ECONOMIC DEVELOPMENT COMMITTEE

MEETING MINUTES
OF WEDNESDAY, SEPTEMBER 23, 2009


MEMBERS ABSENT: Ald. Wynne

PRESIDING OFFICIAL: Ald. Rainey, Chair

OTHERS PRESENT: None

STAFF PRESENT: Wally Bobkiewicz-City Manager, Dennis Marino, Interim CD Director, Morris Robinson-Economic Development Planner, Craig Sklenar-General Planner, Pat Keegan-BPAT Manager

OTHERS PRESENT: Dennis Harder-Sr. VP Freed & Assoc., Carolyn Dellutri-Executive Director Downtown Evanston, Rudy Peters-Owner The Mechanical Group, Tenants of the Evanston Plaza and the Press

SUMMARY OF THE MEETING:

Prior to the convening of the EDC Meeting, staff member Morris Robinson complied with a previous EDC request by erecting the booth display used by the City and Downtown Evanston at the International Council of Shopping Centers Conference’ yearly events. Some members of the EDC expressed their approval of the display.

Staff member Robinson also distributed a “listening survey of Central Street merchants” document conducted and prepared by the former 7th ward aldermanic candidate Mr. Kevin O’Connor and presented to the EDC at the behest of Ald. Grover.

I. Chair Rainey called the EDC Meeting to order at approximately 7:35 P.M.

II. Consideration of the EDC Meeting Minutes of July 22, 2009

ACTION TAKEN: Chair Rainey asked for a motion to approve the meeting Minutes of July 22, 2009. Ald. Grover stated that there was one quote correction where it was she rather than Ald. Burrus who made the remarks. Ald. Grover moved to approve the minutes with the correction. The motion received a second and was unanimously approved.
III. EVMARK’S FY2010 INTERIM REPORT

Chair Rainey stated that the next agenda item was the interim EVMARK activity update. Ms. Carolyn Dellutri, Executive Director of the organization introduced herself and advised the EDC that the re-branding process of EVMARK has been completed. EVMARK is now doing business as DOWNTOWN EVANSTON AND VARIOUS EXAMPLES OF COLLATERAL MATERIAL WAS PRESENTED REFLECTING THE NEW IMAGE. The EDC members appeared to be pleased with the re-branding.

Ms. Dellutri also advised the EDC that the purpose of her presentation is mandated by the Implementation Agreement for Special Service Area # 4 EVMARK has with the City which requires an interim report. This interim report is not the occasion for requesting annual funding, that presentation will be made later in the fall of 2009.

Ms. Dellutri proceeded to provide updates on staffing and introduced Ms. Laura Folkl as the new full time Marketing and Communications Manager. Samples of DOWN TOWN marketing materials were presented and discussed. (Non-colored copies of the collateral materials were included in the EDC packets. The collateral materials were as well as the name change were well received by the EDC. Ms. Dellutri shared the organizations FY2009 final audited financial statements, as well as the internal statement for the first four months, March through June, of the Fiscal Year 2010. Ald. Burrus thanked Ms. Dellutri for a recent tour of the Technology Center.

Ms. Dellutri concluded her remarks by advising the EDC that she, together with staff member Robinson will be attending the International Council of Shopping Centers’ Chicago Deal making conference scheduled for October 28 through October 30, 2009 at the Hyatt Regency Hotel. As mentioned, staff member Robinson had assembled the booth panels to provide the EDC with an opportunity to view how the city of Evanston booth will appear at the conference.

ACTION TAKEN: No voting action was required. The EDC members congratulated Ms. Dellutri on a job well done and encouraged her to continue with her activities in the same excellent manner.

IV. ESTABLISHING ECONOMIC DEVELOPMENT PRIORITIES

Chair Rainey next asked for Wally Bobkiewicz, the new Evanston City Manager, to stand and introduce himself. After introducing himself City manager Bobkiewicz informed the EDC that the purpose of his presentation was to solicit from the members their suggestions for ten economic development priorities that staff should focus and for which resources should be directed.
This proposed process is similar to the process previously presented to the City Council in which thirty-two priorities were identified, of which economic development was included. Chair Rainey stated that it would be helpful if the City Council list was available to review. Mr. Bill Smith, the reporter for Evanston Now was kind enough to lend to the city manager his computer which had the list displayed on the screen. Examples of priorities such as water sales, neighborhood revitalization were cited.

