



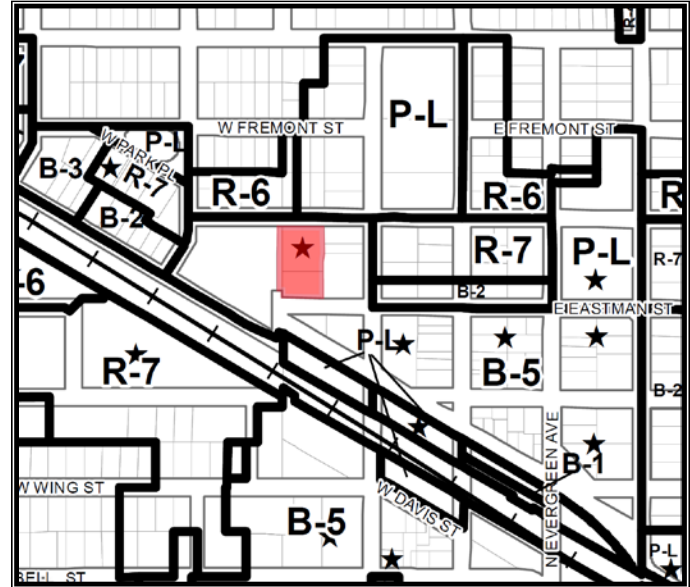
# **VILLAGE OF ARLINGTON HEIGHTS** **STAFF DEVELOPMENT** **COMMITTEE REPORT**

**Project Number:** PC 23-002  
**Project Title:** 116-120 W Eastman Redevelopment  
**Address:** 116-120 W. Eastman Street  
**PIN's:** 03-29-316-001, 03-29-316-008

**To:** Plan Commission  
**Prepared By:** Sam Hubbard, Development Planner  
**Meeting Date:** May 24, 2023  
**Date Prepared:** May 19, 2023

**Petitioner:** Mylo Residential Arlington Heights Property LLC  
 Joe Taylor  
**Address:** 202 S. Cook Street – Suite 210  
 Barrington, IL 60010

**Existing Zoning:** B-5 Downtown District  
**Comprehensive Plan:** Mixed-Use



## **SURROUNDING LAND USES**

Direction	Existing Zoning	Existing Use	Comprehensive Plan
<b>North</b>	R-6: Multiple-Family Dwelling District P-L: Public Lands District	Single-family homes, at-grade parking lot.	Single-Family Attached
<b>South</b>	B-5: Downtown District	Single-story retail sales building	Mixed-Use
<b>East</b>	B-5: Downtown District	Two-story office building	Mixed-Use
<b>West</b>	B-5: Downtown District	Village Bank & Trust	Mixed-Use

## **Requested Action:**

1. Planned Unit Development to allow a 150-unit multi-family residential development on the subject property.
2. Land Use Variation to allow a predominately multi-family residential development in the B-5 District.
3. Conceptual Special Use Permit approval for a restaurant on the subject property.

## **Variations Required:**

- Chapter 28 of the Municipal Code, Section 5.1-14.1, to allow 150 units on a 43,438 square foot lot where code requires a minimum lot size of 46,500 square feet.
- Chapter 28 of the Municipal Code, Section 6.1-5.1, to allow tandem parking spaces.

**Project Background:**

The subject property is 43,581 square feet in size (1 acre) and currently occupied by two office buildings, each of three stories in height. Along the western side of the site there is a private street (Highland Avenue) that is split between the subject property and the property to the west and located within a 33-foot wide easement for pedestrians and motor vehicles. Half of that easement is located on the subject property (16.5') and the other half is located on the property to the west (210 W. Northwest Highway). The subject property was originally approved as a PUD in 1965 to allow a three-story office building and a seven-story apartment building with 65 units. After the three-story office building was constructed on the north side of the site, the PUD was amended in 1968 to eliminate the residential component and construct a second three-story office building in its place. To the west of the site is a B-5 zoned property developed with a multi-tenant office building including a real estate office (Baird & Warner) and the Village Bank & Trust (including drive-thru lane). To the east of the site is a B-5 zoned property developed with a two and a half story office building occupied by AT&T. To the south is single-story commercial building in the B-5 District and to the north are single-family homes zoned R-6 (Multiple-family Dwelling District) and a surface parking lot owned by the Village (zoned P-L Public Land).

Existing access to the site comes from a curb cut on St. James Street to the north and a curb cut on Eastman Street to the south. Additionally, the shared private drive aisle on the west of the site (Highland Avenue) provides a third means of ingress/egress, which operates in a one-way fashion from south to north and connects St. James Street to Eastman Street.

The petitioner, Mylo Residential Arlington Heights Property LLC, has purchased the property and is proposing demolition of the existing buildings and site improvements, and constructing a seven story multi-family rental building with 150 residential units and ground floor commercial space intended to be leased to a restaurant. The development would consist of 15 two-bedroom units (10%), 113 one-bedroom units (75%), and 22 studio units (15%). The ground floor would include approximately 2,000 square feet of commercial space. No commercial space is contemplated along the northern side of the building. On the third floor, the building would be recessed on the western elevation to create a west facing pool deck including lounge chairs and a barbeque station. Additional building setbacks would be located on the north side of the site, where the structure would taper in above the 2<sup>nd</sup> floor so that floors three through seven are setback no less than 20' from the northern property line. The 7<sup>th</sup> floor would include a "sky lobby" amenity area on the southwest side of the building.

