

MINUTES
May 2, 2017
Committee of the Whole
City of Batavia

Please **NOTE:** These minutes are not a word-for-word transcription of the statements made at the meeting, nor intended to be a comprehensive review of all discussions. They are intended to make an official record of the actions taken by the Committee/City Council, and to include some description of discussion points as understood by the minute-taker. They may not reference some of the individual attendee's comments, nor the complete comments if referenced.

Chair Brown called the meeting to order at 7:31pm.

1. Roll Call

Members Present: Chair Brown; Ald. Russotto, Atac (entered at 7:35pm), Stark, Chanzit, Wolff, Salvati, O'Brien, Callahan, Meitzler, Mueller, Uher, Cerone and McFadden

Members Absent:

Also Present: Mayor Schielke; Laura Newman, City Administrator; Kevin Drendel, Legal Counsel; Gary Holm, Director of Public Works; Scott Buening, Director of Community Development; Jeff Albertson, Building Commissioner; Joel Strassman, Planning and Zoning Officer; Chris Cudworth, Communications Director; and Jennifer Austin-Smith, Recording Secretary

2. Approve the Minutes for January 10, 24 and April 18, 2017

Motion: To approve the minutes for January 10, 24 and April 18, 2017

Maker: Chanzit

Second: Stark

Voice Vote: 13 Ayes, 0 Nays, 1 Absent

Motion carried.

CONSENT AGENDA

3. Items to be Removed/Added/Changed

Executive Session was added to the agenda for the purpose of property acquisition as agenda item 11a.

4. Matters From the Public (For Items NOT on Agenda)

There were no matters from the public for items not on the agenda.

**5. Ordinance 17-29: Annexing Remainder of Property at 451 Pine Street (SCB 4/20/17)
CD**

Motion: To recommend approval of Ordinance 17-29: Annexing Remainder of Property at 451 Pine Street

Maker: Meitzler

Second: Salvati
Voice Vote: 14 Ayes, 0 Nays, 0 Absent
Motion carried.
CONSENT AGENDA

6. Ordinance 17-30: Annexing Remainder of Property at 908 Carlisle Road (SCB 4/20/17) CD

Stark summarized the memo distributed by City staff.

Motion: To recommend approval of Ordinance 17-30: Annexing Remainder of Property at 908 Carlisle Road
Maker: Chanzit
Second: Meitzler
Voice Vote: 14 Ayes, 0 Nays, 0 Absent
Motion carried.
CONSENT AGENDA

7. Ordinance 17-31: Annexing 1012 Main Street (SCB 4/20/17) CD

Stark summarized the memo distributed by City staff.

Motion: To recommend approval of Ordinance 17-31: Annexing 1012 Main Street
Maker: Chanzit
Second: Uher
Voice Vote: 14 Ayes, 0 Nays, 0 Absent
Motion carried.
CONSENT AGENDA

8. Ordinance 17-32: Ordinance Annexing and Zoning Remainder of Properties at 914 Towne Avenue, 970 Millview Drive and 1414, 1434, and 1454 Newton Avenue (SCB 4/20/17) CD

Stark summarized the memo from City staff.

Motion: To recommend approval of Ordinance 17-32: Ordinance Annexing and Zoning Remainder of Properties at 914 Towne Avenue, 970 Millview Drive and 1414, 1434, and 1454 Newton Avenue
Maker: Wolff
Second: Salvatti
Voice Vote: 14 Ayes, 0 Nays, 0 Absent
Motion carried.
CONSENT AGENDA

9. Initial Land Use Proposal Review for Campana Mixed use Redevelopment, 901 North Batavia Avenue, EREG Development, LLC, applicant (JLS 4/25/17) CD

Chair Brown explained that there would be no votes taken tonight. This is the initial land use proposal and is mainly for the petitioner and staff to present the proposed project to the City Council's Committee of the Whole (COW).

