



MANAGER'S MEMORANDUM

Prepared for: **Naperville City Council**

By: City Manager's office

11/19/2020

A. MANAGER'S MEMORANDUM

Source:
1. TED Business Group

Subject:
B4 Zoning District Discussion Follow-Up

Action:
FYI

**CITY OF NAPERVILLE
MEMORANDUM**

DATE: November 19, 2020

TO: Doug Krieger, City Manager
Bill Novack, Director – TED Business Group

FROM: Allison Laff, AICP, Deputy Director – TED Business Group

SUBJECT: B4 Zoning District Discussion Follow-Up

PURPOSE:

To provide City Council with follow-up information regarding uses permitted in the B4 zoning district.

BACKGROUND/DISCUSSION:

Under new business at their October 6, 2020 meeting, City Council requested that DAC review the uses permitted in the B4 zoning district and determine if any changes are needed based on the current economy and new retail trends. This discussion was prompted in response to a request for a variance to permit a spa to be located on the first floor of a commercial building located in the B4 zoning district that was also reviewed by the City Council on October 6, 2020.

DISCUSSION:

The B4 district includes a specific list of permitted and conditional uses. In order to maintain the intended retail vibrancy of the Downtown Core, some of the allowable uses are only permitted above the 1st floor given their limited retail nature (i.e., office uses, showrooms, etc). However, the Code also provides an opportunity for such non-retail tenants to request a variance, which is considered on a case-by-case basis through the public hearing process, in order to seek approval to allow their location on the 1st floor in the B4 district. Such variances have been requested to date for spas and workout facilities.

On November 12, 2020, the Downtown Advisory Commission (DAC) discussed the uses permitted in the B4 zoning district, as requested by City Council (draft minutes attached). To complete their review, DAC using the following materials:

- Retail presentation given to DAC on October 8, 2020;
- List of B4 permitted and conditional uses and existing downtown first floor tenancy; and
- Downtown business directory.

Overall, DAC discussed that retail trends are quickly changing due to a variety of factors, including the internet, COVID, etc. However, DAC also reiterated the

importance of having zoning regulations that preserve the intended retail nature of the Downtown. At the conclusion of the discussion, DAC noted their belief that the current B4 regulations work well to provide the desired framework for uses in the downtown, while also providing flexibility through the variance process to consider non-retail uses on a case-by-case basis. Accordingly, DAC recommended that the current ordinance provisions be kept in place, but that they continue to be monitored. Should certain uses regularly request variances, it may be time to revisit the code and consider if a text amendment is appropriate at that point.

RECOMMENDATION:

Include this information in the November 19, 2020 MM.



Meeting Minutes

Downtown Advisory Commission

Thursday, November 12, 2020

3:30 PM

Held on Zoom due to COVID-19

CITY OF NAPERVILLE PUBLIC MEETINGS UPDATE:

Pursuant to Section 120/7(e) of the Illinois Open Meetings Act, the continuation of the Governor's disaster proclamation, and Mayor Chirico's executive order determining that in-person public meetings are not currently practical or prudent because of the Covid-19 pandemic, we are holding the Downtown Advisory Commission meeting remotely. Accordingly, the Downtown Advisory Commission meeting scheduled for November 12, 2020, will be conducted remotely. The means by which the public may watch, listen, and/or participate in the meeting are described below.

TO JOIN A MEETING:

The meeting will be conducted using the Zoom Video Conferencing. You do not need to download any software or create an account to participate.

To login on your computer or iPad:

Click the link to join the webinar, the password is provided on this agenda. Once connected, if you choose to speak, click the "Raise Hand" button at the bottom of Zoom screen and wait for the Chairman to recognize you. When it is your turn to speak, you will be unmuted. There will be a few second delay after you are unmuted until your mic will be live. Please identify yourself for the public record and speak clearly.

To login on your phone:

For iPhones, use the iPhone one-tap number provided on this agenda.

For telephones, dial one of the numbers provided and join the meeting by using meeting ID and password provided on this agenda.

