

400 S. Eagle Street Naperville, IL 60540



# **Legislation Text**

File #: 23-0170B, Version: 1

#### CITY COUNCIL AGENDA ITEM

### **ACTION REQUESTED:**

Receive the staff report for 404 Illinois Route 59 (Block 59) - PZC 22-1-038 (Item 1 of 4)

**<u>DEPARTMENT:</u>** Transportation, Engineering and Development

SUBMITTED BY: Sara Kopinski, AICP

## **BOARD/COMMISSION REVIEW:**

The Planning and Zoning Commission considered PZC 22-1-038 on February 15, 2023 and voted to recommend approval of the petitioner's requests (approved 9-0). Staff concurs with the PZC's recommendation.

## **BACKGROUND:**

The Heritage Square PUD is zoned B2 (Community Shopping Center District) and consists of approximately 16 acres at the northeast corner of Route 59 and Aurora Avenue. It is currently improved with four commercial buildings, parking and stormwater detention facilities. The buildings include approximately 212,000 sq. ft. of leasable area, but the petitioner has indicated that only about 36,000 sq. ft. are currently occupied. The Westridge Court shopping center is adjacent to the Heritage Square PUD and consists of approximately 49.65 acres of land and 471,000 sq. ft. of commercial/retail space.

Heritage Square and Westridge Court are under the common ownership of Brixmor Property Group, a publicly traded company. As part of the Block 59 project, Westridge Court will convey 43,013 sq. ft. of the Westridge Property to the Heritage Square property. Concurrently, Heritage Square will convey 27,766 sq. ft. of the Heritage Square property to Westridge Court. Following these conveyances, the Block 59 property will be approximately 16.48 acres in size.

On the Block 59 property, the petitioner proposes demolishing all but two of the existing buildings (Lazy Dog Restaurant and the building which currently houses Burn Boot Camp will remain) and redeveloping the site with a restaurant/entertainment/experiential development. To do so, the petitioner seeks approval of revocation of the Heritage Square PUD and establishment of the Block 59 PUD with deviations to code required parking, signage, light pole height, and drive-through bypass lanes.

#### **DISCUSSION:**

## Revocation of the Heritage Square PUD

The petitioner is seeking to revoke the Heritage Square PUD approved through Ordinance 91-205. The original Heritage Square PUD was comprised of a single-lot commercial development with an approved site plan but no further rights or obligations for the property.

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As noted above, the PUD is currently underutilized with only 17% of leasable space being occupied. The Heritage Square PUD does not meet the standards for granting a PUD currently identified in the Municipal Code; and, due to the high vacancy rate within the development, is generally obsolete. The petitioner requests revocation of the existing Heritage Square PUD, along with a conditional use to establish a new PUD called Block 59. Staff is supportive of the revocation request.

## Preliminary Plat of Subdivision

The petitioner proposes a preliminary plat of subdivision to reflect the conveyances outlined in the Background section of this report. Staff finds the proposed plat of subdivision meets the technical requirements for approval and is supportive of the resubdivision.

# Conditional Use to Establish a Planned Unit Development (PUD) & Preliminary PUD Plat

The Municipal Code identifies that the objective of a PUD is to encourage a higher level of design and amenity than is possible to achieve under otherwise applicable zoning regulations. The proposed Block 59 PUD seeks to redevelop the subject property with a restaurant/entertainment/experiential development for Naperville residents and visitors. Lazy Dog and the commercial building which currently houses Burn Boot Camp are envisioned to remain, while the balance of the subject property will be redeveloped with up to 11 new buildings.

Block 59 will be integrated with the adjacent Westridge Court Shopping Center through new pedestrian connections, reconfigured parking areas, and directional signage. The petitioner has confirmed that all tenants and their customers will have parking and access rights throughout both Block 59 and Westridge Court.

As part of the preliminary PUD approvals, the petitioner also proposes Block 59 branding and art elements which will enhance the entertainment/experiential theme of the development.

