Planning & Development Committee Meeting
Minutes of November 25, 2013 – 7:15 p.m.
Council Chambers - Lorraine H. Morton Civic Center


STAFF PRESENT: G. Farrar, M. Muenzer, B. Newman

PRESIDING OFFICIAL: Ald. Wynne

I. DECLARATION OF QUORUM
A quorum being present, Chair Wynne called the meeting to order at 7:17 p.m.

II. APPROVAL OF REGULAR MEETING MINUTES OF NOVEMBER 11, 2013

Ald. Rainey moved approval of the minutes of the November 11, 2013 P&D meeting, seconded by Ald. Holmes.

The Committee voted unanimously 7-0 to approve the November 11, 2013 minutes.

III. ITEMS FOR CONSIDERATION

(P1) Resolution 64-R-13 Extending Time for the Applicant to Obtain a Building Permit to Construct Planned Development Located at 708 Church Street

Staff recommends consideration of Resolution 64-R-13 that, if adopted, would amend the previously approved planned development for 708 Church Street (attached as Exhibit 1 to Resolution 64-R-13). The proposed Resolution, if adopted, would amend Section 8 of the previously adopted Ordinance 32-O-08 to provide for an extension of the time provided for the Applicant to obtain a building permit to construct the planned development. The Applicant requests a three-year extension of the time period provided in the Ordinance from December 31, 2013 to December 31, 2016. This resolution was held at the Planning & Development Committee meeting on November 11, 2013.

For Action

Chair Wynne announced that there would be a presentation by Mark Muenzer, Director of Community Development.

Mr. Muenzer presented an overview of the Planned Development (PD) at 708 Church, renderings of the proposed project and a stipulation that 64-R-13 be approved by a 2/3 majority in City Council:
- Ord. 32-O-08 was approved on 3/23/9 by 6-3 vote
- Bldg height: 385'/35 floors (max 220')
- Floor area ratio: 15.14 (max 8.0)
- Office/retail: 18,258 sq. ft.
• Parking: 271 off-street spaces
• PD expires 12/31/13
• PD applies to property (not developer); subsequent owner have same deadline
• Request for 3 year extension to 12/31/16

Mr. Muenzer presented an overview of other planned developments:
• 2 new PDs approved since 2009: Walgreens & Trader Joe’s
• 3 proposed PDs for 2014, 2 in downtown area (residential/mixed use/hotel)
• No residential PDs approved since 2009
• Of the 22 PDs approved between 2003 and 2008:
  o 12 were granted extensions (average ext. 2 yrs.)
  o 1 not yet completed (1890 Maple, under construction)
  o AMLI: 214 dwelling units
  o E2: 642 dwelling units
• Approved PD building heights:
  o 1720 Maple: 259’
  o Sherman Plaza: 236’
  o Park Evanston 218’
  o E2: 165’

Ald. Rainey asked Mr. Muenzer whether any of the 12 PDs with extensions were pure and simple extensions like this one, or whether there nuances for some, to which Mr. Muenzer said his understanding is that there were some with nuances and some pure and simple, adding that he has been with the City for three months. Ald. Rainey said besides reading the list, she reviewed the minutes of the meetings before 2006 because the agendas were similar and, she said, in not in one case of a pure and simple extension, regardless of the vote, is it for staff to determine whether it will be a close call, and that Council should just be given the facts. Not one of the pure and simple extensions ever had a reference from our staff, in any way shape or form, of the requirement of a 2/3 vote. She said she found it very unusual, having voted on so many extensions over the years, that they are being required to have a 2/3 vote. She said the vote will be close but that should have no bearing on staff’s recommendation. She said staff has even said there is no codification requiring a 2/3 vote for an extension; though absolutely, on a PD for the first time. She said this is simply an extension of all the time, work and effort that has been put into this particular issue so she said, she challenges the decision to do a 2/3 vote. She added that they need to be reminded that they are not voting on a tower, they are voting on an extension. Ald. Rainey said she believes the number of extensions that have been given, while they are not bound by the action, to not give an extension in this case is prejudicial and shows a great deal of bias and that we are not sure if this project can be built. She said all the developer is requesting is a shot at a couple more years. She said she understands that the people are divided. The extension would give the developer an opportunity to come back, maybe with changes, maybe not.

