ECONOMIC DEVELOPMENT COMMITTEE MEETING
WEDNESDAY, JANUARY 27, 2010
ROOM 2404-7:30 P.M.
LORRAINE MORTON CIVIC CENTER
2100 RIDGE AVENUE, EVANSTON, IL 60201

AGENDA

I. CALL TO ORDER

II. CONSIDERATION OF THE EDC MEETING MINUTES OF DECEMBER 16, 2009: (DOCUMENT ENCLOSED)

III. CONSIDERATION OF REQUEST FOR FACADE IMPROVEMENT MATCHING GRANT FOR BEHLES & BEHLES; (DOCUMENT ENCLOSED)

IV. CONSIDERATION OF REQUEST FOR FINANCIAL ASSISTANCE FOR THE TECHNOLOGY INNOVATION CENTER: (DOCUMENT ENCLOSED)

V. CONSIDERATION OF REQUEST FOR FINANCIAL ASSISTANCE FOR THE EVANSTON COMMUNITY DEVELOPMENT CORPORATION: (DOCUMENT ENCLOSED)

VI. ALDERMANIC REFERENCE: CONSIDERATION OF THE NEED TO ESTABLISH A BUSINESS RETENTION AND EXPANSION FUND

VII. ECONOMIC DEVELOPMENT STRATEGY DOCUMENT APPROVED BY THE CITY COUNCIL, INCLUDING VISION STATEMENT AND CRITERIA FOR EVALUATION

VII. ECONOMIC DEVELOPMENT STRATEGY PROGRESS UPDATE

VIII. COMMUNICATIONS
1.) RECENT BUSINESS RETENTION & ATTRACTION VISITS
2.) RECENT NEW BUSINESS LICENCE REPORT
3.) COMED AVAILABLE FACILITIES REPORT, FIRST QUARTER 2010
4.) NEIGHBORHOOD BUSINESS DISTRICT IMPROVEMENT PROGRAM RFP
5.) DOWNTOWN IDEA EXCHANGE ARTICLE: RECRUITMENT AND EXPANSION GRANTS FOR BUSINESSES

IX. ADJOURNMENT

NEXT SCHEDULED EDC MEETING: FEBRUARY 24, 2010

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La ciudad de Evanston está obligada a hacer accesibles todas las reuniones publicas a las personas minusvalidas o las quines no hablan ingles. Si usted necesita ayuda, favor de ponerse en contacto con la Oficina de Administracion del Centro a 847/448-2916 (voz) o 847/448-8052 (TDD).
II. ENCLOSURE: Economic Development Committee Meeting Minutes of December 16, 2009
ECONOMIC DEVELOPMENT COMMITTEE
MEETING MINUTES
OF WEDNESDAY- DECEMBER 16, 2009


MEMBERS ABSENT: Ald. Grover

PRESIDING OFFICIAL: Ald. Rainey, Chair

OTHER OFFICIALS: None

STAFF PRESENT: Wally Bobkiewicz-City Manager, Lehman Walker-Community Development Director, Dennis Marino-Assistant Director of Planning, Morris Robinson-Economic Development Planner, Craig Sklenar-General Planner

OTHERS PRESENT: Charles C. Happ, Chairman-Technology Innovation Center; Jonathan Perman, Executive Director-Ev. Chamber of Commerce; Carolyn Delligri-Executive Director-Downtown Evanston (EVMARK); Gina Speckman, Executive Director-Chicago’s North Shore Convention & Visitors Bureau; Local press

SUMMARY OF THE MEETING:
Chair Rainey introduced Mr. Lehman Walker to the EDC and asked him to say a few words. Mr. Walker is the new Community Development Director for the City.

I. Chair Rainey called the EDC Meeting to order at approximately 7:40 P.M.

II. Consideration of the EDC Meeting Minutes of November 18, 2009

ACTION TAKEN: Chair Rainey asked for a motion to approve the Meeting Minutes of November 18, 2009. Ms. Carolyn Delilutri asked to clarify the status of an amendment to Downtown Evanston (aka EVMARK) current maintenance agreement mentioned on page 2 of the minutes. The contract amendment is pending not executed as written at which time it was moved to approve the minutes with the clarification. The motion received a second and was unanimously approved.
III. CONSIDERATION OF THE ECONOMIC DEVELOPMENT STRATEGY & MAJOR PRIORITIES

Chair Rainey next asked staff to proceed with the main agenda item for the meeting; establishing the economic development strategy and major priorities. City Manager Bobkiewicz began by introducing Mr. Lehman Walker the new Community Development Director and asked him to say a few words. Director Walker, who has been on board for a bout a week stated that he is in the process of getting a grasp of the many challenges facing the city as well as the initiatives occurring on the economic development front. Director Walker received a warm welcome from the EDC. CM Bobkiewicz continued by explaining how he and staff have distilled the previous strategy and priorities to the document the members of the EDC have in their packet. The current iteration of the Economic Development Strategy/Priorities consists of four major priorities: 1. Business Retention; 2. Business Attraction; 3. Area and Commercial Revitalization and Redevelopment and 4. Marketing. Each major priority has four primary, measurable strategies designed to accomplish the plan objectives. A copy of the document is available in the Planning Division for review.

CM Bobkiewicz pointed out the objective of having a plan in place and operating before consideration can be given to becoming a part of an external economic development corporation or other such entity. Once the City is properly organized with clearly set economic development goals; the plan to meet those goals and appropriate staff is in place, perhaps in two years the City can then explore the possibility of participating with the Chamber of Commerce and other external partners in organizing a corporation or similar economic development alliance. During this period, the external partners are encouraged to continue planning while the City manager will continue meeting with Northwestern University; Evanston Inventure; Downtown Evanston; the hospitals and others to work towards mutually beneficial economic development goals. However, at this time the City is just not ready to make the broad leap to an external economic development corporation.

CM Bobkiewicz stated that the EDC and the City Council input clearly express the expectation for economic development activities to be enhanced and that staff member Morris Robinson who has been staffing Economic Development has announced his intention to retire at the end of the first quarter of 2010. Now it is even more important to create sufficient staff resources to implement the plan in order to meet expectations. To that end, the Community Development Department will undergo a name change to Community and Economic Development Department and Director Lehman will be challenged with the responsibility of meeting the economic development goals.
In addition, consideration will be given to adding additional staff members, one to succeed Morris Robinson and a second new position. These two positions will work "on the street" to address economic development needs and priorities.

Planning Division head Dennis Marino will be involved with economic development in addition to other duties, particularly strategic planning. CM Bobkiewicz once again stressed the need for the EDC to recommend approval for the document before them which will allow staff to move forward with the plan. Once the plan is approved, staff will report back to the EDC on progress made on the strategies at the monthly EDC Meetings.

Chair Rainey commented that the way the document is prepared the action plan is inherent for each priority. Ald. Jean-Baptiste asked if staff had the opportunity to research other economic development concepts. City staff has read about cities with external economic development corporations or similar organizations but have not visited with representatives. CM Bobkiewicz again commented on Evanston's lack of readiness for such participation in such an organization.

