

CITY OF WEST CHICAGO

WHERE HISTORY & PROGRESS MEET

MINUTES

Development Committee

November 11, 2013

APPROVED AT THE FEBRUARY 10, 2014 MEETING

1. Call to Order, Roll Call, and Establishment of a Quorum

Chairman Stout called the meeting to order at 7:00 p.m.

Roll call found Aldermen John Banas, James Beifuss, Laura Grodoski, John Smith and Rebecca Stout present.

Also in attendance was Director of Community Development John D. Said.

2. Approval of Minutes

- A. Development Committee of August 12, 2013.
- B. Development Committee of September 19, 2013.

Alderman Grodoski made a motion, seconded by Alderman John Smith, to approve the August 12, 2013 and September 19, 2013 Development Committee Minutes. Alderman Beifuss noted that on Page 2, under 4E, the word employers should be employees. He noted further that the sentence that starts "He noted that under Section 1, (J) stated..." should be "He noted that Section 1, (J) states.... He commented that on Page 3 in the first paragraph, the fifth sentence, the first "will" should be deleted. He added that in the last sentence in that paragraph, the "to" after response should be eliminated. Alderman Beifuss noted that on Page 3 in the last paragraph, after "our committees and commissions" the word "and" should be added. Voting aye: Aldermen Grodoski, John Smith, Banas, Beifuss and Stout. Voting nay: 0. Motion carried.

3. Public Participation – None.

4. Items for Consent

- A. Kathleen Reynolds – 549 Arbor Avenue and 204 E. National Street, Resubdivision

Chairman Stout asked staff to provide a brief overview. Mr. Said provided an update in accordance with the Agenda Item Summary.

Chairman Stout asked if the members had any comments or questions. There was no response.

Alderman Beifuss made a motion, seconded by Alderman Banas, to place the Final Plat of Arbor-National Resubdivision on the November 18, 2013 City Council Agenda. Voting aye: Aldermen Beifuss, Banas, Grodoski, John Smith and Stout. Voting nay: 0. Motion carried.

5. Items for Discussion

A. Forming America – 1200 Prince Crossing Road, Status Update

Chairman Stout asked staff to provide a brief overview. Mr. Said provided an update in accordance with the Agenda Item Summary. He noted that the amended special use was approved in December of 2011 and not 2012 as the report states.

Mr. Jim Langkamp stated that at this point they are in compliance with all of the requirements including the as-built for the detention area. He added that the landscaping issues have been taken care of. He noted that he hopes to get the paving done this year. He noted further that this year has been a challenge. He commented that they are on target to get the paving rolling in 2014. He added that the timing is aggressive but they are planning to meet their obligations.

Chairman Stout stated that she has been on the Committee since this project started and she is pleased to see all of the improvements and that we are getting towards our goal. She thanked Mr. Langkamp and asked that he come back in six months with an update. Mr. Said indicated that would be in April or May.

B. Hawthorne's Backyard – 1200 W. Hawthorne Lane, Appearance Code

Chairman Stout asked staff to provide a brief overview. Mr. Said provided an update in accordance with the Agenda Item Summary.

Chairman Stout commented that Mr. Kopinski has agreed to paint the accessory building a dark brown color to match the color of the existing principal building. She asked if the members had any thoughts as far as the waiver for the code requirement.

Alderman Banas noted that the building is in a certain state now and asked if due to that state it introduces any excess risk to the City. Mr. Said responded that the building is on private property and the liability is with the owner.

Mr. Kopinski commented that the building is in the back and will be used as storage. He added that no one coming to their establishment will be going anywhere near the building. He added further that it is in a fenced-in area and it is locked.

Alderman Beifuss asked the size of the shed and what is kept in it. Mr. Kopinski responded that the shed is 16 x 30 and the items we use for the summer parties are stored in it. He noted that there was an old trailer they were using and they are just trying to make the place look better by adding the shed. He noted further that it is not visible.

Alderman Grodoski commented that it seemed reasonable to her.

Alderman John Smith stated that he did not have a problem with it.

Chairman Stout commented that it looks like the opinion of the Committee is that as long as it is painted the same color as the principal building, it is ok.

Alderman John Smith made a motion, seconded by Alderman Banas, to waive the appearance code requirements for the accessory structure. Voting aye: Aldermen John Smith, Banas, Beifuss, Grodoski and Stout. Voting nay: 0. Motion carried.

