Planning & Development Committee
Minutes of February 26, 2007
Room 2200 – 6:30 p.m.
Evanston Civic Center


Presiding Official: Alderman Jean-Baptiste

DECLARATION OF QUORUM

Chairman Jean-Baptiste called the meeting to order at 6:48 p.m.

APPROVAL OF THE MEETING MINUTES OF FEBRUARY 12, 2007 AND JANUARY 29, 2007 SPECIAL MEETING MINUTES

Ald. Wynne moved approval of both sets of minutes, seconded by Ald. Tisdahl. The vote was 9-0 in favor of the motion. Ald. Rainey commended Ms. Brownlee on the minutes for the special meeting on January 29th.

ITEMS FOR CONSIDERATION

(P1) Ordinance 24-O-07 – Amending Ordinance 114-O-06 – Granting a Special Use for a Planned Development at 2424 Oakton Street

Ald. Rainey moved approval, seconded by Ald. Wynne.

Ald. Rainey stated that the reason for this amending ordinance is because she had several concerns with this being such a large area and she felt the need for the lots to be clarified and exactly what has been approved for each lot. Ald. Wollin asked if there were any provisions made for the type 2 restaurant in case of change in ownership/management. Ald. Rainey responded that what is allowed as far as cooking appliances, litter collection plan, and other condition are stated in the ordinance and she is very supportive of this developer and what applications they will accept for this type 2 location. Mr. Wolinski informed the Committee that the developer did submit their Site Plan Permit today that had no immediate changes or surprises in their application from what is being presented.

The vote was 9-0 in favor of the motion.

(P2) HOME Fund Request from Housing Opportunity Development Corporation for Single-Family New Construction at 1820 Dodge

Ald. Tisdahl moved approval, seconded by Ald. Holmes.

Ms. Mary Ellen Tomasi introduced herself as the new Director of HODC. She wished to have the former Director Mr. Richard Koenig give the presentation since she is new and he has worked with this project from the acquisition up to this process. Mr. Koenig started out with HODC’s history of currently owning 13 properties and managing 163 rental units. He referred to a power
point presentation opening with the Property Goals. The property is currently a vacant lot that was donated to HODC in 2005. There site formerly had a single-family home that was demolished by the previous owner. Mr. Koenig showed a rendering of the proposed new single-family home and described the project feature offering 3 bedrooms, 2.5 bathrooms, a partially finished basement, porch, and detached 2-car garage in the rear of the property. He explained that because of the narrowness of the lot and the expense of traditional building techniques to come up with an affordable design for this property. They were approached by a builder that constructs pre-fabricated houses which cuts down on construction costs and time. Mr. Koenig continued that the house would be factory built and delivered in two pieces to the site and connected together at that point. He said that estimated time given by the builder for complete connection of the two pieces is from one to two days and they finalized work on the interior.

Mr. Koenig gave an overview of the costs and financing of this project. The cost of this project is $300,000 and the affordable sales prices will be approximately $155,000. They are targeting for buyers at the 60% area median income. He informed the Committee that National City Bank is providing their construction loan and is also offering a below market rate mortgage for the qualified buyer. The remaining cost will come from the requested HOME subsidy grant money.

Ald. Rainey asked if the construction of this pre-fabricated home conflicts with the City Building Codes. Mr. Wolinski responded no; although this is their first pre-fab constructed house, the building materials and quality of work seem to be a decent quality for pre-fabricated materials. He said that they will also have an independent inspector specializing in pre-fab construction to conduct inspections from the factory construction to the building site to make sure all required codes are met.

Ald. Holmes said that the City needs to look at offering more of this type of pre-fabricated housing for affordable purchase because it is less costly and timely to construct which keeps the cost down and could possible be a very accessible means of providing more affordable housing of this type. Ms. Tomasi added that with this type of construction also there is less chance of vandalism during the construction phase. Also with the pre-fab being a quicker method of construction there is less neighborhood disturbance as well. Mr. Wolinski noted the history of this site since it’s been vacant has been a long list of maintenance issues and a site for fly-dumping over and over again. The lot is very narrow and the proposed house does fit this lot without the need for variances.

The vote was 9-0 in favor of the motion.

(P3) West Side Master Plan for Sub-Areas 1, 2 and 3
Chairman Jean-Baptiste said that this item will be taken off the agenda for this evening because it was decided at the Special Meeting regarding this issue on February 22nd, that the recommendation was to give back to staff for by sections on recommendations to present back to the Committee of what should be mandatory within that section. Therefore he requested to staff that they begin work and possibly bring something back before the Committee for review by the second meeting in March. He did recognize one citizen signed up to speak on this matter and gave him the opportunity at this time.

