

**MINUTES  
CITY OF ST. CHARLES, IL  
PLAN COMMISSION  
TUESDAY, OCTOBER 20, 2015**

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Members Present: Chairman Todd Wallace  
Vice Chair Tim Kessler  
Jim Holderfield  
Tom Schuetz  
Tom Pretz  
Michelle Spruth  
Brian Doyle  
Laura Macklin-Purdy

Members Absent: Dan Frio

Also Present: Ellen Johnson, Planner  
Rita Tungare, Director of Community & Economic Dev.  
Matthew O'Rourke, Economic Dev. Division Mgr.  
Court Reporter

**1. Call to order**

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

**2. Roll Call**

Vice Chair Kessler called the roll. A quorum was present.

**3. Presentation of minutes of the October 6, 2015 meeting.**

**Motion was made by Mr. Kessler, seconded by Mr. Schuetz and unanimously passed by voice vote to accept the minutes of the October 6, 2015 meeting.**

**PUBLIC HEARING**

**4. General Amendment (City of St. Charles)**

A petition filed by the City of St. Charles requesting amendments to Chapter 17.18 "Inclusionary Housing" and Chapter 17.04 "Administration", Section 17.04.400 "Planned Unit Developments – Purpose and Requirements" and Appendix A "Application Checklists"

The attached transcript prepared by Planet Depos - Chicago Area Real Time Court Reporting is by reference hereby made a part of these minutes.

**Motion was made by Mr. Kessler, seconded by Mr. Doyle and unanimously passed by voice vote to close the public hearing.**

Roll Call Vote:

Ayes: Spruth, Holderfield, Doyle, Schuetz, Macklin-Purdy, Pretz, Wallace, Kessler

Nays:

Absent: Frio

Motion carried: 8-0

### **MEETING**

#### **5. General Amendment (City of St. Charles)**

A petition filed by the City of St. Charles requesting amendments to Chapter 17.18 “Inclusionary Housing” and Chapter 17.04 “Administration”, Section 17.04.400 “Planned Unit Developments – Purpose and Requirements” and Appendix A “Application Checklists”

The attached transcript prepared by Planet Depos - Chicago Area Real Time Court Reporting is by reference hereby made a part of these minutes.

**Motion was made by Mr. Doyle, seconded by Mr. Kessler and passed by voice vote to recommend approval of the General Amendment related to changes to Ch. 17.18 “Inclusionary Housing”, Sections 17.18.020, 17.18.030, 17.18.040, 17.18.050, 17.18.060, 17.18.065, and 17.18.090 as proposed, with an edit to section 17.18.130 to replace “Director” with “Director of Community and Economic Development”.**

Roll Call Vote:

Ayes: Spruth, Holderfield, Doyle, Schuetz, Macklin-Purdy, Wallace, Kessler

Nays: Pretz

Absent: Frio

Motion carried: 7-1

**Motion was made by Mr. Doyle, seconded by Mr. Pretz and passed by voice vote to recommend denial of the General Amendment related to removal of Ch. 17.18 “Inclusionary Housing” from the Zoning Ordinance for the purpose of placing the Inclusionary Housing provisions in a stand-alone Title of the City Code, and related changes to Ch. 17.04 “Administration”, Section 17.04.400 “Planned Unit Developments – Purpose and Requirements” and Appendix A “Application Checklists”.**

Roll Call Vote:

Ayes: Spruth, Pretz, Doyle, Schuetz, Macklin-Purdy, Wallace, Kessler

Nays: Holderfield

Absent: Frio

Motion carried: 7-1

**6. Weekly Development Report**

**7. Meeting Announcements**

a. Plan Commission

Tuesday, November 3, 2015 at 7:00pm Council Chambers

Monday, November 9, 2015 at 5:30pm Century Station Training Room – Joint meeting of Plan Commission and P&D Committee

Tuesday, November 17, 2015 at 7:00pm Council Chambers

Tuesday, December 8, 2015 at 7:00pm Council Chambers

b. Planning & Development Committee

Monday, November 9, 2015 at 5:30pm Century Station Training Room – Joint meeting of Plan Commission and P&D Committee

Monday, November 9, 2015 at 7:00pm Council Chambers

Monday, December 14, 2015 at 7:00pm Council Chambers

**8. Additional Business from Plan Commission Members, Staff, or Citizens.**

**9. Adjournment at 8:36 p.m.**



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Transcript of **Hearing- General Amendment to  
Chapter 17.18 and 17.04**

**Date:** October 20, 2015

**Case:** St. Charles Plan Commission

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BEFORE THE CITY OF ST. CHARLES

PLAN COMMISSION

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In Re the Matter of: :  
General Amendment, a petition filed by :  
the City of St. Charles requesting :  
amendments to Chapter 17.18 :  
"Inclusionary Housing" and Chapter 17.04:  
"Administration," Section 17.04.400 :  
"Planned Unit Developments - Purpose :  
and Requirements" and Appendix A :  
"Application Checklists." :

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HEARING

St. Charles, Illinois

Tuesday, October 20, 2015

7:00 p.m.

Job No.: 74375

Pages: 1 - 88

Reported by: Jean S. Busse, CSR, RPR

Notary Public, DuPage County, Illinois

Hearing: General Amendment to Chapter 17.18 and 17.04  
Conducted on October 20, 2015

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Report of proceedings held at the location  
of:  
Century Station  
112 Riverside Avenue  
St. Charles, Illinois 60174  
(630) 377-4400

Pursuant to Notice before Jean S. Busse, a  
Certified Shorthand Reporter, Registered Professional  
Reporter, and a Notary Public in and for the State of  
Illinois.

Hearing: General Amendment to Chapter 17.18 and 17.04  
Conducted on October 20, 2015

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PRESENT:

- TODD WALLACE, Chairman;
- TIM KESSLER, Vice Chairman;
- BRIAN DOYLE, Member;
- JIM HOLDERFIELD, Member;
- LAURA MACKLIN-PURDY, Member;
- TOM PRETZ, Member;
- TOM SCHUETZ, Member;
- MICHELLE SPRUTH, Member;

ALSO PRESENT:

- RITA TUNGARE, Community & Economic  
Development Director;
- ELLEN JOHNSON, Planner;
- MATTHEW O'ROURKE: Economic Development  
Manager.

Hearing: General Amendment to Chapter 17.18 and 17.04  
Conducted on October 20, 2015

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P R O C E E D I N G S

CHAIRMAN WALLACE: This meeting of the  
St. Charles Plan Commission will come to order.

VICE CHAIRMAN KESSLER: Pretz.

MEMBER PRETZ: Here.

VICE CHAIRMAN KESSLER: Spruth.

MEMBER SPRUTH: Here.

VICE CHAIRMAN KESSLER: Purdy.

MEMBER MACKLIN-PURDY: Here.

VICE CHAIRMAN KESSLER: Holderfield.

MEMBER HOLDERFIELD: Here.

VICE CHAIRMAN KESSLER: Doyle.

MEMBER DOYLE: Here.

VICE CHAIRMAN KESSLER: Schuetz.

MEMBER SCHUETZ: Here.

VICE CHAIRMAN KESSLER: Wallace.

CHAIRMAN WALLACE: Here.

VICE CHAIRMAN KESSLER: Kessler, here.

CHAIRMAN WALLACE: Item 3 on the agenda is  
the presentation of the minutes of the October 6,  
2015, meeting.

Motion?

VICE CHAIRMAN KESSLER: So moved.

CHAIRMAN WALLACE: Moved and seconded. All

Hearing: General Amendment to Chapter 17.18 and 17.04  
Conducted on October 20, 2015

5

1 in favor say "aye."

2 (The ayes were thereupon heard.)

3 CHAIRMAN WALLACE: Opposed?

4 The motion passes unanimously.

5 Item 4 on the agenda is a public hearing. I  
6 don't think that I need to describe what the public  
7 hearing is.

8 VICE CHAIRMAN KESSLER: No.

9 CHAIRMAN WALLACE: All right. I always  
10 forget. Do we need to swear in Staff?

11 MS. TUNGARE: No. We've done it both ways,  
12 but we're not required to be sworn in.

13 CHAIRMAN WALLACE: Okay. Will you tell the  
14 truth anyway?

15 MS. JOHNSON: I will.

16 CHAIRMAN WALLACE: Okay.

17 MS. JOHNSON: All right. So this is an  
18 application for general amendment to the Inclusionary  
19 Housing Ordinance chapter of the Zoning Ordinance,  
20 which is known as the Inclusionary Housing  
21 Ordinance -- or the IHO.

22 The Plan Commission considered one of these  
23 changes to the ordinance a month ago and continued the  
24 conversation to tonight in order to address all of the

1 amendments at once.

2 So a little bit of background on the IHO.  
3 It was adopted in 2008 by the City as part of the  
4 Zoning Ordinance. It requires developers to provide  
5 affordable units within new residential developments  
6 or to pay a fee in lieu of providing units.

7 Affordable housing, just for background, is  
8 defined as housing that costs no more than 30 percent  
9 of the annual income for a household at 80 of the area  
10 median income for for-sale units or 60 percent of the  
11 area median income for rental units.

12 So whether or not the requirements of the  
13 IHO apply to new developments in the City depends  
14 on the City's percentages of affordable housing. So  
15 the Inclusionary Housing Ordinance is currently  
16 suspended.

17 In 2013 the City found that our affordable  
18 housing shares is at 25 1/2 percent, and 25 percent is  
19 the cutoff for applying the Inclusionary Housing  
20 Ordinance. So in order to turn the IHO back on, the  
21 City needs to fall below 15 percent affordable based  
22 on the current ordinance.

23 So a little bit of background on the  
24 Affordable Housing Planning and Appeal Act, which

Hearing: General Amendment to Chapter 17.18 and 17.04  
Conducted on October 20, 2015

7

1 is the State Affordable Housing Act. It's  
2 administered by the Illinois Housing Development  
3 Authority or IHDA.

4 Also, a little bit of background on the  
5 City's Annual Affordability Analysis, just going over  
6 how they relate to the amendments tonight.

7 So AHPAA, Affordable Housing Planning and  
8 Appeal Act, was adopted 2003. Under the Act, Illinois  
9 communities that have an affordable housing share  
10 under 10 percent are nonexempt from the requirements  
11 of the Act. The Act requirements do not apply to  
12 communities that are exempt or have over 10 percent of  
13 housing that's considered affordable.

14 So nonexempt communities are required to  
15 submit an affordable housing plan to the State, and  
16 they are also subject to developer appeals to the  
17 State Housing Board.

18 In the case where a developer who has  
19 proposed an affordable housing development in the City  
20 feels they have been treated unfairly by the City,  
21 those developers, if that happens in the nonexempt  
22 community, they can appeal that decision.

23 So IHDA released its initial list of exempt  
24 and nonexempt communities back in 2004 after the Act

1 was passed, and at that point IHDA found that  
2 St. Charles is at 16 percent affordable. So we were  
3 exempt from the Act, and then IHDA did not update  
4 their list until 2013.

5 So when the City adopted the Inclusionary  
6 Housing Ordinance in '08, Staff began conducting their  
7 own analysis on the City's affordable housing share.  
8 So the methodology that Staff used on this analysis  
9 was the same as IHDA's methodology that IHDA used for  
10 their 2004 report.

11 So in 2013, as I said before, the City found  
12 our share to be 25 1/2 percent affordable. So the  
13 ordinance was turned off. But later that year, IHDA  
14 released a new list of exempt and nonexempt  
15 communities, and they used a different methodology to  
16 determine each community's housing shares than they  
17 had in the past.

18 So based on their 2013 findings, St. Charles  
19 is at 11.2 affordable. So we dropped from 16 to 11  
20 percent in the State size. So we are still exempt  
21 from the Act, but we're closer to that 10 percent  
22 cutoff.

23 So for the 2014 Housing Affordability  
24 Analysis that the City conducts annually -- I've

Hearing: General Amendment to Chapter 17.18 and 17.04  
Conducted on October 20, 2015

9

1 included it in your packets -- we compared the State's  
2 finding of 11.2 percent to the methodology that the  
3 City has used since '08. So we used our methodology  
4 to figure out our housing share, and we found us to be  
5 at 23 percent affordable.

