

# Cary Developer Panel Report

Regional Transportation Authority  
September 1, 2022



## INTRODUCTION

Since 1998, the RTA's Community Planning program has provided funding and technical assistance for transit-oriented planning and implementation initiatives with local partners throughout the six-county service area. The goal is to foster the growth of sustainable, equitable, walkable, and transit-friendly communities around transit assets by encouraging transit-supportive land uses and infrastructure. The program aids local economic development by increasing access to employment centers and amenities to serve the constantly evolving needs of our diverse population.

The Community Planning program continues to be an important tool in the region for implementing transit-oriented development (TOD). Throughout the 24-year history of the program, the RTA has collaborated on 225 projects and invested over \$23 million in federal, local, and RTA funds. Collaborating partners include the RTA Service Boards (CTA, Metra, and Pace), all six county governments within the service area, several councils of mayors, and over 175 local governments.

Through its support for transit-oriented planning throughout the region, the Community Planning program builds on the strength of our transit network to promote more sustainable and livable communities that deliver value on our transit investments for both local partners and the Service Boards.



Figure 1: Alfresco Alley, a popular outdoor dining space in downtown Cary.

## TOD DEVELOPER DISCUSSION PANELS

One important element of the Community Planning program is the focus on projects and activities that implement completed planning studies, including Developer Discussion Panels. The RTA partners with the Chicago offices of the Urban Land Institute (ULI Chicago), a membership organization of real estate and land use professionals, to connect local governments with development professionals in order to facilitate practical discussions on the market potential of opportunity sites. These half-day events or development dialogues are intended for those municipalities that have completed a TOD plan but need additional assistance in drawing transit-supportive development projects within their study areas. They involve local government staff engaging with development experts to discuss potential strategies to effectively revitalize key parcels of land. The Village of Cary was selected to participate after applying to the Community Planning program in 2021.

The development dialogue was held on the morning of July 13, 2022, at the Cary Village Hall. On the day of the event, Village representatives gave a presentation to panelists on recent planning and development activities before taking them on a tour of the opportunity sites that the Village has identified for potential redevelopment. The following were in attendance.

### Village of Cary

**Mark Kownick** – Mayor

**Ellen McAlpine** – Village Trustee

**Jacob Rife** – Village Administrator

**Brian Simmons** – Director, Community Development

**Courtney Sage** – Assistant to the Village Administrator

### Urban Land Institute (ULI) and the Regional Transportation Authority (RTA)

**Michael Horsting, AICP** – Manager, Local Planning, RTA

**Swasti Shah AICP, LEED AP** – Director of Community Engagement, ULI Chicago

**Suzanne Kahle** – Senior Director of Development, Farpoint Development

**Jonathan Dennis** – Senior Vice President, Urban Street Group

**Chris Coleman** – Vice President of Development, Wingspan Development

**Robert Morris** – Senior Analyst, Local Planning, RTA

**Brian Larson** – Planning Intern, Local Planning, RTA



Figure 2: Panelists touring and discussing the potential of the opportunity sites on July 13th, 2022

## BACKGROUND

### Demographics

Cary is a suburb of roughly 18,000 residents, located in southeastern McHenry County, 41 miles from Downtown Chicago. Cary is an outer-ring suburb and is predominantly residential with auto-oriented subdivisions. The village's primary commercial corridor is along US Highway 14, also known as Northwest Highway. There is a walkable downtown southwest of the Metra station. Major industrial centers are located southeast of downtown around the True Value manufacturing plant, and northwest around the Stryker manufacturing plant. The population of Cary is predominantly Non-Hispanic white and accounting for 83.2 percent of the community's population, down from 88 percent in the 2010 census. The median age of Cary residents is 40.5 years old—similar to McHenry County (40.2) but slightly higher than the region (37.5).

Median household income has declined since 2010 from \$113,602 to \$100,339, yet remains significantly higher than McHenry County at \$86,799 and the region at \$73,572. Approximately 79 percent of the housing stock was built before the year 2000, and 86.9 percent of the housing stock is owner-occupied, which is a higher percentage than McHenry County at 79.4 percent and higher than the region at 63.9 percent. Approximately 90% of the residential land use is currently single-family homes.

