



DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

Planning Division

m e m o r a n d u m

TO: Bruce Walden, Chief Administrative Officer

FROM: Elizabeth H. Tyler, AICP, Director

DATE: February 1, 2007

SUBJECT: Request to rezone 704 and 706 Gregory Place; 1004, 1006 and 1008 W Nevada Street; and 1003, 1005, and 1007 W Oregon Street from the R-5, Medium High Density Multiple-Family Residential Zoning District to CCD, Campus Commercial District -- Plan Case No. 1959-M-05 /Gregory Place II

Introduction

Gregory Place LLC (JSM Development) is requesting a rezoning of eight properties comprising slightly more than one acre on the University of Illinois campus from R-5, Medium High Density Multiple-Family Residential Zoning District, to CCD, Campus Commercial Zoning District. The proposed project is formally known as East Campus Commercial Center, Phase II, but is commonly called Gregory Place, Phase II.

This request accompanies a second application on this agenda for a Special Use Permit (SUP) for the same property and which should be considered concurrently. The project proposed in the SUP application would provide 54,200 sq. ft. of commercial space and 140 apartments in one building. The first floor would be retail, the second floor would be offices, and the third through fifth floors would be apartments. The project, if approved, will be very similar to the first phase of this development constructed on the opposite side of Gregory Street only one story taller. Gregory Place LLC is a private company which will construct and operate this facility on property owned by the University of Illinois. Additionally, the City Council will be considering a Development Agreement for this project to address right-of-way use and future economic development assistance to commercial tenants.

At their January 18, 2007 meeting, the Plan Commission recommended unanimously that the City Council approve this rezoning request.

Background

In November 2001 the University of Illinois issued a Request for Proposals to develop the property they own on Gregory Place. Coinciding with the University review of development proposals, City staff proposed a text amendment to create a new zoning district called CCD, Campus Commercial District. The new district was intended to allow for the establishment of new commercial and mixed-use developments in this area of campus where many commercial developments have been lost in recent years. The Urbana City Council adopted the new district in 2002. Following City approvals, Gregory Place LLC constructed the first phase of this development on the west side of the 700 block of Gregory Place. The facility is four stories with retail on the first floor and residential on the upper three stories and has been successfully leased.

Should applications for this rezoning and SUP be approved by the City Council, the developer anticipates breaking ground on Gregory Place, Phase II, in February 2007.

In terms of City tax revenues, even though the property will be owned by the University of Illinois, Phase II of Gregory Place will be taxed under state law as any other commercial property because it is greater in area than one acre. Although Gregory Place, Phase I, was smaller than one acre, Gregory Place, LLC and the City of Urbana signed a Development Agreement specifying that the developer would make certain payments in lieu of taxes. Consequently, both phases of the Gregory Place development will generate revenues for the City of Urbana, and other taxing districts.

Zoning and Land Use Table

The following is a summary of surrounding zoning and land uses for the subject site:

Direction	Comprehensive Plan	Zoning	Land Uses
Site	"Campus Mixed-Use"	R-5, Multi-Family Residential (Applied to be rezoned to CCD, Campus Commercial Zoning District)	Residential, parking, vacant
North	"Institutional"	R-5, Multi-Family Residential	Residential
East	"Campus Mixed-Use"	R-5, Multi-Family Residential	Residential, Parking
South	"Institutional"	CRE, Conservation, Recreation, Education	Institutional
West	"Campus Mixed-Use"	CCD, Campus Commercial and R7, University Residential	Residential

Comprehensive Plan Goals, Objectives and Policies

This rezoning has been reviewed under the goals and objectives contained in the 2005 Urbana Comprehensive Plan. Future Land Use Map #8 designates the future land use of both sides of Gregory Place as “Campus Mixed-Use” and is further annotated with “Encourage more East Campus Commercial Center [Gregory Place I] style of development.” The Comprehensive Plan defines Campus Mixed-Use as follows:

“The Campus Mixed-Use classification is intended for limited areas that are close to campus. These areas promote urban-style private development with a mix of uses that commonly include commercial, office and residential. Design Guidelines shall ensure that developments contain a strong urban design that emphasizes a pedestrian scale with buildings close to the street, wide sidewalks, and parking under and behind structures. The design and density of development should capitalize on existing and future transit routes in the area. Large-scale developments containing only single uses are discouraged within this classification.”