Member Zenkich asked to be recognized by the chair and distributed documents from the National League of Cities; Economic Vision Strategy for Burnley England and a Potential Economic Planning Framework drafted for discussion by member Zenkich. Remarking on the components of the proposed plan for Evanston, member Zenkich stated that his research of other cities verify the need for an overall "vision statement" with specificity of objectives and the plan should be mapped around specific, measurable objectives citing the city of Burnley in England as an example. Chair Rainey stated that she was unaware of the intent to distribute articles from member Zenkich at the EDC Meeting and the EDC members should have an opportunity to read and digest the material before a proper discussion can take place. The documents and the research were appreciated.

Ald. Burrus complimented member Zenkich on the contributions to the deliberative process and mentioned that she had recently visited Ann Arbor Michigan which has a highly regarded economic development organization and business support culture. Ald. Burrus continued by suggesting that the city of Evanston needs to focus narrowly on retention and expansion and agreed that the city is not yet ready to participate as an equal partnership with the external organizations. Perhaps the city may be able to join a not for profit entity in two or three years. Ald. Burrus also offered the opinion that one reason Northwestern University may not have been more involved with contributing to an economic development partnership is the lack of Return On Investment (ROI) for the university.
Member Mennemeyer was recognized by the chair and proceeded to comment on the need for a partnership organization. Although appreciating the need for the City to reach a preparedness level, member Mennemeyer stated that waiting for two years to develop the right organization would be unfortunate.

Chair Rainey interjected that there were no constraints preventing the partners on the private side from proceeding with strategy planning even though the City is not ready to proceed within the context of a large external group.

Member Mennemeyer continued providing the EDC with opinions on how the planning process should proceed and who the major participants should be; agreeing with Ald. Burrus that there was no ROI for Northwestern University and other general comments. Member Mennemeyer also stated that he was now prepared to support the City Manager’s request to approve the economic development plan submitted by staff with the expectation that an opportunity will be made in the future to consider a multi partnership organization, after the City has reached a readiness point.

Ald. Jean-Baptiste commented on the good components of the plan, adding that the strategies were arguably tactics. Ald. Jean-Baptiste underscored member Zenkich suggestion that a vision was needed. A well thought out plan presupposes the framework as well as the vision. Collaboration with external partners has taken place and will continue regardless. Clearly the next step is continued discussions and implementation of a broad vision that will allow that vision to be a guide for achieving the economic development objectives. Ald. Jean-Baptist punctuated the point by borrowing and stating the quote; “if you don’t know where you are going, any road will take you there”.

CM Bobkiewicz again advised the EDC that approval of the plan will allow staff to start implementation of the strategies as at the beginning of the new year. The EDC will be provided with periodic performance updates at the EDC Meetings. CM Bobkiewicz stated that collaborative meetings with the external partners will also continue, citing recent meetings with Northwestern University President Shapiro and Business manager Sunshine as well as Carolyn Dellutri’s Downtown Evanston monthly meeting as examples.

Member Mennemeyer stated that specific focus needs to be directed at appropriate resource allocations and additional staffing if the economic development initiatives are to be successful. Member Mennemeyer continued with his comments indicating that various organizations such as Downtown Evanston and the Technology Innovation Center were not economic development organizations.
ECONOMIC DEVELOPMENT  
COMMITTEE MEETING OF DECEMBER 16, 2009  

Ald. Burrus took exception to that statement stressing that not only is the Technology Innovation Center an economic development organization but it is also the future of economic development for the City, particularly in threshold industries such as nanotechnologies, biotechnology and incubator start-ups. Mr. Charles Happ concurred. Ms. Dellutri expressed similar sentiments about Downtown Evanston (aka Evmark) adding that an economic development component is part of the organization’s charter.

After more general discussion, member Mennemeyer asked to clarify his remarks. It was not his intention to deny that the organizations were economic development centered. His intent was to suggest they were not involved with economic development for the entire city and he apologized for the misstatement. Following other comments, Chair Rainey stated that the plan request required City Council approval and asked for a motion.

ACTION TAKEN: Ald. Wynne moved to recommend approval of the Economic Development Strategy and Major Priorities Plan with periodic implementation reports to the Economic Development Committee and for staff to incorporate a vision relative to the goals of the City. Ald. Jean-Baptiste provided a second and the motion was unanimously approved.

(*Urged by CM Bobkiewicz, Ald. Rainey instructed staff to make the necessary arrangements for the recommendation to be presented at the City Council Meeting of January 11, 2010. *Ald. Rainey also suggested that a summit meeting with all the partners was in order. Ms. Dellutri volunteered to coordinate the meeting).

IV. REVIEW OF COMMUNICATIONS: MEMORANDUM AND ATTACHMENTS FROM NORTHWESTERN UNIVERSITY CONCERNING ECONOMIC DEVELOPMENT

Chair Rainey stated that the next agenda item to consider were documents submitted by Mr. Jeff Coney, Director–Economic Development for Northwestern University. The documents were submitted in response to an appeal made by City staff to the external partners for input in developing the economic development priorities. Significant aspects of the documents are Northwestern’s endorsement of Evanston Inventures as a key participant and the university’s broad support for collaborative initiatives that benefit the city and the university. Of particular note is Mr. Coney’s request to let the university know how the City would like for it to participate in the economic development initiatives and priorities.

ACTION TAKEN: The EDC encouraged CM Bobkiewicz to invite the NU representative to the summit meeting once it is arranged and to continue engaging in partnership/relationship building.
V. COMMUNICATIONS: Prior to the convening of the EDC Meeting, staff member Robinson also distributed two articles germane to the main agenda topic. The communication documents contained in the packet were acknowledged.

* Ald. Rainey instructed staff to include the material distributed by Mr. Zenkich as an EDC Agenda item for the January 2010 EDC Meeting.

VI. ADJOURNMENT: There being no further business, Ald. Rainey asked for a motion to adjourn.

ACTION TAKEN: Ald. Wynne moved to adjourn and Ald. Burrus provided a second and the EDC voted unanimously to adjourn. Chair Rainey adjourned the meeting at approximately 8:50 P.M.

The next Economic Development Committee Meeting is scheduled for January 27, 2010 7:30 P.M. in Room 2404 of the Lorraine H. Morton Civic Center.

Respectfully submitted,

Morris E. Robinson
Morris E. Robinson
Economic Development Planner
III. ENCLOSURE: Consideration of Request for Façade Improvement Matching Grant for Behles & Behles
January, 27, 2010

To: Wally Bobkiewicz, City Manager
    Lehman Walker, Community Development Director
    Chair and Members-Economic Development Committee

From: Dennis Marino, Assistant Director of Community Development
      Morris E. Robinson, Economic Development Planner

Subj.: BEHLES+BEHLES
        ARCHITECTUREINTERIORDESIGNPLANNING
        816-818 Church Street
        Request for Façade Improvement Program/ Economic Development Fund

Behles & Behles is an Evanston based Architectural partnership firm consisting of
two brothers and staff. The brothers own and operate out of the second floor properties
they own located at 816-818 Church Street. There are two ground level retail spaces that
require façade renovation specifically to meet the requirements for two new perspective
tenants with whom they are negotiating. The identity of the new tenants must remain
confidential until leases are finalized.