A partial basement would include 39 below grade parking stalls and the first and second floors of the building would include 162 parking stalls for a total of 201 interior garage spaces, which would be used by the residential tenants of the building. Along Highland Avenue, the streetscape would be altered to include 14 surface parking stalls along the western side of the building, which would be for customers/employees of the restaurant and guests of the residential tenants. In sum, the development would include 215 private parking stalls.

The entrance into the garage would come from the shared private street (Highland Avenue), which would be widened slightly and converted to allow two-way traffic. Access into the garage would be controlled by a garage door and sound/light pedestrian warning system. There would be one curb cut along Eastman located at the south of the site, which would lead to a 10' x 35' loading zone at the southeast corner of the building. Fifteen bike parking spaces would be located within a storage room inside the garage.

The key development attributes and primary code analysis is shown in the chart on the next page:

### Key Development Attributes

	Eastman Development
<b>Total Number of Units</b>	150
<b>Studio</b>	22
<b>1-Bdrm*</b>	113
<b>2-Bdrm</b>	15
<b>Commercial (Sq. Ft.)</b>	1,967 sq. ft.
<b>Height</b>	82'
<b>Overall Number of Bedrooms</b>	165
<b>Bedrooms Per Unit*</b>	1.1
<b>Parking Stalls (Residential)</b>	201**
<b>Parking Stalls Per Unit (Residential)</b>	1.34
<b>Parking Stalls Per Bedroom (Residential)*</b>	1.22
<b>Parking Stalls (Non-Residential)</b>	14

\* There are 36 one-bdrm + den units which were considered as having one bdrm

\*\* Both spaces in the tandem parking stalls were included

### Code Analysis

Setbacks	Proposed	Required/Allowed
North	0.64'	No requirement
South	0.94'	No requirement
East	0'	No requirement
West	6.11'	No requirement
<b>Building Height</b>	82' (Bldg. roof) 89' (Stairway tower)	90' maximum
<b>Dwelling Units Per Acre</b>	150	140
<b>Minimum Lot Size (density)</b>	43,581 sq. ft.	46,500 sq. ft. min.
<b>Total Parking Spaces</b>	215	160 minimum
<b>Parking Spaces Required (residential)</b>	201	154 minimum
<b>Parking Spaces Required (commercial/office)</b>	14	6 minimum

### Downtown Master Plan and Building Height:

The Downtown Master Plan, as amended in 2007, provided a wide range of recommendations to improve upon and guide development within Downtown Arlington Heights, ensuring that it remains the business, cultural and entertainment heart of Arlington Heights. Although the subject property was just outside the boundary of the study area within the plan, it is considered part of the downtown core and the proposed development helps to achieve several of the objectives identified in the Plan:

1. *Promote diversity and concentration of use in the downtown core.* The proposed development includes a high concentration of residential uses complimented with a moderate ground floor

commercial space, providing diversity of use. The residents will patronize downtown Arlington Heights businesses, contributing to the vibrancy and diversity of commercial opportunities within the downtown core.

2. *Create a quality pedestrian environment.* The proposed development will refurbish the downtown streetscape along Eastman and will incorporate decorative paving through the southwest corner of the site and along the private portion of Highland Avenue. Public pedestrian access through the private portion of Highland Avenue will be preserved.
3. *Strengthen downtown's residential base by encouraging additional residential development.* The Eastman development will add 150 units to the downtown Arlington Heights residential housing supply.

The maximum building height within the B-5 District is 90 feet, and the proposed project, at 82' in height (89' to top of stair tower) is compliant with this restriction. It should be noted that the B-5 regulations allow buildings up to 140 feet in height, provided that they qualify for certain height bonuses as outlined within the Zoning Code. The proposed development has not opted to take advantage of the height bonus allowances within the B-5 District and is slightly below the maximum permitted height. Although the subject property is outside of the primary study area within the Downtown Master Plan, the Plan and task force included recommendations for sites on the fringe of the downtown area, including the subject property. For this area, the Plan recommended buildings between 70'-100' in height. The proposed structure, at 82' in height, complies with this recommendation.

The building height is similar and compatible to other mid-rise structures within the B-5 Downtown District. Moreover, a detailed comparison to the existing mid-rise structures within downtown Arlington Heights shows that the proposed building is on the lower end of the varied mid-rise building heights in downtown Arlington Heights and the B-5 District. The table below shows the subject property in relation to the approximate height of similar multi-story B-5 developments. Exhibit 1 at the end of this report includes a graphic that visually depicts the proposed building height in relation to the existing building heights in Downtown Arlington Heights to the south and southeast.