## Current Transit Service

Cary residents have transit access from the Metra commuter rail station and MCRide, McHenry County's Dial-A-Ride service. Metra Union Pacific Northwest connects downtown Chicago and Cary, bisecting the Village from southeast to northwest. The Cary station is within Village limits, located near the center of the Village in Downtown. The Village is served by 24 inbound trains and 24 outbound trains each weekday. Despite having regular Metra service between the years 2016 and 2018, daily boardings declined 7 percent at the Cary station, which is in line with neighboring UP- Northwest stations.

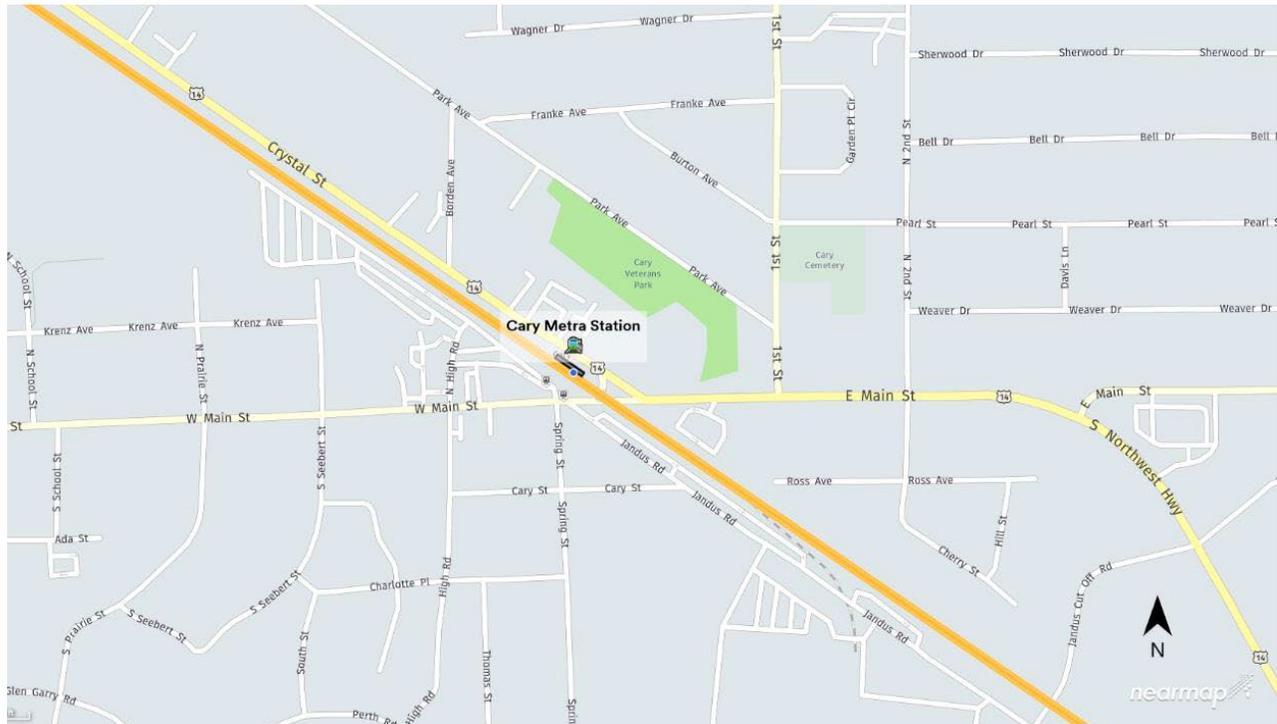


Figure 3: Cary is served by the Metra Union Pacific Northwest Line, serving the Cary Metra Station in Downtown

Cary is also served by MCRide dial-a-ride. This service, operated by McHenry County and supported by the RTA, is open to the general public and provides access to destinations within the Village and connects the Village to all of McHenry County and certain communities outside of McHenry County.

