

STATE STREET COMMISSION

State Street Commission Meeting

Tuesday, July 19, 2022

2:00 PM

Via Zoom

Minutes

ATTENDANCE

AFFILIATION

Commission Members/Guest Present

Greg Cameron
Kristin Duncan
Sonsere Hatch

Joffrey Ballet
Renaissance Hotel
CTA

Dean Lane

Palmer House

La Verne Morris

State Street Resident

Andrea Schwartz

Macy's

Ryan Segal

Acadia

Cole Stoddard

Street and Sanitation

Mark Roschen

Department of Planning and Development

CLA Staff

Michael Edwards

Chicago Loop Alliance

Abel Rodriguez

Chicago Loop Alliance

I. Call to Order

The July 19th meeting of the State Street Commission was called to order at 2:05 PM by Commission Chair Greg Cameron. Greg thanked everyone for their continued commitment to the work of the SSA Commission.

II. Public Comment

No one gave a public comment

III. Approval of Minutes

A motion to accept the Tuesday, June 21, 2022, minutes as presented was made by Kristen Duncan and seconded by Andrea Schwartz. The motion passed unanimously. Greg Cameron thanked La Verne for her work on the minutes.

IV. Financial Statements as of June 30, 2022

Abel Rodriguez screen shared the 2022 SSA financial statements through June 30, 2022. Abel reported there is not much to report, like last month, because most of our events and infrastructure work occurs in the summer and fall timeframe. We have received about \$4,000 in SSA revenue since our last meeting, but we are still not aware of the status of the second half of our SSA revenue. 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. We are at 53% of our collections and we are positive with our late collections, which is a bit unusual. Abel reviewed the SSA revenue and expenses compared to the revised budget and most of our expenses are at 50% so we are in good shape. Edwards asked if there was anything Abel was concerned about, Abel said not really, though we could have a cash flow issue in the future. Edwards noted the \$220,000 we have budgeted for holiday lights.

SSA Metric Report

Abel screen shared the second quarter SSA metrics report. The worksheet translated the financial report into the format used by the City of Chicago. Abel gave an example of how much we spent on website and compared it to our projected and actual deliverables. This report enables the city to compare and contrast the performance of the different SSA's and/or report on the city-wide SSA effort. Abel stated the Commission will begin to see larger changes in this report beginning next month.

A motion was made by Dean Lane and seconded by Greg Cameron to approve the June 2022 financial report and second quarter SSA metric report as presented. Motion carried.

V. Sole Service Provider Report

Greg Cameron invited Michael Edwards to give the sole service provider report. Edwards thanked Greg and began by acknowledging a few documents he sent out leading up to the meeting. He encouraged the Commission to take some time to review the July President's Report.

Security Update

The CLA hosted a Security Committee meeting on July 7, 2022. We had a strong cross section of security related individuals from State Street. The group was thankful for the last few weeks of relative peace in the Loop but remains intent on pushing the city and CPD for continued police efforts to protect State Street and the Loop.

Edwards reported the State Street eight Ambassadors have been shifted to a 2:00 PM to 10:00 PM shift and together with the four HLSA security guards providing a total of 12 security personal on and around State Street from 4:00 PM to 10:00 PM. HLSA remains on duty through the night until 4:00 PM. We also have 28 new Ambassadors patrolling the Loop, west of State Street from 2:00 PM - 10:00 PM, including one mobile unit. The Ambassadors are greeting people, giving directions and doing business checks. The groups are working together with afternoon role calls to exchange information and coordinate patrol routes. Things have generally been quiet on State Street and in the Loop with the exception of a gang-related killing on Wells Street south of Van Buren. The Roe vs. Wade protests, intoxicated people and 3 retail theft incidents (that were all apprehended) and reports of shots fired. We will continue to engage Commander Harris and keep our foot on the gas to keep the Loop safe. We have 68 people on our CLA GroupMe platform including our own Ambassadors. We are able to track real-time

issues and the presence of the police on State Street. The CPD continues to provide force for State Street and the Loop, and we expect that to continue through Lollapalooza and through the rest of the summer events. Edwards pointed out the May monthly report from Streetplus around clean, safe, homeless and social service outreach.