<b><u>South of Metra Tracks:</u></b>	<b><u>Height</u></b>
Duntion Tower	138'
Arlington Town Square	140'
Metropolis Building:	81'
Village Green Development:	
Campbell Building	98'
Vail Building	93'
Wing Building	116'
Metro Lofts	84'
Arlington 425 (approved heights):	
Campbell Building	111'
Chestnut Building	58'

<b><u>North of Metra Tracks:</u></b>	<b><u>Height</u></b>
Hancock Square:	
East Building	97'
West Building	67'
201 N Vail	85'
Parkview	89'

<b>Proposed Development</b>	82' (roofline)
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With regards to the single-family structures to the north and northwest, the proposed development has included the aforementioned 20' building setback after the 2<sup>nd</sup> floor on the north side of the building to create a more compatible structure given the single-family residential community to the north/northwest.

### **Zoning and Comprehensive Plan**

The subject property is zoned B-5, Downtown District, which allows mixed-use development with ground floor commercial spaces and multi-family units above. However, multi-family uses without ground floor commercial spaces are not a permitted use within Downtown Arlington Heights. At less than 2,000 square feet in size and around only 6% of the overall ground floor footprint, the size of the commercial space is not large enough to qualify this development as “mixed-use”. Accordingly, a Land Use Variation to allow a predominately multi-family residential development is required. Additionally, all developments in the B-5 District are required to receive Planned Unit Development (PUD) approval. With regards to the requested Land Use Variation and property usage, the petitioner has submitted a written response to the four criteria necessary for variation approval, which has been transmitted to the Plan Commission as part of the materials for this application. The four standards for approval are:

- **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.**

With regards to the proposed use, the Staff Development Committee concurs with the petitioner that the necessary criteria for approval have been met and notes the following:

1. The location of the subject property, on the northern edge of downtown Arlington Heights, makes the small size of the ground floor commercial space preferable. A code compliant commercial space at 50% or more of the ground floor, would bring activity and traffic closer to the single-family homes along St. James Street. The small size of the ground floor commercial space, at 2,000 square feet, in combination with its location at the southernmost portion of the site, helps to make this development more compatible with neighboring uses while still maintaining street front activity on the south side of the site adjacent to downtown.
2. The location of the property on the fringe of the Downtown area is somewhat unique with single-family homes located directly across the street. The existing office space on the subject property is vacant, somewhat blighted and in need of revitalization, and the office market is trending towards increased vacancy over the last several years.
3. The proposed multi-family use does not represent a threat to the public health, safety, morals, comfort, or general welfare of the people working or residing in the vicinity of the subject property. Multi-family uses in fringe B-5 locations adjacent to single-family homes can be found in other areas of Downtown Arlington Heights.
4. The requested variation is the minimum variation necessary to allow a reasonable development on the subject property.

Two additional variations are required, one relative to density and one relative to the provision of tandem parking spaces. Each variation will be discussed in detail later within this report.

It should be noted that any future restaurant within the commercial space will need approval of a Special Use Permit or Special Use Permit Waiver (if eligible). Since a tenant has not yet been identified for the commercial space, only conceptual approval of the future restaurant can be granted at this time. In order to qualify for a liquor license, the provision of food service will be required.

The Comprehensive Plan designates the property as Mixed-Use and the proposed multi-family use (with limited commercial space) is generally compatible with this designation. No amendment to the Comprehensive Plan is warranted. Impact fees (schools, parks, library) shall be required for all residential units within the development.

### **Market Study**

The petitioner has submitted a comprehensive market study that analyzed the local market conditions and evaluated the proposed development in relation to potential competitors. The study has found similar developments in the Northwest Suburban Cook County submarket to be at 97.5% occupancy, noting that 95% occupancy is considered full. The study finds that the “full” state of the multi-family rental market means that pricing will continue to escalate with rents rising 3-4% per year. At an expected average rental rate of \$2.89 per square foot, the proposed development is on the higher end compared to the approximately 2,900 rental units studied within the submarket area. However, the study finds that the desirable location in downtown Arlington Heights, in combination with the generous amenities within the development, will lead to an absorption rate of around 9-10 units per month, which is in line with industry standards.

### **Conceptual Plan Review Committee**

On July 13, 2022, the petitioner appeared before the Conceptual Plan Review Committee for a preliminary review of the development concept. The Conceptual Plan Review Committee members were generally favorable towards the project and did not express any major concerns. There were some questions on the location of the structure directly abutting the eastern property line and future redevelopment on the property to the east, and the committee members encouraged the petitioner to hold a neighborhood meeting with surrounding property owners prior to appearing before the Plan Commission.

### **Neighborhood Meeting**

In early August of 2022, the petitioner sent invitations to all neighboring property owners within 250 feet of the property informing them of a neighborhood meeting they could attend on August 23, 2022. On the evening of August 23, the petitioner met with some of the neighboring property owners to present their concept and understand what concerns the neighbors may have. Per the petitioner, three main concerns were identified: 1) traffic on St. James Street and neighborhoods desire to restrict Highland Avenue access to St. James Street, 2) modifications to the garage façade to make it more compatible with the residential neighborhood to the north/northwest, and 3) the possibility of reducing the height of the structure by placing parking underground.

### **Design Commission**

The petitioner appeared before the Design Commission on March 13, 2023 to discuss the building architecture and compatibility of the design. The Commission required modifications to improve the appearance and to address certain issues, and continued the project until the next month. Subsequently, on April 12, 2023, the Design Commission voted 4-0 in favor of a recommendation of approval of the project, subject to two recommendations and one condition of approval. The recommendations dealt with confirming details on the project rendering and the requirement relates to the positioning of the louvers on the garage to prevent light spillover to the residential homes to the north.

