ECONOMIC DEVELOPMENT COMMITTEE
WEDNESDAY, JUNE 27, 2012 - 7:30pm
Lorraine H. Morton Civic Center – 2100 Ridge Avenue, Room 2200

AGENDA

1. CALL TO ORDER / DECLARATION OF QUORUM

2. APPROVAL OF MEETING MINUTES OF MAY 23, 2012

3. CONSENT AGENDA
   A. Façade Improvement Program Applications
      i. Request for Funding Assistance from Studio SLK (1934 Maple Avenue)
         Staff recommends approval of financial assistance through the Façade Improvement Program for Studio SLK in the amount of $1,318 for the replacement of the awning fabric, the refurbishment of the awning frame, tuckpointing, priming, painting, cleaning and caulking work. The funding source is the Economic Development Fund Business District Improvement Fund (5300.65522).
      ii. Request for Funding Assistance from Minasian Rug Company (1244 Chicago Avenue)
          Staff recommends approval of financial assistance through the Façade Improvement Program for Minasian Rug Company in the amount of $6,223 for the purchase and installation of new awnings and painting work. The funding source is the Economic Development Fund Business District Improvement Fund (5300.65522).

4. STAFF REPORTS
   A. Update on Comprehensive Sign Program

5. ITEMS FOR CONSIDERATION
   A. Consideration of Financial Assistance for coLab (900 Chicago Avenue)
   B. Consideration of Financial Assistance for Now We’re Cookin’(1601 Payne Street)

Order of Agenda Items is subject to change. Information about the Economic Development Committee is available at http://www.cityofevanston.org/government/special-council-committees/economic-development-committee/index.php. Questions can be directed to Johanna Nyden at 847.448.8014. The City of Evanston is committed to making all public meetings accessible to persons with disabilities. Any citizen needing mobility or communications access assistance should contact the Community and Economic Development Department 48 hours in advance of the scheduled meeting so that accommodations can be made at 847-448-8683 (Voice) or 847-448-8064 (TTY).
6. COMMUNICATIONS
   A. Economic Development Summit 2012- Update #1
   B. Announcements/Updates from EDC Members
   C. Real Estate Transfer Tax Report
   D. Monthly Economic Development Communication
   E. Summary of New Markets Tax Credit Program (informational memorandum –
      follow up to May 23, 2012 Discussion of Data Center Proposed by Evanston
      Technology Partners)

7. ADJOURNMENT

   Next Meeting: Wednesday, July 25, 2012
ECONOMIC DEVELOPMENT COMMITTEE
MEETING NOTES
May 23, 2012

Attendees:


Committee Members Absent: C. Burrus, J. Fiske

Staff: J. Furey, S. Griffin, J. Nyden, N. Radzevich, P. Zalmezak

Presiding Member: J. Grover

I. Call to Order / Declaration of Quorum

With a quorum being present, Chair Grover called the meeting to order at 7:26 pm.

II. APPROVAL OF THE MEETING MINUTES OF APRIL 25, 2012 AND MEETING MINUTES OF APRIL 30, 2012

Ald. Rainey moved approval of the minutes, seconded by Ald. Wynne.

The minutes of the April 25, 2012 meeting and April 30, 2012 meeting were approved unanimously, 9-0.

III. Consent Agenda

A. Façade Improvement Program Grant Requests
   i. Request for Funding Assistance from KOI Restaurant (624 Davis)
      Lori Summers asked to discuss the Façade Improvement Program Grant Request for Koi restaurant due to her concern that an Evanston-based business had not bid on the project. Sandy Chen, owner of Koi Restaurant, explained that the installation of an air curtain is a unique project and that no existing Evanston-based business could supply and/or install the curtain. Alderman Rainey explained air curtains are required by the State of Illinois for health code purposes. Seth Freeman questioned whether the proposed project qualified as a façade improvement. Johanna Nyden, Economic Development Coordinator, confirmed that it did and explained some of its benefits.

      ii. Request for Funding Assistance from Unicorn Café (1723 Sherman)

      Ald. Rainey moved to recommend approval for both façade applications, seconded by Ald. Tendam.

      Both façade requests were approved unanimously, 9-0.

B. Update on Evanston Community Development Corporation
The Committee acknowledged receipt of the update on Evanston Community Development Corporation.

C. Real Estate Transfer Tax Report
The Committee acknowledged receipt of the real estate transfer tax report.

D. Monthly Economic Development Communication
The Committee acknowledged receipt of the monthly Economic Development Communication.

IV. STAFF REPORTS
A. Overview of Economic Development Summit (verbal)
Nancy Radzevich, Economic Development Division Manager, provided an overview of the Economic Development Summit, 2012 which took place on Friday, May 18, 2012. Ms. Radzevich explained that the event had 173 attendees, 73 percent of which represented businesses. Ms. Radzevich reported that staff was drafting summaries of each session. The next step for the Economic Development Division is to send out a follow-up survey to event attendees.

B. Update on Main & Chicago Tax Increment Financing District
Ms. Nyden provided an update on the Main & Chicago TIF District. She described the proposed TIF District’s boundary. Ms. Nyden described the schedule for the TIF District as is mandated per state statute to include a City Council meeting to initiate the designation process on June 11, 2012, a Joint Review Board Meeting on July 10, 2012, a City Council meeting for introduction of the measure on August 13, 2012, and a final City Council meeting for adoption on September 10, 2012.

V. ITEMS FOR CONSIDERATION
A. Consideration of Request for Funding Assistance from Technology Innovation Center
Paul Zalmezak, Economic Development Coordinator, introduced a request for funding assistance from Technology Innovation Center for $25,000 over the period of April 1, 2012 to June 30, 2012. Mr. Zalmezak noted the significant progress TIC has made since their last appearance in front of the Committee including their plan to diversify financial sources and enhance metrics. Mr. Zalmezak stated the foundation has been laid to move forward with TIC and for the City to collaborate with them on TIC marketing and branding. Chuck Happ, Chairman of the TIC explained that the TIC has expanded its advisory board and its use of social media. Mr. Happ described TIC’s plans to market and brand itself further and described preliminary plans to launch a third –Evanston Business Investment Corporation (EBIC III) fund as means to self support the TIC and for investing in business start ups.

Alderman Tendam moved to recommend approval for the funding assistance request from Technology Innovation Center, located at 820 Davis Street, in the amount of $25,000 for the period of April 1, 2012 to June 30, 2012. Seconded by Alderman Holmes.

The request was approved by a vote of 8-1.
VI. ITEMS FOR DISCUSSION

A. Discussion of Potential Project Assistance Request from Margarita Inn located at 1566 Oak Street

Ms. Nyden introduced Michael Pure, owner of the Margarita Inn, and described his proposed project. Raymond Zenkich asked Mr. Pure what other types of funding he had pursued for this project before coming to the City of Evanston. Mr. Pure explained he had previously approached the Small Business Association but that they were not lending to hotels due to the economy. Mr. Zenkich asked what the structure of the funding request would be. Ms. Nyden explained it could come in several forms such as a rebate, loan, or forgivable loan but that the Economic Development Committee should decide which method they prefer.

Dan Mennemeyer commented his appreciation that Mr. Pure has already put his personal financial assets into this project and that he’s open to several forms of financing from the City. Alderman Rainey suggested using a hotel tax rebate to finance the project, similar to rebates provided to other hotels in Evanston when the Hilton Garden Inn was constructed. Mr. Pure explained he would personally be borrowing $1.8 million for this project and is seeking assistance for gap financing for the remaining portions of the project.

Lori Summers stated her preference for a loan including performance-based measures for this deal. Alderman Grover stated she believed the EDC would like to see Mr. Pure come back with a formal request at the Committee’s next meeting. Alderman Wynne asked what Mr. Pure’s proposed timeline for the project was. Mr. Pure stated he would prefer to begin construction this summer and that the entire project would take about 10 weeks from start to finish.

B. Discussion of Data Center Proposed by Evanston Technology Partners

Mr. Zalmezak introduced Emmanuel Jackson, a member of Evanston Technology Partners. Mr. Jackson, along with partners Aero Electronics and Siemens, is proposing a data center in the City of Evanston, with a preference for 1890 Maple as the location.

Aero Electronics’, Kristo Aleksov described current trends in data center development and the attributes that make the City of Evanston a good location for this project: the university, proximity to Chicago, educated workforce and access to strong school system. Alderman Rainey asked Mr. Jackson what his relationship was with the Technology Innovation Center. Mr. Jackson explained he hoped to further establish one moving forward with this project. Mr. Jackson stated that Evanston had attractive electrical (power) rates and available fiber infrastructure necessary for a data center project. He also explained the availability to pursue New Market Tax Credits at 1890 Maple Avenue. Mr. Jackson stated that this project has the potential to create 200 jobs.

Ms. Summers asked for clarification on the scope of the project including job training and their site selection process. Mr. Aleksov stated there would be three levels of job training for employees including those for high school graduates, community college graduates, and Northwestern University graduates. Each level of training
would allow for employees to learn and utilize additional skills. Mr. Aleksov explained Northwestern University graduates would focus on application development. Robert Heiderscheidt of MDI Access introduced himself and described the positive attributes of the 1890 Maple Avenue building including the availability of sufficient electricity, fiber, and sufficient floor loads and ceiling heights.

Mr. Zenkich asked for additional information on New Market Tax Credits. Mr. Jackson explained that they encourage development in low income areas. Alderman Rainey asked how the tax credits would be used for this project. Mr. Jackson explained they would be used to purchase the building, upgrade infrastructure, and as operating capital. He stated that 1890 Maple Avenue falls within a qualifying New Market Tax Credit area. Alderman Wynne asked what role a letter of support from the City would play in this process. Mr. Jackson explained that a letter of support from the City would allow him to show financial institutions that the City of Evanston is supportive of this proposed project.

Alderman Holmes stated she initially met with Mr. Jackson in December 2011 to discuss this project and noted the importance of it creating a significant number of high-paying jobs. Alderman Rainey suggested Mr. Jackson consider 222 Hartrey Avenue.

**Alderman Wynne made a motion for the City to prepare a Letter of Support. Seconded by Alderman Rainey.**

The motion was approved by a vote of 9-0.

Mr. Zalmezak stated he would also draft a memo further describing New Market Tax Credits, cloud computing, and data centers.

**C. Discussion of City’s Partnership in Evanston-based Incubators**

i. Culinary Trades Incubator: Now We’re Cookin’

ii. Coworking / Start Up Education: CoLab Evanston

Mr. Zalmezak introduced and defined incubators and their attributes. He explained that incubators need financial assistance to get started and eventually develop a funding plan that encourages entirely private investments. Mr. Zalmezak listed several short and long-term benefits of incubators and described his desire for feedback from the Committee on their willingness to support the human capital (salaries of incubator managers) and how to best track the benefits of incubators. Mr. Zalmezak then introduced Miguel Wong and Eric Harper from CoLab Evanston, a shared workspace for businesses, and Nell Funk from Now We’re Cookin’, a food-service business incubator.

Alderman Wynne asked if CoLab Evanston was requesting for administrative staff funding. Mr. Harper stated they were looking for programming support and that their current administrative fees are being covered by collected fees. Mr. Wong stated additional City support of CoLab would allow them to expand programming and result in more events in Evanston similar to TEDxEvanston. Alderman Wynne
asked for a description on additional program offerings. Mr. Wong stated CoLab would target niche markets.

Ms. Funk described her business, Now We’re Cookin’. Ms. Funk explained that her business is a shared kitchen space used by various businesses. In addition to providing space, Ms. Funk and her advisory board provide education and other assistance to those looking to start a food-related business. Ms. Funk stated she would like to have a full time staff person to coordinate events and education opportunities so that she can handle marketing and other efforts.

Mr. Zenkich asked if a full-time marketing staff was what made “1871” successful. Mr. Zalmezak replied that while 1871 is a competitor, it’s too early to determine whether or not they’re successful because they only recently opened. He explained that City has an opportunity to fund a number of mentorship/incubator initiatives that would make the City of Evanston attractive to startups as opposed to focusing on “bricks and mortar.” Mr. Zenkich stated there is competition for incubators and startup companies among municipalities. Ms. Funk noted that competition for food incubators is not as great because they’re a relatively new concept.

Ms. Summers asked what the City’s return on investment would be for supporting CoLab and Now We’re Cookin’. Mr. Zalmezak stated the Economic Development Committee has a voice in how the return on investment should be measured. He suggested several potential measures including new startups created, startups successfully launched to growth stages, and/or jobs, Alderman Grover suggested staff and the Committee continue the discussion moving forward.

VII. COMMUNICATIONS
EDC Member Updates
Alderman Rainey stated that the property at 623 Howard Street was receiving interest from potential restaurateurs.

VIII. Adjournment

Alderman Wynne moved to adjourn the meeting, seconded by Alderman Rainey.

The Committee voted 9-0 unanimously to adjourn the meeting.

The meeting was adjourned at 9:40 p.m.

Respectfully submitted,
Jim Furey
To: Chair and Members of the Economic Development Committee

From: Nancy Radzevich, Economic Development Manager
      Johanna Nyden, Economic Development Coordinator
      Jim Furey, Economic Development Specialist

Subject: Application for the Façade Improvement Program for Studio SLK at 1934 Maple Avenue

Date: June 22, 2012

Recommendation
Staff supports a recommendation from the Economic Development Committee to City Council to provide financial assistance through the Façade Improvement Program to Studio SLK located at 1934 Maple Avenue (PIN: 11-18-107-044-0000) on a 50/50 cost sharing basis in an amount not to exceed $1,318.

Funding Source
Staff recommends using funds from the Economic Development Fund's Business District Improvement Fund Account (5300.65522). The approved Fiscal Year 2012 Budget allocated a total of $147,000 to this account, of which $75,000 was designated for the Façade Improvement Program. To date a total of $34,164 has been obligated from this account for façade improvement program funding assistance.

Background
The Façade Improvement Program provides a financial incentive to property owners and their commercial tenants to reinvest in the exterior appearance of their property or business. Applicants are eligible to receive a forgivable loan of up to 50% off the total qualifying project cost. Applicants must obtain three written bids for each work component of a proposed project. One of the three bids must come from an Evanston-based contractor. The program helps improve the aesthetics of a commercial building while simultaneously improving the overall aesthetics of a business district. (For more detailed information, please refer to the Program Guidelines at http://www.cityofevanston.org/business/economic_development/Final%202012%20Facade%20Program%20Document.pdf)
Summary
Studio SLK proposes to improve/replace the existing awning and perform tuckpointing, priming, painting, caulking and cleaning work to the front of their recently opened salon at 1934 Maple Avenue.

The awning work involves removal, refurbishing, and re-installation of the existing frame and the installation of new awning fabric. The current fabric on the awning is only temporary as the Studio SLK logo is only affixed as a “patch” and is not directly imprinted on the awning fabric. Awnings are listed as eligible projects under the program. The new awning will improve the aesthetics of the façade and the re-use of the existing frame is a sustainable measure that is encouraged by this Program.

Studio SLK also proposes to perform tuckpointing, priming, painting, caulking and power washing work to the front of their commercial space. Painting, tuckpointing, and other visual enhancements to a commercial space are eligible projects under the Program guidelines, and this work will further enhance the façade of this business as well as the commercial area in general.

According to the Cook Country Treasurer’s Office, this property is in good standing with their property taxes and business and property owner do not owe any fines, fees, etc. to the City.

Attachments:
-Application from SLK Salon Dated March 9, 2012 with required estimates
Facade Improvement Program Application

The purpose of this program is to improve the appearance of commercial buildings located throughout the City of Evanston. The program addresses the facade, the exterior portion of a building facing the public right-of-way, in order to remedy deteriorating property conditions and to generate business for Evanston's commercial areas. For further details on this program, review the Program Guidelines and the Program Agreement.

INSTRUCTIONS: The following are required to be considered for participation in the Facade Improvement Program:

- This completed application (Submit this application via email to jfurey@cityofevanston.org OR deliver to the Economic Development Division at 2100 Ridge Ave, Suite 3600).
- Three estimates for each proposed scope of work (Send via email to jfurey@cityofevanston.org).
- If tenant is the applicant, letter of support from property owner indicating he/she is supportive of the project and has reviewed the terms and conditions of the Program. (Sent via email to jfurey@cityofevanston.org).

Property Information

Property Address: 1934 Maple Ave
Year Property Was Constructed: 1940's Is this Property a Historic Landmark? NO

To determine if your property is a historic landmark or in a historic district visit the City of Evanston's Learn About My Place: http://www.cityofevanston.org/AboutYou?name=whoami&Cmd=whoami&User=1&house_number=&street_id=&Submit=Submit

Applicant Information

Applicant Name: Sandy Lewis Kader
Applicant Address: 125 Clyde Ave Evanston, IL 60202
Applicant Phone: 312-418-0968 Applicant Email: Sandy@Studio-SLK.com
Applicant is: Studio SLK

Property Owner Information (If Applicant is not Property Owner)

Owner Name: Evanston Rentals, LLC
Owner Address: 107 Greenery Rd, Wilmette IL 60093
Owner Phone: 847-507-2649 Owner Email: EvanstonRentals@hotmail.com
Is the Property Currently for Sale? NO
Business Information - Ground Floor Uses

INSTRUCTIONS: Provide information on businesses located on the ground floor of the property that will be included in Project.

Business #1

Business Name: Studio SLK

Name of Business Owner (First, Last): Sandy Lewis Kadir

Length of Storefront (feet): 400+ Date of Lease Expiration: 2017 Number of Years Business at this Location

Please include a brief description of the business:

Business #2

Business Name:

Name of Business Owner (First, Last)

Length of Storefront (feet): Date of Lease Expiration: Number of Years Business at this Location

Please include a brief description of the business:

Business #3

Business Name:

Name of Business Owner (First, Last)

Length of Storefront (feet): Date of Lease Expiration: Number of Years Business at this Location

Please include a brief description of the business:

Note: If more than five (3) businesses are included in your facade improvement project, please submit a typed attachment to economicdent@cityofevanston.org.
Summary of Work at Property

What type of improvements are you planning to make? Check all that apply:

- □ Doors
- □ Tuckpointing
- □ Other
- □ Windows
- □ Lighting
- □ Painting
- □ Other

Describe if "Other" Checked:

Provide a narrative of your proposed project. Include information on portions of the building that will be improved and what particular work activities will be completed.

Need awning replaced
The exterior needs to be painted in order to look more presentable.

Provide a narrative of sustainability measures that will be employed in this project.

Provide a narrative of how your proposed project will improve accessibility at your building.
Photos of Property

**INSTRUCTIONS:** Please follow one of the options below for including current photos of the portions of the building you are proposing to improve.

**OPTION 1:** Upload images in the spaces provided below.
**OPTION 2:** Print color copies and submit them with your completed application.
**OPTION 3:** Submit photos as ONE (1) pdf attachment when you send your completed application via email.

---

Click to upload image #1 of property

Click to upload image #2 of property

Click to upload image #3 of property
Summary of Estimates of Work

**INSTRUCTIONS:** Provide a summary of all estimates of work obtained for your proposed work in the tables provided below. Categorize each type of work for your project under "Work A", "Work B", or "Work C". For example, if your project included tuckpointing and painting – all tuckpointing estimates would fall under "Work A" while all painting estimates would fall under "Work B". **See sample completed table below.**

**Note:** Evanston-based businesses should be utilized for work where possible. If an Evanston-based business will not be used for work, attach a written statement explaining why a business outside of Evanston must be utilized.

### WORK A: Type of Improvement: *Tuckpointing street facing facades — SAMPLE ONLY*

<table>
<thead>
<tr>
<th>Estimates</th>
<th>Name of Contractor</th>
<th>Location of Contractor</th>
<th>Total Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>#1</td>
<td>Better Tuckpointing</td>
<td>Small City, Illinois</td>
<td>$10,500.00</td>
</tr>
<tr>
<td>#2</td>
<td>Tuckpointing Today</td>
<td>Suburb, Illinois</td>
<td>$8,500.00</td>
</tr>
<tr>
<td>#3</td>
<td>Family Tuckpointing</td>
<td>Center City, Illinois</td>
<td>$15,000.00</td>
</tr>
</tbody>
</table>

Average Estimate for Work A: $11,333.33

Highest Estimate: $15,000.00

Lowest Estimate: $8,500.00

*Note: Italicics indicate portion to be completed by applicant.*

---

### WORK B: Type of Improvement:

<table>
<thead>
<tr>
<th>Estimates</th>
<th>Name of Contractor</th>
<th>Location of Contractor</th>
<th>Total Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>#1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>#2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>#3</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Average Estimate for Work B: 

Highest Estimate: 

Lowest Estimate: 

---

### WORK C: Type of Improvement:

<table>
<thead>
<tr>
<th>Estimates</th>
<th>Name of Contractor</th>
<th>Location of Contractor</th>
<th>Total Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>#1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>#2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>#3</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Average Estimate for Work C: 

Highest Estimate: 

Lowest Estimate: 

---
Summary of Estimates of Work

INSTRUCTIONS: Please provide copies of estimates for each type of improvement. Copies of estimates may be attached after this page OR at the end of the Application.

NOTE: You must provide three (3) estimates for EACH type of improvement for your application to be complete.
Letter of Support

INSTRUCTIONS: If you are a tenant applying for funding, please have the property owner complete and sign the following letter and submit this with your application.

Date: 3/19/12

City of Evanston
Department of Community and Economic Development
2100 Ridge Avenue
Evanston, IL 60201

Economic Development Staff:

I acknowledge that the tenant, Sandy Lewis Kadiri (name of applicant), in my building located at 1932-1936 Maple Ave (street address), is applying to participate in the "City of Evanston Façade Improvement Program."

I have read the terms and conditions applying to this program and authorize this tenant to pursue participation in this program.

I further consent to the recordation against this property of a Declaration of Covenants affecting the property and agree to furnish the following documents if and when this project is approved by the Evanston City Council:

- Legal Description of Property
- Signed Declaration of Covenants Affecting Real Property
- Signed Certification of Ownership and Consent (included in the Program Agreement)

Signed,

NEFRETTE HAMLIN (Print name)

(Signature)
Agreement of Understanding

"I certify that all of the information contained in this document, all statements, information, and exhibits that I am submitting for the property listed in this form under 'property information' is true and accurate and to the best of my knowledge. I certify that I have reviewed the Program Guidelines and Program Agreement form associated with the City of Evanston's Facade Improvement Program."

Digital Signature of Applicant: 

Insert Date: 

To submit your application, send the following to the Economic Development Division:
- This completed Application Form
- Copies of Color Photographs
- Copies of all bids for proposed work

Return to:

Economic Development Division
Attn: Jim Furey
2100 Ridge Avenue
Evanston, IL 60201

or

jfurey@cityofevanston.org
March 19, 2012

Sandy Kadir
Salon SLK
1934 Maple Ave.
Evanson, IL 60201

312-618-0968
Email Sandy@studio-SLK.com

PROPOSAL

1 Traditional style stationary awning with end wings and stationary valance recovered and installed on your present framework and mounting hardware on the east face storefront, excluding any reconditioning, repairs or replacement of the framework and mounting hardware. Note that the awning will have to be taken down from the building to for the recover process. As it appears that the awning is being secured to the building by an additional steel tube member across the top of your awning and the neighboring awning to the north. Unfortunately this cannot be determined until the awning is taken down from the building and at that time we can determine if there may be any additional costs for which you will be responsible. Using Sunbrella fabric min your choice of the available colors for which a selection required.

1160.00

White applied letters/logo as per sample artwork received on the roof area of the awning, excluding any other letters or numbers

250.00

$1410.00

-Any or all lettering/logos require an electronic file formatted as .eps or .ai (version 6 or less) and jpg file.
-Artwork set-up and/or clean-up fees may apply at $75.00/hour.
-Permit to be obtained by but at no cost to Evanston Awning Co., prior to production or installation.
-Prior to our receipt of the full contract, shop drawings and fabric samples will be provided for owner approval and city permit upon our receipt of a 10% drawing deposit, which is non-refundable but applicable to the full contract once all approvals are received.
-Installation to be determined, weather permitting, upon our receipt of the signed contract, 50% deposit of the total order and fabric color selections. The balance is due on installation. This proposal becomes a bona fide contract when signed and returned.
-To clean the awning with SGS applied graphics use a mild soap and water solution, same as other Sunbrella applications. Use mild soap and water applied with a sponge or soft brush. Do not use a strong scrubbing motion. Do not use a power sprayer/washer. While still on the frame, the graphics portion of the awning should be cleaned by washing/brushing from the vinyl portion out, away from the edge of the vinyl. This will help to prevent damaging the "edge" of the graphics which could lead to "lift off." Rinse thoroughly with clean water.

Thank you,

George Schaefer, CPP, Sales Manager

Please proceed with the order described above. I grant Evanston Awning Co. a security interest in this merchandise until paid, unless prohibited by law.

Signed ________________________________ Date ________________________________

Enclosed is my check for 50% deposit in the amount of $ _______________ or please charge my credit card (VISA, MasterCard or Discover) with the understanding that there may be a 3% fee for charges over $1000.00 added to the contract amount. Credit card type ________________________________

Acct # ________________________________ 3# Security code __________ exp __________

Credit card billing address # and zip code ________________________________
Hi Jim,
Here's the third quote regarding the awning.

Peace and Blessings
Sandy Lewis Kadiri
TO: Studio S L K
1934 Maple Ave.
EVANSTON, IL
60201

DATE: 02/20/2012
Quote #: 21600

DESCRIPTION

Quote is to recover one (1) awning for Studio SLK, 1934 Maple Ave, Evanston, IL.

Thatcher Oaks will remove the existing awning frames from the location and bring back to our facility. The frames will be ground down, and re-primed silver. Repairs will be done at an additional cost. Frame to be re-painted black.

Graphics to include: one logo and one descriptor on the box (This will be the customer's address). Graphics will applied using the Sunbrella Graphics system. This system utilizes heat and pressure to apply high quality 3M vinyl to the fabric. Graphic includes two color logo, teal with white border. Any additions to the graphics will result in additional costs.

Price includes taxes and installation.
Any permit requirement will include an additional fee.

Thank You for your interest in Thatcher Oaks Awning Company.

Sincerely,
Kevin Elliott (630) 452-1720

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$1,635.00</td>
</tr>
</tbody>
</table>

Total Cost for items on Quotation:

It is the intent of the Seller to deliver to Buyer the products so stated in this contract, within the time frame so stated, subject to our ability to produce materials, and is subject to labor disputes, acts of God, and other delays beyond our control.

CUSTOMER DEPOSIT IS NON REFUNDABLE 5 DAYS AFTER ACCEPTANCE OF CONTRACT.

For the purpose of securing payment and performance of the obligation hereunder, Seller shall have, and Buyer herby grants to Seller, a purchase money security interest in said property. The property and all of the apparatus, appliances, supplies, accessories and parts remain the property and security of Seller for said indebtedness until this contract is paid in full. In the event Seller has to remove property due to nonpayment, any monies paid on account shall remain the property of Seller as liquidated damages, and any reinstallation shall be subject to renegotiation. All new installations are guaranteed against defect in material or workmanship for three years after installation.

ACCEPTED_________________________ DATED_________________________ BY_________________________ SELLER

DEPOSIT_________________________ We May Withdraw this proposal if not accepted within __ days.
We hereby propose to furnish the materials and perform the labor necessary for the completion of

This Proposal is to perform work at the 1934-36 Maple Evanston level 1 (exterior) and we hereby state in writing that we are licensed, insured, we will state in detail everything that will be performed for the completion of this job.

Preparation:
- Patch and caulk all holes and cracks
- Prime all trim and walls
- Apply a finish coats to all trim and walls

All paint Benjamin Moore quality or better

This cost is for labor and material

All material is guaranteed to be as specified, and the above work to be performed in accordance with the drawings and specifications submitted for above work, and completed in a substantial workmanlike manner for the sum of

Three thousand and fifty 00/100 Dollars ($ 3050.00)

with payments to be made as follows:

Respectfully submitted

Per

Note - This proposal may be withdrawn by us if not accepted within days.

ACCEPTANCE OF PROPOSAL
The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payments will be made as outlined above.

Signature

Date 03.22.12
WE PROPOSE THE

Storefront:

- Power wash tile walls, woodwork, and window frames. Wirebrush old finishes on stone and clean tile. Remove loose mortar from stone as needed. Tuckpoint stone as needed and gaps where needed. Apply BIN Sealer to tile fully. Caulk gaps as needed.
- Paint tile walls 2 coats and wood section above entry door.

