

MINUTES
CITY OF DEKALB
PLANNING AND ZONING COMMISSION
May 22, 2019

The Planning and Zoning Commission held a Meeting on May 22, 2019, at the City of DeKalb Municipal Building, 200 South Fourth Street, DeKalb, Illinois. Chair Christina Doe called the meeting order at 6:00 PM.

A. ROLL CALL

Recording Secretary Christine Wang called the roll. Planning and Zoning Commission members present were: Chair Christina Doe, Katharina Barbe, Vicki Buckley, David Castro, and Max Maxwell. Commissioners Ron Klein and Jerry Wright were absent.

City staff present were Principal Planner Dan Olson and Recording Secretary Christine Wang.

B. APPROVAL OF THE AGENDA (Additions/Deletions)

Chair Doe requested a motion to approve the May 22, 2019, agenda as presented. Ms. Barbe motioned to approve the agenda as presented. Mr. Maxwell seconded the motion, and the motion was approved by unanimous voice vote.

C. APPROVAL OF MINUTES

None.

D. PUBLIC PARTICIPATION (Open Floor to Anyone Wishing to Speak on Record)

None.

E. NEW BUSINESS

1. **Concept Plan Review** – Request by Pappas Development, LLC, for review of a Concept Plan (Sketch Plan) for a proposed mixed-use project on a three-acre site located along the east side of North Fourth Street between Locust Street and Oak Street, commonly known as the Mooney Property.

John Pappas of Pappas Development in DeKalb stated he is proposing two 50,000 square foot buildings with 40 apartment units and about 6,500 square feet of commercial space in each building. He stated there will be about 180 parking spaces provide on the site. He noted the apartments will be similar to the Cornerstone and Plaza DeKalb projects.

Principal Planner Olson stated the applicant is proposing a mixed-use project on a three-acre site located along the east side of North Fourth Street between Locust Street and Oak Street. He stated that the amenities will include a hospitality room, fitness center, and outdoor terraces. He said the applicant proposes to raze the former dealership building, mitigate known environmental problems and construct two 4-story mixed-use buildings at about 50,000 square feet each. Principal Planner Olson pointed out the proposed Concept Plan addresses many of the goals of the DeKalb City Center Plan and Downtown Revitalization Plan in relation to enhancing the downtown area with mixed-use developments and improving gateways into the downtown.

Principal Planner Olson said some initial site plan issues include parking, as there are 177 parking stalls provided on the site and the estimated number of required parking spaces, per the UDO, is about 212. He said there will be a need for some parking relief as the applicant moves forward with the zoning petition and as more detailed plans are developed. Principal Planner Olson stated the parking demand would be further analyzed to ensure the project would have enough spaces. He said full access points are proposed off North Fourth Street and Oak Street and the plan reduces the number of access points that currently exist. Principal Planner Olson noted an additional access should be considered to Locust Street. He mentioned there was one Citizen Response Form received from John Delano, of Delano's Decorating, indicating his support for the plan.

Principal Planner Olson advised the Commission this was a Concept Plan and the applicant is anticipating re-zoning the site from the "LI" Light Industrial District to the "PD-C" Planned Development – Commercial District if the project moves forward. He said they will also be submitting engineering, landscaping, and lighting plans. He stated the applicant appeared before the City Council for TIF financing to assist in the redevelopment of the site. Principal Planner Olson noted the estimated total project cost is \$13,875,000 and the preliminary TIF request is \$3,000,000, or 21.6% of the project cost. He noted no vote was taken; however, the Council's consensus was to move forward with a preliminary development incentive agreement with the developer.

Chair Doe opened for public comment.

Bessie Chronopoulos of 423 Gayle Avenue stated the City should be looking into the Comprehensive Plan and she is not overly concerned about TIF financing. She said the City should look at how this land should be developed and to keep the use of the property as high quality as possible. She questioned the need for more apartment units in DeKalb and stated she would like to see how Cornerstone and Plaza DeKalb develop first before she would support this project. Ms. Chronopoulos noted there are other buildings around the subject site that should also be looked at for further development.

John Morton of 721 North Ninth Street stated he feels the design is cold and uninteresting and the open space area between the buildings would not receive enough sunlight. He noted if the City will be tearing down a historic building, the resulting project should be better, and he feels the proposed plan does not provide that. He added the funds to construct the project will have to come from the public and that the population of DeKalb has declined by about one and a half percent from 2010 to 2016. Mr. Morton said taxpayers would fund about a fifth of the cost of the project but would not receive any benefit. He said he would like to hear about other opportunities for the site before agreeing to the proposed use.

Dave Kolars of 623 Franklin Street suggested an artist's cooperative in the City. He said a building that is structurally sound should not be torn down without knowing how much it would cost to be in compliance with EPA regulations. Mr. Kolars said he wants to keep the existing structure before tearing it down for something newer.

Steven Beckler stated he owns property on the northwest corner of North Sixth and Locust Street. He said he likes the concept plan and does not mind that TIF money will go towards the project. Mr. Beckler encouraged the City to look at the surrounding properties and to expand this subject site's reach and improve the whole area.

Paul Sauser, property owner to the east of subject property on Locust Street, noted the site is a huge eyesore and the previous user dumped sewer waste into the Kishwaukee River, and the City did not do much about it. He said the building is structurally sound but is not built to today's standards. He asked where the sewer is going to hook up to. He said he likes the project and noted Mr. Pappas has been in the business for a long time and knows what he is doing. Mr. Sauser said believes the Methodist Church will still be used as a church and encouraged the City to move quickly before the developer leaves.

