

**Planning & Development Committee
Minutes of February 25, 2008
Council Chambers – 6:30 p.m.**

Evanston Civic Center

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

Staff Present: J. Wolinski, J. Brownlee, J. Chambers, K. Cox, A. Jackson, S. Janusz, D. Marino, D. Spicuzza

Presiding Official: Alderman Holmes

DECLARATION OF QUORUM

Chair Holmes called the meeting to order at 7:00 p.m.

Mr. Wolinski announced Ms. Arlova Jackson's resignation from the City as Zoning Planner; she has accepted a job with the Planning Department for Washington, D.C. Ms. Jackson thanked the Committee for having the opportunity to work with each member and will miss them. She has learned a lot and has gained new knowledge working with the City of Evanston that she will take with her.

APPROVAL OF THE REGULAR MEETING MINUTES OF FEBRUARY 11 2008

Ald. Wynne moved approval of the February 11th minutes, seconded by Ald. Tisdahl. The meeting minutes were approved with a vote of 9-0.

ITEMS FOR CONSIDERATION

Chair Holmes announced that item **(P3)** will be held in Committee.

(P1) Ordinance 31-O-08 – Licensing of rental Dwelling Units

Mr. Wolinski recalled in concerns and changes requested by the Committee that staff look into. One concern was for a graduated fee scale, which staff does not support. Staff does recommend the following:

- 1) Amending the fee from \$40 to \$25 per unit
- 2) Charging a “no show” fee of \$150 for inspection appointments made and the owner or their representative fails to show up without prior notification. This has been one of the biggest problems with the inspection program which staff estimates approximately 20% of scheduled inspection appointments result in no shows. This is a common practice and similar fee in other licensing communities such as Aurora.
- 3) Staff is also recommending a re-inspection fee of \$75 if all code violation have not been rectified by the second re-inspection date. There is currently no fee for any re-inspections.

Mr. Wolinski gave the estimated yearly revenue that the recommended changes would result in.

License Fee @ \$25 x 14,000 units = **\$350,000**, “No Show” Fee @ 20% x 3,000 buildings

x \$150 = **\$90,000**. Second Re-inspection Fee (approx.) - **\$60,000**. **TOTAL YEARLY REVENUE \$500,000.**

In comparison the estimated revenue from a Graduating License Fee (See chart of graduated fees listed in staff's memorandum) would come to approximately \$191,485.

Another concern raised by the Committee was the fact of the Community Development Director being the license revocation hearing officer. Mr. Wolinski noted that staff recommends the hearing officer be the City Manager or her designee; not any official from the Community Development Department.

Lastly, the Committee questioned if the concept of registering properties versus licensing would be a better approach as an enforcement mechanism. Mr. Wolinski said that staff's opinion is that registering would not provide the same enforcement tool that licensing could provide because it would be viewed as simply a revenue source and allow no ability for the City to revoke the use of rental units as a penalty until the owner complies. He noted that if a license is revoked the owner has the right to appeal to the Circuit Court and stay the order until the court makes a final decision. He said the owner would have to initiate all legal action and prove their case to have the decision overturned.

Ald. Rainey moved approval of Ordinance 31-O-08 with the following amendments: 1. Remove the Community Development Director as the hearing officer to the City Manager's Office or designee; 2. reduce the Licensing fee from \$40 per unit to \$25; 3. Add the "No Show" fee of \$150; and 4. Add a re-inspection fee of \$75 after the second re-inspection date. Ald. Wollin seconded the motion.

Ald. Bernstein questioned the notification process to the owners as far as giving sufficient time before the initial inspection date as was as sufficient time to make code violation corrections. Mr. Janusz responded that inspection date letters are sent out 1st class mail approximately 14 days before the scheduled appointment date. He said that staff would require the owner to call in 48 hours beforehand if they need to cancel the appointment, at least 24 hours notice. Ald. Bernstein recommended that this information should be clearly stated in the letter with instructions for calling in to reschedule. Chair Holmes also suggested that inspection appointments be emailed to property owners in addition to mailing whenever possible if staff has this information available. Many of her constituents have indicated to her that this would be very helpful as well. Mr. Janusz agreed and assured that this could be done if staff has the owners email information on file. Ald. Rainey stated that better communication and clearly defined rules and procedures from City Staff to property owners could immensely help out with many on-going problem situations with compliance issues.

