

APPROVED

**Planning & Development Committee
Minutes of June 22, 2009
Council Chambers 7:00 p.m. – 8:20 p.m.
Evanston Civic Center**

Aldermen Present: D. Holmes, L. Jean-Baptiste, R. Rainey, D. Wilson, M. Wynne

Staff Present: J. Chambers, R. Dahal, B. Dunkley, S. Jackson, D. Marino, J. Murphy
B. Newman, E. Purze, R. Russell, P. Schneider, D. Spicuzza, E. Thomas,
L. Woods

Presiding Official: Alderman Wynne

DECLARATION OF QUORUM

Chair Wynne called the meeting to order at 7:26 p.m., a quorum being present.

APPROVAL OF JUNE 8, 2009 MEETING MINUTES

Ald. Jean-Baptiste moved approval of the minutes. Ald. Wilson seconded the motion.

The Committee voted unanimously 5-0 to approve the June 8, 2009 meeting minutes.

ITEMS FOR CONSIDERATION

(P1) Request from Connections for the Homeless for Families in Transition (FIT) Funds

Mr. Marino explained that the FIT program is a long-standing Evanston program that helps families make the transition to independent households over time and can provide rental assistance to recipients for up to two years. He said Connections for the Homeless has been active in providing this assistance to several households over the past few years and has been consistently successful.

Ald. Rainey said she recalled when the program was first instituted, that there would be a maximum number of people being assisted at any one time, however, she feels that this and some of our other programs, unless we demand reports regarding results and effectiveness, reports are never forthcoming. She said she has no idea, unless "Connections" comes to the City for an extension or something, how recipients are doing or what their progress is, or even if they are still involved in the program. She said if there are 5 households currently involved in the FIT program, that is quite a few dollars, and she feels the Committee is entitled to know what the progress is.

Ms. Donna Spicuzza, Housing Planner, explained that there is currently only one other person in the program through Connections for the Homeless, who was approved in March. She said there were two others who recently completed the program and she has requested a report which she will be happy to distribute to members of the Committee. She said the two people who completed the subsidy from the City were able to remain in the apartments they rented throughout the FIT program and one of them obtained her associate's degree in January and will be going on to college. The other will be graduating from nursing school with an RN at the end of the year, so they were successful.

Ald. Rainey replied that she would like Connections for the Homeless to provide schedules of the fund recipients' goals, objectives, and progress. Ms. Spicuzza said she will obtain the report from them for distribution to the Committee.

Ms. Kara Marti, case manager in the Transitional Housing Family Program of Connections for the Homeless FIT program, said she will definitely relay the message that the Committee would like to see a report of the results of the program. She said she thinks the current candidate is fabulous. She said the candidate has worked the entire two years that she's been in their program while attending school at night and that she is doing wonderful things with her child. She said she is definitely a role model for many of the other clients because she is very, very positive and she is bound to succeed the way she is going.

Ald. Rainey moved approval. Ald. Holmes seconded the motion.

The Committee voted unanimously 5-0 to recommend approval to the City Council.

(P2) Program Revision to the Single Family Rehab Program to Allow Owner-Occupied 3-Unit Properties to be Eligible for Financing.

Ald. Rainey moved approval. Ald. Wilson seconded the motion.

The Committee voted unanimously 5-0 to recommend approval to the City Council.

(P3) Ordinance 39-O-09 Permitting a Special Use for Type 2 Restaurant Subway, at 3330 Central Street

Ald. Jean-Baptiste moved approval. Ald. Rainey seconded the motion.

Chair Wynne stated that this item was held at the last meeting because of concerns from Alderman Tendam about traffic issues and the adequacy of the parking lot.

Ald. Tendam said items F, G and H have been added to the ordinance as a result of his discussion with the owner, a representative of the property owner and several members of staff. They agreed that the hours of operation shall not be before 9:00 on any given day. The other two items relate to pedestrian safety: the landscaping should be cut back to 20' at the driveway exit area and it will be the City's responsibility to deal with improving visibility on the parkway area. He said the property owner also has agreed to put up a STOP sign to cars just approaching the sidewalk to warn them of pedestrian crossing.