Dean Lane thanked Edwards for the report and wondered if there is a way CLA could develop a brief marketing piece to hand or send to meeting planners, business associate and customers about what is being done to address these issues of crime downtown? We need one central message of what we are doing to improve conditions on State Street and the Loop. Edwards thought we could start with the Streetplus report. In other markets, Edwards has participated in presentations to meeting planners to describe the enhanced security services and/or send our team to your hotel to meet the conference leaders to give them some comfort in having their meetings in the Loop. Just need more coordination with the hotels. Dean Lane said he can share this information with his marketing person. Kristen Duncan agrees with the use of the information in proposals and offer to have the Ambassadors as part of a site visit. Greg Cameron asked if this is something Choose Chicago might do on behalf of their members and hotels? Dean Lane said that is difficult because Choose Chicago's net is wider than just the Loop.

Sundays on State Street

We begin this week. We are all stressed out. The event begins this Sunday from 11:00 AM and ends at 6:00 PM. We will close one cross street this year at Randolph, have 4 versus 3 blocks closed, over 150 vendors, performers, food & beverage, we hand delivered messages to encourage businesses on State Street to stay open and engage with the festival. The staff has done a great job. We hope you can come and experience the event.

Landscaping RFP

We currently have City Escape doing our landscaping services along State Street and parts of Wabash Avenue. They have been with us for four years and it is time we send out a request for proposal (RFP) for landscaping services. An RFP has been prepared and will be sent to seven Chicago firms we have worked with in the past or are familiar with and will be posted to our website. There will be a pre-bid conference on August 8th and proposals are due on August 31st. We expect to get a good response and continue to find ways to improve our landscaping along State Street. Staff will review proposals based on qualifications and price and narrow it down to two or three for in-person interviews and design presentation. Edwards request La Verne to participate on behalf of the Commission and Andrea Schwartz indicated she would like to assist also. This will all bring back to CLA and SSA Commission with a contract start date of January 1, 2023. City Escape will be asked to plant the spring tulip-bulbs this year for a spring 2023 bloom.

Holiday Lights

Edwards reminded the Commission we have \$220,000 budgeted for holiday lights. Edwards said he sent out an RFP in May and has spoken to firms with all different ideas and approaches to holiday lights and decorations. These included a company called Dekra-Lite whose proposed a design costing over \$425,000. Edwards also spoke with Downtown Decorations, Inc. who does work for groups like ours all over the country. Downtown Decorations were proposing a modest \$21,000 fee to help us design a lighting scheme, but no final process. Edwards also spoke to CREOS who provide these visually attractive and engaging placemaking pieces that are not holiday specific but could provide a significant destination draw to State Street. Their products cost \$50,000 per installation and we would need at least four on State Street. Unfortunately, CREOS is providing multiple pieces to Navy Pier for eight weeks this holiday season and has no availability.

Edwards said what he is proposing is to take advantage of the 77 repaired lamp post. The work is being completed at a cost of \$60,000 to have all the lamp post outlets working for the holiday installation. Edwards has asked Brightview, who provide us with our holiday lighting of the trees and planter areas last holiday, to give me a price to install holiday lighting in all the tree canopies, tree trunks and lamp post up and down the length of State Street in the SSA. This would cost \$130,000 plus an annual of about

\$49,000 to install, deinstall and replace missing or non-working lights each year. The color of the lights, how to be installed will be determined in the coming months. Edwards recommends we go with Brightview so they can get the order in ASAP and assure delivery. There was further discussion about the design ideas. Andrea was supportive and recognized the impact of the white lights on Michigan Avenue. Total cost is \$179,000 which is lower than budgeted and will be impactful.

A motion was made by La Verne Morris and seconded by Dean Lane to sign a contract with Brightview for holiday lights for State Street and annual installation, deinstallation and maintenance costs as discussed. The motion carried.

VI. Final 2023 Budget Presentation

Greg invited Michael Edwards to present the final 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.

Abel screen shared the revised final budget. Abel explained the five columns on the excel sheet including 2020 and 2021 actuals, the 2022 approved budget, the initial draft budget presented at the last meeting and today's final recommended budget. Edwards noted we added more comments and description for more line item and column P which is the difference between the 2022 budget and the final recommended budget.

