

Written Justification for Requested Rezoning and Variances

The project development team of Housing Opportunity Development Corporation (HODC) and UP Development seek to have a reclassification in zoning for our Heart's Place Apartments project located at 120-122 Boeger Dr. The two lots are currently zoned B-1 and B-2. We ask the Village to rezone both lots to "I", Institutional (as recommended by staff) or R5, Residential, as well as grant the following variances:

1. 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.
2. 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.
3. 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 17.5 feet.
4. Chapter 28, Section 6.5-2, Accessory Structures, to allow an accessory structure (gazebo) in a side yard.
5. Chapter 28, Section 11.7, Schedule of Loading Requirements, to waive requirement for a loading berth
6. Chapter 28, Section 6.12, Traffic Engineering Approval, to waive the requirement that petitioner provide a traffic study for the proposed site.

Below please find a written justification to: 1) support the requested change in zoning and land use and demonstrate the suitability of the project to the site; 2) identify the ways in which the project meets the goals of the 2015-2019 Consolidated Plan and the Affordable Multi-Family Housing Policy; and 3) support the requested variances, as listed above.

RECEIVED
MAR 23 2017
PLANNING & COMMUNITY
DEVELOPMENT DEPARTMENT

1) Rezoning and Site Suitability

The Boeger Drive location is ideal for permanent supportive housing because of its good access to shopping, services and jobs and plentiful transportation options. It is in close proximity to many daily shopping types of stores, including Walgreens and Aldi Grocery, in addition to many restaurants and small businesses, medical offices and health facilities. In addition, the Boeger location is nestled in a quiet commercial street that ends in the large Timber Court residential complex. This area of Arlington Heights is a high "opportunity area" and is identified as an ideal location due to the lack of affordable housing options, but access to jobs and transportation.

For public transportation, PACE lines 604 and 234 run within walking distance to the site, the latter having been just recently added, on December of 2016. These bus routes will connect residents to the Holy Family Hospital, four Metra stations, the Northwest Transportation Center, Randhurst and Woodfield Malls, Wheeling H.S., and several other community amenities. Wheeling Township offers a dial-a-ride service for seniors and disabled and Heart's Place residents will be eligible for this service. These combined transportation options are strong and we are confident that residents will have plenty of access to all necessary amenities and opportunities for transportation.

Overall, the development team's combined experience in affordable housing development and social service coordination gives us confidence that this is an excellent choice for a site on which to locate a permanent supportive housing development. The site also received a recommendation from the Corporation for Supportive Housing, a national leader in technical assistance and supportive housing development.

Currently, the subject property is split between two zoning districts: B-1 and B-2. The current zoning would allow the construction of a business-oriented building with no height limitations. The Heart's Place development will instead have only approximately 19,000 s.f. of floor area and a height of approximately 24'-6". Both of these bulk items are substantially below that which is allowed in the proposed Institutional zoning district.

The important items to consider regarding the proposed Heart's Place development are:

- It will have a smaller density, and likely lower occupant load, than if it were an as-of-right business use;
- It will have a residential use that will have a substantially lower vehicular use impact than a traditional residential use of a size that is permitted as-of-right in either a B or I-zoning district due to the intended population group which typically do not own vehicles; and
- It will blend in seamlessly with the variety of land uses in the adjacent properties, which include business and retail locations, a high-school, a day care, a medical center, and multifamily residential developments.

For all the reasons identified above, the development team believes that the site should be rezoned as I - Institutional or R5 - Residential to allow the Heart's Place project to go

forward in fulfilling a need in the community identified by the Village through its Comprehensive Plan, Consolidated Plan, and Affordable Multi-Family Housing Policy.

Comprehensive Plan and Demand for Housing

The 2015-2019 Consolidated Plan for the Village of Arlington Heights identified that 6,465 households in Arlington Heights, nearly 21% of all households in the Village, are cost burdened or severely cost burdened by their current housing. In addition, the Plan shows that for low- and moderate-income and minority households, as well as households that include members living with disabilities, the frequency of housing problems is markedly higher than for the general population. Based on this reality, the Plan argues that:

Supportive housing needs of persons with disabilities depend on the nature of their disability. Due to the lack of new construction of market rate rental units since the 1980s, the Village is lacking market rate and affordable units for persons with physical disabilities. Based on telephone calls to the Village's Disabilities Services Coordinator, the number of owner units for person with physical disabilities is also insufficient.