Chair Wynne explained to the audience that they would have an opportunity to speak after the Committee discussion.
Ald. Grover clarified that Mr. Muenzer created the presentation largely in response to the questions he received by Committee members that were not on the Council in 2009.

Ald. Fiske noted that normally a planned development is supposed to apply for a building permit within a year, so at the time it was approved, they got an extension of 4 years. Mr. Muenzer explained that a PD ordinance can contain an extended period of time and often do. Ald. Fiske asked whether there were any other PDs he is aware of that have gotten 4 years out of the box, to which Mr. Muenzer replied that there were none of which he is aware.

Ald. Rainey asked Mr. Muenzer how long it took from the time the project originally came to staff until Council actually passed the approval of the PD, to which Mr. Muenzer said he believes it was 2 years. Ald. Rainey agreed that it was at least 2 years. Ald. Rainey said this was the longest PD process that she can remember. She asked Mr. Muenzer whether Council has ever denied the extension of a PD in the last 5 years, to which Mr. Muenzer replied that there is not one of which he is aware.

Chair Wynne opened the floor to the public who wished to speak.

Chair Wynne explained to a member of the public that the vote this night is to be taken on an extension of time for the developer to apply for a building permit and that the PD has been approved. The next step is for the developer to submit their plans for building permits, which will be a matter of whether the plans meet the code for building. Ald. Rainey added that they will not be able to build if they cannot get financing, and that maybe it will be a different building and that we don’t know.

Martin Kanter of 807 Davis since the 1970s, said he moved here because a mansion was being replaced by twin 40 story towers on his block in Lincoln Park and he felt he was moving to a college town, with Marshall Fields and Chandler’s. The tallest building at that time was the Orrington Hotel or the Carlson building. He said in the aerial view presented by Mr. Muenzer, the building sticks out like a sore thumb. He said people moved to downtown Evanston because it maintains its small, college town nature. He said to put a building that massive and with that density on that site is a mistake and it would have a negative impact on traffic on a street that already is experiencing heavy traffic and the construction on top of the recent Church and Davis construction would be devastating for the businesses that have been and will be impacted. Mr. Kanter said the Emerson/Maple/Oak project, along with the Focus and AMLI projects will absorb any demand for residential housing. He said as a resident of 807 Davis, he is aware of Focus’s shoddy construction and the fact that they underestimated their needed maintenance assessments and capital reserve costs, causing the necessity of a special assessment shortly after turning over the building to the condo association. He asked the Committee to consider his and other residents’ interests, and vote against the project.

Chair Wynne announced that the citizen comment is limited to three minutes a person.
Bonnie Oh of 807 Davis since 2007, thanked the Committee for the opportunity to speak. She said of her 6 years in the U.S. it is her first time addressing a body of government. Her father, a judge in Korea, taught her not to shrink from challenges of righting a wrong and she believes this is one such issue and asked the Committee to vote against a skyscraper of this height in the middle of Evanston. She said she obviously is opposed for personal reasons, as her great view is not a birthright, but beyond that, she asked that the Committee consider preserving Evanston’s beauty and unique character. She implored the Committee to think of what the skyscraper would do to Evanston, a town reminiscent of a small New England town that can be navigated on foot with theaters and restaurants all within walking distance. She compared it to building a skyscraper in the middle of Bal Harbor, Maine. She argued that it would create a wind tunnel and traffic. She concluded that even David had a victory over Goliath.

Rita Morten of 807 Davis said her only windows face the proposed site so she will lose her natural light from the east. She said the building is not compliant with the City’s laws as it is taller and denser with 96 dwelling units allowed and 218 proposed, and parking spaces where 399 are required and 271 are proposed, 2 long and 5 short loading berths required but only 2 proposed. Ms. Morten moved here from Lincolnwood to be near the culture, diversity, NWU activities and the lake. She said the building represents pretentious, greedy over-development and that the livability of Evanston needs to be appreciated. She asked that the Committee vote for what matters, the people of Evanston. She thanked the Committee for her time to speak.

Lynne Grant of 807 Davis for about 15 months, moved here for the small college community and the convenience of the train to Chicago. She said businesses have been suffering the past 2-3 years and going out of business in the past 6 months. She said if a great deal of chain businesses come to downtown Evanston, the smaller businesses will be forced out. Ms. Grant said she feels there are a number of new established apartments for people to live in and she doesn’t see the need for another in the next 10 years.

