



City of Aurora

44 East Downer Place
Aurora, Illinois 60505
www.aurora-il.org

Legistar History Report

File Number: 15-01051

File ID: 15-01051

Type: Petition

Status: Draft

Version: 1

General Ledger #:

In Control: Planning & Development Committee

File Created: 11/19/2015

File Name: Missner / SWC of I-88 & Deerpath / Vacation

Final Action:

Title: Requesting approval of a Plat of Vacation of Right of Way for Dancer Drive and the adjacent public utility easements, along the properties known as Lots 11-14 of Podolsky Orchard 88 Subdivision Phase 2 (The Missner Group - L15-01051 / SG12/2-15.279-V/ROW - ES - Ward 5)

Notes:

Agenda Date: 12/16/2015

Agenda Number:

Sponsors:

Enactment Date:

Attachments: Land Use Petition and Supporting Documents - 2015-11-19 - 2015.279.pdf, Plat of Vacation - 2015-11-19 - 2015.279.pdf

Enactment Number:

Planning Case #: SG12/2-15.279-V/ROW

Hearing Date:

Drafter: esieben@aurora-il.org

Effective Date:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	City Council	11/24/2015	referred to	DST Staff Council (Planning Council)			
	Action Text: This Petition was referred to to the DST Staff Council (Planning Council)						
1	DST Staff Council (Planning Council)	12/01/2015					
	Notes: <i>Representatives Present: Ed Adler and Bob Nomellini</i>						
	<i>My name is Eddie Adler and this is Bob Nomellini. We are both with the Missner Group. We are a 3rd generation, 7 year old general contractor and real estate developer. We have recently built in Aurora right next to McKesson at I-88 and Diehl Road, so we have a track record and are familiar with building in Aurora. We recently purchased the 10 acres at I-88 and Orchard from Randy Podolsky and we are proposing to build a 177,000 square foot multi-tenant building. It is not a distribution building. It would be a building that is suited for up to 4 tenants. We are planning on putting the loading docks not facing the health club or the hotel. We are not looking for any relief as it relates to setbacks or variances. We are only looking to relocate Dancer Drive so we can build a building. Obviously the road cuts the middle of the site. We are proposing to do that all at our expense. We feel that this is the type of building that right now there is demand for in this I-88 marketplace. I can cite a couple of recent deals and some similar buildings. The property has been available and on the market for the better part of a</i>						

decade and they've been unsuccessful in selling it to single users, the 20,000 to 80,000 type of square foot users because construction costs and those types of buildings are very expensive and most of your tenants in that size range have opted to go to a multi-tenant facility, much like the building that we are proposing. Again, it is not a distribution center. It is not a double loaded building. It is a single loaded dock building. It is 320 feet deep. It is not a 500 deep facility. If you take a look at the other building that we recently constructed, I think staff or the political faction in Aurora would say that it was a good experience. We were a good builder/developer in the city and we are looking to repeat that and do that again on this site. If you have any questions, I'd be happy to answer them, but I think that is a general overview of what we are trying to do. In addition, I did want to raise one thing about the real estate taxes. We did a little bit of a tax study, real estate tax study, as it related to building 4 buildings as opposed to our building in coverages. A 4 building development would give out 150,000 square feet. This building is about 177,000 square feet. I won't bore you with all the details. I can get you the information, but over a 10 year period of time with taxes escalating at approximately 5%, there is about a difference of \$675,000 in revenue to the positive for the City of Aurora. In other words, the city would be garnering an additional \$675,000 in real estate taxes by building this building as opposed to trying to construct 4 buildings on the site, which obviously hasn't worked because it hasn't been done in 10 years. I think that is important also that there is a benefit to the city as well. I don't have anything else. If anyone has any questions, I'd be happy to try and answer them.

Mr. Sieben said basically just to clarify, as Ed mentioned, this is kind of a two phased proposal. The Plat of Vacation is what is submitted first because really this right-of-way would need to be vacated and then moved south in order to facilitate the development of what would be a subsequent petition for a Final Plan and Plat Revision for the proposed 177,000 square foot building that Ed talked about. This is really just to look at this, but obviously it would be part 1 of a 2 part thing. Obviously, a Plat of Vacation is up to the City Council. It is public hearing. That would be at the City Council stage. Real quick before I get into some comments that I have, I do have some dates for you and I would be glad to e-mail these to you, but we just got these yesterday, so this will go the Planning and Development Committee meeting on Wednesday, December 16th at 4:00 p.m. That will be in this very room here. The reason we actually moved it up is the normal 2nd P&D meeting in the month would have been on Christmas Eve, which we are closed in the afternoon, so it is moved up to Wednesday, December 16th. From there your next meeting would be the Committee of the Whole. That is the working meeting of the City Council. That will be on Tuesday, January 5th at 5:00 p.m. That is also in this room. Then the public hearing and the City Council vote would be a week later, Tuesday, January 12th at 6:00 p.m. That is downstairs on the 2nd floor of this building in the Council Chambers. I would be glad to send those to you.