C. 116 Galena Street – Carriage House, Financial Assistance

Ms. Janet Hale commented that she wanted to touch on a few of the points that are in the Agenda Item Summary. She stated that the building is pre 1870's, probably around 1860. She added that it was included in the 1874 DuPage County Atlas, which is a leather-bound book that included important structures at that time as submitted by the community. She noted that this building is one of three submitted by West Chicago. Ms. Hale stated that it is an accessory building. She added that the exterior of the building has essentially been in its current condition longer than the current owner has had it. She added further that a special note prior to code enforcement mentioned at the bottom of the first page is that this owner was working closely with the Historic Preservation Commission. She noted that the COA referred to in the last paragraph was actually planned by an architect working on behalf of the Commission and with the property owner. Ms. Hale commented that unfortunately the owner did the work without the COA but he did follow the plan that was agreed upon. She stated that these unfortunate circumstances occurred during a period of transition in terms of the Commission liaison and the resulting and absent code enforcement officer who attended our meetings previously and changes in the Community Development Department. She added that there were a lot of things happening all at the same time and it was unfortunate timing. Ms. Hale noted that under matters to consider on Page 3, it states, providing assistance will set precedent for other historic properties. She noted further that the City does provide financial assistance to owners of historic properties in the TIF District. She added that this building is also in the TIF District. She added further that the City provides façade grants, which provide up to 50 percent of the cost of the improved work up to \$10,000 a year and we can bundle it up to three years so an owner could get

\$30,000 at one time and then not apply again for three years. Ms. Hale noted that all of the buildings that participate in the façade program are privately owned. She noted further that the financial assistance provided is for approved exterior work and it is done to preserve the important structure and the fabric and character of West Chicago's Turner Junction Historic District. She commented that regardless whether a structure is open to the public is not a part of the criteria. She stated that the building is visible from many directions including residential areas. Ms. Hale commented that the historic nature of the structure and its unusual construction method is not diminished by its classification as an accessory building. She added that the structure is more important than either of the two buildings on the site, which have benefitted from the façade program. She added further that it is important to note too that the Community Development Department did investigate the structural condition of the building and determined that it is fit to proceed with the process. She noted that ironically it is the material of the building and the way it is put together that make it special. She noted further that had the owner taken some Sakrete and slapped it up over the hole, he could have avoided all of the citations. She commented that that process would have ruined the building but it would have taken care of it from a code enforcement standpoint. Ms. Hale stated that she hopes the Committee will give this request serious consideration because it is an important structure to our downtown and our history. She added that she is available for any other questions.

Mr. Said noted that this is a request that the owner of 116 Galena had discussed with the Historic Preservation Commission concerning a request for the City to consider an agreement to provide City funding to improve the exterior of the property. He noted further that this request is for the carriage house that is located along the alley. He added that the structure has fallen into disrepair, as Ms. Hale has indicated. He added further that it has been in disrepair over an extended period of time. He commented that the exterior has not been maintained; it is deteriorating. Mr. Said stated that the exterior surface is unique and the local requirements for historical compliance make this project an expensive one. He noted that an estimate for the project is \$47,000.00, which does not include the ancillary work such as windows and that brings the estimate to approximately \$50,000.00. He commented that the potential health issues associated with the exterior as well as the lack of property maintenance over a long, long period of time essentially resulted in the City pursuing code enforcement. He added that the changes in the Community Development Department are not really pertinent to the matter. He added further that the City worked over an extensive period of time with the property owner to address the code matters prior to any citations being issued. Mr. Said commented that further action on this matter is on hold due to this process now. He noted that the owner worked with the Historic Preservation Commission on a Certificate of Appropriateness for the roof and fascia and he would need a COA for the exterior work. He noted further that it was referred to that Sakrete could address the exterior problem but in reality that would not be allowed because any exterior alteration does require a Certificate of Appropriateness which would have to go through the Historic Preservation Commission. He added that the owner has indicated he can not afford the repairs. He added further that the Historic Preservation Commission encouraged the owner to contact the City Council regarding funding the project. Mr. Said stated that because of the existing

violations on this property the façade program can not be used. He commented that that is a requirement and specification of the façade program. He added that that is in place to prevent owners from letting their property deteriorate and then being rewarded with City funding to make repairs. He noted that the options for the City are to eliminate the code provision that prohibits façade grant funding from being used to abate code violations or enter into a separate agreement with the property owner in which the City could pay for all or a portion of the repairs and recoup its money through a lien when the property sells. He noted that the property has been for sale since last December. He noted further that the City could just pay for it without compensation. Mr. Said commented that there is a concern that providing financial assistance would set a precedent because it could result in other property owners letting their property deteriorate with the idea that the City would pay for repairs through a separate agreement. He stated that as far as public versus private, the intent was to understand that this is an accessory building. He added that some of the building that have used façade funding house principal commercial/office uses that are typically open to the general public. He added further that this building can not be used as a principal building due to zoning regulations. He noted that it can not be split off and used separately from the main building. Mr. Said commented that staff is requesting direction from the Committee whether or not to pursue entering into an agreement with the property owner to provide some financial assistance and if so, staff will need direction on the financing tool and amount of assistance to be provided.