Dr. Arthur Altman of 807 Davis thanked the Committee for the opportunity to speak and asked them to ask themselves if they would want this building in their wards. He said this sets a precedent that exceeds the height limit and other taller buildings will follow.

Ald. Holmes reminded the public that the issue is not whether the building will be built; that has already passed. This vote is only on the extension of the PD.

Valy Lev of 807 Davis for the past year, said he and his wife are empty nesters who wanted to be on the North Shore and chose Evanston over Highland Park because in Evanston there are many condos with depressed prices, which is still the case. He said Highland Park was in the news recently because it’s city planners are considering changing their zoning laws to increase the maximum number of stories from 3 to 6 and Evanston is considering an extension for a building of 35 floors. He said he is sure that both cities’ councils have the interest of their residents at heart, not any corporation or developer, but he asked whether there is anything that
Highland Park might know better than Evanston. Perhaps traffic. He said cab drivers complain about the traffic when they learn that they have to take him to Evanston. He said it would add to the block of condos when Evanston’s prices have not recovered.

Hank Goldman of 807 Davis said he is strongly opposed to granting the extension to the developers. He said 5 years ago, many of them were debating the same proposal and after an unprecedented granting of 5 years to build, the same developers are returning for an unprecedented 3 year extension, with the argument that the City has given other developers extensions, so they deserve it. He said they were given the equivalent of an approval with numerous extensions the first time, and now it is time to close the books on a very bad deal for the City and its residents. Mr. Goldman said the arguments for denying the extension are the same arguments for why it should not have been approved in the first place: too big, too dense, creating havoc with the wind, disruption to the residents for a number of years, the displacement of many professionals on the 2nd floor of the existing building, not to mention the displacement of retail establishments on the ground floor, which will all deprive the City of needed revenue. Lastly, Mr. Goldman said, if you think they are doing this due to their love of Evanston, they are not. The project is driven purely by profit motives and he urged the Committee to deny the extension.

Katy Stallcup of 144 Greenwood St., said she was present as a board member of the Southeast Evanston Association to read their statement which said they believe the proposed development does not address the many concerns of the community and the deadline for starting the project should not be extended. The developers have been granted enormous zoning variances, the building will dwarf other structures, doesn’t reflect the character and needs of the City, and only reflects the profit motives of the developers. The City Council should not be in the business of guaranteeing profitability of individual projects; instead it should focus on respecting and upholding the zoning ordinance. They believe the issues of an additional 218 dwelling units and traffic have not been addressed. The development proposes less retail space than currently exists and no office space, which will have a negative impact on the downtown and the City’s long term health. The developers offer no public benefits; contributions to the City’s affordable housing fund are mandated by law and can’t be considered a benefit. She summarized that the problems haven’t gone away and urged the Committee to reject the extension.

Jeanne Lindwald of 625 Library Place, said 708 Church is very different from other PDs that have been approved in recent years and the argument that an extension should be granted because others have received them does not stand up because they typically have 1 year to begin construction; this one started as 5 years and now an additional 3 years is being requested; the developer was granted extraordinary variances; Ms. Lindwald said the proposed public benefit of significant revenue for the Washington National TIF is negated because the TIF expires in 2018; the promise to re-do the Church/Orrington streetscape is negated because one part of the streetscape is already done and another is in the plans; the same applies to Fountain Square, for which the balance of the TIF funds is planned. She said since the developer is not proposing an amendment, only an extension, the City is not in a
position to renegotiate the terms of the PD or to require that the developer update the public benefits or revenue projections. She concluded that the City would be better served by not extending the PD. She concluded that if the developer should obtain financing he can come back with a proposal that makes better sense for the City.

Glenn Gray of 807 Davis said he cares for the community and wants it to be a better place. He said the initial process was extremely controversial in that the aldermen were told, behind closed doors, about a magnificent new Fountain Square, the Hahn building being renovated, restaurants, outdoor cafes, trees and flowers. He feels this was the bait and the switch is an ugly, too tall, overly dense building with inadequate use and a poor streetscape design, plus no new memorial Fountain Square Park, no new Fountain Square building, no renovation to the Hahn Building and no restaurants, cafés or flowers. He asked why anyone would approve a building designed 7 years ago, may not start construction for 3 more years, take 5-6 years to build, making it's design technology 15 years old by the time people start using it. He asked for a new modern design that fits the City’s current needs. He asked that Council ask the developer to build a better building. He asked why this building is good for Evanston and said the developer has been shown favoritism by City Council. He said it is reckless to grant the extension and asked the Committee to vote against it.

