Concept Plan

Redevelopment Concept for the East Side

SECTION 1

At the preliminary concept planning stage, two alternative concept plans were designed to provide the Village of Romeoville with varying development options for the East Side. Each of the alternative concept plans represented a conceptual schematic for the growth and development capacity of the East Side. As such, the concept plan alternatives were drafted with the recognition that many, if not all, of the ideas presented will be long-term redevelopment concepts for the East Side.

The economy and real estate market will be influential factors in determining which redevelopment concepts will be feasible and which may not even bear out in the marketplace. Current constraints to extend municipal infrastructure to the East Side will also tend to delay redevelopment due to the costs needed to provide new infrastructure. In addition, the bonding capacity analysis at the end of this section indicates that developing the East Side will be met by major fiscal constraints, placing it at a disadvantage to other parts of the Village that hold development potential.[1]

It is also anticipated that initial Metra ridership would be relatively low, indicating that the initial level of ridership will not on its own support retail and housing development on the East Side. However, the concept plan alternatives illustrate the East Side's development capacity, illustrating the maximum extent of development at full build-out. Ultimately, commuter rail ridership will influence the extent to which the East Side will develop (and if it actually attains its maximum capacity as shown on the concept plan).

The two alternative concept plans were developed from a variety of sources, including: the findings from the Existing Conditions Assessment; public input from the Public Workshop; collaboration with the Steering Committee, Village staff and transit agencies; and other forms of feedback and ideas from the Romeoville community. The following factors guided the development of the concept plans:

- Transportation elements (future Metra station, planned widening of 135th Street, potential for an interconnected trail system, opportunities to link the East Side to Downtown Romeoville via an enhanced multimodal transportation network, etc);
- Environmental elements (e.g. topography, Long Run Creek, significant tree masses, etc);
- Existing land uses (e.g. the CITGO refinery, ComEd right-of-way, Big Run Golf Club, etc); and
- Other attributes (e.g. habitat conservation area for the Hine's emerald dragonfly).

After review by the public and Steering Committee, the first alternative was selected as the preferred option.

The potential inability of the preferred concept to materialize in the near term should not be viewed as an erroneous forecast for the East Side; rather, it underscores the evolving nature of the current economy and presents an opportunity for the Village to continually assess how the evolution of the East Side will keep pace with the changing economy while still working towards the community's goals.

While the preferred concept plan was drafted with enough specificity to generate land uses that made sense to support the prospective growth of the East Side and development close to the future Metra station, it was also prepared with sufficient flexibility through the use of general development pods to enable the Village to reimagine other development scenarios as the economy and marketplace warrant, current infrastructure constraints are addressed, and the community's goals adapt.[1]

[1] It is important to note that the concept plan alternatives (and ultimately, the preferred concept plan) were developed prior to completing the bonding capacity analysis. While the fiscal constraints and disadvantages of development potential are understood, the concept plan should be viewed as the growth and development capacity of the East Side. The concept plan also provides a long-term perspective for the East Side, which maintains flexibility to alter as situations change.

Concept Plan | PREFERRED ALTERNATIVE

The preferred alternative concept plan, which is illustrated in Figure 1-2, envisions the most intensive uses closest to the future Metra station and generally along 135th Street towards Smith Road. While the community recognizes that the Metra station will not spur the high density, mixed use quality of typical transit oriented developments (TOD's), other key tenets of TOD's, particularly connectivity and proximity to alternative transportation sources, became driving factors for the concept plan.

Retail businesses and employment-generating uses, such as offices and business parks, are concentrated near the future Metra station and at the key intersection of 135th Street and Smith Road. In addition to placing retail along a major roadway that leads to the Metra station, this land use arrangement would provide employees with close proximity to commuter rail. The potential for a vocational school as part of the office/business park concept would also allow students from across the region to utilize transit to access education and possibly internships and apprenticeships at local businesses.

Like almost all TOD's, increasing the number of rooftops is also a core aspect of the concept plan. However, unlike a traditional TOD which integrates high density residential development, the concept plan for Romeoville's East Side generates a range of residential types that vary in density, starting with higher density uses closest to the Metra station which gradually filter down to low density residential at the furthest points of the study area, particularly to maintain compatibility with existing uses and the pastoral nature of the environment. Residential uses vary from condominiums, duplexes, and townhouses at the high and medium density range to varying levels of single family detached residential uses at lower densities.