Additionally, the following goals and objectives relate to this case:

Goal 18.0 Promote infill development.

Goal 25.0 Create additional commercial areas to strengthen the city’s tax base and service base.

Goal 28.0 Develop a diversified and broad, stable tax base.

Objectives

- 28.4 Work with the University of Illinois and other institutions to reduce the impact of tax-exempt properties in the community.
- 28.5 Encourage University efforts to promote public-private partnerships that can benefit multiple parties.
- 28.6 Increase the allocation of land devoted to tax-generating commercial uses in appropriate locations.

Goal 49.0 Avoid development patterns that can potentially create an over-dependency on the automobile.

Objectives

- 49.2 Increase land use densities to promote availability of transit service and walkability.

Issues and Discussion

Gregory Place II proposes a mixed-use development with its scale, massing and building placement in keeping with urban style development. The development will front on Gregory Place and will have shallow setbacks to create a pedestrian-oriented design similar to buildings typically found in downtown areas. Its mix of retail, office, and residential uses are intended to

support each other and be serviced by mass transit now readily available for the site. The first-floor commercial uses are expected to primarily serve foot traffic from the university campus and the immediate neighborhood. The residential units are expected to be marketed to students, faculty, staff and young professionals. Forty-one parking spaces will be provided onsite at ground level, behind and underneath the building. Site plans illustrating the apartment layout and the parking facilities are attached to this memorandum.

The CCD, Campus Commercial District requires only shallow setbacks in order to achieve the goal of promoting urban-style development. The purpose is to have the commercial uses located directly on the sidewalk to encourage pedestrian walk-up traffic. The CCD District requires a minimum front yard setback of six feet. In this case, the proposed development would be setback from the Gregory, Oregon, and Nevada Street rights-of-way by seven feet one inch.

Although the project is a private development, the developer will be leasing the property from the University of Illinois. The University has established specific campus design guidelines dictating the design of the structure. The proposed design will be for a “university quality” structure built with brick veneer with limestone detailing. Elevation renderings are attached to this memorandum.

It should be noted that this rezoning in and of itself will not dictate the quality of construction, but the development will be complying with the University of Illinois’ design guidelines, and rezoning is prerequisite for this to happen.

Rezoning Criteria

In evaluating the legal validity of a zoning classification for a particular property, the City of Urbana uses a standard set of factors developed from a 1957 Illinois Supreme Court ruling in the case *La Salle National Bank of Chicago v. County of Cook* (the “La Salle case”). Each of these factors will be discussed as they pertain to a comparison of the existing zoning with that proposed by the petitioner.

1. The existing land uses and zoning of nearby property.

This factor relates to the degree to which the existing and proposed zoning districts are compatible with existing land uses and land use regulations in the immediate area.

Gregory Place I on the opposite side of Gregory Street is currently zoned CCD, Campus Commercial District, and the proposed Phase II is anticipated to complete the successful first phase. The property is located on the University of Illinois campus which serves some 40,000 students in a relatively concentrated area. Urban-style development as permitted in CCD zoning districts is well suited for such an area and is supported by well established public services such as the street network, ample adjacent parking, and public transit. Additionally, development allowed under CCD zoning can be expected to be compatible with adjoining institutional, apartment, and parking uses to the north, east and south.

2. *The extent to which property values are diminished by the restrictions of the ordinance.*

This is the difference in the value of the property as R-5 (Medium High Density Multiple Family Residential District) and the value it would have if it were rezoned to CCD (Campus Commercial District).

Presumably rezoning will lead to increased property values for the petitioner's property. Should all necessary approvals be granted, including this rezoning, the petitioner plans to break ground in early 2007 on a second phase of the Gregory Place development. A change in zoning will allow this to occur, and the addition of commercial and residential uses can be expected to greatly enhance the value of this property.

It should be noted that City Planning Division staff are not qualified as professional appraisers and that a professional appraiser has not been consulted regarding the impact of zoning on the value of the property. Therefore, any discussion pertaining to specific property values should be considered speculative.