## Common Open Space

Section 6-4-3:3 of the Municipal Code requires mixed-use/non-residential PUDs to provide outdoor common areas covering a minimum of 20% of the site. The proposed site layout provides approximately 3.87 acres of common open space area, which is equivalent to 23.5% of the total lot coverage. These outdoor common areas feature a centralized event plaza with year-round programming, landscaped pedestrian connections throughout the development, and a smaller space at the corner of Aurora Avenue and IL Route 59 to anchor the buildings at the corner and provide opportunities for outdoor dining and gathering.

#### Elevations

Section 6-4-3:11.1.3 (Designs and Criteria) of the Municipal Code requires PUDs to feature superior architectural design. The preliminary elevations proposed for Block 59 comply with the City's Building Design Guidelines and utilize a shared material palette in earthtone colors. Complimentary architectural features and rooflines will be incorporated throughout the development. Staff finds the proposed buildings to relate well to one another and to enhance the sense of place within the Block 59 PUD. Final building elevations will be reviewed and approved during final PUD approvals.

#### Findings of Fact

The PZC and staff believe that the proposed development and open space areas satisfy the intent of

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the City's PUD standards. The petitioner's responses to the Standards for Granting or Amending a Planned Unit Development can be found in the attachments. Upon review, the PZC and staff agree with the petitioner's Findings and recommends their adoption by City Council.

## **PUD Deviations**

Several PUD deviations are requested in conjunction with the petitioner's PUD request. The petitioner believes the deviations requested will help facilitate the unique destination Block 59 is intended to be.

## **Parking**

Section 6-9-2 (Off Street Parking Facilities) of the municipal code requires parking spaces to be located on the same lot as the building served, or on adjacent lots provided that shared spaces are within 300 feet walking distance. The petitioner has confirmed that parking for Block 59 and the adjacent Westridge Court Shopping Center will be shared through an amended reciprocal easement agreement (REA) and should be considered a collective off-street parking area in accordance with the municipal code. Staff has confirmed that excess parking is available in Westridge Court and can be applied towards Block 59's required number of parking spaces due to previously approved parking variances for Westridge Court (approved through Ordinance 19-150).

The petitioner requests approval of a deviation to Section 6-9-3 (Schedule of Off-Street Parking Requirements) of the Municipal Code to reduce the required parking from 3,796 parking spaces to 3,358 parking spaces for Block 59 and Westridge Court. To support the variance request and ensure parking will remain adequate once Block 59 is developed, the petitioner has provided a parking study and a tenant roster with a breakdown of required parking versus available parking within the area.

### Key Parking Considerations

- The number of required parking spaces assumes usage/full capacity of the Block 59 event plaza. The Municipal Code requires 350 parking spaces to serve the event plaza (at a ratio of 1 parking space for every 2.5 seats), even though its usage will not be ongoing. Events will be scheduled, and the petitioner has worked with staff to identify overflow parking areas to accommodate additional vehicles coming to the site for events if necessary.
- The number of required parking spaces assumes a potential expansion of the Hollywood Palm movie theater, though no expansion is planned at this time.
- The petitioner anticipates several restaurant tenants to have differing peak times as some of the tenants will only be open for breakfast while others are open later in the day.

## Parking Overflow Proposal

Though not anticipated in the petitioner's parking study, if parking demand exceeds parking supply on -site, the petitioner has identified two options to increase parking capacity within the Block 59/Westridge Court area. One key parking consideration the petitioner emphasizes is that 350 of the code required parking spaces are only required for special events on the plaza and are not a continuous need. The petitioner has proposed the following strategies to help accommodate events and times of peak parking demand on the site:

 Designated valet area. 223 parking spaces along the Aurora Avenue frontage will be utilized for valet parking. The petitioner has indicated that areas reserved for valet parking benefit from a 30% parking capacity increase, so 223 traditional parking spaces will accommodate 290 cars. (Net gain in this area will be 67 cars)

• Event overflow parking. During events and scheduled programs, the petitioner agrees to providing an overflow area behind the Aurora Avenue storefronts. Approximately 220 parking spaces can be provided here; and, if used for valet, this area could accommodate up to 290 cars. (Net gain in this area will be 220-290 cars)

Utilizing these two options can increase the parking capacity of the development by up to 357 additional vehicles, significantly reducing the development's deficit from approximately 438 parking spaces to 151 parking spaces or less.