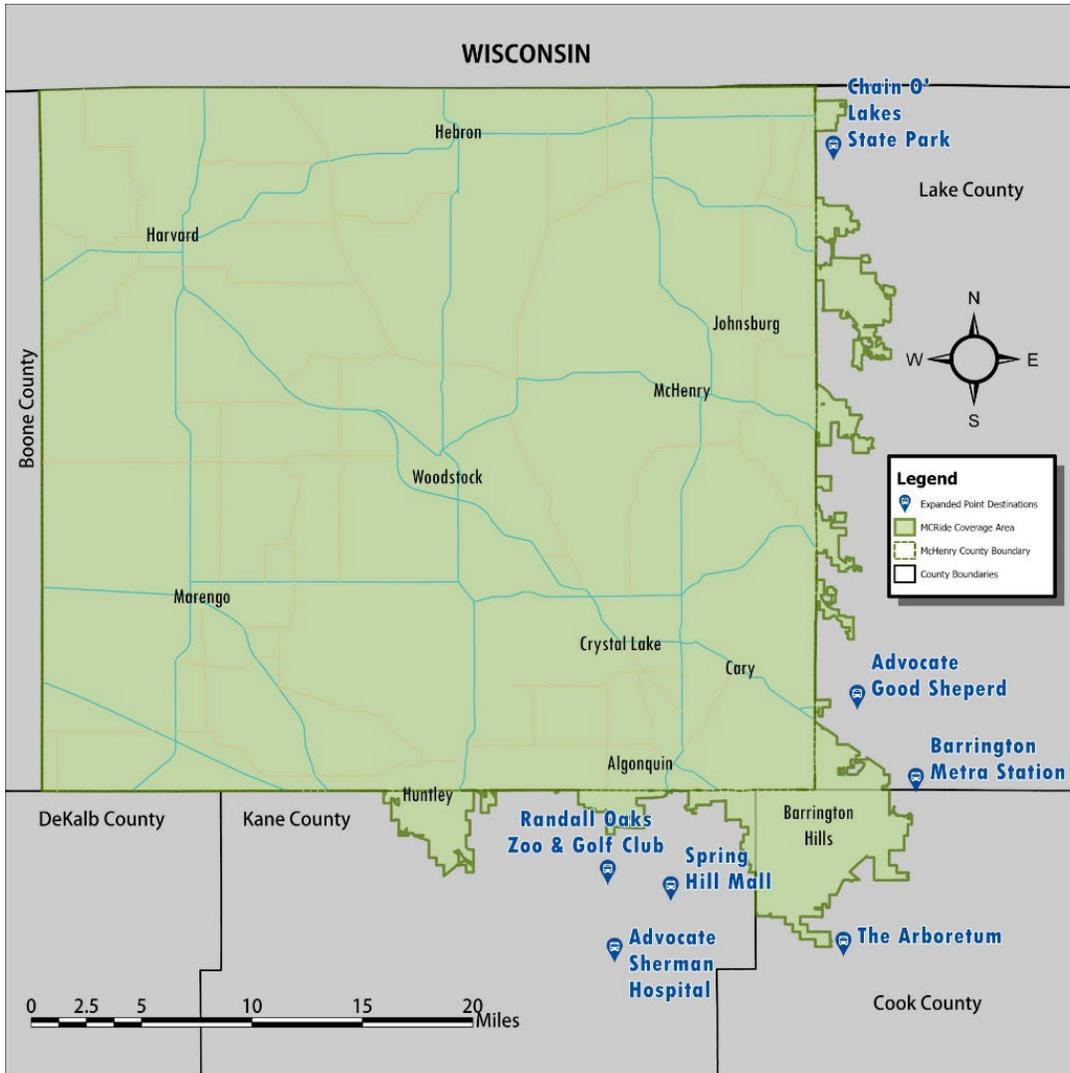


Figure 3: MCRide service area with Cary in the lower-right portion of the map (Image courtesy of McHenry County Division of Transportation)

## Planning Initiatives and Projects

Cary has completed several planning initiatives to foster economic growth and promote Transit-Oriented Development (TOD). In June of 2021, Cary adopted [the Downtown Cary Strategic Plan](#). This plan, developed in coordination with the RTA, provides recommendations on pedestrian and biking access improvements to downtown, as well as transit supportive land uses near the Cary Metra station. The plan details how Cary can improve the areas in and around the downtown with recommendations on economic development, transportation, community character, intergovernmental coordination, and environmental protections. Some recommendations include improving pedestrian and bicyclist infrastructure around the Cary Metra station, but predominately identifies economic development opportunities at the Maplewood School site, a new plaza at the former depot site, the former US Bank site, the BMO Bank site, North 2<sup>nd</sup> Street, and the US 14 site on the east side of the tracks. The BMO Bank site occupant indicated an openness to relocation and several development concepts were initiated at the Maplewood site, however no private projects have yet been completed on these sites. The site located at North 2<sup>nd</sup> Street and US 14 is currently under contract for sale with plans to develop 10 rowhouses.

