

# Memorandum

To: Chair & Members of the Economic Development Committee

From: Paul Zalmezak, Economic Development Division Manager  
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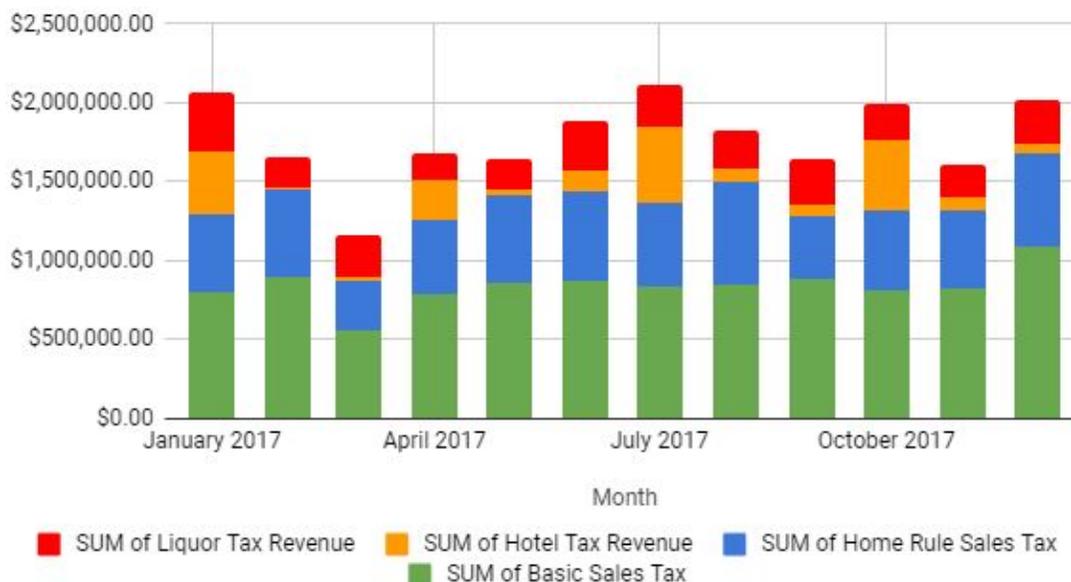
Subject: 2017 Year-in-Review

Date: March 6, 2018

## Summary & Highlights:

2017 was a busy year for new business starts and real estate transactions in Evanston. Based on the City's licensing data, **82 new businesses** opened in Evanston during 2017. In 2016, there were 86 and in 2015 there were 68. There were 43 in 2014. The City received **\$16.1 million** in sales tax revenue during 2017 plus an additional \$3 million in liquor tax and \$2 million in hotel tax.

## 2017 Sales Tax Revenues



### Real Estate & Construction:

Demand for commercial space remained strong through 2017, pushing the City's **overall average commercial vacancy rate to 4.9%**, its lowest in over 10 years according to data from CoStar Analytics.

Although they include residential real estate as well as commercial, Real Estate Transfer Tax collections tell a similar story of demand in Evanston, with over 1,205 transactions recorded in 2017 generating **over \$2.7 million in transfer tax revenue**. Notable commercial real estate transactions in 2017 include the sales of **1007 Church Street** (\$26.8 million purchase price), **1840 Oak Street** (\$4.5 million), and **1454-1508 Sherman Avenue** (\$5.7 million). The Sherman Avenue sale was in preparation for the construction of the Albion mixed-use development approved by City Council in November. The 14 story building will bring 273 new apartments, and 9,600 square feet of retail space to Downtown Evanston.

Evanston issued permits for an estimated **\$248.7 million in commercial construction and renovation projects** in 2017, yielding **\$4.8 million in permit fees**. Construction and renovation activity at Northwestern University accounted for about 80% of these totals, with an estimated \$207.3 million in projects generating \$3.9 million in permit fees. The largest projects at Northwestern include the school of Engineering, Welsh-Ryan Arena, Willard Residential College, and a new dorm at 2331 Sheridan Rd. Elsewhere in Evanston, work on an apartment building at **828 Noyes, Fountain Square** construction, and a new **Target** store on Sherman Avenue also contributed to the totals. Target is expected to open the small-format store in early 2018.

### New Businesses:

Major new business openings in Evanston in 2017 include the **Halim Museum of Time and Glass** and the first suburban locations for **Furious Spoon Ramen** and **Aloha Poke** in Downtown Evanston. On Howard Street, **North Shore Cider** became the first hard cider production facility to open in Evanston. It will be joined by a second location of Patisserie Coralie, an expanded Good to Go Jamaican restaurant, and a new home for Theo Ubique cabaret theater, all expected to open on Howard Street in 2018.

In the Main-Dempster Mile, office space at the a mixed-use building completed last year at 835 Chicago Avenue has been fully leased and is now occupied by private school **Fusion Academy** and the offices of **Multilingual Connections**, which both opened in the building in 2017. Ana Vela, owner of Evanston's smallest food truck **Amanecer Tacos** opened up a brick and mortar location around the corner at 512 Main Street.

### Entrepreneurship & Workforce Development

In entrepreneurship and workforce development, the City Council approved economic development funding totaling \$75,000 for the Sunshine Enterprises **Community Business**

**Academy.** Community Business Academy offers intensive small business startup training targeted to women and minority entrepreneurs in the Evanston community. Each of the three cohorts attracted over 20 participants. Since the program came to Evanston in 2015 as a pilot, several alumnae have opened brick and mortar businesses in Evanston including **Jennifer’s Edibles, Eye Boutique Kloset, and DIME Dance.**

Participation in the Mayor’s Summer Youth Employment Program grew to its largest ever in terms of both the number of teens hired and the number of employers hiring them, with over 650 Evanston teens finding work with over 41 employers throughout the community. In 2016, there were 550 teens and 20 employers. Economic Development staff partnered with community sponsors to host two startup showcase events, each attracting about 100 attendees to hear pitches from Evanston entrepreneurs.

Unemployment

Throughout 2017, the unemployment rate remained in the range of 4% in Evanston, performing better than Chicago and the State of Illinois.

**Unemployment Rates**

