Planning & Development Committee
Minutes of June 25, 2007
Room 2200 – 6:30 p.m.
Evanston Civic Center


Presiding Official: Alderman Tisdahl

DECLARATION OF QUORUM

Chair Tisdahl called the meeting to order at 6:51 p.m.

APPROVAL OF THE JUNE 11, 2007 MEETING MINUTES

The meeting minutes of June 11, 2007 were approved unanimously.

ITEMS FOR CONSIDERATION

(P1) 2526 Jackson Parking Variation Request (2-3)
Chairman Tisdahl informed the Committee of her current knowledge that the applicant has worked with the neighbors and has reached some agreement. Mr. James Murray, Attorney for the applicant, affirmed on behalf of his client that in the course of the last two weeks since the June 11th meeting, an agreement was reached with the neighbors. As a result, the neighbors removed their objections on the basis that the refuge removal services be taken to the front for pickup on Jackson Street in order to avoid the alley. Also an agreement was made with regards to concerns for entrance into the proposed garages. He said with those two concerns being addressed by the applicant, the neighbors were satisfied. Subsequently, Mr. Murray requested that this matter be introduced and to move forward with direction for staff to draft an ordinance for consideration by the P&D Committee.

Mr. Wolinski informed that procedurally this item is on as an action item, therefore the P&D Committee has two choices to either deny the variation request and the project dies or the Committee can approve the variation for consideration and direct staff to draft an ordinance. Ald. Bernstein requested that if this variation is voted in favor of the latter choice, that the ordinance include the two agreements between the applicant and neighbors as conditions. The other Committee members agreed.

Ald. Bernstein moved approval to direct staff to draft the variation ordinance, seconded by Ald. Rainey, with the inclusion of the two agreements as stated earlier. The vote was 9-0 in favor of the motion.

(P2) Request for $180,000 in HOME Funds from Evanston Housing Coalition
Mr. Wolinski stated that based on the information the P&D Committee requested at the last meeting, staff has addressed and included documentation in the packet regarding the most recent Property Standards inspection of the property. He noted the last Property Maintenance inspection of all the buildings was in August 2004 and there as a subsequent inspection since the last P&D
meeting conducted on June 13th of the 2024 Wesley building. He confirmed that Mr. Gauthier has attempted to clear up all the violations except the major violations which he is requesting funds for this evening. Also requested by the Committee was a copy of the rent rolls for all 24 units of the three buildings. Ald. Rainey stated that she asked for documentation of the rent rolls to be provided. She made clear her support of this project completely and assured her awareness that this request is for HOME funds and not Affordable Housing Funds; however she does believe at the same point and time the City’s Housing staff has to look at the integrity of the properties they are dealing with in terms of their finances. Ald. Rainey stated her dis-satisfaction with the information provided because she feels it is inadequate; the information provided appears as if only six (6) tenants of the 24 units are paying rent; nor is there any rent history shown that includes how many tenants receive rent subsidy, amount of months in arrears, etc. In summary, she feels there is a sad state of representation for the future of affordable housing if applicants do not have to show or clarify to City Officials of their incoming rent rolls and their monthly operating expenses to prove their ability to repay their debts. In her mind, this makes the subsidy questionable and the benefit to the City for dispensing funds for assistance. It was clarified by Mr. Gauthier and other members of the Committee that out of the 24 units, there are 6 tenants in arrears of their rent obligations; not the other way around. Even so, Ald. Rainey still stressed that ¼ of the tenants are in arrears and even this number is too much if rental subsidy is being provided. Mr. Gauthier responded that out of those 6 tenants, the majority are less than or approximately one (1) month behind and only one (1) tenant is approximately behind by 2 ½ months in which an eviction process is being pursued at this time. He noted that not all of the tenants in arrears are receiving rental subsidy.

Mr. Gauthier informed the Committee that the partnership that originally owned the buildings with the National Equity Fund was dissolved in 2006. The Evanston Housing Coalition took control of the partnership and infused into the properties $50,000 in capital to pay off its loan with the City to improve cash flow. He pointed out that the pro forma provided in Council’s packet has improved over what it would have been a year ago. Therefore the history of the partnership over the 15 years that they were in existence has paid off approximately $110,000 in the debt that was owned to Chase Bank and the City of Evanston. Ald. Rainey commended EHC’s efforts in the respect.

