

PLANNING & DEVELOPMENT COMMITTEE  
CITY OF EVANSTON  
2100 RIDGE AVENUE  
EVANSTON, ILLINOIS 60204

JANUARY 31, 2006  
7:30 P.M.

BOARD MEMBERS PRESENT:

MS. ANN RAINEY, Chairman; MS. CHERYL WOLLIN, Alderman; MR. LIONEL JEAN-BAPTISTE, Alderman; MS. DELORES A. HOLMES, Alderman; MR. EDMUND B. MORAN, Alderman; MS. ANJANA HANSEN, Alderman, MR. STEVEN BERNSTEIN, Alderman; MS. ELIZABETH TISDAHL

STAFF MEMBERS PRESENT:

MS. ELLEN SZYMANSKI - Assistant Corporation Counsel  
MR. JAMES WOLINSKI - Director of Community Development

RE: 05-O-06, PLANNED DEVELOPMENT  
MATHER LIFEWAYS, 1615 HINMAN/422 DAVIS

MADAM CHAIRMAN RAINEY: We're finally going to get started here so everyone can just turn off their cell phones and sort of get organized.

This meeting this evening is being televised because so many people who depend on our meetings being on a Monday couldn't be here tonight and asked that it be televised. So it will be broadcast live and probably at least ten more times rerun, so you won't miss it. This is the administration -- This is the planning and development committee. The first item on our agenda is the planned development Mather Lifeways, and if you remember last, at our last meeting we had a discussion regarding and a presentation regarding financial information presented by Mary Leery and had then comments by the opponents and others. And what the Council did was we asked our consultant to give us counsel on this information. And Marty Stern from U.S. Equities has been advising the council for years. We trust him. He's always done a great job and he's here tonight to give us some of his comments and observations. He usually has a lot more time to work with numbers than we've given him. We just hit had him with this last week. He had no idea it was coming, and so he's going to make his presentation. Marty? Would you like that come up. You'll have to be sworn.

(Witness sworn.)

MR. STERN: First I want to apologize for the extemporaneous nature of this presentation. Up to 6:00 o'clock tonight I was still playing with numbers, but I knew you had a deadline and I wanted to be able to get you the conclusions that I've reached. I was asked to evaluate the pro formas developed by Mather to see if the project was, in fact, scalable; could the project be cut down, could the project not use necessarily all of the zoning changes and could the requirements that were being asked of the council and would the project still work. I got the materials, like I said, about five or six days ago. I reviewed the materials given that were presented to this committee last week. I met with a group of neighbors who were opposed to the project as it's proposed to get their point of view and make sure that I understood their questions and their concerns and the alternatives they were suggesting. We had phone conferences with Mather so that I could ask questions about the pro formas that they presented. We had phone conferences with community, continuing care community consultants so that I could get a better sense of benchmarks and criteria, confirm the criteria that's being used to finance these projects; and, finally, I felt that the information that was provided originally last week was not adequate to really make a good decision, and I asked Mather to redo some information, provide me some other information which they did, and I think distributed to the committee by e-mail when I got it this morning.

First let me say --

ALDERMAN BERNSTEIN: Wait, wait.

MADAM CHAIRMAN RAINEY: Say that again.

MR. STERN: I believe there's a revised pro forma at a smaller scale that was sent to me and I thought was copied to the committee. If not, I can provide it to everyone, but I can walk through this.

MADAM CHAIRMAN RAINEY: Hold on a second. Do we know where that is? Did you get that, Jim?

MR. WOLINSKI: No.

MADAM CHAIRMAN RAINEY: Nobody did.

MR. REIFMAN: As soon as we distributed it to Mr. Stern, we provided a copy to Mr. Wolinski and sent a copy to Mr. Reynolds to make sure he had a copy as well. I think that was at 1:00 o'clock, and we called Mr. Reynolds so that he

knew it was delivered to him.

MR. WOLINSKI: Do you have extra copies with you tonight?

MR. REIFMAN: Do we have extra copies? And just, Mr. Stern can clarify, but what Mr. Stern asked us to do, if I'm mischaracterizing this, please tell me, was to run -- he looked at the numbers where we talked about a reduction and the impacts of a reduction of the number of units at the last meeting, and he asked us to carry those steps further. So it's effectively an extrapolation of the information already provided.

MADAM CHAIRMAN RAINEY: Okay. Marty, sorry about the interruption.

MR. STERN: First let me say that I believe that all the parties that I talked to are acting sincerely, honestly, and good faith and gave me very good cooperation. Having spent so much time with this data, and, like I said, some of it arrived today up until about an hour and a half ago are still working on it. I have to acknowledge that there are elements that certainly were incomplete, and I understand the pressures on Mather not to release information that gets people competitive advantage, and I certainly sympathize with people who have been opposed to the project for their frustration in having a difficult time reading all the information that they would like out of this. However, I think with the new data, I think there is enough information to draw a conclusion. As Mather originally presented the project, they made a -- they presented in a way which, in fact, I think, perhaps, caused some confusion in that they looked at the idea of what happens if they lost a unit or two units or five units, and the analysis seemed to show that the project was so thin and in danger of not even working if it was approved. It looked like there was barely a penny left out of this. And I think, if I say it in your presence, perhaps an unfortunate way to present it. Because to get a decision, you really have to reframe. The issue isn't can we lose one unit or five units. All those are so close. Let's change it to so small that they're always within the range of error of the assumptions of the mortgage types of assumptions that we use. To get to something that I think would have some impact on the neighborhood it would even begin to start to address the neighbors' concern. You are really looking at taking off an entire floor of the building, and that just addresses a height issue I didn't even get to address because it would take architectural work; what happens if the coverage was set back. But I did ask Mather to produce a pro forma, the same form that they did last time based on the

idea that a floor in the building would be cut off, and that's essentially 30 units. And I think from that you can see between these two cases of does this work with a floor of the building cut off. It really isn't an issue if you lose one or lose two. Can we lose a floor or can we not lose a floor. And as I look at it, I ran through the ratios that were presented by Mather last time. I spoke to the consultants and did some independent research to confirm that these are, in fact, the proper ratios and the proper metrics and the right levels for projects being approved and being able to be financed in these days. And when you look at the nine-story case, look at 30 unit less case, you start to see that, in fact, the project really is not going to be financially successful. Cash on hand, the parameter which you're looking, they were looking to try to get at least 250 days dropped to approximately 100 days. That service coverage ratio which we were looking to have 35 percent coverage or 1.35 percent coverage drops to about 1.24 percent. Cash to debt drops from about 35 percent to 21 percent, and this, again, just addresses the issue of the floor. It doesn't address the issue of the floor coverage.

Now, I tried to, as best I could, validate the assumptions that were used in both pro formas, and actually made some changes, tried to get a little less conservative just to see the effect. A few examples: There's a seven and a half percent assumption of a permanent debt; a fair conservative assumption, but I wanted to see what happens if that was knocked down to 7 percent if we could get a little bit more aggressive. It only adds about five bases points to the debt service coverage ratio, so that would make it from 1.24 to 1.29, still not adequate. It adds about eight days to the cash on hand from 101 and still not adequate. There were other small changes, perhaps ways that if I were preparing the pro forma I might have taken different assumptions. I tried to test as many of them as I could. But all of them made small and marginal changes. When you look at it in terms of 309 units versus 279 units, from the data I have it seems apparent 279 unit proposal really doesn't work, and we'd have a very difficult chance to be financed. And if you wanted to cut that back further by cutting back the floor coverage ratio, I think the results would get worse than that. So I tried to double check costs. I think the cost of the projects were perhaps a little bit on the high side. I didn't have the specs so I'm looking very generally. But as I started to make adjustments in the cost, it doesn't change. The basic conclusion ratios don't change that much if you take five dollars or ten dollars off a square foot on there. You're not coming to a different conclusion. So while I don't have perfect data and I think that we can always ask, you know, ask for more, you can always do more work, the conclusions that I've found I think are consistent even for a wider range of assumptions. The project

is, as proposed, is a workable project. It's not on the edge of failure. It can work. Could it lose a unit, sure could; could it lose five units? Probably. Could it lose 30 units? It can't, in my opinion, and I'm happy to answer questions. It's a quick summary of what we've got, but I'm happy to answer any questions.

MADAM CHAIRMAN RAINEY: Alderman Bernstein has a question.

ALDERMAN BERNSTEIN: Marty, what if it was the same number of units but smaller units accommodate a smaller footprint.

MR. STERN: I think it --

ALDERMAN BERNSTEIN: They're setting the prices themselves. You did some research with respect --

MR. STERN: They are setting the prices but ultimately the prices come down to price per square foot. It's not true that you can have a 2,000 square foot unit and charge \$500,000 and then give somebody 1500 square foot unit and still charge \$500,000. At the end of the day, the pricing for long-term care units have some relationship to what competitive condominiums can go for and services are paid extra. So I think that all the assumptions, again, scale down. The units get smaller, you can have that many units, but you're not going to get the kinds of money to finance the project that you can. It doesn't make that much of a difference. The per salable square foot won't change that much.

MADAM CHAIRMAN RAINEY: Alderman Wynne? Are you not finished?

ALDERMAN BERNSTEIN: In your calculation, this is an incredible location, and I think that, to me, adds value. And all the things being equal, have you given consideration to that in terms of, you know, you've -- I mean I don't know anything about the industry, but apparently hopefully research, you did gave you some insight into that.

MR. STERN: And it's reflected in the project that's being proposed. The quality project, I don't think you'd be able to get \$500,000 on average for an entry fee if this project weren't in this good of a location. So, yes, I think the whole project reflects the fact that it's high end, it's a good location, but just scaling down the number of units doesn't affect the project because you're just still got -- you've got a small number of square feet, you're not going to

get 500,000.7 everything sort of goes down in proportion.

MADAM CHAIRMAN RAINEY: Alderman Wynne?

ALDERMAN WYNNE: Well, Marty, I'm trying -- I'm sitting here listening to what you're saying, and I appreciate how fast and hard you've worked. I'm trying to formulate the question that's in my head. In all the time I've been on the council, there are many times in which we have had a development proposed, and when we come back and say remove a floor, take off this tier, legitimately the developer comes back and said really I can't do that, you know. There are all these reasons why that doesn't work. You just can't remove something or do something like that. However, there have been times where we've said we're not willing to vote yes on a project, and we have had projects come back that are redesigned. So my question is, I guess it's fundamentally, you know, yes, if you take off a floor on something there are other costs that are still there; and, you know, the right number hasn't been calculated to support everything. Is it -- Are you saying that -- I guess what I'm trying to ask is are you saying that for to build a facility like this you must have this -- these are all of the ingredients you must have to make it financially feasible or -- Do you understand the question I'm asking? I guess what I'm saying is I can understand where someone would say you can't take a floor off. It just doesn't work with what we're proposing to do; everything fits together like a jigsaw puzzle. My question is what if you started again designing the puzzle and so are you -- And, you know, I find it hard to believe that -- I guess I'm still skeptical that it's possible that it has to be this number and we're going to have to squeeze it on to these two sites. I don't disagree with you, I'm just trying to understand what you're saying.

MR. STERN: Let me see if I can add some light to that. First, that's one reason why I tried to look at this in terms of the type of mass that will make a difference. If you told me you could lose a unit, lose two, lose five, of course I wouldn't be here telling you there is no possible way to do that. To completely redesign and start from scratch, there are a couple of things that, of course, I didn't do and it isn't my business to do. You can start with a different market that you want to serve. You can say we're serving a high-end market or serving a lower-end market, and I don't know what the results would be, but I didn't look into the business planning. I'm assuming that Mather understands its business plan, understands the people it wants to serve, understands its market. I know the data and no ability to question them about that, and it's not sensory to what we're looking at.

In condominiums, housing projects, there's

much higher percentage, the highest fixed cost, there's land. After that you build less, you build less, you spend less, and so there's a little bit more ability to make adjustments in a condominium care communities.

ALDERMAN WYNNE: In this case they own the land.

MR. STERN: That's a point I want to get to in a second. But in this -- but in this case, congregate care communities, as far as I can see from my research, there is -- We're doing two things. We have a real estate project and we have a business, and there's a higher element of fixed cost, I think both in the construction element because you need common, 100 percent are common elements to serve the population you ordinarily have in a condominium. And then you have whole operating business and you have a higher element of labor and people who, you know, directors are payroll that you will have in a condominium which you just may have a door man and a janitor. They have 154 employees to be able to cut, to be able to cut rooms doesn't give them a proportionate cut in expenses, doesn't give them a proportionate cut in construction. So your point is correct often in residential projects, less applicable here because of the higher ratios of fixed costs both in construction and in operating the contract.

ALDERMAN WYNNE: Well, I'm not necessarily comparing it to condominium. I can see how very clearly that that's not going to -- they're not apples to apples in that respect in terms of that. But I'm trying to understand so you give a business student a project, you know, and say build a solvent CCRC. Are you saying that at some point they, you know, there is this point that you must reach in order to make it even a not-for-profit break even, you know. There is like a critical mass that's absolutely critical.

MR. STERN: If you start with the factor that you're in Evanston, urban situation, providing underground parking, provide a higher quality building. You start to add up the costs on both the construction side and on the operation side; a business student would come to a conclusion about the minimum number of units they need to serve that market and whether it's -- I can't tell you if it's 300 or 309, but I can tell you that 279, it starts to look pretty tight to me. And if you go -- if you go further and say, well, we want to move back to 70 percent coverage which is not much, or 60 percent coverage, you will lose more still because you're not amortizing the fixed cost to affect the variable cost. You're just not going to get there. You can't -- it's hard to get there.

MADAM CHAIRMAN RAINEY: Marty, could you speak up a little. I think some people are having a difficult time.

MR. STERN: I'm sorry. I have a bit of bronchitis.

MADAM CHAIRMAN RAINEY: Anything else, Alderman Wynne?

ALDERMAN WYNNE: Not right now.

MADAM CHAIRMAN RAINEY: I'd like to ask about the equity contribution on the new sheet and the new size property. Can you tell me what you know about that? It's increased by \$400,000 on the nine-story model.

ALDERMAN WYNNE: Alderman Rainey, can you tell us what you're looking at.

MADAM CHAIRMAN RAINEY: On the front page of the new sheet, the nine-story model. The equity contribution on the previous model was 8.6 million and it is now up to 9; is that right?

MR. STERN: That's right, but I'm not quite sure that that isn't just round-off error in the fact that they put this together --

MADAM CHAIRMAN RAINEY: Let me pursue that. What's keeping that number from being a 10 or an 11.

MR. STERN: The equity that people put in is usually the first hour or the last hour --

MADAM CHAIRMAN RAINEY: Wait, wait, wait. I didn't understand that to be the entrance fee proceeds.

MR. STERN: It's not the entrance fee.

MADAM CHAIRMAN RAINEY: This is Mather --

MR. STERN: In any development the equity that the developer has to put up is the difference between what it costs and what other people would give in to the project; whether --

ALDERMAN MORAN: I can't hear what you're saying.

MR. STERN: I'm sorry. I'll try. I apologize for that. Let me get a little closer to this.

