



Memorandum

To: Honorable Mayor and Members of the City Council

From: Michelle L. Masoncup, Corporation Counsel
Johanna Leonard, Community Development Director
Sarah Flax, Housing and Grants Manager

Subject: Resolution 36-R-19 – Deed in Lieu of Foreclosure of 1805 Church Street

Date: April 22, 2019

Recommended Action:

Staff recommends City Council approval of Resolution 36-R-19 Authorizing the City Manager to Execute a Deed in Lieu of Foreclosure Agreement for the Acquisition of a Vacant Lot Located at 1805 Church Street in Evanston, Illinois. This property at the corner of Church Street and Darrow Avenue has been identified as a development site for affordable or mixed income housing. It is adjacent to two parcels owned by the City, 1708 and 1710 Darrow Avenue.

Livability Benefits:

Built Environment: Support housing affordability, and provide compact and complete streets and neighborhoods;

Equity & Empowerment: Ensure equitable access to community benefits, support quality human service programs, and support poverty prevention and alleviation.

Summary:

City Council approved Resolution 73-R-16 Authorizing the City Manager to Participate in the Cook County No Cash Bid Program to Acquire Property for Redevelopment. 1805 Church Street was one of thirteen properties approved for that program by Cook County in 2017; a certificate of purchase was received from Cook County for 1805 Church Street on March 20, 2018. Because the City had a number of liens on the property, it was determined that acquiring the property through a deed in lieu of foreclosure would be faster and require fewer legal services than the No Cash Bid process used for properties without City liens. Denzin Soltanzadeh LLC negotiated the attached Deed in Lieu of Foreclosure Agreement with the property owner. All unpaid property taxes, fees and fines have been released; however, Chevron's lien for the cost of environmental remediation of the site remains in place. The City has no personal liability for the debt but Chevron would likely want partial or full payment to clear title for sale and development.

The development site resulting from combining 1805 Church Street with two City owned lots north of the site, 1708 and 1710 Darrow, is 16,873 square feet in total. The lots are currently zoned B2 Business and governed by the West Evanston Master Plan and its oWE West Evanston Zoning Overlay. Zoning regulations call for a mixed use building with ground-floor commercial uses and affordable or mixed income housing above, 2-3 stories in height, or an iconic building with maximum two stories occupied by a religious assembly, or community, civic or cultural use. Additional detail is attached.

The site is ideal for a building with 7,650 square feet of commercial uses, approximately 17 parking spaces, and 8 dwelling units within 12,750 square feet on each of the second and third floors for a total of 16 dwelling units. Staff recommends review of any proposal based on the zoning requirements, current market, and construction costs.

Attachments:

- Development Site Zoning - 1805 Church Street and 1708-1710 Darrow Avenue
- Resolution 36-R-19 Authorizing the City Manager to Execute a Deed in Lieu of Foreclosure Agreement for the Acquisition of a Vacant Lot Located at 1805 Church Street in Evanston, Illinois
- Exhibit A - Agreement for Deed in Lieu of Foreclosure
- Exhibit B - Quit Claim Deed for 1805 Church Street

Development Site Zoning – 1805 Church Street and 1708-1710 Darrow Avenue

Two city residential lots, vacant gas station site: 1805 Church St. & 1708-1710 Darrow Ave.
B2 & oWE – WE7 Lot size 16,873

oWE requires Plan Commission review prior to DAPR approval for building +20k sq ft or +24 units. Mixed Use or Iconic Building required (iconic has very limited uses allowed; likely not picked). No maximum number of dwelling units.

Mixed Use – ground floor commercial and commercial/office/residential on upper floors, building located close to street, glass storefronts along street, parking in rear.

- 15' min-20' max setbacks on Darrow
- 5' min-10' max setback on Church
- Build along min 95% of front property line within setbacks
- 5' side and rear yard setbacks
- No max FAR
- Max impervious 90% + 5% semi-pervious lot coverage
- Parking in rear only
- No curb cut allowed
- 2 stories min – 3 stories max (47'); ground floor minimum 15' tall

Iconic Building – Unique building style, only allowed for religious/cultural/community/civic/library uses.

- 5' min-25' max setbacks on Church and Darrow
- 5' side and rear yard setbacks
- No max FAR
- Max impervious 60% +20% semi-pervious lot coverage
- Parking in rear and side yard; not within front or corner side yard min/max setback zones
- 2 stories or 30' max; ground floor minimum 15' tall

Development will likely be for Mixed Use building:

- With setbacks, max 12,750 sq ft building footprint (85' x 150') including enclosed parking
- Up to 38,250 sq ft building if 3 stories (2 stories min) where 33,150 sq ft excluding parking
Or
- With setbacks and open parking, max 7,650 sq ft building footprint (85' x 90')
- Up to 22,950 sq ft building if 3 stories (2 stories min)
- Includes rear parking lot for 16 vehicles + 1 ADA space; drive aisle and alley access
Or
- With setbacks and unenclosed parking with 2nd/3rd floors cantilevered over rear parking, first floor is 7,650 sq ft plus the parking and remaining floors have 12,750 sq ft footprint
- Up to 33,150 sq ft building if 3 stories (2 stories min)
- Includes roofed but unenclosed parking for 16 vehicles + 1 ADA space; drive aisle and alley access
- **Maximum development potential: ground floor 7,650 sq ft retail/service uses and 17 parking spaces roofed not enclosed. Then 2 additional floors of residential with 8 units each (average 1,250 sq ft unit size) with one parking space per dwelling unit. No retail parking spaces. Parking is the limiting factor – with 1 space per dwelling unit a reasonable parking variation is needed.**