

**Planning & Development Committee
Minutes of April 23, 2007
Room 2200 – 6:30 p.m.
Evanston Civic Center**

Alderman Present: S. Bernstein, A. Hansen, D. Holmes, L. Jean-Baptiste, E. Moran, E. Tisdahl, C. Wollin, M. Wynne

Staff Present: D. Marino, J. Aiello, D. Cook, K. Cox, S. Guderley, A. Khatkhate, C. Ruiz, J. Brownlee

Presiding Official: Alderman Tisdahl

DECLARATION OF QUORUM

Chair Tisdahl called the meeting to order at

APPROVAL OF THE MEETING MINUTES OF APRIL 10, 2007

Ald. Wynne moved approval of the April 10, 2007 minutes, seconded by Ald. Jean-Baptiste. The minutes were unanimously approved.

ITEMS FOR CONSIDERATION

(P1) Ordinance 40-O-07 – Renaming and Amending title 4, Chapter 22 “Affordable Housing Demolition Tax & Affordable Housing Tax Fund” and Transferring Balance of the Mayor’s Special Housing Fund into the Newly Renamed Affordable Housing Fund

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

Staff noted that this request is basically self explanatory, as stated on the Agenda Item Summary. Ms. Spicuzza informed the Committee that presently there is approximately \$150,000 in the MSHF and approximately \$80,000 in the Affordable Housing Tax Fund for a total combined amount of \$230,000 for the proposed newly renamed Affordable Housing Fund. She also noted the new name reflects other revenue sources in addition to Demolition tax payments. When the fund was created by the Demolition Tax Ordinance, it was envisioned that a separate fund would be established for revenue created by the Inclusionary Housing Ordinance. Instead, the Inclusionary ordinance designated the Affordable Housing Tax Fund to receive payments. In addition, the requested amendment expanded the definition of the funds to allow uses that assist households up to 120% or less of Area median Income with affordable housing needs. This provides leeway to potentially serve moderate income homeowners as part of a program or application that would go to City Council for approval.

Ald. Moran directed attention to the last paragraph on page 3, last sentence beginning with “To administer the Fund, the City Manager or his/her designee may implement programs including, but not limited to:.....” He feels “To administer the Fund,” should be removed; this statement does not belong there because the remainder of the sentence upholds the guidelines for administration of the funds. Ald. Jean-Baptiste agreed with Ald. Moran and also questioned why there are all these changes focusing on the administration of this fund for changing the name. He doesn’t understand the purpose of this ordinance. Mr. Cox, City Attorney, explained the purpose of this section in the ordinance and the wording of that particular paragraph in more detail. He further explained the reasoning for the wording in this area was to maintain flexibility in usage of

these funds and also incorporates the flexibility of the Mayor's Special Housing Fund. He pointed out the Mayor's Special Housing Fund has always been limited only to households under 80% median income but this number has been increased to accommodate a higher range of affordable housing needs. Mr. Cox noted that there is a concern for duplication of serving the same population that is served by HOME funds, which is another reason for raising the income limitation. He recalled that this Committee requested that Community Development and Legal staff come together and present some guidelines as to how the monies would be distributed. He pointed out that some of the purposes are listed there in the ordinance under Section 2 and also with item (P2) in Resolution 22-R-07 which establishes guidelines for the management and use of these funds. Ald. Moran suggested that Section 6: 5-7-15: Administration be conformed to "IX. Administration Fee" of the Guidelines for the Affordable Housing fund.

Ald. Rainey stated that she believes it is a mistake to do both this ordinance and the Guidelines at the same time. She feels before they change the name and acknowledge all these different provisions, they should deal with item (P2) first. All the Committee members agreed. **This item was held in Committee.**

(P2) Resolution 22-R-07 – Establishing Guidelines for the Management and use of the Funds from the Affordable Housing Fund

Ald. Moran called direction to the second page, first "Whereas" clause, and suggested that wording be deleted from this sentence "to administer the Affordable Housing Fund." **This suggestion was put in the form of a motion to amend, seconded by Ald. Wynne. The vote was 9-0 in favor of the motion.**