## Parking Conditions

Based on the information the petitioner has provided, the proposed parking appears to be adequate for Block 59 and Westridge Court. While staff is generally comfortable that the efficiencies gained by designated valet parking areas and the opportunity for event overflow parking, staff recommended several conditions for approval, which have been included in the attached PUD ordinance. The petitioner has indicated agreement to these conditions.

## **Light Pole Height**

Section 6-14-4:3.2.5 of the Municipal Code restricts light pole height to 25 feet in commercial districts. The petitioner requests approval of a deviation to this section so the height of the light poles can be increased to 30 feet in limited areas of the development. The limited areas will include the event plaza surrounded by Buildings A through D on the preliminary PUD plat and the parking fields immediately northeast of these buildings. The petitioner states that increasing the height of the light poles in these areas will provide enhanced lighting for public gathering spaces, thereby enhancing the atmosphere of the entire Project. Staff concurs and is supportive of this requested deviation.

### Bypass Lane

The petitioner requests approval of a deviation to Section 6-9-6:2.2 to shorten the required drive-through bypass lane for building L on the preliminary PUD plat. Following the public hearing, and consistent with the PZC's direction, the petitioner has added a partial drive-through bypass lane to provide customers with the ability to exit the drive-through if necessary. While the proposed design still requires a variance, staff is supportive of the modified drive-through bypass lane.

#### Signage

Block 59 will be a 16.48-acre restaurant/entertainment/experiential development with frontage along IL Route 59 and Aurora Avenue. It will feature multiple restaurant and retail tenants and function as a destination within the City. As such, the petitioner has emphasized the importance of establishing the brand and identity of the Block 59 Project, as well as providing visibility along the roadways for each of the future tenants.

The petitioner has proposed a sign package to provide visibility for consumers and clearly identify Block 59. Three main signs are proposed:

- Corner sign (A1 in Signage Entitlement Package). At the northeast corner of IL Route 59 and Aurora Avenue, the petitioner proposes a development identification sign requiring deviations to:
  - Section 6-16-5:2.2.1 to allow a sign to be oriented 45 degrees at the corner of IL Route

- 59 and Aurora Avenue;
- Section 6-16-5:2.4.2 to allow the sign to measure 318.35 sq. ft. instead of the permissible 32 sq. ft.; and,
- Section 6-16-5:2.4.4 to allow the sign to measure 14 ft. in height instead of the 10 ft. maximum.
- Monument Signs (A2 in Signage Entitlement Package). The petitioner proposes one monument sign along the IL Route 59 frontage, and one monument sign along the Aurora Avenue frontage. The signs proposed are multi-tenant ground signs to identify all the tenants within the Block 59 PUD, as well as provide details on upcoming community events. The signs have the same design and require deviations to the following sections:
  - Section 6-16-5:2.2 (Area) to allow the sign area to be 400 sq. ft. (instead of 90 sq. ft. along Route 59).
    224 sq. ft. of the sign will be comprised of an electronic message board; (Route 59 Monument only)
  - Section 6-16-5:2.2 (Area) to allow the sign area to be 400 sq. ft. (instead of 45 sq. ft. along Aurora Avenue). 224 sq. ft. of the sign will be comprised of an electronic message board; (Aurora Avenue Monument only)
  - Section 6-16-5:2.2 (Changeable Signage) to allow changeable signage areas to display fluid movements and not be restricted to static displays that change once every 10 seconds. No scrolling, flashing, or attention getting movements will be permitted. (*Both* signs)
  - Section 6-16-5:2.2 (Height) to allow the sign to exceed the 10-foot maximum height and measure 34 feet in height. (*Both signs*)

Staff is supportive of the sign deviations requested and finds it would be beneficial for each tenant within Block 59 to have visibility/signage along the roadways, as well as to have signage available for events occurring within the development. Additionally, staff notes that the proposed signs are compatible in terms of height and square footage with the adjacent Westridge Court shopping center signs that were approved by City Council in 2020. The Westridge Court signs measure 32 feet in height, and approximately 350 sq. ft. in size (of which, 126 sq. ft. were comprised of an electronic message board for Hollywood Palms).

