



**DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES**

Planning Division

**M E M O R A N D U M**

**TO:** Bruce K. Walden, Chief Administrative Officer

**FROM:** Elizabeth H. Tyler, AICP, Director

**DATE:** July 29, 2004

**SUBJECT:** Plan Case No. 1868-M-03; A Request From Hills For College, LLC for a rezoning of a 9.57-acre tract of property located at 1801 North Lincoln Avenue from B-3, General Business to R-4, Medium Density Multiple-Family Residential.

Plan Case No. 1868-SU-03; A Request From Hills For College, LLC for a Special Use Permit to establish a Residential Planned Unit Development (PUD) within the R-4, Medium Density Multiple-Family Residential Zoning District located at 1801 North Lincoln Avenue.

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## **Introduction & Background**

Hills For College, LLC is requesting both a rezoning and a special use permit in order to establish a Multi-Family Residential Planned Unit Development (PUD) on an undeveloped 9.57-acre tract at 1801 North Lincoln Avenue. The site is located immediately north and east of the existing Melrose Apartment development. Hills For College, LLC intends to purchase the property and develop 136 condominiums within 17 separate multi-family buildings. The development would resemble the adjacent Melrose Apartments with the exception that it would offer fee simple condominiums rather than apartments. The current owner of the property is MBO Corporation, LLC, which also owns Melrose Apartments.

The property is presently zoned B-3, General Business. The Urbana Zoning Ordinance would classify the proposed development as a Residential Planned Unit Development (PUD) thus requiring a zoning change to the R-4, Multi-Family Residential Zoning District and a Special Use Permit to allow the PUD.

Staff is recommending against changing the existing zoning of the property from commercial to multi-family residential for reasons explained in this report. On July 8, 2004 the Urbana Plan Commission held a public hearing to consider both the rezoning and the special use permit request. The Plan Commission voted 5-2 to recommend approval of the rezoning and approval of the special use permit.

For additional information, please refer to the Urbana Plan Commission memorandum dated July 15, 2004 and the minutes of that meeting attached to this report.

## **Discussion**

### **Description of the Site and Surrounding Properties**

The site is located on North Lincoln Avenue in an area that has a mix of land uses and zoning. North Lincoln Avenue has been designated as the “Gateway to the University” and overall can be described as a commercial corridor. The section of the Lincoln Avenue corridor close to the Interstate interchange contains a number of hotels, one restaurant, two convenience store / gas stations and a limited number of retail/service stores such as the new Andrae’s Harley Davidson store. The area also contains large-scale multi-family residential developments with Melrose Apartments, University Commons and The Atrium Apartments. The corridor also contains some remaining small-scale light industrial uses. The primary zoning districts in the area are B-3, General Business, IN, Industrial and R-4, Medium Density Multi-Family Residential.

The site is ready for development. At this time there do not appear to be any issues related to public infrastructure, utilities or drainage. The site is adequately served with necessary sanitary and storm sewers and regional detention has been established in the IDOT right-of-way between Kenyon Road and Interstate 74. The site can also adequately be served for power/gas, phone, cable and other utilities. Finally, it is not expected that any alterations would be required of Lincoln Avenue to accommodate development on the tract.

### **Condominium Proposal**

The petitioner proposes a 136-unit multi-family planned unit development that would consist of seventeen separate two-story buildings with eight units in each building. Four of the units in each building would be two bedroom units and four would be three-bedroom units. The development would be condominiums rather than apartments. Accompanying the seventeen buildings would be a combination of covered and uncovered parking areas and common open space. The centrally located common open space area would consist of a clubhouse, pool, volleyball and basketball courts, and some open green space. Similar to Melrose Apartments and University Commons the entire development would be gated and accessed from a main entrance off of Lincoln Avenue. The perimeter of the site is also proposed to be fenced and landscaped. Finally, a bus shelter is proposed along Lincoln Avenue similar to the one established for Melrose Apartments.

An initial review of the conceptual site plan indicates that the development should not have difficulty meeting the development regulations of the Urbana Zoning Ordinance. It appears that the site can be developed meeting the technical requirements of parking, setbacks, floor area ratio and open space ratios. Stormwater will be managed within the regional detention basin located just north of Kenyon Road and south of the Interstate 74. This basin was designed and developed with the expectation that this site would eventually be developed. With the regional basin already established, there is no requirement for on-site detention. The developer will, however, be required to pay a stormwater drainage fee to utilize the regional basin.

