

MINUTES OF A REGULAR MEETING

URBANA PLAN COMMISSION

APPROVED

DATE: July 19, 2007

TIME: 8:00 P.M.

PLACE: Urbana City Building
400 South Vine Street
Urbana, IL 61801

MEMBERS PRESENT: Jane Burris, Tyler Fitch, Ben Grosser, Michael Pollock, Bernadine Stake, Marilyn Upah-Bant, James Ward, Don White

MEMBERS EXCUSED: Lew Hopkins

STAFF PRESENT: Robert Myers, Planning Manager; Jeff Engstrom, Planner I; Teri Andel, Planning Secretary

OTHERS PRESENT: Brian Adams, Kenny Bilger, Mari Anne Brocker, Willard Broom, Helen Coleman, Mike DeLorenzo, James L. Dobrovolny, Susan Frobish, Ruth McCauley, Jill Peckham, Beverly Rauchfuss, Michael Ritchie, Jeff Wampler

1. CALL TO ORDER, ROLL CALL AND DECLARATION OF QUORUM

The meeting was called to order at 8:05 p.m., the roll call was taken, and a quorum was declared present.

2. CHANGES TO THE AGENDA

There were none.

3. APPROVAL OF MINUTES

Mr. Ward moved to approve the minutes from the July 5, 2007 Plan Commission meeting as presented. Ms. Stake seconded the motion. The minutes were approved by unanimous voice vote as presented.

4. COMMUNICATIONS

Packet of communications handed out by City staff included:

- ◆ Email from Kathryn Anthony
- ◆ Email from Dorothy Neumann

- ◆ Email from Katherine Lipes
- ◆ Email from Deborah Katz-Downie
- ◆ Email from Tom Rauchfuss
- ◆ Email from David Meyer
- ◆ Email from Beverly Fagan
- ◆ Email from William Sullivan
- ◆ Email from Karen Kummer
- ◆ Email from Bridget McGill
- ◆ Email from Leon Waldoff
- ◆ Email from Jennifer Hines and Rob Krumm
- ◆ Email from Ilona Matkovszki
- ◆ Email from Kate Hunter
- ◆ Note from Jeff Engstrom about a phone call he received from Nancy Goodall
- ◆ Letter from Jennifer Bauer Henson

Other communications handed out included:

- ◆ Letter from Richard Herman, Chancellor of the University of Illinois
- ◆ Photo packet of properties owned by Jeff Wampler and other buildings that have been built in the B-3U Zoning District. The packet also includes photos of the adjacent properties of the subject site.
- ◆ Photo of the proposed property at 1009 West Pennsylvania Avenue

5. CONTINUED PUBLIC HEARINGS

There were none.

6. OLD BUSINESS

There was none.

7. NEW PUBLIC HEARINGS

Plan Case No. 2045-M-07: A request by Sterling Management, LLC to rezone the Sigma Nu fraternity house at 1009 West Pennsylvania Avenue from R-7, University Residential Zoning District, to B-3U, General Business-University Zoning District.

Jeff Engstrom, Planner I, presented this case to the Plan Commission. He introduced the case and gave a brief background of the proposed property noting the land uses and zoning designations of the subject site and of the surrounding properties. He noted the purpose of the request would be to allow the petitioner, Jeff Wampler, to be able to lease the property as a fraternity as it currently exists. Or in the event that the local Sigma Nu fraternity chapter is unable to purchase the property from him in a reasonable time frame, rezoning would allow him to convert the property to multi-family use.

He talked about how the proposed rezoning relates to the 2005 Comprehensive Plan. He discussed the regulations of the R-7, University Residential Zoning District. He also discussed regulations and permitted uses allowed in the B-3U, General Business – University Zoning

District. He reviewed the La Salle National Bank criteria that pertain to the proposed rezoning. He read the options of the Plan Commission and presented staff's recommendation, which is as follows:

Based on the evidence presented in the written staff report, and without the benefit of considering additional evidence that may be presented during the public hearing, staff recommended that the Plan Commission forward Plan Case No. 2045-M-07 to the Urbana City Council with a recommendation for approval.

Ms. Upah-Bant inquired as to how long ago the existing fraternity house was vacant and for how long. Mr. Engstrom replied that when researching the property he found that the number of residents had declined during the 1990s according to the records of the Certified Housing inspector. He found a letter dated in the late 1990s indicating that the property had been vacant and that the owners wanted to start Certified Housing again. He is unsure of how long the property had been vacant.

Ms. Stake wondered what other uses would be permitted in the existing building under the current R-7 Zoning District designation. Mr. Engstrom said that the building is presently being used as a fraternity house, but it could be used as a dormitory, a single-family house, or a rooming house. With a special use permit, the existing building could be used as a church or temple, and with a conditional use permit it could be used as a bed and breakfast.