Chair Holmes requested that provisions be given for senior citizens. She suggested a 50% reduction cost with the same requirements and language that qualifies seniors for the vehicle sticker discount. Mr. Cox read the wording for the Circuit Breaker Program and suggested that this same type of provision be given for seniors, which Chair Holmes agreed to. The Committee discussed their concern with this ordinance actually allowing the City to obtain compliance in a timelier manner. There are still concerns for allowing the property owner sufficient time to fix violations between inspection dates as well as proper notification before the initial inspection date. Ald. Jean-Baptiste questioned the circumstances that surround the "no show" problems and giving adequate time for the owner to call in. There are emergency situations that do occur beyond a person's control. Staff assured that reasonable concessions will be considered in all

situations. Ald. Jean-Baptiste asked for more clarification of the implication for revocation of a license. Mr. Wolinski listed the reasons which range from over-occupancy charges, nuisance property problems, refusal to comply with life safety code violations over an extended period of time, etc. He reiterated that there is an appeal process to the Circuit Court for all license revocations.

In conclusion to Committee discussion, the consensus was to allow proper and sufficient notification to the owner as well as time to make the needed corrections of any code violations. Ald. Rainey suggested a minimum of 21 days prior notification before the initial inspection. **She motioned to amend her original motion on the floor to include that notice be post marked no less than 21 days prior to the initial inspection, seconded by Ald. Wollin.**

Citizen Comments

Due to the large number of citizens signed up to speak in opposition to this ordinance, a summarization of their concerns is stated after the list of people who spoke.

List of Opponents

1. Richard Hesketh, 1103 Emerson Avenue
2. Mr. Ramirez, 1110 Darrow Avenue
3. Beverly & James Dyer, 1620 Pitner Avenue
4. Pokorni, 2013 Ridge Avenue
5. Charlene Bos, 1034 Florence Avenue
6. Jonathan Persky, Parliament Enterprise representative
7. Alan Borg, resident
8. Sheldon Rantoff, Parliament Enterprise representative
9. Richard Shure, 1510 Wesley Avenue
10. Jake Goldner, Ritchie Realty/Arthur Goldner Associates representative
11. Paula Tacucci, 2134 Maple Avenue
12. Arlene Brumlik, 1243 Chicago Avenue
13. Judith Godfrey, 1516 Hinman Avenue
14. Bernard Hammer, property owner
15. Terry Meland, 1008 Harrison Street
16. Ed Banach, 2663 Prairie Avenue
17. Brian Becharas, South Evanston resident, rental property owner
18. N. Olson, rental property owner
19. Steve Mason, 1120 Oak Avenue
20. Dan Schermerhorn, Schermerhorn Realty Management
21. Carlis Sutton, 1821 Darrow Avenue
22. Susan Bolotin, rental property owner
23. Ashraf Manji, rental property owner
24. Selley Carillo, rental property owner
25. Albert Bowen, 60 year resident and rental property owner
26. Betty Payne, 1823 Darrow Avenue rental property, long-time Evanston resident
27. Maria Cano, rental property owner (read from prepared statement)
28. John Fuller, rental property manager
29. Brothella Quick, rental property owner
30. Candace Kuczarski, rental property owner,
31. David Janzen, Reba Place properties & ECDA representative

In summary, the general concerns and comments from the opposed are listed as follows:

- The majority feel the proposed licensing fee for all rental units is unnecessary because there are already ordinances, health rules and regulations, and police enforcement codes in place to deal with problem landlords and nuisance building problems.
- Concern for tenant constitutional rights.
- High property taxes and numerous fees that landlords and all property owners already have to pay.
- This fee is just another tax on property owners and a revenue source to help relieve the City's budget deficit.
- The communities listed that do have a similar licensing fee program in place are no comparison to Evanston's unique and diverse community.
- Majority agree that if the City charges a "no show" fee the property owner should be entitled to the same charge against the City when they are called the day of an inspection and told the inspector needs to cancel due to unforeseen circumstances. Property owners should be given the same consideration for their wasted time as well.
- Landlords should not be held responsible for problem tenants when there seems to be no assistance or relief given to the property owner to evict these problem tenants from their properties.
- This fee will be passed onto the tenant which will aggravate the already existing rental vacancies, rent rates and burden on the landlord to make it attractive to rent vacant units.
- Majority concern for landlord rights. A suggestion was made to form a coalition or board of landlords/rental property owners to work with City officials on any rental property rulings, regulations, ordinances and even hearings processing.
- Major concern with condo unit owners that rent. These rental unit owners should also be held accountable under the same requirements of listed rental building owners. There needs to be a mechanism in place to regulate condo rentals.
- Finally, many opponents would agree to a building registration program versus a licensing fee per all rental units.

