

# Rahm Emmanuel's departure causes uncertainty for Chicago businesses

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Chicago's business community is nervously waiting to see who will next lead the city and whether that person will be as big a booster as Mayor Rahm Emanuel, who announced Tuesday he won't seek re-election.

Emanuel is known as a mayor who doesn't hesitate to pick up the phone or get on a plane to lure businesses to Chicago and help home-grown companies thrive.

"There's definitely uncertainty when a decision as unexpected as this is announced," said SpotHero CEO and co-founder Mark Lawrence, who praised Emanuel for touting Chicago businesses both nationally and internationally.

Emanuel's office facilitated introductions in Israel between SpotHero and Google mapping unit Waze, leading to the recent announcement that the companies, along with the city, are installing beacons along Chicago's 5 miles of lower roads to help drivers navigate underground when GPS fails.

Employment in Chicago's tech sector, in particular, has swelled during Emanuel's tenure in the mayor's office. Chicago added 35,290 tech jobs between 2010 and 2015, a growth rate of 34.9 percent, according to a 2017 report by the Building Owners and Managers Association of Chicago.

"It would be hard to imagine a mayor more supportive of the tech community than Mayor Emanuel," said Steven Colens, CEO of health care technology incubator Matter, in an email.

Emanuel's decision not to seek a third term might give some players in that community pause, said Howard Tullman, the former CEO of startup tech hub 1871 who is now executive director of the Ed Kaplan Family Institute for Innovation and Tech Entrepreneurship at the Illinois Institute of Technology.

"I think there will be some breath holding and some postponing of some decisions for sure, because I think technology businesses are no different than any other business. They want to be sure there's a certain stability and understanding of the business environment," Tullman said.

None of the current mayoral candidates has "any particular background or credibility with respect to technology," he said.

Executives in some industries expressed confidence that Chicago will continue to attract companies and talent. Among them was Ferrara Candy CEO Todd Siwak. The Oakbrook

Terrace maker of Lemonheads, Red Hots and Trolli gummies in July confirmed it would move its 300-person corporate headquarters to Chicago's Near West Side next spring.

The company has yet to sign a lease for about 60,000 square feet in a recently completed 20-story tower at 625 W. Adams St., but it said Tuesday that Emanuel's exit will not affect its plans.

"Relocating our company's headquarters to the city of Chicago allows us to continue to attract, retain and inspire that same level of talent to meet the needs of our growing business," Siwak said in an email. "We appreciate the support from the city of Chicago, and Mayor Emanuel's perspectives and encouragement as we prepare for this transition in spring 2019."

Ferrara received no economic incentives to make the move and in fact, wasn't even solicited by the city, the company said.

Companies considering moving operations to a city want to know they have a partner in the city's leadership, so turnover in the mayor's office introduces a potential risk, said Dennis McAndrew, president of Cleveland-based site selection consulting firm Silverlode Consulting.

"Until the election occurs ... it will be a question mark for folks considering the city," McAndrew said.

But it's likely a small concern because businesses considering Chicago are doing so for reasons beyond who's in the mayor's office — reasons like the labor market, educational institutions, the network of big businesses and access to a well-connected airport, he said.

"Those are unaffected. But it is good to know whether you've got an advocate or less than an advocate in the mayor's office," McAndrew said.

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