Mr. Ward pointed out that #5 of the Summary of Staff Findings states that the 2005 Urbana Comprehensive Plan Future Land Use map designates the proposed site as being Institutional. However, he was unsure of how a B-3U parcel would be compatible with institutional. Mr. Engstrom responded that the Future Land Use map shows the whole area as blanket Institutional. It also indicates the area south of Pennsylvania to be residential. In reviewing the application, staff found that a B-3U Zoning District would support the institutional use, because it would allow for students to live right in the campus area.

Mr. Ward commented that a B-3U Zoning District would also support many uses that would not be considered institutional. Once the property is rezoned then any of the permitted uses would be allowed, including those that are not compatible, correct? Mr. Engstrom said that is correct. He stated that the Future Land Use designation of Institutional does not correspond directly to a particular zoning designation. The closest designation to institutional would be the CRE, Conservation-Recreation-Education Zoning District. Since the proposed site is private property, it would not qualify for that. City staff looked for other zoning designations that would contribute towards the Institutional Future Land Use designation, which are basically just zoning districts that would allow for uses that are compatible with the University of Illinois. Because the B-3U Zoning District would allow for a multi-family or other student housing, City staff feels that it would be compatible.

Ms. Stake noted that there are 120 different uses that would be permitted in the B-3U Zoning District. Is this correct? Mr. Engstrom stated that there are several but he does not know how many for sure.

With no further questions of the Plan Commission members for City staff, Chair Pollock opened the hearing to take public input.

Jeff Wampler, petitioner for the proposed rezoning case and Manager of Sterling Management, mentioned that he has prepared and handed out a packet of photos, which he reviewed. The photo on the cover is of the existing building on the proposed site. Next, there are photos of other buildings that he owns and manages to show what type of landlord he is. He mentioned that he is mainly in the multi-family residential type business. He is not really much into the commercial business.

He mentioned that he is ready to sign a lease with Sigma Nu fraternity house for at least one year with options to continue leasing the building and to buy the house back. The intent is to provide Sigma Nu the opportunity to stay in business. He stated that he has a passion for renovating old buildings. There are some photos in the packet of buildings that he has restored. He has a history of fixing up old properties.

He pointed out that there are four options for the proposed property, which are as follows:

- 1) Sigma Nu remains in the building and keeps using it as a fraternity or another fraternity or sorority purchases it to use,
- 2) Convert the existing structure into an apartment building,
- 3) Convert the existing structure into condominiums, or
- 4) Demolish the existing structure and build a new apartment complex or condominiums for resale.

Under each of these options, none of them, except #1, is allowed in the R-7 Zoning District. Therefore, he is asking to change the zoning because he thinks it is appropriate.

He brought up the following points:

- 1) The Comprehensive Plan Future Land Use map shows Institutional, and residential is the use for institutional. This is his intent for the proposed property.
- 2) Students want to live near campus because of the high cost of gas and amount of traffic. They would be able to ride their bikes, walk or ride the bus.
- 3) R-7 is a narrow use. Rooming houses are not as prevalent as much now as they were 50 years ago.
- 4) It would fit with the neighbors. West of Lincoln Avenue is different than the east side. 903 West Nevada Avenue was built in the B-3U Zoning District by Dave Barr, and it is a beautiful and very compatible use with the surrounding properties and with the University of Illinois' students. Gregory Place Apartments at Oregon and Nevada Streets is another example of a compatible use that fits in with the neighbors. It provides both residential and commercial uses for the students and allows them to live close to their classrooms.

Mr. Wampler expressed his respect for the University of Illinois. He feels that the university is what makes the City of Urbana rumble. It is a great institution. However, the University of Illinois' interests are not always aligned with his interests or the interests of the City of Urbana. He realizes that the U of I is probably against the proposed rezoning.

He mentioned that he called Dennis McConaha and stated that he would be willing to meet with anyone from the U of I to discuss any issues. No one has ever called him. He realizes that the U of I has interest in obtaining properties and building on them. This is good for them, but sometimes this affects the tax base and other opportunities. The proposed property is within the U of I's area of interest, and they want to control what happens on it. However, he did not feel that this interest should be what determines the outcome of the proposed rezoning.

He stated that Mr. Engstrom did a great job walking through the La Salle National Bank criteria. He restated his intent, which is to keep the existing structure as a fraternity. He has already worked out an agreement with Sigma Nu. However, he needs a backup plan if Sigma Nu leaves and no one else wants the property.

Ms. Stake inquired why the petitioner asked for the property to be rezoned to B-3U rather than medium density residential. If he wants to keep the use as residential, then he should be asking for a residential zoning instead of asking for a zoning district that would allow 120 other uses. Mr. Wampler responded by saying that when talking with City staff, he had asked what would be a good fit, and City staff suggested B-3U zoning because the properties that have been rezoned B-3U in this area have been used for residential. Ms. Stake commented that in her experience with developers, they do not always do what they say they are going to do. There is also the possibility that Mr. Wampler could sell the property to someone else who would use the property for one of the less desirable uses allowed in the B-3U Zoning District.

