

# VILLAGE OF ARLINGTON HEIGHTS STAFF DEVELOPMENT COMMITTEE REPORT

**Project Number**: PC 20-013

**Project Title**: Trammell Crow Senior Living Facility

Address: 2015-2045 S. Arlington Heights Rd.

PIN: 08-16-202-009, 08-16-202-010

To: Plan Commission

**<u>Prepared By</u>**: Sam Hubbard, Development Planner

<u>Meeting Date</u>: December 2, 2020 **Date Prepared**: November 25, 2020

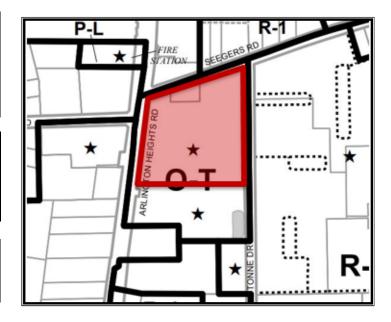
<u>Petitioner</u>: Trammell Crow Company

Address: 700 Commerce Drive – Suite 455

Oak Brook, IL 60523

Existing Zoning: O-T: Office Transitional District

Comprehensive Plan: Mixed Use



### SURROUNDING LAND USES

Direction	Existing Zoning	Existing Use	Comprehensive Plan
North	B-2: General Business District,	Restaurant, Church	Commercial, Offices Only
1101111	R-1: One Family Dwelling District	nestadiant, enarch	Commercial, Offices Offin
South	O-T: Office Transitional District	Office Building	Mixed-Use
East	R-6: Multiple-Family Dwelling District	Apartment Complex	Moderate Density Multi- Family
West	M-2: Limited Heavy Manufacturing District. B-2: General Business District	Office Uses	Institutional, Offices Only

#### Requested Action:

- 1. A rezoning from the O-T District to the I District.
- 2. A Planned Unit Development (PUD) to allow a 175-bed senior living facility.

#### Variations Required:

- 1. A density variation from Chapter 28 of the Municipal Code, Section 5.1-8.1, to allow 357,628 square feet of land area where 420,000 square feet is required.
- 2. A variation from Chapter 28 of the Municipal Code, Section 5.1-8.6, to allow certain independent and assisted living studio/efficiency units to be 431 square feet and certain memory care studio/efficiency units to be 334 square feet, where code requires a minimum size of 550 for studio/efficiency units, and to allow certain independent and assisted living one-bedroom units to be 646 square feet where code requires a minimum size of 650 square feet for one-bedroom units.
- 3. A variation Chapter 28 of the Municipal Code, Section 6.5-2, to allow fire pits and an outdoor kitchen (BBQ Grill) within a side yard where such improvements are only allowed within a rear yard.
- 4. A variation from Chapter 28 of the Municipal Code, Section 10.2-12.3, Lighting, to allow a luminaire spacing ratio of 3:1 or more, where code requires a luminaire spacing of 3:1 or less.

# **Project Background:**

The subject property is located at the southeast corner of South Arlington Heights Road and Seegers Road, and is currently occupied by a four-building single-story office campus consisting of just under 100,000 square feet of leasable floor area. The overall site is approximately 357,628 square feet (8.3 acres) in size and has access off Arlington Heights Road on the west side, Seegers Road on the north side, and Tonne Road to the east. The existing buildings on the site were developed over 40 years ago.

Trammell Crow, a nationwide developer, has the property under contract and is proposing the purchase and demolition of the existing office campus on the site. In its place, the petitioner is proposing a 175-unit senior living facility, which would have independent living, assisted living, and memory care. The petitioner would own the site and lease to a senior living facility operator, which may also have a small ownership stake in the property. The facility would be located in a three-story building of approximately 204,000 square feet. Of the 175 units, 93 (53%) would be independent living units, 58 (33%) would be assisted living units, and 24 (14%) would be memory care units. The site would have a total of 193 surface parking spaces.