Guy Manler of 807 Davis for the past year said the question is what should be built, what is best for Evanston and asked for transparency. He went to Northwestern (NWU) and moved back to Evanston after living overseas. He said the condos will be rental apartments if they cannot be sold. He asked what the rush is to pass the extension and said it is the most important parcel of land in the City and will define the tone of the downtown. He said he would prefer an office building to get some corporations into Evanston and real jobs and money. He suggested they start over.

Mike Vasilko of 2728 Reese Avenue urged the Committee to deny the extension. He said a building this tall is destructive to the character of Evanston and is not iconic but a monument to the developer. He said Fountain Square and the 708 Church Street block is sacred ground to many who know Evanston’s history and it should be reserved for a use that benefits all of Evanston. He also noted that a building of that height may exceed the Evanston Fire Department’s equipment resources and the concern of the requirement of special equipment, training and infrastructure has not been addressed. He said when the Downtown Plan was being revised, the process was not transparent. The planning firm hired by the City seemed to be biased towards this development.

Alan Drebin of 807 Davis, a professor of accounting at the Kellogg School of Management, said this is a bad business decision for Evanston. We are giving the developer an option. We gave them 5 years to get a building permit and the market has not been very good so now they want a 3 year extension at no cost to them: if the market is favorable, they'll build, if not, they'll be back or we will have the old building on our hands and nothing will happen. He said Section 6-3-6-4d of the City Code provides that no planned development as a form of special use shall be valid for a period longer than 1 year. This longer time was granted by City Council, which they
have the ability to do, however, there are other ordinances in regards to height, parking requirements, number of units, all passed by City Council. If we grant this, Focus Development will have a strangle hold on the City because any other developer that wants to develop in Evanston will realize that Focus has the ability to build and may negate their profits. So by granting this they will discourage further development.

Tom Snider of 807 Davis, graduated NWU 51 years ago and returned 5 years ago as a retired university administrator. He said he has a vested interest in the future of Evanston as a marketing consultant and an at-risk students’ tutor. He said the overview presentation showed how complex the issue is. He agreed with Mr. Gray that the plan is 7 years old and the environment has changed and asked whether the City could support the impact studies that would need to be done: fire, traffic, police, parking, water, impact on office vacancies, displacement of existing offices, displacement of professionals and wind tunneling. He asked that the request is denied.

Ken Green of 522 Church Street since 2007, and who was an alderman in St. Louis, said when he was in the aldermen’s positions, he looked for precedents that would keep the City out of court. He said the PD contained almost a record number of variances, there was an election shortly after the approval, and the public has spoken to some extent on this. Regarding peoples’ claims that some retail is going out of business, there is a cloud over 708 Church Street because as a banker, anyone who came to him with a business plan that couldn’t stay on the site for more than 2 years, he would not finance. He said this is killing the City’s revenue and sales tax. Now the developer is asking for a 3 year extension period when the average is 2, the typical is 1, and this would put a cloud over the downtown shops. He said there is solid precedent to say no to this extension without fear of what the result would be in court and they know the attitude of the residents.

Liese Dallbauman of 1740 Ashland said the timing of the initial approval put it on top of the housing crash, unfortunately, but there are currently more available units, so the need for units has decreased, if there ever was a need for this many units, so she strongly encouraged the Committee to vote against extending the PD.

There being no more speakers, Chair Wynne concluded the citizen comment.

David Reifman, of DLA Piper, representing the applicant, introduced Gregg Graines of DLA Piper and Tim Anderson, the developer.