3. *The extent to which the ordinance promotes the health, safety, morals or general welfare of the public.*

The general welfare of the public would be promoted by allowing infill development which will not only serve the University of Illinois campus, but will reduce the need for development on the fringes of the City, provide for City revenues to make up for past loss of commercial properties to University expansion, and further the goals of the adopted Comprehensive Plan.

4. *The relative gain to the public as compared to the hardship imposed on the individual property owner.*

The question here applies to the current zoning restrictions: Do the restrictions promote the public welfare in some significant way so as to offset any hardship imposed on the property owner by the restrictions?

The property owner (the University) will benefit from new businesses services for the campus, additional housing within walking distance, and additional revenues from leases. The public will benefit by further goals for infill and compact, contiguous development and providing City revenues to offset past loss of commercial properties due to University expansion. The rezoning and subsequent redevelopment will create additional parking demand in the area. The property owner will offset this need by providing assigned parking on adjacent lots and within 600 feet of the proposed development. Additional short-term parking will also be created through improvements to the Gregory Place roadway.

Overall, any hardship imposed would be offset by the overall gain to the public and the property owner.

5. *The suitability of the subject property for the zoned purposes.*

The issue here is whether there are certain features of the property which favor the type and intensity of uses permitted in either the current or the proposed zoning district.

Located within the University of Illinois campus, which serves some 40,000 students, this property is well suited for Campus Commercial District zoning in terms of potential uses. Additionally, the intensity of uses allowed under CCD zoning is well supported by existing public services, including streets, sanitary and storm sewers, and public transit.

6. *The length of time the property has been vacant as zoned, considered in the context of land development in the area and in the vicinity of the subject property.*

The petitioners have made no claims that this property has remained vacant because of the current zoning.

Summary of Findings

1. The proposed rezoning to CCD, Campus Commercial District, will allow new commercial services in the east portion of the University of Illinois campus which has seen a loss of such business and service establishments over the past 20 years.
2. Located within the University of Illinois campus, which serves some 40,000 students, this property is well suited for Campus Commercial District zoning in terms of potential uses. Additionally, the intensity of uses allowed under CCD zoning is well supported by existing public services, including streets, sanitary and storm sewers, and public transit.
3. The general welfare of the public would additionally be enhanced by promoting infill development which can be expected to reduce the need for development on the City fringes.
4. The proposed rezoning would allow development which will benefit the City of Urbana by providing revenues which can partially offset past losses of commercial properties in the area due to University expansion.
5. The proposed development conforms to and furthers the goals of the *2005 Urbana Comprehensive Plan*.

Options

The City Council has the following options regarding Plan Case No. 1959-M-05:

1. Approve the request, or
2. Deny the request.

Recommendation

At their January 18, 2007 meeting, the Plan Commission recommended **APPROVAL** of this rezoning with a vote of seven ayes and no nays. City staff likewise recommends approval.

Prepared by:

Robert Myers, AICP
Planning Manager

(Common exhibit packet with Plan Case No. 1959-SU-05)

Attachments: Exhibit A: Location Map
 Exhibit B: Zoning Map
 Exhibit C: Existing Land Use with Aerial Map
 Exhibit D: Future Land Use Map
 Exhibit E: CCD, Campus Commercial District Regulations
 Exhibit F: Zoning Map Amendment Application
 Exhibit G: Site Plan Maps

Cc: Helen Coleman, University of Illinois, 1501 S Oak St., Champaign, IL 61820
 Scott Kunkel, Gregory Place, LLC, 505 S 5th St., Champaign, IL 61820

ORDINANCE NO. 2007-02-021

**AN ORDINANCE AMENDING THE ZONING MAP OF THE CITY OF URBANA,
ILLINOIS**

(Rezoning 704 and 706 Gregory Place; 1004, 1006 and 1008 W Nevada Street; and 1003, 1005, and 1007 W Oregon Street from the R-5, Medium High Density Multiple-Family Residential Zoning District to CCD, Campus Commercial District -- Plan Case No. 1959-M-05 / Gregory Place II)

WHEREAS, Gregory Place, LLC has petitioned the City for a Zoning Map Amendment to rezone the property at 704 and 706 Gregory Place; 1004, 1006 and 1008 W Nevada Street; and 1003, 1005, and 1007 W Oregon Street from the R-5, Medium High Density Multiple-Family Residential Zoning District to CCD, Campus Commercial District; and

