

**ECONOMIC DEVELOPMENT COMMITTEE  
MINUTES  
July 8, 2009**

The Economic Development Committee of the DeKalb County Board met on Wednesday, July 8, 2009 @ 7:00p.m in the Administration Building's Conference Room East. Chairman Eileen Dubin called the meeting to order. Members present were Sally DeFauw, Julia Fauci, Jeff Metzger, Sr., Riley Oncken, Mark Todd and Pat Vary. Others present were Ray Bockman, Deb Armstrong, Ruth Anne Tobias, Steve McClure, Andy Hamilton, Paul Stoddard, Paul Borek and Ms. Smith from Monsanto.

**APPROVAL OF THE MINUTES**

Moved by Mr. Metzger, Sr., seconded by Ms. Vary, and it was carried to approve the minutes from June 6, 2009.

**APPROVAL OF THE AGENDA**

Chairman Dubin said that she was adding Mr. Paul Borek from the Economic Development Corporation to the agenda under #6b.

Moved by Ms. Vary, seconded by Mr. Todd, and it was carried unanimously to approve the amended agenda.

**PUBLIC COMMENTS**

There were no public comments for the evening.

**CHAIR'S COMMENTS**

Chairman Dubin said that she will be sending out a summary on the grant proposal and where we are with it shortly. She will be hearing more from Bob Gleeson on it.

**ENTERPRISE ZONE FROM MENDOTA TO THE MONSANTO FACILITY IN WATERMAN, ILLINOIS**

Mr. Steve McClure and Mr. Andrew Hamilton of Opportunity Alliance LLC summarized for everyone last month's meeting on a proposed Enterprise Zone, which is established currently in Mendota, Illinois. They came last month to propose an expansion of that Zone into DeKalb County on behalf of the Monsanto Corporation. Monsanto would like to become exempt from the State natural gas tax and if a company lies within an Enterprise Zone then they do not have to pay this tax. Currently there is no Enterprise Zone in DeKalb County and there are no new Zones available. The expansion would include Mendota and then running the Enterprise Zone all the way up to Waterman, Illinois, along highways. He also said that the Enterprise Zone would keep the Monsanto Waterman Facility competitive in the Midwest. They have no plans for expansion right now, he said. It would also promote Regional cooperation with Mendota, LaSalle County and DeKalb County.

Mr. McClure said that Enterprise Zones do help the regional economy. He explained to the committee that the economic impact from Monsanto was a \$20 million reinvestment in 2007-2008. He said that Monsanto invested \$4 million in 2005 and \$4 million in 2008 in those facilities in Waterman. They have paid property taxes in 2008 of \$393,000. They employ 117 full-time jobs and 164 part-time jobs. He said that he did not include high school and college students that perform detassling work in summers. He said that the majority of the permanent employees are DeKalb County residents. He continued by stating that Monsanto is trying, in good faith, to come back into the area and have better community relations.

Mr. McClure said that Monsanto has gotten involved in the community too. They contributed \$14,000 to United Way, \$4,000 to the Waterman School Reading Program, \$7,000 to the Waterman Fire Protection Training, \$16,000 to the Waterman Emergency Warning and \$10,000 to the Indian Creek Ball Fields.

He continued by stating that Enterprise Zones were originally set up to promote new investment, create and retain Illinois jobs, and help Illinois compete in a Global Economy. There are 94 Enterprise Zones in the State of Illinois. He explained that you can't just create a new Enterprise Zone because the number of Zones are set in statute and none are currently being created.

Mr. McClure said that Monsanto wants to be in an Enterprise Zone because it brings down the cost of operations by not paying the natural gas tax. It also helps to keep them competitive with other Monsanto facilities.

Ms. Vary asked what are we talking about with tax on the natural gas per year?

Mr. McClure said that the savings for the company on the tax is \$25,000 a year, every year.

Ms. Fauci asked for how many years?

Mr. McClure said for as long as they are in the Zone, until 12/31/2017, so about 8 years.

The tax impact, said Mr. McClure, will be exempt from state natural gas taxes and the County's portion of the property tax would be abated at 50% for 5 years. Mr. McClure said that this is only if Monsanto makes any new investment to the facility, for example, like construction.

Mr. Bockman asked Mr. McClure if Monsanto is in a T.I.F. district currently?

Mr. McClure said that when he spoke with Waterman they said that the property was in a T.I.F. district. However, when he spoke with the tax person about Monsanto, she said that she was not aware of them being in a T.I.F. District. It may mean that Monsanto is not aware that they lie in a T.I.F.

district and they are not receiving any of the benefits from this type of district. They are still not clear on this yet.

Mr. Bockman said that we do not have any T.I.F. authority.

Mr. Oncken asked Mr. Borek how he felt on this proposal?

Mr. Borek, Director of the DeKalb County Economic Development Corporation, said that an Enterprise Zone would help extend a benefit to an existing company that has made a considerable amount of investment at their facility in Waterman and to encourage them to look favorably on future opportunities in our County. This would allow Monsanto to become competitive with their other facilities. It is also an opportunity for our County to open up an Enterprise Zone here and to help each other in the future. It also helps to create good will between Monsanto and the County of DeKalb.