In May 2021, Cary adopted the [Algonquin-Cary Route 31 Subarea Plan](#). The Algonquin-Cary Route 31 Subarea Plan provides recommendations on sidepath and trail access improvements that connect to downtown Cary, as well as transit supportive land uses and recreational amenities. The plan details how Cary and Algonquin can remediate and improve the subarea, with recommendations on economic development, transportation, and environmental protections.

Consistent with its Downtown Strategic Plan, the Village has begun the preliminary design for a new mobility hub and public plaza on the site of the former Metra depot. Desired improvements for the mobility hub include a shelter for bicyclists and pedestrians waiting for the MCRide bus service, ride sharing, taxis, and outbound Metra service, modifications to the sidewalk to increase walkability and improve pedestrian safety as well as other aesthetic and placemaking improvements. The Village is currently pursuing funding for the redevelopment of the former depot, including an application to the RTA's Access to Transit Program for 2024. Pending funding, the project will commence Phase II engineering in 2024.

## STUDY AREA



Figure 5: The study area is the central Downtown district of Cary along the UP Rail line. All three opportunity sites are within the Downtown district.

The Cary Developer Discussion Panel focused on the three opportunity sites in the central Downtown district. This study area that incorporates all three opportunity sites closely reflects the study area of the Cary Downtown Strategic Plan and represents the area that Village staff and elected officials have focused on for future development.

### Maplewood Site

The most significant opportunity site is a 17-acre parcel located adjacent to the Cary Metra Station parking lot. The site is zoned R-2 – Single-Family Residential, but the Village expects its redevelopment to proceed as a planned development, which will allow for a comprehensive zoning assessment and development associated with the highest and best use for the site. Planned developments aim to protect the interests of all community members; promoting a high level of coordination between the Village and developers to achieve unified planning.

The site is owned by the local school district, and is presently occupied by a vacant school building, school district bus barn, and youth baseball fields. The surrounding area is comprised of detached single-family dwelling units to the west and south, the Cary Metra Station parking lot to the east, and the Union Pacific Northwest railroad tracks and US 14 Highway to the immediate north. The lot is within walking distance of the Cary Metra Station as well as downtown Cary.

The sale price is currently \$2.75M, the school district would like the sale of the property to finance the construction of a new bus barn. In addition, a new access roadway would have to be built to connect the site to Cary-Algonquin Road, and the proposed roadwork is estimated to cost approximately \$2M.

## **BMO Bank Site**

The second opportunity site is a 0.5-acre lot of land located adjacent to the Cary Metra Station that is zoned B-1, Central Business District, which allows office and retail uses, offers incentives for multifamily residential, and allows zero-lot line. The site is owned and occupied by BMO Bank and includes a drive-through teller service, and parking lot, and is the largest single-lot owner in downtown. The surrounding area is comprised of retail, dining, and offices to the south and west, and bounded by parking for the Metra station to the north. The Village owns a separate but adjacent parking lot consisting of 26 spaces directly north of the BMO Bank lot that the Village is willing to combine with the BMO property for future development.

## **Northwest Highway Site**

The third opportunity site is a 4-acre, multiple-parcel area located north of the Cary Metra Station that is also zoned B-1, Central Business District. The site consists of 14 parcels with 14 owners, and is presently occupied by a variety of businesses, including retail, restaurant, automotive, and service. Consolidation of the properties as needed would be considered.

## RECOMMENDATIONS

Several overarching recommendations for making the opportunity sites more attractive to developers emerged during the panel’s discussion. While the panelists indicated the Village has taken many of the right first steps in maximizing attractiveness, there are additional opportunities to fully capitalize on the sites while remaining in line with the Village’s identity, growing dining destination, and Downtown charm.



Figure 6: The Maplewood Site, looking towards the Bus Barn

### 1. Prioritize the Development of the Maplewood School Site

The Maplewood site is the largest and should be seen as a catalyst for development on other, smaller sites in the Downtown. Cary has not recently seen a large scale multifamily residential or mixed-use development occur and redeveloping the Maplewood site with a high rate of success would lend the other opportunity sites a boost in attractiveness to developers.

