



**PLAN COMMISSION AGENDA ITEM EXECUTIVE SUMMARY**

<b>Project Title/Address:</b>	First Street Redevelopment PUD – Building #3		
<b>City Staff:</b>	Russell Colby, Planning Division Manager		
<b>PUBLIC HEARING 8/2/16</b>	X	<b>MEETING 8/2/16</b>	X

**APPLICATIONS:** Special Use for PUD (amendment for first floor use)  
PUD Preliminary Plan

**ATTACHMENTS AND SUPPORTING DOCUMENTS:**

Staff Report	Applications
PUD ordinances	Engineering and Architectural Plans

**SUMMARY:**

The First Street Redevelopment PUD was approved in 2006 as a five-phase mixed use downtown redevelopment project spanning five blocks along First Street between Prairie St. and Main St. Phase 3 of the project is subject to a redevelopment agreement between the City of St. Charles, the owner of the property, and First Street Development II, LLC, the developer.

A PUD Preliminary Plan for Phase 3 was reviewed by the Plan Commission in December 2014 and approved by the City Council in March 2015 (Ordinance #2015-Z-5). This plan included three mixed use buildings and a public parking deck. Construction is now underway on Building #1 and the parking deck.

Building #3 is planned for the lot located between the parking deck and the river, adjacent to Illinois Street. In 2015, a plan was approved for a 5 story building for the site, but detailed drawings of the building were not provided at that time.

The developer has now brought forward plans for Building #3. The plans include first floor bank and office uses, which per the 2006 First Street PUD ordinance are not permitted on the first floor. The developer is requesting approval of an amendment to the PUD to allow the first floor bank/office use, and approval of a detailed Preliminary Plan for Building #3.

**SUGGESTED ACTION:**

Conduct the public hearing on the Special Use for PUD Amendment and close if all testimony has been taken.

Staff has placed this item, along with the PUD Preliminary Plan, on the meeting portion of the agenda for a vote should the Plan Commission feel that they have enough information to make a recommendation.

Staff has found the application materials to be complete. Upon resolution of outstanding staff comments, the proposal has the ability to meet City Code requirements.

**INFO / PROCEDURE ON APPLICATIONS:**

*(See next page)*

Applications are listed in order of consideration

#### SPECIAL USE FOR PUD AMENDMENT

- Approval of development project with specific deviations from the Zoning Ordinance standards. (Establishes a PUD ordinance with unique zoning or subdivision standards that apply to a single development site)
- Public hearing is required, with a mailed notice to surrounding property owners.
- Single finding – Is the PUD in the public interest? Criteria are considered in reaching a decision. Responses to the criteria need not be in the affirmative to recommend approval of a PUD or PUD Amendment.
- The Plan Commission may recommend conditions and restrictions upon the establishment, location, design, layout, height, density, construction, maintenance, aesthetics, operation and other elements of the PUD as deemed necessary to secure compliance with the standards specified in the Zoning Ordinance.
- The Plan Commission may recommend exceptions and deviations from the requirements of the Zoning and Subdivision Codes requested by the applicant, to the extent that it finds such exceptions and deviations are supportive of the standards and purposes for PUDs.

#### PUD PRELIMINARY PLAN

- Approval of engineering plans for development of property within a PUD- includes site, landscape, and engineering plans. (Application may also involve a subdivision of land.
- Recommendation is based on compliance with the previously (or concurrently) approved Special Use for PUD standards and other city code requirements (including Zoning and Subdivision codes).

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**STAFF MEMO**

**TO:** Chairman Todd Wallace  
 And the Members of the Plan Commission

**FROM:** Russell Colby  
 Planning Division Manager

**RE:** First Street Phase 3, Buildings #3: Amendment to PUD (First floor uses) and PUD Preliminary Plan

**DATE:** July 29, 2016

**APPLICATION INFORMATION:**

**Project Name:** First Street Phase 3 – Buildings # 3

**Applicant:** First Street Development II, LLC

**Purpose:** -Change the First Street PUD first floor use restrictions for Building #3 to permit bank/office use on the first floor.  
 -Review PUD Preliminary Plans for Building #3