Mr. Grosser asked for clarification as to who owns the property. Mr. Wampler explained that Fifth Point Properties, LLC currently owns the property. If the rezoning is approved, then he is prepared to purchase the property and sign a lease with the local chapter of Sigma Nu Fraternity.

Mr. Grosser referred to the letter submitted by Jennifer Bauer Henson of the Alpha Xi Delta National Housing Corporation, which states that the local chapter of Sigma Nu Fraternities had come up with enough money to hold onto the property. Does this mean that Mr. Wampler is not going to be able to buy it? Mr. Wampler stated that Fifth Point Properties, LLC is a branch that the National Sigma Nu group came up with to buy Sigma Nu Fraternities around the country. They bought the proposed site when the local chapter was having some financial difficulty with hope that the local chapter would rebound and be able to buy the house back. This has not worked, so Fifth Point Properties, LLC has given the local chapter one or two years notice that they would be selling the property. He believes it to be the intent of the alumni of the local chapter to raise the money to purchase the property back, but they have not been able to do so. He found out about this. He agreed to purchase the property and work with the alumni by leasing the property back to the local chapter at no cost for one year, so they could rebuild their membership and continue leasing the property for the next 19 years. He added an option into the contract agreement which would allow the local chapter to buy the property back in the next two years if they come up with the money. While Fifth Point Properties, LLC is part of the Sigma Nu family, their interest in this property is not exactly the same as the alumni group.

Mr. Ward mentioned the Gregory Place development and wondered since Mr. Wampler had included pictures of the Gregory Place building at Oregon and Nevada Streets in his photo packet and had referred to it as being a great benefit to the University of Illinois, then was he interested in something like it for the proposed property? Mr. Wampler replied no. He is driven more by the market. Commercial is good to build in some places where there is pedestrian cross

traffic such as with the Gregory Place building. However, the proposed site is on the fringe, and he did not see a real viable use for commercial or office in the area. It is really kind of a residential spot.

Chair Pollock stated that Mr. Wampler mentioned four possible options for the use of the proposed property. He noted that under the current zoning of R-7, the first option to keep the use as a fraternity or sorority is the only viable option. Under an R-5 or R-6 Zoning District, he assumed that the apartment conversion, condos and new apartment building options become open.

Jim Dobrovolny, Chapter Advisor for Alpha Tau Omega (ATO) Fraternity at 1101 West Pennsylvania Avenue and Chairman of the Board for Fraternity Affairs at the University of Illinois for the last 20 years, mentioned that the University of Illinois has the world's largest Greek system. There are approximately 100 different organizations on the U of I campus with 6400 students that involved in the Greek system.

He pointed out that when fraternity and sorority houses go on the market, the U of I has decided that they do not necessarily want the houses for themselves. They would like for the houses to remain in the Greek system. In the past, the U of I has stepped in and purchased available fraternity/sorority houses and turned them over to suitable Greek organizations. He understands that there is a bona fide offer on the table from a sorority that desires a permanent residence on the U of I campus. However, they feel compelled to at least offer the local alums and chapter of Sigma Nu to purchase the property themselves.

He said while Mr. Wampler is a great developer, and one can rely on what he says he is going to do, however, things sometimes change. Mr. Wampler's investment parameters might change. If the local Sigma Nu chapter cannot take this back over, then he is worried that an undesirable use may be allowed under the requested zoning.

Two of the goals listed in the Comprehensive Plan are that the City wants to conserve energy and to encourage the development of different transportation patterns to reduce the dependence upon automobiles. If the building is converted to a dormitory or apartment, then there will be more automobiles.

Mr. Dobrovolny pointed out that the ATO and the Sigma Nu fraternities have recently entered into an agreement with the U of I stating that Virginia Drive, the street between the two fraternities, would be vacated. ATO has deeded their interest in the street to the U of I to maintain, because this particular intersection is very awkward. Virginia Drive runs north and south into Pennsylvania Avenue, and then it jogs and runs north of the tennis courts. It is a dangerous intersection for this reason. The stop signs are jagged, and people do not know when to come or go. So, they have decided to block off Virginia Drive between Pennsylvania Avenue and College Court. It is a safety factor involved there.

By putting a high density building in this area, safety would be out of the window. He is worried that a high density building might be built if the Sigma Nu cannot come up with the money to buy the property back. He does not feel that a high density building would be compatible with the surrounding uses. He also does not believe that increasing land use density promotes the available transit service and walkability.

