ECONOMIC DEVELOPMENT COMMITTEE
MEETING NOTES
May 25, 2011

Attendees:


Other Staff: A. Brown, S. Griffin, J. Nyden, N. Radzevich, C. Sklenar, R. Voss

Other Elected Officials Present: P. Braithwaite

Presiding Member: C. Burrus, Chair

I. Call to Order
A quorum being present, Chair Burrus called the meeting to order at 7:36 p.m.

II. Consideration of Meeting Minutes of April 27, 2011
Ald. Grover moved approval of the April 27, 2011 minutes, seconded by Ald. Tendam.

The minutes of the April 27, 2011 meeting were approved unanimously, 11-0.

III. STAFF REPORTS
A. Update on Economic Development Work Plan
Ms. Radzevich, Economic Development Manager, reported Staff progress on the Economic Development Work Plan. Highlights included the ongoing construction and maintenance of the citywide Evanston business directory to be used both as a resource for Staff and other City Departments to consider local businesses for purchasing as well as to serve as a base for the ShopQA program going live in June. Staff has also worked to update business surveys. Ms. Radzevich also reported that the Economic Development Planner job descriptions have been revised. Whereas the ED Planners had primarily been assigned to certain geographic locations throughout the City, the job descriptions have been revised so that one Planner will work primarily with new businesses, and the other Planner will serve as a liaison to existing businesses. Ms. Radzevich also noted that Staff has been working to facilitate collaboration with other City Departments to make it easier for new businesses to negotiate City processes (i.e. business licensing, inspection, etc.).

B. M/W/EBE Advisory Committee Discussion/Joint Meeting
Ms. Radzevich reported that the M/W/EBE Committee has not met because they did not have a quorum for the May meeting, primarily due to the meeting date conflicting with the Chamber’s annual meeting.
C. Update on Recent Economic Development Activities

Ms. Radzevich outlined site-specific projects that Staff is currently engaged in: continued work with developers looking to develop the vacant parcel at Chicago Avenue and Main Street; the City recently acquired properties on Howard Street; 2424 Oakton; and the Church & Dodge area.

Ms. Radzevich also reported on the How to Win the City’s Business Seminar—held on April 28, 2011—to help educate local businesses on the City’s purchasing requirements and process for projects below and above $20,000. Ms. Radzevich reported that the seminar was well attended by over 40 local merchants, and that a DVD recording of the meeting has been made and that Staff is working on getting that posted to the Economic Development Division’s webpage.

Ald. Grover praised the Economic Development report and asked Staff for clarification on how ShopQA works.

Johanna Nyden, Economic Development Planner, explained how local businesses can use the Shop QA platform to add contact information and other information about the business, and that customers will be able to search the database by business type.

Ald. Grover asked whether the City has to use resources to update the database once it is functional.

Ms. Nyden explained that the program is user-driven, and that once a business is added to the database, they are able to populate information themselves.

Ald. Rainey asked about the property at Dempster/Dodge (Evanston Plaza) and how or if the property is being marketed.

Ms. Radzevich explained that Bank of America recently made an offer to purchase the property and is waiting for the purchase to be confirmed. She added that Staff is actively tracking the process and that Staff—along with Ald. Braithwaite—are fielding calls from potential developers.

Ald. Rainey asked who is managing the property. Ms. Radzevich answered that Foresite Realty is still currently managing the property.

D. Report on Mobile Evanston Economic Development Initiative

Ald. Burrus asked Staff to describe progress on the Mobile Evanston Economic Development Workshop.

Ms. Radzevich reported that Staff is working to develop a partnership and cooperation with the Evanston Chamber of Commerce, and that Staff has
targeted July as the first Mobile Workshop to give time for Staff to work out technical and other equipment issues.

Ald. Rainey asked Ms. Radzevich to explain the concept of the Mobile Workshop. Ms. Radzevich explained that Staff is trying to get out in the community to help residents and local merchants understand the functions of the Economic Development Division. Staff intends to start on the Westside and visit businesses to explain the Signage/Façade Improvement Program as well as other staff programs geared toward assisting local businesses.

