

**ECONOMIC DEVELOPMENT COMMITTEE
MINUTES
March 14, 2007**

The Economic Development Committee of the DeKalb County Board met on Wednesday, March 14, 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. and Steve Walt. Others present were Doug Dashner, Roger Hopkins, and Paul Rasmussen.

APPROVAL OF THE MINUTES

Ms. Fauci asked to change the language on the last page of the minutes, fourth paragraph down, to state that Mr. Hopkins said the infrastructure support... not Mr. Rasmussen.

Moved by Mr. Andersen, seconded by Mr. Walt, and it was carried unanimously to approve the amended minutes from February 2007.

APPROVAL OF THE AGENDA

Moved by Mr. Metzger, Sr., seconded by Mr. Andersen, and it was carried unanimously to approve the agenda.

CHAIRMAN'S COMMENTS

Chairman Dubin mentioned an article to the committee about North Dakota licensing 2 farmers for hemp production. She was wondering if Ms. Fauci wanted to revisit this issue and bring it back to the proper committee? Ms. Fauci said yes she sure does. The farmers that were granted the licenses still have to meet federal requirements before they plant it. The farmers must get approval from the Drug Enforcement Administration, too. The DEA said that it would consider applications to grow it, Chairman Dubin further stated.

She also got an email from Chairman Tobias, about an article in the *Rockford Register Star*, which was about Rochelle looking beyond railroads for economic growth. It talks about all the advantages that Rochelle has for businesses.

OLD BUSINESS: DISCUSSION ABOUT TAX ABATEMENT QUESTIONS

Mr. Metzger said that there is one committee that is looking at possibly attracting an outside consultant to do grantwriting for the County, maybe we should look broader at other areas. He feels that it is worth looking at.

Ms. Dubin said that she suggested two years ago when she was on the Health and Human Services Committee that the County to go out and look for various grants out there.

Mr. Metzger asked, how do we do that?

Chairman Dubin said that first, if this committee came up with an idea and we could bring various agencies together, we could go to Mr. Bockman, DeKalb County Administrator, with it. We could say that we feel that it has a good possibility of being written up and a chance to get some funding, how could you help get us a grantwriter? Maybe we could put two or more projects together. It would give us a better chance for funding.

The committee then began discussing the tax abatement questions. Mr. Rasmussen from the City of DeKalb had a letter for the committee from the City Manager, Mr. Mark Biernacki regarding the long-standing relationship that the County and the City has had with tax abatement issues. He further stated that the two public entities has had a fine cooperative relationship and is strongly recommending a tax abatement policy that mirrors the one to which the City and many of their other taxing district partners have committed. A County policy that is consistent with our policy of a 90/80/70/60/50 abatement of property taxes over five years allows the City to send a strong message to potential industrial investors.

Page three of the letter is an example of a document that was sent out to all 6 taxing bodies for companies that meet the specific criteria. If they don't respond at all, it is assumed that it meets the criteria required. It then takes about 30 days for review. Mr. Rasmussen said that this helps to streamline the process.

The second part of this agreement is for knowledge-based companies, where it is 90/90/80/70/60 for a 5-year proposal. That is something that Mr. Biernacki's letter did not state, said Mr. Rasmussen.

Ms. Fauci asked if these companies that are asking for an abatement are also asking for other things?

Mr. Rasmussen said they will ask for abatement of fees, which are usually waived at our end, these are normal things. Utility abatements are usually for 5 years. Under retail sometimes the sales tax is rebated for usually 5 years, too.

Chairman Dubin asked if there are any companies that have moved here without an incentive?

Mr. Rasmussen gave examples of companies that have not received incentives.

Mr. Steve Walt walked out of the meeting @ 7:49p.m.

The committee asked Mr. Hopkins and Mr. Rasmussen if there were employees that are coming to DeKalb from Rockford? They said yes, for Target and N.I.U.

Mr. Metzger said that this committee has discussed in the past what we can do to help small businesses. Does the DeKalb downtown area offer any type of incentives?

Mr. Rasmussen said that they offer the façade program where a business can come in and get a grant up to \$25,000 for a matching grant, where they can improve their business. Another incentive is the redevelopment program grant that helps with landscaping and street improvements, that the City of DeKalb is beginning to implement, said Mr. Rasmussen.

After further discussion the committee thanked Mr. Rasmussen and Mr. Hopkins for their input on this issue.

Tax abatement discussion on suggested questions from the committee.

The committee reviewed the draft questions that Chairman Dubin passed out to everyone regarding the tax abatement standardized questions and answers. There were some additions that the committee wanted included to the list. They were:

- #1 Please define the claw backs assigned to this project.
- #2. What impact would this business have on existing infrastructure? To rephrase #19 dealing with infrastructure.
- #3. What is the total package analysis of community incentives?
- #4. Relating to question #21. Who are we competing with for this company? Which town or county?

The committee agreed that these additions were to be added to the final version of the standardized tax abatement questions and answers. The final version would be brought back at the April committee meeting. The committee also agreed that Resolution #R2003-52 regarding the tax abatement program was to be included on the agenda for April's meeting too.

ADJOURNMENT

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

Respectfully submitted,

Chairman Eileen Dubin

ED:mcs

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