ECONOMIC DEVELOPMENT COMMITTEE

MEETING MINUTES
OF WEDNESDAY, FEBRUARY 24, 2010
ROOM 2404-7:30 P.M.


MEMBERS ABSENT: Ald. Jean-Baptiste; Ald. Rainey, Raymond Zenkich

PRESIDING OFFICIAL: Ald. Wynne, Acting Chair

OTHERS PRESENT: None

STAFF PRESENT: Lehman Walker, Director-Community & Economic Development Dept., Dennis Marino-Asst. Director-Community & Econ. Dev. Dept., Morris Robinson-Economic Development Planner,

OTHERS PRESENT: Joe Behles-Partner, Behles & Behles, Diane Lupke-Interim Executive Director & Board Members, ECDC, Chuck Happ-CEO & Tim Lavengood-Executive Director, TIC, Jonathan Perman-Director-ECOC, Carolyn Dellutri-Executive Director-Downtown Evanston, Jeff Coney, Director of Economic development-NU, Representatives of the Local Print Media

SUMMARY OF THE MEETING:

Prior to the convening of the EDC Meeting, Ald. Grover and Ald. Fiske led in hosting a birthday celebration for Committee member Ald. Mark Tendam. Birthday cake was served to both members of the EDC and the audience and all joined in a chorus of the “happy birthday song” for Ald. Tendam.

I. Acting Chair Wynne called the EDC Meeting to order at approximately 7:50 P.M. and asked for a motion to approve the previous meeting minutes.

II. Member Freeman stated that future minutes should be double sided adding that on page two he meant to say that “including Evanston based contractors for bid estimates should become policy” should have been added. Member Freeman then moved approval of the EDC Meeting Minutes of January 27, 2010. Staff member Robinson advised the EDC that the date on the first page of the minutes was incorrect and that it would be corrected. The EDC voted unanimously to approve the minutes with the noted corrections.

APPROVED
III. CONSIDERATION OF ADDITIONAL BUDGET INFORMATION FROM THE TECHNOLOGY INNOVATION CENTER (TIC)

Acting Chair Wynne informed the EDC that the next agenda issue was to consider the additional budget information the EDC requested from the Technology Innovation Center (TIC) at the January EDC Meeting. The additional budget information was contained in the EDC packet prepared by staff. Final approval for the TIC funding assistance request in the amount of $100,000 is dependent on submitting the additional budget information.

Staff member Marino provided a brief budget material update as did EDC member Mennemeyer, both of whom had discussions concerning the depth of the budget information, prior to the January 24, 2010 EDC Meeting. Member Mennemeyer stressed his opinion that support for the TIC is well deserved but the budget information is thinner than what he would like to see, a point he made with the TIC CEO, Mr. Chuck Happ.

Ald. Grover asked about the surplus indicated in the budget. Mr. Happ explained that the surplus will be used toward debt reduction. The TIC has debt that approximates $55,000 and is secured by Mr. Happ’s home. Mr. Happ responded to a few more questions pertaining to assets and liabilities and the ownership structure of the 820 Davis Street property where the TIC is located.

Ald. Burrus inquired about the makeup of the TIC Board of Directors. Mr. Happ stated that the board is currently comprised of himself, his wife Mary Louise and Mr. Lavengood. CD Director Lehman informed the EDC that in light of the amount of funding the TIC is asking from the City, the City Manager deems it would be desirable to have a member of the city staff, in this case Director Lehman, serve on the board. Director Lehman added that the optics of having such a thin, interrelated board was inappropriate. Some EDC members viewed the proposal as being an oversight board membership because of the amount of City funding contribution involved and questioned the concept.

Mr. Happ stated that he was not averse to adding to the board but more conversation is needed adding that the prospective new member should not only have the desired credentials but should be as passionate about the TIC as he. Member Mennemeyer stated that he hoped that a City staff board membership would not be a requirement, suggesting that the situation be reviewed in a year to better determine the actual need. Member Freeman stated that he agreed with both Mr. Happ and member Mennemeyer.

APPROVED
ECONOMIC DEVELOPMENT COMMITTEE
Ald. Burrus stated that she could see the value in both viewpoints but stressed the thinness of the board as well as the image the three member board presented was insufficient. Ald. Burrus suggested also that the issue is accountability and that perhaps the funding should be made through phases of staged payouts.

Ald. Grover stated that the major point is that board development is needed from members with a broad array of expertise. Mr. Happ underscored the point that there was never a doubt for a City staff member being able to join the board of the TIC but was adamant about the need for someone who will be passionate about the success of the center.

**ACTION TAKEN:** Acting Chair Wynne proposed to Mr. Happ that the TIC officers agree to add a City staff member to the board within three months after the City Council votes to approve the funding and before 100% of the funds are distributed, to which Mr. Happ agreed. The EDC voted seven yeas and one nay by Ald. Fiske, to recommend approval for funding assistance in the amount of $100,000 for the TIC and support for the City staff member TIC board membership proposal.

**IV. CONSIDERATION OF ADDITIONAL BUDGET INFORMATION FROM THE EVANSTON COMMUNITY DEVELOPMENT CORPORATION (ECDC).**

Acting chair Wynne stated that the next agenda item was for EDC consideration of the additional budget information requested from the Evanston Community Development Corporation. The ECDC funding request in the amount of $80,000 is predicated on the additional budget information just as the case was for the Technology Innovation Center. The submitted material was included in the EDC packet and the material was thoroughly detailed and complete and the EDC had no other questions for the ECDC officers in attendance.