According to the petitioner, the average age of residents would be 85 years old, and the average stay of a resident is 2.5 years, although residents who start in the independent living side may stay up to five years. The facility would require a small "reservation fee" to move in (between \$1,000-\$3,000), and rents would be determined by the level of care that one needs, with the memory care units yielding the highest rent (approx. \$8,000 per month). The facility is being marketed as a "luxury" age restricted community with several onsite amenities available to residents, such as a movie room, indoor pool and spa, fitness center, massage room, activity room, and several dining venues. All residents would receive at least one meal per day as part of their rent. The facility is expected to create 80-85 jobs, with a maximum of up to 45 employees working out of the site during peak shift.

Access to the facility would come from three curb cuts, one on each abutting street. Neither the Seegers Road/Arlington Heights Road, nor the Seegers Road/Tonne Drive intersections are signalized, however, southbound left turns from Arlington Heights Road have a dedicated turn lane onto Seegers. As part of this development, site access to/from Arlington Heights road would be restricted to right-in/right-out only.

#### **Zoning and Comprehensive Plan**

The subject property is currently zoned O-T, Office Transitional District, which is an appropriate classification given the current office uses on the site, although the site is estimated at 40% vacant. The proposed land use change to a senior living facility will require a rezoning from the O-T District into the I, Institutional Zoning District. All developments within the I District are required to develop as a PUD, therefore, PUD approval is required. The Staff Development Committee is supportive of the senior living facility in this location as the area of land south of Seegers, east of Arlington Heights Road, west of Tonne, and north of Algonquin Road is transitioning from entirely commercial/office to a mix of uses including residential, office, and a commercial land uses.

The Comprehensive Plan designates this property as "Mixed-Use" and the proposed residential facility is generally compatible with this designation, especially when considering the context of the overall South Arlington Heights Corridor area, which will include a variety of residential and commercial uses. Although integration of a small portion of commercial space at the northwest corner of the site would help to better align this development with the strict letter of the Comprehensive Plan and South Arlington Heights Road Corridor Plan, the Staff Development Committee recognizes that this could have a detrimental impact on

the proposed site plan. As the development has accommodated for the other key elements of the South Arlington Heights Road Corridor plan, the SDC is amenable to the proposed use.

Per the density regulations within the I District, only approximately 150 beds are allowed on the site. Since the petitioner has proposed a 175-bed facility, the following density variation is required:

 Chapter 28 of the Municipal Code, Section 5.1-8.1, to allow 357,628 square feet of land area where 420,000 square feet of land area is required.

In order to demonstrate conformance with the standards of approval for this Variation, the petitioner has provided written justification to the following hardship criteria (summarized below), which response has been included within the packet to the Plan Commission:

- The proposed use will not alter the essential character of the locality and will be compatible with existing uses and zoning of nearby property.
- The plight of the owner is due to unique circumstances, which may include the length of time the subject property has been vacant as zoned.
- The proposed variation is in harmony with the spirit and intent of this Chapter.
- The variance requested is the minimum variance necessary to allow reasonable use of the property.

Given the limited impact of the senior population on schools, traffic, and parks, the Staff Development Committee is supportive of the requested density variation. The petitioner has analyzed the existing multifamily residential developments to the east and found that they exceed the maximum allowable density in their respective district (R-6), and therefore the requested variation will not be out of character given the surrounding vicinity. And despite exceeding the density standards by 17%, the proposed setbacks are over 100% larger than required by code, and the building height is proposed at 1-story below the 4-story maximum height allowed within the I District. So regardless of the number of units within the building, the bulk and mass will not be out of scale given the context of the surrounding area. The petitioner has clarified that no State of Illinois "Certificate of Need" is required for this facility. Additional variations will be discussed below.

#### **Conceptual Plan Review Committee:**

The petitioner appeared before the Conceptual Plan Review Committee (CPRC) on June 24, 2020. The commissioners were open to the proposed senior living development and the majority of commissioners were opposed to requiring the developer to incorporate a small portion of commercial space on the site, although staff was encouraging the petitioner to explore this option. There were several questions about the pay structure for tenants and about market competition. Within their project narrative and market study, the petitioner has provided an answer to many of the questions raised by the Conceptual Plan Review Committee. Overall, the CPRC encouraged the petitioner to proceed forward.

#### **Design Commission:**

On November 17, 2020, the petitioner received a unanimous recommendation of approval by the Design Commission, subject to minor modifications to signage and decorative architectural elements. Overall, the Design Commission felt that the building created a nice residential aesthetic, with modern materials to blend well with the surrounding built environment. The exterior materials were varied in type, color, and texture and had all been well coordinated. The material pallet and color variety offered a nice amount of

contrast to break up the large walls. Conformance with the motion from the Design Commission shall be required.