Ald. Rainey asked for explanation on how staff sees the Housing Commission administering this fund and what role will City Council play into this? Mr. Marino responded that it would be similar to the current process for recommending affordable housing uses of funds. The Housing Commission based on staff recommendations would make a recommendation or not to the P&D Committee and then P&D would consider it and forward their recommendation onto City Council. Ald. Rainey asked how tenants are provided with assistance. Mr. Marino pointed out that there is a statement of intent here in terms of rental housing and the F.I.T. Program, which is the most substantial use of the affordable housing funds over the years for rental assistance. Ald. Rainey asked for clarification of the reference to \$200 per unit. Ms. Spicuzza responded that was put as a leeway in case of any agency that takes advantage of the State Rental Housing Support Act which provides subsidies to very low income people through State Funds. She said that if they ever wanted matching funds from the City, this amount could be asked for it but not to exceed \$200. Ald. Rainey said this section of the guideline is unclear with no criteria stated; what are the standards? She feels the amount of \$200 per year/per unit makes no sense. She suggested that this be excluded from Per Unit Award Amounts because she does not see any point of it. Ms. Spicuzza informed the Committee that the State Rental Housing Support Act is project based subsidy therefore it would assist in reducing the rent. The money would go to the landlord. Ald. Rainey said if this is the case, if the rent on the unit were paid down by the \$200 and the tenant was on a voucher, then that voucher would have to be re-calculated. She more than ever would like to see this section eliminated and if this program gets off the ground, then they could address adding something like this back in. At this time, she feels such assistance would cause more confusion and problems for such a small amount. **Ald. Rainey motioned to remove the section referring to the assistance of \$200 per unit, seconded by Ald. Wynne. The vote was 9-0 in favor of the motion to amend.**

Ald. Moran directed attention to page 4, paragraph B, "Affordability Retention". He suggested that language be added to effect longest period of affordability that can be obtained should be stated in Resolution.

Mayor Morton questioned what assistance under these guidelines is there to help low/moderate income households facing foreclosure. Ms. Spicuzza responded that there are no specific programs included in these guidelines however it is possible to add specific programs for foreclosure assistance to income qualified households. She suggested that this be forwarded to the Housing Commission to they can research some programs for consideration. Mayor Morton asked about assistance for disabled individuals because she does not see anything specifically listed. Also she questioned what categories of disability are included under uses because she knows of one organization that assists mentally ill individuals with finding affordable housing. Mr. Marino assured that "persons with disabilities" in these guidelines is all inclusive. She only recalls seeing three organizations being names here and she would like this organization to be included for use of these funds.

Ald. Holmes referred to Ald. Moran's comments on affordability retention and questioned how they can do this for units within a building where only a few are affordable units. Ald. Moran stated that in the Inclusionary Housing Ordinance if somebody builds an affordable unit or housing, it is required under the ordinance to be held affordable within the full retention period of in perpetuity. He said the longer the affordability period is the more they are leveraging the communities investment from using money from this fund. Ms. Spicuzza also wanted to clarify that there are other situations where long term affordability based on the amount of the subsidy might not be the most desirable, such as down payment assistance on a house bought at market value. Ald. Jean-Baptiste said that one of the things he is concerned about is when they talk about maintaining affordability over time is the impact that policy has on neighborhood. He feels the trend is going to be those who will get subsidy will end up renting or owning in neighborhoods that are already more reasonable than other neighborhoods. He said that this could have an impact of suppressing the value of people's homes over a period of time. He feels this matter should be thought out more and the accumulative impact of the length of keeping a property affordable can have on the neighborhood.

Ald. Rainey said that it almost seems as if people who qualify to purchase affordable housing are practically punished or have to pay the price of buying housing at an affordable price versus market value. She questions why it is such a "crime" for the affordable housing purchaser to not have the same rights or enjoyment of maximum property value of their home. This affordability retention and maximizing the period of time seems to more of a control thing or a way to keep people at a certain level instead of offering an opportunity to rise above. Ald. Rainey referred to paragraph C.: Maximum Property Values and the wording of this section. She would like to see the actual values of the affordable home that currently exist here in Evanston and would like to see how many income-qualified families would even be able to afford purchasing those properties. She agrees with Ald. Jean-Baptiste and that more consideration needs to be given to geography of affordable subsidy funds throughout the City of Evanston. Mayor Morton pointed out that Oak Park has its own Housing Authority which allows them more control over the use of funding. Their purpose and intent of the Inclusionary Housing is for equal distribution throughout the entire City of Oak Park. She wished Evanston had its own Housing Authority for these purposes as well; however the City has an excellent opportunity to do this with the current funds as well in all 9 Wards.

It was the consensus of the Committee to hold this item in Committee for further discussion. Mayor Morton asked to see a list of interested people in buying affordable housing, if such a list exists.