A prominent feature of the preferred alternative concept plan is maintaining a portion of Big Run Golf Club as a 9-hole course along 135th Street, with the remaining 9 holes redeveloping as townhouses and single family residential units built in cluster development form that capitalizes on the unique features of the natural environment, including varying topography, significant tree masses, and adjacency to Long Run Creek.

In addition to a portion of Big Run Golf Club, other existing land uses are maintained, including Bambrick Park and the small residential enclave along Hidden Ridge Lane. Aside from constructing the Metra station and commuter parking, the area west of the CN Railroad remains intact, including the preservation of the designated conservation area for the Hine's emerald dragonfly.

A network of existing and proposed trails is also featured on the concept plan, enhancing the connectivity of the East Side. The Regional Trails Network, as provided in Figure 2-6 in Section 2, illustrates how the East Side links to other parts of Romeoville, including the downtown area.

As shown in Figure 1-2, the preferred concept plan also proposes a realignment of High Road to improve traffic circulation and accommodate safer trail crossings across 135th Street. While a portion of High Road will be realigned, certain segments will be vacated to accommodate the realignment. The segment north of 135th Street will remain for local truck access only; however, current public access along this segment will be restricted once this area redevelops. The segment south of 135th Street will be vacated to accommodate the road realignment.

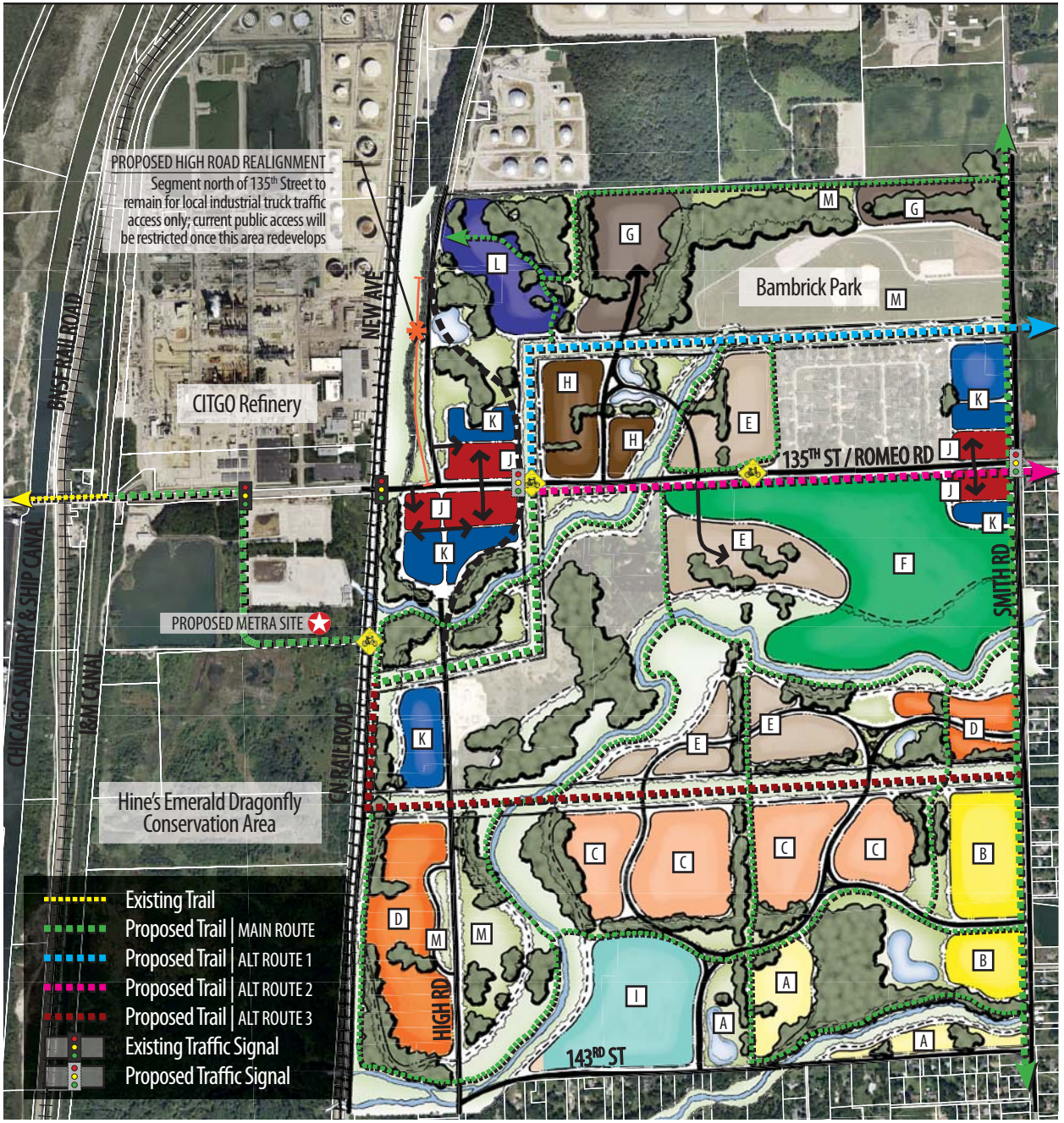
The development capacity for the preferred concept plan alternative is summarized in Figure 1-1.

