



DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

Planning Division

m e m o r a n d u m

TO: Laurel Lunt Prussing, Mayor

FROM: Elizabeth H. Tyler, AICP, Director, Community Development Director

DATE: September 20, 2007

SUBJECT: Supplemental Information on Demolition Review for Historic Resources

This memorandum supplements the September 6, 2007 and October 19, 2006 memoranda concerning demolition review by addressing some additional questions and concerns that have been raised. These previous memoranda are contained within the packet for the **September 10, 2007** Committee meeting.

Staff Resource Impacts

Questions have been raised about the amount of staff resources that would be necessary to properly process demolition reviews in the City.

The City does not currently have the manpower to administer demolition review of all demolition applications. During the period 2000-2005, an average of 28 demolition permits were issued annually. As shown in the following table, the Planning Division currently handles an average of 81 application-related cases annually. Because review of demolition permits will require the same level of staff effort as other plan cases (e.g., application processing, noticing, packet preparation, meetings, minutes, etc), the current case load would increase by approximately **35%**. In 2006, for instance, if Planning staff carried out demolition review, 114 application-related cases would have been handled as opposed to 86 actual cases that year. With 5.5 planning full-time equivalent planning staff members having in 2006 processed these 86 cases, demolition review would have required approximately 7.4 full-time equivalent Planning staff members. Currently, there are 1.5 full time equivalent support staff to assist with these cases. A 35% increase in case load would require an additional 0.5 full time equivalent support staff.

Two additional Planning staff members at the Planner I level would in 2007 cost approximately \$73,300 annually plus benefits, totaling \$95,650. An additional 50% support staff plus benefits would cost approximately \$21,250. Additional hard costs would also be necessary to handle notifications, advertisements, meeting setup, etc. It is estimated that an addition of approximately **\$125,000 per year** would be necessary to process the demolition review. Added to this cost would be the need to identify and fund additional office space for these added employees, as the Community Development Services offices are fully occupied.

This estimate also does not take into account the manpower needs for additional historic preservation work otherwise anticipated such as preservation incentives, historic markers, and promoting new landmarks and historic districts.

CITY OF URBANA PLANNING DIVISION CASES, 2000-2006

	2000	2001	2002	2003	2004	2005	2006
Plan Commission	39	46	39	31	42	61	59
Zoning Board of Appeals	16	24	17	22	21	14	13
Historic Preservation Commission	2	2	4	3	4	6	2
Development Review Board	-	-	-	3	1	0	0
Annexations*	18	17	10	2	9	14	8
County ZBA cases reviewed	3	0	5	2	2	4	4
TOTAL	78	89	75	63	79	99	86

* Includes both annexation cases reviewed and not reviewed by the Plan Commission.

Other Economic Impacts

As noted in the previous memoranda, review of demolition permits will result in a negative economic impact on the City related to changes in property values due to reduced development potential on some parcels. The delay and uncertainty associated with demolition review could slow or chill redevelopment activity in the City, including within our TIF Districts, as higher risks and longer lending periods would result. At this stage, it is difficult to predict the extent of the economic impact of demolition review.

Other Municipal Examples

During public discussion, examples from other communities have been mentioned -- specifically from Plainfield and Galena -- that could serve as a model for Urbana.

Plainfield, Illinois' demolition delay ordinance as a model for Urbana has been suggested. In City staff's review, Plainfield's ordinance does not provide a good fit for Urbana's needs in that it requires the most resources of any ordinance reviewed to simply delay a permit. Rather than being an automatic delay, their Historic Preservation Commission can require that the property owner submit a professionally prepared historical and architectural impact study in order to provide a basis for recommending a 60-day delay to the Plainfield City Council. City staff will interview Plainfield staff to find out how their ordinance is being administered and what kind of impact it has had on the community.

Using Galena, Illinois as a historic preservation model has also been suggested. Galena provides a different preservation model – that of a small city essentially fixed in time. Lead mining in the

1800's created sudden wealth and a population boom, but mining eventually played out. Approximately 85% of Galena is included in a National Register of Historic Places historic district. The community's economy evolved in the late 20th century and is now driven by tourism, and approximately one million tourists reportedly stroll Galena's streets each year. Galena is a wonderful place which should be preserved and celebrated. Urbana's conditions are very different, however, in that Urbana-Champaign has had a vital economy and a dynamic building stock. Urbana can and should protect its most important historic resources, but the circumstances in Galena, Illinois are very different.

