

**Evanston City Council  
Closed Session Minutes  
Aldermanic Library  
March 28, 2005**

PRESENT: Aldermen Moran, Tisdahl, Rainey, Feldman, Newman, Wynne, Bernstein

NOT PRESENT AT ROLL CALL: Alderman Jean-Baptiste

ABSENT: Aldermen Kent

STAFF: Judith Aiello, Julia Carroll, Herb Hill, Vince Jones, Frank Kaminski, Gavin Morgan, Elke Purze, Bill Stafford

PRESIDING: Mayor Lorraine H. Morton

START: 6:04 p.m.

Alderman Bernstein moved that Council convene into Closed Session for the purpose of discussing matters related to litigation, special police investigation, personnel, real estate and executive session minutes pursuant to 5ILCS Section 120/2 ( c) (1) (5) (6) (11) and (21). Seconded by Alderman Rainey.

Roll call. Voting aye – Moran, Tisdahl, Rainey, Feldman, Newman, Wynne, Bernstein. Voting nay – none.  
Motion carried. (7-0)

**Minutes**

Closed session minutes of March 14, 2005 were accepted without change.

**Police Report – Operation Triple Play**

Chief Frank Kaminski introduced Commander Tom Cabanski, Sergeant Dan Russell, and Officer Ryan Glew who were part of the operation.

Officers handed out reports on Operation “Border Patrol” which started in the summer of 2003 in partnership with the Chicago Police Department. 17 individuals were charged. Operation “Top Draw” was in connection with the Drug Enforcement Agency and a five year operation from 1999 -2004 in which 16 individuals were prosecuted. In Operation “Triple Play” Evanston Police worked with the Cook County Sheriff’s/Police and Cook County State’s Attorneys office to target business locations throughout Evanston where drugs were sold on the street. Chief Kaminski reported these three major operations in the last 16 months are part of a strategic plan. The reports contain sentences received by individuals. (Alderman Jean-Baptiste was present at this time.)

Operation Triple Play was six months in duration from June to December 2004. 28 defendants will be charged with delivery of controlled substances and 21 individuals are in custody. 17 locations in Evanston had narcotics transactions. Council members saw a DVD of Operation Triple Play that showed actual drug buys being made with a handshake.

In response to Mayor Morton, officers indicated those convicted could receive sentences up to 18-years. Chief Kaminski said the sentences on “Top Draw” were longer because they were prosecuted under federal law. Alderman Rainey said that Operation “Triple Play” had an astonishing affect on Howard Street. Chief Kaminski noted that high level dealers were caught under “Border Patrol” and “Top Drawer” operations. He said the strategy is to come back at all levels and keep everybody off balance. Chief Kaminski said credit is due to these officers and he appreciated Council’s support.

**Real Estate – Sale of 425 Dempster**

Assistant City Manager Judith Aiello reported that several months ago word was received from the Board of Chiaravalle Montessori School that they would like to purchase the building. They are undertaking a major capital campaign and several potential donors would be more willing to give if the school owned the property. Did Council want to sell this property and, if so, would they agree to a negotiated sale. There are would be several conditions; park land would be excluded, what they want to do to the building, option to repurchase, etc.

Alderman Wynne had met with board members and spoken with one or two active community members who did not want to sell the building nine years ago. She suggested presenting the appraisal to the board to see if they are interested. The appraisal number was not mentioned. Her concern was maintaining the integrity of the building and the park.

Alderman Rainey asked the position of those currently opposed. Alderman Wynne said the two people she spoke with were concerned about tearing down the building and the park land. Chiaravalle has been a good neighbor although there have been problems with parking and traffic. They had issues with a group that used the building on weekends that used screaming therapy which was stopped. They have replaced the boiler. There are no big issues. There is concern that the school will grow. She pointed out the current board won't be there in 15 years when they may want to accommodate more students. She did not want development there. Many people in the neighborhood send their children to Chiaravalle. She supported going back to the board with the \$3.8 million appraisal. There are potential changes and she knew they want to remodel the gym. City Manager Carroll said that they want to tear down the gym and replace it in the same foot print.