David Block, AIA AICP, Director of Development, Evergreen Real Estate Group presented a PowerPoint presentation regarding the proposed project in the former Campana building. The presentation included the following:

- History of the Campana building
- Physical challenges
- Historic preservation
- Challenges of the building
 - Size
 - No windows/only glass block
- Proposed project
 - 80 units
 - 20% market-rate, 80% affordable
 - 1, 2, and 3 bedroom
 - 32,300 square feet of commercial/retail
 - Preserving the existing building
 - Designed views of the apartment building/renderings of what the inside of an apartment would look like
- Site Plan
- Windows
 - Installation of new windows below the glass block in the front of the building
 - Installation of new windows on the sides of the glass block in the back of the building
- Masonry
 - Restoration
- Economic potential
 - Why the market has not responded to this building
 - Low Income Housing Tax Credits (LIHTC) to be used
 - State Tax Credits to be used
 - Other tools to be utilized
 - No locally sourced tax revenue requested from any taxing body
- Area median income and tri-city area chart
 - 26% of all the households in the City of Batavia would qualify for this housing
- Range of Income Limits
 - 16 market rate units
 - Units that are ranging from 30% of the area median income (includes a number of people from the State Referral Network)
 - 50% of the area median income
 - 25 units are rental subsidy: the tenant pays 30% of their income into a rental subsidy, the Aurora Housing Authority would provide the difference
 - The rest of the units are unsubsidized
- Holistic approach to property management
- Importance of mixed-use developments
- Pedestrian and traffic safety
- Western Avenue School

- 20-30 kids anticipated
- District 304 schools
- Costs
 - Thirty million dollar investment by the developer

Block concluded by asking what happens when this building deteriorates past the point of being salvaged because the market has shown that it can't figure out a solution for this building. If not now for this building then when. If not us, then who else would come a propose something to save this building. He thanked the COW for their time and stated that he is available to answer any questions.

The Committee discussed with the applicant accessibility of the site, financing, similar adaptive reuse buildings, traffic, fire protection, statistics for the amount of children into the school district, adhering to the crime-free ordinance, building amenities, parking, pedestrian safety and the developer's commitment to building ownership.

The developer addressed the Committee's questions with the following responses:

- The tower would remain and there would be no units in the tower. There is a 50,000 gallon former cedar water tank in the tower that was for one of the first sprinkler systems in this area. The barrel stays have fallen down so they hope to salvage the wood. It would be empty space in the building, perhaps for the cell phone units that are currently on the building.
- The glass block would be salvaged and reused.
- The plan is to have all the retail be existing tenants and if tenants leave they will be replaced.
- They are committed to make at least 10 percent of the housing units ADA accessible.
- All three levels of the building would be used.
- They will be following the planned development process and would come in with a plan that includes complete parking analysis. The Zoning Code requires more than 300 parking spaces for this development and there are only 120 parking spaces there right now. Our parking analysis suggests that we don't need anywhere near the number of 300 parking spaces so that would be part of our request.
- From a traffic engineering perspective, the use that they are proposing is a less intensive use than what is there now. All of the traffic engineers that work in the realm of urban planning and traffic analysis subscribe to the Institute of Traffic Engineering (ITE) guidelines. ITE consistently notes that commercial uses generate more traffic and more trips generated than residential uses. What we are proposing at this building are all working families and they would likely leave in the morning and return at night. Our traffic consultant has told us that the traffic volumes generated by what we are proposing versus what is there now will be decreased. They are not proposing any changes to the site access than what is there now.
 - Traffic consultant would be brought to the Plan Commission meeting.

- They have already begun a conversation with the Kane County Traffic Engineers and their willingness to have sidewalks in their right-of-way. Allen Drive is Geneva Township and they need to make the same request to Geneva Township.
- There will be no out-lots. They need the historic tax credits to make this project work. They would not get the historic credits if they built anything on the front lawn.
- Their intention as part of the development is to fully upgrade the building to the current applicable building code.
- All of the tenants are required to pay their own utilities and in order to get an electric or gas bill you have to have a minimum credit score and if you cannot receive utilities than you cannot live in this building.
 - Full background and criminal background checks on all tenants going back for a ten-year period.
 - Commitment to comply with the City's Crime Free Housing Ordinance.
 - Will manage the property to a market-rate standard
- They are confident that there are enough people that want the building's mix of location, historic amenities, qualities, quality of the units and convenience. They are confident that the units will be rented and if they are not that is their financial risk if they stay empty but they do not see that happening.
- Part of the plan is to provide amenities inside the building (game room, library). It is possible that the proposed sidewalks would take children to public parks. If not, we are expecting that most of our tenants would have cars and drive their children to recreational activities.
- One of the aspects of this building for those who do not have cars is the bus line on Route 31. They do expect that most people who live there will have their own cars.
- We hold onto our properties for a minimum of fifteen years so there is a requirement under the LIHT program that you hold onto the property for fifteen years. The restrictions that go along with the financing would encumber the property for at least thirty years. More likely than not they will hold onto the property for the entire time because they are a develop and hold type of firm.
- The properties in Elgin are completely different than what is being proposed here. In Elgin there are over three hundred units and they are 100% low-income families. The Illinois Housing Development Authority and HUD urged us to purchase those properties because they recognized us as the best property managers in metropolitan Chicago.
- All safety code requirements would be met and sometimes exceeded.

