



To: Peter Kolb, PW Director

From: Dusty Powell, Deputy Director
Thomas Chefalo, Principal Planner
Roberto Rodriguez, Senior Planner

RE: City of Waukegan Request for Sewer Agreement Change

Date: 01/12/2011

Public Works and Transportation Committee policy requires that changes in sewer agreements be evaluated for consistency with the Regional Framework Plan and for consistency with relevant municipal plans. Additionally, the County Board uses the Lake County School Impact Model as a tool for analyzing the fiscal impact a proposed development requesting a sewer extension may have on local school districts. Staff from the Planning, Building, and Development Department have reviewed the City of Waukegan's request to amend the Agreement for Sewage Disposal between the City and Lake County. The following summarizes our findings.

Study Area Description

The study area is located along IL Route 120 and River Rd. According to the City of Waukegan, the study area contains approximately 93.3 acres. As of September 14th the County's Map Services division mapped the north 49 acres of the study area in the City of Waukegan and the remaining 44 acres of the study area in unincorporated Lake County. The City of Waukegan zoning is R-1 and the unincorporated zoning is AG.

The current land use of the study area is agriculture and large lot residential. The proposed River Glen subdivision was platted in 2007 but other than the demolition of a single family home there appears to have been no other construction activity at the site. The portion of the study area identified as being owned by River Trail Partners includes approximately 19 lots known as the Saugatuck Subdivision located on part or all of 5 parcels. The lots on the north side of the Saugatuck Subdivision are bisected by the Rt. 120 right-of-way. The subdivision is located along a short un-built right-of-way known as Bees and Cook Streets. Bees Street intersects Rt. 120 just west of River Rd.

The Rt. 120/I-94 interchange is located about 1,000 feet from the east edge of the study area. The interchange is the only undeveloped full interchange along Lake County's I-94 corridor. The Rt. 120/Milwaukee Ave. interchange is about 1,640 feet to the west of the study area.

Gurnee Woods Forest Preserve is located directly north of the study area on the other side of the Rt. 120 right-of-way. A small portion of Independence Grove Forest Preserve is located to the west of the study area.

Daybreak Farms subdivision is located $\frac{3}{4}$ of a mile to the southwest of the study area. River Bend Subdivision is located nearly a mile to its south while Meadow Woods subdivision is located $\frac{3}{4}$ miles to its southeast. Daybreak Farms has a gross lot density of 0.7 units per acre. Meadow Woods has a gross lot density of 0.8 units per acre. River Bend has a gross lot density of 0.9 units per acre. All of these subdivisions are located in the City of Waukegan.

Most of the land immediately east and south of the study area is owned by Pritzker & Pritzker. In addition to the Pritzker property, there are 3 entities or individuals that own land that abuts the study area, the Lake County Forest Preserve District and COMED to the west and William and Cynthia Seng to the south.

Documentation submitted with the City's request for the sewer agreement includes the planned 41-lot River Glen subdivision. It also states that an additional 160 homes could be constructed on the remaining 71 acres of the study area. The 201 lots are intended for 201 single-family homes. If 201 homes were built in the study area the gross density would be 2.15 units per acre.

The study area is located in the Warren Township High School District and the Woodland Community Consolidated School District.

Consistency with County and Local Land Use Designations

The County's current Framework Plan Land Use map designates the study area and the properties to its east, west, and south as Agricultural. The Forest Preserve to its north is designated as Public and Private Open Space. All of these properties were located in unincorporated Lake County when the current Framework Plan and Future Land Use Map were adopted.

The property to the southeast is designated as Single-Family Medium Lot land use. This designation is used to identify areas proposed for development at 1 to 3 acre lot densities. This property was located in the City of Waukegan when the current Framework Plan and Future Land Use Map were adopted.

At the time the County's Planning, Building and Development staff were developing the current Future Land Use map, City of Waukegan planners told PB&D staff that the City's 1987 Comprehensive Plan map was out of date and asked that PB&D staff use the existing Waukegan zoning map. Because the study area was outside the corporate limits of Waukegan at the time, it did not receive a proposed designation from Waukegan's comprehensive plan.

Waukegan planning staff did review drafts of the County's future land use map and asked for changes that were subsequently included on the final map. They did not ask for any changes to the land use designation of the study area.

Lake County is in the process of updating the Framework Plan's Future Land Use map in response to the County endorsement of the Rt. 120 Corridor Planning Council's land use recommendations. The proposed future land use for the study area calls for Single Family (0.25 to 1 acre lot density) in the portion that is currently within the City of Waukegan. The portion of the study area just south of the proposed River Glen subdivision retains its current Agricultural land use designation while the remaining portion of the study area is proposed to be designated as Single-family Large Lot (> 3 acre lot density).

The City of Waukegan participated in the development of the 120 Corridor land use planning process and was also given an opportunity to comment on the proposed changes to the Framework Plan amendment process currently underway.

The City of Waukegan 1987 Comprehensive Plan did designate a land use for the study area. It designated all of the property fronting onto Rt. 120 between the Des Plaines River and the I-94 interchange as Commercial/Office Park. The designation includes those areas currently within the City of Waukegan.

The parcels to the south of the study area were designated as Low Density Residential with a Planned Unit Development overlay designation. The 1987 Plan states that the Low Density Residential designation identifies areas proposed for development with a "residential dwelling unit density up to seven units per acre." The PUD overlay does not allow for higher densities.