### **Staff Recommendation to the Plan Commission**

Staff did not recommend changing the zoning of the property from commercial to residential to the Urbana Plan Commission. The following justification for the staff recommendation was presented to the Plan Commission on July 8, 2004:

- The Comprehensive Plan was amended in 1996 to identify this site as most appropriate for commercial uses. This justification was made because it was argued that the approval of the 438 apartments for Melrose as well as the units for University Commons and The Atrium would need to be complemented with supporting commercial uses. Changing the zoning of the property from commercial to residential would be inconsistent with the Comprehensive Plan and would compromise part of the justification for the approval of the Melrose Apartment development.
- Lincoln Avenue is a major arterial designated as the primary gateway to the University of Illinois. It is also a key interchange for Interstate 74. Considering this designation and the traffic capacity of the corridor, the highest and best use of undeveloped property in the area should be commercial. Although the property has yet to develop with commercial uses, there has been increased interest in commercial development along Lincoln Avenue and on this property in recent time. There is a significant lack of commercial retail and service opportunities along the North Lincoln Avenue corridor to serve the local residents and guests of four major apartment complexes, four major hotels, a variety of small offices and approximately 25,000 cars that travel daily between the interstate and University of Illinois campus.
- Over the past several years it has been identified that a primary goal of the City of Urbana is to establish new commercial opportunities within the City of Urbana. This sentiment has been generated due to the recent loss of numerous existing businesses and the increased dependency to purchase goods and services in other communities. In order to achieve these goals it is critical to preserve commercial zoning in areas that are most appropriate for commercial development such as major arterial corridors. The loss of nearly 10 acres from commercial to residential zoning on a major arterial roadway near and interstate interchange would not help foster these goals.
- A key component to the concept of “Smart Growth” is developing more urban housing closer to the urban core, and in a public design and setting, placing more of an emphasis on walking, bicycling and transit. The adopted Downtown Strategic Plan for Urbana also identifies as a primary goal to attract more higher density residential opportunities downtown. Designating additional multi-family zoning away from the core could compromise the goals of the Downtown Plan and encourage high-density development closer to the fringe rather than closer to the core.

### **Plan Commission Meeting on July 22, 2004**

As mentioned, the Plan Commission recommended approval of both requests by a vote of 5-2 vote. The minutes of the meeting are attached to this report. The following offers a summary of some comments by the Commission.

- A majority of the Plan Commission felt that the proposed rezoning was appropriate at this location. The majority of the Commission felt that an immediate development proposal was

more advantageous than a potential future proposal and generally agreed that the proposed multi-family residential development would be appropriate for the area. Commissioner's asked the property owner about recent proposals to develop the property with commercial uses. The owner stated that although there had been perhaps 20-30 different conceptual proposals over the years, none of them materialized.

- The Plan Commission discussed the need for supporting commercial services in the area to accommodate the number of apartments, hotel rooms and vehicular traffic on the corridor. It was noted that the Planned Unit Development provisions in the Urbana Zoning Ordinance allows for up to 10% of the gross square footage of the site to be used for business uses that would be permitted by right in the B-1, Neighborhood Business Zoning District. The Plan Commission made an independent recommendation that should be developer elect to incorporate some small-scale commercial uses into the development, that they should be allowed to do so without having to get a new approval for the Special Use Permit.
- One Commissioner expressed concern over the proposal to have the development gated and generally closed to the public. It was argued that creating a third gated residential development along Lincoln Avenue (University Commons and Melrose Apartments) does not offer a positive image to visitors to the City of Urbana. It was encouraged that these types of developments be built in a way that fit better into the public realm rather than be private gated communities.

### **Requirements for Considering a Rezoning**

The primary consideration for the rezoning of property is the LaSalle Bank criteria. The July 15, 2004 memorandum to the Urbana Plan Commission outlines the staff's response to the six individual LaSalle Bank criteria.