The description for the R-7 Zoning District states as follows, "... to insure the longevity of the architectural character and use of these existing buildings, and to protect nearby low-density residential districts from incompatible developments." ATO may not be low density, but it is certainly medium-density residential. They certainly want to be protected from high density.

Mr. Dobrovolny talked about the La Salle National Bank criteria. He reviewed each criterion and made the following comments:

Criteria #1: Retail would not be compatible at all with the surrounding land uses.

Criteria #2: The current use of the proposed property is a good use, and there are anywhere from four to six chapters that want to come back to or start up on the U of I campus every year. They either have the money to buy an existing fraternity or sorority house outright or they want to rent a house, but the market for fraternity/sorority houses is very, very narrow. There are very few of the chapter houses that are ever for sale.

Criteria #3: The vacating of Virginia and Maryland Drives are for safety reasons. Building a high-density residence with retail only decreases the safety of the area.

Criteria #4: He did not feel that the gain was specified in staff's analysis in the written report.

Criteria #5: He did not feel that there would be any staff that would want to live in the middle of 5000 students who are 19-20 years old.

Criteria #6: It is not true that the demand for fraternity/sorority living has decreased. In fact, it has been increasing in the last ten years in the Greek system for this very type of housing.

He stated that he does not believe that any one of the La Salle National Bank criteria has been met.

Mr. Dobrovolny mentioned that ATO and Sigma Nu are alone in this area. They built out there in the 1930s. They want to see a continuum of the Greek system still exist there.

Mr. White asked why the National Sigma Nu bailed on the local chapter. Mr. Dobrovolny believes that after ten years of trying to help the local chapter out and not seeing any improvement or involvement from the local chapter, the National Sigma Nu decided to use their resources to help other chapters that are in trouble. All of the chapters only work if they have local alumni involvement. The ones that are run by house corporations in Chicago and with house mothers having left the U of I campus, except for a few sororities, it is kind of like the inmates running the asylums. There are 19 to 21 year olds making decisions involving half a million dollar a year businesses. Without local alumni involvement, monies do not get collected for room and board and monies get spent inappropriately. If there is local involvement, then there is a great opportunity to impact a lot of young lives. He believes that 85% of the chapters on the U of I campus have local involvement and are successful.

Mr. Roberts inquired about the membership of neighboring ATO Fraternity and the number of members living on site over time. Mr. Dobrovolny answered by saying that they currently have anywhere from 72 to 79 members living in the fraternity house. They have a capacity for 95 members to live there based on the number of shower heads that they have, but it makes it very cramped. There are 121 to 130 members on campus.

Culturally, what has happened with the Greek system is that they have changed their makeup over the last 20 years. They use to have Spring Rush and they would pledge high school kids. These kids would move in the fall of the year and live in a chapter as freshmen. They do not do this anymore. They come down and live in University housing the first year. The Rush takes place in the fall, and they either move in the spring semester or the next fall semester. Seniors are looking towards graduation. They have already had the Greek experience, so they are the ones who want to move out to the small apartments and live on their own.

ATO has been very successfully for a variety of reasons, but primarily because they have a very involved house corporation. There have are points in time when the house does not run as smoothly as they hope, but they have been able to sustain their numbers. With active alumni, it works. Without it, it is ultimately doomed to fail.

Willard Broom spoke on behalf of the Society for the Preservation of Greek Housing. The organization was started in 1988. They provide a tax deductible vehicle for contributions to preserve and upgrade fraternity and sorority houses that are old, but important from a historical and architectural perspective. He feels that the existing building at 1009 W. Pennsylvania Avenue falls into the category of Greek housing that they are interested in preserving.

It is the Society for the Preservation of Greek Housing's conviction that if the proposed rezoning request is approved, it would create an economic condition that would necessarily lead to the failure of the property as being used as Greek housing. It is also their conviction that the property is viable as Greek housing. The City staff's written report states that "*Under the current zoning the property may only be used as a dorm or rooming house. The petitioner claims that the market will not support those uses, as students now prefer to live in their own apartments.*" At first glance, it would appear that Greek housing is declining, but on closer examination the opposite is true. The University of Illinois has sought and invited more sorority life opportunities and is expanding the number of sororities on campus.

Fraternities and sororities are owned by not-for-profit corporations and are typically run by a volunteer board. They are like churches and museums, but without the staff. The houses are old, wonderful properties that are expensive to maintain and to keep up to standards of safety and lifestyle. The Society for the Preservation of Greek Housing has enabled millions of dollars to be directed to renewal and renovation to preserve these wonderful properties.

They believe that the proposed rezoning, if approved, will result in the loss of a grand structure that is in proportion to its land. It will be replaced by a structure that will not be in proportion to its property.