Heart's Place will address this need. The development team has a strong combined portfolio of supportive housing in the Chicago metro area and elsewhere in the Midwest region, and HODC is a recognized leader in the provision of service-rich housing options in the northern suburbs. Heart's Place draws from this wealth of experience and past successes to directly respond to the growing demand for affordable and supportive housing for persons with disabilities in Arlington Heights, as identified in the Consolidated Plan. Heart's Place will provide 16 units targeted towards that population through the proven highly effective permanent supportive housing model.

The Consolidated Plan reports that the current waiting list for the Albert Goedke Apartments in Arlington Heights, which provides public housing for low income senior citizens and persons with disabilities, is 170 applicants long. As a privately owned and operated housing development these proposed 16 units of permanent supportive housing will contribute a long-term, permanent solution to the housing needs of many of the Village's most vulnerable residents.

In addition to helping fulfill the need for supportive housing in the Village, Heart's Place Apartments will help create the affordable housing the Village seeks according to the Village's Affordable Multi-Family Housing Policy which looks to expand housing opportunities for all members of the community. For a project of this size, the Policy specifies housing should be at least 12% affordable and serve the population with annual income at or below the 80% AMI level. Heart's Place exceeds both of these expectations creating 100% affordable housing for individuals and families at or below the 60% AMI level.

Heart's Place will be extending high-quality housing opportunities to some of the Village's most vulnerable residents. People with disabilities often have limited incomes, and often have no alternative other than to live in inappropriate settings. 100% of the apartments in

Heart's Place will be income and rent restricted through deed and regulatory agreements. The units will be restricted to people at or below 60% of the area median income (AMI). Income limits (in percentage of AMI), contract rents, and corresponding income figures for the multiple AMI levels can be found in the tables below.

All of these compliance factors are layered together, monitored by the property manager and audited annually by the State.

Heart's Place			
# Units	AMI	Type	Contract Rent
-----	-----	-----	-----
12	60%	2 bedroom	\$1,298
4	30%	2 bedroom	\$1,298
16			

Cook County			
Income Limits	1 PERSON	2 PERSON	3 PERSON
	LIMIT	LIMIT	LIMIT
AMI			
60%	\$31,680	\$36,180	\$40,740
30%	\$15,840	\$18,090	\$20,370

VariANCES

We respectfully request the following zoning variances for the project, based on the criteria identified under each respective variance:

1. 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) *The property in question cannot yield a reasonable return if permitted to be used only under the conditions allowed by the regulations in that zone.*

120-122 Boeger Dr. has been on the market for over twelve years. The current owner has received no other offers of substance, especially within the current business zoning classification. Their marketing efforts have been diverse and extensive, yielding low interest from a variety of industries. The Heart's Place Apartments will turn this site into a highly functional attractive site that the neighborhood and larger community can be proud to have as part of their community. The past twelve years therefore show that without this rezoning (and necessary reduction in minimum district size, given that the lot size is an immutable characteristic of the site), the property will not yield a reasonable return.

- b) *The plight of the owner is due to unique circumstances.*

The size of the site is what it is, 0.93 acres, based on historical development patterns in the area. The site cannot be enlarged or expanded. A similar apartment building on this site could be zoned R5 which would require just 1.0 acres minimum, nearly identical to the existing land area of 0.93 acres. If the Village determines that a zoning classification of I-Institutional is appropriate for the specifics of this residential development, the unique site size should not detract from the usage.