### **Requirements for Considering a the Special Use Permit / Planned Unit Development**

The criteria used to consider Special Use Permit requests is established in the Urbana Zoning Ordinance and is analyzed in the memorandum to the Plan Commission. Although it appears that the proposed condominium PUD would meet the overall regulations of the Urbana Zoning Ordinance, the Urbana City Council has the latitude to also impose additional conditions and requirements on the operation of the proposed use as are appropriate or necessary for the public health, safety, and welfare, and to carry out the purposes of this Ordinance, including but not limited to the following:

1. Regulate the location, extent, and intensity of such use;
2. Require adherence to an approved site plan;
3. Require landscaping and the screening of such use by means of fences, walls, or vegetation;
4. Stipulate a required minimum lot size, minimum yards, and maximum height of buildings and structures;
5. Regulate vehicular access and volume, and the design and location of parking and loading areas and structures;
6. Require conformance to health, safety, and sanitation requirements as necessary;
7. Regulate signs and outdoor lighting;
8. Any other conditions deemed necessary to affect the purposes of this Ordinance

Should the Urbana City Council approve the rezoning of the property and the Special Use Permit for the Planned Unit Development, staff recommends the specific conditions be placed upon the PUD. These conditions are identifies on page 6.

## Summary of Findings

On July 22, 2004, Staff submitted the following findings to the Urbana Plan Commission for their consideration:

1. In 1982 the Urbana Comprehensive Plan identified the site at 1801 North Lincoln Avenue as appropriate for Industrial Uses. In 1996 a Comprehensive Plan Amendment was adopted changing this designation from Industrial to Commercial.
2. In 1996 the Urbana City Council approved a rezoning and Special Use Permit for a Planned Unit Development immediately west and south of the site for a 438-unit multi-family residential development called Melrose Apartments. It was justified at this time that the 9.57-acre tract should be zoned commercial in order to foster commercial development that would complement the residential development.
3. Rezoning the 9.57-acre tract from B-3, General Business to R-4, Multi-Family Residential would conflict with the current commercial designation of the Comprehensive Plan.
4. Rezoning the tract from commercial to multi-family residential would conflict with the general goals and objectives of the City of Urbana to foster commercial development in areas most appropriate for such development such as primary principle corridors.
5. The proposed rezoning is not consistent with the Urbana Comprehensive Plan or the LaSalle Criteria.
6. The proposed site plan for the Residential Planned Unit Development appears to meet the development regulations of the Urbana Zoning Ordinance should the property be rezoned to R-4, Medium Density Multiple Family Residential.

## Options

Regarding Plan Case No. **1868-M-03**, the City Council has the following options:

1. Approve the rezoning request for 1801 North Lincoln Avenue from B-3, General Business to R-4, Medium Density Multiple-Family Residential.
2. Deny the rezoning request for 1801 North Lincoln Avenue from B-3, General Business to R-4, Medium Density Multiple-Family Residential.

Regarding Plan Case No. **1868-SU-03**, the City Council has the following options:

1. Approve the Special Use Permit request as presented on the attached application without any additional conditions.
2. Approve the Special Use Permit request, as presented on the attached application, with any conditions deemed appropriate or necessary for the public health, safety, and welfare, and to carry out the purposes of the Zoning Ordinance.
3. Deny the request for a Special Use Permit.

## **Recommendation**

On July 8, 2004 the Urbana Plan Commission voted 5-2 to recommend approval of both Plan Cases 1868-M-03 and 1868-SU-03. Should the City Council approve both of these requests, staff recommends the following conditions of approval be applied to Plan Case 1868-SU-03:

1. The development shall be constructed in substantial conformance to the site plan layout submitted as part of the application and attached hereto. Any substantial changes to the layout (with the exception of item #4 below) shall require additional review and approval from the Urbana Plan Commission and Urbana City Council.
2. The design and appearance of the buildings shall be in substantial conformance to the photographs and illustrations submitted for the project and attached hereto. This includes the use of brick material on the exterior of the buildings as depicted in the attached photos.
3. Should the developer elect to utilize the provisions of the Planned Unit Development Ordinance within the Urbana Zoning Ordinance and incorporate commercial uses into the development, a revised site plan may be reviewed and approved by the Zoning Administrator provided the revised site plan generally conforms to the spirit and intent of the original approval. Should the Zoning Administrator determine that the proposed changes substantially change the overall site plan, the case may be referred back the Urbana Plan Commission and Urbana City Council for reconsideration of the original Special Use Permit approval.
4. The developer shall pay the 9.57-acre tract's calculated contribution for the regional detention facility as originally established in 1998. This contribution shall be in the amount of \$143,000. This figure is derived from the amount established in the 1998 Berns, Clancy and Associates report plus a calculated 3% annual interest / inflation factor.

