ECONOMIC DEVELOPMENT COMMITTEE
MEETING NOTES
October 24, 2012

Attendees:

Committee Members: S. Freeman, J. Grover, D. Holmes, D. Mennemeyer, M. Tendam, R. Zenkich, M. Wynne

Committee Members Absent: C. Burrus, J. Fiske, A. Rainey, L. Summers

Staff: S. Griffin, J. Nyden, P. Zalmezak, M. Jones

Presiding Member: J. Grover

I. Call to Order / Declaration of Quorum
With a quorum being present, Chair Grover called the meeting to order at 7:30 pm.


Mr. Mennemeyer requested a change on page 8, 2nd paragraph of the minutes stating that he wanted to verify that the appraisal in question was certified.

Ald. Tendam moved to approve the meeting minutes of the August 22, 2012 Economic Development Committee meeting, seconded by Ald. Holmes.

The minutes of the August 22, 2012 meeting were approved with suggested changes unanimously, 7-0.

III. CONSENT AGENDA

There were no items on the Consent Agenda for this meeting.

V. ITEMS FOR CONSIDERATION
This section was moved up in the agenda by the Chair

A. Request for Budget Contribution Share for Downtown Evanston
Mr. Steve Griffin gave a brief introduction for Downtown Evanston, stating that the organization is making a level funding request this year. Ms. Carolyn Dellutri, Executive Director of Downtown Evanston, distributed information and introduced members of the Downtown Evanston Board of Directors in attendance. Ms. Dellutri gave an overview of the organization, its role as Special Service Area (SSA) for the downtown shopping district. She shared Downtown Evanston’s overarching goals and a summary of tasks and accomplishments of the year thus far, including winning a merit award for the Downtown Evanston mobile app from the International Downtown Association Downtown Achievement Awards and the upcoming Holiday Bash.
Mr. Zenkich asked what the most important metric for measuring success was for Downtown Evanston. Ms. Dellutri replied that she and the board look to see if the Equalized Assessed Values (EAV's) are increasing, number of jobs are created, attendance levels at events, number of gift cards sold, the number of Downtown Evanston mobile app users and parking numbers.

Ald. Grover asked what was different about this year’s request. Ms. Dellutri replied that the request is higher based a lower amount received from the tax levy as a result of lower EAV. Property owners have agreed to levy the maximum amount and if that produces an amount greater than $375,000, the $113,000 requested from the City will decrease.

Mr. Mennemeyer moved to recommend approval to City Council of $113,000 from the Economic Development Fund to Downtown Evanston, seconded by Ald. Wynne.

The request was recommended for approval, 7-0.

IV. ITEMS FOR DISCUSSION
   C. Curt’s Cafe

Mr. Griffin introduced Ms. Susan Trieschmann and her program and restaurant Curt’s Café. He stated that she is seeking $50,000 to assist with the various costs of running her program. He explained that Curt’s Café has a unique focus of job training and the return on investment for this program are not measured in the same way as other projects that have come before the committee.

Ms. Treischmann gave an overview of Curt’s Café, explaining its focus on teaching life skills, intellectual skills, experiential skills and food service skills while also providing mentors and a social environment. She stated that the Café has been open for five months and that in that time three students are ready to be job placed, one was accepted into and started classes at Truman College, and nine students are on a waiting list to begin the program. She also shared that there is significant volunteerism from customers and the surrounding community. Additionally, Curt’s Café has partnered with programs such as Youth Job Center, You Organization Umbrella (Y.O.U.), Kellogg School of Business, and the Youth Board for the Kids which is working to create a Teen Center. She stated that she opened the Café before summer arrived in order to engage more students and give them opportunities during that important season. Curt’s Café is currently seeking it’s 501c3 status and has paid permit fees, property taxes and sales taxes and is she is also renting the space to Just 8 Pizza. She explained that Curt’s Café has raised $30,000 since April and needs additional funding to assist with student stipends, kitchen build-out and assistance with other costs which have accrued. The end goal, she indicated, is to be self-sustaining and to grow the catering part of the program in order to provide students with more training.

Mr. Patrick Keenan-Devlin, Deputy Director for the Moran Center spoke in support of Curt’s Café, explaining that the center is a financial sponsor and has referred many clients to the program.
Ms. Lori Dube, a Curt’s Café Board Member stated that Curt’s Café is a coffee shop with and mission and a heart. She shared how she talked with Ms. Trieschmann about her vision and has seen it come to fruition.

Mr. Mennemeyer pointed out that several challenges, including stated he had several concerns: the lack of funding, the program not yet receiving its 501c3 status and that students are learning slower than intended. He stated that he believes it could be an uphill battle considering those items.

Ms. Trieschmann responded that her lawyer, Jonathan Baum, is working on obtaining the 501c3 status. It was originally expected to be a six month process but was delayed due to a large influx of applications to the IRS. She explained that she owns the property and that the space was previously rented to the former tenant Casteel coffee for $6,500 per month and she is now renting the space to Curt’s Café for only $4,700 per month. She explained that in order for this program to be successful, it needed to be outside of existing gang territories in a neutral location and that this space fit that need.

Mr. Mennemeyer inquired if Ms. Trieschmann had been advised by her lawyer to delay opening. Ms. Trieschmann replied that yes, she had been.

Ald. Grover asked what the federal funding was used for. Ms. Trieschmann stated that it was used for workforce development.