- c) *The variation, if granted, will not alter the essential character of the locality.*

The locality currently contains a number of land uses that, rather than detracting from one another, contribute to an integrated, vibrant community. The presence of a large grocery store, a high school and a daycare, medical offices and a medical center, various business and retail locations, and multifamily residential developments already make for a dynamic environment. The addition of Heart's Place, whose character and functionality is in fact very similar to other multifamily developments in the area, would therefore preserve this dynamic character. Heart's Place residents, just as residents of surrounding residential properties, will shop in the nearby retail and grocery locations, make use of the nearby healthcare

options, use the available public transportation, and participate in community events.

2. 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.

- a) *The property in question cannot yield a reasonable return if permitted to be used only under the conditions allowed by the regulations in that zone.*

As highlighted above, the property is highly unlikely to yield a reasonable return without the requested rezoning due to lack of demand for the site and marketability over the past decade. Similarly to lot size, the classification of the street on which the site has frontage is a reality beyond the petitioners' control. As such, without this variance the requested rezoning is unattainable, and the property's ability to yield a reasonable return is compromised.

- b) *The plight of the owner is due to unique circumstances.*

The permitted uses under the Institutional District, as per Chapter 28 of the Arlington Heights Municipal Code, include, among others: ambulatory care facilities; places of worship; health and medical institutions; business offices; parking garages. Common among these is the generation of frequent and high-volume automobile traffic, which, as related by the Village's planning staff, justifies the requirement for Collector streets. Heart's Place will be a permanent supportive housing development, independent housing by definition, with minimal on-site service provision, which will be provided for residents only as needed and services will not be open to the general public. In addition, our experience with other supportive housing developments reveals that the parking demands of the residents will be minimal – indeed, a parking study commissioned for this project and enclosed herewith found that “similar supportive housing developments had a 0.08 to 0.14 vehicle ownership per occupied unit ratio.” This project thus presents unique circumstances in that its traffic demands are at a much lower level than other uses permitted under the Institutional District.

- c) *The variation, if granted, will not alter the essential character of the locality.*

The automobile traffic generated by Heart's Place will be minimal based on lack of car usage by residents. In fact, as demonstrated by the low rate of automobile ownership among residents of this type of development, the traffic generated is likely to be significantly lower than that generated by the surrounding businesses, health care facilities, and

multifamily residences. Heart's Place will not add a significant amount of traffic to West Boeger Drive, and as such will not alter the essential character of the locality.

3. 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 17.5 feet.

- a) *The property in question cannot yield a reasonable return if permitted to be used only under the conditions allowed by the regulations in that zone.*

In order to meet all the setback requirements, provide sufficient parking, and offer extensive landscaping, this variance is necessary for the construction of a structurally sound residential building that meets the requirements of the Village of Arlington Heights as well as the project's funding agencies. The success of this project depends in no small part on the quality of the apartment building and the amenities provided, making this variance a necessary condition on the property's ability to yield a reasonable return.

- b) *The plight of the owner is due to unique circumstances.*

The 120-122 W. Boeger Drive site is uniquely positioned for the development of permanent supportive housing due to the surrounding shopping and dining options, nearby medical offices and health facilities, and the availability of public transportation. The project has been designed to conform to the property's available acreage, but other building code and funding source requirements necessitate this reduction to the minimum distance from building wall and paved area.

- c) *The variation, if granted, will not alter the essential character of the locality.*

The variance amounts to a 9-foot reduction of the space between the new parking lot and the closest point of the new residential building to the west of said parking lot, both structures being completely contained within the site's boundaries. The project conforms to all other setback requirements, including those that concern the distances between built structures and properties and rights-of-way that are adjacent to the site. Additionally, the project is conditioned on the review and approval from the Design Commission, which will ensure it conforms to the Village's Design Guidelines. Heart's Place has been carefully designed to blend in with the surrounding community and land uses, and the requested variance will have no significant impact on the locality's essential character.

4. Chapter 28, Section 6.5-2, Accessory Structures, to allow an accessory structure (gazebo) in a side yard

a) The property in question cannot yield a reasonable return if permitted to be used only under the conditions allowed by the regulations in that zone.

