



Community Planning + Site Design + Development Economics + Landscape Architecture

January 14, 2008

Ms. Maria Lasday
City Administrator
City of Highwood
17 Highwood Avenue
Highwood, IL 60040

Dear Ms. Lasday:

Teska Associates Inc. (TAI) has reviewed the application of Mega Development Corporation for the redevelopment of 700 N. Sheridan Road, with documents submitted as a Presentation to City Council on December 4, 2007 and subsequent materials that have been provided to Teska. TAI has reviewed the documents for the following areas: existing conditions, summary of development proposal, conformance with 1996 Comprehensive Plan, Zoning/Planned Development Code Review, and Site Plan Review.

I. Existing Conditions

The existing condition of the site is a 5 story hotel with a building area of 9,726 square feet, a one story building area of 24,413 square feet, and a 1 story indoor pool with a building area of 5,044 square feet. The site is 100% paved or building surfaces with 242 parking spaces. The site had long been used as a hotel, but is currently vacant. It is surrounded by North Shore Estates, a multi-family housing development to the south, Metra tracks to the west, the Highwood Water Tower, and Ft. Sheridan to the east.



The site is currently occupied by a vacant hotel consisting of a five story building and one story buildings.

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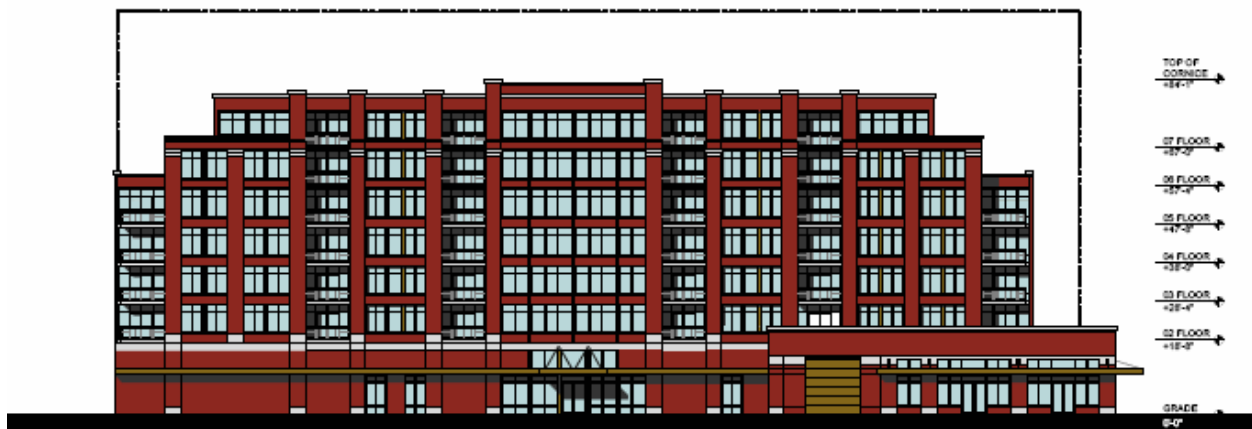
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II. Comparison of Development Proposals

Mega Development Corporation has submitted several plans for the redevelopment of this site. The chart below summarizes the original proposal and current proposal of December 4, 2007:

| | Original Proposal | Current Proposal |
|----------------------------------|------------------------------|--|
| Number of Stories | 9 | 7 with setbacks for floors 6 & 7 |
| Height | 104 feet | 57' to 5 th floor setback; 84' to cornice |
| Gross building area | 414,532 | 356,345 |
| Floor Area Ratio (F.A.R.) | 293,223 | 213,043 |
| Retail Area | 20,881 | 31,125 |
| Residential Saleable Area | 219,666 | 144,068 |
| Residential Units | 198 | 128 |
| Retail Parking | 74 | 135 |
| Residential Parking | 330 (with 38 visitor spaces) | 300 (with 40 visitor spaces) |
| Residential Parking Ratio | 1.67 | 2.34 |

The overall building mass has been decreased as a result of these changes. The drawing below of the proposed South Elevation shows the difference between the current proposal and the former proposed size of the building (shown in a dashed black line).



The Current Proposal calls for a seven-story building, reduced from an original proposal of nine stories.

In summary, the proposal has been reduced from nine to seven stories, with a set-back starting at the top of the fifth floor at a height of 57 feet, rising to a height of 84 feet, 20% lower than the original proposed height of 104 feet. The total number of residential units has been decreased by 70 units, or 35%. The parking ratio has risen above two units per residential units, and retail parking has increased by 61 units or 82%.