Ald. Holmes asked whether regarding the hours of operation, was their plan not to serve breakfast, to which Mr. Marino responded that it was part of the original plan but in consideration of traffic control, the applicant suggested opening at 9:00 a.m. Ald. Holmes said if the applicant is fine with it, she is. Mr. Moaiz Verani, the franchisee of the Subway, stated that he had suggested it in order to alleviate the traffic problem, so he will not serve breakfast, but he will do lunch and dinner.

Chair Wynne asked Ald. Tendam whether these conditions satisfied his concerns, to which he replied that they do.

The Committee voted unanimously 5-0 to recommend approval to the City Council.

(P4) HOME Funding Revision of Housing Opportunity Development Corporation (HODC)'s Approved HOME Project at 1929 Jackson

Mr. Marino explained that the 2-unit property, owned by HODC, has been vacant for some time. In October of 2007, City Council approved \$195,000 in HOME funds to be granted to HODC to rehab the property and convert it to 2 affordable condominium units but for a variety of reasons, HODC was not able to proceed at that time. This past February, when they were finally ready to proceed, the housing market had changed dramatically to the point where it had become very difficult to sell affordable condominiums throughout the city, so they worked with staff and Ald. Holmes to find some alternatives. The alternative for consideration is financing through HOME funds to turn the 2-flat into 2 affordable rental units. Mr. Marino explained that there are two elements to this staff recommendation: the first is to restructure the long term financing through a HOME loan of \$124,000; the second is to finance \$175,000 for rehabbing which is \$20,000 less than what was approved for rehab in October of 2007. He explained that the request for mortgage assistance is being presented for the first time and was not part of the package in 2007. The reason for this is that a pro forma financial analysis of the project showed that it was not sufficient to carry market rate debt service for the full loan amount that they currently have on the first mortgage. Working together, staff, Ald. Holmes and HODC concluded that using HOME funds was a way to take this vacant deteriorating property, put it back together, put two good households in it and contribute to the revitalization of the street.

Ald. Holmes said she hopes that each of the Committee members can support this. She said Jackson is a difficult street in the 5th ward and they are working very hard with the Strategic Neighborhood Area Plan (SNAP) program to get lighting and other activities that will hopefully improve the block. In fact, she said, tomorrow at noon, Officer Noble, Ald. Holmes and other City staff will be out knocking on doors as they recruit the neighbors to form a block club. She said they intend to take the block back and this piece of property is important in terms of helping them do that. She has talked with staff and HODC about doing extra screening of the renter applications to be sure they get people who will be supportive and will help change that block.

Ald. Wilson said he had some reservations about the lack of progress, so far, of the existing project. He agrees that something really needs to happen there, and he asked her how optimistic she is about putting this much money into this particular group's project and whether she thinks it will come to fruition. Ald. Holmes responded that she is counting on it, and they are putting all of their efforts into making sure that it works. She explained that HODC had a change in administration when they first received the \$195,000 approval in 2007. Since then they have been revamping the organization, but they never gave up on trying to make sure that this housing was affordable. She said she can not guarantee it will work, but she, HODC and City staff are going to work very hard to make it happen. She said one of the first steps is to have a block club to make sure there is some accountability for the neighborhood and only the neighbors can do that. She said the City can put a great deal of effort in, but the cooperation of the residents who live there is essential, adding that they may be renters but if they take ownership, it will make a difference.

Ald. Wilson said he wanted to clarify that HODC had not drawn on the previously approved \$195,000.

Ald. Rainey asked the status of the house HODC moved people into, which is across the street at 1930 Jackson. Ald. Holmes explained that the people who were living at 1929 Jackson were moved across the street while it was being renovated and the house across the street has been

rehabbed.

