Planning & Development Committee
Minutes of May 8, 2006
Council Chambers – 6:30 p.m.
Evanston Civic Center


Staff Present: J. Wolinski, J. Carroll, H. Hill, D. Marino, D. Spicuzza, J. Brownlee

Presiding Official: Alderman Wynne

DECLARATION OF QUORUM

Chair Wynne called the meeting to order at 6:47 p.m.

APPROVAL OF THE APRIL 11, 2006 MEETING MINUTES

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

ITEMS FOR CONSIDERATION

(P2) Ordinance 27-O-06 – Inclusionary Housing Ordinance

Chair Wynne noted that this is a continuation of discussion from the April 24th P&D meeting. She acknowledged the memorandum from City Manager Julia Carroll included in their packet requesting that the City Council discuss, but not introduce, the Inclusionary Housing Ordinance this evening with several reasons listed. Chair Wynne agreed with Ms. Carroll’s opinion on this matter. However, she acknowledged that a few people had signed up to speak on this matter and called on them at this time.

Mr. Jack Crocker, 1203 Forest Avenue, said that he is a resident and developer here in Evanston and admitted that he has not thoroughly read the ordinance at this time but does have some understanding of it. He informed the Committee that he is proposing to teardown the Evanston Theatres I & II and the adjacent house to this site. He noted the tremendous increase in construction cost and the estimated cost per unit for affordable housing contribution would make development too expensive for the smaller scale planned development he proposes for this site. Currently he is paying $35,000 in taxes on the combined properties and will generate over $1,000,000 in taxes after development. Mr. Crocker also is concerned with inclusion of affordable housing on site of new planned developments, questioning if the same cost and quality of internal materials should be used. Chair Wynne informed Mr. Crocker that the City Manager will be holding a meeting in the near future with Evanston developers and suggested that he attend this meeting; check with staff for further information.

Ms. Robin Snydermann-Pratt, representing the Housing Commission, said that she is pleased to see many of the Housing Commission’s original recommendations included in this ordinance. In response to Mr. Crocker’s previous comment, she agrees that developers could use different internal materials that would give the same feel of building quality but much less expensive resources. Ald. Bernstein asked why the Housing Commission recommendation that first refusal go to a CHDO? Ms. Pratt explained the intent was to have a not-for-profit take advantage of the
reduced price for resale to a qualified low/moderate income household. Ald. Rainey’s opinion is that CHDO’s should not have the first right of refusal because most of the not-for-profit organizations are forwarded large sums of government funds to build their own affordable housing developments.

Committee Discussion
Ald. Moran overall agrees with the Housing Commission recommendations included in this ordinance and feels that City Council needs to meet this challenge and move forward on this. The Committee asked staff for some chronological history and what the original recommendations were from the Housing Commission compared to what is included in the present proposed ordinance. Mr. Wolinski recalled that it has been 4 years since the Inclusionary Housing Task Force Committee. He said that the development community was included in the task force as well as several alderman and staff. Ald. Tisdahl said that she would be interested in hearing from the development community again at this time to get their input since the time of the original task force meetings.

Ms. Carroll went over her memorandum in more detail with the Committee. She expressed her concern with the Council not willing to consider any density bonuses and how this could hamper new planned developments in Evanston. She made points on the policy addressing different unit sizes and interior finishes for the affordable housing units. She said that the definition of the affordable unit with a minimum and maximum size must be clarified. Ms. Carroll stated that there needs to be sufficient dialogue with developers on this issue to determine impact in their opinion. She recommends that city staff hold a meeting with developers to inform them of the ordinance requirements, in its present form and get receive feedback from them. Finally, she related from discussion with the Community Development Director that he believes they can have the most impact in the community if funds are utilized to rehabilitate properties. She expressed her support for the adoption of an Inclusionary housing policy, however feels that the right set of criteria socially and economically be balanced throughout the ordinance. Mr. Wolinski elaborated on his outlook of affordable housing funds to be utilized for rehabilitating existing units. He said that it is very expensive to build new affordable housing and the cost to rehabilitate older existing units, for example similar to one of the first affordable housing project done by Evanston Housing Coalition on Clyde where they took a 24-unit problem building and combined the units to make 12 units, expanding the size the totally rehabbing the interior. This was considered a very successful project of its kind and was not as expensive as building new affordable housing.

Ald. Bernstein is of the opinion that they should consider giving something back to the developer in exchange for providing affordable housing. Chairman Wynne reiterated her well known stance on the ideal of having a “tool-box” or development bonuses, which she thought was clearly understood to be eliminated from this ordinance.

Ald. Rainey stated that she feels Evanston has missed their opportunity because the targeted developments that should have been hit by this ordinance are finished with construction or are in the pipeline. She is opposed to this ordinance in her ward, however she strongly believes in and supports Mr. Wolinski’s suggestion of using affordable housing funds to rehabilitate existing units, which is a much more affordable and reasonable alternative.