6 The reason behind the difference in the  
7 findings is explained in that analysis. It's  
8 basically a function of data sources used and the fact  
9 that IHDA no longer adjusts for household size to  
10 determine the area median income. It's just a  
11 difference in methodology.

12 So the Housing Commission discussed this  
13 discrepancy between Staff's and IHDA's findings. It  
14 discussed this in depth and the implications for the  
15 Inclusionary Housing Ordinance because if the City  
16 were to use Staff's determination of 23 percent  
17 affordable, the Inclusionary Housing Ordinance would  
18 remain suspended because we're not at that 15 percent  
19 cutoff to turn the ordinance back on.

20 But if we were to use IHDA's determination  
21 of 11.2 percent affordable, then the IHO would be  
22 reinstated and in full effect. So 100 percent of the  
23 affordable unit requirement would apply.

24 So the Housing Commission discussed what to

Hearing: General Amendment to Chapter 17.18 and 17.04  
Conducted on October 20, 2015

10

1 do, and they felt this was a good opportunity to  
2 revisit the Inclusionary Housing Ordinance to both  
3 bring it in line with IHDA's determination of our  
4 affordable housing share and then also at the same  
5 time revisit the requirements to look at making them  
6 less burdensome for the Development Committee in the  
7 interest of actually getting units built and  
8 collecting fee in lieu.

9 So the Commission discussed the amendments  
10 we're going to go through tonight in depth over  
11 several months.

12 So are there any questions on that  
13 background?

14 VICE CHAIRMAN KESSLER: Is there any  
15 discussion at all about using the State's method? Why  
16 would we use ours? It doesn't matter if we use ours.  
17 They're still going to say we're under.

18 MS. JOHNSON: Right, and that's --

19 VICE CHAIRMAN KESSLER: There's no question  
20 about that, is there?

21 MS. JOHNSON: -- the Housing Commission's  
22 recommendation, yes. Well, that's their  
23 recommendation is to adopt the State's determination.

24 VICE CHAIRMAN KESSLER: It doesn't matter if

Hearing: General Amendment to Chapter 17.18 and 17.04  
Conducted on October 20, 2015

11

1 they recommend not to. We are still going to be  
2 under.

3 MS. JOHNSON: Yeah. On the State side we're  
4 still at 11 percent.

5 VICE CHAIRMAN KESSLER: Okay.

6 MS. JOHNSON: Any other questions on the  
7 background?

8 Okay. So moving on to the proposed  
9 amendments, I've provided the language in your  
10 packets, but I'll just go through each one of them in  
11 turn.

12 So the first is a change to Section  
13 17.18.030. This is, as Tim alluded to, to state that  
14 the City's affordability housing share is determined  
15 by IHDA. The Housing Commission felt it best to bring  
16 the IHO in line with the State's requirement since  
17 that finding is used to determine our exempt status  
18 from the Affordable Housing Act.

19 So in turn, proposed is to adjust the  
20 sliding scale that's in the ordinance currently so  
21 that it reflects the fact that the City is exempt  
22 from AHPAA when the City is at 10 percent or greater  
23 of affordable housing, nonexempt when we're below  
24 10 percent, and then at risk between 10 and

Hearing: General Amendment to Chapter 17.18 and 17.04  
Conducted on October 20, 2015

12

1 20 percent.

2 So 100 percent of the affordable unit  
3 requirement will apply when we are under 10 percent  
4 affordable, and then the requirements will be turned  
5 off essentially if we hit greater than 20 percent.

6 MEMBER PRETZ: Those numbers on the left --  
7 the percentages on the left, if I understood  
8 correctly, are directly related to how the State does  
9 theirs?

10 MS. JOHNSON: Yeah. The scale is kind of  
11 based on the fact that on the State size if we're  
12 under 10 percent affordable, we're not exempt. So  
13 in that case, 100 percent of the requirement would  
14 apply.

15 MEMBER PRETZ: The rest of the numbers match  
16 the State's?

17 MS. JOHNSON: No. It's just the range, the  
18 10 to 20 percent range.

19 MEMBER PRETZ: The City's numbers count?

20 MS. JOHNSON: Right, right.

21 So right now we're at 11.2 percent, so  
22 75 percent of the affordable-unit requirement would  
23 apply currently. I'll go through what that means in  
24 terms of the fee in lieu and the number of units in a

1 little bit.

2 So another change --

3 MEMBER SCHUETZ: Excuse me, Ellen.

4 MS. JOHNSON: Oh, I'm sorry.

5 MEMBER SCHUETZ: I do understand there's two  
6 different scales, let's call it; but as Tim brought  
7 up -- I'm not going to ask why; but when we're looking  
8 at this, so are you going to always be talking about  
9 the State, or are you always going to be going back  
10 and forth, State, St. Charles, State, St. Charles as  
11 far as what we applied and didn't apply?

12 MS. JOHNSON: Right.

13 According to this, we'll always go off the  
14 State. We'll use the State's number. They said that  
15 they'll recalculate the percentage every five years.  
16 So we can expect a new number in 2018.

17 VICE CHAIRMAN KESSLER: And maybe a new  
18 calculation.

19 MS. JOHNSON: Maybe. Hopefully not, but you  
20 never know.

21 VICE CHAIRMAN KESSLER: Right.

22 MEMBER SCHUETZ: What we did as St. Charles,  
23 we're not going to talk about that?

24 MS. JOHNSON: No, not for this.

Hearing: General Amendment to Chapter 17.18 and 17.04  
Conducted on October 20, 2015

14

1 MEMBER SCHUETZ: Okay.

2 MS. JOHNSON: So another change to this same  
3 section, per the ordinance, basically if a tear-down  
4 occurs and the house that was torn down is considered  
5 affordable, it's a lower-cost house and it's torn down  
6 and replaced by a house that's not considered  
7 affordable, the developer will need to pay a fee in  
8 lieu, basically paying a fee for essentially removing  
9 an affordable house from our housing stock.

10 So there's a caveat that if the new house is  
11 intended to be occupied by the same owner of the house  
12 that was torn down, there is no fee. So proposed is  
13 relocation of this provision just to another section  
14 within the code that makes more sense.

15 Another slight change is to add that if the  
16 house was demolished less than one year from the date  
17 of purchase, that that person would be subject to the  
18 fee in lieu. So basically if someone is speculatively  
19 buying a small house for the purpose of tearing it  
20 down for themselves, then they will be subject to the  
21 fee.

22 Then also to add language -- a protection  
23 clause in there that says that the fee never applies  
24 if the house is destroyed from fire or other -- you

Hearing: General Amendment to Chapter 17.18 and 17.04  
Conducted on October 20, 2015

15

1 know, a tornado or something like that.

2 So that is it for that section of the code.

3 I'll move on now.

4 MEMBER DOYLE: Ellen --

5 MS. JOHNSON: Yes.

6 MEMBER DOYLE: -- before we move on, I have  
7 a question about the movement of that language.

8 If it's occupied by the same household or  
9 individual, the language doesn't say "primary  
10 residence"; but just to be clear, you do have to be  
11 an occupant? You can't be an investment property  
12 that --

13 VICE CHAIRMAN KESSLER: Or a second home?

14 MS. JOHNSON: Correct.

15 In those cases, they would be required to  
16 pay a fee because they're not the occupant of the  
17 property.

18 MEMBER DOYLE: Okay. So they have to reside  
19 there.

20 MS. JOHNSON: Yes.

21 MEMBER DOYLE: They have to be residents.

22 MS. JOHNSON: Yes.

23 MEMBER DOYLE: Okay.

24 MS. JOHNSON: So now moving on to

1 Section 17.18.40, this is related to the affordable  
2 unit set-aside percentage.

3 So proposed is capping the percentage of  
4 affordable units required at 10 percent. We're kind  
5 of moving on from an existing three-tiered system to a  
6 two-tiered proposal.

7 So currently developments of 1 to 10 units  
8 require 5 percent of the units to be affordable.  
9 Obviously, that wouldn't equate to one full unit, so a  
10 fee would be required for 1 to 10 units.

11 Then 10 percent of units need to be  
12 affordable for developments of 11 to 50 units. More  
13 than 50 units, 15 percent need to be affordable.

14 So we are proposing to modify this so that  
15 for developments of 1 to 15 units, 5 percent applies.  
16 5 percent needs to be affordable. More than 15 units,  
17 10 percent needs to be affordable.

18 This kind of will simplify the set-aside  
19 requirement and also will help prevent a fee amount  
20 that is overly burdensome. A fee example that I show  
21 later on will kind of explain this a little bit  
22 better.

23 So also proposed in this section is to  
24 remove language that limits when the fee in lieu is

1 acceptable. So proposed is to allow the fee in  
2 lieu for all residential developments, regardless of  
3 size.

4 So right now developments of 11 to 15 units  
5 can only pay 50 percent fee in lieu, and then they  
6 must provide units for the other part of their  
7 requirement. Then developments over 50 units, fee in  
8 lieu is not accepted, unless City Council determines  
9 that providing the units will be a hardship for the  
10 developer.

11 So the proposed change to allow fee in lieu  
12 at any time gives more flexibility to developers kind  
13 of to choose how they want to comply with the  
14 ordinance.

15 MEMBER SCHUETZ: So if a developer has two  
16 different locations and he or she wants to have this  
17 area as high-end, let's call it, can they trade the  
18 5 percent or 10 percent from the high-end area and put  
19 more of it in that other location?

20 MS. JOHNSON: No. There's a requirement  
21 that the units have to be provided within the same  
22 development.

23 MEMBER SCHUETZ: Okay. I wasn't sure. All  
24 right.

Hearing: General Amendment to Chapter 17.18 and 17.04  
Conducted on October 20, 2015

18

1 MEMBER DOYLE: Two questions about this  
2 section.

3 First, a question about the calculation of  
4 the fee, as detailed in Section B of that 17.18.050.

5 MS. JOHNSON: That's what I'm getting to  
6 next.

7 MEMBER DOYLE: Oh, you're getting to that  
8 next?

9 MS. JOHNSON: Yes.

10 MEMBER DOYLE: Then let me go to my other  
11 question, which is --

12 MR. O'ROURKE: I'm sorry. I didn't mean to  
13 interrupt.

14 Part of what the amendment process has gone  
15 through and feedback we received from the Council as  
16 well, just to Mr. Schuetz' question, I think the  
17 Council would like to be able to review that at some  
18 point.

19 Say, if somebody does want to do what  
20 Mr. Schuetz proposed, they'd like to be able to look  
21 at it and say, "No, we don't want to allow you to  
22 completely put all the affordable units in one site.  
23 We'd like you to keep some on-site."

24 So that's part of the flexibility that we're

1 trying to build in here is maybe the City Council  
2 says, "It's not good to just sort of put all your  
3 affordable units in one location. You can pay a fee  
4 in lieu or you have to put some in this area or some  
5 here," that kind of thing.

6 That's not necessarily in the structure of  
7 everything that Ellen is talking about. So I just  
8 want to make sure that the Council sort of said that  
9 they'd like to be able to weigh in on those cases,  
10 too, to make sure that something like that doesn't  
11 happen.

12 MEMBER SCHUETZ: So it is flexible and  
13 fluid.

14 MR. O'ROURKE: Yes.

15 MS. TUNGARE: They want to keep it somewhat  
16 flexible and fluid.

17 MR. O'ROURKE: I just wanted to clarify  
18 that.

19 MEMBER SCHUETZ: No, I'm good with that.

20 MEMBER DOYLE: So the ordinance does allow  
21 the Council to say you can replace affordable units  
22 for this development with affordable units at another  
23 property that you own across town?

24 MR. O'ROURKE: I think what the Council is

1 saying, if my understanding is correct, is if somebody  
2 proposed that, they'd like to be able to say, "No, you  
3 can't do that 100 percent," or "We think that you need  
4 to have some affordable units in the area where you're  
5 not proposing it" or, you know, "Just pay the fee in  
6 lieu," something like that.

7 I think there was some concern about sort of  
8 creating one area in town where all the affordable  
9 units go. So it's kind of the opposite.

10 MS. TUNGARE: So there I think the Council's  
11 position was that if, let's say, you know, there's  
12 more than our fair share of affordable housing that's  
13 in a quadrant of town and that's where new development  
14 is being proposed, they want the flexibility to say  
15 "Rather than put 100 units of affordable housing stock  
16 in that quadrant, let's see where else we can provide  
17 affordable housing."

