

Village of Oak Park

123 Madison Street Oak Park, Illinois 60302 www.oak-park.us

Meeting Minutes

President and Board of Trustees

Monday, March 11, 2019 7:00 PM Village Hall

I. Call to Order

Village President Abu-Taleb called the Meeting to order at 7:04 P.M.

II. Roll Call

Present: 7 - Village Trustee Button, Village Trustee Taglia, Village President Abu-Taleb, Village

Trustee Tucker, Village Trustee Moroney, Village Trustee Boutet, and Village

Trustee Andrews

Absent: 0

III. Agenda Approval

Village President Abu-Taleb suggested that the Board address Item B prior to discussion of Item A.

It was moved by Village Trustee Boutet, seconded by Village Trustee Andrews, to approve the Agenda as amended. A voice vote was taken and the motion was approved.

IV. Public Comment

There was no Non-Agenda Public Comment.

V. Regular Agenda

B. ORD 19-28

Concur with the Historic Preservation Commission's Recommendation to Approve an Ordinance Amending Chapter 7 ("Building Regulations"), Article 9 ("Historic Reservation"), Section 7-9-8 ("Designation Of Historic Landmarks and Interior Historic Landmarks") of the Oak Park Village Code to Designate the Exterior of the Building Located at 640-644 Madison Street as an Historic Landmark

Village Manager Pavlicek stated that the Board discussed this Item at their March 4 Meeting and it was tabled to tonight's Meeting.

<u>Chris Donovan.</u> Mr. Donovan commented that the Village played a part in the neglect of this building and quoted the Vacant Building Ordinance. He added that the owner is not on board with designating this a landmark; he asked that the ordinance be changed to require the owner's consent.

<u>Frank Heitzman.</u> Mr. Heitzman discussed Oak Park's diversity. He spoke in support of preserving the south and east facades of the building.

Director of Development Customer Services Tammie Grossman commented that there are no visible code violations on the exterior of the building and clarified why it did not qualify as a vacant building under that ordinance. She stated that staff met with the developer and his architect last week. They agreed to continue conversations with supporters of the preservation of the building to find solutions. However, the developer and staff are not recommending designation as an historic landmark.

Village Trustee Boutet thanked all for their comments. She would like to see the building preserved if possible and asked Mr. Heitzman if their meeting was sufficient time to arrive at a solution. Mr. Heitzman stated that in his opinion, the developer should preserve as much as possible without landmarking it.

The developer's architect discussed what can reasonably be done to preserve a section of the building and still be able to construct a building that will serve the new owners for the purpose they purchased it for. He would see value in repurposing as much of the exterior as possible and will continue to work with the developers and the Village's architectural consultant.

Village Trustee Button asked what the risks are of landmarking the building. Ms. Grossman discussed restrictions that would be limiting the building if landmarked. TIF dollars would also require more scrutiny.

Village Trustee Andrews commented that the building should've been designated long ago. He asked for a commitment from the developer for assurance. The architect stated that they have not had time yet to present plans that would satisfy Pete's. It is understood that the desire exists to work together to preserve as much of the facade as possible.

Village Trustee Andrews discussed the historic preservation procedure. This should have been included in the RFP process and does not feel that this designation should be imposed at this point.

Village Trustee Tucker agreed and stated that he and the chair of the Historic Preservation Commission have spoken on how to improve the process. He thanked Village Trustee Taglia for putting the conversation with the developer in motion.

Village Trustee Taglia expressed concern about the possibility of the Village having to absorb the cost for the damage that has already been done to the building. He walked through the building with Village Trustee Andrews last week and was surprised at the state of neglect. He is concerned about the cost and who would end up bearing that. He would like the developer to use his tools and resources to save only what can reasonably be saved.

Village Trustee Boutet commented that there is no perfect answer when there are conflicting goals. She regrets that this wasn't brought forward before but feels that there will be a reasonable solution.