<b>General Information:</b>		
<b>Site Information</b>		
Location	Between First St. & the Fox River, north of Illinois St.	
Application:	Special Use for PUD – PUD Amendment PUD Preliminary Plan for Building #3	
Applicable City Code Sections	First St. PUD Ords. 2006-Z-26 & 2008-Z-22 Title 17, Chapter 17.06 Design Review Standards & Guidelines, Chapter 17.14 – Business & Mixed Use Districts	
<b>Existing Conditions</b>		
Land Use	Vacant building lot (being utilized for construction staging)	
Zoning	CBD-1 Central Business District - PUD	
<b>Zoning Summary</b>		
North	CBD-1 Central Business District - PUD	Vacant land (planned bi-level riverwalk and East Plaza)
East	CBD-1 Central Business District	Riverwalk & Fox River
South	CBD-1 Central Business District	Illinois St. & Fox Island Square
West	CBD-1 Central Business District - PUD	Parking deck- under construction
<b>Comprehensive Plan Designation</b>		
Mixed Use		

## II. OVERVIEW

### A. PROPERTY HISTORY/BACKGROUND

The First Street Redevelopment PUD was approved in 2006 as a five-phase project spanning a 7.6 acre area of properties along First Street between Prairie St. and Main St.

Phases 1 and 2 were constructed from 2007 to 2009 and included: New utility and road infrastructure; Relocation of the Blue Goose store; Building 7A-BMO Harris Bank & 16 affordable rental units; Building 4- The Plaza Parking Deck; and the western portion of the First Street Plaza.

Phase 3 is the riverfront property located between Main & Illinois Streets. The original 2006 plan for the site included:

- Public plaza opposite the existing plaza and a bi-level walkway along the riverfront
- A four-story building at the corner of Main St. and First St.
- Three, five-story buildings wrapped around a parking garage on the remainder of the site.

### B. 2015 APPROVED PLAN

In March 2015, the City approved a revised PUD Preliminary Plan for the Phase 3 site that included the following:

- Public plaza and bi-level Riverwalk in the locations per the original 2006 plan
- Three mixed-use buildings and a public parking deck within the previously planned building footprint areas:
  - Building 1: 4 story; first floor retail/restaurant, upper level office.
  - Building 2: 4 story; first floor retail/restaurant, upper level residential (36 units)
  - Building 3: 5 story; first floor retail/restaurant, upper level residential (32 units)
- Preliminary architectural plans were approved for Buildings 1, 2 and the parking deck.

Construction of Building #1 and the parking deck began in Fall 2015.

### C. CURRENT PROPOSAL

First Street Development II, LLC has filed the following applications regarding Building #3:

- **Special Use application** to amend to the First Street PUD ordinance first floor use regulations to permit Bank and Office use on the first floor of Building #3 (following the Downtown Overlay office criteria). The Special Use application requires a public hearing.
- **PUD Preliminary Plan** approval for Building #3. The building was approved in 2015 as a 5-story mixed use structure. The 2015 PUD approval requires the building architecture to be submitted for review and approval. The developer is now also proposing to modify the planned uses within the building.

No changes are proposed to the planned public spaces around the Phase 3 site.

### III. ANALYSIS

#### A. COMPREHENSIVE PLAN

##### **Project Planning History**

The First Street project was identified in the 2000 Downtown Strategy Plan, which was part of the City's Comprehensive Plan. The Strategy Plan identified the First Street corridor as underutilized and as the most significant opportunity for new development in the downtown. Through a public planning process, the City formulated and adopted the First Street Design Guidelines in 2002 and then utilized this document as a basis to plan the project. The project was ultimately approved as a PUD in 2006.