WHEREAS, after due publication, a public hearing was held by the Urbana Plan Commission on January 18, 2007 concerning the petition filed in Plan Case No. 1959-M-05; and

WHEREAS, the requested rezoning is consistent with the goals and objectives, and the generalized land use designations of the City of Urbana 2005 Comprehensive Plan; and

WHEREAS, the requested rezoning is consistent with the La Salle case criteria; and

WHEREAS, the Urbana Plan Commission voted 7 ayes and 0 nays to forward the case to the Urbana City Council with a recommendation to approve the rezoning request of the properties herein described below from R-5, Medium High Density Multiple-Family Residential to CCD, Campus Commercial District; and

WHEREAS, the findings of the Plan Commission indicate that approval of the rezoning request would promote the general health, safety, morals, and general welfare of the public.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF URBANA, ILLINOIS, as follows:

Section 1. The Official Zoning Map of Urbana, Illinois, is herewith and hereby amended to change the zoning classification of the following described area from R-5, Medium High Density Multiple-Family Residential District to CCD, Campus Commercial District.

LEGAL DESCRIPTION:

The west 31 feet of the south 20 feet and the west 17 feet of the north 136 feet of Lot 7, and Lot 8, and the east 52 feet and the west 13 feet of the north 22 feet of the south 94 feet of Lot 9, all in the Forestry Heights Addition to the City of Urbana, Champaign County, Illinois; AND the east 52 feet and the north 15 feet of the west 13 feet and the west 13 feet of the north 47 feet of the south 59 feet of Lot 28, and Lot 29, and the west 31 feet of the north 20 feet and the west 17 feet of the south 137 feet of Lot 30, all in the University Addition to the City of Urbana, Champaign County, Illinois.

Section 2. The City Clerk is directed to publish this Ordinance in pamphlet form by authority of the corporate authorities. This Ordinance shall be in full force and effect from and after its passage and publication in accordance with the terms of Chapter 65, Section 1-2-4 of the Illinois Compiled Statutes (65 ILCS 5/1-2-4).

PASSED by the City Council this _____ day of _____, 2007.

AYES:

NAYS:

ABSTAINS:

Phyllis D. Clark, City Clerk

APPROVED by the Mayor this _____ day of _____, 2007.

Laurel Lunt Prussing, Mayor

CERTIFICATE OF PUBLICATION IN PAMPHLET FORM

I, Phyllis D. Clark, certify that I am the duly elected and acting Municipal Clerk of the City of Urbana, Champaign County, Illinois. I certify that on the ___ day of December, 2007, the corporate authorities of the City of Urbana passed and approved Ordinance No. _____, entitled: "**AN ORDINANCE AMENDING THE ZONING MAP OF THE CITY OF URBANA, ILLINOIS** (Rezoning 704 and 706 Gregory Place; 1004, 1006 and 1008 W Nevada Street; and 1003, 1005, and 1007 W Oregon Street from the R-5, Medium High Density Multiple-Family Residential Zoning District to CCD, Campus Commercial District -- Plan Case No. 1959-M-05 / Gregory Place II), which provided by its terms that it should be published in pamphlet form. The pamphlet form of Ordinance No. _____ was prepared, and a copy of such Ordinance was posted in the Urbana City Building commencing on the _____ day of _____, 2007, and continuing for at least ten (10) days thereafter. Copies of such Ordinance were also available for public inspection upon request at the Office of the City Clerk.


DATED at Urbana, Illinois, this _____ day of _____, 2007.

