



Memorandum

To: Chair and Members of the Economic Development Committee

From: Martin Lyons, Assistant City Manager
Johanna Leonard, Economic Development Division Manager
Economic Development Division Staff

Subject: 2015 Fourth Quarter Report

Date: February 9, 2016

Summary:

Evanston won national press coverage in the fourth quarter for its progressive approach to planning and development in a long form article in *Politico Magazine*, which dubbed Evanston "[The Suburb That Tried to Kill the Car.](#)"



The Happy Husky Bakery on Central Street encouraged residents to shop independent stores for the holidays on Small Business Saturday.

The highlight of the fourth quarter was **Small Business Saturday** and the accompanying holiday shopping season. **Over 30 local businesses** throughout Evanston participated in Small Business Saturday and holiday shopping events and promotions this year, including a cookie walk, window decorating contest, scavenger hunt, and warm beverage walk.

New Businesses:

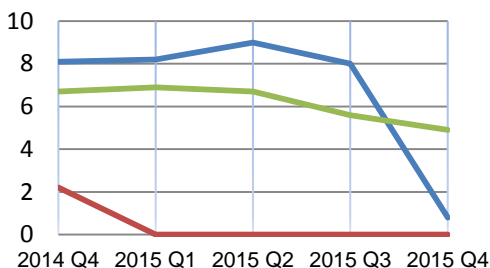
The 4th quarter saw the openings of **13 new businesses** in Evanston, seven of them Downtown. Existing businesses **Coffee Lab** and **See Jane Sparkle** are included on the list after both relocated to larger spaces, expanding their respective retail footprints. These new businesses collectively reported over **60 new jobs**.

Based on analysis from CoStar, commercial vacancy rates in Evanston declined across every category, echoing a theme of strong demand that has already been established in Evanston's housing market. The biggest change was seen in the vacancy rate for industrial properties in Evanston, which declined sharply from the third quarter to the fourth, a change almost entirely attributable to the upcoming opening of **The Autobarn's** new facility at 222 Hartrey Avenue, which includes over 128,000 square feet of previously-vacant industrial space.

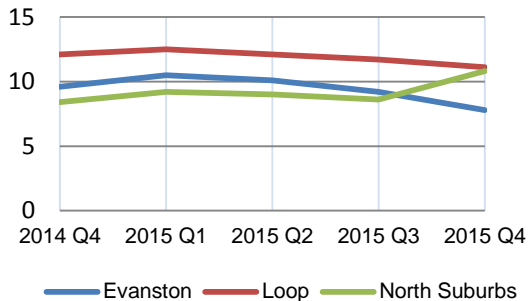
2015 Q4 New Business Openings:

- Trash & Treasure – 611 Dempster St.
- Active Directory Consultants – 1603 Orrington Ave.
- Live Marketing – 518 Davis St.
- Richard Group, LLC – 1123 Emerson St.
- Partners Incorporated – 1604 Orrington Ave.
- Table to Stix Ramen – 1007 Davis St.
- See Jane Sparkle – 1312 Chicago Ave. (relocation)
- Coffee Lab – 910 Noyes St. (relocation)
- 800 Degrees Pizza – 812 Church St.
- Snow Dragon Shavery – 809 Davis St.
- Frank Tires – 616 Hartrey Ave.
- Greenwood Motorsports – 1910 Greenwood St.
- Presbyterian Homes Outpatient Rehab – 3200 Grant St

