

## **Observer Report**

### **Planning and Development Committee February 22, 2010**

**Observer:** Nancy Bashook

**Aldermen Present:** Wilson, Wynne, Holmes, Rainey, Jean Baptiste

**Staff:** LeemanWalker, Grant ?; Dennis Marino;Dona Spicuzza

**Media:** EvanstonNOW, Roundtable

**Meeting began:** 6:43 pm

**Meeting ended:** 7:45 pm

#### **Items for Consideration**

(P1) **Request from Citizens' Lighthouse Community Land Trust for an Additional \$20,000 Subsidy for the Rehab and Sale of 2212 Washington Property**

**Approval for this item is recommended by the Housing Commission. Approval is not recommended by staff.**

Ald. Rainey immediately made a motion to not fund the Lighthouse with an additional \$20,000 subsidy. Wilfred Gadsden, executive director of Citizens' Lighthouse explained that the project was begun in partnership with the city in a deed-in-lieu of foreclosure transaction. \$25,000 was contributed by the group in addition to professional fees and cost reductions from contractors. He says the financial turmoil has caused the lack of buyers. Assistance has been given to other for profit developers, so there is a precedence. The main goal is to close out the project, stay within HUD guidelines, and follow precedent.

Leeman Walker said that the staff recommendation is not to fund the project because the subsidy of 95% is extremely high and they should not be rewarded for managing the project inefficiently. The total cost spent on the property is \$339,000+. It was sold for \$169,000. The land has value but is changing under these economic conditions. Land is owned in trust by Lighthouse in perpetuity. If the organization fails, the land goes to the city. Mr. Gadsden explained their new policy of making sure a potential buyer can afford the house. They will match the house with the ability to buy.

Ald. Jean Baptiste was at a loss about what the city is doing with CHDOS - it has become and 'exercise in futility." Ald. Wilson agrees and says there needs to be limits to our responsibility and we can't keep dumping money into a particular house for the value of what we're achieving for the community. Ald. Rainey - not a workable concept. Ald. Jean Baptiste asked Dennis Marino to explain if this makes sense. Dennis explained that our level of assistance is stretched to reasonability. Each CHDO has a different level of experience. Outside technical assistance is needed from HUD.

Mr. Gadsden explained that if the request is denied it will impede ability to operate. The city will hold the land. They need to renegotiate loan with the bank. If bank won't renegotiate, then they will be in trouble. The land lease requires \$25 per month from the home owner. Almost impossible to sell land.

Ald. Jean-Baptiste moved to support the subsidy, because of the personal liabilities faced by board members. He recommends that before any new projects are approved, the community development director must develop a proposal which includes benefits of continued funding and basic principles for guiding CHDOS. The Committee wants to know more about the loan and what responsibility the city has.

Held in committee.

**(P2) Ordinance 10-O-10: To grant major Variations to Facilitate the conveyance of land to the Chiaravalle Montessori School at 425 Dempster Street.**

**The Zoning Board of Appeals recommends to the City Council approval of the application by the Chiaravalle Montessori School for major variances to the zoning ordinance. This item was introduced at the Feb. 8, 2010 Council meeting and referred back to committee for ZBA transcript.**

Recommend to Council.

**(P3) Consideration of a proposed plat of subdivision for the Chiaravalle Montessori School Property at 425 Dempster Street.**

**Staff recommends that the Council approve the attached plat of subdivision. The applicant and contract purchaser, Chiaravalle Montessori School, is applying to subdivide lots 10 through 15 at 425 Dempster into two lots for the purposes of facilitating the conveyance of the school property to Chiaravalle and permitting the demolition of the existing northern addition of the school and constructing a new 10,000 square foot school addition.**

**Approved.**

**(PD1) Update on Foreclosures in Evanston**

336 foreclosures in 2009

30% increase from 2008

Report included banks involved in foreclosure filings

Next report will show how many went to judgment and how many are not residential properties.

Comment: Parliamentary procedure not followed: initial motion by Ann Rainey was never dealt with in P1. I arrived at 6:04 and waited until 6:43 for P&D meeting to begin.