



ECONOMIC DEVELOPMENT COMMITTEE

Wednesday, May 24, 2017 – 7:00pm

Lorraine Morton Civic Center, 2100 Ridge Avenue, James C. Lytle City Council Chambers

Members Present: Ald. Braithwaite, Ald. Wynne, Ald. Wilson, Ald. Rue, Ald. Rainey, M. Berns J. Sierant, H. Powell

Members Absent: T. Dubin

Staff Present: J. Leonard, P. Zalmezak, C. Plante

1. CALL TO ORDER / DECLARATION OF QUORUM

Ald. Wynne called the meeting to order at 7:07 pm.

2. APPROVAL OF MEETING MINUTES OF April 26, 2017

Ald. Braithwaite moved approval

Ald. Rue seconded.

Approved 8-0.

3. ITEMS FOR CONSIDERATION

A. Annual Funding Request for Chicago's North Shore Convention & Visitors Bureau

Gina Speckman from the North Shore Convention and visitors' bureau gave a presentation on NSCVB's past and upcoming activities and annual funding request. This year's request is for \$81,174, representing a 3% increase over last year. This is the first time municipal dues have increased since '09.

Ald. Braithwaite asked about the organization's total budget.

Ms. Speckman said that it isn't posted publicly but that she can share it. NSCVB follows a July 1 fiscal year.

J. Leonard added that it will be included in the City Council packet when this moves on for Council Approval.

Ald. Wilson moved approval.

Ald. Braithwaite seconded.

Approved 8-0

B. Entrepreneurship Grants

C. Plante provided an introduction of the program, which was created in April to provide small grants to Evanston entrepreneurs of up to \$2,500 to help with business expenses including professional services, work space, insurance, certifications, software, tools and equipment. The program also allows for up to \$1,000 in assistance with City permitting and

licensing fees. The program was developed with input from the MWEBE committee and external partner organizations including Sunshine Enterprises and LEND. These three applicants are the first to submit requests for funding under the new program.

Ald. Wilson expressed concern that there isn't language making the program means-tested or strictly need based. Wants these applicants to still move forward, but would like to see updates to the guidelines.

C. Plante said that this is the first class of applicants and we're learning too, so we can easily come back next month with an update.

H. Powell said that it should be structured as a low-interest loan rather than an outright grant.

Ald. Rue asked if the storefront grant program was structured as a loan or a grant.

C. Plante responded that it's structured as a 5-year forgivable loan; program participants have to either execute an assignment of the obligation to a successor in interest or pay back a prorated amount if they close or sell within 5 years of receiving funding. This has only come up once since I've been working on this program, and in that case an assignment was executed, so in practice there hasn't been a case in recent years where someone has been required to pay anything back.

i - Jennifer's Edibles

Ms. Plante introduced Jennifer Eason of Jennifer's Edibles. Ms. Eason participated in Community Business Academy last year and is requesting \$2,500 in assistance to purchase additional kitchen equipment for her restaurant and catering business.

Ald. Wilson moved approval
Ald. Simmons seconded.
Approved 8-0.

ii - Human Success Factors

Dori Mendoza operates Human Success Factors as a home-based career counseling business. She also completed Community Business Academy last year and is requesting \$2,500 in assistance for software licensing and assistance in launching a website for the business.

Ald. Braithwaite moved approval.
H. Powell seconded.
Approved 8-0.

iii - Sharp Edge Crossfit

Ald. Rainey asked about lease term.

Ms. Mintz said that it's all contingent on approval of the special use, but that being said, the ask is for 3 years plus a 2-year option.

Ald. Rainey asked about tenant improvements from the landlord.

Ms. Mintz said that it's still part of ongoing lease negotiations but they will be providing some basic tenant improvement funding.

Wilson moved approval.

Hecky seconded.

Approved 8-0

C. Storefront Modernization Application for Sharp Edge Crossfit at 1324-1326 Dodge Ave.

M. Berns asked for information about program history and how staff has tracked performance of the storefront program in the past.

C. Plante responded that performance has been tracked in the past, and the committee was provided an update last winter, but will plan to provide an update next month since new members have joined the committee since then. In either case, we have tracked how long businesses have remained at the sites that were improved, and have added in data on actual spend and participant demographics.

C. Plante introduced the storefront modernization program application for Sharp Edge Crossfit. The scope of work is complete renovation of the former auto fitness space at Dempster and Dodge. The location makes it eligible for the maximum \$50,000 matching rebate on build-out expenses. The scope of work includes interior demolition and reconstruction, addition of bathroom and shower space, doors, electrical, roofing, and potentially fire suppression. As with some of last month's applicants, there's a pretty wide range between the contractor estimates. The average provided does include the average of all three.

Ald. Rainey said she wanted it noted that the lease isn't finalized yet for this, and asked what the lease term will be if approved and whether the landlord is providing tenant improvements.

C. Plante said that the lease is contingent on special use approval, which will be coming to Council in June. Staff has met with the landlord's representative and he's aware of and consents to participation in the program. We wanted to get funding approval this month so that it will go to council at the same time as the special use in order to avoid delaying construction and opening. If the lease doesn't move forward, no money will be spent because the program only provides payment as a reimbursement after construction is completed.

Ms. Mintz added that the landlord has said they plan to provide tenant improvement assistance to bring the building up to code and would be a 3 year lease with 2-year renewal options.

H. Powell moved approval.
Ald. Wilson seconded.
Approved 8-0.

4. ITEMS FOR DISCUSSION

A. Lease of 633 Howard Street by Pascal Berthoumieux

P. Zalmezak introduced the proposal by Mr. Berthoumieux to lease 633 Howard for a second location of Patisserie Coralie.

6. ADJOURNMENT