Mayor Schielke stated that in 1971 the City of Batavia began approving lower income housing products in our community. He is proud of that fact. He thinks that Batavia offers diverse housing for people. His concern is the parking. He thinks that this proposed development would have a lot of cars. He asked the Committee to be cautious on granting any variance on parking. He gave the example of another development needing to expand their parking and how a special out lot was created to accommodate all of the cars.

Newman asked the audience to sign a sign-up sheet for email addresses for those who want to kept up-to-date on this project. She stated that anyone could send her statements or questions to her via email. The COW opened the floor for public comments.

Chuck Miles of Geneva, volunteer in the Fox River Valley Initiative, shared that he had served on Geneva's Homes for a Changing Region Committee and serves as the AID President. He shared that one of the many challenges that they face at AID is the lack of affordable housing for those who use their services. He explained that there are a lot of misconceptions with affordable housing. One of the keys to the success is the development of mixed income housing, where the management company is on site and manages the housing with the demands and expectations of those paying full rent. These properties are better, cleaner and safer than those he has lived in right after college. Evergreen is presenting us with an opportunity, and a big part of that opportunity is to give families who are struggling the ability to live in a community where they work and allow their children the opportunity to attend first class schools that we are fortunate enough to have in the tri-cities. Education provides these children a chance to improve their lives. This development aligns with the City of Batavia's Comprehensive Plan including the economic development and redevelopment element. He quoted the section regarding the Campana building. He continued that this development would help meet the housing demands as recorded in the Homes for a Changing Region. He concluded that Evergreen is looking to invest thirty million dollars, significant time and money, to redevelop the Campana building in a public private partnership to benefit Batavia, Geneva and its citizens. He encouraged the COW to take advantage of this opportunity.

Maggie Harlson, Geneva resident, stated that she is a volunteer leader at the Fox River Valley Initiative, a member of Bethlehem Lutheran Church in St. Charles, and a lifetime member of the Illinois Education Association. She stated that she fell in love with the Campana building when she moved to Geneva at age sixteen. She was excited about this structure being used for affordable housing. She toured the building and was surprised to notice how much work this treasure needs to be preserved. She shared her experience trying to afford to live within this community as a new teacher living paycheck to paycheck. She would love to have the children living in the Campana building to have the same education that her sons had. She noted that it seems that you could Google any position you want to take in regards to whether or not affordable housing affects property values. She stated that she is not worried. She lives in a wonderful area and having affordable housing nearby would only enhance our community. She concluded that she supports this development even though it is in her backyard. She believes that it would be good for Geneva and good for our neighborhood.

Rick Lather, Batavia resident, member of the Congregational Church in Batavia, and a volunteer of the Fox River Valley Initiative addressed the Committee. The Fox River Valley Initiative began working to secure more affordable housing in Kane County. He asked the COW to approve the repurposing of the Campana building into living spaces for working families. One of the characteristics that he and his wife appreciate in Batavia is the diversity of people we have as neighbors. Repurposing this historic and valued building would preserve the building and increase the diversity in our population. He shared examples of the type of workers who would qualify for this type of housing such as bar tenders and teachers. He shared that the church receives requests for help from neighbors who cannot afford to pay their mortgage, utilities or find affordable housing in the area at least three times a month. Providing quality affordable housing for more residents and preserving the historic Campana building are within our reach if we move toward approving this project.

Adam Gibbons, Geneva Township, author of 'The Founders of Geneva' and history teacher, shared that he and his wife are one hundred percent in favor of this amazing project. He toured the building and this is a great example of adaptive reuse. He would like to welcome those from all income levels. He cautioned people from associating low income with high crime. He stated that this is a great project and he is excited to see if it is approved. The site itself has great history and this project would help preserve that.

