

31-R-22

A RESOLUTION

**Authorizing the City Manager to Execute A Grant Agreement For The
Aux**

WHEREAS, the City of Evanston is the recipient of approximately forty-three million one hundred seventy-three thousand six hundred and fifty-four dollars (\$43,173,654) in funds from the federal government's American Rescue Plan Act (ARPA); and

WHEREAS, the Coronavirus State and Local Fiscal Recovery Funds (SLFRF), a part of ARPA, have been provided to the City to support its response and recovery from the COVID-19 public health emergency; and

WHEREAS, City Council previously allocated \$10.1 million in ARPA funds to address the negative economic impacts of the COVID-19 pandemic; and

WHEREAS, the Aux is a proposed \$7 million, 16,000 square foot redevelopment located at 2223 Washington Street in Evanston, Illinois, which is described as a commercial hub dedicated to community wellness and racial equity; and

WHEREAS, the Aux project is co-developed by a team of Evanston leaders organized as the Auxiliary Cord, LLC and The Growing Season (the Aux co-development team); and

WHEREAS, the Aux co-development team is seeking \$1 million from the City's ARPA funds to assist with constructing an adaptive reuse of the abandoned industrial building at 2223 Washington Street to deliver the estimated \$7 million project; and

WHEREAS, the Aux co-development team believes that the City's investment will leverage additional investment from other public and private sources; and

WHEREAS, the Evanston City Council has determined it is in the best interests of the City to grant the Aux co-development team's application for \$1 million in ARPA funds,

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EVANSTON, COOK COUNTY, ILLINOIS:

SECTION 1: The City Council hereby adopts the foregoing recitals as its findings, as if fully set forth herein.

SECTION 2: The City Manager is hereby authorized to negotiate and execute a grant agreement for ARPA funds with the Aux co-development team.

SECTION 3: The City Manager is also authorized and directed to negotiate and execute any additional documents required for the grant agreement as they may determine to be in the best interests of the City.

SECTION 4: That this Resolution 31-R-22 shall be in full force and effect from and after its passage and approval in the manner provided by law.

Daniel Biss

Daniel Biss, Mayor

Attest:

Approved as to form:

Stephanie Mendoza

Nicholas E. Cummings

Stephanie Mendoza, City Clerk

Nicholas E. Cummings, Corporation
Counsel

Adopted: April 11, 2022



The Aux is a commercial hub dedicated to racial equity and wellness – a space co-created and co-owned by the community.

Located in Evanston, the transformed space will become home to entrepreneurs of color and a vibrant space to build community and heal from stress, trauma and isolation.

Impact

1. **Design a high-quality, tax-paying commercial property** by transforming a blighting, long-vacant industrial building;
2. **Create spaces for 30+ Black-owned businesses (10 anchor, 20 rotating)** that, in turn, support an estimated 50 jobs and local economic growth;
3. **Provide entrepreneurial support to small business owners of color**, including tenant build-out, technical assistance, mentorship, and peer support;
4. **Increase community access to wellness offerings by practitioners of color** including mental health services, healthy foods, movement, meditation, hair & beauty and healing therapies;
5. **Develop a sustainable social change model** that addresses systemic barriers to racial equity.

Wellness Model

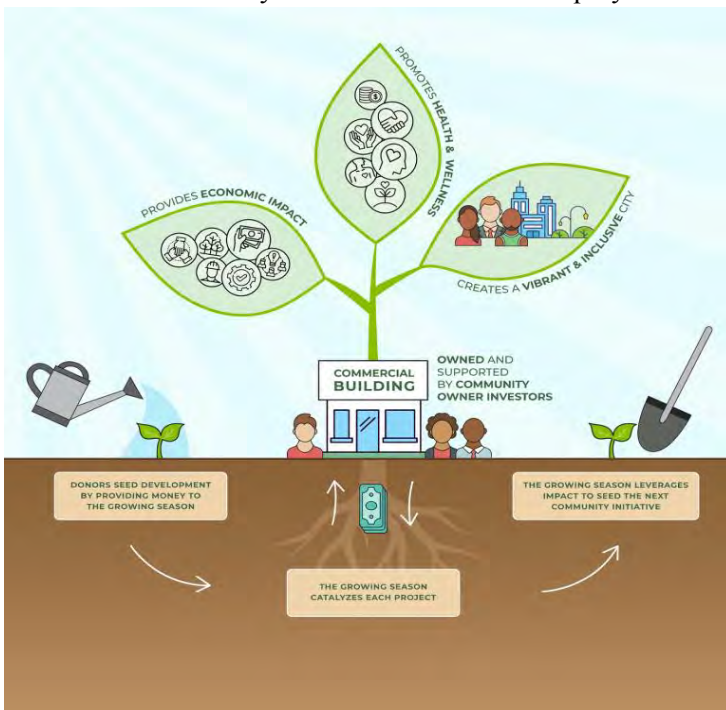


Financial Model

The Aux uses a proven model that has demonstrated impact over the past decade. It blends philanthropy, public support, and equity to address historical disparities and build local ownership.

Philanthropy and public support is raised by our non-profit partner, The Growing Season. Through a unique crowdfunding strategy, equity will be raised from community stakeholders. This model ensures The Aux will continue to thrive while building community wealth.

The redevelopment is designed to be a financially self-sufficient, tax-paying property once in full operation without ongoing subsidy, enabling market conditions to take root in ways traditionally abandoned by mainstream economic development practices.