Ald. Rainey said she is interested in the status of any debt that HODC owes to the City and what has changed about HODC. Ald. Holmes replied that the change is in the resources the City is putting into the area, such as the lighting and the way they intend to change the environment. Ald. Rainey asked why Ald. Holmes believes that this building will be a success because HODC will be screening applicants more rigorously. She said anyone who is given \$300,000 for a 2-flat, ought to be able to improve the property. In response to a question, Ms. Spicuzza indicated that in the pro forma, the development budget lists \$175,000 in hard rehab costs and lists a contingency and management fee of \$15,000 under Project Development/Financing Costs. She said management fees are included in the operating costs. She said HODC's staff property manager will be managing the building and contracting to do routine maintenance.

Chair Wynne asked how many units the property manager would be managing, to which Ms. Spicuzza replied, 169 units.

Mr. Koenig, Director of HODC, said they have a full time property manager on staff that is in charge of doing all of the lease qualifying and certification and works directly with the tenants. She has been with the agency for over 4 years but has been the property manager for about a year. They also have a staff member who deals with all the financials and works with all the tenants to make sure the rents are paid and the leases are taken care of and that they contract with a firm to do all the maintenance including landscaping, snow shoveling and repairs, which is coordinated by the property manager.

Ald. Jean-Baptiste asked what is wrong with the place. He said he understands that a few years ago they were converting it to condos and needed to make each place self sufficient, but now that they want them to be rentals, he asked what has been done and what they are trying to accomplish. Mr. Koenig replied that in the last 8 months since he has been working on this, he has gathered that during the rehab of 1930 Jackson (across the street) the tenants were living at 1929. The 1930 rehab took longer than expected and when it was done the people were moved back to 1930. He strongly wanted to make the building ownership but the City staff resisted because of the housing market. The rental option gets the project moving and gets it occupied and he would like to have the option down the road to make them condo. His current goal is to start construction in the next couple of months. He said they appreciate all the work staff has put into it. They have been very cautious where he said he is, as always, overly optimistic and staff has kept him on target. Ald. Jean-Baptiste repeated his question of what needs to be fixed as he had said the building was occupied and now they need to do renovation of it. He asked specifically what needs to be renovated, whether it is the roof, the heating system, etc. Mr. Koenig said everything needs to be redone: the heating system is completely shot, the roof is in really bad shape, the siding is really bad, it needs windows, it needs kitchens and bathrooms and it really needs to be completely gutted. He said Jeff Murphy and Ted Partika of the Property Standards/Rehab Dept. of the City have been through it with him and inspectors of other City departments have inspected the structural, electrical and heating system and they all agree on what needs to be done to get the building completed. He said they have been very helpful.

Chair Wynne said she had seen a photo a year ago of the building and it was in bad condition. Mr. Koenig said they have been trying to get bids since the fall to get an idea of what it would cost and now they need more specific architectural drawings to get the bids finalized and City staff has been really helpful in the process. He said their goal is to get the architectural drawings within 2 weeks of getting approval, then get bids together in another 2 weeks and by early August they hope to get a construction contract signed and get the work started. Chair Wynne agreed that he is optimistic.

He said he already had an architect walk through and she has the plat and the drawings and she will finalize them when she knows she will be paid.

Ald. Jean-Baptiste asked whether they could have local people do the work, to which Mr. Koenig replied that he has been targeting local people for bids. Ald. Jean-Baptiste asked, assuming that it gets approved, that HODC provides a report to the Committee regarding who is doing the work and the progress. Mr. Koenig said HODC has been working with a local contractor and some attendees of the local homebuyer counseling class, and that their goal is to provide ownership opportunities through their units or other CHDO units, to workers who attend the class.

Ald. Jean-Baptiste moved approval. Ald. Rainey seconded the motion.

At Ald. Rainey's request, Mr. Koenig provided the name and phone number of the HODC property manager: Jessica Hotaling, 847-564-2900.

The Committee voted unanimously 5-1 to recommend approval to the City Council.