The equity in any development project is the difference between what the developer needs to build it and what other people will give him to build it which generally debt in their typical project. But in this type of project it also includes the type of entrance fees that people have. So that's really what determines it. That type of that equity is put in early in the project to get the project going. I'm sure Mather has spent considerable amount of money in this, and usually for all developers as soon as you can replace it, if you can build a successful project, then people will lend you more money for it. You replace it and you bring it out. That's not usually not a model for regular developers, and it's a pretty typical model as I've talked to consultants for not-for-profits. They're taking all the risk up front with the money and when the project is successful enough to allow that money to come back out it does. And in both cases they're showing that that's the case.

MADAM CHAIRMAN RAINEY: But the equity could be increased to make this project work.

MR. STERN: The equity could be increased, but I don't believe that increasing the equity is going to make a cheaper project work. Ultimately that equity has to be repaid, ultimately that equity has to get a return. The return on the project, I haven't mentioned yet, but they had shown you that the return on cost was 4.1 percent of the initial year, at the initial stability. Going to the smaller project turns that down to 3.7 percent, and even using the lower interest rate assumptions, that that only has about 3 or 4 basis points to that. So that might make a few points.

MADAM CHAIRMAN RAINEY: Let me refresh my memory. A lot of the projects that we've looked at with financial information in performance, they're not bringing in 4.1 percent in the first year.

MR. STERN: It's not the first year. It's the first year of stabilization. And I will tell you for a for-profit project --

MADAM CHAIRMAN RAINEY: I'm sorry. Okay.

MR. STERN: This wouldn't be financed if they were a true for profit at those rates of return.

Now, this is a little different than nature of this business is that you start out with lower terms, you make more as you go on. 4.1 is not -- is an acceptable return, not an outrageous return for this project; an acceptable return. If you start to get below 4, 3.7 with all the other

problems that you have with ratios, that's not a good situation.

MADAM CHAIRMAN RAINEY: Any other questions? We're going to go to the applicant now.

MR. STERN: Can I make one more comment. I'm sorry. I forgot in my rush. One thing, you know, when I said I've taken certain assumptions and I tried to say what if we were more conservative about it, I think in all fairness I have to point out a conservative assumption or, in my mind, a nonconservative assumption that Mather has made. They put the project and the total cost instead of putting the project, the land in at market value which I think any developer, certainly a for-profit developer, would have done. They've put the land in at book value, put the land in -- if you can give me the numbers, at \$722,000 which is considerably on a magnitude less than the land is worse. So an argument could be made that true cost of the project is done, perhaps the way I would have done it, is even higher with the market end value and the returns are even lower. So not every assumption was taken to the extreme or in favor of Mather. I think that's a very significant assumption where they're, in fact, trying to be very conservative.

The other thing I'd mention is that I reviewed the fees, you've asked for information about the fees. And all the fees that I can see in the project are reasonable and normal and within the range that I would expect. So there's not, again, any -- There's not any hidden money coming in to supplement it, you know, the returns. They are what I would consider to be fair and within range.

MADAM CHAIRMAN RAINEY: No questions from the committee. All right. Alderman Tisdahl, did you --

ALDERMAN TISDAHL: Thank you, Alderman. If we did what I thought I heard Alderman Wynne saying, and if we told Mather to go back to the drawing board to put the jigsaw puzzle together differently, that would take a lot more time. Doesn't that add to the cost?

MR. STERN: There's no question, but I want to sort of parse your answer. If I thought that that --

ALDERMAN TISDAHL: You don't think it would work anyway.

MR. STERN: The building is going to be there are for a long time. If I thought that sending them back to the drawing board would get a different result, a two-week delay or

a three-week delay is nothing in comparison to how long that building is going to be there if it's not the right building. I'm not suggesting that because I don't think going back to the drawing board would end up with a significant building, different result or better project.

ALDERMAN TISDAHL: Thank you.

MADAM CHAIRMAN RAINEY: That's it. All right. Mr. Reifman? Would you like to ask?

MR. REIFMAN: We have no questions.

MADAM CHAIRMAN RAINEY: Mr. Reynolds, I saw you earlier. Mr. Reynolds, do you have any questions you'd like to come up and ask. Don't forget to introduce yourself. Were you sworn in last time? I don't think so. Were you?

MR. HAY: Several times before, not last time. My name is Donald Hay, and I live at 1635 Hinman Avenue.

(Witness sworn.)

MR. HAY: Mr. Stern, did you consider, look at the market structure, the market proposal of this site?

MR. STERN: No. As I started to say, the business plan that Mather has given the time I had and wasn't within the scope that I was asked to look at. I didn't do any work trying to determine whether Mather had a proper business plan. I was assuming, and I have to assume, that they know their business better than anybody, business plan that they know best.

MADAM CHAIRMAN RAINEY: Can you take this out and speak into it, because -- and also Mr. Hay.

ALDERMAN WYNNE: Marty, you can hold it.

MR. STERN: Did not review market data, and I did not review business plan data; and given the time that we had and given the information that I had, I had none that data.

MR. HAY: So we could assume then if there were a different market plan that that might better fit the zoning and the property?

MR. STERN: You can't assume that. I have no knowledge of that.

MR. HAY: You have no knowledge.

MR. STERN: Have no sense, I've not -- I can't say one way or another. I don't know, I have no reason to believe that it would, but I certainly can't tell you that it's impossible.

MR. HAY: So you, in other words, there may be a business plan out there that would fit that property and the zoning?

MADAM CHAIRMAN RAINEY: You know, I think we're getting down --

MR. STERN: Truly speculation because I --

MADAM CHAIRMAN RAINEY: -- a road that we can't get to. I know, but he said that he didn't do that kind of analysis. So you can just drill him all you want. He's still not going to answer the question because he doesn't have it.

MR. STERN: If you want to be fair, I don't know.

MADAM CHAIRMAN RAINEY: We can ask him to do that as a council.

MR. HAY: Did you develop any of your own cost information in terms of construction?

MR. STERN: Took a look at cost data as best I could get it in the aggregate and tried to reproduce the costs that were given for Mather. It was hard to review the cost. I didn't have detail on the cost; as I understand are really general type of costs, we look at this as costing about \$240 a foot in hard construction, 25 percent soft costs bring it all to about \$300 a foot. For 2,000 plus square foot units, we're looking at 600,000 plus; Mather is saying 640,000. When you add in different -- when you add in some things that might make the difference, even if Mather is a little high, which they -- I'm not saying that they aren't, changing those numbers wouldn't change the conclusion that -- they're not off enough by what I can see to change the conclusion that I made.

MR. HAY: Okay. So, again, my understanding is that the costs seem right to you and that the only question then is the marketing strategy, the market that they're trying to address. That's the key element here.

MR. STERN: Costs are within reasonable range, and I have no sense one way or another if a completely different project would have a different result. I just don't

know.

MR. HAY: Did you look at Mather buying other properties in order to keep smaller units?

MR. STERN: Did not.

MR. HAY: So there was no cost analysis of an alternative site?

MR. STERN: There was not; although in general Mather buying additional properties just adds to the overall cost. They have to pay additional cost for land and they don't get the type of construction benefits you get when you're building on one site. So intuitively I didn't look at it, but intuitively if this same project were spread over three sites rather than two sites, it's inconceivable to me that it would be less expensive.

MADAM CHAIRMAN RAINEY: I'm going to ask you not to pursue that because the project isn't. The project that was before the plan commission and recommended to the council was the Davis, the Georgian and the Hinman sites. That's what we're talking about here. So I don't think that some other location really has anything to do with this. So just try and stay on the finances for this project. That's what we're dealing with.

MR. HAY: The finances are, in part, Madam Chairman, are in part dependent upon the zoning variances that they get, they gain from this. And we, of course, are concerned about those zoning variances. And if we can get a scaled-down project on this property, then we wouldn't be having these discussions.

MADAM CHAIRMAN RAINEY: Let's talk about a scaled down project and these two lots. That's where we're at.

MR. HAY: What I understand is it's back to the marketing plan. That is really the only issue that need be considered at this point. Because you're saying to us that you're confident their cost and their financial structure --

MR. STERN: Are within reason.

MR. HAY: They're all reasonable?

MR. STERN: Yes.

MR. HAY: So it's simply, again, the marketing

strategy that has driven us to this very large development.

MR. STERN: This is necessary to cover this marketing strategy, but I can't tell you one way or another. I have no knowledge that there is any other marketing strategy that would give you have a different result. I just don't know.

MR. HAY: Okay. But this market strategy requires a very large lot -- a very large building, I should say, forget the lot. A very large building.

MR. STERN: The strategy covers several things: It covers the sides and number of units, it covers the quality of construction, it covers the types of services that they're going to offer, it covers the amount of payroll that they have. So everything is related to the market they want to serve; were they serving a different market, I couldn't tell you what those economics would look like.

MR. HAY: Finally, then, they're imposing this market structure on these properties. This community, these -- the zoning of these lots. They're forcing that market strategy on this site or these two sites.

MR. STERN: In fairness, the market, you start with a market strategy. If you build something that nobody wants, it doesn't matter where you build it or what. So before anybody builds anything you start with is somebody going to buy it from me and is somebody going to rent it from me. So the idea that somehow they're imposing this strategy that isn't the right strategy or the people don't want, that doesn't make any sense. I think the question I thought you were asking is is there a second market or a third market strategy. I have no quarrel with the market strategy. They're investing a lot of money, bankers and people are investing a lot of money. I have to trust that. I just can't tell you whether there's a second strategy that would be a different result; if they did affordable housing and maybe building half as cheap and subsidize. I don't know. I haven't studied it. I don't know.

MR. HAY: Thank you very much.

MADAM CHAIRMAN RAINEY: Mr. Reynolds, anything else from the opponents?

MR. REYNOLDS: I don't believe so. Thank you.

MADAM CHAIRMAN RAINEY: Mr. Reifman, anybody else? Is this on Mr. Stern's presentation?

MR. LINK: It absolutely is.

MADAM CHAIRMAN RAINEY: For those of you here tonight, this agenda, every single item is going to be dealt with. So I'm just suggesting that we be as concise and as brief as possible. Introduce yourself.

MR. LINK: My name is Ross Link at 2306 Orrington. I'm the CEO of Marketing Analytics on the 10th floor of the 500 Davis Street building.

Thank you, Council Members, for letting me speak, and thank you for doing the analysis. I appreciate it's hard to do that in such a short time. My question, I had to change things because I got some of these analyses at the last minute. I also got the nine-story analysis today.

MR. STERN: I saw it today --

MADAM CHAIRMAN RAINEY: Speak into your microphone, please.

MR. LINK: I apologize. Of course I just saw your interpretation of the analysis just minutes ago.

MADAM CHAIRMAN RAINEY: We're all on the same, operating under the same conditions.

MR. LINK: I'm sorry for not having my thinking completely together. Mr. Stern, what did you think about the time horizon that was done on the analysis of their projections?

ALDERMAN BERNSTEIN: I didn't hear the question.

MR. LINK: Mr. Stern, I was wondering what you thought about the time horizon of the analysis which went out to 2013?

MR. STERN: The time horizon, the time that they put for lease of structure I think is perfectly reasonable, if that's your question. If your question is should they have gone out to 2018 or 2022 --

MR. LINK: That is my question.

MR. STERN: They've done this through the first stabilized year. I would have liked to have seen more, but, again, I'm not sure that it would change, but normally what I would like to see ten years or more of analysis.

MR. LINK: Okay. I would think that the problem that I have with going out seven to eight years to 2013 is that's the whole start-up period of this project. That's the project in which the construction is being done, it's the part of the period in which the fill-up is being done. It doesn't fill up until 2012, so they don't reach their stable occupancy until 2012, then they cut off their analysis in 2013. They also, during the initial period is when the subsidies of the current residents is going to be at its peak because those subsidies -- they're only subsidizing to current residents, not to all new residents. And so that is going to go down over time. So they're only analyzing the hard part. After that is when the money comes in and when the whole thing pays off. I mean most projects are not -- they don't look good if you only look at them during the start-up period.

MR. STERN: I think your point is well taken. That's why we started most projects looking at the first stabilized year which I've done here, and 49.1 percent return is, as I've said, a fair but on the low side of a return. I would expect, if all they were going to get out of this is 4.1 percent, that this project wouldn't be done. So I recognize that as we go out further in time, returns of the project will go, will get -- will increase. But to be able to compare in a reasonable way, I think it's fair to look at the first stabilized years. As long as you look at a stabilized year and not during construction years. But, yes, do I expect it to get 4.1 percent throughout the life of the project? No. I would expect that there are lots of things including a rollover of tenants that will cause their returns to increase over time.

MR. LINK: I mean a lot, and the bank --

MR. STERN: But not in an unreasonable way. I mean look at it this way: They're borrowing at 7 percent, they're making 34.1 percent return on all. I mean somewhere along the line they have to get the returns done.

MR. LINK: I'm not saying it's unreasonable, but I'm saying that the analysis that says that a nine-story building would not be financially viable looking out over 2 -- to 2013 is not valid. I believe a nine-story building would be viable looking out twenty years as would an eight-story building.

MR. STERN: In my opinion it's not viable because lenders need to know up front. Lenders can't lend on the project hoping that in the 20th year there will be enough money to maybe pay them back. So they're looking for day one to make sure that their interest is covered and that they understand

that this is going to have increasing that they'll have to pay back. So --

MR. LINK: If I can just say that the period that I would probably look at would be a 20-year period which is the period that Miss Leery stated that the banks looked at cash flow over.

MR. STERN: They do. But, you know, it's somewhat a little bit like spot molding. If you can't hit the early targets you're not going to hit the later targets. So if you understand that the project will get better over time, that it needs to get better over time, but traditional way to do these types of analysis, had I had that data I would have looked at. I would have liked to have seen it. Again, I don't believe it would change the conclusion.

MR. LINK: Is it possible, though, if you looked at a 20-year analysis carefully of an eight-story building that it might be viable.

MR. STERN: I don't think so because I don't think that things the lenders look at up front will meet the criteria for lenders. I don't think it can be financed.

MR. LINK: I know you didn't have a lot of time to look at that. I did disagree with that.

I have a couple other things I had to say. The other thing that I think would be a real by-right analysis would rethink the whole design, not just take one floor off of this design. For example, if you didn't have all that garden space, you probably wouldn't need the height and the proximity to the neighbors. For example, if you take a -- you know, we're kind of all implicitly assuming that all of the rest of the design has to stay there. It doesn't. If you take 95 percent of the property and say hey, we're going to put gardens overall, that then I would think you might need to go to 20 or 30 floors.

MR. STERN: Did not get into the architecture of the project, so I didn't have enough information to sit down there and I'm not an architect to say how we could redesign it. You do bring up one point, and I have no idea if this is acceptable to the neighbors or not, but in the category of relatively small changes, it might be possible to get less coverage and more height. Is it possible that an 11 or 12-story building that doesn't take so much on the ground would work as well. That's maybe --

MR. LINK: That wasn't the one I was asking.

That wasn't my idea.

MR. STERN: I understand that. It may not be acceptable, but there may be some design changes that ways that could work.

MR. LINK: The thing I was thinking of is taking out the spaces that's being used for a garden. If you put that down, you do limit yourself a lot.

MADAM CHAIRMAN RAINEY: Mr. Link, Marty, would you like to take a five-minute recess? I'm very concerned.

MR. STERN: It's just my voice. I will not collapse, I promise, and I won't lose my sense of humor if you don't all, and if you don't all lose your patience.