**ACTION TAKEN:** The EDC was unanimous in their decision to recommend approval for the funding assistance request in the amount of $80,000 for the Evanston Community Development Corporation

**V. CONSIDERATION OF THREE BID ESTIMATES FROM BEHLES & BEHLES.**

Acting Chair Wynne informed the EDC that the next agenda item for consideration concerned the EDC request for three estimates for façade improvement work for the architectural firm of Behles & Behles located at 816-18 Church Street. The Behles & Behles funding request in the amount of $11,000 is predicated on the requirement of the firm to obtain a minimum of three bids.

**APPROVED**

ECONOMIC DEVELOPMENT COMMITTEE
Mr. Joe Behles advised the EDC that although only two bids were submitted he expects the receipt of additional bids in a few days. The delay in obtaining the bids were due to efforts to comply with the EDC suggestion that Evanston based contractors be provided with an opportunity to submit bids. The bids he is waiting for are from Evanston contractors.

**ACTION TAKEN:** Staff member Marino suggested that the EDC does not allow the situation to delay the funding process, assuring the EDC that staff will obtain the additional bid required. The EDC concurred with the suggestion and voted unanimously to recommend approval for financial assistance in the amount of $11,000 for façade improvements on the 816-18 properties.

**VI. ECONOMIC DEVELOPMENT ACTIVITY REPORT**

Acting Chair Wynne stated that the EDC that the next agenda item was an Economic Development Activity Report and asked staff to proceed. Director Lehman informed the EDC that starting with the February 2010 EDC Meeting, staff will provide the EDC with a monthly activity report as a means of keeping the EDC members apprised of the activities staff is engaged in as well as staff’s levels of productivity. The report was well received by the EDC.

**VII. CONSIDERATION OF THE ECONOMIC DEVELOPMENT BUSINESS PROGRAM STANDARDIZED APPLICATION.**

Acting Chair Wynne said the next agenda item concerned the draft standardized application to be used by businesses and business organizations seeking financial assistance from the City. Director Lehman stated the EDC members were provided copies of the documents earlier in the month for review and comments. Copies of the draft application were also included in the EDC Meeting packets. Staff is seeking input from the EDC members. Director Lehman informed the EDC that staff has received some input and offered the opportunity for more comments prior to implementing the application process.

The EDC expressed their enthusiasm for the standardized application process and will consider the revised document at the March 24, 2010 EDC Meeting.

**VIII. ECONOMIC DEVELOPMENT STRATEGY PROGRESS UPDATE AND DISCUSSION OF VISION STATEMENT AND CRITERIA FOR EVALUATION**

Acting Chair Wynne informed the EDC that the next agenda item concerned the discussion of the Economic Development Strategy and Vision Statement.

*APPROVED*

ECONOMIC DEVELOPMENT
Staff member Marino explained that at the January EDC Meeting member Zenkich requested an opportunity to discuss the vision statement and that was the reason for including the document in the EDC packet and placing the item on the EDC Agenda.

**ACTION TAKEN:** Since member Zenkich was not in attendance, the EDC decided to defer discussion of this agenda item until the March 24, 2010 EDC Meeting when member Zenkich can presumably participate.

**IX. AUTHORIZATION TO ISSUE NEIGHBORHOOD BUSINESS DISTRICT IMPROVEMENT PROGRAM REQUEST FOR PROPOSALS**

Acting Chair Wynne informed the EDC that the next agenda item was a request from staff to issue request for proposals to the various neighborhood business district associations and provided a brief history of this long standing grant program. Staff member Robinson advised the EDC that the program is funded by the Economic Development Fund and that $50,000 was proposed for the budget allocation for the next fiscal year 2010-11.

**ACTION TAKEN:** After a brief discussion and minor suggestions to improve the document, the EDC enthusiastically endorsed the Neighborhood Business District Improvement program launch for 2010.

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

Staff member Marino informed the EDC that Chair Ald. Rainey asked staff to prepare a proposal for a funding source program designed to provide financial assistance to the business community. Ald. Burrus was not comfortable with the proposed requirement of businesses to increase employment by 15 or more positions and suggested instead that a percentage of new jobs be considered. Others concurred and staff agreed to take the suggestion into consideration.

**ACTION TAKEN:** Since Ald. Rainey was not in attendance, he EDC decided to defer discussion of this agenda item until the March 24, 2010 EDC Meeting when Ald. Rainey would then be able to participate in the deliberation.

**XI & XII. ECONOMIC DEVELOPMENT FINANCE PROGRAMS TO SUPPORT BUSINESS ATTRACTION, RETENTION AND GROWTH:**

(This agenda item was erroneously listed twice on the EDC Agenda.)

Director Lehman Walker provided the EDC with a brief explanation of the funding sources document prepared by staff. The document was well received by the EDC members.

**APPROVED**

**ECONOMIC DEVELOPMENT COMMITTEE**
XIII. COMMUNICATIONS:

At the request of the EDC, staff provided a spreadsheet depicting five years of sales tax revenue receipts for the City. Staff member Marino stated that although sales tax revenues for the current fiscal year were down, the City seems to be fairing better than some other municipalities.

Ald. Burrus suggested that the comparisons would be more meaningful if the data was presented in the form of percentage changes and suggested that staff provide a comparison in that format. Mr. Jonathan Perman stated that the information had already been prepared by the Evanston Chamber of Commerce and volunteered to provide the EDC with the data.

XIV. ADJOURNMENT: There being no further business, Acting Chair Wynne accepted a motion to adjourn from Ald. Burrus which received a unanimous vote to do so. Acting Chair Wynne adjourned the EDC Meeting at approximately 8:50 P.M.

The next scheduled Economic Development Committee Meeting will be held on Wednesday, March 24, 2010 at the Lorraine H. Morton Civic Center in Room 2404 at 7:30 P.M.

Respectfully submitted,

*Morris E. Robinson*
Economic Development Planner