Cost for the façade work is estimated at approximately $22,000. This amount does
not include the substantial interior build-out expenses the firm will incur. The firm is
asking the City to partner with them and provide $11,000, 50% of the total facade costs
to help in the attempt to attract the new tenants.

The firm also plans to have the façade work completed to more closely match the
other Church Street commercial neighbors which will enhance the area. These longtime
property owners employ 10 to 12 people over the years and their 2008 property taxes
amounted to $61,662.42.

The attached request details the extent of the façade work to be performed as well
as a “now” photo and an artist rendering of the improved project. They will also serve as
their own architect for the project. Staff recommends approving the request not to exceed
the amount of $11,000 to be reimbursed after the project has been completed. If
approved, the funds will be provided from the Economic Development Fund.
December 21, 2009

Mr. Morris Robinson
Economic Development Planner
City of Evanston
Evanston, IL 60201

Dear Morris:

RE: 816-818 Church Street Façade Renovation.

As I mentioned during our phone conversation and in my email, I am writing to request that the City participate in the cost to renovate our north exterior building façade to help us secure new tenants for our (soon to be 2) vacant retail tenant spaces. Current estimates for the façade work total $22,000. We are asking that the City partner with us and pay 50% of the cost ($11,000.) to bring two new tenants to Church Street.

I have attached a photo of our existing building, 816-818 Church St. Also attached is a drawing showing our proposed façade improvements. Note the following about our building:

* BEHLES+BEHLES, an architecture firm, occupies the entire second floor. B+B has been an Evanston business since 1985. B+B currently employs 8 full time staff. Historically, we have employed 10 to 12.

* The two partners in BEHLES+BEHLES are Ken Behles and Joe Behles. We also own the 816 - 818 Church St. Building as sole partners in Lambert Group LLC. I have been an Evanston resident since 1985.

* 2008 Real Estate taxes for the building total $61,662.42.

* The building includes two first floor tenant spaces.
  The west space totals 1971 SF, and is currently vacant.
  The east space totals 2358 SF. The current tenant is leaving on 02.28.10. This information is confidential.

* We have two prospective tenants with whom we are negotiating lease terms. This information is also confidential, until leases are finalized.
As a part of our lease negotiations, we have agreed to improve our façade to more closely match our neighbors on Church St. The work includes the following:

1. Removal of the existing full width fabric canopy awnings, including un-used awning lighting.
2. Removal of the ground floor sandstone veneer, which is deteriorating, especially at ground level.
3. Installation of all new black granite stone base – similar to First Bank & Trust to our west and the Sherman Plaza development to our east.
4. Installation of all new limestone masonry façade cladding at the first floor as shown.
5. Removal of all of the misc. anchors and holes in the upper architectural pre-cast panels.
6. Installation of a "Thorocote" masonry coating on the pre-cast concrete to match the new limestone color and texture.
7. Repair of the pitted concrete exterior entry walking surfaces.

In discussion with our real estate broker, and other brokers and tenants, it has been made clear to us that our building façade must be upgraded to attract quality tenants. We must have tenant income to retain ownership of the building, as our tax bill has increased dramatically, 27% in just this past year, while one tenant space has remained vacant.

In addition to the projected cost of the exterior facade work, we have substantial interior tenant build out costs to incur solely at our own expense.

Please let me know if you would like additional information, including architectural drawings or a tour of the building. We hope to partner with Evanston to improve the building’s façade. This will benefit us, our neighboring businesses, and help us to bring two successful businesses to the City.

Please let me know if you would like any additional information.

Submitted:

Joseph J. Behles, AIA LEED AP
IV. ENCLOSURE: Consideration of Request for Financial Assistance for the Technology Innovation Center
January 22, 2010

To: Wally Bobkiewicz, City Manager  
Lehman Walker, Community Development Director  
Chair and Members-Economic Development Committee

From: Dennis Marino, Assistant Director of Community Development  
Morris E. Robinson, Economic Development Planner

Subj.: Technology Innovation Center Request for Financial Assistance

The Technology Innovation Center (TIC) has presented a proposal to the City of Evanston to launch a series of activities designed to promote the attraction, retention and growth of technology based start-up businesses in the City of Evanston. A copy of the proposal is attached. The TIC was established in 1986 in the Northwestern/Evanston Research Park as one of the nation’s first incubator support facilities for technology entrepreneurs.

The TIC Director has stated that more than 300 companies have graduated from the incubator which in turn has created approximately 2,500 jobs. Twenty-seven of these companies have remained in Evanston, employing approximately 250 people. The TIC currently has forty-one start-up companies; thirty-three at the Davis Street location and eight at the Chicago Avenue site and Downtown Evanston (EVMARK) recently relocated to the Davis Street site also.

Originally both the City and NU provided financial support, however City support ended in 2000 and the university ended its financial support in 2003 and ceased providing facility space in 2004. The TIC ultimately settled at two Evanston locations; the primary 22,000 square foot site is located at 820 Davis Street as well as an 8,000 square foot facility at 825 Chicago Avenue, both of which are owned by the Chairman of the TIC. The Honorable Elizabeth Tisdahl, Mayor of the City expressed her support for the TIC and the request for funding in the amount of $100,000 during the November 2009 EDC Meeting.

The attached proposal for financial assistance in the amount of $123,800 details the use of the funds and outlines the advantages for the City. If the request is approved the proceeds will be provided by the Economic Development Fund. Staff recommends approval to fund the TIC in the amount of $100,000 contingent upon receipt of an updated and verified board of director's roster to include a new seat for a city representative; a comprehensive budget reflecting all of its funding sources and expenditures, and a description of all other activities not detailed in the attached proposal.
Proposal

A Program for Technology-Based Business Development in Evanston

Technology Innovation Center
820 Davis Street
825 Chicago Avenue
Evanston, IL 60201

Summary

The Technology Innovation Center proposes to launch a series of initiatives to promote the attraction, retention and growth of technology-based start-up businesses in Evanston. We will draw on:

- the wealth of comparative advantages of this community for this type of business development
- the 23-year track record and credibility of TIC in this field
- a coordinated set of economic development strategies outlined below to be implemented by TIC in collaboration with other area economic development agencies.