---

Additional information pertaining to this Proposal

The price includes all materials

<table>
<thead>
<tr>
<th>Total Job Cost for Proposal</th>
<th>$1,225.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job Cost does not include tax, or applicable surcharges</td>
<td></td>
</tr>
</tbody>
</table>

Authorized Signature

---

ACCEPTANCE OF PROPOSAL

<table>
<thead>
<tr>
<th>CONDITIONS OF PROPOSAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Signature</td>
</tr>
</tbody>
</table>

ORIGINAL
This is the quote I received from Sir Locksley's painting, this just a very basic quote for minimal work. Power wash should be about $90.00 tuck pointing $250.00 painting $150.00.

Peace and Blessings
Sandy Lewis Kadiri

On Jun 15, 2012, at 9:00 AM, "Furey, James" <jfurey@cityofevanston.org> wrote:

   Great. Thanks Sandy. Will you be able to get the other exterior quotes to me by the end of the day? If so, we'll be able to get you in front of the Economic Development Committee at the end of the month (June 27).

   Thanks!

   Jim Furey
   Economic Development Specialist
   City of Evanston
   2100 Ridge Avenue
   Evanston, Illinois 60201
   jfurey@cityofevanston.org
   847-448-8078

Hi Jim, I apologize for not getting back to you earlier. Attached is another quote. I thought that I sent it to you last month.
Peace and Blessings
Sandy Lewis Kadiri

Begin forwarded message:

   From: lared101@aol.com
   Date: May 15, 2012 7:48:01 PM CDT
   To: sandy@studio-slk.com
   Subject: Fwd: 1934 Maple
If you encounter problems opening the attachment, please contact our office.

Thank you
A.R. Decorating & Restoration
(847)757-5504 cell
(847)475-3621 office
To: Chair and Members of the Economic Development Committee

From: Nancy Radzevich, Economic Development Manager
      Johanna Nyden, Economic Development Coordinator
      Jim Furey, Economic Development Specialist

Subject: Application for the Façade Improvement Program for Minasian Rug Company located at 1244 Chicago Avenue

Date: June 22, 2012

Recommendation
Staff supports a recommendation from the Economic Development Committee to City Council to provide financial assistance through the Façade Improvement Program to Minasian Rug Company located at 1244 Chicago Avenue (PINs: 11-19-105-003-0000 and 11-19-105-004-0000) on a 50/50 cost sharing basis in an amount not to exceed $6,223.

Staff further recommends that approval of the financial assistance be subject to the applicant paying on all fines and fees due to the City of Evanston, and that execution of the Façade Improvement Program agreement be held until all payments are finalized. Mr. Minasian currently owes the City of $3,992 and has an established payment plan in place (ref: “Settlement Agreement Letter“ signed by Chief Financial Officer Marty Lyons). It is expected that the balance due will be paid in-full by July 11, 2012. (ref: “You Owe” report for 1244 Chicago Avenue, with current fees due as of June 18, 2012).

Funding Source
Staff recommends using funds from the Economic Development Fund’s Business District Improvement Fund Account (5300.65522). The approved Fiscal Year 2012 Budget allocated a total of $147,000 to this account, of which $75,000 was designated for the Façade Improvement Program. To date a total of $34,164 has been obligated from this from this account for Façade Improvement Program funding assistance.

Background
The Façade Improvement Program provides a financial incentive to property owners and their commercial tenants to reinvest in the exterior appearance of their property or business. Applicants are eligible to receive a forgivable loan of up to 50% off the total qualifying project cost. Applicants must obtain three written bids for each work
component of a proposed project. One of the three bids must come from an Evanston-based contractor. The program helps improve the aesthetics of a commercial building while simultaneously improving the overall aesthetics of the associated business district. (For more detailed information, please refer to the Program Guidelines at http://www.cityofevanston.org/business/economic_development/Final%202012%20Facade%20Program%20Document.pdf)

Summary
Minasian Rug Company proposes to erect new awnings on the façade of their commercial space and to repaint the storefront, gables, and window frames. The installation of new awnings and painting work are eligible projects under the Program.

The existing awnings are worn and unusable and require replacement. The new awnings would provide visitors to the store protection from the elements and improve the aesthetics of the commercial space (PIN 11-19-105-003-0000). The existing paint on the façade of 1244 Chicago Avenue is chipping and in poor condition. Minasian Rug Company is proposing to enhance their space (PIN 11-19-105-004-0000) by repainting their Chicago Avenue-facing storefront, gables, and metal window frames (inside and out). Any painting work performed on the south façade of the building is not eligible under the program. To make the project more sustainable, Minasian plans to recycle as many materials as possible. They also plan to use ecologically-friendly products.

According to the Cook County Treasurer’s Office the property taxes for this property have been paid for PINs 11-19-105-003-0000 and 11-19-105-004-0000, however, the business owner does owe $3,992.86 in unpaid fees, fines, etc. to the City. Mr. Minasian advised staff that he is in the process of paying down this debt, and has established a payment plan with the City’s Administrative Services Department. Economic Development staff has confirmed that a payment plan is in place. The City entered into an agreement with Mr. Minasian to settle the charges on April 11, 2012. An initial payment of $620.00 was made and the City has received three post dated checks for $833.34 each, dated 5/11/12, 6/11/12, and 7/11/12. The first two checks have been deposited by the City. The final payment on this debt is expected on 7/11/12.

While staff supports the work covered in this application, it is recommended that if approved by City Council, that the program agreement not be executed until the owner has paid off all outstanding debts to the City. Further, upon completion of the project, staff recommends that project reimbursement be held subject to the owner having accrued no additional fines or fees with the City.

Attachments:
-Application dated June 14, 2012 with required estimates
-“You Owe” report for 1244 Chicago, as of June 18, 2012
-Settlement Agreement Letter
Facade Improvement Program
Application

The purpose of this program is to improve the appearance of commercial buildings located throughout the City of Evanston. The program addresses the facade, the exterior portion of a building facing the public right-of-way, in order to remedy deteriorating property conditions and to generate business for Evanston's commercial areas. For further details on this program, review the Program Guidelines and the Program Agreement.

INSTRUCTIONS: The following are required to be considered for participation in the Facade Improvement Program:

- This completed application (Submit this application via email to jfurey@cityofevanston.org OR deliver to the Economic Development Division at 2100 Ridge Ave, Suite 3600).
- Three estimates for each proposed scope of work (Send via email to jfurey@cityofevanston.org).
- If tenant is the applicant, letter of support from property owner indicating he/she is supportive of the project and has reviewed the terms and conditions of the Program. (Sent via email to jfurey@cityofevanston.org).

Property Information

<table>
<thead>
<tr>
<th>Property Address</th>
<th>1244 Chicago Ave. Evanston, IL 60202</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year Property Was Constructed</td>
<td>1930</td>
</tr>
<tr>
<td>Is this Property a Historic Landmark?</td>
<td>No</td>
</tr>
</tbody>
</table>

To determine if your property is a historic landmark or in a historic district visit the City of Evanston's Learn About My Place: http://www.cityofevanston.org/AboutYou?name=whoami&Cmd=whoami&UserId=1&house_number=&&street_id=&Submit=Submit

Applicant Information

<table>
<thead>
<tr>
<th>Applicant Name:</th>
<th>Armen Minasian</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applicant Address:</td>
<td>1622 1/2 Forest Place Evanston, IL 60202</td>
</tr>
<tr>
<td>Applicant Phone:</td>
<td>(847) 964-1010</td>
</tr>
<tr>
<td>Applicant Email:</td>
<td><a href="mailto:armen@minasian.com">armen@minasian.com</a></td>
</tr>
<tr>
<td>Applicant is:</td>
<td>Tenant</td>
</tr>
<tr>
<td>Business Name (If applicable)</td>
<td>Minasian Rug Company</td>
</tr>
</tbody>
</table>

Property Owner Information (If Applicant is not Property Owner)

<table>
<thead>
<tr>
<th>Owner Name:</th>
<th>Kento Capital</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owner Address:</td>
<td>1244 Chicago Ave. Evanston, IL 60202</td>
</tr>
<tr>
<td>Owner Phone:</td>
<td>(847) 229-4115</td>
</tr>
<tr>
<td>Owner Email:</td>
<td><a href="mailto:rakent@xnet.com">rakent@xnet.com</a></td>
</tr>
<tr>
<td>Is the Property Currently for Sale?</td>
<td>No</td>
</tr>
</tbody>
</table>
## Business Information - Ground Floor Uses

**INSTRUCTIONS:** Provide information on businesses located on the ground floor of the property that will be included in Project.

### Business #1

<table>
<thead>
<tr>
<th>Field</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Name</td>
<td>Minasian Rug Company</td>
</tr>
<tr>
<td>Name of Business Owner (First, Last)</td>
<td>Armen Minasian</td>
</tr>
<tr>
<td>Length of Store Frontage (feet)</td>
<td>77</td>
</tr>
<tr>
<td>Date of Lease Expiration</td>
<td>Jul 1, 2017</td>
</tr>
<tr>
<td>Number of Years Business at this Location</td>
<td>82</td>
</tr>
</tbody>
</table>

**Please include a brief description of the business:**
This business retails, cleans, and repairs oriental rugs.

### Business #2

<table>
<thead>
<tr>
<th>Field</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Name</td>
<td></td>
</tr>
<tr>
<td>Name of Business Owner (First, Last)</td>
<td></td>
</tr>
<tr>
<td>Length of Store Frontage (feet)</td>
<td></td>
</tr>
<tr>
<td>Date of Lease Expiration</td>
<td></td>
</tr>
<tr>
<td>Number of Years Business at this Location</td>
<td></td>
</tr>
</tbody>
</table>

**Please include a brief description of the business:**

### Business #3

<table>
<thead>
<tr>
<th>Field</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Name</td>
<td></td>
</tr>
<tr>
<td>Name of Business Owner (First, Last)</td>
<td></td>
</tr>
<tr>
<td>Length of Store Frontage (feet)</td>
<td></td>
</tr>
<tr>
<td>Date of Lease Expiration</td>
<td></td>
</tr>
<tr>
<td>Number of Years Business at this Location</td>
<td></td>
</tr>
</tbody>
</table>

**Please include a brief description of the business:**

---

*Note: If more than five (3) businesses are included in your facade improvement project, please submit a typed attachment to economicdev@cityofevaston.org.*
## Summary of Work at Property

What type of improvements are you planning to make? Check all that apply:

- [ ] Doors
- [ ] Tuckpointing
- [ ] Other
- [ ] Windows
- [ ] Lighting
- [ ] Painting

Describe if "Other" checked:

| Awning Replacement |

Provide a narrative of your proposed project. Include information on portions of the building that will be improved and what particular work activities will be completed.

The awnings on the front of the building will be replaced and the wooden portion of the building on the south end of the lot as well as the window frames will be repaired and repainted.

Provide a narrative of sustainability measures that will be employed in this project.

All materials that cannot be recycled or reused are being disposed of correctly and safely. When possible discarded materials are being recycled and ecologically friendly products are being used. All work and materials used are being guaranteed for a minimum of 10 years.

Provide a narrative of how your proposed project will improve accessibility at your building.

The new awnings will provide greater appeal as the current awnings are ripped and unusable. Improvement of the wooden portion of the building and window frames will improve general aesthetics and appeal.
Photos of Property

**INSTRUCTIONS:** Please follow one of the options below for including current photos of the portions of the building you are proposing to improve.

OPTION 1: Upload images in the spaces provided below.
OPTION 2: Print color copies and submit them with your completed application.
OPTION 3: Submit photos as ONE (1) pdf attachment when you send your completed application via email.

Click to upload image #1 of property

Click to upload image #2 of property

Click to upload image #3 of property
Summary of Estimates of Work

**INSTRUCTIONS:** Provide a summary of all estimates of work obtained for your proposed work in the tables provided below. Categorize each type of work for your project under "Work A", "Work B", or "Work C". For example, if your project included tuckpointing and painting -- all tuckpointing estimates would fall under "Work A" while all painting estimates would fall under "Work B". **See sample completed table below.** Note: Evanston-based businesses should be utilized for work where possible. If an Evanston-based business will not be used for work, attach a written statement explaining why a business outside of Evanston must be utilized.

### WORK A: Type of Improvement: Tuckpointing street facing facades — SAMPLE ONLY

<table>
<thead>
<tr>
<th>Estimates</th>
<th>Name of Contractor</th>
<th>Location of Contractor</th>
<th>Total Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>#1</td>
<td>Better Tuckpointing</td>
<td>Small City, Illinois</td>
<td>$16,500.00</td>
</tr>
<tr>
<td>#2</td>
<td>Tuckpointing Today</td>
<td>Suburb, Illinois</td>
<td>$8,300.00</td>
</tr>
<tr>
<td>#3</td>
<td>Family Tuckpointing</td>
<td>Center City, Illinois</td>
<td>$15,000.00</td>
</tr>
<tr>
<td></td>
<td>Average Estimate for Work A</td>
<td></td>
<td>$11,333.33</td>
</tr>
<tr>
<td></td>
<td>Highest Estimate</td>
<td></td>
<td>$15,000.00</td>
</tr>
<tr>
<td></td>
<td>Lowest Estimate</td>
<td></td>
<td>$8,500.00</td>
</tr>
</tbody>
</table>

Note: Italics indicate portion to be completed by applicant.

### WORK A: Type of Improvement: Awning Replacement

<table>
<thead>
<tr>
<th>Estimates</th>
<th>Name of Contractor</th>
<th>Location of Contractor</th>
<th>Total Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>#1</td>
<td>Thatcher Oaks Inc., Inc</td>
<td>Elmhurst, IL</td>
<td>$8,570.00</td>
</tr>
<tr>
<td>#2</td>
<td>Evanston Awning Co.</td>
<td>Evanston, IL</td>
<td>$9,900.00</td>
</tr>
<tr>
<td>#3</td>
<td>Hernandez Signs &amp; Awnings</td>
<td>Chicago, IL</td>
<td>$9,500.00</td>
</tr>
<tr>
<td></td>
<td>Average Estimate for Work A</td>
<td></td>
<td>$9,323.33</td>
</tr>
<tr>
<td></td>
<td>Highest Estimate</td>
<td></td>
<td>$9,900.00</td>
</tr>
<tr>
<td></td>
<td>Lowest Estimate</td>
<td></td>
<td>$8,570.00</td>
</tr>
</tbody>
</table>

### WORK B: Type of Improvement: Painting

<table>
<thead>
<tr>
<th>Estimates</th>
<th>Name of Contractor</th>
<th>Location of Contractor</th>
<th>Total Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>#1</td>
<td>Dave’s Painting</td>
<td>Evanston, IL</td>
<td>$3,875.00</td>
</tr>
<tr>
<td>#2</td>
<td>Watts Painting &amp; Decorating</td>
<td></td>
<td>$4,200.00</td>
</tr>
<tr>
<td>#3</td>
<td>Steve Spinner</td>
<td>Glenview, IL</td>
<td>$4,200.00</td>
</tr>
<tr>
<td></td>
<td>Average Estimate for Work B</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Highest Estimate</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Lowest Estimate</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### WORK C: Type of Improvement:

<table>
<thead>
<tr>
<th>Estimates</th>
<th>Name of Contractor</th>
<th>Location of Contractor</th>
<th>Total Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>#1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>#2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>#3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Average Estimate for Work C</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Highest Estimate</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Lowest Estimate</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
INSTRUCTIONS: Please provide copies of estimates for each type of improvement. Copies of estimates may be attached after this page OR at the end of the Application.

NOTE: You must provide three (3) estimates for EACH type of improvement for your application to be complete.
Letter of Support

INSTRUCTIONS: if you are a tenant applying for funding, please have the property owner complete and sign the following letter and submit this with your application.

Date: 6/14/12

City of Evanston
Department of Community and Economic Development
2100 Ridge Avenue
Evanston, IL 60201

Economic Development Staff:

I acknowledge that the tenant, Minasian Rug Co. (name of applicant), in my building located at 1244 Chicago Ave. (street address), is applying to participate in the “City of Evanston Façade Improvement Program.”

I have read the terms and conditions applying to this program and authorize this tenant to pursue participation in this program.

I further consent to the recordation against this property of a Declaration of Covenants affecting the property and agree to furnish the following documents if and when this project is approved by the Evanston City Council:
- Legal Description of Property
- Signed Declaration of Covenants Affecting Real Property
- Signed Certification of Ownership and Consent (included in the Program Agreement)

Signed,

Kentco Capital (Print name)

[Signature]
Agreement of Understanding

"I certify that all of the information contained in this document, all statements, information, and exhibits that I am submitting for the property listed in this form under 'property information' is true and accurate and to the best of my knowledge. I certify that I have reviewed the Program Guidelines and Program Agreement form associated with the City of Evanston's Facade Improvement Program."

Digital Signature of Applicant: ____________________________

Insert Date: ______________

To submit your application, send the following to the Economic Development Division:
- This completed Application Form
- Copies of Color Photographs
- Copies of all bids for proposed work

Return to:

Economic Development Division
Attn: Jim Furey
2100 Ridge Avenue
Evanston, IL 60201

or

jfirey@cityofevanston.org
Summary of Estimates of Work

**INSTRUCTIONS:** Provide a summary of all estimates of work obtained for your proposed work in the tables provided below. Categorize each type of work for your project under "Work A", "Work B", or "Work C". For example, if your project included tuckpointing and painting – all tuckpointing estimates would fall under "Work A" while all painting estimates would fall under "Work B". See sample completed table below. **Note:** Evanston-based businesses should be utilized for work where possible. If an Evanston-based business will not be used for work, attach a written statement explaining why a business outside of Evanston must be utilized.

<table>
<thead>
<tr>
<th>Estimates</th>
<th>Name of Contractor</th>
<th>Location of Contractor</th>
<th>Total Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>#1</td>
<td>Better Tuckpointing</td>
<td>Small City, Illinois</td>
<td>$10,500.00</td>
</tr>
<tr>
<td>#2</td>
<td>Tuckpointing Today</td>
<td>Suburb, Illinois</td>
<td>$8,500.00</td>
</tr>
<tr>
<td>#3</td>
<td>Family Tuckpointing</td>
<td>Center City, Illinois</td>
<td>$15,000.00</td>
</tr>
<tr>
<td></td>
<td><strong>Average Estimate for Work A</strong></td>
<td></td>
<td><strong>$11,333.33</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Highest Estimate</strong></td>
<td></td>
<td><strong>$15,000.00</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Lowest Estimate</strong></td>
<td></td>
<td><strong>$8,500.00</strong></td>
</tr>
</tbody>
</table>

Note: Italicics indicate portion to be completed by applicant.

**WORK A: Type of Improvement: Tuckpointing street facing facades --- SAMPLE ONLY**

<table>
<thead>
<tr>
<th>Estimates</th>
<th>Name of Contractor</th>
<th>Location of Contractor</th>
<th>Total Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>#1</td>
<td>Thatcher Oaks Inc Awning</td>
<td>Elmhust, IL</td>
<td>$8,570.00</td>
</tr>
<tr>
<td>#2</td>
<td>Evanston Awning Co.</td>
<td>Evanston, IL</td>
<td>$9,900.00</td>
</tr>
<tr>
<td>#3</td>
<td>Hernandez Signs &amp; Awnings</td>
<td>Chicago, IL</td>
<td>$9,500.00</td>
</tr>
<tr>
<td></td>
<td><strong>Average Estimate for Work A</strong></td>
<td></td>
<td><strong>$9,323.33</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Highest Estimate</strong></td>
<td></td>
<td><strong>$9,900.00</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Lowest Estimate</strong></td>
<td></td>
<td><strong>$8,570.00</strong></td>
</tr>
</tbody>
</table>

**WORK B: Type of Improvement: Painting**

<table>
<thead>
<tr>
<th>Estimates</th>
<th>Name of Contractor</th>
<th>Location of Contractor</th>
<th>Total Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>#1</td>
<td>Dave's Painting</td>
<td>Evanston, IL</td>
<td>$3,875.00</td>
</tr>
<tr>
<td>#2</td>
<td>Larry E. Webb</td>
<td>Evanston, IL</td>
<td>$4,500.00</td>
</tr>
<tr>
<td>#3</td>
<td>Steve Spinner</td>
<td>Glenview, IL</td>
<td>$4,200.00</td>
</tr>
<tr>
<td></td>
<td><strong>Average Estimate for Work B</strong></td>
<td></td>
<td><strong>$4,191.67</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Highest Estimate</strong></td>
<td></td>
<td><strong>$4,500.00</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Lowest Estimate</strong></td>
<td></td>
<td><strong>$3,875.00</strong></td>
</tr>
</tbody>
</table>

**WORK C: Type of Improvement:**

<table>
<thead>
<tr>
<th>Estimates</th>
<th>Name of Contractor</th>
<th>Location of Contractor</th>
<th>Total Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>#1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>#2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>#3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Average Estimate for Work C</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Highest Estimate</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Lowest Estimate</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Letter of Support

INSTRUCTIONS: if you are a tenant applying for funding, please have the property owner complete and sign the following letter and submit this with your application.

Date: 6/14/12

City of Evanston
Department of Community and Economic Development
2100 Ridge Avenue
Evanston, IL 60201

Economic Development Staff:

I acknowledge that the tenant, [Minasian Rug Co.](name of applicant), in my building located at [1244 Chicago Ave.](street address), is applying to participate in the "City of Evanston Façade Improvement Program."

I have read the terms and conditions applying to this program and authorize this tenant to pursue participation in this program.

I further consent to the recordation against this property of a Declaration of Covenants affecting the property and agree to furnish the following documents if and when this project is approved by the Evanston City Council:

- Legal Description of Property
- Signed Declaration of Covenants Affecting Real Property
- Signed Certification of Ownership and Consent (included in the Program Agreement)

Signed,

[Ken Co Capital](Print name)

[Signature]
April 17, 2012

Mr. Armen Minasian
Minasian Rug Co.
1244 Chicago Ave.
Evanston, IL 60202

Cell 847-421-4711
847-864-1010
fax 847-492-4612
email armen@minasian.com

PROPOSAL

2 G150 Series retractable awnings with open ends, hemmed straight style front valance, manual gear operation and no weatherguard hoods complete and installed on the east face front of the building, excluding the required removal and disposal of the existing awning. Frame made of extruded aluminum with a white, almond, sand or black/brown finish with the gear operation on the right end of each awning. Using Sunbrelia fabric #4608, Black. Excluding any lettering or signage of any kind. Please note that these awnings may not fit completely inside the recessed steel beam area where the existing awnings are located.

1 awning size: 30’0” w x 6’11” arms, noting that this awning will come with a split fabric cover and if a (1) piece fabric cover is requested, the awning will require a center support, which may cause non-warranty fabric abrasions

1 awning size: 14’0” w x 6’11” arms

Removal and disposal of the existing awnings

$9575.00

$325.00

$9900.00

-Any or all lettering/logos require an electronic file formatted as .eps or .ai (version 6 or less) and .jpg file.

-Permit to be applied for, but at no cost to Evanston Awning Co., prior to production or installation.

-Prior to our receipt of the full contract, shop drawings and fabric samples will be provided for owner approval and city permit upon our receipt of a 10% drawing deposit, which is non-refundable but applicable to the full contract once all approvals are received.

-Installation to be determined, weather permitting, upon our receipt of the signed contract, 50% deposit of the total order, and permit. The balance is due on installation. This proposal becomes a bona fide contract when signed and returned.

Thank you,
George Schaefer, CPP, Sales Manager

Please proceed with the order described above. I grant Evanston Awning Co. a security interest in this merchandise until paid, unless prohibited by law.

Signed ________________________________ Date ________________________________

Enclosed is my check for 50% deposit in the amount of $__________ or please charge my credit card (VISA, MasterCard or Discover) with the understanding that there may be a 3% fee for charges over $1000.00 added to the contract amount. Credit card type

Acct # ___________________________ 3# Security code ___________ exp ______

Credit card billing address # and zip code __________________________

2801 Central St., Evanston, IL 60201 847-864-4520 Fax: 847-864-5886
www.evanstonawnings.com
**DESCRIPTION**

Quote is to manufacture and install two (2) or three (3) awnings (see options below) for Minasian Rug Co., located at 1244 Chicago Ave., Evanston.

Thatcher Oaks will remove the existing awning frames and dispose of them. All new frames will be made of galvanized steel and will be completely welded. All panels are covered with our LIFETIME Tigeir Frame Warranty.

Fabric to be Sunbrella in Black. This is a 100% solution dyed acrylic material and carries a ten (10) year warranty.

Graphics to include three descriptors on the box of the awnings. Graphics will be applied using the Sunbrella Graphics System. This system hoists sheets high-quality 3M vinyl to the fabric. Graphics include one (1) color.

Option 1: One (1) new awning with an approximate width of 22' and one (1) at approximately 44'.

$8,222.00

Option 2: Three (3) new awnings, One (1) with an approximate width of 22', one (1) at approximately 30' and one (1) at approximately 14'.

$6,065.00

Option 3: One (1) new awning with approximate size of 22' and two (2) new non motorized retractable awnings with approximate sizes of 30' and 14'.

$8,570.00

Price includes taxes and installation.

Any permit requirement will include an additional fee.

Thank you for your interest in Thatcher Oaks Awning Company.
Allison Vargas (630)452-1800 allison@thatcheroaks.com

---

**Total Cost for Items on Quotation**

---

It is the intent of the Seller to deliver to Buyer the products as stated in this contract, within the time frame stated, subject to our ability to produce materials, and is subject to labor disputes, acts of God, and other delays beyond our control.

**CUSTOMER DEPOSIT IS NON REFUNDABLE 5 DAYS AFTER ACCEPTANCE OF CONTRACT.**

For the purpose of securing payment and performance of the obligation hereunder, Seller shall have, and Buyer hereby grants to Seller, a purchase money security interest in said property. The property and all of the equipment, appliances, supplies, accessories and parts remain the property and security of Seller for said indebtedness until this contract is paid in full. In the event Seller has to remove property due to nonpayment, any monies paid on account shall remain the property of Seller as liquidated damages, and any reinstatement shall be subject to renegotiation.

All new installations are guaranteed against defect in material or workmanship for three years after installation.

---

**ACCEPTED**

**DATED**

**BY**

**SELLER**

**DEPOSIT**

We May Withdraw this proposal if not accepted within ___ days.
Estimate is an estimate for retractable awnings the price includes:
* measurements are 30' x 4' height by 3' projection
* measurements are 14' x 4' height x 3' projection
* retractable awnings
* material canvas
* no lettering
* Labor and installation
* 1 year warranty on labor

Acceptance of proposal
The above price specifications and conditions are satisfactory & are hereby accepted. You are authorized to do the work as specified.
Payment will be made as specified below.

Date of acceptance ____________________________
Installation on or about 3 to 4 weeks

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total price</td>
<td>$9,500</td>
</tr>
<tr>
<td>Other</td>
<td></td>
</tr>
</tbody>
</table>

Hernandez Signs & Awnings works with a 50% deposit the rest of the amount is due when the job is finished

any questions plz give me a call back
With permit (additional Charge)
Dave's Painting
Building Improvement Contract
1935 Dodge Ave. Evanston, IL 60201
847-328-7638 Office
847-975-7638 Cell

ATTN: Armen S. Minasian

This agreement made this 13th Day of June Between Minasian Rug Gallery hereinafter called Owner whose address is 1244 Chicago Ave. Evanston, IL. And Dave's Painting Services, hereinafter called Contractor, whose address is above.

Contractor agrees to construct and complete in good workmanlike and substantial manner, upon the real property hereinafter described, furnishing all labor, tools and equipment, to perform Exterior Work as follows and all clean-up...

Scope of Work

- Metal Window Frame (Inside & Outside); Prime & Paint
- Fascia & Soffitt & Gable: Paint Black & White
- Windows (3 Southside): Paint Existing Color
- Front of Gallery; Prime & Paint
- Southside Fascia: Prime & Paint Existing Color
- Windows (3 Eastside); Prime & Paint

Owner agrees to pay Contractor one half ($1,937.50) of total up front as a Deposit for the project. Balance ($1,937.50) of total upon completion of the project.

