Planning & Development Committee Meeting  
Minutes of April 27, 2015  
Immediately following Administrative & Public Works Meeting  
Council Chambers - Lorraine H. Morton Civic Center

MEMBERS PRESENT: J. Fiske, D. Holmes, A. Rainey, D. Wilson, M. Wynne

MEMBERS ABSENT: J. Grover, M. Tendam

STAFF PRESENT: W. Bobkiewicz, S. Flax, M. Masoncup, M. Muenzer, B. Newman, M. Poole

PRESIDING OFFICIAL: Ald. Holmes

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

II. APPROVAL OF REGULAR MEETING MINUTES OF APRIL 13, 2015
Ald. Rainey moved to approve the minutes of the April 13, 2015 meeting, seconded by Ald. Wilson.

The Committee voted unanimously 4-0 to approve the April 13, 2015 minutes. (Ald. Fiske had not yet arrived).

III. ITEMS FOR CONSIDERATION
(P1) Ordinance 21-O-15, Zoning Ordinance Text Amendment Regulating Personal Service Establishments
The Plan Commission and staff recommend adoption of the Zoning Ordinance 21-O-15 Text Amendment to create a land use definition for a Personal Service Establishment and establish a 500 foot minimum distance separation requirement between them.  
For Introduction

Chair Holmes called the public who wished to speak to the podium.

Dick Peach of 1414 Greenleaf and Head of the Government Affairs Committee for the Evanston Chamber of Commerce, said they are not in favor, overall, of the Ordinance. He asked why it is being proposed, stating that there was a lack of evidence of a problem. A survey of all of their members are in favor of letting the market take care of itself and not in favor of the Ordinance. They thank the City for the opportunity to give feedback on this issue. They wonder how the City plans to fill the vacancies if they are not allowed to fill them with these types of businesses, and what will the City tell the landlords that are trying to fill the spots. He added that getting a special use permit is not a piece of cake. Mr. Peach said they also object to “non-professional” describing barbers, hair stylists, manicurists and tattoo parlors, which he thought were not allowed in Evanston, who are all licensed by the State of Illinois. He runs a nail salon and may need to move across the street and asked whether he would need a special use to stay in the neighborhood. He concluded that the amendment needs to be discussed further.
Ald. Wilson said he was now wondering why this is being proposed since he has not seen any complaints.

Ald. Rainey said she did not propose this Ordinance, but she said, in her ward, in the past, where there are 3, 4 or 5 nail and hair salons on a block, the problem is a lack of activity, not too much activity, though she said she does not have a proliferation at the moment. Too many nail and hair salons do not generate traffic. She said she does not see a reason for them to be open all night, either, and they are often used for parties.

Mark Muenzer, Director of Community Development, said the definition has been revised from "non-professional" to "personal, non-medical" services. He said a map of the City is in the packet showing the clusters of these types of businesses.

Ald. Rainey noted that they are permitted uses if the businesses are 500’ from each other, and the amendment provides a little more oversight, regulating too many at a time. She added that there are many special uses, including Starbucks, as any Type 2 restaurant is a special use, adding that it is not a negative to be a special use.

Ald. Wynne clarified that tattoo parlors are not permitted in Evanston.

Wally Bobkiewicz, City Manager, said City Council had raised this issue two and a half or three years ago, at which time a draft ordinance was presented to Council and re-referred back to Planning staff, who brought it back to the Plan Commission. Since then, the specific problem has passed, issues have changed, and the economy has strengthened since it was referred back.

**Ald. Rainey recommended introduction.**

**Ald. Wilson moved to decline introduction, seconded by Ald. Fiske.**

The Committee voted unanimously 5-0 to decline introduction of Ordinance 21-O-15.

**(P2) Ordinance 60-O-15, Amending the Inclusionary Housing Ordinance**
The Housing and Homelessness Commission and City staff recommend City Council adoption of Ordinance 60-O-15 amending the Inclusionary Housing Ordinance to define all for-sale, rental and condo conversion developments of five or more units as covered developments, increase the percentage of affordable units in developments receiving public funding from 10% to 20%, and increase the fee-in-lieu of affordable units on site from $40,000 to $100,000 per unit. This ordinance was referred to a sub-committee by the Planning and Development Committee on July 28, 2014.

**For Introduction**

Chair Holmes called the public who wished to speak to the podium.

John Barner of 1615 Emerson, said he is in support of the Ordinance and asked that the community is notified if there are any changes to what has been proposed.
Leticia Barge of 1615 Emerson and born and raised in Evanston, said her parents emigrated into neighborhoods that were closed to African Americans, Jews and other ethnicities. She said she would like an understanding of what the proposed Ordinance and the word “inclusionary” means because to her it means including everyone. She had worked at the City, left Evanston, returned and is now retired and said she is still seeing the same issues with housing except at Emerson Square, which is still on the west side. She said what good is the Ordinance requiring set aside units if developers are willing to pay the fine instead of putting inclusionary housing in. She said she understands the need for high rises but feels we need to hold the developers accountable and revise the Ordinance so they cannot get off with a fine. She said she feels that the Emerson Square monies would have been better spent on the inclusionary program.

