## REPORT OF THE PROCEEDINGS OF

# THE CONCEPTUAL PLAN REVIEW COMMITTEE

OF THE VILLAGE OF ARLINGTON HEIGHTS PLAN COMMISSION

A MEETING WAS HELD ON: June 22, 2022

Project Title: Urban Street International Plaza Redevelopment, 4-214 E. Golf Rd., 15 & 139 E. Golf Terrace,

1665 S. Arlington Heights Road

Address: Jim Wells

Senior VP of Development UrbanStreet Group 2250 Progress Parkway Schaumburg, IL 60173

# **Requested Action:**

- 1. PUD approval to allow mixed-use development with 302 multi-family residential units and approximately three commercial outlots.
- 2. Rezoning from the B-2 and R-1 Districts to the R-7 District for the residential portion of the development.
- 3. Plat of Subdivision.

## Variations Required:

- Variation to Chapter 28 of the Municipal Code, Section 5.1-7.1, to allow R-7 Zoning on the subject property.
- Variation to Chapter 28 of the Municipal Code, Section 6.5-2, to allow accessory structures (pool, pergola, etc.) outside of a rear yard.

Attendees: Jim Wells, UrbanStreet Group

Bruce Green, Plan Commissioner Lynn Jensen, Plan Commissioner John Sigalos, Plan Commissioner Sam Hubbard, Development Planner

## **Project Summary:**

The subject property includes the International Plaza shopping center located just east of Arlington Heights Road along the north side of Golf Road. The shopping center consists of a single-story multi-tenant commercial building of approximately 164,000 square feet in size. Additionally, the subject property includes several pieces of Village owned land located to the west of International Plaza, all of which are vacant. The overall site is approximately 17.5 acres and has access to Golf Road (at a signalized main entrance and a secondary access point on Golf Road at the east end of International Plaza), access to Golf Terrace (which has right-in/right-out access to Arlington Heights Road), and the potential for access to Arlington Heights Road at the northwest portion of the site. International Plaza was developed in the mid 1980's as is included in Tax Increment Financing District #4.

UrbanStreet Group, a developer with projects across the Midwest, is proposing demolition of the existing shopping center for redevelopment as a 302-unit multi-family apartment complex to be constructed towards the rear of the site, and approximately three new commercial outlots fronting along Golf Road. The residential component would occupy 11.76 acres and the commercial outlots would include the remaining 5.74 acres and consist of approximately 37,000 square feet of commercial floor area.

The multi-family apartments would be located across seven buildings, each four stories in height and together totaling just under 400,000 square feet of residential floor area. Six of the seven buildings would consist of market rate units and the seventh building, located at the northwest corner of the site, would be reserved for affordable units (44 total). The unit mix within the development would contain 175 one-bedroom units (58%) and 127 two-bedroom units (42%). Each residential building would contain eight garage parking spaces (56 total) and the residential portion would include 409 surface parking

#### URBAN STREET INTERNATIONAL PLAZA REDEVELOPMENT - TEMP FILE 1775

stalls for a total of 465 parking stalls dedicated for the residential uses. Access to the residential portion would come from the main existing signalized driveway on Golf Road, with two access points from Arlington Heights Road (one at the northwest of the site and one via Golf Terrace). The petitioner has indicated that they intend to develop the six market rate residential buildings themselves, but partner with an affordable housing developer for construction of the seventh building.

The commercial portion would front along Golf Road and contain approximately three outlots for commercial development(s) as either retail, restaurant, service or offices, or combination thereof depending on market conditions. Urban Street would either develop the commercial lots themselves, or partner with a commercial developer for the commercial portion of the site.

## **Meeting Discussion:**

Mr. Wells provided some background on Urban Street; they have been around for 30 years and do multi-family and mixed-use developments. The proposed project includes redevelopment of the International Plaza shopping center as well as two Village owned parcels located just west of the shopping center. The combined property will encompass 17½ acres with a maximum of 302 units in seven buildings that are four stories in height. There would be a residential portion, which would have common amenities areas for residents, including a fitness room, yoga room, business center, leasing office, outdoor patios, and a pool/barbecue area. The residential component would be on 11.76 acres of the property and the remaining 5.74 acres will provide two or three commercial/retail lots along the Golf Road frontage. They are initially contemplating around 37,000 square feet of retail and commercial floor area. The property is currently zoned B-2 with a small section of the site zoned R-1. They will be asking for a rezoning to R-7 for the residential portion. It will also require some minor variations relative to the accessory structures and the patio/pool area.

He stated that the commercial retail portion of the property will remain B-2. The redevelopment will entail demo of the entire International Plaza building as well as underground utilities and parking areas. Utilities would be added to the site, including the detention, which would come in the form of both an underground vault and a surface basin. There will be new parking areas, service drives, parkways, and a multi-use path along Golf Road and all the landscape improvements will be constructed.