Background

The Technology Innovation Center is a spinoff of the Northwestern University/Evanston Research Park, having operated as an independent not-for-profit technology incubator since 1991. Over 23 years of total operation, TIC has served more than 350 entrepreneurial ventures providing them with space, services, access to the resources of higher education and promoting entrepreneurial learning through peer networking. TIC currently houses 38 clients in 30,000 feet of office, laboratory and light manufacturing space in Evanston at 820 Davis Street and 825 Chicago Avenue. Voted Incubator of the Year in 1997 by the National Business Incubator Association, TIC has produced graduates that are responsible for more than 2000 jobs in Chicagoland. Evanston has retained 27 of these companies in the downtown and other business districts of the City. These firms employed more than 250 people as of March, 2008. In the past year, TIC graduate companies in the Chicago area have attracted more than $45 million in equity investment. Over the last two years, TIC success stories would include:

- Agility, founded by Doug Grimsted, former Cooper and Lybrand “Chicago Entrepreneur of the Year” which recently graduated to long term space in the Chase Building
- Current tenant Tula Foods, named the most innovative new company in Illinois for 2009 by the Department of Commerce and Economic opportunity
- Current tenant Taichon Works, which this summer organized a global Lotus User conference at IBM's Chicago office
- Current tenant Amyntas Capital, which chose to locate in TIC in Evanston after spinning off from Feldco Windows
- Current tenant Strongarm Mobility, whose newly patented ergonomic cane has been approved for insurance reimbursement and is now promoted by NGOs for broad distribution in the developing world
- Current tenant CRI sold a revolutionary high temperature processing technology for making rare earth glass to a major U.S. materials company for application in fiber optics
- Graduate company Vibes Media, which received $15 million in venture financing from Fidelity and now includes Verizon and Disney among its customers
- Graduate Leapfrog Online, which received $30 million in equity financing in late 2008 and reached 100 employers in its downtown Evanston location
- Graduate 360 Facility, which now employs 18 people in its downtown Evanston location and includes Jones, Lang, LaSalle, the world's largest office property manager, among the users of its property management software
- Graduate NexiChem, which has exported its water quality analysis equipment to Saudi Aramco, Petrobras, and to Anhauser-Busch facilities in China

TIC provides 4 types of resources to its client companies that our experience has shown translate most directly into growth:

1. Space and infrastructure – TIC rents small office, and manufacturing spaces to to pre-creditworthy start-ups on a month-to-month basis. Under these same terms, TIC provides fixed-cost telephone service, basic internet, furniture, meeting spaces and business services (described below). This arrangement enables entrepreneurs to focus on their business from day one and avoid making long term commitments while they market-test their product or service. Should the business fail, this arrangement allows entrepreneurs to avoid the costs and legal exposure of long term contracts, leaving them in much better shape as they move on with their careers.

2. Services – TIC provides no-cost services to client companies, and in certain instances to small businesses in the community at large; in the areas as finance, business law, marketing and corporate structure. The mechanisms for services delivery include counseling by TIC staff, volunteers and professional networking. TIC staff work directly with companies in the areas of business planning and finance. We maintain relationships with most area banks and assist in an average of $3 million in debt and equity financing for small business per year. Volunteers include the lawyer that staffs our legal clinic, which is available to TIC companies and other area entrepreneurs and small businesses referred by TIC staff. This clinic, which TIC has offered for more than 13 years, provides 150 to 200 free legal counseling sessions per year, covering any topic the companies choose, but with a focus on areas of crucial importance to business startups, including corporate structure, intellectual property, technology licensing, international commerce, and shareholder agreements. Because TIC continuously maintains a strong and ever-changing client portfolio of promising early-stage firms, we are able to attract a number of highly qualified professionals willing to defer compensation in order to conduct seminars or to accept deferred payment in order to establish relationships. In this way, TIC is able to "pull" high quality professional services further back in the startup process.

3. Access to resources of higher education – Technology-based startups use their ability to innovate as their primary differentiator in penetrating markets already dominated by better funded and better branded competitors. Access to university faculty and students that are defining the cutting-edge are therefore an invaluable resource. Last year, TIC facilitated 14 internships and student projects involving clients companies and students. Most were from Northwestern, specifically from the fields of engineering and business. Other institutions we work with include UIUC, UIC, U of C, De Paul and DeVry. When we are able to achieve faculty agreement, these projects are designed to earn students' grades, meaning that cash compensation from companies is reduced or eliminated. As student interest in entrepreneurial business continues to explode on campuses across the country, this service model creates win-win opportunities for all parties and is likely to grow rapidly in the coming years.

4. Access to an entrepreneurial peer group – With 23 years of continuous operation, TIC is one of the deepest reservoirs of technology startup experience in the nation. Even the most successful entrepreneurs spend relatively little of their careers in the difficult early stages of business building. TIC has worked with clients in the first 36 months of building a business for 23 consecutive years. We have an extensive network of "graduate" companies and individuals in the Chicago area, and an in-house community of 38 startup technology firms in various stages of development, pursuing varying strategies of financing, sales
development and R&D, all communicating with one another on a daily basis. To facilitate this process, we
monitor each client company, identifying opportunities to make introductions for purposes of collaboration
(often based on barter), and to discuss financing, potential customers or for mentoring. We also host a
weekly "Face to face" event at our 820 Davis facility to encourage interaction between TIC clients,
graduates, service providers and interested community members. When leaving TIC, many clients relate
that the most valuable resource for them was simply the opportunity to interact every day with others willing
to risk their livelihoods on their technical creativity - because only those who have done it can truly
understand.

Rationale

Technology-based entrepreneurship is the ideal growth strategy for Evanston. Nothing else has equal potential
over the near or long term. Evanston shares or exceeds the community characteristics that served as the drivers
in making Cambridge, Massachusetts and Palo Alto, California global centers of technology entrepreneurship. No
other community in North America enjoys these characteristics in the abundance that Evanston does. These
factors include:

- home to a major research university with strengths in science, engineering and businesses
- near/collar suburb of a major metropolitan area
- highly educated, professional population
- "24 hour environment" (a real estate term referring to a community that is attractive for work and play
  for the young professional, and that has the schools and other resources for this population as it
  matures, marries and has children)
- a metropolitan area that has a diverse economy with particular strengths in finance and a wide range
  of industries that use emerging technology.

Only these three communities share all of these characteristics. Unfortunately, Evanston lags far behind in
leveraging them with a technology-based business development strategy. On the bright side, this means our
potential to achieve significant grow with a relatively modest infusion of resources is very high. No other strategy
has as a higher ceiling. While Evanston will continue to be strong in retail and in residential real estate, other
Chicagoland communities can aspire to an equal status. In our potential for technology-based business
development we stand alone.

Objectives

TIC is prepared to advance a program with the following objectives immediately. TIC has a documented
performance record in every element described. Job creation and company attraction figures are conservative
based on our last ten years' performance.

1. Bring 10 to 20 new startup client companies into Evanston through TIC, and incoming and existing client
companies will create 30 high quality jobs this year in Evanston.

TIC has attracted at least 10 new startup companies every year in the last 10 years. While this year has
presented many challenges in terms of sustaining funding for TIC, acquisition of capital or "breakout" customer
deals for clients, demand for entry into TIC has been fairly steady and we anticipate bringing four very promising
new companies into TIC in December alone. Going forward, sustaining and even increasing the quality of
companies accepted into TIC will require a marketing effort designed to reach potential clients. Because there is
no "Association" of people thinking of starting a business, this marketing effort will draw primarily on TIC’s
extensive network of existing Chicago area technology entrepreneurs, and on working through selected programs
and faculty at area universities.

2. TIC will maintain its 30,000 square feet of dedicated incubator space, including dedicated service and
support staff, in downtown Evanston. The space accommodates basic office, laboratory and light
manufacturing uses and includes high speed redundant broadband with hosting capability and professional
services in the areas of finance, marketing, legal, and negotiations.

