Planning & Development Committee  
Minutes of August 15, 2005  
Room 2200 – 6:30 p.m.  
Evanston Civic Center


Alderman Absent:  M. Wynne

Staff Present:  J. Wolinski, J. Carroll, A. Jackson, D. Marino, G. Morgan, D. Spicuzza, E. Szymanski, J. Brownlee

Presiding Official:  Alderman Bernstein

DECLARATION OF QUORUM

Chairman Bernstein called the meeting to order at 8:02 p.m. As Chair of the A&PW Committee, Ald. Rainey apologized on behalf of her Committee and staff for running over. However, she reminded that there is only one meeting in August and they had a very full agenda to address. Chairman Bernstein added that in view of recent occurrences with heavy agendas and delayed starting times; it appears that this new system may not be working as an advantage in saving time. In fact, it has actually increased time and work involved. He suggests that this system be re-reviewed to see if there is a better system that can be considered.

APPROVAL OF THE SPECIAL MEETING MINUTES OF JULY 18, 2005 AND THE REGULARLY SCHEDULED MEETING MINUTES OF JULY 25, 2005

Ald. Jean-Baptiste moved approval of both the July 18, 2005 special meeting and the July 25, 2005 meeting minutes. Ald. Moran seconded the motion and both sets of minutes were approved with a unanimous vote.

ITEMS FOR CONSIDERATION

Chairman Bernstein changed the order of the agenda.

(P5) Planned Development – 1567 Maple Avenue, Plan Commission Negative Recommendation

Chairman Bernstein acknowledged the developer’s request for a continuance because of the inability to be present this evening. He noted that the developer’s attorney, Mr. Murray, has been present since 6:30 p.m. this evening along with a couple that wanted to address this issue. In all fairness, he would like to grant the applicants request for continuance at this time. Ald. Tisdahl moved approval of the applicant’s request for continuance, seconded by Ald. Rainey. The vote was 8-0 in favor of the motion.
P&D Committee Mtg.
Minutes of August 15, 2005
Page 2

(P1) Housing Commission Recommendation for HOME Funds for ECDA’s 736-738 Dobson Project
Chairman Bernstein recalled that this matter was held at the last meeting due to questions that were raised by the Committee. He noted that some were answered in the correspondence received in Council’s packet but further discussion still remains. He turned to Ald. Rainey to begin dialogue.

Ald. Rainey stated that she is going to support this request. However, as they develop a policy on affordable housing, she believes that what they face is a potential for not-for-profit selling to another not-for-profit which has occurred here. She noted several not-for-profit organizations; the Mennonites, Reba Place Fellowship, EHC, ECDA; and how this pattern of exchanging and selling properties amongst them has the possibility of reoccurring. Ald. Rainey said in her opinion, that this incidence feels wrong in her mind. She noted that the effort here is to try and reduce the cost of providing affordable housing and using housing funds to support the purchase and rehabilitation of property between not-for-profit organizations does not seem appropriate somehow. She found staff’s assessment of the difference in the cost as to whether the Mennonites were to do this project or ECDA, with Reba’s support, totally wrong. She elaborated that you can not pay $750,000 for a property without increasing the cost for redevelopment. Therefore, if the Mennonites were to develop this property into affordable condominiums, that additional cost for purchase would not be necessary. Ald. Rainey brought attention to specific wording and statements in staff’s report that in her opinion is very exaggerated; she asked if this wording is in made by staff. Mr. Spicuzza responded that particular statements were from the developer and not from staff, but were included in the proposal. Ald. Rainey was relieved that staff did not make these statements because the wording was not impressive in her opinion and came across as blown out of proportion.

Ald. Rainey stated that she is also requesting a restriction on the length of time for construction period on converting these units into condominiums. She stressed that 3 years is unacceptable. She said her desire is to see this building be converted immediately and for 6-units, that length of time is too long. Ald. Rainey noted that she has always supported the development and conversion of properties in her Ward because it relieves uninhabitable slums and blight of buildings that were on their way to demolition. She said that many of these buildings were vacant to a great extent or beyond repair for the purpose of rental. This current property is an affordable rental property and has been for many years. She said what is probably going to happen here is that the 6 families that currently live in this building are going to be displaced and 6 new families will move into an affordable home ownership situation. Ald. Rainey stated that she does not find having to displace any family anything to be very proud of, especially when it comes down to another not-for-profit adding to their list of properties for conversions. To sum this all up, in her opinion, it is almost a catch-22 where they are displacing affordable rental to replace with affordable homeownership units; this is hurting the limited supply of affordable rental stock in Evanston. She believes that one answer to the affordable housing problem in this City is to try and keep a balance all around with affordable rental, affordable homeownership, mixed in with market value properties as well. Ald. Rainey stressed that it is coming to the point and time now where
the City is going to have to be very careful in who we support in terms of converting rental housing into affordable condo’s. She pointed out that if the not-for-profit organizations are starting to take away affordable rental housing, who provide a good portion here in the City, then inevitably the City needs to step in and assist families from affordable housing units to help avoid some of the displacement that occurs when these condo conversions are done.