18 MEMBER DOYLE: So would that be supported  
19 under Section 3 of 17.18.065 with the alternative --

20 MS. JOHNSON: No. I think it would be  
21 17.18.080, "Location, Phasing, and Design."

22 "Affordable units shall be integrated into  
23 the development by location," da, da, da. "Waivers or  
24 variances as to the location, construction phasing, or

Hearing: General Amendment to Chapter 17.18 and 17.04  
Conducted on October 20, 2015

21

1 appearance of affordable units may be granted by the  
2 City Council." That's in there already.

3 MR. O'ROURKE: Yeah. Section .065 is for  
4 instances where there is some sort of  
5 non-developer-made hardship on the property like  
6 Brownfield environmental remediation, some big cost  
7 that they can't absorb that.

8 The affordable housing, that gives them a  
9 way to sort of create affordable housing opportunities  
10 but not necessarily have to meet the ordinance because  
11 of those. There's a whole list of criteria that they  
12 have to do to verify what those hardships are.  
13 They're kind of different things.

14 MEMBER DOYLE: That flexibility has always  
15 been there. It's not a proposed amendment.

16 MR. O'ROURKE: That's correct.

17 MEMBER DOYLE: Okay.

18 MR. O'ROURKE: Yeah, that's been in there.

19 MEMBER DOYLE: I just have a question about  
20 fee in lieu in general.

21 So if a developer chooses fee in lieu, then  
22 the City puts that in an escrow account?

23 MR. O'ROURKE: A Housing Trust Fund.

24 MEMBER DOYLE: A Housing Trust Fund.

1           Then let's say the City got close to  
2 triggering the State mandate.

3           How would the City use the Housing Trust  
4 Fund -- the monies in that fund to keep the ratio of  
5 affordable housing in the City at 10 percent or  
6 higher?

7           MS. TUNGARE: If you look at a certain title  
8 in the City code --

9           MR. O'ROURKE: It's Title 3.

10          MS. TUNGARE: -- Title 3 of the City code,  
11 it clearly outlines how the money in the Housing Trust  
12 Fund can be used. That's part of the City code, if  
13 you go on the City's website under that title.

14          The Housing Trust Fund money, to put it very  
15 simplistically, is to be used for primarily the  
16 creation of affordable housing, develop programs to  
17 create more affordable housing and maintain more  
18 affordable housing within St. Charles.

19          MEMBER DOYLE: So would the City purchase  
20 properties and build it under the fund?

21          MS. TUNGARE: They could if they chose to.

22          MEMBER DOYLE: Got you.

23          MS. TUNGARE: That would be, you know, one  
24 of the uses of the Housing Trust Fund.

1           MEMBER DOYLE: Or it could use that to  
2 provide incentive programs? SO it could use it at its  
3 discretion?

4           MS. TUNGARE: Correct.

5           Right now we have a single-family  
6 rehabilitation program, which the Housing Commission  
7 presented to the City Council be put in place. That's  
8 going to be the charge of the Housing Commission in  
9 the next few years is to develop programs to use the  
10 Housing Trust Fund, you know, as it gets replenished,  
11 to fee in lieu.

12          MEMBER DOYLE: Okay.

13          MS. JOHNSON: Moving on to the section Brian  
14 alluded to, 17.18.050, the amount of fee in lieu per  
15 unit is proposed to be reduced from \$104,000 about to  
16 \$72,819. So this will make the fee less onerous.

17          The Housing Commission suggested a formula  
18 for calculating the fee as the cost of providing a  
19 25 percent down payment for two affordable units. So  
20 while the fee in lieu won't necessary be used for down  
21 payment assistance, this kind of gives a face to the  
22 formula.

23          So the fee would be calculated as shown  
24 here, the affordable sale price as determined by IHDA.

1 So about \$145,000 times two, times .25 for a total of  
2 \$72,819.

3 So we're proposing that the fee will be  
4 recalculated when IHDA releases an updated  
5 determination of our affordable housing share and  
6 corresponding affordable home price.

7 So I've got an example here that kind of  
8 shows -- you can see the slide.

9 VICE CHAIRMAN KESSLER: You're  
10 anticipating a change when they redo it in 2018?

11 MS. JOHNSON: Yes, assuming that the  
12 affordable sale price will change.

13 So for example, a 25-unit development, the  
14 required set-aside is 10 percent. So 10 percent of  
15 the 25 units need to be affordable. The fee in lieu  
16 is \$72,819. 75 percent of the fee in lieu is required  
17 based on that sliding scale we looked at.

18 So this calculates out to a total fee of  
19 \$136,536. So that would be the fee in lieu required  
20 for a 25-unit development, or they could choose to  
21 build the unit.

22 MEMBER PRETZ: Can I ask you, you had  
23 earlier said that -- for teardowns in speculation of a  
24 single unit, what would that price be?

1 MS. JOHNSON: That's shown on this graph  
2 here. So for the proposed fee, a one-unit development  
3 with tear-down, it would be \$2,700 for the fee versus  
4 the -- this chart compares the existing fee, assuming  
5 11.2 percent affordable and then assuming no other  
6 changes to the ordinance and then versus the proposed  
7 fee with the other proposed revision.

8 So it compares for a one-unit development,  
9 25, or 100 units. So it shows that the amount of fee  
10 will greatly reduce based on what's currently  
11 required.

12 VICE CHAIRMAN KESSLER: Why would anybody  
13 want to build an affordable unit? I'd rather pay  
14 2,700 bucks and be done with it.

15 MS. JOHNSON: Well, for a one-unit  
16 development, they'd have to pay a fee, yes.

17 MEMBER SCHUETZ: Ellen, I don't know. I  
18 guess I'm going to ask a lot of "whys" tonight.

19 Why was it from 104 -- why did it go down?  
20 Did we just pull that out of the air?

21 MS. JOHNSON: Well, the 104 was based on the  
22 difference -- I believe it was based on -- the  
23 calculation itself isn't in the ordinance, but I  
24 looked back in minutes from pre-Matt, and there really

1 wasn't a good basis for that fee.

2 The Housing Commission got direction from  
3 City Council that the fee should be lowered, that it's  
4 overly onerous right now, and they came up with this  
5 calculation. They felt that this was a good basis for  
6 coming up with a fee and that it's lower than the  
7 current amount.

8 MEMBER SCHUETZ: If it's overly burdensome,  
9 is the thought process that there would be more  
10 development?

11 MS. JOHNSON: The thought process is we  
12 don't want to lose development to surrounding  
13 communities that don't have inclusionary housing  
14 ordinances. We're the only community with these  
15 requirements in our area.

16 MS. TUNGARE: If I can augment was Ellen  
17 just stated, in addition to the Housing Commission,  
18 I had an opportunity to present this information to  
19 the City Council at their summer retreat in June, on  
20 June 27th.

21 At that time the direction I got from the  
22 City Council was exactly what Ellen said, you know.  
23 We are pioneers in the area of affordable housing in  
24 the tri-city area, the Fox Valley, and there's

1 advantage and disadvantages.

2 The disadvantages from an economic  
3 development standpoint are that we are less  
4 competitive when it comes to promoting development  
5 within the area because a developer could see these  
6 kinds of requirements being burdensome.

7 So the Council's direction I received at the  
8 time was, "Let's accept IHDA's methodology and, you  
9 know, assume that the percentage of affordable housing  
10 in St. Charles is actually lower than what we were  
11 estimating it to be."

12 "On that basis, let's use that to our  
13 advantage to then amend our Inclusionary Housing  
14 Ordinance. Let's reactivate the ordinance; but when  
15 we reactivate it, let's reactivate it in a form where  
16 we can be competitive while ensuring that our  
17 affordable housing needs are met. So let's make our  
18 ordinance less burdensome, more flexible, and more  
19 practical in its application.

20 That's where all these amendments -- that's  
21 the impetus behind some of these amendments in terms  
22 of the reduction in the fee, the percentages.

23 I mean, it's more an art than a science.  
24 There's at least some math associated with it, but,

1 you know, it's not all side effect in terms of -- and  
2 again, when this proceeds from the Housing Commission,  
3 the Plan Commission now, to City Council, that fee in  
4 lieu is not set in stone.

5 The City Council may decide to approve the  
6 fee in lieu that the Housing Commission has developed,  
7 or they might say, "Let's go lower than the fee that's  
8 been proposed or a little bit higher."

9 I don't see them going higher. I can only  
10 see them approving it as is or going lower.

11 MEMBER MACKLIN-PURDY: I actually have a  
12 question.

13 Do we know what percentage are rentals  
14 versus single-family homes of affordable housing?

15 MS. JOHNSON: Yes. That's in the  
16 affordability analysis.

17 So based on the State's finding, 31 percent  
18 of rental units are affordable in St. Charles, and  
19 3.3 percent of ownership housing is affordable.  
20 That's kind of a flipflop of what Staff found based on  
21 our own township assessor data.

22 We found that only 11.9 percent of rental  
23 units are affordable, while 23 percent of ownership  
24 housing is affordable.

1                   VICE CHAIRMAN KESSLER: But is that based on  
2 the old formula?

3                   MS. JOHNSON: Yes, that's based on the old  
4 formula.

5                   VICE CHAIRMAN KESSLER: We can't even talk  
6 about it. It doesn't matter. The old formula doesn't  
7 matter anymore.

8                   MEMBER DOYLE: That's correct.

9                   But the irony is that the old formula, I  
10 think, is more accurate. I mean, we all agree with  
11 the recommended amendment.

12                   VICE CHAIRMAN KESSLER: Whether we recommend  
13 it or not, we're going to be bound by it. It doesn't  
14 matter.

15                   I'm sorry, Brian.

16                   MEMBER DOYLE: I think as procedure and  
17 policy go, that's right, and I don't hear anyone  
18 disagreeing with that.

19                   I think in terms of the spirit of the policy  
20 and understanding what the real situation is, the  
21 truth is that the 2004 formula and the way the Staff  
22 has been calculating it all along may provide a more  
23 accurate picture of affordability defined as moderate  
24 income housing, but that's neither here nor there.

Hearing: General Amendment to Chapter 17.18 and 17.04  
Conducted on October 20, 2015

30

1 I do have a question about the formula in  
2 this amendment. I know that it's not going to make  
3 any difference in the end result, but just in terms of  
4 clarity of the language, I had to reread this language  
5 a couple times to wrap my head around it.

6 I have to ask: Did Staff and/or the Housing  
7 Commission consider an alternative formula, which  
8 would be providing a down payment of 50 percent for  
9 one affordable unit? Because doesn't it calculate to  
10 be the same thing?

11 MS. JOHNSON: It would, yes.

12 I guess this was suggested based on the  
13 down payment that might be required. So I don't think  
14 a 50 percent down payment would ever be required.

15 It's confusing.

16 MEMBER DOYLE: So it's \$145,639 times 2  
17 times .25, which would be the same thing as \$145,639  
18 times .5; right, just in terms of --

19 MS. JOHNSON: Right.

20 MEMBER DOYLE: I had to read that a couple  
21 times to understand it.

22 MS. JOHNSON: Yes.

23 MR. AMUNDSON: Can I be sworn in?

24 CHAIRMAN WALLACE: Yes. Will you tell the

1 truth?

2 MR. AMUNDSON: I will.

3 CHAIRMAN WALLACE: All right. State your  
4 name for the record.

5 MR. AMUNDSON: David Amundson. I'm the  
6 Chair of the Housing Commission.

7 You're absolutely right. It's trying to put  
8 a human face on it. It's half of an affordable unit;  
9 but to put a human face on it, we're trying to say  
10 it's the down payment for two families on an  
11 affordable unit. It was just humanizing it. It was  
12 trying to humanize a number.

13 It was maybe a really dumb policy thing to  
14 do. When you're talking to people, it helps them to  
15 conceptualize what you're trying to accomplish.  
16 You're absolutely right. It is one half of the --

17 MEMBER DOYLE: Of an affordable unit?

18 MR. AMUNDSON: Yes, exactly.

19 MEMBER DOYLE: I'll just point out that that  
20 language was -- I had to go back and read that a  
21 couple times.

22 MS. JOHNSON: Okay.

23 MEMBER DOYLE: It's just something to  
24 consider in terms of clarity.

1           VICE CHAIRMAN KESSLER: Rita, you said  
2 something that's very interesting that I think we do  
3 have to seriously consider, and that is the  
4 affordability of St. Charles compared to surrounding  
5 communities, since we're the only ones that have a  
6 housing ordinance at this time. \$2,700 is \$2,700,  
7 more than that I'd have to pay if I was in Geneva or  
8 Batavia.