Mr. Sieben said I just wanted to touch base on just some staff general comments on this and really kind of talk about a little bit of the nature of the intent of this development when it was first actually approved and annexed by the city. Actually it goes back to an Annexation Agreement back in 1989. That's how far back this goes, but at the time it was not contiguous, so really in 2001 this property was annexed. There was an Annexation Agreement. There was a rezoning to the ORI Office/Research/Light Industrial and then actually a lot size variance to allow lots down to 1½ acre in size, which is less than the standard 2 acre within the ORI zoning district. I just have a few talking points here and then I think Alderman Franco wanted to add a few things regarding what the intent of this development has been that the City Council approved. I actually went back and looked at some of the previous qualifying statements of the developer when this came in and also looked at some of the actual Planning Council minutes, just like this meeting from when this was going through. Some of the comments include, and this is from the actual 2001 qualifying statement from the developer when this got annexed, and it basically states that the 33 acre Orchard 88 Business Park contemplates a site plan that allows the ultimate in design flexibility for industrial and office users within the business park. Parcels will be a minimum of 1½ acres offering a unique development opportunity for small and middle sized facilities for companies of all sizes on landscaped parkways within a park-like environment. So that's really kind of what the intent of this was when it was annexed back in 2001. The lot sizes in this current development range from 1½ acres to about 4 acres in size. The largest lot holds the health club on it. That's on the 4 acre and then these lots that we are talking about here are currently about 2½ acres, and that's about the average within the development now. Again, as Mr. Adler stated, their spec building proposal would be on about a 10 acre lot, which is really quite a departure from what the intent of the development was going to be. In fact, as I stated, the city had approved a lot size variance in 2001 to allow even an acre and a half lot in this development. A couple of other things. Back in 2005 when the business park was final platted after review by staff and approved by City Council, it did set Dancer Drive in its current position to create, kind of split the 2½ acre lots on both sides of it to allow access for it to facilitate the objectives of the business park as stated above. Then real quick here a couple of other things. In 2005, that's when the final plan came in for the current health club that's on, I believe, it is Lot 9 there just to the east of Melissa Lane. That health club is

about 60,000 feet, so the proposed building would be just about 3 times the size. At the time, the developer indicated that the design is all precast and they put in extra columns to take away from the warehouse look. The reason is that they wanted to add these column features with simulated windows and basically to add a massive window plat to help break up the precast look of it. Then finally, as you guys know, and Bill Wiet is not here, he had a conflict with Emergency Management training, but he had sent you guys an e-mail back on August 17th also stating that the intent of the development was to provide a more diverse development mix, which is currently on the site with the USAA Health Club and the Candlewood Suites, and this trend exists also at the southeast corner of the interchange of Orchard and I-88 where we have several office developments such as Advocate Dreyer office building and adjacent medical center, which is now under construction. We have Rasmussen College in an office building and then in another building we have the Farmers Insurance and Aurora University, and then finally we have the Painter's Union office building there. That's just a little bit of the, for everyone's sake, kind of the background and intent of the development. Alderman Franco, I don't know if you wanted to add a few things too.

Alderman Franco said well basically on that e-mail Bill mentioned at the end about diversity and the trend of having a variety of different types of businesses. In the 5th Ward we just don't want to have a lot of warehouse space, just strictly warehouse space. Warehouses in itself aren't bad, but if this whole things becomes a warehouse, I don't think that's really what the residents in the 5th Ward are looking for. Some warehouse yes, but some other diversity. These other things he mentioned on there are very good. We like that. That's the trend we would like to see. I am concerned that in 10 years nothing has been developed there. When you weigh having nothing and your goal maybe is too far reaching of a goal, then maybe you do something else. I've got to take a look at that because 10 years, and I don't know where we are looking in the future, I don't know if anybody else has chomped at the bit to get over there, but we would like to have it developed with something. That's kind of what we are weighing right now.

Mr. Sieben said just to let you know Alderman, the lot immediately south of the lower right lot shown there, Mr. Podolsky still owns that. That is about a 2½ acre lot. He sent in some pre-application drawings for that. He is looking at doing a building on that site on that small lot.