Ald. Rainey concluded that supporting the use of HOME funds to finance the purchase of affordable rental-unit housing buildings and further assisting in the redevelopment to convert to affordable home ownership units, somehow seems to be defeating the purpose of overall assisting in keeping affordable housing for rental as well. She said it appears that she may stand alone on this matter without the support of her fellow Councilmen, but hopes that here comments and opinions will be taken into consideration.

Ald. Jean-Baptiste acknowledged that Ald. Rainey has made some very good points; in particular the matter of displacing the rental tenant from affordable rental housing. He feels the developer should give the current tenant the immediate first option to purchase if they meet the criteria. Ald. Rainey responded that she has no doubt that the developer will do this in as responsibly as possible, however the majority of those tenants are unable to meet the qualifications to purchase and many are already receiving rental assistance. Ald. Jean-Baptiste requested the opportunity to allow the applicant’s to respond to this matter of concern.

Ald. Rainey motioned that she would like to amend the agreement from 3-years for completion of the conversion project to no more than 18-months. Completion meaning that all 6-units be renovated and at least marketed by that time. No second was made to this motion.

Ald. Tisdahl stated to Ald. Rainey that the point she disagrees with her on at this time is where she feels that none of her fellow Councilmen support her position on this matter. She assured Ald. Rainey that she does share her concerns and that she too does not like to see the displacement of one group of people in order to replace with another group of people, even when that other group is very deserving in qualifying to purchase affordable housing. She also shares the concern for lowering the supply of affordable rental housing stock and she would like to see more provisions for assisting families living in these units in seeking affordable homeownership.

Chairman Bernstein acknowledged the applicants and representatives signed up to speak on behalf of this project and to give them an opportunity to respond to previous comments made by the Committee at this time.

Mr. Keith Banks, Executive Director of ECDA, noted that their organization is a faith-based organization and are committed to their goal of maintaining and preserving affordable housing in the City of Evanston. He said that they have worked very hard in trying to galvanize the faith-based community, as well as the community at large to make this project affordable, which they strongly believe they can do. Mr. Banks explained
that the Evanston Mennonites currently owns the property and it has always been on the
tax-roll. He assured that it will remain a tax-based property; they are asking for no tax
relief just because the property is faith-based owned. He informed the Committee that
the Mennonites have been loosing money by maintaining this property as affordable
rental because of the high taxes and other cost associates with rental maintenance. He
noted that the Mennonites have a mortgage existing on the property of less than $100,000
and they are unable to be profitable in their position with the ownership of this building.
He stressed the realization of their ability to maintain this property as affordable rental
housing even with assistance to rehab the units because it would take a huge subsidy in
order to make this property profitable. Mr. Banks continued that if a for-profit developer
purchased this property, they would rehab and convert the units into condominiums that
would sell at market value of well over $200,000. Therefore, under this point of view, he
feels it is a wonderful thing when you can have not-for-profit organizations come
together and work together to make it possible to purchase, rehab and convert buildings
into affordable housing for homeownership. He assured that current rental tenants
always have first offering and option to purchase and not-for-profits will extend
assistance to all their tenants in any way possible. He informed that there are 2 existing
tenants in the building that have expressed interest and he further reiterated that they will
assist those tenants in everyway to make homeownership for them possible. Mr. Banks
further informed the Committee that the units will sell for $90,000 - $165,000 for 3-
bedroom condominiums in Evanston. He stressed that this is a huge commitment to
affordable housing in this community. Furthermore, he noted that it is obvious from
these figures that none of the organizations involved are making a tremendous profit from
this project. Also, the Mennonites have worshiped in the basement of this building for 25
years and they now want to move on and expand their facilities to increase their
congregation and grow their Church services, which they deserve and are entitled to.
Mr. Banks said that it should be noted and commended on behalf of the Mennonites that they
were not just interested in selling the property to anyone who could have easily made a
for-profit killing. He concluded that he acknowledges Ald. Rainey’s concerns; however,
there is a benefit in dealing with not-for-profit between not-for-profit versus the ultimate
option of the for-profit involvement.

