

STATE STREET COMMISSION

State Street Commission Meeting

Tuesday, June 21, 2022

2:00 PM

Via Zoom

Minutes

ATTENDANCE

AFFILIATION

Commission Members/Guest Present

Sam Alexander	CDOT
Sgt. Carol Burns	Chicago Police Department
Greg Cameron	Joffrey Ballet
Kristin Duncan	Renaissance Hotel
Sonya Garcia	Walgreen's
Erin Harkey	DCASE
Commander David Harris	Chicago Police Department
Sonserese Hatch	CTA
John Idler	ABC 7
Andrea Schwartz	Macy's
Ryan Segal	Acadia
Mark Roschen	Department of Planning and Development
Cindy Roubik	DPD
Chris Rowe	CTA
Luis Zepeda	Street and Sanitation

CLA Staff

Michael Edwards	Chicago Loop Alliance
Abel Rodriguez	Chicago Loop Alliance
Lauren Smith	Chicago Loop Alliance

I. Call to Order

The June 21, 2022, meeting of the State Street SSA Commission was called to order at 2:05 PM by the Chair Greg Cameron. Greg thanked everyone for their continued commitment to work for the SSA Commission.

II. Public Comment

No one gave a public comment

III. Approval of Minutes

A motion to accept the Tuesday, April 19, 2022, minutes as presented was made by Andrea Schwartz and seconded by Kristin Duncan. The motion passed unanimously.

Greg congratulated Commander Zuber in the retirement of her position effective July 1st and welcomed our new commander, First District Commander Harris. Commander Harris was most recently a captain in the Second District (located just south of the First District) and he remarked that he is excited to be with the SSA Commission and to work with the CLA.

IV. Financial Statements as of May 31, 2022

Abel Rodriguez screen shared the 2022 SSA financial statements through May 31, 2022. Abel reported that as of now there is not much to report because most of our events and infrastructure work occurs in the summer and fall timeframe. Abel remarked that we are in good financial shape, however this could change with the expected delay in the receipt of the second half tax levy. Abel reviewed the SSA revenue and expenses compared to the revised budget showing the changes made by the last meeting (green column). CLA has received 52% from the 2022 tax levy, which is good considering we are not halfway through the fiscal year.

V. Sole Service Provider Report

Greg Cameron invited Michael Edwards to give the sole service provider report. Michael reported the city has awarded 13 “Corridor Ambassador Programs” including one for the central Loop. Michael explained CLA agreed to accept a \$550,000 contract from the City. The CLA Board felt this program can help address the issues surrounding crime, violence and decreasing consumer confidence, all of which is affecting the Loop’s economic recovery. CLA is in the process of putting final contracts together and amending the agreement with Streetplus by adding these new Corridor Ambassadors to the existing contract with an addendum.

This will be a four-month program beginning June 20, 2022 (yesterday). There will be 20-25 ambassadors patrolling nine North/South streets from 4:00 PM until midnight (this could change), six days a week. There will be a mobile unit, two team leaders and one supervisor each night. Michael stated this is a short-term program (June through September) and is part of the City’s response to the Loop’s demand for more resources downtown. Michael recognized that CPD is busy, especially in the first district. However, it would be more effective if we could communicate with CPD beyond a 911 call. He invited Commander Harris to talk about some solutions on this matter in the coming weeks.

With no questions asked, Michael continued his presentation mentioning that CLA has agreed to host the 2023 meeting of the International Downtown Association (IDA). The conference would take place mid-to-late October, with approximately 1,500 attendants. The attendees would be placemaking professionals working for downtown groups across North America, as well as a handful of international cities. The conference will be 3-4 days long with a combination of mobile tours, plenary sessions, master talks, and big open and closing receptions. The IDA has dropped the price to host the conference by \$50,000 to \$200,000. The CLA board has agreed to assume the financial risk but anticipates securing partners such as the City of Chicago, Choose Chicago, World Business Chicago and the State Street SSA. Michael is confident that CLA can generate the partnership funds to deliver this major international event.

Michael said he will be meeting with Cindy Roubik (as the representative of the Department of Planning and Development) and others over the next few weeks to solidify early commitments and to discuss the conference planning in more depth. Sonserese Hatch asked if CLA knows when the dates of the conference would take place. Michael remarked that it is typically in late September or early October, dependent on finding a hotel to host the conference.

VI. 2023 DRAFT Budget Presentation

Greg invited Abel and Michael to present the draft 2023 budget. Greg explained the SSA Commission needs to approve a final budget by July 19th to meet the city of Chicago SSA budget process.

Michael gave some background for those who are new to the SSA Commission. In order to have the SSA in place and authorize the tax levy the City requires CLA to submit an approved budget by both the CLA and SSA Commission by the 19th of July. The final budget then goes through a process and eventually is adopted as formal City ordinance in November 2022. The adopted ordinance allows the City to then tax State Street property owners in January of 2023 for the CLA to receive the first half of the 2023 tax levy beginning in March of 2023.

Michael suggested he and Abel Rodriguez go through the draft 2023 budget now to discuss what the CLA staff is considering. We will follow-up with an early July meeting(s) where there can be a detailed discussion. Abel highlighted the different CLA budget expenses. Abel mentioned our current vendors are talking about rate increases, plus the national inflation and logistic issues. As a result, Abel is expecting a 10% increase across many of our line items. Abel screen shared an excel sheet showing CLA's 2023 draft budget 2020, 2021 actuals and 2022 project actuals. The following are staff recommended changes to the budget for 2023.

