

**ECONOMIC DEVELOPMENT COMMITTEE
MINUTES
July 17, 2006**

The Economic Development Committee of the DeKalb County Board met on Monday, July 17, 2006, @ 7:00p.m. in the Legislative Center's Freedom Room. Chairman Julia Fullerton called the meeting to order. Members present were Jerry Augsburger, Sally DeFauw, Michael Haines and Jeff Metzger, Sr. Others present were Ray Bockman, Roger Hopkins and Haley Murray.

APPROVAL OF THE MINUTES

Moved by Mr. Metzger, Sr., seconded by Ms. Fullerton, and it was carried unanimously to approve the minutes from June 2006.

APPROVAL OF THE AGENDA

Moved by Ms. DeFauw, seconded by Mr. Haines, and it was carried unanimously to approve the agenda.

DISCUSSION OF COMMUNICATIONS PROPOSAL

Chairman Fullerton said that last month when the committee first saw the proposal on broadband development the committee had raised some concerns. The committee had agreed to review the proposal further over the past month and bring the issue back to the committee for more discussion.

Mr. Haines said that one of his concerns is partnership. Since the county is the steward of the public dollars, we need to make sure that the public is getting the best bang for their dollars. He doesn't know how the county can ensure that this is possible. The other thing we should do is whenever possible we should provide public access to broadband. Those are his two interests, otherwise he is supportive of the idea.

Mr. Metzger said that we need to separate what is government, what is private and what is industry. When and if we mix them all up, we will be in trouble. He feels that we really need to take our time looking at this.

Chairman Fullerton reminded the committee that if we are talking about a partnership, we would not be bearing the full cost.

Mr. Haines said that in the proposal that arises is who is the greater beneficiary of this particular service? It also is a question of need versus want - I need this versus I want that. In any part of the negotiation process, if I am in the private sector and I can get the government to help pick up the cost of something that I want really badly, I will vote for it every chance I get, as every private entrepreneur would, he feels. He has no problem with mutual benefits, it's just trying to sort it out.

Mr. Metzger said that he felt that things were at the exploratory level right now with this issue. We need to see what technology is best, what's out there now? If we need to separate government from public and business, do we want to have direct fiber going into homes and businesses? These are things that we need help on. He has talked with the Director of the Kane County Technology Department and they have done a lot of negotiating. They are interested in coming to our committee meeting and talking with us, if the committee wants that. Mr. Metzger said that they would like to share ideas and bounce things off of each other. He further said that they are willing to come and talk with us next month and bring in the Director of Technology from Geneva, too. He has spoken with Mrs. Berkes-Hanson to see if she would take part in the discussion, also to see what is out there.

Mr. Metzger further stated that he feels that it's a lot of money and should be better defined. Maybe we could get more bang for the buck, he said. He doesn't think that we have budgeted for this, maybe we could go through the budget process right now and throw a figure into the budget for next fiscal year.

Mr. Bockman said that what he likes about the study is that it starts with a review of what "you" already have.

Mr. Hopkins raised another question that it's not just the county's infrastructure that you are investigating, but other shared technology at other local governmental offices, park districts, etc.

Mr. Bockman said that we could consider this issue, but we should not even be the lead agency in this because we are not big enough. Maybe we could be the lead agency in the sense of organizing it, but not the "go to people" for matters regarding broadband.

Mr. Haines said that we may not be the biggest consumers out there who would use this, maybe a hospital or a research and development firm would need it and use it more than us. We could partner with them possibly, Mr. Haines further commented.

Mr. Bockman said that the committee is right at the same point he is, that is, everyone said that we are falling behind. Who do we need to catch up to and why will people choose us over them once we catch up to them? All of that requires some assessment of what your infrastructure is currently, he further commented.

Mr. Metzger said that he would like to bring some guests next time. Let's look at fine-tuning the proposal and budget. He further stated that the committee could hold a roundtable discussion with 3 people attending, one from Kane County, one from the City of Geneva and Ms. Berkes Hanson representing the County. The committee agreed.

DISCUSSION OF ECONOMIC DEVELOPMENT INITIATIVES SUBMITTED BY DENNIS SANDS

Chairman Fullerton said that Mr. Sands passed out a one-page initiative for future economic development policies to the committee last month.

The first one dealt with the procurement preference for in County versus Out-of-County goods and services. Mr. Bockman had the State's Attorney's Office review this request and they told him that we could not do it, that is, a local preference purchasing policy. He further stated that when he researched it further he found that the municipal attorneys have signed on to the "all things being equal" policy.

Mr. Metzger said that one of the things that they have done at the college that he works at is they have written in a certain range for services needed, so that you can have expectations for decent service. This has kind of helped bring in some of the local business, he said.

Mr. Haines said that there is a "spirit" here rather than a letter and perhaps a resolution written with "all things being equal" would work. Chairman Fullerton said that it would still need to be reviewed and approved by the State's Attorney.

It was agreed that the State's Attorney's Office would do more research on the issue and review the resolution to make sure that it is legal. Once that is done, Mr. Bockman will bring everything back to the committee in the near future for their review and approval.

The second part of the initiatives discussed tax abatements for existing businesses in DeKalb County that expand their workforce. Mr. Sands proposed that each year the County should make available to existing DeKalb County businesses of any size, tax incentives in the form of tax abatements, equal to those offered to courted outside DeKalb County businesses. The amount available should be equal to that amount given the previous year to outside DeKalb County businesses to relocate in DeKalb County.

Mr. Bockman said that the County can do commercial and industrial tax abatements.

Mr. Metzger said that he thought that Mr. Sands is talking about small businesses.

Mr. Bockman said that it is a wonderful idea and that it could be literally anyone. His one concern would be, "who would be enforcing it?" If you took the position that tax abatements are gifts given to incoming industries, it probably would make more sense than it does, said Mr. Bockman. What they actually are is incentives to choose us over other competing communities. Perhaps if we could limit it to local industries that had competing offers from other counties, we would again be competing with other communities.

Mr. Hopkins said that his office looks at a lot of variables before incentives are offered.

After further discussion it was agreed to keep this item on the agenda for next month's meeting.

Mr. Hopkins said that he might be coming to the committee next month regarding issues on Panduit, 3M and pending projects.

ADJOURNMENT

Moved by Mr. Haines, seconded by Mr. Metzger, Sr., and it was carried unanimously to adjourn the meeting

Respectfully submitted,

Chairman Julia Fullerton

Mary C. Supple, Secretary

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