Total $3,875.00

Customer

Contractor

847-864-1010 Tel, 847-421-4711 Cell

We Appreciate Your Business and Referrals!
Steve Spinner  
4111 W. Lake Ave.  
Glenview, IL 60025-1240

Armen Minasian  
Minasian Rug Co.  
1244 Chicago Ave.  
Evanston, IL 60202

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Unit Price</th>
<th>Quantity</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expense</td>
<td>Store Front: Prime/Paint</td>
<td>750.00</td>
<td>1.00</td>
<td>750.00</td>
</tr>
<tr>
<td>Expense</td>
<td>Windows (6 and metal frame): Paint</td>
<td>1550.00</td>
<td>1.00</td>
<td>1,550.00</td>
</tr>
<tr>
<td>Expense</td>
<td>South Side: Prime/Paint</td>
<td>750.00</td>
<td>1.00</td>
<td>750.00</td>
</tr>
<tr>
<td>Expense</td>
<td>Cable/Soffit: Prime/Paint</td>
<td>1150.00</td>
<td>1.00</td>
<td>1,150.00</td>
</tr>
</tbody>
</table>

**NOTES:** Exterior Work. Prices include cost for materials and clean-up.

<table>
<thead>
<tr>
<th></th>
<th>Subtotal</th>
<th>4,200.00</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>4,200.00</td>
</tr>
<tr>
<td><strong>Amount Paid</strong></td>
<td></td>
<td>0.00</td>
</tr>
<tr>
<td><strong>Estimate</strong></td>
<td></td>
<td>$4,200.00</td>
</tr>
</tbody>
</table>
Contract
Larry E. Webb
1800 Hartrey Ave., Evanston, Illinois 60201
Indoor/Outdoor Decorating Service
(847)401-2849

To MINASIAN RUG COMPANY
ATTN: ARMEN S. MINASIAN
1244 CHICAGO AVE
EVANSTON, IL 60201 847-864-1010

Kind of work
WE PROPOSE to furnish all necessary labor, material and equipment to complete the
following:

Location

PAINT FRONT OF BUILDING AND SIDE.
PAINT CHROME AND ALUMINUM, PAINT ALL
TRIM, WILL NOT PAINT REAR OF PROPERTY.
WORK WILL BE DONE BY CONTRACTOR WITH
OCCUPATIONAL TRAINING AND SUPPLY CERTIFICATE
CERT # R-1-1916810-03074 EXPIRES 4/15/15

Date 6/17/12

All the above work to be completed in a substantial and workmanlike manner for the sum
of: FOUR THOUSAND FIVE HUNDRED Dollars ($4,500.00)

Terms: ........................................................................................................................................

Our workman are covered by Compensation and Public Liability Insurance

Our workman are covered by Compensation and Public Liability Insurance

ACCEPTED

Respectfully submitted

By ......................................................

Larry E. Webb

By ......................................................

Approx. Starting date.........................

If this contract is acceptable, kindly sign and return one copy, keeping one for your records
Contract
Larry E. Webb
1800 Hartrey Ave., Evanston, Illinois 60201
Indoor/Outdoor Decorating Service
(847)401-2849

To MINASIAN RUG COMPANY
ATTN: ARMENS MINASIAN
1244 Chicago Ave
Evanston, Ill 60201 847-864-1610

Kind of work
Location

WE PROPOSE to furnish all necessary labor, material and equipment to complete the following:

- Paint front of building and side.
- Paint chrome and aluminum, paint all trim. Will not paint rear of property.

Work will be done by contractor with occupational training and supply certificate
Cert. # R-1-1916810-03074 Expires 4/19/15

All the above work to be completed in a substantial and workmanlike manner for the sum
of: FOUR THOUSAND FIVE HUNDRED Dollars ($4,500.00)

Terms: ...........................................................................................................................................

Our workmen are covered by Compensation and Public Liability Insurance

ACCEPTED

Respectfully submitted

By......................................................

Larry E. Webb

By......................................................

Approx. Starting date.........................

If this contract is acceptable, kindly sign and return one copy, keeping one for your records
### View Record Type:
- All
- Alarm
- Code
- Occupancy Certificate
- Parking
- Water

- Property Standards
- Vacant Only

### Amount Total: 3992.86

<table>
<thead>
<tr>
<th>Add</th>
<th>Name</th>
<th>Street</th>
<th>City/State/Zip</th>
<th>Owe Type</th>
<th>Amount Penalty</th>
<th>Citation Account</th>
<th>Account Date</th>
<th>Home Phone</th>
<th>Business Phone</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>ORIENTAL RUG MINASIAN</td>
<td>1244 CHICAGO AVE</td>
<td>EVANSTON IL 60202</td>
<td>Parking Open</td>
<td>30.00</td>
<td>1135639</td>
<td>2002-03-09</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>ORIENTAL RUG MINASIAN</td>
<td>1244 CHICAGO AVE</td>
<td>EVANSTON IL 60202</td>
<td>Parking Open</td>
<td>20.00</td>
<td>0404004884</td>
<td>2004-12-02</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>C A MINASIAN TORCOM BRO</td>
<td>1246 CHICAGO AV</td>
<td>EVANSTON 60202-0000</td>
<td>Water-INA 0</td>
<td>4433030-0</td>
<td>(000)000-0000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>RUGS R#: 1425 MINASIAN</td>
<td>1244 CHICAGO Evanston AV</td>
<td></td>
<td>Alarm 300</td>
<td>63960</td>
<td></td>
<td>2008-10-27</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>RUGS R#: 1425 MINASIAN</td>
<td>1244 CHICAGO Evanston AV</td>
<td></td>
<td>Alarm 110</td>
<td>95779</td>
<td></td>
<td>2012-04-20</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>RUGS R#: 1425 MINASIAN</td>
<td>1244 CHICAGO Evanston AV</td>
<td></td>
<td>Alarm 100</td>
<td>85995</td>
<td></td>
<td>2010-12-03</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>RUGS R#: 1425 MINASIAN</td>
<td>1244 CHICAGO Evanston AV</td>
<td></td>
<td>Alarm 100</td>
<td>86130</td>
<td></td>
<td>2010-12-13</td>
<td></td>
<td></td>
</tr>
<tr>
<td>#</td>
<td>MINASIAN</td>
<td>1244</td>
<td>RUGS R#:</td>
<td>1425</td>
<td>CHICAGO Evanston AV</td>
<td>Alarm 100</td>
<td>86132</td>
<td>2010-12-13</td>
<td></td>
</tr>
<tr>
<td>----</td>
<td>----------</td>
<td>------</td>
<td>----------</td>
<td>------</td>
<td>---------------------</td>
<td>-----------</td>
<td>------</td>
<td>------------</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>MINASIAN</td>
<td>1244</td>
<td>RUGS R#:</td>
<td>1425</td>
<td>CHICAGO Evanston AV</td>
<td>Alarm 100</td>
<td>86213</td>
<td>2010-12-21</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>MINASIAN</td>
<td>1244</td>
<td>RUGS R#:</td>
<td>1425</td>
<td>CHICAGO Evanston AV</td>
<td>Alarm 100</td>
<td>87537</td>
<td>2011-04-18</td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>MINASIAN</td>
<td>1244</td>
<td>RUGS R#:</td>
<td>1425</td>
<td>CHICAGO Evanston AV</td>
<td>Alarm 100</td>
<td>87547</td>
<td>2011-04-18</td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>MINASIAN</td>
<td>1244</td>
<td>RUGS R#:</td>
<td>1425</td>
<td>CHICAGO Evanston AV</td>
<td>Alarm 100</td>
<td>87641</td>
<td>2011-04-26</td>
<td></td>
</tr>
<tr>
<td>18</td>
<td>MINASIAN</td>
<td>1244</td>
<td>RUGS R#:</td>
<td>1425</td>
<td>CHICAGO Evanston AV</td>
<td>Alarm 100</td>
<td>87743</td>
<td>2011-05-02</td>
<td></td>
</tr>
<tr>
<td>19</td>
<td>MINASIAN</td>
<td>1244</td>
<td>RUGS R#:</td>
<td>1425</td>
<td>CHICAGO Evanston AV</td>
<td>Alarm 300</td>
<td>63903</td>
<td>2008-10-24</td>
<td></td>
</tr>
<tr>
<td>20</td>
<td>MINASIAN</td>
<td>1244</td>
<td>RUGS R#:</td>
<td>1425</td>
<td>CHICAGO Evanston AV</td>
<td>Alarm 300</td>
<td>63322</td>
<td>2008-09-15</td>
<td></td>
</tr>
<tr>
<td>21</td>
<td>MINASIAN</td>
<td>1244</td>
<td>RUGS R#:</td>
<td>1425</td>
<td>CHICAGO Evanston AV</td>
<td>Alarm 300</td>
<td>63157</td>
<td>2008-09-08</td>
<td></td>
</tr>
<tr>
<td>22</td>
<td>MINASIAN</td>
<td>1244</td>
<td>RUGS R#:</td>
<td>1425</td>
<td>CHICAGO Evanston AV</td>
<td>Alarm 300</td>
<td>63155</td>
<td>2008-09-08</td>
<td></td>
</tr>
<tr>
<td>23</td>
<td>MINASIAN</td>
<td>1244</td>
<td>RUGS R#:</td>
<td>1425</td>
<td>CHICAGO Evanston AV</td>
<td>Alarm 100</td>
<td>63129</td>
<td>2008-09-05</td>
<td></td>
</tr>
<tr>
<td>24</td>
<td>MINASIAN</td>
<td>1244</td>
<td>RUGS R#:</td>
<td>1425</td>
<td>CHICAGO Evanston AV</td>
<td>Alarm 100</td>
<td>62718</td>
<td>2008-08-12</td>
<td></td>
</tr>
<tr>
<td>25</td>
<td>MINASIAN</td>
<td>1244</td>
<td>RUGS R#:</td>
<td>1425</td>
<td>CHICAGO Evanston AV</td>
<td>Alarm 100</td>
<td>77917</td>
<td>2009-12-29</td>
<td></td>
</tr>
<tr>
<td>26</td>
<td>MINASIAN</td>
<td>1244</td>
<td>RUGS R#:</td>
<td>1425</td>
<td>CHICAGO Evanston AV</td>
<td>Alarm 300</td>
<td>67567</td>
<td>2008-11-13</td>
<td></td>
</tr>
<tr>
<td>27</td>
<td>MINASIAN</td>
<td>1244</td>
<td>RUGS R#:</td>
<td>1425</td>
<td>CHICAGO Evanston AV</td>
<td>Alarm 300</td>
<td>67569</td>
<td>2008-11-13</td>
<td></td>
</tr>
<tr>
<td>28</td>
<td>MINASIAN</td>
<td>1244</td>
<td>RUGS R#:</td>
<td>1425</td>
<td>CHICAGO Evanston AV</td>
<td>Alarm 300</td>
<td>67569</td>
<td>2008-11-13</td>
<td></td>
</tr>
</tbody>
</table>

https://www.cityofevanston.org/YouOwe/lookupAction.do?viewRows=checked
April 6, 2012

Minasian Rugs  
1244 Chicago Ave  
Evanston, IL 60202  
Attn: Armen Minasian

Dear Mr. Minasian:

This settlement agreement applies exclusively towards the currently outstanding charges pertaining to alarm service fees in the amount of $4,620.00 billed to Minasian Rugs, 1244 Chicago Ave Evanston, IL. These charges are itemized in the attached document (Attachment A).

The terms of the settlement are as follows: A total of $3,120.00 will be paid by Minasian Rugs to the City of Evanston. The first installment of $620.00 is to be paid upon receipt of this letter. The balance of the settlement ($2,500.00) is to be paid in one-third increments ($833.34) in the form of three post-dated checks. The checks are to be dated 30, 60 and 90 days from the date of the initial payment. The City will hold these checks and deposit each check on the dates indicated.

Respectfully,

[Signature]

Martin Lyons  
Assistant City Manager/Chief Financial Officer  
City of Evanston
### City of Evanston

**Statement of Account: Minasian Rugs 1244 Chicago Ave Evanston, IL 60202**

**April 11, 2012**

<table>
<thead>
<tr>
<th>Invoice#</th>
<th>Date</th>
<th>Original Amount</th>
<th>Balance Due</th>
</tr>
</thead>
<tbody>
<tr>
<td>40513</td>
<td>3/28/06</td>
<td>$100.00</td>
<td>$100.00</td>
</tr>
<tr>
<td>41627</td>
<td>4/3/06</td>
<td>$100.00</td>
<td>$100.00</td>
</tr>
<tr>
<td>56054</td>
<td>11/15/07</td>
<td>$30.00</td>
<td>$30.00</td>
</tr>
<tr>
<td>58991</td>
<td>1/3/08</td>
<td>$100.00</td>
<td>$100.00</td>
</tr>
<tr>
<td>60910</td>
<td>4/14/08</td>
<td>$100.00</td>
<td>$100.00</td>
</tr>
<tr>
<td>60931</td>
<td>4/15/08</td>
<td>$100.00</td>
<td>$100.00</td>
</tr>
<tr>
<td>61964</td>
<td>7/2/08</td>
<td>$100.00</td>
<td>$100.00</td>
</tr>
<tr>
<td>62611</td>
<td>8/7/08</td>
<td>$100.00</td>
<td>$100.00</td>
</tr>
<tr>
<td>62716</td>
<td>8/12/08</td>
<td>$100.00</td>
<td>$100.00</td>
</tr>
<tr>
<td>62718</td>
<td>8/12/08</td>
<td>$100.00</td>
<td>$100.00</td>
</tr>
<tr>
<td>63129</td>
<td>9/5/08</td>
<td>$100.00</td>
<td>$100.00</td>
</tr>
<tr>
<td>63157</td>
<td>9/8/08</td>
<td>$300.00</td>
<td>$300.00</td>
</tr>
<tr>
<td>63155</td>
<td>9/8/08</td>
<td>$300.00</td>
<td>$300.00</td>
</tr>
<tr>
<td>63322</td>
<td>9/15/08</td>
<td>$300.00</td>
<td>$300.00</td>
</tr>
<tr>
<td>63903</td>
<td>10/24/08</td>
<td>$300.00</td>
<td>$300.00</td>
</tr>
<tr>
<td>63960</td>
<td>10/27/08</td>
<td>$300.00</td>
<td>$300.00</td>
</tr>
<tr>
<td>67569</td>
<td>11/13/08</td>
<td>$300.00</td>
<td>$300.00</td>
</tr>
<tr>
<td>67587</td>
<td>11/13/08</td>
<td>$300.00</td>
<td>$300.00</td>
</tr>
<tr>
<td>67869</td>
<td>12/1/08</td>
<td>$30.00</td>
<td>$30.00</td>
</tr>
<tr>
<td>74339</td>
<td>12/1/09</td>
<td>$30.00</td>
<td>$30.00</td>
</tr>
<tr>
<td>77917</td>
<td>12/29/09</td>
<td>$100.00</td>
<td>$100.00</td>
</tr>
<tr>
<td>85995</td>
<td>12/3/10</td>
<td>$100.00</td>
<td>$100.00</td>
</tr>
<tr>
<td>86130</td>
<td>12/13/10</td>
<td>$100.00</td>
<td>$100.00</td>
</tr>
<tr>
<td>86132</td>
<td>12/13/10</td>
<td>$100.00</td>
<td>$100.00</td>
</tr>
<tr>
<td>86213</td>
<td>12/21/10</td>
<td>$100.00</td>
<td>$100.00</td>
</tr>
<tr>
<td>87537</td>
<td>4/18/11</td>
<td>$100.00</td>
<td>$100.00</td>
</tr>
<tr>
<td>87547</td>
<td>4/18/11</td>
<td>$100.00</td>
<td>$100.00</td>
</tr>
<tr>
<td>87641</td>
<td>4/26/11</td>
<td>$100.00</td>
<td>$100.00</td>
</tr>
<tr>
<td>87743</td>
<td>5/2/11</td>
<td>$100.00</td>
<td>$100.00</td>
</tr>
<tr>
<td>88215</td>
<td>5/31/11</td>
<td>$100.00</td>
<td>$100.00</td>
</tr>
<tr>
<td>88405</td>
<td>6/10/11</td>
<td>$100.00</td>
<td>$100.00</td>
</tr>
<tr>
<td>88853</td>
<td>7/13/11</td>
<td>$30.00</td>
<td>$30.00</td>
</tr>
<tr>
<td>94205</td>
<td>12/5/11</td>
<td>$100.00</td>
<td>$100.00</td>
</tr>
<tr>
<td>94853</td>
<td>1/27/12</td>
<td>$100.00</td>
<td>$100.00</td>
</tr>
<tr>
<td>94852</td>
<td>1/27/12</td>
<td>$100.00</td>
<td>$100.00</td>
</tr>
</tbody>
</table>

**Balance Due:** $4,620.00
Memorandum

To: Alderman Jane Grover, Chairman
   Members of the Economic Development Committee

From: Martin Lyons, Director of Administrative Services/Chief Financial Officer
       Rickey A. Voss, Division Manager, Revenue/Parking
       Jewell Jackson, Purchasing and Contracts Manager
       Craig Sklenar, General Planner

Subject: Contract Award Recommendation for the Comprehensive Signage Design Program (RFP #12-41)

Date: June 19, 2012

Recommended Action:
At the October 17, 2011 joint meeting of the Transportation/Parking and Economic Development Committees, both committees recommended moving forward with the comprehensive signage review project. Since that meeting, staff has prioritized the tasks listed in the original Request for Proposal (RFP). Staff recommends approval to award the contract for the Comprehensive Signage Design Program to UrbanWorks, Ltd., located 213 West Institute Place, Suite 710, Chicago, IL 60610 in the total amount of $52,270. This contract will address Neighborhood Block Club Signage, West End Industrial Park Signage and Parking Wayfinding and Deck Signage.

Funding Sources:
Parking Fund 7005.65515 $250,000
West End TIF 5870.65515 $125,000
CDBG 5170.62951 $4,280

Summary:
In June 2011, the City of Evanston issued an RFP for the design of a Comprehensive Signage Program. The purpose of the program was to develop a universal and detailed sign development system that could be used as a benchmark for sign development throughout the City. The program would consist of a detailed analysis of current signs by type and need, the development of Sign Family Concepts and branding schemes for parking, vehicular, pedestrian, bicycles, institutional, gateway, business and other avenues. A total of thirteen (13) tasks were developed in the RFP.
The consultant is expected to develop a final sign concept and manual detailing each type of sign, their placement, and provide detailed sign scheduling for each sign for implementation throughout the City.

Ten (10) consultants responded to the RFP.

<table>
<thead>
<tr>
<th>Consultant</th>
<th>Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cardosi Kiper Design Group, Inc.</td>
<td>2437 South Western Avenue, Chicago, IL 60608</td>
</tr>
<tr>
<td>Carol Naughton + Associates, Inc.</td>
<td>213 West Institute Place, Chicago, IL 60610</td>
</tr>
<tr>
<td>UrbanWorks, Ltd.</td>
<td>213 West Institute Place, Suite 710, Chicago, IL 60610</td>
</tr>
<tr>
<td>Forcade Associates (w/Corbin Design)</td>
<td>1626 Payne, Evanston, IL 60201</td>
</tr>
<tr>
<td>Fraizier Associates</td>
<td>213 North Augusta Street, Staunton, VA 24401</td>
</tr>
<tr>
<td>Perkins &amp; Will</td>
<td>330 North Wabash Avenue, Suite 3600, Chicago, IL 60011</td>
</tr>
<tr>
<td>PJD (Pressley Johnson Design)</td>
<td>230 West Superior Street, Suite 700, Chicago, IL 60654</td>
</tr>
<tr>
<td>RLR Associates</td>
<td>1302 North Illinois Avenue, Indianapolis, IN 46202</td>
</tr>
<tr>
<td>SAA design group</td>
<td>717 John Nolan Drive, Madison, WI 53713</td>
</tr>
<tr>
<td>Signia, Inc.</td>
<td>2935 University Avenue W. #316, St. Paul, MN 55114</td>
</tr>
</tbody>
</table>

A selection team consisting of the Purchasing and Contracts Manager, Revenue/Parking Manager, Senior Traffic Engineer, Superintendent of Recreation, and a General Planner reviewed all of the proposals and selected five (5) consultants to be interviewed.

<table>
<thead>
<tr>
<th>Consultant</th>
<th>Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cardosi Kiper Design Group, Inc.</td>
<td>2437 South Western Avenue, Chicago, IL 60608</td>
</tr>
<tr>
<td>Carol Naughton + Associates, Inc.</td>
<td>213 West Institute Place, Chicago, IL 60610</td>
</tr>
<tr>
<td>UrbanWorks, Ltd.</td>
<td>213 West Institute Place, Suite 710, Chicago, IL 60610</td>
</tr>
<tr>
<td>PJD (Pressley Johnson Design)</td>
<td>230 West Superior Street, Suite 700, Chicago, IL 60654</td>
</tr>
<tr>
<td>SAA Design Group</td>
<td>717 John Nolan Drive, Madison, WI 53713</td>
</tr>
</tbody>
</table>

Upon completion of the interview process, staff was prepared to move forward with a recommendation to award to UrbanWorks, Ltd. in the amount of $181,900, when directed by the City Manager to revisit the scope and pricing structure of the original Request for Proposal.

In April 2012, a reduced scope of services was forwarded to the top five (5) consultants originally interviewed with a final response date of May 4, 2012. Of the five (5) consultants, three (3) provided alternate proposals and two (2) declined to respond. Of the three firms that responded, Evanston Signage Partners submitted the lowest cost proposal. A price list for each task is provided below and a summary description is attached.
### Comprehensive Signage Design Revised Scope Cost Comparison

<table>
<thead>
<tr>
<th>Total Project</th>
<th>Cardosi Kiper</th>
<th>PJD</th>
<th>Urban Works</th>
<th>SAA design group</th>
<th>Carol Naughton</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost*</td>
<td>$75,662.35</td>
<td>$83,645</td>
<td>$52,270</td>
<td>No Bid</td>
<td>No Bid</td>
</tr>
<tr>
<td>Task 1</td>
<td>$6,260</td>
<td>$24,915</td>
<td>$13,600</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Task 2</td>
<td>$8,015</td>
<td>$6,820</td>
<td>$9,560</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Task 3</td>
<td>$7,310</td>
<td>$17,870</td>
<td>$8,840</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Task 4</td>
<td>$24,300</td>
<td>$9,850</td>
<td>$3,100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Task 5</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Task 6</td>
<td>$7,100</td>
<td>$4,500</td>
<td>$7,340</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Task 7</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Task 8</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Task 9</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Task 10</td>
<td>$10,700</td>
<td>$9,620</td>
<td>$6,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Task 11</td>
<td>$5,730</td>
<td>$930</td>
<td>$930</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Task 12</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Task 13</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$69,415.00</td>
<td>$74,505</td>
<td>$49,370</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Staff recommends award of the contract for $52,270 to UrbanWorks, Ltd. Evanston Signage Partners is in compliance with the City’s M/W/EBE goals (please see attached memorandum for additional information).

---

**Attachments:**

- **MWEBE Memo**
- **Task Summary**
Memorandum

To: Rickey Voss, Parking & Revenue Manager

From: Joseph McRae, Deputy City Manager

Subject: RFP # 12-41 Comprehensive Signage Program Design

Date: June 20, 2012

The goal of the Minority, Women, and Evanston Business Enterprise Program (M/W/EBE) is to assist such businesses with opportunities to grow. In order to help ensure such growth, the City has established a 25% M/W/EBE subcontracting participation goal for general contractors.

UrbanWorks, LTD for RFP# 12-41 Comprehensive Signage Program Design is in compliance with the City’s goal to achieve M/W/EBE participation as a certified MBE & WBE firm and Andrus Design as an EBE firm. The total value of the estimated M/W/EBE subcontracted work is 50% of the total contract amount.

<table>
<thead>
<tr>
<th>Name of M/W/EBE</th>
<th>Scope of Work</th>
<th>Contract Amount</th>
<th>%</th>
<th>MBE</th>
<th>WBE</th>
<th>EBE</th>
</tr>
</thead>
<tbody>
<tr>
<td>UrbanWorks 213 West Institute Place, Suite 710 Chicago, IL 60610</td>
<td>Project management and graphics</td>
<td>$22,960</td>
<td>47%</td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Andrus Design 1622 Lincoln Street Evanston, IL 60201</td>
<td>Photography and documentation.</td>
<td>$1,440</td>
<td>3%</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td><strong>Total M/W/EBE</strong></td>
<td></td>
<td><strong>$24,400</strong></td>
<td>50%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Cc: Martin Lyons, Assistant City Manager / Chief Financial Officer
    Jewell Jackson, Manager of Purchasing & Contracts

RFP # 12-41 Comprehensive Signage Program Design Manual MWEBE Compliance Approval, Evanston Signage Partners, 6-20-12
Scope of Work (Tasks)

As part of the Scope of Work for this project, the Consultant will be expected to provide the following:

1. Analysis
   Provide a detailed analysis and inventory of current signs within the City. Analysis must include documentation of sign types, what currently exists, what must remain, what can change and what is lacking/needed detailed in a full report to City staff and designated Committees.

2. Public Participation Plan
   The consultant must develop a public participation/input plan. In submitting a response provide a general outline on how to best engage the public, stakeholders and elected officials.

3. Sign Family Concept Plans
   The consultant must develop a series of concept signs and branding schemes that are unique enough in design from each other that will provide the city a variety of options to choose from. Each sign family must include a concept for the following sign types:
   - Parking Signage
   - Vehicular Wayfinding
   - Pedestrian Wayfinding
   - Bicycle Wayfinding
   - Institutional Wayfinding
   - Gateway/Entry Signage
   - Historic District, Walking Trail Signs, and Interpretive Signs for Landmarks
   - Park and Open Space Signage
   - Information Kiosks
   - Neighborhood Signage
   - Block Club Signage
   - Business District Identity Signage

   Upon selection of a final concept, the consultant will develop a final sign concept and manual detailing each type of sign, their placement and provide detailed sign scheduling for each sign.

4. Parking Occupancy Management Sign Plan
   The City of Evanston owns and operates three major parking structures in the Downtown Business District. The consultant will develop concept signage that will enhance and replace the current signs demarcating the entry points to the public parking structures. The consultant shall have experience in the design and development of parking occupancy management signs informing drivers of parking spaces available as well
as how to integrate this technology into the proposed concept design families.

6. Sign Scheduling Plan
   The consultant must deliver a detailed sign scheduling plan for the completion of this project. This is to be in conjunction with the final sign Design Guidelines Manual as required in item #10.

    The consultant must provide the City a full final design manual detailing each sign in the Comprehensive Sign family. In addition a complete construction drawing document book must be included with the final design manual. This book must be detailed enough so that the signs selected for the initial phase of implementation can be bid out immediately upon completion of the project.

11. Cost
    A plan detailing the cost for each sign type must be provided with the final manual. The plan will be used to gauge cost projections over the life of the project and must be detailed in a manner to provide adequate current and future cost expectations.
Memorandum

To: Chair and Members of the Economic Development Committee

From: Nancy Radzевич, Economic Development Manager
Paul Zalmezak, Economic Development Planner

Subject: Request for Financial Partnership with coLab Evanston to Create and Deliver Entrepreneurial Programs for the City of Evanston

Date: June 22, 2012

Recommendation
Staff supports a recommendation to the City Council from the Economic Development Committee to provide $32,400 to coLab Evanston to deliver a series of entrepreneurial programs during the period August 1, 2012 through December 31, 2012.

Funding Source
Staff recommends using funds from the Economic Development Fund’s Economic Development Partnership Contribution Account (5300.62659). The approved Fiscal Year 2012 budget allocated $280,000 to this account. To date, a total of $ $88,500 has been obligated from this account.

Background
Evanston residents, Miguel Wong and Eric Harper founded coLab Evanston in October 2011. The coLab “ecosystem” has two main components: Startup Evanston and coLab Evanston. coLab Evanston is a physical space located at 900 Chicago Avenue at the Chicago and Main intersection. The space provides flexible workspace for independent professionals, small businesses, and startups. coLab opened in October 2011 and has 45 active members who pay a monthly fee to access the coLab facilities. The current members include independent professionals in software development, design, public relations, sales, marketing and research. Most live within five miles of coLab, 90% are Evanstonians and are running a small business or working to launch a new product or service.

Startup Evanston is a networking group with over 230 members (having doubled in size since October 2011) that produces professional events and seminars. Membership to this year old group is free and open to the public. The current membership is composed primarily of Evanston residents (75%) with other members from Chicago and North
Shore suburbs. Most are running a business, or working to launch a business. Many are active in the entrepreneurial community as consultants, advisors, or investors.