Ald. Rainey requested of Chair Wynne that the Committee receive monthly progress reports on the project. Chair Wynne agreed and requested it, to which Mr. Koenig agreed.

(P5) Ordinance 53-O-09 Granting a Convenience Store Special Use for Vinic Wine Company at 1509 Chicago Avenue

Ald. Rainey moved approval. Ald. Holmes seconded the motion.

Ald. Fiske said members of the community have met regarding this item. She said she has told the applicant that they take special uses of convenient stores very seriously in the first ward and she said she has had very pleasant discussions with him. She said hundreds of neighbors are impacted by this and some who spoke at the ZBA requested restrictions be added to the ordinance. These restrictions were sent in an email to the City Manager and to Mr. Dunkley. She said these restrictions are important to the surrounding residents and to her to be able to support this special use and their concern that if the applicant/owner ever left it would not become something that would have a negative impact on the neighborhood.

The restrictions would be: wine only, no beer or hard liquor; no selling of cigarettes or any tobacco products of any kind; limit the volume of soda drinks to less than 20% of sales; hours of operation from Monday through Thursday to 7:00 p.m. and Friday and Saturday until 8:00 p.m.; deliveries only allowed between 10:00 a.m. and 2:00 p.m. Monday through Friday; loading bay, includes 2 parking spaces behind the building to be reserved for loading between delivery hours; and panel trucks only allowed. (She said it is a difficult alley and intersection and many people park back there and the neighbors are concerned about not being able to get to their spaces and use the alley); discourage the use of larger trucks and limit it to panel trucks and smaller vans. Ald. Fiske apologized that the list was not forwarded to the Committee members because of computer malfunctions.

Mr. Sandeep Ghaey, applicant, said he has been in the distribution of fine wines for 5-6 years, before which he did wine sales and worked as a restaurant manager before that. He said he believes that he and Evanston could work together very well to make a great little wine shop at this address. Chair Wynne said given the several prior applications they have had to sell alcohol in other locations, his was extraordinarily thorough and she thanked him for that. She asked him to address the issues raised by Ald. Fiske.

Mr. Ghaey said he is in agreement with no selling of cigarettes and Chair Wynne asked him his view about selling no tobacco products to which he replied that he has no plans to do so but the market is very difficult at the moment and if he needs to sell cigars he might consider it. He doesn't want to, but he is versed on them as part of his sommelier training. Regarding the 20% soda sales, he said he agrees that it is a good precluder for a convenience store. The restriction to the loading he is amenable to and he agrees that he does not want big trucks making deliveries but he does not want it put into zoning and he knows for a fact that the companies he intends to work with do not use those types of trucks. If there is a problem with a larger truck, he would be happy to tell them he would rather they use smaller trucks to deliver to him, but he does not want to be fined for it. Chair Wynne clarified that he was saying that his deliveries would come in smaller trucks but he does not want it written into the ordinance. He said he does not want to be fined for it. Regarding the wine only restriction, he is happy to preclude beer because he does not want to sell beer, and he believes the liquor laws require them to sell wine and beer only, so if he did expand to beer it would be Belgium ales and things like that and he would have to go through the liquor commission for permission to sell that. His intention is to only sell wine, but he does not want to hinder himself from growth. Chair Wynne clarified that he agrees not to sell any hard liquor but that he would like to have the option of selling beer. Regarding shortening the operating hours to 7 and 8, he said he did not recall that being discussed, but he would rather they be 8 and 9 because he believes they are reasonable hours. He has been at many different liquor stores, even in Evanston and watched the traffic past a certain time period and he observed that it slows down at 8:00 on the weekdays and there are stragglers at about 8:30 from people getting home a little later on Friday and Saturday or doing their dinner plans a little bit later and he believes that these hours will encompass that, adding that smaller boutique wine stores don't have giant rushes between 8:00 and 9:00. Chair Wynne said she did not remember seeing in the ZBA minutes a discussion of a standard set of hours either. The Committee agreed that Mr. Ghaey's request was reasonable. Regarding the loading bay, he said he is open to discussion, but it is a hardship to have the parking places reserved as they had already restricted the delivery hours, and he would like to have at least one parking space vacant instead of both. He said he would rather have both parking spaces available for himself or employees.