TIC’s greatest financial challenge is maintaining 30,000 square feet of appropriate space in Evanston. The
combination of operating in a high cost market and serving a pre-money clientèle leaves very little margin for TIC on the real estate. Additional financial support is therefore essential. Locating in other communities is a viable option for TIC, but as stated in the Rationale section, no other community in the area, or indeed the country, offers as great an opportunity for TIC to have major economic impact. We will use some of the proposed funding to upgrade facilities in terms of:

a. incorporating 4G internet and telecommunications technology

b. additional buildout to create 4 additional office spaces at 820 Davis Street.

3. We will establish and host an Evanston "alumni" group drawing from the 25 TIC graduate companies now operating in Evanston to serve as a voice for the technology entrepreneur within the community.

This objective, and those to follow, relate to the overall goal of attracting and retaining extremely promising technology-based startups to Evanston. The most critical element in branding Evanston as a hub of technology innovation is to coalesce the approximately 27 existing TIC graduates now operating in Evanston into a unified group, tentatively called the "Incubator Alumni Association." Given the high level of success of several of these companies, including Leapfrog Online, Brella Productions, 360 Facility, MedPoint, Agility, and many others, the creation of a group in which these firms and their founders agree to participate and to lend effort will immediately create a force that will be noticed throughout the Chicagoland technology community. We propose to convene this group and to moderate the creation of technology agenda to feed the overall TIC economic development strategy on an ongoing basis. We are the single entity in Evanston that is on a first name basis with all of these firms. The loyalty engendered by our support of these firms when they were young and struggling is irreplaceable.

4. We will design and conduct a survey of these companies to develop precise data on employment, commercial footage owned or under lease, and intra-Evanston commerce created by these firms with local lawyers, banks, restaurants, retailers, professional service providers and others.

Due to our recent lack of financial resources, TIC has not tracked in detail the performance of our Evanston graduates. While we know there are at least 27, there may be more; and an accurate assessment of their contribution to the tax base and their collaboration with other local firms will greatly increase our understanding of their economic impact and help us prioritize our activities going forward.

5. We will collaborate with the Evanston economic development community to create a coordinated economic plan to build a national Evanston brand in technology entrepreneurship.

We will immediately development success stories and testimonials from our "alumni," using tools such as LinkedIn to create technology groups like the content management group being developed by TIC Evanston alumnus Arc Technology Group, and compete for national and international technology business events such as the CMSA conference held this year in Evanston with TIC sponsorship. This will require the establishment of a promotional campaign and collaboration with numerous North Shore conference promotion programs and the Evanston Chamber of Commerce as well as collaboration with groups such as the Content Management Software Association, Illinois Technology Association, and the Lotus Users Group headed by TIC client Taishan Works. We will also upgrade TIC's web presence, to include enhanced social networking functionality such as web-based delivery of entrepreneurial counseling.

6. Draw on private sector support to create a high-end Network Operating Center (NOC) at TIC.

We will design and seek private funding for the first high-end IT network facility located north of the Loop catering to early stage businesses. This facility will enable TIC to attract data- and bandwidth-driven startups from throughout Chicagoland. The plan will also incorporate new 4G technology to provide state of the art internet connectivity and telecommunications. With sufficient capability and upgrading, we could continue to be the most convenient, "legacy" ISP alternative for our companies as they grow, thus providing them a strong incentive to remain in this community and to foster an expanding relationship with the TIC/NOC. Based on prior estimates, we project the total cost of the facility to be between $200,000 and $250,000 to be acquired as equity investment.

7. Create a network of Evanston commercial real estate professionals focused on providing "stage
two* space and beyond to TIC graduate companies, perhaps supported by municipal guarantees.

We will create and maintain a network of leasing and subleasing opportunities in Evanston that are suitable for individual “graduating” TIC clients. To facilitate this brokering function, TIC will create and maintain a database of available space and assess the needs of each graduating company to create an accurate match of needs and availability. TIC has established a trusting tenant-landlord relationship with all of our client companies by the time they leave, putting us in an ideal position to be trusted advisors on the selection of new space. As appropriate, we will seek limited municipal guarantees to increase the competitiveness of our Evanston offerings.

Workplan

We foresee an ongoing program, accomplishing several deliverables in the first year and laying the foundation for continuing work in subsequent years. Projected year 1 outcomes are:

Q1
- convene a meeting of Evanston TIC graduates and establish goals and agenda
- conduct survey (updated annually)
- 1 TIC/Farley Center technology entrepreneurship seminar

Q2
- business plan for Network Operating Center
- 1 TIC/Farley Center technology entrepreneurship seminar
- launch business plan competition and recruit review panel
- prepare plan for technology commercialization through entrepreneurship for Northwestern

Q3
- coordinate with City Of Evanston Planning Department to incorporate technology component to Strategic Plan
- 1 TIC/Farley Center technology entrepreneurship seminar
- TIC on-site sessions of Northwestern entrepreneurship courses for case studies and Q&A
- NOC fundraising

Q4
- establish an Evanston real estate network to capture TIC graduates
- 1 TIC/Farley Center technology entrepreneurship seminar
- TIC on-site sessions of Northwestern entrepreneurship courses

Ongoing
- bring 2 to 5 new entrepreneurial firms to Evanston TIC (ongoing)
- annual survey update
- maintain 30,000 or more feet of incubator space in Evanston
- 8 to 10 mediated internships and student projects per year
- annual business plan competition

Budget

Salaries and fringe

TIC Director $45,000 (50%)
TIC administrator $20,000 (50%)

Building improvements

4G modem and repeaters $6,000
Office buildout $16,000

NOC design and upgrade

1/6/2010
<table>
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<tr>
<th>Category</th>
<th>Cost</th>
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<tr>
<td>Design consultant</td>
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<tr>
<td>Fundraiser</td>
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<td>Service networks</td>
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<tr>
<td>Legal Clinic space</td>
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<tr>
<td>Service provider recruitment materials</td>
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<tr>
<td>Economic Development and Promotional</td>
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<td>Marketing materials</td>
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<td>Survey</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$123,800</strong></td>
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</tbody>
</table>
V. ENCLOSURE: Consideration of Request for Financial Assistance for the Evanston Community Development Corporation
January, 22, 2010

To: Wally Bobkiewicz, City Manager  
Lehman Walker, Community & Economic Development Director  
Chair and Members-Economic Development Committee

From: Dennis Marino, Assistant Director of Community Development  
Morris E. Robinson, Economic Development Planner

Subj: Evanston Community Development Corporation (ECDC) Request for Financial Assistance

The Evanston Community Development Corporation (ECDC) has presented a proposal to the City of Evanston to continue supporting economic development in West Evanston. A copy of the proposal is attached. The ECDC provides valuable programs for residents and businesses located in the City’s West Evanston TIF District #6, the largest target area designated for improvement. The programs offered by ECDC are designed to assist residents in building personal assets and for businesses to grow and expand. The board of directors for ECDC is comprised of an impressive and capable list of community leaders and activists.

