

STATE STREET COMMISSION

State Street Commission Meeting

Tuesday, July 18, 2023

2:00 PM

190 N. State Street, 10th Floor

MINUTES

ATTENDANCE

Commission Members Present

Greg Cameron
Konstantine Drosos
Kristin Duncan
John Idler
Cynthia Roubik

Ryan Segal
Cole Stallard

Sean Wiedel

Commission Members Absent

Mark Anderson
Erin Harkey

La Verne Morris

Luis Zepeda

Others Present

Melvin Craig III
Alejandra Diaz
Michael Edwards
Rich Gamble
Randall Harrington
David Harris
Dan Luna
Abel Rodriguez
Mark Roschen

Eileen Sweeney

AFFILIATION

Joffrey Ballet
Palmer House Hilton
Renaissance Hotel
ABC7
Department of Planning and
Development
Acadia
Department of Streets &
Sanitation
Chicago Department of
Transportation

Hines
Department of Cultural
Affairs And Special Events
20 North State Street Condo
Assn.
Department of Streets &
Sanitation

Chicago Loop Alliance
Chicago Loop Alliance
Chicago Loop Alliance
Chicago Loop Alliance
42nd Ward Alderman's Office
Chicago Police Department
34th Ward Alderman's Office
Chicago Loop Alliance
Department of Planning and
Development
Department of Planning and
Development

I. Call to Order

The June 20th meeting of the State Street SSA Commission was called to order at 2:02 PM by SSA Chair Greg Cameron. Cameron indicated he will be inviting Commissioner Drosos and the two recent nominees to the Commission, representing Macy's and Walgreen's, to a breakfast meeting in the coming weeks. Cameron said that he is hopeful the SSA area's Aldermen will send Chicago Loop Alliance letters of support for the two candidates before the next SSA meeting.

Cameron reported that he saw many of the Commissioners this past weekend at the highly successful Sundays on State event. Greg noted that the event had great weather, record crowds and very diverse and positive energy throughout the day. The Joffrey Ballet was happy to participate on the main stage and Cameron congratulated CLA staff on a well-executed event.

II. Public Comment

No comments were made by the public.

Security Update

Commander Harris reported on the status of crime in the First District and the more local Loop area. He noted that generally, things are getting better across most of the crime categories including murder, sexual assault, robbery, criminal assault, battery, shooting, and automobile hi-jacking. Unfortunately, general theft and vehicle thefts are trending upwards year over year.

The Commander complemented the security crews working Sundays on State for safely apprehending a male individual with a gun at the event. Michael Edwards, President and CEO of Chicago Loop Alliance, acknowledged and thanked the Commander for a noticeable increase in police officers around the event. The Commander noted that he and 15 additional first watch police officers (overnight) have extended their overtime initiative to be sure the Loop is safe during the evening and early morning hours. Finally, the Commander commented on the recently affirmed Illinois SAFE-T act. He said that he is not worried about an increase in offenses due to the elimination of cash bail and feels that if Judges continue their diligence the new cashless bail program will be more business as usual.

III. Approval of Minutes

A motion was made by Commissioner Duncan and seconded by Commissioner Idler to approve the April 18th and June 20th SSA Commission meeting minutes. Prior to a vote, Idler requested a revision of the April 18th minutes third page, noting that in his remarks he was expressing his frustration with InterPark, not the Chicago Police Department. Edwards apologized for the confusion and noted that a correction will be made.

After further discussion, a motion was made by Duncan, and seconded by Idler, to approve the April 18th and June 20th minutes as amended.

The motion carried.

IV. Financial Statements as of June 30, 2023

Financial Statements

Abel Rodriguez, Chief Financial Officer of Chicago Loop Alliance, reviewed the SSA financial statement ending on June 30, 2023. This statement was sent to the Commission prior to the meeting and was presented as a handout in the meeting packet.

Rodriguez explained that, so far, the SSA has received 46% of the anticipated first half levy payments, which gives him confidence the funds are flowing at a stable rate. He noted that CLA staff continues to manage the SSA budget conservatively due to the much lower than expected carry over (\$185, 000 versus \$435,000), with total expenses running at 42% of budget through June 30th.

Rodriguez reported that although uncommon in other SSAs, CLA often covers expenses of the SSA programs when there is a delay in the receipt of levy funds. For example, in 2022, the second half invoices were sent in December, and CLA did not receive the second half SSA funds until February of 2023. CLA used their fund balance, along with the line of credit from Wintrust, to fund the programs during this period. He added that the cost of borrowing against the line of credit is an eligible SSA expense. Currently, the SSA has \$627,000 in the bank, but owes CLA \$528,000. Without CLA's reserves, SSA would only have \$100,000 to deliver programs until the second half property taxes come in in August.