9           Is it safe to say that -- you know, now  
10 Geneva is not in compliance. They have to come up  
11 with a plan, and they will have some sort of ordinance  
12 and/or fee in lieu in place.

13           Will that trigger another change perhaps?  
14 Could it trigger another change in our ordinance? I  
15 imagine it could; right?

16           MEMBER DOYLE: In our ordinance?

17           VICE CHAIRMAN KESSLER: Sure.

18           If that competitive is no longer an issue  
19 and we're really trying to get affordable units, you  
20 know -- I mean, I can't imagine Geneva undercutting  
21 us.

22           MS. TUNGARE: Well, I know from  
23 conversations with my counterpart who retired from the  
24 City of Geneva, these calculations go back to about

1 five years ago. They have had some conversations  
2 internally within their organization about creating a  
3 Housing Commission and developing an Inclusionary  
4 Housing Ordinance, and that really hasn't happened.

5 However, having said that, Geneva, Batavia  
6 St. Charles, and North Aurora, we made a joint effort  
7 and developed the Homes for a Changing Region Study  
8 and worked on that jointly, acknowledging that the  
9 jurisdictional lines where housing issues are  
10 concerned really become invisible.

11 At that point jurisdiction lines don't  
12 necessarily exist because we all have the same issues  
13 when it comes to housing in the area.

14 So one of the recommendations -- the primary  
15 recommendation of that housing policy is to have a  
16 diverse mix of housing types available, and "diverse"  
17 has been used pretty broadly. It doesn't just relate  
18 to income levels, but it also relates to age --

19 MR. O'ROURKE: Disability status.

20 MS. TUNGARE: Disability, yeah,  
21 accessibility, accessible housing.

22 So I think that has created a sense of  
23 awareness -- a heightened sense of awareness amongst  
24 the communities.

1           So to go back to your question, is there a  
2 chance that someone like Geneva or Batavia may move  
3 forward and adopt an Inclusionary Housing Ordinance,  
4 and could there be an effect? It would be sheer  
5 speculation on our part at this point.

6           VICE CHAIRMAN KESSLER: It sounds like it's  
7 not likely because these communities have gotten  
8 together to try and work together on this inclusionary  
9 housing.

10           MS. TUNGARE: The other thing that does have  
11 an impact on our housing policies is the market, the  
12 economy.

13           When we adopted the original Inclusionary  
14 Housing Ordinance, the fee in lieu was set at  
15 \$140,000, \$140,500, if I'm not mistaken. It was  
16 \$140,000.

17           MR. O'ROURKE: That's about right.

18           MS. TUNGARE: Then we went down to \$104,000.

19           So, you know, the housing price and the  
20 market, the supply and demand, all of that really, I  
21 think, is going play a part in this going forward as  
22 well.

23           So you know, at this point we can only look  
24 ahead in our crystal ball to a certain extent. We

1 wanted to take advantage of the opportunity we have  
2 with IHDA changing the methodology and saying with  
3 developments in the pipeline at this point,  
4 developments that could be coming before us with the  
5 changing economy at this point, do we want to take  
6 advantage of that opportunity in getting some fee in  
7 lieu on affordable units, which we would lose if we  
8 kept the ordinance suspended?

9 VICE CHAIRMAN KESSLER: But we can't keep it  
10 suspended. I mean, we couldn't anyway, could we?

11 MS. TUNGARE: We could. Really, it was a  
12 policy decision.

13 VICE CHAIRMAN KESSLER: Until we hit 10.

14 MS. TUNGARE: Yes; and even if we hit 10 and  
15 we decided we wanted to -- there are communities out  
16 there that are below 10 percent, and they don't have  
17 an Inclusionary Housing Ordinance.

18 I know you talked to the State, Ellen. If  
19 you want to share with the group what the implications  
20 would be, let's say, if we fell below 10 percent.

21 Do you want to share that with the group?

22 MS. JOHNSON: Sure.

23 If we fell below 10 percent, we would be  
24 nonexempt. We would have to submit an affordable

1 housing plan. The housing plan would have to state  
2 one of three goals, I believe, that are provided in  
3 that plan basically aimed at furthering -- creating  
4 affordable housing in the community.

5 The State would review that plan and have it  
6 on file, but there's no specific requirement from the  
7 State that says, you know, "You're under 10 percent.  
8 You need to adopt an Inclusionary Housing Ordinance."  
9 There's no mandate or policy, just a stated goal that  
10 you'll attempt to.

11 MEMBER DOYLE: So how do they enforce it?

12 VICE CHAIRMAN KESSLER: How does the State  
13 of Illinois do anything?

14 MEMBER DOYLE: I know.

15 MEMBER SPRUTH: You know, it shows that  
16 St. Charles is proactive. It's, I guess, looking at  
17 the spirit of things, and it wants to have a diverse  
18 city. So it's a good thing.

19 MS. TUNGARE: The threat of falling below  
20 the 10 percent is -- let me put it this way: I think  
21 it is -- I don't want to speak out of turn on behalf  
22 of the Housing Commission.

23 I think it is one of the factors that the  
24 Housing Commission and the City Council is taking into

1 consideration. I think our Inclusionary Housing  
2 Ordinance, the Housing Trust Fund, the desire to have  
3 a balanced housing stock within St. Charles, those are  
4 all higher-level policies that we've embraced as a  
5 community, as the Housing Commission and the City  
6 Council and the community as a whole.

7 So, you know, the threat of the 10 percent  
8 is just one of the factors.

9 MEMBER DOYLE: I spoke with Adam Gross  
10 today, who is the Director of Affordable Housing at  
11 BPI Chicago. I asked him -- because the article that  
12 I sent to the Plan Commission references a number of  
13 municipalities in the metropolitan area that are  
14 ignoring this State mandate because it has no teeth.  
15 It's not enforceable.

16 They're using home rule as the pretext to  
17 ignore it because, according to this man I spoke with  
18 today, State law -- the part of the statutes that  
19 deals with home rule, there's particular language that  
20 the State needs to use, according to this gentleman,  
21 that basically says affirmatively that we are  
22 overriding home rule in this instance. This law,  
23 AHPAA, does not include that language.

24 So on that basis, municipalities are saying,

1 "We're home rule. We're not subject to that State law  
2 because you didn't use that language."

3 Now, on the flip side, those communities are  
4 all being named by MPR in the media as communities  
5 that are hoity-toity and basically flipping their nose  
6 at the whole issue of affordable housing.

7 The State may not be able to enforce it, but  
8 the media can stick your nose in it and say, "You guys  
9 have a moral issue that you need to deal with."

10 To me, the fact that we're being pioneers  
11 and that we're being proactive on this and principled  
12 on it is the reason why we're here, not because  
13 there's really anything to fear from the State if  
14 we -- we have home rule, and we could do the same  
15 thing as all those other municipalities and say, "We  
16 don't need to do this," case closed.

17 MEMBER SCHUETZ: That's a good point.

18 MEMBER DOYLE: But that's not what I would  
19 advocate.

20 VICE CHAIRMAN KESSLER: No.

21 MR. AMUNDSON: You're right. It's  
22 toothless. It's toothless. The potential  
23 repercussions are almost zero, not completely zero but  
24 almost zero.

Hearing: General Amendment to Chapter 17.18 and 17.04  
Conducted on October 20, 2015

39

1           So you can say that's the impetus that got  
2           us thinking about this, but I think it's the impetus  
3           that you guys are thinking about this and how to do  
4           the right thing.

5           I think we're doing the right thing. I  
6           think we're doing the moral thing. I think we're  
7           doing a whole bunch of things and we're doing stuff  
8           that helps the life of the community.

9           I shouldn't get on my soapbox here, but this  
10          is why I do what I do.

11          MEMBER SCHUETZ: Well, it's diversification.

12          MR. AMUNDSON: Yeah. It's a healthy  
13          community, I think, again. There's environment  
14          issues; there's economic issues; there's all sorts of  
15          social issues. The list goes on and on and on and on.

16          Yeah, I think it's doing the right thing,  
17          and the State law is there. It's the kick in the  
18          pants to get us going, and we got going. Really,  
19          truly, if we did nothing, you know, it almost doesn't  
20          matter.

21          MEMBER DOYLE: Right.

22          MR. AMUNDSON: I still think it's the right  
23          thing.

24          CHAIRMAN WALLACE: Moving on now.

1 MS. JOHNSON: I don't have any more slides.

2 The next section is 17.18.060, the "Density  
3 Bonus" section. The density bonus is really meant to  
4 provide an offset to a developer for providing  
5 affordable units.

6 So one bonus unit is permitted for each  
7 affordable unit constructed in a development as a  
8 density bonus. However, the total number of dwelling  
9 units cannot exceed 120 percent of base density within  
10 the zoning district.

11 So currently there's limitations on applying  
12 the density bonus in terms of limitations on reducing  
13 the minimum lot area, lot width, and increasing  
14 building coverage. The Commission and Staff are  
15 proposing to remove these limitations and keep the  
16 120 percent of base density limit but to remove the  
17 other limitations in order to allow more flexibility  
18 in implementing the density bonus.

19 That's that piece. Any questions on that?  
20 Okay.

21 Section 17.18.065. Matt had alluded to this  
22 before. So in certain cases where there's financial  
23 hardship or a particular site constraint, developers  
24 are allowed to propose alternative affordable housing

1 plans in order to meet the Inclusionary Housing  
2 Ordinance.

3 So language has just been added to this  
4 section stating that the Housing Commission will  
5 review and make a recommendation on these alternative  
6 affordable housing plans.

7 The Commission, I believe, has done this in  
8 the past, but it hasn't been codified that this is the  
9 procedure. So this is kind of, I guess you could say,  
10 a correction to the language, just a clarification.

11 Any questions?

12 All right. The next section, 17.18.090, is  
13 regarding how long an affordable unit that's created  
14 as a result of the ordinance is required to remain  
15 affordable.

16 So right now affordable units must remain  
17 affordable for a period of 7 years, and that means  
18 that they may only be sold to income-eligible buyers  
19 for a period of 7 years.

20 So proposed is to increase that time frame  
21 to 15 years. This will allow affordable units to  
22 remain affordable for longer and even potentially  
23 benefit more than one family. So within that 15-year  
24 period, if the homeowner moves out, they have to sell

1 it to an income-eligible buyer.

2 This is kind of meant as a way to extend the  
3 impact of units that are created through this  
4 ordinance.

5 So another change to this same section is  
6 the language used to reflect the fact that affordable  
7 units not sold to income-eligible buyers within that  
8 15-year time frame, that they must pay the difference  
9 between the affordable purchase price and the fair  
10 market value of the unit back to the City to protect  
11 the City's interest, kind of as a failsafe.

12 The term "deferred payment mortgage lien" is  
13 currently used, and the City attorney kind of advised  
14 that that's not the correct terminology. "Promissory  
15 note" is a better term for this sort of second  
16 mortgage. So that has been corrected in the  
17 ordinance, and it's also been added that this note  
18 should not bear interest, which the Housing Commission  
19 suggested.

20 So these changes kind of clarified this  
21 provision and reflect, I believe, its original intent.

22 Moving on to the last proposal that we  
23 discussed last time, to remove the Inclusionary  
24 Housing Ordinance from the Zoning Ordinance, if the

Hearing: General Amendment to Chapter 17.18 and 17.04  
Conducted on October 20, 2015

43

1 IHO is removed from the Zoning Ordinance, changes to  
2 the IHO will not come before the Plan Commission for  
3 public hearing, and the Commission will not review  
4 developments for compliance with the ordinance. The  
5 Housing Commission will provide its recommendations  
6 directly to City Council.

7 So we discussed last time the implications  
8 regarding public comment if this is taken out of the  
9 Zoning Ordinance. Staff has conferred with the City  
10 attorney, and he advised that the Open Meetings Act  
11 does allow that any person in attendance at any public  
12 meeting is permitted to address the public body.

13 So even if it's not a public hearing, just  
14 so it's a public meeting, anyone in attendance is  
15 allowed to comment.