As stated in the proposal, the ECDC formal request for financial assistance is in the amount of $130,000 for fiscal year 2010-11. However, staff recommends providing financial assistance in the amount of $80,000. This amount would fund the organization’s request to do the following two activities; (1.) hire a loan officer for $50,000 and (2) provide $30,000 to help capitalize a micro loan fund. The funds will enable the organization to execute its economic development programs in the West Evanston TIF District. Without the requested assistance, the ECDC will be forced to discontinue providing direct service to West Evanston businesses and the administrative support required for the programs.

Staff recommends that $50,000 be provided from the West Evanston TIF increment fund balance and $30,000 from the Economic Development Fund. The ECDC currently receives $55,000 in support: $30,000 from the West Evanston TIF in fiscal year 2009-10 and $25,000 from CDBG. For the fiscal year 2010-11, ECDC has again been approved for $50,000 from CDBG.
January 19, 2010

Mr. Dennis Marino
City of Evanston
Via Email: dmarino@cityofevanston.org

Re: Westside TIF District
Tax Increment Financing Request - revised
$130,000 to Support Economic Development on the Westside (see attached chart for progressive levels of funding and outcomes)

Dear Mr. Marino:

The Evanston Community Development Corporation is pleased to submit this proposal to the City of Evanston to support Economic Development on the Westside.

The Evanston Community Development Corporation (ECDC) serves as a catalyst for positive change on the Westside of Evanston. Its programs and services are designed to assist residents to build personal assets, and help businesses to grow and expand. ECDC is dedicated to the revitalization of the Westside physically, economically and in spirit. The Westside TIF, initiated by ECDC, was intended to provide significant and sustained investment in economic development on the Westside. ECDC proposes an annual contract with the City through the Westside TIF to provide these services.

The problems on the Westside are longstanding and complex. They will require significant and sustained investment in education, workforce training, and economic restructuring. Evanston CDC is beginning those investments, but it is significantly undercapitalized for the work that is necessary to secure and revitalize the Westside. ECDC must have funding available for economic development that is dedicated, consistent, and substantial.

The Westside is most often viewed through a social service lens, even by some of its residents. Associating profit and loss, market opportunity, and market share to life on the Westside is foreign indeed. Changing the way business, business ownership, and employment are viewed by Westside residents can significantly impact the long term prospects for all who live there. A study conducted by the Kellogg School of Management in 2008 confirmed long held suspicions that Westside businesses are significantly undercapitalized and lack access to traditional financing, technical support, and trained employees. Over the past year, the banking crisis has significantly reduced the ability of area banks in financing small and mid-sized businesses. Even the most fiscally sound businesses have reported their lines of credit reduced and new loans denied.

Restructuring the economy of the Westside and reclaiming it as a thriving business community is a long term venture. Exposure to business ownership as a career choice, entrepreneurship education, concentrated business assistance, mentoring, and access to capital are services that must be fully available and consistent.

The ECDC model for business development is part of its overall model for economic...
restructuring and transformation of the Westside of Evanston. The model emphasizes financial and economic literacy and the building of personal assets toward the accumulation of overall community wealth. The narrative below outlines ECDC’s business programming and goals for 2008-2010. The attached chart provides a progressive look at proposed outcomes for current levels of funding at $30,000 through full funding at the $130,000 requested.

ECDC maintains a database of 140 businesses for door to door, by email, and mail outreach, announcements, and marketing. ECDC provides its programming at the Booco Café and Cultural Center and West End Market on the corner of Church Street and Dodge Avenue. ECDC is among the few markets accepting the Link card, Senior and WIC coupons linking directly to its target population and the businesses who serve them. ECDC places articles in the local and online versions of the area papers, community websites, and Ward newsletters. In addition, ECDC uses posters in area businesses, door-to-door flyers, and coupons to engage area businesses and potential entrepreneurs in the market and other ECDC programming.

ECDC provides on-call technical assistance and one-on-one business mentoring by experienced business owners and advisors. Services are individualized to the need of the business and may be completed within a few meetings or over several months. ECDC guides the client through the following stages.

- Diagnosis of the issue, or problem, or aspiration.
- Buy-in to the process of change and advancement.
- Match with a mentor who will guide the client through the process of developing and implementing a plan.
- Recommendations for specific steps to rectify an issue or clear a hurdle to business sustainment and growth.
- If needed, referral to an outside service provider with appropriate expertise.
- Mentors support their client in accessing ECDC’s grant and micro-loan program and work with the business to ensure success.

ECDC operates a small micro-loan fund and grant fund for equipment, capital improvements, and inventory to fulfill contracted services. Loans range from $500-$2,000. Terms are “0” percent interest, 90 days grace period, 24 months, and a flat fee of $50. In addition, ECDC has a larger $250,000 loan fund (in-formation) for loans of $2,000 - $25,000.

Specific business programs include:

1. **Technical Assistance.** Immediate responses to questions, conducting limited research on a business’ behalf, or providing referrals. **Calls have increased significantly since the closure of the SBDC.**

2. **Business Mentoring.** ECDC matches entrepreneurs and business owners with experienced business owners and advisors. **ECDC has 12 business mentors and 10 are working actively with business clients.**

3. **Entrepreneurship Training.** ECDC has a pilot project with a group of churches to support ex-offenders in developing their own businesses. **Second Chance Produce works twice weekly with Deacon Williams and Business Coach Cozeake Nelson.**
4. **West End Market (WEM)**—The West End Market provides convenient access to fresh food and the opportunity for individuals with a product or craft to test the market before making major investments. *The WEM has become a sort of virtual incubator for new entrepreneurs. Four new entrepreneurs have joined the WEM this season.*

5. **Business Loan Funds.**—Three organizations provide access to microcredit in the Chicago region: ACCION International, The Duman Center, and Evanston CDC. Evanston CDC’s funds are currently fully obligated. The Duman Center and ACCION are both located in downtown Chicago. Neither organization has either the staffing capacity or funding to meet the credit needs of Westside businesses. *Five microloans have been approved.*

ECDC goals for 2008-2010 are as follows:

**Goal #1:** Create 8 new jobs annually.
Working in partnership with Community Builders, Cyrus Homes, and other businesses and developers on the Westside, ECDC will support area businesses in the creation of new permanent jobs.

**Strategic Actions include:**
- Assist businesses in accessing training funds and other financial incentives;
- Support businesses in gaining new contracts and expanded business opportunities;
- Provide mentoring, training, and technical support to advance and expand business operations; and
- Advocate for businesses with various government agencies and service providers.

➢ See attached chart for proposed levels of effort and outcomes at various levels of TIF support

**Goal #2:** Provide technical support to advance and sustain 12 area businesses retaining 24 jobs annually.
Working in partnership with the Kellogg School of Management, ECDC Business Mentors, the SBDC, and others to direct one-on-one technical assistance to area businesses.

**Strategic Actions include:**
- Identify business mentors among experienced business owners and managers, finance professionals, and others;
- Match mentors with appropriate area businesses;
- Assist businesses to access financing; and
- Refer businesses to advanced or specialized technical support.