Once connected to the meeting, press *9 to "raise your hand" and wait for the Chairman to recognize you. When it is your turn to speak, you will be unmuted. There will be a few second delay after you are unmuted until your mic will be live. Please identify yourself for the public record and speak clearly.

PARTICIPATION GUIDELINES:

All viewpoints are welcome. Positive comments and constructive criticism are encouraged. Speakers must refrain from harassing or directing threats or personal attacks at board members, staff, other speakers or members of the public. Comments made to intentionally disrupt the meeting may be managed as necessary to maintain appropriate decorum and allow for city business to be accomplished.

PUBLIC ACCOMMODATION:

Any individual who may require an accommodation to participate in the meeting or to view materials for the Downtown Advisory Commission meeting, should contact the City Clerk at (630) 305-5300 by Wednesday, November 11, 2020.

ZOOM MEETING LOG IN:

You are invited to a Zoom webinar.

When: Nov 12, 2020 03:30 PM Central Time (US and Canada)

Topic: Downtown Advisory Commission

Please click the link below to join the webinar:

<https://us02web.zoom.us/j/83704634063?pwd=SEFLbkZvSzZSSnBuc0RJbEFqUjkvQT09>

Passcode: 712491

Or iPhone one-tap :

US: +13126266799,,83704634063#,,,,,0#,,712491# or
+16465588656,,83704634063#,,,,,0#,,712491#

Or Telephone:

Dial(for higher quality, dial a number based on your current location):

US: +1 312 626 6799 or +1 646 558 8656 or +1 301 715 8592 or +1 346 248 7799 or +1
669 900 9128 or +1 253 215 8782

Webinar ID: 837 0463 4063

Passcode: 712491

International numbers available: <https://us02web.zoom.us/j/83704634063?pwd=SEFLbkZvSzZSSnBuc0RJbEFqUjkvQT09>

A. CALL TO ORDER:

Chairman Rubin called the meeting to order at 3:34 p.m.

B. ROLL CALL:

Present: Kelly, Rubin, Frank, Miers, Costello, Wigfield, Jeffries, Hitchcock,
Risvold, Wood, White, Nagle
Absent: Schatz

Staff in Attendance: Laff, Novack, Loudon
Also Present: Casey Krajewski, NCTV; Julie Carlsen, DuPage Children's
Museum; Suzanne Baker

C. PUBLIC FORUM:

There were no speakers present for public forum.

D. OLD BUSINESS:

1. Revisit discussions regarding DAC’s structure.

Laff provided an overview of the two options available to restructure DAC.

Restructuring is needed due to current OMA violations and limited agenda items which fall under the current powers and duties as defined in the Code. The two available options discussed by staff, the City Manager's Office, and the City's Legal Department are: (1) change the membership of DAC to remove instances of OMA conflict with DNA, NDP, Chamber, etc. or (2) move to a taskforce model which functions independently of the City.

Miers asked how Council better receives information/input - would a taskforce or Commission be more effective? Both Kelly and White indicated that they routinely receive information from a variety of groups and stakeholders. Kelly noted that two Council members sit on the NEST taskforce.

Miers also asked how much overlap there is between DAC and DNA. Can they be combined? Hitchcock does not believe that the DAC taskforce should be combined with DNA in the near future; instead, the new taskforce should have time to form and understand their role before there are any discussions of mergers.

White - how would people be able to participate? He feels, and Jeffries concurs, that people should continue to be able to participate in these meetings and be aware when/where they are happening. Novack noted that the City does not publish other taskforce meetings; however, Risvold noted that there is information on the City's website regarding the membership, meeting time, and meeting location of the Senior Taskforce, for example. Frank noted that she always felt welcome to participate in DAC, even when she wasn't a Commission member; that should continue to be the case in whatever format DAC takes.

Rubin noted his belief that DAC discussions remain relevant, particularly in today's retail climate. Hitchcock noted that it was important to its success that CANDO was viewed as a relevant group in the eyes of the City Council at the time. Hitchcock believes that DAC can be far more effective in a more casual setting than through the current set-up.

Wigfield noted that he is okay with a taskforce as long as the tasks that are set forth can actually be accomplished in that format; since the remainder of DAC feels that will be the case, he is comfortable.