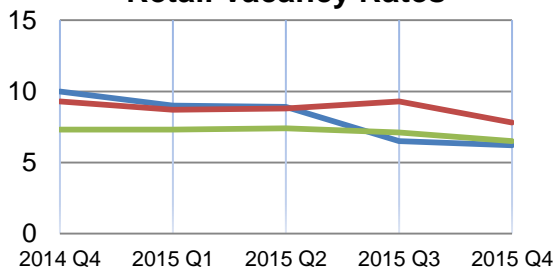
Industrial Vacancy Rates



Office Vacancy Rates



Retail Vacancy Rates

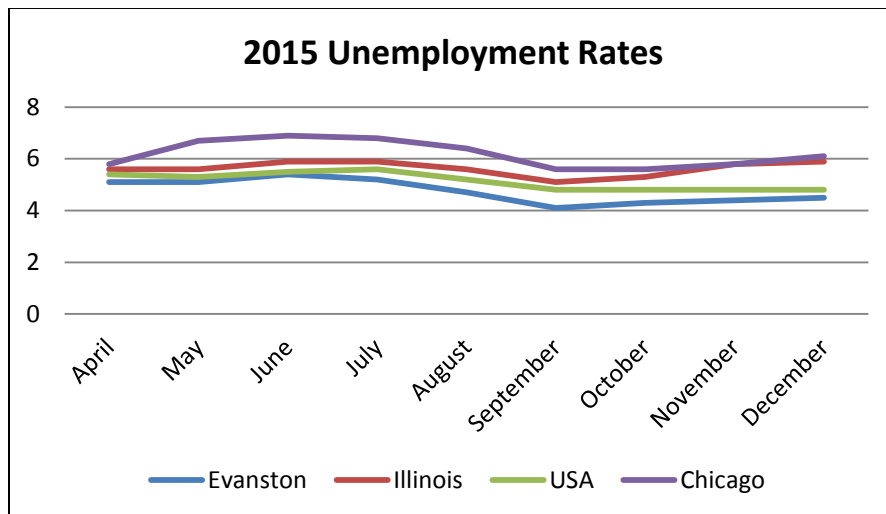


Entrepreneurship, Employment & Workforce Development:

In November, Evanston businesses and organizations participated in **Global Entrepreneurship Week**, which featured nine events over seven days, including a student hackathon at Northwestern and a **Startup Showcase attended by 200 people**.

Also in November, **Sunshine Enterprises** held a graduation ceremony for the first class of 18 Evanston entrepreneurs to complete its **Community Business Academy**. The 12-week program, which began in Evanston in September, provides comprehensive training on business and management topics to entrepreneurs and small business owners in minority communities. Registration is open for the next class, which will begin on January 30.

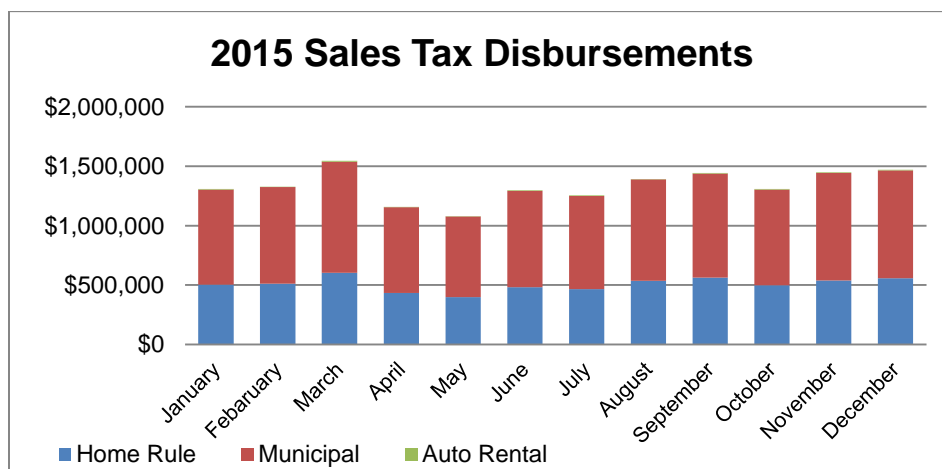
Based on data from the Illinois Department of Employment Security, unemployment in Evanston remained below state and national averages throughout the fourth quarter. Although unemployment rose slightly, the increase appears to be consistent with similar increases in Chicago and the state.



Revenue:

According to the Illinois Department of Revenue, the state distributed **\$4.2 million in Sales Tax** revenue to the City of Evanston during the fourth quarter, including municipal sales tax, home rule sales tax, and motor vehicle rental tax, bringing the total to over **\$16 million in sales tax disbursements** for the 2015 calendar year.

Over **\$39.9 million in commercial construction projects** yielded over \$729,000 in permit fees as work continues on new developments like the Main + Chicago development and several large projects at Northwestern University. 2016 is shaping up to be a similarly busy year for construction, with work expected to begin on several new residential developments downtown as well as a new athletics complex on the Northwestern campus.



Real estate sales remained strong throughout the fourth quarter, with **274 transactions** generating **\$548,760 in transfer tax revenue** over a three-month period, bringing the total to **1,245 transactions and over \$3.4 million** in revenue for calendar year 2015.