

**ECONOMIC DEVELOPMENT COMMITTEE MINUTES
DECEMBER 1, 2021 6:00 P.M.**

Members Present:, Councilmember Braithwaite (Chair), Councilmember Wynne, Councilmember Reid, Jeanne Lindwall, Councilmember Nieuwsma, Kelly Gallagher (joined at 6:30 p.m.)

Members Absent: Lisa Dziekan, Scott Ogawa, Councilmember Kelly, Councilmember Burns

Staff Present: Paul Zalmezak, Katie Boden, Neal Reeves

1. CALL TO ORDER/DECLARATION OF A QUORUM

Quorum was declared at 6:04 p.m.

2. APPROVAL OF MEETING MINUTES

A. Minutes from October 27, 2021

Councilmember Wynne moved approval of the minutes with suggested edits by Member Lindwall. Seconded by Nieuwsma. Motion carried unanimously.

4. PUBLIC COMMENT

No public comments were submitted.

5. ITEMS FOR CONSIDERATION

A. Approval of 2022 Meeting Dates

Councilmember Wynne moved approval. Councilmember Reid seconded. Motion passed unanimously.

B. Approval of Entrepreneurship Emergency Assistance Grant for Da Jerk Pit

Councilmember Braithwaite moved approval. Seconded by Councilmember Wynne.

Councilmember Reid congratulated the business on surviving the pandemic.

Councilmember Braithwaite acknowledged their hard work and inquired whether City Council approval was needed. Ms. Boden clarified that previous grants have been sent to the City Council for approval. Councilmember Wynne suggested it be sent to the City Council for consistency.

Motion passed unanimously.

C. Approval of \$1 Million in ARPA Funding for the Aux

Councilmember Braithwaite moved approval. Member Lindwall seconded.

Councilmember Braithwaite asked the owners of the Aux if they had done due diligence in addressing concerns or questions.

Councilmember Nieuwsma expressed concern over the process at this point. A plan on how ARPA funds will be used is lacking and all applicants should have a chance to be considered.

Councilmember Reid echoed concerns over the process; however, is generally in support of this project. Would like to support these black businesses and work towards the City's equity goals.

Councilmember Wynne also shared concerns about understanding ARPA funding goals and the process before spending begins. Exciting project but a matrix should be established to evaluate all applicants requesting funding.

Councilmember Braithwaite encouraged all Committee members to participate in the upcoming discussion on ARPA. All economic development projects will be coming through EDC and should be thoughtful when discussing the process and how economic development is dictated by the market.

Member Gallagher voiced her concern that Evanston is lacking in drawing patrons to the businesses. Should be a focus on attracting businesses to Evanston.

Councilmember Reid commented this is overall a good project to support and wants to support black entrepreneurs. Does not want to cause harm to black businesses because the City doesn't have a clear process. We should move very quickly to set the parameters to move forward.

Councilmember Nieuwsma reiterated that his stance remains the same until a process is in place, which should be equitable and transparent. Would prefer to hold in committee until then.

Councilmember Braithwaite suggested holding in committee until January. Councilmember Wynne agreed.

Councilmember Wynne shared that the committee should consider what happens if the project does not proceed with the funding sources along with community benefits and suggested being holistic when putting the process together.

Member Lindwall expressed overall support for the Aux, but mentioned it is important to look at all criteria. Should consider that the project is dependent on securing other funds and what if it doesn't succeed. Project addresses long standing equity concerns and provides benefits to the community. It's important to look at overarching Economic Development goals and should be holistic in developing criteria.

Councilmember Nieuwsma motioned to table the item until the January 26th meeting. Councilmember Wynne seconded. Motion passed unanimously.

D. Issue Request for Proposals for City-Owned Property Located at 2222 Oakton Street

Councilmember Braithwaite motioned approval. Councilmember Wynne seconded.

Councilmember Reid mentioned 8th ward residents who would like to see a community center on the south side of Evanston and views the center as an asset to the entire community as a recreational / multi-use space. Would like to see a public-private partnership. Very excited about this project.