Pastor Josh Bailey Greene, Batavia resident, Batavia United Methodist Church, addressed the COW. He represents the Northern Illinois Conference of the United Methodist Church, which is a member of the Fox River Valley Initiative. He spoke in support of the Campana affordable housing site. He regularly hears from those with adverse life circumstances and are struggling to keep a roof on their heads. For many, the Fox Valley is where they call home and where they have a supportive group of friends and family. He shared a story of a member of his congregation with a similar situation. He stated that this is just one story of many more of people who love this area and want to remain, return or become part of it. The proposed mixed income and mixed use development would help those who love this region and want to be part of it, would enhance the convenience and the capacity of the very workforce that serves the communities like Batavia and Geneva, and would enable an incredible local landmark to be restored to its former glory and enjoyed by all. When he considers these huge benefits it is a clear win-win and that is why he is strongly in support of this project.

Jeff Jenkins, Wayne resident, Pastor of a small church in Geneva, shared that there is not enough affordable housing in this area. He stated that everyone he knows has come to this area because this area is a family friendly place and lack of affordable housing could stress out families or divide our families. He spent thirty years in civil engineering. He sees this as a well thought out and well designed project. He feels that if the project gets built as it is proposed it will be an asset to the community.

Kent Blake, Batavia resident, addressed the COW. He expressed concern with the amount of students that would be going to the Western Avenue School system. He stated that he is afraid that the attendance boundaries would be changed again. He explained that he moved to the area so that his children could attend Western Avenue School. Blake stated that the number of 20-30 students presented tonight seems to be underestimated. He stated that low-income housing is a viable option but it is not the only option for this site. He expressed concern with the management of Evergreen Real Estate Group, specifically with the Buena Vista apartments. Blake gave the example of Pangia Real Estate who does more in the vetting process and does more outreach in the communities. There is a lot more that could be provided to help tenants. Blake stated that he is also concerned with the traffic, notably combining this traffic with the One Washington Place traffic. He stated that there are different things that we should explore first before we commit to something like this, such as a community center or a children's museum. There are a lot more companies that are out there that we could approach. He thanked the Committee for their time.

Denise Lacure, Geneva Township Assessor, addressed the Committee. She stated that many people have contacted her asking what is going to happen to their property values. She

commented that there is a long waiting list for those waiting for low-income housing and asked if anyone from this community is going to live there and if that could be guaranteed. There are a lot of people in this community who have low paying jobs that would benefit from this kind of housing but it would not be available to them because it would only be made available to those with housing vouchers. She also understands that they are no longer taking applications for housing vouchers because there is such a backlog. She expressed concern with possible crime and safety. She stated that this property was not landmarked as a historic structure until 2003. She stated that beauty is in the eye of the beholder and she feels that it is a huge derelict. It is hand strapping that property, which is twelve acres of prime real estate that could be made into much more units if the land marking status was dropped. She concluded that the property could be redeveloped into a lot more and a lot nicer.

Kevin Drendel, City of Batavia's Legal Counsel, noted that the City of Tinley Park is being sued by the US Department of Justice because instead of considering the issues, which are the zoning and land use, they started to speculate on who might be living there. Who might be living there is not relevant to our discussion.

David Ray, Batavia resident, shared that he works for an LIHTC syndication firm in Chicago and would ultimately be representing the investor in the Campana. He stated that he has not met many investors as good or as capable as Evergreen, especially when it comes to adaptive reuse. In the affordable housing industry Evergreen is well respected. They have an incredibly good architect and developer. They are honest and underwrite their deals very carefully. They are not your average developer and that is why he is speaking in favor of them. As a Batavia resident, this is a good idea to let this go through and he hopes it gets passed.

Jess Valentie, Geneva resident, shared that she rents a space in the Campana building. She loves the building. She does not have an opinion yet on the proposed reuse of the building because she still has a lot of questions. She asked the COW to keep the conversation going and to ask questions about this project. She spoke about the building itself and the possible reuse. The glass blocks are not clear and there may not be that much light. Even at the brightest point of the day it is very dark on the inside. She is concerned about what it would look like from inside the proposed apartment buildings. The light is very diffused and she does not believe that there would be enough light. The proposed units are small. She would like more information on the logistics. If there are kids there they need a place to play. She asked where would the kids play. Being out on the front lawn is inconvenient at best. She asked if we could we investigate installing a playground. Crossing that intersection is very dangerous and it needs to be addressed. She stated that Geneva should be part of the decision making on this. It should be everyone talking together and being a team. We need to demand that this project is awesome. She does not believe that this is the only thing that could be there. There have been other viable commerce options that have been met with resistance for this site.

