

**Planning & Development Committee Meeting
Minutes of June 9, 2008
Council Chambers – 6:30 p.m.
Evanston Civic Center**

Alderman Present: S. Bernstein, D. Holmes, A. Hansen, E. Moran, A. Rainey, E. Tisdahl, C. Wollin, M. Wynne (joined later)

Staff Present: D. Cook, B. Dunkley, D. Marino, B. Newman, R. Russell, D. Spicuzza, L. Woods

Presiding Official: Alderman Holmes

I. DECLARATION OF QUORUM

Chair Holmes called the meeting to order at 6:45 p.m.

II. APPROVAL OF THE MAY 27, 2008 MEETING MINUTES

The meeting minutes of May 27th were approved unanimously with a vote of 7-0.

III. ITEMS FOR CONSIDERATION

(P1) Request from Citizens' Lighthouse Community Land Trust (CLCLT) for Additional HOME funds for Single-Family Ownership Project

Consideration of the Housing Commission recommendation to approve additional funding for CLCLT for the rehabilitation of 2212 Washington Street. Staff recommends additional HOME funds of \$8,500 for rehabilitation and \$6,500 in down payment assistance to an eligible buyer, totaling \$15,000 in additional assistance to the project. This will also enable an \$11,000 cost reduction in sale price.

Ald. Rainey stated that after viewing a photo of the house and garage she suspects it will cost even more. She suggested that subsidizing \$100,000 to 2 families to assist them in buying condominiums rather than subsidizing one developer for a 3-bedroom house which is too small for a family of 5, would probably be more helpful in the long run, adding that the condos have indoor garage spaces and one has a pool.

Mr. Wilfred Gadsen, Director of CLCLT, updated the Committee on the status of the renovation/sale of the property: The primary reason for the request is to make the house affordable for a 4-member family. They have had more interest from 4 than from 5 member families. The current market makes it difficult for first time home buyers due to a fluid market and tougher requirements of home buyers. The relatively small size of a condo accommodates smaller children, not older children. He stated that other types of subsidies are not repaid, but in the case of a land trust, the house will always be affordable. He added that people are enthusiastic about this house and the opportunity to live in Evanston. He said that some of the applicants living in Rogers Park and Evanston can't afford to sell their 1 bedroom places to buy this place, due to many unusual current conditions. With other developers, after a time, they will sell the house at the market rate. With CLCLT the house will always be affordable.

Ald. Rainey asked for clarification of the size of the house. Mr. Gadsen replied that it is 1,025 sq. ft. in size. Ald. Rainey said she does not object to the period of affordability, but that she only supports subsidizing buyers now, stating that the family that buys this house will not be able to sell it for market value, and that they may as well be renting. There is a built in minimal profit that they will not realize.

Ald. Wollin asked how many serious applicants there are. Mr. Gadsen replied that there were 8 families who contacted banks. The first 3 did not proceed. The second 3 are working towards purchasing the house. One is getting assistance to sell their property possibly from a land trust.

Ald. Tisdahl stated that she believes Ald. Rainey may be right about helping families rather than developers but she is voting yes on the requested additional funding for this house because we have put a great deal of money into it already.

Ald. Rainey noted that the primary prospective buyer is selling a home in Chicago. The family already owns a home. Mr. Gadsen replied that buyers are not required to be 1st time home buyers. Both parents work in Evanston. He added that the family that buys this home will get a share of the appreciated value.

The vote was 6-1 in favor of the motion.

IV. ITEMS FOR DISCUSSION
(PD1) Update of Evanston Affordable Housing Study Prepared by Business & Professional People for the Public Interest

Ms. Susan Munro of the Housing Commission introduced herself and thanked Betsy Lazar, the Housing For All Advocacy Group, and the Woodstock Institute for their assistance in gathering the data for the Affordable Housing Study. She introduced the Housing Commission members in attendance: Timothy Angell, Carol Balkcom, Joanne Zolomij, Eric Beauchamp, Vice Chair and Richard Mosley.

Ms. Munro explained that there is an ordinance stating that they are to report to the P&D Committee from time to time, which is their purpose at this meeting. They are not asking for subsidies or funding for projects. They do not have an answer to the challenges for Evanston families but want to do further research to find answers to the questions raised in the report.

Mr. Eric Beauchamp presented the results of the study.

- The report defined affordable housing as 30% of a family's income including rent or mortgage, property taxes, utilities and assessment;

The report illustrated:

- Median income and various percentages of the median income
- Incomes of common occupations in comparison to housing prices
- Rise of 60% in the cost of homes vs. the 10% rise in incomes
- Expected foreclosures in Illinois in the next 2 years: 1 in 38

- Map of Evanston foreclosures and vacant homes from 2005-2007
- A list of housing market conditions

Ms. Munro added that the African American population in particular was targeted for fraudulent and subprime loans. She also said that Evanston is still in a great position with good schools, a lake front, and a major university, which makes it a good time to begin putting a strategy in place. She listed some of the tools we have to work with: the Vacant Housing Ordinance; Demolition tax, Affordable Housing Fund, Inclusionary Housing and 4 CHDO's including a land trust.

Ms. Munro concluded that housing prices are rising faster than incomes, many who grew up in Evanston cannot afford to live here, and foreclosures and vacancies are issues that need to be addressed. The Housing Commission intends to create a strategy for affordable housing in Evanston and requested assistance and guidance from the P&D Committee.