## **Neighborhood Meeting**

At the request of staff, on Tuesday, November 17, the petitioner held a virtual meeting online for interested property owners to learn more about the development. Per a summary provided by the petitioner, only one person attended, who was a representative from a local hotel, and was generally supportive of the project.

## **South Arlington Heights Road Corridor Plan**

In 2018, the Village adopted the South Arlington Heights Corridor Plan, which outlined the Village's vision and strategies for improvement to the areas adjacent to the South Arlington Heights Road corridor, which is an important gateway into the Village. The subject property was specifically discussed in the plan, which envisioned redevelopment of the site with a mix of commercial and residential land uses. Furthermore, due to safety concerns relative to left hand turn movements to/from Arlington Heights Road, the plan called for primary access to the site to come from Seegers Road. The development has taken this recommendation into consideration, and in coordination with IDOT, Arlington Heights Road access will be restricted to right-in/right-out only.

The plan contemplated up to five floors in height on the subject property, and the proposed three-story height is compatible with the plan. Additionally, the plan called for the elimination of the existing sidewalk that directly abuts Arlington Heights Road, and that this sidewalk be pushed back 8-10 feet to create a landscaped parkway between the sidewalk and street. The petitioner's plan has incorporated this change, and is proposing the demolition of the existing sidewalk, and a reconstructed sidewalk setback approximately 9-10' setback from the curb, creating ample space for a landscaped parkway. The sidewalk along Arlington Heights Road shall be installed at 5' in width, and at time of building permit the petitioners plan shall be revised to reflect this. Also at time of building permit, the petitioner shall establish and record an easement, to the benefit of the Village, for portions of this sidewalk that encroach onto the subject property.

Finally, given the future redevelopment in this area, the plan required reciprocal access be granted to the properties to the south, if and when those properties redevelop and provide reciprocal access back to the subject property. The petitioner has planned for this future access and designed the site to allow this future connection between the two detention basins at the south of the site. Prior to building permit issuance, the petitioner shall dedicate an easement granting access through the site to the benefit of the properties to the south. Additionally, the petitioner shall increase the capacity of the onsite detention areas to accommodate for the expected stormwater that will be created by the proposed driveway connection. Actual construction of the connection will be evaluated as part of the building permit review process, and may be constructed by others if and when the Village determines it is necessary.

A conceptual plan for this connection has been prepared by the petitioner. Should the connection be constructed, five parking spaces will be lost; however, the petitioner has incorporated five extra landscape islands, which could be converted to parking spaces if need be. From a code standpoint, the site contains a surplus of parking, and so elimination of five spaces does not appear problematic.

The Village is anticipating future redevelopment of the former Wellington site and former District 59 administrative office building (to the south of the subject property), and a signalized intersection with

Arlington Heights Road is contemplated in this area. Preserving the potential for future access to this signal will be beneficial for the subject property and overall redevelopment in the vicinity.

## **Building, Site, Landscaping:**

As outlined above, the site conforms to all setback, bulk, and height restrictions as outlined within the I district. However, the I District has minimum unit sizes for studio and 1-bedroom units, and some of the proposed units fall short of the minimum size requirement. Specifically, the following variation is required:

 Chapter 28 of the Municipal Code, Section 5.1-8.6, to allow certain independent and assisted living studio/efficiency units to be 431 square feet and certain memory care studio/efficiency units to be 334 square feet, where code requires a minimum size of 550 for studio/efficiency units, and to allow certain independent and assisted living one-bedroom units to be 646 square feet where code requires a minimum size of 650 square feet for one-bedroom units.

The SDC supports this variation for the following reasons; 1) the I District allows a wide range of residential unit types, from nursing care facilities, to independent living facilities, to supportive housing facilities for individuals with disabilities, and the minimum unit size regulations are more applicable outside of a setting where around the clock nursing care is provided, and 2) the level of care that certain resident populations will need makes more communal space practical, translating to smaller unit sizes.