##### **Land Use**

The 2013 Comprehensive Plan Land Use Plan identifies the site as "Mixed Use." In the Downtown Subarea Plan in Chapter 8, the remaining undeveloped First Street building sites are identified as Opportunity Sites. The Phase 3 property is identified as Site J:

*"The western portion of the 1<sup>st</sup> Street development has been constructed and contributed positively to the energy and appearance of Downtown. This site represents the east half of the development which stalled during the economic downturn associated with the housing market collapse. It is recommended that the City continue to promote the approved plan as a viable option for the site, including the residential units that will bring more residents to the Downtown area."*

##### **First Floor Uses in the Downtown**

In 2006, the City created a zoning "overlay" district within the downtown to "preserve economic vitality and the pedestrian character of the downtown's shopping core." The Downtown Overlay District limits the type of businesses that can locate in the first floor/street level spaces to a set of businesses that are expected to generate pedestrian activity. The Comprehensive Plan provides the following recommendations regarding the Downtown Overlay District:

*The Downtown Overlay District is intended to preserve the economic vitality and pedestrian character of Downtown's shopping core by limiting uses on the first floor that "typically generate relatively little pedestrian activity or are otherwise incompatible with a pedestrian oriented shopping area." While this is an admirable objective, defining "typical" can result in missed opportunities. In addition, while all successful and vibrant downtowns have a large component of retail, they are also characterized by a varying mix of uses that generate activity at all periods of the day. Furthermore a detailed market analysis conducted as part of this process found that key retail categories are fairly saturated within the Downtown's trade area. Given the number of vacancies Downtown, along with current market and economic conditions, the City should consider relaxing use restrictions in the District to fill storefronts on a temporary basis until demand for downtown retail space is stronger.*

Based upon this plan recommendation, the Downtown Overlay District was amended by the City in 2013 to permit first floor bank/office uses that generate pedestrian activity.

**B. HISTORIC PRESERVATION COMMISSION REVIEW**

The subject property is located within the Central Historic District, requiring review of the Special Use and PUD Preliminary Plan applications by the Historic Preservation Commission regarding its potential impact on the historic district.

The Historic Preservation Commission reviewed the proposal for Building #3 on 6/15/16. The Commission unanimously voted to recommend to the Plan Commission approval of:

- The PUD Amendment to permit bank/office uses on the first floor of Building #3
- The size, scale and mass of the proposed Building #3
- The preliminary architectural elevations for Building #3.

**C. ZONING REVIEW:**

The 2006 First Street PUD established zoning parameters for the project. For the Phase 3 site, deviations to the underlying CBD-1 Central Business zoning district were granted to permit building sizes in excess of 40,000 square feet and building height in excess of 50 ft.

The table below lists the development data for: Buildings 1, 2, and 3 plans as approved in 2015; the proposed 2016 Building 3; and the PUD ordinance deviations approved in the original 2006/2008 First Street PUD ordinance.

<b>Development data per building in Phase 3</b>					
	<b>2015 Current Approved Plan</b>			<b>2016 Proposed Building #3</b>	<b>2006/2008 PUD Ordinance Maximums</b>
	<b>Building #1</b>	<b>Building #2</b>	<b>Building #3</b>		
<b>Building Footprint</b>	11,865 sf	11,846 sf	11,966 sf	13,350 sf	20,056 sf.
<b>Building Square footage</b>	47,460 sf	47,384 sf	59,830 sf	58,212 sf	89,196 sf.
<b>Building Floors</b>	4	4	5	4 (bank portion) 5 (office/residential portion)	5+ mezzanine
<b>Building Height</b>	54' (67' to tower)	49'2" to parapet	Unknown	66'4" to main parapet	75 ft.
<b>Ground floor uses</b>	Retail & Restaurant	Retail & Restaurant	Retail & Restaurant	Bank and Office per Downtown Overlay criteria	-
<b>Upper level uses</b>	Office	Residential	Residential	Bank/Office and Residential	-

**Changes to the Building Program for Building #3 vs. the 2015 Plan:**

- The Building #3 footprint is now larger because the outdoor dining area at north end of the building is part of building footprint. The internal floor area is slightly less primarily due to the building having only a partial 5<sup>th</sup> story. (Additionally, there are some two-story interior spaces and outdoor terraces within the bank portion of the building that reduce the interior floor area.)
- The building is split between commercial and residential uses on the upper floors, with the entire 4-story southern portion of the building to be occupied by Sterling Bank.
- Bank and Office use are proposed on the first floor. An amendment to the First Street PUD ordinance is required to modify the first floor use restrictions for this building.
- Residential unit count has been reduced from 32 units down to a range of 12 to 20 units.

The table below compares the combined development data for Buildings 1, 2, and 3 for: the original 2006/2008 PUD plan; the approved 2015 plan; and the 2016 plan with the proposed modifications to Building #3.