Ald. Rainey asked Ms. Munro to discuss the immediate threat for CHDO's going into foreclosure with rental units they rehabbed and converted to condos that have not sold, in the 8th Ward. She said there are many units that have been subsidized in many ways and are sitting vacant.

Ms. Munro replied that she knew of a condo conversion that went into foreclosure but it was not a CHDO, and that 2 CHDO projects have had 4 or 5 closings in the last month. She said she would investigate whether any CHDO's are going into foreclosure.

Ald. Tisdahl asked Ms. Munro how the Housing Commission is keeping Evanston affordable for people who already live here, who are trying to hold on to their homes, to which Ms. Munro replied that they do not have a strategy, but that issue needs to be considered in a comprehensive plan. Many renters would like to buy but taxes are very high in Evanston. Ms. Tisdahl asked Ms. Munro to talk to CHDOs about finding bigger units to address the needs of larger families.

Ald. Wollin stated that she and Ald. Holmes went to foreclosure task force meetings where they concluded that there is a need to educate people and give them financial counseling. They are expecting to receive a list of vacant affordable housing units from the task force. She asked Ms. Munro whether the Housing Commission is in the process of developing a comprehensive plan for the City, to which Ms. Munro replied that they would welcome that charge and would appreciate the participation of Council members and others with expertise.

Chair Holmes thanked Ms. Munro and opened the floor to public comment.

Ms. Rachel Hansen introduced herself, explaining that the Evanston Community Development Corporation asked her to appear. She, her husband and their 2 year old son enjoy living in Evanston. They have friends here and would love to stay here after he finishes school, at which time he will be a professor at Trinity University in Deerfield. They pay 33% of their income to housing and cannot afford to live in Evanston, but they did not qualify for assistance, therefore they are moving to the east coast.

Ms. Ana Garcia stated that she works in Evanston and would like to live in Evanston. They have been living at Reba Place for one month and they are looking for a place to buy.

Ms. Marie Ambroise stated that she moved here from Haiti 13 years ago. She and her husband were unable to afford a condo. She currently is a single mother and a full time student. She had worked with Mr. Banks to find affordable housing in Evanston and she and her children just moved into 738 Dobson. She hopes the City can help others like her.

Mr. Francois Kanamugire stated that he had been working in Evanston but couldn't afford to live here. He had been separated from his wife and 2 children for 8 years while living in America and trying to find the means for them to join him here. ECDA helped him to buy a beautiful condo and he now has his family with him. He thanked them for his shelter and reunion with his family.

Ms. Maxie Lwanga stated that she and her husband moved here 5 years ago and after 2 years put earnest money down on a condo outside of Evanston. When they found out about an affordable home at 738 Dobson, they forfeited their earnest money on the place in Chicago and bought the condo in Evanston. She expressed her gratitude.

Mr. Banks of ECDA explained that the 3 families who have just closed on their affordable housing in Evanston earn 60% of the median income and below. He said that providing affordable housing in Evanston is a daunting task. It takes much more money than ECDA gets and they must go to many sources to ask for funding: City, Federal, IDA and Cook County Authority. They have gone out of their way to find large enough spaces for these families. At Dobson they are able to provide 1700 Sq. ft., 3 bedroom, 2 bath condos with deeded garage spaces. In the 5th ward, property is too expensive and they are forced to provide condo units instead of houses. They may acquire a unit at \$125,000 - \$150,000, but must put a great deal into the unit. He agrees that the City needs to devise a comprehensive strategy to address affordable housing. He added that half of the building on Dobson is sold. 2 of 3 of the interested buyers are in the 1st time homebuyer program. The Hansens were encouraged to try but they fell short of the requirements and are now moving away.

Ald. Moran moved that the Council establish a task force to begin developing a comprehensive plan for affordable housing. Ald. Wollin seconded the motion.

The Committee voted unanimously to approve the establishment of a task force for the comprehensive plan for affordable housing.

Ald. Rainey added that she was a founding mother of "TOE", the Tenants Organization of Evanston." She referred to an article in the Chicago Tribune about renters' problems and the lack of support for renters in Evanston. She asked if anyone knew of Shannon Weiss, the Chief Executive of "Renters' Rights", mentioned in the article. No one had.

Ald. Wollin agreed that part of the charge of the task force will be to assist renters as well as buyers and to provide them with counseling and support groups.

Members of the Housing Commission agreed to investigate the "Renters' Rights" organization and see how they can apply their aid to Evanston residents.

V. **COMMUNICATIONS**

(PD2) Change in Chairmanship Memorandum

Chair Holmes welcomed the new Chair of the Planning and Development Committee, Ald. Cheryl Wollin.

Ald. Rainey commended Ald. Holmes, saying she has performed as Chair in an intelligent and wonderful way and expressed her appreciation.

VI. **TABLED ITEMS**

(P3) Ordinance 32-O-08 – Plan Commission Recommendation for a Map Amendment & Planned Development at 708 Church Street

Consideration of a recommendation from the Plan Commission to rezone the property at 708 Church Street from D2, Downtown Retail Core Zoning District, to the D3, Downtown Core Development District, and grant a Planned Development on that site of a 49-story residential and retail tower known as the “Fountain Square Development.” (Revised plan is for a 38-story residential & retail tower.) This item was tabled in Committee until Council adopts the Downtown Plan.

VII. **ADJOURNMENT**

The meeting was adjourned at 8:00 p.m.

Respectfully submitted,

Bobbie Newman