Ald. Rainey said she managed 525 Grove at one time and it is a difficult traffic situation in the alley, however, she said, when we have a strip of retail, we have to expect that there are going to be deliveries and limiting it to not allow 18 wheelers is okay, but she does not see how the City can restrict his getting inventory and if they are in vans, she does not see why they cannot park in a legitimate parking place on the street. She said she does not think it would be a problem. She said she does not like when Evanston First has people double parked into Davis but it has not created a major problem and they have huge beer trucks. She said, to refer to Ald. Bernstein, to "do business" let us try and help what seems to be, if it is anything like he is claiming, something great. She said she knows his people will not be blocking the alley because that is not good for business and he would not want to create that animosity. Mr. Ghaey said he would be happy to give out his personal cell phone number and have the neighbors call him if there is ever a blockage problem and he will have the truck moved. Ald. Rainey said the people in the transcript sounded reasonable. Chair Wynne agreed with Bill Dunkley about not wanting to see a wasted asset and as Chairman of the Parking Committee, she said, having Mr. Ghaey's employees park in those 2 slots rather than take up valuable parking space on our streets (which they will do), is a waste, especially since he is willing to distribute his cell number and he is willing to restrict the hours of delivery, which is remarkable. Mr. Ghaey said the only questions he had were whether he would be permitted to do special events or fund raisers or private parties and regarding the fining schedule, whether they would issue warnings if deliveries are late because of inclement weather. Chair Wynne asked Mr. Dunkley whether the City imposes fines for violating the

special use ordinance. She said she thought there was only one penalty, which is revocation. Mr. Dunkley said the City can impose a fine of up to \$1,000 for each day of infraction of a zoning violation, but the City always strives for compliance so they always send out a first notice that informs the holder of the special use that they are in violation and specifies a cure and a reasonable time frame and they almost always get it. They do an inspection and make sure they are in compliance. If it goes on further, they have the option of bringing them to administrative hearings and imposing fines. Mr. Ghaey clarified that his question was about if a truck has mechanical problems or if there is inclement weather and they are running a little bit late. They will be running with a limited staff so it will be hard for him to take deliveries much later than the prescribed hours, but he did not want to worry about being fined if there was an exception once in a while.

Regarding special events, Mr. Dunkley said "hours of operation" does not apply to hours of use of the space. Regarding a retail establishment, that is defined by buying and selling merchandise, which, if that is not going to happen, then it would be defined as private use, however we may want to be more specific, in the case of another Zoning Administrator or another occupant. Mr. Ghaey explained that he meant a wine tasting or wine makers and supplier reps who are wine experts and chefs and having them do talks on food pairings, etc., and if the speakers are running restaurants they might not be able to get away during business hours, and if he had the event later, he would close the doors to the public. The Committee agreed that this would be private use of the space.

Ald. Fiske responded that regarding the beer, that beer is delivered in big trucks and they are a problem, but as far as boutique beers, maybe they come in smaller trucks. She reiterated that this is a difficult alley and she has worked very hard, because they appreciate this business owner and his responsiveness to the neighbors to make sure that the neighbors understand that this business fits in with the neighborhood and they want to include it. She added that she wants everything to be written into the special use because it runs with the land and if this business owner is no longer there then they will be able to deal with these restrictions with a new business owner. They are already dealing with one special use in the first ward which is possibly going to come up for revocation. She said she never wants this to happen. She always wants to bring neighbors together. Hopefully everyone is going to understand that this is going to be a very positive use and if this business owner does not succeed then the person who will replace him will also be as wonderful as Mr. Ghaey. She asked that the Committee look beyond this particular owner to make sure that the special use is worded properly. Chair Wynne said that that is a good point and she said ZBA discussed the issue that these limited hours are restrictive to any potential successive user. That issue is coming up through the process of re-examination because it has been a concern for a long time.