Location Map

EXHIBIT "A"

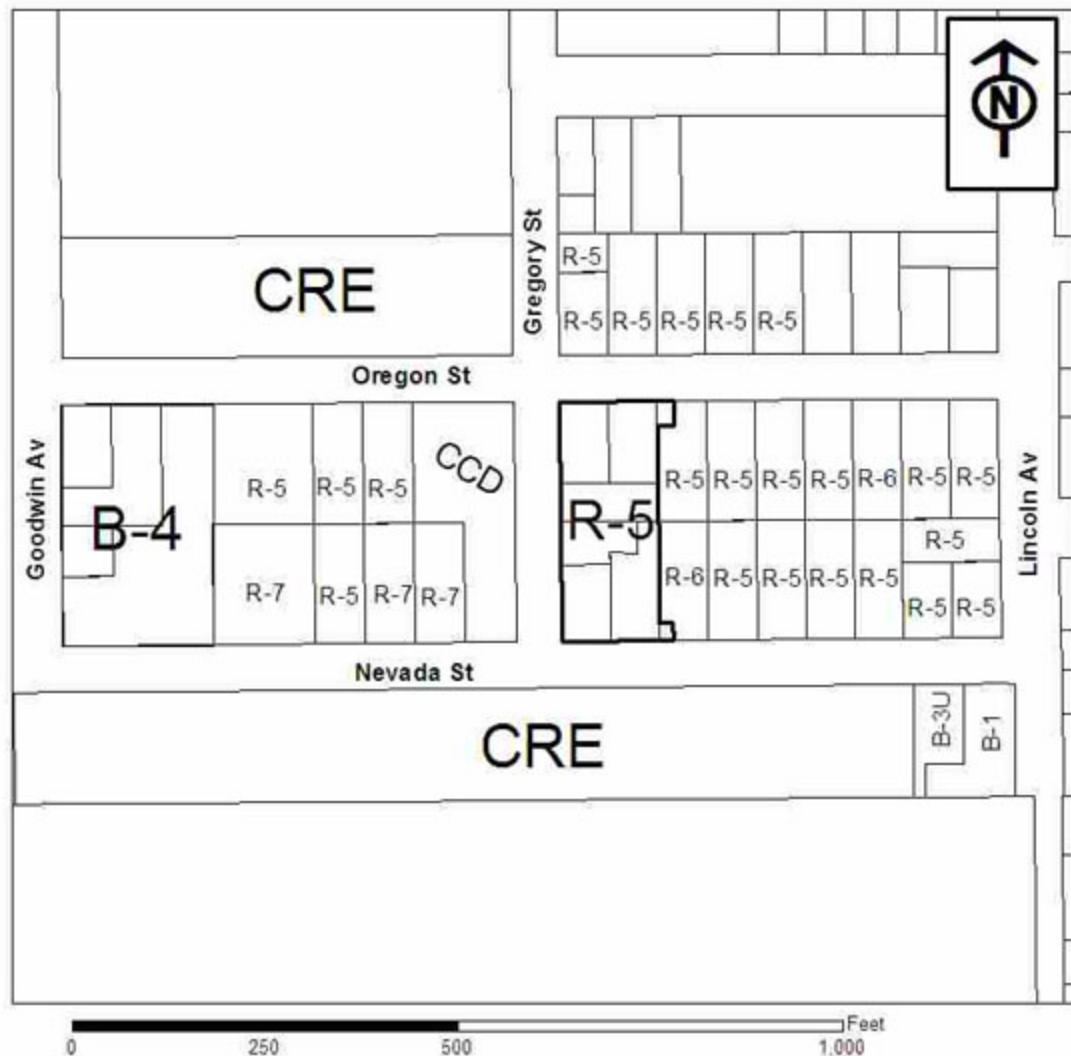


Plan Cases:
1959-M-05, Gregory Place II - East Campus Commercial Center: Rezone part of a lot from R-5 (Medium High Density Multiple-Family Residential District) to CCD (Campus Commercial District)
1959-SU-05, Gregory Place II - East Campus Commercial Center: Special Use Permit a mixed use development in the CCD zoning district
Petitioner: Gregory Place, LLC
Location: Gregory Place between Oregon and Nevada Streets
Zoning: R-5, Medium High Density Multiple-Family and CCD

 **Subject Property**

Zoning Map

EXHIBIT "B"