### **Housing Commission & Affordable Housing**

Per the Village’s Inclusionary Housing Ordinance, 7.5% of the units within the development must be on-site units meeting the provisions of the Inclusionary Housing Ordinance (IHO) relative to affordability. The

developer has two options to comply with this requirement; 1) provide all 7.5% of units as on-site affordable units, or 2) provide a minimum of 5% of the units as onsite affordable units and pay a fee for the remaining 2.5% of affordable units required-but-not-provided onsite.

On April 19, 2023, the petitioner appeared before the Housing Commission, which resulted in a 5-0 recommendation of approval of the project, which will provide a minimum of 10 onsite affordable units within the development and provide a fee-in-lieu-of payment for the remaining units required-but-not-provided onsite. It should be noted that Section 7-1709, Development Cost Offsets, of the Inclusionary Housing Ordinance allows density bonuses (at the discretion of the Village Board) equal to no more than one market rate dwelling unit for each required affordable dwelling unit constructed within the building. At 150 units proposed on the site, the development is 10 units above maximum allowable density requirements for the B-5 District. Accordingly, the following variation is required:

- **Variation to Chapter 28 of the Municipal Code, Section 5.1-14.1, to allow 150 units on a 43,438 square foot lot where code requires a minimum lot size of 46,500 square feet (or 140 units).**
- **Section 7-1709: Density Bonuses. At the discretion of the Village Board, a density bonus may be provided equal to no more than one market rate dwelling unit for each required affordable dwelling unit constructed on the site of the Covered Development Project.**

The Staff Development Committee believes that the necessary justification for approval have been met as the requested density increase complies with the density bonus provisions as allowed by the IHO. The increase in units is the minimum necessary to comply with code; no increase beyond the IHO allowed bonus has been requested.

### **Impact on School Districts**

Given the high proportion of studio and one-bedroom units (90% of the overall unit mix), it is not expected that the proposed development will result in a substantial increase in student enrollment. Using enrollment data from similar market rate rental developments in downtown Arlington Heights from the last five years, staff anticipates that the proposed development will yield approximately four elementary aged children, two middle school aged children, and three high school aged children, for a total of nine additional students within the local school system. The subject property feeds to Olive-Mary Stitt Elementary School, which is currently undergoing a building addition to allow for increased student enrollment. Staff reached out to School District #25 and #214 to provide them info on the development and estimated enrollment figures.

### **Construction Staging**

The petitioner has provided a preliminary construction staging plan as part of their Plan Commission application. As part of building permit review, the petitioner will be required to provide a final construction schedule and logistics plan that identifies staging areas, material storage, lane closures, and construction worker parking for review and approval by the Village. Construction traffic shall be limited to pre-approved lanes and locations to be determined by the Village, and construction entrances must be designed to keep truck traffic off of St. James Street. Emergency access must be maintained at all times during each phase. Any work taking place within the right-of-way must be scheduled to minimize disruption to other businesses, residential neighbors, and patrons of the downtown and nearby vicinity. The developer shall explore a temporary construction easement with the neighboring property to the west, which would allow Highland Avenue to be partially closed and the construction trailer and material storage to be relocated to Highland Avenue and away from the residential areas to the north.

### **Site & Building Analysis:**

Overall, the site has been thoughtfully designed with the primary activity components isolated to the south of the site and closer to downtown, while the north side of the site is less active and has been designed to minimize disturbance to the single-family homes to the north. Specifically, the southern side of the site includes the primary entrance to the apartment building, commercial business entrance, and loading zone. Utility infrastructure was sited on the southwest side of the building and screened with building walls. The terraces on the north will be private for the residents of each unit and not active spaces for the larger building community. The pool deck was located on the western side of the building and does not directly face any single-family homes.

In working with staff, the petitioner has made several additional improvements to the project:

- Reduced the overall density from 154 units to 150 units.
- Increase the parking supply from 180 parking spaces to 201 parking spaces for the residential units.
- Increased the number of on-site affordable units from 8 to 10.
- Relocated the garage driveway entrance from St. James Street (as proposed in the conceptual planning stage) to Highland Avenue.
- Included a 20' third floor building setback along the north side of the site.

There are several key areas of the plan that merit discussion as outlined below:

#### ***Building Considerations:***

In order to facilitate safe pedestrian movements across the garage entrance along the western side of the building, the structure will be equipped with an audio/visual warning system consisting of lights and verbal "warning" queues. Given that that access to the garage will be controlled by a garage door, cars will be entering and exiting the garage at a slow rate of travel, however, the additional warning system will ensure that pedestrian safety is maintained. The audio/visual system will be required to include a mechanism to reduce the volume of the warning queues during overnight times.

