I. CALL TO ORDER – Chair Wynne announced there was quorum and called the meeting to order at 7:40 pm.


ACTION TAKEN: Ald. Burrus moved approval, Ald. Tendam seconded, and Committee unanimously approved the meeting minutes of May 26, 2010.

III. CONSIDERATION OF (2) STORE FRONT IMPROVEMENT APPLICATIONS

Johanna Nyden, Economic Development Planner gave a brief overview of the store front improvement program. She stated that the program is designed to provide business owners with a 50% rebate to improve their facades. Staff is in the process of rewriting the application, however in the meantime staff is continuing to work with businesses on the existing grant application. The program is designed to give applicants up to $10,000 per storefront.

Ms. Nyden introduced the first applicant, Randy Cohen, president of Ventura Realty who owns and manages 1459-1463 Elmwood Avenue seeking funds to tuckpoint, paint trim and repair a mansard roof for the
three storefronts at this site. Staff recommended approval of funds no greater than half the amount of the greatest estimates for work to be completed. This was recommendation approval of funds no more than $17,500 on a 50/50 cost-sharing basis.

The second applicant, Beth Bortz owner of Asha Salon Spa who has leased space at 1604 Sherman Avenue (Sherman Plaza), previously occupied by Elizabeth Arden Red Door Spa. Staff recommended approval of funds no greater than $16,000 (half the amount of the greatest estimates for the work to be completed) on a 50/50 cost-sharing basis. The scope of work called for replacement of the letters on the façade from “Red Door Spa” to read “Asha Salon Spa” and to install a new lighted sign that says “Asha Salon Spa An Aveda Lifestyle Salon Space Hair. Skin. Nails. Salon Spa. Massage.” This location has two storefronts facing Sherman Avenue and Davis Street.

Discussion on 1459-1463 Elmwood: Mr. Cohen, owner of Ventura Realty stated that he purchased the property six months ago and that prior to that there had been a lot of deferred maintenance. Ald. Rainey commented that it looks abandoned and that there is often trash surrounding the grounds. Mr. Cohen explained that the bakery, Simply Gourmet is the only surviving business at the site and that the other 2 storefronts are vacant. He feels if he could renovate the exterior he would be able to lease the rest of the property to new tenants. He said there have been restaurants, professional businesses (i.e. dentists) looking at the space.

Mr. Cohen said he would like to repave the parking lot but feels the exterior work on the building is the priority. No plans for landscaping are in the plans, since there is such a small area. He also said the interior work would not be addressed until a tenant is secured.

Discussion on 1603 Sherman: Committee member, Seth Freeman commented that Sherman Plaza is a new building and funds should be used for rehabilitation purposes. Some committee members said they were not sure whether the program should be restricted to businesses with dilapidated buildings or be used more generally to fund any business facade improvement work, including newer properties like Sherman Plaza.

Beth Bortz and her husband co-own the seven-store Asha Salon Spa chain. Ms. Bortz explained that the real estate agent had been pursuing her store as a possible tenant for the space for almost a year. She said they were very apprehensive because the space is located on the second floor and is larger than any of their other locations, however they felt Evanston was a good place to be. Ms. Bortz said she hoped the committee would approve her request to cover half of the cost of replacing the awnings and the cost to add an illuminated sign at 1604 Sherman Avenue. The lowest bids she received for the work totaled $25,000. After
going through all the costs they decided to keep the existing red awnings and just change the letters. She was under the impression through conversations with her broker and the property owner that the City of Evanston would support her request for funds.

Lehman Walker, Director of Community and Economic Development said his staff is in the process of developing rules for the program, but at this point there is little guidance available on what projects should qualify.

Ald. Rainey said she did not like the idea of using the neighborhood facade improvement money on a building that is the result of a downtown tax increment financing district. She added that TIF money should be used for that purpose.

Chair Wynne recalls the program was for properties that needed significant improvement of storefronts that looked “tired” - exterior was impeding use of the interior of the building and funds were not more than $10,000 per business.

Ald. Jean-Baptiste said the committee needs to have parameters set aside as to how much should be allocated per business. He stressed the importance of having a clear policy in place that will address the amount of funds set aside for the program, the yearly amount allocated for the program and how much should be allocated to each project. This will dictate and justify the committee’s decisions when reviewing applications. He recommends $10,000 per business, not per storefront which was how the current applications were being presented. Ald. Burrus agreed and suggested the committee fund the program maybe twice a year so we can look at the allocation amounts. Mr. Freeman feels it should be quarterly.

Carolyn Dellutri, Executive Director of Downtown Evanston said that Asha Salon Spa contacted her as well as the builder. She said the sign and awning grant is a carrot to dangle in an effort to recruit businesses to downtown and to let them know that yes we want them to come here. Ald. Jean-Baptiste commented that Ms. Dellutri cannot promise anything.

Chair Wynne recommended that Ms. Bortz return to her the landlord at 1604 Sherman and express that she was mislead and because nothing was writing down as far as the program she felt funds should not be used for this purpose. She instructed staff to go back and look at TIF funds as an option to fund this project.