Michael Edwards highlighted the changes which are a direct response to last meeting and Greg's request to more clearly articulate 'what is the plan?'. Edwards took input from the CLA Board and we are focused on the economic recovery. It was just announced that Old Navy is leaving State Street and retail is still under threat. The notion of us continuing to activate State Street remains our priority and is our plan.

Edwards reviewed the expenses. We need more funding for marketing. We reduced the banner campaigns from six to four because we do not have any firm commitments for 2023 at a cost of \$15,000 per campaign. We reduced holiday decorations down to \$50,000 based upon our previous discussion. While placemaking remains important in terms of activation State Street, Edwards was not clear on the future of Sundays on State if the city will be reconstructing the CTA station at State and Lake next year. We will continue to do the Gateway and three or four ACTIVATES and he put in some funding for the proposed International Downtown Association conference in 2023. This \$175,000 can be spent in other ways within placemaking realm as the needs in 2023 become clearer. While the customer attraction category is lower by just over \$100,000, it is much more strategic.

Regarding infrastructure and beautification, we reduced expected increase to 3% or less versus the last budget with projected 10% increase across the board; signage was reduced slightly per the reduced banner program, we moved money out of aggregate replacement since we spent close to \$300,000 on aggregate over the last few years and lowered that by \$50,000 and included \$10,000 for unforeseen repairs. We do have contracts in place for clean and safe services. We do think the power washing contract will go up by at least 3%. We reduced the Elevate State funding from \$50,000 to \$37,500 and we would like to continue to purchase pedestrian counting technology but maybe not from Springboard. Safety programs are budgeted per our contract, and we need to increase our insurance requirements to \$10 million. This will increase the cost of our safety program such as HLSA. Finally, we took out one of the two proposed fulltime positions at CLA reducing personnel expenses. We did budget for one senior level position, four interns and a 3% wage increase.

Edwards explained these revisions reduce the net increase from the proposed 11% increase to just over 5%. It is still an increase, but necessary to continue our work. Ryan Segal appreciated these comments and hard work, and the notes make it easier to understand the budget document. Kirsten Duncan and Dean Lane both appreciate the lower costs. Dean Lane asked about the increased insurance requirements of the CLA and whether we have had any claims? Edwards stated we have not, but there is more

exposure with now 40 Ambassadors on the streets of the Loop and an acknowledge increase in criminal activity downtown.

Mark Roschen stated because the increase is over 5% CLA will need to post the increase with the meeting notices. Edwards suggested we reduce the holiday line item to \$50,000 to be under 5%.

A motion was made by Kirsten Duncan and second by Andrea Schwartz to approve the final SSA 2023 budget as discussed. There was discussion of what is being approved and it was agreed to reduce the holiday lights by \$50,000 to approve the budget with an increase of less than 5%. Motion carried. Greg thanked everyone who help to craft this budget and the work of the staff.

VII. Commissioners Updates

CTA

Sonserese Hatch stated the Lake and Randolph escalators (which has been out of service since November 2021), will re-open on August 26, 2022 and then all the escalators servicing the red line on State Street will be back in service. Hatch continued to offer as much help as she can to address issues of the CTA and how they affect State Street.

Edwards indicated all the utility work for the CTA Station renovation will not affect Sundays on State but will begin to affect property owners such as Kristen's hotel in October or later this fall. Edwards indicated there will be some disruption during construction with no pedestrian/sidewalk closures and limited vehicular lane closures.

In a related matter, Edwards indicated he is working with CDOT to see if we can discuss the creation of a Gateway space in the median south of the new CTA station on State Street in front of the Chicago Theater. That location is the fourth most photographed place in Chicago and could become a great pedestrian amenity attracting more pedestrian to the north ends of State Street.

Other

Sonserese asked Edwards about the status of the International Downtown Association conference. Edwards indicated he has spoken to Choose Chicago and he is reaching out to other organizations like the Magnificent Mile, World Business Chicago, Choose Chicago and DPD. He continues to work the issue to see if we have some financial partners and the IDA is having conversations with Chicago hotels. Greg suggested talking to the Loop private clubs for programming, venue and financial support for the conference, along with the cultural community.

LaVerne Morris asked CLA to revisit the start time of the Ambassadors on State Street as earlier as 6:00 AM on Sundays.

VIII. Adjournment

Greg thanked everyone for attending and maybe we can have an in-person meeting at the October meeting.

La Verne Morris, Secretary