BEFORE THE PLANNING AND DEVELOPMENT COMMITTEE

CITY OF EVANSTON

TRANSCRIPT OF PROCEEDINGS had in the
above-entitled matter at the Evanston Civic
Center, 2100 Ridge Avenue, Evanston, Illinois, on
the 27th day of March, A.D. 2006, at 6:00 p.m.

APPEARANCES:

MS. ANN RAINER, Madam Chairperson;
MR. STEVEN BERNSTEIN, Alderman;
MS. ANJANA HANSEN, Alderman;
MS. DELORES A. HOLMES, Alderman;
MR. LIONEL JEAN-BAPTISTE, Alderman;
MR. EB MORAN, Alderman;
MS. ELIZABETH TISDAHL; Alderman;
MS. CHERYL WOLLIN, Alderman;
MS. MELISSA WYNNE, Alderman;
MS. ELLEN SZYMANSKI, City Attorney;
and
MR. JAMES M. WOLINSKI, Director of
Community Development.

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REPORTED BY: PATRICIA ARMSTRONG, CSR, RPR.
Certificate No. 084-1766.
MADAM CHAIRMAN RAINEY: Ladies and gentlemen, could we start getting organized. Please take your seats.

The meeting will please come to order. The first item on our agenda is approval of minutes from March 13th.

ALDERMAN HOLMES: Move for approval.

ALDERMAN TISDAHL: Second.

MADAM CHAIRMAN RAINEY: Any discussion or comments?

(No response.)

MADAM CHAIRMAN RAINEY: Hearing none, all those in favor say aye.

(The ayes were heard.)

MADAM CHAIRMAN RAINEY: Any opposed?

(No response.)

MADAM CHAIRMAN RAINEY: Okay. Moving right along.

Alderman Jean-Baptiste.

MR. JEAN-BAPTISTE: Before we proceed, I just wanted to share with the Counsel a request that Alderman Holmes and myself are making.

On my end this was at the urging of some of the neighbors who were concerned about the
development going forward without planning. Let me just read the text.

For the past several months City Staff and Alderman Holmes and myself have met to discuss the planning issues in the 5th District and areas to the north, basically that form the Mayfield railroad right-of-way from Church to Foster and the Bishop-Freeman site.

We recognize that some detailed planning needed to be done so as to address the potential rezoning issues and site development standards. Staff has recently issued an RFQ for consulting services to address some of the planning issues.

The City will engage consultants to work with staff and the community to determine the appropriate land use plan for the industrial areas and recommendations to the plan commission for the rezoning of the area.

Since this is underway I would recommend that the City Council consider a moratorium for 120 days while the City works with the consultants. The area in general would be Church to Foster and Greenbay to Darrow. Projects, which have been to the Plan Commission are under
consideration by the planning and development committee and/or City Council would be exempt, which would include Darrow Corners and 1613 Church.

Let me also add specifically that the areas for the moratorium will also include the Cahill properties on the National Awards, Tapecoat and the surrounding area.

So this, again, came from as a response to the neighbor's concern and also as proactive kind of work we have been doing anyway. So I would ask the council's support for that effort at this point. I would move that recommendation.

6:19P ALDERMAN TISDAHL: I would second.

MADAM CHAIRMAN RAINEY: Yes, Alderman Wynne.

Please be cognizant of the fact that we have a new court reporter tonight who is standing in for our missing one, and so if you could speak up.

ALDERMAN WYNNE: Alderman Jean-Baptist, I completely support the moratorium.

My question would be should it be 180 days in order to give adequate time for planning other than 120?
ALDERMAN JEAN-BAPTISTE: Well, I spoke to the Director of Community Development, the Assistant City Manager, and they have had some discussion and wanted to start out with 120 days; and if we needed to come back do so, because we wanted to be able to press ourselves to move forward as quickly as possible and to not leave it wide open and think that we have a lot of time.

ALDERMAN WYNNE: I support the motion.

MADAM CHAIRMAN RAINEY: This matter is being referred to staff for presentation at the next planning and development meeting?

ALDERMAN JEAN-BAPTISTE: That is correct to specifically develop an ordinance or resolution out of the form that it comes and to make sure that we get that set.

MADAM CHAIRMAN RAINEY: Any further discussion on this?

MS. SZYMANSKI: Madam Chair, may I just ask a question?

MADAM CHAIRMAN RAINEY: Yes.

MS. SZYMANSKI: Alderman Jean-Baptiste, will you be planning to make any reference on the subject matter to the Planning Commission?
ALDERMAN JEAN-BAPTISTE: Yes. I will do that on the council floor tonight.

MS. SZYMANSKI: Thank you.

MADAM CHAIRMAN RAINEY: No other discussion?

All those in favor say aye.

(The ayes were heard.).

MADAM CHAIRMAN RAINEY: Any opposed?

(No response.)

MADAM CHAIRMAN RAINEY: Alderman Moran has asked on a matter in his ward that seems not controversial be considered first.

If no member of the committee has a problem with that, the third item on our agenda, "Special Use and Major Variation for 2819 Central Street," are the people here?

MR. MORAN: Yes, they are. Would you like to move?

ALDERMAN WOLLIN: I will move for approval.

ALDERMAN HOLMES: I will second it.

MADAM CHAIRMAN RAINEY: Could we have some comments by the Harris Bank people? Anybody here?

MS. BRIDGES: Yes. I am Gina Bridges from Harris Bank.

MADAM CHAIRMAN RAINEY: This isn't a slam
dunk. You have to come talk to us just a little bit.

MS. BRIDGES: Good evening. I am Gina Bridges, President of Harris Evanston and also responsible for Wilmette and Skokie.

Harris has enjoyed the pleasure of being in the Evanston community. We will celebrate our third anniversary in June.

It has been what I would describe as a mutually good relationship between the City of Evanston, residents of Evanston and, of course, the Harrises are pleased to be here.

As a result and with the success that we have experienced thus far and the crying needs specific to our customers, we would like to expand in the Community of Evanston. We have supported the community. We will continue to, and it is our pleasure to be here.

With this being said I would like tonight that you consider approving us to move forward with our location in Evanston at Central.

Thank you.

6:22P  MADAM CHAIRMAN RAINNEY: A question I had was about your mechanicals and your HVAC equipment.
I read the transcript, and it seemed that your response was rather casual to the concern that that equipment would be noisy, and I heard no discussion about any consideration of moving it.

I think one of the comments made by your people was that oh, well, there are rules and guidelines and laws for noise.

That didn't settle with me because in developments around town we have had other issues with mechanicals in close proximity to residential.

MS. SZYMANSKI: Madam Chairperson, since this is apparently going beyond closing arguments, I would ask that the witnesses be sworn from now on.

6:23P MADAM CHAIRMAN RAINEY: I am just asking a question. I am just asking her a question if they come up with anything.

Would that be okay?

MS. BRIDGES: I would like our architect to speak to that.

MS. SALVIA: I am Tracey Salvia. When we designed the building, we looked at all of the relevant provisions of the Evanston Development
Codes, and we made sure we were in the guidelines.

    I think that is the remark that you were
referring to. We have put the main mechanical
unit actually in the ceiling space inside the
building, and we have two small compressors that
we believe will be on the roof.

    We have kept that actually pulled south
of the residential area from the north property
line on the building, and we are certainly open to
locating that in an area that will mitigate the
concern of the neighbors. We are not married to
the exact location of where it is. We just
located it in accordance with the regulations at
the time.

MADAM CHAIRMAN RAINEY: Is Carolyn here?

In reading this I had a concern about

    this.

Carolyn, I am just going to ask that you
stay in close touch on that matter.

Are there people to speak on that?

MS. PIZINSKI: I don't know what they are
speaking about, but that is the list.

MADAM CHAIRMAN RAINEY: Are there people in
the audience who are here residents to speak on
the matter of the Harris Bank project? No. Okay. So that is all I am concerned about, Carolyn, and the noise.

Any other discussion on this? Alderman Tisdahl?

ALDERMAN TISDAHL: I wondered if there was any way you could use the existing building?

Is there any possibility of adaptive reuse?

MS. SALVIA: When we looked at the programmatic needs of Harris Bank, the existing building did not meet their current programmatic needs.

MS. BRIDGES: Alderman Tisdahl, I also pushed essentially when we embarked on this to see if in fact we could accommodate and use the existing building given what we want to do and the configuration necessary to put drive-ups there, it was not conducive.

ALDERMAN TISDAHL: Thank you.

MADAM CHAIRMAN RAINEY: Anybody else? Hearing no other discussion, all those in favor of recommending introduction say aye. (The ayes were heard.).
MADAM CHAIRMAN RAINEY: Any opposed.

(No response.)

MADAM CHAIRMAN RAINEY: The first item on our agenda is 38-O-06, Planned Development for 1613 Church Street, commonly known, I guess, as the Church Street townhouses.

I think what we will do is we will swear you in and you will give your presentation and the witnesses will go on from there with cross examination.

Mr. Murray?

(WHEREUPON, the witness was duly sworn.)

MR. MURRAY: My name is James Murray.

AN AUDIENCE MEMBER: We can't see the exhibit.

Can you turn it so we can see it?

MADAM CHAIRMAN RAINEY: Everybody calm down.