The Maplewood site is a single owner parcel, making it more attractive for redevelopment, with less hurdles a developer would have to clear in securing the property. To prioritize the Maplewood site, the Village should:

- Consider creating a Public Private Partnership to help preserve the legacy of the Cary Youth Baseball program which could result in new development that includes a new ball field(s) to help offset the loss of the current ball fields. The community has viewed the Maplewood site as a park for over a decade and taking this step could go a long way towards gaining community support for a new development at the site.
- Resolve the “unknowns” related to development costs on the Maplewood site:
  - Sale Price of the site. The Village should work with the school district to determine the sale price of the parcel or purchase the parcel from the school district in advance, so developers can negotiate directly with the Village. To arrive at an acceptable sale price, the Village will likely need to work with the school district to assess options for relocation

- of the bus barn and the feasibility of the site sale proceeds covering the relocation cost.
- Impact fees- The Village should determine a basis of the impact fees they will access to help expedite negotiations with a developer.
- Cost to engineer and construct a new access road to Cary Algonquin Road
- Consider funding the engineering and or contributing to the construction cost of the access road if needed to improve development feasibility.
- Consider eliminating any square foot minimums for rental unit size which would improve the financial feasibility of the new development.
- Provide development certainty. Be willing to provide the selected developer with a Council approval for a “high-level” development concept to clarify expectations and so the developer can be confident of community support before investing large amounts of time and financial resources into the project.
- Move forward with establishing a new TIF district that incorporates the opportunity sites (currently under consideration). In addition to providing a strong financial incentive, creation of the TIF district will signal the Village’s commitment to attracting new development on the opportunity sites. As such, once the TIF district is created, the Village should make that known to potential developers.



Figure 7: The Northwest Highway Site, featuring the historic former Cary Village Hall on the right

## 2. Advertising and Outreach

The Village of Cary has worked hard to create a development toolbox that will allow them to successfully implement their planning efforts. To help entice a developer, the Village should:

- Effectively market their opportunity sites, as well as the ready-to-develop climate they have created. Village staff should advertise to developers, in a clear and concise manner, their well-defined/streamlined development approval process and the status of the TIF districts in the Village.
- Create public facing marketing materials that showcase the opportunity sites, concept plans, TIF

districts, zoning, incentives, and community profile. Having a well thought out plan for engaging developers will illuminate to developers that Cary is serious and ready to move forward with development on their opportunity sites. Including the preferred renderings from the Downtown Strategic Plan is recommended.

- Conduct direct outreach to developers and avoid the RFP process which can be extremely time consuming and costly to developers and come with no guarantees that their costs will be rewarded.



*Figure 8: Downtown Cary's Main Street, showcasing the first-floor retail and second floor apartment living space. The space on the left of the white building has been converted into the Alfresco Alley dining area seen in Figure 1*

### 3. Build on Strengths of Downtown Cary

Downtown Cary has an undeniable charm that contributes to the pride of residents. Much of the mixed-use buildings that are in the Downtown currently are first floor retail with apartment living space on the second story. New development must be done carefully to protect the character and achieve the high design standard that is desired by the community. Downtown Cary has also become a dining destination. Cary coupled the additions of a pedestrian only area to Spring Street (Alfresco Alley) with a designated outdoor refreshment area, allowing residents to move freely through the Downtown while enjoying food and drink from local establishments. A key strength of the Downtown is the Metra Union Pacific Northwest line that stops in the heart of Downtown Cary. Metra constructed a new station house that was dedicated in 2019. To build on these strengths, Cary should:

- Carefully introduce taller buildings into the Downtown. 5-stories may be needed to make multi-family residential financially feasible. If that route is taken, there should be a keen eye on the design of the building to ensure character compatibility with the Downtown. The BMO Bank site is a site that will be visible on all four sides and redevelopment should be well thought out and designed to preserve community character.
- Increase the local restaurant base by developing small scale incentives to help “mom and pop” restaurateurs get their businesses off the ground.
- Consider restaurant space on the ground floor of any new mixed-use development while also looking at service based commercial uses.

- Examine the BMO Bank site as an opportunity to encourage more local dining space.
- Capitalize on the investment by right-sizing residential development in proximity to the Metra station. The Metra station should be featured in advertising future residential opportunities within the Downtown district.