Given that the site is bounded on three sides by a street, the technical front yard is located along Arlington Heights Road, making the rear yard along Tonne Drive. Accessory structures, such as fire pits, fireplace features, and BBQ grills can only be located in a rear yard, and the following variation is therefore necessary:

• A variation Chapter 28 of the Municipal Code, Section 6.5-2, to allow fire pits/fireplace and an outdoor kitchen (BBQ Grill) within a side yard where such improvements are only allowed within a rear yard.

Since the proposed improvements will be located along the southern side of the building and away from the three public frontages, the SDC is supportive of the requested variation. The outdoor furnishings will be located within the interior of the site, over 150' from the closest lot line, will not be adjacent to any single-family homes, and will contribute towards the luxury amenities offered within the rental community.

Within the northeast corner of the site, one light pole has been spaced slightly too far from the closest adjacent light pole, which has created the need for the following variation:

• A variation from Chapter 28 of the Municipal Code, Section 10.2-12.3, Lighting, to allow a luminaire spacing ratio of 3:1 or more, where code requires a luminaire spacing of 3:1 or less.

The Staff Development Committee believes that the requested variation is justified due to the following:

1) the pole could have been shifted to the south slightly and would then have complied with the code standard, however, that would have removed it from the landscape island, which is the more preferable location, and 2) photometric values at the property lines in this location remain the same (less than 2.0 foot candles) regardless of the spacing, and 3) the foot candle levels at the adjacent property lines are below code requirements and illumination will not create an undue adverse impact on neighboring properties.

The petitioner has provided preliminary engineering plans, which indicate ability to conform with all Village and MWRD stormwater requirements. The onsite stormwater management plan places site runoff into surface basins located along the southern boundary of the site. During heavy rain events, stormwater will be retained in this area, for eventual release into the stormsewer system located beneath Tonne Drive.

The Village is evaluating future burial of the ComEd overhead utility lines located along the west side of Arlington Heights Road. This process may result in these lines being relocated to the western boundary of the subject property, which would require an easement from the petitioner. At time of building permit, the petitioner shall dedicate a 20' wide easement to Commonwealth Edison along the western edge of the subject property to accommodate for this future burial (with an additional 5 feet if required). The proposed underground waterline in this location shall be pushed back so that it is outside of this easement area.

# **Market Study & Affordable Housing:**

As described above, the proposed facility will not require a large "entrance" fee, and residents will be free to move out subject to the terms of their lease. Senior housing facilities are not subject to the Village's recently adopted Inclusionary Housing Regulations, and no affordable units are required. The development will be a market rate development and the petitioner has provided an overview of their operations and how they would work with individuals that deplete their financial reserves. The petitioner will be required to pay impact fees for their Independent Living units, in accordance with applicable Village codes and policies

A detailed market assessment has been provided by the petitioner, which analyzes the current market, identifies the target market demographic and their presence within the 5-mile primary market area, and discusses rental ranges for each unit type. The study also takes into consideration the planned Ryan Companies senior living community that is proposed on the International Plaza property to the north of the subject property and offers a similar range of care (independent living, assisted living, memory care – total of 188 units). While assuming that both developments would come online at the same time, the market study still finds adequate demand for the combined number of senior care units that both facilities would offer in this location.

#### **Parking and Traffic:**

The petitioner has provided a traffic and parking study by a certified traffic engineer, which assessed access (location, design, and Level of Service), on-site circulation, trip generation and distribution, and parking. Due to lower-than-average traffic volume on all streets as a result of the CoVid-19 pandemic, the study estimated peak traffic volumes as based on a survey of traffic volumes in the vicinity from 2019, and survey observations in 2020 that were adjusted to reflect the below average levels. Specifically, based on historical trip data along Arlington Heights Road and Golf Road, it was determined that traffic volumes had decreased by 40% in the morning peak hour and 15% in the evening peak hour. As such, the observed 2020 traffic volumes along Arlington Heights Road were increased by 40% and 15%, respectively.