III. Conformance with 1996 Comprehensive Plan

The 1996 Comprehensive Plan has three major goals:

- Preserve single family residential neighborhoods
- Enhance the Downtown – a traditional mixed use district
- Reintegrate Fort Sheridan

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The Plan does not specifically address the subject site. The closest recommendations for the subject area would be the recommendations for the “CBD Plan – North.” The Plan calls for that area, bounded by Washington Avenue and Webster Avenue between the railroad tracks and Waukegan Avenue, is primarily made up of one story commercial buildings and some industrial and housing uses. The Plan called for the segment “to be redeveloped for residential buildings of 3 to 4 stories with commercial on the first floor.” The Plan does not provide specific recommendations for the redevelopment of the subject site which is up to 5 stories tall, and the current proposal calls for building two, seven story buildings in a mixed-use development.

Major changes have taken place in Highwood since the 1996 Plan, most notably the redevelopment of Ft. Sheridan. The 1996 Plan called for “reintegrating Ft. Sheridan” into the City of Highwood, but had limited specific recommendations for how to accomplish this goal. The major recommendation for this reintegration was to connect several streets through Highwood, Ft. Sheridan and Highland Park. For a variety of reasons, the streets were not interconnected.

The Ft. Sheridan Redevelopment Plan, a multi-jurisdictional agreement between Highwood, Highland Park, and the U.S. Army, permits two high-rise towers within the Highland Park portion of the site, as a part of the overall redevelopment. To date, one of the two high-rises has been constructed and another is permitted to be built in the future.

The subject site is located facing the current southern entrance to Ft. Sheridan. The development proposal has called for adding a traffic signal to govern circulation into the subject site as well as into the southern entrance to Ft. Sheridan. This improvement would be consistent with the goal of reconnecting circulation patterns and would improve the safety of the existing partial intersection.

The other major changes that have taken place in Highwood since the 1996 Plan have been a variety of improvements to the Central Business District, many of which were recommended in the Plan. These have included new streetscaping, a new train station, and redevelopment of the commercial area southeast of the train station. A traffic signal has also been added just south of the subject site at Washington and Sheridan Roads.

In 2003, the Urban Land Institute Chicago and Campaign for Sensible Growth undertook a Technical Assistance Panel (TAP) at the request of the City of Highwood. The TAP made a series of recommendations to add to the vitality of the CBD.

In a review of the original proposal for 700 N. Sheridan by Mega Development compared to the principles stated in the 2003 ULI report, written testimony was presented on January 19, 2007 that found:

1. “The proposed project adds to the range of housing options in the City. The placement of the project, on the edge of downtown will provide needed customers to support the retail base. This is one of the most solid economic development strategies that local governments can use to support their downtowns.
2. The project successfully incorporates mixed uses of housing and retail. The retail space is sufficient to attract a new major retailer that can serve as an attractive option to attract retail dollars in Highwood for local citizens, as well as, depending on the retailer, potentially attract shoppers from other communities to spend their dollars in Highwood.
3. The project has a very innovative approach to parking, by building a multi-story garage that is not visible from the east, north or south.”

However, the January 17, 2007 ULI review found that the scale of the building was inconsistent with the recommendations for the downtown in the comprehensive plan and the recommendations of the Technical Assistance Panel:

1. “The scale, particularly the height of the building, is inconsistent with its location. The comprehensive plan calls for buildings no more than four stories tall in this area, but this particular site could probably handle somewhat more density due to its location between a major thoroughfare and the railroad and water tower. Yet the current [original] proposal is not appropriate for the scale of the area. **A limit on the number of stories and actual height in the mid-range between the comprehensive plan recommendations of four stories, and the current proposal of nine stories, would allow for a very substantial project, and fit into the context of the surrounding area far better.**” [emphasis added]

The January 17, 2007 ULI review also recommended that the City of Highwood reserve funds for housing programs to serve existing residents and workers and be deposited in a dedicated housing fund, as well as urged the community to revise the landscape plan to use more natural techniques of stormwater management to reduce the flooding problems in the area experienced by neighbors in Ft. Sheridan that are attributed in part to the existing conditions of 100% hard surfaces on-site.

Teska Associates has reviewed the current proposal for 700 N. Sheridan relative to the recommendations made in the January 17, 2007 ULI Review.