Mr. Todd Smith, property owner/landlord – read from a prepared statement (Attachment A) included with these minutes.
Ordinance 31-O-07 – Extending the Moratorium on new Construction on Central Street from Ashland to 2200 Central Street for Another 90 Days

Ald. Tisdahl motioned her request to amend the extension for another 120 days instead of 90 days, seconded by Ald. Hansen.

Mr. Wolinski said that the 90-day extension would go until May 27th; another 30 days would bring the extension expiration date to June 26, 2007. Mr. Cox assured that he say no legal issues with this extension from the time in the ordinance; he would just make an amendment to the existing ordinance before the Committee.

Mr. Jeff Smith, 2724 Harrison, spoke in favor of extending the moratorium. He and many other residents in their ward would like to see the area on Central Street to include more blocks to the east. He assured that there is an extremely strong consensus in support of including this additional area and for the moratorium extension. Mr. Smith stated that there is also a consensus in their neighborhood that the area is over-zoned and proper planning will take more time. He strongly feels this area is in no need of dyer development and is OK as it is, which there is also a strong consensus agreeing with this opinion. He feels it would also be a good to review the area on Green Bay Road from Central north to Isabella.

The vote was 9-0 in favor of the amended motion.

ITEMS FOR DISCUSSION

PD1 Affordable Housing Fund
Chairman Jean-Baptiste acknowledged members of the Housing Commission here to make a presentation on the recommended administration and uses of the Affordable Housing Tax Fund as directed by the Rules Committee back in December. Ms. Susan Munro, 1316 Maple, introduced herself as the new Chair of the Housing Commission and Mr. Eric Beachamp, 809 Sherman, introduced himself as Vice Chair of the Housing Commission. Together they gave a power point presentation with Ms. Munro going over the situations involving the use of funds and the principles for use of funding. Mr. Beachamp will then follow up with recommendations for the administration of the funds. Ms. Munro began with the first Situation: Affordable Housing. The bullet points under this situation were: *Successes and Support, which listed traditions and support for diversity and *projects supported by HOME and Mayor’s Special Housing fund. The second bullet point was Precipitous Drop in Affordable units in Evanston. Ms. Munro noted that there has been a significant drop in the amount of affordable housing units in the last 5 years from 25% to 19%. Also the number of Section 8 vouchers is down from 1300 to 740 during that time period as well. Ald. Rainey questioned this statistic and requested confirmation of the amount of Section 8 vouchers here in Evanston. Ms. Munro and Mr. Beachamp responded they would forward that information.

The second Situation: Sources of Funds. The bullet points listed were: 1) Demolition fee, 2) Fees from inclusionary zoning ordinance, if it stands, 3) Mayor’s Special Housing fund, 4) Pledges from developers, 5) Donations from public and private sources, 6) Future sources such as an increase in the Real Estate Transfer taxes. Ms. Munro went over the category Uses: Principles. Bullet points were: 1) Inclusive, 2) Aligned with City and State Priorities (opportunity, city goals as noted in the Comprehensive Plan), 3) Structured maximum term of affordability, 4) Responsive, 5) Pro-active, 6) Based on data and collaboration. Ms. Munro went over each principle in more detail as listed in the power point presentation.
Ald. Rainey noted that there is a big distinction between low income housing and affordable housing. She stated that in most cases it is too costly to build new affordable rental housing. Ms. Munro responded that affordable rentals are majority rehab construction. She pointed out that Reba Place has rehabbed several buildings for low-income rentals but no new construction. The new affordable housing construction is aimed towards purchase for qualifying low to moderate income buyers. She agreed with Ald. Rainey that they do not find a high market for multi-family building owners to want funding to rehab their buildings for affordable rental units. However, there have been a few CHDO’s that have done this including Rehab Place and HODC. Ald. Rainey stated that she would like to see a program that people can actually qualify for to purchase affordable housing at a higher rate. Ald. Moran reminded that the City had a chance to have new construction affordable multi-family rental building at Darrow and Church, proving that it can be done with the right funding.

Ald. Rainey said that she would like to have a meeting where only families/individuals who are actually interested in and are looking to seek affordable rental or purchase here in Evanston to get a real sense of who want to take advantage of these programs. She feels it would be very beneficial information to have some real knowledge to meet people’s needs and have the ability to format some guidelines for qualification.