- Residents living with disabilities, such as the ones that will be targeted by Heart's Place, often have limited mobility and thus restricted capacity to move easily and comfortably beyond the vicinities of their own homes. In those cases, it is vital that these residents are provided a safe and comfortable outdoor venue where they can enjoy fresh air and open space without having to exert themselves by walking to nearby parks. For this reason, the proposed gazebo plays a critical role in the project. Unfortunately, due to site constraints, the outdoor amenity is unable to be placed in the backyard, making the side yard location the only viable placement.

b) The plight of the owner is due to unique circumstances.

The unique circumstances in this case comes from the unique needs of the project's residents, as described above, and the site dimensions which do not allow for the placement of the gazebo in the backyard. The building has been designed to meet all setback requirements leaving no space for an outdoor amenity to the rear of the site. The unique circumstances of this project necessitate that a gazebo be placed on the side yard, as proposed.

c) The variation, if granted, will not alter the essential character of the locality.

As described in the site plan, the proposed gazebo will keep the overall aesthetics of the site by reflecting the same set of materials as the building itself - asphalt shingle roofing, fiber-cement trim, and panelized case stone at the base. With less than 20 feet side lengths, it will have no significant impact on the character of the locality. Additionally, the gazebo will contain interior downlights, which will aid in illuminating the vicinities of the building and provide a safe space for residents to enjoy the outdoors - which in turn will contribute to the peacefulness and safety of the locality.

5. Chapter 28, Section 11.7, Schedule of Loading Requirements, to waive requirement for a loading berth

a) The property in question cannot yield a reasonable return if permitted to be used only under the conditions allowed by the regulations in that zone.

The dimensions of the site have been carefully studied by the design team to maximize the return, in terms of quality living space and common areas, of this project. Because we have committed to building all 33 parking spaces

without any land-banking – as per the Village’s recommendation – the site can no longer accommodate a loading berth in the previously proposed location. And as is the case for the proposed gazebo, there is unfortunately no other feasible space on site for the loading berth without compromising its design and overall quality – and hence its ability to yield a reasonable return.

b) The plight of the owner is due to unique circumstances.

Section 11.7 specifies that all “hospitals, sanitariums, and other institutional uses” over 10,000 sq. ft. in gross floor area are required to have a loading berth. That is a reasonable requirement for institutional uses where there is a need for frequent loading and off-loading of materials – such as medical supplies for hospitals and large quantities of linens for sanatoriums. Seen as the spirit of this requirement is to ensure the feasibility of institutional uses that are very different from permanent supportive housing, PSH developments provide an unique circumstance in this regard. Heart’s Place, as is the case with other PSH developments in the petitioner’s portfolio, will have no need for loading and off-loading of large quantities of supplies of any kind.

c) The variation, if granted, will not alter the essential character of the locality.

The omission of a loading berth will not affect the proposed site design negatively – it will in fact allow for a smaller paved area and greater landscaping. As such, it will not alter the character of the locality.

6. Chapter 28, Section 6.12, Traffic Engineering Approval, to waive the requirement that petitioner provide a traffic study for the proposed site.

a) The property in question cannot yield a reasonable return if permitted to be used only under the conditions allowed by the regulations in that zone.

The parking study provided shows sufficient data to assuage any concerns regarding the traffic impact of this proposal, and as such a full traffic study was not budgeted for, and would represent a significant burden on the developer.

b) The plight of the owner is due to unique circumstances.

The parking study prepared by KLOA and provided by the petitioner clearly shows an extremely low vehicle ownership rate for permanent supportive housing residents. With a maximum of two employees on site at any given moment, the traffic generated by the site will be minimal, and easily absorbed by the adjacent rights-of-way. It is worth pointing out that the Police Department review of the project proposal revealed similar findings, stating that “[i]t does not appear that this project will create any traffic problems.”

c) *The variation, if granted, will not alter the essential character of the locality.*

Given the evidence that the proposal will not generate substantial traffic in the locality, a traffic study would not add any new information to this proposal, and thus would not impact the Board's evaluation of the proposal as a whole. This variation would thus help protect the financial feasibility of the proposal without detracting from its overall quality.