MR. LINK: I think those are my two main points is that I think, with all due respect, is that I do think that you should have to look beyond the start-up period to when the proper property is making money. And I think the implicit assumption that you must have all the rest of Mather's design including the very large garden area really limits what you can get out of this. So I still do contend that we've -- Mather did present some financials. It took a while to get them, but they did present some financials. But you do still contend that Mather has not shown a single, not one single economic analysis --

MADAM CHAIRMAN RAINEY: This is where you're asking questions. I think the speech is a little late.

MR. LINK: Okay. Then my last question -- then I only have one more question. Thank you for clearing up that. I apologize. My last question was that is it true, did you do a different analysis, this is actually for Ms. Leery, I guess. Is it -- do you still stand by the analysis that you guys showed last time?

MADAM CHAIRMAN RAINEY: You're talking -- she's not --

MR. LINK: I can't ask her that?

MADAM CHAIRMAN RAINEY: Not right now, no.

MR. LINK: Do you believe the analysis that if Mather loses one unit they then start not being financeable by a bank?

MR. STERN: No. Because I started my whole presentation saying that I think that was the right question to be asked. I don't think that losing one unit or five units, you know, I think you can probably make the project work. That's why I think the project really has to be reframed in the way the question has to be reframed in a way that to get a tangible benefit for the neighborhood you're really talking a floor, and how does that work. And that's why I tried to draw a bigger division between cases, because one unit or five units, maybe they can -- I think they can, but it doesn't matter because it wouldn't help the neighbors.

MR. LINK: Okay.

MR. STERN: Won't meet any of your concerns.

MR. LINK: Thank you very much.

MADAM CHAIRMAN RAINEY: Thank you. All right. Any questions for Mr. Stern? Thank you, Marty. Please take a. Break stay with us, though.

MR. LINK: I'll be here.

ALDERMAN JEAN-BAPTISTE: Can I ask one question. Marty, you introduced the possibility of this project being workable at a higher, with more floors. What about the cost? What would that mean?

MR. STERN: Again, I didn't analyze it. My sense is that if you look at the lot, and, again, I'm not an architect and I didn't have a chance to get into all of this with Mather. There are certain things on the first two floors that are common areas, and I think Mather might tell you that you need to have that large a footprint to make it work. I can't say that I know that one way or the other. I think, though, that you can get more separation between the buildings. It's not a recommendation because I don't know that the neighbors would prefer this at all, but to the extent that it becomes desirable to get more separation for the buildings it may be possible do that by adding, having the buildings go taller. I say that in a way of saying that there's, I certainly wouldn't tell you there isn't anything that can't be done to the design. I'm just saying that I don't think there is anything that can be done to the design to meet the neighbors' objections and still make this feasible. So if for some reason the neighbors -- I would prefer to have more separation between the buildings, even if it went higher; that may be something that Mather would want to consider. But I don't know that that would satisfy the neighbors and I don't

know all the effects of doing that.

ALDERMAN JEAN-BAPTISTE: But you have no opinion in terms of what --

MR. STERN: My gut feel is that it wouldn't have a terribly, terrible effect on the overall cost of the project.

MADAM CHAIRMAN RAINEY: Thank you, Marty. Any -- if the Council or the committee has no more questions, Mr. Reifman, do you have a presentation to make?

MR. REIFMAN: Alderman Rainey, I have closing comments. And as the petitioner I would like to ask the Chair to allow me the last statement of the evening.

MADAM CHAIRMAN RAINEY: Yes. Okay. All right. Mr. Reynolds, did you have any presentation to make?

MR. REYNOLDS: Yes.

MADAM CHAIRMAN RAINEY: Okay.

MR. REYNOLDS: I believe I was sworn in last time. My name is David Reynolds. I live at 204 Davis Street. Before I begin, I want to make it very clear that we, Mather neighbors, are not opposed to reasonable development on these lots nor are we opposed to a CCRC improving their lots, nor are we opposed to our neighbors at the Georgian, Mather Gardens in their request to make housing. We're not opposed to Mather Lifeways. What we are opposed to is the size of the proposed development. The issue, as we see it, is one of scale.

To resolving this issue, the Council needs to answer two questions: First, could Mather scale back its proposal and still have a successful project; and, second, should Mather be allowed to build to these dimensions on these lots under any circumstances. There are at least five ways to analyze the issue and answer the two questions. I would like to discuss each of them with you now.

Analysis from a zoning perspective. Looking at this from a purely zoning perspective, what does the current Zoning Ordinance allow and require. The current zoning is R6 allowing eight stories and 50 percent lot coverage for a planned development at an R6. The ordinance provides development allowances in exchange for public benefits which allow buildings of nine stories and 60 percent lot coverage.

MADAM CHAIRMAN RAINEY: Excuse me.

MR. REYNOLDS: I realize that 60 percent is a

contested number.

MADAM CHAIRMAN RAINEY: Excuse me, Mr. Reynolds. I'm being advised that to ask you, are you going to begin tying this into the financials? Because this is -- this kind of issue was dealt with at our last meeting. We are on the financials now. This entire evening is on the financials.

MR. REYNOLDS: Okay. Let me --

MADAM CHAIRMAN RAINEY: And how scaling down or increasing, whatever, is impacted by the financials.

MR. REYNOLDS: Okay.

MR. HAY: May I ask you a question? We had time at the end of our last presentation. Can we not use that time?

MADAM CHAIRMAN RAINEY: Well, I didn't allot time tonight. You know, I know it looks like we are bad guys up here, but we are under certain restrictions because of this court case. I would just -- my pleasure would be to have a free for all, you know, everyone saying whatever they felt, and, you know; so, Mr. Reynolds, I'm going to ask you to just sit down. Mr. Reynolds has been at this for a long time. I think he can -- you can tie this altogether.

MR. REYNOLDS: You're asking me to sit down?

MADAM CHAIRMAN RAINEY: No. I'm going to ask you -- I asked him to sit down so that you can tie this altogether.

MR. REYNOLDS: I do have some financial comments in our opinion.

MADAM CHAIRMAN RAINEY: Are you objecting?

MR. REIFMAN: Not at all, not at all.

MADAM CHAIRMAN RAINEY: We don't object either, but we're always fearful that somebody is going to say look at this transcript, what you allowed. So if you want to opt for letting it, I would love that.

MR. REIFMAN: Here is what I would recommend. I believe that Mr. Reynolds and I may be working under the same premise which may be different than the premise you're advising us. I would be happy to let Mr. Reynolds make whatever he wants for some period of time. I have no further statements about the financials either. So I would like a short period of

time to summarize what I think are issues that have come before you. If that's acceptable to the committee, I'm --

MADAM CHAIRMAN RAINEY: Does anybody have a problem with that?

ALDERMAN WOLLIN: I think you should time them.

MR. REIFMAN: My comments are about the relief and the other issues, not about the financials. I think you've heard all you want to hear about it.

MADAM CHAIRMAN RAINEY: Miss Szymanski.

ALDERMAN WYNNE: If Mr. Reynolds can't discuss financials, then I think what Mr. Reifman is planning to say can't be said. I think that the matter of this whole case is the financial issue. So I think anyone who speaks on, testifies on the topic is relevant.

MR. REIFMAN: I don't think anyone is saying about not speaking about financials. The question is can you talk about things other than financials.

MADAM CHAIRMAN RAINEY: Can we just all calm down for a minute. And, Ellen, would you --

MS. SZYMANSKI: For the record, I'm Ellen Szymanski, assistant corporation counsel. I was not present at the last meeting, but my understanding was that it was determined then that this meeting would be devoted to the financials. Under the strict Clarin rulings, Mr. Reynolds and the objectors' presentation would be limited to rebuttal information, would be limited to addressing the information and data put into the record by the applicant as well as Mr. Stern; however, first Mr. Reifman is willing to allow that to be expanded somewhat without his objection.

MR. REYNOLDS: I'm willing to go back in the other direction and just talk about financial information.

MR. REIFMAN: I don't mind. I have no further comments about financials. Possibly I have the real estate taxes, but that would be the only thing. It's really up to you. If you have enough information to move forward, I'm happy to stop.

MADAM CHAIRMAN RAINEY: Alderman Jean-Baptiste, briefly do you want to make a comment?

ALDERMAN JEAN-BAPTISTE: I thought that last meeting we had was a meeting where we were getting closing remarks really from the applicant and the opponent. And in the midst that we had requested that the financial information be provided to us, and that was done by the applicant and we asked for further clarification by our consultant, but that was still in the context of the closing remarks which, to me, should be able to cover the entire spectrum.

MADAM CHAIRMAN RAINEY: Alderman Bernstein, do you have anything to add?

ALDERMAN BERNSTEIN: I think that Clarin obviously is a case that deals with due process. If the applicant is willing to waive his right to -- with respect to only a limited -- let's see what we have here.

MR. REIFMAN: I'm not waiving rights. All I'm suggesting is that you -- What I understand and just clarify and we'll move on with procedure stuff. I don't like it either. There's a period of rebuttal, cross-examination about financials. If that issue is closed and everyone agrees there is no more testimony, no more cross-examination, Mr. Reynolds wants to make a closing comment that doesn't involve new evidence, my comments involve no new evidence. I have no objection to his making that statement. I assume he has no objection to my making the statement.

MADAM CHAIRMAN RAINEY: Alderman Wynne?

ALDERMAN WYNNE: I'm sorry, but I think that this is a clarifying question and I'm probably going to -- we just received this information this evening. I'm asking the corporation counsel if this is closing for them, does that mean if we have further questions --

MADAM CHAIRMAN RAINEY: We have all night to ask questions. You're free ask questions.

MS. SZYMANSKI: The aldermen have the right --

ALDERMAN WYNNE: I might need more than tonight.

MADAM CHAIRMAN RAINEY: You might need that, but we'll see.

ALDERMAN WYNNE: Cheryl, you may have gotten the information --

ALDERMAN WOLLIN: I did not get this information.

MADAM CHAIRMAN RAINEY: We all got it this information at the same time. I just want to make it clear to any alderman who thinks anybody was privy to this prior to anybody else, you're wrong. We all got this at the same time, Alderman Wynne, all the same time, all the same time.

So, Mr. Reynolds, proceed as you had planned, however you want to do it, and then we'll have Mr. Reifman and then the Council will begin asking questions.

MR. REYNOLDS: Thank you very much. In order to make a determination as to the viability of the 309 units or 260 units or 210 units, we believe financial information would have to be brought forth, financial information of the following type: A line item development budget with predevelopment and development period cash flows allowing sufficient explanation and support for budget estimates; a clear and complete accounting of projected revenues for the same periods described above, and a clear and complete accounting of the land value imputed or capitalized in the development budget.

Given the number and scope of questions generated by the financial information, Mather did provide, it is quite apparent that no one but Mather has a clear picture of the financial structure of this development. What is clear is that revenues have been substantially understated and Mather is claiming property yield so marginal that if total units are reduced by one or vacancies exceed 6 percent, either would cause economic infeasibility.

Number two, impacts on aesthetics of the neighborhood. The second way to analyze the issue is the impact of the project on the aesthetics of our neighborhood. While they will be attractive buildings, they're out of scale with their neighbors with their multi-family neighbors on Hinman and their single-family neighbors to the east. The proposed buildings are significantly larger than anything else on Hinman Avenue or Davis Street and offer no massing relief on those streets. Although slightly articulated, the building facades along Davis and Hinman are basically sheer ten-story walls offering no relief to the streets. From the renderings that we and Mather have shown you, I think it is readily apparent that proposed buildings do not comply with the scale of Hinman Avenue, the neighborhood, or the zoning ordinance. The proposed buildings will create a canyon on Davis Street; ten-story buildings across a 31-foot street from one another in a residential neighborhood, even the most resident in the most dense residential neighborhood, R6, are not appropriate. The buildings will significantly decrease existing open space and exceed the maximum lot coverage permitted through planned development allowances. It will set a precedent for size.

Though many seem to feel that no building sets a precedent for other buildings, one has only look across the street to 500 Davis, the ten-story office building, to which Mather has continually referred in justifying their desire to build ten stories. Mather's proposed buildings most closely comport to the zoning criteria for D4, a very different district with a very different purpose from R6. And you must remember this is the only neighborhood in Evanston where R6 abuts R1. So we ask you to ask yourselves, would you want these buildings on your street in your back yard? Are they appropriate next to a single-family home district?

The third way to analyze the issue is to consider how it will affect zoning elsewhere in Evanston. Driving around Evanston, especially on Chicago Avenue and Central Street, we see many examples of excessive development. That is why residents in those neighborhoods have fought to limit development and why we support their efforts, but their efforts will be for naught if developers are allowed to ignore the limits of the Zoning Ordinance through a planned development. That is what is happening with Mather's planned development application and why every Evanston resident should be concerned. We cannot just say it is their land and they should be allowed to do what they want; that is why we have a Zoning Ordinance and a comprehensive general plan. Developers, even nonprofit developers, should be made to live within the requirements of the Zoning Ordinance and forget all of Evanston. We do not want to rewrite Mather's business plan, but the business plan should not drive the bulk of buildings to be constructed in a residential neighborhood.

The fourth way to analyze the issue is to look at the public benefit. We readily admit that senior housing is a public benefit and all of these seniors from Mather who are here tonight and those who could not make it deserve better housing. But that is not the question. The question is the scale of the project and on that question we have some comments.

First we note that every single resident of the Georgian and Mather Gardens would have a unit if the bulk of the buildings was reduced. The buildings would still have more housing units than they have today, and Mather would have an average number of units for a continuing care retirement community based upon Nationwide statistics.

Second, we'd note that your inquiry of the public benefit should not be so narrow as to focus only on the needs of Mather. You should also consider what this project would mean to other retirement communities in Evanston. What will it do to their occupancies? What it will do to the rates others can charge if Mather is taking the most profitable portion of the senior housing market; what will it do to the availability of affordable senior housing in Evanston. It is

our understanding that Three Crowns Park has not sold the requisite number of units to begin construction; the demand of this type of housing may not be as great as many anticipate.

Finally, we note that Mather is assuming there is a large market for luxury senior housing, but how many people will be able to afford the monthly service fees charges by Mather after they've paid an average daily -- or an average entry fee of \$500,000. If that market does not exist, there is nothing preventing Mather from converting the units to condominiums while there is a public benefit and a provision of senior housing, there is little or no public benefit in high-end senior housing.

