

Memorandum

To: Honorable Mayor and Members of the City Council

From: Wally Bobkiewicz, City Manager
Economic Development Staff

Subject: 2015 Second Quarter Report

Date: July 29, 2015

Executive Summary

Evanston made appearances on several “best-of” lists this quarter, including **Movoto’s** list of [Best Chicago Suburbs for Young Professionals](#) and **Niche.com’s** [Best Cities in America](#), where it was the only Illinois city included in the top 20. Evanston’s booming restaurant scene continued to make headlines as well, earning the city the **#2 spot on Thrillist’s** [List of Illinois Cities Ranked by Food and Drink](#) and **The Daily Meal’s** [20 Best College Town Dining Scenes](#).

Between April 1 and June 30, Evanston saw the openings of **14 new businesses**. Over the same time period, building permits were issued for **\$45 million** in new commercial construction, pointing to continued business growth in Evanston. Unemployment increased slightly during the second quarter, but remained below state and national unemployment rates.

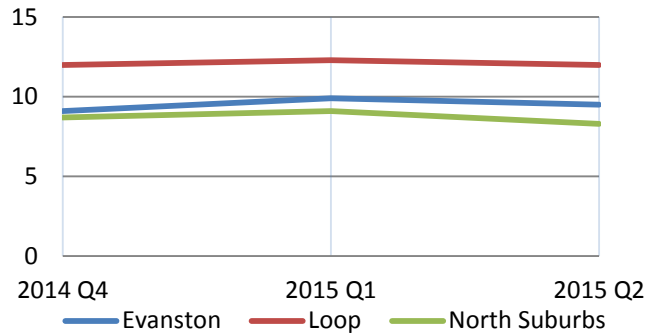
New Businesses

The second quarter of 2015 saw the openings of **14 new businesses**, including the long-awaited **Goldfish Swim School**, and a second location of **Frio Gelato** in the Chicago-Dempster business district. Some old favorites also made changes during the second quarter, with **Giordano’s Pizza** reopening under new ownership, and **Dave’s Rock Shop** moving to an expanded location on the other side of Main Street.

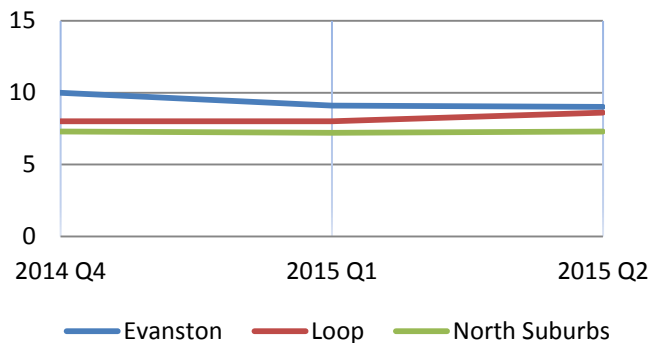
2015 Q2 New Business Openings:

- Goldfish Swim School – 2008 Dempster St.
- Frio Gelato – 517 Dempster St.
- Connexion – 2300 Main St.
- The Spice & Tea Exchange – 1615 Sherman Ave.
- Giordano’s – 1527 Chicago Ave.
- Elysium Games – 1610 Maple Ave.
- Everyday Cycles & Motion – 941 Chicago Ave.
- Dave’s Rock Shop – 711 Main St.
- Berglund Animal Hospital – 2515 Green Bay Rd.
- Kiwi Nail Spa – 743 Howard St.
- Freshii – 1596 Sherman Ave.
- C2 Education – 745 Chicago Ave.
- Beth’s Little Bakeshop – 1814 Central St.
- Evanston Bakery, LLC – 607 Howard St.

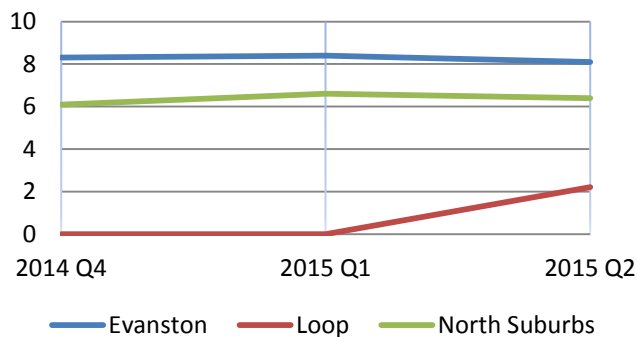
Office Vacancy Rates



Retail Vacancy Rates



Industrial Vacancy Rates



More exciting new businesses are in the pipeline, with Evanston's two newest grocery stores, **Valli Produce** and **Whole Foods**, both slated to open in July. In May, crews broke ground on the new home of **Lulu's** and **Taco Diablo** in downtown Evanston, paving the way for a return of two restaurants that have been sorely missed since their closure in early 2014.

