

REPORT OF THE PROCEEDINGS OF
THE PLAT & SUBDIVISION COMMITTEE
 OF THE VILLAGE OF ARLINGTON HEIGHTS PLAN COMMISSION
 HELD AT VILLAGE HALL ON:

February 8, 2017

Project Title: Hearts Place
Address: 120-122 E. Boeger Dr.
Petitioner: Jessica Berzac
 900 W. Jackson Blvd. #2W
 Chicago, IL 60607

Requested Action:

- A rezoning from B-1, Limited Retail Business District and B-2, General Business District to I, Institutional.
- A preliminary Planned Unit Development (PUD) to allow the construction of a two story, 16 unit supportive housing development.
- An amendment to the Village's Comprehensive Plan to change the underlying land use designation from Commercial to Institutional
- Preliminary Plat of Resubdivision to consolidate the two lots into one lot.

Variations Required:

- A variation from Chapter 28, Section 5.1-8.3, Minimum Area for Zoning District, to allow a reduction to the minimum district standard size from 2.0 to 0.93 acres.
- A variation from Chapter 28, Section 5.1-8.1.a., Location, to waive the requirement that property up to four acres and zoned Institutional shall have frontage on a street classified at least as a Collector on the Arlington Heights Thoroughfare Plan.
- Chapter 28, Section 5.1-8.14, Minimum Distance from Building Wall to Paved Area, to allow a reduction to the minimum distance from 25 to approximately 16 feet.
- Other Variations may be necessary as identified when detailed plans are received.

Attendees: Alex Pereira, Petitioner
 Terese Thompson, Project Architect
 Jessica Hotaling, Development Team
 Richard Koenig, Development Team
 Bruce Green, Plan Commissioner
 Lynn Jensen, Plan Commissioner
 Sam Hubbard, Development Planner

Project Summary:

The subject property consists of two lots of record comprising a total of 40,435 square feet (0.93 acres). The east lot, which is currently vacant, is zoned B-2, General Business District, while the west lot, which has an existing one-story utility building, is zoned B-1, Limited Retail Business District.

The proposed action, if approved, would allow UP Development (the petitioner) to construct a 16-unit multi-family development that would provide a home for families living with disabilities that are in need supportive services. All units within the building would be 2-bedroom. The first floor would contain 7 units, as well as laundry and storage space, a community room, and two offices that can be used to provide the supportive services to the residents. These services would be provided through a network of community-based organizations under the coordination of the Housing Opportunity Development Corporation (HODC). The HODC would partner with local agencies such a Thresholds, WINGS, Catholic Charities, etc. to ensure that the residents have access to the programs and supportive services that they need to remain independent.

Meeting Discussion:

Mr. Koenig introduced the project and said that the development team was interested in constructing a 16 unit housing development. The development would provide affordable supportive housing for people with disabilities. The subject property is currently two separate lots and they would combine the lots into one. They have a contract to purchase both lots and the lots are currently zoned B-1 and B-2 so they would need to be rezoned. All of the 16 units would be two bedroom units and they would be rented out at levels to meet the Village's affordable housing requirement and would comply with the Village's Housing Plan by providing affordable units. The units would be specifically targeted to individuals with a range of disabilities, and any type of disability would qualify, whether it be a physical disability, a mental disability, or a developmental disability.

Mr. Koenig explained that the Housing Opportunity Development Corporation (HODC) would provide the property management for the facility and they would partner with local social service agencies to provide the services needed for the residents so that they could remain independent. The HODC is a nonprofit organization that has been around for over 30 years and they are based out of Wilmette. They have completed over 20 developments totaling over 50 million dollars. Many of the developments that they have completed are very similar to the proposal on the subject property, and they have just completed a similar development located on Milwaukee Avenue in Glenview. They are currently looking for tenants for that facility and working with agencies such as the Wings Program, Clearbrook, Northwest Compass, and other organizations that provide services to the community to help them locate tenants for that development.

Mr. Koenig said he believes that this development provides a valuable form of housing for the community, and that they are asking for the rezoning to be able to provide this housing. He said they will file a zoning application to appear before the Plan Commission and that he believes the requested Variations are due to the structure of the code and not necessarily due to the way that the site has been designed. They will not be asking for any setback Variations, height variations, or density variations. The Variations they need are based on the size of the lot and location of the lot.