Mr. Heiberger, the owner of the property said he is in favor of the business.

Ms. Jessica Feldman of 525 Grove said there are usually empty spaces during the day that are not the 2 that belong to the store, a panel truck could use those to make their deliveries, if Mr. Heiberger agrees, so the parking issue will not be as horrendous as when Cassona was there.

Ald. Rainey said what is in this special use that will control the future special use, is the 20% soda sales limit and the prohibition of cigarette sales, and she said the issue of beer and wine has nothing to do with the special use. That is controlled by the liquor commission by a separate application. She said if they added lottery tickets to the prohibited sales, there would never be a convenience store there. She said she does not have a problem with him adding beer in order to help his business. The Administration and Public works department will get the liquor

application once he makes it and it will be taken from there.

Ald. Jean-Baptiste moved approval. Ald. Rainey seconded the motion.

The Committee voted unanimously 5-1 to recommend approval.

(P6) Ordinance 40-O-09 Permitting a Special Use for Berglund Animal Hospital at 2515 Gross Point Road
HELD IN COMMITTEE UNTIL JULY 13, 2009 AND SUSPENSION OF RULES

IV. ITEM FOR DISCUSSION

(PD1) Update of Progress of Affordable Housing Developments Assisted through Home Financing

Mr. Marino explained that the City provides partial interest rate subsidy coverage for 3 community development organizations that receive HOME funds and in some cases other housing funds to rehabilitate apartment buildings and one single family house to turn them into affordable ownership products. He said 7 of the assisted units were sold before December of 2008. Since that time none have been sold. The purpose tonight is to give the Committee an update as this is an item for discussion. He introduced Donna Spicuzza, the Housing Planner, who has been the coordinating staff working with the housing development organizations.

Ms. Spicuzza introduced Mary Goering, the Project Manager for Reba Place Development Corporation, who received funding earliest and they have a 12 unit condo building, 11 of which will be HOME assisted, 4 of which have sold.

Ms. Goering reported that they are doing everything they can to get the units to the appropriate buyers but the market has been exceptionally challenging. They got squeezed from two sides: the people they are marketing to are amongst the most vulnerable in a difficult economy, so most of those who they would think would be first time buyers thinking about stretching, stopped thinking about it as they were consolidating and conserving their position, so their interest dried up and when they finally found someone interested, the banks dried up and they were not able to get financing. They had one buyer who, after working with them for about 5 months and 3 or 4 banks, finally gave up and purchased a foreclosure because the price was not that much higher than theirs any more because the market had become so depressed.

With that situation they expanded their market by listing on the MLS with the help of Eric Beauchamp of the Housing Commission and they had an open house for realtors which several attended and since then she has had 4 or 5 realtors come with clients to do tours, none of which have led to offers yet. In addition, they have had open houses 1 weekend a month. The realtors' open house was in February. They have had open houses twice a month in March, April, May and June which have been sparsely attended. They found that people that they do find tend to have come by word of mouth, rather than by open houses, though they are still having them. She said it has gone from being at a dead stop to being a trickle again. They do have some people calling for tours between open houses. At this point they have 2 contracts pending which would bring them to 6 sales.

She said the bank is moving slowly again. Banks now, if they are not doing a lot, they look at this program with a lot of financing, and they are leery and ask for lots of documents and it slows everything down. If they do get all the documents requested, they could potentially close within a month. They also have one more that they are close to getting ready to offer a contract to, who

was getting a pre-qualification which she has heard informally that she completed, and she is moving on to doing her homeowner training. In addition to these they have been exploring other possible partnerships and ways to find people which has led them to entering into discussions with Good News Partners, a Christian Ministry in the north-of-Howard region, who has done a lot of housing work over a long period of years, somewhat similar to theirs and a lot of assistance. She said Ms. Nora Wilburne, the Chaplain at Good News Partners, is present to answer any questions the Committee has about them. She is working with finding some of their people who might be able to purchase. They have financed many people from less stable homeless situations and transitioned them into home ownership. And they have probably 2 or 3 applicants that she is working with that may be able to apply.

