I. Call to Order / Declaration of Quorum
   With a quorum being present, Chair Grover called the meeting to order at 7:32 pm.


   Alderman Rainey asked for clarification on which member abstained from voting at the June 27, 2012 meeting. Johanna Nyden, Economic Development Coordinator, clarified that the abstaining vote was Mr. Mennemeyer.

   Ms. Summers specified two separate items to be corrected in the minutes.

   Ald. Tendam moved to approve the meeting minutes of the June 27, 2012 Economic Development Committee meeting with stated edits, seconded by Mr. Zenkich.

   The minutes of the June 27, 2012 meeting were approved unanimously, 9-0.

III. Consent Agenda

A. Façade Improvement Program Applications
   Ald. Grover introduced and briefly described each of the three Façade Improvement Program Application items.
   iii. Request for Extension of Façade Improvement Project to November 2012.

   Ald. Burrrus moved to recommend to City Council approval of the extension request of the façade application, seconded by Ald. Rainey.

   The façade extension request was unanimously recommended to City Council for approval, 9-0.

   i. Request for Funding Assistance from Minasian Rug Company (1244 Chicago Avenue)
Ald. Fiske asked for more information about “Kentco” the listed property owner. The applicant wasn’t present to respond to questions from the Committee. Ald. Fiske requested the Committee vote on approving only the awning portion of the application and not the painting. Ald. Fiske stated that the upkeep of the building was the responsibility of the property owner and not the tenant. Mr. Freeman suggested approving the awning portion of the project now and allowing the applicant to come back at a later date to request approval of the painting component of his application.

Ald. Fiske moved to recommend to City Council the approval of the request for funding assistance from Minasian Rug Company for the awning component of the application, seconded by Ald. Rainey.

The awning portion of the façade request was unanimously recommended to City Council for approval, 9-0.

ii. Request for Funding Assistance from Found Restaurant (1244 Chicago Avenue)

Ald. Burrus moved to recommend to City Council the approval of the request for funding assistance for the façade improvement project, seconded by Ald. Tendam.

Ald. Fiske asked Amy Morton, owner of Found Restaurant, to specify several components of her proposed façade project. Alderman Rainey asked if the project would look similar to Koi Restaurant. Ms. Morton confirmed that the project would be similar and acknowledged that she would be obtaining an air curtain. Ms. Morton also explained that the 1244 Chicago property is about to come under new ownership. Both the existing property owner and the potential new owner are both in favor of this project. Ald. Rainey asked if Ms. Morton had received a signature of approval from the owner. Ms. Morton stated she hadn’t received approval but didn’t anticipate any issues with obtaining it. Ms. Nyden stated that the funding for the project will only be provided if an approval document from the new property owner is approved.

The façade project was unanimously recommended to City Council for approval, 9-0.

IV. STAFF REPORTS

A. Façade Improvement Program – Window Sticker for Completed Projects

Ms. Nyden introduced several designs for a window sticker for completed façade projects. Ald. Tendam noted he thought the designs were busy and that they should emphasize the City of Evanston less and the program more. There was a brief discussion as to the potential impact of businesses placing stickers in windows. Committee suggested going in a new design direction for the window sticker. Ald. Tendam volunteered to offer additional insight on the design.

B. Status Report on Façade Improvement Program to date

Ms. Nyden provided an update on the Façade Improvement Program. She stated the program was revamped in 2010 with new guidelines and now would like
feedback from the Committee. Ms Nyden noted the program has generally been used in two ways: building improvements, as in the case of Stratosphere Networks and Central Street Café, and enhancements to signage/awnings. She also added that $75,000 was budgeted for the program for FY2012.

Ald. Rainey suggested a change to the program that would include an initial $3,000 grant for façade projects from the City of Evanston with no matching funds from applicants required. Any projects beyond the $3,000 threshold would require the applicant to pay 50% of any additional costs and funds would be treated as forgivable loans.

Steve Griffin, Director of Community and Economic Development stated that the façade program is a great tool in the division’s toolkit and helped keep Converged/Stratosphere from moving out of the City. While its precise benefit is difficult to quantify, it improves the aesthetics of a building and corridor and stimulates economic activity.

The Committee provided feedback on the current program and potential improvements. Ald. Grover noted that some approved projects do not necessarily come to fruition for one reason or another and that in other cases the actual money spent can be less than approval amount. Ald. Fiske stated her support for Ald. Rainey’s suggested changes and expressed her desire for staff to approach commercial property owners whose buildings are in need of maintenance.

V. ITEMS FOR CONSIDERATION
   A. Consideration of Annual Membership Fee for Chicago’s North Shore Convention & Visitor’s Bureau

Gina Speckman, Executive Director of the Chicago’s North Shore Convention & Visitor’s Bureau (CNSCVB), introduced her organization and its mission. Ms. Speckman provided a brief presentation providing a summary of the previous year’s activities. Ms. Speckman stated that Evanston’s contribution is 6% of the organizations total budget for 2012 from 9% in 2011. Mr. Zenkich asked if Evanston’s contribution amount had changed. Ms. Speckman stated that the contribution amount had remained the same but that they had increased funds from other sources.

Ms. Summers asked when the last time Staff received bids for promotional services. Mr. Griffin replied that the City does not do this because there is not another Convention & Visitor’s Bureau for Evanston. Ms. Speckman explained that because they are a certified Convention & Visitor’s Bureau, they are able to receive a match from the State of Illinois for every dollar they receive from the City of Evanston. She also explained that the advantage of being a Convention & Visitor’s Bureau that represents multiple communities means they can attract a larger customer base that comes to their site to obtain information about visiting the area.

