

Observer: Julianne Dieterich

Meeting began: 7:15pm

Meeting Ended: 9:45pm

Aldermen Present: Wynne (chair), Rainey, Wilson, Rue Simmons, Braithwaite, Mary Beth Berns (Zoning Board of Appeals), Terry Dubin (Plan Commission), Jeannemarie Sierant (At Large)

Staff Present: Paul Zalmezak, Cindy Plante, Pauline Martinez, Marty Lyons, Wally Bobkiewicz (part of the time), Richardson, Kevin Brown (in attendance, did not present)

Media Present: Evanston Now

Citizen comment: None.

1. CALL TO ORDER / DECLARATION OF QUORUM

2. APPROVAL OF MEETING MINUTES OF May 24, 2017

3. ITEMS FOR CONSIDERATION

A. Storefront Modernization Grant for 2113 Greenleaf – façade grant for redevelopment into an industrial/flexible use building. Approved without discussion.

B. Entrepreneurship Program Update - Wilson had asked for a revision to the guidelines to clarify the focus/intent of the program and prevent it being open to virtually any applicant. In response, staff presented revised guidelines that require applicants to have completed a structured entrepreneurship program and specified the elements of a business plan that must be provided by the applicant. Passed.

C. Patisserie Coralie – Staff presented financial assistance request to lease the former police outpost at 633 Howard and make a \$50K interest-bearing, secured loan with Economic Development and CDBG funds to create a retail café/bakery and wholesale bakery operation for Patisserie Coralie. The CDBG funding will require the bakery to hire at least one low/moderate income person. Passed.

D. Great Merchant Grants – Committee approved \$14,766 in grants for 3 business districts.

E. 128-130 Chicago Avenue Project – A project team presented concept for a major redevelopment of the long-vacant former gas station and unused city-owned parking lots on Chicago Ave. just north of Howard. This would be a 7-story development with a ground-floor social enterprise called “City Grange,” a for-profit off-shoot of the nonprofit Peter Garden Project. It would be an urban, organic garden/lifestyle center focused on educating people about growing food. The concept includes 30 apartments, 10 of which would be affordable at 80% AMI. The city lots require environmental remediation because of underground storage tanks. The project would be seeking \$3.364 million in financial assistance in the form of: \$1.2

million from the Affordable Housing Fund, \$1.86 million from the Howard Ridge TIF (include \$130K for environmental clean-up of city lots), \$500K from the Economic Development Fund, buying the parking lots for \$1, and Sales Tax Rebate of \$20K. In discussion, staff indicated that it may be possible to use the Howard Ridge TIF to fund the \$500K that was being considered from the Econ Dev Fund.

The committee expressed a lot of enthusiasm for the idea, the prospect of redeveloping a very unattractive parcel, and the developer's interest in building affordable housing rather than making a contribution-in-lieu. However, there were a number of questions related to the cost of environmental remediation, the value of the city-owned parcels (an appraisal hasn't yet been completed), the optimal density for the property (Berns suggested increasing the height/number of units to reduce the city's contribution, but the developer raised concerns about the amount of parking that can be offered), the availability of TIF versus Econ Dev funds, and whether it makes sense to commit this much from the Affordable Housing Fund before Council has reached consensus on its funding priorities.

In consideration of the August 1 deadline on the developer's option to buy the privately owned lot, the committee voted to send the project to Council without a recommendation, and directed staff to restructure the financial assistance to avoid using Economic Development Funds.

4. ITEMS FOR DISCUSSION

A. Wayfinding Signage Update – Staff presented an update on a 6- or 7-year effort to put in place wayfinding signs around the city.

B. Code Evanston/BLUE 1647 – One of the city's workforce development priorities has been to develop workers with coding skills, but it has been difficult to find a suitable/affordable vehicle. Staff introduced Emile Cambry of BLUE 1647, with whom Zalmezak and Kevin Brown have been exploring an initiative that would deliver coding education to 100 Evanstonians annually, and offer a free license of its online training academy for 300 additional Evanston residents annually. The initial cost would be \$98,000 annually. Zalmezak suggested that the financial arrangement he envisions would be similar to that with Sunshine Enterprises, where the city's level of support has been tapering each year. The Committee was very receptive and directed staff to come back with a proposal.

C. Storefront Modernization Program Report – Plante reviewed the history of the program and provided data showing that it has supported 44 projects from 2012-17. Of these, 2 of the business closed and 2 relocated within Evanston. The report included a map showing that the projects are distributed throughout the city, with notable shortages in the 2nd and 5th Wards. Staff attributed the disparity to challenges getting landlords to cooperate with tenants who want to apply for the program (i.e., because the landlords don't want improvements that would lead to increased property taxes or don't want to help pay for such improvements), and said that they would do more outreach. Rue Simmons suggested that the problem may be more that the landlords are willing to have the improvements made, but don't want to pay themselves, and low/moderate income business owners can't afford the 50% match that the

City requires. She suggested revising the guidelines to waive the 50% match requirement for income-qualified applicants; staff will return with that.

Berns asked whether staff could provide metrics that speak to the outcomes of the program – such as increased sales after the improvements are made, or increased property value. Plante suggested adding an annual reporting requirement asking businesses to provide such information, which would also help identify businesses that have closed or relocated and thus need to negotiate a repayment or assignment of the forgivable loan. Marty Lyons noted that he can access sales tax data and provide aggregate information to the committee on increases in sales-tax revenue for recipients, but he cannot reveal such data by business.

6. COMMUNICATIONS

- A. Economic Development Communication
- B. RETT Report
- C. Announcements/Updates from EDC Members

6. ADJOURNMENT