Discussion

colab Evanston is proposing to assist the City of Evanston implement aspects of the recently adopted Economic Development Plan by helping galvanize the citywide entrepreneurial culture by producing and delivering a combination of programs, activities, classes, and events. colab Evanston aims to build a critical mass of participants, foster co-evolution of team and broad-based interactions, and nurture a supportive entrepreneurial environment. colab Evanston will engage professionals throughout the region to help lead these activities in the colab space and other locations throughout Evanston as is necessary.

Staff first met with colab Evanston founders Eric Harper and Miguel Wong in the Fall of 2011 for the purposes of introducing our plans to expand our economic development efforts and to learn more about the co-working concept. As a result of that initial meeting Staff determined that a potential partnership with colab Evanston could help us advance the technology, entrepreneurship and innovation elements of our Economic Development Plan. It also became quickly apparent that Mr. Harper and Mr. Wong are passionate about Evanston and the potential it has as a regional, if not global, center of innovation and entrepreneurship. Since the initial meeting, Staff has worked closely with them to help connect them with others active in the community and to further develop their proposal.

A partnership with colab Evanston and the programs they propose will help further develop the network of startups and further establish Evanston as a great place to launch a business. As the programs and network further develops, it gives these startups further incentive to stay and grow in Evanston. It creates what is referred to as a “sticky culture” – firms have a reason to stick around to partake in the cutting edge scene. The venture and angel investment community then has a focal point for investment as the network grows.

The City’s investment in colab is an investment in the human resource development and Evanston’s technology and entrepreneurial culture. The specific program elements colab proposes supports the City of Evanston’s Key Economic Development Principals:

1. Support and encouragement of innovation;
2. Nurturing Evanston’s diverse entrepreneur community;
3. Establish workforce training programs; and
4. Promoting Evanston

Furthermore, while much of colab’s focus is technology related, significant attention is paid to general business management and operations (including accounting, legal, and marketing). colab’s programs, therefore, can be designed to appeal to and to develop entrepreneurs who are creating products and services not only in technology, but the
other targeted industries the City Council adopted including arts and entertainment, healthcare and wellness, and baby boomer markets.

colab Evanston believes this community has the entrepreneurs and the capital resources to make it a vibrant entrepreneurial city – as is consistently reported and generally accepted as fact. What colab proposes, however, is a number of “tactics” to mobilize the resources to help the City of Evanston achieve its Economic Development vision. The proposed colab Evanston program aims to provide a platform for local experts and investors to: 1) supply knowledge (through mentoring) and potentially seed capital to startups; 2) provide recurring topic-focused networking events; 3) deliver technology and business related classes and workshops; and 4) produce large scale events like TEDx Evanston that attract media attention and spread the Evanston brand globally.

As summarized in the colab Evanston proposal, the program, composed of three main components (classes, mentorship, networking) will focus on solving the challenges all entrepreneurs face including access to: a community of peers and mentors; training and knowledge sharing; and capital. The three components of the colab Evanston Program are:

1. **Expert-led Professional Classes and Workshops** – classes taught by local experts at an affordable rate ($20 to $100). Format could be 1.5 hour workshop or multi-class session over several weeks. colab will recruit experts in the specific subject matter. colab will identify classes and workshops “in real time” based on the needs of Startup Evanston and colab members and by remaining abreast of the latest in industry trends.

2. **Mentorship Program** – designed to provide opportunities for expert entrepreneurs and professionals to provide “office hours” to small businesses and entrepreneurs seeking advice. colab will recruit mentors from areas of accounting, legal, sales, marketing, and set up processes for entrepreneurs to sign up for mentoring, and promote the event.

3. **Meetups and Larger Events** – colab Evanston will engage professional networking groups to collaborate on organizing a series of recurring events with topical focus in technology and entrepreneurship. colab Evanston will coordinate smaller events with 20 to 25 attendees known as “meetups” to be hosted at colab and other local venues. The purpose of meetups is to provide an intimate format for participants to build relationships by working on projects together or through peer presentations.

The proposed program schedule is summarized in the table that follows. Once fully launched, colab Evanston expects to host two events every week in Evanston – currently, they host two per month.
The profile of program participants will vary depending on the focus of the program. coLab Evanston aims to service those who are looking to switch (or gain an additional) professional focus as well as those who are trying to become experts “dive deeper” into a subject area (“domain area”). An event focused on sources of funding for new companies, for example, will likely attract a wider audience than a “javascript for designers” class.

**Structure of Financial Assistance**

coLab Evanston is seeking a total of $32,400 for the five month period, from August 1 through December 31, 2012. The funding provides for organization and production of events at discounted prices. The anticipated City funding assistance diminishes over time as coLab Evanston anticipates an ability to produce larger events, charge higher fees, and produce more events as the entrepreneurial culture grows and the market is established. For example, for FY 2013, coLab anticipates seeking a total of $42,000 for the first and second quarters and $36,000 for the third and fourth quarters, for a total of $78,000.

The sources and uses of funds is summarized in the table on the following page. The total project budget is $71,370 for August 1, 2012 through December 31, 2012. The City’s portion of the funding represents 45% of the total funding for the project, with additional sources from coLab’s co-working revenues, the 900 Chicago Avenue building landlord, and ticket sales/fees from events.

Illustrated in Table 3 on the following page, the City’s financial support is exclusively compensating Mr. Wong and Mr. Harper for their knowledge, their proven ability to network with the entrepreneurial community in Evanston, and most importantly the time they will be required to commit to manage and execute the delivery of these programs.

---

**Table 1. coLab Evanston Proposed Program Schedule**

<table>
<thead>
<tr>
<th></th>
<th>Large Events</th>
<th>Meetups</th>
<th>Classes</th>
<th>Events per Month</th>
<th>Events per week</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3 2012</td>
<td>1</td>
<td>5</td>
<td>3</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Q4 2012</td>
<td>1</td>
<td>5</td>
<td>10</td>
<td>5</td>
<td>1</td>
</tr>
<tr>
<td>Total</td>
<td>2</td>
<td>10</td>
<td>13</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Table 2. coLab Evanston - Sources and Uses of Funds
(August 1 through December 31, 2012)

<table>
<thead>
<tr>
<th>Sources</th>
<th>Total</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>CoE</td>
<td>$32,400</td>
<td>45.4%</td>
</tr>
<tr>
<td>coLab [1]</td>
<td>$24,570</td>
<td>34.4%</td>
</tr>
<tr>
<td>Landlord</td>
<td>$6,000</td>
<td>8.4%</td>
</tr>
<tr>
<td>Operating Revenues [2]</td>
<td>$8,400</td>
<td>11.8%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$71,370</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Uses</th>
<th>Total</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff Salary</td>
<td>$36,450</td>
<td>51.1%</td>
</tr>
<tr>
<td>CoLab Rent (900 Chicago)</td>
<td>$13,000</td>
<td>18.2%</td>
</tr>
<tr>
<td>Utilities</td>
<td>$2,500</td>
<td>3.5%</td>
</tr>
<tr>
<td>Event Production [3]</td>
<td>$5,000</td>
<td>7.0%</td>
</tr>
<tr>
<td>Marketing</td>
<td>$2,300</td>
<td>3.2%</td>
</tr>
<tr>
<td>Instructor Fees</td>
<td>$3,120</td>
<td>4.4%</td>
</tr>
<tr>
<td>Buildout (expansion)</td>
<td>$6,000</td>
<td>8.4%</td>
</tr>
<tr>
<td>Equipment</td>
<td>$3,000</td>
<td>4.2%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$71,370</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>

[1] Revenues from coLab coworking space
[2] Revenues from event ticket sales and class fees
[3] Facility rentals, event program photocopies, refreshments, etc.

Table 3. coLab Evanston – Use of Funds by Entity
(August 1 through December 31, 2012)

<table>
<thead>
<tr>
<th>Description</th>
<th>Total</th>
<th>CoE</th>
<th>coLab[1]</th>
<th>Landlord</th>
<th>Operating Revenues [2]</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff Salary</td>
<td>$36,450</td>
<td>$32,400</td>
<td>$4,050</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rent</td>
<td>$13,000</td>
<td>$13,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Utilities</td>
<td>$2,500</td>
<td>$2,500</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Event Production</td>
<td>$5,000</td>
<td>$-</td>
<td></td>
<td>$5,000</td>
<td></td>
</tr>
<tr>
<td>Marketing</td>
<td>$2,300</td>
<td>$2,020</td>
<td></td>
<td>$280</td>
<td></td>
</tr>
<tr>
<td>Instructor Fees</td>
<td>$3,120</td>
<td>$-</td>
<td></td>
<td>$3,120</td>
<td></td>
</tr>
<tr>
<td>Buildout</td>
<td>$6,000</td>
<td>$-</td>
<td>$6,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equipment</td>
<td>$3,000</td>
<td>$3,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$71,370</strong></td>
<td><strong>$32,400</strong></td>
<td><strong>$24,570</strong></td>
<td><strong>$6,000</strong></td>
<td><strong>$8,400</strong></td>
</tr>
</tbody>
</table>

[1] Revenues from coLab coworking space
[2] Revenues from event ticket sales and class fees

colab Evanston has agreed to return to the Economic Development Committee on a quarterly basis to report and has agreed to accept payment on a quarterly basis upon successful delivery of the agreed upon programming. Funding for coLab Evanston will
be reduced by $1,296 (i.e. total City funding divided by proposed programs) for each event/class not delivered in the previous quarter. coLab proposes to provide a quarterly report summarizing learning milestones and gauging success or failure the programs, and will specifically include the following data:

1. A list of programs delivered, participants in each program including contact information and business represented, and program quality surveys giving an indication of the usefulness of the programs.
2. List and summary of each event / program
3. Number of participants in each event
4. Number of Evanston resident participants
5. Number of Evanston business participants
6. Participant reviews, evaluations, and suggestions (each event)

Staff will work with coLab Evanston to create and maintain a single database capturing the information in a useful way for ease of reporting. Over time, enough data will be gathered to analyze trend data which will allow coLab Evanston and Staff to quickly change programming to reflect the latest trends / demands.

**Public Benefits**
The partnership with coLab Evanston is designed to benefit the entire Evanston community by advancing entrepreneurship and technology-focused startups – an objective of the Economic Development Plan. The classes and events will be open to the entire community, not just for coLab or Startup Evanston members. coLab Evanston also will collaborate with other incubators and coworking spaces in Evanston to participate in, and also to help promote and organize events.

The coLab Evanston proposal implements programming that advances the overarching principles of the Economic Development Plan, appeals to the entrepreneurial and innovative spirit of the City, and directly galvanizes Evanston’s entrepreneur base by creating programs that help sustains them. It is, in essence, a workforce training program for the technology / startup community in Evanston.

The partnership with coLab will help the City live up to its commitment (outlined in the Economic Development Plan) to support the creation and promotion of physical and virtual spaces devoted to collaboration and networking, mentoring, educational programs, and events, aimed at fostering the transition of Evanston-based startups to the growth stages.

**Recommendation**
Staff is seeking a recommendation from the Economic Development Committee to the City Council to provide a grant in the amount of $32,400 for the period August 1, 2012 through December 31, 2012 to coLab Evanston, subject to the following conditions:
1. Funding shall be in the form of a grant, which will be dispersed in two payments. A payment of $16,200 (50%) will be paid upon City Council approval. A second payment of $16,200 will be paid upon successful completion of the program outlined in Table 1 above and the conditions that follow.

2. coLab Evanston shall submit a progress report due October 15, 2012 to be presented at the regularly scheduled October Economic Development Committee and a final report for FY 2012 to be submitted January 15, 2013 for the January 2013 Economic Development Committee meeting for payment for services delivered through December 31, 2012.

3. coLab Evanston shall facilitate city staff access to client companies to discuss opportunities for retention and the promotion of economic development in the City.

4. coLab Evanston will notify staff of companies within coLab looking to expand to provide staff opportunity to present retention opportunities within Evanston.

5. coLab Evanston shall acknowledge that the programs and events has been funded, in part, by the City of Evanston

6. coLab Evanston shall implement a performance evaluation system to determine the level of satisfaction with the program and report to staff quarterly.

Attachments:
- coLab Evanston proposal dated June 22, 2012
Proposal

Creation and Delivery of Entrepreneurial Programs for the City of Evanston

Eric Harper  eric@colabevanston.com  847.859.9029
Miguel Wong  miguel@colabevanston.com  312.404.1050

Prepared on June 22nd, 2012
1.0 INTRODUCTION

colab Evanston is proposing to create a Program of classes, meetups, and events designed to promote the development and growth of entrepreneurial firms and startup activity in Evanston. With financial support from the City of Evanston, colab will design and carry out the Program beginning summer 2012. colab is seeking $32,400 in city funding for development and execution of the Program for the 5-month period spanning from August 1st to December 31st of 2012.

1.1 Who We Are

colab Evanston is a coworking space and community for digital entrepreneurs, mission-driven organizations, and independent professionals. We provide workspace designed to foster community interaction and growth. colab Evanston helps startups grow through scalable workspace and a deep network of members and domain experts. colab events and classes are highly focused on giving entrepreneurs and professionals the tools needed to grow. colab Evanston is a creation space where interdisciplinary connections are made to launch, foster, and build new ideas and enterprises.

colab Evanston was founded in October 2011 as a for-profit coworking business. The partners, Eric Harper and Miguel Wong, had worked from home and coffee shops for years and thus understood the daily challenges of remaining productive in a home environment. The lack of in-person interaction with professional coworkers was a serious detriment to personal and professional growth. colab Evanston grew out of recognition of these problems and the need for a space in Evanston to accommodate Startup Evanston activities.

After noticing how difficult and time consuming it was to get to Chicago for events and networking, the partners founded Startup Evanston in March 2011 to meet the burgeoning need for startup-focused events in Evanston. Startup Evanston’s goal is to catalyze entrepreneurial activity on Chicago’s North Shore through events and meetups.

Building on the success the partners found with more than 45 coworking members, colab Evanston began to develop programs and classes in late 2011 to complement coworking and advance broader strategic goals. Large scale events such as TEDxEvanston were piloted in April 2012.
Websites:

- coLab Evanston - [http://www.colabevanston.com](http://www.colabevanston.com)
- Startup Evanston - [http://www.startupevanston.com](http://www.startupevanston.com)

1.2 Managing Partners:

- Miguel Wong - In addition to founding and managing coLab Evanston, Miguel runs [CoilSprings LLC](http://www.coilspringsllc.com), a web development company that helps businesses with web design and web application and product development. Prior to founding CoilSprings, Miguel spent 6 years at ZS Associates leading strategy and IT consulting engagements with Fortune 100 companies. See full profile [here](http://www.coilspringsllc.com).

- Eric Harper - In addition to his work with coLab Evanston, Eric is the founder of [ConferenceSpark.com](http://www.conferencespark.com) - simple conference calling and coordination for businesses. Mr. Harper was formerly Associate Director for Finance at the National Institute for Technology in Liberal Education where he worked on large scale technology-mediated inter-institutional collaborations in higher education. Find him on Twitter as [@enharper](http://twitter.com/enharper).

1.3 Notable Milestones:

Since opening coLab in October 2011, more than 45 independent professionals and entrepreneurs have joined as members. A total of 15 companies - startup projects, a PR agency, software development teams, etc - are being run by these professionals out of coLab. Other notable milestones include:

- 2 members taught three professional classes
- 4 new companies started as collaborations between members
- 6 members pitched their companies in front of fellow members and investors
- Meetup events with consistent 30+ attendees
- Heather Carper of coLab member company Akrete Communications featured on PBS News Hour
- Steve Gadlin of coLab member company Blewt! featured multiple times on ABC Network’s program “Shark Tank”
- Leonard Kang of coLab member company Ramen Square featured on CNN Money
- Lisa Nigro of coLab member company Transform U, and Presidential Citizens
Medal winner, was featured in the Chicago Tribune

- TEDx Evanston brought a global perspective to Evanston and showed Evanston to the world with 120 attendees

1.4 Members:

Members who work at coLab Evanston

- 45 highly skilled professionals in software development, design, public relations, sales, marketing, and research
- Typically live within 5 miles of coLab (about 90 percent are Evanston residents)
- Most are currently running a small business or working to launch a new product or service

Members of Startup Evanston

- 230 entrepreneurs from Chicago and its North Shore suburbs (roughly 75 percent are Evanston residents)
- Most are currently running a business or working to launch a new product or service
- Many are active in the entrepreneurial community as consultants, advisors, and investors

1.5 Testimonials

“coLab has proved an incredibly fertile ground in which to plant my new consulting practice. Through referrals, collaboration, events, productive exchange of ideas, and camaraderie coLab has really helped make Tall Green Tree Inc. live up to its name. coLab isn’t just a great place to work, it’s a great place to do business. Thanks for the awesomeness!” - Will Barrett, Web Developer and Consultant

“What I love about being a member of coLab is how lucky I am to be in a room with entrepreneurs and change makers who have such creative energy.” - Lisa Nigro, Founder, Inspiration Cafe

“coLab Evanston has been an ideal setting for my start-up PR firm’s first office, and I highly recommend it to anyone launching a business. I’ve worked in shared office environments in the past, and the managers of CoLab put a remarkable amount of energy into creating a community here, rather than simply providing space. The
space itself is attractive and pleasant, and my clients are impressed with our space, particularly given that my business is in its first year. On a personal note, CoLab’s location next to the El, Metra, busses and near my home and my kids’ schools has played a key role in my journey toward work-life balance. - Margy Sweeney, Principal, Akrete Communications

“coLab Evanston helped give me the space to grow my small business in its earliest stages. The staff bends over backwards to accommodate, and the environment fosters a lot of great collaboration!” - Steve Gadlin, Founder, Blewt! Productions LLC

2.0 STRATEGIC VISION

“Evanston promotes and supports a citywide entrepreneurial culture that retains and expands existing businesses, attracts new businesses and foster start-ups, including technology companies. Employment growth and tax base enhancement are two essential elements of this vision. Increased employment of Evanston residents by Evanston employers is an important component of this vision”

“...the City’s efforts moving forward will be guided by the Key Economic Development Principles garnered from the City’s Economic Development Vision Statement, as follows:

1. Retain, expand, and attract businesses Citywide, emphasizing Innovation;
2. Nurture Entrepreneurship in Evanston;
3. Create jobs and workforce training opportunities for Evanston residents in diversified business sectors; and
4. Promote Evanston, locally, regionally, and nationally, as an innovative and progressive place by reinforcing the strengths of our diverse residential, educational, cultural, and business communities”

Source: The City of Evanston’s Vision Statement for Economic Development

Our vision for enhancing the entrepreneurial culture in Evanston mirrors that of the City’s listed above. We strongly believe that the “right ingredients” for a vibrant entrepreneurial city is here in the form of ample human and capital resources. The key is to execute on a program that mobilizes these resources to achieve the larger

1 http://www.cityofevanston.org/business/economic_development/ Packet%202020120217%20FINAL.pdf
goals listed above. Specifically, we plan to employ the following tactics to address the strategic vision:

1. Provide local experts and investors with a platform to deliver assistance in the form of knowledge or seed capital to aid the growth of startups and established businesses alike.
2. Create a set of recurring and topic-focused networking events to act as the physical platform for entrepreneurs to weave meaningful relationships.
3. Create a hub for human capital development that delivers technology and business related classes and workshops to assist those who are exploring a career change, or simply want to acquire additional skills.
4. Continue to produce TEDx-like events, both live and via a webcast, that will attract local and regional media coverage, so as to help spread the Evanston “brand” around the nation and the world.

3.0 THE COLAB EVANSTON PROGRAM

The recommended Program will mobilize resources from the local community to address the City’s key mandate to develop human capital in technology and entrepreneurship.

We will focus on solving the following key problems all entrepreneurs face:

- Access to a community of peers and mentors
- Access to training and knowledge sharing
- Access to capital

The program has 3 main components:

- Professional classes and workshops
- Mentorship program
- Networking events

3.1 Classes and Workshops

We will produce a series of professional classes to address the community’s need in continuing education in technology and entrepreneurship. We will survey the community periodically to determine specific class topics, before locating local experts with appropriate domain knowledge and experience. Depending on the topic, the
format can be a 1.5 hour workshop on a weeknight, or a multi-session class stretching 3-6 weeks.

There will be a fee to register for these classes, with a large proportion of the proceeds going to the instructors and course material. At $20 to $100 per session, the fees will be much lower than general market price, making these classes extremely affordable and accessible.

Three such classes, a mix of technology and business topics, have been delivered to a small group of 12 “tests participants” at coLab during Q1 of 2012.

DIY Brand Building Through the Power of Online Video
- Designed to train small business owners with moderate computer skills to create a 2-5 minute promontional videos for the web or other medium. Taught by a documentary filmmaker who works and lives in Evanston

Learn to Program through JavaScript
- Scoped for web designers with basic understanding of programming fundamentals to become more effective as part of a larger software development team. Taught by a web developer who works and lives in Evanston.

Using Git - A Thorough Introduction to git-fu
- Introduction to a popular source code management system. Taught by a web developer who works and lives in Evanston.

### 3.2 Mentorship Program

On a quarterly basis, we will host an event to match experienced entrepreneurs from the local area interested in volunteering their time with business teams that need mentorship. During this event, there will be presentation and meet-and-greet sessions. Specific details need to be fleshed out, but we envision this will be similar to an entrepreneur-mentor speed-dating format.
coLab Evanston staff will (a) recruit mentors from the rich pool of local experts in the areas of accounting, legal, sales, marketing, general business management and operations, as well as technology; and (b) promote the event to entrepreneurs and startup teams to attend this event.

3.3 Meetups and Events

We will engage professional networking groups from the local area to collaborate on organizing a series of recurring networking events with topical focus in technology and entrepreneurship.

Smaller events with attendance of 20-30 will be organized as “meetups,” a more casual but intimate format, where participants can forge relationships by directly working on projects together or from peer presentations. These meetups can be hosted at coLab, or at other local venues. We have been offering most of these events as free events, and plan on continuing to do so.

Examples from past events:
- The ABCs of early stage funding for entrepreneurial businesses (http://www.startupevanston.com/events/24168471/)
- Using Content and Social Media To Build Trust and Grow Sales (http://www.startupevanston.com/events/18565031)
- Chicago Web Pros (a Meetup group) hosted a hackathon to create a website for a local non-profit organization (http://www.meetup.com/chicago-web-pros/events/38173002)

We will produce 1 large event per quarter, using licenses we have obtained from international and national organizations such as TED and O’Reilly’s Ignite. Large events will host more than 60 in attendance, and will be more formal and structured in nature. In the past, we have charged modest ticket fees for these events. Some examples are:

- TEDx Evanston
- Startup Evanston Pitch Day
- Ignite Evanston (Website is from Ignite Chicago. We have not yet run an Ignite event in Evanston)
3.4 Who Will Benefit from The Program?

The coLab Evanston program is designed to benefit the entire community by advancing entrepreneurship and technology-focused startups. The classes and events are open to the entire community, and not just for coLab or Startup Evanston members.

Furthermore, we expect to collaborate with other incubators and coworking spaces in the community - to engage their management and membership base to participate in, and also to help with promoting the events. As an example, we are planning a “Lunch Pitch” session to have one of the members from Now We’re Cookin’ to present and pitch their business in front of a select panel of investors and entrepreneurs at coLab.

The profile of participants in programs may vary depending on the precise focus of the program, event or class. For example, a javascript for designers class would naturally attract web designers. An event focused on sources of funding for new companies may attract a wide range of participants. We will cover a wide range of topics in technology and entrepreneurship, and will address a range of skill levels. The goal is to service those who are looking to switch (or gain an additional) professional focus, as well as those who are trying to dive deeper into a domain area.

3.5 Why is City Funding Needed to Operate This Program?

From our experience of running a coworking space and entrepreneurial events in the past 12 months, the following observations became very clear to us:

1. Entrepreneurs from Evanston and neighboring communities find the coworking space tremendously useful and the events vastly valuable to their business.
2. The coworking space can run at break-even but will not turn an operational profit
3. Events and classes consistently draw crowds of about 15-30 in size. This is great for efficient relationship building and meaningful discussions, but difficult to operate as revenue drivers considering the small scale

Looking at the above, our conclusion is that it will take significant effort and time before the program can be grown to support the necessary scale of operation for long term

2 Please refer to customer reviews of coLab on Yelp and in this proposal. Reviews of events can be found at http://goo.gl/epM13
sustainability.

We have self-funded most of the events mentioned so far, funding from the City will allow us to dramatically scale up the number of entrepreneurial events that happens in Evanston. The table below shows a summary of proposed program Schedule Q3 and Q4 2012:

<table>
<thead>
<tr>
<th></th>
<th>Large Events</th>
<th>Meetups</th>
<th>Classes</th>
<th>Events Per Month</th>
<th>Events Per Week</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Q3 '12</strong></td>
<td>1</td>
<td>5</td>
<td>3</td>
<td>3.0</td>
<td>0.8</td>
</tr>
<tr>
<td><strong>Q4 '12</strong></td>
<td>1</td>
<td>5</td>
<td>10</td>
<td>5.3</td>
<td>1.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2</td>
<td>10</td>
<td>13</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

For the rest of 2012, we are proposing at least 1 entrepreneurial event in Evanston every week.

4.0 PROGRAM COSTS AND TERMS

In order to execute and deliver the above program coLab Evanston requires financial support from the city of Evanston. Support of this nature for entities with similar goals to coLab Evanston has been shown to be effective in New York City (see General Assembly\(^3\)) and is currently being trialed with the public support of the 1871 community in downtown Chicago. Public subsidy exists to fund management and execution of the envisioned program which seeks to meet needs set forth in the City Economic Development plan. As currently operated and funded, coLab Evanston cannot execute this program without the requested funds due to the combination of discounted prices for classes and events and their corresponding high labor and production costs.

coLab Evanston’s fee for managing and executing the proposed program over the next 5 months is $32,400. This amount may be paid quarterly in two equal amounts. Both coLab Evanston and the City of Evanston will have the ability to terminate the Program with 30 days notice. The City of Evanston will only pay for components of the Program

---

\(^3\) Over the past 18 months the most relevant example is New York City funding General Assembly. General Assembly received $200,000 from New York City specifically to expand their series of programs, classes, and events to an audience beyond General Assembly members. http://tech.fortune.cnn.com/2011/09/07/general-assembly-startups/
that have been delivered (see section 4.2 below for more information on a proposed results-based fund distribution schedule).

Basis for funding from the City can be viewed from 2 perspectives:

1. Budget for production and execution the Program for 5 months
2. Funding as a subsidy to enable discounted fees for classes and events

### 4.1 Estimated Budget

<table>
<thead>
<tr>
<th>Item Description</th>
<th>Total Amount</th>
<th>City of Evanston Funds</th>
<th>coLab Funds</th>
<th>Landlord Funds</th>
<th>Operating Revenue</th>
<th>% of Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff Salary</td>
<td>$36,450</td>
<td>$32,400</td>
<td>$4,050</td>
<td></td>
<td></td>
<td>89%</td>
</tr>
<tr>
<td>Rent</td>
<td>$13,000</td>
<td></td>
<td>$13,000</td>
<td></td>
<td></td>
<td>0%</td>
</tr>
<tr>
<td>Utilities</td>
<td>$2,500</td>
<td></td>
<td>$2,500</td>
<td></td>
<td></td>
<td>0%</td>
</tr>
<tr>
<td>Event Production</td>
<td>$5,000</td>
<td></td>
<td></td>
<td>$5,000</td>
<td></td>
<td>0%</td>
</tr>
<tr>
<td>Marketing</td>
<td>$2,300</td>
<td></td>
<td>$2,020</td>
<td></td>
<td>$280</td>
<td>0%</td>
</tr>
<tr>
<td>Instructor Fees</td>
<td>$3,120</td>
<td></td>
<td></td>
<td>$3,120</td>
<td></td>
<td>0%</td>
</tr>
<tr>
<td>Buildout</td>
<td>$6,000</td>
<td></td>
<td></td>
<td>$6,000</td>
<td></td>
<td>0%</td>
</tr>
<tr>
<td>Equipment</td>
<td>$3,000</td>
<td></td>
<td>$3,000</td>
<td></td>
<td></td>
<td>0%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$71,570</strong></td>
<td><strong>$32,400</strong></td>
<td><strong>$24,570</strong></td>
<td><strong>$6,000</strong></td>
<td><strong>$8,400</strong></td>
<td><strong>45%</strong></td>
</tr>
</tbody>
</table>

We estimate the total budget needed to operate the Program for the 5-month period from August 1st to Dec 31st 2012 to be $71,370. In order to execute this Program, we will need to add the following to the current coLab business setup:

1. Acquire and build-out an adjacent suite for event and classroom space
2. Acquire the necessary furniture and equipment to furnish a classroom setting
3. Increase labor hours from staff in order to organize and manage the Program

A total of $24,750 will be contributed from operating revenue, our landlord and coLab revenue (from coworking rental payments) to fund this program, leaving an unrealized gap to be covered by the City for the first 5 months of operation at $32,400.