<b>Combined development data for Phase 3- Buildings 1, 2 &amp; 3</b>				
		<b>2006/2008 Plan</b>	<b>2015 Current Approved Plan</b>	<b>2016 Proposed Plan</b>
<b>Total Building Square footage</b>	Restaurant/ Retail/Service	40,374	35,729	23,763
	Bank/Office	32,592	35,595	60,375
	Residential	139,509	83,402 sf	69,432
	<b>Total</b>	<b>212,475 sf</b>	<b>154,726 sf</b>	<b>153,570 sf</b>
<b>Residential Units</b>	Studio	-	12	12
	1 BR	10	20	12
	2 BR	28	28	12
	3 BR	6	8	-
	4 BR	1	-	-
	TBD	16	-	12 to 20 in Building 3
	<b>Total</b>	<b>61</b>	<b>68</b>	<b>Range of 48 to 56</b>
<b>Parking Provided</b>		170 Private 99 Public	79 Private 110 Public	83 Private 110 Public
<b>Parking ratio with Phase 3 vs. CBD-1 ordinance requirement*</b>		81%	59%	58 to 60%

*\*For locations within the CBD-1 zoning district that are within Downtown Special Service Areas 1A (parking) and 1B (revitalization), there is no on-site parking requirement. These calculations are provided for comparison purposes.*

#### D. FIRST FLOOR USE RESTRICTIONS

Although the Phase 3 site is located within the Downtown Overlay District, more limited restrictions on first floor uses were included in the 2006 First Street PUD Ordinance. The PUD restrictions control the ground floor uses within the entire First Street project.

In addition to restricting the individual business types that can occupy first floor spaces, the PUD also imposes a limitation on certain uses as a percentage of all first floor space in the PUD, which would include all phases of the project.

The first floor use restrictions were written based upon the original 2006 PUD plan for First Street and were not revised when the 2015 plan was approved.

##### **Existing first Floor permitted use list (per Ord. 2006-Z-26):**

*Only the following uses are permitted on the first floor of enclosed buildings within the First Street Project:*

1. *Art Gallery/Studio*
2. *Coffee or Tea Room*
3. *Cultural Facility\**
4. *Indoor Recreation and Amusement\**
5. *Live Entertainment*
6. *Personal Services\**
7. *Restaurant*
8. *Retail Sales*
9. *Tavern/Bar*
10. *Theater\**
11. *Utility, Local\**
12. *Accessory uses to the preceding uses 1 through 11.*

*\*Not more than 25% of the total gross leasable floor area on the first floor of all enclosed buildings within the Project, exclusive of ground floor parking areas, the Blue Goose and Building 7A, may be occupied by these uses.*

##### **Building #3 First Floor Use Proposal**

Building #3 is currently subject to the first floor use restrictions. The proposal is to allow for bank and office uses on the first floor of Building #3, subject to the Office Certification Criteria for the Downtown Overlay District (Section 17.14.020.B.2 of the Zoning Ordinance).

The First Street PUD ordinance would be amended by adding the following exception for Building #3:

*In addition, the following uses, as defined in the City's Zoning Ordinance, shall be permitted on the first floor of the following buildings, as shown in the PUD Preliminary Plan:*

*Building 3: Bank and Financial Institution, Office- Business or Professional, and Medical/ Dental Clinic meeting the following criteria:*

- a. *The business will be open to the general public during normal business hours and may require that customers make an appointment for service.*
- b. *The primary function of the business establishment will be to provide direct services to customers that are physically present.*

- c. The interior space of the business will be configured such that a) the street-level storefront entrance will serve as the public entrance and b) a reception area or waiting area for visitors will be provided directly accessible from the public entrance.
- d. Street-facing storefront windows and doors will not be obstructed at any time and shall be utilized to provide a view of the interior office visible to pedestrians on the street. Illuminated exterior signs and the interior of the storefront shall be illuminated during evening hours.

#### E. SITE LAYOUT AND ENGINEERING REVIEW

The applicant has submitted engineering plans reflecting the new building footprint for Building #3. The site engineering is consistent with the plan approved for the entire Phase 3 property in 2015.