➢ See attached chart for proposed levels of effort and outcomes at various levels of TIF support

**Goal #3:** Expand Access to Capital for Westside Businesses
Working in partnership with area bankers and other funders, ECDC will fill gaps in the availability of capital, from business start-up through maturity, for businesses located on the Westside and minority and women owned businesses throughout Evanston.
Strategic Actions include:

- Capitalize a $35,000 grant fund for equipment, new employees, and other capital investments to strengthen business balance sheets and increase their ability to secure bank financing.
- Capitalize a $250,000 loan fund for equipment, new employees, and other capital investments.
- Develop program materials, overview narrative, application, scoring sheet, checklist, and supporting documentation for grant and loan applications.
- Establish grant and loan review committee.

See attached chart for proposed levels of effort and outcomes at various levels of TIF support

Goal #4: Build the Capacity of Residents on the Westside to Seek and Secure Family-Sustaining Incomes and Lifestyles
Working in partnership with area institutions, organizations, and businesses, develop programming that builds individual assets and capacities for long term wealth creation.

Strategic Actions include:

- Work with Oakton Community College to provide GED classes at Booco.
- Provide beginning and intermediate computer classes, tutoring, and a drop-in center for computer use.
- Work with Community Builders to provide construction skills training in green building technologies.
- Work with area businesses to develop food service training and catering space.
- Establish entrepreneurship and self-employment as viable alternatives to traditional employment and provide training and support to youth and adults to start-up and develop businesses.

See attached chart for proposed levels of effort and outcomes at various levels of TIF support

Evanston CDC is the only organization working to rebuild the economy on the Westside. The Westside TIF provides funding for this purpose. ECDC proposes that the City contract with ECDC on an annual basis to support its programming in economic development to rebuild the assets of Westside residents and reclaim the thriving business community of the Westside. Funds will be used in direct service to Westside businesses and the administrative support required to provide such service. We appreciate the Committee’s consideration of ECDC’s proposal and look forward to further partnering with the City as we continue this most important work.

Sincerely,

William Logan
## ECDC General and Administrative Expense by Program

<table>
<thead>
<tr>
<th>Program Description</th>
<th>Business Development</th>
<th>Community Capacity</th>
<th>Funded by TIF</th>
<th>Funded by CDBG</th>
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<tr>
<td><strong>Administration</strong></td>
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<tr>
<td>Executive Director (sal-bene)</td>
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<td>37,500</td>
<td>37,500</td>
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<td>Market Manager</td>
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<td>Computer Center Manager</td>
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<td>Contract Services (training)</td>
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<td>Websites</td>
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<td>Flyers, Brochures, Manuals</td>
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¹ 60,000 salary + 15,000 benefits  
² 40,000 salary + 10,000 benefits  
³ 40,000 salary + 10,000 benefits  
⁴ 2 days per week for 3 months, 3 days per week for 5 months @ 18 / hr including benefits  
⁵ DCEO remaining JTED contract @11,250 for Community Builders
| Loan Servicing | Support & Consultation | Entrepreneurship | Business Owners
|----------------|-----------------------|------------------|------------------|
| 15 new microloans | Support | 24+ mentors, 40+ workshops | Initial referrals to local and virtual resources for access to funding, services, and support
| 10 new microloans | Support | 24+ mentors, 40+ workshops
| 5 new microloans | Support | 24+ mentors, 40+ workshops
| Loans serviced: no new microloans served in 6 months | Support | 24+ mentors, 40+ workshops
| Fundraising: West End Market | Support | 24+ mentors, 40+ workshops
| Current Outcomes | Support | 24+ mentors, 40+ workshops
| Immediate referrals to organizations for assistance | Support | 24+ mentors, 40+ workshops
| Initial referrals to local and virtual resources for access to funding, services, and support | Support | 24+ mentors, 40+ workshops

The Westside trif SNAC was intended to provide significant and sustained investment in economic development on the Westside. EDCD proposes a catalyst for positive change on the Westside of Evanston. Its programs and services are designed to assist investors to build personal assets and help businesses to grow and expand. EDCD is dedicated to the revitalization of the Westside physically, economically, and in spirit.

In addition to providing support to local and virtual resources for access to funding, services, and support, the Westside trif SNAC is focused on providing referrals to organizations for assistance. The following chart shows the potential outcomes of various levels of service.
VIII. ENCLOSURE: Communications

1. Recent Business Retention & Attraction Visits
2. Recent New Business License Report
3. Downtown Idea Exchange Article: Recruitment and Expansion Grants for Businesses
Date: January 22, 2010
To: Chair and Members, Economic Development Committee
From: Morris Robinson, Economic Development Planner
Subject: Retention Business Visits

During the past month the following business visits were performed by the Economic Development Planner. You will also find attached the Business & restaurants License Issuance Status reports.

Retention Visits

1. Great Lakes Art Studio (3 visits)
   Mr. Richard Byrnes
   1614 Payne Street
   The owner feels compelled to move to Skokie because the landlord has raised the rent. Staff has met with the landlord also and a term adjustment was offered.

2. Good’s of Evanston
   Mr. Shaun Chinsky
   714 Main Street
   Issues regarding business district association support.

3. IRMCO
   Mr. Brad Jeffery
   Ms. Jennifer Kalas
   1029 Davis Street
   West Evanston Industrial Area Planning Session

4. Behles & Behles
   Mr. Joe Behles
   816-18 Church Street
   Façade assistance request

5. Renaissance Realty & Construction
   Mr. John Leineweber
   PO Box 6094
   Evanston
   Financial pending financial issues related to the Dr. Hill Memorial Garden
Closed, To Open and Licensed Food Establishments for Period 11/13/09 through 1/20/2010