---

4 Already completed. Rent for additional suite is $2,600 per month. Estimated utilities is $500 per month
Financially, we expect the City’s involvement to diminish on a per program basis over time as we generate increasing levels of revenue from program fees. As the entrepreneurial culture is built and the market base created, we can begin to a) produce larger events, b) charge higher fees for events, and c) produce more events. Funding support from the City is expected to change to $42,000 and $36,000 in Q1/Q2 2013 and Q3/Q4 2013 respectively. Please see appendix for a detailed analysis.

4.2 Funding as a Subsidy for Program Fees

Following from the above analysis, City funding allows coLab Evanston to scale up from delivering approximately one event every 3-4 weeks to delivering 1.3 events per week. Additionally, funding from the city will also help keeping the average cost (i.e. ticket price) at events and class at lower than market price.

The following table shows an analysis of discounted program fees charged to event participants made possible by City funding for Q3 and Q4 2012.\(^5\)

\(^5\) Market rates for classes similar to ones we are proposing ranges from $100/day to $6,000 for a multi-week technology class.
## coLab Evanston
900 Chicago Ave, Suite 104, Evanston IL, 60202
www.coLabEvanston.com  •  847.440.4880

<table>
<thead>
<tr>
<th>Classes and Workshops</th>
<th>Meetups</th>
<th>Events</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Events</td>
<td>13</td>
<td>10</td>
<td>2</td>
</tr>
<tr>
<td>Avg. Attendance per Event</td>
<td>10</td>
<td>20</td>
<td>75</td>
</tr>
<tr>
<td><strong>Total Attendance</strong></td>
<td>130</td>
<td>200</td>
<td>150</td>
</tr>
<tr>
<td>Avg. Market Price per Event</td>
<td>$175</td>
<td>$30</td>
<td>$80</td>
</tr>
<tr>
<td>Avg. coLab Program Price per Event</td>
<td>$30</td>
<td>$6</td>
<td>$22</td>
</tr>
<tr>
<td>Discount</td>
<td>$145</td>
<td>$24</td>
<td>$58</td>
</tr>
<tr>
<td><strong>Total Discount (from Market Price)</strong></td>
<td><strong>$18,850</strong></td>
<td><strong>$4,800</strong></td>
<td><strong>$8,700</strong></td>
</tr>
</tbody>
</table>
4.3 Reporting

We propose a quarterly review process to evaluate program results and our team’s management and execution of the program. This review process should include the following 2 components:

1. A *Quarterly Report* summarizing learning milestones and gauging success or failure of programs contribution to the overall City strategy. Report will also contain lists of programs delivered, participants in each program, and program quality surveys.

2. A *Quarterly Meeting* with City Staff and or Economic Development Committee to review report and contributions to the City strategy

The *Quarterly Report* will include the following items:

- List and summary of events delivered
- Number of participants in each event
- How many participants are Evanston residents
- How many participants have businesses in Evanston
- Participant reviews, evaluations, and suggestions of each event

Our expectation is that quarterly funding distribution is dependent on the review process.
5.0 APPENDIX

5.1 Past coLab and Startup Evanston Events

- Apr 18, 2012 - TEDxEvanston
  120 in attendance, 20+ Evanstonians as volunteers, and 10 sponsors

- Feb 29, 2012 - TED 2012 Simulcast
  23 Members Attended

- December 6, 2011 - Startup Evanston Pitch Day
  43 Members Attended

- November 3, 2011 - Presentation by Lisa Nigro, Founder of Inspiration Corp
  33 Members Attended

- October 26, 2011 - Startup Evanston Demo Evening
  35 Members Attended

- July 13, 2011 - TED 2011 Simulcast
  10 Members Attended

- July 12, 2011 - The ABCs of early stage funding for entrepreneurial businesses
  26 Members Attended

- May 23, 2011 - Startup Lessons Learned, 2011 Simulcast
  13 Members Attended

- May 3, 2011 - Startup Evanston Meeting Featuring Adam Siegel, Founder of Inkling Markets
  23 Members Attended

- April 11, 2011 - Initial Startup Evanston Meeting
  19 Members Attended

For more information please visit: www.startupevanston.com/#past
5.2 Operating Budget: 17-Month Summary

As shown below, coLab expects declining city support on a per-program basis for the program over the 17 month time period laid out in the operating budgets.
### Source and Use of Funds - Q3 and Q4 2012

<table>
<thead>
<tr>
<th>Item Description</th>
<th>Total Amount</th>
<th>City of Evanston Funds</th>
<th>coLab Funds</th>
<th>Landlord Funds</th>
<th>Operating Revenue</th>
<th>% of Activity City of Evanston</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff Salary</td>
<td>$36,450</td>
<td>$32,400</td>
<td>$4,050</td>
<td></td>
<td></td>
<td>89%</td>
</tr>
<tr>
<td>Rent</td>
<td>$13,000</td>
<td></td>
<td>$13,000</td>
<td></td>
<td></td>
<td>0%</td>
</tr>
<tr>
<td>Utilities</td>
<td>$2,500</td>
<td></td>
<td>$2,500</td>
<td></td>
<td></td>
<td>0%</td>
</tr>
<tr>
<td>Event Production</td>
<td>$5,000</td>
<td></td>
<td></td>
<td></td>
<td>$5,000</td>
<td>0%</td>
</tr>
<tr>
<td>Marketing</td>
<td>$2,300</td>
<td></td>
<td>$2,020</td>
<td></td>
<td>$280</td>
<td>0%</td>
</tr>
<tr>
<td>Instructor Fees</td>
<td>$3,120</td>
<td></td>
<td></td>
<td></td>
<td>$3,120</td>
<td>0%</td>
</tr>
<tr>
<td>Buildout</td>
<td>$6,000</td>
<td></td>
<td></td>
<td>$6,000</td>
<td></td>
<td>0%</td>
</tr>
<tr>
<td>Equipment</td>
<td>$3,000</td>
<td></td>
<td>$3,000</td>
<td></td>
<td></td>
<td>0%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$71,370</strong></td>
<td><strong>$32,400</strong></td>
<td><strong>$24,570</strong></td>
<td><strong>$6,000</strong></td>
<td><strong>$8,400</strong></td>
<td><strong>45%</strong></td>
</tr>
</tbody>
</table>

### Operating Revenue - Q3 and Q4 2012

<table>
<thead>
<tr>
<th>Item</th>
<th>Number of Events</th>
<th>Estimated Attendees Per Event</th>
<th>Estimated Revenue Per Attendee</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Major Events</td>
<td>2</td>
<td>75</td>
<td>$22</td>
<td>$3,300</td>
</tr>
<tr>
<td>Classes and Workshops</td>
<td>13</td>
<td>10</td>
<td>$30</td>
<td>$3,900</td>
</tr>
<tr>
<td>Meetups</td>
<td>10</td>
<td>20</td>
<td>$6</td>
<td>$1,200</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>25</strong></td>
<td></td>
<td></td>
<td><strong>$8,400</strong></td>
</tr>
</tbody>
</table>

### Event Operating Costs - Q3 and Q4 2012

<table>
<thead>
<tr>
<th>Item</th>
<th>Major Events</th>
<th>Meetups</th>
<th>Classes and Workshops</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Number of Events</strong></td>
<td>2</td>
<td>10</td>
<td>13</td>
<td>25</td>
</tr>
<tr>
<td>Instructor/Speaker Fees</td>
<td></td>
<td></td>
<td>$240</td>
<td>$3,120</td>
</tr>
<tr>
<td>Marketing</td>
<td>$500</td>
<td></td>
<td>$100</td>
<td>$2,300</td>
</tr>
<tr>
<td>Event Production</td>
<td>$1,500</td>
<td>$200</td>
<td></td>
<td>$5,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$4,000</strong></td>
<td><strong>$2,000</strong></td>
<td><strong>$4,420</strong></td>
<td><strong>$10,420</strong></td>
</tr>
</tbody>
</table>
# Source and Use of Funds - Q1 and Q2 2013

<table>
<thead>
<tr>
<th>Item Description</th>
<th>Total Amount</th>
<th>City of Evanston Funds</th>
<th>coLab Funds</th>
<th>Landlord Funds</th>
<th>Operating Revenue</th>
<th>% of Activity City of Evanston</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff Salary</td>
<td>$54,000</td>
<td>$42,000</td>
<td>$9,735</td>
<td></td>
<td>$2,265</td>
<td>78%</td>
</tr>
<tr>
<td>Rent</td>
<td>$15,600</td>
<td></td>
<td>$15,600</td>
<td></td>
<td></td>
<td>0%</td>
</tr>
<tr>
<td>Utilities</td>
<td>$3,000</td>
<td></td>
<td>$3,000</td>
<td></td>
<td></td>
<td>0%</td>
</tr>
<tr>
<td>Event Production</td>
<td>$7,300</td>
<td></td>
<td></td>
<td></td>
<td>$7,300</td>
<td>0%</td>
</tr>
<tr>
<td>Marketing</td>
<td>$3,500</td>
<td></td>
<td>$3,500</td>
<td></td>
<td></td>
<td>0%</td>
</tr>
<tr>
<td>Instructor Fees</td>
<td>$4,800</td>
<td></td>
<td></td>
<td></td>
<td>$4,800</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$88,200</strong></td>
<td><strong>$42,000</strong></td>
<td><strong>$28,335</strong></td>
<td><strong>$0</strong></td>
<td><strong>$17,865</strong></td>
<td><strong>48%</strong></td>
</tr>
</tbody>
</table>

# Operating Revenue - Q1 and Q2 2013

<table>
<thead>
<tr>
<th>Item</th>
<th>Number of Events</th>
<th>Estimated Attendees Per Event</th>
<th>Estimated Revenue Per Attendee</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Major Events</td>
<td>3</td>
<td>85</td>
<td>$27</td>
<td>$6,885</td>
</tr>
<tr>
<td>Classes and Workshops</td>
<td>20</td>
<td>12</td>
<td>$37</td>
<td>$8,880</td>
</tr>
<tr>
<td>Meetups</td>
<td>14</td>
<td>25</td>
<td>$6</td>
<td>$2,100</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>37</strong></td>
<td></td>
<td></td>
<td><strong>$17,865</strong></td>
</tr>
</tbody>
</table>

# Event Operating Costs - Q1 and Q2 2013

<table>
<thead>
<tr>
<th>Item</th>
<th>Major Events</th>
<th>Meetups</th>
<th>Classes and Workshops</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Number of Events</strong></td>
<td>3</td>
<td>14</td>
<td>20</td>
<td>37</td>
</tr>
<tr>
<td>Instructor/Speaker Fees</td>
<td></td>
<td></td>
<td>$240</td>
<td>$4,800</td>
</tr>
<tr>
<td>Marketing</td>
<td>$500</td>
<td></td>
<td>$100</td>
<td>$3,500</td>
</tr>
<tr>
<td>Event Production</td>
<td>$1,500</td>
<td>$200</td>
<td></td>
<td>$7,300</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$6,000</strong></td>
<td><strong>$2,800</strong></td>
<td><strong>$6,800</strong></td>
<td><strong>$15,600</strong></td>
</tr>
</tbody>
</table>
### Source and Use of Funds - Q3 and Q4 2013

<table>
<thead>
<tr>
<th>Item Description</th>
<th>Total Amount</th>
<th>City of Evanston Funds</th>
<th>coLab Funds</th>
<th>Landlord Funds</th>
<th>Operating Revenue</th>
<th>% of Activity City of Evanston</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff Salary</td>
<td>$54,000</td>
<td>$36,000</td>
<td>$12,635</td>
<td></td>
<td>$5,365</td>
<td>67%</td>
</tr>
<tr>
<td>Rent</td>
<td>$15,600</td>
<td></td>
<td>$15,600</td>
<td></td>
<td></td>
<td>0%</td>
</tr>
<tr>
<td>Utilities</td>
<td>$3,000</td>
<td></td>
<td>$3,000</td>
<td></td>
<td></td>
<td>0%</td>
</tr>
<tr>
<td>Event Production</td>
<td>$7,700</td>
<td></td>
<td></td>
<td></td>
<td>$7,700</td>
<td>0%</td>
</tr>
<tr>
<td>Marketing</td>
<td>$3,900</td>
<td></td>
<td></td>
<td></td>
<td>$3,900</td>
<td>0%</td>
</tr>
<tr>
<td>Instructor Fees</td>
<td>$5,760</td>
<td></td>
<td></td>
<td></td>
<td>$5,760</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$89,960</strong></td>
<td><strong>$36,000</strong></td>
<td><strong>$31,235</strong></td>
<td></td>
<td><strong>$22,725</strong></td>
<td><strong>40%</strong></td>
</tr>
</tbody>
</table>

### Operating Revenue - Q3 and Q4 2013

<table>
<thead>
<tr>
<th>Item</th>
<th>Number of Events</th>
<th>Estimated Attendees Per Event</th>
<th>Estimated Revenue Per Attendee</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Major Events</td>
<td>3</td>
<td>85</td>
<td>$27</td>
<td>$6,885</td>
</tr>
<tr>
<td>Classes and Workshops</td>
<td>24</td>
<td>14</td>
<td>$40</td>
<td>$13,440</td>
</tr>
<tr>
<td>Meetups</td>
<td>16</td>
<td>25</td>
<td>$6</td>
<td>$2,400</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>43</strong></td>
<td></td>
<td></td>
<td><strong>$22,725</strong></td>
</tr>
</tbody>
</table>

### Event Operating Costs - Q3 and Q4 2013

<table>
<thead>
<tr>
<th>Item</th>
<th>Major Events</th>
<th>Meetups</th>
<th>Classes and Workshops</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Events</td>
<td>3</td>
<td>16</td>
<td>24</td>
<td>43</td>
</tr>
<tr>
<td>Instructor/Speaker Fees</td>
<td></td>
<td></td>
<td>$240</td>
<td>$5,760</td>
</tr>
<tr>
<td>Marketing</td>
<td></td>
<td></td>
<td>$100</td>
<td>$3,900</td>
</tr>
<tr>
<td>Event Production</td>
<td></td>
<td></td>
<td>$1,500</td>
<td>$7,700</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$6,000</strong></td>
<td><strong>$3,200</strong></td>
<td><strong>$8,160</strong></td>
<td><strong>$17,360</strong></td>
</tr>
</tbody>
</table>
Memorandum

To: Chair and Members of the Economic Development Committee

From: Nancy Radzevich, Economic Development Manager
Paul Zalmezak, Economic Development Coordinator
Meagan Jones, Economic Development Specialist

Subject: Financial Assistance for Now We’re Cookin’ Food Service Center to expand operations and form an food business incubator

Date: June 22, 2012

Recommendation:
Staff supports a recommendation from the Economic Development Committee to the City Council to provide $35,050 to Now We’re Cookin’ (NWC) for the period August 1, 2012 through December 31, 2012 to assist in their NWC’s planned expansion into a formal food business incubator at their existing location at 1601 Payne Street in Evanston.

The proposed expansion to include the food incubator concept will enable NWC to broaden its visibility in Evanston and is aimed at improving: 1) improve the success rate of businesses operating within their facility; 2) differentiate NWC and Evanston from Chicago-based “shared-kitchen” space; and 3) assist the startup and growth of culinary businesses within Evanston.

NWC’s proposal is aligned with the key economic development principles in the recently adopted Economic Development Plan, as follows: 1) Retain, expand, and attract businesses citywide, emphasizing innovation; 2) Nurture entrepreneurship in Evanston; 3) Create jobs and workforce training opportunities for Evanston residents in diversified business sectors; and; 4) Promote Evanston, locally, regionally and nationally as an innovative and place.

Funding Source:
Staff recommends using funds from the Economic Development Fund’s Economic Development Partnership Contribution Account (5300.62659). The approved Fiscal Year 2012 budget allocated $280,000 to this account. To date, a total of $ $88,500 has been obligated from this account.
Background:
Chef and owner Nell Funk opened Now We’re Cookin’ in July of 2007 at 1601 Payne Street. At its inception, Now We’re Cookin’ was a unique entity in that it was one of only two shared kitchen spaces in the Chicagoland area and the only facility that also offered courses and event space. Over the past five years of operation, each of its competitors in the Chicagoland area has adopted a similar model for their facilities.

Currently, over 60 people are employed by the 35 companies operating in Now We’re Cookin’ s shared-use kitchen space. Since its opening in 2007, a total of 57 businesses have used their shared-kitchen, of which approximately 16% of those businesses growing large enough to establish their own spaces.

Now We’re Cookin’ is looking to increase this success rate by implementing an incubator model which will provide up-front training, on-going education, and stronger support services – specifically geared towards the “business side” of the culinary world. Over the last year, Now We’re Cookin’ has taken on several successful initiatives with that objective in mind, including:

- **Seminars** – NWC hosted/co-hosted four seminars targeting new entrepreneurs covering topics such as business and financial planning, Quickbooks software, a packaging primer, and branding/labeling.
- **Entrepreneurship Training** – NWC provided new entrepreneurs the opportunity to participate in a six week program created through the utilizing of services provided by Northwestern University students. These programs consisted of both classroom and online coursework which leveraged an online product created by the internationally recognized Rutgers University’s Food Innovation Center. [http://www.foodinnovation.rutgers.edu/](http://www.foodinnovation.rutgers.edu/)
- **Resources** – Now We’re Cookin’ staff has been successful in supporting their client base through increased contacts with packing, labeling, and food label analysis and food suppliers. They are also working to increase linkages with various financiers, banks, and micro-entrepreneurship centers, and co-packers, and other food business service providers.
- **Client Marketing** – Significant improvements have been made in their business marketing. NWC has established partnerships with Whole Foods, MidWest Foods and other local grocery stores in addition to artisan food markets and farmers markets to assist clients in getting their products onto store shelves.
- **Expansion of Commercial Client Base** – In 2011, NWC experienced a significant increase in clients utilizing their kitchen space, with the heaviest use seen during the summer months as businesses took advantage of the Farmers’ Markets.
Project Overview
Now We’re Cookin’s goal is to be the premier culinary site for both culinary professionals and culinary enthusiasts in the Chicago market. By providing licensed commercial space and event space, they will focus on promoting culinary entrepreneurship, expanding culinary education and facilitating culinary activities. With the expansion of their commercial client base, Now We’re Cookin’ has recognized the need to better serve these clients with more efficient and flexible kitchen space and resources. Ms. Funk has observed several challenges in the daily operations of the facility and proposes the following solutions:

- **Create a separate packaging space**- Currently, clients must prepare and package their food products in the same space, causing conflicts in scheduling and disrupting a smooth flow of clients in and out of the facility. Expanding the facility to create a separate packing space will enable more efficient use of client time and kitchen space.

- **Purchase a commercial small-wares dishwashing machine**- Dishes are now washed by hand which, when combined with other cooking and packaging responsibilities, can cause a bottleneck within the facility and decrease efficiency of scheduled client time.

- **Update the website and incubator marketing program**- The website is planned to primarily serve as an internal resource for incubator clients with access to training and educational materials/compilations, a booking system for space reservations, and highlights of other incubator clients. Broadening the marketing and PR program specifically to increase awareness of the Incubator activities is critical to driving participation.

- **Hire part-time Incubator Manager**- This will allow Now We’re Cookin’ to expand their services and more quickly respond to the needs of their clients. Having a dedicated staff member for the incubator component will enable the owner to concentrate on overarching facility activities development of an Advisory Council, and raising the presence of Now We’re Cookin’.

Structure of Financial Assistance:
For FY 2012, Now We’re Cookin’ is seeking a grant of $35,050, representing 52% of the first year expenses associated with building out the restructured incubator space and for the operation of the incubator from August 1 through December 31, 2012. Operating revenues and fees from training/seminars accounts for the remaining funding sources. Now We’re Cookin’ envisions a three year commitment in which the City’s funds incrementally decreases over the subsequent two years (NWC would return in the Fall of 2012 and 2013 to request funding for FY2013 and FY2014, respectively).
The project Sources and Uses Table for the current funding request is presented in Table 1, below.

Table 1. Now We're Cookin' Incubator - Sources and Uses of Funds  
August 1, 2012 - December 31, 2012

<table>
<thead>
<tr>
<th>Sources</th>
<th>Total</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>City of Evanston</td>
<td>$35,050</td>
<td>52%</td>
</tr>
<tr>
<td>Operating Revenues</td>
<td>$30,100</td>
<td>45%</td>
</tr>
<tr>
<td>Training/Seminar/Consulting income</td>
<td>$2,000</td>
<td>3%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$67,150</strong></td>
<td><strong>100.00%</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Uses</th>
<th>Total</th>
<th>CoE</th>
<th>NWC</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operations:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Incubator Manager Salary</td>
<td>$15,000</td>
<td>$15,000</td>
<td>$</td>
</tr>
<tr>
<td>Facility Management</td>
<td>$8,500</td>
<td>$8,500</td>
<td></td>
</tr>
<tr>
<td>Rent</td>
<td>$6,700</td>
<td>$6,700</td>
<td></td>
</tr>
<tr>
<td>Kitchen Licensing &amp; Insurance</td>
<td>$2,700</td>
<td>$2,700</td>
<td></td>
</tr>
<tr>
<td>Repairs/Maintenance</td>
<td>$2,500</td>
<td>$2,500</td>
<td></td>
</tr>
<tr>
<td>Business Admin</td>
<td>$1,650</td>
<td>$1,650</td>
<td></td>
</tr>
<tr>
<td>Utilities</td>
<td>$4,600</td>
<td>$250</td>
<td>$4,350</td>
</tr>
<tr>
<td>Training/Seminar Costs</td>
<td>$1,000</td>
<td>$1,000</td>
<td>$</td>
</tr>
<tr>
<td>Instructor Fees</td>
<td>$1,500</td>
<td>$1,500</td>
<td></td>
</tr>
<tr>
<td>Marketing</td>
<td>$2,500</td>
<td>$2,500</td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal (operations)</strong></td>
<td><strong>$46,650</strong></td>
<td><strong>$20,250</strong></td>
<td><strong>$26,400</strong></td>
</tr>
</tbody>
</table>

| One-Time Costs:                              |        |        |      |
| Buildout                                     | $2,500 | $1,800 | $700 |
| Equipment                                    | $8,000 | $8,000 |
| Website Redesign                            | $10,000| $5,000 | $5,000|
| **Subtotal**                                 | **$20,500** | **$14,800** | **$5,700** |

| Total Uses                                   | **$67,150** | **$35,050** | **$32,100** |

To illustrate NWC’s planned transition from City funding by the end of 2014, staff has summarized the NWC’s projected proposal for City investment in FY2013 and FY20142014 in Table 2, on the following page. For 2013, NWC would return to Economic Development Committee to request $36,300 (60%) and again for $24,200 (40%) for 2014.
Table 2. Now We’re Cookin’ 2013, 2014 Incubator Operating Expenses [1]

<table>
<thead>
<tr>
<th>Operating Expenses</th>
<th>2013</th>
<th></th>
<th>2014</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total City (60%)</td>
<td>Total</td>
<td>City</td>
<td>Total</td>
<td>City</td>
</tr>
<tr>
<td>Incremental Utilities (principally heat for storage room)</td>
<td>$500</td>
<td>$300</td>
<td>$500</td>
<td>$200</td>
</tr>
<tr>
<td>Incubator Manager</td>
<td>$50,000</td>
<td>$30,000</td>
<td>$50,000</td>
<td>$20,000</td>
</tr>
<tr>
<td>Training Materials/Presenter Costs</td>
<td>$5,000</td>
<td>$3,000</td>
<td>$5,000</td>
<td>$2,000</td>
</tr>
<tr>
<td>Incubator Marketing</td>
<td>$5,000</td>
<td>$3,000</td>
<td>$5,000</td>
<td>$2,000</td>
</tr>
<tr>
<td>Total Project Costs</td>
<td>$60,500</td>
<td>$36,300</td>
<td>$60,500</td>
<td>$24,200</td>
</tr>
</tbody>
</table>

[1] Dependent upon City Council approval in late 2012, and 2013 respectively

As summarized in Table 3, below, based on NWC’s projected need for funding assistance, the City’s projected potential funding would account for 56% of the expansion costs associated with starting up the culinary incubator. At the end of 2014 NWC anticipates they will become self-sufficient. This is important as it reflects the owner’s stake in the business model and also a clear exit date for the City.

Table 3. Total Project through Dec. 31 2014

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>City</td>
<td>$95,550</td>
<td>55.9%</td>
</tr>
<tr>
<td>Now We’re Cookin’</td>
<td>$75,300</td>
<td>44.1%</td>
</tr>
<tr>
<td>Total Project</td>
<td>$170,850</td>
<td>100%</td>
</tr>
</tbody>
</table>

Public Benefit
The activities of the NWC incubator model directly follow key economic development principles and offer a unique opportunity for businesses in Evanston and the surrounding communities. Now We’re Cookin’ anticipates larger contributions to the Evanston business community over the next two to three years including:

- Additional food business storefronts filled by successful NWC incubator clients who transition to “second-stage” culinary business enterprises.
- An increase in the number of wholesale oriented clients who will move to larger independent spaces within the City to produce their products.
- Expansion of such businesses could result in job creation in food production field.
- Increase Evanston’s profile as an entrepreneurial “hot spot” that nurtures the entrepreneurial spirit.
- Potential increase in the number of “made in Evanston” culinary products and the resulting marketing and promotional opportunities for Evanston.

These contributions facilitate more collaboration between Now We’re Cookin’ and the City of Evanston as businesses that graduate from the incubator will benefit from having more tailored assistance when navigating through the permitting and space finding
processes. And as the companies incubate, they begin to form bonds with not only one another, but the Evanston community – an incentive to launch here.

NWC proposes the following execution goals for the 5 month funding period:

- Hire a part-time incubator manager by September 1, 2012
- Broaden training and seminar programs – complete four seminars and up to two six week training programs by December 31, 2012;
- Complete the redesign of the NWC website (Incubator portion) by December 31, 2012;
- Complete the retro-fit of the existing loading bay to a health-department approved storage area and set-up of dedicated packaging space by mid-August, 2012
- Buy and install commercial dishwasher by September 1, 2012;
- Develop and begin implementation of a marketing campaign specific to promoting the Food Incubator activities by October 31, 2012.

As a means to try to track to the success of the incubator, Now We’re Cookin’ intends to maintain data tracking the results of the incubator program. Due to the uniqueness of the program and the proposed short term nature of the current funding request, the data points are geared towards the recruitment phase as well as early business benchmarks, such as sales growth, for individual clients served.

During the start up of the incubator, NWC proposes to track and report on the following information for the clients:

1. Initial contact/Entry Date
2. Client training program participation dates
3. Kitchen rental (start/end dates)
4. Number of Employees (initially and upon leaving NWC)
5. Sales growth during tenure
6. Location after NWC
7. Length of time to reach “fully loaded” cash break even
8. Length of time in business after NWC
9. External financing obtained (yes/no, and if “yes,” when)

In addition, NWC will provide regulate quarterly updates to the City on the data points listed above and will track trends, over the longer as the incubator model matures.

**Recommendation**

Staff is seeking a recommendation from the Economic Development Committee to the City Council to provide a grant in the amount of $35,050 for the period August 1, 2012 through December 31, 2012 to Now We’re Cookin’, subject to the following conditions:
1. Funding shall be in the form of a grant, which will be dispersed in two equal payments. The first $20,250 shall be paid within 20 days of City Council approval and execution of an agreement between NWC and the City Manager. An additional $9,800 shall be paid upon completion of the build out and equipment purchases. A final payment of $5,000 will be dispersed upon completion and implementation of the internal website.

2. Now We’re Cookin’ staff will be responsible for submitting reports to the Economic Development Committee and staff on a quarterly basis, summarizing the nine data points listed above, and will be asked to periodically present updates to the Economic Development Committee.