If DAC moves to a taskforce, Rubin noted that he would push for it to be as inclusive as possible.

Nagle noted that he voted against the move to a taskforce because he feels it diminishes the importance of DAC as a group.

Wood made a motion to move DAC to a taskforce (seconded by Miers) in order to reduce staff time, avoid OMA violations, increase participation and topics, and involve current DAC members and more moving forward.

Motion Approved (vote 10 in favor; 1 against)

Ayes: White, Kelly, Rubin, Hitchcock, Frank, Miers, Wigfield, Jeffries, Risvold,

Wood

No: Nagle

2. Provide feedback regarding uses allowed within the B4 (Downtown Core) zoning district.

Laff provided an overview of the City Council's request for DAC to review the list of permitted B4 uses to determine if any changes are needed based on current retail trends. Laff noted that while certain uses are currently permitted only 2nd floor and above, there is a variance process for PZC and City Council to review requests on a case-by-case basis to determine if a ground floor location would be appropriate.

Jeffries noted that variance requests are currently weighed in on by Laff (planning perspective); Jeffries (co-tenancy perspective); and Wood (marketing; business perspective) and the collective feedback is provided to the PZC and CC for their consideration.

Miers - is impact on sales tax considered? Jeffries noted that the B4 does not require sales tax creation; however, it is a good component of a desirable downtown retail business. Our level of support also varies depending on the location proposed for the tenant.

Frank noted that it seems to be working as is; the variance process provides flexibility for the City to consider unique requests. Accordingly, Frank noted that it does not appear to be necessary to amend the code. Jeffries, Hitchcock, Rubin agreed.

Hitchcock noted that the code should be continuously monitored and changed only once we determine that it's not working. Jeffries agreed and noted that a change may be needed if we are routinely seeing variance requests for the same types of uses.

White - is an analysis needed to determine if trends are changing based on the new retail market and COVID? Rubin noted that things are changing so rapidly so it may be hard to stay with current trends; however, he feels the variance process provides an outlet for those that don't fit the current model. It is important to maintain the desired mix and the current B4 zoning provides that control. Wood concurred that the current process works well.

Frank made a motion (seconded by Jeffries) to maintain the B4 uses as currently codified.

Motion approved (vote: 11 in favor; 0 against)

Ayes: White, Kelly, Rubin, Hitchcock, Frank, Miers, Wigfield, Jeffries, Risvold,

Nagle, Wood

No: None

E. REPORTS:

1. Approve the October 8, 2020 DAC meeting minutes.

**Frank made a motion to approve the October 8, 2020 DAC meeting minutes;
Jeffries seconded this motion.**

Approved (vote 11 in favor; 0 against)

Ayes: White, Kelly, Rubin, Hitchcock, Frank, Miers, Wigfield, Jeffries, Risvold,
Nagle, Wood
No: None

F. NEW BUSINESS:

1. Provide a DAC recommendation as to whether the downtown streetscape project should be undertaken in 2021 or 2024.

Eagle Street Proposed Changes

Louden provided an overview of a recommendation resulting from the Westside Neighborhood Traffic Study to convert Eagle Street from two-way traffic to one-way southbound between Benton Avenue and Jefferson Avenue. This is the portion adjacent to Naper Elementary School and the recommendation is being made to improve safety near the school, particularly during school arrival and dismissal periods. This was presented at the virtual public meeting and generally had support. Staff also met with District 203 and Naper officials, and they also expressed support for this idea. This recommendation is being shared with DAC for informational purposes.

Miers and Kelly noted that they support the idea.

Hitchcock noted that the change needs to be fully implemented (i.e., full intersection improvements) in order to avoid any unintended consequences (higher speeds, wrong way driving, etc.) that could result from this change. Louden concurred.

The full Westside Neighborhood Traffic Study recommendations will be presented to TAB at their December meeting. Wood noted that she will contact C'Zar to make sure that they are aware of the proposed change. Wood understands the safety aspect for the school children, but noted that this will be a big change to downtown circulation. Wood asked if there is a possibility to make Eagle a one-way street only during school hours? Louden noted that this was discussed; however, staff determined that it could be more confusing due to roadway markings and signage needed to implement these changes.