Village Trustee Moroney would like to see an adaptive reuse of this building but appreciates the need to develop the property. He acknowledged that the review process of the development plans by the Plan Commission will help.

It was moved by Village Trustee Andrews, seconded by Village Trustee Moroney, that this Ordinance be adopted. The motion failed The roll call on the vote was as follows:

NAYS: 7 - Village Trustee Button, Village Trustee Taglia, Village President Abu-Taleb, Village

Trustee Tucker, Village Trustee Moroney, Village Trustee Boutet, and Village

Trustee Andrews

ABSENT: 0

A. ORD 19-26

An Ordinance Amending Chapter 12 ("Housing") By Adding A New Article 5 ("Inclusionary Housing")

Village Manager Pavlicek summarized previous actions and Board requests regarding this Item.

<u>Graham Brisben.</u> Mr. Brisben expressed appreciation to the Board for moving this forward. However, this is just one tool in the toolbox in the greater objective of preserving affordability and socio-economic diversity. He suggested methods going forward.

<u>Joshua Klayman.</u> Mr. Klayman agreed with Mr. Brisben. He wants to ensure that Oak Park remains a diverse community. It is an important goal to increase affordable housing, as well as integration and balance both for the maximum benefit. He offered suggestions for use of in-lieu-of payments.

<u>Susan Buchanan.</u> Ms. Buchanan congratulated the Board on this ordinance but suggested amendments.

<u>Amy Dean.</u> Ms. Dean expressed concern regarding how this ordinance was drafted. Citizens should have had input, not just realtors and developers. Development on Madison Street and condos should be considered. She believes this ordinance is designed to fail.

<u>Arti Walker-Peddakotta.</u> Ms. Walker-Peddakotta expressed concern with this process. She read a statement regarding the effects of neighborhood segregation.

<u>Alicia Chastain.</u> Ms. Chastain expressed appreciation to the Board. She distributed a handout that outlined how much affordable housing funds could have been collected if the Board had this in place prior to building the larger new developments.

<u>Dan Lauber.</u> Mr. Lauber stated that all new development in Oak Park has been luxury housing. Oak Park is losing its diversity. This ordinance is one of the weakest in the country. He offered ways to strengthen it.

Rev. C. J. Hawking. Rev. Hawking discussed what other municipalities have done for inclusionary housing.

<u>David Pope, representing the Oak Park Residence Corporation and Oak Park Housing Authority.</u> Mr. Pope stated that this ordinance is a step in the right direction. However, the issues of affordability and integration are important. The ordinance should be tailored to the needs of Oak Park, not Chicago or other communities. He recommended changes.

Ms. Grossman gave clarification that waiving of permit fees is based upon the number of affordable housing units contributed.

Village Manager Pavlicek commented that staff developed the ordinances based on previous Board discussion.

Village Trustee Tucker would like the AMI changed from 80% to 60%. Ms. Grossman stated that staff's intention was to see more integration of people at 80% and that the fees-in-lieu would be used to assist lower income housing below 60%. Village Trustee Tucker would also like to see the affordability period of the units changed from 25 to 30 years.

Village Trustee Taglia asked for a practical example of rent amounts at 80% and 60%. Ms. Grossman did a calculation based on \$54,000. At 60%, rent would be \$1,350 and approximately \$1,600 at 80%. At 60%, the developer may prefer to pay the fee-in-lieu versus having units with reduced rents for 30 years. She also clarified the density bonus.

Village Trustee Button spoke in favor of a 60% AMI. The goal is to provide affordable housing for what is needed in Oak Park. Putting in units at 80% is not affordable. She also agreed to go up to 30 years.

Village Trustee Boutet would like Madison Street developments to be included. Village Trustee Moroney disagreed, stating that real estate is not selling on Madison even without restrictions.

Village President Abu-Taleb stated that the Board's goal should be inclusionary housing that helps the people that need it the most. He wants a reasonable ordinance that does not negatively affect development. Other communities have differing IZO's because they have different circumstances, different levels of development and differing levels of current affordable housing. He discussed the need to be practical. Concerns regarding a slowing economy makes creating an agressive ordinance more difficult.