Mr. Broom mentioned that he has been authorized to speak on behalf of the Farmhouse Fraternity located 809 West Pennsylvania Avenue. They are considering a major upgrade of

their property. The best economic alternative is to rezone the property, take the money from selling the house, and move somewhere else; however, this is not their preferred alternative.

The Society for the Preservation of Greek Housing feels that these types of properties are increasing at risk. It may appear that there is a decreasing demand for fraternity/sorority type housing, but the fact is that there are no vacant Greek houses available to purchase.

Helen Coleman, Director of Planning for the University of Illinois, opposed the proposed rezoning request for the following reasons:

- 1) The current R-7 zone is sensitive and compatible with the surrounding properties located within the boundaries of the University's Master Plan. In 1993, the City of Urbana established a rezone of the fraternities and sororities in the area including the proposed property to R-7 in order to prevent the very thing that the B-3U designation allows, which is conversion to a new apartment building. The U of I feels that the rezoning is not required to maintain the fraternity use. Should it become necessary for the petitioner to find another way out or an exit strategy, then they feel he should come back at that time and ask for a rezoning as opposed to ask for a rezoning before the fraternity has not proved itself to be viable.
- 2) The B-3U zone is incompatible with the residential character of the surrounding properties. Although the B-3U designation contains some uses that are compatible to the surrounding areas, it also contains a number of uses that would not be compatible. There is no guarantee that once the property is rezoned that the use described tonight would be the use it serves.
- 3) The B-3U designation would not be in compliance with the City's 2005 Comprehensive Plan. The U of I has a mutual interest with the City of Urbana as stated in the Comprehensive Plan to preserve the character and compatibility of established neighborhoods. They believe that the University's Master Plan establishes a campus neighborhood, and it is designated as Institutional in the Comprehensive Plan. The campus neighborhood is critical for providing an image that is appealing and inviting to students and faculty.

She stated that the University of Illinois is very concerned about the proposed rezoning request. It will be a very critical decision to make, so they ask that the Plan Commission deliberate before making a decision of this nature.

Mari Anne Brocker, Assistant Director for Housing at the University of Illinois, mentioned she works specifically with private certified housing, including University fraternities and sororities as well as privately owned residence halls on campus. She stated that her colleagues have done a great job touching on her concerns with regards to the certified housing aspects, but she would like to talk about the University's housing concerns regarding the proposed rezoning. The University Housing system is strongly committed to maintaining a stable neighborhood that currently exists around 1009 West Pennsylvania Avenue. Rezoning the proposed property for commercial use would compromise the successful community that is currently zoned as R-7 and the surrounding areas zoned as CRE.

A B-3U zoning would allow for the property to be used as apartment buildings, liquor stores, bars, and other services that could prove to be dangerous or disruptive to the 2,300 residents that

live at Pennsylvania Avenue residence halls and Florida Avenue residence halls to the south of the proposed property. At least 60% of the residents in these halls are under age and freshmen students. These residence halls have strict guidelines to ensure the safety and development of these residents, and the current non-commercial designation of R-7 also supports the heavy foot traffic in this area could continue to exist. A commercial property would be in direct conflict with these initiatives.

So, it is the opinion of the U of I Housing that Sigma Nu should remain zoned as R-7. They would appreciate the opportunity to maintain the integrity of the neighborhood as it currently exists.

Brian Adams, of 412 West Elm Street, expressed his concerns about the requested rezoning. He feels that the particular stretch of Pennsylvania Avenue to the west of Lincoln Avenue is a lot different from the type of environment that exists to the north. It is more residential. There is the Laredo Taft building, which was built in the 1870s and is a very historic building. To the west of that is Mount Hope Cemetery, and he is afraid there might be a domino effect and other properties might be permitted to be rezoned to B-3U as well. This very unique environment could be changed.

Michael Ritchie, President of the Alumni of Gamma Nu which is the chapter at the University of Illinois for the Sigma Nu Fraternity, stated that he believes what the fraternity and alumni group has put together with Mr. Wampler is a solution to their problems. He agreed with Mr. Dobrovolny in that the fraternity needs to be run like a business. There needs to be a board, individuals and resources that work with all of the members of the chapter to see that they are doing what they are told. There needs to be a local contact as a liaison. This system has basically been dormant for the last five or six years at Sigma Nu, and the chapter had fallen into disrepair and financial trouble. That is when Fifth Point Properties, LLC had stepped in and took over.

He found out this last March that Sigma Nu National was planning to sell the property to the highest bidder. He was told that Sigma Nu National had received an unsolicited offer from a company that wanted to tear down the existing fraternity house and build multi-unit apartments. He, then, got in touch with all of the alumni, and they appointed him as Acting President of this initiative to try to put the local chapter back together and to try to raise capital to purchase the house or to raise operating funds in order that Fifth Point would continue to operate the house for another several years. The deal was that if he could raise \$60,000, then Fifth Point would stick around.

