 15 shall be simultaneously constructed and operational. An occupancy permit shall not be issued for the Hotel until the banquet facility is operational. Notwithstanding the foregoing, if an entertainment venue, as set forth in the Petition, for greater than 500 people is constructed and operational on Lot 15 simultaneously with the Hotel and banquet facility, the banquet facility may accommodate less than the 500 people required by code, but shall not accommodate less than 360 people as set forth in the Petition. If the entertainment venue is not constructed and operated simultaneously with the hotel, Petitioner will be required to submit plans with the Final PUD Plat for that phase which indicate interim improvements that will be made to the existing Odyssey Fun World building, including but not limited to, removing all existing signage, addressing any exterior property and/or building maintenance issues, and improving the overall building aesthetics.
11. Upon submittal of a Final PUD Plat for any approved Hotel on the PUD, Petitioner will provide details regarding the proposed banquet/and/or meeting space intended to fulfill the City's full-service hotel requirements. The banquet and/or meeting space shall be sufficient for not less than 500 people, except as specifically provided in Condition 10 above. The City Zoning Administrator will determine whether what is submitted as a banquet facility/meeting space is consistent with the banquet facility/meeting space approved with the Preliminary PUD. The preliminary elevations that were submitted by the Petitioner for the hotel, banquet and/or meeting space, and music/theater venue located on Lot 15 are conceptual only; staff has noted that they are not currently in compliance with the Citywide Building Design Guidelines. Elevations shall be submitted with the Final PUD for Lot 15 and shall be reviewed for compliance with all City requirements.
12. On the first of any final PUD plat submitted for a Phase of the PUD which includes a perimeter restaurant or retail pad, Petitioner shall elect which of the two options presented at preliminary PUD will be used.
13. The structures on Lot 4 shall each include retail and office uses on the first floor. The first floor may contain work space affiliated with a residential live-work rental unit; however, said

first floor space shall not include any bedroom units.

14. Following approval of the parking and stacking deviations, if the City's Zoning Administrator determines that the current and proposed tenants' parking needs cannot be accommodated within the parking on the Subject Property, the owner of the Subject Property (or Owner's successors, transferees, and assigns) shall promptly take adequate measures to meet the parking needs of said tenants, including but not limited to formally assigning/reserving parking spaces for each unit, restricting the number of leasable units, or establishing an overflow parking location off-site, as necessary, which measures shall be subject to the review and approval of the Zoning Administrator. Failure to timely take adequate measures to adequately accommodate tenant parking needs on the Subject Property to the satisfaction of the City's Zoning Administrator may result in the City's revocation of one or more of the deviations approved herein.
15. The properties identified on the Phasing Plan as Sheet L1.2 (other than those portions designated as hotel/retail/restaurant and retail/MOB) and L1.3 are reserved for stormwater detention and open space.
16. Any Final PUD Plat for any phase of the Subject Property which does not meet required conditions or which is not in compliance with the Naperville Municipal Code (unless variances or deviations therefor have been approved) shall not be considered to be substantially in conformance with the Preliminary PUD Plat. If revisions are proposed which are not in substantial conformance with the Preliminary PUD Plat, and any new deviations sought, shall be referred to the PZC for consideration. The reconfigured Lot 4 (previously Lot 4, 5, and a portion of 16) shall not result in, nor justify, any new zoning deviations for the remaining lots impacted by this reconfiguration. If any proposed building or lot does not meet minimum zoning requirements as a result of the reconfigured Lot 4, other than those deviations specifically granted for those lots in conjunction with the Preliminary PUD, said buildings and/or lots shall be adjusted at time of Final PUD submittal to comply with all said zoning requirements.

Related Files

The following agenda items are related to PZC 20-1-022:

- Initiate a text amendment to designate restaurants as a conditional use within PUDs in the OCI district (CityGate West) - PZC 20-1-022 (Item 2 of 3)
- Consider rezoning the subject property from I District to OCI District for CityGate West; a conditional use to establish the CityGate West PUD and a preliminary PUD plat; a conditional use to allow multi-family residential on Lots 4 and 5; a conditional use to allow full service hotels on Lots 11 and 15; a conditional use to allow restaurants (subject to approval of Text Amendment) on Lots 1, 2, 6, 7, 8, 9, 12, 13, and 16; a conditional use to allow retail uses on Lots 4, 5, 12, and 13; and, multiple deviations to the Naperville Municipal Code for CityGate West - PZC 20-1-022 (Item 3 of 3)