Following discussion, the committee suggested Ms. Bortz apply for TIF funds for 1603 Sherman Avenue. This item will be placed on the agenda for the July 28th meeting.
ACTION TAKEN: Ald. Rainey stated before her motion that this would be the last application to be presented under the current façade program. She moved approval of the staff recommendation to approve Randy Cohen’s request for $17,500 for the property located at 1459-1463 Elmwood. Ald. Burrus seconded motion. The motion was unanimously approved.

ACTION TAKEN: The committee voted unanimously to suspend the Neighborhood Storefront Improvement Program until the committee can review the proposed new guidelines being developed by the Economic Development staff. Walker said those guidelines will be ready prior to the committee’s next meeting on July 28, 2010.

Ald. Rainey commented that the applicants should not attend the first meeting and that the applications submitted should not be handwritten.

IV. UPDATE ON DEVELOPMENT OF BUSINESS ADVISORY CENTER

Mr. Walker referred to the draft included in the committee member’s packet and explained that the concept includes a “one-stop shop” idea to be located at the Civic Center. He added that it would give businesses a place to obtain information needed to start a business and for staff to guide them through the process. Mr. Walker mentioned that staff has been working with Ald. Rainey and that Staff is in the process of reorganizing physical space to accommodate the center.

Chair Wynne commented that a staff person should be assigned to assist businesses through the many processes and to help untangle the process.

Ald. Jean-Baptiste commented that his concern was that staff would be relied on too much if they had to walk them through the process opposed to providing them with the necessary information to move forward and for staff to act as the point person to manage the process. Chair Wynne mentioned that often people get conflicting information from the City internally. It was discussed that staff should help to facilitate – someone to help resolve and understand their issues.

V. UPDATE ON BUSINESS DEVELOPMENT GRANT APPLICATION FORM

Annette Logan, Economic Development Planner said that for the past several months she and Johanna Nyden have gathered applications from other municipalities as well as feedback from Ald. Rainey and Carolyn Dellutri. They are in the process of compiling a series of questions for all the different programs and are flushing them out as they review them. It was also mentioned that the existing PAL (Permit & Licensing) system may be utilized as a way to track information and serve as a reporting
VI. **OUTCOME OF ECONOMIC DEVELOPMENT SUMMIT**

Mr. Walker referred to the summary of the report submitted in the packet announced that the summit would be an annual event and that the comments received would be incorporated in next year’s event. He added that this was an introduction of the strategy and vision statement.

VII. **UPDATE ON EVANSTON PLAZA (DEMPSTER / DODGE)**

Ms. Logan reported that the plaza is holding monthly tenant meetings which also include City staff, Ald. Jean-Baptiste and Len Richards from Foresite Realty. She stated that the past two meetings have been focused on landscaping, signage and leasing. Panino’s sign is in construction and once approved will be going on the monument sign on Dempster and Dodge. The street work on Dodge, west of Dempster is expected to be completed at the end of June. Dance Center Evanston is negotiating with Foresite on signage as well as expanding the existing center to the north. Ald. Rainey raised an issue about the access to the restroom at Citi Trends. Ms. Logan will investigate and follow up.

VIII. **REVIEW OF BUSINESS REVITALIZATION PLAN DEVELOPMENT RFP AND CONSIDERATION OF FUNDING**

Mr. Walker asked for approval to proceed with business attraction and mentioned this was one of the council’s long range goals and explained that assistance is needed from a consultant to look at economic trends from those how have advanced training in economics and the resources and expertise that the City does not have.

He announced that the request for proposal (RFP) was sent out and three responses were received. Ald. Rainey requested a summary be provided on which consultants were interviewed, the costs, and how they were rated.

Some committee members were not aware that the proposals were sent out and some felt we are not at the stage to start involving consultants to help attract businesses. Chair Wynne expressed that since the City Manager has been hired this has been an issue and that we have been behind and we need to catch up with the other communities. She did however state that we should make sure this is not another report that sits on a shelf somewhere.

Mr. Walker expressed that we are behind for several reasons and trying to fill the gaps. There are several programs that are not in writing and that
staff is working hard to find, develop and organize the economic development division. He distributed the financing program handout to the committee members and explained that this document did not exist when he started six months ago.

Ald. Jean-Baptiste, Seth Freeman and Ald. Rainey support this and feel that during this economic downturn this is the time. Ald. Jean-Baptiste expressed that we have been stagnant for years and we need to be able to compete regionally and to broaden our vision.

IX. COMMUNICATIONS: MONTHLY REAL ESTATE TRANSFER TAX REPORT MAY 2010 (RETT)

Chair Wynne stated that the 3rd ward was the lead in May’s report.

X. ECONOMIC DEVELOPMENT STAFF STATUS REPORT

Ald. Grover announced Lehman Walker is a newly appointed board member of the Technology Innovation Center

Alderman Jean-Baptiste requested that an update of the West Evanston Industrial District be included on next month’s agenda

XI. ADJOURNMENT

The meeting was adjourned at 9:20 pm.

NEXT ECONOMIC DEVELOPMENT COMMITTEE MEETING: July 28, 2010

Respectfully Submitted,

Annette Logan

Annette Logan  
Economic Development Planner