The reason Fifth Point Properties, LLC wants to sell the property is because the local chapter has not been making money in the last ten years and is a complete business failure. He stated that the alumni need to own the house, and they need to pay the mortgage through membership. However, the alumni were unable to raise enough capital. Mr. Wampler found out through some of the local alumni about the problems, and he put together an offer to purchase the fraternity house. He offered to allow Sigma Nu stay for a year, to lease the house back to Sigma Nu, and if they are successful to purchase the house back. Fifth Point Properties, LLC originally said no to the deal, so he suggested that they form a group of alumni. There are over 1,000 members in the alumni, and they are all in favor of the proposed deal with Mr. Wampler.

He read from the lease, which they plan to sign on the day of the sale. The main terms are 1) that Sigma Nu Fraternity is given a break for one year with free rent; 2) have options to renew the lease every year for 19 years; and 3) a purchase option that will expire in September of 2009. The proposed deal will allow the Sigma Nu Fraternity to remain in the house that they built, paid for, improved and maintained for years. The alumni are organized now and have about \$45,000 in cash that will support the house with operating expenses.

Mr. Wampler needs a rezoning of the property in case Sigma Nu Fraternity does not succeed in purchasing the house back from him. If Mr. Wampler does not get the rezoning, then the Sigma Nu Fraternity will be gone, because Fifth Point Properties, LLC will sell the property to someone else.

Mr. Ritchie mentioned that he went to the University of Illinois to get their support. He was basically told that it is too late to get help from the U of I. He discovered that the U of I is supporting a sorority in purchasing the fraternity house. He stated that this really bothers him, because the Sigma Nu Fraternity built the existing house in 1932 and has been on campus even longer -- since 1902. They have been a part of the University of Illinois for a long time, and he does not want to see any other fraternity or sorority living in the house. He also does not want to see the house torn down by some other developer should Fifth Point Properties, LLC sell to someone else.

Ms. Stake commented that the proposed deal could go through without the rezoning. Mr. Ritchie stated that the Sigma Nu Fraternity needs Mr. Wampler's money in order to continue living in the house. Ms. Stake replied that the City does not want to happen what Mr. Wampler would do if the fraternity is unsuccessful in purchasing the house back. Mr. Ritchie remarked that Fifth Point Properties, LLC will sell the property to another developer, who will come before the City requesting a rezoning. Sigma Nu Fraternity has been given a chance to keep the place as a fraternity.

Mr. Fitch pointed out that the fraternity would need to rebuild their membership to make this plan come off. Mr. Ritchie responded that this is not necessary, because they have enough money to make it through two to three years if nothing else happens. The house is not cheap to maintain, but about thirty members, which would be doubling what they currently have, would make it work. Thirty members is basically adding one pledge class.

Mr. Fitch asked if thirty members would keep the fraternity afloat or enable them to buy the house back. Mr. Ritchie said that thirty members would keep the fraternity afloat. In order to be able to buy the house back, they would need about forty to forty-five members to burn the mortgage within five to ten years.

He went on to say that this is where getting the rezoning request approved is important to Sigma Nu. Obviously, the value of the land would improve. They want the value of the property to be supported by whatever the purchase is and what they would have to buy it back for. They could get 70% if the value of the property is supported by uses that allow a buyer to be attracted to it.

With approval of the proposed rezoning, the contract with Mr. Wampler would allow the fraternity to be fully funded and organized to go forward and rebuild their chapter. They are not

really concerned about building membership. They are concerned that if the rezoning request is denied, then Sigma Nu Fraternity is extinct on the University of Illinois campus.

Mr. Fitch inquired if two full pledge classes would get them to a point where they could purchase the property back. Mr. Ritchie mentioned that the fraternity has the option to lease the property up to twenty years. Mr. Wampler is giving the fraternity one year free rent, with an option to continue to lease the property unless they default on lease payments, the University of Illinois decides to pull their charter or someone does something bad. What the Plan Commission has to consider is if the fraternity fails as a chapter, then what would the City allow Mr. Wampler to use the property as.

Mr. Ward understood that Sigma Nu's goal is to be able to buy the property back within one year. What steps are they taking to ensure this? Mr. Ritchie replied that if everything goes well, then they will be able to buy it back within two years. The nineteen year lease is basically a protection measure for the fraternity. If they cannot get the capital together to purchase the house within two years, then they will still be able to lease the property.

There is an alumni meeting on August 3, 2007. They have already built an Acting Alumni Advisory Board, and they want to formalize it with the rest of the chapter at the meeting. The closing takes place on August 15, 2007, at which point they will sign the lease with Mr. Wampler.

Mr. Ward wanted to know what the probability of them being able to buy the property back within one year. Mr. Ritchie stated that there is a 60% to 70% chance they will be able to buy the property back within one year. Mr. Ward asked what the probability of them being able to buy the property back in two years. Mr. Ritchie replied 90%.