Mr. Koenig stated that if they were successful with obtaining zoning approval for this project, the next step would be to go to the Illinois Housing Development Authority to obtain funding for the development, which was necessary to keep the rents affordable for the residents who would qualify to live there.

Mr. Hubbard explained that the subject property was located within the B-1 and B-2 Zoning Districts and so the property would have to be rezoned into the I Institutional Zoning District. The Zoning Code classifies this type of use as an "Institutional Residential Facility", which is appropriate for I District zoning and is permitted use in the I District. Any developments within an I District must be developed as a Planned Unit Development (PUD), and so the subject development would need to apply for PUD approval to allow the 16 unit supportive housing facility. An amendment to the Comprehensive Plan would also be required, which would amend the designation from "Commercial" to "Institutional". Consolidation of the two existing lots into one lot of record is also required for this project.

Mr. Hubbard outlined several Variations that were required for this project as identified during a preliminary review of the conceptual plans, and he mentioned that most of them were relative to the individual I District requirements. A Variation to the minimum zoning district size standard to reduce the minimum zoning district size from 2 acres to 0.93 acres is required, as well as to the I District requirement that all developments within the district that are on property less than 4 acres in size must be located on a street classified at least as a collector street, and the subject property is located on a local street. Finally, the I District has requirement that pavement must be setback at least 25' from a building if that building is 2 stories or less, and the proposed building appears to be setback approximately 16' from the pavement, which would require a Variation. He mentioned that other Variations may be necessary as identified upon the submission of more detailed plans.

Mr. Hubbard mentioned that the Staff Development Committee reviewed the conceptual plans and had offered some feedback. The Village has a Consolidated Plan that identifies a need for housing options to serve non-homeless individuals living with disabilities, including mental disabilities, physical disabilities, developmental disabilities, and

victims of domestic violence, and it appeared that this development may meet this need. Staff would like additional details from the petitioner on the target tenants that would be living here to ensure that this project was providing housing options consistent with the Consolidated Plan. As the petitioner has stated that the proposed development will be for individuals living with disabilities, staff was looking to understand what range of specific conditions qualified as a "disability".

Mr. Hubbard explained that the petitioner would need to provide a written response addressing the approval criteria for any requested Variation. He said that although conceptual plans had been submitted, the formal zoning application would need more detailed plans, at which point staff would have the necessary documents to fully evaluate the request and render a decision relative to staff support of the project. Some of the items that are needed are photometric plans, landscape and tree preservation plans, and preliminary engineering plans, and a traffic study. There is a sanitary main that runs through the center of the site and may need to be relocated, and a water main may need to be extended in order to serve this development. A Design Commission application would be required for this project. Staff encourages the applicant to reach out to the Building Department to understand what Building Codes would need to be met. He said that the property appeared to be code-compliant relative to parking as long as the land-banked parking is factored in, but further details are needed relative to the size of the office spaces within the building, which may have an effect on the overall parking requirement. A neighborhood meeting with nearby residents is strongly encouraged prior to appearing before the Plan Commission. Additional details are needed relative to what security measures will be in place at the facility, and this was identified during the Early Review with the Village Board.

Commissioner Jensen asked about state funds and their importance to this project.

Mr. Koenig responded that they were important for the construction phase of this project. Instead of going to a bank and borrowing money at 5%-6%, they can borrow money from the state at 0%-1%.

Commissioner Jensen asked about funding after the project has been built.

Mr. Koenig replied that there was no state funding after the project has been constructed.

Commissioner Jensen asked about funding the gap in rental income, as rents would be around \$1,300 per month and tenants would not be asked to pay more than \$1,026 per month, so there would be a gap of around \$274 in rental income per unit.

Mr. Koenig explained that this gap was covered through housing vouchers, which is administered through the Housing Authority, which comes from HUD, which is a federal agency. This rental assistance would stay with the unit, so even when a tenant moved out, a new tenant would be able to take advantage of that assistance.

Commissioner Jensen asked if borrowing was from the state or guaranteed by the state.

Mr. Koenig replied that it was from the state.

Commissioner Jensen asked how secure the state funding was given the present economic realities of the state.

Mr. Koenig responded that the state funding was already earmarked for the programs that would provide assistance for permanent supportive housing developments, partly based on a consent decree in Illinois to appropriately house people with disabilities, so the state was required by court order to provide funding for these types of developments.

Commissioner Jensen asked about the loading berth requirement by the Village.