The petitioner has done a good job of locating utility/back-of-house building elements, such as the generator, transformer, and utility meters to locations that are screened and/or less visible from public view. However, the height of the proposed transformers along the western side of the building is not yet known, whereas the building wing walls, which provide screening for the transformers, are proposed at 6' in height. Should the transformers be taller than 6' in height, the size of the building wing walls will need to be increased. As such, the SDC recommends a condition of approval requiring all building-mounted and site mechanical equipment (meters, panels, utility connections, fire department connections, transformers, utility pedestals, etc.) be appropriately sited and screened from public view, as determined by the Village. To the fullest extent possible, these elements must be internalized within sound attenuation structures. Prior to issuance of a building permit, additional information/manufacturers specifications on sound levels and attenuation (and capacity for additional sound attenuation around larger mechanical units) must be provided for Village review. With regards to the rooftop mechanical units, the location of the northernmost Roof Top Unit (RTU) shall be shifted further south, as feasible, and screened with additional sound buffering panels as determined necessary by the Village.

Although the pool deck is proposed along the western elevation of the building and partially shielded from the single-family homes to the north/northwest, usage of the pool could potentially create a nuisance if left unsupervised. The petitioner has stated that no exterior speakers will be installed on the outdoor pool/BBQ

grilling deck, and hours of operation will prohibit usage between 10:00pm to 10:00am Sunday through Thursday and from 11:00pm to 10:00am on Friday and Saturday. Any personal speaker usage on the outdoor deck must cease by 9:00pm on any day. Usage of the outdoor deck area must abide by these restrictions and the petitioner must take any action necessary should the Village notify them of complaints of excessive noise emanating from the outdoor deck usage on the subject property. The Village reserves the right to establish additional restrictions on the general usage times and music/sound from said outdoor deck should the occupants of the subject property fail to abide by these restrictions or cause excessive nuisances, and a condition of approval outlining such has been included below.

The Building and Life Safety Department and Fire Department have both reviewed the Eastman project and do not have any significant concerns relative to fire/emergency services access. The proposed structure will be required to comply with all applicable building and fire code requirements. The petitioner must continue to work with the Village on the design of the Fire Department Connection (FDC) on the south side of the building. As the building wall is only 1-foot setback from the sidewalk/public way, the FDC must be low profile/flush against the building wall to avoid encroachment out into the public way. A condition of approval to address this has been recommended below.

Finally, the petitioner shall continue to work with the Village on the proposed lights along the northern elevation to the buildings. Specifically, five lights have been proposed along the northern elevation, to be mounted at 13' in height. Staff would like to ensure that this equipment is angled downwards and includes features to shield/block glare and spillover, and the petitioner shall be required to work with the Village to ensure that they are angled towards the ground and include adequate shielding/cutoffs.

#### *Streetscape Improvements*

The petitioner will be required to reconstruct the streetscape along the north side of Eastman abutting the subject property. The existing streetscape in this location does not contain any street trees and includes one light pole that is located in the middle of the sidewalk. The developer will be required to install a streetscape along Eastman that is compatible with Village standards, including a minimum of three street trees (either in tree grates or raised planting beds), new sidewalk, and removal/relocation of the light pole in the middle of the sidewalk to a code compliant location. Final details need to be worked out relative to ADA accessible aisles/tree grates, positioning of a new light pole, parking bump-out, and egress doors opening into the public way. The final streetscape along Eastman shall be consistent with Downtown standards and certain modifications may be required at time of building permit (additional sidewalk width, revised tree grates, recessed building doors, sidewalk bump-out at corner, etc.) at the discretion of the Village. A public access easement along a portion of the private sidewalk on Eastman may be required to comply with ADA regulations.

As the private drive aisle (Highland Street) that runs between the subject property and neighboring property to the west is proposed for two-way traffic, new stop signs must be installed. Specifically, a stop sign shall be installed at the northbound approach of the St. James/Highland Avenue intersection, and also at both the eastern and western approaches to the intersection of Highland Avenue/Eastman Street/neighboring property drive aisle. The petitioner will be required to work with the Village to implement these improvements. The Village is also exploring the possibility of a 15-minute loading zone along Eastman Street in close proximity to the building entrance, which could be utilized by parcel carriers and for residential

deliveries. Additionally, the Village is exploring the possibility of a curbed bump-out at the sidewalk crossing on Eastman.

### **Infrastructure**

Preliminary engineering plans have been provided and reviewed as part of this Plan Commission application. Stormwater detention will be required to comply with all applicable Village and MWRD standards, and an underground detention vault has been proposed underneath the private portion of Highland Avenue. As part of building permit issuance, the Village will verify that the structural design of the vault will be sufficient to carry the load of anticipated trucks and fire engines.

In order to provide water to the site, an 8-inch watermain will need to be extended along St. James Street from Vail Avenue west to the development, which expense shall be borne by the developer and shall require an Illinois Environmental Protection Agency (IEPA) permit.