The Committee questioned the applicant’s position on Ald. Rainey’s motion to amend the
3-year completion time limit to 18 months. Mr. Banks responded that he does not see a
problem with agreeing to this, however he would like some type of leeway allowed for
time constraints due to unforeseen construction problems that may occur along the way.
He stressed their due diligence for construction of the rehabilitation to convert the 6-units
to condominiums as soon as possible. They realize the sooner completion will only work
in their favor.

Ald. Jean-Baptiste noted that he hears the applicant’s willingness to move forward but he
would like to make sure that they are not subjecting them to sanctions of the normal
construction process and unforeseen problems that can occur. He asked for the
professional opinion of the contractor for the applicant on the ability to complete this
project within an 18-month period. He further questioned at what point to base the 18-
month or any specified time of completion; should this time be based upon the time the
applicant obtains permits? Ald. Rainey explained her position that she was referring to the time that staff approves the permits up to the time occupancy permits are obtained and the units are available for purchase and ready to move into. Ms. Spicuzza informed the Committee that there is one consideration in the time frame and that is for relocation assistance for existing tenants which regulations require at least 90-days from notice of conversion construction or more time if they applicant adheres to the tenant living out their lease. Chairman Bernstein asked the termination of the longest lease currently in the building. Mr. David Janzen responded that he was unsure of the exact lease termination dates, however once a change-over in ownership is declared for condominium conversion, if a current tenant want to resist to the extent, they could legally make an extension out to 210 days. He also noted that in the current laws for condo conversions that require the unit to be vacant before any construction can proceed. He further noted that this could possibly take an additional 6 months with the addition of time for going through the permit process. Mr. Janzen did agree that with the total construction time needed, beyond the possible complications mentioned, that it is possible for completion within an 18-month period. He would only stress that those situations be taken into consideration and allowance for extension if needed. He informed the Committee that they make note of the agreement that ECDA and Reba Place have made with the Mennonite Church that they will be able to hold services in the basement of this building for up to 3 years or less if necessary, as explained in the packet material provided to Council. Ald. Rainey stated that is a business transaction and agreement between the seller and purchaser and she does not wish any such agreement be considered by the Committee on that issue. Ald. Holmes stated that she was concerned about this matter and questioned if the continuance of worship by the Mennonites in the basement will interfere with the selling of the condo units in the long run. Mr. Janzen and Mr. Banks assured that it would not. Mr. Janzen stated as the project manager, that after some thought from what has been discussed thus far, he would feel more comfortable with at least a 24 month or 2 year deadline.

Ald. Moran stated that in his opinion, he does not see why there is a problem with honoring the applicants request for 3 years for completion of this project. He feels the applicant is worthy of good faith assurance for this project and that they have no reason to not complete this as expeditiously as possible. However, there are other matters involved, including the Mennonites desire to have the option of worshiping in the basement for 3 years if needed. He strongly feels that all parties involved will move forward as soon as possible because the more length of time extended will only cause a loss for everyone. Ald. Rainey responded that she believes that almost any developer receiving $360,000 in HOME funds could produce for the City some affordable units and she stressed that this is a very generous amount of subsidy for a 6-unit project. Therefore she feels that this healthy contribution should be considered and she is confident that within at least 24 months the City should be able to expect completion of this project. She reminded that the longer a building sits in an open construction state, it could also add to the blight in an area. She does not feel her request for a time limit condition is unreasonable.
Ald. Rainey presented a second motion to amend the 36-months (3-years) to 24-months (2-years) for a time limit on completion of this project. Chairman Bernstein seconded the motion. He agrees that with a subsidy of $360,000 it is possible to produce this conversion within a 24-month period of time.

Ald. Jean-Baptiste thanked Mr. Banks for his presentation noting that it gave him a better sense of ECDA’s purpose and position. He acknowledged the proposition on ECDA’s goal of maintaining and preserving affordable housing and providing homeownership for the income qualified families to purchase these properties. He acknowledged Ald. Rainey’s position as well. He noted his realization of the Mennonites position on the distress of continuing affordable rental housing in this building and their desire to sell the property to another not-for-profit and the continuance of providing affordable homeownership. Ald. Jean-Baptiste feels that it is a good thing that the Mennonites are doing overall. However, he would suggest that opposed to mandating a 24-month that the applicant be allowed to come back for an extension if unforeseen circumstances require this. Ald. Rainey suggested that the Committee consider doing things differently and that they require applicants to come back after 12 months with a progress report. This way the Council will not be faced at the end of any time period to make a forced decision.

The vote was 5 in favor of the motion and 3 voting nay.

Ald. Rainey moved approval of the Housing Commission’s recommendation for HOME Funds in the amount of $360,000 to ECDA, seconded by Chairman Bernstein. The vote was 8-0 in favor of the motion.