MR. MURRAY: It's not for you, sir.

MADAM CHAIRMAN RAINEY: Everybody calm down.

We have an issue with chairs.

Alderman Jean-Baptiste is concerned we don't have enough chairs. I don't know where you will put them.

ALDERMAN JEAN-BAPTISTE: Maybe somebody can
address that as soon as they can.

MADAM CHAIRMAN RAINEY: Somebody who is not here who could leave and address that problem.

Okay. Let's move on.

MR. MURRAY: Aldermen, when last we were here, there were several presentations made relative to the site of the old Hines lumber yard.

In the interim there was a special meeting scheduled reserved and in fact an additional community meeting was conducted last Thursday night, I believe it was, at which time Alderman Jean-Baptiste, yourself was there and Mr. Stern from U.S. Equities joined us and approximately 30 to 35 residents as well as I think Alderman Holmes was there.

In any event, by means of the give and take of additional communication, we have we think a proposal, which is now acceptable to the community as well as within keeping the original concept and idea for this particular style of development.

The essential element of the change that may have evoked this resolution was reduction of one unit from the proposed development.
So, there will now be a gross number of 40 town homes in the basically modified and same configuration that you saw previously on the 13th I believe it was.

The unit that was removed from the north-south building in order to accommodate a substantial increase in the setback of the eight-unit building to the south and to the east so that now the front yards along Church Street in that particular area, the area that was of greatest concern to the neighbors is now from 20 to 22 feet rather than eight to 12.

We think that that has substantially increased the palletability and the feeling along Church Street, which was one of the major concerns expressed by the neighbors.

In addition to that, there were some requests for heightening the landscape materials and other elements of the plan, but in the process the developers have agreed to make a $50,000 contribution to the Mayor's fund for affordable housing.

Additionally, the developers have agreed to an in-kind contribution relative to the berm.
It was the old Mayfair line. It runs from the south edge of the property to the northeast and along that particular span of some 377 feet there will be a substantially increased amount of landscape and hardscape materials loaded to the south end where it is most appreciable by those people passing on and across the street on Church as well as the neighbors to the south and to the east.

In addition, the developers have agreed to enhance the east facades and, let's say, the exterior facades of each of the end units of the buildings by adding window elements as well as planting ivy so that the mass of brick work and whatever which has been again suggested to be a massive difficulty for movement and traffic movements along Church Street will be broken and a more fitting more residential softer appearance can be achieved.

The additional elements through the in-kind contributions and the direct contribution of affordability of the developers also intend to hire in the areas of site demolition and preparation of the berm work for new landscape
materials of Evanston contractors, which they have identified and worked with in the past.

We think that all of these elements for most particularly the reduction in the number of units to 40, the increased landscape materials, the setback from Church Street and the contributions at both in kind and in cash relative to affordable housing and municipal improvements of the appearance of the Mayfair line berm provide the opportunity now to represent that there has been a resolution.

We believe we would ask that the City Council, the planning and development committee to approve the item and offer it for introduction.

6:33P MADAM CHAIRMAN RAINEY: Do you have any other presentations to make?

MR. MURRAY: Well, we have the architect who is here, Mr. Kaneman and Mr. Fleckman. They are here to respond to questions if there be any.

I saw Mr. Stern standing behind me. He was a principal player on the achievement of what we call the resolution that you have seen and which we have described.

The answer right now is I have people
available. I would simply defer to the Alderman in the event there are additional items he wants to bring forward.

MADAM CHAIRMAN RAINEY: Any Alderman have any queries of Mr. Murray? And then I am going to let the opponents respond.

ALDERMAN JEAN-BAPTISTE: I do.

MADAM CHAIRMAN RAINEY: Okay.

ALDERMAN JEAN-BAPTISTE: What zoning would you be requesting?

MR. MURRAY: I'm sorry. That was a rather critical element, wasn't it?

The essential element of the process was that the rezoning of this particular site would be changed not from the R-5 that was originally requested, but rather to an R-4 with -- I believe the only additional site allowance that would exceed those which are provided for by the planned unit development ordinance would be the numbers of units instead of -- the R-4 would permit some 34 units with the development allowance and the proposals.

MADAM CHAIRMAN RAINEY: I will now, if it is authorized by our attorney, allow for the
opponents to ask questions of Mr. Murray.

MS. SZYMANSKI: Yes.

MADAM CHAIRMAN RAINEY: Is there anybody representing the opponents?

Let's just say the neighbors who would like to question Mr. Murray.

You need to be sworn in.

(WHEREUPON, the witness was duly sworn.)

MS. SAFFORD: I am Joan Safford, S-a-f-f-o-r-d. I noticed throughout the transcript last time it was Stafford.

MADAM CHAIRMAN RAINEY: That's minor.

Could you give us your address, please.

MS. SAFFORD: Yes. My address is 1618 Wesley Avenue. I am within the thousand feet, and all of the people who have signed the petitions are within a thousand feet.

MADAM CHAIRMAN RAINEY: Your testimony needs to be specific to Mr. Murray's current presentation.

MS. SAFFORD: With regard to the current presentation, Mr. Murray, you indicated that the number of units that would be permitted under R-4
would be 35 units, and I wondered whether in the
course of your discussions with Mr. Stern whether
you reached an answer to the question posed last
week by Alderman Wynne, which was how much would
you have to reduce the price or how many units
could you eliminate if you reduced the price from
a price that was set on the basis of an R-5
zoning.

MR. MURRAY: Well, I don't think we ever
achieved a specific dollar figure.

I think that the consideration that
Mr. Stern -- he can speak for himself -- gave to
the performance that we provided to him indicated
that the land price was not driving the valuation
of the units nor the number of units that would be
included within the project.

The resolution that had been suggested
by him as well as by conferences with Alderman
Jean-Baptiste was that in his view -- I don't want
to misquote him, but in his view there was
capacity to reduce the number of units to 40 that
would allow for A, the contributions that we
mentioned earlier in terms of contributions of
kind as well as the affordability contribution as
well as maintain a feasibility factor for the entire project at 40 units.

Now, the sales price of the property does indeed play a part of that, but I don't know that I have the capacity to respond directly to your question.

I would suggest that perhaps Mr. Stern might be the appropriate party to do so.

MADAM CHAIRMAN RAINEY: Marty, do you want to come and respond to that, although it shouldn't be mistaken that Mr. Stern is here on behalf of the developer. He is here on behalf of the aldermen and the City of Evanston.

Can you give your name, Marty?

MR. STERN: I am Marty Stern. I am executive vice president of the U.S. Equities Realty.

(WHEREUPON, the witness was duly sworn.)

MR. STERN: Part of the land price in this particular case it seemed to me that the price was reasonable based on the concept of 40 units.

I am making that judgment that the price ends up being approximately 12-and-a-half percent of the sales price which frankly as a rule of
thumb, it was an old rule of thumb, is considered very normal, mostly in a lot of projects. You have seen land and the proposed sales price actually go much higher.

So in this case of reaching a judgment that it wasn't the land price that is driving the density over here. I have seen it in other projects.

The Alderman have certainly seen that in other projects, and the City of Evanston. It is just not the case here. This seemed to be priced to the range of 40, 41, 42 units and the land components of the ultimate sales price is quite reasonable.

MADAM CHAIRMAN RAINEY: Alderman Wynne.

ALDERMAN WYNNE: Marty, to continue this, maybe if you just said that the price is reasonable for 40 units, that is the totality. It's an I District. It's not going to be developed as an I District.

So, if it's appropriate for 40 units, what is appropriate for 27 units for the price of the land. I am trying to understand once again why it's R-5 as opposed to R-4 or R-3.
MR. STERN: The zoning that is being put forth
is essentially R-4 with a little extra. It wasn't
based on R-4. It is based on R-5 zoning.

If the question is if you told him he
could build two houses, would the price of the
land be less, the answer is certainly if that is
the case.

But within the type of project that they
are building total land cost is absolutely in line
with what you would expect for that level of
project. They weren't pushed to get this level of
density by the land price.

The level of density is set more by
their desire to keep the project in the affordable
for Evanston price range and so I don't see the
land price as being the trier for this density.
The land price seems actually fair.

MS. SAFFORD: Could you still have a project
with 27 units that were in this affordable range?

MR. STERN: Probably not 27 units.

MS. SAFFORD: Upper or lower?

MR. STERN: If you loosen up your unit or two
at this line price or the lower line price,

probably.
MADAM CHAIRMAN RAINEY: What about the 35?

MR. STERN: At 35 -- in my calculations 35 brought the rates turned down to very marginal levels.

ALDERMAN WYNNE: At the land price?

MR. STERN: At this land price. But, again, there are a lot of other cautions in addition to the land price.

ALDERMAN WYNNE: I recognize that.

MR. STERN: The part of what we had talked about, though, and you mentioned it here is that the question to what benefit.

So, if you start to take out the unit here or unit here, it didn't really address the concerns of the neighbors about how the project appeared along Church Street and how we would feel the changes that are being proposed are changes that were directly responsive to the concerns raised by the neighbors to be able to move the project back, have greater setbacks, have better books as you are coming down Church Street to not have the R-5 zoning.