It is the professional opinion of Teska Associates, Inc. that the revised proposal follows the goals and principles of the Comprehensive Plan, in light of significant changes that have taken place in the immediate area within Ft. Sheridan and in the downtown, subject to recommendations in below sections regarding Zoning and Site Plan Review. The building “streetwall” (that seen by pedestrians as they walk along Sheridan Road) would be stepped back at five stories, the same number of stories as the existing building on site, and similar in height to the adjacent multi-family housing to the south. The total building height of 84 feet is 20% lower than originally proposed, and would result in a seven story building that would be appropriate for this particular site. The site is currently a commercial, high-intensity business and would be replaced with a mixed-use building that would provide retail, a range of housing, and sufficient parking for the development.

IV. Zoning/Planned Development Code Review

The application for 700 N. Sheridan by Mega Development dated December 4, 2007 is proposed to be a Planned Unit Development (PUD). PUD’s are intended to meet the goals of the community that allow more creative and innovative designs than those permitted under regulations and traditional zoning. As a development type, planned development permits mixtures of housing types and uses, better design and management of open space, and various other methods to meet the goals of the municipal plans and policies through the development of an agreement and passage of an ordinance.

Pursuant to Section 13.5.9.2 of the Highwood Zoning Ordinance the City Council may “authorize a planned unit development which departs from strict conformance with the required density, dimension, area, bulk, use, and other regulations for the standard zoning districts and other provisions of the Highwood Zoning Ordinance to the extent specified in the preliminary land use and zoning plat and documents authorizing the planned unit development so long as the planned unit development will not be detrimental to or endanger the public health, safety, morals, comfort, or general welfare.”

The Applicant has requested a Planned Development and a change in zoning to B-1, along with the following departures (provided by the Applicant):

1. Section 13.5.6.1 of the Highwood Zoning Ordinance to reduce the front yard set back from 85 feet to no less than 67 feet.
2. Section 13.5.6.1 of the Highwood Zoning Ordinance to reduce the North side yard set back from 85 feet to no less than 32 feet.
3. Section 13.5.6.1 of the Highwood Zoning Ordinance to reduce the South side yard set back from 85 feet to no less than 48 feet.
4. Section 13.5.6.1 of the Highwood Zoning Ordinance to reduce the rear yard set back from 85 feet to no less than 44 feet.
5. Section 13.5.7 of the Highwood Zoning Ordinance to reduce the required number of parking spaces from one (1) visitor space per two (2) dwelling units down to 0.62 visitor spaces per two dwelling units.
6. Section 14.2 of the Highwood Zoning Ordinance to reduce the required number of parking spaces from one (1) visitor space per dwelling unit down to 0.31 visitor spaces per dwelling unit.
7. Section 14.2 of the Highwood Zoning Ordinance to allow for parking within front and side yard setbacks.
8. Section 7.4.2 of the Highwood Zoning Ordinance to reduce the required parking stall width for the 260 residential covered parking spaces from 9 feet to no less than 8 feet
9. Section 13.5.9 of the Highwood Zoning Ordinance to permit a decrease in the lot area minimum per dwelling unit from 2,700 square feet to 1,306 square feet
10. Section 14.7 of the Highwood Zoning Ordinance to allow for departures from the City of Highwood's building and zoning requirements as required under the Comprehensive Amendment to the Highwood Zoning Ordinance

The current proposal has made two major improvements that make it more consistent with the zoning code:

1. The current proposal meets the minimum number of parking spaces per residential unit (increased from 1.67 or 1.75 to 2.34).
2. The current proposal is requesting the City to permit a decrease in the lot area minimum per dwelling unit to 1,306 square feet, up from 1,020 square feet.

Teska Associates, Inc. does not believe that any of these departures are inconsistent with the mechanism of a Planned Unit Development.

Teska recommends that the approving Planned Development ordinance for 700 N. Sheridan be specific regarding the traffic signal improvements intended by the City of Highwood that are subject to the Developer agreeing to pay 100% of the cost. Teska Associates recommends that the Ordinance and Development Agreement specifically require a new traffic signal to be constructed paid for by the Developer.

If the goal is to reduce the number of small stores, the City may want to consider limiting the number of allowable commercial spaces less than the proposed nine distinct retail stores that would be as small as 2,000 square feet. Current drawings show a series of nine distinct stores plus a larger store in the middle of the façade. As discussed in Section V., Teska recommends unifying the façade and reducing the number of distinct spaces to meet this goal of the City.

It is unclear in the Ordinance what the responsibilities of the Developer are regarding the paved access road to the Water Tower, and any improvements to parking and or play area that are shown on the Site Plan referenced in the Ordinance.