(P4) Request for $50,000 in Mayor’s Special Housing Funds for Evanston Housing Coalition

Ald. Rainey moved approval, seconded by Ald. Holmes. Ald. Rainey recognized Mr. George Gauthier, Director of Evanston Housing Coalition, commending him on all his work that he has done in the past. She noted that he was the first in Evanston to convert a 24-unit building into 12 affordable condominium units that is in her ward. She also praised the quality of work that he has done even with the use of housing funds and still keeping affordable. She noted that that first building he converted on Clyde, over 80% of the original purchasers are still living there and the building looks even better than when it was finished and this is due to the good screening and choices of families that qualified for purchase of those units. Mr. Gauthier thanks Ald. Rainey for her words of support. The vote was 8-0 in favor of the motion.

(P2) Ordinance 71-O-05 – Plan Commission Recommendation: Special Multi-Family District, R4a (Text Amendment)

Chairman Bernstein noted that Ald. Newman made the original reference. Ald. Wollin asked staff for more background information from when this was originally referenced. She said that she understands from reading the transcript that this is not about social conditions but about density. Therefore, she questioned if the only way to know if density has increased is through building permits or are houses subdivided without the
City’s knowledge. Mr. Wolinski responded that the genesis of this new proposed district was from former Ald. Newman who was very concerned about the area directly off-campus from Northwestern University as far as a changing neighborhood. The district is zoned R4 but there were a number of single-family homes in the area that had been torn down and being converted to condominiums. He noted that it was Ald. Newman’s concern at that time that they were loosing the single-family characteristics and that in the near future there would be the possibility of having no single-family homes being replaced with multi-family instead. Many of Ald. Newman’s concerns were generated from some incidents that happened with some Northwestern students that lived in a once single-family home that was converted to multi-family use. Mr. Wolinski recognized several citizens in the audience that have testified in the past regarding several occurrences of this situation within their neighborhood. It is the neighbors concerns that there should be some type of an overview of these single-family homes being torn down and the land being converted to multi-family use. The conclusion Ald. Newman came to with this issue was that he wanted to propose a new zoning district which would not necessarily affect existing properties, but would affect requests for any increase in the number of dwelling units or new construction for more than single-family use. He wanted to see more than just an administrative review for these applications by requiring the need for a special use permit. Mr. Wolinski concluded that where they are with this proposal is that anything beyond a single-family new construction would be a special use in that R4a district and would have to come before the Planning & Development Committee and City Council for approval. He noted that Ald. Newman believed that this would be a way to control over-development within that neighborhood. Ald. Wollin assumed that most of this area was in the 1st Ward since Ald. Newman made the original reference, however, most of this area appears to be Ald. Holmes 5th Ward.

Ald. Jean-Baptiste said that it appears that this is being aimed at limiting the use of renting rooms to Northwestern University students. Mr. Wolinski agreed. He asked if there is already an ordinance that regulates this under rooming houses. Mr. Wolinski concurred that there is such a regulation and requires no more than 3 unrelated people within a dwelling unit. He noted that the difference here is that in an R4 district, the minimum lot area per dwelling unit is 1500 square feet. Therefore, if you have a 6000 square foot lot, technically you could take a large home and divide it up into 4 dwelling units as of right without any type of Council approval. With this proposal, the homeowner would have to go through the same process as a special use permit.

Ald. Holmes, noted as pointed out by Ald. Wollin, that most of this area is in the 5th Ward. She informed the Committee that she has received phone calls from some of the residents who have been a part of this proposal by Ald. Newman. She said that the residents informed her that they have held many meetings regarding this matter and the majority of their neighborhood are very supportive of this proposed ordinance because it will provide some controls in terms of development in that area. For this reason, she will be supporting this ordinance.

Ald. Jean-Baptiste asked if this ordinance is only being limited to this specific area. Ms. Jackson said that it is applicable and can be mapped anywhere throughout Evanston.
Ald. Wollin brought up the new construction building in the 800 block of Foster Street in her opinion looks very nice and has improved the appearance of that block. Her point being that not all construction that would fall under this necessarily has to be undesirable. It was clarified to Ald. Wollin that this is where the special use process would help to control development for the City and neighbors would be able to be included and informed.

Chairman Bernstein swore in those in attendance that wished to comment on this matter and explained the Clarin Rules.