The EDC members agreed that setting economic priorities was desirable and staff was instructed to develop a list of proposed priorities and present them at the October EDC Meeting.

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

V. **THE MECHANICAL GROUP, INC.: REQUEST FOR FAÇADE IMPROVEMENT FINANCIAL ASSISTANCE**

Chair Rainey announced that the next business agenda item concerned a request for financial assistance for façade improvements for the Mechanical Group, Inc to be performed on a commercial building located at 600 Hartrey. The owner, Mr. Rudy Peters, operates this plumbing company which originally operated under the name of American Eagle Service Company. The business was attracted to Evanston ten years ago by staff member Morris Robinson, the Economic Development Planner for the city. Normally, façade improvement assistance is provide by Community Development Block Grant funds and administered by way of the Storefront Improvement Program. However this program adheres to strict HUD boundary requirements and this building is just outside the eligible boundary.

Mr. Peters introduced himself and explained the poor exterior condition of the building. When he purchased the building it was in an advanced stage of deterioration. Mr. Peters has invested more than $100,000 improving the site but the façade is in need of extensive rehabbing. Mr. Peters was able to get an estimate for the needed exterior work from one contractor in the amount of $95,742. Mr. Peters is seeking financial assistance for one third of the cost. The building is located in Ald. Burrus’ 9th Ward and she supports the request for assistance.

Mr. Peters currently employ six plumbers and plans to hire more as the economy improves. Evanston residents will be given priority with future employment opportunities. The residential community to the east of the site has benefited from the rehabbed building and will achieve additional benefits with the planned façade improvements. Real estate taxes for the site are approximately $60,000 per year.
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’ presentation was well received by the EDC members. Chair Rainey noted that only one estimate was included in the packet and three are required. Mr. Peters explained that because he strived to make this EDC Meeting date, time did not permit him to get other bids. However, additional bids will be obtained. Member Mennemeyer noticed that the bid was from a Wisconsin based contractor and asked why that company was used. Mr. Peters explained that his company has worked with this Wisconsin company for a long time and he knew the quality of their work. Ald. Grover suggested that in the future it would be helpful if staff presents photographs of property owners seeking façade improvement assistance.

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

**ACTION TAKEN:** Ald. Jane Grover moved to recommend approval to provide financial assistance in the amount of 33% of the accepted bid, funded by the Economic Development Fund; with the condition that Mr. Peters obtains two additional bids. The motion received a second and was passed with a unanimous vote.

(Mr. Peters was instructed to appear at the October 21, 2009 EDC Meeting with the additional estimates at which time the 33% of the total accepted bid can be determined).

**VI. EVANSTON PLAZA STATUS UPDATE**

Chair Rainey next asked Mr. Dennis Harder, Sr. Vice president-Freed & Associates to introduce himself to the EDC and provide an update on the status of the Evanston Plaza shopping center.

Mr. Harder began by providing an update on the existing tenant population and recent departures. The EDC was told that Dominick’s has completed updating its store and traffic has increased dramatically and the AJ Wright store is in the process of re-branding and improving it’s image. The EDC was also reminded of the failed attempt to have a Steve and Barry’s sports clothing store established in the shopping center. City Trends has settled in and is doing reasonably well. Dance studio continues to do well as does the new Paninos. Other new tenants are a Veteran’s Administration Office and a Subway sandwich restaurant. Chair Rainey commented that the moving of the VA office from Howard Street to the Evanston Plaza was her ward’s loss and the 2nd ward’s gain.
A brief discussion ensued regarding competition to the west of the city; types of stores such as 3 day Pop Up stores and Title 9 Sports and the merits of creating a mall tenants association. Ald. Burrus asked Mr. Harder if their market analysis research studies provided any clues to the type of businesses that would be attracted to this particular shopping center. Mr. Harder stated that the question does not have an answer and that Freed pursues what it believes to be quality retailers. An exchange of words ensued ending with Ald. Burrus stating that there was clearly a lack of communication in the discussion. City manager Bobkiewicz interjected that the city’s ability to assist in attracting quality tenants and to be a better partner is a top priority for the economic development initiatives.