Customer Attraction:

- 1) Marketing: will be increased from \$135,000 to \$150,000
- 2) Banners: due to expected increased number of installations will go from \$80,000 to \$120,000
- 3) Holiday Decorations can be decreased from \$220,00 to \$200,000 (more on this at the July meeting)
- 4) Placemaking and Management decreased from \$205,000 to \$125,000 because we are not expecting to do Sundays on State and are expecting to participate in the IDA conference and the Gateway
- 5) Inland Marine Insurance: no change
- 6) CTA kiosk went from \$40,000 to \$75,000 to cover abandoned CTA kiosks.

Public Way Aesthetics

- 1) Landscaping increased from \$260,000 to \$290,000 due to an expected 10% increase with the next RFP response.
- 2) Wayfinding/Signage increased from \$20,000 to \$45,000 for more planter signage.
- 3) Streetscape Elements increased from \$16,000 to \$25,000 for new Memorial Day flags as well as the installation again of Pride and Juneteenth flags.
- 4) Sidewalk Maintenance Aggregate Replacement decreased from \$150,00 to \$100,000 for Aggregate Replacement.

- 5) Sidewalk Maintenance: increased from \$85,000 to \$98,000 due to expected increased cost for protective sealant for sidewalks.
- 6) Sidewalk Cleaning and Snow Removal (Clean Team) will increase from \$492,955 to \$505,000 for snow removal contract, regardless of inflation.
- 7) Sidewalk Power Washing will increase from \$255,000 to \$275,000 this year.

Economic/Business Development

- 1) State Street Master Plan: Proposed increasing \$37,500 to \$50,000 as part of the funding for the Elevate State plan. This has been on hold since the pandemic. The SSA and CLA will share the cost of this project with a 50/50 match.
- 2) Pedestrian Counters went from \$51,000 to \$55,000. Not a significant increase, but it has become a very valuable tool for monitoring the State Street recovery.

Safety Programs

- 1) Security Patrol increased from \$195,000 to \$215,000 with an increase from 2 to 4 officers overnight, 4 nights a week.
- 2) Ambassador Program increased from \$492,955 to \$505,000 per contract.
- 3) Homeless Outreach program increased from \$5,000 to \$25,000 for the portable restrooms, homeless outreach guides and more resources for CLA's Outreach Specialist.

SSA Management (Administration)

- 1) Organizational Anti-Racism Training is \$10,000 for DEI strategy implementation (will be matched by CLA).
- 2) Office Administration expenses increased from \$120,000 to \$134,000 for audit, equipment leases, IT services and insurance.
- 3) Office rent will increase from \$75,000 to \$82,500, anticipating a 10% increase per taxes and utility charges.

Personnel

- 1) Salaries and Wages increased from \$627,615 to \$800,065, a significant change. CLA currently has seven people on staff. Michael explained the salaries are paid 75% by the SSA and 25% by CLA and CLAF. The CLA/CLAF pay 100% of employee health benefit costs. We are proposing an increase of \$172,450. This includes four interns and a Deputy Director or Operations Director to replace Laura Jones' position, whose position has been left open for 2.5 years. According to Edwards, CLA also needs a senior level staff for planning, government affairs or development. These new staff positions would fill a large hole in the organization and allow CLA to leverage more money for State Street. Kristin Duncan asked when the position was last filled. Michael answered 2019. Kristin asked how many interns CLA has had in the past. Michael responded usually four and currently CLA has three interns.

Proposed Budget Total

According to Abel Rodriguez, the 2022 SSA budget was \$3.6 million and the proposed SSA budget for 2023 is \$3.9 million. Abel mentioned that the increase is 7.3 percent. The proposed tax levy is 14.49% increase which is different that the budget's 7.3%. Abel explained the reason for that is CLA is not sure,

accounting wise, if the second installment comes in late. If CLA received everything this year by December 31, 2022, then CLA would receive 14.49%. If the new EAV goes up, then the tax percentage rate would go down. John Idler asked what percentage of the EAV will be going to the CLA total budget, as well as from a staffing level, how does CLA compare to other Chamber of Commerce organizations such as the Magnificent Mile. Michael responded that CLA had some issues regarding the retention and hiring of staff over the last two years. He has done some extensive salary comparisons and can share that with the Commission as part of the budget discussion. Abel responded the Magnificent Mile is the most like CLA and the Magnificent Mile just received an SSA. Greg Cameron asked about whether CLA should hire a lobbyist? To have someone on the ground with the understanding of how to acquire certain funds. Mark Roschen responded it should be classified as a person that investigates grants or other funding outlets. Mark explained lobbyists are not supported by SSAs.

VII. Commissioners Updates

Greg Cameron invited Commissioners to speak if they have any updates. Cindy Roubik explained that Department of Planning & Development has been working with Bloomberg Associates and ULI reviewing their draft report for LaSalle Street, it should be ready to be released by the end of June. Michael Edwards invited everyone to register for ACTIVATE on June 30th where CLA will implement components of the LaSalle study on Quincy Court just off Lasalle Street as a placemaking experiment.

Kristin Duncan mentioned the Renaissance Hotel has open positions for leadership and operations for food, beverage, and rooms. They are actively recruiting. Kristin asked if anyone knew of any firework shows besides Navy Pier for the 4th of July. Erin Harkey mentioned she did not know of any being offered by the City.

Commissioner Harkey remarked on the great concert for Millennium Park music series with 10,000 plus people in the Millennium Park. Harkey mentioned they are making a few security changes to entrances for these events.

Sonserese Hatch wanted to let the commissioners know that the elevator at Randolph and Washington is being repaired and will be going into service by the end of this week. The Lake and Randolph unit is out, and it will be out until the part comes in. TBD on when it will be fixed.

Greg Cameron thanked everyone for their participation in SSA and welcomed Commander Harris on board. Greg wished everyone a happy first day of Summer.

VIII. Adjournment

La Verne Morris, Secretary