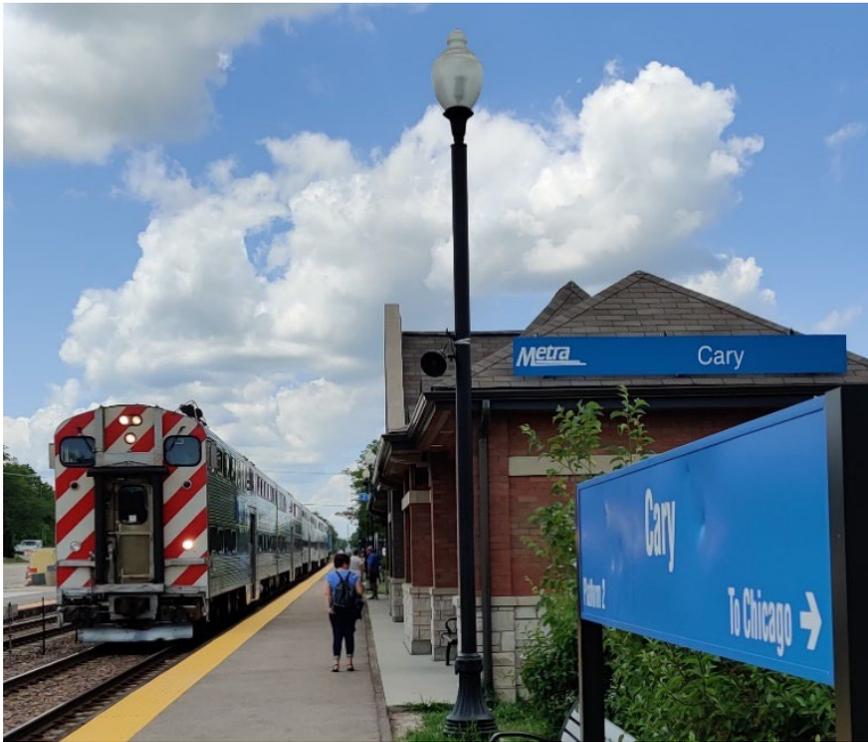


Figure 9: Cary Metra Station, located on the north side of downtown

- Continue to program Village events in the Downtown to maximize exposure and further the activation of Downtown space.



Figure 10: Cary's Main Street Fest is an example of successful downtown event programming (Image courtesy of Village of Cary)

#### 4. Northwest Highway Site

The Northwest Highway site has some unique challenges as well as opportunities. This site has 14 total parcels that make up the site, each with separate owners. This site also abuts Veterans Park to the rear of the site that has a pond and natural slope. This site however was thought of as a good place to infill with residential development, according to the panelists. In order to maximize the ease and attractiveness of this site for development, the Village should:

- Consider this site as two separate opportunities moving forward, with the east side of the site being the priority to consolidate and develop.
- Consider the acquisition of parcels to help ease the development process.
- Investigate smaller scale multi-family or attached single family that could be more scalable—incremental development to the site(s) will be key.
- Encourage the creative inclusion of Veterans Park into any new plans for development.
- Understand that underground parking at this site would not likely be financially feasible.



Figure 11: A rendering from the Downtown Cary Strategic Plan offers a redevelopment vision for the Northwest Highway Site.

## CONCLUSION

The Village of Cary has taken several steps to position itself for successful downtown development. The suburban community has engaged its citizens in a robust planning process to receive input for the opportunities that exist within the Downtown. The results of the Cary Downtown Strategic Plan paint the picture of the vision for the future of Cary in the eyes of the citizens, Village staff, and elected officials. The developers that participated on the panel were able to clearly see that vision and confirm that Cary is headed in the right direction and is taking the correct actions. Cary has the opportunity to make lasting change in their Downtown to create a destination for current residents as well as an inviting place to house, employ, and entertain new residents.

To achieve this vision, the Village should prioritize and determine any unknowns for the Maplewood School site. Next, the Village should focus on the marketing of itself, and its opportunity sites by conducting direct outreach and dispersing marketing materials to developers in the region and beyond. All the while, Cary should remain committed to building on the strengths of the Downtown and the community at large. Cary is a place in which residents take great pride. The Village is committed to continue making Cary a great place to live, work, eat, recreate, and raise families. Building out successful transit-oriented and pedestrian friendly developments on the opportunity sites will ensure a sustainable housing stock, vibrant downtown, and thriving local economy for the future of Cary.



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