Mr. Pappas addressed the Commission regarding the need for this type of housing. He noted Cornerstone has 51 units and has amenities such as private parking and a hotel lobby. He noted he missed the leasing season with Cornerstone; however, it was 50% leased in the first 60-90 days. Mr. Pappas said after the holiday season, it was 100% occupied. He noted it was mostly occupied by young professionals such as doctors or pharmacists and some grad students. He said the surrounding properties downtown have not been developed properly because of mismanagement of TIF funds. He said the subject site (Mooney Property) has EPA issues and there are underground fuel tanks on the property. Mr. Pappas said he has not looked at the surrounding properties but believes there is a demand for this type of housing in DeKalb.

Principal Planner Olson addressed the question of sewer hookups from Chair Doe and noted the next step would involve the submittal of engineering plans to be examined by the City Engineer.

Ms. Barbe said she likes the general concept and did not know about the environmental problems of the property. She asked if these apartments would be furnished. Mr. Pappas said it might be a 50/50 option. Ms. Barbe said she agrees with Mr. Morton about the design and said it looked like a prison. She said there should be more interest to the look of the buildings. Mr. Pappas said the floor plan will remain the same but will try to change the exterior.

Mr. Castro asked what the known environmental issues were. Mr. Pappas said he had an EPA report and it could involve millions of dollars in remediation work, including underground tanks and asbestos. Mr. Castro requested that when the project comes back, a list of environmental issues and a more detailed history of the building be provided. Mr. Castro said he would like to see redevelopment of old buildings but does not know if it is feasible with this one. Mr. Pappas said because of the EPA issues with the building, he does not want to redevelop the building. Principal Planner Olson said in the downtown area the City encourages redevelopment of buildings, however it is unfeasible in this case. Mr. Castro asked Mr. Pappas how much of his own capital was he willing to invest. Mr. Pappas said he tested the market near NIU for this type of housing before investing in Cornerstone and said there is a proven market for it.

Mr. Castro said he heard from a DeKalb landlord that there was a surplus of apartments. Mr. Pappas said there is a surplus of bedrooms, not units, and he prefers to have 1-2 bedroom units rather than 3-4 bedroom units. Mr. Castro said the main economic engine is the University, and asked Mr. Pappas if he is investing in the University and believes it is moving in the right direction. Mr. Pappas said he believes the University is moving in the right direction, but currently apartment units are too expensive for what you receive and there is no safety. He said he does not want to enter into the college student market and is targeting young professionals instead.

Chair Doe stated the demand for a furnished, rented apartment by professionals does exist. Mr. Pappas said there is still a market for this type of housing unit in DeKalb.

Mr. Maxwell said he hates seeing historic buildings be torn down in favor of redevelopment, but noted this plan makes sense as there were no previous takers when the site was up for sale. He noted many people in their 20s and 30s do not want to own homes yet and there is a market for this type of rental unit. Mr. Pappas said the TIF funding is restricted to TIF-eligible expenses, including rectifying the EPA issues. Mr. Maxwell said there should be changes

in the architectural design of the buildings, and Mr. Pappas concurred. Mr. Maxwell applauded Mr. Pappas for investing in DeKalb.

Ms. Buckley said there needs to be change in the current architectural design. She asked if there is a declining population because of the things to do in DeKalb or because there are other things that draw people away. Mr. Pappas said the college students leave on Thursdays and Fridays, which contributes to the issue of people leaving DeKalb. Ms. Buckley noted businesses are coming back to the downtown area, which could be the impetus for attracting more people to the area. Mr. Pappas noted this market comes down to disposable income, which there is less of today.

Chair Doe asked about parking and the proposed plan's reduced parking. Principal Planner Olson said there would have to be a waiver and justification for providing less spaces than required in the UDO. Mr. Pappas said it's not likely to get more parking spaces, but he will take another look at it. Chair Doe also agreed there needed to be a different architectural design to the buildings.

Chair Doe asked if there was any further public comment.

Mr. Sauser said the regulations for parking were too stringent in the past and most of the parking lot was empty when the car dealer occupied the site. Mr. Sauser said because of the property's proximity to the downtown area, parking is not going to be a huge issue.

Carolyn Morris of 1363 Omega Circle Drive said the Commission should not encourage more parking beyond what is needed and would like to see more open space in parking lots. She said there is no longer an emphasis on driving and more of an emphasis on walking.

Chair Doe said the applicant needs to follow the UDO, but the applicant can bring a variance request forward. Mr. Maxwell said there needs to be close parking available to the proposed retail in the building.

Mr. Kolars stated the downtown area was a strong economic engine years ago, but after Sycamore Road was developed, the downtown area no longer served as that engine. He said there used to be more parking per block on the street. He said there needs to be more clothing and food stores in the downtown area and the area does not fulfill the needs of residents.

Martha Robinson of 955 South Sixth Street said the property should be developed to generate more sales tax and to bring more people with disposable income to the downtown area.

Ms. Chronopoulos said Mr. Pappas was correct in noting the TIF funds were not used correctly, and the Sycamore Road area saw more investment in the

past. She said the trends have led to the decline of the Sycamore Road area, such as the decline of brick and mortar stores. She suggested building more apartments similar to what is proposed. Ms. Chronopoulos noted the need to have more discussions like this instead of pointing fingers and the Landmark Commission needs to get involved in the review of the project.

Chair Doe said she likes to see people in the downtown area and feels the downtown area is coming back.

F. REPORTS

Principal Planner Olson mentioned the next Planning and Zoning Commission meeting will be Wednesday, June 5th, however no public hearings have been scheduled. Mr. Olson handed out the updated Development Status Report to the Commission.

G. ADJOURNMENT

Ms. Buckley motioned to adjourn, Mr. Maxwell seconded the motion, and the motion was approved by unanimous voice vote. The meeting adjourned at 7:30 PM.

Respectfully Submitted,

Christine Wang, Recording Secretary

Minutes were approved by the Planning and Zoning Commission on July 17, 2019.