16 VICE CHAIRMAN KESSLER: Allowed. Let's be  
17 clear about that. They're not required to do that,  
18 take comment.

19 MS. JOHNSON: I believe they are required.

20 VICE CHAIRMAN KESSLER: That doesn't mean  
21 that they're required to take comment. Tell me what  
22 that means.

23 MS. TUNGARE: At any public meeting, per the  
24 Open Meetings Act, yes, they are required to take

Hearing: General Amendment to Chapter 17.18 and 17.04  
Conducted on October 20, 2015

44

1 public comment at any public meeting.

2 MEMBER DOYLE: Prior to voting on an issue?

3 MS. TUNGARE: Not prior to voting on an  
4 issue necessarily, no.

5 MS. JOHNSON: The Housing Commission has  
6 discussed this at their last meeting, the meeting last  
7 week. They discussed the possibility of requiring a  
8 public hearing at the City Council level for  
9 amendments to the Inclusionary Housing Ordinance.

10 So that is offered as a condition that the  
11 Plan Commission could make on approving this item,  
12 too, so that a public hearing wouldn't be held at the  
13 Plan Commission but it would be at City Council.

14 MEMBER DOYLE: Ellen, I have a question.

15 So there are two things that you mentioned  
16 that would be ramifications of moving this ordinance  
17 out of the zoning chapter. One is that we would not  
18 review amendments. The second is that we would not  
19 have to review development applications for compliance  
20 with the ordinance.

21 One of the questions I asked at the last  
22 meeting was if there was any conceivable instance or  
23 case when an application that otherwise would come  
24 before the Commission now would not have to come

Hearing: General Amendment to Chapter 17.18 and 17.04  
Conducted on October 20, 2015

45

1 before the Commission by virtue of having the IHO in  
2 a different section of the code, and the answer was  
3 no.

4 If I'm a developer and I need to go to the  
5 Plan Commission for a map amendment or a PUD  
6 application or a concept plan, I'm still going to have  
7 to come before the Commission. I'm not going to get  
8 any reduction in the number of meetings that the  
9 applicant has to go to.

10 So what is it that -- I mean, in terms of  
11 reviewing applications for their conformity, this to  
12 me is kind of like a school or a parks fee in lieu.  
13 It's an up or down.

14 Do they meet the fee-in-lieu requirement?  
15 Yes or no? What else would we need to review and  
16 analyze?

17 MS. JOHNSON: I think it would be in cases  
18 where they're proposing an alternative plan.

19 MEMBER DOYLE: Okay. So that would be under  
20 the Alternative Affordable Housing Plan like, for  
21 instance, let's say, a Lexington Club where there is  
22 an extenuating circumstance regarding environmental  
23 remediation or something --

24 MS. JOHNSON: Correct.

Hearing: General Amendment to Chapter 17.18 and 17.04  
Conducted on October 20, 2015

46

1 MEMBER DOYLE: -- of that nature.

2 VICE CHAIRMAN KESSLER: But this change says  
3 that the Housing Commission would make a  
4 recommendation --

5 MS. TUNGARE: Yes.

6 VICE CHAIRMAN KESSLER: -- on those proposed  
7 changes, just like when a developer comes before us  
8 and there happens to be some historic, the Historic  
9 Commission will make a recommendation to us or, you  
10 know, the Staff tells us if they've met the parks and  
11 schools.

12 So those recommendations are made by other  
13 people regardless. We never weigh in on those. I  
14 mean, we don't weigh in on those issues now.

15 MEMBER DOYLE: But we would in the case of  
16 an alternative plan.

17 MS. JOHNSON: If it's in the Zoning  
18 Ordinance, then it's subject to be part of the public  
19 hearing proceedings.

20 MEMBER DOYLE: But those other types of  
21 applications are subject to that as well.

22 MS. JOHNSON: What other types?

23 MEMBER DOYLE: I mean, if I'm applying to do  
24 a development and I have a PUD application or a map

1 amendment --

2 MS. JOHNSON: Right.

3 MEMBER DOYLE: -- or any of the other types  
4 of applications that are invoked or necessary as part  
5 of putting in a proposal to the commissions, it's  
6 going to come before the Commission anyway.

7 MS. JOHNSON: Right.

8 MR. O'ROURKE: Just thinking through the  
9 scenarios, one way I think it would be differentiated  
10 is let's say somebody comes in to do a 100-unit  
11 subdivision and they want to do an alternate plan that  
12 maybe isn't contemplated in the ordinance, like  
13 Mr. Schuetz mentioned earlier.

14 If they wanted to do that now, they'd come  
15 through and request a deviation probably and have to  
16 go through the public hearing process.

17 The way that this would be set up is there  
18 would be -- the Housing Commission would hear that  
19 housing proposal, and the subdivision would come in  
20 front of you folks as a subdivision. There would be  
21 no public hearing.

22 So I think that would be the one time there  
23 would be a distinction in the processes, as opposed to  
24 how they are now, as opposed to moving forward with

1 the ordinance amendments as proposed.

2 MEMBER DOYLE: Okay.

3 MR. O'ROURKE: That would be the one  
4 scenario I can think of where there would be a  
5 difference.

6 MEMBER DOYLE: Before we move to comments or  
7 general questions, I have one more question that I  
8 don't think has been touched on yet in your  
9 presentation regarding the language that appears  
10 throughout this ordinance.

11 The language is either "for a household of a  
12 size" or some phrase to that effect, which appears in  
13 Section .020(A), (J), .090(B)(1)(A), .090(C), 090(D).

14 My question is -- my first observation is  
15 that in the Staff -- in the 2014 St. Charles  
16 Affordable Analysis provided by Staff and in looking  
17 at the changes to how IHDA calculates affordability,  
18 one of the differences between how the City does it  
19 now and how IHDA does it is IHDA uses a simplified  
20 formula that does not look at unit type or unit size.

21 So it doesn't factor in household of that  
22 size, which is one of factors behind differential in  
23 terms of the percentage rate of 11.2 versus 25 or  
24 whatever.

1           So I guess my question is: Did the Housing  
2 Commission or Staff consider whether or not that  
3 language, where it appears in these different places  
4 in the ordinance, remains applicable to the new way  
5 that the affordability ratio is being calculated  
6 according to IHDA and whether or not it should -- did  
7 you consider whether it should be struck since we're  
8 using that more complex way of doing our analysis now,  
9 but IHDA has a simplified way of doing it?

10           MS. JOHNSON: Yes, we did talk about that in  
11 depth at the Housing Commission, and they decided to  
12 keep in the adjustment for household size and bedroom  
13 count basically because there's these -- one second.  
14 Let me pull up these charts.

15           Okay. So basically under our ordinance, the  
16 affordable purchase price for a four-person household,  
17 which would equate to a three-bedroom house, would be  
18 \$160,000. In the State's eyes, the affordable  
19 purchase price is a flat \$145,000. It's not adjusted  
20 for household size.

21           David, maybe you could touch on this. I  
22 know we went back and forth at the Housing Commission,  
23 and it was kind of -- we took a vote, and the majority  
24 of members wanted to keep in the adjustment for

1 household size.

2 I believe it was -- it just seemed like a  
3 more feasible number. The \$145,000 for a unit would  
4 be very difficult for a developer to construct, I feel  
5 like, or that's what the consensus was.

6 MR. AMUNDSON: The trade-off was -- it's a  
7 double-edged sword because if you allow to adjust for  
8 household size, you allow more upside income  
9 potential, you know.

10 "You're a six-person household. I can  
11 legally charge you \$188,000 for that house." So  
12 therefore, I might actually build that unit rather  
13 than just pay a fee in lieu. I'd really rather they  
14 build the unit. I think most of the Commission would.

15 Or, "You're a four-bedroom rental unit. I  
16 can charge \$1,260 a month in rent for that." I mean,  
17 if you don't adjust for household size, \$916 is all I  
18 can charge for rent whether it's an efficiency or a  
19 five-bedroom. \$916, that's it; or I can charge  
20 \$145,000 for my house, period. A one-person,  
21 ten-person house, it makes no difference.

22 So there's an upside, I think, to  
23 incentivize a broader spectrum from the development  
24 community in terms of what's being offered, but

1 there's a disincentive to it's more expensive housing.  
2 It's less affordable.

3 A \$180,000 house is more expensive than a  
4 \$145,000 house. \$1,200 a month is more expensive than  
5 \$916 a month. So it hurts the people that you're  
6 trying to help, but it helps the development community  
7 to actually put the product out there.

8 We went round and round and round on this.  
9 Yeah, I think we in the end decided we'd really kind  
10 of rather allow for the flexibility because that's  
11 been one of our guiding lights since day one is we're  
12 trying to allow as much flexibility as possible.

13 MEMBER DOYLE: David, did the Commission  
14 consider and discuss the risk that -- if one of the  
15 purposes of the IHO is to be proactive and ensure that  
16 we never get to 10 percent, according to IHDA's  
17 calculation, did the Commission consider that, okay,  
18 we're regarding that four-bedroom house at \$160,000 or  
19 that four-bedroom apartment at \$1,260 --

20 MR. AMUNDSON: I hear you.

21 MEMBER DOYLE: -- an affordable unit, but  
22 IHDA is not going to consider it an affordable unit.  
23 So we're going to be that much closer to that  
24 10 percent threshold because we regard it as

1 affordable, but the benchmark that the State mandate  
2 looks at does not.

3 MR. AMUNDSON: I hear you. I hear you.

4 This is probably me speaking for me. I  
5 don't know that I can speak for the City or the  
6 Commission as a whole.

7 My bent has always been it's economics that  
8 are wagging the tail on this dog. Even if we build  
9 at 10 percent, it's only affordable for 15 years.  
10 You know, we're not going to -- once we fall below  
11 10 percent, at the rate we're building and requiring,  
12 we're never going to catch up, ever. As prices  
13 continue to escalate, we're going to fall farther and  
14 farther behind.

15 We are fighting a losing battle. I think  
16 we're doing the right thing. I still think we're  
17 doing the right thing. I think it's absolutely the  
18 right thing to do; but even if IHDA won't count it, at  
19 the end of the day, in my mind -- again, this is me.  
20 I need to tread carefully here -- it's a drop in the  
21 bucket, and it's not going to make a difference  
22 whether we can legally count those two units that got  
23 built last year.

24 We're in the face of thousands of units. We

1 will not catch up. Once we fall behind, we will not  
2 catch up. We will never catch up. We will be  
3 nonexempt until there's another crash in the economy  
4 and things go upside down and prices readjust.

5 That's my personal bend.

6 MEMBER DOYLE: Yeah.

7 MR. KESSLER: Or we build something multi.

8 MR. AMUNDSON: Or we build huge, but then  
9 we're more than a drop in the bucket. Then we're more  
10 than a drop in the bucket. We can do something big  
11 and spectacular, and that's really where I've got my  
12 eyes set.

13 MEMBER DOYLE: I mean, I don't disagree with  
14 the rationale for flexibility and working with the  
15 development community and making certain that this  
16 thing is workable. I get that.

17 I guess it's probably unlikely that a  
18 developer is going to come forward and say, "I want to  
19 build a 100-unit development, and they're all three  
20 bedrooms"; right? But they could --

21 MR. AMUNDSON: Sure.

22 MEMBER DOYLE: -- and it would comply with  
23 the IHO and not add a single affordable unit,  
24 according to IHDA.

1 MR. AMUNDSON: Yes.

2 MEMBER DOYLE: I think that it would -- it's  
3 something that -- of all of the substantive issues in  
4 the ordinance, it's one of those things, really, where  
5 the rubber hits the road, and it's something to keep  
6 thinking about.

7 Even if we agree that this is the right way  
8 to go, if we find, for instance, in a couple of years  
9 that that's -- unlikely as we think it is, that that  
10 is what's happening, that we have all these units come  
11 on that are affordable but don't qualify according to  
12 IHDA, then we might have to make an adjustment.

13 MEMBER SCHUETZ: But then we feel good.  
14 We've done what we want to do.

15 VICE CHAIRMAN KESSLER: Right. We've done  
16 our purpose.

17 MR. AMUNDSON: Yes.

18 The other thing to look at, though, too,  
19 again, just going back to the numbers, our days of  
20 being greenfield development are rapidly coming to a  
21 close. Onesies-twosies, fivesies-tensies maybe, and  
22 all those are only required to be 5 percent  
23 affordable.