Chair Wynne thanked her.

Ms. Spicuzza introduced Mr. Keith Banks, Executive Director of Evanston Community Development Association, which is developing the property at 736-738 Dobson, of which 3 of the 6 units have sold.

Mr. Banks stated that his organization's results have been similar to Reba Place's. They have been extremely impacted by the economic downturn, particularly with the implosion of the foreclosures. He said they used to be in a good position. With a 3-bedroom 2 bath condo selling at \$165,000 they were the lowest thing on the market. Now there are about 11 foreclosures that are cheaper than their properties so the banks are undercutting them. They have impacted the market making it more challenging. They had worked on 1 sale for about 5 months and they found that with the banks it takes an extremely long time to process loans because of the current stringent requirements: higher credit scores, higher downpayments and other things. In the meantime, unfortunately, the buyer lost her job so that killed the deal. The open houses started slow but the past month, reaching peak season, they have had significant increase in buyer interest and they have had 8 buyers that came to their open houses this month, including 4 families, 2 of which are currently in homeowner training, which is very encouraging. They look forward to selling something during the peak optimal summer months. It is very challenging for affordable housing because of the narrow market that they have to deal with and with their units being at \$165,000, most of the people that qualify have to be very close to the cap so it makes it kind of tough. They have worked very hard at this project from the onset offering 2 units at 60% and below because they realized that so many people were getting left out of affordable housing because they had to be at or near the cap. They sold 2 units for \$100,000 and the buyers have been very successful. He said the buyers were introduced at previous Committee meetings so some members of the Committee have seen the fruits of their labor.

Mr. Banks said his organization is working with networks and the homeowner training organizations. The one buyer whose deal fell through was a referral from Interfaith. She was the optimal qualified buyer they look for. She had her homeowner training completed, she had a pre-approval letter from the bank and because of the requirements of the bank she had a 20% downpayment of \$40,000 available to put down on the unit. She was an architect who had been on her job for about 7 years. She lost her job at the end of last year and got another job which she lost 5 months later. They have been networking with the rest of the CHDOs and they know there are interested buyers, which is evidenced by the increase in the trend. They have had about 16 people coming through their open houses over the last couple of months but they also have been losing people because of the foreclosures. One family that loved their units said they could get a 2-flat for \$195,000 so the organization is going to re-evaluate whether they need to lower their prices now.

Ms. Spicuzza introduced Wilfred Gadsen, Executive Director of the Citizen's Lighthouse Community Land Trust, who has a single family house at 2212 Washington.

Mr. Gadsen said the Committee has heard from his colleagues about conditions in the market place and with financing, which has been severely impacted by the consolidation and the turmoil in the banking industry, in which people will begin the process of getting a loan and the bank changes its requirements or often is acquired by another bank. They are impacted similarly, however, he said he is happy to report that their property is under contract, expecting to close within the month. He said they have had similar experiences to their colleagues when they had a buyer in the fall that had a 20% downpayment. The President, at that time, announced that the banking industry was in crisis and that the nation had to present a \$7 billion loan to the banks and of course they chose to stop their sale. He said these are very extraordinary situations that confront all of us. These problems confront the Community Land Trust throughout Illinois, so they are not unique. They will perhaps require some additional assistance at closing. He said once he gets a final closing statement, he will present it to the Committee. He said all of the CHDOs in Evanston are impacted by this long carrying cost. His organization has contributed to the expense of this carrying. They planned for 6-8 months and they are now past a year of carrying the property. He said the CHDOs do work together with potential leads because if people come that are not appropriate for their property, they share information. They have done what they can and he believes they work together well and they are continuing to work more closely to serve the people in the community to let them know about what resources there are. Their organization is fortunate in having a strong partner for financing their property who is committed to financing future properties as well. In response to Ald. Rainey's inquiry, Mr. Gadsen said the house sold for \$169,000.