Mr. Beachamp went over the administration recommendations from the Housing Commission. Firstly the recommended Board being the Housing Commission to review the proposals, issue RFP’s and make recommendations in a complete package to the Planning & Development Committee and Council for final approval. As far as staffing, the Housing Commission’s recommendation is to use existing staff in the Community Development Department as much as possible. He suggested as the fund grows and pro-active activities become possible, the added staff should be qualified to be able to seek opportunities, leverage funding and manage the RFP process. The funds necessary to pay for this additional staff should be derived from the trust fund. Ald. Moran expressed his concern with the administration as presented. In his opinion, there may be a need to have a separate Board to review the applications. However, he does agree that if there is a need for additional staffing to administrate the funds, it should come from the Trust Fund. Ald. Tisdahl asked for Mr. Wolinski’s opinion on the current staffing and if additional staffing would be required. Mr. Wolinski responded that the current staff has the ability to meet the immediate pro-active needs in some areas and the ability to meet the reactive needs in most cases. He further explained that current staff would have the ability to administer the RFP process and be a liaison in stimulating partnerships between developers, not-for-profits and other entities. He referred to staff’s memorandum forwarded to the Committee dated February 26, 2007 regarding Affordable Housing funds Availability. Mr. Wolinski noted that HOME funds currently available are $1.8 million. He also noted that the not-for-profits at this time are currently not coming forward for request in funds, which could be a result of a number of reasons such as the current housing market and interest rates or they currently involved in other committed projects. However, if there was a great influx in the request by not-for-profits and CHDO’s, then he would have to consider the addition of another staff person to aid in the administration of these funds. Mr. Wolinski noted that with the amount of available funds and the slow down in request for funding, HUD will probably question why the City of Evanston is not utilizing more of these funds. The Planned Developments have slowed down and the City has only received payment from two of the projects. In his opinion, the City should receive $300-400,000 per year in revenue from the funding sources and contributions pledged towards the Affordable Housing Fund.
Several Committee members expressed their opinion that the City need to make affordable housing from what we have available because there exists so many vacant units plus newly rehabbed and new construction units on the market for a lengthy period of time in some situations. Ald. Bernstein agreed and suggested the consideration of subsidizing current building owners, as previously suggested by Mr. Smith. However, HOME Funds have strict regulations for property owners if they are above the specific income qualifications, therefore dis-qualifying many building owners for usage of these funds. He insists that this situation is something that needs further review for consideration of including building owners and more landlords to qualify for affordable housing funds.

Ald. Wynne informed staff that the table for future contributions to the Affordable housing fund does not include the Main/Chicago development, which she calculated a contribution of approximately $93,000. Staff agreed and will include this figure in the table.

Chairman Jean-Baptiste amended the Housing Commission in that they have taken a good initiative with the options for the use and administration of the Affordable Housing Funds. He added that a down payment assistance program is very important and should be included in the usage of these funds. Ald. Holmes expressed her position in support of being very pro-active in the use of these funds. She strongly supports and request that staff look into utilizing the many board-up buildings throughout Evanston, especially in her ward (5th). She feels this would be a good source and means of providing affordable housing. Ald. Rainey seconded Ald. Holmes request and urged that all the board-ups be considered for use or conversion into affordable housing. She asked that Legal Staff seriously look into a means of “taking over” these properties after a certain length of time and no response from the owner. The entire Committee agreed and directed staff to provide an updated list of board-ups for the next scheduled meeting. Mr. Wolinski concurred and informed the Committee that staff will provide some history and background information as much as possible for each building. Ald. Bernstein reiterated his past recommendation for the need to have more “teeth” in the current ordinance to unable the city to take over properties that have a history of a negligent owner or lengthy periods of vacancy.

(PD2) Inclusionary Housing Ordinance

Chairman Jean-Baptiste noted that this item is regarding the status of the Inclusionary Housing Ordinance 27-O-07 as it stands. The Committee requested Legal Staff’s opinion and recommended direction. The alternatives suggested by staff are:

1. Allow the ordinance to become effective and begin collecting the required affordable housing payments.
2. Amend the ordinance to make it responsive to the concerns of the Law Department. An example of an alternative approach would be to approve a new inclusionary housing ordinance that qualifies as a land use regulation by requiring a percentage of units in a development to be affordable but allowing developers to pay a fee-in-lieu for 100% of the required units.
3. Extend the implementation date for 27-O-07 to discuss other options.

Mr. Cox gave his opinion and recommended alternative #2 as his preferred option.

Ald. Rainey feels they should give the broader community a chance to comment on this amendment. She suggested that notice be sent out with the alternatives. Ald. Bernstein reminded the Committee of all the past meetings and discussions on this matter, therefore he is in the
opinion that this case has already been heard and all these alternatives have been discussed in some form at previous meetings. He feels there should be no further hearings, no further notice sent out on this matter and that the Committee should move forward with this.

**Ald. Tisdahl motioned for approval of Alternative #2 as recommended by Legal Staff. Ald. Bernstein seconded the motion and the vote was 8 in favor and 1 voting nay (Rainey).**

**ADJOURNMENT**

With no further business, the meeting was adjourned at 8:25 p.m.

Respectfully submitted,

Jacqueline E. Brownlee