E. Howard Street Initiative
Ald. Rainey reported that the City recently used TIF money to acquire two properties on Howard Street (727-729 Howard St. and 629-631 Howard St.). With collaboration from the Northwestern University LEND group, the City intends to attract a theatre company to the space and is also exploring opportunities for restaurants, wine bars, galleries, etc.

Ald. Rainey also mentioned the recent outdoor tree lighting, a plan to install planters, and the regular meetings of the new Howard Street Business Association as indicative of the progress on Howard Street.

IV. New Business
A. Discuss and Consider Financial Assistance for Façade Improvement Projects
Aaron Brown, Economic Development Intern, presented two (2) Façade Improvement Program projects for consideration by the Committee. The following applications were presented:

$1,400  Bosell Imports, 1905 Church Street, presented by Mr. Lynn Bosell and Mr. Terrence Bosell. Proposal for assistance to re-paint the street-facing façade of the building and expand the existing storefront window.

The request was unanimously recommended for approval to City Council (11-0).

$9,400  2800 Central Street, presented by Mr. Spencer LeMenager (property owner) and Mr. Mitchell Dulin (tenant). Proposal for assistance to install new stone veneer siding, 3 new window openings, new shingling to the mansard roof, new awnings and illuminated signage in preparation for the opening of new café/wine bar business.

Mr. Brown reported that Mr. LeMenager notified staff that work had already begun on a portion of the project. Mr. Brown explained that, according to the Façade Program Guidelines, work commenced prior to City Council approval and execution of a Program Agreement is ineligible to receive funding through the Façade Improvement Program,
and that the funding amount recommended by Staff only considers those portions of the project started and completed after final City Council approval. Staff will work with the City Building Division to assess what work has been started and completed prior to the execution of a Program Agreement.

Mr. LeMenager stressed the importance of beginning these improvements in order to secure a tenant in a building that has been vacant for two years. Both he and Mr. Dulin praised Staff and City officials for their proactive efforts related to business expansion.

Ald. Wynne asked how removing the stone siding portion of the project affected Staff’s recommendation.

Mr. Brown responded that removing the siding portion of the project reduced the recommended funding amount from $17,800 to $9,400.

Ald. Holmes asked whether the application was complete prior to the work being commenced and whether the process can be sped up and/or adjusted to accommodate this sort of timing issue.

Ms. Nyden confirmed that the application was completed prior to work beginning on the project and outlined the Program timeline. She noted that Staff is working to note any changes and/or improvements to the Program and intends to offer more suggestions in December.

Mr. Freeman suggested changing the process to make the date of the application the Effective Date, but to still have the formal public process for final approval.

Ald. Tendam commended the effort of the applicants to start the work and praised the improvements made as well as the need for façade improvements at this location.

Mr. Freeman asked about how to change the program

Mr. Creamer and Ald. Rainey defended following the program as it is written. Ald. Rainey also reminded the Committee that Staff will return suggestions for improving the Program in December.

The Committee voted unanimously to approve the Façade Improvement Program Application for 2800 Central Street (11-0) on the condition that no work started prior to execution of the program agreement could be funded and advised Staff to work with the applicants regarding any potential funding opportunity for additional façade work associated with this project.
B. Discuss and Consider Financial Assistance for Tenant Attraction at Potential Main & Chicago Development

Ms. Nyden introduced real estate developers, John O’Donnell and Greg Merdinger. She explained the City’s efforts to attract technology and other start-up businesses and noted the possible opportunities at the vacant parcel located on the Southeast corner of Main Street and Chicago Avenue. Ms. Nyden related how local merchants have seen a loss of daytime traffic following the demolition of the former retail/office building in 2007. She further explained that any future use would have to include an addition of daytime occupancy that is not typically seen in residential uses.