Chair Wynne thanked Mr. Gadsen.

Mr. Tim Angell of 1432 Wesley Avenue said he has served on the City's Housing Commission along with Ms. Carol Balkom. He said he wants to let the Committee know the importance of the partnership just spoken of between those 3 CHDOs and the Housing Commission. Under Housing Commission Chair, Eric Beauchamp's leadership, the Commission has been proactive in marketing those units in conjunction with the CHDOs. About 6 months ago they decided they needed to be more proactive in working with the CHDOs because of the housing crunch to let the potential buyers of these units know that they are out there. They have done that. You have heard of partial success of each of these organizations, especially with the Community Land Trust. What these 3 programs do, in his opinion, is they promote home ownership, not rental and that is important because it shows a commitment to the neighborhood that these folks are willing to put hundreds of thousands of dollars down to be an affordable work force house. He said they need the City Council's continued support for affordable housing in Evanston not just for senior or low to moderate income units that serve less than 40% of the area median household income, but also work force housing so that people that work in Evanston can afford to live in Evanston.

Ald. Rainey told Mr. Angell that she has 18 units of affordable housing in her ward. How is it that everybody has been helping and there is such great success? She is looking for occupancy and she is hearing that Good News Partners from Rogers Park is going to come in and occupy some of this housing, which does not excite her, when they have work force people in this town and she knows he is a huge advocate of workforce housing, but where is the work force? She asked how much more money the City can throw at this problem. Mr. Angell said he is not an advocate of throwing money at problems. He said he is an advocate of proactively looking for solutions for work force. He said at a P&D meeting about 7 or 8 months ago he and Carol Balkom heard stories of folks that make \$80,000 annual income and cannot afford to buy a unit

here in Evanston. He said he would give her his phone number to discuss this. Ald. Rainey asked if he was saying they cannot afford a \$160,000 house. She said the Committee was told many months ago that they needed help with interest for the next so many months and they will show them some success. He replied that the 3 CHDOs showed success in that they are starting to sell units and the Housing Commission is a vital component of that process and frankly he thinks they need more support from not only the City Council but also the City staff and the other stakeholders here in Evanston. She said it says in the memo that none of the units have sold since then. She said she knows that Executive Directors are being paid a nice salary and people are out there trying and we've gotten hooked up with the MLS, but she is not seeing the success. At these price points, there has to be something we are not doing right. She knows the economy is terrible but something is not right. She said she knows for a fact that 602 Mulford, she hasn't been there this week, but when you pull up there you say "Why would I want to live here?" The grass, the weeds, the landscaping is embarrassing and horrible. She talked to a man who went there and did landscaping for them but it was not maintained. She said these things will deter buyers. Mr. Angell agreed with her. He said he disagreed on what success means. She said she believes the CHDOs define success as how much money the City is giving them. She asked that he show her some occupancy.

V. ITEM FOR COMMUNICATION

(PD2) Overview of Neighborhood Stabilization II Program (NSP II) and Staff's Intent to Submit Proposal to HUD

Chair Wynne said the last item which is for communication and a proposal will be presented at the July 13, 2009 meeting. Ald. Jean-Baptiste asked whether it could be presented at the City Council meeting, to which Mr. Marino replied that he would do a very quick summary now. He explained that the City is intending to apply to the Neighborhood Stabilization Program with a fairly substantial proposal with a partner which would address foreclosures, residential defaulted and vacant properties within the lowest income census tracts in the City, one of which is in west Evanston, the other in south Evanston. He said it is a very competitive process but they feel they have a good chance and they will bring it back to the Committee on July 13th.

Chair Wynne added that the best part of the NSP II funding is that it comes directly to the City. It does not pass through the state.

ADJOURNMENT

The meeting was adjourned at 8:37 p.m.

Respectfully submitted,

Bobbie Newman