Attachments:     Draft Ordinances  
                      Location Map  
                      Aerial Photo  
                      Zoning Map  
                      Comprehensive Plan Map  
                      Proposed PUD Site Plan and Sample Development Photos  
                      July 22, 2004 Plan Commission Minutes

c:     Pat Fitzgerald, Meyer Capel Law Offices  
       Dr. Richard Hill,  
       Mitch Richardson, Hills for College, LLC  
       Tom Berns, Berns, Clancy and Associates  
       Dave Owen, MBO Corp., LLC

Prepared by:

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Rob Kowalski, AICP  
Planning Manager

ORDINANCE NO. 2004-08-092

**AN ORDINANCE AMENDING THE ZONING MAP OF THE CITY OF URBANA,  
ILLINOIS**

(Rezoning for a 9.57-acre tract of property at 1801 North Lincoln Avenue from B-3, General Business to the R-4, Medium Density Multiple Family Residential Zoning District - Plan Case 1868-M-03)

WHEREAS, after due publication, a public hearing was held by the Urbana Plan Commission on July 22, 2004 concerning the petition filed by the petitioner in Plan Case No. 1868-M-03; and

WHEREAS, the requested rezoning is consistent with the City of Urbana's Official Comprehensive Plan Map and with the goals and objectives of the City of Urbana Comprehensive Plan, as amended; and

WHEREAS, the Urbana Plan Commission voted 5 ayes and 2 nays to forward the case to the Urbana City Council with a recommendation to approve the rezoning request of the property herein described below from R-3, Single and Two-Family Residential to R-4, Medium Density Multiple Family Residential; and

WHEREAS, the findings of the Plan Commission indicate that approval of the rezoning request would promote the general health, safety, morals, and general welfare of the public.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF URBANA, ILLINOIS, as follows:



Section 1. The Zoning Ordinance and Zoning Map of the City of Urbana, Illinois, are herewith and hereby amended to change the zoning classification of the following described property from R-3, Single and Two-Family Residential to R-4, Medium Density Multiple Family Residential.

LEGAL DESCRIPTION:

Lot 3, Melrose of Urbana First Subdivision, Urbana, Champaign County, Illinois.

PERMANENT PARCEL #: 91-21-06-476-010

LOCATED AT: 1801 North Lincoln Avenue

Section 2. The City Clerk is directed to publish this Ordinance in pamphlet form by authority of the corporate authorities. This Ordinance shall be in full force and effect from and after its passage and publication in accordance with the terms of Chapter 65, Section 1-2-4 of the Illinois Compiled Statutes (65 ILCS 5/1-2-4).

PASSED by the City Council this \_\_\_\_\_ day of \_\_\_\_\_, 2004.

AYES:

NAYS:

ABSTAINS:

Phyllis D. Clark, City Clerk \_\_\_\_\_

APPROVED by the Mayor this \_\_\_\_\_ day of \_\_\_\_\_, 2004.