24 So even if they build all 5 percent, they

1 actually build the units, they put them on the site  
2 and they meet IHDA's numbers, we're still falling  
3 behind. The numbers of this whole thing are just  
4 absolutely stacked against us. We are never going to  
5 catch up.

6 I think what we can do is put up a good  
7 fight in the face of this horrific storm that's coming  
8 at us in terms of giving people fair access to the  
9 town across broad-spectrum incomes, but we will never  
10 catch up. I will keep soldiering on until the day I  
11 die. I think that's just the reality of it.

12 MR. O'ROURKE: If I could supplement what  
13 Chair Amundson was saying, when you look at it even in  
14 that scenario you mentioned with 100 units, if you add  
15 100 units on to 13,857, I mean, you're not changing  
16 the percentage much either way.

17 If we're going to slip a little bit closer  
18 to 10 or if they're all affordable for IHDA, it's  
19 going to go up like .1 percent. That was a lot of  
20 what the Housing Commission discussed was all those  
21 things.

22 Is it better to just get something that's  
23 even close to affordable even if it's not in the eyes  
24 of the State? At least we're providing some units for

1 somebody that can benefit from them here in the City.  
2 That's a lot of what we talked about.

3 MR. AMUNDSON: Of those 100 units, only ten  
4 of them would be affordable.

5 MEMBER DOYLE: You say we're falling behind,  
6 but, I mean, we're at 11.2.

7 Are you saying, Matt, that that number is  
8 not going to shift very much one way or the other?  
9 It's going to stay stable?

10 MR. O'ROURKE: I wouldn't say that.

11 My bigger fear is on the rental side, quite  
12 honestly, after years of putting these analyses  
13 together. We're losing a ton of affordable rental  
14 units.

15 The movement on the home buyer side isn't, I  
16 don't think, going to shift that much, unless there's  
17 a major policy change like the one that kind of  
18 prompted all these discussions here. It's really the  
19 affordable rental units that are slipping.

20 MEMBER MACKLIN-PURDY: How are we losing  
21 those?

22 MR. O'ROURKE: Quite frankly, older  
23 apartments are getting bought, rehabbed. They're  
24 raising the rents to pay for those rehabs.

1 VICE CHAIRMAN KESSLER: Can I posit  
2 something here?

3 It sounds to me like we're discussing the  
4 proposal and discussing the merits of it. I'd like to  
5 make a motion to close the public hearing and move on  
6 to discussing it, unless anybody feels we need any  
7 more information from Staff.

8 MR. AMUNDSON: I'll answer your question to  
9 the point.

10 The key thing I think you're not considering  
11 is affordability is tied to income. Median income in  
12 this country has flatlined for the past 20 years. In  
13 the area where we live, real estate prices keep  
14 rising.

15 So as real estate prices keep rising, the  
16 median income against which affordability is indexed  
17 is flat. The units will become unaffordable simply by  
18 virtue of that. I mean, that's what drives it. If  
19 median income goes down -- because our median income  
20 is tied to the MSA for Chicago, not just our local  
21 area.

22 So if Chicago flatlines and declines, which  
23 has been the trend since about 1985, in our individual  
24 area the prices keep rising. That's what is driving

Hearing: General Amendment to Chapter 17.18 and 17.04  
Conducted on October 20, 2015

58

1 this whole thing. So 11 percent could turn to 9  
2 percent next year with no development in this town  
3 whatsoever and, you know, nobody doing anything.

4 MEMBER DOYLE: It did fall from 16 to 11  
5 over -- what was it, 9 years?

6 MS. JOHNSON: Yes.

7 MR. O'ROURKE: Approximately, yeah.

8 MS. TUNGARE: I think there's a motion on  
9 the table.

10 CHAIRMAN WALLACE: Is there a second?

11 MEMBER DOYLE: Yes, second.

12 CHAIRMAN WALLACE: Okay. It's been moved  
13 and seconded.

14 Any discussion on the motion?

15 VICE CHAIRMAN KESSLER: Pretz.

16 MEMBER PRETZ: Yes.

17 VICE CHAIRMAN KESSLER: Spruth.

18 MEMBER SPRUTH: Yes.

19 VICE CHAIRMAN KESSLER: Purdy.

20 MEMBER MACKLIN-PURDY: Yes.

21 VICE CHAIRMAN KESSLER: Holderfield.

22 MEMBER HOLDERFIELD: Yes.

23 VICE CHAIRMAN KESSLER: Doyle.

24 MEMBER DOYLE: Yes.

Hearing: General Amendment to Chapter 17.18 and 17.04  
Conducted on October 20, 2015

59

1 VICE CHAIRMAN KESSLER: Schuetz.

2 MEMBER SCHUETZ: Yes.

3 VICE CHAIRMAN KESSLER: Wallace.

4 CHAIRMAN WALLACE: Yes.

5 VICE CHAIRMAN KESSLER: Kessler, yes.

6 CHAIRMAN WALLACE: All right. The public  
7 hearing is now closed. That concludes Item 4 on your  
8 agenda.

9 Moving on to Item 5, General Amendment (City  
10 of St. Charles).

11 Do we have a motion, or would you like to  
12 discuss further?

13 VICE CHAIRMAN KESSLER: Well, we can  
14 continue the discussion now, David.

15 CHAIRMAN WALLACE: Would you like to put a  
16 motion on the table so we can discuss it from that  
17 angle?

18 VICE CHAIRMAN KESSLER: Yes.

19 MEMBER DOYLE: May I make a motion?

20 VICE CHAIRMAN KESSLER: I wish you would.

21 MEMBER DOYLE: Okay. I'd like to make two  
22 motions tonight.

23 The first one would be I move to recommend  
24 approval of the application for a general amendment to

Hearing: General Amendment to Chapter 17.18 and 17.04  
Conducted on October 20, 2015

60

1 Title 17 of the City Code, Zoning Ordinance regarding  
2 Chapter 17.18, Inclusionary Housing, as detailed in  
3 the following sections of the Staff Proposal Analysis,  
4 Section 3, of the October 16, 2015, Staff Report,  
5 Sections 1 through 6.

6 CHAIRMAN WALLACE: So the motion was to  
7 recommend approval of the amendment to Chapter 17.18  
8 as detailed in the Staff memorandum, Section 3,  
9 Subsections 1 through 6?

10 MEMBER DOYLE: Correct.

11 CHAIRMAN WALLACE: Okay. Is there a second?

12 VICE CHAIRMAN KESSLER: Second.

13 CHAIRMAN WALLACE: Okay. It's been moved  
14 and seconded.

15 Discussion?

16 MEMBER SPRUTH: When you say Sections 1  
17 through 6 --

18 MS. TUNGARE: In the Staff memo.

19 MEMBER DOYLE: That means basically all of  
20 the proposed amendments that are in front of us --

21 MEMBER SPRUTH: All right.

22 MEMBER DOYLE: -- but not the recommendation  
23 to move the ordinance out of Chapter 17.

24 MEMBER PRETZ: Say that last part.

Hearing: General Amendment to Chapter 17.18 and 17.04  
Conducted on October 20, 2015

61

1 MEMBER DOYLE: But not the recommendation to  
2 move the ordinance out of Chapter 17.

3 CHAIRMAN WALLACE: Now, you said that you  
4 have two.

5 MEMBER DOYLE: The second one would be to  
6 discuss No. 7 separately.

7 CHAIRMAN WALLACE: Okay.

8 MEMBER DOYLE: I'd like to deal with the  
9 substantive matters of the amendments themselves as a  
10 whole.

11 CHAIRMAN WALLACE: Okay. Discussion?

12 MEMBER SCHUETZ: I think I understand. He  
13 wants to remove the one out.

14 MEMBER DOYLE: For right now.

15 MEMBER SCHUETZ: Yeah. Can we put it back  
16 in?

17 MEMBER DOYLE: Well, we're going to talk  
18 about it.

19 MS. TUNGARE: He's going to make another  
20 motion.

21 MEMBER DOYLE: I do want to point out, since  
22 we're discussing it, one potential edit. That would  
23 be, for clarification purposes, Chapter 17.18,  
24 Section 130, Implementation, the language reads "the

1 Director or Director's designee."

2 For clarity, I think it would be preferable  
3 for it to read "the Director of Community and Economic  
4 Development or the Director's designee," et cetera,  
5 since that is the language that's used everywhere  
6 else.

7 VICE CHAIRMAN KESSLER: If you've made those  
8 changes everywhere else, make it there, too.

9 MEMBER DOYLE: I would say this has been a  
10 really informative discussion and very helpful about a  
11 really important issue.

12 I appreciate the Housing Commission's  
13 thought about it, I appreciate the Staff's thought  
14 about it, and all the answers that you've given  
15 tonight. I think these amendments make perfect sense.

16 Furthermore, I agree with Rita's point  
17 about -- St. Charles' and the Council's point about  
18 St. Charles being a pioneer in this area. I think  
19 that's commendable; and if there's a concern that we  
20 need to be competitive while also upholding our  
21 principles, then I think that's good.

22 CHAIRMAN WALLACE: Sorry. Maybe I'm missing  
23 something, but the application before us is for  
24 amendments to Chapter 17.18, which are all itemized in

Hearing: General Amendment to Chapter 17.18 and 17.04  
Conducted on October 20, 2015

63

1 Item 3 in the Staff Report.

2 But what about changes to the other sections  
3 that are listed in the item?

4 MS. JOHNSON: Those sections reference  
5 Chapter 17.17, Inclusionary Housing, within other  
6 sections of the Zoning Ordinance. So those are kind  
7 of just cleanup to remove reference to the fact that  
8 the IHO is in the ordinance.

9 CHAIRMAN WALLACE: So nothing substantive?

10 MS. JOHNSON: Right, correct.

11 CHAIRMAN WALLACE: Okay.

12 MS. TUNGARE: More a technicality.

13 I think there was a motion on the table.

14 CHAIRMAN WALLACE: Is there any further  
15 discussion? Tim?

16 VICE CHAIRMAN KESSLER: Pretz.

17 MEMBER PRETZ: No.

18 VICE CHAIRMAN KESSLER: Spruth.

19 MEMBER SPRUTH: Yes.

20 VICE CHAIRMAN KESSLER: Purdy.

21 MEMBER MACKLIN-PURDY: Yes.

22 VICE CHAIRMAN KESSLER: Holderfield.

23 MEMBER HOLDERFIELD: Yes.

24 VICE CHAIRMAN KESSLER: Doyle.

Hearing: General Amendment to Chapter 17.18 and 17.04  
Conducted on October 20, 2015

64

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MEMBER DOYLE: Yes.

VICE CHAIRMAN KESSLER: Schuetz.

MEMBER SCHUETZ: Yes.

VICE CHAIRMAN KESSLER: Wallace.

CHAIRMAN WALLACE: Yes.

VICE CHAIRMAN KESSLER: Kessler, yes.

CHAIRMAN WALLACE: That passes by a vote of  
7 to 1.

Is there another motion?

MEMBER DOYLE: Yes.

I move to recommend against the proposed  
amendment to move the IHO out of Chapter 17 of the  
City Code, as detailed in the Staff Report dated  
October 16, 2015, Section 3, Subsection 7.

CHAIRMAN WALLACE: So just to clarify,  
you're recommending to the City Council that they deny  
the requested amendment to Chapter 17 -- well, you're  
recommending denial of the application to the extent  
laid out in Section 3, Subsection 7, of the Staff  
Report?

MEMBER DOYLE: Correct. I'm recommending  
that the Council amend the ordinance as we just voted  
on and leave it in the zoning section.

MEMBER PRETZ: I'll second that.