The fifth and final way to analyze the project is by what the economic impact will be on Evanston. Evanston will financially benefit from the project through real estate taxes and employment taxes. It is hard to judge the economic impact because we don't know how Mather would redesign the buildings if required to downsize them. Mather may redesign the buildings with the same number of units but with smaller units, but no matter what they do, the financial impact would be minimal probably measured in the tens of thousands of dollars. So no matter how you analyze it, there is, in our mind, no justification for allowing Mather to build their requested height and lot coverage. As I said at the beginning of this presentation, we are in favor of Mather improving the senior housing it offers. In that spirit, the neighbors are willing to compromise on their desire that Mather be limited to building within the by-right limits of the ordinance. Mather, on the other hand, has been unwilling to negotiate on its insistence that height, density, and mass -- on its insistence of height, density and mass for the proposed project. Their latest argument this afternoon that even one story less makes the project economically unfeasible simply proves the point that the complex is not appropriate for our neighborhood as a nonprofit with robust resources, the arguments they pose are even weaker in perspective. They claim to offer a service to seniors, but like all corporations are primarily concerned with the bottom line. This has been a long road for the neighborhood. We believe that R6 by-right development is appropriate for these lots. At the last planned development committee meeting we offered a compromise 11 of the 17 requested exceptions unchallenged, asking for modifications to the remaining six. Mather met our offer by indicating that they cannot reduce the size of the project. Mather has been unwilling to provide sufficient economic information to prove that point. There are urban CCRCs in this country that are smaller than this proposal. In fact, there is one in San Mateo, California, which is in probably a wealthier area than this at 207 units. It's been operating for almost 20 years and is apparently very successful. The proposed buildings are not

appropriate in scale for our neighborhood, and somebody sent a thorough economic analysis of the project, we find it difficult to imagine how it could be supported. So now the decision will be up to you. We hope you see that the proposed compromise strikes the appropriate balance between the needs of Mather, the needs of its neighbors, and the needs of the city of Evanston. We urge you to remain true to the limits for height and open space established in the zoning ordinance. The limits were put into law for a reason, and Mather should not be allowed to ignore them. Thank you very much.

MADAM CHAIRMAN RAINEY: Thank you very much.

MR. LINK: Very briefly.

MADAM CHAIRMAN RAINEY: I'll give you five minutes, not a nickel more.

MR. LINK: I don't even need five minutes. Thank you very much. As you know, the city of Evanston Zoning Ordinance states that each variance for a planned development like Mather's is only allowed if it is essential to achieve a public benefit. Each requested variance must be essential to achieving a public benefit. You can't prove one variance is essential and then say take another 16 along with it. Thus, Mather must prove by law and the City Council must by law compel Mather to prove that the massive scale and height of the proposed buildings is essential. Mather has testified that the scale of the buildings is essential and the sole reason they have given is the project would not be financially viable if it was built by right. It's their sole reason. Mather has still not shown City Council a single economic analysis of a by-right development. Not one. They've shown an analysis of 309 units proposed, they've shown one with 2 percent less; 303 to 308 units is what they showed last time, and then today we showed, we just got this afternoon one with 10 percent less units for 279 units approximately. By right is 172, 44 percent less, so they have not shown one analysis of what they are required by law to show you guys. So I think since their sole reason for this being essential is by right is not viable, they must show a by-right financial analysis and they have not. The reason why they have not is because there are many, many ways to make money with an eight-story building in that prime piece of real estate two or three blocks from a beach on a lake, walking distance from the city. It's prime real estate. You can make money on an eight-story building there. That's why we haven't seen such an analysis. And I would like, please, for this City Council to consider the other neighbors, both corporate and residential, and what happens to them if this would be granted. Thank you.

MADAM CHAIRMAN RAINEY: Thank you. Mr. Reifman, closing statements?

MR. REIFMAN: Thank you again for this opportunity to make a few final comments. I don't intend to reiterate all the points I made the first time. I think you know those points. But there are a few issues that have been brought up that I do need to address again just to be sure that these concepts are understood. I do have Power Point slides to make sure that I can illustrate my points, but I can't see what I'm reading so this is a little bit difficult. I think we'll be able to see it. It doesn't have to be dark.

I'm not going to reiterate the issues regarding the financials specifically, but I think that the testimony this evening has demonstrated that Mather has been transparent about its needs and its reasons and its rationales and those meanings. In zoning hearings often you see someone who comes in with 30 or 40 more units as Mather could have done that it needs in order to be able to scale down or do the types of things that people feel they need to do optimally in a process like this. Mather came to the City and said, this is what we need, it's part of credibility, and it's, again, I think the transparency is there. The evidence will speak for itself. I don't agree with numerous conclusions offered this evening by the objectors, but I don't feel the need belabor that point.

What I would like to speak about first is the sole so-called variations, and much has been made of the number of variations that are required for this project. And I feel it is important to, once again, clarify this matter in the context of the requested relief. Mather is seeking site development allowances in connection with the project, not variations. And this distinction is important. As set forth in the zoning ordinance, one of the primary purposes of a planned development is to encourage innovation and planning and building of all types of development. And through the granting of one or more site development allowances, the Zoning Ordinance permits relief from the provisions of the underlying district for, among other things, to achieve particular design objectives and make provision for open space. In determining whether to grant the site development allowances, it is necessary to weigh both the impact of such relief and the public benefits that are to be derived from the project. During our January 9 presentation and throughout this process, Mather has presented the requested relief based on both the technical requirements of the zoning lot, of the Zoning Ordinance for each of the individual zoning lots, but also from the practical standpoint of taking into account the context of the surrounding area. The issue before this committee is not blended zoning, but rather how the development accounts for or

mitigates the impacts of the relief it seeks. One key concept here is the tradeoff of incremental additional development on one portion of the site, the R6 portions, while relinquishing effectively all development rights on another portion of the site, the R1 portion. This concept is essential to a true understanding of the project and its benefits. For example, concluding only the north building has 73 percent lot coverage and zero foot rear yard does not fairly represent the characteristics of the north building. When you consider the adjacent R1 lot which has zero percent lot coverage and no above-grade improvements, the lot coverage taken over the entire north site is 43 percent, and the rear yard is approximately 200 feet. The practical approach as we have called it is only a vehicle to understand the realities of what is occurring on the site and the actual impact of the relief. In addition, the character of the area is important to a true understanding of the project. Mather is not asking for 73 percent lot coverage in a vacuum, but is part of a block containing buildings with 72 percent lot coverage, 74 percent lot coverage, and two buildings with 82 percent lot coverage; none of those buildings have any related open space. To simply state that project is asking for a number of variations does a disservice to understanding the project's impacts, the thoughtfulness of its design, its urban planning excellence, and its public benefits.

From both the technical and practical analysis of the requested relief, the proposed project is consistent with the surrounding area, respectful of the planning principles that underline the zoning standards, and no testimony has established any discernible adverse impact of the relief on surrounding areas. With that being said, I want to once again review this relief to make sure that these concepts are clear.

First, the front yard setbacks. Relief is needed to provide front yards which are consistent with and compliment the existing buildings on Hinman for lining up with the other buildings on Hinman. With respect to the south building, the sole design purpose for the relief is to provide bow windows along Hinman Avenue which will break up and articulate the Hinman Avenue facade, visually engage the street space and enhance the pedestrian experience. There is no impact in granting this relief. The rear yard setback from a practical standpoint, although a zero to one foot rear yard is requested, when the adjoining 200 feet of landscaped gardens is considered, the requested relief is reasonable and from a functional standpoint accomplishes significantly more than what the R6 rear yard is intended to do. The basic purpose of a 25 foot rear yard is to provide sufficient separation between the buildings at the rear of properties. Assuming you have two buildings that each have a 25 foot rear yard, and that are

additionally separated by a 16 foot alley, the total distance between the buildings would be 66 feet. The proposed buildings here are almost 120 feet or double that amount to the closest house and over 300 feet or five times that distance to the majority of the houses on Judson. There is no impact at granting that relief.

The porte-cocheres, the coverings over the sidewalk. Relief is needed, that's a variance here, development allowance is needed to create a safe configuration for the sidewalk and traffic and to allow covered access and entrance for the seniors. There's no impact to that relief. Lot coverage, I just began talking about that. I'll try not to be repetitive, but I'm sure I will be. The technical relief for lot coverage for north and south lots is about 73 percent and is consistent with the lot coverage of other buildings along Hinman Avenue including The Homestead which has 72 percent lot coverage and The Waterford which has 74 percent lot coverage. When you include the open space located adjacent to each building, the effective lot coverage of the development parcels is 43 percent for the north building and 36 percent for the south building, the lowest in the Hinman Avenue context. When you compare what is proposed to the existing conditions elsewhere along Hinman where single-family lots abut R6, this is a significant improvement from a land use and transition perspective. This is exactly the type of innovation and flexibility that planned developments are designed to encourage.

Impervious: The same argument for lot coverage holds true for impervious surface. There is no impact at granting that relief.

The number of dwelling units: Measured over the R6 lots only, the proposed density is consistent with the norm on Hinman, and if you include the area of the Gardens, it is below the normal. In addition, the density is less than what has existed on this site in the past. The 143 dwelling units proposed for north building is below the maximum site development allowance of 145 dwelling units and the 102 dwelling units proposed for the south building where additional relief is needed is eight units less than what currently exists at the Georgian. Further, in assessing density, it is important to examine the character of the population and not just the number of dwelling units. The fact is that CCRCs represent one of the least intense land uses in terms of the burden or impact on traffic, public resources and infrastructure in comparison to other uses of the site. For comparative purposes, and this came up last week, we showed you as one example that an as-of-right condo project would generate almost twice as many cars during the peak hour as the proposed project. There is no adverse impact at granting this relief.

The Davis Street side yard: Under Mather's

original proposal, the north building had a 15 foot setback on Davis and complied with the underlying zoning and south building had a 12 to 15 foot setback on Davis solely to accommodate the protrusion. The buildings were shifted maximize the separation from The Waterford and The Homestead where it is needed the most. This slide compares the separation between the buildings under the original proposal and the proposal that is before you. As the computer model graphics clearly show, and these are accurate computer graphics, moving the buildings closer to Davis maintain significant separation and openness on Davis. The difference is almost imperceptible. The decrease Davis setback allows for building separation from the Homestead and Waterford which exceeds the R6 requirements and which meet or exceed the planned development requirements. In addition, the light and view corridors are greater than what could be achieved by right and pursuant to the planned development regulations because there's even greater separation than the minimum per most of the elevation. And I'll address this point again in a moment. Again, this is exactly the type of result that planned developments are designed to achieve.

Underground parking in the R1, permitting underground parking in the R1 portion of the north parcel allows all the project parking demand to be accommodated in a completely concealed manner without any adverse impact on surrounding properties and without establishing a precedent that will adversely affect the single-family neighborhood to the east. Providing parking completely underground is an enormous benefit for the surrounding area and the community as a whole. Again, exactly the type of result that planned developments are designed to encourage.

The building height. Although the proposed building heights represent an incremental increase over what is otherwise permitted by right, they are not out of character with neighborhood buildings. The additional height is mitigated by the separation from the single-family homes to the east and from The Waterford, The Homestead, and these buildings, with the additional height achieve a superior result in comparison to what could otherwise be built by right or pursuant to the planned development regulations. To truly understand this fact, we must consider the issue of the interior side yard. Under the R6 regulations, only a 3 foot interior side yard is required; and under the planned development regulations, which, again, is a back doorway of increasing the side yard, and I don't believe anyone intended that. It does not make sense. It was part of a, just the fact that planned developments were what applied to all kinds of development in the city, a 15 foot interior side yard would be required. An 85 foot wall completely devoid of architectural detail could be built three feet or 15 feet from the north

property line adjacent to the Homestead and three feet or 15 feet from the south property line adjacent to the Waterford. Unlike the other project characteristics we just reviewed where there is no impact, the interior side yard is the one area which could have an adverse impact on adjoining properties. As you can see from these slides, the separation between buildings and view and light corridors from the Waterford, the Homestead are significantly greater and significantly improved under the proposed project than would result from any by-right scheme. Even assuming the application of 15 foot planned development setback, the light and view corridors are significantly greater as proposed. With the proposal, the separation between the Homestead and the north building, forget the minimum of 125 feet or even 209 feet at grade. It's 49 feet of separation above the first floor for over 60 percent of the interior side yard which is more than three times greater than what is otherwise required in the planned development regulations. The separation between Waterford and the south building is up to 80 feet above the first floor for over 60 percent of this interior side yard which is more than five times greater than what is otherwise required by planned development regulations.

Having reviewed the relief for the project, let's review the public benefits generated by the project. And at the last meeting there was some discussion about what could be built by right as a comparison. We will address that issue in this discussion, not only from the perspective of taxes but in the context of the other standards for public benefits contained in the Zoning Ordinance. The first public benefit is the preservation and enhancement of desirable site characteristics and open space. Preservation of open space and enhancement of the gardens are what sets this proposal apart. The landscaped gardens have been an integral part of the community for over 40 years and have provided an extensive buffer and land use transition between the R6 and R1 districts. The proposed project ensures the continuity of this important desirable site characteristic and its enhancement through the implementation of Dan Weinbach's landscape plan. All but two parkway trees are preserved, one which is in poor condition. An as-of-right project achieves the exact opposite result; not only is the open space not preserved or enhanced, but it is lost. Rather than mitigating the impact of the R6 district next to the R1 district by providing a significant transition as the project does, the by-right alternative would exacerbate the situation by putting new single-family homes immediately next to R6 condo projects; thereby creating a land use conflict that does not currently exist. Second, a pattern of development which preserves natural vegetation topographic and geological features. This standard really can't be said to apply here. There are no wetlands or forest preserves or shore lines. But I do think it's important to note that landscape

design represents a significant improvement over existing conditions and under the as-of-right R1 project the landscaped gardens beautifully designed will be replaced with seven single-family homes.

C, preservation and enhancement of historic and natural resources that significantly contribute to the character of the city. The issue of the historic significance of these buildings was conclusively addressed by the council a year and a half ago. What does remain relevant is that Mather is a 55 year old Evanston institution that has greatly contributed to the character of the city and its quality of life. Approving the project will ensure that Mather will continue its longstanding contributions to the community. This is a significant benefit to Evanston's older residents and the city as a whole. A new as-of-right residential project on the site has no historical relevance from any possible perspective.

D, the use of design landscape or architectural features create a pleasing environment or other special development features. The design features of this project include traditional architectural style that enhances the character of Hinman, highly textured details enriching street spaces, finished quality materials on all sides which is a significant qualitative improvement, the reduced scale of the east-facing elevations connecting better with the single-family neighborhood to the east, and that would also include the L-shaped and U-shaped building plans. The recessed north elevation and the recessed south elevation, again, intended to create greater separation between the buildings on the side yard, modulating west elevation of the north building, significantly enhanced and preserved gardens, ample parking located entirely underground, increased separation, increased light and view corridors for adjoining buildings and critical facilities for older adults in a state of the art CCRC. By-right zoning guarantees none of those design features.

At the last meeting and again tonight there was disparaging comments about the architecture of the project. This architecture has received wide-spread praise from every part of the community, including from SPAARC, from 15 prominent Evanston architects including John Maxi, Joe Antunovich, Jim Torvic, Steven Yas, John Seibertson, and from the plan commission which noted the following: Commissioner Woods, an architect, stated that, quote, from an architectural design, landscape point of view, this project is outstanding and the project represents a standard of quality and care. Commissioner Rebechini, also an architect, said, noted that, quote, a terrific contextual design has been created and the scale and the bulk are not adverse. It is very much in keeping with the flavor and scale of the street that we've seen on Hinman and Davis for many years. And Associate Commissioner

Galloway, also an architect and president of Design Evanston noted, quote, while this project does seek relief and does request additional consideration from the allowances given under the planned development ordinance, the overall effect of this project is an excellent one and the manner in which this building is executed alleviates any of my concerns and this I think this speaks to the quality of the architectural design and the site plan.

E, the provision of a variety of housing types in accordance with the city's housing goals. Mather is proposing a state of the art CCRC for Evanston which of broadens housing choices for elderly residents and meets a growing demand, will replace an ad hoc blend of two obsolete structures wholly unsuited to current needs and will provide a privately-funded affordable housing alternative in Evanston.