Ms. Vary said that it sounds like an Enterprise Zone is a good thing for our County.

**It was Moved by Mr. Oncken, seconded by Ms. Vary, and it was carried to recommend the proposal for the establishment of an Enterprise Zone running from Mendota, Illinois, to the Monsanto Facility in Waterman, Illinois and to forward this recommendation to the full board for approval. Ms. Fauci voted no.**

#### **DEKALB AREA CONVENTION AND VISITOR'S BUREAU REQUEST - MS. DEB ARMSTRONG**

Ms. Deb Armstrong, approached the committee regarding the creation of a countywide visitors guide. This guide will incorporate information from all of the municipalities. The Guide will be a 68-page bound full-color, high quality piece. The cost of printing is \$11,930.00 for a printing of 30,000 guides. A State Grant has been applied for which would provide matching dollars at a rate of 40% - 50% of the cost of the project. The requested amount for the County's portion of the costs to produce this guide is \$5,000.00.

Ms. Armstrong feels that by producing this guide that it will recruit people to come into the County and bring money here. It will also help her office to meet one of the initiatives to become a Certified Agency in the State of Illinois. Once they are certified by the State they will be able to receive grant monies as matching funds up to approximately \$60,000.00. Ms. Armstrong also said that the cities of DeKalb and Sycamore would also be contributing and that the \$5,000.00 that she is asking of the County is just a portion of their costs.

Chairman Dubin asked Ms. Armstrong if this would be a one-time request asked of the County?

Ms. Armstrong said yes, and that July 30<sup>th</sup> is their deadline.

**It was moved by Mr. Metzger, Sr., seconded by Ms. Fauci, and it was carried unanimously to forward this recommendation to the full board for approval.**

It was agreed by the committee that this resolution would be going before the full County Board at their August 19, 2009 meeting.

**UPDATE FROM THE ECONOMIC DEVELOPMENT CORPORATION – MR. PAUL BOREK, EXECUTIVE DIRECTOR**

Mr. Borek gave his monthly update on the DeKalb County Economic Development Corporation. He mentioned that the Rockford Airport operates FTZ#176. Foreign Trade Zones (FTZ) are designated areas where companies can realize savings in tariffs on imported goods and components. The purpose of these zones are to encourage final manufacturing and assembly or packaging of products with imported content within the U.S. For many years, these zones were limited to ocean and lake ports, and airports. Park 88 has applied to and received designation from the Department of Commerce as a Sub-Zone of FTZ#176. This would allow future industries to take advantage of Free Trade Zone benefits within Park 88. It can be used as a marketing advantage or incentive to attract industry that utilizes imported components.

Mr. Borek continued by stating that the Greater Rockford Airport Authority has contacted his office to inform him that recent federal legislation has made the FTZ Program more flexible, affordable and accessible to industry, including small businesses. They indicated to him that DeKalb County has the ability to authorize zones to serve their communities, now. The City of DeKalb has expressed interest in securing FTZ benefits for the DeKalb Taylor Municipal Airport. Marge Bevers, of the Rockford Foreign Trade Zone Administrator, has offered to meet with the County, City of DeKalb and other interested parties to explain the benefits, advantages and opportunities associated with Foreign Trade Zones. Mr. Borek said that he would make himself available to coordinate and set up a meeting with County representatives and Ms. Bevers so that we can learn more about this opportunity.

Mr. Bockman asked Mr. Borek if the Airport Authority is requesting a resolution from the County?

Mr. Borek said that he needs to find out more information about that and get back to the committee and Mr. Bockman.

Mr. Borek confirmed that there have been no decisions on the Amtrak project yet. However, decision-making is imminent and IDOT said that the route would be determined by local preference. He doesn't know how they quantify this, though.

Mr. Borek said that there is an ad hoc group that has been formed that he sits on that meet weekly on this issue and that they are ready to mobilize.

Mr. Borek said that he feels the first thing that he needs is the resolution that this committee would be sending to the full board this month.

**UPDATE ON ELBURN SHUTTLE – MS. PAT VARY**

Ms. Vary said that she has met with Mr. Tom Zucker of VAC, Mr. Joel Mauer of the City of DeKalb, Mr. Brian Dickson of DSATS, Mr. Al Davis of Huskie Line and a Matthew Wineberg from Vieola, which is the parent company of the Huskie Bus line, to discuss the possibility of getting a bus shuttle to go to the Elburn Train Station and back.

After the meeting, she said, that Mr. Zucker and Mr. Davis would be approaching Metra soon for subsidies from them for a possible shuttle to the Elburn Train Station. She will be talking to the Student Association at NIU about the contracts with Huskie Bus Line. The people that participated in this meeting would like to see the shuttle meet several trains a day at the station in Elburn. She said that you would need a bus that can pick up anyone that has a handicap also.

**ADJOURNMENT**

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

Respectively submitted,

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Eileen Dubin, Chairman

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