ECONOMIC DEVELOPMENT COMMITTEE
MEETING NOTES
February 27, 2013

Attendees:


Committee Members Absent: C. Burrus,

Staff: W. Bobkiewicz, M. Lyons, S. Griffin, P. Zalmezak, J. Nyden, M. Jones, E. Storlie

Presiding Member: J. Fiske

I. Call to Order / Declaration of Quorum
   With a quorum being present, Chair Fiske called the meeting to order at 7:34 p.m.

II. Approval of the Meeting Minutes of January 23, 2013
   Ald. Rainey moved to approve the meeting minutes of the January 23, 2013 Economic Development Committee meeting, seconded by Ald. Grover.
   The meeting minutes of the January 23, 2012 meeting were approved unanimously, 10-0.

III. Items for Discussion
   A. Consideration of a Request for Funding Assistance from Peckish One, LLC (623-627 ½ Howard Street)
   Ms. Nyden gave a brief history and overview of the proposed project and introduced Jamie and Debbie Evans, founders of Peckish One, and Tom Fogerty, Brewery Manager and investing partner.

   Mr. Evans stated that Peckish One is looking for assistance to build out the space on Howard Street. He specified that he and Mrs. Evans will also invest $50,000 with an additional $50,000 from Mr. Fogerty and a $200,000 bank loan for kitchen and brewery installation.

   Ald. Fiske inquired as to whether or not the owners have talked about the proposed project with the surrounding neighbors. Mrs. Evans replied that they have been talking to neighbors about what they want and would like to see at the location.
Ald. Grover stated that the project will pay for itself not only through the loan repayment, but the increased economic impact from increased foot traffic on Howard Street. Ms. Summers clarified that the $200,000 in City funds would be used solely for the basic “vanilla box” improvements. Ms. Nyden confirmed this, stating that State statute governing TIF, limits the use of TIF funds to specific items.

In public comment in response to the presentation, Mr. Junad Rizki presented a chart in which he ranked the viability of projects that the City has recently funded, giving an explanation for each placement.

**Ald. Grover motioned to recommend to City Council approval of the funding request for Peckish One, LLC, seconded by Ald. Rainey.**

The request was approved unanimously, 10-0, for a total amount not to exceed $200,000.

**B. Consideration of a Request for Funding Assistance from the Margarita European Inn (1566 Oak Avenue)**

Ms. Nyden presented a brief overview of the project, stating that this project is part of the new Committee process of first discussing a potential project with a business owner, offering suggestions for improvement, and having the owner return to the Committee with an updated project for a funding request.

Mr. Pure, owner of the Margarita Inn, described the work that has been done in the hotel up to this point, stating that he has worked with both the City and the bank to work on details of possible funding.

In public comment, Mr. David Reynolds, owner of The Homestead, suggested that there be consideration of the extent to which competition increases when the City funds certain projects, explaining that the tourist market in Evanston is low and providing a grant gives an unfair advantage to one business.

Ald. Rainey indicated that Best Western’s improvements could have the same effect. Ald. Wynne requested if staff could do research on the possible cannibalism effect on other hotels and that private funding vs. public funding for these projects are important to consider. Mr. Bobkiewicz stated that the Chicago North Shore Convention and Visitor’s Bureau could be invited to speak on the hotel activities in the area. He stated that both Best Western and Hilton Garden Inn have submitted plans for renovations.

**Ald. Grover motioned to recommend approval of funding request Margarita Inn, seconded by Ald. Tendam.**
The recommendation to City Council for the request to enter into a Hotel-Motel Tax Sharing Agreement with the Margarita Inn was approved, 9-1, for a total rebate not to exceed $230,000. Ald. Fiske gave the opposing vote.

IV. Items for Discussion
   A. Consideration of a Request from the Music Institute of Chicago (1702 Sherman Avenue)

   Ms. Nyden gave a brief overview of the Music Institute of Chicago’s project proposed for the basement level of the former Marshall Field’s building. Music Institute of Chicago is a non-profit entity that will be seeking a grant for the proposed improvements. Ms. Nyden suggested that staff is pursuing the possibility of applying the 4% amusement tax on tickets sold for events.

   Ms. Nyden introduced Mark George, president of the Music Institute, who in turn introduced Jill Calian (Trustee), Jennifer Rook (Clinical Director) and Rick Rohrer (Chief Financial Officer) for the Music Institute. Mr. George described the programs and classes the Music Institute provides and detailed what the proposed project on Sherman will include.

   Mr. Griffin expressed that the proposed project falls under an economic development targeted industry and has the potential for a larger multiplier effect which has been analyzed using previous studies. He indicated that any potential tax revenue could be reinvested into arts and entertainment projects.

