

**ECONOMIC DEVELOPMENT COMMITTEE
MINUTES
January 10, 2007**

The Economic Development Committee of the DeKalb County Board met on Wednesday, January 10, 2007, @ 7:00p.m. in the Legislative Center's Freedom Room. Chairman Eileen Dubin called the meeting to order. Members present were Ken Andersen, Julia Fauci, Jeff Metzger, Sr., Mike Stuckert, Pat Vary and Steve Walt. Others present were Doug Dashner and Mayor Ken Mundy.

Chairman Dubin thanked both Pat Vary and Steve Walt for taking care of the agenda while she was gone.

APPROVAL OF THE MINUTES

Mr. Stuckert amended the minutes on page 4, paragraph 4, line 2 and paragraph 8, second line beginning "90/70 split over two years" to state: "they had participated in all of them, 90/75 split..." and "90/75 split over two years" respectively. Also, Mr. Andersen said that he would like the vote changed in paragraph 8 to reflect that he voted no.

Moved by Mr. Stuckert, seconded by Mr. Metzger, Sr., and it was carried unanimously to approve the amended minutes from December 5, 2006.

APPROVAL OF THE AGENDA

Moved by Mr. Stuckert, seconded by Mr. Walt, and it was carried unanimously to approve the agenda.

Chairman Dubin said that she would like to have on the agenda every month at the beginning of the agenda to reflect a comment from the Chairman. She said this month she wanted to let the committee know that she received a letter from Ms. Michelle Michaels from the Illinois Department of Commerce and Economic Opportunity. She called Ms. Michaels today to touch base with her and inform her that there is a new committee and invite her to speak to the committee sometime in the future.

Ms. Dubin said that Mr. Stuckert received in the mail something on Bio-fuel Company who had a workshop looking for investors. This company indicated that they were planning to build a bio-diesel manufacturing company near Freeport, Illinois. She would like the committee to look at agri-businesses in the future.

She also spoke with Mr. Hopkins and he needs more time to get back to this committee to give us in-depth information on the standardization of tax abatement.

DISCUSSION OF STANDARDIZATION OF TAX ABATMENT POLICY -

Mr. Metzger, Sr., said that the hottest issue on the board for a little over a year that he has served, is this issue, the tax abatement issue. He would like this committee to get on the same page and feel good about what they are presenting to the full board for consideration. We need to feel comfortable about what we are trying to forward to the board for adoption and if we are not it will be hard for the rest of the board to give their blessing to what we are forwarding to them.

Ms. Vary called the City of Sycamore about their tax abatement policy and circulated copies to committee members. She also handed out the City of DeKalb's tax abatement policy. She also emailed to the committee a website that has 8-case studies of cities and what they did for economic development. Every one of them is different and have a different set of tools that they used to encourage economic development and the principle of smart growth.

Mr. Metzger, Sr., said that he found a lot of information on the web like what Ms. Vary suggested, but his problem is that it doesn't help him to identify what our competition is. If we don't offer the abatement we may or may not receive the firm coming into our county. He understands that Rockford is one of our competitors, as far as what Mr. Hopkins has told the committee in the past.

Ms. Vary said that she feels that we need to ask, "Can we work on developing what would keep the quality of life in this community." We are building all these big homes all over the place and we are bringing in jobs that pay \$14.00 an hour.

Chairman Dubin said that yes, but most of those people live here and work outside of the county. She believes that 38% of the population in DeKalb County that works, does work outside of this county.

The committee discussed that if a knowledge-based company is searching for a community to settle in, what are the criteria that they are looking at to make their decision?

The committee felt that they are looking for people who are highly educated, high-end restaurants, rail service, etc.

Ms. Vary asked, what do we have that is unique? We have I-39

and I-88 and Northern Illinois University. She says that we need to get the word out there that NIU does a lot of information on demographics, population, and income level statistics. All the information that companies need to see when they are looking to relocate, said Ms. Vary.

The City of Sycamore Mayor Ken Mundy said that Mr. Hopkins called him this afternoon to let this committee know what Sycamore's stand is on this issue. He feels that their Tax Abatement policy is a living, breathing thing they didn't try to do a "blanket" to cover every possibility. He said that there is a major company in Sycamore that is an outstanding company and who is very happy to be here in Sycamore. Their jobs are not \$12 an hour jobs and not warehousing jobs.

Mr. Munday thought the committee should find out what issues were most important to any company requesting a tax abatement. It might be the job market, the wage scale, the education level in the community, transportation, schools, etc. He also told the committee that they should look at how the company would impact the area and town.

He feels that we need to build upon retention of the businesses that we already have, too.

The committee agreed with Mayor Mundy about the retention of current businesses in our communities.

Mr. Mundy elaborated on companies besides warehousing that had come to Sycamore. One example he gave was a stage design company that has brought interesting jobs to the city.

The committee said that they would need to discuss: What the County's competition is? What did the companies get when they went elsewhere? How do we attract the kinds of businesses that would keep our quality of life in our community and help our tax base.

Ms. Vary said that whatever we do we would need to do it in a timely manner so that it could be done in about thirty days.

Mr. Metzger said that another thing that we need to look at is administrative, like claw backs.

The committee decided that they need to set a strategy. They have come up with the following so far:

1. Tax Abatement and what we need to do quickly to get something done.
2. What kinds of industries do we hope would come here?

3. What can we do for small businesses and their retention?

Mr. Stuckert asked who is going to sell this? The committee agreed that it would be the Economic Development Corporation and Mr. Hopkins. Mr. Stuckert said that we need to get some kind of broader scale of what we want to sell to businesses other than just logistics.

I agree with you, that's not what is happening right now, said Mr. Walt.

Ms. Fauci said that there are real differences in spec buildings for warehousing that are being built right now. When you want to build something for research and development businesses, your buildings have to be different than warehousing, that is a different kind of building. We don't see any of those buildings being built to attract these types of companies.

She also said that there is real value in farmland too. She would like to see some redevelopment especially in areas that are deteriorating in our cities.

Chairman Dubin said that we need to look beyond warehousing. We are a natural because of the location to roads for warehousing. We should also be a natural because we have the university here and she doesn't know why it really hasn't developed up to this point. We are a natural for agri-business too.

Mr. Metzger, Sr., asked if Project Nine is coming back to our committee? Chairman Dubin said that Mr. Hopkins may bring it back, she's not sure.

Ms. Fauci asked how Kishwaukee College came to their agreement on tax abatements?

Mr. Metzger, Sr., said that it probably went through their finance committee at some point.

Ms. Fauci said that she would contact Kishwaukee College and see what they did.

Chairman Dubin said that we need to get some kind of standardization of all of this information that will be gathered.

ADJOURNMENT

Moved by Mr. Andersen, seconded by Mr. Stuckert, and it was carried unanimously to adjourn the meeting

Respectfully submitted,

Chairman Eileen Dubin

Mary C. Supple, Secretary

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