Ald. Wynne asked for confirmation on the 501c3 status for Curt’s Café. Ms. Trieschmann replied that Curt’s Café does not yet have its 501c3 status and that she was told that it would be some time before that occurs. She continued stating that she is currently in court trying to secure $35,000 that is owed to her which was going to be used for Curt’s Café.

Ald. Wynne asked for Ms. Trieschmann to describe her fundraising activities. Ms. Trieschmann explained that funding has come from family and friends, federal outlets, and a committee of 6 people which is working on securing more funds. She also stated that there will be monthly fundraising events.

Ald. Holmes expressed her support for the program stating that some programs require people to work from the heart and that Curt’s Cafe is one of those programs. She highlighted the program’s workforce development and job creation; however, the positive effects reach more people. If there was a way to show these effects, she indicated, it would be beneficial to include.

Mr. Zenkich inquired as to whether or not this was the first funding request with job training as a part of the program or offerings. Mr. Griffin replied that it was. Mr. Zenkich suggested that staff and the committee need to find a way to increase support for this type of effort. He suggested that Curt’s Café submit additional information to assist in analyzing its request and making a decision. He added that, if possible, it would be beneficial to include how the café functions in an eco-system of similar programs.
Ald. Tendam expressed that Curt’s Café is a different type of economic development project. He explained that the committee moves slower in its decision making and suggested that LEND, which would move more quickly, be contacted to possibly assist in funding. He then stated that community should help start a publicity campaign. Holmes agreed, stating that LEND has already worked with Ebony Barbershop and are skilled in what they do.

Mr. Freeman stated that he believed thinking outside of the box is needed in this case. He then asked if Ms. Trieschmann was able to quantify Curt’s Café’s effects versus having to pay for the participants to be in the criminal justice system. Ms. Trieschmann responded that it costs approximately $57,000- $82,000 to incarcerate an individual, $67,000 in Evanston versus $50,000 for 9 young adults to participate in the Curt’s Café program.

Ald. Grover indicated that Council will want to see complete financial information and asked the committee if it would like to pass this item on to Council contingent upon receiving the additional information. Ald. Holmes stated that she would feel better waiting then bringing the request back to the committee with completed information.

Ald. Wynne communicated that the upcoming Council dates present possible issues but agrees that the effects of Curt’s Café’s program could be far reaching. She then expressed concern of fairness with all businesses.

Mr. Griffin asked the committee if they would recommend funding the full amount and whether it would be in the form of a grant or a loan. He suggested that a loan could get money recirculating for future projects. He then stated that this request could be taken to the November 26 City Council meeting versus the earlier November 12 meeting.

Ald. Grover moved to recommend approval to City Council of financial assistance for Curt’s Café, in the form of a loan, for an amount not to exceed $50,000 with the condition of Curt’s Café seeking matching grants and funds, seconded by Ald. Tendam.

The recommendation was approved unanimously, 7-0.

A. Website Development Update

Mr. Zalmezak introduced the website, giving an overview of the target audience and how the site is an attempt to differentiate Evanston from Chicago and other suburbs. He explained that the website will show people Evanston instead of simply telling people about it. He then went through various pages of the website explaining what will be shown.

Mr. Zenkich asked how the website will be publicized . Mr. Zalmezak replied that the website will be publicized at Shop Evanston events, press releases, through search engine optimization and face to face meetings with businesses.

Mr. Zalmezak stated that staff will be testing the website with small groups of people to perfect it before it goes public.
Mr. Mennemeyer recommended promoting the website outside of Evanston.

Mr. Zalmezak mentioned that the videographer will do monthly features on different themes then showed a completed video as an example.

Mr. Zenkich asked what the average person visiting the site would do or what staff expected a visitor to the site to do. Ms. Nyden explained that each business district struggled to show their unique areas and that this site will assist in giving them attention online in addition to linking to the online business directory.

Ald. Wynne stated that there should be a “hook” put in. Mr. Freeman added that it should highlight why Evanston is multifaceted and asked if staff envisions business districts contributing content. Ms. Nyden replied that is the intent. She then stated that the districts had been asking for funding to create their own website but that this site will allow more traffic to see what each district has to offer.

Ald. Grover asked if there will be a “Companies to Watch” page. Mr. Zalmezak replied that staff wants the business community to be actively involved as well as the wider Evanston community. The website will serve as an information source and site selectors/ potential company relocations and for Evanston residents.

B. Workshop- Economic Development Best Practices
Ms. Nyden introduced two studies in the packet and explained that the intent is to provide technical information on best practices in economic development. She continued, stating that those two studies will hopefully be the first of many studies to be provided to the committee and that a more formal workshop will be scheduled for January or February of 2013.

Mr. Zenkich stated that he would benefit from a summary of the articles provided. Ald. Grover added that including lessons for Evanston in the summaries would also be beneficial.

Mr. Mennemeyer mentioned having a more foundation or regional approach to economic development.

VI. COMMUNICATIONS

A. Growth Oriented Companies
B. Announcements/Updates from EDC Members
C. Real Estate Transfer Tax Report
D. Monthly Economic Development Communication

The Committee acknowledged each of the items under Communications.

VII. Adjournment

Ald. Tendam moved to adjourn the meeting, seconded by Ald. Wynne.
The Committee voted 7-0 unanimously to adjourn the meeting.

The meeting was adjourned at 9:19 p.m.

Respectfully submitted,
Meagan Jones