Mr. Myers wondered if the group living arrangement of the house is having an effect on their membership. Do you think that fraternity members are choosing other living arrangements (i.e. apartments, etc.) for privacy for instance? Mr. Ritchie agreed that it is a choice. He feels that Greek living is still going strong, but that it is shaped a little different. The Animal House mentality is a thing of the past. The trend is just as strong towards fraternity life as elsewhere. He believes that the ritual and the togetherness of a fraternity builds character, and it also builds strong relationships that through life.

Susan Frobish spoke as a representative of the Preservation and Conservation Association (PACA) and secondly as a resident of Urbana who lives on Lincoln Avenue that owns a historic fraternity in the City of Urbana in the R-7 Zoning District. She also volunteers on the Corporation Board of Phi Beta Phi Sorority.

On behalf of the PACA Board, she pointed out that the Sigma Nu Fraternity is a great example of the Georgian Revival architecture, and one of the few mansions located in the City of Urbana. It has great integrity. There are no additions, and the house built in 1924 is virtually unaltered. The house is eligible for listing on the National Register of Historic Places and could join sixteen other chapter houses that are already listed. Rezoning the property would open the door wide for demolition and redevelopment. The R-7 Zoning District is a fairly restrictive residential zoning category that is for chapter houses, rooming and boarding houses, and dorms. The B-3U zoning would open up 120 other possibilities.

There is no such zoning of B-3U in this area of campus, and this would be a terrible precedent to set. It is unnecessary for them to rezone the property at this time. There are at least two other parties interested in purchasing the house and keeping it a Greek chapter house. The Greek system is on an upswing, and there is a need for chapter houses. The Sigma Nu Fraternity house is a great alternative to another vinyl sided apartment building which this community is being engulfed by.

Ms. Frobish then addressed the Plan Commission as a neighbor who lives on Lincoln Avenue and as someone who recently purchased and is in the process of renovating an R-7 zoned fraternity house (Alpha Chi Sigma). She has found that there is a strong interest in maintaining this type of property.

The Alpha Chi Sigma's alumni were pretty stressed and tired just like Sigma Nu's alumni. They reached a point where they could just not deal with it anymore. Her purchasing the property gave Alpha Chi Sigma the opportunity to come back into the house. They need time to regroup and get themselves together. The expenses of running a house like this are quite overwhelming. As Mr. Dobrovolny pointed out, the chapters that are successful on campus do have strong local alumni support.

She mentioned that she would be happy to match Mr. Wampler's offer, but keep the zoning as R-7. Another possible solution for Sigma Nu would be to take in a few boarders until they increase their membership. Sigma Nu needs marketing help through strong local alumni to help fill their house. Then, they can be successful.

From the perspective of having gone to the U of I and being part of the Greek system, she understands the sentimental attachment to the house. One hates to see any chapter lose their house. More so, we hate to see anyone tear down those types of housing. She did not understand the B-3U zoning request. Mr. Wampler may not be the one who demolishes the house and redevelops with an incompatible use, but he may sell it to someone who does not have any local interest at all. She did not understand the rezoning request is on the table if the true intention is for Sigma Nu Fraternity to keep their house. From a personal standpoint, she mentioned that she works part-time on campus and walks by the proposed property almost everyday. It is odd intersection, and it is not the safest because vehicular drivers get confused and do not know what to do there.

Ms. Stake asked for clarification about other Greek houses being on the National Register. Ms. Frobish stated that there are 16 Greek housing properties currently on the list. She is working towards adding the Alpha Chi Sigma property to the local register as well as the National Register list. She truly believes that one can be successful and keep the character of these houses that cannot be reproduced in today's world.

Jill Peckham, of 1810B Glenwood Court, is a member of the Alpha Xi Delta Fraternity and National Women's Sorority. She read the letter written by Jennifer Bauer Henson, which was included in the packet of information.

Mr. Pollock questioned if the Alpha Xi Delta Women's Fraternity is still looking for housing for themselves. Ms. Peckham said yes. Mr. Pollock asked if they have found any housing. Ms. Peckham replied no.

Mr. Wampler re-approached the Plan Commission. He thanked the Plan Commission for spending time on this case. He explained that the reason he requested the B-3U Zoning District instead of R-6 zoning District is because the R-6 Zoning District restricts the square footage that could be built if it should come to him redeveloping the site. He hopes that Sigma Nu will be able to purchase the property back, but if not, then at least the City will know who they are working with. He has history with redeveloping properties in the City of Urbana.

He feels that the University's comments are straight forward. They have their own goals and their own objectives. The Plan Commission needs to balance the goals and objectives of the City and the tax base versus what the U of I wants.