Hearing: General Amendment to Chapter 17.18 and 17.04  
Conducted on October 20, 2015

65

1 CHAIRMAN WALLACE: Okay. Are we clear on  
2 the motion?

3 VICE CHAIRMAN KESSLER: Did we get a second?

4 CHAIRMAN WALLACE: Yes.

5 MEMBER SCHUETZ: So we're recommending what  
6 we just discussed.

7 MEMBER SPRUTH: Do we want to have a  
8 discussion as to why?

9 MEMBER DOYLE: I think we should make  
10 certain that the motion is clear.

11 MR. O'ROURKE: So basically all the  
12 fundamental changes to the Inclusionary Housing  
13 Ordinance itself, when we're talking about how fee in  
14 lieu is calculated, the number of units, how much is  
15 required, all of those you're in favor of based on the  
16 Staff memo laid out in 1 through 6 --

17 MEMBER DOYLE: And what we just voted on.

18 MR. O'ROURKE: -- and what you just voted  
19 on.

20 You want to recommend that all those are  
21 approved is what I heard.

22 MEMBER DOYLE: Correct.

23 MS. TUNGARE: I think the next motion is to  
24 remove the Inclusionary Housing Ordinance from the

Hearing: General Amendment to Chapter 17.18 and 17.04  
Conducted on October 20, 2015

66

1 Zoning Ordinance and to make it a separate title of  
2 the City Code, and that's your motion to recommend  
3 denial of that piece.

4 MR. O'ROURKE: Right.

5 MEMBER DOYLE: Correct.

6 We have an application asking us to consider  
7 removing this from the Zoning Ordinance, and my motion  
8 is that we recommend denial of that portion of the  
9 application and leave the IHO in the Zoning Ordinance  
10 in Chapter 17.

11 CHAIRMAN WALLACE: What is your reasoning?

12 MEMBER DOYLE: There are a couple of  
13 reasons.

14 So first of all, the practical effects of  
15 moving it out, as Ellen stated before, are that the  
16 Plan Commission will not by procedure review future  
17 proposed amendments to IHO if it's moved out of the  
18 Zoning Ordinance; and in addition, that we would not  
19 review for compliance applications that invoke the  
20 IHO.

21 We talked at the last public hearing about  
22 concerns regarding public hearings. I understand that  
23 there is a recommended alternative to that, including  
24 recommending that the City Council itself hold public

1       hearings at the Council meetings.

2               So there are a couple of reasons why I  
3       recommend against this. The first is, as I stated the  
4       last time, in the title and purpose of Chapter 17, I  
5       think the title and purpose includes issues beyond the  
6       physical characteristics of development.

7               It includes public safety; it includes  
8       character of the community; it includes implementing  
9       our comprehensive plan; and I believe that it includes  
10      all the concerns that we just talked about.

11              Also, if you look at AHPAA, as it's called,  
12      and at the mandate, if we were to be determined to be  
13      a nonexempt municipality, AHPAA -- some of the  
14      requirements of it -- I want to find the part here --  
15      includes -- so it says the plan that we would be  
16      mandated to submit must consist of at least the  
17      following components: "Identification of lands within  
18      the jurisdiction that are most appropriate for the  
19      construction of affordable housing," et cetera.

20              That gets right to land use. Land use is  
21      the Plan Commission's purview. I hope that's not in  
22      dispute. So the plan that the City would be mandated  
23      to submit includes -- among the things that it needs  
24      to consider or look at are identifying lands that are

1 appropriate for affordable housing units, and that  
2 gets to land use.

3 The third thing is that in my personal  
4 opinion, when you talk about policies or mixed  
5 residential development, there's probably no more  
6 important consequential issue in residential  
7 development than this issue.

8 I think it is a critically important issue,  
9 and we're being asked to basically forfeit our voice  
10 as an advisory group to the City Council, which is not  
11 something that I want to do because I think that we  
12 can talk about this.

13 I don't think it's particularly burdensome  
14 administratively to have two commissions advise the  
15 Council on the same thing, and I think that this is  
16 something that's within our area of -- it's within our  
17 charge.

18 I guess I would conclude by saying if you  
19 think about what we've had to do tonight, the fact  
20 that we continued this meeting, we reviewed all this,  
21 I feel much more informed about this policy, the  
22 rationale behind this policy, what it means for  
23 development in the City, and I think it's to the  
24 City's benefit for the Plan Commission to be informed

1 about this policy so that we can take steps to support  
2 it and not unintentionally undermine it in our  
3 decisions.

4 I mentioned earlier I spoke with Adam Gross  
5 at BPI Chicago, and I asked him to help me understand  
6 how communities are using home rule to try to skirt  
7 State law.

8 Among the things that he shared with me, he  
9 said a lot of times ironically, sort of in  
10 contradiction to what I'm arguing -- a lot of times  
11 municipalities will use their Plan Commissions as a  
12 way to obstruct the development of affordable housing.

13 They'll do that through innocuous  
14 development requirements that don't have anything to  
15 do on their face with affordable housing, like lot  
16 restrictions or things about the physical form of a  
17 development, which make that development implicitly  
18 unaffordable to build.

19 So if we get an application or a recommended  
20 change to something in the zoning that either  
21 explicitly or implicitly undermines the Affordable  
22 Housing Ordinance, then we're acting in a way, maybe  
23 without even knowing it, that's going to contradict  
24 what the Housing Commission is trying to do.

Hearing: General Amendment to Chapter 17.18 and 17.04  
Conducted on October 20, 2015

70

1           So for all those reasons, I just think that  
2           it's something that the Plan Commission should  
3           continue to be engaged in, we should continue to have  
4           discussion with the Housing Commission, and we should  
5           be aware of this as an important policy issue.

6           MEMBER SPRUTH: Just going on that point,  
7           it's also advantageous for the Housing Commission that  
8           there's two voices that are presented to the Planning  
9           & Development Committee rather than just one.

10           So it can be further used to, I guess,  
11           highlight the importance of a development if you have  
12           two committees agreeing when it goes to the Planning &  
13           Development. So that is another way to look at it  
14           because we do support -- I think the Plan Commission  
15           as a whole does support the Housing Committee, and we  
16           want to work with you.

17           So although we talked about last time at the  
18           meeting that this is the first time in 10 years, we  
19           don't want that to continue, and it's important to  
20           have the communication going between the two.

21           CHAIRMAN WALLACE: Other discussion?

22           MEMBER SCHUETZ: I guess I just want to ask:  
23           Why was that recommendation made?

24           MS. TUNGARE: That was something that I

1 think I took the initiative to -- well, I initiated  
2 it, to be honest with you, that part of the  
3 conversation.

4 Since we are amending the Inclusionary  
5 Housing Ordinance and, again, given the initial  
6 direction I received from Council about more  
7 flexibility, some more fluidity within the ordinance,  
8 and acknowledging that this is a regulation but  
9 there's a lot of policy intertwined with this  
10 regulation, my thought process was that it really  
11 quite doesn't fit the structure of the Zoning  
12 Ordinance.

13 The Zoning Ordinance is pretty black and  
14 white, and that's the way it needs to be. This  
15 doesn't quite fit the structure of the Zoning  
16 Ordinance. So my thought process was purely from an  
17 administrative standpoint in terms of administering  
18 the ordinance.

19 Is it a right or a wrong? I don't think so.  
20 It really isn't, but it was purely from, you know,  
21 administering the ordinance, from that standpoint.

22 Also, I can appreciate the thought process.  
23 I think, you know, there is strength in numbers in  
24 terms of having two commissions look at the same

1 thing; but on the same token, the charge of the  
2 Housing Commission purely is affordable housing issues  
3 for the City of St. Charles. The Plan Commission has  
4 a really big job dealing with development matters.

5 So again, from an administrative standpoint,  
6 trying to divvy up the responsibilities was, again, my  
7 thought process because you can get two good  
8 commissions who really understand their charge --  
9 they're very motivated, made up of bright, dedicated  
10 individuals -- but then sometimes it could put Staff  
11 in the awkward position of saying, "You know, it's  
12 hard to get two groups to really agree on something."

13 It just adds a layer of complexity. It adds  
14 a layer of complexity.

15 On our team here in Community & Economic  
16 Development, we staff seven, eight, whatever the  
17 number is, commissions and committees. For example,  
18 we have an Historic Preservation Commission. They  
19 have their charge to deal with historic preservation  
20 matters.

21 We don't have the Plan Commission and the  
22 Historic Commission -- they may be looking at the same  
23 development proposal, but they look at it from  
24 different angles, different aspects.

1           That was, again, our thought process, you  
2 know, treating the Housing Commission and the Plan  
3 Commission similar to how we treat the Historic  
4 Preservation Commission and the Plan Commission.

5           Again, I don't think there's a right or a  
6 wrong or that it necessarily matters to do it one way  
7 or another.

8           MEMBER DOYLE: I shared the segment from MPR  
9 that aired, coincidentally, just last week. A lot of  
10 things that are mentioned in that segment are things  
11 that I recognize and that I have talked about  
12 previously in terms of our public hearings and, you  
13 know, objections of the community to this kind of  
14 development.

15           It is clearly an issue that is very  
16 contentious, and it's a flash point. Every time  
17 multifamily development comes up, it is a flash point.  
18 People come out of the woodwork to express their  
19 opinion on it. When you look at our catalytic sites  
20 in the Comprehensive Plan and what makes them  
21 contentious, it's the prospect of multifamily  
22 development on those sites.

23           So I understand and appreciate the desire  
24 for efficiency and for sort of keeping things simple,

1 but I think that this, of all issues, is not a simple  
2 issue. It's not simple when it comes to community  
3 relations.

4 If it were the case that the two commissions  
5 were of different opinions after careful deliberation  
6 and analysis and all of that, it may or may not be  
7 helpful to the City Council to receive those different  
8 viewpoints from two different citizen commissions.

9 If we think about this, again, I mean, it  
10 was two extra meetings; right? One extra meeting the  
11 last time that we continued and now tonight.

12 I think the benefits -- I hope you would  
13 agree that the benefits of these two extra meetings  
14 are not inconsequential in terms of our awareness of  
15 the issues and awareness of how it impacts the  
16 Comprehensive Plan or impacts things that we're going  
17 to see.

18 So I don't want my objection to it to be  
19 construed as inferring anything about the intent or  
20 anything about why this came up. I just feel very  
21 strongly that this is something that is in the  
22 Commission's interest.

23 I'd like to focus our attention on things  
24 that we all agree about and make certain that those

Hearing: General Amendment to Chapter 17.18 and 17.04  
Conducted on October 20, 2015

75

1 things get through, which is why I wanted to get that  
2 stuff out of the way first. If the City Council  
3 decides that this should go into a separate section of  
4 the ordinance of the Code, that's their discretion.

5 CHAIRMAN WALLACE: Further discussion?

6 All right. Tim?

7 VICE CHAIRMAN KESSLER: Pretz.

8 MEMBER PRETZ: Yes.

9 VICE CHAIRMAN KESSLER: Spruth.

10 MEMBER SPRUTH: Yes.

11 VICE CHAIRMAN KESSLER: Purdy.

12 MEMBER MACKLIN-PURDY: Yes.

13 VICE CHAIRMAN KESSLER: Holderfield.

14 MEMBER HOLDERFIELD: No.

15 VICE CHAIRMAN KESSLER: Doyle.

16 MEMBER DOYLE: Yes.

17 VICE CHAIRMAN KESSLER: Schuetz.

18 MEMBER SCHUETZ: Yes.

19 VICE CHAIRMAN KESSLER: Wallace.

20 CHAIRMAN WALLACE: I'm sorry. Was that a  
21 "yes"?

22 MEMBER SCHUETZ: Yes.

23 CHAIRMAN WALLACE: Yes.

24 VICE CHAIRMAN KESSLER: Kessler, yes.

1 MS. TUNGARE: Was the motion clear to  
2 everyone?

3 MEMBER DOYLE: The motion is to keep --

4 VICE CHAIRMAN KESSLER: Is to recommend  
5 denial of including No. 7 of the Staff Report.

6 MS. TUNGARE: Correct.

7 CHAIRMAN WALLACE: So that motion passes by  
8 a vote of 7 to 1, and that concludes Item 5 on the  
9 agenda, unless -- do we have to have a separate  
10 motion to recommend approval of the other affected  
11 sections?

12 MS. TUNGARE: We should get a motion.

13 MR. O'ROURKE: They're all related to the  
14 previous motion.

15 CHAIRMAN WALLACE: Okay. So if we recommend  
16 denial on that, it would probably be in order to  
17 recommend denial on the others?

18 MR. O'ROURKE: I think you kind of did that  
19 by virtue of recommending denial of --

20 MS. TUNGARE: It happened, but if you want  
21 to --

22 VICE CHAIRMAN KESSLER: I don't understand  
23 what you mean.

24 CHAIRMAN WALLACE: Because we voted only

Hearing: General Amendment to Chapter 17.18 and 17.04  
Conducted on October 20, 2015

77

1 on Chapter 17.18 to recommend denial, as set forth  
2 in that Subsection 7, but part of the application  
3 was also Chapter 17.04, 17.04.400, and Appendix A,  
4 which all referenced the new Inclusionary Housing  
5 Ordinance.