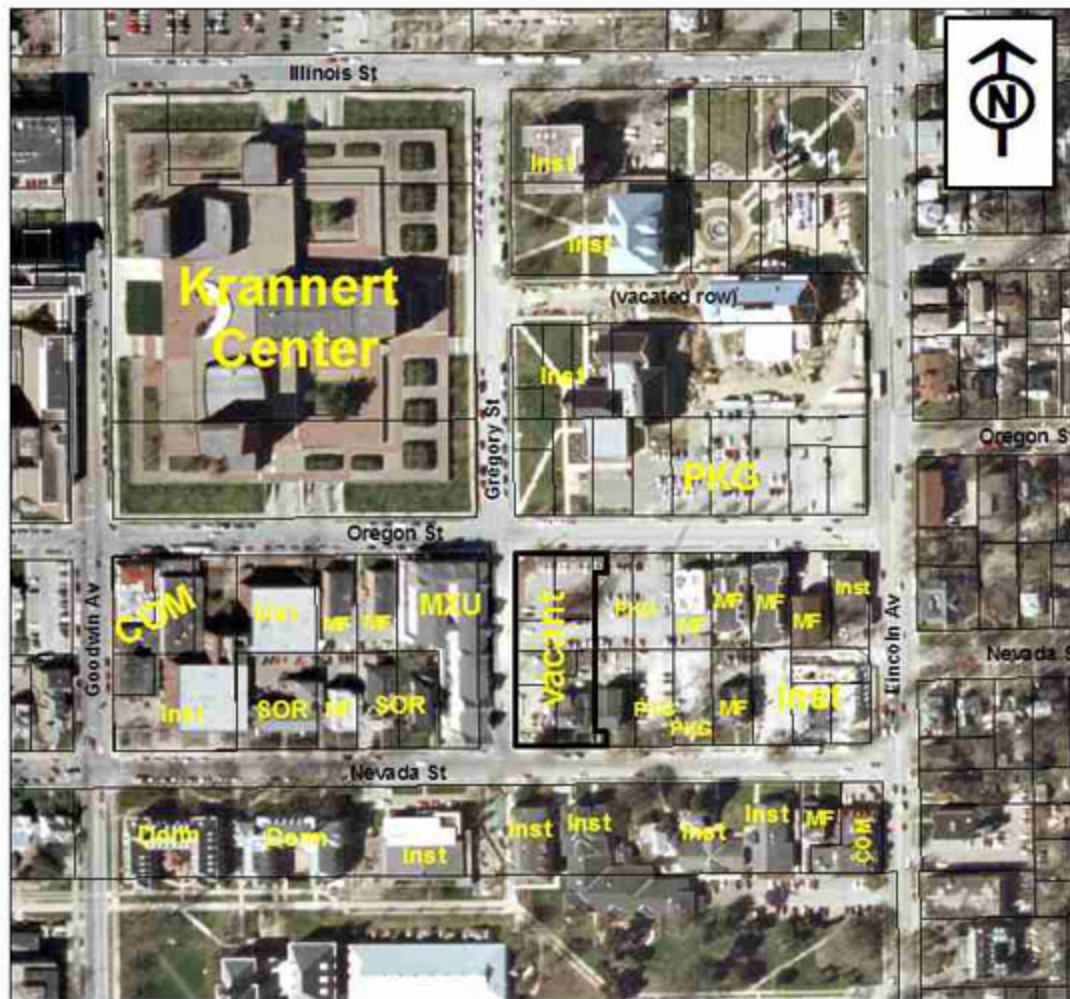
Plan Cases:
 1959-M-05, Gregory Place II - East Campus Commercial Center:
 Rezone part of a lot from R-5 (Medium High Density Multiple-Family Residential District) to CCD (Campus Commercial District)
 1959-SU-05, Gregory Place II - East Campus Commercial Center:
 Special Use Permit a mixed use development in the CCD zoning district
Petitioner: Gregory Place, LLC
Location: Gregory Place between Oregon and Nevada Streets
Zoning: R-5, Medium High Density Multiple-Family and CCD

 **Subject Property**


- B-1, Neighborhood Business
- B-4, Central Business
- CCD, Campus Commercial District
- CRE, Conservation - Recreation - Education
- R-5, Medium High Density Multiple Family Residential
- R-6, High Density Multiple Family Residential
- R-7, University Residential

Existing Land Use w Aerial Photo

EXHIBIT "C"