Village Trustee Boutet wanted an explanation of how the fee-in-lieu is calculated.

Village Manager Pavlicek and Ms. Grossman clarified that contributions will only be asked of developers of 25 units or more, who are seeking zoning relief.

John Lynch, Executive Director of the Oak Park Economic Development Corporation, explained how a developer calculates what the cost is for development in order to determine how much they can commit to affordable housing. He referred to examples in the Board Packets. Village President Abu-Taleb described the contribution as a discount on the land. He discussed cost of land versus number of units and the contribution percentage. The goal is to find the amount that does not prevent development but still contributes to affordability. The cost of land, cost of development and the potential profit all need to be considered. Mr. Lynch gave a detailed explanation of one of the examples in the packets.

Village Trustee Andrews stated that it is better to set a lower number and reassess in six months to a year. He was in favor of 60% AMI as a starting point. He was unsure regarding extending the affordability requirement to 30 years. He would like a discussion regarding increasing that amount of time.

Village Trustee Tucker explained that most ordinances around the country have it set at 30, as it ties in with the low income housing tax credit period of 30 years.

Village President Abu-Taleb commented that there was consensus of a 60% AMI and an affordable period of 30 years. He was comfortable with discounting the land 20% to 25%.

Village Trustee Andrews suggested a higher percentage if limiting the geography to one-quarter mile of the transit line and a lower percentage for a larger geography. He is in

favor of 10%, or \$100,000. Village Trustee Button agreed.

Village Trustee Moroney asked if 10%/\$100,000 would limit development along the Blue Line. Mr. Lynch commented that development along the Blue Line may more likely to be commercial with a strong ordinance. Village Trustee Moroney felt that the area along the Blue Line warrants protection until it grows a little more. He noted that the affordability issue in Oak Park is residents who are in a living situation with costs rising out of control. New revenue is the way to deal with that affordability problem. Creating restrictions that limit new revenue is doing the opposite of helping the problem.

Village President suggested 5% affordable units or \$100,000 contribution and to include Madison.

Village Trustees Button and Andrews discussed requiring different amounts depending on the area of the Village. Village Trustee Tucker commented that other ordinances include that. Village Trustee Boutet stated that it looks like the norm is 15% and more than \$100,000. Village Trustee Button clarified what she believed to be the current consensus.

There was discussion.

There was consensus to include Madison Street west of Lombard and contiguous to the street, to move the affordability period from 25 years to 30 years, to change the AMI to 60% from 80% and a contribution of 10% or fee in-lieu of \$100,000.

Village Trustee Moroney shared the unintended consequences of including townhomes. He would like them removed from the ordinance. Village Trustee Tucker discussed how the county takes the affordable housing situation into consideration regarding taxes. There was discussion.

It was moved by Village Trustee Button, seconded by Village Trustee Boutet, that this Ordinance be adopted as amended to include Madison Street, west of Lombard, contiguous to the street, to move the affordability period from 25 years to 30 years, to change the AMI to 60% from 80% and a contribution of 10% or fee in-lieu of \$100,000. The motion was approved. The roll call on the vote was as follows:

AYES: 5 - Village Trustee Button, Village Trustee Taglia, Village Trustee Tucker, Village Trustee Boutet, and Village Trustee Andrews

NAYS: 2 - Village President Abu-Taleb, and Village Trustee Moroney

ABSENT: 0

VI. Adjourn

Village Trustee Boutet requested that the GARE Item and Animal Ordinance be on the next Agenda.

It was moved by Village Trustee Andrews, seconded by Village Trustee Button, to adjourn. A voice vote was taken and the motion was approved. Meeting adjourned at 9:25 P.M., Monday, March 11, 2019.

Respectfully Submitted,

MaryAnn Schoenneman Deputy Village Clerk