Project Team *and* Tenant Partners

The Aux is led by a diverse, experienced, local team. Seven anchor tenants are committed already and include: The Laundry Café, Podcast Studio, Chef Q Catering Kitchen, Well Beings Chicago, The Growing Season Mindfulness Studio, Embrace Your Crown Salon, and Sunshine Enterprises. Here are some of our leaders and tenant highlights:



Tiffini Holmes is a co-developer of The Aux, a Co-Owner of Aux anchor tenant **Well Beings Chicago**, and owner of Total Transformation Solutions. As a certified Health Coach, Tiffini lives out her passion for partnering with people to improve their lives.



Gabori Partee is a co-developer of The Aux, owner of The Fitness Representative Personal Training and Co-Owner of Well Beings Chicago. He is NASM certified in Personal Training and host of The Fitness Report Radio Show. Gabori is a US Marine Corps veteran.



Chef Q. Ibraheem, is an AUX anchor tenant partner, who will open her kitchen and gardens in the Aux. Honored as a 2021 CNN Hero for her extraordinary efforts to feed families during the pandemic, Chef Q's is Owner & Executive Chef of Teertsemasesottehg - Secret Location Underground Super Club.



Jacqui White is a co-developer of The Aux and co-owner of **The Laundry Café**. She is a proud lifelong Evanston resident with 20+ years of experience mentoring and coaching young women combined with 16 years dedicated to law enforcement. As a mother and an aspiring entrepreneur, Jacqui wants to continue serving the community.



Tosha Wilson: Tosha is 5th generation Evanstonian, a co-developer of The Aux and co-owner of Aux anchor tenant **The Laundry Café**. Tosha has served the Evanston community in law enforcement since 2002. She has learned that strong communities include healthy people, healthy living, healthy choices and healthy spaces.



Lori Laser is the Founder of anchor Aux tenant and nonprofit fiscal partner **The Growing Season** and a co-developer of The Aux. A graduate of the Engaged Mindfulness Teachers Association, she is a passionate advocate for ensuring that all families have equitable access to healing and wellness resources.



Juli Kaufmann is President of **Fix Development**, an award-winning Milwaukee-based real estate company with \$25+ million in projects. Fix Development creates projects for positive cultural, social, economic and environmental impact. Juli is the Co-Developer of the Sherman Phoenix in Milwaukee and lead consultant to The Aux.

Goal To Raise

Aux Redevelopment Budget

\$7.5 M Goal

- \$1.7M raised to date from nearly 50 private donors
- \$1.5M in the philanthropic pipeline
- \$1.0M requested from the City of Evanston
- \$1.3M sought from County, State and Federal sources
- \$2.0 M community equity goal (Black ownership)



Watch [The Aux Video Here](#)
Website: theauxevanston.com

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The Aux Funding Evaluation - April 11, 2022

CRITERIA	DESCRIPTION	PROJECT SPECIFIC EXAMPLES	POSSIBLE SCORE 0-5	GENERAL EXAMPLE GUIDELINES
Project Feasibility	<p>Proposal is detailed and clear with a business plan including timeline and revenue projections in addition to meeting community standards</p> <p>Team has demonstrated experience or knowledge of subject matter or has demonstrated capacity to be resourceful</p>	<p>Unique business plan with multiple tenants sharing larger space. Angel Investors and Philanthropy required to launch, unclear about longer term commitment from philanthropy. This is not completely market driven. Some uncertainty.</p> <p>Revenue stream negative impacts with vacancies resulting from individual businesses fail, grow and move out, etc. Furthermore, location will require significant marketing as it is hidden from automobile and foot traffic.</p>	3.5	<p>Business Plan shows realistic revenue sources and sustained revenue projections. Relatively quick timeline to construct project and achieve revenues / generate community benefits.</p>
Team/Organization Capacity	<p>Team has demonstrated experience or knowledge of subject matter or has demonstrated capacity to be resourceful</p>	<p>Strong energized team with deep community roots. Philanthropists are committed short term and are local. Consultant team has experience launching similar projects</p>	4	<p>Past performance on grants, Staffing levels and management, Strength of organization, experience in other areas</p>
Budget	<p>Realistic estimates with diverse sources of funds with majority of funding from non-city sources</p>	<p>Excellent diversity of funding.</p>	5	<p>Sources of funds less than 25% city funding. Realistic estimates based on current market conditions/best practices.</p>
Return on Investment	<p>Detailed description of all expected project outcomes</p> <p>Project led by or guided by team with diverse perspectives. Considerate of impacted communities including communities represented by People of Color.</p>	<p>The return on investment is strong on the social side and provides much needed POC and women entrepreneurship and training opportunities. Also a potential real estate development ownership model for Black community</p>	4	<p>Depending on project type, Jobs, tax revenues, affordable units, affordability mix, workforce development opportunity vs. job training, carbon reduction, etc.</p>
Addresses Inequities and Inequality	<p>Demonstrated support from community members, built through authentic community outreach.</p>	<p>Addressing inequities and damage caused by institutional racism is the foundation of their program</p>	5	<p>Project reflects community goals focused on poverty reduction, job creation, education, employment, workforce development opportunities in impacted communities. Local hiring initiatives a priority</p>
Community Support	<p>Demonstrated support from community members, built through authentic community outreach.</p>	<p>The community has strongly supported this concept and has spoken in favor.</p>	5	<p>Emails and letters of support from stakeholders who support the project. Project/program is identified in a neighborhood/community plan. Acknowledgement of community concerns.</p>
		Average	4.42	
		Total	26.5	
		Percentage	88.33%	