Page 30 of the Comprehensive General Plan states, quote, housing units for Evanston's elderly residents and for those residents with special needs are important components of the housing stock. This project clearly advances that goal and meets the growing demand for senior housing in Evanston. A new, as-of-right condo project at this location where senior housing is statistic exists over 50 years achieves the opposite result and would hardly contribute to the goal of providing housing to the community.

F, the elimination of blighted structures or incompatible uses through rehabilitation. As the evidence establishes, the existing building is under a state of significant decline and wholly unsustainable as retirement community for today's seniors.

G, the business, commercial, and manufacturing development to enhance the local economy and strengthen the tax base. The current buildings generate approximately \$70,000 annual real property taxes. The proposed project is anticipated to generate up to 1.1 million in July property taxes, 65 percent of which goes to the schools of which there will be no children generated by this community and no services demanded. Local expenditures are estimated at 2.6 to 3.3 million and job creation. The new community is expected to create 90 new jobs in addition to the 100 jobs currently on the site. Evanston is one of -- Mather is one of Evanston's top ten employers, 50 percent of Mather's employees at this location are Evanston residents, and 75 percent are minorities. Of these 90 jobs, twelve will be management, supervisory positions, and the average salary will be approximately \$44,000; 80 percent of the new jobs will be in place by the end of the first year of operation of Phase 1, and 100 percent will be in place by the end of the second year of operation of Phase 2. We hope that you do not agree with the objectors who disparage the need for \$44,000 jobs and who stated that Evanston will be fine if Mather leaves.

With respect to an as-of-right condo project's impact, only a handful of jobs would be created.

As concerning real estate taxes: First, there's no guaranty that property would be developed with condos or Mather would sell the property or how the property would otherwise be used, and we believe that discussion on that point is highly speculative. But without belaboring the issue, we did ask the City to review the information on real estate tax numbers presented at the last meeting. Our consultants estimated that the gross tax real estate tax revenue from a hypothetical as-of-right plan would be about 1.6 million rather than 2.2 million. We understand that the City now believes that the gross tax revenue to be more like 1.8 million. The City did not take into account the expenses of an as-of-right project versus the proposed project but the significant difference is obviously education costs. We made an assumption based on 38 children from 179 units, I believe that comes just from standard tables. We don't know if it will be more or less. Our consultants made a basic estimate of about 400 to \$500,000 a year. So from our perspective in rough terms, the taxes are only slightly more with an as-of-right project, nowhere near double the amount of taxes as it was implied at the last meeting and without any of the public benefits. We do not think this issue is relevant. Standards for this planned development petition are more than met by what is expected to be generated.

Finally, H, the efficient use of land resulting in more economic networks of utilities, streets, schools, public grounds, building, and other facilities; and, again, the evidence is clear in the record of January 9 from the Plan Commission regarding use of streets and so forth. In the interest of time I will not review each of the special use standards, but this review is summarized in my comments on December 7 to the plan commission. But there is one key point from our review of the standards I would like to raise again, the Comprehensive Plan. Mr. Okrent's expert testimony established that proposed project advances the purposes and policies of the Comprehensive General Plan including its goals relating to housing, economic impact, traffic and parking, preserving and enhancing open space and neighborhood character. Page 9 of the plan states, "Ideas such as promoting economic development, protecting open space, and preserving neighborhood character while encouraging new development form the basis of the plan. This project embodies this very idea."

One last point before concluding, because the project would be constructed in two phases, an exception from the Zoning Ordinance is necessary to allow for a staged development of the proposed improvements and the issuance of multiple building permits.

In conclusion, Mather has had more than 50

meetings with neighbors and neighborhood groups and has worked extremely hard to design buildings that are complimentary to the surrounding area and are sensitive to neighboring properties. Mather has accomplished those objectives. The project fully mitigates the impact of the relief that is needed for the project from open space, architectural detail and design features and sensitivity to the concepts of surrounding properties and by exceeding the minimum requirements in the most critical areas, namely building separation. The project has no adverse impact on the single-family neighborhood to the east, the Homestead, or the Waterford. In fact, when the process first started 27, 28 months ago, almost all of the residents of the Waterford were opposed to the project, and today almost all of the residents of the Waterford are supportive. When all of the evidence is considered both for and against the project, this project merits your support. The reason for the conclusion is simple: It clearly satisfies the planned development and special use standards and provides numerous and significant public benefits that will positively impact Evanston and its residents for generations to come. In addition, the project has a broad base of support from residents and experts throughout Evanston including the Mather, residents and their family members, many immediate neighbors and residents within 1,000 feet of the project, numerous respected and accomplished Evanston architects all well-known to this committee, affordable housing advocates, the chair of the Evanston commission on aging, the Evanston Chamber of Commerce, the former chair of the Evanston Housing Commission, Evanston Inventure, Three Crowns Park, Presbyterian Homes, and North Shore Retirement Hotel who we mentioned this evening, from the owners of 18 of the 22 condominiums at the Waterford and from the plan commission which unanimously recommended approval of the project. This project has endured microscopic scrutiny of every facet for almost two and a half years and has proven to be an excellent and well-conceived project for Evanston. On behalf of Mather Lifeways we hereby ask that this committee adopt a favorable recommendation supporting the project. Thank you very much for you time and patience.

MADAM CHAIRMAN RAINEY: Thank you, Mr. Reifman. Committee, this is the appropriate time to begin asking questions of either of the parties, and so I will entertain that.

ALDERMAN JEAN-BAPTISTE: Can we get a break?

MADAM CHAIRMAN RAINEY: I was thinking if you wanted to ask some questions first and then once the questions are complete then we would take a break and discuss among ourselves, but if you -- I don't know how many questions are

going to be. I think Alderman Wynne.

ALDERMAN WYNNE: I have a question for the staff. Mr. Reifman referred to some data. We don't have it. We don't have it, and I asked for this data from the city manager last Tuesday.

MADAM CHAIRMAN RAINEY: City manager is out of town.

ALDERMAN WYNNE: I haven't seen this, I haven't seen anything about it, I haven't received a phone call from the staff about it. I'm really disturbed that -- I'm happy that Mr. Reifman knows about it, but I think that the council should have heard about this. I'm sitting here in the dark. I'm glad you had an opportunity to look at it, but I have to say I requested this information last Tuesday. I haven't seen a single word on it.

MADAM CHAIRMAN RAINEY: Could we get a response to that?

MR. WOLINSKI: Yes, Alderman Wynne. There was discussions going on today between staff primarily in the finance department, city manager's office, and my office concerning the proposed taxes that a by-right project would produce. And I think that the last meeting we presented testimony in a memo that said by our best estimate we believe 175 units with seven single family houses would produce somewhat in the vicinity of \$2.2 million in taxes. Going over this with our comptroller, Mr. Stafford today, I think there is still a difference between what the Mather projection is for an as-of-right development and what staff feels, but staff has lowered our expectation to be around \$1.89 million for taxes for the as-of-right construction.

ALDERMAN WYNNE: And were we going to get anything in writing on this so that we can look at this and compare it to the last analysis that you presented to us a week ago at the moment that we sat down to have the meeting? I really don't think we're being well-served by the staff.

MADAM CHAIRMAN RAINEY: I can tell you, Alderman Wynne, I called city hall at least three or four times today asking is there any new information yet, any new, and was told every single time, no.

MR. WOLINSKI: We can certainly provide that information to you. As with Mr. Stern, things were coming at the last moment; and, as he said, he didn't have time to really

put together a written presentation for you.

MADAM CHAIRMAN RAINEY: Excuse me, Mr. Wolinski. We understand Mr. Stern's problem with getting us information, but evidently this is the second thing we've heard that there was other information available today and e-mails that we did not get; and now this analysis of the taxes that we did not get. So I think that's what Alderman Wynne is talking about.

MR. WOLINSKI: I understand.

MADAM CHAIRMAN RAINEY: Anyway, all right, also I can't believe our staff would have given information to the Mather regarding 30 kids being in a by-right -- no?

MR. REIFMAN: That is our own estimate. We did our own estimate of statistics.

MADAM CHAIRMAN RAINEY: I wanted to be sure. Because we know that in 2000 condo units downtown I think the number is 13 or 11, 11 children in that number.

MR. REIFMAN: That's totally from us, not your staff.

MADAM CHAIRMAN RAINEY: If that number, if that calculation has to do with deducting the cost per child, I wonder if that's why the tax number went down.

ALDERMAN WYNNE: We don't know. We don't know. We have no idea.

MADAM CHAIRMAN RAINEY: Is this Alderman Tisdahl.

ALDERMAN TISDAHL: If the staff did a -- added school children in in a by-right development, there would be single-family homes and those single-family homes would most definitely have as many children.

MADAM CHAIRMAN RAINEY: But we're not talking about millions dollars here. So I think, you know -- anyway, all right, does anybody want to proceed with questioning the applicant or the opponents? Hearing none, we're going to have a five-minute break, might be seven minutes, but no longer than, and then the Council will discuss among themselves.  
(Short break taken.)

MADAM CHAIRMAN RAINEY: We're going to reconvene now. Our recess is over and we have before us the Mather planned development as recommended to us by the plan

commission. Would anybody care to begin and tell us what their best thinking is on the move we should take? Anyone want to introduce a motion.

MR. MORAN: I move approval.

ALDERMAN WOLLIN: Second.

MADAM CHAIRMAN RAINEY: Now, is there any -- you move approval. Could you be more specific? Of the plan commission recommendation? Is that your --

ALDERMAN MORAN: It was unanimous.

MADAM CHAIRMAN RAINEY: But you're moving approval of the plan commission recommendation?

ALDERMAN MORAN: Yes.

MADAM CHAIRMAN RAINEY: And there is a second. Now there is discussion, so.

ALDERMAN JEAN-BAPTISTE: Can I hear an elaboration of the proposal because --

MADAM CHAIRMAN RAINEY: Could everyone use their make phone. Our court reporter cannot hear a thing. What does the proposal include? If you can just restate it briefly, because we have -- I don't know whether the easement is included. I think it's all included in there.

ALDERMAN MORAN: I would recommend the entire adoption of it.

MADAM CHAIRMAN RAINEY: All right. Alderman Jean-Baptiste. Do you want to go next?

ALDERMAN JEAN-BAPTISTE: I have -- first of all, I'm in support of the project except I have some concerns that I would like to see addressed. Currently, the Georgian is approximately three feet from the Waterford. I'm talking about -- first I'm talking about what exists now. It's three feet from the Waterford, and it is approximately ten feet from Davis Street. That's the setback. The proposal, and I'm not concerned about the Hinman setbacks on both -- either building or the east setback. The proposal would move the Georgian 15 feet from the Waterford and would leave a zero setback on Davis. I think that's a problem, and I would rather see ten feet from the Waterford and to provide a ten foot setback from Davis Street from the Georgian. Now, that means that will be a

reduction of the total footprint and we could get some feedback as to whether or not that's workable, what people think, but I think that there needs to be some setback on Davis. Because, as I see it right now, the way it exists right now you have some green space, you have some shrubbery that is planted there, and it feels much better than if the building were right there at the lot line. So that's one aspect. The other building, the northern building currently it sits at about over 25 feet from Davis. The proposal is for it to have about a ten foot setback. And in relationship to its northern-most side, there's currently 60 feet that separates the Homestead from the Mather. The proposal, I believe, would leave it at 20 feet from the Homestead. I would suggest that there be more of a 30 foot separation between the Homestead and the -- on the northern-most side of the north building, and about 15 feet from Davis to open up more green space in that area. That would be my suggestion at this particular point in time.

MADAM CHAIRMAN RAINEY: So what you're saying, Alderman Jean-Baptiste, is you're just moving the building around. You're not altering the coverage of the building, you're just moving it from --

ALDERMAN JEAN-BAPTISTE: I would be -- There would be a slight reduction of the Georgian which currently the setbacks, setback that exists is approximately a total of, what, 13 feet. They were offering 15, and I'm suggesting that we get 20. It would give more, you know, decent space between the Georgian and the Waterford and it would give some setback on Davis.

MADAM CHAIRMAN RAINEY: And the setback on Davis is, again, what, in your proposal?

ALDERMAN JEAN-BAPTISTE: Ten feet, that's for the Georgian.

MADAM CHAIRMAN RAINEY: Compared to what now?

ALDERMAN JEAN-BAPTISTE: Zero. So it would be 10 and 10 which would be a reduction of five feet, and I don't know they can argue feasibility. I don't know.

MADAM CHAIRMAN RAINEY: And then on the north side -- you mean on the north building?

ALDERMAN JEAN-BAPTISTE: The north building. It is currently the total -- in their proposal the setback is a total of 30 on the Davis side is 10 and the, I believe they're called lot 6 between -- separating the Homestead and the Mather

is 30. So in -- It's 20. So in total it's 30 feet of setback on the southern part of the north building and on the northern part of the north building. So my proposal would have it increase to 45; again, I'm open to a discussion of feasibility.

MADAM CHAIRMAN RAINEY: Any comment on that from any of the members of the committee?

ALDERMAN TISDAHL: Alderman Jean-Baptiste, do you have any reason to believe that this is feasible? Have you talked to Mr. Stern or to Mather?

ALDERMAN JEAN-BAPTISTE: I don't. When I looked at the Georgian, I looked at it seems almost impractical to think that the zero setback would be something that would continue to create the kind of comfort for those who live in the area and who travel back and forth there. I think if we try to avoid the canyon effect we need to have some setback on the Davis side, and right now we have about ten feet of space there. Now, I don't know whether it's feasible. I have not had a chance to talk to Mr. Stern. I have not had a discussion with anybody. I went and I walked around and I looked at the situation and sort of proposed what I think would be compatible with the interests of the community. On the north black, you know, we may be able to play with the setback on the northernmost side, but I think you have to try to maintain some decent setback on the Davis sides.

ALDERMAN TISDAHL: Under Clarin can we ask Mr. Stern?

MADAM CHAIRMAN RAINEY: Mr. Stern didn't deal with this. He did not deal with the measurements of the building at all.

MADAM CHAIRMAN RAINEY: You can ask Mr. Reifman.

MR. REIFMAN: Don't ask Mr. Reifman because Mr. Reifman is a lawyer. Mr. Curtain will address the -- let's describe the existing conditions and what we're proposing so that everyone understands it.

MR. CURTAIN: Jim Curtain, Solomon, Cort & Bends.

(Witness sworn.)

MR. CURTAIN: Just responding to a couple of clarifications. With the south lot, let's just look at the south lot. The zero setback you're referring to is there's three bow windows on that facade. The tangent point of those

bow windows are projected to be on the lot line, but the primary or the predominant building face is three feet back from that. If you look at what the existing Georgian, the setback is six foot five inches on Davis Street. And, in fact, the entry feature for the building goes up to the property line, but the predominant face is six foot five inches from the property line. From the property line to the sidewalk is an additional two feet, and so that's why when we were talking about the setbacks with that additional two feet, with the fact that the tangent of the window is on property but the predominant face is three feet back from that seemed to be a reasonable approach.

And then the --

ALDERMAN WYNNE: Alderman Rainey, may I ask a question?

MADAM CHAIRMAN RAINEY: Sure.

ALDERMAN WYNNE: For the reasonable person standpoint standard who is not an architect, if you're -- what is the measurement from the edge of the sidewalk to the significant face of the building?