Mr. Grosser inquired whether Mr. Wampler's purchase contract has a contingency clause based on the outcome of the proposed rezoning request. Mr. Wampler said that there is a contingency to allow him to terminate the contract if he is unhappy for any reason prior to August 11th.

Ms. Upah-Bant asked Mr. Wampler to reiterate a little about the lease-purchase option. From her understanding, Sigma Nu has up to two years to purchase the property back from him. Mr. Wampler explained that there are three features. It is a one year lease with 19 one-year options. They do not have to commit for five years at a time. Another feature is that at anytime within the next two years, Sigma Nu can buy the house as long as they are not in default with the lease. The third feature says that as long as Sigma Nu Fraternity is tenants, they will have the right of first refusal to purchase the house if he should decide to sell it.

Mr. White commented that all of this could occur without a change in zoning. Mr. Wampler replied not for him.

Mr. Myers clarified that the property is not a local historic landmark, so under the current zoning the building could be demolished and rebuilt under what the current uses are allowed in the R-7 Zoning District. Under any other zoning districts, unless it is a historic landmark, they could be demolished and rebuilt and used. So, there is not a one-to-one correlation between if the zoning stays, then the building will stay and if the zoning changes, then the building will not.

With no further input from the public, Chair Pollock closed the public hearing and opened the case up for Plan Commission discussion and debate and motions.

Mr. White appreciates Sterling Management's goals and desires, but the Plan Commission's decision should be based on what is the best use of the property and its location. He really did not see a reason to change the zoning, because B-3U would allow some uses that would clearly not fit in the area. Therefore, he prefers to leave the zoning as R-7 for the time being.

Ms. Stake mentioned that the fraternity house is a beautiful building. She would not want to allow any other zoning that could change it or tear it down. They could demolish it at this point, but she did not believe that they would do that. Since there are other organizations who really do want the property and if Sigma Nu cannot keep it, then some other sorority or fraternity should

get it. It really is a part of the University's history. We should never tear down a building like this. Galena, Illinois has preserved 85% of all the buildings in their town. They started with buildings that were in really bad condition. It is a gorgeous place to live because they have kept their old buildings and have their heritage right there.

Mr. Ward commented that the property in question currently has a zoning designation that has been there for some time. This zoning designation is compatible with the City's Comprehensive Plan. There has been a lot of discussion this evening, but he has heard no compelling reason why the City should consider any change in the zoning.

Mr. Ward moved that the Plan Commission forward Plan Case No. 2045-M-07 to the City Council with a recommendation for denial. Ms. Stake seconded the motion.

Ms. Upah-Bant stated that Mr. Ritchie made a compelling case for support for Sigma Nu, but that is not what this case is about. This case is about the zoning of the proposed property, and zoning is forever. Mr. Ritchie and others hope that Sigma Nu is forever also.

She mentioned that she did vote in favor of the B-3U zoning for 903 West Nevada, but that was an entirely different case because it is adjacent to other commercial property. In her opinion, to look at this B-3U surrounded by Institutional and another R-7 zoned property, it would be spot zoning. The only person that could possibly get the rezoning through would be Fifth Point Properties, LLC. She pointed out that Mr. Wampler did not currently own the property. He knows what he would be buying, and she feels strongly that the property should remain zoned as R-7.

Mr. Grosser agreed with Ms. Upah-Bant. He also felt that it is unfortunate that the Sigma Nu Fraternity has found itself in the position that it is in. He is sympathetic and feels that Mr. Wampler's offer is kind and respectful of the fact that a building's history is not just the structure itself, but the people who have lived in it for all the years it has been there. At the same time, the Plan Commission has to look at the fact that the property could be sold in the future, and under the B-3U Zoning District, it could be a liquor store, a gas station, a fast-food restaurant or any number of other uses that would not be compatible for this location. Therefore, he planned to vote in favor of the motion.

Roll call on the motion was as follows:

Ms. Burris	-	Yes	Mr. Fitch	-	Yes
Mr. Grosser	-	Yes	Mr. Pollock	-	Yes
Ms. Stake	-	Yes	Ms. Upah-Bant	-	Yes
Mr. Ward	-	Yes	Mr. White	-	Yes

The motion was passed by unanimous vote.

Mr. Myers stated that this case would go before City Council on Monday, August 6, 2007.

8. NEW BUSINESS

There was none.

9. AUDIENCE PARTICIPATION

There was none.

10. STAFF REPORT

Mr. Myers reported on the following:

- Washington Square Second Subdivision Preliminary Plat was approved by the Urbana City Council on July 16, 2007.

11. STUDY SESSION

There was none.

12. ADJOURNMENT OF MEETING

The meeting was adjourned at 10:03 p.m.

Respectfully submitted,

Robert Myers, AICP
Secretary, Urbana Plan Commission