Plan Cases:
 1959-M-05, Gregory Place II - East Campus Commercial Center:
 Rezone part of a lot from R-5 (Medium High Density Multiple-Family Residential District) to CCD (Campus Commercial District)
 1959-SU-05, Gregory Place II - East Campus Commercial Center:
 Special Use Permit a mixed use development in the CCD zoning district
 Petitioner: Gregory Place, LLC
 Location: Gregory Place between Oregon and Nevada Streets
 Zoning: R-5, Medium High Density Multiple-Family and CCD

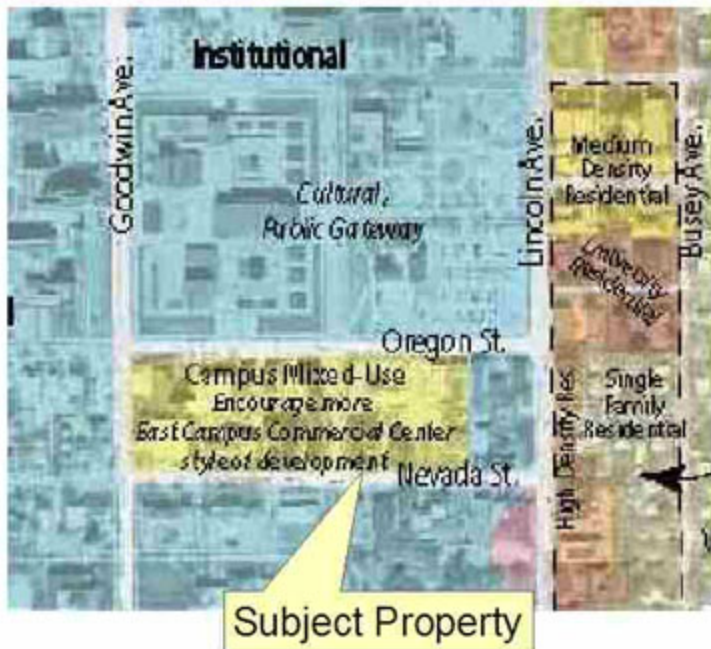
 Subject Property

- COM - Commercial
- Dorm - Dormitory
- Inst - Institutional
- MF - Multi Family
- MXU - Mixed Use
- PKG - Parking
- SOR - Sorority

Future Land Use Map

EXHIBIT "D"

Source: Comprehensive Plan Future Land Use
Map # 8, p. 79 - Detailed Section



Plan Cases:

1959-M-05, Gregory Place II - East Campus Commercial Center:
Rezone part of a lot from R-5 (Medium High Density Multiple-Family Residential District) to CCD (Campus Commercial District)
1959-SU-05, Gregory Place II - East Campus Commercial Center:
Special Use Permit a mixed use development in the CCD zoning district
Petitioner: Gregory Place, LLC
Location: Gregory Place between Oregon and Nevada Streets
Zoning: R-5, Medium High Density Multiple-Family and CCD

Prepared 1/12/07 by Community Development Services - pal

MINUTES OF A REGULAR MEETING

URBANA PLAN COMMISSION

DRAFT

DATE: January 18, 2007

TIME: 7:30 P.M.

PLACE: Urbana City Building
400 South Vine Street
Urbana, IL 61801

MEMBERS PRESENT: Jane Burris, Lew Hopkins, Michael Pollock, Bernadine Stake, Marilyn Upah-Bant, James Ward, Don White

MEMBERS EXCUSED: Ben Grosser

STAFF PRESENT: Elizabeth Tyler, Director of Community Development Services; Robert Myers, Planning Manager; Teri Andel, Planning Secretary

OTHERS PRESENT: Rita Black, Susan Chavarria, Scott Kunkel, Peter McAvoy, Susan Taylor

NEW PUBLIC HEARINGS

Plan Case No. 1959-M-05: Request by Gregory Place, LLC to rezone parcels totaling one acre located at 1004, 1006 and 1008 West Nevada Street, 704 and 706 Gregory Place, and 1003, 1005, and 1007 West Oregon Street from the R-5, Medium High Density Multiple-Family Residential Zoning District, to CCD, Campus Commercial Zoning District.

Plan Case No. 1959-SU-05: Request by Gregory Place, LLC for a special use permit to allow a mixed use development known as the East Campus Commercial Center Phase II located at 1004, 1006 and 1008 West Nevada Street, 704 and 706 Gregory Place, and 1003, 1005, and 1007 West Oregon Street in the City's CCD, Campus Commercial Zoning District.

