MEMORANDUM

TO: Chair and Members
Economic Development Commission

FROM: Scott Mangum
Community Development Director

DATE: November 16, 2022

SUBJECT: Discussion Regarding Plan Commission Consideration of Mixed-Use Residential in B-2 Zoning District

Background

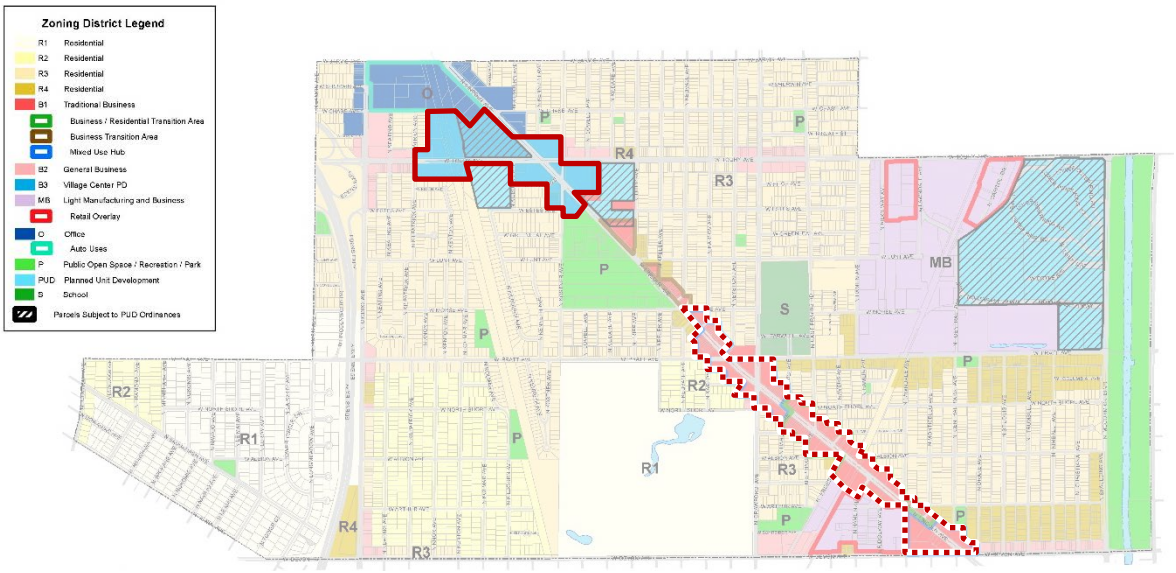
Following a referral from the Committee of the Whole, the Plan Commission has been discussing a variety of zoning use categories and their permissibility in with the established Zoning Districts within the Village. At its October meeting, the Plan Commission requested input from the Economic Development Commission regarding mixed-use residential in areas where it is not currently allowed.

Regulatory Context

Currently, the land use category "residential units, above 1st floor commercial" is permitted as follows:

- Permitted in the B-3 Village Center PD District;
- Allowed with approval of a Special Use permit in the B-1 Traditional Business District, but only within the Lincoln-Pratt-Crawford Mixed Use hub, Devon-Lincoln Mixed Use hub, and Business/Residential Transition Area of the Lincoln Avenue Overlay District.

- Prohibited in the B-2 General Business District, O Office District, or M-B Manufacturing and Business District.



Zoning Map with Areas Highlighted where Residential Mixed-Use Development is Permitted (solid line) or where it is a Special Use (dashed line)

In addition to the general permissibility of upper floor residential uses as established by Table 4.01.1 and the Zoning Map, the Zoning Code establishes the following standards related to bulk, scale, and overall site planning for residential units above ground floor commercial uses:

- Minimum lot size of 2 acres for the B-3 district
- Build-to-lines as follows:
    - In the B-1 district, 5 feet along Lincoln Avenue
    - In the B-3 district, 5 feet along Lincoln Avenue and 15 feet along Touhy Avenue
- Minimum rear setback of 10 feet in the B-1 district
- Maximum building heights as follows:
    - 38 feet/3 stories for the B-1 district
    - 65 feet/5 stories for the B-3 district
- Minimum floor areas per dwelling unit as follows:
    - 1-bedroom/studio: 800 square feet
    - 2-bedroom: 1,500 square feet
    - 3-bedroom: 2,000 square feet

- Minimum off-street parking capacity of 1.5 spaces per dwelling unit (in addition to required off-street parking for ground floor uses)
- Standards related to commercial and multi-family building design; and
- Landscape standards related to foundation landscaping, parking lot screening and landscape islands, and landscaped transition yards abutting residentially-zoned properties.

Policy Context

The following is a summary of recommendations from various Village policy documents that relate to the topic of mixed-use residential development:

- The 2016 Comprehensive Plan states that *"the Village should consider, on a case-by-case basis, opportunities for transitional multi-family development to help diversify the community's housing stock and separate single-family areas from more intense uses. This could include traditional apartments or condominiums, senior housing, or multi-family residences as a component of mixed-use development."* While this doesn't specify certain zoning districts within which mixed use development should be permitted, it allows room for policy discussion as to whether there are certain locations or conditions where it would be appropriate.
- The 2014 Devon-Lincoln TIF Plan includes future land use recommendations that support mixed use ("retail/office/commercial/residential") along Devon Avenue from McCormick Boulevard to Proesel Avenue, and along Lincoln Avenue from Devon Avenue to the boundary of the TIF district just south of Wallen Avenue.
- 2013 Devon Avenue Corridor Plan identifies a number of redevelopment opportunity sites along Devon Avenue between McCormick Boulevard and Lawndale Avenue. However, the land use recommendations for those sites focus primarily on commercial use and do not specifically discuss residential mixed-use development.
- The 2005 Lincoln Avenue Corridor Plan includes language that states that the Plan "embraces the concept of mixed use development…. The plan envisions large development parcels, such as the Purple Hotel site, as including multiple land uses within its development. Individual buildings or smaller development parcels should also have 13 vertical multiple uses, namely retail on the ground floor and residential or office uses on upper floors." The Plan also supports the conversion of some commercial areas as multi-family infill.
- Both the 2017 Touhy Lincoln-Development Study and 2019 North Lincoln TIF Plan related to the District 1860 site. Both of those documents support mixed-use development as a component of the overall development concept for the property. The property is currently under development with a mixed-use building that includes four stories of residential use totaling 299 units.

Recent History of Mixed-Use Project Requests

In the past five years, the Village has formally heard requests related to two mixed-use projects:

- The owner of 6733-6735 North Lincoln Avenue proposed a mixed-use development with a ground-floor retail space, a second floor with one office space and a two-bedroom residential unit, and a third floor with two residential units. The proposed development required a number of Variations related to setbacks, landscaping, and parking. The Plan Commission recommended approval of the project, but the Petitioner withdrew their request prior to Village Board consideration.
- Tucker Development brought forth a development plan for the former Purple Hotel site. The project, known as District 1860, was initially approved as a Preliminary PUD in 2018, and received subsequent approvals until construction began in November 2021. The development plan includes three buildings, the largest of which is a six-story mixed-use building. The upper four floors are residential and include a total of 299 studio, one-bedroom, two-bedroom, or three-bedroom units.

Requested Discussion

As mixed-use residential is already a Permitted Use in the B-3 District and a Special Use in the B-1 District, input is sought regarding the appropriateness within the B-2 District. The resulting input will be transmitted to the Plan Commission as it continues its discussion of the zoning.