Councilmember Wynne said she is excited to see what an RFP will bring in for this property. It needs to get back to a functional use and will be an asset to the community.

Mr. Zalmezak mentioned this is not a quick process, there is a deliberate public noticing process that will take several weeks.

Councilmember Braithwaite asked whether the last RFP offered a tour of the facility. Mr. Zalmezak confirmed there will be a tour.

Councilmember Nieuwsma asked what kind of revenue was expected. Mr. Zalmezak responded the last offer was for \$1million for purchase, will update the proposal but probably in that range. Staff will figure out an appropriate lease rate if that is the direction.

Councilmember Reid commented that the south end of town does not have much publicly owned land. He said it was important to maintain a City-owned parcel such as this to retain future community control. He advocated for leasing the space.

Councilmember Wynne mentioned that the property does sit next to James Park. She said they may not get as much interest from developers if ownership is not on table. Would like to offer purchase and/or lease options and see what comes in.

Councilmember Reid supports getting both responses but would like the City to strongly consider leasing.

Mr. Zalmezak said before drafting the RFP, staff can look at zoning property to keep the recreational use. Will explore additional ideas to present to the City Council.

Councilmember Braithwaite added the previous proposals had food/restaurant uses. Could leave open to collaboration for multi uses.

Mr. Zalmezak said he will put that language into the RFP to encourage that type of use. Councilmember Reid suggested assigning points for that type of usage. Mr. Zalmezak responded that he will put a rubric or scoring system in place.

Motion passed unanimously.

6. ITEMS FOR DISCUSSION

A. Economic Development 2022-24 Work Plan

Mr. Zalmezak gave a brief presentation about potential Economic Development strategies, identifying objectives and measuring the outcomes. He suggested that we reinvest in the Evanston economy by intentionally shifting our efforts and resources to create community vitality. We will create an Economic Development Work plan that will tie into our overall City plans. He sought feedback from the committee about how we can measure community benefit.

Suggestions from the Committee:

- Jobs created, retained, and hiring locally
- Wage as a quality of job consideration
- Property tax, sales tax , and other tax revenue generated
- Hiring, climate, public health
- Workforce Development, economic resilience
- Up to 25% funding of business investment
- Develop a scorecard for potential projects
- Affordable housing
 - Build & subsidize housing, -OR-
 - Ensure workforce has skill and income level to afford housing stock
- Social Return on Investment (SRoI)
- Business ownership
 - Support for viable local businesses
 - Support for women and minority owned businesses

Categories to invest in reinvented economy:

1. Workforce development
2. Resilience
3. Business District Improvement
4. Inclusive Business Development

7. COMMUNICATION

A. Economic Development Reports

Mr. Zalmezak shared that business activity has been solid. There is a lot of interest in real estate and investment. Our challenge is that our patrons of downtown haven't returned yet.

Councilmember Wynne inquired about businesses returning to downtown and the climate with Omicron's emergence. Mr. Zalmezak responded that businesses are working through their vaccine policies and planning a return to the office at the start of the new year. The remote environment is not permanent.

Councilmember Wynne asked whether this included flexible work schedules versus a permanent schedule. Mr. Zalmezak shared that it is business specific based on the culture that exists within the company.

Mr. Zalmezak will request a representative to talk about the study that discussed the attitudes/perceptions of working in the City of Evanston. The information can be used to create public policy to attract employees back to the City.

Mr. Zalmezak asked Committee members about their preference of meeting in person or virtual.

Councilmember Reid prefers virtual and a hybrid would be ideal with all of the committee work. Councilmember Nieuwsma and Member Lindwall agreed they would prefer to meet in person. Councilmember Wynne was neutral on the meeting preference.

Staff was flexible on the idea. Meeting in person has its benefits as well. Previous meeting area was in a committee room and preferred by the group.

B. Announcements / Updates from EDC Members

8. ADJOURNMENT

Meeting was adjourned at 7:25 p.m.