MR. CURTAIN: Of the existing building or of the new building?

ALDERMAN WYNNE: Both.

MR. CURTAIN: For the existing Georgian it would be eight foot five inches from the edge of the sidewalk to the face of the building.

ALDERMAN WYNNE: Because the public property is not congruent with the sidewalk.

MR. CURTAIN: Exactly.

ALDERMAN WYNNE: So then -- and then for the new, for the proposed -- Let's just use the reasonable person standard. From the edge of the sidewalk to the predominant face is?

MR. CURTAIN: Five feet.

ALDERMAN WYNNE: Okay. And where is the bow?

MR. CURTAIN: The predominant face. The bow is three foot in depth and at the tangent point of that bow, that would be on the property line which is still two feet from the

sidewalk. So let me try is another way.

ALDERMAN WYNNE: I think I understand. I understand.

MR. CURTAIN: Okay. Now, the existing distance from the existing Georgian to the face of the Waterford is actually seven feet building to building, and so we were projecting that to be 15 feet in the proposal, the revised proposal.

ALDERMAN JEAN-BAPTISTE: There's the wall on Hinman is the shorter wall that is right next to the Waterford. That's approximately three feet. What part are you saying is seven feet? Are you talking the inner wall?

MR. CURTAIN: From building to building.

ALDERMAN JEAN-BAPTISTE: Currently?

MR. CURTAIN: Currently.

ALDERMAN JEAN-BAPTISTE: It is, you're saying, it's seven feet?

MR. CURTAIN: Just doublecheck that, but yes.

ALDERMAN WYNNE: Is it three feet to the lot line?

MR. CURTAIN: Seven feet from building to building.

ALDERMAN JEAN-BAPTISTE: What part -- Let me just ask Mr. Wolinski, when we looked at it this morning, the wall separating the Waterford from the Georgian, that was --

MR. WOLINSKI: Within the sidewalk, the width of the sidewalk was three feet.

ALDERMAN JEAN-BAPTISTE: It wasn't the entire width of the sidewalk.

ALDERMAN BERNSTEIN: On the western-most front.

ALDERMAN JEAN-BAPTISTE: Separating the two, from the western-most front are you talking about the -- the southern-most front facing.

ALDERMAN BERNSTEIN: The western face.

ALDERMAN JEAN-BAPTISTE: And we're standing west?

ALDERMAN BERNSTEIN: The southern of the Georgian and the northern of the Waterford at the sidewalk appears to me about three feet.

MR. REIFMAN: We have a slide.

MR. CURTAIN: So the distance between building to building is seven feet. The sidewalk, if the sidewalk is three feet then that would be four feet from the property to the building; but we were measuring it from building to building.

ALDERMAN JEAN-BAPTISTE: So currently you're proposing 15 feet separating the Waterford from the Georgian, right?

MR. CURTAIN: Fifteen feet from the property line -- from the property line to the new development.

ALDERMAN BERNSTEIN: The south side of the Georgian, isn't there the --

MR. REIFMAN: No, the south side of the Georgian, no.

ALDERMAN BERNSTEIN: The proposed one.

MR. REIFMAN: It's an L-shaped -- I thought you said alley. I'm sorry.

ALDERMAN BERNSTEIN: An L-shaped.

MR. CURTAIN: From building to building with the new development, it's 21 foot seven inches.

MADAM CHAIRMAN RAINEY: So what your you're saying, Alderman Jean-Baptiste, is you want to push that back to --

ALDERMAN JEAN-BAPTISTE: Ten feet and by some setback on Davis.

MADAM CHAIRMAN RAINEY: But do the numbers come out equally, or are you saying there is -- you're looking for more feet than --

ALDERMAN JEAN-BAPTISTE: That wall we saw, and maybe Jim Wolinski who is the director of development can help

me, when we looked at that wall on Hinman that extends from the Georgian, that separates the Georgian from the Waterford, that's what I was talking about. And the 15 feet setback that they're suggesting would have been from the building lot line to the building lot line of the Waterford.

MR. WOLINSKI: Exactly.

ALDERMAN JEAN-BAPTISTE: Which would have been an increase in your estimation of eight feet because you're saying that it's currently seven, right?

MR. CURTAIN: From building to building and it's three feet, I believe, from the property to the Waterford. So it would be an increase of 11 feet.

ALDERMAN JEAN-BAPTISTE: So back to the three feet.

MADAM CHAIRMAN RAINEY: Alderman Jean-Baptiste, it seems to me that this, the distance between Waterford and the Georgian, the new project, was the result of a lot of community interaction with the Mather people conceding to increase that distance, and I -- while I have no problem with increasing the distance off of Davis, I think to take back any space given to the neighbors on the south side of the Davis Street building, I don't feel comfortable doing that. So I --

ALDERMAN JEAN-BAPTISTE: That would be -- unless you have some compromise here, it would mean you would have to reduce the size of the Georgian by twelve feet.

MADAM CHAIRMAN RAINEY: That might be the case. But here we had I mean a lot of testimony and a lot of interaction between the Waterford the Mather and they came up with that. It was an acceptable distance.

ALDERMAN JEAN-BAPTISTE: And as part of the discussion and negotiation with the other neighbors, the proposed -- some of the issues that came out of the discussion, in an effort to reach some kind of compromise; because I know on the council we have many different views on how to proceed.

MADAM CHAIRMAN RAINEY: Absolutely, but I --

ALDERMAN JEAN-BAPTISTE: So if there is another proposal that makes sense, then, you know, I'm open to hear it.

MADAM CHAIRMAN RAINEY: Well, I guess the only criticism is, first of all, it was negotiated distance between

the parties; and then, secondly, to take this building and continue to move it around a space doesn't make any sense to me. If that's -- that's the problem I had with the plan commission. They just, you know, moved it here, moved it there, but there was never a reduction in bulk or [knee|any] discussion about size, and so I just think to take away what was negotiated, I don't like the feel of it.

ALDERMAN JEAN-BAPTISTE: You're not taking all of it away.

MADAM CHAIRMAN RAINEY: I hope not.

ALDERMAN JEAN-BAPTISTE: You started with three feet and they're getting 15. I'm suggesting to go to 10 and then give Davis Street some relief.

MADAM CHAIRMAN RAINEY: I mean that's your suggestion, I'm just telling you how --

ALDERMAN JEAN-BAPTISTE: That's my suggestion.

MADAM CHAIRMAN RAINEY: Are you going to talk about the Hinman building now?

ALDERMAN JEAN-BAPTISTE: Well, okay, so.

MADAM CHAIRMAN RAINEY: Clarify for us what you're recommending.

ALDERMAN JEAN-BAPTISTE: So my assumption is that, number one, that the Georgian and Waterford separation could be ten feet, and that the Davis could be ten feet. Now, the gentleman suggested that currently it is -- you're saying it's two feet, right?

MR. CURTAIN: From the sidewalk to the property line.

ALDERMAN JEAN-BAPTISTE: Okay. So then that would only be an increase of eight.

MR. CURTAIN: For the Davis side of the Phase 2, the south property, the existing building, I think you had pointed this out, is two feet plus the six foot five, so eight foot five. If five feet was -- if the building was shifted or five feet was added to that north side of Phase 2, the south building, that would give you five plus two, that would give you seven feet.

ALDERMAN JEAN-BAPTISTE: Okay. So your total -- but we could -- so the total then setback would increase from 15 to 17 in this scenario that you're suggesting, that you were discussing.

MR. CURTAIN: I think we're getting -- there's a lot of numbers here going on. Let's just clarify. First we've gone through the -- we're still on the south property.

ALDERMAN JEAN-BAPTISTE: South, right.

MR. CURTAIN: South property. If you shift the building five feet to the north, because you currently have 15 feet from the property line to the face of the building on the south side, and if you shifted that building five feet, I'm sorry, five feet to the south, you would increase your setback on Davis Street by five feet. Currently that setback to the predominant face is three feet. The bow window goes to the property line, but the predominant base is three feet. You have another two feet to the sidewalk so -- as you perceive the setback. So right now we have five feet to the predominant face from the edge of sidewalk to the predominant face of the building. If you shifted that building five feet to the south, you would have five plus two plus five. You'd have twelve.

MADAM CHAIRMAN RAINEY: Could I comment one more time on your proposal.

ALDERMAN JEAN-BAPTISTE: Go ahead.

MADAM CHAIRMAN RAINEY: One of the issues here that has resulted in criticism of the Mather is the extraordinary number of items that exceed the planned development allowance. If you move this building, if you move the setback on the south side of this building, what now is within the planned development allowance will be outside of that. It will no longer comply. It currently complies on the south side. So now instead of, I think you're saying there's 17 excesses, now there will be 18 and we will be responsible for making one of those.

ALDERMAN JEAN-BAPTISTE: My understanding is the acceptable distance between the buildings under the PUD, correct me if I'm wrong, Jim, is three feet, correct?

MADAM CHAIRMAN RAINEY: The allowed is 15 feet on the south side of --

ALDERMAN JEAN-BAPTISTE: It's 15 feet is the regulation.

MADAM CHAIRMAN RAINEY: That is the residential planned development allowance for the south side yard for this development, for the Davis Street building is 15 feet, and they meet that.

ALDERMAN JEAN-BAPTISTE: And what is acceptable on the Davis side?

MADAM CHAIRMAN RAINEY: Fifteen, same fifteen feet.

ALDERMAN JEAN-BAPTISTE: On both sides? So the compromise, I think, would allow some, for the building not to lose significant bulk. Because I think that many of the opponents have been talking about the need for Davis Street setback for the Georgian building, the need for Davis Street setback. And if we were to achieve the ten and ten or even ten and eight on Davis Street, that would only be three feet more for -- their bulk would be three feet less than what they had planned.

MADAM CHAIRMAN RAINEY: Can I let alderman Moran speak. He's been trying to speak. Alderman Moran?

ALDERMAN MORAN: I think we need to address what we are being proposed. I think it is a serious mistake to try to redesign this project through the planning and development committee. This has been a long process to move the buildings around, to change their design, to change their bulk for a vote would be a serious mistake. So I think we need to get on to addressing the issue that we're proposed here tonight.

MADAM CHAIRMAN RAINEY: Alderman Moran, I think that's what we're doing. This is not a rubber stamp for the plan commission. The plan commission is a recommending body and we have an obligation to discuss this project.

ALDERMAN MORAN: I think we should discuss it, and I think what we should discuss are --

MADAM CHAIRMAN RAINEY: People are discussing what --

ALDERMAN MORAN: -- the principles and elements that have been presented to us both pro and con. And I do not think that what is before this committee that is relevant is a redesign of the project. I think if people feel that those who are opposed to the project are right, they should vote that way. If people feel that those who are in favor of the project

are right, they should vote that way. I don't think that this committee is in a position to redesign the project.

MADAM CHAIRMAN RAINEY: Let's move forward. I hear what you're saying. Alderman Bernstein, then Alderman Wynne.

ALDERMAN BERNSTEIN: I wish I could live in such a black and white world, but I appreciate a lot about this project. My concern is, as I think Alderman Jean-Baptiste was trying to address, this is part and parcel of the planning and development that we're addressing tonight. I'm very concerned about what I perceive as extensive walls along Davis Street. I'm gratified with what you did with the separation and the setbacks so that the view lines from both the Homestead and the Waterford are better than they could be as of right. But my concern, and I love a lot about this project. First of all, let me address some of the concerns or some of the issues, so give somebody the benefits of my thought processes. The first outcry is R1/R6, and I think we have to go case by case; and, quite honestly, to me this is very much different than everything we've done where the tall building is abutting the single family residential. Here we have a buffer which to me negates that distinction. We're all talking adherence to the Zoning Ordinance, and I have to say that the Zoning Ordinance was create in the 1993 when the parameters didn't ever conceive of a building in town higher than three feet. We've changed that now. We all look around and see what's happening. People are concerned about the solemnity of the R1 zone related to creating a parking lot. I think it's a wonderful use of the parking, the R1, to put the parking beneath. It's a whole lot more money, but I really think that that goes a long way to preserving the open space. We're never going to have 100-year-old tree because the root structure can't get deep enough, but I think that preserves the open space. The setbacks on the Hinman facade, as like at the proposal, and I don't know how accurate these are. These, I think, was the opponents -- I don't know how accurate they are. Do you? Okay. I've walked the property on numerous occasions, and I don't think there's much change visually from the south property on Hinman. There's a great deal of change visually from the north property on Hinman, largely because of the lot six and the dimension reduction. But, you know, I've always argued in favor of height rather than breadth. Here I'm arguing against breadth. I think that's my right. I think that's my obligation. And it concerns me, and it concerns me, and I've been sitting up here for seven years decrying the buildings that we've put up on Emerson and Ridge, decrying the buildings that I stair at every day at Chicago and South Boulevard because there's a -- you know, when we were fighting for the lack of canonization along

Chicago Avenue, this is the poster child for what we were fighting against in my mind. To the extent that you cannot build a building, and I hope that's not the case, I hope that's not the case, but I really think that I'm very frustrated by what I perceive as being too much massing right there up close to the street. I'm not going to get into financials because I think that Clarin really does away with the good use of financials, because what we've gotten, to me, I can't make a decision. You know when you extrapolate from numbers that somebody give you, you're using the same base, and I don't know if the base is valid, so I don't care about that. Mather has been and continues to be a wonderful citizen in this community. They do provide housing for a particular portion of our community, and with the \$30 million that they're talking about, they're going to provide some affordable living for the others. What else? I mean just a whole lot of -- this is not an easy process, and somebody asked me did we just, you know, where have we been for two and a half years. Well, look outside and you know where we've been for two and a half years. This is not unique, you know. We have this kind of discussion on almost every large project that we've been which precludes us, unfortunately, from getting with a developer initially and saying, hey, because usually by the time we get it, there have been reincarnations and modifications that, in this case, didn't necessarily come to me that give some credibility to the fact that maybe it can't come. I mean this is stream of consciousness, but my concern dollars and cents down to the bottom line is what I perceive as two walls on Davis Street which, to me, feel too close. I'm not concerned about the view, you know, I appreciate the fact that the people on Judson are going to have to look at a bigger building. But the reality is to me this is not necessarily a residential district. This is, in fact, as so many of our districts, it's a hybrid district. This is an institution. Mather is a residence, but, in fact, it's an institution. It's across the street from Davis Fish Street Market. We're right there. It's an R6, but it's on the cusp of the downtown, so I really come to it with -- I try to get the situation as I see it rather than it's perceived and what I perceive is an antiquated zoning ordinance. What else? That's my concern. I really am frightened by the prospect of these two faces this close to each other on Davis Street because I'm just, you know, I'm looking at it every day around town and it concerns me, and I think that to me it's a valid concern, you know. I'm abhorred by concrete. I don't like concrete. I don't like lot coverage when it's so -- density I don't get, numbers of units is not a concern to me. The bulk of the building is a concern to me as it relates to those two phases. So I think it's relevant, you know. I'm not trying to -- that's what I have to say.

MADAM CHAIRMAN RAINEY: Thank you. Alderman Wynne?