So in all of the concerns, the major concerns that were raised by the neighbors in the
neighbors' meeting, we tried to come up with a
solution that would be responsive and just losing
units really wasn't the issue here.

MADAM CHAIRMAN RAINEY: I think there were a
host of issues.
I appreciate the differences that have
been made in terms of creating setbacks and
breaking up a blind wall phase, and I am not sure
how you come down on the issue of the precedents
of an R-4 that exceeds development allowances
versus an R-5.
But I appreciate the differences and how
it will appear on the street for now. Could I ask
another question?
With respect to your comment that this
was responsive to the neighbors, the attention was
also drawn to the 18-unit building which goes to
300 and whatever feet along the berm.
That is still five feet from Church
Street, is it not?
MR. MURRAY: Eight and a half.
MS. SAFFORD: The question is -- two questions
really.
One of them relates again to Alderman
Wynne's question, which is would maintaining the
same price for the units per unit, what would be
the price for the land if it were conforming with
the R-4 planned development of 35 units? What
would be the feasible price? Because you said
that the 40 units is reasonably priced for 40
units.

The question is what would be a
reasonable price for the land for 35 units
maintaining that same because we are concerned
also about integrity of the zoning ordinance.

MR. STERN: In the nature of the way the
negotiations went, the discussions went, we
actually didn't fully complete that calculation,
because it didn't seem to be again the issue.

You do the calculation, but we were
talking that if you have $45,000 a unit being an
average price for this, if you took out another
five units, let's say, you could arguably say that
it's somewhere in the $200,000 range, but it's not
quite as simple as that. It's not a night and day
difference in the order of price.

MS. SAFFORD: Then with respect to the
building, which goes along the berm, was there any
consideration given to removing the unit from the end of that building in order to pull it away from Church Street?

MR. STERN: There was. It seemed to me just in our opinion less critical.

One because if you move the building back, all you are doing is exposing the berm, which is even with the way they are going to do the best they can to landscape it and make it look a lot better.

There is not something there to which there is a great advantage as you are walking down the street to pull things back. You are not looking at the other houses down the street. You are not looking at a row. You have the viaduct there.

So there didn't seem to be much point in moving this back just to expose the berm a little further. The same is true coming from the other direction.

So this just visually and from walking down the street and how it's perceived as people drive by just didn't seem to be as critical as moving this lawn building back, which was I think
an excellent point raised.

MS. SAFFORD: Did you have an opportunity to look to see how high that berm was? I know there was a discussion at the neighborhood meeting about it being 27 feet high. It's much lower than that, isn't it?

MR. MURRAY: I think it's 15, 17.

MS. SAFFORD: So that the building will be 42 feet high and what is there now, the berm is 15 to 17 feet high.

MR. STERN: But if you stand on the site and look this way, this building actually shields it. If you stand on the site, you are seeing the building in the back, and you are seeing the facility to the extent it extends above the berm. So, coming down the street from the neighbors this building will be a major improvement to the view that they have now, because right now that is what you see.

MS. SAFFORD: Not as you go down Church Street and look down Church Street; is that correct?

MR. STERN: If you are standing here on this part of the site, as we are looking this way, you will see the top of the Enox facility. So this
building will block the berm, which we think is a
good thing, and it will block the view of the
facility, which is a good thing and make the whole
thing feel more residential and less industrial.

MS. SZYMANSKI: I don't want to beat a dead
cat, but the first two units on that building are
not blocking -- they are blocking the berm.

MR. STERN: This is the berm, and the berm is
a berm. It's not houses. It doesn't have any
continuity toward the street. It's a berm, and
the berm itself is not an asset in the community.

MS. SAFFORD: We hope something will be done.

MR. STERN: Something will be done about the
berm. To move it back just to expose more berm
didn't seem to be very useful.

MR. MURRAY: I would just point out that the
closest point at the corner of the apex to the
corner of that particular structure is about eight
feet, three inches from the lot line.

It runs back very directly and very
sharply as the wall moves to the west until you
get 20 feet away at the edge of the other end of
that part of the building.

MADAM CHAIRMAN RAINEY: Okay. No further
cross examination?

Would you like to make your presentation?

MS. SAFFORD: We would like to find out where we are. This is Joan Safford again for the Church Street neighbors.

We would first like to present the additional petitions which have been signed from people who were here and wanted to sign and have done that.

If you could make a presentation of those, I wanted to ask a question about the proceedings two weeks ago because it makes a difference in how we would proceed this evening.

We noted in the transcript that this was a -- that there is a transcript of the hearing, a full transcript of the meeting; and, therefore, it appears that there was a hearing.

On the other hand, there was in that transcript the decision not to have a hearing but to have a meeting and so during the presentation that we made the last time we were not under oath. The petitions were not presented under oath.

The exhibits which are part of your
packets, I know, which pretty much summarize what everybody was going to say or could have been an extension of my testimony, if it had been testimony, is not officially part of anything, at least as far as I can figure out.

So what I would like to ask of you this evening if my perception is in fact the case rather than calling on everybody because I know you have a very long agenda.

MADAM CHAIRMAN RAINEY: Oh, you are not going to be able to call on everybody.

MS. SAFFORD: Well, we will call on some of everybody.

MADAM CHAIRMAN RAINEY: No.

MS. SAFFORD: It is to ask that the petitions be accepted by you as evidence or as part of the evidence of the hearing, that I be sworn so that I could simply reaffirm what I have.

MADAM CHAIRMAN RAINEY: You have been sworn in, haven't you?

MS. SAFFORD: No, I wasn't.

MADAM CHAIRMAN RAINEY: You haven't been sworn?

MS. SAFFORD: No, I haven't been sworn.
(WHEREUPON, the witness was duly sworn.)

6:50P MADAM CHAIRMAN RAINEY: Let me just stop you. I read the transcripts of where petitions get past back and forth. There was a whole lot of verbiage going on.

We are going to accept your petitions. I am sure that they are legitimate. We are going to accept them. We will put them into the record.

MR. MURRAY: Will you accept them over my objection, please?

MADAM CHAIRMAN RAINEY: Yes. We will make sure that Mr. Murray gets copies.

MS. SAFFORD: What I would like to do under that circumstance is to reaffirm what I said two weeks ago so that I don't have to repeat it and take your time with that.

I would like to offer as exhibits to my testimony or extensions of my testimony the written materials which are part of your packets which we gave you on the issue of the marketing, the issue of the problems in the application, the issue of the problems in the City zoning analysis, which did not include the analysis of the impact
of R-5 and the criticisms of the Planned
Commission's findings as unsupported which we
provided illustrative examples there.

So if that is understood, we also had
exhibits which were displayed by Greg McWilliams,
another one of our neighbors; and we would like to
be able to introduce those, too, as part of the
record, the purpose of which was to show, as you
know, the impact of that 18-unit building along
the berm as well as something which we are very
gratified to have been addressed, which is the
setback on Church Street.

I did want to make part of the record
that Alderman Jean-Baptiste made great efforts
with regard to the community the other evening and
then to meet with us since that time.

I know we had a trial coming up, and we
met on Saturday morning. I understand my e-mail
to each of you was impossible to open. You have
to save it first and then open it I am told. But
I apologize. I would have sent it to you again.
I am sure you all were en route here.

We also want to state our appreciation
to Alderman Jean-Baptiste for his question this
evening in making it clear that the ordinance when
written would be for an R-4 with all the same
exceptions except the further exception which we
propose of the additional units between 35, which
would be limited, and 40.

We appreciate that because we think it
points up something which is critical. This is as
a matter of fact piece-meal development, something
which is criticized in the TIF and in the HUD
plan.

It's something that was not appropriate
for this area, but it has something else which
Alderman Holmes and Alderman Jean-Baptiste were
emphasizing, which is that it is the first step
and as a first step, we think it is very important
that it be absolutely clear to all other
developers that if these exceptions are granted
and we proposed the density still; but if these
exceptions are granted, that it is an exceptional
case, that it was a special thing for somebody who
Alderman Jean-Baptiste said the other evening is
the first in the door taking a chance on a piece
of difficult property.

I don't want to say it's the most
difficult in the whole neighbor, because we all
know that Enoc is the most difficult in the whole
neighborhood. But it is somebody taking a chance,
and we don't want anything in that decision to
suggest that any particular zoning is the
appropriate zoning for the rest of the area and
that what is important is the planning which
Alderman Holmes spoke with us briefly about on
Wednesday and Alderman Jean-Baptiste spoke to us
about on Thursday and which is critical that it
includes not just the Tapecoat kind of drums of
properties which are included in that request for
qualification, but include the national awards and
Cahill properties.

We say that because recognizing that
they may not be leaving soon, we hope to be very
active with the Planning Commission in presenting
our views about appropriate steps in that area,
and we want to be able to be considered the
possibility of opening forums through to Lyons for
creating more street frontage all in that
neighborhood so that houses and housing, including
the affordable housing, can be incorporated into
that area rather than creating a series of
enclaves of the sort that we have expressed our
cornern that this will be.

We do not want to have a series of
Church Street villages well built as they may be,
because they turn inward as we have stated from
the beginning and because they turn away, though
people within them get to know each other. The
people who were not within them don't get to know
the people who are within them without major
effort.

