ECONOMIC DEVELOPMENT COMMITTEE
MEETING NOTES
April 24, 2013

Attendees:


Committee Members Absent: C. Burrus, L. Summers, R. Zenkich

Staff: W. Bobkiewicz, S. Griffin, P. Zalmezak, J. Nyden, M. Jones, G. Chen

Presiding Member: J. Fiske

I. Call to Order / Declaration of Quorum
With a quorum being present, Chair Fiske called the meeting to order at 7:43 p.m.

II. Approval of the Meeting Minutes of February 27, 2013

Mr. Mennemeyer requested a change on page 4 of the minutes to include the suggestion of making the sign for Grandmother’s Park semi-permanent so that it can be easily changed once the wayfinding signage program is approved.

Ald. Rainey moved to approve the amended meeting minutes of the February 27, 2013 Economic Development Committee meeting, seconded by Ald. Holmes.

The amended meeting minutes of the February 27, 2012 meeting were approved unanimously, 8-0.

III. Items for Discussion
A. Quarterly Report Presentation
Mr. Griffin gave a brief overview of the 1st Quarter 2013 Quarterly Report, highlighting new businesses, jobs announced and commercial construction investments. He then alerted the committee to what will be tracked in future reports.

Alderman Wynne inquired about the increase in the industrial property vacancy rate. Mr. Zalmezak responded that this was due to the closing of the LSL Industries located at 2025 Dempster.
B. Economic Development Strategies for Local Government

Mr. Griffin introduced Dr. Annette Steinacker, PhD. Director of the Urban Affairs and Public Policy Program at Loyola University Chicago. Dr. Steinacker explained that her presentation will share general practices and theories then lead into specific Evanston practices.

Dr. Steinacker then began her presentation explaining that there are two themes for public policies: targets and synergies. These can be broken down into five strategies to consider when trying to ensure economic health:

- Clusters (target sectors)
- Human Capital
- Innovation & Entrepreneurs
- Diversity & Openness
- Amenities & Culture

Dr. Steinacker then indicated that much of the economic development activities Evanston carries out reflect these strategies. She emphasized that the agreements the city enters into are well-structured and that the City should be conservative or neutral in its analysis of projects and could act as a connector between businesses and resources.

Dr. Steinacker continued, describing the efforts the city could take with regards to the clusters previously mentioned in her presentation including:

- Water- taking advantage of the City’s location near the lake and considering biotechnology.
- Technology/Start-ups- collaborate with local business schools, hold start-up weekend events, offer young professional events/networks, use retired executives as a resource to offer advice or mentor young executives.
- Retail- concentrate on small unique businesses, “pop-up” retailers, craft breweries that can supply to Evanston’s many restaurants and destination places. Also try to par down neighborhood demographics and data for potential businesses as this information is more difficult to obtain.
- Quality of Place- Capitalize on Evanston’s location and amenities.
- Workforce Development- look at where the skill gaps and labor needs are and put attention towards filling them. Also consider number of Northwestern University graduates entering the market. Additionally, matching the current skill level of residents with available jobs and bringing in new jobs that are more tailored to that level can ease unemployment numbers.

Mr. Bobkiewicz asked Dr. Steinacker what her position was on providing grants to businesses versus loans. Dr. Steinacker responded that the City should look into how closely a business fits into its strategies and consider how much the business actually needs the funding. She agreed that there
should be claw back provisions and repayment plans included in any agreement, something that Evanston has done.

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

Ms. Nyden presented a brief overview of the Music Institute of Chicago’s (MIC) project proposed for the basement level of the former Marshall Field’s building. She explained that MIC is requesting a $165,000 forgivable loan and is offering to pay the city $5,000 in lieu of contributing to a proposed amusement tax (which was estimated to create $5,000 in new taxes).

Ms. Nyden then introduced Mark George, President of the Music Institute of Chicago (MIC), who described the programs and offered by the Institute. He detailed what the proposed project on Sherman would include, emphasizing that the addition of a black box theater will attract other uses from different organization and companies. Mr. George then stated that MIC would like to commit tickets to students of Districts 65 and 202 and discounted rates for Evanston residents wishing to take classes for a total value of $5,000.

Members of the Committee highlighted their unanimous support for the project:

- Alderman Rainey pointed out that MIC is contributing $500,000 to the project and the landlord is contributing $100,000.
- Mr. Freeman stated that he supports the project and suggested that MIC increase the number of tickets it provides and encourage Districts 65 and 202 to participate in music programs. He also inquired about the use of Evanston residents in the build-out of the space. Mr. George replied that the winning bid for the construction in the building committed to hiring locally. He then stated that he is open to encouraging greater participation by District 65 and 202 students as many are already in MIC programs.
- Mr. Mennemeyer expressed that this project epitomizes the arts initiatives stated in the work plan.
- Alderman Grover agreed and indicated that she would rather have a larger number of tickets provided to students than the proposed $5,000 in lieu of an amusement tax.
- Alderman Holmes stated that the new location is close to several senior developments and suggested that MIC consider pricing for those residents.
- Alderman Wynne expressed her support of the proposal and stated that MIC is offering a great use for a difficult space. She continued, stating that it also provides student to get more into music and offer new experiences.
- Alderman Tendam asked if the MIC would consider itself more of a regional or local entity to which Mr. George responded that MIC is both.

Ald. Rainey moved to recommend approval of the request for funding for a total of $165,000 in the form of a forgivable loan to the Music Institute of Chicago, seconded by Ald. Holmes.

The funding request was approved unanimously, 8-0.

V. Communications

A. Announcements/Updates from EDC Members

Mr. Bobkiewicz stated that following review of the Work Plan and the departure of the Community & Economic Development Director, Steve Griffin, Economic Development staff has been realigned to handle needed tasks and responsibilities. Meagan Jones will be acting as Interim Economic Development Coordinator as staff accommodates changes.

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. Holmes moved to adjourn the meeting, seconded by Ald. Grover. The Committee voted 8-0 unanimously to adjourn the meeting.

The meeting was adjourned at 9:20 p.m.

Respectfully submitted,
Meagan Jones