3. NWC shall solicit bids from at least one Evanston based firms for retro-fit work for packaging area;

4. Now We’re Cookin’ shall facilitate city staff access to client companies to discuss opportunities for retention and the promotion of economic development in the City.

5. Related to condition 3., above, NWC shall notify the City as early as possible of any business looking to expand their business to a location outside the incubator;

6. NWC shall acknowledge that the programs, events, and general operations of the incubator portion of the business, has been funded, in part, by the City of Evanston

7. Funding is also dependent upon Now We’re Cookin’ implementing a performance evaluation system to determine the level of satisfaction with the program.

Attachments
- Now We’re Cookin’ expansion proposal dated June 3, 2012
To: City of Evanston – Paul Zalmezak, Economic Development

From: Now We’re Cookin’
Nell Funk, Chef/Owner

Subject: Food Incubator Transition Funding Request

The purpose of this proposal is to request financial assistance with the expansion of Now We’re Cookin’ shared-use kitchen and its transition to a formal Food Business Incubator – dedicated to growing successful, sustainable food businesses.

The business’s overall goal is to be the premier kitchen location for both culinary professionals and culinary enthusiasts in the Chicago market. By providing licensed commercial kitchen space and an exciting event space, we focus on promoting culinary entrepreneurship, expanding culinary education, and facilitating innovative culinary activities.

Having worked with over 50 start-up companies since our inception, we concluded over a year ago that space alone is not the primary driver of food business success. Rather, our experience suggests that the combination of a strong supportive “entrepreneurs community”, assistance in building basic business management skills, and access to industry mentors and resources are the keys to enabling the success of food start-ups (as has been born out in many studies of Incubator Best practices). Therefore, having demonstrated the efficacy of a shared kitchen in this market, we have been working to transition to a true Incubator. With this Food Incubator transition, we are looking to:

1. improve the success rates of businesses who start operations at Now We’re Cookin’, and;
2. strongly differentiate Now We’re Cookin’ from Chicago-based competitors in the “shared-kitchen” space,
3. have greater overall impact within the local business community - specifically by assisting in the start-up and growth of businesses that remain in Evanston over the longer term.

The City’s investment will enhance Now We’re Cookin’s capability as a “food incubator” by demonstrating local community support, establishing a partnership for development of local entrepreneurship talent, and highlighting Evanston as a center for culinary training in the Midwest. Specifically, we are requesting financial assistance with the following components of our transition plan:
- Hiring a part-time incubator manager, to coordinate new client screening, training, client support, mentoring and service expansion
- Expanding storage space and creating a dedicated food product packaging area
- Purchasing equipment that will improve the efficiency and flexibility of the facility
- Upgrading and expanding our website to become a community and resource center for Incubator participants
- Providing expanded training for entrepreneurs – including contracting for on-line training modules, materials preparation, and presenter fees

The estimated total incremental cost of this phase of our incubator transition is $14,800 in one-time expenses, and continuing annual costs of $60,500, as detailed below:

**One-time Expense:**

1. Build-out $1,800 (est. retrofit existing bay, electrical)
2. Equipment: $8,000 (dishwasher, packaging tables, storage cages)
3. Web redesign $5,000 (Incubator portion – facilitating collaboration, community and education)

$14,800

**Ongoing Costs (annual):**

- Incubator Manager $50,000 (part-time, no benefits)
- Incremental Utilities $500 (heat/power for new storage area)
- Training/Seminars $5,000 (Incubator training/seminar presenter fees, materials)
- Incubator Marketing $5,000 (PR, advertising, social media work)

$60,500

Now We’re Cookin’ was initially funded primarily by the Owner, with $70,000 from friends & family investors. In 2009 North Shore Community Bank granted the company a working capital line (continuing). In addition to this request, the business is in the process of soliciting Angel funding to ensure longer term financial security. Feedback from prior conversations has suggested that effective execution of our Incubator Transition plan combined with demonstrated local community support will significantly enhance our ability to obtain additional funding.
Background:

Now We’re Cookin’ opened its doors in July of 2007 in 5,000 sq ft of space in the Dr. Hill neighborhood (Evanston’s fifth ward) in north central Evanston. Half of the space (and business flow) has always been dedicated to operation of a shared-use kitchen – which is overseen by the City of Evanston Health Department. The other half is a “show kitchen”, used for a combination of cooking classes, private/corporate events, filming, group training and celebrity Chef demonstration activities.

As a business model, Now We’re Cookin’ was unique at its inception – one of only two shared kitchens in Chicago and the only one which incorporated classes and event space. Since our start-up, all the competitor shared kitchens (Logan Square, Kitchen Chicago, Splice Kitchen) have adopted this model, an acknowledgement of the fact that a shared kitchen alone virtually never generates sufficient income to be profitable because of the need to keep rents low for start-up businesses. (There is substantial national experience to validate this.) Our business model has the shared kitchen revenues covering facility costs (rent, utilities, maintenance, repairs), and the activities in the demonstration (“show”) kitchen supporting staff and overhead.

Over our five years of operation, the shared kitchen has grown successfully – from hosting seven companies the first year to over 35 in the current fiscal year. During that time, of the 57 businesses which have used our space, 20 have moved on while the rest of the businesses remain active at some level here in Evanston:

<table>
<thead>
<tr>
<th>Now We’re Cookin’ Client Performance Since 2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Client Companies</td>
</tr>
<tr>
<td>Current Clients</td>
</tr>
<tr>
<td>Closed/Out of Business</td>
</tr>
<tr>
<td>Left to open in own space</td>
</tr>
<tr>
<td>Merged/Acquired</td>
</tr>
<tr>
<td>Moved to Expand – (i.e to larger space or co-packer)</td>
</tr>
</tbody>
</table>
That success rate – 18% growing sufficiently as to outgrow Now We’re Cookin’s space or to feel established enough to take on their own space – demonstrates the potential for our business incubation model. Our analysis is that by working to address the “fall-out rate” in our client flow – through up-front training, ongoing education, and stronger support services – we can significantly increase the success prospects of our client base. (This is the experience of incubators of all kinds.) This has ramifications for business spin-out into the Evanston community, for local job creation, and for utilization of local vendors/service suppliers, as well as for the continued success of Now We’re Cookin’.

**Rationale for Expansion:**

Based on our experience to date – and on our conclusion that we can reduce the 20% “fall-out rate” by increasing our support services – Now We’re Cookin’ is moving aggressively to transition from being simply a shared-use kitchen to operating a full-fledged Food Business Incubator – complete with an Advisory Board, training, mentors, significantly expanded resources, and access to funding. Our goal is to host start-ups with higher probability of success (due to their being better prepared) and to increase the percentages which are able to become self-sustaining over the longer term. By moving to an Incubator model we see an opportunity for Now We’re Cookin’ to fill a gap and to “take the space” in the Chicago area. (Current competitors are operating “shared kitchen” models and from what we have been able to determine, have no plans to change, while SBA and other entrepreneurship support organizations acknowledge the area-wide need for food-business specific assistance).

We believe that moving first in the Chicago market will enable us to establish a differentiated story, attract more/higher quality clients, and accelerate the growth of individual clients, all of which will translate into higher kitchen utilization rates and service revenues. By attracting and supporting clients with greater chances for long term success, we support the Evanston business community as these business spin out into their own spaces and grow locally. (NOTE: 12 current client businesses are either owned by Evanston residents or by individuals with close ties to the local community. See Appendix for full list.)

**Why Now?** As described below, we have been moving toward this transition for a year, and believe this is the time to be aggressive because

- Food businesses remain “hot”, the number of entrepreneurs looking to get “into food” and the consequent demand for rental kitchen space continues to rise
Coming out of the recession, we are seeing more potential business owners who want to really create a **substantial, sustainable business** (rather than simple supplemental income, which was common in 2010 and ’11)

Moving ahead of the competition will give us the opportunity to draw together resources, mentors, as well as clients – creating **visibility** both for Now We’re Cookin’ and Evanston as a supportive environment for food entrepreneurs.

We are the only shared kitchen of size north of Andersonville so our existing north side market share is high. Promoting our Incubator model will enable us to broaden our visibility across the City by establishing a differentiated model based on client support and success.

**Incubator Transition Program: Progress to date**

We determined that we needed to transition to a more formal incubator format in the 4th quarter of 2010. Since that time, we have been working actively to set the stage for this transition. Here are some of our accomplishments in the past year:

- **Seminars:** Hosted/co-hosted (with North Shore Community Bank) four seminars targeted at new entrepreneurs – covering topics such as business planning, financing options for start-ups, QuickBooks for small businesses, a Packaging Primer, and a Branding/Labeling Seminar. Some of these sessions were open to the public, and others were for Now We’re Cookin’ clients only. All were well attended, and participant feedback was very favorable.

- **Entrepreneurship Training – Food Business 101: from Dream to Reality.** Utilizing the services of two Northwestern graduate students for the summer of 2011, we designed a six week training program for new entrepreneurs which leverages an online product created by Rutgers University’s Food Innovation Center. The course requires a minimum six week commitment, participation in four on-site classroom sessions (one of which includes hands-on Quantity Food Production session in our commercial kitchen) and completion of the online coursework. The first full week in January we kicked off the inaugural session of this program with five start-up businesses. The feedback on the program was excellent – and 4 of the 5 businesses are moving forward aggressively (one has been searching for storefront space in Evanston). We are mid-stream in the second run of the program, and plan to run three sessions per year going forward.
• **Resources:** Now We’re Cookin’ staff have been active in developing a broad range of resources to support our Client base. Contacts in the Packaging, Labeling and Food Label Analysis have all been added and vetted (through initial work they have done with/for existing clients.) We have significantly expanded our food supplier sources. Connections with co-packers have been moving forward, and we have been working to expand linkages with financiers, banks, SBA/WBDC, micro-entrepreneurship centers, and other related groups providing financing or access to financing for small businesses.

• **Advisory Board:** progress is being made in developing an Incubator Advisory Board. Two members are committed (serial food entrepreneur/founder of J & L Catering and former Jewel/Albertson EVP) and other conversations are under way. We anticipate having a Board in place by the end of the third quarter. The Board’s role is positioned to have four components: providing advice to Incubator management, mentoring individual incubator businesses, participating in educational activities, and providing connections/access to food industry resources.

• **Client Marketing:** We have been active in developing ways to supplement the efforts of our clients to expand options for sales venues. We have been working with Whole Foods, MidWest Foods, and other local grocery chains to develop a “quick to wholesale” model that will assist our clients in making the move to the store shelf. In addition, we hosted two Artisan Food Markets during 2011 – which drew audiences of several hundred and provided a local showcase for great artisan food products. We have been a strong supporter of the emergent Indoor Farmers Market, and the Owner sits on the committee working to establish a more formal year-round market through the Evanston 150 initiative. At Evanston’s outdoor Farmers markets this year, 7 current or former clients of ours are vendors.

• **Expansion of Commercial Client Base:** 2011 saw a significant increase in the number of clients utilizing Now We’re Cookin’s kitchens, with activity particularly heavy during the summer months as numerous businesses sought to take advantage of Farmers’ Markets as a launch-pad. The chart below indicates our client flow:
During 2010 we interviewed 175 potential clients, of which 18 ultimately became kitchen users. During 2011, the number of interviews remained high and the “conversion” rate was higher (14% vs. 10% in 2010). The dynamic in 2012 has been a little different – with fewer total businesses interviewed but a higher proportion of established businesses needing location change/expansion, and many more founders proposing full time businesses (compared with part-time, incremental income goals). Overall, given the continued enthusiasm for all things food, and especially for “local’, “artisanal” products, we expect continued strong flow of applications.

Capabilities Assessment:
In making the transition to a full Food Business Incubator, we have been assessing the strengths and inadequacies of our current operation. Four key weaknesses have been identified:

1. *Lack of dedicated staffing* to broaden the service profile, expand identified resources in food product related areas (from packaging to testing to wholesale representation, among others), provide a broader range of training, and engage in one-on-one consulting.

2. *Lack of separate packaging space:* currently, clients prepare their products in the kitchen, then either clear the tables and package in the same space, or – when scheduling allows – move tables into a free area and have staff package while they
complete their production. The latter approach causes occasional conflicts with other clients, and in general the packaging space constraints limit the kitchen’s flexibility. Additionally, we can grow the number of business clients with packaging-only needs (e.g. spice mixes).

3. **Lack of commercial dishwasher:** All ware-washing is done by hand today, slowing down the process and causing frustration when the kitchen is busy.

4. An **outdated website**, which limits our ability to provide online booking of kitchen space, support the community aspect of the Incubator with access to resource compilations, on-line training and collaborative capabilities, – and more broadly does not currently do the optimum job in facilitating the marketing of our Incubator services.

*It is our intention to address these weaknesses rapidly in 2012 to help us establish a stronger platform from which our clients can grow.*

**PROPOSAL:**

This proposal requests assistance in addressing all four of these weaknesses during 2012.

1. **Packaging Space:** To be conservative, we are proposing a phased approach. This year, Now We’re Cookin’ will convert its loading bay to a clean-room for food-safe storage (retrofitting plans already conceptually approved by the Evanston Health officials). This will free up space for a dedicated packaging area adjacent to the cooler room. Estimated costs to clean up the loading bay for storage would include (1) coating the floor, (2) painting, and (3) minor electrical work. Limited equipment is included in this proposal (additional stainless steel prep tables for packaging, and additional dry storage security cages) to execute the first phase of this plan.

Assuming we demonstrate the financial growth of the Incubator through the balance of 2012, we will review a second phase to the space plan. Preliminary discussions have been held with our landlord for renting an adjacent loading bay which could be accessed internally through a re-opened doorway into the new storage area. This would bring back both covered load-in/out space and easy access for delivery of pallet-based supplies. During early 2013, we will review and finalize the negotiations for the additional loading bay.
2. **Commercial small-wares dishwashing machine:** This equipment will be installed in the current storage/wash-up room. Our original build-out anticipated this eventuality, and the basic plumbing infrastructure is in place so installation costs will be minimal. Adding this equipment is a straightforward action that will save time, reduce bottlenecks, and improve efficiency for all clients.

3. **Incubator Staff:** **Adding a part-time staff** person dedicated to overseeing the Incubator activities is an action we have anticipated since our opening, but only now do we have the client base, service plans, and demand for one-on-one consulting that makes it appropriate to proceed. We propose targeting the hiring of this person over the summer on a 20 hr a week basis to start. Every effort will be made to hire locally – both because of our interest in supporting the local community and to ensure their ability to respond to clients quickly by residing within 10 minutes of the facility. *(Notably, the ability to hire a part-time Incubator Manager will enable the Owner to spend the time needed to pursue the above-mentioned additional financing – which is a very time-consuming activity – and to put together a high-profile Advisory Board and group of Mentors for Incubator clients.)*

4. **Website and Marketing:** As an enabler of community-building, client education, and marketing, a re-conceptualized web presence is increasingly important. By providing on-line kitchen reservations, client access to recommended resource information and educational tools, as well as an ability to better connect with and promote Clients, a redesigned site can become a critical tool. In addition, our current site does not enable Smartphone access because of its Flash technology base, increasingly a liability. *(The other portion of the new site’s functionality will support and be funded by the demonstration kitchen activities.)*

5. **Training and Skill-building:** Our experience in the past year of testing out response to seminars and the initial run of a Food Entrepreneurship training program has confirmed the value of those activities to our current and prospective business clients. Therefore, we have included in this request costs associated with delivery of Seminars and a 3x a year training program – activities which will provide critical support to our growing businesses.
Proceeding with this plan should be beneficial to Now We’re Cookin’ and its clients in the following ways:

✔ Enable us to more rapidly expand our services (including training) for commercial clients by providing the Staffing needed to concentrate on developing seminars, vendor relationships, providing consulting, and coordinating/delivering training;

✔ Provide a separate, clean, health department certified space for packaging – which will enable us to reduce kitchen congestion, attract businesses which have ONLY packaging needs (e.g. spice mixes, chai tea mixes, etc), and help clients improve their gross margins (by utilizing lower-cost packaging space) thereby enabling sustainability of their businesses;

✔ Enhance our marketing of Food Incubator services through a more appropriate website and staff time to devote to the task, thereby connecting us with a larger audience of potential clients – as well as streamlining our interactions with existing clients.

Our objective is to be able to implement these changes as soon as possible, with the goal of completing the retrofitting of the packaging room during the 3rd quarter, in time for the second half of the Farmers Market season. But to do that, Now We’re Cookin’ will need funding for the plan. Estimated costs in 2012 and 2013 are as follows:

<table>
<thead>
<tr>
<th>INCREMENTAL COSTS FOR INCUBATOR TRANSITION:</th>
<th>2012 (5 mo)</th>
<th>2013 (full year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retrofit of existing loading bay to enable pkg space</td>
<td>$1,800</td>
<td></td>
</tr>
<tr>
<td>Packaging tables and storage cages</td>
<td>$3,500</td>
<td></td>
</tr>
<tr>
<td>Commercial Small-wares Washer (installed)</td>
<td>$4,500</td>
<td></td>
</tr>
<tr>
<td>Website Upgrade (portion dedicated to Incubator)</td>
<td>$5,000</td>
<td></td>
</tr>
<tr>
<td>Incremental Utilities (principally heat for storage room)</td>
<td>$250</td>
<td>$500</td>
</tr>
<tr>
<td>Incubator Manager</td>
<td>$15,000</td>
<td>$50,000</td>
</tr>
<tr>
<td>Training Materials/Presenter Costs</td>
<td>$2,500</td>
<td>$5,000</td>
</tr>
<tr>
<td>Incubator Marketing</td>
<td>$2,500</td>
<td>$5,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$35,050</strong></td>
<td><strong>$60,500</strong></td>
</tr>
</tbody>
</table>
We are requesting assistance from the City to enable us to implement this plan during mid-2012. Ideally, we would like to see a three year commitment, in which the City funds the one-time costs and contributes a declining portion of the incremental annual incubator costs (defined above). Roughly, this would result in funding of $35,500 in 2012, $36,500 (60%) in ‘13, and $24,000 (40%) in ‘14. As indicated, we anticipate that a combination of internally generated funds and a raise from outside investors will ensure the balance is effectively covered and the overall business soundly financed in the later years. The current costs of the infrastructure (rent, utilities, maintenance, and overhead) will continue to be supported by Now We’re Cookin’.

Now We’re Cookin’ will maintain a data tracking process to make transparent the results of our Incubator program (see Appendix IV for specific proposed data-points.) As outcomes, we anticipate seeing the following contribution to the Evanston business community over the coming two to three years:

- **Additional food business storefronts:** currently as many as 6 of our clients envision moving to their own restaurant/bakery/other storefront within a 3 year timeframe, with 2 of those actively looking right now. We anticipate working with City of Evanston staff to help ensure that Evanston is their location of choice.
- With our Training Program in full gear, we fully expect to host a higher number of wholesale oriented clients who will need to move from Now We’re Cookin’ to a larger, independent space, from which to produce their products. Again, collaboration to ensure that Evanston has the space profile that can accommodate those businesses will be key. (One of our businesses did spin out into an Evanston space 2 years ago)
- Enabling Now We’re Cookin’ to increase its “incubator” profile will only add to Evanston’s emerging “entrepreneurial hot spot” environment – as our capabilities align well with the TIC and the new Co Lab offerings, as well as Northwestern’s various Entrepreneurship programs which are spawning fascinating local businesses (one of which we have been mentoring). In addition, we are already seeing our broadening connections across the Chicago food community linking us with potential Evanston-based businesses, which we can introduce to City staff to help enable their moves.

Periodic updates to the City can help demonstrate the progress we have made and the success our clients are having.
Multiple opportunities to collaborate with City staff are suggested by our experience:

Collaboration across this widened range if issues will be important to our clients. Right-priced storefront space, access to local financing options, easy navigation of licensing, zoning and permitting requirements, as well as a general “atmosphere” of support for entrepreneurs will make a significant difference in attracting clients for all of us (highly visible City of Chicago food business licensing issues demonstrate the pitfalls of a non-collaborative approach). We have a number of clients working in our kitchens specifically because they were nervous about the uncertain environment within the City proper, and the supportive, collaborative approach of Evanston’s Health Department has been a significant selling point for our kitchen. We are committed to not only maintaining that effective relationship but to expanding it across a wider range of issues.

*We thank you for your consideration and appreciate your support.*
APPENDIX

I. **Support for Evanston businesses:**

The owner of Now We’re Cookin’ is an Evanston resident. In addition, the facility has hosted 12 food businesses with Evanston – based business owners or strong ties to Evanston over the past year;

- DeFloured (owner related to owners of Lulu’s; recently moved to dedicated space)
- Mollenhauer Catering
- The Rootsy Vegan
- Green Bag Lunch (merged, but owners Evanston residents)
- Carmel’s Caramel’s
- Crust Bakery (started at NWCookin, now managing Winter market)
- Custom Confections
- Foodie Baby
- Fresh Takes Kitchen
- Gotta B Crepes
- Heika’s Treats
- J. Lafayette Catering

II. Client Distribution Statistics
III. **Now We’re Cookin’ in the Evanston Community**

Now We’re Cookin’s contributions to the local community are broader than the food incubator. Activities/collaborations have included:

**Business Mentoring and Spin-out:**

1) 5 businesses moved from NWC to their own spaces, 1 of which was located in Evanston
2) Mentoring winner of Kellogg 2011 Social Entrepreneurship competition – Fresh Takes Kitchen – which piloted their low-cost meal delivery program at the Evanston Y
3) New Food Entrepreneurship training program developed in collaboration with NU graduate students
4) Prepare incubator clients for farmers market participation through ongoing coaching, providing access to resources (packaging and labeling expertise, access to health/food regulators, etc)
5) Hosted or co-hosted (with North Shore Community Bank) seminars on range of topics, directed at entrepreneurs.

**Healthy Eating and Home Cooking Education -**

6) Filmed home sanitation video for City Health Department; collaborating on broader 2012 initiative
7) Classes for WOW group (women out walking initiative)
8) Classes for Second Baptist Health Ministry
9) Co-teaching NU Center for Talent Development Culinary Science summer course for high school students
10) Cooking Demonstrations at Evanston Farmers Markets
11) Member of Health Department’s Restaurant Safety group
12) Starlight Children’s Foundation cooking class
13) Annual Apple Pie baking class for McCormack Boys and Girls
14) Park Ridge Park District class

**Promotion of “local” food options -**

15) Participating in Evanston 150 Year-Round Market committee
16) Created and host the annual Evanston Harvest Celebration – featuring Evanston’s best chefs and benefitting the Evanston Farmers’ Market
17) Hosted variety of “get to know” sessions with Farmers’ Market farmers/producers, along with related cooking classes
Collaborations/Services to Broader Evanston Community -

18) Event space used for fund raising and Board activities of the following Evanston-based NFPs:
   a. The Cradle (multiple)
   b. Infant Welfare
   c. Connections for the Homeless
   d. Child Care Center of Evanston (multiple years)
   e. The Mitchell Museum
   f. ECDC
   g. Orrington School PTA
   h. American Cancer Society
   i. Evanston Community Foundation

19) Participated in variety of Chamber events – including Mash-up jointly with Incubator clients, hosting networking events, and seminars
20) Co-host events/activities with Whole Foods Evanston (Custer and Ethnic Arts Festival demonstrations, in-store classes, etc)
21) Range of interactions with Northwestern community
   a. Utilize pro-bono services (Marketing team from Kellogg, Law clinic services)
   b. Hired a number of student interns
   c. Utilized graduate students to develop Food Business 101 training program
   d. Host the Dance Marathon’s Top Chef Competition (5th year running)
   e. Host frequent graduate and undergraduate groups for cooking sessions
   f. Host staff and other groups for cooking “off-sites”
   g. Location for Kellogg recruiting events hosted by major corporations/consultancies
22) Have hosted the shooting of numerous film spots for NBC, the Big Ten Network, The Food Channel, Kraft, and others (United Airlines this month) – providing broader visibility for both NWC and Evanston as a whole

IV. Some of the Evanston-based businesses frequented by NWC and our clients –
The Spice House
Old Town Oil and Vinegar
Whole Foods
Dominic’s
J.D.Mills
World Market
Bennison’s Bakery
Sam’s Club
Various liquor vendors
V. **Proposed Incubator Client Tracking Data**

To measure the success of our incubator operation, we are proposing to maintain tracking of clients coming through Now We’re Cookin across the following data-points:

- Initial Contact
- Training program Participation Dates
- Kitchen Rental (start, end)
- Employee Numbers (start, upon leaving NWC)
- Sales Growth (start, upon leaving NWC)
- Location after NWC
- Time to reach “fully loaded” cash break even
- Time in business after NWC
- External Financing Obtained (Y/N, when)
2012 ECONOMIC DEVELOPMENT SUMMIT NOTES

On behalf of the City of Evanston, we want to thank you again for participating in our recent Economic Development Summit. We recently completed the compilations of all the notes from the event. Summaries from each of the break-out sessions are now available for viewing through the City’s Economic Development website. The notes have been grouped by topic area and include the written notes from staff, summaries of ideas from the session poster boards, and the top priorities presented at the “Great Reveal” Session.

SUMMIT SURVEY

The City has compiled the survey results into a summary document that can be found on the City's Economic Development website. The feedback will be useful as we continue to work together to accomplish our shared goals and priorities. Thanks to all of you who responded to the survey.

NEXT STEPS

The City is encouraged by the continued interest and “pledges” to assist with our various Economic Development initiatives. As we look forward to next steps, City staff will facilitate web-based discussion groups and organizing follow-up meetings on the key topics covered at the Summit.

- **Web-based Discussion Groups**: For each of the targeted industries, we’re creating web-based group discussion sites that will allow for increased communication between the City, business owners, community leaders and residents on specific areas of Economic Development. Staff is working on the final touches for these web-based discussion groups and will follow up next week when we “go live!”
- **Follow-up Meetings**: In addition to these web-based discussion forums, staff is working on creating some defined tasks and strategies for the targeted industries. We will be scheduling follow-up meetings with those who expressed interest in working with the City on specific economic development initiatives.

Thank you all, once again, for making our Economic Development Summit a huge success – we look forward to working with you to achieve our Economic Development goals, foster continued growth of our local economy, and create a more prosperous Evanston!
Following the Break Out sessions the Economic Development Summit Concluded with a “Great Reveal” in which each of the session presented their findings to all those in attendance. The following is a summary of the results of the “Great Reveal.”

**Targeted Industries**

**Arts & Entertainment**
Issues to Address:
- Multi-disciplinary team
- Engage the youth
- Community Branding
- Establishment of a common goal
- Vision Statement, Vision, Metrics

**“Baby Boomer” Markets**
Create an Evanston-based institute focused on “boomers”
Create opportunities for meaningful engagement
Multi-generational systems
- Mentoring
- Daycare
- Transportation
  - Getting to medical appointments

**Health Care & Wellness Industries**
Goals:
- Create compelling vision around health and well-being
- Address licensing and zoning issues to promote growth
- Online forum to maintain relationships established today
- Provide training and mentoring opportunities
- Identify who's in the health/well-being community
- Access and Equity (race/ethnicity/socio-economics)

**Technology-Based/Enabled Businesses & “Start-ups”**
Strengths:
- Public Transportation, Venture Capital, Northwestern University, Business Inventory

Challenges:
- Funding in terms of venture capital
- Funding in terms of infrastructure
- Creating a community where businesses know one another
- Potential talent shortage and need to engage Northwestern
- Focus on a particular type of technology
- No design experience for incubation

**Water-Related Industries**
Opportunities:
- Bio-tech firm connections with Northwestern University
- Chicago water-rate increase
- Offering incentives to larger water users
- Potential to sell water to communities in Lake County
  - Engineering studies
  - Financial studies

Challenges:
- Branding/Marketing our water
Evanston has a strong arts and theatre culture that adds to the diverse economy, appeals to a variety of age groups, and helps sustain and attract creative and innovative residents, businesses, and visitors. There is a strong market for live performing arts in Evanston. Over the course of this year, the City will conduct a more detailed study of opportunities for live performing arts venues through a National Endowment for the Arts (NEA) grant. Using information gathered through the NEA grant and from interviews with key stakeholders from various arts organizations, the City will create a baseline program analysis for performing arts, which will be used to explore opportunities for performance venues throughout the City. The City will also target other entertainment venues to provide a more diverse “live, work and play” community. Retaining and expanding arts and entertainment opportunities benefits Evanston residents, workers, and visitors, adds creative sector jobs and, for certain venues, generates added sources of revenue for the City through amusement and liquor taxes.

