



Legislation Text

File #: 16-248, **Version:** 1

ACTION REQUESTED:

Communication from the City Manager and Community Development Director with a Request to RECEIVE AND FILE the Final Development Plans for HABITAT FOR HUMANITY for the Project Located at the 1000 BLOCK of NE MONROE STREET and Provide PUBLIC NOTICE of the ILLINOIS HISTORIC PRESERVATION AGENCY'S (IHPA) Finding of NO ADVERSE EFFECT on the North Side Historic District Resulting from Said Development. (Council District 1)

BACKGROUND: On March 22, 2016, City Council approved the HUD HOME funds award of \$300,000 to Habitat for Humanity Greater Peoria Area for the construction of four (4) new, affordable, single-family, owner-occupied homes located at the 1000 block of Northeast Monroe (Council Item # 16-092). Additionally, City Council approved the lot donation at 1019, 1021 and 1023 NE Monroe for this development (Council Item # 16-093). The \$300,000 in HUD HOME funding is from the Community Housing Development Organization (CHDO) set aside funds from 2015. Habitat is certified by the City as a CHDO. Per HUD HOME regulations, a CHDO is a private, nonprofit, community-based, service organization that have paid staff with the capacity to develop affordable housing for the community it serves.

On April 12, 2016 (Council Item # 16-102), City Council approved an amendment to its original action on March 22, 2016 to remove the CHDO designation from the first of the four houses to be developed with the awarded \$300,000. This first house is a Habitat Women's Build that is sponsored by Congresswoman Cheri Bustos. Due to a potential conflict of interest with regard to the investment of federal funds in a project sponsored by a Congresswoman, the Chicago HUD field office would require the City to complete a conflict of interest review on the property before construction could begin; a 30-90 day process. In lieu of the conflict of interest review, the amendment removed the CHDO designation from the Women's Build house resulting in four homes to be built with only three carrying the CHDO designation.

In the original request for Council action on March 22, 2016, City staff included a rendering and description of an example build. The description included a list of building materials, design elements and referenced the one car garage access from the alley. The example rendering and description included in the original Council request for action was provided as a visual aid rather than a final development plan. It was intended to give an idea of the character of the building design in order to provide a more comprehensive vision of the development to council. The Council action on March 22, 2016 (Council Item # 16-092) approved the funding award to Habitat for Humanity for the development. This Receive and File Communication is meant, in part, to offer final plans for the development which make clear a new design element included in the final two CHDO builds and the reasoning behind this evolution in the project.

The example description of the CHDO builds that were awarded funds on March 22, 2016, included alley access for each property on NE Monroe St. Alley access has been successfully introduced for the property at 1015/1017 NE Monroe as well as the privately funded Women's Build at 1009 NE Monroe St. However, the layout of the remainder of the block bears significant obstacles to introducing alley access for the remaining two builds. Habitat's initial plan was to purchase and demolish the structures on the three Morton Ave. properties which are situated between the rear of the Monroe St. builds and the existing improved alleyway. However, due to the asking-price inflation of one property and the drawn-out bankruptcy process unfolding at another Morton Ave. property as well as the fact that all three homes are currently occupied, Habitat no longer sees this as a viable option.

The other option available for introducing alley access would require the City of Peoria to improve an unimproved right of way which comes off Morton Ave between two homes and continues parallel to Monroe St. for approximately 170 ft. before a 90 degree turn which connects it to the existing improved alley. This would provide alley access to both the remaining Monroe St. builds. It carries an estimated \$125,000.00 cost which could not be covered using HOME funds as public infrastructure is not an eligible cost for the grant.