The traffic study concluded that the estimated traffic generation from this development will add less than 1% to the overall existing traffic projected to be traversing the intersection of Arlington Heights Road with the east leg of Seegers Road on a daily basis. Accordingly, the capacity analysis indicated that the proposed development will not have a significant impact on the area roadways. Furthermore, the modification of the Arlington Heights Road access drive from a full-access intersection to a right-in/right-out only intersection will help to improve ingress/egress to the site and will have the positive benefit of the eliminating

dangerous left hand turn movements out of the site. Finally, the proposed use will create significantly less traffic during peak times when compared to the existing 100,000 square foot office complex on the site (should it be fully occupied). The future connection to the south will create another ingress/egress point to the subject property, and the Staff Development Committee does not believe traffic will become a significant issue with this development.

Relative to parking, the site contains a surplus of parking relative to code requirements. **Table I** below shows the detailed parking calculations:

**Table I: Parking Calculations** 

Use	CODE USE	UNITS/BEDS	PARKING RATIO (1:X)	PARKING REQUIRED
Independent Living	Housing for Elderly	93 units	1:Unit	93
Assisted Living	Housing for Elderly	58 units	1:Unit	58
Memory Care	Nursing Home	24 beds	1/two beds	12
	163			
	193			
	30			

Senior living facilities do not traditionally have a high parking demand, and much of the daily parking turnover is created by the staff and general operations of the site, as opposed to residents leaving for work or receiving visitors. The onsite supply exceeds Village Code requirements and ITE projections for peak parking demand, which projections indicate the site will have an even larger surplus of parking than Village Code. Except during peak visitation times, such as Christmas and Thanksgiving, staff does not expect the parking lot to approach maximum usage.

The petitioner has provided 18 bicycle parking spaces, which complies with Code. These spaces are located on the north side of the building.

# **RECOM**MENDATION

The Staff Development Committee reviewed the proposed rezoning from the O-T District to the I District and the PUD to allow a 175-unit senior living facility on the subject property, as well the following variations to Chapter 28 of the Municipal Code:

- A density variation from Chapter 28 of the Municipal Code, Section 5.1-8.1, to allow 357,628 square feet of land area where 420,000 square feet is required.
- A variation from Chapter 28 of the Municipal Code, Section 5.1-8.6, to allow certain independent
  and assisted living studio/efficiency units to be 431 square feet and certain memory care
  studio/efficiency units to be 334 square feet, where code requires a minimum size of 550 for
  studio/efficiency units, and to allow certain independent and assisted living one-bedroom units
  to be 646 square feet where code requires a minimum size of 650 square feet for one-bedroom
  units.
- A variation Chapter 28 of the Municipal Code, Section 6.5-2, to allow fire pits and an outdoor kitchen (BBQ Grill) within a side yard where such improvements are only allowed within a rear yard.
- A variation from Chapter 28 of the Municipal Code, Section 10.2-12.3, Lighting, to allow a luminaire spacing ratio of 3:1 or more, where code requires a luminaire spacing ratio of 3:1 or less.

The Staff Development Committee recommends **APPROVAL** of the application, subject to the following conditions:

- 1. Relative to cross access to the south Prior to building permit issuance the petitioner shall a) establish/record an access easement to the benefit of the properties to the south, and b) redesign the detention area to accommodate for the anticipated stormwater detention of the future driveway connection. Actual construction of this driveway connection will be the responsibility of the property owner to the south, and will occur if and when the Village determines it is necessary. The easement provisions shall allow for others to construct the cross access.
- 2. Prior to building permit issuance, the petitioner shall dedicate a 20' easement for Commonwealth Edison along the western property line to facilitate ComEd utility relocation/burial, with an additional 5' in width if determined necessary by the Village. The proposed underground waterline in this location shall be pushed back so that it is outside of this easement area.
- 3. The sidewalk along Arlington Heights Road shall be installed at 5' in width and prior to building permit issuance, the petitioner shall establish/record an easement for said sidewalk, to the benefit of the Village.
- 4. IDOT review and approval shall be required.
- 5. Impact fees for all Independent Living units shall be required, per applicable Village codes and policies.
- 6. If the Village requires a bike path along Tonne as part of building permit review, the property owner shall install said path at the request of the Village.
- 7. Compliance with the November 17, 2020, Design Commission motion shall be required.
- 8. The petitioner shall comply with all Federal, State, and Village Codes, Regulations, and Policies.

November 24, 2020
Bill Enright, Deputy Director of Planning and Community Development

Cc: Randy Recklaus, Village Manager
All Department Heads