Mr. Anderson, owner and CEO of Focus Development said he has been developing in Evanston for 17 years. He started by rebuilding a dormitory on Central Street and building condos. They have developed about 7 projects in Evanston since then, the value of which is approximately $320 million. He said he stands behind their track record of delivering quality projects to the City of Evanston. Recently they purchased a foreclosed hole in the ground at 1717 Ridge and worked with the condo owners, the community, the alderman and Council to develop a very fine project, which is the highest valued suburban apartment building in Chicagoland, ever. Since the 708
Church PD was approved, they have experienced the worst real estate crash since the great depression, which no one expected. Due to the downturn, they need additional time to finish a project that was already approved by City Council, which Council deemed to have public benefits, to be desirable, and in keeping with the PD ordinance and the variances that were granted. They would like to be given the time to bring the project to fruition. They understand that any adjustments that are made to the PD must be approved by City Council, but he is asking for the extension so they can complete the project and the City can reap the public benefits that were originally envisioned. He said much of the testimony that had been heard was about the merits of the project, not the extension and the merits and the public benefits were already vetted and approved by the City Council. He said he appreciates the eloquence of the comments about doing what is right and just and he is asking for the identical request: he is asking that they are treated in the same way other developers have been treated that have had their PDs extended, and some multiple times. They have developed projects that contribute considerably and are an asset to the community and they want to be given the chance to do that again.

Mr. Reifman said it is important to point out that:
- This is the first extension request for this particular project
- On several occasions, the City Council has granted many extensions, many had longer periods of time
- He is not aware of a single project that was denied an extension in similar circumstances
- As a result of extensions, numerous projects that otherwise would have lapsed, have now been successfully undertaken such as Central St. and Maple & Oak
- Some PDs have received several extensions before they were able to be revised and implemented

Regarding the issue of the number of votes required, Mr. Reifman said City staff has advised the Committee that a 2/3 vote is required for this extension, yet he is not aware of such a requirement ever having been imposed for an extension, nor is he aware of City staff ever having taken this position, in fact staff has never done so. Mr. Reifman said the postures of extensions as presented to the City Council and as required by ordinance, is nothing more than a typical approval and for the first time, staff has seen fit to specifically call out, in a staff memo, that reading of 3 unrelated provisions is justification to require a 2/3 vote. Mr. Reifman said this is an important issue that needs to be discussed, but he clarified that the only place in the ordinance where a 2/3 vote is required is for a site development allowance, not for an extension.

Chair Wynne said as a point of order, that she does not believe that the question of the 2/3 vote is relevant to the Planning & Development Committee’s decision and should be discussed at the Council level.

Mr. Reifman concluded by asking that the Committee recommends an extension, as every other PD has received from the City of Evanston.

Ald. Wilson said in the Ordinance, the developer is 700 Church LLC, which appears to be dissolved today and asked who the current developer is, to which Mr. Anderson
replied that 700 Church LLC is the existing developer. Ald. Wilson said they will need to get it renewed, in that case. At Ald. Wilson’s inquiry, Mr. Reifman said Focus Development will be the developer. At Ald. Wilson’s inquiry about a conveyance of a deed of the property from one trust to another on June 12, 2013, Mr. Reifman said Mr. Anderson believes the transfer to be between current owners. He said the same land trust, consisting of 11 beneficiaries, continues to own the property. Mr. Anderson said he is not one of the beneficiaries. He confirmed that there had been a minor change in the ownership in the last year, within the ownership, and that Focus Development does not have any interest in the property.

Chair Wynne asked whether Focus had, at a prior time, had an interest in the property, to which Mr. Anderson said they do not have a current contract to purchase the property but they have an understanding with the ownership to reinstate the contract and that it is in their best interest to extend the zoning.

Ald. Wilson clarified with Mr. Reifman that there is an ordinance authorizing the LLC as a contract purchaser to develop the property and the same ownership or a variation of that ownership still owns it. Mr. Reifman explained that the applicant was always the contract purchaser at the time of the proceedings and that they are proceeding with the application as a contingency to move forward with the purchase. The current extension request is with the knowledge of ownership to extend the PD to keep it in place as under their authority. At Ald. Wilson’s inquiry, Mr. Reifman clarified that the option to purchase has expired, but under the conditions that Mr. Anderson described, it would be reinstated if the matter is extended so Focus can continue with the project and Focus would ultimately purchase the project to develop it. Mr. Reifman noted that the situation is not typical; owners are not always the entities who are the applicants, but under the authority of the owner, they are.

Ald. Wilson said he and others present are frustrated with the fact that no visible progress has been made with the development of the property and the accounting professor probably said it best, that it is a business decision the City needs to make and there was a five year option and the Ordinance granted the LLC as the contract purchaser with the rights to develop it. Presumably, the LLC would have had the option to develop within the duration of the Ordinance. He said his concern is that nothing has happened and he has no assurance that something is going to happen.