Robert Myers, Planning Manager, presented these two cases to the Plan Commission. He introduced the rezoning and special use permit request cases together by stating the reasons for each request. He gave a brief background noting the zoning and land uses of the proposed site and its surrounding properties. He talked about the goals and objectives of the Comprehensive Plan that relate to the proposed rezoning request. He reviewed the LaSalle National Bank criteria that pertains to the request to rezone the proposed property from the R-5, Medium High Density Multiple Family Residential Zoning District, to the CCD, Campus Commercial

Development Zoning District. He presented staff's recommendation for the rezoning case, which was as follows:

In Plan Case 1959-M-05, based on the evidence presented in the written staff report, and without the benefit of considering additional evidence that may be presented during the public hearing, staff recommended that the Plan Commission recommend approval of the proposed rezoning.

Mr. Myers continued his presentation by reviewing the requirements for a special use permit according to Section VII-6 of the Urbana Zoning Ordinance that pertain to the proposed special use permit request. He presented staff's recommendation for the special use permit, which was as follows:

In Plan Case 1959-SU-05, based on the evidence presented in the written staff report, and without the benefit of considering additional evidence that may be presented at the public hearing, staff recommended that the Plan Commission recommend approval of the proposed special use with the following conditions:

- 1. The Developer shall consult with City staff indicating the exact commercial uses that will be located within the commercial space. City staff shall confirm that the uses are permitted in the CCD District and that adequate parking is accommodated to satisfy the development regulations.*
- 2. That the development on the property be in substantial conformance with the Site Plan.*

With no questions for City staff, Chair Pollock opened the public hearing to testimony from the petitioner and other members of the audience.

Scott Kunkel, representative for Gregory Place, LLC, approached the Plan Commission. He showed photos of the existing Phase I building noting that many of the characteristics would be seen in the proposed Phase II building as well. He displayed a site plan of the overall project, a site plan of the 1st floor plan (retail level), a site plan of the 2nd floor plan (office level), a site plan of the 3rd – 5th floor plans (residential levels), and an elevation plan showing the west and south sides of the proposed building. He talked about architectural layout and uses for each floor.

Ms. Stake inquired as to whether or not there would be any common space for the residents. Mr. Kunkel stated that the main common space would be the courtyards on the third floor interior. It would be accessible to all residential users. Otherwise there would be only minor common areas.

Ms. Upah-Bant wondered where parking would be available. Mr. Kunkel explained that there would be parking behind the retail spaces on the first floor. The balance of the parking would be provided on an adjacent parking lot through a development agreement that Gregory Place, LLC

has with the University of Illinois (U of I). The U of I has designated parking for the building in Phase I with some unique signage, and it has worked out well.

Ms. Upah-Bant inquired as to how many parking spaces would be behind the retail space. Mr. Kunkel answered by saying that there would be 41 parking spaces provided onsite. Prior to Phase I being built, Gregory Place had parallel parking on either side of this street. When the Phase I project was completed, Gregory Place was reconfigured to provide diagonal parking in front of Phase I. Gregory Place is currently one-way southbound. With the Phase II project, they will continue to reconfigure Gregory Place to convert to two-way traffic and have diagonal parking in front of Phase II mirroring the diagonal parking that is in front of Phase I. The parking meters, which are owned by the U of I, are short duration (30 minute and 1 hour) meters for use by customers for the retail spaces.

With no further testimony from the audience, Chair Pollock closed the public hearing portion of this case and opened the case up to hear discussion from the Plan Commission.

Mr. White moved that the Plan Commission forward Plan Case 1959-M-05 and Plan Case 1959-SU-05 to the City Council with a recommendation for approval with the two conditions recommended by City staff. Ms. Stake seconded the motion. Roll call was as follows:

Ms. Burris	-	Yes	Mr. Hopkins	-	Yes
Mr. Pollock	-	Yes	Ms. Stake	-	Yes
Ms. Upah-Bant	-	Yes	Mr. Ward	-	Yes
Mr. White	-	Yes			

The motion was passed by a unanimous vote of 7-0. Mr. Myers stated that these two cases would go before the Urbana City Council on February 5, 2007.