The traffic circulation on the site will utilize three access points, one of which will be reuse of the signalized intersection along Golf Road. Another would be an entrance off Golf Terrace, which they will be improving. Finally, they would also have a new right in/right out connection with Arlington Heights Road at the northwest section of the development. They anticipated closing on the property in March and getting permits with demolition commenced in summer 2023. He hoped rental and leasing/move-ins would begin by October 2024. Final COs for the remaining buildings would come in 2025. Anticipates commercial and retail developments can also be built and finished in the 4th quarter of 2025, if not sooner, depending on market conditions. There would be a three-phase construction approach. Phase 1 would include demo of all buildings and infrastructure; all new site development related infrastructure would be completed relative to utilities, roadway improvements, multi-use pathway, and pad ready commercial sites and six of the seven apartment buildings. Phase 2 would be construction of building 7 by UrbanStreet or one of their development partners. The final phase would be development of the commercial outlots by UrbanStreet or one of their development partners.

Mr. Hubbard stated that the property is in two zoning districts; the B-2 and a small portion in the rear is in the R-1 District. The residential component would have to be rezoned to the R-7 district and the commercial along Golf Road would remain in the B-2 district. He said that the overall site would develop as a PUD which is a requirement for all R-7 developments and is appropriate for a unique site like International Plaza with multiple frontages, shared access and common utilities. The Staff Development Committee is generally supportive of the proposed mix of uses. Subdivision approval would also be required. The R-7 portion would be on one subdivided lot and the commercial areas would be on separate subdivided lots ranging in size. He said a variation is required for the R-7 zoning. The development is consistent with the TIF plan and staff is preliminarily supportive.

Staff is recommending a neighborhood meeting well in advance of the Plan Commission meeting. The project must conform with the Inclusionary Housing Ordinance, which requires that 10% of the overall units be designated as onsite affordable units. While the Inclusionary Housing Ordinance requires all affordable units to be constructed at the same time as the market rate units, it also allows the construction of the affordable units to be deferred in certain circumstances. The petitioner

#### URBAN STREET INTERNATIONAL PLAZA REDEVELOPMENT - TEMP FILE 1775

will need to provide a response outlining why construction of building seven will need to be delayed. Housing Commission appearance is required, Design Commission appearance will also be required. A concept plan for the commercial sites must be provided and staff wants to make sure those sites are of adequate depth to accommodate viable commercial developments. Ideally, around 250' depth and certain site elements may need to be shifted to provide for appropriate commercial depth. He noted that the developer will be required to improve Golf Terrace to current Village standards. Cross access will need to be established between all portions of the site, and cross access to offsite properties may be required.

There are a lot of infrastructure needs in this area, such as a bike and pedestrian path along Golf Road. From a code standpoint, the residential component complies with parking requirements. A full traffic and parking analysis is being requested, along with a guest parking analysis. Loading zones are required. Staff is really looking forward to working with UrbanStreet on this exciting redevelopment project.

**Commissioner Jensen** asked about the affordable housing being located in building seven.

Mr. Wells explained that it was done this way due to financing.

**Commissioner Jensen** asked about the developers responsibility to relocate existing tenants in International Plaza.

**Mr**. **Hubbard** explained that one of the goals of the TIF redevelopment plans was to ensure that the redeveloper worked with existing tenants on possible relocations within the newly constructed commercial space.

**Commissioner Jensen** said he thought this looked like a great project and he was supportive.

Commissioner Sigalos also questioned the affordable housing. He would have preferred to see the affordable units mixed in with the market rate units. Wanted to know why they were all being proposed in one building (building seven)? What happens if building seven never gets built?

Mr. Wells replied that it was their full intent to have building seven constructed. They couldn't move forward on the project if the units had to be dispersed amongst each building; they wouldn't be able to get financing.

**Commissioner Jensen** said he agreed with Commissioner Sigalos, however, it sounded like the developer had legitimate financial constraints.

**Commissioner Sigalos** said he understood that there were financing issues; his primary concern was that the affordable housing portion would not get constructed.

**Mr. Wells** acknowledged that they have some work to do on the affordable housing end and they could provide further details to the Plan Commission, but for lending purposes they were proposing building seven to contain all of their affordable units.

Commissioner Sigalos asked about the commercial sites.

**Mr. Wells** replied that the sites would be for sale as opposed to for lease. They hoped to get a commercial developer on board who could provide some viable concepts for staff to review as part of the overall redevelopment.

**Commissioner Sigalos** although his preference was to see the affordable housing constructed amongst the market rate units, he encouraged the petitioner to move forward.

Commissioner Green said it looks like a great project.

**Commissioner** Green opened the floor for public comment.

K. Moens stated that he concurred with the commissioners who said that the affordable units should be dispersed amongst

## URBAN STREET INTERNATIONAL PLAZA REDEVELOPMENT - TEMP FILE 1775

the market rate units. Is concerned the affordable housing building would never get constructed.

- M. Cayer stated that she didn't want her property taxes increased to as a result of this development.
- **G. Motton** said that encouraged the Inclusionary Housing Ordinance be modified to require affordable housing in senior developments.

## RECOMMENDATION

The Conceptual Plan Review Committee was generally supportive of the concept and advised the petitioner to proceed with a Plan Commission application.

Bruce Green, Chair CONCEPTUAL PLAN REVIEW COMMITTEE Sam Hubbard, Recorder