Ald. Wilson, referring to Ald. Rainey’s point that this is just a straight extension for the same project, said he finds it hard to picture a scenario where 218 condo units are going to get built in this building. At his inquiry whether they intend to build a 218 condo building, Mr. Reifman replied that this is the way numerous extensions have come through Council: time is extended the developer is in the process of re-evaluating what the options are within the framework of the existing approval. If there are changes to that approval, if the project is buildable, the developer will consider taking the project forward. He said he thinks there is some desire to revisit market conditions to see if there are improvements or changes that could be made within the approved PD. If there were changes, as were done with Central St., 1717 Ridge and Oak & Emerson, they would come before the City Council with the changes. At this
point, the idea is to make this framework work for a development project of comparable magnitude.

Ald. Wilson said the operative aspect is that it is a PD and it is a component of a bigger overall plan. There are other people interested in developing other parcels in the downtown area and what happens here is relevant to what other developers decide to do or not do. For the past 5 years, people who are interested in developing in the downtown are operating under this uncertainty. He said he recognizes the market conditions, but this was part of a plan that is not coming to fruition and it appears to him that the plan needs to be revised, which he is fine with and it is appropriate, but a straight extension for something that is probably not going to happen, is not a plan and it ties up what others want to do for the downtown. Mr. Reifman replied that without a straight extension there is no opportunity to revisit the issue that he is raising and if he looks at the issue of Central St. as an example, a specific plan was brought forward, that project fell upon the same circumstances as this one, an extension was granted, and within that extension, a new project was developed. At 1881 Oak and 1890 Maple, extensions were granted and numerous times, the plans were changed from the original and a new ordinance was granted by City Council. He said all those had similar complaints and issues and they are just asking to be treated no differently, to see if there is the opportunity to develop this plan or something within the framework of the PD that the City Council, if it changes, would have the opportunity to review, just as was done in those other cases.

Chair Wynne said there are differences between those PDs and this one: very notably, this is the longest time period ever given at approval, and the others cited did not have a 5 year time period and the extensions granted were not 3 years. Mr. Reifman argued that several were granted for 3 years, but that it was an average of 2 years, and that some he personally negotiated had longer time frames because the 1 year time frame was not sufficient. Chair Wynne argued that they had longer but they did not have 5 years. Mr. Reifman said Mather had 7 years but they did not need to seek an extension. He said the point is that the people came in with their best guess of the time frames they would need to pull permits and move forward with their projects and in all those cases, an extension was granted. He said the only reason they are there is that there was an unforeseeable crisis in the real estate market and every single one of these projects suffered a similar fate, and all are on track as a result of the recovering market. Mr. Reifman said this project, and especially this developer, who was one of the people who took a project that was an extreme problem and made it a model of a multi family development, deserves the benefit of the doubt.

At Ald. Grover’s inquiry of who owns the property currently, Mr. Anderson said a land trust owns the property and that it includes a 29,000 square foot building where Radio Shack is located at 708 Church and does not include the Fountain Square building or the Hahn building and they do not have options on the other parcels and they were not included in the PD. Ald. Grover thanked Mr. Anderson for spending the time with her on the phone 2 weeks ago to work through the issues of what has happened or not, in the intervening 5 years. She said she agrees that the Committee should not be deliberating the merits of the PD that was approved and that questions about
traffic or design, wind tunnel, status, height and existing tenants, the residential unit supply, construction quality, height and loading berths are not relevant to the discussion at hand. The question is whether to extend the extension of time. She thanked the new residents of Evanston. She said Council has routinely granted extensions of time, multiple extensions and even retroactive extensions on PDs and they have not denied any, at least in her time on Council and the previous Council. But, she noted, the original time for all of those was not 5 years, which seems to be at the outer edge, as does the 3 year request, putting the entire length of time for the PD at the outer edges. She is calculating that it would be 3 more years to commence construction, plus the years pursuant to the PD ordinance to complete construction, so 5 ½ years before this project is completed and that is another long interval of time. Ald. Grover said she estimates that in the intervening years, not only have a couple of terms of the PD itself have grown stale, but some of the public benefit terms: the downtown landscape has changed, the market and circumstances in downtown have changed, we don’t have more vacancies in the downtown, we have fewer vacancies than 5 years ago and she believes the downtown is booming due to TIFs, etc. and good management to the downtown’s development. She said this is an extraordinary project and parcel and there will be some development there but it is also an extraordinary request for time and it requires an extraordinary rationale as to why 3 years are needed to make it come to life – really 5 ½ years - and she is most uncomfortable in pushing this PD beyond what was expected. She said it would help her to know what has transpired in the past 5 years that has made the project unworkable. The other projects that were granted extensions are all under construction, so there is financing available.