- The bi-level public riverwalk will be located adjacent to Building #3. The width of the riverwalk is unchanged.
- The street-level pedestrian entrances to building will be from Illinois Street for the bank, and from the riverwalk for the other ground floor office uses and upper floor residential uses.
- Parking within the basement level of the building will be accessed through the lower level of the adjacent public parking deck, which is currently under construction. The lower level of the parking deck will be accessed from Illinois Street.
- Pedestrians walking from Building #3 to the parking deck can use the Illinois Street sidewalk (to the first floor) or the parking deck ramp and stairs (to both the lower and upper level of the deck) located along the riverwalk, north of Building #3.
- An open pedestrian corridor through the north end of the building will provide City maintenance access to a storm sewer line.
- The service corridor between Building #3 and the parking deck will be privately owned and will not be open for public pedestrian use. Easements will be provided over the corridor for the City to access the area for maintenance of utilities and the parking deck structure.
- A location for a refuse enclosure serving Building #3 has been planned on the adjacent parking deck lot, near Illinois St.
- Access to Building #3 for emergency services is limited due to the placement of the parking deck. The Fire Department will be able to access the building from Illinois St. and the second level of the parking deck.

#### **Future plan reviews:**

- Plans for the Illinois Street streetscaping and riverwalk adjacent to Building #3 will need to be drawn based on the final design of the building. The design will account for the location of building storefronts, doors and balconies in determining the placement of planter beds and landscaping. The design will be similar to the streetscaping plan approved for Illinois and First Streets adjacent to Buildings #1 and #2.
- A revised Plat of Subdivision will be required to modify the building lot lines based on the proposed footprint of Building #3. The lot lines for the parking deck lot will also be adjusted to follow the actual footprint of the parking deck, which is currently under constructed.

#### F. BUILDING ARCHITECTURE

The proposal is in compliance with the applicable Design Standards in the Zoning Ordinance and the First Street Design Guidelines. Elements include:

- Scale and proportion that is complementary to surrounding buildings
- Façade broken into sections to reduce the visual scale of the building.
- 360 degree building architecture, meaning that architectural design elements are consistent on all sides of the buildings.
- Use of traditional architectural materials, including brick as the primary wall material, cornices, stone lintels, and parapets.
- High level of first floor window transparency. Storefront windows wrap the public facades of the building, with the exception of the bank portion of the building facing the riverwalk.
- The ground floor scaled to the pedestrian.
- Attention to architectural details (sills, lintels, cornices, awnings, parapets, etc.)
- Balconies for the residential units overlooking the river.

#### G. INCLUSIONARY HOUSING

The First Street PUD was approved in 2006, prior to the City adopting an Inclusionary Housing Ordinance in 2008. As a part of the 2006 PUD and Redevelopment Agreement, 16 affordable rental units were provided in Building 7A (the BMO Harris Bank building). These units were constructed in Phases 1 and 2 of the project.

In March 2016, the City's Inclusionary Housing Ordinance was amended and reactivated as Title 19 of the City Code. The code exempts PUD developments that pre-date February 16, 2016. Therefore, there is no requirement to provide any additional affordable units (or the equivalent fee-in-lieu thereof) over and above what was required at the time of the 2006 PUD approval.

#### H. SCHOOL AND PARK FEE-IN-LIEU CONTRIBUTIONS

School and Park Land Cash Fees will be due at the time of building permit. Land-Cash worksheets have been completed and submitted, but will be subject to change based on final unit and bedroom counts prior to the time of building permit.

### IV. **SUGGESTED ACTION**

Conduct the public hearing on the Special Use application and close if all testimony has been taken. The applicant has provided Findings of Fact for the Plan Commission to consider.

Staff has placed the Special Use and PUD Preliminary Plan applications on the meeting portion of the agenda should the Plan Commission determine there is adequate information to make a recommendation to City Council.

Staff recommends that any recommendation include a condition requiring resolution of all staff comments prior to City Council action.