### Results from Brainstorming

- All arts groups need an over-arching umbrella group to get more organized – Question: Is there a big picture group? Is this the Evanston Community Foundation? Other City group?
- Architect is working on a project that could include a 100-300 seat black box theatre as part of private development. Is there an organization in the city that could operate this? Is there an arts organization that runs theatres?
- Need to put together a vision for arts with all stakeholders, artists and businesses.
- Need to use social media in arts – advertising.
- City needs to be an advocate for Evanston as arts hub. Need to create more opportunities for arts.
- The hours of some venues are limited – Can arts and business community coordinate one night a week where businesses and arts stay open later? To capture residents who work/commute?
- Need to focus on youths and art – create facility/venues for them. Work with school district, look for alternative options for art education in partnership with community.
- All comes down to money for venues, education, and support. Community needs to come up with options. Study the community capacity for arts/venues.
- Existing venues need to be open to other events by creating synergy and demand.
- Believe there is a need for range of venues – 500 seat and 150 seat theatre.
- City used to have structure for the arts – can this be strengthened?
- Need short-term goals: Howard Street Theatre, support complex at Noyes Cultural Arts Center, Complete Downtown Evanston Study (NEA Grant).
- Short and long term goals must connect businesses with arts.
- **What are the key components that drive business of arts/culture?**

  - **Passion**
  - **Audience**
  - **Plan**
  - **Money**
  - **Communication**
  - **Mission**
  - **Artists**
  - **Support**
  - **Paging**
  - **Commitment**
  - **Vision**
  - **Inventory**

### Top Goals

- **Come together as an Arts Group to create a City Vision/Strategy for the arts.**
- **Create network (umbrella organization) with structure and public openness; a multi-skilled Team to facilitate between arts/entertainment, businesses, City and engage youth.**
- **Strengthen connections between arts groups, businesses, and City’s Economic Development Committee.**
- **Create Common Goal for the Arts through “Community Branding” with a long term strategy to help sustain arts.**

  - **Short-term goals:**
    - Howard Street Theatre for 125 persons.
    - Noyes – develop into theatre complex.
    - NEA Grant
    - Create synergy between arts organizations to help coordinate shared use of space.

### Pledges

- **“Help raise awareness of how to use public art to enhance public spaces.”**
- **“Continue working on Arts Business Committee to use the arts to bring business into Evanston. Help coordinate and identify all the various arts-related groups (not just arts organization, also advocacy groups) so we can create umbrella organization with a vision, branding, etc.”**
- **“Continue to work with the young emerging artists. Continue to research and develop a partnering space for dance. Nurture new audience.”**
- **“Participate in creating an umbrella organization for arts advocacy.”**
Evanston has long been attractive to empty-nesters and active retirees seeking an alternative to traditional retirement communities. According to the website Baby Boomer Insight, as of January 1, 2011, Baby Boomers, individuals born between 1946 and 1964, made up 26% of the American population, or roughly 78 million people. As the Baby Boomer population continues to age, the number of Evanston residents within this population cohort is expected to grow. While Evanston has a lot to offer Baby Boomers – a nationally recognized university, strong health care options, an active downtown, and a diverse cultural and entertainment base – the City will continue pursuing opportunities for new businesses and cultural and entertainment venues that meets this population’s demands and needs. Consideration will also be given to future age-in-place opportunities and challenges such as accessibility within commercial areas.

Results from Brainstorming

- Need for improved transportation in downtown area. A trolley or regularly scheduled transportation option would move people around downtown and would be a marketing opportunity for the city.
- Transport to and from doctors appointments would also be useful. This could be a volunteer system rather than public transit for seniors.
- A volunteer system for seniors is not sustainable, we need a designated system to provide transport for seniors.
- Taxi’s are not a sufficient transportation option for seniors.
- Dentists and medical services could provide house calls to seniors citizens.
- Establish an inter-generational day care for seniors, babies, latch keys, etc. There is currently a similar system at Lutheran General Hospital in Park Ridge, IL (which is very helpful for children as well).
- Example of beneficial program is the Institute for the Ages, located in Sarasota, Florida. It is a learning laboratory where senior citizens are provided with services, activities and products to create an innovative approach for marketing and working with seniors. (See: www.institutefortheages.org). A facility such as this would provide better delivery of health services and economic development.
- There is difficulty for seniors who want to live on their own and don’t want to be moved to senior housing.
- Seniors are downsizing and moving to Chicago, we should work on ways for seniors to be attracted to stay here. Many seniors have more house then they need or can afford. We need to attract seniors to seek smaller homes.
- Seniors are downsizing to Evanston downtown condos and we need to maintain services and amenities.
- Evanston has become a magnet for North Shore Seniors.
- Another asset is the Faith Community we should try to tap into these resources.
- Evanston should tap in own community commitment from residents. As residents want to stay close to friends and family.
- Use social innovation/entrepreneurship to draw older adults who want meaning and flexibility in serving the community.
- Provide more opportunity for meaningful contribution back into the community.
- Older employees are staying employed longer for financial reasons.
- Short term opportunities: Look for meaningful contributions and mentoring to further expand upon ideas and sponsors. Could hold a future symposium to flesh out and solidify the plans.

Top Objectives

1. Institute for the ages (Sarasota, Florida model)
2. Identification of opportunities for meaningful contributions/mentoring from our baby boomer population
3. Investigate a Medical/Personal transportation program for seniors
4. Multi-generational Daycare – includes networking

Pledges

“Work in collaboration with other organizations, businesses, etc. to make Evanston an aging-friendly community.”

“Take leadership position related to servicing the Baby Boomer market.”
According to the Centers for Disease Control and Prevention, in 2009 approximately 18% of the employed workforce in the U.S. worked in the health care industry; by 2018 this percentage is expected to grow to 22%, adding over 3 million new jobs. Evanston is poised to take advantage of this job growth through the presence of two local Hospitals, North Shore University Health System Evanston Hospital and Resurrection Health Care Saint Francis Hospital, and numerous medical offices located throughout the community. The City will explore opportunities to attract businesses that supply and manufacture medical equipment/devices to our hospitals, businesses that provide ancillary health care services, and additional medical offices. In conjunction with identifying complementary and submarket businesses, the City will assess the existing available space and recruit development partners to provide additional opportunities to meet the space needs of new or expanded health care related businesses.

Results from Brainstorming

- Idea of increased employee wellness. For a business to expand and grow we need a healthy workforce.
- Better messaging of the wellness we already have – we have a lot to build upon.
- Look at wellness more expansively. Broader concept of wellness.
- Dance classes to deal with mental health and stress.
- Infant health – immunizations / nutrition – need to deal more with mental health issues.
- Survey of non profits showed a lack of help for the elderly to stay active.
- Need to address wellness and health prior to the issue being reactive.
- Goals and priorities to make Evanston a health and wellness community.
- Use city staff to focus and share awareness, use of volunteer programs.
- Make sure zoning/licenses don’t adversely hurt business.
- Policy, systems and environment – we need an overarching goal for wellness (i.e. Healthiest City in the State, Region, etc).
- Connect health with the environment. Increase education on the link between environment and health.
- Recognize the concept of greatest wealth is health rather than business dollars.
- Need to work with schools/education to teach students to slow down and take care of themselves.
- Quality of life issue – wellness and health, increase mental spiritual health.
- Culture of wellness and health that is multi dimensional. How do we integrate?
- Convince larger health and wellness by creation of an online forum Google Groups or something. Use Mayor, Chamber of Commerce, faith communities – need to bring groups together.
- Connect health, economic status and stress. Awareness to all the pieces of the puzzle.
- Is there a need for workforce training? The Youth Job Center as mentors for those 18-25.

Key Topics

- Host a larger format meeting to expand ideas.
- Develop Mission Statement.
- Define meaning – support home businesses, workforce training and support for Entrepreneurs.
- View through lenses of access and equity – health & wellness for all.
- Move from Educational health and wellness to practical use and implementation.

Pledges

“Commit the resources/leadership to come to the table to partner. Impact the health and wellbeing of all. Address health disparities. Create a healthier Evanston.”

“Create Wellness Coalition of Businesses and Practitioners who come together to meet and brainstorm ideas and create initiatives.”
Capitalizing on Evanston’s reputation as a center for innovation, the City will work with private-sector and institutional partners to help galvanize Evanston's entrepreneur base to create an innovation hub that will support and promote investment in technology and technology-enabled businesses. With our partners, the City will support the creation and promotion of both physical and virtual spaces devoted to collaboration and networking, mentoring, educational programs, and events, aimed at fostering the transition of Evanston-based startups to the growth stages and providing a focal point for angel and venture capital investors. Concurrently, the City will identify opportunities for development of modern office and laboratory space to improve our ability to retain expanding firms and to attract new technology companies.

Results from Brainstorming

- Difficulties securing funding. Big cost in supporting tech incubation. Look to establish partnership with Northwestern.
- Some reasons tech companies leave is lack of contiguous space, access to fiber optics, and obsolete buildings. There needs to be an upgrade to downtown to better accommodate these industries – downtown is desirable, but not the mandatory location for businesses.
- Talent shortage plays a role in keeping tech based business in Evanston. Companies leave seeking qualified employees.
- Example: Youngstown, OH targets specific technologies. Evanston should follow model targeting specific tech industries.
- Evanston allows too many 2nd tier start-up businesses to leave; they don’t really have the supportive environment to remain in Evanston. There is a perception that young talent needs to go elsewhere (Silicon Valley, Downtown Chicago) to launch a successful company. City needs to fight more to keep businesses here the same way as it fights for major retail tenants (i.e. Trader Joe’s).
- Conduct an inventory of space for comparison to other competitive markets.
- Setting up the eco-system goes beyond real-estate.
- Evanston has negatives; the real task is to make the negatives worth it (i.e. distance from O’Hare/I-90, taxes). Conduct an analysis of what resources actually are here and reasons for business to stay.
- Define the tech infrastructure and identify the sources of funds.
- Culture is “closed” and more of an industry based culture. Need more events to get the word out about resources. Plan for meet ups and future discussion. Missing the opportunity to have more conversation. Social Media is key.
- Think outside the tech box. Incubator is more about the community and sharing of ideas.
- Need to follow Northwestern example of start-ups and competition should partner.
- 25 years ago investors took a bigger role. This role needs to be filled as capital is needed at every tier. Financing, venture capital or some sort of money pool to start and continue business.
- Evanston is starting well and improving relationships. What can the city offer students fresh out of school to inspire them to stay. The city needs to be “at the table” and at more events.

Key Topics

- Strengths:
  Having a culture that is entrepreneurial and supportive of new ideas and funding those ideas.

- Challenges:
  Investments, Education, Real Estate, and Marketing

Pledges

“Seek a contract with the City of Evanston to build an online network for entrepreneurs and start ups to build business relations.”

“Share ideas to help entrepreneurs teach education, software, etc, meet, communicate, collaborate and learn from each other.”

“Be an "ambassador" to non-Evanston residents/business owners as to why they should be in Evanston.”

“Assist in developing financing and community infrastructures in support of Evanston based entrepreneurs.”

115
One of Evanston’s greatest assets is our access to water and our ability to provide water to other communities. This gives Evanston an advantage in targeting businesses that specialize in water research, water sciences, and related industries and water-intensive businesses, such as bio-tech firms, which require significant water resources to facilitate research, development and production. The sale of water to surrounding communities is one of Evanston’s biggest revenue generators. As such, development in those communities will generate additional revenue for the City. To increase this revenue source, the City will explore opportunities for regional economic development partnerships, based on available space and infrastructure in those communities.

Results from Brainstorming

- Attract pool truck industries.
- Develop incentives to attract high water users to locate in Evanston.
- The price of water is $2.34 per thousand gallons in Evanston compared to $2.51 in Chicago.
- Sewer rate is high but water rate is low, 2nd lowest in region.
- Idea: Attract high water users by lowering the sewer rate by the limit use.
- Capitalize on Northwestern to attract bio-tech firms to area.
- Sell Water to other nearby communities.
- Improve and modernize existing pipes and infrastructure.
- The biggest users of water are: District 202 Schools, Northshore University Hospital, hotels
- Top industrial users are: Spare Tech, Neihoff, Collins Brothers, landscaping services

Background

Chicago is raising the price of water, which is an opportunity for Evanston.

Currently Evanston sells water to 365 thousand people.

108-365K gallons equipment increase to sell to older agency.

Searching for new and more efficient equipment to provide water.

If we don’t sell water to other communities, others will capitalize. The other producers include Chicago, Wilmette, Highland Park, etc. Following Chicago, Evanston is the next biggest producer of water in the region.

Pledges

“Willing to help Evanston to connect with Business contacts, through use of media Evanston can be introduced to broad Chinese market and the non profit Blue-tech Alliance is ready to be involved.”
Following the Break Out sessions the Economic Development Summit Concluded with a “Great Reveal” in which each of the session presented their findings to all those in attendance. The following is a summary of the results of the “Great Reveal.”

### Traditional Growth Sectors

#### Applied Skilled Industries
- **Strengths:**
  - Innovation in manufacturing
- **Challenges:**
  - Venture capital availability
  - Need for a skilled local workforce
  - Inform public about modern manufacturing

#### Education & Not-for-Profit Market
- **Opportunities:**
  - Potential City support for Not-for-Profit organizations
- **Strengths:**
  - Large portion of employment in Evanston
- **Challenges:**
  - Need for communication among existing Not-for-Profits
  - Need for incubator opportunities
  - Availability of shared space/services/calendars

#### Retail Sector
- **Collaboration/Communication**
  - Events (sidewalk sales, etc.)
  - Collaboration among business districts
- **Zoning/Parking**
  - Realities of zoning vs. its perception
  - Parking issues – perception vs. reality
  - Trolley transport for shops and restaurants
  - Perform parking study to determine options/inventory
- **Bring retailers, real estate agents, and others together**
  - Monthly meetings
  - Share ideas/information

#### Office & Professional Services
- **Three Main Points:**
  - Keep us together/Keep the conversation going
  - Be an Ambassador (tell your story)
  - Businesses in role of Ambassador
  - Relate to Northwestern University students
  - Help us make our strengths productive
  - Transit, Office Space, Lakefront

#### Workforce Training Programs
- **Opportunities:**
  - Mentoring opportunities
- **Challenges:**
  - Aligning skills/programs with job opportunities
  - Availability of transportation to Oakton Community College
Evanston Economic Development Summit Recap

Applied Skilled Industries (Manufacturing, Production, Construction)

Economic Development Summit Sample Discussion Questions: What are the lead types of applied skilled industries within Evanston? Are there complementary businesses that we can attract that would benefit our existing business base and/or support service needs at Northwestern, the city and the school districts?

Results from Brainstorming

- Capital/Education/Awareness are vital for the manufacturing community.
- Many residents do not know about manufacturing businesses in Evanston. Increased publicity within Evanston may be useful for manufacturing base.
- Venture capital and investment is important. There is also a need for a consultancy to support business start-ups. If consultants are good they will not be needed for long periods to get the business started.
- Evanston formally had a Advantage Capital Fund and the City should revive it.
- Funding is important for startup companies.
- Established businesses need more Evanston residents to apply for positions. Example: business of 400 employees has approximately three Evanston employees.
- Factory typical hires established workers and few new graduates. The skills needed for factory labor are not being taught in this area. Illinois Institute of Technology and Marquette University have good Industrial Computer Training Programs.
- Years ago the high school had a pre-apprenticeship training program to train manufacturing positions. Better promotions of high school and basic vocational programs for manufacturing training.
- High schools could be a good resource for recruiting employees.
- Familiarity with the industry would be helpful for preparing students. For low-skilled jobs a school can provide a program for a specific businesses.
- Businesses could work with high school students to build a curriculum to train students for positions.
- It is difficult to identify minority-owned businesses in the city.
- Local businesses typically offer tuition assistance for relevant training.
- University/colleges typically do not approach industrial businesses to determine what type of training is needed. Only basic high school knowledge is needed and some knowledge/science training. Businesses are sending employees to Northwestern University for training.
- City should work with Northwestern University to make sure the university is connecting businesses with the correct resources.
- Northwestern University has people with knowledge who could provide a volunteer group to support manufacturing community. Since many businesses are family-owned it would be useful to bring in an outside person to provide assistance and mentoring.

Key Topics

- Strength:
  Innovation in Manufacturing

- Challenges:
  Venture Capital,
  Skilled local workforce,
  Public Information about modern manufacturing.

Pledges

“Analyze “Where Workers Work” data for Evanston and 2006-2010 American Community Survey estimates to identify job/worked quotients, number of Evanston jobs vs. the number of Evanston workers. If sufficient data is available to do a subset analysis by key targeted industries to indentify job/skills mismatch.”
Educational and Non-Profit Market

**Economic Development Summit Sample Discussion Questions:** What are the newest models of education, non-profit and city partnerships? How can the city partner with non-profit businesses to promote goals for economic development: job creation, increased revenues and enhanced quality of life?

**Results from Brainstorming**

- Promote historic preservation and tourism.
- Inventory churches for extra space for non-profits to rent office space, this could free up office space and aid in church missions, create one stop shop - Non-profit collaboration space/coordination.
- Host an Education Expo with all organizations and companies that connect parents to educational services.
- City create a database of non-profits and display on website.
- Help schools create more hands on curriculum starting in kindergarten.
- Teacher’s professional development materials geared towards the arts.
- Religious Centers as Community Centers.
- Encourage City to seek out partnerships with non-profits.
- Establish a team of people made up of existing nonprofit leadership to share with others what nonprofit resources are available in the community.
- Access and equity to all services.
- Shared services between non-profits use of IT and Marketing.
- A shared larger collective space for non-profits (Center for non-profit).
- City could help facilitate nonprofits to look to consolidate services.

**Key Topics**

- Encourage City to seek out partnerships with non-profit organizations.
- Nonprofit Incubator, collaborative efforts, sharing of space.
- Deeper Collaboration among nonprofits and community engagement.

**Pledges**

- “Help promote preservation/historic tourism.”
- “Interested in helping to create an inventory of non-for-profits and the services they offer with the idea of making this information accessible on the website and to foster collaboration.”
Economic Development Summit Sample Discussion Questions: How can we position ourselves for the next wave of office development? What are the current office space needs and does the city have enough office space based on current and expected future demand? Are there opportunities to retrofit existing building stock for modern users? How can the city assist real estate professionals in attracting new users to the existing stock?

### Results from Brainstorming

- Evanston needs to figure out “who we are when we grow up.” Downtown space has low vacancy. Money only available if you have a large anchor space. Evanston is not a “big anchor” town. Also needs to secure funding.
- There is a lack of “Class B” office space. Roycemore Building as example of building that could have been used as this purpose but was not.
- Promote Office and Business environment with more office buildings and not just apartment buildings.
- Companies fled due to infrastructure issues. Infrastructure often phone and internet, adjusting for bandwidth.
- Do we have the right mix of office users? Who are all of the employers and number of employees?
- Need wet-lab space. Migration of talent due to the need not being met.
- Spaces are available and accessible to Public Transit and amenities. Need to get the word out about what “is available.”
- Potential of converting Evanston Plaza from simple retail to mix of office/retail space.
- Advantage of a coLab or TIC is the co-working environment and sense of community. Having a lone office does not facilitate that. City could reach out (as TIC or coLab would) to freelancers including space as starting tool. We could help provide office space. Need to help foster relationships. More recently businesses are moving to cheaper spaces that are good for incubator spaces.
- Create an alumni and business owner ambassador program to help build relationships and “recruit” small businesses and freelance start-ups.
- Ambassador program: session displaying why Evanston is a good place to work. Have non city workers encourage attendees. Local business owners “customer to customer” interaction.
- Host larger events to foster relationships in order to keep the discussion going by reaching out to the larger community, real estate brokers, building owners, and businesses.
- Transportation Oriented Development (TOD) is Key for Evanston given transportation hub.
- Seeing a change in what is considered office space. People work from home and mixed use development is more common.
- Conversation around self employed start-up companies and determining their needs. Class A office are not necessarily needed just more flexibility.
- Adaptive reuse and retrofitting of other spaces.
- Look at programs that offer real estate broker incentives, as is done in Skokie.
- Develop partnership with investors.
- “Need a unified message” otherwise inconsistency and incongruence’s will develop. Become very clear on the message of what we want to do.

### Key Topics

- Keeps conversation going on how to improve Evanston.
- Be an Ambassador and share your story.
- Use our strengths – Transit, Office Space, Lakefront.

### Pledges

- “Build a large business here in Evanston over the next decade. Serve as Evanston ambassador to new businesses or sole proprietors who are thinking of opening an office in downtown Evanston. Help build an engaged group of business owners who know and support one another.”
- “Help indentify shared space opportunities.”
- “Host a series of Financial and Tax forums to assist local businesses.”
- “Offer my skills to help develop and polish any mission/vision statements and the “Evanston Message” as to why business owners should set up shop in Evanston.”
Evanston Economic Development Summit Recap

Economic Development Summit Sample Discussion Questions: Is Evanston positioned to benefit from the rapidly changing retail environment resulting from online merchants and shrinking space needs? How can the city work with the area business districts in promoting retention, expansion and attraction of desirable retail businesses?

Results from Brainstorming

- Economic Development in Evanston has changed from building new condo/mixed use development and retail acquisitions to balancing expansion and retaining of existing businesses, while continuing to add new business.
- Emphasis on increased communications between businesses and Business Districts. Example of the Joint Economic Development group – includes representatives from business associations, Chamber of Commerce, Visitors Bureau who meet monthly to discuss matters of material interest between districts and business owners, ways to save money through group purchase and updates on City programs.
- Retail sector focus should be for whole City, not solely focus on downtown.
- Representatives from Main Street Merchants Association ask how to consider ways to preserve ground floor retail over store front office locations? Could the City consider Overlay district to keep first floor retail?
- Reception for brokers to show vacant spaces and stress importance of ground floor retail vs. office uses.
- General concerns perception vs. reality: Can improvement be made in zoning to reflect where is the market going?
- Spaces are not affordable for smaller local businesses.
- Need to work with businesses on changing markets, consider internet sales?
- Parking – challenge when trying to compete with other communities who offer free parking; consideration of “free parking” days – similar to downtown during Holiday season – weekly or monthly in each district?
- Aldermen stress City approach is flexible and that Council/City are open to all great ideas, City can make things happen.
- Need to get word out: City’s resources and partnership opportunities for businesses. Increase marketing and awareness.
- Speed is important. City works to get reviews and permits done quickly. Question of whether this is “perception or reality.”
- Complementary Clusters, build off of strengths of existing businesses. What clusters could be developed?
- To allow greater opportunities for residents have business stay open late one night per week – businesses stay open and have a different activity in the shopping area (weekly or monthly in summer).
- Consider an intra-City Trolley – could take customers around to various commercial areas.
- Improve Wayfinding signage between commercial areas.
- Consider ways to draw downtown shoppers to other districts. Idea: concurrent city wide sidewalk sale in all districts.
- Use North Shore Convention and Visitors Bureau as resource to advertise your events.
- Need additional assistance to other districts beyond Downtown Evanston. Merchant district dues not enough to not cover costs of staff for other commercial districts.
- City could help with long term plan with each merchant association. Example: Central Street Plan developed, but not a lot of City follow through.
- Develop more day time shoppers by filling upper floor office space with companies that bring new people/shoppers.
- Communicate with local merchants when new companies come to Evanston.
- City could help with retail seminars for business i.e. creating store fronts displays, using social media, etc.

Key Topics

- Improve communications between businesses, property owners, property management, and city.
- Continue to use the monthly Joint Economic Development Group meetings as a forum for improved communications.
- Change the perception of zoning and planning. Get the word out that the City is open to new businesses and will find ways to facilitate business through permitting process.
- Study parking in commercial areas and consider ways to address parking issues. Need to assess parking demand/needs in all retail areas.

Pledges

“Bring more shoppers to Evanston. Build on the market/food asset by building a 12 month city market.”
Economic Development Summit Sample Discussion Questions: How can the city, businesses, institutions, and non-profit agencies partner to better match the work force training programs with available jobs? Are there certain base level skills that can translate to multiple employment sectors? Are there sufficient opportunities for Evanston residents to access workforce training programs?

Results from Brainstorming

- Suggest Health and Wellness Training – certified nurse training program.
- Preparing workforce for future roles in Precision Manufacturing, start education programs in Middle and High Schools.
- City and Business Community partnership on mentoring opportunity for trade and technology based careers.
- Align job training with where the jobs will be: auto repair, health care, manufacturing.
- Engage youth to open interest, help to identify skill sets.
- Set a goal to achieve an educated Evanston workforce.
- Bring Oakton Community College programs to Evanston Township High School – More access to Community Colleges.

Key Topics

Opportunities:
Create mentoring opportunities (beginning as early as middle school).

Challenges:
Aligning skills/programs with job opportunities.

Availability of Public Transportation to Oakton Community College.

Pledges

“Research and calculate Evanston workforce statistics then share my findings with the City.”
City of Evanston
Economic Development Summit
May 18, 2012

Survey Summary
1. How did you hear about the City of Evanston’s Economic Development Summit?

<table>
<thead>
<tr>
<th>Answer Options</th>
<th>Response Percent</th>
<th>Response Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>E-mail from the City of Evanston</td>
<td>56.7%</td>
<td>34</td>
</tr>
<tr>
<td>Word-of-Mouth</td>
<td>13.3%</td>
<td>8</td>
</tr>
<tr>
<td>City Staff or Elected Official informed me of the event</td>
<td>21.7%</td>
<td>13</td>
</tr>
<tr>
<td>Through news/on-line media sources</td>
<td>3.3%</td>
<td>2</td>
</tr>
<tr>
<td>Through the City of Evanston’s website, Facebook page, etc.</td>
<td>1.7%</td>
<td>1</td>
</tr>
<tr>
<td>Other</td>
<td>3.3%</td>
<td>2</td>
</tr>
</tbody>
</table>

answered question 60
2. What best describes your relationship with the City of Evanston (Please check all that apply):

<table>
<thead>
<tr>
<th>Answer Options</th>
<th>Response Percent</th>
<th>Response Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>I am an Evanston-based business owner</td>
<td>38.3%</td>
<td>23</td>
</tr>
<tr>
<td>I am an Evanston resident</td>
<td>48.3%</td>
<td>29</td>
</tr>
<tr>
<td>I am employed by an Evanston-based business, organization or institution</td>
<td>26.7%</td>
<td>16</td>
</tr>
<tr>
<td>I am a student</td>
<td>0.0%</td>
<td>0</td>
</tr>
<tr>
<td>I am on a local Board, Committee, or Commission (elected or appointed)</td>
<td>18.3%</td>
<td>11</td>
</tr>
<tr>
<td>Other</td>
<td>13.3%</td>
<td>8</td>
</tr>
</tbody>
</table>

answered question

60
3. What was your motivation in attending the Summit on May 18, 2012?

<table>
<thead>
<tr>
<th>Answer Options</th>
<th>Response Percent</th>
<th>Response Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>I am interested in Economic Development in Evanston, generally, and want to be more involved in the City’s efforts</td>
<td>21.7%</td>
<td>13</td>
</tr>
<tr>
<td>I am specifically interested in one or more of the Five Targeted Industries</td>
<td>35.0%</td>
<td>21</td>
</tr>
<tr>
<td>I am specifically interested in one or more of the traditional/subsector industries</td>
<td>10.0%</td>
<td>6</td>
</tr>
<tr>
<td>I am a local business owner and want to be involved with Economic Development efforts that will help sustain and/or expand my own business and/or my Business District or commercial area</td>
<td>18.3%</td>
<td>11</td>
</tr>
<tr>
<td>I am interested in opening a new business</td>
<td>0.0%</td>
<td>0</td>
</tr>
<tr>
<td>I am a commercial property owner/ manager or real estate broker and want to explore ways to work with the City</td>
<td>5.0%</td>
<td>3</td>
</tr>
<tr>
<td>Other</td>
<td>10.0%</td>
<td>6</td>
</tr>
</tbody>
</table>

*answered question* 60

- I am interested in Economic Development in Evanston, generally, and want to be more involved in the City’s efforts
- I am specifically interested in one or more of the Five Targeted Industries
- I am specifically interested in one or more of the traditional/subsector industries
- I am a local business owner and want to be involved with Economic Development efforts that will help sustain and/or expand my own business and/or my Business District or commercial area
- I am interested in opening a new business
- I am a commercial property owner/ manager or real estate broker and want to explore ways to work with the City
4. Which Break-Out Session I did you attend?