In order for the project to move forward the design concept has evolved to include a driveway off of NE Monroe St. and front facing garages for the two remaining builds. The installation of these driveways is consistent with City codes and ordinances and is compliant with Public Works standards. The driveways will not interfere with existing trees or ornamental lighting that is currently in place on NE Monroe St. A few neighborhood residents have expressed concern regarding the impact of these Monroe St. driveways with curb cuts onto Monroe St. and front facing garages on the historical character of the neighborhood. Though there are a total of 14 driveways with curb cuts on Monroe St. in the immediate neighborhood, including one directly across the street from this development, the neighborhood was originally designed for alley access. This side of the block is 1 of 4 remaining block-sides on Monroe St. between downtown and Abington St that has no existing curb cuts. Part of the reason for the resident concern is that these would be the first curb cuts on this side of this block of Monroe St. However, curb cuts have become a norm in the area and are present on 13 out of the 15 blocks on Monroe St. between the interstate and Abington St. Many private developers have introduced curb cuts on properties that have existing access to an improved alleyway. However, this development is making use of HUD funds and is therefore subject to further scrutiny with regard to its impact on an historic district.

HUD HOME Funds are subject to an environmental review which in this case requires the approval of the Illinois Historical Preservation Agency (IHPA), when building in a national historic district. Though IHPA has no design standards for new construction infill they are the official agency designated to ensure that a development will have no adverse effect on the historical character of the neighborhood. If adverse effects are found, mitigation is possible via other features of the development. IHPA sent its Cultural Resources Manager, David Halpin to conduct an on-site, information-gathering, public meeting with area residents, Habitat representatives and City staff on June 8, 2016. Mr. Halpin walked the project site and surrounding area and allowed for the concerns of all parties to be expressed. The following week on June 14, 2016, City staff as well as concerned residents received an official letter from IHPA finding that the curb cuts, driveways and garages will have no adverse effect on the historical character of the neighborhood. This official clearance verifies that the project is in compliance with HUD's environmental standards for the application of federal funds.

The construction of the Women's Build and the first CHDO house are well underway with structures standing and siding work having begun. At this time Habitat has expended funds for the remaining two builds in the form of survey costs. The initial plan for the two remaining builds was to combine lots 1019/1021/1023/1025 and divide them into two equal parcels. Habitat also owns 1029 NE Monroe St. and has decided to add it to the lot combination in order for the two final subdivided lots to meet the minimum lot size for City zoning requirements. This lot addition as well as the demolition of the degraded structure at 1029 NE Monroe St. (which will be conducted with private funds) have been approved by IHPA as well.

Over time, Habitat for Humanity as a developer has made significant changes in construction design to reflect community concerns regarding historical character. These changes include moving to a two-story model, adding open porches and front-gabled roofs as well as the inclusion of additional windows and vinyl siding with a wood-grain pattern. These are expensive changes and they illustrate Habitat's continued attempts to work with all members of the community above and beyond their core mission of providing fair and affordable housing. These efforts are visible in the final design plans included here for receive and file.

FINANCIAL IMPACT: There will be no change to the initial award of 2015 CHDO set aside funds, in the amount of \$300,000, to Habitat for Humanity.

NEIGHBORHOOD CONCERNS: Numerous members of the Peoria community are involved throughout the projects and efforts are made by Habitat to invite and include the neighborhood in the development process of the properties. Many of these community members are concerned that the project will not move forward. Some residents have stated objections to curb cuts and driveways off of Monroe with regard to the historical character of the neighborhood.

IMPACT IF APPROVED: N/A

IMPACT IF DENIED: N/A

ALTERNATIVES: None identified at this time.

EEO CERTIFICATION NUMBER: 03135-150630

WHICH OF THE GOALS IDENTIFIED IN THE COUNCIL'S 2014 - 2029 STRATEGIC PLAN DOES THIS RECOMMENDATION ADVANCE?

1. Attractive Neighborhoods with Character: Safe and Livable
2. Grow Peoria: Businesses, Jobs, and Population

WHICH CRITICAL SUCCESS FACTOR(S) FROM THE COMPREHENSIVE PLAN DOES THIS RECOMMENDATION IMPLEMENT?

1. Reinvest in neighborhoods.
2. Reduce crime.

DEPARTMENT: Community Development