Rodriguez added that he is confident CLA and the SSA can continue to manage this issue while being conservative with spending. Although the SSA is in good shape, there are signs that State Street property owners may begin challenging their assessments, which could put further pressure on the Commission budget throughout the rest of the year.

Rodriguez briefly reviewed the second quarter performance metrics, which are a required submission to the Department of Planning and Development, to track program impact against predicted performance.

After further discussion, a motion was made by Konstantine Drosos, and seconded by Ryan Segal, to approve the June 30, 2023, financial report and second quarter performance metrics as presented. The motion carried.

V. 2024 SSA Budget

Edwards reviewed the 2023 SSA budget process, including the creation of the initial budget by staff, and noted that at the June 20th SSA Commission meeting, he directed staff to set up a working session with available Commissioners to reduce the proposed budget increase to

something more manageable. The work session occurred on June 30, 2023, resulting in a budget with an 11.2% rate increase, generating approximately \$357,000 additional dollars. This is necessary to maintain program levels without the more typical large carry forward the SSA has enjoyed in previous years.

Edwards highlighted the changes made to the initial budgets, reducing placemaking & management, aggregate replacement, painting and tree grates, less power washing at the beginning and end of the season, reduced overnight patrols and fewer interns. These cuts represent \$457,000 in reductions. Idler felt the 11.2% increase was too high, but that increase in the single digits could be workable. The Commission debated the funding for infrastructure versus placemaking and customer attraction. Drosos suggested a \$100,000 cut, bringing the budget increase to 8%. Edwards suggested reducing marketing funds by \$25,000, reducing placemaking & management by \$50,000, along with a \$15,000 reduction for aggregate replacement. Edwards said that the remaining cuts will be made to various line items, bringing the total budget to \$3,461,075.

After discussion, a motion was made, by Idler, and seconded by Drosos, to approve the 2024 SSA budget as discussed. Motion carried.

A second motion was made, by Greg Cameron, and seconded by Kirsten Duncan, to approve the Chicago Loop Alliance as the sole-service provider for the State Street SSA 1-2015 for 2024. Motion carried.

VI. Status Reports

Streets & Sanitation

Commissioner Cole Stallard did not have a report but encouraged the SSA Commission to continue to do pressure washing along State Street.

CDOT

Sean Wiedel did not have a report but given the budget conversation warned the Commission that CDOT should not be viewed as a major source of funding for infrastructure repair, and that the city standard is that property owners are responsible for the sidewalks in front of their properties.

Department of Planning & Development

Cindy Roubik congratulated the SSA on a fabulous Sundays on State this past weekend. She discussed the Central Area plan update and noted that DPD is working to find ways to get as much feedback as possible from Loop stakeholders and the youth that attended Downtown Days on July 8th. Roubik kindly invited the SSA Commission to the public presentation of the Elevate State ULI Technical Assistance Panel scheduled for the evening of August 16, 2023.

VII. Sole Service Provider Report

Sidewalk Aggregate Proposal

Edwards reminded the Commission of last month's discussion with Kate Guercio of Hard Surface about the options of repairing and replacing the red aggregate on the sidewalks of State Street.

Edwards said that the full cost of the repairs would be nearly \$450,000, but per the budget discussion, the SSA has only \$50,000 of funds to spend on the repair this year. After discussion, Edwards was directed to replace \$50,000 worth of red aggregate squares with dyed, brush concrete squares at a cost of about \$725 per square. Edwards felt this would be sufficient to remove any potential tripping hazards.

One Summer Chicago Ambassadors

Edwards reported that CLA was asked by Mayor Johnson to participate in the One Summer Chicago program and has hired 6 young people to be mentored by the CLA Safety Ambassador team. This 5-week program is underway and CLA will earn approximately \$3,600 to manage the program.

Elevate State ULI technical Assistance Panel

Edwards thanked Ryan Segal, Rich Gamble, Greg Cameron, and others for participating in the recent State Street ULI Technical Assistance Panel. He announced that the preliminary report is being finalized. Roubik indicated there will be a public presentation of the final plan on the evening of August 16, 2023. She noted that details will be released soon and all the SSA Commissioners are invited to attend.

Reports

Edwards encouraged the Commissioners to review the June **Streetplus Report**, which tracks the accomplishments in CLA's clean, safe, and homeless outreach programs. He also encouraged the group to review the enclosed second quarter **Data Report** on the economic performance of the Loop.

VIII. Other Business

Cameron thanked everyone for attending the meeting and encouraged everyone to attend the next Sundays on State on August 13, 2023, and the next SSA Commission meeting on October 17, 2023.

IX. Adjournment

La Verne Morris, Secretary