Bob McCormick, Batavia resident, and former resident of Geneva addressed the COW. He explained that one of the reasons they moved out of Geneva was because the taxes were outrageous. They moved to Batavia, which the taxes are still high but are still less than Geneva's. He stated that he feels the estimated number of thirty students is very low. For him personally, the low-income portion of this project is not an issue for him. His concern is about his taxes and

will they be increased. If you have thirty students at \$15,000 per student for education, which is the cost of educating a student in Geneva, that comes out to almost a half a million dollars in additional cost to the school district. There will be cost to the City for fire and police. He encouraged both Geneva and Batavia to find out what the value of the building going to be once it is fully occupied and what the total assessment is and take that by the tax rates. He would multiply that by the income you would receive in taxes versus the expenditures for the building. If the expenses are more than the revenues for taxes who is going to pay those taxes. He does not want his taxes to be raised. There needs to be a lot of financial planning done on this to make sure that the property tax revenue from the building would cover all of the costs. He thinks that residents of the Fox Valley who have been paying property taxes for the past fifteen to twenty years should have the first opportunity to move into the building if they would like to. They have invested in their community and if they have the opportunity to go into affordable housing than they should have that opportunity before anyone outside of the community. He asked that Batavia and Geneva work together.

(Names inaudible) addressed the Committee. They shared that they are single mothers trying to make ends meet and they are the faces of those who would benefit from this type of project. They discussed their personal experience living in this area and sharing a residence so that they could afford to do so. They would love to see the Campana building come to life again. There will be a vetting process for this development. They asked that for the sake of single moms, low-income individuals, and veterans to develop this property to allow for a safe place to live with good schools.

Rob Byrnes, represents a group that owns the campus immediately north of Campana on Route 31. He stated that the project was not well publicized. He asked that the COW not rush a project like this through and it does not seem that it is the intention of the Committee and he applauds the COW for that. This is a really big decision. He is glad to see that the process would include the Plan Commission. He shared that at one point he tried to sell the Campana building property. He has been in that building many times and he is very familiar with it. The major issues surrounding the property have not changed. The issues still exist:

- Danger of the intersection
- Access points to the building being too close to the light
- KDOT considered moving the access point at least to Allen Drive, they wanted it further
- Making left hand turns are difficult and dangerous

Byrnes stated that the list of challenges is insurmountable. There is lot of challenges that were half mentioned tonight. It does require an incredible effort for any use with a lot of cars. The location is risky and scary. He does hope that something could be worked out.

The Committee discussed the proposed project and asked for the following:

- More information on the number of children and statistics on how many children a development such as this would bring
 - Impact on the School District
 - Involve the Geneva School District in the discussions
- Logistics of the intersection needs to be addressed

- Egress and ingress
- Safety
- Work with KDOT
 - Intersection safety
 - Access points
 - Reducing the speed limit
- More discussion on the parking
- Pedestrian, children and bike safety
 - Sidewalks
 - Safe Routes to School
- Discussion on the expressed concerns from the Fire Department
- Applying Land Cash Fees for this building
- Concerns that this site would become an island without proper modifications
- Continue the conversation with all stakeholders

10. Project Status

Newman reported on the following:

- A follow-up meeting with the City's branding consultants will be next week.
- Encouraged the COW to come tomorrow between 1:30-4:00pm for Chief Schira's retirement celebration.

11. Other

There were no other items.

11a. Executive Session – Property Acquisition

Motion: To enter into Executive Session for the purpose of property acquisition

Maker: Chanzit

Second: Mueller

Roll Call Vote: **Aye:** Russotto, Atac, Stark, Chanzit, Wolff, Salvati, Brown, O'Brien, Callahan, Meitzler, Mueller, Uher, Cerone, McFadden

Nay: None

14-0 Vote, 0 Absent, Motion carried.

The Committee entered into executive session at 10:07pm and exited executive session at 10:47pm.

12. Adjournment

Roll call was given. There being no other business to discuss, Brown asked for a motion to adjourn the meeting at 10:47pm; Made by O'Brien; Seconded by Salvati. Motion carried.

Minutes respectfully submitted by Jennifer Austin-Smith