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<tr>
<th>Establishment</th>
<th>Address</th>
<th>Contact</th>
<th>Status</th>
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</thead>
<tbody>
<tr>
<td>1560 Oak Street Building</td>
<td>1560 Oak Ave</td>
<td>Cameel Halim / 847.920.2063</td>
<td>In Review</td>
</tr>
<tr>
<td>Dar-Us-Sunnah Masjid &amp; Community Center</td>
<td>2045 Brown Ave</td>
<td>Muhammad Saiduzzaman / 773.631.0309</td>
<td>In Review</td>
</tr>
<tr>
<td>Fruit Chili</td>
<td>1223 Chicago Ave</td>
<td>Urmish Patel / 847.568.0022</td>
<td>In Review</td>
</tr>
<tr>
<td>Aldi</td>
<td>2201 Oakton St</td>
<td>Aldi Inc. / 630.879.8100</td>
<td>In Review</td>
</tr>
<tr>
<td>Subway</td>
<td>2494 Oakton St</td>
<td>Minhaz Lakhani / 847.226.6682</td>
<td>In Review</td>
</tr>
<tr>
<td>527 Davis St Restaurant</td>
<td>527 Davis St</td>
<td>Minhaz Lakhani / 847.226.6682</td>
<td>In Review</td>
</tr>
<tr>
<td>Cedar Crest Ice Cream</td>
<td>1634 Orrington Ave</td>
<td>Bhasker Patel / 224.628.9293</td>
<td>In Review</td>
</tr>
<tr>
<td>Yudora Chocolatier</td>
<td>1601 Simpson St</td>
<td>Jianghong Yu / 312.231.0336</td>
<td>In Review</td>
</tr>
<tr>
<td>Bombay Indian Grill</td>
<td>1728 Sherman Ave</td>
<td>Tikka Ram Sharma / 773.251.6548</td>
<td>In Review</td>
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<tr>
<td>Dunkin' Donuts</td>
<td>2494 Oakton St</td>
<td>Kardo Rasha / 847.668.6842</td>
<td>In Review</td>
</tr>
<tr>
<td>Phoenix Inn Chinese Restaurant</td>
<td>608 Davis St</td>
<td>Zheng Lin / 773.771.2288</td>
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<tr>
<td>Asian Avenue (inside Whole Foods)</td>
<td>1111 Chicago Ave</td>
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<tr>
<td>Bistro Bordeaux</td>
<td>618 Church St</td>
<td>(847) 424-1483</td>
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<tr>
<td>I Dream of Sweets</td>
<td>611 Dempster St</td>
<td>(847) 859-6317</td>
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<td>Oakton Shell</td>
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<td>Robert Crown Community Center Snack Shop</td>
<td>1701 Main St</td>
<td>(847) 448-8258</td>
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<td>Subway</td>
<td>1133 Emerson St</td>
<td>(847) 864-4661</td>
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<tr>
<td>Subway #46615</td>
<td>3330 Central St</td>
<td>(847) 563-8769</td>
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<td>1800 Club</td>
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<td>Ben &amp; Jerry's</td>
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<tr>
<td>Bill's Blues Bar</td>
<td>1029 Davis St</td>
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<td>Ethical Planet</td>
<td>1110 Davis St</td>
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<tr>
<td>Mather Place at The Georgian</td>
<td>422 Davis St</td>
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<td>Out of Business</td>
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<tr>
<td>Nikko Sushi Bar (inside Whole Foods)</td>
<td>1111 Chicago Ave</td>
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<td>Business Name</td>
<td>Address</td>
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<td>Cricket Denali</td>
<td>313 Howard</td>
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<td>Sculpt &amp; Reform</td>
<td>2609 broadway</td>
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<td>Thriftgeek</td>
<td>522 Davis</td>
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<td>Brothers Upholstery</td>
<td>1625 Payne</td>
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<td>Atmosphere Communications</td>
<td>820 Davis</td>
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<td>Moser Sewing Studio</td>
<td>625 madison</td>
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<td>Divine African Hair Braiding</td>
<td>703 Howard</td>
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<td>J &amp; B Transmission Repair</td>
<td>1905 Greenleaf</td>
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<td>Lotus BodyWork</td>
<td>800 Custer #4</td>
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<td>612 Davis</td>
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<td>1316 Sherman</td>
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<td>Red Circle 2 (Music School)</td>
<td>1311 Sherman</td>
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<td>LSL Industries</td>
<td>2025 Dempster</td>
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<td>Chicago Strings</td>
<td>910 Sherman</td>
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<td>Tileworks of Evanston</td>
<td>2610 Green Bay</td>
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<td>2430 Main</td>
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<td>Peel Inc</td>
<td>990 Grove</td>
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<td>1607 Emerson</td>
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<td>Steppin Out on Faith</td>
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<td>512 Kedzie</td>
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<td>Market Fresh Books</td>
<td>602 Davis</td>
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<td>Adeline's Room</td>
<td>900 Chicago</td>
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<td>City Fit</td>
<td>2120 Central</td>
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<td>Nobili Home</td>
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<td>One Day Auto Detailing</td>
<td>2406 Dempster</td>
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<td>Tax Centers of America</td>
<td>1706 Dodge</td>
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Downtowns can be expensive and challenging places to open up shop, so incentives can be helpful in tipping the scales in downtown’s favor.

For example, through the Downtown Oshkosh Business Improvement District’s Recruitment Fund, the BID will provide grants tailored to meet the needs of qualified individuals for eligible projects that will promote either new business or substantial expansion in the Oshkosh, WI (est. pop. 63,680) BID.

Track results of grant to maintain its financial support

Let’s start with looking at what the program has done. Since developing the grant program in 2003, the BID has awarded 33 downtown Recruitment Fund Grants. “We’ve distributed over $145,000 dollars, and we’ve leveraged over $3 million dollars in private investment. And (Continued on page 6)

that we’re able to use to market downtown Oshkosh. Especially in a difficult economic climate, this is a great way for someone to say, ‘Well this would give me a head start to get my business up and running.’ It’s very helpful when I’m out networking. It’s been very successful.”

These results are in part from the vetting that comes through the application process.

Use checklist to ensure applicants are fully prepared for review

While the Recruitment Fund Grant Application may be downloaded online or obtained in person, prospective applicants are advised to contact a representative of the Oshkosh Area Economic Development Corporation before attempting to apply. Though the application process would not be considered onerous by financially and managerially savvy new businesses, it is quite thorough.

A single-page check list must be completed before the application is even submitted. This check-list ensures that applicants won’t be wasting their time by trying to submit incomplete applications, which won’t be accepted. The nine requirements are:

- Application form (signed and dated).
- Business description.
- Project description.
- Letters of financial commitment from borrowers and/or lenders.

- Equity investment — recent financial statements of the principal(s) in the business, assets pledged as security in the business, amount of personal/business funds committed to the proposed project.
- Financial history for existing companies — three years of balance sheets and income statements prepared in accordance with Generally Accepted Accounting Principles (GAAP).
- Financial projections — three-year financial projections compiled in accordance with GAAP, including a discussion of all significant assumptions and monthly cash-flow statements for the first year.
- Current business plan.
- Federal/state/local requirements — all projects financed with Fund dollars are subject to all applicable laws and regulations.

Explain the purpose, and set expectations for evaluation

To ensure that applicants know what’s expected of them, a full page of the application is devoted to detailing the Recruitment Fund’s downtown revitalization-oriented objectives and overall purpose: “to promote economic development [downtown] by attracting new business or relocating businesses within the BID.”

Applicants are also cautioned up front about what to expect. For example, that new and expanding businesses are subject to different criteria.

While the Recruitment Fund Grant is intended to promote either new business or substantial expansion in the downtown Business Improvement District, “activities that are eligible for a new business may not be deemed eligible for existing businesses,” the applica-
tion explains. "For example, new signage for a new business is eligible for funding while the purchase of a new sign for an existing business is not eligible."

In addition to signage, other key eligible uses for grant funds include leasehold improvements and fixtures. Twenty-five percent of the grant funds may also be used toward the acquisition of inventory or the purchase of equipment.

Three pages follow, outlining eligibility, minimum requirements, conditions requiring repayment of the grant, and application procedures. The final three pages detail all the information that applicants must include in their grant request packages.

For downtowns that don't have a BID to fund this sort of program, Lasky advises, "talk with your economic development corporation, and always build a partnership with a community-oriented foundation if you have one, because they can all help begin something like this for a downtown."

Contact: Maureen Lasky, Downtown Oshkosh BID, (920) 303-2265, ext. 11, maureen@downtownoshkosh.com.