
MEMBERS ABSENT: Dan Mennemeyer, Raymond Zenkich

PRESIDING OFFICIAL: Ald. Rainey, Chair

OTHERS PRESENT: None

STAFF PRESENT: Dennis Marino, Interim CD Director, Morris Robinson-Economic Development Planner

OTHERS PRESENT: Carolyn Dellutri-Executive Director Downtown Evanston, Rudy Peters-Owner, The Mechanical Group

SUMMARY OF THE MEETING:

Prior to the convening of the meeting, staff member Morris Robinson distributed the brochure for the upcoming international Conference of Shopping center event and a bid for proposed facade rehab work on the property owned by Mr. Rudy Peters.

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

II. Consideration of the EDC Meeting Minutes of September 23, 2009

ACTION TAKEN:

Chair Rainey asked for a motion to approve the meeting Minutes of September 23, 2009. Ald. Grover stated that there was one correction requiring a verb and Chair Rainey suggested adding the word sales in another sentence. Ald. Grover moved to approve the minutes with the word additions. The motion received a second and was unanimously approved.

III. THE MECHANICAL GROUP INC.

Chair Rainey stated that although the next agenda item was listed as setting economic development priorities it would be better to first consider the request from Mr. Rudy Peters, the owner of The Mechanical Group, for façade improvement financial assistance.
Staff member Robinson introduced Mr. Peters and quickly updated the EDC on the particulars of the request. The EDC had previously voted in favor of financial support at the September 23, 2009 EDC Meeting, dependent on Mr. Peters obtaining two more proposals in addition to the one submitted with the initial request. Staff recommended that the EDC favorably consider providing 33% of the estimate in the amount of $31,914 with a cap of $32,000 with funds provided by the Economic development Fund.

Mr. Peters provided the additional proposals as well as “before” photos of the commercial building. The original proposal was the lowest of the three and was the one Mr. Peter’s favored. The presentation was well received by the EDC members. Chair Rainey stated that Mr. Peters had met the requirements asked of him and advised him that he will have to appear before the Site Plan and Appearance Review Committee (SPAARC) prior to pulling permits and starting the rehab work.

After a few minutes more of conversation, Chair Rainey asked for a motion.

**ACTION TAKEN:**

Ald. Burrus moved to recommend approval for the city to provide financial assistance for façade improvement on the commercial property, not to exceed $32,000. The motion received a second and was unanimously approved.

*(Staff member Robinson advised the EDC that he had been contacted by EDC member Dan Mennemeyer, who was not present, and was asked to convey the opinion that; in the future all respondents to request for bid proposals provide proof of insurance for their company).*

**IV.** Although it wasn’t included on the agenda, Chair Rainey next asked Ald. Jean-Baptiste to provide an update on the meeting he coordinated with Freed & Associates and the tenants of Evanston Plaza. Freed representatives at the meeting included Ms. Cathy Powell responsible for tenant relationship. Several Evanston Plaza tenants were present at the meeting; however Dr. Pierson, the dentist who was very vocal about the “steeply increased” Common Area Maintenance (CAM) charges at the shopping center did not attend.

Ald. Jean-Baptiste informed the EDC that the Freed representatives could not or refused to provide an explanation for the basis of the increased CAM charges. It appears that the charges are lease specific on a tenant by tenant basis so there is an absence of a formula or pro-rata method for determining the assessment. Ald. Jean-Baptiste suggested to the tenants that they carefully review their lease, perhaps with legal counsel and to maybe seek a court order with the objective of having a judge issue a court order demanding clarification from the shopping center landlord.
Chair Rainey and Ald. Burris commented that maybe the financial concessions Freed awarded to the Dominick’s food store resulted in the redistributing of the assessment amount among the other Evanston Plaza tenants.

Ald. Jean-Baptiste stated that the tenants were concerned about Freed’s failure to pay their real estate taxes which is now $1 million plus in arrears, particularly since the tenants have been meeting their lease obligations. Moreover, when Freed states that their bank will not release the funds to pay the real estate taxes the statement does not register as an explanation for being in arrears. Ald. Rainey stated that the tenants should band together and demand an audit of Freed’s financial records pertaining to the Evanston Plaza. Staff was instructed to coordinate with the city legal staff to strategize on a plan for the city to collect its share of the real estate taxes due from the shopping center owner.

Staff member Marino explained that the order was issued last month to cease sales tax revenue sharing payouts to Freed and staff consultations with the city legal staff will commence immediately. This issue will also stay as an agenda item for the November 18, 2009 EDC Meeting. As an aside, Ald. Burris informed the EDC that Panino’s has discontinued table service in the restaurant perhaps as a cost saving measure.

**ACTION TAKEN:** No voting action was required.

V. **ESTABLISHING ECONOMIC DEVELOPMENT PRIORITIES**

Included in the EDC packet was a document prepared by City Manager Wally Bobkiewicz and staff members Marino and Robinson who listed fifteen economic development issues, thirteen strategies and several fund sources currently used for assisting the business community and spurring economic development. Chair Rainey asked staff member Marino to explain the purpose of the document and to clarify what “local economic stimulus” meant. Staff member Marino gave explanations for the terms in question and a general overview and what was anticipated from the input exercise. The EDC was informed that the purpose of the document was intended to facilitate the solicitation of suggestion and discussion from the EDC members for additions and/or deletions from the lists.

The objective is to formulate the top economic development priorities that staff should focus on and for which resources should be directed. The outcome of the EDC input will be compiled by staff and presented to the full City Council at the October 26, 2009 meeting. The document will also be shared with the community and if requested, brought back to the EDC at the November 18, 2009 meeting for further discussion and refinement.
Staff member Marino provided the EDC with examples of how some of the issues listed are currently being addressed in different cities where he has had the opportunity to observe. Several of the EDC members began relating personal experiences they’ve encountered with regard to lack of awareness of financial assistance and various types of resources which may be available from the city to support small businesses.

After extended discussion the EDC decided to reorganize the fifteen issues into four priority issues: 1.) Business Attraction; 2.) Business Retention; 3.) Marketing/Branding and 4.) Business Expansion. After approximately two hours, the EDC decided to curtail further discussion during this particular meeting and resume discussions at the November 18, 2009 EDC meeting. A summary of the reorganized document is attached.

VI. ADJOURNMENT:

ACTION TAKEN:
There being no further business, Chair Rainey entertained a motion to adjourn. Member Freeman moved adjournment and Ald. Jean-Baptiste provided a second. The EDC voted unanimously to adjourn the meeting at approximately 9:40 P.M.

The next Economic Development Committee Meeting is scheduled for November 18, 2009 at 7:30 P.M. in Room 2404 of the Lorraine Morton Civic Center

Respectfully submitted,

Morris E. Robinson
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Economic Development Planner