Streetscape

Novack provided an update regarding the pending streetscape project. Novack noted that the project was originally scheduled for 2020; however, was delayed due to COVID. In recently talking to the contractor that was awarded the bid, the contractor noted that he will hold his prior bid prices and that he could start the project on March 1, 2021 and complete it by July 15, 2021. Novack then reached out to the DNA for their input; 11 DAC members noted that they did not want this work to move forward in 2021; 7 members supported it. City Council will ultimately need to approve the budget item for this work to proceed; however, City Council is seeking additional input from DAC.

It should be noted that the streetscape project cannot be undertaken at the same time as the Washington Street Bridge. Accordingly, if the streetscape work does not happen in 2021, it will likely not occur until 2024.

Jeffries asked if we have any idea of how the costs would be impacted if the

project is delayed until 2024. Novack noted that prices will fluctuate when the economy is back post-COVID; additionally, the City has great borrowing power right now.

Risvold clarified the scope of the project (east and west sides of Main between Jackson and Jefferson; south side of Jefferson between Main and Eagle).

Jeffries noted that the streetscape is really lacking today and presents an unsafe condition. Hitchcock concurs and noted that there is no better time to do this work given COVID impacts, pricing, etc. The downtown is about hospitality and it needs to be welcoming to guests. Frank concurred - we should not wait 3 years to have safe access to the downtown.

Risvold noted that she is very conflicted by this vote. She supported moving forward with this project in 2021 at the DNA meeting; however, she has since spoken to business owners that have indicated that Spring 2021 is a crucial period for these businesses due to COVID. Wood provided quotes from effected business owners expressing concerns regarding undertaking the streetscape project in 2021.

Kelly also noted that he feels conflicted with how to move forward with this project. He understands the need to make the improvements, but is concerned with impact on businesses. He acknowledged that we would need some short term fixes in the interim.

Rubin noted that elected officials definitely need to protect both the downtown and its business owners. However, it is ideal to fix the streetscape now while businesses are still slow due to COVID. This is just one of many areas of streetscape that need to be fixed.

Risvold asked if there are any grant opportunities that can be offered to small business owners. Can the consultant be incentivized to finish the work on time (or ahead of schedule)? Novack noted that the bid package does include both incentives and penalties.

Miers asked which restaurants will be impacted by the streetscape that will be relying on outdoor dining? Wood noted impacted restaurants would likely include Allegory, Lou's, Cinnaholics, Ted's Montana Grill. Rubin asked if Allegory could place their seating in the alley; Novack noted that this alley is regularly used for deliveries and it would be challenging to shut if down.

Hitchcock - is this scheduled on a Council agenda? Novack indicated that it will next be discussed at the 11/23 Council budget workshop.

White asked Jeffries to determine if any business assistance would be available from the State or County? White noted that he shares the concerns expressed by Councilman Kelly. Jeffries noted that there will be \$100,000 CDBG COVID relief grant available to businesses (max \$5,000 per business); additional money is expected to follow in the future. Jeffries also talked about additional use of box cars for innovative retail/restaurant space.

Kelly & Wigfield noted that they may be supportive of the project if there is a marketing and assistance plan that the business owners feel would work.

Rubin noted that if the City Council allocates the Riverwalk parking lot, Rubin's business may be able to supply Allegory with a portable commercial kitchen that he could run his restaurant out of during the construction period.

Risvold noted support due to the comprehensive package which includes incentives, assistance and innovative ideas to assist businesses. Jeffries noted that she will begin working on the package. Wood noted that businesses will want to weigh in on the package proposed.

Jeffries made a motion (seconded by Miers) to recommend that the streetscape project be undertaken in 2021 and that a marketing plan and assistance program be created to aid businesses impacted by this project.

Motion approved (vote: 7 in favor; 3 opposed)

Ayes: Rubin, Hitchcock, Frank, Miers, Jeffries, Risvold, Nagle

No: Kelly, Wigfield, Wood

G. ADJOURNMENT:

Nagle made a motion to adjourn (seconded by Miers). The meeting adjourned at 5:33 p.m.