Ald. Wynne emphasized the amenities of the site including its proximity to Northwestern University and transit, its location on a busy corner, the presence of an active business district, and a diverse housing stock. Ald. Wynne also stressed how the City can help developers market the City’s vision of capturing new NU technology-based businesses so that revenue is not lost to the City.

Mr. O’Donnell presented the development team, design concepts and ideas as well as his and Mr. Merdinger’s background in office development projects in both Evanston and Chicago.

Mr. Merdinger spoke about the site: approx. 30,000 sf., high activity corner and proximity to Metra and CTA. He also noted some of the challenges this type of development might face: the area is not a proven office market, the location is dominated by residential uses with proven retail primarily along Main Street and Chicago Avenue. Mr. Merdinger further stated their goal to create a catalyst to invigorate further development in the area. In addition, he presented conceptual floor plans and outlined potential user types for the space.

Mr. Zenkich asked what the source of the proposed funding would be. Ald. Burrus responded that the funding source would be the Economic Development Fund.

Mr. Freeman asked how much money had already been spent on pre-development activities.

Mr. O’Donnell answered that they had a pre-development budget of approximately $400,000 and that they would not profit from the funding but that rather the funds would be used for third party activities like soliciting tenants, developing building specifications, broker visits with prospective tenants, architectural development plans, etc.

Ald. Grover asked Staff to explain the contingency regarding the second $20,000 grant.
Ms. Nyden explained that the second grant would be contingent on progress reported after the first grant is applied, and stated that the applicants are not applying to fund activities already performed.

Mr. Merdinger added that the funding is needed to initiate marketing efforts in an attempt to measure whether adequate interest exists for this type of development.

Ald. Wynne explained that the City has resisted numerous proposals at this particular site in an effort to get an office development like the one proposed by the applicants. She cited the current real estate market as generally risk-averse and unimaginative. Ald. Wynne stated that this site has assets and is worth investing in to hopefully create an economic stimulus and would like to see a development that encourages more activity in the area.

Ald. Rainey moved approval of the $20,000 grant for pre-development activities for the Main and Chicago site, seconded by Ald. Fiske.

The Committee voted unanimously (11-0) to approve the $20,000 grant for pre-development activities for developers for the Southeast corner of Main Street and Chicago Avenue.

C. Discuss Wayfinding Request for Proposal
Ricky Voss, Parking Revenue Manager, introduced the wayfinding/signage request for proposal and stated that Staff will be looking for a consultant to develop a comprehensive program for guiding pedestrians, branding the City of Evanston and contributing to economic development in the City.

Craig Sklenar, General Planner, presented a sample of a similar signage program developed for Ann Arbor, Michigan. Mr. Sklenar added that current signage in the City is too auto-oriented, and the Staff is looking for a consultant that can identify other multi-modal and pedestrian wayfinding opportunities.

Ald. Holmes expressed concern over the timeline of the project stating that neighborhood block groups in the City are already waiting signage projects.

Mr. Sklenar noted that Community Development Block Grant funding would be eligible for the first phase of the wayfinding program.

Ald. Tendam encouraged the use of local graphic and design firms and other Evanston-based businesses in the RFP process.

Ald. Rainey stated her desire to ensure public participation before the City Council votes on any of the bids.
Mr. Sklenar insisted that any bidder would have to have a robust public involvement process.

**Ald. Fiske moved approval of the wayfinding request for proposal, seconded by Ald. Holmes.**

The Committee voted unanimously (11-0) to approve the Wayfinding request for proposal.

Ald. Burrus requested that each member of the Committee speak with at least one prospective business per month to help achieve the Committee’s primary goals of business expansion and retention in the City.

Ms. Radzevich reiterated Staff’s priority to discuss with brokers regarding getting the word out about City economic development programs to help businesses locate in Evanston.

V. Communications
   A. Real Estate Transfer Tax Report
   B. Monthly Economic Development Communication

VI. Adjournment
   The meeting was adjourned at 9:45 p.m.

The next meeting will be held on Wednesday, June 22, 2011

Respectfully submitted,
Aaron Brown
Economic Development Intern