Several of the shopping center tenants were present in the audience. Dr. Pierson who has a dental office mentioned that the center does not naturally attract customers and she has to do considerable marketing and advertising. Dr. Pierson also complained about the unexplained increase in the Common Area Maintenance (CAM) charges and while she has made numerous inquiries, Freed management is either unwilling or won’t explain the charges in precise terms. The owner of Paninos and Dance Studio voiced their concern as did the others present. It was apparent that this issue was of particular concern to the tenants. Mr. Freed vowed to provide answers. Ald. Jean-Baptiste suggested a meeting at the earliest possible time to which Mr. Harder agreed.

Chair Rainey stated that one important issue had not been mentioned which was the status of the delinquent property taxes and had they been paid. Mr. Harder stated that the delinquent taxes have not been paid to date but Freed has every intention of paying them. There are issues with the bank which have not been resolved that “prevents releasing of the needed funds”. When Ald. Grover asked if Freed was planning on selling the shopping center, Mr. Harder emphatically denied the notion that the center will be placed on the market. Staff member Marino briefly explained the sales tax revenue sharing agreement the city entered into with Freed about ten years ago as well as the recent agreement that was terminated with the loss of the Steve & Barry’s venture.

Members of the EDC question our continued distribution of Freed’s share of the sales tax revenues especially if Freed is collecting taxes from the tenants but failing to pay its own real estate taxes. Staff member Marino stated they the matter would be attended to immediately. Ald. Jean–Baptiste noted that it is apparent that a meeting was needed to discuss the delinquency and rebate issues as well as the tenant grievances and that city staff should attend. When Mr. Harder ended his presentation and prepared to leave Ald. Jean-Baptiste excused himself and left the meeting to confer with Mr. Harder and the Evanston Plaza tenants and to arrange a convenient date and time for a shopping center owner/tenant meeting for the purpose of resolving the issues raised).

**ACTION TAKEN:** No action by vote was required.
VII. UPDATE ON ECONOMIC DEVELOPMENT WEB PAGE/CITY WEB SITE

Chair Rainey informed the EDC that the next agenda issue was an update on the ongoing planning web page improvement process. Staff member Robinson informed the EDC that BPAT Manager Pat Keegan was also present to answer any general questions regarding the City web site and acknowledged a favorable Tribune article comparing various municipalities’ web sites. Evanston was referred to as an excellent example of a user friendly, information loaded site. Members of the EDC asked staff member Keegan what are the most popular pages on the city’s website and how many daily hits the web site receives. Although he did not immediately know, staff member Keegan stated the data was available and that he would provide the answers prior to the next EDC meeting.

Staff member Sklenar informed the EDC that the process to improve the Economic Development web page began with immediate triage remedies. The out dated photo of the pre-construction Sherman Plaza was replaced with a current aerial view of the city and updated information including the latest vacant properties list and TIF District maps which were also posted.

Staff member Sklenar also advised the EDC that the efforts made to date to improve the economic development web page is just the beginning of the ongoing improvement process and that suggestions from the EDC will be incorporated over the next few months. Many ideas that had been discussed by planning personnel such as links to Evmark, the Chamber of Commerce and other internal departments were explained to the EDC for their initial reaction or clarification.

Staff member Robinson added that the new and improved web page is evolving and the objective is to have a data collection for inquiries from various departments in the city. Staff member Sklenar and Robinson will coordinate with Staff member Pat Keegan to achieve the goals.

VIII. COMMUNICATIONS

The communication documents contained in the packet were acknowledged.

IX. ADJOURNMENT:

ACTION TAKEN:
There being no further business, Chair Rainey adjourned the meeting at approximately 9:15 P.M
The next Economic Development Committee Meeting is scheduled for October 21, 2009 at 7:30 P.M. in Room 2404 of the Lorraine Morton Civic Center

Respectfully submitted,

**Morris E. Robinson**

Morris E. Robinson  
Economic Development Planner