Alderman Banas commented that he thinks it would set a precedent and it is a very slippery slope he does not want to go down. He added that as far as an agreement, he is looking at Option 3. He added further that he does not hold anyone responsible for repairs on his property. He noted that he would have to accept any fines that were issued and if he did not have the money for it, he would work out a payment plan.

Alderman Beifuss asked if the exterior material of the building is made out of a historically significant element. Ms. Hale responded that it is. She added that it is a mix of grout and it is very special. Alderman Beifuss asked if the material that has to be used increases the cost substantially. Ms. Hale responded that it is limestone-type of mix and most mixes today are some form of concrete. She added that a hard material applied to a softer material, which this is, would ruin the building eventually. She added further that what was proposed was analyzing the composition of the existing material. She noted that it is her understanding that the material can only be put on between May to September because it has a longer drying time and it is a specialized process. Alderman Beifuss asked if a specialized technique or knowledge is needed for this and Ms. Hale responded that to some degree, yes, but it is similar to other masonry work but it really is getting the mix right and applying it correctly. Alderman Beifuss asked what the eligible amount would be under the façade program. Mr. Said responded that it would be half of the cost with a maximum of \$30,000. Alderman Beifuss commented that his thinking is that it is not generally a good idea to reward in the instance where property has deteriorated. He added that in this particular case there seems to be some mitigating circumstances especially since it is a historic building and it has particularly stringent requirements for repairs. He added further that it looks like the applicant was working

with the Historic Preservation Commission prior to coming to the City and has already abated the interior code violations. Alderman Beifuss stated that if nothing is done, it will deteriorate further and it makes sense to enter into an agreement such as No. 2 in which the City would provide a reasonable half like a façade grant but then the City would be reimbursed at the time of sale. He added that that way the City would not be out any funds and the building would be in compliance. He added further that this is an unusual circumstance.

Alderman John Smith commented that he would go along with what Alderman Beifuss is indicating as long as there is a mechanism for the City to get reimbursed. He added that the City would be paid back and the building will be brought up to code.

Alderman Grodoski stated that she agrees. She added that the building is significant and it is important to preserve it. She added further that she does not think we should generally reward owners with code violations but this case is special. She noted that if we have an agreement where we get reimbursed, that makes sense.

Alderman Banas asked what guarantee will the City have to get reimbursed. Mr. Said responded that a mechanism would be set up and the owner would be fully aware of the agreement. He added that in the past liens have been placed on properties. He noted that with such an agreement, the owner would pay for half of the costs. He noted further that without the owner's participation, the project would not happen. Mr. Said commented that an agreement would be prepared with specific stipulations and the reimbursement would be one of the stipulations that the owner would have to agree to in order for the City to participate.

Alderman Beifuss noted that under the façade program participants are required to have three bids. He added that that would be relevant here so that we get the lowest responsible bid. He added further that the owner can choose to go with the higher bidder but the City only pays half of the lowest bid. Mr. Said commented that this is a very specialized discipline so there may be some challenges for the owner to get three bids. Ms. Hale added that it would be beyond challenging to get three quotes. She added further that there are not many people who can do this kind of work in this area. Mr. Said commented that with that potential limitation, the bid requirements could be addressed in the agreement. He added that he would have to possibly confer with the City Administrator. Alderman Beifuss suggested that perhaps Public Works could come up with an engineer's estimate.

Chairman Stout stated that personally she also does not feel rewarding a person who let a property fall into disrepair is good practice. She added that she is not sure if we can make an exception in the façade program because it would create a slippery slope to change that rule and set a precedent. She added further that she agrees there are extenuating circumstances with this. She noted that it is a historic building and it would be nice to assist the owner in getting it brought up to code. She asked if we could set benchmarks or time schedule. Mr. Said responded yes. Chairman Stout asked if the

owner would be agreeable to a timetable and Mr. Gil Valenzuela responded yes. He added that the specialized procedure for the repair can only be done in warm weather so it would have to wait until next summer. Chairman Stout stated that that would be a part of the agreement. Mr. Said noted that it will take staff some time to prepare the agreement. Mr. Valenzuela commented that he is glad we are on the drawing board again regarding this project. He added that on his part he had not thought he was neglectful. He added further that this project is very special. He stated that he agrees about setting a precedent but wanted it noted that this is a special project and this is the only building of its kind in West Chicago. He noted that including that as a special note to this situation, we will not be setting a precedent if the City agrees to help him. He noted further that his family has suffered the last couple of years. Mr. Valenzuela stated that his mother-in-law passed away, his brother who lived in the house passed away and he was diagnosed with cancer, which he has survived. He noted that while the City was pursuing the property, he was dealing with difficult situations. He noted further that he was cited and he took responsibility and paid the fines. He added that he would like to appeal to the Committee to help him with this project. Mr. Valenzuela commented that he knows the importance of this building because he has seen architect and history students come to the property to see the uniqueness of the building. He added that it would be good for West Chicago to preserve it. He added further that he is a proud owner of the building but also a sad owner because he inherited the problems. He stated that the problems started a long, long time ago.