Tod Satterthwaite, Mayor

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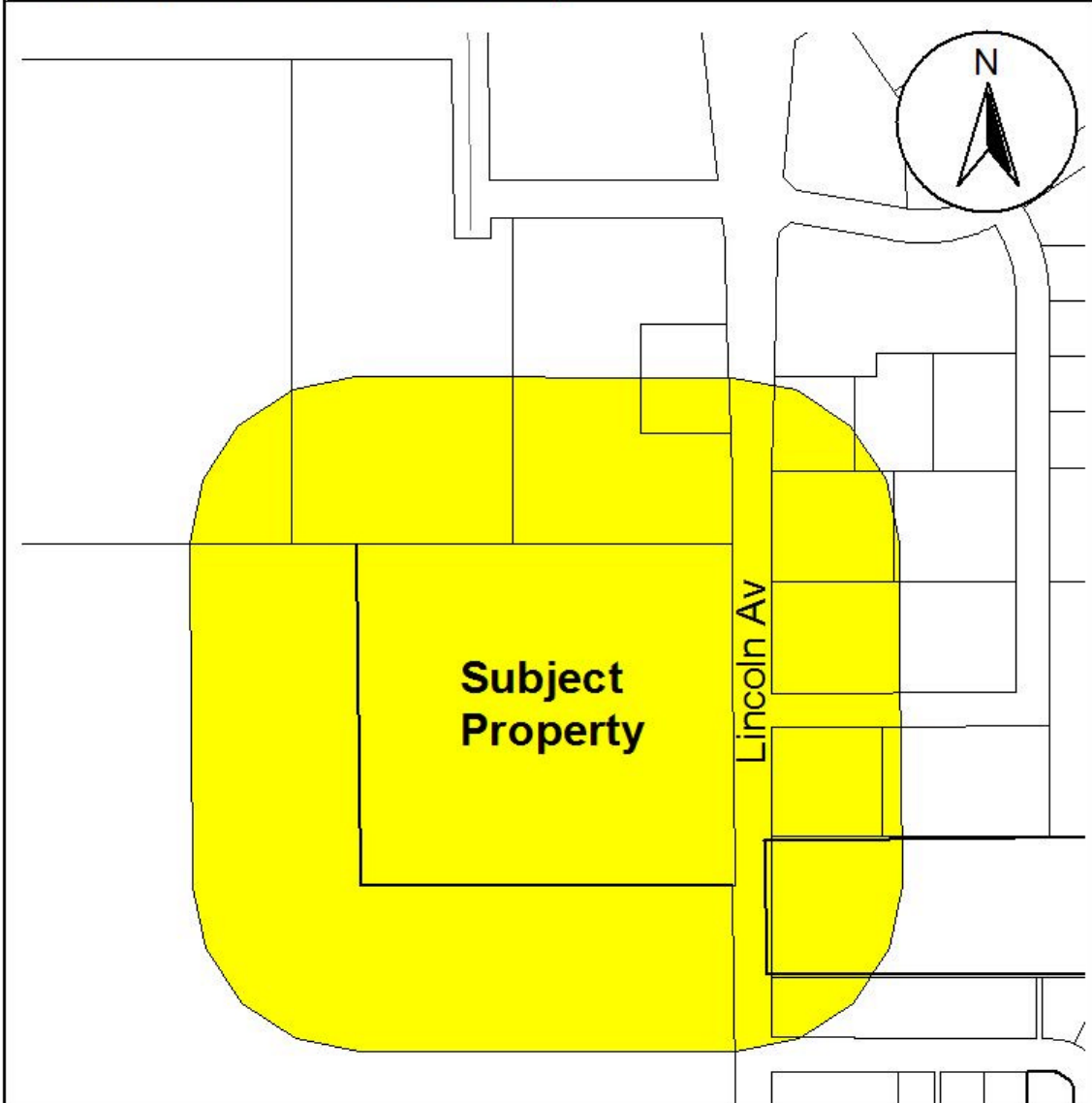
**CERTIFICATE OF PUBLICATION IN PAMPHLET FORM**

I, Phyllis D. Clark, certify that I am the duly elected and acting Municipal Clerk of the City of Urbana, Champaign County, Illinois.

I certify that on the \_\_\_\_\_ day of \_\_\_\_\_, 2004, the corporate authorities of the City of Urbana passed and approved Ordinance No. \_\_\_\_\_, entitled "AN ORDINANCE AMENDING THE ZONING MAP OF THE CITY OF URBANA, ILLINOIS (Rezoning for a 9.57-acre tract of property at 1801 North Lincoln Avenue from B-3, General Business to the R-4, Medium Density Multiple Family Residential Zoning District - Plan Case 1868-M-03)" which provided by its terms that it should be published in pamphlet form. The pamphlet form of Ordinance No. \_\_\_\_\_ was prepared, and a copy of such Ordinance was posted in the Urbana City Building commencing on the \_\_\_\_\_ day of \_\_\_\_\_, 2004, and continuing for at least ten (10) days thereafter. Copies of such Ordinance were also available for public inspection upon request at the Office of the City Clerk.

DATED at Urbana, Illinois, this \_\_\_\_\_ day of \_\_\_\_\_, 2004.