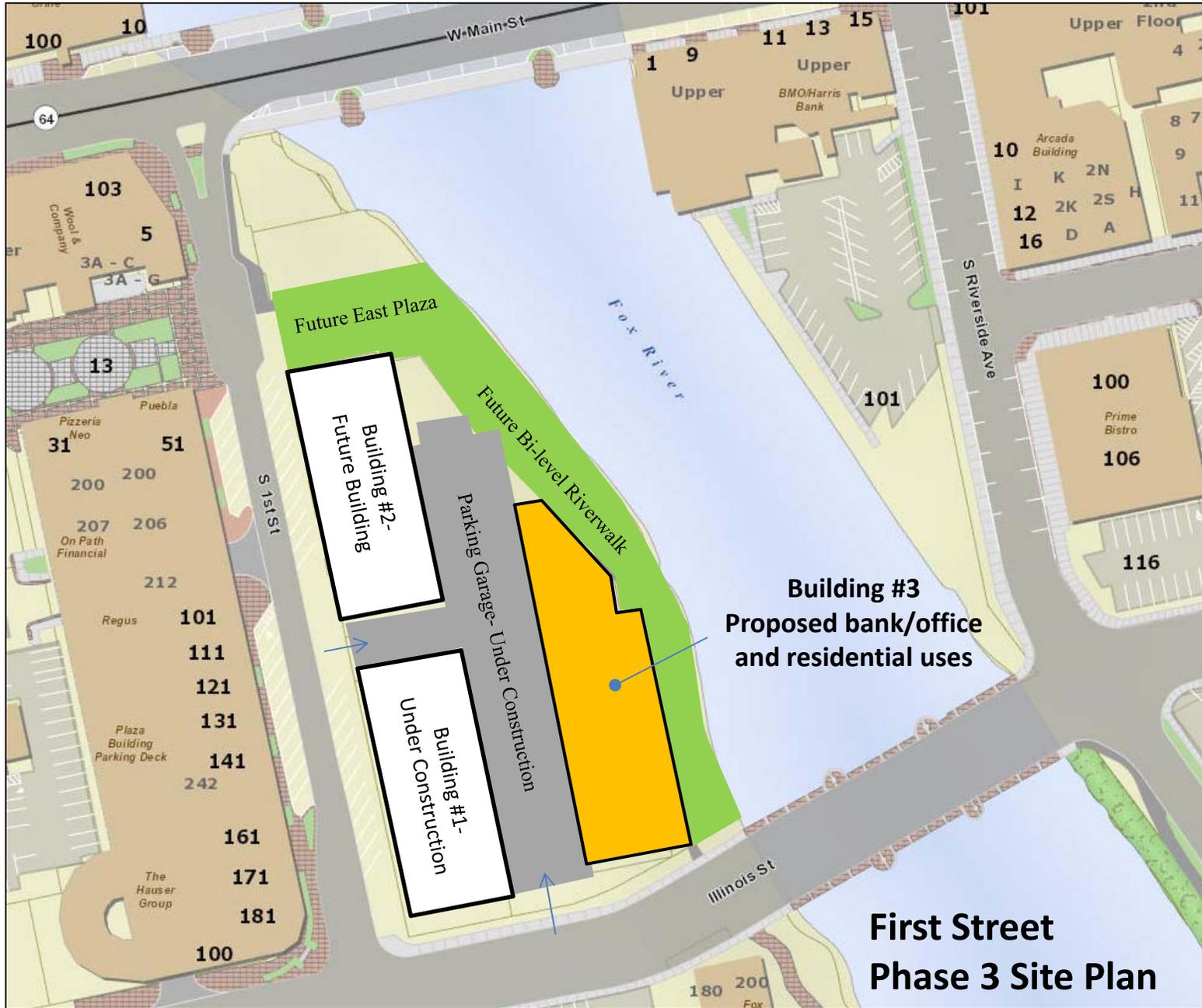
## **V. ATTACHMENTS**

### **Staff Materials**

- Aerial Site Plan of Phase 3 Site
- Location/Site Plan
- PUD Ordinances: No.2006-Z-29 (First Street Redevelopment PUD)- without plans;  
Ordinance No. 2008-Z-22 (Amendments for Phase 3)- without plans
- 2015 PUD Preliminary Plan Approval Ordinance No. 2015-Z-5

### **Application Materials**

- Special Use Application
- PUD Preliminary Plan application
- Site/Engineering Plans
- Architectural Plans



**First Street  
Phase 3 Site Plan**