Ald. Grover moved to recommend approval to City to for payment of the City of Evanston’s annual membership fee for Chicago’s North Shore Convention & Visitor’s Bureau, seconded by Ald. Rainey.
The request was unanimously recommended for approval, 9-0.

VI. ITEMS OF DISCUSSION

A. Downtown Evanston Update
Carolyn Dellutri, Executive Director of Downtown Evanston, provided an overview of her organization and described the relationship between the City of Evanston and Downtown Evanston and stated her update is part of an agreement established with the City in 2007. Ms. Dellutri described numerous produced by Downtown Evanston over the past six months including the CMS Expo, Girl Whirl Weekend, Sidewalk Sale, and others.

(Mr. Freeman excused himself from the meeting.)

Mr. Zenkich noted that the CMS Expo event is significant. Mr. Zenkich suggested Ms. Dellutri consider leveraging the Arts Program initiative Chicago recently completed toward their efforts. Mr. Zenkich asked if the Downtown Evanston gift card was getting more popular. Ms. Dellutri confirmed that sales remained strong and that they will begin to sell the cards online soon.

B. Discussion of Grant for Expansion of Heartwood Center (1818 Dempster Street)
Paul Zalmezak, Economic Development Coordinator, introduced Heartwood Center for Body Mind Spirit and explained that they wish to expand and are seeking funding assistance from the City for phase one of a two phase expansion plan. Mr. Zalmezak asked the Economic Development Committee to discuss the issue to determine if they support providing $100,000 from the West Evanston TIF in the form of a loan to assist them with their expansion. Mr. Zalmezak explained Heartwood currently has 40 members and that they anticipate doubling their size with this expansion plan. Their current financing proposal involves Ms. Nancy Floy investing $53,000, Fifth Third Bank providing $95,000, and the City of Evanston lending $100,000.

Ald. Peter Braithwaite expressed his support for the project and stated that 500 visitors per week come to Heartwood Center. Ald. Braithwaite introduced Terry Clemens, Business Manager of Heartwood Center and Nancy Floy, President of the Heartwood Center for Body Mind Spirit and property owner of 1818 Dempster Street.

Ms. Floy provided a history of Heartwood Center and stated the organization grows women-owned businesses and serves as an anchor to west Evanston. With their proposed expansion, she anticipates creating 42 new jobs in addition to the 40 existing ones, attracting 1,000 visitors a week to their location, and creating a new retail space. Ms. Clemens stated several benefits of the organization.

Public Comment:
Ms. Dickelle Fonda stated that the Heartwood Center for Body Mind Spirit has been a benefit to the City and has transformed the area immediately around it in a positive way. Ms. Lori Keenan stated her support for the Center and said they’re good for the community. Ms. Mary Rosinski, a local realtor, stated that Heartwood Center helps stabilize the neighborhood. Ms. Rosemary Seelaus stated she has been both a client and a patient of Heartwood Center and stated that the organization would benefit patients.
Ald. Burrus requested the following in a formal funding request for the next scheduled meeting of the Committee: information on the source of funds from which the balloon payment will be made at the end of the loan term, financial statements, supporting tax documentation, a written explanation as to why the City of Evanston is being asked for 40% of the funding for this project as opposed to 25%, and if Ms. Floy had thought of renting the vacant space instead of expanding in to it.

Ald. Fiske asked how much money was awarded to the Center through the Façade Improvement Program. Mr. Griffin stated they received $20,000 in CDBG funds in 2010. Ald. Fiske asked if the new practitioners are new to Evanston or relocated from elsewhere within Evanston? Mr. Zalmezak stated that the City of Evanston's loan would be subordinate to the loan provided by Fifth Third Bank as is common in public private financial deals.

Mr. Zenkich stated he would like to see the financial statements of the Center and asked Ms. Floy what would happen if they were not granted the $100,000 loan from the City of Evanston. Ms. Floy stated the vacant space needs to be updated no matter what. With no City assistance, she projected that she would close the operation within eight months and sell the property.

Ms. Dorinda Flores a commercial lender with Fifth Third Bank stated her bank underwrote the Heartwood Center project for this first phase and that they approved Heartwood Center receiving up to a $100,000 loan from the City of Evanston to fill their financing “gap”. Mr. Zenkich asked Ms. Flores if there was any increased risk in the loan for a scaled back project. Ms. Flores stated she did not think there was.

Ald. Rainey stated that Heartwood Center has enhanced the surrounding neighborhood and that she is supportive of their organization and their expansion plans. Ald. Burrus asked Mr. Zalmezak to run a credit check on Heartwood Center and all others coming before the Committee requesting financial assistance. Ald. Holmes stated her support of the expansion project.

VI. COMMUNICATIONS

A. Economic Development Summit 2012- Update #2
B. Announcements/Updates from EDC Members
C. Real Estate Transfer Tax Report
D. Monthly Economic Development Communication

The Committee acknowledged each of the items under Communications

VII. Adjournment

Alderman Burrus moved to adjourn the meeting, seconded by Alderman Tendam.

The Committee voted 8-0 unanimously to adjourn the meeting.

The meeting was adjourned at 9:30 p.m.
Respectfully submitted,
Jim Furey