# Exhibit "A": Location Map

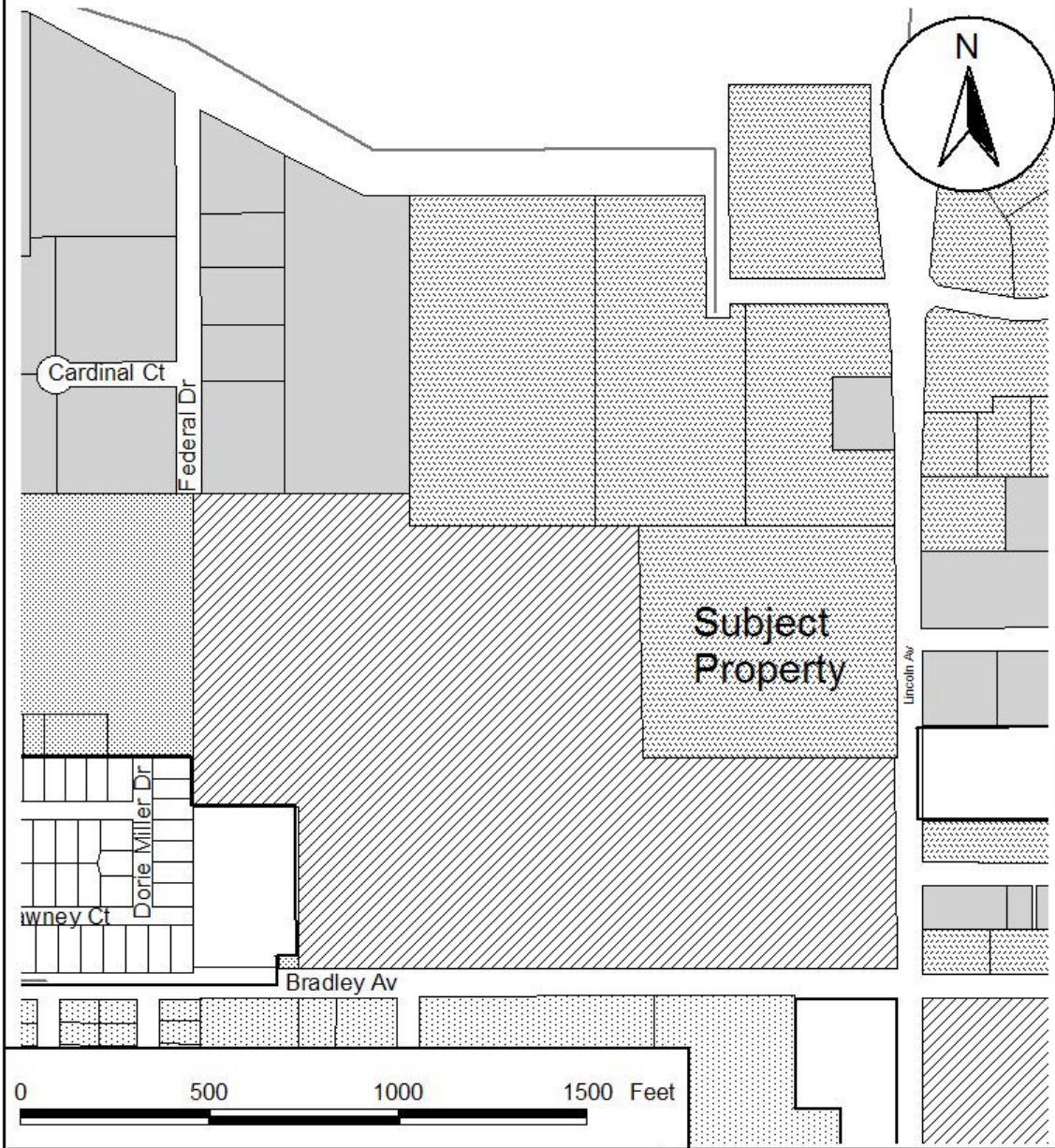



Petitioner: HIHO Developers, LP  
1801 North Lincoln Ave.  
Melrose of Urbana First Subdivision  
1868-M-03 Rezone from B-3 to R-4  
1868-SU-03 Residential PUD