So approaching this whole property as a
part of a neighborhood and considering its impact
as particularly as you move north on the little
and larger houses on Ashland and on the houses on
Lyons which also were a little larger and the
thinking also of our neighbors on the west side of
the berm who live in an R-4 neighborhood, we want
that neighborhood to be -- all of it to be
welcoming to each other as it has been
additionally. So those are our major thoughts.

We haven't seen the plan. We have seen
this tonight. We haven't seen a pro forma. We
haven't seen the ordinance.

So I would ask that we not be precluded
from further comments when those are available,
not that we will take up our whole evening, but we
indicated to Alderman Jean-Baptiste that we were
not empowered to reach an agreement to this plan
because we have now 100 neighbors who have signed
petitions and getting in touch with them. We have
done a pretty good job in the last couple of days,
but we can't represent what their position would
be without further consultation without something
in front of us and so I assume that these drawings
and the materials will be available at the public
library and at the city hall soon.

6:58P MADAM CHAIRMAN RAINEY: We have been assured
that all of the materials will be turned over to
our city staff and that a revised ordinance will
be presented to us.

If Mr. McWilliams can give you the
exhibit from Mr. McWilliams and the petitions, we
will do that.

The most important thing from our point
of view is the moratorium. Because this is a
piecemeal development right here and because we
believe that the TIF requires overall planning, we
think the moratorium is critical.
If the request for qualifications came as a result of the fact that the property is for sale, the words that were used were there is something in the works for the Tapecoat property. The pressure is there.

I think perhaps Alderman Holmes when she referred to the fact that we have to have planning -- I think I quoted her here. "We have to have planning before the developers sweep in."

We are all United on that. And so the moratorium is something which we feel urgent about in the referral to the Planning Commission and that it be in the time frame that allows the Planning Commission to accept adequate testimony.

Finally, once again, we are still concerned about the density. It does not fit the description of a planned development.

There are already the exceptions of now not the setback so much, but the setbacks from the size back to the density?

I mean, the lot coverage and so on, the one that is of greatest concern to us is the density in terms of numbers which we would like to see. As my husband said in the plan commission,
not a fudged R-4.

7:00P

MODERATOR SHEEHAN: Thank you.

[Applause.]

MADAM CHAIRMAN RAINEY: Thank you.

MR. MURRAY: Madam Chairman, may I just express the objection of the developers to the proposed or offered by the resident's objections?

MADAM CHAIRMAN RAINEY: All we have is the petition.

MR. MURRAY: I understand.

MADAM CHAIRMAN RAINEY: There was a reference to it.

MR. MURRAY: There is no question about it. They chose to avoid the process by which they can participate in the Plan Commission hearing in lieu of stepping forward at the planning and development.

MADAM CHAIRMAN RAINEY: Ms. McWilliams, do you have something to present?

MS. MC WILLIAMS: Yes.

MADAM CHAIRMAN RAINEY: What is it first? Did you have your hand up?

ALDERMAN WYNNE: I would just object to your statement, Mr. Murray. Our process is that you
can appear before the Planning Commission. You can appear before this P & D committee. You can appear before the City Council if you want to. We haven't voted yet.

MR. MURRAY: I understand.

ALDERMAN WYNNE: The idea that they chose not to appear before the Planning Commission, I don't necessarily know that that is true. I don't know that someone chose not to. So I object to that. We are still the city council here. Because someone doesn't think of what they are going to say necessarily in front of the Planning Commission doesn't mean that they can't raise it here.

MR. MURRAY: I understand.

MADAM CHAIRMAN RAINEY: We have also been placed in this terrible position by the courts. The people in the community are not all attorneys, even though Joan is.

MS. SAFFORD: I am a criminal attorney. It doesn't help much.

MADAM CHAIRMAN RAINEY: We have to have a little give and take here.

You can object, and we are going to
record your objections.

MR. MURRAY: Thank you.

MADAM CHAIRMAN RAINEY: We are going to look at the material that is available.

MS. MC WILLIAMS: I have to be sworn.

(WHEREUPON, the witness was duly sworn.)

MADAM CHAIRMAN RAINEY: Name and address.

MS. MC WILLIAMS: I am Mary McWilliams, M-c-W-i-l-l-i-a-m-s. My address is 1606 Wesley Avenue, and I am within 1,000 feet.

What I am going to present to the council tonight without speech are the copies of the plan, the large boards that Greg Williams had here last week that show what could happen with the property to the east, the national awards property if this project went through and also his comparisons of the density and the size. That is all I wish to present to you.

7:03P MADAM CHAIRMAN RAINEY: So, it's the information we saw?

MS. MC WILLIAMS: It is the information you saw. It is nothing new.

MADAM CHAIRMAN RAINEY: Does the committee
want me to pass this? Mr. Murray, do you want to respond?

MR. MURRAY: I have the same objection with reference to the exhibits that have been on here.

MADAM CHAIRMAN RAINEY: Would you like to cross-examine?

MR. MURRAY: No, ma'am.

MADAM CHAIRMAN RAINEY: Alderman Jean-Baptiste.

ALDERMAN JEAN-BAPTISTE: To the extent that I am not sure of the process at this point in time, at what point we start deliberations so we can vote.

MADAM CHAIRMAN RAINEY: At this point if the committee would like, we can terminate the testimony and cross examination and presentations or we can allow Mr. Murray to sum up and the objectors to sum up.

ALDERMAN JEAN-BAPTISTE: Here's what I want to say: The issues that have been on the table have fallen into four basic areas. One is the issue of the R-5 setting a precedent for the other adjacent properties. That has been addressed for the most part, and we are
getting back an ordinance that will place this
development in an R-4 so as to avoid the precedent
setting.

I understand that there are additional
allowances that have been requested, but that
concern is addressed.

Legal has spoken of the issue and stated
that we do not have to republish the notice
because it is a lesser included notification since
the original notice was for an R-5. That is one.

The second concern that was related is
that we are doing piecemeal development, and I had
explained to the neighbors that there was some
development, some planning already in motion.

But sometimes when you have a
development that is on the table because of the
fact that we may do planning that doesn't mean
that we stop development. We didn't have a
moratorium in place.

The proposal was placed before us, and
we have to consider it. So we did not want to
stop this process, but see how we might be able to
modify it to best serve the interest of the city
as a whole, the whole revitalization effort that
is underway for the west side of the town and the concerned neighbors.

So the planning has been emphasized. The idea of the moratorium came from the neighbors, and we have taken the initiative to have staff come back with a resolution, and the area may be expanded. There may be other concerns that we may have, but the moratorium will be in place.

The third issue was one of setback. The Church Street building was too imposing and so our discussion led to the developer making certain concessions and moving that building back, and I think that is significant in terms of the field, the pedestrian experience on Church Street as you walk passed that building eventually.

Finally, to a certain extent the density, they took one building off, but I think we have to look at this project in the totality of the circumstances and Joan did a good job in terms of talking about the fact that this is the first project.

It's really the second project on the west side of town, but the project adjacent to
Enox means that the developers have taken a significant risk.

There are some people who have already said I would move there or whatever, but the developers are taking a risk, and I think that we have been responsive in that context. So I would think that it is time for us to introduce this matter on that basis.

7:08 P.M.

MADAM CHAIRMAN RAINNEY: I think we should allow, if there is a request, to give an opposing statement to sum up.

ALDERMAN JEAN-BAPTISTE: I thought this was the closing statement that people gave.

MADAM CHAIRMAN RAINNEY: I think it would be fair. I am going to let the three of you speak.

ALDERMAN WYNNE: I would like to know from what is permitted in R-4 and how this exceeds the development allowances and entered into the development allowances.

Have you had an opportunity to look at this?

MS. JACKSON: I have not.

MADAM CHAIRMAN RAINNEY: The answer was no.

ALDERMAN WYNNE: I would like to have -- would
there be a new zoning analysis done?

MS. JACKSON: Yes.

ALDERMAN WYNNE: Before the next meeting.

MADAM CHAIRMAN RAINEY: Would we be able to get that on April 4th?

MADAM CHAIRMAN RAINEY: Alderman Bernstein.

ALDERMAN BERNSTEIN: Thank you.

I took Ms. Safford's statement to mean that they wanted an opportunity with the new information to determine our plan or strategize or have further discussions with respect to the neighbors?

Is that what we are looking at? Did the Chair consent to that?

MADAM CHAIRMAN RAINEY: Nobody has the information that she doesn't have. We don't have it, either. So, we are all going to get it.

ALDERMAN JEAN-BAPTISTE: Let me just respond to that.

I think what I heard is access, access to whatever the new ordinance is so that she still has a chance, the neighbors have a chance to make input.

We have done in the Mather situation up
to the date that we oathed on the thing. I think
the process is still interactive. It's not
closed. We need to continue to be responsive and
try to see if we can move the process forward.

MADAM CHAIRMAN RAINEY: Alderman Tisdahl.

ALDERMAN TISDAHL: I agree with you.

I don't consider introducing this in any
way closed the process.

Mr. Murray, what are the prices of this
going to be after you have made changes in the
number of units and they are contributing to
affordable housing?

MR. MURRAY: We have not raised the prices.

They are the same as they were, $360,000 to
$400,000.

ALDERMAN TISDAHL: Thank you.

MADAM CHAIRMAN RAINEY: Alderman Wollin.