Ms. Jane Evans, 813 Gaffield, made clear that she is not anti-development or anti-students. She said that neighbors and residents of that area are asking for help in controlling the conversion of existing single-family homes into rooming houses and controlling the rezoning of single-family lots into multi-family. She agreed with Ald. Wollin that the new building in the 800 block of Foster has been an enhancement to that street and if this same development came before Council they also would have approved it. However, she pointed out the new construction on Simpson that has been started, where once 2 single-family homes existed. She said that the building has been in a state of incompletion for approximately 4 years now. Ms. Evans recalled Ald. Rainey’s statements on blight of buildings left for long periods of time that are vacant and left in a state of disrepair. She also pointed out the parking issues that come with increasing the number of dwelling units on a property with the addition of vehicles that only multiplies with the accumulation of more properties increasing from single-family to multi-family within the same area. She said that they would like to see the single-family, 2-flats and even 3-flats remain as they are, however it is the properties that are being purchased and then subdivided into multiple units and being used to make a profit on, are the buildings that are a problem for the neighborhood. She stressed that these properties are not maintained at the same quality as the single-family or owner-occupied properties. She concluded that there needs to be a check and balance here to maintain the character of this neighborhood. Ald. Wollin informed that she has sent in aldermanic requests on the unfinished property on Simpson for the fence to be fixed and garbage pickup. When she questioned the status of this project, she was told be staff that enough work is going on for the developer to be complying with the code. Mr. Wolinski explained that the Building Code is fairly specific on this, noting that staff deals with often on projects that take a long period of time for completion. He said that the code states that as long as there is some type of movement on a project within a 6-month period, then the permit is still valid. He said quite frankly if there is no movement within a 6-month period the City can revoke the permit but realistically by revoking the permit doesn’t accomplish much unless they are not going to go in and condemn the structure. Ald. Wollin stressed the additional problems that come with lingering construction such as this building is with loitering, portable toilets left on the property for an extended period of time, debris build-up, etc.

Mr. Widmayer, Chair of the Plan Commission, had two issues that he wished to share with the Committee. First, he asked that they look at and consider two separate issues. He noted that over the last approximately 4 years the Plan Commission has had the same
question brought before them in different ways. He said the major concerns they heard from the neighbors is where single-family homes are being converted in a way where the owner makes changes that are not affected by the Building Code the same as they would be if they were to build a new building. Therefore, they don’t meet parking requirements, fire safety requirements or other necessary code requirements that they would have to comply with for new construction. He said there are other properties very specific neighborhoods where large single-family homes are being divided up for the sole purpose of rental, causing parking and density problems. Mr. Widmayer pointed out that all this ordinance will exhibit to do is to give Council the opportunity to review each of these projects as they occur and determine if they are acceptable. He said that this can apply any where within the City. The reason for the map amendment is only because that is the area that is being addressed at this time and they were requested to do.

Ald. Tisdahl asked Mr. Widmayer to convey her thanks to the Plan Commission because she feels this is a wonderful tool to have in place and an excellent solution for aiding in controlling over-development in specific areas.

Ald. Moran said that he is concerned with the rezoning of specified areas that causes a large geographic area which will then be subject under numerous conditions to applications for special uses. He believes there are certain uses and certain aspects of their Zoning Ordinance that makes sense in terms of describing special uses as opposed to a permitted use. However, to take a particular area and make special provisions where otherwise allowed as a permitted use in the R4 district, the property owner now has to come before Council to get permission for something that was allowed before. He has a real problem with this. Ald. Moran recalled several cases where something is a special use and someone decides they don’t like this. The question then becomes how long will it take the City to deal with an application for a special use permit and then the question becomes criteria, which seems unclear here. In his opinion, he feels the Building Code needs to be amended. Ald. Jean-Baptiste said this brings to mind a similarity to the tear down issue. Discussion followed with Ald. Moran disagreeing that it is not related. Ald. Rainey stated that every district has permitted uses and special uses; this area would be no different.

Ald. Holmes moved approval Ordinance 71-O-05 to create the Special Multi-Family District, R4a Text Amendment. Ald. Tisdahl seconded the motion and the vote was 7 in favor of the motion and 1 voting nay (Moran).

(P3) Ordinance 101-O-05 – Plan Commission Recommendation: Special Multi-Family District, R4a (Map Amendment)
Ald. Wollin referred to the area where Noyes Court is located and questioned the correct zoning district. Ms. Jackson responded that it appears to be R1 and assured that can be amended. Ms. Szymanski gave a legal opinion on the appropriate procedure.

Ald. Wollin moved approval of Ordinance 101-O-05 for introduction and refer back to Committee for further review. Ald. Jean-Baptiste seconded the motion and the vote was 7 in favor of the motion and 1 voting nay (Ald. Moran).
**ADJOURNMENT**

The meeting was adjourned at 9:15 p.m.

Respectfully submitted,

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Jacqueline E. Brownlee