FIGURE 1-1
Development Capacity Analysis for the Preferred Concept Plan Alternative

Land Use	Density (Lot Size) / FAR	Area[1]	Units	Parking
Equestrian Residential	0.33 du/ac (120,000 sf)	24.6 acres	8 units	16 spaces
Single Family Residential	1.5-2 du/ac (20,000 sf)	14.7 acres	24 units	48 spaces
Single Family Residential	2-3 du/ac (15,000 sf)	22.5 acres	49 units	98 spaces
Single Family Residential	3 du/ac (12,000 sf)	46.3 acres	118 units	236 spaces
Single Family Residential	3-4 du/ac (10,000 sf)	34.8 acres	106 units	212 spaces
Townhouses	4-5 du/ac (8,000 sf)	45.3 acres	185 units	370 spaces
Duplexes	5-7 du/ac	27.5 acres	138 units	276 spaces
Condominiums	24 du/ac	13.2 acres	316 units	474 spaces
Neighborhood Retail	0.20 FAR	2.8 acres	24,037 sf	84 spaces
Professional Office	0.25 FAR	13.6 acres	148,089 sf	592 spaces
Business Park / Voc. School	0.40 FAR	16.6 acres	288,716 sf	866 spaces

NOTES

1 *Actual land areas will depend on market support for development and capacity to conserve open space and sensitive environmental features.*



LAND USE LEGEND

- A — Single Family Detached Residential — LOT SIZE: 20,000 sq ft; DENSITY: 1.5-2 du/ac
- B — Single Family Detached Residential — LOT SIZE: 15,000 sq ft; DENSITY: 2-3 du/ac
- C — Single Family Detached Residential — LOT SIZE: 12,000 sq ft; DENSITY: 3 du/ac
- D — Single Family Detached Residential — LOT SIZE: 10,000 sq ft; DENSITY: 3-4 du/ac
- E — Townhouses — LOT SIZE: 8,000 sq ft; DENSITY: 4-5 du/ac
- F — Big Run Golf Club — MAINTAIN ONLY 9 HOLES
- G — Duplexes — DENSITY: 5-7 du/ac
- H — Condominiums — DENSITY: 24 du/ac
- I — Equestrian Residential — LARGE LOT(S) FOR HORSE STABLES
- Metra Commuter Rail Site — STATION & PARKING
- J — Neighborhood Retail
- K — Professional Office
- L — Business Park w/ Vocational School
- M — Neighborhood Park
- Open Space Corridor
- Multi-modal Trail — SEE FIGURE 2-6 FOR REGIONAL TRAILS NETWORK
- Proposed Road/Railroad Crossing Improvements — TO ACCOMMODATE SAFE TRAIL CROSSINGS (E.G. SIGNAGE, PAVING, STRIPING, UNDERPASS/OVERPASS, ETC)

FIGURE 1-2

Concept Plan | PREFERRED ALTERNATIVE

Bonding Capacity Analysis for East Side

To fund necessary and appropriate capital assets or facilities such as water and wastewater utilities, roadways, parks, and other types of infrastructure with long-term life-cycles and to provide for inter-generational cost sharing of public assets, municipalities may issue long-term debt called bonds. Frequently, such debt is repaid via property taxes or other taxes, fees, and user charges. A bonding capacity analysis[2] provides an estimate of how much debt financing and therefore capital facilities can be supported by potential taxes or fees or other sources of revenue available to pay service the debt and repay the principal of the bond.