In response to Alderman Bernstein, 1st Assistant Corporation Counsel Herb Hill said the code allows a negotiated sale and the City can put in as tight a framework on the sale as they want.

Alderman Feldman saw no reason the City would want to sell this property. Nobody has advocated that a sale would be terrific for the City or demonstrated why owning is better than leasing, unless there is an agenda they are not aware of. He said they must think of what is best for the City. They are not selling any park land. If somebody wanted to buy the Recycling Center in James Park the City would not consider it. If sold, they lose it forever. Chiaravalle was a special case. The building was not being used properly. Designed by Daniel Burnham, using it as a school was a social good. The lease insured the building would be maintained and there were no community issues. He was willing to continue to support that option. They could sell it, spend the money and then worry about getting money some other time to buy it back.

Alderman Moran asked if the building is a landmark. Ms. Aiello thought it was a contributing building in a historic district. He thought they could assume the building would be preserved in some way or another. Using it for a social good seemed a coherent approach. They have a long-term lease and if the City vested title in the school, and the board committed to spend major funds, they could feel confident the building would continue to be used as a school. If the City can gain millions by selling the building he saw that as a big plus fiscally. He thought they had protections from the use, architecture, design and building site.

Alderman Wynne argued that the first right of refusal would be meaningless in 10 years. Once sold, in ten years they could come back and say it is worth \$5.6 million. When they sell they have to be very cautious; thought there were other buildings they could sell. She did not know that they have any guarantee that this will be a school in ten years no matter how much they spend. Could they put a deed restriction on this building that it cannot be used for anything other than a school? She saw many issues they have to be careful of and had only spoken to two neighbors who would keep this confidential.

Alderman Rainey asked why they were leaving this on an open plate. Could they not tell the board that the that there is little interest in selling the property. Alderman Rainey moved that the board be told there is little interest in selling. Seconded by Alderman Feldman. There were no objections.

City Manager Carroll will write a letter giving the City's position.

**Real Estate – 1881 Oak**

Ms. Aiello reported that Glenlake who own 1881 Oak have a contract pending to sell the property to Carroll Properties. The contract is based on changing the redevelopment agreement which restricts them to develop this property as an office building. The buyers propose a 17-story mixed use development of 10,000 square feet of commercial/retail space on the first floor and 175 condominiums.

She asked Council if they were interested in changing the redevelopment agreement which requires Glenlake to build an office building. If so, they would go back and renegotiate the agreement.

Alderman Feldman urged Council to say yes noting that lot has just sat there. If he thought there was any hope they could build an office building he would, but considering the downtown vacancy rate, there is no demand for office space. Since the City just lost \$1 million in taxes, this would help the city. He pointed out in a planned development the City has a lot of say in how the building would look and thought the architecture could contribute to the City and this would also contribute to the TIF. He said that waiting was foolish and they should take advantage of Mr. King's proposal. He said that Carroll Properties has done good work and Mr. King was interested in putting some affordable housing in this development.

Alderman Rainey asked for more information on Carroll Properties. Alderman Feldman did not know them but had heard of them. Alderman Jean-Baptiste said they are second generation builders in Chicago and have done major developments there. Ms. Aiello said they have mainly done residential development on the south and west sides of Chicago. Currently they are negotiating to do a development in Bellwood. Alderman Rainey confirmed Mr. King is not related to Paul King.

Alderman Wynne asked about the 17-stories. Ms. Aiello said that was their concept and did not know the economics of the development. Alderman Wynne thought 17 stories was a lot of height considering the size of the land. The lot is across the street from the Ebenezer church. Ms. Aiello thought it was a starting point. Alderman Wynne wanted to discuss height with the buyers and noted this is non-contextual architecture.

Alderman Tisdahl had no knowledge of the office market and asked Ms. Carroll her opinion. Ms. Carroll said that information from brokers through Evmark is that it is not likely to change. She also was concerned about height. Mr. King has an option on this land, and in an earlier memo to Council, she reported that there is a hotel development that wants the land and lot next to it to bring in an upscale extended stay hotel. Ms. Carroll said something would be submitted next week by NIA Hiffman.