 Properties Within 250+ Feet

Prepared October 24, 2003 by Community Development Services - lcf

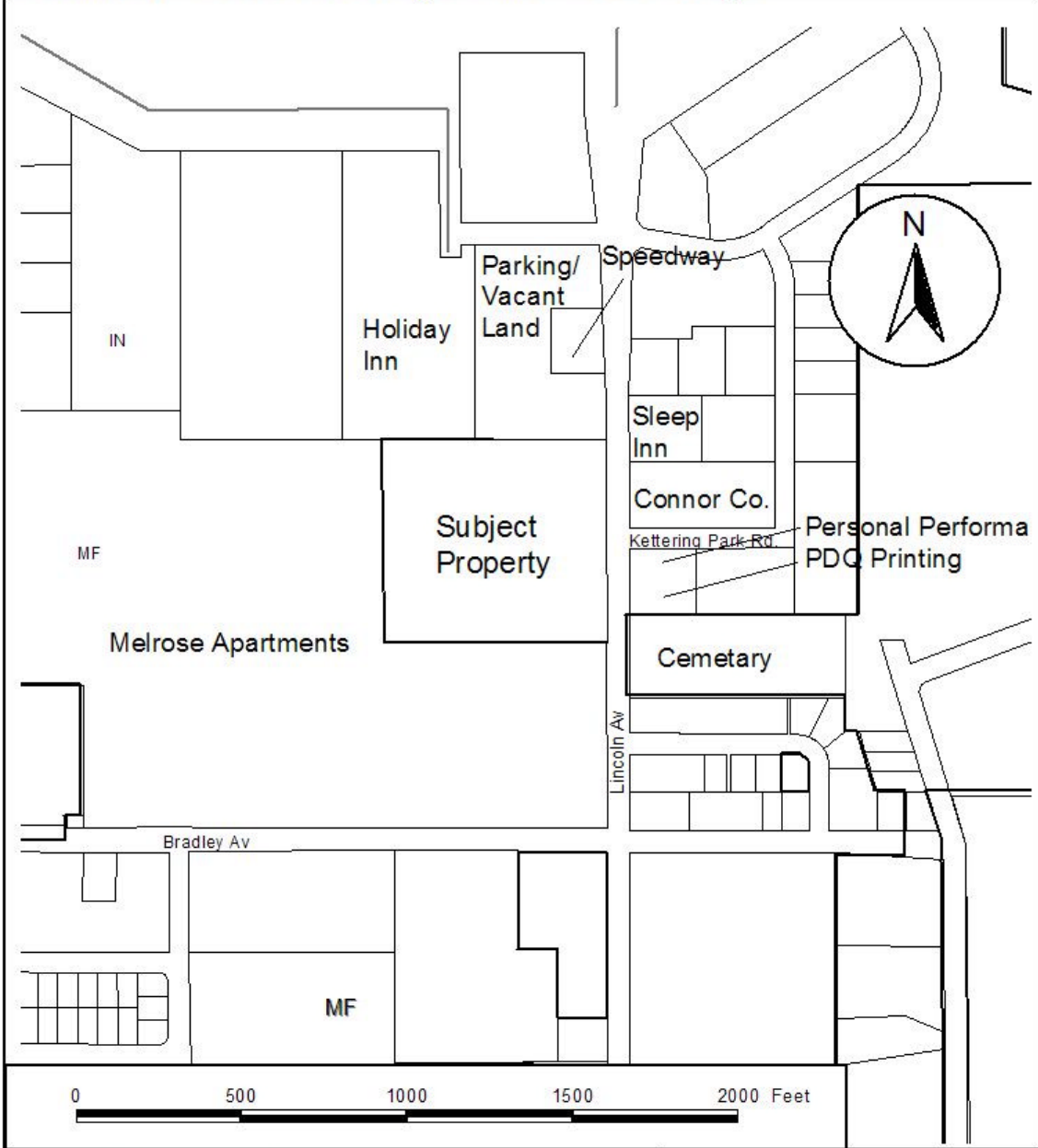
# Exhibit "B": Zoning Map




 Petitioner: HIHO Developers, LP  
 1801 North Lincoln Avenue  
 Melrose of Urbana First Subdivision  
 1868-M-03 Rezone from B-3 to R-4  
 1868-SU-03 Residential PUD  
 Prepared October 24, 2003 by Community Development Services - lcf

-  IN - Industrial
-  B3 - General Business
-  R3 - Single- and Two-Family
-  R4 - Medium Density Multiple-Family
-  R5 - Medium High Density Multiple-Family