MS. WOLLIN: I just wanted to clarify that the
petitions that were just handed in tonight did not
include the new proposal; is that correct?

MADAM CHAIRMAN RAINEY: That is correct as far
as I know.

MS. MC WILLIAMS: They did not.

MADAM CHAIRMAN RAINEY: The reason I was
thinking that it would be important to hear just a brief summary is because I don't see another full-scale hearing on this. I think that the committee will talk among themselves when we see the final product.

ALDERMAN JEAN-BAPTISTE: Some suggestions can be made.

ALDERMAN WYNNE: Would the neighbors be given an opportunity to comment?

MADAM CHAIRMAN RAINEY: Yes.

Mr. Murray, would you like to say anything in closing?

MR. MURRAY: We think we have presented to you an opportunity for the first development and switch from industrial-based zoning district to a residential-based zoning district. There are now 40 units having been reduced from its initial concept of some 47 units.

The project has been moved through to provide a very pleasant front yard along Church. Additional design elements have been included in terms of windows, and the architects like to see ivy along the side walls, new dormers and gable ends, a variety of brick.
We think we have presented to you the project that ought to be developed, the project that the neighbors in substantial numbers have come to endorse and one that is an appropriate first step in the industrial area to the west of Bridge Avenue. The request that we have of you is simply provide us with your approval of this project.

7:12P  

MADAM CHAIRMAN RAINEY: Ms. Safford, about three minutes.

MS. SAFFORD: I first want to be sure that the statements which we printed out are an extension of my testimony so that they are part of the record, because that was one thing that was not clear.

MADAM CHAIRMAN RAINEY: Whatever you gave us will be.

MS. SAFFORD: It's in your packets. We gave it to you, and we are asking will that become part of the record? We can put it again in full packets if that is necessary.

With regard to this we are gratified that there has been as much movement as there has been and that there has been as much, I believe,
things have been done in a cooperative spirit.

We have not been unruly, but I think one of the greatest things about it is it has helped to acquaint us with each other in this neighborhood and acquaint us with our alderman. We put forward both of our alderman and actually three of our alderman, Alderman Bernstein, Alderman Jean-Baptiste and Alderman Holmes and the area that we are most concerned about is the integrity of the zoning ordinance and the planning process. So we continue to be concerned at the idea that what we believe should be an R-4 plan development is an R-5 or is an R-4 planned development with exceptions beyond anything that the planned development ordinance permits, both in terms of side yards, landscaping around the edges and height and setback, because that is the other height issue.

MS. JACKSON: 35.

MS. SAFFORD: In any case, we are concerned about those things, and we feel very strongly that this is a unique project, whatever form less than being conforming with the zoning that it turns out to be, it makes it even more unique, not a
precedent in any sense for what any developer
coming into this district can expect and nobody
should buy and nobody should sell with the thought
that the exceptions and the zoning ordinance will
be as pushed to the edges as this is for the
particular reason that it is addressing a concern
of the city, a concern of all of its government
parts in terms of pricing of housing and a
difficult site.

It is exceptional in so many reasons.
That is the only reason that we can be here as
tranquil as we are, but so long at it is
recognized, it's an exception, then we will
consult among ourselves. We will approach the
next stage with goodwill; and if we have
additional concerns, we will voice them, but we do
want you all to know that we appreciate the
attention to our point of view, and we appreciate
the commitment to planning for this area and the
commitment to a moratorium so that that planning
process can go forward without pressure of a
developer on the particular project but with an
outlook of how can this industrial area which is
the largest area available for residential housing
in Evanston, how can that best be developed in a
manner that serves the neighborhood and the city
because you want to serve the city also.

But we think the City serves the
neighborhood and the neighborhood serves the City
best by being enhanced by its planning process and
its zoning enforcement.

MADAM CHAIRMAN RAINEY: Thank you very much
and thanks to all of you for your commitment to
your neighborhood.

Alderman Jean-Baptiste.

ALDERMAN JEAN-BAPTISTE: I move for approval
for the purpose of introduction Map Amendment 4.
I am not sure that I am stating it properly.

Plan development recommended by the
planning commission with the changes of 40 units
and 22 feet and 20 feet setback on the Church
Street frontage. I think that is for the purpose
of this unit of this particular planning
development.

ALDELMAN WOLLIN: Second.

MADAM CHAIRMAN RAINEY: There is a second, and
there is staff comments.

MR. WOLINSKI: Just to chime in with what
Alderman Jean-Baptiste stated, did you also want to include language that we got from Mr. Murray tonight concerning a $50,000 contribution to the special housing fund?

ALDERMAN JEAN-BAPTISTE: Yes.

MR. WOLINSKI: And also an enhanced berm landscaping project.

ALDERMAN JEAN-BAPTISTE: All the particulars, yes.

I would include the $50,000 contribution to the Mayor's affordable housing fund and also the enhanced landscaping on Church Street and on the part of the buildings that face -- the greening of the part of the building that faced Church Street and also on the berm, particularly the visible portions to pedestrians and others who travel on Church Street.

MR. MURRAY: A portion of the berm.

MADAM CHAIRMAN RAINEY: We accept that amendment.

MADAM CHAIRMAN RAINEY: Any discussion?

ALDERMAN BERNSTEIN: They are going to bring it back here.

MADAM CHAIRMAN RAINEY: We are going to see
the new ordinance on the 4th.

MS. SZYMANSKI: The staff will prepare an ordinance for you. I do need the substituted order amended.

The staff will need to get the zoning analysis information in writing from Mr. Murray so that they will have it in writing and get it to me.

AN AUDIENCE MEMBER: What about the --

MADAM CHAIRMAN RAINEY: Sir, we are not taking testimony right now. Maybe we can wind this up. Anybody else, any comments? Hearing none, all those in favor of moving introduction say aye.

(The ayes were heard.)

MADAM CHAIRMAN RAINEY: Any opposed? Briefly, yes.

MR. SHERIDAN: I am in support of the project. I would like to --

MADAM CHAIRMAN RAINEY: Wait, wait, wait. You are in support of the project we just passed? It was because of you that we passed it.

[Laughter.]

Do you want to submit something to us to
Could you identify yourself for the record?

MR. SHERIDAN: I am a local hire activist, and I would like to congratulate you on this project.

MADAM CHAIRMAN RAINLEY: Name. You have to say your name for the record.

MR. SHERIDAN: Charles Sheridan, and they intend to hire local people on the project; and if that is what they want to do, then I support the project.

MADAM CHAIRMAN RAINLEY: Thank you very much for your comments.

Moving along now --

ALDERMAN JEAN-BAPTISTE: Let me also say on behalf of the 2nd Ward that we really appreciate your engagement in this process.

It’s for the better project because of the engagement of the neighbors. So stay engaged as the ordinance comes forth so that we make sure that it reflects all our concerns. Thank you.

MADAM CHAIRMAN RAINLEY: The special meeting, by the way, will be at 7:30 we have decided.

Ladies and gentlemen, if you are not
going to stay for the meeting, will you please leave quietly.

There are other projects that people feel are important to them as your project was to you.

So let us get on with our work; and if you are out of here, please move along.

MADAM CHAIRMAN RAINEY: As you know, we have to be out of here by 8:00ish, and the next item on our agenda -- one thing I am going to ask you is if you have telephones, cell phones, would you look at them to make sure they are off. A couple rang, and it's disruptive to people speaking.

This is a planned development for 1708, 1710 Darrow, 1805 Church commonly known as Darrow Corners, and we have tonight I am sure several people here representing the project and people in the community who would like to comment on that. So can we find out who is here.

Richard, are you going to speak?

MR. KOENIG: Yes. There will be three of us speaking, and then we have also a group here for anyone who has any questions. They can respond to the questions from the council.
MADAM CHAIRMAN RAINEY: Could we begin with attempting to do 15 minutes for your presentation and try that. Do you want to come up?

Who is going to do the presentation?

MADAM CHAIRMAN RAINEY: Who is up first?

Let's go. Time is wasting. Please.

MADAM CHAIRMAN RAINEY: Give your name and address and you will be sworn in.

(WHEREUPON, the witness was duly sworn.)

MS. LOGAN: Annette Logan, and I am a board member of Evanston Community Development Corporation.

7:25P

MADAM CHAIRMAN RAINEY: Your address?

MS. LOGAN: 238 Lee Street in Evanston.

I am speaking on behalf of the Evanston Community Development Corporation; and as I speak, I will make references to ECDC.

Evanston Community Development Corporation is a neighborhood-based nonprofit community organization founded by community leaders and business owners and residents in the 5th and 2nd ward.

Our commission is to redevelop and
revitalize the disadvantaged areas of Evanston,
especially but not exclusively the 2nd and 5th
wards, economically physically and spiritually for
the benefit of low and moderate income residents
residing in that area.

Involved in the neighborhood regarding
strategies, we have three points, the neighborhood
planning reports. We have a five-year revision,
and also we are very involved with the TIF.

Our three basic components are workforce
development, which is focused on job training and
employment, business assistance for local minority
businesses which involves supporting the existing
businesses in the area and also attracting new
businesses and encouraging entrepreneurials to
come into the area. The third point is real
estate development.