Ald. Jean-Baptiste questions if they were to consider rehabbing existing older units, where the units will come from; are there that many available older multi-family buildings left that can utilize this policy. He supports payment-in-lieu of policy as long as the chosen sites for
affordable housing development are spread evenly throughout the entire City of Evanston. Ald. Wollin stated that she does not want to see any new development coming into Evanston without contributing to the affordable/Inclusionary housing fund.

Ald. Rainey stated that she does not support funds being used for affordable low income rental in her ward, or Evanston in general, because she feels the city has done more than fair share of accepting Section-8 vouchers and certificates. She totally embraces and welcomes low/moderate income homeownership. Ald. Jean-Baptiste agrees with Ald. Rainey in that they have missed the height of development in Evanston, however an Inclusionary Housing Ordinance is still needed especially for rehabbed condominium conversions and any future planned developments that meets the criteria.

This item was held in Committee for further information from staff. Mr. Wolinski will provide a report on the concept of affordable housing funds being more productive to rehab existing units versus the cost of building new affordable housing. Staff will also conduct a meeting with Evanston developers before this item is brought back on the agenda for consideration.

(P5) Reserving of HOME Funds
Ald. Bernstein moved approval of reserving $180,000 of HOME Funds for potential use by the Evanston Housing Coalition. Ald. Tisdahl seconded the motion and the vote was 9-0 in favor. In response to a question, Ms. Spicuzza stated that this procedure of reserving HOME funds to different CHDO’s is done on a case-by-case basis for affirmative future construction. It has been done before with Evanston Housing Coalition whose reputation for dependency is well recognized.

(P4) Designation of Citizens’ Lighthouse Community Land Trust as a Community Housing Development Organization
Ald. Moran moved approval, seconded by Ald. Wollin.

Ald. Rainey asked why HOME funds need to be used to designate another CHDO, there are already so many of these organizations that are doing the same thing and have the same goals. Ms. Carol Balcom, representing the Citizen’s Lighthouse Community Land Trust gave background information on their organization and explained their budget for the requested funds. She said that CLCLT will be working with Evanston Housing Coalition to provide affordable single-family homeownership. CLCLT is not looking to the City for all their funding and will be receiving funds from other sources. Ald. Tisdahl asked if CLCLT has looked at sharing the Executive Director position with another organization to keep the expenses down. Ms. Balcom said they would be willing to consider this option, especially in the beginning and also consider sharing space. Ald. Rainey asked what CLCLTR anticipated acquiring in property per year. Ms. Balcom responded that 1 property would be done in their first year because they will have to start off small but do expect to expand the number of projects in the second year. Ald. Rainey stated her concern with forwarding the excessive amount of HOME funds to this new CHDO to provide only 1 affordable housing unit in their first year, when there are several CHDO’s already outnumbering them by approximately 8-to-1.

The motion was approved with a vote of 8 in favor and 1 voting nay (Rainey).

(P3) Request for $25,000 in Mayor’s Special Housing Funds for Housing Opportunity Development Corporation’s Housing Counseling Program
Ms. Erica Page, Housing Counsel for HODC, was called upon for comments. She was once again asked to elaborate on the Housing Counseling program, their goals and intent, how many clients this program serves, etc., which she explained further what the 6-hour workshop program entails.

**Ald. Rainey moved to amend the request for funding from the requested amount of $25,000, from staff’s recommended amount of $15,000; to $10,000, seconded by Ald. Bernstein.**

Ms. Spicuzza gave an update on current HOME funds as of April 18, 2006; the cash balance in the funds was $100,392.58. She went over the analysis of the fund balance and projected allocated use of money and money anticipated coming in. Ald. Holmes asked if the requested funding is to help expand the current Housing Counseling Program. Ms. Page response yes and stated that if attendees remain at over 30 per session, they will have to hire an additional counselor and expand the program.

Ald. Moran brought to attention that there is no clear explanation for staff’s recommendation from $25,000 to $15,000. This staff recommendation should have been more clarified as to how this was determined. Ald. Rainey feels that this program can be done on a budget of $61,000, which an additional $10,000 in funds would be their total budget to this amount.

**On Ald. Rainey’s amended motion, the vote was 4 in favor and 5 voting nay – MOTION FAILED.**

**Ald. Moran moved to approve the entire $25,000 as originally requested by HODC, seconded by Ald. Jean-Baptiste. The vote was 5 voting in favor and 4 voting nay, MOTION CARRIED.**

**ITEM FOR DISCUSSION**

(PD1) Preservation Commission Annual Report
The Committee accepted the Annual Report from the Preservation Commission without any comments or concerns.

**ADJOURNMENT**

The meeting was adjourned at 8:40 p.m.

Respectfully submitted,

Jacqueline E. Brownlee