Workforce Development & Entrepreneurship

Valli Produce and Whole Foods both ramped up hiring in preparation for the opening of new stores in Evanston's former Dominick's locations. Valli Produce held a job fair June 2nd and 3rd at its location in the Evanston Plaza shopping center. Company officials report that these efforts have helped

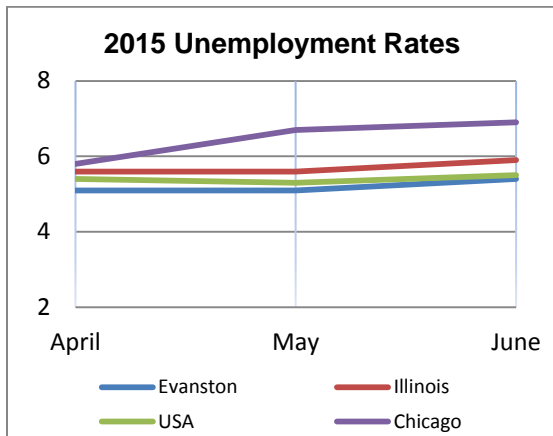
them to fill **120 new jobs**, with 85% of them going to Evanston residents. Whole Foods has been working with Youth Job Center and National Able Network to recruit and hire Evanston residents for positions at its newest store, which will be the company's third in Evanston. As a result of this expansion, Whole Foods has added **200 new jobs**.

[CBS 2 News](#) visited Evanston for a story about the **workforce**

development partnership between the City and Northwestern University, which provides six Evanston residents with paid apprenticeships at NU that allow them to train for jobs in the building trades. Six more participants are expected to be added next year.

The end of the school year and start of the summer months also meant the return of the annual **Mayor's Summer Youth Employment Program**, which this year has **over 500 Evanston teens** working at **27 private employers** throughout the community.

From April through June, **NextChapter** hosted **7 small business workshops** at the Evanston Public Library with over 50 participants. In May, Economic Development partnered with Now We're Cooking to host a second **startup showcase** event focusing on food-related startup businesses in Evanston. The event featured five Evanston-based food entrepreneurs and drew over 150 attendees.

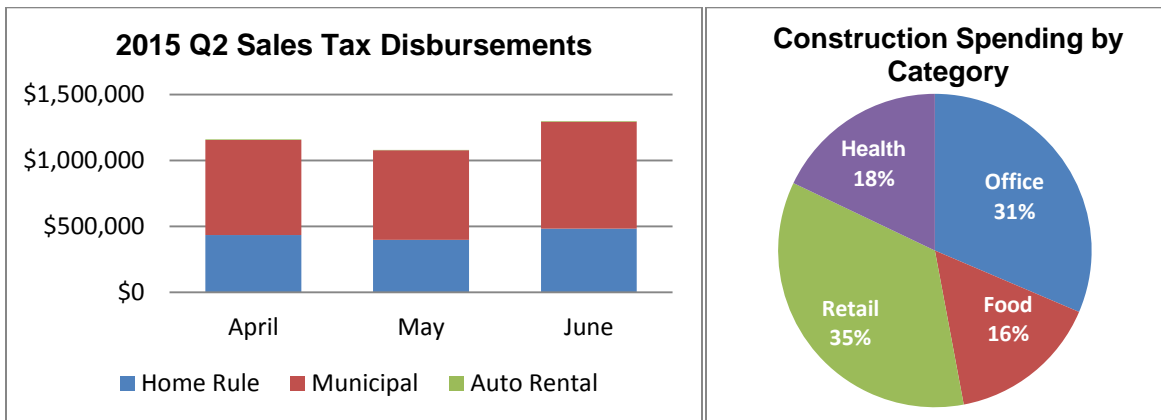


Ribbon Cutting at Frio Gelato at 517 Dempster Street

Revenue

According to the Illinois Department of Revenue, the state distributed **\$3.5 million in Sales Tax** revenue to the City of Evanston during the second quarter, including municipal sales tax, home rule sales tax, and motor vehicle rental tax.

Over **\$45 million in commercial construction** projects yielded **\$932,881 in permit fees**. Notable construction projects include work on the new **Hyatt House Hotel** and construction of a new building for **Lulu's** and **Taco Diablo** in Downtown Evanston, as well as continued work at **Valli Produce** in Evanston Plaza.



Groundbreaking at the new home of Lulu's & Taco Diablo.