6 MEMBER DOYLE: I would accept that as a  
7 friendly amendment to the motion.

8 CHAIRMAN WALLACE: Yeah. We've already  
9 voted on it.

10 MS. JOHNSON: I think it is inferred, yes.

11 CHAIRMAN WALLACE: What was that?

12 MS. TUNGARE: It is really inferred because  
13 those can be amended if --

14 VICE CHAIRMAN KESSLER: If it just goes  
15 away.

16 MS. JOHNSON: Right.

17 MS. TUNGARE: Exactly.

18 CHAIRMAN WALLACE: All right. Item 6 is the  
19 Weekly Development Report.

20 I have a question for Staff. I wasn't at  
21 the Planning and Development meeting last time, but  
22 the Pheasant Run Resort, was it largely presented in  
23 the same way it was presented to us?

24 VICE CHAIRMAN KESSLER: Brian was there.

Hearing: General Amendment to Chapter 17.18 and 17.04  
Conducted on October 20, 2015

78

1 MEMBER DOYLE: I'm sorry. Was it presented  
2 in the same way? How do you mean?

3 CHAIRMAN WALLACE: Did they change anything  
4 about their concept plan, and how was it received?

5 MEMBER DOYLE: I'm not following you.

6 MR. O'ROURKE: It was the exact same plan.

7 MS. TUNGARE: It was the exact same  
8 presentation they gave the Plan Commission, if you're  
9 asking about the developer's presentation.

10 CHAIRMAN WALLACE: Yeah.

11 MS. TUNGARE: Yes. The plan they presented  
12 and the supplemental information was exactly the same  
13 presentation, yes.

14 CHAIRMAN WALLACE: How was it received by  
15 City Council -- or by Planning & Development?

16 MS. TUNGARE: Overall, the Planning &  
17 Development Committee was in favor of the concept that  
18 was presented.

19 CHAIRMAN WALLACE: What about the  
20 residential component?

21 MS. TUNGARE: The residential component as  
22 well -- and correct me if I'm speaking out of turn,  
23 because I'm going off of memory. Basically, I think  
24 there was support for the residential component of it,

Hearing: General Amendment to Chapter 17.18 and 17.04  
Conducted on October 20, 2015

79

1 acknowledging that they didn't have the details on it  
2 in terms of how many housing units.

3 MEMBER DOYLE: We're talking about now  
4 Pheasant Run?

5 CHAIRMAN WALLACE: Yes.

6 MS. TUNGARE: Yes.

7 MEMBER DOYLE: So I think the most  
8 interesting part -- I was there. The most interesting  
9 part was one alderman took exceptional umbrage at the  
10 DuPage County Airport Authority coming in and  
11 presuming to tell the City what we should and should  
12 not do, since they're not part of our taxing body, and  
13 was quite pointed in telling the Authority to go mind  
14 its own business, as I would characterize it.

15 CHAIRMAN WALLACE: That's funny.

16 MEMBER DOYLE: Yeah. I didn't see that one  
17 coming.

18 I was seated next to some of the members of  
19 that authority, and I overheard some grumbling from  
20 them about it.

21 MEMBER SPRUTH: I'm sure they're a  
22 significant stakeholder as part of that application.

23 MEMBER DOYLE: Now, what they offered back  
24 without breaking their stride was, "Let's be clear.

1 In no uncertain terms, this is a safety risk, and it's  
2 a noise risk, and the noise is going to increase."

3 It was a clear difference of opinion as to  
4 whether or not proximity to the airport was something  
5 that should be of concern to the City.

6 CHAIRMAN WALLACE: Is any of the airport  
7 within our corporate limits?

8 MS. TUNGARE: No, it is not. It's not  
9 within the corporate limits, within our jurisdiction.

10 MEMBER SCHUETZ: What is a bit humorous  
11 about it is I'm sure you've all been reading and  
12 hearing the new traffic pattern for O'Hare. So it  
13 would overshadow anything they would hear at DuPage, I  
14 think. I mean, seriously. I'm not saying that's a  
15 reason to do it.

16 MEMBER SPRUTH: Yeah, unless you're a  
17 resident living in that house.

18 MEMBER SCHUETZ: I know. I'm not saying I'm  
19 in favor. I'm just saying it's kind of --

20 MEMBER SPRUTH: Yeah.

21 VICE CHAIRMAN KESSLER: Well, what I read  
22 from the aldermen, Dan Stellato being one of them, is  
23 what we said at the last meeting -- or what I said at  
24 the last meeting. You know, it's not a

1 single-family-home-suburban-subdivision candidate, but  
2 there is some sort of residential that could end up  
3 there, depending on how the land is used.

4 MS. TUNGARE: And the onus is going to be on  
5 the more intense use to demonstrate what impact it's  
6 going to have on the less intense use, which will be  
7 the airport.

8 MEMBER DOYLE: To your question, Todd, the  
9 plan as it was presented, there were some visuals that  
10 were presented at the meeting that were different than  
11 what we saw. There were some park scenes, some sort  
12 of gardens.

13 MS. TUNGARE: Was that not shown --

14 MS. JOHNSON: Yeah, I think you're right.

15 MEMBER SCHUETZ: We recommended it.

16 CHAIRMAN WALLACE: We suggested it.

17 MEMBER DOYLE: The visuals that were on the  
18 screen with the park scenes and the gardens and those  
19 sorts of things were not something that we saw at the  
20 concept plan.

21 MR. O'ROURKE: If I could just clarify, it  
22 wasn't meant to be what they're going to do. It was  
23 just a representation of the kinds of ideas that  
24 they're talking about. It wasn't like a plan.

Hearing: General Amendment to Chapter 17.18 and 17.04  
Conducted on October 20, 2015

82

1 MS. TUNGARE: So those were actually things  
2 in Chicago and other places.

3 MR. O'ROURKE: Yeah.

4 MEMBER DOYLE: Right. It's clear that --  
5 yeah, I don't think that the concept plan was  
6 materially different as presented. Just some of the  
7 visual aides were different.

8 CHAIRMAN WALLACE: All right. Meeting  
9 announcements?

10 MEMBER SPRUTH: As far as the November 9th,  
11 we invited the Housing Commission to that, didn't we?  
12 We suggested that last time?

13 MS. JOHNSON: To the joint meeting.

14 MS. TUNGARE: The purpose of that meeting is  
15 specifically for communication between the City  
16 Council and Plan Commission.

17 MEMBER SPRUTH: Yes, but we can invite -- I  
18 mean, it's an opportunity to invite another  
19 stakeholder. It could be one person from the Housing  
20 Commission that can just sit and listen.

21 MS. TUNGARE: You know what? The purpose of  
22 that meeting is different. So I would not recommend  
23 that.

24 CHAIRMAN WALLACE: It's a public meeting.

1 MS. TUNGARE: It is a public meeting.  
2 Anyone from the public can show up, but really the  
3 purpose of that meeting is different.

4 If the group would like, we can facilitate a  
5 joint meeting between the Housing Commission and the  
6 Plan Commission sometime in the future.

7 MEMBER DOYLE: So this came up at the last  
8 meeting. We talked about the possibility of some sort  
9 of joint meeting, and then Michelle brought up, "Well,  
10 we have a joint meeting coming up. Maybe we could  
11 leverage that."

12 I recall that we said last time that it is a  
13 public meeting and that anybody can come, but that  
14 there might be a notification issue.

15 MR. O'ROURKE: I think I stated at the last  
16 meeting that if you formally invite the Housing  
17 Commission, then you have to formally notice it as  
18 such and comply with the Open Meetings Act.

19 MEMBER SPRUTH: But the Housing Committee,  
20 they can come to the meeting.

21 MR. O'ROURKE: They can come as a citizen.

22 MEMBER SPRUTH: Yes.

23 MS. TUNGARE: I think given that the next  
24 meeting, the joint meeting, is really an extension of

1 an original meeting that was had between the P & D  
2 Committee and the Plan Commission, it was really  
3 requested by the leadership of both groups,  
4 specifically the Chairman of the P & D Committee and  
5 the Chairman of the Plan Commission, I would like to  
6 keep that as a separate, you know, forum for whatever  
7 conversations the leadership of those groups and the  
8 two groups decided they wanted to have at the next  
9 meeting.

10 I just want to make sure that doesn't  
11 interfere with whatever they had in mind; but to the  
12 extent, you know, there's an interest in having a  
13 joint meeting between the Plan Commission and the  
14 Housing Commission, sure, we can facilitate that,  
15 absolutely.

16 MEMBER SPRUTH: Consolidate the meetings so  
17 that maybe there's an opportunity where stakeholders  
18 involved in applications can come along to this where  
19 they can meet all individuals to develop more of like  
20 a relationship so we don't wait 10 years before we  
21 hear somebody's point of view.

22 You know, I guess that's what I was just  
23 trying to facilitate.

24 VICE CHAIRMAN KESSLER: Well, I will say --

1 you're right, Michelle.

2 I'm glad this discussion came up the way it  
3 did because I do believe that it's been some time  
4 since we knew what the Housing Commission was about.  
5 This was a great opportunity to find out as a meeting,  
6 see what's happening.

7 I mean, David, I have to tell you again your  
8 passion is contagious.

9 MR. AMUNDSON: Thank you.

10 VICE CHAIRMAN KESSLER: He wants affordable  
11 housing, and I can't forget that.

12 I have a question, though. Will this  
13 application be on the November 9th Planning &  
14 Development meeting?

15 MS. TUNGARE: That's the plan at this time,  
16 yes. That is the plan at this time.

17 Just so the Plan Commission recognizes how  
18 some of our commissions and committees are set up,  
19 particularly the Housing Commission, the Housing  
20 Commission is made up of a group of individuals that  
21 really are representative of the different commissions  
22 and committees that exist.

23 You amongst yourselves do have a  
24 representative from the Plan Commission that sits on

Hearing: General Amendment to Chapter 17.18 and 17.04  
Conducted on October 20, 2015

86

1 the Housing Commission. That individual at this time  
2 is Tim Kessler. He is the Plan Commission  
3 representative to the Housing Commission. So really,  
4 he is your conduit for communication, not that I'm  
5 saying there aren't other avenues.

6 We have a City Council member, Rita  
7 Payleitner, who is the City Council representative on  
8 the Housing Commission; we have a representative from  
9 the School District; and we have a representative from  
10 the Park District as well as on the Housing  
11 Commission. Plus there are some other community  
12 members at large on the Housing Commission.

13 So that's really the makeup of our Housing  
14 Commission. We do have representatives from different  
15 groups on there as well.

16 CHAIRMAN WALLACE: All right. Any  
17 additional business from Plan Commission Members?

18 Staff? Citizens?

19 VICE CHAIRMAN KESSLER: I'd make a motion to  
20 adjourn.

21 MEMBER SCHUETZ: Second.

22 CHAIRMAN WALLACE: It's been motioned and  
23 seconded.

24 All in favor?

Hearing: General Amendment to Chapter 17.18 and 17.04  
Conducted on October 20, 2015

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(The ayes were thereupon heard.)

CHAIRMAN WALLACE: Opposed?

This meeting of the St. Charles Plan  
Commission is adjourned at 8:36 p.m.

PROCEEDINGS CONCLUDED AT 8:36 P.M.

Hearing: General Amendment to Chapter 17.18 and 17.04  
Conducted on October 20, 2015

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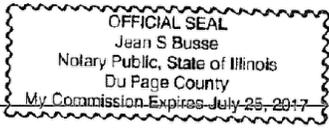
STATE OF ILLINOIS )

) SS.

COUNTY OF DU PAGE )

I, Jean S. Busse, Certified Shorthand Reporter No. 84-1860, Registered Professional Reporter, a Notary Public in and for the County of DuPage, State of Illinois, do hereby certify that I reported in shorthand the proceedings had in the above-entitled matter and that the foregoing is a true, correct and complete transcript of my shorthand notes so taken as aforesaid.

IN TESTIMONY WHEREOF I have hereunto set my hand and affixed my notarial seal this 26th day of October, 2015.

Notary Public

My Commission Expires July 25, 2017.