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

(P3) Request for $15,000 in HOME CHDO Operating Funds for Citizen’s Lighthouse Community Land Trust

Mr. Wolinski recalled that there were questions raised at the last meeting by Ald. Holmes and by Ms. Judith Treadway via email to Ald. Holmes regarding procedure son how funds are being allocated. He explained that these are HOME funds and staff has been following this procedure for a number of years. Staff has provided a copy of these procedures which is actually in the Consolidated One Year Action Plan whereas any request go through a loan committee, the Housing Commission and eventually comes before the P&D Committee. Mr. Wolinski noted that the Affordable Housing fund that has just been set up, that staff is still working on the procedures for the guidelines that have been approved. He said that staff will be presenting to the P&D Committee at the next meeting with some programs for down-payment assistance and vacant buildings to utilize those funds. In fact, HOME Funds can also be used in combination with the Affordable Housing funds; however the projects presented this evening are requesting all HOME funds.
Ald. Holmes stated that she wanted to be absolutely clear in terms of how the funds were dispensed and also taking into consideration the question that Ms. Treadway asked. She understands the difference between the Affordable Housing Funds and HOME Funds, however she received another email today which makes her raise another question in terms of process. Ald. Holmes noted that it states all major HOME Fund requests are reviewed by the HOME Loan Committee composed of professionals in the lending and Community Development fields. What caught her attention was the word “reviewed” and she questions the review process which she still does not see explained anywhere to grasp a full understanding of how the loan committee makes their decisions. She questioned if these funds are paid back similar to what Mr. Gauthier stated with the repayments of his previous loans. Mr. Gauthier responded that HOME funds were not available when the original funding was requested for his project on Wesley and that this was his first time requesting HOME fund dollars.

Ald. Holmes pointed out that this request for $15,000 is for operating expenses however the request under (P4) for $99,500 is for a grant to be held in order to acquire a property. She questioned if the City has helped any other project in the past where funds were held in this matter; how does this work? Mr. Wolinski explained that in the past, the City does not want to be the only source of funding for these types of projects because they expect the CHDO’s to find financial support from other lending institutions. Therefore they hold these funds until the CHDO shows the City that they have other funding for the project as well before releasing the funds. He said that this has been done before but the majority of times that these cases are brought before the Committee, the CHDO’s has already secured other sources of funding and many times the HOME Funds are providing bridge funding. He said in this case at the time of application, the Citizen’s Lighthouse Community Land Trust (CLCLT) did not have any other financial backing. Staff felt that it was important because they are a new CHDO, to be able to go to other lending institutions and show that the City is supporting them. Ald. Holmes clarified for the record that here issue is not with the project it is with the process in terms of how the money is dispensed. Mr. Wolinski explained that the review by the land Committee is probably the most crucial part of these cases brought before the Committee. Members of that Committee include housing professionals such as Ms. Pat Vance from the Township Office and representatives from the CIC and local lending institutions such as LaSalle Bank. He said the concept is the project is not going to get a positive recommendation from the Loan Committee unless they feel the pro forma is correct and doable and the committee will meet several times if necessary until they are satisfied and assured that the project will work.

Ald. Wollin also noted that with (P4) regarding the request for $99,500 is not a reserve anymore but is actually an approval for the funds contingent upon the bank loan the CHDO applied for. From her understanding, the letter of guarantee for the bank for the remainder of money is also contingent upon the approval for City funds. She said this is a case of the chicken and the egg scenario and there is also the time constraint because the CHDO’s intent to purchase the property because the contract to purchase has been accepted. Mr. Wilfred Gadsden from the CLCLT confirmed Ald. Wollin’s comments and informed the Committee that the attorney’s are currently reviewing the contract for a closing date of July 15th. Ald. Rainey questioned if this request was actually approved by the Loan Committee. There were some mixed response from the Housing Planner and representatives of the CLCLT, which caused Ald. Rainey to question the entire process here with the HOME Fund Loan Committee, the Housing Commission’s role in this approval process and staff’s involvement in the process and procedure of the loan review. Mr. Wolinski noted that there is not staff on the loan committee, however staff does administrate this Committee and the Housing Commission. It was clarified by representatives of CLCLT that this request was approved by the HOME Fund Loan Committee and reviewed by the Housing
Commission; however a quorum was not present to vote on this matter. Ms. Spicuzza and Mr. Wolinski assured this and that staff forwarded this request to the P&D Committee with their recommendation for approval.

Ald. Rainey still has a problem with the entire process here. She still questions how does the transaction take place between this organization and potential buyer? Mr. Gadsden proceeded to explain their process and that the funds will be used to purchase the property that is now in foreclosure. They have made an offer and it has been accepted by the owner who has already moved out of the property. Ms. Ester explained that the CLCLT’s function is to make the land the property is sitting on in a position that it can not be sold thereby allowing the ability to hold the property as affordable housing. Ald. Rainey said that if the owner can not own the land and will still be taxed for it, this does not seem fair. Ms. Jill Graham, representative of CLCLT, responded that the owner will still have a bundle of right for usage of the land, therefore benefiting from the land as well. Discussion followed regarding the rights of the owner of the property and the actually benefits. Ald. Jean-Baptiste rationalized that CLCLT has already made an offer on the property and it has been accepted and reviewed by both parties’ lawyers, which the applicant has verified will be ready for acceptance tomorrow. He reminded the Committee that Council has already accepted the model and role of this CHDO therefore being aware of how they acquire and make properties stay affordable. In his opinion the Committee needs to focus on the purchase of this property at this time not so much the resale of the property in the future.