ALDERMAN WYNNE: Well, I think that Steve has said, Alderman Bernstein has said a number of things that I agree with and feel very strongly about. He's also raised a number of issues that, with all due respect, I disagree on. I would like to support this building, but I do have some serious concerns about the bulk, and very much about the issue on Davis Street. I've been on the council eight years, I don't know where you were for one year when you've been on for seven, and for the entire time I've worked on Chicago Avenue to reduce the height and density and, believe it or not, it is reduced. But Alderman Bernstein raises a very good point: The Dubin project is a perfect example of something that's built too close to the sidewalk, and that's only a three story building, and across the way is only a three, at the most is two or three story high el tracks. We don't even have any place in the city where we have two ten-story buildings this close anywhere. The best example of a building that's too close -- that's about this size that's too close to the sidewalk is the Central Street medical office building if you look around in the city. If anyone who's tried to walk next to that building or turn into that building, it feels very tall. It's across from the hospital. There are a number of other places where we've allowed buildings to come too close. Part of what makes us so attractive is our pedestrian orientation; part of what makes this site so attractive is that it's a walk-to site. That's one of the wonders of this site, and I would like to see these buildings turned back from Davis Street; unlike the current Georgian, which, although it comes to I think you said eight and a half feet from the sidewalk, we're not talking report line because nobody knows where that is on the graphs. It's a courtyard building. And so only two faces of it actually come up that close and then the rest of the bulk of the building is away from there. So it has all those wonderful advantages of why people design courtyard buildings. This will be a ten-story building. The entire face of it is going to be five feet from the edge of the sidewalk. That's going to be a dramatic change of what we have. So I'm very concerned about keeping Davis Street more open than it currently is.

I have other concerns about R6 next to R1 that are different from Alderman Bernstein's. I think all of these places where we have the sharp contrast between one zoning district and another, lesser zoning district, we have to be particularly careful about how we deal with this. Much of the third ward has that type of potential conflict area in it, and I support having the open space there, but I do have concerns. I'm not as unconcerned about this, and I think when we begin to lose our edges, that's when we get creep and everyone is

concerned about. So at the point I want to hear about how to achieve less bulk on Davis Street, and I do like maintaining both the advantages to the Waterford to the Homestead. That's all I have to say right now.

MADAM CHAIRMAN RAINEY: I'd like to speak now, and I'd like that say some things I like about the plan commission's recommendation. I'm 100 percent supportive of the covenants regarding the maintenance of the R1 open space in perpetuity. I'm totally supportive and would demand a covenant regarding the payment of real estate taxes or, in lieu of that, a payment in lieu of taxes based on whatever the assessor determined was equalized -- would have assessed it at. I found a conversation that Melissa and I had with Mary Leery very encouraging about the \$3 million contribution, and that discussion went to, well, how do you administer that subsidy every year, and it was on a first-come/first-serve basis, and we felt that Alderman Wynne and I felt that to require the first service of that subsidy to former Evanston seniors, and not to just anybody from Highland Park or Des Plaines who came to be offered that. So I would like to include, to amend in the planned development that we will ultimately pass -- or not pass, at least a reference to, and our staff can help with the wording of this, a reference to identifying Evanston seniors first to receive that money.

I'm going to also propose that I want to say one other thing about something I like. I like the underground parking. I think that is a, given the covenant to preserve the open space in perpetuity over the parking in the R1, I think it was a very creative and appreciated way to deal, at least from my point of view, to dealing with parking; put it underground, take it out of my sight, don't put it above ground. So I appreciate that. However, one of the wonderful amenities here is going to be the walkway underground. There's going to be a walkway connecting these two properties. I'm going to recommend, and I really encourage my colleagues to support this, an amendment to the planned development to require a \$125,000 annual rent easement fee, whatever it's called, to be used in part for affordable housing to contribute to our affordable housing fund and some administrative expenditures of the general fund. I'm not sure how that should break down, but definitely must be earmarked to a great extent for our affordable housing fund. And then I want to say that I began considering this supporting everything about it, but I have been convinced from standing on the site and from looking at the numbers that it's just too big, and I'm joining several of my other colleagues in saying before I can support the ultimate recommendation, that it's going to have to be sized in some other way. And I, for one, do not support moving the building from here to there to make a bigger setback here and a

smaller -- that's not what I'm looking at. I really would like to see lot coverage diminished, and so without having lot coverage diminished I couldn't support the project; or if some other brilliant idea comes up, the bulk has to be diminished for me. So also one other thing, one other thing, in talking to Mary Leery, we were talking about the public benefits, and I definitely think the parking is a public benefit. I definitely think that. If there are extra spaces in there, and I think she [agreed|greed] with this, that it should -- those extra spaces at some point in time, once occupancy has been stabilized that people on either side of the neighborhood should have some option if there's definitely no use of those spaces. But the gardens, the gardens are a public benefit according to your presentations, and we talked about how does the public access the public benefit of the public gardens and we're told that they do not access the public benefit of the public gardens. So we talked and she was extremely reasonable and said that one garden has to be reserved for the residents because it's safer that way, and we agreed with that. But the other garden could be open and that's the garden to the south, is that right, the garden to the south, could on some occasions during the daylight hours be open to the public. And I think if you're going to call it a public benefit, it needs to be sometime accessed by the public. I certainly would like to be allowed to sit in there sometime.

So, anyway, those are my thoughts.

Alderman Tisdahl?

ALDERMAN TISDAHL: I'd like to ask Mary Leery, is there anything that you can do to reduce the bulk of the building? I want to know if --

MS. LEERY: Alderman Rainey just requested a number of things, and maybe if I could comment on those as well as the lot coverage, because that's a very tall order that has just been asked of Mather. We've said from the very beginning that we would covenant to keep the open space available as open, so we continue to support that. We've also agreed from the beginning that we would covenant to pay full real estate taxes on our properties and we continue to agree with that. Financial assistance: We certainly would be willing to support a program that would give first priority to Evanston seniors or seniors who used to live in Evanston, and I might even take it one step further maybe as a third priority if there are family members who live in Evanston who have a parent who would like to move to Evanston, that they would be given priority as well, and that's how we've had many of our residents come to live at our communities.

The \$125,000 annual easement fee is significantly more than the \$10,000 annual easement fee that we

had been told by city staff some two and a half years ago. Since that money would be put toward affordable housing, I think we would certainly support that. As you know, we've estimated the amount of annual financial assistance that we would provide to residents. This is not just for the next ten years. We felt it prudent to estimate what we think we can support for ten years, but Mather has been providing financial assistance to residents for the past 54 years. It's part of our mission, and that is our plan to continue that. So if 125,000 out of three million went to a specific city fund, I think that that would be fine. We would take a look at whether or not that would reduce the 3 million or not, but I think we would work it out based on the need of our residents certainly.

I'll come back to lot coverage. In terms of if we end up having extra parking spaces, we would certainly reach out to our immediate neighbors first to see if we could work something out to make those available, and we've said that to our immediate neighbors since day one. Right now we anticipate needing all the spaces, but if over time we end up having available spaces, we certainly would work with our neighbors. The gardens, I did give thought to opening the gardens; and, as Alderman Rainey said, we certainly can consider opening the south garden on some occasions. I think we would certainly have rules, no skateboarding, no roller blading.

MADAM CHAIRMAN RAINEY: No dogs.

MS. LEERY: No dogs, passive use, yes, and certain hours of operation. But we would be supportive of that. I think we just want to look out for the safety and the quiet enjoyment of the gardens for our residents. And if everyone will be respectful of that, not a problem.

So down to the lot coverage which is the biggest challenge. I had gone back to our architects and said can you take one more look at this to see if there is anything else we can do. I think you do realize that we have made a number of changes over the past two and a half years in response to neighborhood feedback, so we believe we have made quite a few changes. We have asked Jim curtain to take a look at it, and maybe he can come up and speak to this. We looked at both buildings to see if there was [anyway|any way] further to reduce the lot coverage, and I think he'll speak to a couple of minor changes that will get the lot coverage of the north building from approximately 73 percent -- no. I don't have it in front of me. I think it's 68 percent and the south building nominal adjustment from 73 percent down to 70 percent. I don't think that these are -- well, we've done what we can. I will ask Jim to also comment on one additional idea that hasn't been completely thought out, but it speaks to Alderman Bernstein's

suggestion maybe that we could reduce the bulk of the north building by slicing off a portion of the building and putting it on top. It's an option that could be considered. So if you would like Jim to come up and explain that, I think he'd be happy to.

MADAM CHAIRMAN RAINEY: Mr. Curtain, talk to us. Do you have a drawing of this? Do you have paperwork on a five-story building? Before you begin, Mr. Curtain, I forgot one thing that Melissa Wynne is going to mention.

ALDERMAN WYNNE: We had talked, I believe, I'm not certain, Mary, whether we had talked with you about this and we talked to each other about this. One of the concerns that we had was currently along Hinman there's -- this is a very, very strong pedestrian corridor. I live about five blocks further south on Hinman; people use it constantly, and by putting the garage on Hinman, that interrupts that pedestrian corridor, pedestrian walkway. And my question is, and our question is, is it possible to move the entrance onto Davis, which is not as heavily used by pedestrians.

MR. CURTAIN: We have thought about that, Mary.

MADAM CHAIRMAN RAINEY: To the far east side.

MS. LEERY: I have several comments about that. I understand that that was a suggestion, and we did go back and look at that, and I have a number of concerns about that that I would like to share. First of all, I think that the traffic consultant presented some information that showed that the pedestrian use on that side of Hinman is very similar to the pedestrian use on the north side of Davis which is, I think, where the parking garage entrance was proposed as an alternative. So with the pedestrian use being similar, moving it to Davis isn't going to affect that one way or the other. In addition, we have a concern that traffic coming either from the west, the north, or the south instead of having two-way access into the garage on Hinman would have to go through the single-family home neighborhood to access the entrance on Davis, and I think the traffic consultant expressed concern that that was not the most appropriate location in which to have that access. In addition, I think our traffic consultant mentioned, and we have someone here who can speak to this, that the Davis access may impact the operation of the Davis/Hinman intersection; whereas the proposal on the north side of Hinman would not affect that in a negative way. In addition SPAARC reviewed the situation because this came up way back when they reviewed it, and they determined that the Hinman Avenue entrance was the most appropriate location for most

flexibility.

MADAM CHAIRMAN RAINEY: But see nobody on SPAARC lives there, so they don't, you know, it's different when you get a sense of where it's not going to work. That's all I'm going to say.

MS. LEERY: Yes. I do understand that. I think that they did look at the distance between the proposed entrance and the entrance to the Homestead and I think they concurred that it was an appropriate distance, and I think for their revised plan we've actually moved it even further south so it's further away. But probably my most important concern from our perspective in terms of the space program is that the entrance, if it were to be on Davis, would likely be at the edge of the building adjacent to the garden; and what would happen is that the common areas that we have proposed to open out on to the garden and to have residents have immediate access to the garden would no longer be there. In addition, with the tunnel or the entrance going down, it would go down in front of the dining room, the main amenity of this entire community for the enjoyment of residents. And so they would be likely seeing cars go in front of them and it would cut off access from the dining room to the outside, so.

MADAM CHAIRMAN RAINEY: You know when you talked about this, I think we did talk about we don't know really what's under there and how that's going to affect all the other things. So I think I'm -- I've -- I accept your explanation of structurally, but could you show us where it's been moved to? You said it's been moved to the south.

MS. LEERY: It's -- this is the correct location of where it currently sits, which I think is right there which is 86, 84 and a half feet from the edge of that entrance to the Homestead's front door. The building is shifting to the south. It pushed the entrance further south.

ALDERMAN WYNNE: Okay. I'd like to just put this on hold and think about this. I appreciate all of your analysis of it, and I'd like to think about that. But I'd like to go back to -- I don't mean to -- I think the biggest concern is the one that Mr. Curtain is going to give us a little bit more information.

MADAM CHAIRMAN RAINEY: We just wanted to mention this.

MR. CURTAIN: We looked at the overall lot coverage for both sites, and we just -- I think everyone is

very well aware that these are very complex buildings that are complex not only inside, but also how they can be sculpted on the exterior as well. We looked at two areas: One is on the extreme north we have a -- we had a back-up house on the ground floor adjacent to the Homestead, the terrace above, that back of house space, and that gave us an additional 17 foot setback from the Homestead. What we have looked at doing is turning that -- with removing the back of house space on the ground floor and preserving that terrace on the second level, but that terrace would be -- would allow for water to go through that terrace. If we look into the zoning book, they do allow for terraces above the ground floor to not be attributable to both lot coverage and to impervious area for the site. So that was a way to preserve that particular amenity on the second floor and also reduce the lot coverage. That was a reduction of 1600 and 17 square feet on the ground floor.

MADAM CHAIRMAN RAINEY: But where is the lot line moved? It's on --

MR. CURTAIN: This is just in terms of building volume as it affects the ground floor.

MADAM CHAIRMAN RAINEY: But not footprint.

ALDERMAN WYNNE: This is a second story terrace above open space.

MR. CURTAIN: Landscaped open area. And then on the east elevation you can see our dining room. We've looked at a number of different options, but the dining room we've looked at integrating the kitchen for further back into the building reducing the dining room slightly. That was a reduction of 720 square feet on the ground floor. And so our lot coverage goes from, I believe it was 72.7 percent, down to 68 percent for the lot coverage.

MADAM CHAIRMAN RAINEY: But would you be able to tell by looking; is that correct? That's the key.

MR. CURTAIN: I think there's one thing that's very significant, and that's in the separation of the buildings if you look at that where Alderman Baptiste, you were looking at, the separation between the Homestead on our property, that dimension of that bump-out which is significant, it houses two units all the way up the building, that bump-out is only 54 feet wide. As you move further to the east, that's a degree of separation moves from 20 feet and it adds an additional 17 feet. And now we're saying that that degree of separation is 17 feet all the way down to the ground with a terrace on the

second floor that is still permeable. If we look at the -- we looked at also the south building. This is another very big challenge. Even though these sketches are quickly drawn and lightly drawn, but there's a lot of program data that's associated even with these sketches. So that cross-hatch area, although looks relatively small in the overall plan of the project, it's still very significant from programming, but also from a lot coverage standpoint. By reducing the pool, integrating it back into the building, reducing the size and integrating the whirlpool into the building and consolidating the fitness center for serving the entire complex, that tunnel connection allows both buildings to utilize this fitness center which is an integral part of the program. That reduction brings us down to 70 percent lot coverage.

MADAM CHAIRMAN RAINEY: Any comments? Alderman Wynne?

ALDERMAN WYNNE: Well, I appreciate -- Alderman Wollin is on the line.

MADAM CHAIRMAN RAINEY: I'm sorry.

MR. CURTAIN: I just want to add one additional thing. I'm sorry. If we go back up to the north property, these represent ideas that we feel comfortable presenting to you. There are other ideas that we obviously discussed that I don't feel comfortable presenting, but I will present anyway. That bump-out on the north, that's 17 feet deep; and, as described, that's one to two units on each floor. To reduce that -- and that's one of the ideas. What alderman --

MADAM CHAIRMAN RAINEY: That's not the north, isn't it? Isn't that the east?

MR. CURTAIN: That's the north.