The real estate development ECDC is
dedicated to securing the neighborhood assets for
the area of residents by increasing the housing
stock for working classes who want to stay on the
west side and also making home ownership possible
and also working with current home owners to
explore ways to keep their properties.
The neighborhood housing needs -- the data we have here that I am quoting is from the 2000 census. 40 percent of the residents pay more than 30 percent of their income for housing. 25 percent of residents pay more than 50 percent of their income for housing. Owner vacancy rate is just one percent. Rental vacancy rate was just 4.5 percent.

The median income for this census track was $41,000. City's consolidation plan shows need for more than 1,000 affordable rental units over the next five years.

Many Evanston residents cannot afford increasing property taxes. Many Evanston who live there cannot afford the current housing stock, and new and planned condo and townhome developments are unaffordable for many current west side families.

The Church Dodge group, we meet monthly, and we have been meeting monthly since 2003. Our committees discussed how to implement strategic goals of the TIF and the neighborhood plan. ECDC has partnered with HODC, Housing Opportunity Development Corporation, to present this project
and Richard Koenig is the executive director; and
HODC has had over 20-plus years of affordable housing development experience.

The mission is to create fair housing that is affordable to low and moderate income housing in the neighborhood.

MADAM CHAIRMAN RAINEY: Richard.

(WHEREUPON, the witness was duly sworn.)

MR. KOENIG: Thank you.

For those of you who don't know, HODC is the nonprofit that develops affordable housing throughout the northern suburbs.

We serve an area from Evanston up to Highland Park and from the lake over to 294. We have over the past 20 years developed over 220 units of affordable housing, including for rent housing, for sale, rental developments. We have done rehab. We have done new construction.

HODC also provides housing counseling.

We are a HUD certified housing council's agency, and we currently operate Evanston's employer assisted housing program, and last year we were able to help two City employees purchase homes.
We have developed a mix of housing as you know throughout the area and seek out different types of developments from larger buildings. We have built large buildings over 60 units down to single individual units. We do quite a range of housing, because there is a range of needs of affordable housing needed throughout the area.

The proposal that we are working for right now in conjunction with ECDC, is the northwest corner of Church a Darrow, currently a vacant lot that used to be a gas station 30 or so years ago.

In addition, we have purchased the two houses to the north of that gas station. We are proposing 27 units that would be a mix of one, two and three bedroom apartments.

The rents would be affordable to households earning less than 60 percent of the year median income and in dollar terms that would mean between $20,000 and $40,000.

Just because of doing affordable housing developments, isn't quite hard enough, we have a new component to this to create home ownership
through this project that eventually after 15 years of operating a rental property, we will do what we will call a lease purchase program where we will offer housing to people who are living in those units to work with them to purchase the home that they have been living in.

So the project has several goals. One is to provide decent, affordable housing for Evanston residents. Two, to help start community revitalization; three, to improve the physical appearance of the neighborhood and, four, to build community wealth through home ownership.

We are doing that through the lease purchase program, which as I mentioned, it's a planned condo conversion.

As you know, condo conversions are happening all over Evanston, and they are happening as developers acquire the properties, but we are actually planning to do that.

The reason we are doing that is we believe that there is a huge need right now for rental housing and for getting people ready to become home owners down the road.

So what we will do is through the
15-year process, we will provide people with home buyer counseling. We will get people ready so that as they are living in those units, they will be prepared and able to buy those terms when they are converted to condominiums.

If sales price and 15 years will be approximately $150,000, so they are actually cheaper in 15 years than they could be today. We will do a resale restriction so people can turn around and resell the houses immediately.

We will also do a savings program so that people will have their downpayment shared and ready to do, and the longer someone has been in the units, the cheaper their sales price will be. We will actually mark down the sales price of $1,000 for every year that they have been there, and we will match the savings two to one up to $1,000 per year. So if someone saves $500 every year, they will actually put aside $1,000 for them to help them buy down the price of that unit. So that an average of $150,000 will actually be even cheaper down the road.

The rent at this time when the building is completed, the one bedroom, there will be six
one bedrooms at 750 square feet, and the rents will be $500 and $600 per month.

There will be 15 two bedrooms at 900 square feet for $400 to $750 per month and six three bedrooms at 1,100 square feet for $650 to $950 per month.

Those rents are affordable just like we mentioned to people earning between $20,000 and $40,000 per year. As Annette mentioned, the median for that census track is $41,000.

So, instead of being for people at the upper half, it's simply for people at the lower half of the median who are already living in that neighborhood.

We are going to be targeting people who are living in Evanston. We are going to be providing apartments for Evanston's residents and especially west side residents.

There are maximum income limits that we will need to stay under based on the financing that we use and those income are just a little bit more than what the target incomes. The highest income some could make for a five percent house would be $48,000 per year. So that is the range
of people that we are trying to target, and the
reason we are doing that is that was the goal of
ECDC over three years when started this planning
process.

It was to really target people who
didn't have other options, target to provide units
that they otherwise would not be able to live in
and so through this unique program really able to
create an opportunity to get people a decent place
to live that they absolutely could afford.

Some of the special features of the
development would be that we will be setting aside
preference for Evanston residents. When we do
develop our waiting list, they will move to the
top of the list.

We will be providing the home buyer
counseling to people up front and over time as the
development moves forward.

We also agreed to do local hiring to get
preference to local employers, especially local
employers that have agreed to hire youths in the
neighborhood. We have been working with ECDC to
try and set that up.

Once the building is completed, we will
have space available to do job training so that we
can continue that mission of ECDC as of moving
forward with job training; and in addition, a
special feature that would make everyone happy is
to clean up the environmental hazard that is
currently at that site.

There is an old gas station with tanks
underground. We will be cleaning that up and
making sure that that has a great environment.
The building will include an all brick exterior, a
community room on the first floor.

We believe that the community room is
essential to the development to have a group space
where people can get together where they can
commune with their neighbors and where the
neighborhood can come into the building to
integrate themselves into the neighborhood, so
it's a community within a community. The building
will be built energy efficient.

So the utility costs will be extremely
low, and they will be using grants from the state
to help write on the energy costs. The building
will include high speed internet access.

There will be parking and two-thirds of
the parking spaces will actually be covered space underground so they don't have to worry about snow in the winter and providing storage within the building. So people have plenty of space on the site. I would like to turn the microphone over to our architect, Dennis Langley.

(WHEREUPON, the witness was duly sworn.)

MR. LANGLEY: My name is Dennis Langley. I am with the park firm of Weis, Langley Architects in Chicago, Illinois.

The project as envisioned is on the corner of Church and Darrow, the site, just so you understand the scale of this is 105 feet long on Church Street and 160 feet deep.

The program that we were asked to look at and to develop on this site was to try to balance the needs for support services and community space on the ground floor, the needs of parking also on the ground floor and the needs to develop a reasonable numbers of units, in this case 27 units of one, twos and three bedroom units.

Our idea on that was to access the
parking off the existing salary. What was a former gas station with curb cuts will now be redeveloped into a green space with planters and trees along Darrow Street.

We will recognize the street planning along Church Street, and we will continue to see decorative brick and other kinds of landscape features along Church Street will continue.

The project as understood involved will be for larger units. We are going to have condo size units. These units are approximately 150 to 200 square feet larger than typical apartment units. They have large kitchens. They have extra storage. They have walk-in closets. They have individual heating and air conditioning. They all have exterior balconies which will allow for natural ventilation of milder days.

As Richard mentioned, high energy efficiency heating and air conditioning as being provided by energy grant will have.

The idea of the balance was developed on the ground floor with access at the rear. Then we also wanted to recognize and understand the importance of the streets. So while we have no
retail in this area, we are planning on making it appear open and appear more like store front appear as if there is activity which actually there is.

We have placed all the active spaces to the street side like the offices and the community room. The rail will be located on the corner which provides people and activity and eyes on the street. The building runs down Darrow. What we have done there is we have developed a four-and-a-half foot high screen masonry wall, and the rest of it open.

But, again, it's going to have an added appearance. It has some screening and other elements that need to appear as if there is activity or make it appear as if this is kind of the picture from Darrow looking back towards Church Street. So it's a friendly street scaped area on the ground floor making it street friendly. Like they talked about before, it's actually turning outward.

In order to make it more interesting as a building and to break down the mass and break the scale and make it more compatible with both
Church Street and with Darrow, we have articulated the floor plan.

In particular in this area here next to the elevator we have pushed the building back and provided a glass lobby so the elevator has lots of light and lots of space.

Then in other places here, for instance, we have carried the corridors through so that the end of the corridor has natural light leading to the corridor. It's the same in the other direction. Then we have also punched the balconies in. We are not hanging them off the front. We actually do have some balconies off the back, but these are all punched in.

So these spaces here are all exterior balconies, which allow people to get outside and also allow them to open windows and doors and provide nice ventilation in milder weather.

We also varied the heights of the parapets. We have varied the heights of the stone. We varied the size of the windows to try to make it interesting and make it residential, make it broken down in scale; and, as you can see from this view from Darrow Street, it's not just a
big massive wall. It has a lot of articulation. In particular where it comes back towards the residential, we pushed the building back. Again, in every opportunity we can we have provided articulation with the stone, the color, the details, heights and in and out to make it more interesting and more friendly to the street.