Brendan Saunders, Director of Advocacy and Organizing at Open Communities, 614 Lincoln St., Winnetka, serving north suburban Chicago including Evanston, explained that Open Communities educates, advocates and organizes for fair housing, addresses affordable housing and rental issues and provides fair housing advocacy services, foreclosure and mortgage counseling, homesharing, fair housing and practical advice to landlords and tenants. Mr. Saunders said Open Communities and many residents who support fair housing are in favor of the amendment. He said the most common calls he receives are inquiries for affordable housing, many from people who live or work in Evanston. He said his organization would like the Ordinance to be stronger and use the carrot and stick approach, adding incentive bonuses for developers such as the easing of parking restrictions or unit maximums, rather than just a fine. He said tools should be added to ensure there is an equitable spread of affordable housing for people with disabilities and that the transit-oriented developments are out of range for many in Evanston. He said there has been a drop in affordable housing from 2000 to 2104 and offered Open Communities’ assistance in drafting a revised Ordinance.

Rev. Debra Bullock, priest of St. Mark’s Church, 1509 Ridge, and a board member of Interfaith Action of Evanston, made up of 40 faith communities, acting and advocating in favor of our homeless and hungry neighbors. She is in favor of the Ordinance. She said in the opinion of her colleagues and business leaders of Evanston, Evanston stands to lose the much valued asset of racial and socio-economic diversity in Evanston because the proposed Ordinance does not do enough to preserve the diversity. She urged the Committee to take action.

Jane Wickenkamp, a senior citizen of 2629 Central, Evanston, said seniors are being priced out because when they need to sell their property, they can’t afford to buy or rent another property in Evanston. She said the luxury apartments are not affordable and seniors often move to Chicago or the near west suburbs for affordable housing. She urged the Committee to pass the proposed Ordinance and continue to fight for affordable housing.

Howard Handler of the North Shore Association of Realtors (NSBAR) said more than 500 realtors live in or have offices in Evanston but as it becomes more expensive, this number will decrease and hinder Evanston’s economic growth. He said the
Ordinance is too narrow, will have an adverse affect on the economy, and it seeks to penalize those providing the most affordable housing – multi-unit developers. He said the question must be asked why they should bear the burden. He said the affect will be that some will take their projects elsewhere, while those that stay will attempt to pass these added costs on to their residents. Every housing project means more jobs, business for restaurants, retail stores, moving companies, attorneys, CPA’s and more. He asked that housing costs should not increase and slow the growth of Evanston by passing this Ordinance and offered NSBAR’s assistance to work with the City to revise the Ordinance.

Dan Schermerhorn, Schermerhorn & Company Realtors in Evanston, asked that the Committee to consider the ongoing impact of this proposal which will reduce the number of units affected from 25 to 5 and to increase the fee from $40,000 to $100,000. This will discourage developers of 2.5 – 5 units from renovating or building. Smaller buildings, an excellent transition from single family transition to business areas, are attractive to commercial developers but would have difficulty bearing the cost. 2935 Central, a 10-unit residential and 3-unit commercial condominium, 2536 McDaniel, a 6-unit residential property and 2500 Greenbay, a 12-residential unit building all suffered greatly during the economic downturn and had to turn rental in order to finish their projects. They bear a larger per-unit cost for maintenance, so the purchase price might be affordable but the assessments could be out of sync, making it infeasible. This Ordinance will push developers to pass over smaller buildings and create a large gap in the types of development that are feasible in Evanston. The reality is that small developers cannot afford to sell even one unit at less than market rate. He said as a property manager for many years, he can confirm that the smaller the building, the more difficult it is to balance the cost of maintenance and improvement and maintain a competitive rent or assessment. When over 20-25 units, economies of scale improve. He concluded that this ordinance will encourage developers to pass over small buildings. Evanston’s charm is built on its variety of housing and this Ordinance will diminish that variety and deepen the gap between affordable housing and market rate housing.

Chair Holmes noted that Ald. Tendam is on the Housing and Homelessness Commission and he and Ald. Grover are not present and suggested holding this until the next meeting.

At Ald. Rainey’s inquiry, Mr. Muenzer said there are developments 2 in the pipeline that would be affected by the Ordinance: one is 110 units, the other, more than 200 units, both rental buildings. Ald. Rainey asked where the data stating that 3,000 affordable housing units were lost in the last few years. She noted that affordable units were added to Evanston’s housing stock in the last few years.

Ald. Wilson said he wants to hear about other communities’ incentives and does not like the idea that the developer is going to pay for it because the other tenants will end up paying for it, which is not fair.

Ald. Wynne would also like Ald. Wilson’s questions answered and commented that the adaptive use developments such as warehouses might be too small to bear the
financial burden. She too would like to see other incentives, as discussed by Council back in 2007.

Ald. Fiske said these are good reasons to keep the item in Committee for discussion and would also like a response to Ald. Rainey’s inquiry regarding the 3,000 lost affordable housing units.

Ald. Rainey concluded that the proposed Ordinance is too subjective and unrealistic and there needs to be an alternative because the entire burden is being placed on the people who are providing the affordable housing. She asked what the affect of these regulations is on financing for 50, 6 and 2-4 units. She said the rents will be too high for the balance of the tenants.

Ald. Wynne asked for a chart comparing other communities’ programs, especially Highland Park’s, and their effect on the communities. Mr. Muenzer suggested that staff could gather this information by the June meeting.

Chair Holmes said affordable senior housing is needed and should be included in the diversity spectrum. She said we want to keep as many as who want to stay in Evanston, as possible, as well as young people. She said she understands that the landlords are passing the cost on to tenants.

Ald. Rainey noted that Mayor Morton supported establishing an Evanston Housing Authority. She suggested levying a special tax on all the people of Evanston to contribute to affordable housing.

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

V. COMMUNICATIONS
There were no communications.

VI. ADJOURNMENT
Ald. Rainey moved to adjourn, seconded by Ald. Wynne.

The Committee voted unanimously 5-0 to adjourn.

The meeting was adjourned at 8:07 p.m.

Respectfully submitted,
Bobbie Newman