One of the ideas, to be able to increase the setbacks along Davis Street, one of the ways is to reduce the overall length on Hinman. That bump-out is suspect because that's a portion of the building that extends 17 feet deep and 54 feet wide. We looked at removing that, but that would remove the units on the floor. So the idea was that to do that and still retain the program that we currently have, we would need to build an 11th story along Davis Street. If somebody has a pointer; an east/west direction for that bar that's along Davis Street in the east/west direction. Now, that move would allow you to shift that building further away from Davis Street by 17 feet. But that would also add ten feet for that bar portion that's running parallel with Davis Street.

ALDERMAN WYNNE: May I ask a question? You're

saying that you'd add an 11th floor, this --

MR. CURTAIN: Can I borrow the pointer, please?

ALDERMAN WYNNE: You add an 11th partial floor.

MR. CURTAIN: Right here, (indicating).

ALDERMAN WYNNE: And that pushes you back 17 feet on Davis Street.

MR. CURTAIN: Which we are already ten feet from the property line, twelve feet from the side line.

ALDERMAN WYNNE: But it would push it back to about where it is currently. It's --

MR. CURTAIN: Currently 21 feet, 25 feet. Pretty close, two feet further.

MADAM CHAIRMAN RAINEY: Okay. Alderman Wollin?

MR. WOLINSKI: Thank you. Let's go to this last one first since it's fresh in everyone's mind. I'm not sure that increased height is what the Council wants. I mean is there a compromise that you're willing to make? Because if, in fact, during the plan and reading all the transcripts of the plan commission, they asked that same question: Would the Homestead and the Waterford be willing to give up some of that additional space to widen the frontage on Davis Street. I was at every planning commission hearing except the last one. I remember the question very carefully, and it was kind of, well, you know, we're not sure but we would like this additional footage next to those two buildings. Well, then the only alternative is to push the building closer to Davis. So that's what happened. If you want to move it back, and I can understand the rationale that Alderman Jean-Baptiste used to make it less canyon-like on Davis Street, although I do think that the elegant architecture, and I will use that word, because I think it is extraordinarily well done, does mitigate some of that feeling. Having been the alderman when the medical building was built, I will tell you it was built of right. It got no variances at all, and that's where it ended up, that that close to the sidewalk.

However, I do think that if we're going to ask you to limit the bulk of the building, then we have to be willing to give you additional height to make up for those units. Because from my understanding of Mr. Stern's analysis, is that those units are very important to the financial viability of the project. And I would not expect you to give

them up without some recompension along that way with additional height on the front of the building. I understand the explanation and rationale for not moving the driveway, and I agree with it. I have a problem with how we concern public benefit and how we -- I think the whole building itself, and developing an institution in Evanston which is going to provide excellent amenities to senior citizens of whatever economic strata, is a public benefit. The very nature of the building and the service that it offers is a public benefit. I agree, the parking, I think, is very creative under the gardens. The space between the hundreds of feet between this institution and single-family homes on Judson, you know, you're right. It doesn't apply to -- I mean R1s and R6s doesn't meet anywhere else in the city. There is also no other garden area in the city that even matches partially the extent of these gardens. They are enormously beneficial to the community, to the area. There is only one house that is near the south garden, and the owner of that house was told that Mather was preparing a proposal to rebuild their facilities when they bought the house. So this is no big surprise. The other thing I think is that we are looking at not just this neighborhood, although certainly this is important. When I first returned to Evanston I lived above what was then the Dominion Room and my parents were very happy that I was living in such a classy neighborhood. But in point of fact for the Davis Street Fish Market building, in point of fact, this is a very commercially close area; yes, it's R6, but all of those R6 buildings on Hinman do create a walkable and pleasant, you know, streetscape. But this is an institution that is valued by the entire city. When we look at people who are planning to move, who are not there now but who are planning to move into hopefully a new development, they come from every ward in the city. When you look at the support that came for this project, it comes from every ward in the city. I'm pleased to say that it's in the first ward; but, in fact, the phone calls and letters I've gotten have come from throughout the community, not just this neighborhood. And, in fact, when someone commented, I believe it was Mr. Reynolds on the other, the competitive nature, every other retirement home supports the Mather. The Presbyterian Home, the North Shore Hotel, Three Crowns, all of them are supportive of this project. That tells you something about the competitiveness of the marketplace and the fact that they're not afraid that there will be a new elegant new senior center for, you know, living within the community.

So I think we have to look at the large community, the jobs, the taxes, all of those things are very important. We talked to Alderman Baptiste and I talked about construction jobs and the possibility of using construction company that is willing to employ Evanston residents and train

them to be perhaps more skilled in that area. I think that the benefits far outweigh the inconvenience. I had someone call me and say it's going to be dusty. Oh, yes, you know, construction is dusty, but the overall good, if we think of the overall project in terms of what it's going to contribute to the city and to the quality of our community, I think it's overwhelmingly positive.

MADAM CHAIRMAN RAINEY: I don't think I've heard one alderman say that he opposes this project. Alderman Jean-Baptiste?

ALDERMAN JEAN-BAPTISTE: For the architect, can you help us understand for the Georgian, how does the reduction of lot coverage impact the Davis Street setback?

MR. CURTAIN: It does not. The reduced lot coverage is on the east side which is on the where the pool is.

MADAM CHAIRMAN RAINEY: Or the gardens, where the garden is.

MR. CURTAIN: Yeah.

ALDERMAN JEAN-BAPTISTE: Did you or your colleagues consider the Davis Street setback, increasing that?

MR. CURTAIN: The south lot, that lot is smaller; and, in fact, I believe that Georgian right now occupies for lot coverage is 83 percent, the existing Georgian occupies 83 percent of that lot. And, in fact, the setbacks are virtually right down the property line at least on Hinman as well as on the adjacency to the Waterford. So what we were looking at is how best could we shape this project. As when you look at the transcripts or you saw part that presentation, the view corridor or that separation, the benefits of the Waterford is tremendous, absolutely tremendous. They are looking at a courtyard right now that is a loading dock that doesn't even function properly, and it's an echo chamber. It's absolutely disastrous. So in terms of public benefit to the Waterford, that L-shaped building, opening up that view and that degree of separation between the buildings is a phenomenal benefit in our minds, and that's why the shape of the building is what it is. But we are limited, we are limited to the alley which is not moving, we are limited to trying to maximize the public benefit for the Waterford, but we're also dealing with Davis Street. Now, there's interesting enough about Davis Street. We talked about that six foot five inches that I'm just going to go from sidewalk to building, so that's eight foot five inches that exists there right now. We are at five feet, so there's, in

essence, three and a half feet. So we're a very subtle -- now, your comment about the mass of the building because it's turned. If you notice with the Georgian, the Georgian also has a one-story bustle. From a perception which the parkway trees do a tremendous amount of garnering your perception that street, that streetscape and the building. But as you're walking by the Georgian, the Georgian is in essence very similar, just a few and a half feet, few feet different than what we're proposing, and that that line is continuous as we walk along the building from the street to the alley.

ALDERMAN WYNNE: Which street are you walking along?

MR. CURTAIN: Along Davis Street. So from a truly pedestrian standpoint and in those renderings, those renderings that were done we took the exact trees, those are the trees that exist there, and what we're showing, because we like to -- we want to show the building, we're showing the trees without leaves. We in the previous commission, we showed the trees with leaves. The perception of the street and the setback is really from the grade in our view. And with the Georgian as it exists today, there's a certain amount of acustomness to walking down that street and having that building adjacent. Now, on the other side, yes, the setback is substantially greater, and so that --

ALDERMAN JEAN-BAPTISTE: On the north side now.

MR. CURTAIN: So I guess what I'm saying is we're trying to, and this came out at the last hearing. We're trying to maximize the benefit to Waterford and still preserve the integrity of Davis Street. And so that's why when it was suggested to us to shift the building, we thought that's probably a good idea; and that is, in our minds, a good idea. But that property width isn't that big and we're trying to -- we are trying to get enough of that program on that second -- that site. So I'm not sure if that answers your question, but I'm trying to explain at least some of the design parameters that were used in terms of creating the massing and also replacing them in the building. So with that lot area reduction, yes, that adds -- it's going to add a nice little park outside of that pool area that the residents will be able to use because there's an alley separating our, the other park from the building. But it still is a benefit because it says reduction in the lot coverage.

MADAM CHAIRMAN RAINEY: I need to just remind the committee that our discussion of the Mather has to end at 11:00 o'clock; however, we have to finish our agenda after that.

ALDERMAN WOLLIN: I have a quick question I forgot to ask. One quick question: Don't we have a formula for determining the amount of money for public easement.

MADAM CHAIRMAN RAINEY: We do, and that's an administrative -- for administrative cost, but this is a --

ALDERMAN WOLLIN: I understand. I just want to know what the difference is, what is the formula.

MADAM CHAIRMAN RAINEY: That probably was the \$10 or something came from --

ALDERMAN WOLLIN: What is it? Jim, do you know the formula?

MADAM CHAIRMAN RAINEY: It's a whole engineering policy.

MR. WOLINSKI: Yes. The city engineering department, if you look at the memo that was given to you a few minutes ago, under permanent subsurface easement, I'm assuming that the discussions that went on between city engineers and the Mather throughout this process was talking about \$5 a square foot, if I'm not mistaken, so I think that's probably where the \$10,000 figure came forward.

MR. WOLINSKI: If I understood the explanation from the Mather that \$120,000 would be subtracted from the amount of financial assistance you would be giving and for residents? Is that -- Did I understand that correctly?

MS. LEERY: Mather understands the affordable housing benefit that this money would go toward. So we're supportive of paying this additional amount. We'll take a look at, I'm not saying one way or the other whether it would reduce our own financial assistance program. It would just be something that we'd have to consider.

MR. WOLINSKI: Thank you.

MADAM CHAIRMAN RAINEY: Alderman Wynne?

ALDERMAN WYNNE: On the issue of the easement, I think we need to talk to our legal department. Because it's my understanding that we can -- that this -- that \$125,000 is an acceptable amount, so I do think that --

MADAM CHAIRMAN RAINEY: I thought we already

talked to the legal department.

ALDERMAN WYNNE: I spoke with Jack Segal and he told me over the phone that that amount would be -- He did not see a problem with it at all, but I think everyone should have the benefit of hearing that.

MADAM CHAIRMAN RAINEY: Of course, and we're not -- this is not over yet. That's definitely --

ALDERMAN WYNNE: The legal department has indicated to me that that isn't a problem. Can I go back to the lot coverage issue?

MADAM CHAIRMAN RAINEY: Yes, keep in mind the time.

ALDERMAN WYNNE: I will let someone else -- I would just say I appreciate the effort to get down below that number to the debatable number about the development allowance. But I think it's kind of a distinction without that much of a difference to everyone in Evanston, because the goal is to try and improve the streetscape. And by reducing the, especially on the south building, I think actually nobody wins there, because the potential future residents there have less space there inside, and it doesn't really benefit the public at all which is what our goal is to do. So I would like to see more work on that one. What's the other idea that you have that you didn't want to show us?

MADAM CHAIRMAN RAINEY: Plan C. Do I see any other --

MR. REIFMAN: I just want to clarify, I think what, and we would like your direction on this because we're a little confused as to what you're really looking for. But on the option that Jim doesn't like as much but you may like more of doing some additional height on Davis that would allow when that bustle comes off on north end of the building that would allow the building to be pushed back off of Davis so it is coupled, that could be one way to solve the problem. It does suggest additional light.

ALDERMAN WYNNE: I'm still thinking about that. That's why --

MR. REIFMAN: I just wanted to clarify that.

MADAM CHAIRMAN RAINEY: We could see that, right.

MR. REIFMAN: There's option two and a half.

ALDERMAN WYNNE: That doesn't help the south building.

MADAM CHAIRMAN RAINEY: Alderman Jean-Baptiste?

ALDERMAN JEAN-BAPTISTE: That's what I was going to talk about that you have no modification that you're willing to offer for the setback on Davis for the south building. I mean the north building doesn't -- I mean I don't think that's where the greatest need is for setback. So because you already -- you have -- if there were some compromises to be done, I would rather see us, you know, work on getting the south building a little further back from Davis, and, you know, do some minor compromises on north building. Because there's no setback at all -- well, it doesn't appear to be -- you say perceptually, you know, it will feel like it, but it would go at this point in time from nine feet or ten feet approximately to zero.

MR. CURTAIN: No. I'll just clarify that. If we go from the building face to the sidewalk, we said that was eight foot five inches with what we are proposing because the predominant face, just these three bow windows which we can talk about in one second, but that's five feet from the sidewalk. So the difference is five feet or, what did I just say, eight foot five inches, yeah, 3.5 inches. That's the difference. So it's --

ALDERMAN JEAN-BAPTISTE: On your papers here it says zero, but you're saying that --

MR. CURTAIN: It says zero because we have to take into account the front point of that bow window, but that's three events along that facade. Dominant face is five feet, so the difference is three feet five inches.

MADAM CHAIRMAN RAINEY: Here is what I will suggest. Would anybody have any objections if this were moved for introduction with all of the amendments excluding the lot coverage and excluding one other issue I want to explore some more, excluding the parking garage entrance? Could we do that and then bring this back to committee?

ALDERMAN WYNNE: I'm sorry, Ann, could you restate that?

MADAM CHAIRMAN RAINEY: Introduction of it with all the amendments that nobody screamed objections to, bring it back to Committee without dealing with lot coverage yet or with

additional height or with the parking garage entrance.

ALDERMAN JEAN-BAPTISTE: I don't have a problem with that.

ALDERMAN WYNNE: I don't have a problem.

MADAM CHAIRMAN RAINEY: Alderman, you were the maker of the motion. Would you have a problem with that? I want to move this along.

ALDERMAN MORAN: No.

MADAM CHAIRMAN RAINEY: Okay. Is that a no vote or a no, you don't have a problem?

ALDERMAN MORAN: You asked me if I had a problem with it.

MADAM CHAIRMAN RAINEY: Okay. So I'm going to ask for a vote. All those in favor of recommending what we have so far to the council say aye.

(Chorus of ayes.)

MADAM CHAIRMAN RAINEY: Any opposed?

It will be brought back to the committee with those items and we will simply work on --

ALDERMAN WOLLIN: On February 13, Mrs. Chairman?

MADAM CHAIRMAN RAINEY: With also information on the easement fee, and we will comment from Jack Segal.

MS. SZYMANSKI: Just as a point of procedure, Madam Chair, depending upon whether or not there are any redesigning that the committee is seriously considering and planning to vote on, that may open up the audience participation again. I just wanted to make that point.

MADAM CHAIRMAN RAINEY: Unless, of course, the audience is so confident of our efforts that they say they don't want to speak.

MS. SZYMANSKI: Yes. I just wanted to say that now in the event it came to pass the next time, I didn't want any surprises.

MADAM CHAIRMAN RAINEY: It certainly would be helpful also if we could get any additional drawings or

concepts of whatever is possible. Would you all agree with that?

ALDERMAN WOLLIN: Yes, beforehand.

MADAM CHAIRMAN RAINEY: Do not let us show up here without information. Anybody sending information to our staff that they're concerned we didn't get it, would somebody call us and say we sent something, did you get it.

ALDERMAN WOLLIN: The same thing is true for legal opinions. I did not know that there were legal opinions.

MADAM CHAIRMAN RAINEY: All right. So what we're going to do is take a little five-minute break, right, so that those of you who don't want to hear the rest of our agenda, but if you could just do it as quietly as possible because we would like to continue.

(At which time the  
hearing was continued  
to February 13,  
2006.)

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