Mr. Jeff Smith stated that he is a member of the Board for Citizen’s Lighthouse Community Land Trust and strongly request that the P&D Committee support this project. He noted that CLCLT has clearly done all of their homework and are in the position to begin this project immediately.

Ms. Judith Treadway said that she has several clarifications that she would like to see addressed before the Committee moves on this item. First, she believes that every owner has the right to the benefit in the sale of the property and the land it sits on, she is very concerned with the fellowship of this process. She is still unsure of the application process and review and the HOME Loan Committee because it has not been clearly explained yet. She suggest a moratorium on dispensing any more HOME Funds or the newly formed Affordable Housing Fund until clear and precise application review process and procedures are evident.

Ald. Jean-Baptiste moved approval, seconded by Ald. Wollin. The vote was 9-0 in favor of the motion.

(P4) Request for $99,500 in HOME Funds from the Citizen’s Lighthouse Community Land Trust
This item was discussed in conjunction in item (P3).

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

(P5) Plat of Resubdivision for 101 Hamilton Street
Mr. Wolinski noted that this is a ministerial act on the part of the P&D Committee and confirmed staff’s recommendation for approval. This address is in Ald. Wynne’s ward and she supports this resubdivision.

Ald. Wynne moved approval, seconded by Ald. Jean-Baptiste. The vote was 9-0 in favor of the motion.
(P6) Sidewalk Café for Type 1 Restaurant at 1930 Central Street
This sidewalk café is requested by the Royin Sushi Bar Restaurant. The applicant, Ms. Sue Suwanrotomobus was present and assured her knowledge of all the sidewalk café rules and regulations regarding garbage and debris pickup and refuge collection.

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

(P7) Request for a Time Extension of the Planned Development Ordinance 80-O-07 – 1881 Oak Street
Ald. Rainey moved approval, seconded by Ald. Jean-Baptiste.

Chair Tisdahl noted that Carroll Place LLC is requesting a one year extension from the required time a planned development should be issued a building permit and begin construction. The applicant should have applied for building permits by July 12, 2007; this extension will give them until July 12, 2008. She called on the citizen sign-in sheet first.

Ms. Stamata Blanas presented documentation to the P&D Committee to prove that proper notification was not sent out or given over the chronological time period from the beginning of this project. She noted several discrepancies in the notice procedure and accused staff of not being fully aware of what was sent out. She feels this project has not been legally approved and should be required to go back to the beginning with proper notification sent out. Ald. Jean-Baptiste responded that staff being accused was not present this evening, however there is documentation from this staff member that was sent out some time ago regarding the notices sent out for 1881 Oak.

Ms. Tina Paden stressed the importance of Emerson Street in this location and that the 1881 Oak Street site is in a transitional area. Therefore, she feels this property should be included in the downtown plan for further review and proper usage of this site.

Ald. Rainey’s opinion is that this request in not unusual; projects of this size takes time. This request is for a time extension only. Ald. Jean-Baptiste agreed. Ald. Holmes asked what the expected time frame is for the developer to apply for permits and begin construction. Mr. Dave Reifman responded that they are prepared immediately to remove the existing foundation and grade and seed the site. They are also prepared to pay the contribution obligation at this time. The request for a time extension is due to other financial matters.

Ald. Moran stated that he will be voting against allowing the time extension. He recalled that he did not vote in favor of this project from the beginning because it is too dense and too high for this particular location. He can not see any reason for granting this developer a time extension. It appears as if they are waiting for final approval of the 1890 Maple Building. Ald. Wynne also stated that she will be voting against this and agrees with Ald. Moran’s statements made. Ald. Hansen stated that no clear explanation has been given for the need of granting a time extension. Ald. Wollin made a comment accusing the City Manager of conjuring a deal with the developer, which Ms. Carroll defended immediately and stated that the developer has agreed to remove the existing foundation and grade and seed the site that will drastically improve the condition and appearance of the property as it currently exists.

The vote was 6 in favor of the motion and 3 voting nay (Wollin, Moran, Wynne).
ITEMS FOR DISCUSSION
The Committee decided to hold this over for sufficient time to discuss the matter of “pipeline” now referred to a “zoning vested rights.”

ADOURNMENT
The meeting was adjourned at 8:30 p.m.

Respectfully submitted,

Jacqueline E. Brownlee