Consistency with the Framework Plan Objectives

The Framework Plan contains visions, goals, and policies that can be summarized into the following general objectives:

1) *The Framework Plan encourages commercial development that meets the shopping, service, and employment needs of local residents.*

The study area is proposed for residential development and does not have a commercial component.

2) *The Framework Plan encourages the protection of prime agricultural lands from premature development; and the protection of priority open space, natural and cultural resources and community character.*

The 2004 Lake County Soil Survey designates the soils in the study area as prime agricultural soils. The Future Land Use map designates two small sites, about 2 acres each, as containing moderate environmental limitations. These sites are identified as wetlands by the Lake County Wetland inventory and appear as ponds in the 2008 aerial photography of the study area.

In its 2006 request for an amendment to the sewer agreement, the City included only a preliminary plat of subdivision for the River Glen development. At that time, the proposed subdivision included 2 lots set aside for on-site storm water detention.

3) The Framework Plan encourages growth to be directed to locations where infrastructure capacity is available or committed to be available in the near future.

Lake County Public Works has stated that there is enough sewer capacity to serve the study area at the density proposed by the City of Waukegan.

There is no indication whether municipal water will be supplied to the study area however municipal water is available in the subdivisions to the south of the area.

The proposed River Glen subdivision has road access to River Rd. Theoretically the property on the west side of River Rd could have access to Rt. 120 from the un-built Bee and Cook roads. However this un-built intersection was not identified to be developed in the Rt. 120 Corridor Plan. In addition, without improvements to Rt. 120 as called for in the 120 Corridor Plan, Lake County DOT and Illinois-DOT may require improvements to the River Rd./Rt. 120 intersection to accommodate the additional traffic associated with residential development in the study area.

Ron Laubach, the City of Waukegan Engineer, provided copies of the Developer Donation Agreements between Warren Township High School District, Woodland Community Consolidated School District and the Interlaken Construction. Interlaken Construction was the developer of the proposed River Glen subdivision. The agreements include Contribution and Surcharge Fees. These agreements were signed in early 2007 and only cover the 41 homes that were proposed for the River Glen subdivision. The fees themselves appear to be for a generic subdivision and include fees to be charged for attached homes and apartments which were not proposed as part River Glen.

4) The Framework Plan supports the revitalization of residential, commercial and industrial areas.

The study area is primarily a greenfield. It does not contain any areas classified as redevelopment areas in the Regional Framework Plan. Therefore the proposed amendment to the sewer agreement would not contribute to revitalization.

5) The Framework Plan supports the integration of mixed land uses and transportation systems to provide more choices in housing, shopping, communities, and transportation.

The proposed changes in land use do not include mixed uses nor include transportation options that would provide for more choices in housing, shopping, communities, and transportation.

6) The Framework Plan encourages an appropriate range of housing types.

Based solely on lot size of approximately 0.28 acres, the proposed development in the study area would provide for housing options that are significantly different from the subdivisions located to its south which average over 1 acre. However, there are subdivisions located east of

I-94 along O'Plaine Rd. and west of Milwaukee Ave. and north of Rt. 120 that are comparable in lot size to the proposed development densities.

Lake County School Impact Model

For this study, the Lake County School Impact Model was applied to the River Glen Subdivision. There have been no new subdivisions proposed for the remainder of the study area and future densities have yet to be determined; therefore the Lake County School Impact Model cannot yet be applied to those areas and the resulting fiscal impacts that could have otherwise been analyzed using this model are unknown.

Communication with the City of Waukegan and with the developer has resulted in the following inputs/assumptions for the application of the Lake County School Impact Model for the River Glen Subdivision:

- Over a four-year period, 41 lots will be developed with single family detached houses.
- 20 lots will be developed with 3-bedroom single family detached houses with a selling price of \$700,000.
- 21 lots will be developed with 4-bedroom single family detached houses with a selling price of \$900,000.
- Five 3-bedroom units and five 4-bedroom units will be built each year for three years. On the fourth year, five 3-bedroom units and six 4-bedroom units will be built.

Other houses on lots within subdivisions along River Road have similarly high market values. According to the Lake County Assessor parcel data, 52% of these houses on lots that are less than 1.5 acres are valued at more than \$800,000, 45% are valued between \$600,000 and \$799,999, and only 3% of the houses are valued at less than \$600,000.

Although the lots at River Glen are all less than .75 acre, the developer affirms that because houses at River Glen will be customized homes, they will be valued similarly. Chris Shaw of River Glen Capital Group, the property owners, stated in an email dated January 6, 2011 that home values along River Road are in that range. Richard Capaccioni of Re/Max Center, the property owner's real estate broker, showed staff a report from the Multiple Listing Service of houses in the River Road area. The houses range in value from \$624,000 to over \$2,000,000. He used this information as comparables for the housing price range offered for use in the school impact model.

Using this information and other inputs/assumptions on tax rates and property values obtained by Woodland School District, Warren Township High School District, and the Lake County Assessor's Office, the Lake County School Impact Model has the following results:

- By year five, 11 high school students and 28 elementary school students will have been generated.

- By year five, each house will have had a positive fiscal impact on Warren Township High School District of \$652 and a negative fiscal impact on Woodland Elementary School District of \$7,144.
- By year five, the subdivision will have had a total positive fiscal impact on Warren Township High School District of \$26,744 and a total negative fiscal impact on Woodland Elementary School District of \$292,905.