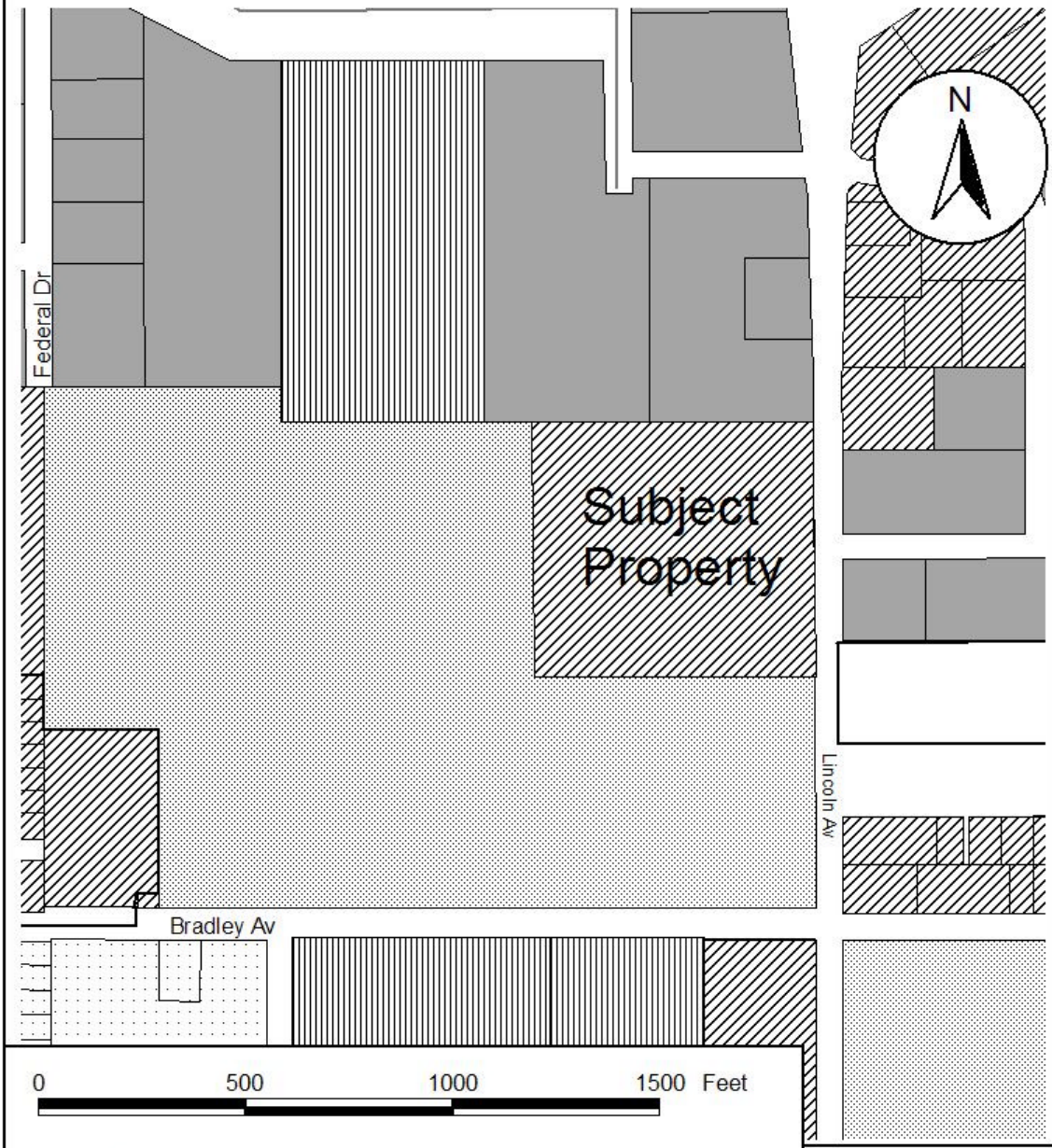
# Exhibit "C": Existing Land Use Map



Petitioner: HHO Developers, LP  
1801 North Lincoln Avenue  
Melrose of Urbana First Subdivision  
1868-M-03 Rezone from B-3 to R-4  
1868-SU-03 Residential PUD

Prepared October 24, 2003 by Community Development Services - lcf

# Exhibit "D": Future Land Use Map



Petitioner: HIHO Developers, LP  
 1801 N. Lincoln Ave.  
 Melrose of Urbana First Subdivision  
 1868-M-03 Rezone from B-3 to R-4  
 1868-SU-03 Residential PUD

Prepared October 15, 2003 by Community Development Services - lct

-  Industrial
-  Commercial
-  High Density Residential
-  Low Density Residential
-  Institutional