Alderman Franco said I would like to see more development out there. Beggars cannot be choosers per se, but we need to get something going with that and if we feel that we want to take a look at that and we feel it could be 10 more years before we get the ideal situation, then that's too long of a wait. That would be 20 years. That's kind of how I'm looking at it right now. I'd like to see some movement out there, but we'll take what we can get when we can get it.

Mr. Sieben said Dan did you have any comments on this regarding, I mean if this current stub of Dancer got relocated south, what would that impact?

Mr. Feltman said well it puts it in a lower area, not that it would be impossible to extend the road, but it is just going to add a little more complication. Obviously, all the utilities need to be relocated as part of this vacation.

Mr. Sieben said do you guys want to respond to any of the comments that were brought up?

Mr. Adler said well in terms of what Alderman Franco said, I mean obviously we want to build on the property so we would agree. It has been vacant for 10 years. I don't know how much longer people do want to wait. I think it is clear that the current plan has been unsuccessful. I think that, again, we're set up. You can kind of look at this building as instead of 4 buildings, this is 4 buildings with 1 roof because it is set up for 4 tenants, so the fact of the matter is we are of the opinion not only does the building comply with the zoning, but I think if you sit back and you think about it, it really does satisfy some of the objectives that were brought up in the Annexation Agreement in 2001 and then again in 2005, just not exactly as it is in print. I think that it would be, I think that the city needs it. The market wants it. Again, we like the City of Aurora and building in the City of Aurora and we would like to continue our relationship with them. As it relates to any of the utilities, Bob can speak more to that.

Mr. Nomellini said we are absolutely relocating all of them. In fact, the new building will show a water main loop with, put in easements, public utility easements and such. So yes all of that will be included in our Engineering plans to you guys.

Alderman Franco said Ed can I ask you a question?

Mr. Adler said sure.

Alderman Franco said so based on what we would like to this to be with some diversity out there, if you were to build a large spec building, could there be a restriction that "X" amount of the square footage has to be used for certain types of businesses or is that too cumbersome?

Mr. Alder said that would be too cumbersome. That would be too limiting to move forward on a development of this magnitude to have something like that in place. We want to do what complies with the zoning.

Mr. Seiben said you don't need to be here next week. We will move it forward then to the Wednesday, December 16th Planning and Development Committee meeting. That will be your next time to speak. That committee is made up of 3 Aldermen of the City Council. I'll be putting together a staff report by next week, so I can send you a copy of that in advance.

Mr. Adler said I brought a couple of brochures if anybody wanted to take a look. I'll leave them hear. It is just some of our industrial work so you can take a look at. I think what's important is, most importantly is that we typically build our industrial specular buildings in the 150,000 to 400,000 max square foot range. We are not looking to build a 375,000 square foot building or larger like other people in the community. We are a smaller niche type of developer and I think it is important that, again I just want to stress the point that it is 4 buildings under 1 roof. It is just not 4 separate buildings. The intent is the same.

Mr. Sieben said couldn't this though be one user? You don't have users lined up yet, correct?

Mr. Adler said no. Potentially it could be yes, but the building will be constructed so it will be able to accommodate up to 4 users and be a multi-tenant facility. Quite honestly, the larger the deals, typically the rent gets lower not higher, so the single user building is actually a harder deal to make than actually waiting for smaller users because the smaller users we can garner a higher rent and we'd probably be more interested in that. That's not to say that if the right deal came along certainly that complied with all the zoning of Aurora we'd be prudent in looking at it, but our intent would be to try to have a multi-tenant facility.

1	DST Staff Council (Planning Council)	12/08/2015	Forwarded	Planning & Development Committee	12/16/2015	Pass
---	---	------------	-----------	--	------------	------

Action Text: A motion was made by Mr. Sieben, seconded by Mrs.Vacek, that this agenda item be Forwarded to the Planning & Development Committee, on the agenda for 12/16/2015. The motion carried by voice vote.

Notes: Mr. Sieben said staff discussed its concerns with this project last week. We do need to make a motion to move this forward. Based on comments that all the staff had last week and previously, we are going to move this forward with a recommendation of denial to next week's Special P&D meeting. Because of the Christmas holiday, it is going to be on Wednesday, December 16th, at 3:30 p.m., which the Petitioner is aware of. I do make a motion to move this forward to the December 16th P&D meeting. Dan do you have any comments?

Mr. Feltman said yes, one condition. We do not want the western easements along Lots 12 and 14 to be vacated.

Mr. Sieben said and for the record, that's the north/south easement on the west property line.

Mr. Feltman said correct. It is those 2 lots.

Mrs. Vacek seconded the motion. The motion carried unanimously.