The draft Ordinance allows a reduction in the minimum lot area per dwelling unit to 1,195 square feet, which is inconsistent with other requested changes proposed by the Applicant that show a request of a reduction to 1,306 square feet per unit.

V. Site Plan Review

Teska has reviewed the proposed site plan and elevations dated December 4, 2007 and has the following comments:

1. At the southbound entry, a traffic signal is needed to govern traffic entering and leaving the site as well as the southern entry to Ft. Sheridan across Sheridan Road.
2. The circulation pattern for trucks intending to reach the Retail Loading Dock on the south side of the site appears circuitous and insufficient. A truck would have to weave between three sections of the parking lot and take sharp turns to reach the dock. There is also not sufficient room for queuing if there is more than one delivery truck, that could result in blocking the most direct passage to the parking garages from the main entry to the site. Changing the site layout to allow a more direct path to the Retail Loading Dock could result in approximately 3 fewer parking spaces (one at the southeast corner of the building, and two at the northwestern section of the bay of parking just south of the southern entry). The landscaped areas should be pulled back to allow for a smoother pathway for trucks and cars going around the southeast corner of the site. (See diagram below)



Circulation to retail loading dock is circuitous and could block main entry to site.

3. Sidewalks should be shown along the west side of Sheridan Road in the public right-of-way. The public sidewalk should be connected with walkways to the buildings at both entries from Sheridan Road.
4. As stated in Section IV., the submitted drawings show nine bays indicating potential distinct retail stores, plus a large retail space in the center. This is inconsistent with the intention of the City to create an appearance of a significant retail destination, rather than a series of small commercial spaces. Teska recommends the façade to be redesigned to reflect fewer bays and a more unified design.



The design for the first floor – the commercial portion of the project -- could be improved to show fewer bays and a more detailed, unified design that would be appropriate for a mixed-use project at the gateway to the CBD.

5. Regulations regarding signage for the retail spaces should be included in the Ordinance and/or Development Agreement. There should be uniform standards, limits to size and materials for all retail signs. Teska recommends a uniform design and that all signage be required to be approved by the City to prevent a cluttered, scattered, appearance. The property-owner should be required to return for approval of the monument sign along Sheridan Road to ensure that the sign is attractive and fitting of the site.
6. Lighting plans were not specified in the materials provided to Teska. Lighting standards should be specified in the Development Agreement to provide the character of a mixed-use development with a high level of design fitting of its location and proximate to the entry to Ft. Sheridan and the gateway southward to the CBD.
7. Standards for materials were not specified in the materials provided to Teska. If masonry is required on all sides, that should be specified in the Development Agreement.
8. The Site Plan can be improved by adding natural features to reduce stormwater flow into the sewer system, as well as improve the visual appearance of the development. In addition to traditional techniques to manage stormwater, techniques to reduce stormwater flow include cut out at curbs in the parking lots to allow stormwater to flow into the open spaces, bioswales in the open spaces, the use of native vegetation to absorb water and reduce mowing, and the use of pervious pavers is selected paved areas and sidewalks to reduce the flow of water into the sewers. The City may desire to use these techniques on the improvements in the public areas adjacent to the site that could be included in the Development Agreement for the access road to the Water Tower and other public spaces in the immediate vicinity.

9. Landscaping and trees should be added along northern and southern facades of the retail bays, similar to that shown along the north-south façade. Landscaping and trees should also be added along the southern edge of the property to provide an attractive buffer between 700 N. Sheridan and North Shore Estates.
10. Fencing should be shown along the western edge of the property to shield and provide public safety between the development and the municipal land. The plans also show an encroachment of parking onto public land that should be addressed by either moving the parking eastward onto the private property or the City of Highwood can provide an easement to allow the private parking and fencing on public land. The City may also wish to require the developer to provide landscaping and trees on public land along the western edge of the property.
11. All rooftop utilities (e.g. elevators, air conditioning, etc.) should be screened appropriately, preferably with masonry materials.
12. Materials and plantings for the large rooftop terrace between the two towers is an excellent opportunity to utilize the techniques of a green roof with lightweight materials and plantings to absorb heat and water and provide a visual amenity to the residents of the residential towers.
13. Trees shown on the landscape plan should be increased to a minimum of 3 to 3 1/2 inches.

Teska Associates, Inc. is pleased to provide the comments described above to the City of Highwood in its review of the proposal for 700 N. Sheridan Road.

Sincerely,



Scott L. Goldstein, AICP
Principal