Alderman Feldman asked if there was any action by Council can take, if they decide this is appropriate for residential, does that not mean the residential approval is of King. If appropriate for residential, can the hotel come in.

Ms. Aiello said the issue is there is a redevelopment agreement governing this site. At this point that is the direction the property owner has to take. They cannot just say they will take residential. Another developer wanted to do a smaller residential project, and Council after input from the Plan Commission, chose not to agree to change the agreement. They have to be project specific in the agreement. That was why they need another couple of weeks if they are interested in an alternative.

Alderman Bernstein said if it is project specific that would preclude Mr. Kardell from marketing this to residential developer. He noted this is downtown, on an arterial street adjacent to other tall buildings so he was not offended by height. He would not forego a proposal that talks about affordable housing and other concessions to the City. Anything is better than what they have now.

In response to Alderman Wynne Ms. Aiello said they could go back to Glenlake and tell them they are interested in residential but not in 17 stories which would affect the sale price. Alderman Jean-Baptiste thought the question was whether they were willing to accept residential. Ms. Aiello said they would not amend the redevelopment agreement until they have a site specific project.

Alderman Feldman said they are negotiating almost everything and wondered how it could be altered if it is specific project. Ms. Aiello said all they need to do is to say that Council will consider an alternative to the

redevelopment agreement but want a specific discussion with the person Glenlake has a contract with. If Council does not want 17 stories, Mr. Kardell needs to know that. Alderman Feldman thought making a flat statement about the 17 stories before they know anything else was like censoring the project.

Alderman Rainey asked how they tell Mr. Kardel they are willing to consider residential and still have the option of the other proposal for an extended stay hotel which she would hate to lose. Her preference would be for commercial over residential.

Alderman Bernstein did not want to foreclosure any opportunity for this land and also preferred commercial development over condominiums.

Mayor Morton asked if Council wanted to hold this over for another two weeks.

Alderman Newman said this land has been on the market a long time and asked where the extended stay hotel has been. When people hold property that looks terrible, at some point, they have to let them sell. He asked the parameters on the new proposal.

Ms. Carroll stated the hotel people are aware the property is under contract to Mr. King, subject to getting a zoning change. They want to pursue it because of the location, and if not there, want another location. If the deal with Mr. King does not go through, Council can pursue the other. Ms. Carroll said the man is Dan Biner, NIA Systems Hospitality. The question was, were they interested in something other than office use, which is what the property is restricted to currently.

All materials on the extended stay hotel will be available and the discussion continued on April 12.

#### **Relocation of Autobarn – 1000 block Chicago Avenue**

Ms. Carroll reported that Richard Fisher wants to buy the Toyota dealership and remodel it into a Volkswagen dealership, then remodel the other dealership with Mazda and keep his pre-sale cars in the same location. He was asking the City for a sales tax rebate of up to \$2 million; will spend up to \$8.5-9 million to acquire and remodel the property. She asked Council if they were interested in authorizing staff to negotiate some kind of sales tax sharing agreement to prevent him from moving his business to Skokie. He has told the City that if he gets some kind of assistance, he will use Skokie location for car storage and keep the dealerships here. She thought he was open to taking less than \$2 million.

Alderman Wynne suggested they give staff direction to begin negotiations. Mr. Fisher is very successful and holding as many dealers here as possible is in the City's interest. Their service department works well. The Toyota site has had a lot of interest from developers that are detrimental to Chicago Avenue. She moved that staff negotiate with Mr. Fischer. Seconded by Alderman Rainey. No objections were raised. Alderman Feldman wanted to be sure that the Skokie location is for storage and not a dealership if a deal is made.

At 7:28 p.m. Alderman Jean-Baptiste moved that the Council convene into open session and recess. Seconded by Alderman Bernstein. Motion carried unanimously.

Mary P. Morris,  
City Clerk