<table>
<thead>
<tr>
<th>Answer Options</th>
<th>Response Percent</th>
<th>Response Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arts and Entertainment</td>
<td>29.3%</td>
<td>17</td>
</tr>
<tr>
<td>Health Care and Wellness</td>
<td>13.8%</td>
<td>8</td>
</tr>
<tr>
<td>Technology-Based/Enabled Businesses and/or “Startups”</td>
<td>37.9%</td>
<td>22</td>
</tr>
<tr>
<td>Baby Boomer Markets</td>
<td>12.1%</td>
<td>7</td>
</tr>
<tr>
<td>Water Industries</td>
<td>6.9%</td>
<td>4</td>
</tr>
</tbody>
</table>

5. How useful was the information discussed during Break-Out Session I?

<table>
<thead>
<tr>
<th>Answer Options</th>
<th>extremely useful</th>
<th>useful</th>
<th>neutral</th>
<th>not useful</th>
<th>extremely not useful</th>
<th>Response Count</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>10</td>
<td>39</td>
<td>6</td>
<td>3</td>
<td>0</td>
<td>58</td>
</tr>
</tbody>
</table>

answered question

58
6. Which Break-Out Session II did you attend?

<table>
<thead>
<tr>
<th>Answer Options</th>
<th>Response Percent</th>
<th>Response Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail</td>
<td>26.9%</td>
<td>14</td>
</tr>
<tr>
<td>Office and Professional Services</td>
<td>15.4%</td>
<td>8</td>
</tr>
<tr>
<td>Applied Skills Industries (Manufacturing, Production, Construction, etc.)</td>
<td>9.6%</td>
<td>5</td>
</tr>
<tr>
<td>Workforce Training</td>
<td>17.3%</td>
<td>9</td>
</tr>
<tr>
<td>Non-Profits/Educational</td>
<td>30.8%</td>
<td>16</td>
</tr>
</tbody>
</table>

answered question 52

7. How useful was the information discussed during Break-Out Session II?

<table>
<thead>
<tr>
<th>Answer Options</th>
<th>extremely useful</th>
<th>useful</th>
<th>neutral</th>
<th>not useful</th>
<th>extremely not useful</th>
<th>Response Count</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>8</td>
<td>28</td>
<td>12</td>
<td>4</td>
<td>0</td>
<td>52</td>
</tr>
</tbody>
</table>

answered question 52
8. How likely are you to participate in a future Economic Development Summit or targeted focus group meeting?

<table>
<thead>
<tr>
<th>Answer Options</th>
<th>extremely</th>
<th>possibly</th>
<th>not at all</th>
<th>Response Count</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>37</td>
<td>18</td>
<td>0</td>
<td>55</td>
</tr>
</tbody>
</table>

*answered question* 55

9. What is your preferred meeting time, during the week? (Can select up to 2 options)

<table>
<thead>
<tr>
<th>Answer Options</th>
<th>Response Percent</th>
<th>Response Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>morning</td>
<td>64.3%</td>
<td>36</td>
</tr>
<tr>
<td>mid-day</td>
<td>16.1%</td>
<td>9</td>
</tr>
<tr>
<td>afternoon</td>
<td>17.9%</td>
<td>10</td>
</tr>
<tr>
<td>early evening</td>
<td>12.5%</td>
<td>7</td>
</tr>
<tr>
<td>evening</td>
<td>12.5%</td>
<td>7</td>
</tr>
<tr>
<td>anytime during the day</td>
<td>26.8%</td>
<td>15</td>
</tr>
</tbody>
</table>

*answered question* 56
If you are interested in participating in future summits, focus group meetings, and/or related economic development activities, which area or areas are of most interest to you? (Please check up to 4 options)

<table>
<thead>
<tr>
<th>Answer Options</th>
<th>Response Percent</th>
<th>Response Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arts and Entertainment</td>
<td>39.3%</td>
<td>22</td>
</tr>
<tr>
<td>Health Care and Wellness</td>
<td>23.2%</td>
<td>13</td>
</tr>
<tr>
<td>Technology-Based/Enabled Businesses</td>
<td>35.7%</td>
<td>20</td>
</tr>
<tr>
<td>Entrepreneurial Culture and “start ups”</td>
<td>37.5%</td>
<td>21</td>
</tr>
<tr>
<td>Baby Boomer Markets</td>
<td>10.7%</td>
<td>6</td>
</tr>
<tr>
<td>Water Industries</td>
<td>8.9%</td>
<td>5</td>
</tr>
<tr>
<td>Retail</td>
<td>30.4%</td>
<td>17</td>
</tr>
<tr>
<td>Office and Professional Services</td>
<td>21.4%</td>
<td>12</td>
</tr>
<tr>
<td>Applied Skills Industries</td>
<td>16.1%</td>
<td>9</td>
</tr>
<tr>
<td>Workforce Training</td>
<td>25.0%</td>
<td>14</td>
</tr>
<tr>
<td>Non-Profits Organizations</td>
<td>32.1%</td>
<td>18</td>
</tr>
<tr>
<td>Educational Organizations</td>
<td>23.2%</td>
<td>13</td>
</tr>
<tr>
<td>Business Retention</td>
<td>21.4%</td>
<td>12</td>
</tr>
<tr>
<td>Commercial Area Revitalization</td>
<td>23.2%</td>
<td>13</td>
</tr>
</tbody>
</table>

answered question **56**
### MONTHLY RETT REPORT FOR MAY 2012

**DATE:** June 1, 2012  
**TO:** Mayor and Aldermen  
**FROM:** Rodney Greene, City Clerk  

**SUBJECT:** RETT Report--May 2012

<table>
<thead>
<tr>
<th>Month</th>
<th>Amount</th>
<th>Transactions</th>
<th>Month</th>
<th>Amount</th>
<th>Transactions</th>
<th>Cumulative</th>
</tr>
</thead>
<tbody>
<tr>
<td>March</td>
<td>76,152</td>
<td>52</td>
<td>January</td>
<td>113,540</td>
<td>57</td>
<td>113,540</td>
</tr>
<tr>
<td>April</td>
<td>121,018</td>
<td>70</td>
<td>February</td>
<td>113,355</td>
<td>37</td>
<td>226,895</td>
</tr>
<tr>
<td>May</td>
<td>221,970</td>
<td>82</td>
<td>March</td>
<td>125,990</td>
<td>65</td>
<td>352,885</td>
</tr>
<tr>
<td>June</td>
<td>160,925</td>
<td>86</td>
<td>April</td>
<td>92,096</td>
<td>59</td>
<td>444,981</td>
</tr>
<tr>
<td>July</td>
<td>538,824</td>
<td>116</td>
<td>May</td>
<td>146,980</td>
<td>93</td>
<td>591,961</td>
</tr>
<tr>
<td>Aug</td>
<td>209,942</td>
<td>96</td>
<td>June</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sept</td>
<td>136,759</td>
<td>71</td>
<td>July</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Oct</td>
<td>273,326</td>
<td>55</td>
<td>August</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nov</td>
<td>100,720</td>
<td>52</td>
<td>September</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dec</td>
<td>130,480</td>
<td>57</td>
<td>October</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>November</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>December</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

May 2012 revenues were reduced to reflect this expenditure: $25 Recorder of Deeds

- Monthly average needed to meet budget $144,000
- FY 2012 Monthly Average $118,392

There were two (2) $ million sales in May 2012.

- 05/18/12 -- 2426 Lincolnwood $1,200,000; Tax $6,000; Seller: Marco; Buyer: Oak Hill Investments LLC
- 05/31/12 -- 1100 N. Sheridan Rd. $1,200,000; Tax $6,000; Seller: Petrakis; Buyer: Richeson

NSP2 sales = $0,000; CUMULATIVE $5,706,235
## Economic Development – JUNE UPCOMING MEETINGS & EVENTS

<table>
<thead>
<tr>
<th>Event</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Howard Street Business Association</td>
<td>The next Howard Street Business Association will be on June 12, 2012.</td>
</tr>
<tr>
<td>Evanston West Village Business Assoc. (EWVBA)</td>
<td>The EWVBA is planning to meet on June 26, 2012 at La Perla</td>
</tr>
<tr>
<td>WestEnd Business Association</td>
<td>The next meeting is scheduled June 26th 8-9:30 at Rimland Services (1265 Hartrey)</td>
</tr>
<tr>
<td>Joint Economic Development Meeting</td>
<td>The Joint Economic Development Meeting is a meeting of representatives from Evanston’s business and merchant groups. The next meeting is scheduled for June 20, 2012 at 8:00am. This meeting will be hosted by the Howard Street Business Association. The location is yet to be determined.</td>
</tr>
<tr>
<td>Economic Development Committee</td>
<td>The next regularly scheduled meeting of the EDC will be June 20, 2012.</td>
</tr>
</tbody>
</table>

## Economic Development – MAY MEETINGS/ON-GOING ACTIVITIES

<table>
<thead>
<tr>
<th>Event</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic Development Committee</td>
<td>The EDC met on May 23, 2012. The agenda included:</td>
</tr>
<tr>
<td></td>
<td>Consent Agenda: A. Two Façade Improvement Program requests from Koi restaurant and Unicorn Café. EDC voted unanimously 9-0 to recommend approval of both applications; B. Update on Evanston Community Development Corporation; and C. Real Estate Transfer Tax Report.</td>
</tr>
<tr>
<td></td>
<td>Staff Reports: A. Overview of Economic Development Summit; and B. Update on Main &amp; Chicago Tax Increment Financing District</td>
</tr>
<tr>
<td></td>
<td>Items for Consideration: A. Consideration of Request for Funding Assistance from Technology Innovation Center. EDC voted 8-1 to recommend the request.</td>
</tr>
<tr>
<td></td>
<td>Items for Discussion: A. Discussion of Potential Project Assistance Request from Margarita Inn located at 1566 Oak Street; B. Discussion of Data Center proposed by Evanston Technology Partners; C. Discussion of City’s Partnership in Evanston-based incubators with presentations from Now We’re Cookin’ and CoLab Evanston.</td>
</tr>
<tr>
<td>Economic Development Summit</td>
<td>Approximately 140 business owners, residents, employees, and other interested parties participated in the Economic Development Summit on Friday, May 18, at the Civic Center. The agenda included an overview of the recently adopted Economic Development Plans, followed by two Break-out Discussion Sessions. The first session focused on the five targeted industries in the Plan (Arts/Entertainment, Health Care/Wellness, Baby Boomers, Technology/Start Ups, and Water), while the second session focused on related traditional/subsectors (Retail, Applied Skills Industries – manufacturing, construction, etc., Office/Professional Services, Workforce Training, and Nonprofit/Education). Staff recently sent out a survey to gather feedback on the summit and are nearly done compiling all the notes, comments, and pledge car data. Once the Summit meeting notes are complete, staff will send out to all who attended, and then will begin to reach out to those who “pledged” to help with the City’s ED efforts. The opening and closing sessions can be viewed on YouTube: <a href="http://www.youtube.com/watch?v=UcOOAT_3U6Q">http://www.youtube.com/watch?v=UcOOAT_3U6Q</a> and <a href="http://www.youtube.com/watch?v=MejNuXkjAQA">http://www.youtube.com/watch?v=MejNuXkjAQA</a></td>
</tr>
<tr>
<td>New Business Openings, Expansion, and/or Relocations – May 2012</td>
<td></td>
</tr>
<tr>
<td>---------------------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>Several new businesses have opened or relocated in Evanston recently, including: City Center (1948 Maple Avenue), Elite Discount Cleaners (609A Howard Street), Kooky Kid Stuff (1613 Sherman Avenue), Taco Diablo (1029 Davis Street), and Terra: An American Bistro (2676 Green Bay Road) and Just 8 (2922 Central Street),</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Marketing</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Economic Development Division maintains the City of Evanston Economic Development Facebook Page, <a href="http://www.facebook.com/EvanstonEconomicDevelopment">http://www.facebook.com/EvanstonEconomicDevelopment</a>, as a forum for daily updates on Economic Development and related activities in Evanston. In addition, Staff is working on additional improvements to the Economic Development website and additional social media and traditional outreach marketing. With respect to the website update – quotes have been received and staff is hoping to have the new website work initiated within the next few weeks.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Evanston-based Business Directory</th>
</tr>
</thead>
<tbody>
<tr>
<td>The most current update of the Local Business Directory lists over 1,000 Evanston-based businesses and is posted on the Economic Development website: <a href="http://www.cityofevanston.org/business/economic-development/">http://www.cityofevanston.org/business/economic-development/</a>. Staff is working to regularly update the list as information changes and new information becomes available. In addition, staff is working on launching the “shop QA” component of the 311 system within the next couple of months. This will be a more dynamic local directory, which will allow for the businesses themselves to be active in the updates to their information, to post jobs, etc. Staff will provide more information about the schedule, as it is rolled out.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Larger scale Development Sites and “Prospects”</th>
</tr>
</thead>
<tbody>
<tr>
<td>(General – see also some specific examples below)</td>
</tr>
<tr>
<td>Staff continues to work with property owners and potential developers of large vacant properties in Evanston to identify potential tenants and uses for these properties and provide assistance for approvals and other City processes. In addition, Staff has been actively working with 8 potential “prospects” (i.e. higher profile businesses and/or targeted industries) who are considering locating with the City.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Technology/Entrepreneurship/Innovation Events</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic Development staff is planning a technology / startup meet up event with local and regional technologists, founders, and entrepreneurs to help guide the City’s tech/entrepreneur/start up strategy. Additional planning is underway for a larger event as a follow up to the tech/start up break out session of the ED Summit. Staff is working with the Technology Innovation Center on plans for a Citywide business plan competition.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Small Business Assistance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic Development staff continue to work with existing businesses, assisting them in pursuing physical upgrades and expansion, facilitating them through the various permitting processes, etc. Staff is also working with several new small businesses ranging from cafes and restaurants to retailers, small office users and entertainment uses. To date, staff is working with over 70 leads for potential new small businesses.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Façade Improvement Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>Two façade applications were recommended for approval by the Economic Development Committee at their May 23, 2012 meeting. Koi Restaurant (624 Davis) was recommended to receive $1,975 in funding assistance for the installation of an air curtain and Unicorn Café (1723 Sherman) was recommended to receive $1,050 in funding assistance for the installation of a new awning. Both of these items will be considered by the City Council at their June 11th meeting. Staff continues to meet and work with other businesses interested in the program.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Vacancy Rates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff has begun monitoring and tracking the vacancy rates throughout the City – this information is updated monthly, and posted on the Economic Development Website. The current vacancy rates, as of May 29, 2012, are:</td>
</tr>
<tr>
<td>Office = 9.9%; Industrial = 2.8%; Flex Space = 10.3%; Commercial = 8%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Great Merchant Grant Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff is working with merchant groups to help facilitate the completion of the projects approved through the Great Merchants Grant Program earlier this year.</td>
</tr>
<tr>
<td>Site Location</td>
</tr>
<tr>
<td>-------------------------------</td>
</tr>
<tr>
<td>1817 Church St.</td>
</tr>
<tr>
<td>1708-1710 Darrow</td>
</tr>
<tr>
<td>Evanston Plaza</td>
</tr>
<tr>
<td>Asbury/ Oakton</td>
</tr>
<tr>
<td>Chicago/Main</td>
</tr>
<tr>
<td>Property Information</td>
</tr>
<tr>
<td>----------------------</td>
</tr>
<tr>
<td><strong>1801-1805 Church</strong></td>
</tr>
<tr>
<td><strong>1911-1917 Church Street</strong></td>
</tr>
<tr>
<td><strong>1901 Dempster (former KFC)</strong></td>
</tr>
<tr>
<td><strong>623-627 Howard</strong></td>
</tr>
<tr>
<td><strong>629-631 Howard Street</strong></td>
</tr>
<tr>
<td><strong>727-729 Howard Street</strong></td>
</tr>
<tr>
<td><strong>2424 Oakton Street</strong></td>
</tr>
<tr>
<td>Location</td>
</tr>
<tr>
<td>-----------------</td>
</tr>
<tr>
<td>Bright Horizons</td>
</tr>
<tr>
<td>Former &quot;Borders&quot; site-Maple</td>
</tr>
<tr>
<td>1211 Chicago Avenue</td>
</tr>
<tr>
<td>1012-14 Church</td>
</tr>
<tr>
<td>2424 Dempster</td>
</tr>
<tr>
<td>1890 Maple</td>
</tr>
</tbody>
</table>
To: Chair and Members of the Economic Development Committee  
From: Nancy Radzevich, Economic Development Manager  
Paul Zalmezak, Economic Development Planner  
Subject: Follow up Information on New Market Tax Credits and Data Center Discussion  
Date: June 21, 2012  

**Background**  
At the May 23, 2012 Economic Development Committee meeting, Evanston Technology Partners, represented by Emmanuel Jackson, presented a concept for possible a data center at 1890 Maple. In order to try to develop that site for that use, Mr. Jackson asked for the Committee support of him in pursuing New Market Tax Credits. As this project has not been used in Evanston, the Committee requested a brief memo from staff summarizing the New Market Tax Credit (NMTC) program.

**NMTC Discussion**  
NMTC can be viewed, in simple terms, as a source of funds made available to developers by offsetting future tax obligations or by selling the tax credit to an investor. The program aims to incentivize development in low income areas or projects that support targeted populations (i.e. low income individuals). NMTC can be used on a broad array of projects with the exception of gambling, bars, massage parlors, golf/country clubs, or liquor stores.

Attached is a summary of the New Market Tax Credits program as summarized by S.B. Friedman and Company, a Chicago-based real estate advisory consulting firm. In addition, the Novogradac & Company is considered an expert in NMTC and has a "Resource Center" website. Links to additional resources are provided below:

- S.B. Friedman and Company: [http://tinyurl.com/78j8ttq](http://tinyurl.com/78j8ttq)  
- Novogradac & Company: [http://tinyurl.com/ybn9f4a](http://tinyurl.com/ybn9f4a)  
- INFOE, Inc: [http://tinyurl.com/6nxv7cf](http://tinyurl.com/6nxv7cf)

**Datacenter Discussion Follow-up**  
Mr. Jackson is currently optimistic that 222 Hartrey will serve well as the location for the proposed datacenter. He is in the process of completing due diligence and negotiating terms with the owner. Mr. Jackson reports that the 222 Hartrey census tract does not qualify for NMTC, but that the proposed project would serve a targeted population (40% of employees would be low income) through job creation and therefore would qualify for NMTC.
NEW MARKETS TAX CREDIT PROGRAM

Introduction

Congress created the New Markets Tax Credits (NMTC) program in 2000 to incentivize investments that create jobs and provide services in economically disadvantaged areas. NMTCs can subsidize approximately 15%-20% of a project’s capital needs, usually in the form of low-interest, forgivable debt.

The program is primarily used to fund commercial, industrial, community facility, and mixed-real estate projects, as well as operating businesses located in qualifying Census tracts. Qualifying Census tracts, known as Low-Income Communities (LICs), are determined by income and poverty data from the most recent Census. NMTCs can also be layered with many different financing sources, such as traditional debt, grants, tax increment financing, and Historic Tax Credits.

In order to benefit from NMTCs, a project must obtain financing from an organization certified as a Community Development Entity (CDE) by the Community Development Financial Institutions (CDFI) Fund. The CDFI Fund, a division of the U.S. Department of Treasury, administers the NMTC program. It allocates tax credits to CDEs, which in turn use the tax credits to provide subsidized financing to projects.

This document provides a basic overview of how NMTCs work and how they affect the way a project’s financing is structured. A glossary of key program terms is provided at the end of this document for reference.

The Basics: How NMTCs Work

CDEs use NMTCs to provide subsidized financing for qualifying businesses or real estate projects. Projects must meet the Federal definition of a Qualified Active Low-Income Community Business (QALICB) to be eligible for NMTC financing. QALICBs are businesses that are located in, or provide services to, Low-Income Communities.

CDEs obtain funds to invest in QALICBs through private investors. The NMTC program provides these investors with federal income tax credits based on equity investments made in CDEs. This investment is known as a Qualified Equity Investment (QEI). Investors receive a tax credit for 39% of a QEI, which is claimed over a seven-year schedule. A QEI must be fully invested in a CDE for seven years in order for an investor to meet NMTC compliance requirements.

In most cases, a QEI is directly linked to a specific project. Therefore, the amount of subsidy a project can receive is dependent upon the size and cost of the project itself. CDEs must use the proceeds of a QEI to provide below-market rate equity or debt capital to qualifying businesses or real estate projects.
The capital that a CDE provides to a qualifying project is known as a **Qualified Low-Income Community Investment** (QLICI). CDEs typically structure QLICIs as seven-year, interest-only loans in order to mirror the NMTC compliance period for QEIs.

In order to finance a project with NMTCs, a CDE must first be certified by the CDFI Fund as a valid CDE, and must then obtain NMTC allocations from the fund through a competitive application process. After a CDE receives NMTC allocations, it can sell these tax credits to an investor to generate subsidy for the project. The chart below outlines the basic flow of funds for NMTCs.
Value of the Tax Credit

Investors claim NMTCs on their federal income tax returns over seven years, totaling 39% of the amount invested as a QEI. Investors claim tax credits on the following schedule:

<table>
<thead>
<tr>
<th>Year</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax Credit as Percent of Investment (QEI) Amount</td>
<td>5%</td>
<td>5%</td>
<td>5%</td>
<td>6%</td>
<td>6%</td>
<td>6%</td>
<td>6%</td>
<td>39%</td>
</tr>
</tbody>
</table>

Based on this formula, an investor providing $1 to a CDE in the form of a QEI would receive tax relief benefits of $0.05 in each of Years 1 through 3, and $0.06 in each of Years 4 through 7, for a total of $0.39 of benefits. In this example, $1 of the CDE’s NMTC Allocation would be expended.

Because the tax relief is phased in over a seven-year period, investors typically apply a discount factor when determining how much up-front cash they are willing to provide to the CDE in exchange for the $0.39 of benefits. Investors typically quote tax credit pricing as the amount of up-front equity they will pay in to the deal per $1 of total tax benefit they will be able to claim over the 7-year NMTC credit/compliance period. For example, if an investor pays $0.70 per $1 of tax benefit, this translates into $0.27 per $1 of total QEI invested ($0.70 x 39%). Investors have historically paid between $0.65 and $0.80 per $1 of NMTC benefit, with recent pricing clustering around $0.70. Investors pay discounted rates of less than $1 for the NMTC benefit because the investor equity is provided up-front while the NMTC benefit is spread over the 7-year compliance period.

The NMTC structure differs from that of many other federal tax credits because the NMTC investor indirectly finances a project through the CDE. Typically, with programs such as the Low-Income Housing Tax Credit or the Historic Tax Credit, the investor receives a tax benefit for investing directly in a project. In NMTCs, the tax credit investor invests money with the CDE, not the project. The CDE in turn provides below-market financing to the project, but does not usually invest directly in the project. The CDE is essentially a mission-driven financial intermediary.

Basic Transaction Structure: The Leverage Model

In many cases, the investor buying the New Markets Tax Credit only wishes to make a tax investment, not provide the entire financing package for the project. Since the tax credit investor only provides $0.27 of each $1 of QEI in the example above, the remaining $0.73 must come from other sources. The NMTC frequently industry uses the “leverage model,” illustrated on the following page, to combine these multiple financing sources into a single QEI.
In the leverage model, the tax credit investor creates an investment fund to pool tax credit equity with other financing sources. These other sources put capital to the investment fund as debt so that the tax credit investor maintains ownership of the fund and can claim 100% of the tax credits. The loan to the investment fund is known as a leverage loan. In many cases, the leverage loan is a traditional commercial loan based on the project’s underlying economics. In other cases, the original source of a leverage loan comes from the project sponsor itself or other non-bank sources such as grants, donations, tax increment financing (TIF), HUD 108 loans, etc. Depending on the nature and credit-worthiness of the project, the project sponsor is often primarily responsible for arranging the sources to fund the leverage loan.

When the project pays debt service on the QLICI loan to the CDE, the CDE passes this cash up the structure to the investment fund as income. The investment fund uses this income to pay debt service to the leverage lender. The tax credit investor’s return typically comes solely from claiming the tax credit on its federal income tax return. In this case, the investment fund does not pay the tax credit investor any return through the structure, nor does the $0.27 equity need to be repaid.

CDEs often structure QLICI loans in two pieces, to mirror the leverage loan and the NMTC equity layers at the investment fund level. The A Loan mirrors the leverage loan, while the B Loan mirrors the tax credit equity net of fees. The B Loan is often sold to the project sponsor for a nominal amount after the seven year NMTC compliance period, thus converting the NMTC equity into a permanent subsidy to the project. This net subsidy is generally about 15-20% of the total financing amount.
Obtaining NMTC Financing for Projects

Obtaining NMTC financing for a project can be competitive. Because they must regularly re-apply to the CDFI Fund for NMTC allocations, CDEs finance projects that best meet the goals of the NMTC program—providing real, measurable benefits to Low-Income Communities—not just projects that meet the program’s requirements. Qualifying as a QALICB does not guarantee that a project will receive NMTC financing.

High-impact projects will generate the most interest from CDEs and the best pricing from tax credit investors. These types of projects tend to:

   a) Create a large number of jobs, or create high quality jobs;
   b) Provide needed goods or services to Low-Income Communities;
   c) Foster minority business ownership;
   d) Create environmentally sustainable outcomes; and/or
   e) Promote other related impacts

Job training centers, community health clinics, “green” commercial buildings and grocery stores in underserved areas are examples of high-impact projects that often receive NMTC financing. CDEs will also consider projects high-impact if they are located in, or serve, areas that meet the criteria for Targeted Distressed Communities. These are typically areas that show particularly strong signs of economic distress, such as extraordinarily high poverty rates, very low income levels and high unemployment rates. Qualifying Census tracts in rural areas (tracts that are located in a county not within in an MSA) are also considered Targeted Distressed Communities. In addition, many CDEs only finance projects that have a demonstrated need or financing gap that NMTCs can fill.

Additional Resources

CDFI Fund – www.cdfifund.gov

For more information or to discuss how your project can fit with the NMTC program, please contact:

Tony Smith at (312) 424-4254, or tsmith@sbfriedman.com.
Glossary

Community Development Financial Institutions (CDFI) Fund: A division of the U.S. Treasury Department. The CDFI Fund administers the federal NMTC program, and awards NMTC allocations to CDEs on a competitive basis.

Community Development Entity (CDE): Entity certified by the CDFI fund as eligible to receive an allocation of New Markets Tax Credits. A CDE acts as an intermediary for providing loans, investments and/or financial counseling in Low-Income Communities (LICs). CDEs must have a primary mission of serving or providing investment capital for LICs or Low-Income Persons. They must also maintain accountability to residents of the LICs that they serve.

Leverage Loan: A loan to an investment fund which is combined with an investor’s equity to make up a QEI. A leverage loan may originate from different sources, such as grants, TIF, bond proceeds or traditional commercial debt. In addition, multiple sources can be packaged together to create one or more leverage loans.

Low-Income Community (LIC): Generally, Census tracts with a poverty rate of at least 20 percent or a median family income at or below 80 percent of the area median.

Targeted Distressed Communities: LICs that show particularly high levels of poverty or economic distress. Targeted Distressed Communities generally must have poverty rates of at least 30 percent, a median family income below 60% of the area median, or have unemployment rates 1.5 times the national average. Other criteria can also be used to qualify a project as being in a Targeted Distressed Community, such as being located in a TIF district, being a brownfield site, or being located in a county that is not contained within a Metropolitan Statistical Area (MSA) as of the most recent Census.

Qualified Active Low-Income Community Business (QALICB): Businesses that are eligible to receive assistance through the NMTC program. A QALICB must meet several tests confirming that the majority of its activities take place in, or that it serves primarily residents of, a Low-Income Community.

Qualified Equity Investment (QEI): Any cash investment in a for-profit CDE that triggers the flow of New Markets Tax Credits benefits to the investor. The QEI must remain invested in the CDE for seven years to maintain program compliance.

Qualified Low-Income Community Investment (QLICI): Loan and/or investment provided by a CDE to a QALICB or to another CDE. Typically takes the form of debt or equity that carries below-market interest rates and/or return expectations.