One little aspect of this type of housing, of course, is this is a four-story building. So, it's an elevator building which means it has community spaces. It has central services. It has the ability to take care of people. In other words, people like an elderly person or somebody that needs some help can feel safe and secure here.

All of our units will comply with the Fair Housing requirements. 20 percent of our units will either be adaptable or accessible for people with physical needs. 100 percent of our units will be visible. In other words, anyplace in this building and being accessed by a person with any kind of disability. They can go to any unit or any floor or any space within the building
as opposed, for instance, a townhouse project which limits. You can only go into one level of that particular building.

MADAM CHAIRMAN RAINEY: Thank you very much.

MR. KOENIG: I would like to address a couple of the special use standards.

The zoning does permit this building when asking for any change.

We are not asking for height or density or a lot of other things that are typically requested.

There are not additional special uses in the neighborhood, and there is absolutely no proof at all that this property would result in any diminishment of property values.

There are plenty of studies that show that affordable housing actually increased the property values.

The property will not add to traffic congestion per the study we have from our traffic engineer here, and actually the building fits in with the surrounding uses. Along Church Street all of the rest of the properties are built up to the lot lines all of the way along Church Street.
over to Dodge as well as east. It will fit in with the uses the surrounding areas with the rental to the east with potential new developments to the west, with residential to the north. This creates a nice transition for the neighborhood along that street front. We will provide opportunities for people through this redevelopment effort. The property does comply with the comprehensive plan.

The plan as you know has a goal to maintain and enhance the desirability of the ranging choice that the housing stock offers both buyers and renters, and the consolidated plan in fact asks for a thousand new affordable rental units within the next five years. So this will be one small drop in the bucket in addressing that need.

The property meets several of the goals of the neighborhood plan, including providing affordable rental housing for local employ of Evanston residents, replacing the structures, utilizing the neighborhood housing center to provide counseling work and encouraging succeeding generations to buy homes in the neighborhood by
doing this as a long-term home ownership property.

The project will create stakeholders in the community. We believe that renters are essential to the neighborhood and through this lease-to-purchase option and actually creates a positive expectation more than just paying your rent every month. There is a long term expectation that people will eventually want to buy their units either here or buy somewhere else. The tenants that HODC currently has stay an average of over six-and-a-half years. It's not a transient group.

Because we do offer very low rents, people tend to stay in our buildings, and that six-and-a-half years was without any incentive at all. 20 percent of our renters stay over 10 years; and that is, like I said, with no incentive at all and no requirement to stay, nothing at the end. So our tenants do tend to stay in the building. So we are building this really nice long-term opportunity.

The traffic and parking issue, this will generate minimum trips through the building. It actually will eliminate curb cuts. If you look
along the bottom right picture right there, you can see that along Darrow we should be removing curb cuts that along the sites as well as the curb cuts that are along Church Street. They will all be gone. The entryway will all be through the alley. All the cars will go in through that area. The financing is through a public program called a long cause and tax credit, which provide equity in the property. That is how we are able to make the rents so low. That is how we are going to get this quality level building, build a condo-type building that could easily sell for the prices of some of the other units in the building and the neighborhood. This will create an alternative to some of those other great quality buildings and provide that in a very low cost. So through this financing we are able to really mark down those costs, keep the rents low up front and in the long term sell the units for a price cheaper than we could even sell them right now today. Of course, one of the most important
issues after the building is built is the property management, and HODC does all of its own property management. We found that other companies don't pay the level of care and attention that we really require for our buildings. So we do thorough screening of the tenants before they move in, doing credit checks, background checks, landlord verifications, income verifications.

They must prove to us that they can afford to pay their rent, and that is every single year they need to provide that information to us. In the screening process up front we have agreed to work with HODC to go through that process in a confidential manner to help us find good tenants to make sure we have good quality people who are going to want to live in this building. We want to create an asset for the neighborhood, not just now, but also into the future down the road.

So we are providing a large number of benefits, including affordable housing, home ownership, cleaning up environmental problems, providing job training, local hiring, the local Evanston preference as well as the counseling.
Thank you for your time.

MADAM CHAIRMAN RAINLEY: Thank you.

The way this system works for those of you who haven't attended one of these hearings is after the applicant, which is HODC, makes its presentation, then if the -- I am assuming there are people here in opposition to this project. If that is the case, someone representing them, and I don't know if it's Mr. Young or Mr. Sutton or who can come up and cross-examine, ask questions of the applicant.

I am going to ask you to keep it as short as you possibly can to get the information that you need because then we need to move on, and you will get your turn to make your presentation.

Please give your name and address.

MR. GLENN: I am John Glenn. I live at 7716 East Lake Terrace in Chicago, and I am representing the community alliance.

(WHEREUPON, the witness was duly sworn.)

MR. GLENN: I would just like to ask you, Mr. Koenig, a question that will relate to something that will present when we have a chance.
Have you ever done any surveys of the neighbors around your buildings about the problems that they have had and to see what their attitude toward the buildings are and towards your management?

MR. KOENIG: We have not done a survey of the neighbors in the buildings after completion. We conduct community meetings before the buildings are built, but we have not done a formal survey of neighbors, no.

MR. GLENN: Thank you.

MADAM CHAIRMAN RAINEY: Anybody else?

MS. MCCAULEY: I have a question.

MADAM CHAIRMAN RAINEY: You have to come up and get sworn in.

If there are others who want to ask questions of the applicant and who are on the opposite side of the applicant, if you could just come up and we will give you a turn.

MADAM CHAIRMAN RAINEY: Give your name and address.

MS. MCCAULEY: My name is Muffy McCauley. I and my husband own the Strangloft building at 1715 Church Street directly across the
street from the proposed Darrow Corners.

(WHEREUPON, the witness was
duly sworn.)

MS. MC CAULLEY: What I want to ask Richard
and ECDC is if subsequent to your presentation of
the proposal to the Planned Commission and
pursuant to the many meetings that have been held
with the neighbors who have expressed serious
concerns.

Have any modifications whatsoever been
made to address those concerns in terms of the
presence of stakeholders at the property, the
problem which we perceive obviously differently
than you do with parking in the neighborhood, the
concept of the mixed use development in
conformance with the neighborhood study plan and
for that parking area, the tax credit finance
which are the requirements of the 15 year rental
property and the uniformity of the income level
within the property.

Have there been any adjustments made at
all?

MR. KOENIG: There was a comment regarding the
safety of the building. There was a comment
regarding the exterior of the perimeter regarding the parking area, and we had not fully fleshed that out prior to doing the presentation and have agreed that there should be fencing along that western edge of the property, that there should be gates that would prevent ingress and egress for people that weren't authorized into the building. So, along the backside, we will put garage doors as well as a sliding gate so that we can provide that kind of security for the residents who will be living there.

The issue of making any other sort of changes, we had worked for several years with HODC to figure out what the target was for the development, and really the income levels that we have requested to try and usurp people making between $20,000 and $40,000.

We have not found a suitable way to provide affordable housing for them without massive, massive subsidy from the City of Evanston.

We are not requesting any funding from Evanston. The price of building the building for me or any other type of developer in the area is
very expensive. It would cost well in excess of $300,000 to build each of these units.

In order for them to be affordable for a household making $20,000 to $40,000, we would have to sell them for about $100,000. So over 27 units, that is a $200,000 or so gap would equate to somewhere in the neighborhood of 60 million dollars. That type of subsidy level simply isn't available and so we believe when we design a program that will provide options for people right now that are looking to rent that are looking for long term to be able to eventually buy. So we are creating the best of both worlds.

We are getting people prepared through that and through those obstacles but not trying to create some artificial carveouts or trying to wedge in something that is not appropriate for the building, not appropriate for the neighborhood. Those are the types of things that we think in working with ECDC, are what would be the best for these buildings. So, this naturally flows with the target of our population.

MS. MC CAULEY: I have one more question. Has anyone with the staff of ECDC or
HODC explored the additional financing that might be made available by the TIF that was just passed that might enable you to actually address some of these valid and real concerns of the stakeholders who actually live within a thousand feet of this property?

MR. KOENIG: I personally have explored with City staff the opportunity to use the TIF funds; and since the TIF was just created, there are no dollars available in the TIF to utilize right now. Because those dollars aren't available right now, we explored the possibility of using them over time; and as the funds would come in to use them to write down, what simply is the massive level of subsidy that would be needed to build a high quality building like this isn't available even over the long term in order to amortize any bonds that would need to be issued up from to pay for the construction.

The cost of those bonds would be expensive, and paying them down overtime would not be sufficient to really write down these costs. Simply creating the TIF doesn't create unfortunately a magic bullet for being able to
sell this type of affordability problem.

MS. MC CAULEY: Have you discussed also with any of the local banking concerns because we actually did speak with actually Harris Bank who was the person here earlier this evening about the possibility of borrowing against the future TIF in order to make this a mixed use building; and, again, the big issues with the neighbors in the community, none of which have been addressed are that there will be no stakeholders in this building.

There will be no financial stakeholders in this building who are of the community, and there will be no stakeholders in the way of actual homeowners.

MADAM CHAIRMAN RAINEY: Muffy, you need to keep your presentation to questions. I found what you were saying very interesting. So I let go on. You have to limit it to questions.