### **Parking and Traffic:**

The petitioner has provided a traffic and parking study by a certified traffic engineer, which has assessed access (location, design, and Level of Service), on-site circulation, trip generation and distribution, parking, and impacts to public streets. With regards to traffic, the existing site is occupied by two office buildings totalling approximately 55,500 square feet of floor area, which is currently vacant. To be conservative, the study took traffic counts in January of 2022 while the office buildings were still partially occupied. The traffic consultant took these base traffic counts and added anticipated traffic based on full occupancy of the existing buildings with 55,500 square feet of office space. They then took the base counts and added the anticipated traffic volumes from the proposed Eastman development and compared the two. This comparison is shown below:

**Site Trip Generation Comparison**

Use	ITE LUC	Size	AM Peak Hour			PM Peak Hour		
			In	Out	Total	In	Out	Total
Offices	710	55,500 sq. ft.	57	8	65	9	45	54
Proposed Site Traffic Volumes (150 units)			14	44	56	48	30	78
Difference			-43	+36	-11	+39	-15	+24

The proposed development is anticipated to generate similar traffic volumes in the morning peak travel hour (7:45am-8:45am) and a minimal increase to total trips (24 additional trips) during the evening peak hour (4:45pm-5:45pm). From a traffic standpoint, the proposed development is not expected to generate a substantial increase in overall traffic during peak travel times when compared to the existing buildings on the site (should they be fully occupied). All intersections analyzed within the report are expected to continue operating at good levels of service, with the worst movement being the southbound approach of Highland/Northwest Highway. This intersection is under stop sign control and expected to operate at a Level of Service (LOS) delay grade of "C" with an estimated wait time of less than 20 seconds. At an intersection of a neighborhood street (Highland Avenue) with a major arterial (Northwest Highway), a LOS C on the minor approach provides a decent level of service and is not a threat to vehicular or pedestrian safety.

Given the location of the building entrances, traffic patterns, and the street network in the vicinity of the subject property, the traffic study forecasts that the majority of site generated traffic (70%) will arrive and depart the building utilizing Northwest Highway, whereby keeping the majority of traffic off of St. James Street and away from the single-family neighborhood. The petitioner has worked with the Village to appropriately locate the garage entrance, which was originally proposed along St. James Street at the north side of the site, then proposed on Highland Avenue (but still on the northern side of the site), and is now proposed on Highland Avenue but centered towards the middle of the site.

### *Parking*

As outlined above, the subject property will include 201 garage parking spaces (includes 18 tandem style spaces) which will be used for residential tenant and guest parking. The exterior of the subject property will include 14 parking stalls on the eastern side of the private portion of Highland Avenue. In addition, the site has access to 9 additional stalls on the western side of the private portion of Highland Avenue via a perpetual easement with the neighboring property owner. The 14 spaces on the exterior of the site will be used by employees and customers of the commercial tenant, as well as for guest parking for the residential tenants (should additional residential guest parking capacity be necessary). The subject property provides a surplus of off-street parking spaces relative to code requirements and no parking variation is necessary. The parking calculations as based on code requirements are shown on the chart below:

<b>Parking At B-5 Requirements</b>			
<b>Use</b>	<b>Square Footage / # of Units</b>	<b>Parking Ratio</b>	<b>Required Parking</b>
Residential	150		
Studio/1 Bedroom/1 Bedroom + Den	135	1 per unit	135
2 Bedroom	15	1.25 per unit	19
Commercial	1,967		
Restaurant - 1st Flr. (seating area)	1,285	1 Space per 200 sq. ft. of seating area	6
<b>Total Required</b>			<b>160</b>
<b>Standard Garage Spaces Provided (Residential)</b>			<b>183</b>
<b>Tandem Garage Spaces Provided (Residential)</b>			<b>18</b>
<b>Total Garage Spaces Provided (Residential)</b>			<b>201</b>
<b>Total Exterior Surface Parking Stalls Provided (Commercial)</b>			<b>14</b>
<b>Total Provided On-site</b>			<b>215</b>
<b>Surplus / (Deficit)</b>			<b>55</b>

However, the Village has found demand for multi-family residential rental properties within the downtown core to be around 1.3 parking spaces per residential unit. This is consistent with the most recent approval for the Arlington 425 project, which is a 319-unit multi-family rental project in downtown Arlington Heights. Additionally, the 4 N. Douglas apartment project, which is in the R-7, Multi-Family Dwelling District and currently under construction just outside of the downtown fringe (but walkable to downtown), is providing parking at a rate of 1.5 parking spaces per residential unit. While the proposed development has a slightly higher percentage of studio and one-bedroom units than both of those projects, the Staff Development Committee has worked with the petitioner to increase the proposed parking supply to comply with this ratio. As a result, the project provides 1.34 parking spaces per unit. If a conservative approach is taken and each one-bedroom-with-den unit is considered as having two-bedroom, the this translates to exactly one parking

space per bedroom. The Staff Development Committee believes that adequate residential parking has been provided to accommodate for expected demand.

However, to manage parking, the petitioner will need to abide by the following restrictions:

1. **Residential parking spaces within the garage shall be leased separately from units and shall not automatically be included within any residential lease.** As parking spaces will be assigned to specific units, it would not be prudent to automatically assign a parking space to a tenant who doesn't have a car as this would preclude that space from being available to a tenant who does own a car.
2. **Any tenant desiring two parking spaces within the garage must lease tandem spaces (with first priority going to two-bedroom units) if tandem spaces are available. Only after all tandem spaces are leased may the remainder of the parking spaces be leased by tenants desiring two parking spaces.** This will ensure that the second space within a tandem parking space is utilized, which is necessary to accommodate for expected residential parking demand.
3. **No more than 51 tenants shall lease two spaces within the garage.** This restriction will ensure that every residential unit has access to at least one parking space.
4. **No residential unit shall lease more than two parking spaces within the garage.** This restriction will ensure that every residential unit has access to at least one parking space.
5. **Residential guest parking within the garage shall be made available.** This restriction will open up the garage for residential guest parking, should unleased spaces be available, whereby removing this demand from the exterior parking spaces and increasing the supply for the commercial user.