Ald. Fiske responded to Ald. Grover’s comments, that when the project came forward, everyone vacated the 708 Church building. All the office space was vacated, leases were not renewed and it stood vacant until it appeared that this project was not going to move forward and then the owners started leasing it again. She said she is uncomfortable with going forward with a project, as she hears it now, in which the developer currently does not have any legal interest in the property and is no longer the contract purchaser. Mr. Reifman confirmed that that is true, however, they have the acknowledgement of the owners to proceed if the extension is granted. Ald. Fiske asked whether the owners could say no, to which Mr. Anderson stated that they have a long term working relationship with this ownership who understands the parameters under which they are engaged and that the extension is necessary. She asked why the owners did not give them an extension on the purchase contract to which Mr. Anderson replied that when the market took a drastic turn for the worse, there was not a point in continuing to keep the contract open, however, they are the applicant for the zoning so at this point they suggested to the owner that it would be in their best interest to extend the zoning and establish the PD for any future development and they agreed. Ald. Fiske asked, whether they were consulted on the new leases when they were being written for the building, adding that she understands that Williams Shoes has a new 5 year lease. Mr. Anderson said they are aware of all the lease terminations. Ald. Fiske asked, if they are granted the extension, if they would go back to the owners and renew their agreement with them, Mr. Anderson replied that they would re-engage the contract purchase on the
property with the ownership and go through the planning process to re-establish the project so at that point they would deal with the length of the current leases.

Ald. Fiske thanked them and said she does not feel comfortable going forward with this without an understanding that the property continues to be for sale. She said her larger concerns are those expressed by the citizens. The building is out of date. Ald. Fiske said that since the new Council has come aboard, they have changed their economic development goals and strategies and most of them are new. She said this played a very large part in the discussion when most of them were running for aldermen and they were asked for their positions on the issue and they made that part of their campaign platforms. As a private citizen she said she saw a great deal of concern with the amount of unprecedented variances granted and she did not think it was a wise decision and she disagreed with Council’s decision in 2009. She said it would be wrong to go ahead at this point because the City’s design for this block should be consistent with current development plans and also it is a building that is a focal point for the future of downtown Evanston and they need to look at the loss of Class B office space, the loss of affordable retail, which means that the current retail that gives so much character to the downtown will be totally displaced. A new building, she would hope, would contain more Class B office space as well as some affordable retail, which could be a public benefit for a new building. She said a new building on the block, as most everyone has said, is bound to happen, but if everyone works together on a vision for that block with a developer, we will achieve something that everyone will be proud of, not just a building that is stuck on the end of the block that really doesn’t serve anyone very well except for the developer.

Ald. Tendam said his biggest concern and the differentiation he makes between this project and others is that it is downtown and others have been on the perimeter or in completely different business districts. The downtown core is susceptible to a project of this size and with the unknowns of the past 5 years, an extension of 3 more years could be very damaging, especially since the unknown direction has already hurt some development. He said he voted for the other PD extensions and he believes they were good decisions at the time but looking back, he does not see it so much as precedent but as trend that they need to re-examine as to whether it this one of the City’s best practices and he is not sure that it is. He said going forward he will be much more reluctant to vote for extensions when there isn’t really a sign of positive progress of any kind. He said they need to deny this request.

Ald. Grover moved to recommend 64-R-13 to City Council without a recommendation from Committee in order to have the discussion with full Council.

The Committee voted by majority 6-1 with Ald. Fiske opposed, to recommend 64-R-13 to City Council without recommendation.

IV. ITEMS FOR DISCUSSION
There were no items for discussion.

V. COMMUNICATIONS
There were no communications.

VI. ADJOURNMENT

Ald. Grover moved to adjourn, seconded by Ald. Rainey.

The meeting was adjourned at 8:50 p.m.

Respectfully submitted,
Bobbie Newman