After this cross-examination there will be an opportunity for presentation by the opponents, which are going to be limited to 15 minutes.

MS. MC CAULEY: Again, I would just ask if you
have explored the possibilities with local banking concerns about borrowing against the TIF to address the neighborhoods.

MR. KOENIG: We have explored that, and the costs are simply prohibitive.

Again, we are trying to serve people that otherwise aren't being served, people that are at the lower half of the median for the area; and whether it's bank financing or TIF financing, it's simply very, very expensive to pay that back, and so by using this financing program which provides a large amount of equity for the property really writes down that cost.

There will not be stakeholders just because people aren't owning their unit right now today doesn't mean they aren't stakeholders in the community.

There have been people who have lived on the west side and people who have lived in Evanston all their lives and been renters and are part of the community, part of the fabric of the community and will continue to be and are being priced out.

We don't have other alternatives. The
real estate taxes are very high as you know, and so we are trying to provide that type of opportunity. So we do think that people who live there will be stakeholders. It's more than just you move in and you pay your rent and that is it. You are going to be providing community services. We will be doing community meetings in the room, and there is an expectation that eventually people will buy and so people up front will be excited about that possibility, and down the road as it gets closer and closer to that time, when the for sale will happen, there is that long-term built in incentive to really make it a positive stakeholders.

MADAM CHAIRMAN RAINEY: Anymore questions?
ALDERMAN JEAN-BAPTISTE: Can I ask a question?
Muffie referred to Gina Bridges who is still in the back.
You referred to Harris Bank as having some kind of possible way to resolve funding.
MADAM CHAIRMAN RAINEY: We are not going to negotiate that here.
ALDERMAN JEAN-BAPTISTE: We are not negotiating. I am trying to see whether there is
any kind of insight.

MADAM CHAIRMAN RAINEY: That is not what we are going to do right now, though. We are really not. We can't get off on that.

ALDERMAN JEAN-BAPTISTE: The reason why I was raising that is because I don't know whether Gina Bridges is going to be presented back here again as a possible source of any kind of information, because this is a communitywide effort, and there is an allegation that there may be some money out here that may be available to resolve all of our problems and so I wanted to make sure that while she is here, she may be able to say yes, there is a bucket of money.

MS. MC CAULEY: Maybe we can start with the $50,000 Syrus homes has thrown into the pot.

MADAM CHAIRMAN RAINEY: We are losing control here.

Alderman Jean-Baptiste, I am going to ask you just to hold that thought for the time being.

People in this room who are involved in this project have all sorts of access to people in banking. We have a former mayor in banking in
this town.

We have all sorts of people in banking, including the Harris Bank representative here tonight; and you can interact outside of this room on that matter, and I would really encourage that. So we are finished with our questions.

The opponents have no more cross-examination.

MR. FORTINO: I have a question.

MADAM CHAIRMAN RAINEY: Now, sir, could you come up?

I asked if you have any cross-examination to please come up, give us your name, we will swear you in, your name and address direction.

MR. FORTINO: Leone Fortino.

(WHEREUPON, the witness was duly sworn.)

MR. LEON: My question to the representative here is I am representing the Hispanic community living in the Church area.

My question to him would be has any translation been made to make the neighbors aware of what is going on on this project?
MR. KOENIG: We have not provided any translated materials regarding the project. I know that you have been involved in many of the meetings, and I appreciate your presence there.

So, we have not provided that information, and we relied on everyone in the community to communicate among themselves regarding that.

MADAM CHAIRMAN RAINEY: Thank you.

If the opponents are organized and have a consolidated presentation or an individual presentation, you have a total of 15 minutes.

ALDERMAN WYNNE: I have a question of Richard.

MR. KOENIG: Yes.

ALDERMAN WYNNE: Have you done any other projects using this financing method; and if you have, where are they?

Is this a relatively new idea?

MR. KOENIG: The financing mechanism that we are using is called the low income housing tax credit administered through the Illinois Housing Development Authority.

So it's a federal program that is
administered by the state; and as through HODC, I have completed two of those developments. But prior to this I worked at the Illinois Housing Development Authority and closed over 40 of these deals.

So I am very familiar with the financing and how these deals come together and how the properties operate.

ALDERMAN WYNNE: Where are the other two?

MR. KOENIG: One property is located at 319 Dempster here in Evanston. The other property is located at 9016 Waukegan Road in Morton Grove.

ALDERMAN WYNNE: How old are those? I mean, I know how old 319 Dempster is.

MR. KOENIG: 318 Dempster was actually completed in 2002, and the building in Morton Grove was completed in 2004.

ALDERMAN WYNNE: How long has this program been in existence, I mean the whole IRS program?

MR. KOENIG: The program has been around since 1986.

ALDERMAN WYNNE: What is the track record like elsewhere?

MR. KOENIG: This is how affordable housing is
being built throughout the United States today.

It was created in 1986 when the tax act changed. Remember how the real estate investments, the way you invest completely changed that year through this new tax information.

So there are about 150,000 units created every year in the United States, all types of buildings, all types of sizes for all types of populations. This is on the smaller end of most of the types of buildings that were created with financing, buildings of larger units. So there is all types of developments, all kinds. There is no restriction on who can be served or the types of buildings that can be built, and we are really taking advantage of that program because it provides equity. So we don't have to repay that. So the loan financing isn't necessary.

ALDERMAN WYNNE: Is there one of these relatively near Evanston that is older that has reached its maturation that we can see in terms of -- that we would understand better. I don't want to hear about one in California.

MADAM CHAIRMAN RAINEY: You mean where we could go and see if people are actually buying the
ALDERMAN WYNNE: I would like to know more about this.

ALDERMAN HOLMES: If Richard could show the difference between those other two buildings and this building, because those other two buildings are not rent to own, if that is what you are asking.

ALDERMAN WYNNE: That is not what I am saying. But thank you, Delores, for pointing that out.

ALDERMAN HOLMES: What I wanted to know is about one of these that has completed its lifecycle that we can have the history of. '86 is 20 years ago.

What is the standard rent to own period? Is it mandated by the IRS?

MR. KOENIG: The program is not a rent to own. It really is a rental development tool. So, rent to own is very atypical.

Most of it has rental property and are required to stay as rental property for a minimum of 30 years. So there may be some original properties they have just started to turn over.

There have been maybe one or two rounds of
properties who originally were under the 15 year
that don't have to comply anymore. So those units
are being sold off.

There is a huge number of those units
that are financing of this program. They are
going to disappear from the region from the
market, from the country as those expire. So,
instead of deciding to keep them for 15 years,
they have really decided to keep them affordable
for at least 30.

We can probably find some in the
Chicago-Metropolitan area that have gone through
that process. There are many developments that
have been completed.

ALDERMAN WYNNE: So, there aren't that many
where if someone moves in as a renter with the
goal of becoming an owner because most people
moved in expecting that they would rent for 10, 15
years.

MR. KOENIG: There are almost none in this
area. The main group that I know that has been
doing them has rented them for a very long time,
has experience with them being turned over.
That's the Cleveland Housing Network.
They started out doing this program early on, and they have had I think two rounds of people that were able to rent and then become owners.

ALDERMAN WYNNE: But had there been any of these in Illinois that have done that?

MR. KOENIG: I am not aware of any that have reached their 15-year period, no.

ALDERMAN WYNNE: That is all the questions I have.

MADAM CHAIRMAN RAINEY: It is about three minutes to 8:00, and I am thinking that it would be more fair to adjourn and, begin, fresh on April 4th at 7:30 giving everybody an opportunity to have their full allotment of time. We knew this was going to happen.

We have way too much on our plate to complete, and one of the things we did the last time we scheduled a special meeting is we promised people we would get through the agenda and we did, because we have no restrictions like a council meeting to go to. So the meeting will be 7:30 April 4th which is Tuesday.

ALDERMAN WYNNE: Did we do anything with
regard to Agenda No. 4?

MADAM CHAIRMAN RAINEY: I know that was held. Alderman Moran, there are no problems

ALDERMAN MORAN: No.

ALDERMAN TISDAHL: I move.

ALDERMAN WYNNE: Second.

MADAM CHAIRMAN RAINEY: All those in favor of moving introduction of the energy codes say aye.

(The ayes were heard.)

MADAM CHAIRMAN RAINEY: Any opposed?

(No response.)

MR. WOLINSKI: That was introduced at the February 27th meeting.

MADAM CHAIRMAN RAINEY: I thought it was. It was brought back here for additional information, but we didn't get any additional information.

8:06P

(WHEREUPON, the meeting was adjourned at 8:06 p.m. and continued to April 4, 2006 at 7:30 p.m.)
STATE OF ILLINOIS )

COUNTY OF DU PAGE )

I, Patricia Ann Armstrong, a Certified Shorthand Reporter of the State of Illinois, do hereby certify that I reported in shorthand the proceedings had at the trial aforesaid, and that the foregoing is a true, complete and correct transcript of the proceedings of said meeting as appears from my stenographic notes so taken and transcribed under my personal direction.

IN WITNESS WHEREOF, I do hereunto set my hand at Chicago, Illinois this 1st day of April, 2006.

Certified Shorthand Reporter

C.S.R. Certificate No. 84-1766