The development of the East Side TOD Plan has been influenced by several factors; among them is the availability of public water and sewer utilities. As most of the area in and around the study has developed without these services, the resultant land uses are low density, relying on private well and septic systems. Significantly higher densities than those proposed on the East Side Final Development Plan concept, associated with typical Transit-oriented Developments (TODs) near transit stations would only be possible if supported by public utilities. To understand the financial limitations of such utility extensions, Gruen Gruen + Associates prepared an analysis of the bonding capacity associated with the potential absorption and development of land within the East Side study area. Below is a summary of the findings. The full report is provided in the Appendix.

Assumptions

The ultimate timing of development on the East Side cannot be predicted, but for the purpose of the analysis build-out and absorption is assumed to occur over a ten-year period following the extension of infrastructure and related services. The market analysis previously completed by GG+A suggests that – even assuming the provision of infrastructure to the East Side – demand for building space on the East Side will be limited in the foreseeable future. Accordingly, the bonding capacity analysis is predicated on the hypothetical assumption that unmet demand for land and commercial and residential building space exists.

For the purpose of this simplified analysis estimates of equalized assessed values and potential revenues from property taxes are used to estimate how much bonding capacity the proposed land use program could hypothetically support. For water and sewer infrastructure (as opposed to other types of infrastructure), the Village would not use property tax as a source of funding. Typically, the Village would use water and sewer funds as a source of financing to either directly pay for the infrastructure and/or for debt service payments on the bond issue, and would require developers to pay recapture costs for the water and sewer infrastructure. But because some costs of infrastructure could potentially be funded through property tax revenues and because benchmarks are more readily available for estimating property taxes than for the variables related to water and sewer funds, this analysis describes the impact of the cost of infrastructure to service proposed land uses based on bonding capacity generated by property taxes.

Findings

The following summarizes the principal conclusions drawn from the analysis in the full report (see Appendix).

1. Assuming an average market value per acre of developed land of $991,000, and total build-out of 261.9 acres containing approximately 461,000 square feet of nonresidential space and 944 housing units over 10 years, the cumulative equalized assessed valuation is estimated to total $86.6 million at build-out. General Fund property tax revenue estimated to be available to support financing of capital facilities is estimated to total $1.3 million over 20 years, with annual available revenue ranging approximately $9,000 (in the initial year following the provision of infrastructure) to just under $87,000 at full build-out of the East Side. (Note: approximately 10 percent of General Fund property tax revenues are estimated to be available for debt service on a general obligation bond).

2. If infrastructure costs exceed $670,000, the amount of bonding capacity would be insufficient to fund the extension of infrastructure to the East Side through a general obligation bond while still providing sufficient General Fund property tax revenues to pay for other public services.

3. The total cost to the Village of issuing a general obligation bond in the amount of $825,000 would be approximately $1.3 million, or roughly double the net bond proceeds available for capital improvements of $670,000.

4. In order to support the estimated minimum capital costs of $10.19 million[3] to extend infrastructure to the East Side, a special assessment district would be required. If the Village were to allocate 100 percent of the incremental General Fund property tax revenue to bond debt service, thereby eliminating sources of revenue to pay for public services, the net bond proceeds would only comprise two-thirds of the necessary capital costs (or approximately $6.5 million).

5. Assuming a special assessment district was established to finance the delivery of infrastructure to the East Side, a special property tax levy of approximately $2.35 per $100 of EAV would be required. This assumes the issuance of a revenue bond with a target coverage ratio (i.e. ratio of revenue to debt service) of 150 percent. The par issuance would total $13,365,000. Approximately $3.2 million would go towards delivery date expenses and capitalized interest and debt service reserve funds, resulting in net bond proceeds of just under $10.2 million.

6. Given available plentiful land supply exists in locations in Romeoville that would not require the use of special assessment districts to fund capital facilities, the developer(s) of East Side facilities would be at a competitive disadvantage to developers of the same types of facilities not located in special assessment districts.

In summary, this analysis inidicates that development of the East Side has major fiscal constraints.

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[2] A bonding capacity analysis takes a given stream of future cash flows (e.g. public tax revenues or fees) available in theory to pay for the debt service on a bond issuance, and based on financial parameters of a bond issuance (such as the term of the bond and interest rate), estimates the amount of upfront dollars that could be deposited into the project fund account when a bond is delivered prior to the commencement of a capital facility project.

[3] Based on a water and wastewater service study completed for the Village in September 2010, the least expensive infrastructure alternative is estimated at $10,190,000.