#### Parking Design Deviation

The petitioner is requesting to construct surface parking areas with dimensions of 18-foot parking stalls and a 24-foot drive aisle for a total section depth of 60 feet. Naperville design standard Section 1.3.2 identifies a 17.5-foot parking stall with 26-foot drive aisle for a total section depth of 61 feet. The requested deviation is effectively a 1-foot reduction in the overall section depth. Engineering staff is in support of the request due to existing parking dimensions on site and the desire to maximize open space and pedestrian amenities afforded by granting this deviation. The reduction in section depth may result in slight inconvenience to visitors to the site as they will need to be more diligent when navigating parking and leaving the parking areas. However, similar dimensions have been used throughout town for both surface lots and within all parking structures.

#### Findings of Fact

The petitioner's responses to the Standards for Approving a PUD Deviation can be found in the attachments. Upon review, the PZC and staff recommend the City Council adopt the findings of fact as presented by the petitioner for each deviation requested.

## Planning and Zoning Commission Action

The Planning and Zoning Commission conducted a public hearing to consider PZC 22-1-038 on February 15, 2023. No members of the public provided comments. The PZC expressed concerns with the proposed configuration of the drive-through bypass lane for building L on the preliminary PUD plat, and recommended the petitioner redesign this area and add a partial bypass lane. PZC members also discussed the potential impact a modified bypass lane could have on parking and what could trigger the parking conditions staff noted in the staff report. Following discussion, the PZC closed the public hearing and voted to concur with staff and recommend approval of the petitioner's request subject to modifications being made to building L's drive through lane (approved 9-0).

# Changes Made Following the PZC Meeting

In response to the PZC's recommendation, the petitioner modified the proposed site plan for Block 59 and added a partial bypass lane to building L's drive-through. All project exhibits have been updated to reflect this change, and staff is supportive of this modification noting that it alleviates prior concerns with the long-term functionality of the drive-through and provides patrons more ability to exit the drive-through if necessary.

## Key Takeaways

- The petitioner requests approval of revocation of the Heritage Square PUD, and establishment of the Block 59 PUD. The PZC and staff are supportive of the request due to the current area's vacancy rate and level of design and amenities proposed as part of the new restaurant/entertainment/experiential development.
- The petitioner requests approval of a preliminary plat of subdivision to reflect land conveyances outlined in the Background section of this report. Staff finds the proposed plat of subdivision meets the technical requirements for approval and is supportive of the resubdivision.
- The petitioner requests deviations to reduce the required parking from 3,796 parking spaces to 3,358 parking spaces. After reviewing the parking study and tenant roster provided, The PZC and staff are supportive of the request subject to conditions identified in the attached PUD ordinance.
- The petitioner requests approval of deviations to increase the height of light poles from 25 feet to 30 feet in limited areas of the development. The PZC and staff find that increasing the height of the light poles in limited areas will provide enhanced lighting for public gathering spaces and are supportive of the request.
- The petitioner requests approval of a deviation to shorten the required drive-through bypass lane for building L on the preliminary PUD plat. The PZC and staff are supportive of the request.
- The petitioner requests approval of multiple signage deviations. The PZC and staff are supportive of the request due to the character and size of the proposed Block 59 and consistency with surrounding ground signs.
- The petitioner requests City Council's approval of a deviation to the City's Design Manual for Public Improvements to modify the required parking lot design. Engineering staff is in support of the request due to existing parking dimensions on site and the desire to maximize open space and pedestrian amenities afforded by granting this deviation.

#### RELATED FILES

## File #: 23-0170B, Version: 1

- 1. Pass the ordinance revoking the Heritage Square Planned Unit Development (PUD) for the property located at 404 S. IL Route 59 PZC 22-1-038 (Item 2 of 4)
- 2. Pass the ordinance approving a preliminary plat of subdivision for Block 59 PZC 22-1-038 (Item 3 of 4)
- 3. Pass the ordinance approving a conditional use for a PUD and preliminary PUD plat, and various deviations for Block 59 PZC 22-1-038 (Item 4 of 4)