(P3) Resolution 19-R-07 – Reserving ((\$3,395,000) of Bond Volume Cap for 2007 for Local Use

Ald. Moran moved approval, seconded by Ald. Rainey. The vote was 9-0 in favor of the motion.

(P4) Resolution 20-R-07 – Ceding of (\$3,000,000) of 2007 Bond Volume Cap to the Illinois Finance Authority

Mr. Marino informed the Committee that the Illinois Finance Authority is willing to issue \$10,000,000 in tax exempt revenue bonds for Ozinga Chicago RMC, Inc. to be able to buy additional rolling stock and some other equipment purchases as well. He referred to the letter from Ozinga handed out to the Committee this evening. He noted that this company has a plant here in Evanston and they supply ready mix concrete for much of the development throughout the City of Evanston. He said that there is no risk to the City and basically they are ceding over to this agency the City's right to issue \$3,000,000. Under federal IRS Regulations there is a limitation by State in terms of total industrial revenue bonds that can be issued. Ald. Jean-Baptiste raised several questions on the use for allocations and what if all businesses in Evanston know about this. Mr. Marino responded that these are tax exempt dollars and it is a privilege that the City is sharing with an Evanston-based industrial business. He noted that only industrial businesses qualify which are limited in Evanston. Ald. Jean-Baptiste requested that whether a company qualifies or not, he would like all Evanston businesses to know about this opportunity and that it even exists.

Ald. Wynne moved approval, seconded by Ald. Rainey. The vote was 9-0 in favor of the motion.

(P5) Resolution 21-R-07 – A Request for Granting a Municipal Exemption for the construction of the New Fire Station at 2830 Central Street

Ald. Wollin moved approval, seconded by Ald. Moran.

Mr. Cook gave a brief overview of the project for the demolition and reconstruction of Fire Station #5. He stated that they are asking for municipal exemption for the air-conditioning unit and parking which do not meet the zoning code requirements. In response to Committee question, Mr. Cook informed that no notice was sent because it was not required in this case, therefore neighbors have not been official notified of this request for municipal exemption. Ald. Moran reported that the neighbors are aware of the demolition and reconstruction of the new Fire Station and he assured that the neighbors most affected directly across the alley are OK with this proposal. Mr. Khatkhate added that the residential properties across the alley have 30' of alley plus garages and sizable back yards between the residences and the proposed Fire Station and location of the new air-conditioning unit.

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

ITEMS FOR DISCUSSION

(PD1) West Side Master Plan for Sub-Areas 1, 2, and 3

Mr. Marino opened the overview of the West Evanston Master Plan and the recommendations regarding key plan elements. He recalled the Committee's request for staff to review which key elements should be mandatory or advisory. He also went over discussion of Master Plan and Form-Based Code and the Distinguishing Features and Inter-Relationship in detail as outlined in staff's memorandum. He noted that staff's recommendations as to which sections of the Master Plan should be mandatory are best framed four major components: Street Network, Building Types, Open Space, and Landscape Standards. He turned the remainder of the presentation over to Ms. Guderley for a narrative of each component and the consequences of whether or not they are mandatory.

Ms. Guderley gave a detailed narrative for each component which is summarized below.

Street Network: Staff recommends that conformance with proposed street network be mandatory, with potential for public financing.

Building Types: Staff recommends that conformance with the proposed building types be mandatory, with choices provided and some flexibility.

Open Space: Staff recommends that the areas of designated open space be mandatory, with choices provided.

Landscape Standards: Staff recommends the inclusion of landscape standards be mandatory, with choices provides.

Conclusions and Recommendations:

1. Staff recommends the approval of the Master Plan and the following specific conditions.
 - a) Staff recommends that conformance with proposed street network be mandatory, with potential for partial public financing.
 - b) Staff recommends that conformance with the proposed building types be mandatory, with choices provided and some flexibility.
 - c) Staff recommends that the areas of designated open space be mandatory, with choices provides.

Ms. Betty Sue Ester requested that the Community have a chance to review the document before any adoption or vote is taken on the Master Plan.

Mr. Marino assured that appropriate public meeting notice will be done for any upcoming meeting with regards to the hearings for the West Evanston Master Plan.

Chair Tisdahl asked that staff look into having some type of relocation opportunities in place for any businesses the might be effected by any redevelopments or transformations made within the designated area of this Master Plan.

It was a consensus of the P&D Committee to move forward with the proposed West Evanston Master Plan.

ADJOURNMENT

The meeting was adjourned at 8:45 p.m.

Respectfully submitted,

Jacqueline E. Brownlee