Additional municipal examples are described in Attachment C to the September 6, 2007 memoranda.

Design Review

Several individuals have expressed concern less with demolitions, but more with the quality of the constructed replacement, particularly for apartment buildings in residential areas. One way to address the quality and appearance of new infill construction is to require design review with specific guidelines to ensure compatibility with surroundings. This approach has been applied successfully by the City in the Mixed Office Residential (MOR) area along Green and Elm Streets west of downtown. The guidelines have helped to produce more sensitive and successful designs through review by the City's Development Review Board. A copy of the design guidelines adopted for the MOR district is attached.

The creation and adoption of additional design review for other transitional areas near residential neighborhoods is consistent with the following policy statements in the City's Comprehensive Plan:

Goal 2.0 New development in an established neighborhood will be compatible with the overall urban design and fabric of that neighborhood.

Objective 2.1 Ensure that the site design for new development in established neighborhoods is compatible with the built fabric of that neighborhood.

Implementation Strategy: Amend the Urbana Zoning Ordinance to include site design standards for multi-family residential development in established neighborhoods to ensure that new development maintains the urban fabric and pattern of established neighborhoods.

Staff have been working on preparing a set of design standards to use in the Lincoln-Busey Corridor of West Urbana. Design standards for the transition area between downtown and Historic East Urbana are also recommended. In both cases, guidelines can be prepared specific to the existing character of the area and through an amendment to the Zoning Ordinance, the Development Review Board can be asked to review development proposals for adherence to the guidelines. With a more extensive design review process in place, concerns about the negative effect of demolitions within established neighborhoods can be better addressed.

Demolition Delay vs. Demolition Review

As discussed in the two previous memoranda on this issue, City staff continues to recommend strongly against demolition review for the following reasons:

- legal concerns, with respect to regulatory takings (see Memorandum from Jack Waaler, dated October 27, 2006 and attached to the September 6, 2007 staff memorandum)
- inconsistencies with adopted City policy promoting redevelopment and infill
- inefficiencies in time spent assessing properties that are not of historic preservation priority
- strain on City resources
- negative impacts on economic development.

Staff continue to believe and to recommend that Urbana's historic resources are best protected by identifying and designating historic landmarks and districts on an ongoing basis.

One alternative to demolition review would be to establish a limited demolition delay mechanism for certain properties. Such an approach would still pose legal and economic concerns, but would have a far lesser impact upon the issues noted above. Demolition delay would involve an automatic waiting period during which an owner could fully consider the proposed demolition, purchase options could be entered into by interested buyers with the owners consent, and landmark applications could even be submitted by motivated nominators. It does not mean that a demolition permit application would trigger a historic resource impact analysis for each property with a discretionary review process and public hearings, as proposed under the demolition review.

Under this alternative, an automatic demolition delay for a period of up to 30 days could be applied to demolitions on properties under the following circumstances:

- Located in residential zoning districts, and
- 75 years old and older, and
- Included among the historic resource surveys on file in the Department of Community Development Services (currently 1,023 surveys), and
- Delay not to exceed 30 days

A time limit of 30 days is suggested because this would not result in a significant practical delay in accomplishing the intended demolition and any proposed redevelopment, but it is enough time to allow for deliberate consideration and for interested purchasers to step forward. Limitation to residential zoning districts is recommended to limit the impact on the City's commercial redevelopment areas and to reduce conflicts with zoning rights. Limitation to 75 years or older is suggested because this time period coincides with a reasonable upper limit of most historically valuable properties in the City. Limitation to the areas which have been surveyed previously (See Attachment D to the September 6, 2007 memorandum) is suggested as a way of limiting the delay to those areas which have been deemed to be of potential historic significance.

Staff Recommendation

City staff continues to recommend strongly against any form of demolition control and instead to suggest that Urbana actively protect historic resources through an ongoing program of designating local landmarks and historic districts. Enactment of design review in additional sensitive areas is also recommended as a means to address concerns that have been expressed about the quality and compatibility of replacement construction.

If the City Council should choose to enact demolition controls, limited demolition delays of up to 30 days and only for residentially-zoned properties older than 75 years old which are part of the City's historic resource inventory would be preferable to demolition review.

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Attachment: MOR Design Guidelines

cc: Historic Preservation Commissioners