Proponents

1. Kristin Doll, 141 Custer. She spoke passionately on the problems and nuisance issues she has witnessed and suffered living next to in a building with problem tenants that are totally out of control and the owner having problems getting rid of them. She strongly supports any means that will allow the City to step in and have the authority to shut down buildings and specific rental units with on-going problem issues.
2. David Zabinski, owner of rental property out-of-state in a community that does have a licensing program in effect for rental units. He agrees with not wanting to pay any additional fees or taxes, however the fee is minimal compared to the benefit this program could have overall for the entire City. He feels a licensing program will allow City Officials to have some type of authority to manage problem buildings and obtain more expeditious code compliance. He agrees with City staff that it can be an effective tool for enforcement.

Ald. Moran reiterated his comments and position in the past in that he is opposed to this licensing fee of rental units. He agrees with all points made that there are already laws and ordinance in place to govern nuisance situations in buildings. Also, the system with Administrative Adjudication and the Circuit Court needs to be looked into if it is not working to help the City achieve compliance in a timely manner. These legal systems should be assisting to gain compliance with code violation issues and problem tenants. A case that keeps being continued over a long period of time should be unheard of.

Ald. Rainey supports this ordinance. The licensing fee would be no different that the same fees paid by other businesses; owning rental property is a business. She does agree that legal staff needs to work with Administrative Adjudication if they are allowing problem situations to continue. They should be working more with City staff towards bringing some of the on-going problems to a conclusion.

Ald. Bernstein said that he is more in favor of a registration program over licensing. He agrees with Mr. Manji that we need to change our mindset with the entire inspection cycle. It should not matter whether you are in a target area, all Evanston rental properties should come under the same guidelines and inspection schedules. He feels in any case, there should be escalating fees for bad landlords and a specified time frame in which to bring properties into compliance, otherwise they should come under the Nuisance Ordinance which allows the City to shut down a building. Also, He feels that if the Administrative Adjudication hearing officer is not working with City staff then we need to look into hiring someone who is willing to help the City obtain prompt compliance. Ald. Bernstein also has concerns with how the city is going to enforce this ordinance on condo owners that rent.

Ald. Hansen reiterated her comments made at the previous meeting, she feels there are already laws and ordinances in place that should be utilized and enforced by City staff. She has many concerns with the notification process as well and giving a landlord sufficient time to comply. She has listened to the comment made by many citizens and agrees with them as far as charging a no show fee with there seems to be just as many no shows by the inspectors with no prior notification. This problem needs to be rectified by City staff.

Ald. Jean-Baptiste said that he has heard from citizen comments that many of the speakers agree to go after the bad landlord and rid the City of problem tenants. It is not fair to penalize the majority because of the minority bad property owners. The City should directly go after those problem landlords and buildings with the laws we already have in place. He said that staff also needs to look into some of the problems and concerns that have been mentioned this evening from citizen comments. Ald. Jean Baptiste is very concerns with the revocation of licensing without necessary due process; this could cause more legal problems for the City rather than solving a nuisance building situation.

Ald. Rainey stated that there are serious problems in South Evanston with problem buildings, tenants and landlords that appear almost helpless in rectifying some situations or just plain ignore the City's regulations. She supports staff's efforts that have been trying to do and have made much effort in working with the court system to gain compliance. It is not easy and the rewards are minimal.

Chair Holmes said that she is sorry this matter came about at budget time. She stated for the record that this is important to her and has nothing to do with the existing budget and revenue

problems. This matter has been under consideration for many years now. She supports this ordinance.

Ald. Wollin backed Ald. Holmes comments and position. She also feels the fee they are asking for per unit is minimal, coming to a little more than \$2.00 per unit per month.

The vote was 4 voting in favor of the motion (Holmes, Rainey, Wollin, Tisdahl), 5 voting nay (Jean-Baptiste, Wynne, Bernstein, Moran, Hansen). The motion does not pass.

(P2) Request for \$250,000 in HOME Funds – Grant for Three Affordable Condominium Ownership Units – 241 Callan Avenue

Ald. Wynne motioned to hold this item in Committee until the next scheduled meeting, seconded by Ald. Bernstein. The vote was 9-0 in favor.

(P4) Approval of up to \$6,000 for Four Condominium Workshops for Evanston Condominium Owners

Ald. Wynne motioned to hold this item in Committee until the next scheduled meeting, seconded by Ald. Bernstein. The vote was 9-0 in favor.

ADJOURNMENT

The meeting was adjourned at 9:51 p.m.

Respectfully submitted,

Jacqueline E. Brownlee