Mr. Hubbard explained that the threshold for requiring such loading space was any residential development over 10,000 sq. ft. in floor area, and the latest documents submitted showed a floor area of 10,118 sq. ft., which would require a loading berth.

Commissioner Jensen asked the petitioner if they felt like they needed a loading berth for their development.

Mr. Koenig responded "no".

Commissioner Jensen stated that they could seek a Variation from this requirement.

Mr. Hubbard said that if the building was modified to less than 10,000 square feet of floor area, it would not require a Variation or a loading berth.

Commissioner Jensen said that a Variation did not appear to be a big deal, but that generally, the less number of requested Variations the better. He asked about the sanitary sewer line and if someone else had some type of responsibility to relocate it.

Mr. Hubbard stated that relocation of the sanitary line was identified in 2010, but that no action was taken on this item, so it would be the petitioners' responsibility to relocate it as necessary with this project.

Commissioner Jensen asked about the Early Review with the Village Board and what the Village Boards outlook on this proposal was, and what, if anything, did they identify as the major issues that should be addressed during the Plan Commission process.

Mr. Hubbard stated that the Village Board expressed their initial reactions towards the proposal during the Early Review process, but that although some board members indicated they were pleased the project had reduced the number and extent of Variations requested, they did not make any commitment towards the project other than that they were willing to consider it.

Commissioner Green asked about the Consolidated Plan.

Mr. Hubbard responded that the Plan was prepared every 5 years and was a requirement to receive Community Development Block Grant funding from the federal government, and generally speaking, the plan is used to identify housing and community development priorities.

Commissioner Green asked if the petitioner would be able to follow the Consolidated Plan.

Mr. Koenig responded that they absolutely would follow the plan.

Commissioner Green asked if homeless people would be qualified to live in the proposed development.

Mr. Koenig responded that they would not be taking homeless people directly off of the street, and said that the proposed development would not be a shelter for homeless people, that it would be permanent, long term housing.

Commissioner Green stated that he believed the Consolidated Plan specifically called for housing options for non-homeless individuals, and he wanted to ensure that the proposed development would be able to conform to this criteria. He asked again if the development would house homeless people.

Mr. Koenig responded that the people that would live there would not be homeless.

Commissioner Green asked if the care provided at the Hearts Place would be 24/7.

Mr. Koenig replied that they did not provide 24/7 care.

Commissioner Green asked if 24/7 care was one of the priorities of the Consolidated Plan.

Mr. Hubbard replied that he did not believe this was specified as a specific priority in the Consolidated Plan for this type of housing, but he would double check with the staff Housing Planner.

Commissioner Green asked if there were properties available for this type of development that met the Institutional District standards requiring land area of at least two acres in size and location along a street classified at least as a "Collector" street.

Mr. Koenig responded that he believed the UP Development team had been searching for some time within the Arlington Heights area for a property that met that criteria, but had been unable to locate one. He said that the subject site was available, had been vacant for twelve years, and in his experience it was of a suitable size to accommodate a small 16 unit supportive housing development.

Commissioner Green said that he was aware the petitioner had located and opened similar facilities in neighboring communities, and so he was surprised to hear that there were no such opportunities available within Arlington Heights that conformed to the I District criteria, and he thought there may be other opportunities within the community other than the proposed site. He asked about some of the facilities in neighboring communities.

Mr. Koenig said that HODC had just opened a similar facility in Glenview and the site there was almost the exact same size as the proposed site in Arlington Heights.

Commissioner Green said that he believed the proposed site to be problematic for several reasons. He said that the Village has a history of considering the effects that a proposed development will have on its neighbors, and he believed that the proposed development would have a negative effect on the existing day care facility abutting the subject property to the west. He asked about mental disabilities of the residents within Hearts Place.

Mr. Koenig said that the development would be "disability neutral", so they would not allow only one specific type of disability. He said tenants could have a physical disability, for example someone in a wheelchair or someone who had lost a leg or a war veteran that was injured, and other tenants could be individuals with a developmental disability, or someone with a mental illness. He said that there would be no specific target disability for this development.

Commissioner Green said he understood that all disabilities would qualify, and used the example of bipolar disorder as a qualifying disability.

Mr. Koenig said that a bipolar disability was a qualifying disability and so individuals suffering from bipolar disorder would be eligible to stay at Hearts Place. He said that as long as a disabled individual could live independently given the supportive services that would be provided to them, then they would be welcomed at Hearts Place.