   Mr. Zenkich inquired about the Nichols Hall facility on Chicago. Mr. George stated that Nichols Hall is primarily used for music performances and does not work as well for live theater performances. He emphasized that the Music Institute does own the space and will keep it open for performances.

   Ald. Wynne asked if the Wilmette facility will be closing and how much the Music Institute will be asking for. Mr. George responded that it will likely ask for 20% of the project total, approximately $160,000, and will close and move employees from the Wilmette location to the Evanston site. He stated that the new space has been vacant for some time and the Music Institute will provide a good use.

   In the public comment period, Mr. Ken Behles, architect for the project, and Mr. Randy Usen of First Bank & Trust were introduced to respond to any questions. Mr. Cohn stated that the Music Institute as handled past investments well and that the proposed project will turn a difficult space into a hidden gem.

   Ald. Rainey, Mr. Mennemeyer and Ms. Summers stated their general support of the project based on the 4% entertainment tax being introduced. Ms. Summers asked if the historic marquee on the building would be preserved.
Mr. Behles stated that they will work to do so in cooperation with the building owner.

B. Creation of an Evanston Brand
Ms. Storlie provided a brief history of the Evanston logo, describing its origins and meaning. She then explained that Evanston is well positioned to update its logo, create a more unique brand for the City and engage residents in the process. Ms. Storlie stated that the timing for updating the logo is optimal due to the current temporary logo change for the 150th anniversary.

Ald. Grover asked if there are capabilities to complete the project in-house. Ms. Storlie responded that there is a contract designer who has done several logos, including the new Evanston Public Library logo. Committee members suggested that a call be put out to all local graphic design artists to design the new logo. The community input would then be a crucial part of the process.

C. Grandmother Park Initiative Update
Mr. Lyons presented a history of the park and an overview of the proposed project. He introduced Gay Riseborough, founder of the Grandmother Park Initiative, Jen Goldstein and Adam Finlayson, members of the Initiative’s Board, and Paul Klitzkie of Nature’s Perspective.

Mr. Lyons described how the final budget, is 90% funded with an additional $13,000 from CDBG. He also clarified that the property has been off of the tax rolls and if there are any amendments to the plan that require Council approval, those changes will first come back to the committee.

In public comment, Ald. Braithwaite voiced his support of the project and wanted to make sure the organization was following the path of least resistance. Ms. Riseborough shared that an additional $5,000 donation towards the park came in earlier that day. Mr. Mennemeyer then suggested that the sign for Grandmother’s Park be semi-permanent so that it can be easily changed once the wayfinding signage program is approved.

D. Presentation on Small Business Owner Interviews- Benjamin Platta
Mr. Benjamin Platta and Ms. Rachel Jacobs, members of Northwestern University’s Institute for Student Business Education, gave a brief overview of the program and what the learned from their business interviews, including:

- A sincere sense of community between small business owners.
- Small businesses thrive on local demographics and developing relationships with customers.
- Many businesses were not actively pursuing their target customers online.

The Committee was generally supportive of their efforts and offered suggestions for additional business group outreach.
E. Draft Quarterly Report Format (4th Quarter 2012 Example)
Mr. Griffin presented a draft quarterly report format to the Committee. He explained that unemployment rates currently are released a month after the quarter ends so there may be some delay in presenting that information. He also stated that hotel vacancy rate will be captured on the final draft document. The Committee briefly discussed the quarterly report, agreeing on the current format for future reports.

F. Economic Development Committee Workshop- Spring 2013
Mr. Griffin shared that he reached out to Annette Steinacker, professor at Loyola University, will be the guest speaker at the Workshop which will be scheduled for April or May. She will look at best practices in Economic Development and how Evanston can apply them to the Economic Development Work Plan and future activities.

V. Communications
A. Announcements/Updates from EDC Members
Mr. Griffin stated that the Broker Forum has been scheduled for March 14, 2013 at 5:00p.m.

Ald. Braithwaite stated that the ribbon cutting for Chicago’s Home of Chicken and Waffles will be March 7, 2013 at 6:30p.m.

B. Real Estate Transfer Tax Report
The Committee acknowledged the monthly communication

C. Monthly Economic Development Communication
The Committee acknowledged the monthly communication.

VI. Adjournment
Ald. Grover moved to adjourn the meeting, seconded by Ald. Tendam.
The Committee voted 10-0 unanimously to adjourn the meeting.

The meeting was adjourned at 9:47p.m.

Respectfully submitted,
Meagan Jones