Additionally, at the request of the Village, the petitioner must provide details and data on the operation, management, and usage of the parking within the residential garage and on-street parking space usage. If parking issues arise, the petitioner must work with the Village to modify the parking plan to address any such issues, to the satisfaction of the Village. The petitioner must use good faith efforts to implement and enforce the parking conditions and restrictions outlined above.

With regards to the commercial parking spaces, the subject property includes 14 spaces on their privately owned portion of Highland Avenue. As outlined above, an additional nine spaces are and located on the western side of Highland Avenue and are available via a perpetual easement with the neighboring property owner to the west. This totals 23 off-street parking stalls for the approximately 2,000 square foot restaurant space and for residential guest parking. The parking study has utilized Urban Land Institute (ULI) data to analyze the expected restaurant parking demand and found peak demand to be 23 parking stalls. The Village has utilized Institute of Traffic Engineer (ITE) data to forecast peak restaurant parking demand and found demand to be somewhere in the range of 30-40 vehicles at peak times. In addition to the 23 off-street parking spaces, there are 20 on-street spaces along Highland and Eastman, which are not heavily used. The Staff Development Committee does not believe that the proposed development will have a detrimental commercial parking impact.

The petitioner has proposed bike parking spaces at 1 per 10 units (15 total), which staff believes to be acceptable and notes is identical to the ratio required for multi-family developments in the R-5, R-6, and R-7 zoning districts. There is no formal bike parking requirement for PUD's in the B-5 district. With regards to the 18 tandem parking spaces proposed within the garage, the following variation is required:

- **Chapter 28 of the Municipal Code, Section 6.1-5.1, to allow tandem parking stalls.**

The Staff Development Committee is supportive of this variation and notes that structured parking contributes significantly to development costs. In a downtown environment where space is at a premium, the provision of onsite parking stalls becomes a hardship and it is not uncommon to see tandem parking stalls in other locations within downtown Arlington Heights. Both the Wing Street Building and Sigwalt 16 developments were approved for variations to allow tandem parking stalls and the requested variation will not alter the essential character of the locality.

### **Loading:**

Per code, one loading zone is required for the proposed development. One loading zone will be located at the southeast side of the building, which complies with code. This loading zone shall be utilized for residential move-ins/move-outs, loading/unloading for the commercial space, and trash collection. These activities shall be prohibited from occurring on-street. All residential move-ins/outs and commercial deliveries must occur between the hours of 7:00am to 7:00pm. As mentioned above, the Village is analyzing the possibility of an on-street drop-off/pick-up zone in front of the building, which could be used for residential deliveries/parcel services.

### **RECOMMENDATION**

The Staff Development Committee has reviewed the requested Planned Unit Development to allow a 150-unit multi-family residential development on the subject property, Land Use Variation to allow a predominately multi-family residential development in the B-5 District, and Conceptual Special Use Permit approval for a restaurant on the subject property, along with the following variations from Chapter 28 of the Municipal Code:

1. Section 5.1-14.1, to allow 150 units on a 43,438 square foot lot where code requires a minimum lot size of 46,500 square feet.
2. Section 6.1-5.1, to allow tandem parking stalls.

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

### **General**

1. The outdoor roof deck area along the western side of the building shall be restricted from use between the hours of 10 pm to 10 am Sunday through Thursday and from 11 pm to 10 am on Friday and Saturday. There shall be no building-mounted or permanent speakers/audio system installed on the outdoor pool deck. All personal music and speaker usage on the outdoor deck must end by 9pm on any night. Usage of the outdoor deck area must abide by these restrictions and the Applicant must take any action necessary should the Village notify them of complaints of excessive noise emanating from the outdoor deck usage on the subject property. The Village reserves the right to establish additional restrictions on the general usage times and music/sound from said outdoor deck should the occupants of the subject property fail to abide by these restrictions or cause excessive nuisances.
2. All restaurants that desire to operate within the PUD must obtain a special use permit or receive a waiver of the special use permit requirement if deemed acceptable by the Village.
3. At time of application for building permit, the Applicant must provide a detailed final construction schedule and logistics plan that identifies staging areas, material storage, lane closures and construction worker parking for review and approval by the Village. Any work taking place within the right-of-way must be scheduled to minimize disruption to other businesses, residential neighbors,

and patrons of the downtown and nearby vicinity. Construction traffic must be limited to pre-approved lanes and locations to be determined by the Village. The petitioner shall provide a truck parking and truck access plan for review and approval by the Village. Emergency access must be maintained at all times during each phase.