Chairman Stout stated that the direction to staff will be to recommend coming up with an agreement with the property owner to include a mechanism for reimbursement and a time frame. The members agreed. Mr. Said asked if the agreement should include a maximum cost of up to \$25,000 based on the cost estimate. The members agreed.

Alderman Beifuss made a motion, seconded by Alderman John Smith, to direct staff to draft an agreement with the property owner of 116 Galena to include a mechanism for reimbursement, a time frame and a maximum amount of \$25,000. Voting aye: Aldermen Beifuss, John Smith, Grodoski and Stout. Voting nay: Alderman Banas. Motion carried.

Mr. Said stated that he will prepare an agreement and then check with the City Administrator if the agreement should come back to Development Committee and then City Council. He added that he will work with the property owner and keep him posted with the various aspects of the agreement.

D. 151 W. Washington Street – Continuance of Certificate of Appropriateness Appeal

Chairman Stout asked staff to provide a brief overview. Mr. Said provided an update in accordance with the Agenda Item Summary.

Alderman Banas made a motion, seconded by Alderman John Smith, to table this item to the January Development Committee meeting. Voting aye: Aldermen Banas, John Smith, Beifuss, Grodoski and Stout. Voting nay: 0. Motion carried.

E. West Chicago Community Center – Draft Agreement for 151 W. Washington Street

Chairman Stout asked staff to provide a brief overview. Mr. Said provided an update in accordance with the Agenda Item Summary. He added that there is one change because of the timing, which has been extended to July 31st. He added further that similar to the 116 Galena project, there are repairs that have to be done in warmer temperatures. He noted that a 30 day extension could also be requested.

Mr. Dave Sabathne thanked City staff and the Historic Preservation Commission. He commented that it really was their intention to take the choice to get them on the site quicker. He noted that they have continued to talk to subcontractors regarding all of the improvements to the property. He added that may be in the big plan of things someone was watching out for them and rather than go quickly to a product that was acceptable, they will have a project that is better and historically accurate. Mr. Sabathne stated that they are anxious to begin. He added that this was truly on the Community Center staff, which has done a fantastic job from the very first meeting. He added further that the first draft was 14 pages and most of it was about the insurance requirements. He commented that he is sure the City will be happy with the end result.

Alderman Beifuss asked if the Community Center board is on board with the agreement and Mr. Sabathne responded yes. He added that SBI is ready to put up the letter of credit and they will work with staff on the exterior estimates. He added further that they will not be taking on any debt. He noted that first there was the idea of we need to stop the building from being bulldozed. Mr. Sabathne commented that they did not get into the details at that point and people were not as anxious to step forward and participate knowing that it was in limbo. He added that once they saw the relationship build and the commitment from the City and Community Center, then there was an outpour of support.

Mr. Said stated that there is a very short housekeeping matter. He noted that Mr. Sabathne is working on the updated status of the Community Center, which is something that has to be address and resolved. Mr. Sabathne noted that they found out the West Chicago Community Center, Inc. was involuntarily dissolved. He noted further that they have filed taxes every year. He stated that the paperwork to reinstate their status has been submitted. Mr. Said commented that the status needs to be taken care of before the City Council meeting.

Alderman Banas made a motion, seconded by Alderman Beifuss, to place Resolution No. 13-R-0075 authorizing the Mayor to enter into an Agreement with West Chicago Community Center regarding the sale and exterior rehabilitation of 151 W.

Washington Street on the November 18, 2013 City Council meeting. Voting aye: Aldermen Banas, Beifuss, Grodoski, John Smith and Stout. Voting nay: 0. Motion carried.

6. Unfinished Business – None.

7. New Business – None.

8. Reports from Staff

Mr. Said thanked the Committee members for dealing with the interesting and challenging items this evening. He added that staff appreciates their very hard work, insight and wisdom.

9. Adjournment

Alderman Beifuss made a motion, seconded by Alderman Grodoski, to adjourn. The members unanimously agreed. Motion carried. The meeting adjourned at 8:00 p.m.

Respectfully submitted,

Linda Ericksen