Commissioner Green noted for the record that all disabilities would qualify. He acknowledged that the number of variations had been reduced from a previous similar proposal in 2010 on the subject property, but he said that the lot size Variation was still an issue for him, as well as the location on a local street and the lack of bussing options. He asked how the typical tenants in a facility like this would travel to the store and to a job, for example would they drive?

Mr. Koenig replied that some would have vehicles, some would take a Pace bus that goes up and down Dundee Road, some would have bicycles, some would have people that could pick them up or would use a Dial-A-Ride service. He said that every individual would be a little different and there was no singular typical mode of travel that they would utilize.

Commissioner Jensen asked if any of the petitioners similar facilities were also not built along a major thoroughfare, as the proposed facility was located on a residential street.

Mr. Koenig said that the proposed development was not in an isolated location, and that the location was just around

the corner from Arlington Heights Road and Dundee Road, both major thoroughfares.

Commissioner Jensen asked about the rationale for the I District requirement stipulating a location along a major thoroughfare.

Mr. Hubbard replied that he was not entirely sure but guessed that it had something to do with access to services that are often provided along major thoroughfare and access to a transportation network that could accommodate heavy traffic.

Commissioner Green asked if the rent for the units could be 100% subsidized.

Mr. Koenig responded that the tenant would pay a maximum of 30% of their income towards rent and that if they had no income, then 30% of nothing was zero and so they would pay no rent. But most tenants had some form of income, whether that was work income or disability income.

Commissioner Green asked if the maximum number of occupants per unit would be four.

Mr. Koenig responded that the maximum number of occupants per unit would be limited to four.

Commissioner Green asked if the maximum number of occupants would affect the parking requirements.

Mr. Hubbard replied that no, the parking requirement was based on the number of units and not the number of occupants or bedrooms within the unit, and that the code required 2 spaces per unit, which is the requirement for any multi-family development in the R-6 District and was the parking classification that was most similar to the proposed development.

Commissioner Green asked if there would be overnight supervision.

Mr. Koenig responded that there would be no overnight supervision. He said that this would function as an independent apartment building and residents would not need overnight supervision. If a resident needed overnight care, then that could be provided through their service agency, for example if a resident needed a care giver to live with them, then a care giver could make arrangements to stay there and that care giver would need to be on the lease and be a part of the permanent operation of the person living there.

Commissioner Jensen asked if the office space was only for daytime use, and if there was no overnight supervision would the building function essentially like a condo complex.

Mr. Koenig confirmed that there would be no overnight supervision and that the offices would be for daytime use. He said the facility is essentially multi-family housing for a special population of individuals.

Commissioner Jensen asked what would happen if someone who had a job signed a lease, then over the course of their tenancy lost their job and could not find another job.

Mr. Koenig responded that the point of the development was to provide a permanent supportive housing environment. He said that leases were renewed on a year to year basis, and a resident that lost their job could ask for an adjustment of their rent based on their income with no job. He said that a resident with no job would not be at risk of not being able to renew their lease once it was up for renewal.

Commissioner Jensen asked how the development would stay financially solvent if multiple tenants lost their jobs and had no income.

Mr. Koenig explained that the rental voucher amount could change to cover a gap in rental income if a resident had no

income to pay rent. He stated that the rental voucher was funded through the federal government.

Ms. Hotaling said that there would be cameras in the building, so although they would not have staff on-site for 24 hours a day, there would be a means to monitor the site via the cameras. She said that they have found cameras to be very effective in providing security to the residents at other facilities they operate.

Mr. Koenig mentioned that the development team had originally thought that R-6 zoning would be appropriate for the proposed facility, which district had a minimum district size requirement of 1 acre, and so the .93 acre site would be very close to conforming. However, in discussions with staff, they were directed that the appropriate zoning district for this development was the I District.

Mr. Hubbard confirmed that this was a discussion that had taken place between staff and the developer, and staff had determined that I District zoning was the most appropriate zoning classification for this type of development.

Commissioner Green concluded that all of his questions had been answered, and explained that the applicant had heard the feedback from the two members in attendance at the Plat and Subdivision Committee meeting and he advised the petitioner to proceed with whatever they thought they wanted to do.

RECOMMENDATION

The Plat & Subdivision Committee provided their feedback to the petitioner and advised petitioner to proceed forward as they saw fit.

**Bruce Green, Chair
PLAT & SUBDIVISION COMMITTEE
Sam Hubbard, Recorder**