4. Conversion of the building from rental to condominium units will require an amendment to the Planned Unit Development and the provision of sufficient parking for such change as determined necessary by the Village.
5. The Applicant must provide all required impact fees in accordance with the requirements of Chapter 29 of the Village Code.
6. The Applicant is responsible to ensure that the Planned Development is and remains in full compliance with the requirements of Article XVII of Chapter 7 of Village Code, being the Village's Inclusionary Housing Ordinance, and the Village's Inclusionary Housing Guidelines, including, without limitations, the following:
  - a. Providing, at a minimum, 10 actual on-site units (a minimum of 5% of the total units) in the Planned Development and fee-in-lieu for 1.25 units (a maximum of 2.5% of the total number of units) or a total of 11.25 units (7.5% of the total number of units) in compliance with Section 7-1707(b)(3) of the Village Code.
  - b. Satisfying all conditions and requirements necessary for Applicant to obtain development cost offsets pursuant to Section 7-1709 of the Village Code, including, without limitation, obtaining density bonuses pursuant to Section 7-1709(a).
  - c. Ensuring compliance with all other provision of the Inclusionary Housing Ordinance and the Inclusionary Housing Guidelines as applicable.
7. The Applicant must comply with all Federal, State, and Village codes, regulations, and policies.

#### **Parking Related**

8. Parking within the garage shall be operated as per the below:
  - a) Residential parking spaces within the garage shall be leased separately from units and must not automatically be included within any residential lease.
  - b) Any tenant desiring 2 parking spaces within the garage must lease tandem spaces (with first priority going to two-bedroom units) if tandem spaces are available. Only after all tandem spaces are leased may individual/single spaces be leased by tenants desiring two parking spaces.
  - c) No more than 51 tenants shall lease two spaces within the garage.
  - d) No residential unit shall lease more than two parking spaces within the garage.
  - e) Residential guest parking within the garage spaces be made available.
9. At the request of the Village, the Applicant must provide details and data on the operation, management, and usage of the parking within the residential garage and on-street parking space usage. If parking issues arise, the Applicant must work with the Village to modify the parking plan to address any such issues, to the satisfaction of the Village. The Applicant must use good faith efforts to implement and enforce the parking conditions and restrictions outlined above.

#### **Loading Conditions**

10. Loading operations are restricted to the following:
  - a. Commercial/Restaurants: Allowed only between the hours of 7:00am to 5:00pm.
  - b. Residential: Residents moving in/out must schedule their loading dock time in advance. Move-ins/move-outs will take place in the loading dock on Eastman and be allowed between the

hours of 7:00am to 7:00pm. Loading operations will be prohibited between the hours of 10:00pm to 7:00am.

- c. Trash: All trash must be loaded onto trucks within the loading area.
- d. All loading/unloading for the commercial space, move-ins/move-outs for the residential tenants, and trash collection shall occur onsite and within the dedicated loading zone. These activities shall be prohibited from occurring on-street.

#### **Traffic/Street Infrastructure Conditions**

- 11. If it is determined by the Village that there is unsatisfactory traffic circulation and congestion within and through the subject property, the Applicant must work with the Village to modify the site circulation and access as necessary to mitigate for any such issues.
- 12. The Applicant shall work with the Village to implement improvements to the following intersections:
  - a) St. James/Highland: Stop sign shall be installed at the northbound approach.
  - b) Highland/Eastman/Bank Drive Aisle: Stop signs shall be installed at the eastbound approach and the westbound approach (as feasible) at this intersection.

#### **Site Related**

- 13. No later than issuance of a building permit, the petitioner shall execute a public access/sidewalk easement along the south side of the building, at the discretion of the Village and as necessary to comply with ADA pathway widths.
- 14. Final Streetscape along Eastman shall be consistent with Downtown standards and certain modifications may be required at time of building permit (additional sidewalk width, revised tree grates, recessed building doors, etc.) at the discretion of the Village.
- 15. The garage warning system shall be equipped with afterhours technology to reduce or shut off the noise during overnight times.

#### **Building Related**

- 16. The Applicant must comply with all of the requirements set forth in the April 12, 2023 motion of the Village's Design Commission concerning approval of the design for the building within the Planned Unit Development.
- 17. All building-mounted and site mechanical equipment (meters, panels, utility connections, fire department connections, transformers, utility pedestals, etc.) must be appropriately sited and screened from public view, as determined by the Village. To the fullest extent possible, these elements must be internalized within sound attenuation structures. Prior to issuance of a building permit, additional information/manufacturers specifications on sound levels and attenuation and capacity for additional sound attenuation around the units must be provided for Village review.
- 18. All utility service lines must be underground.
- 19. The petitioner shall continue to work with the Village on the design of the proposed Fire Department Connection. Said connection shall be a low-profile design, to the satisfaction of the Fire Department, and shall not encroach into the ROW.
- 20. The location of the northernmost Roof Top Unit (RTU) shall be shifted further south, as feasible, and screened with additional sound buffering panels as determined necessary by the Village.
- 21. The petitioner shall work with the Village on the proposed lights on the northern building elevation to ensure that they are located at low elevations and are angled towards the ground.

May 19, 2023

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Michael Lysicatos, Assistant Director of Planning and Community Development

Cc: Randy Recklaus, Village Manager  
All Department Heads

**Exhibit 1 – Proposed Building Height in Relation to Similar Downtown Structures to South/Southwest**

