

**DRAFT**  
**Economic Development Committee**  
**Minutes**  
**June 9, 2010**

The DeKalb County Economic Development Committee met on Wednesday, June 9, 2010 @ 7:00p.m., in the Legislative Center's Freedom Room. Chairman Eileen Dubin called the meeting to order. Members present were Sally DeFauw, Julia Fauci, Riley Oncken, Mark Todd and Pat Vary. Mr. Jeff Metzger, Sr., called in on the conference phone to take part in the meeting. Those present were Paul Borek and Margaret Whitwell.

It was moved by Ms. Fauci, seconded by Ms. DeFauw, and it was carried unanimously to allow Mr. Metzger, Sr. to participate in the meeting via the conference phone.

**APPROVAL OF THE MINUTES**

Ms. Vary asked to change a word on page 5, sixth paragraph, line 2 to read “over the County to get some ideas.....”

Moved by Ms. DeFauw, seconded by Ms. Fauci, and it was carried unanimously to approve the amended minutes from May, 2010.

**APPROVAL OF THE AGENDA**

Moved by Mr. Todd, seconded by Mr. Oncken, and it was carried unanimously to approve the agenda as presented.

**CHAIR'S REPORT**

Chairman Dubin introduced Mr. Brian Fleming who is with the Associated Bank in DeKalb. Fellow County Board member Kevin Chambliss suggested that Mr. Fleming get in touch with her. Associated Bank is doing something that she thought this committee would like to take on as a service to the community. They do financial education series for citizens who may be in need to learn how to buy a home, budgeting understanding and understanding credit.

Mr. Fleming thanked the committee for letting him approach the committee with his presentation. He is here on behalf of two great organizations Associated Bank and his fraternity. He said that right now it is very scary out there for citizens in DeKalb. Finances are a huge problem for about 85% of the community that live in DeKalb since he works with them everyday. He sees people who can't pay their bills, Moms that can't pay their rent, small businesses that can't fit the bill, Dads that lost their jobs, etc. The education series is geared towards current, past and future, that is, what mistakes have

you made, how can we move forward, and in the future, how can we deter things from happening. A lot of banks were doing no doc loans where you didn't have to prove what you made. You just signed the deed to the home and some people even financed over 100% of the loan.

Mr. Chambliss, a DeKalb County Board Member, said that the fraternity that he is President of and Mr. Fleming would like the committee and the County to co-sponsor seminars to educate the public on these issues. They would like to do separate seminars for college students which would be different from the more mature audience seminars. They need the community to be involved in this education series.

A brief discussion followed and the committee referred Mr. Fleming and Mr. Chambliss to the Health and Human Services Committee who has the Community Services Department report to them. This County department would be the starting point for Mr. Fleming to approach about these seminars since this department serves all types of clients everyday who are dealing with these issues.

Chairman Dubin said that she and Mr. Borek met with Dr. Gleeson regarding Phase III of our grant. She said that the next step she thought would be to bring the Task Force together and discuss the results of Dr. Gleeson's report and then discuss where do we go from there.

#### **TAX ABATEMENT REQUEST – MR. PAUL BOREK**

Mr. Paul Borek, Executive Director of the DeKalb County Economic Development Corporation (EDC), approached the committee about the tax abatement request regarding the 3M Project that was discussed with the committee last month and Mr. Steve Milner.

He presented to the committee the proposed revisions on the Tax Abatement Intergovernmental Agreement with the City of DeKalb. The revision being proposed would be for 5 years at 90/80/50/50/50. This request is for 3M who intends to move their 266 full time employees and 34 part-time employees from their Corporate Drive facility to a new facility on Macom Drive in Park 88. To date this property tax abatement agreement has been approved by 5 of the 6 participating taxing bodies.

Ms. Vary asked if a clawback was written into the Agreement?

Mr. Borek said yes, that you can find it in the resolution under item #d.

**It was moved by Ms. Fauci, seconded by Ms. Vary, and it was carried unanimously to forward this tax abatement request to the full board for approval.**

#### **ECONOMIC DEVELOPMENT CORPORATION UPDATE – MR. PAUL BOREK**

Mr. Paul Borek, Executive Director of the DeKalb County Economic Development Corporation (EDC) updated the committee on what his corporation has been doing lately. He said that the Smart Motion Robotics building is currently under construction. At the Economic Development Corporation's last round table meeting they heard from international businesses (see article attached to minutes) and Dr. Gleeson's report on the importance of global trade to metro Chicago.

### **SUPERVISOR OF ASSESSMENTS ANNUAL REPORT**

Ms. Margaret Whitwell, Supervisor of Assessments, presented her Annual Report (on file in the County Board Office and Supervisor of Assessments Office) to the committee. She explained that last year was a different year. 2008 was a bad year, 2006 was a good year, and 2007 we saw a reduction in the amount of increase. So for the year 2010, we will be looking at the years of 2007, 2008 and 2009, which would include 2 bad years. DeKalb and Sycamore were hit the hardest with the factor. Sycamore was a 4% increase and Cortland was 1.0268%, which was low. Most of the others were maybe 2% or 1% (see page 23 in her report). This year we are looking at negatives across the board. Next year we will be looking at 3 bad years.

The big thing that we have going for us are the wind towers, she explained further. They brought in probably \$24 million in new construction. Page 10 in her report shows the new construction that the County had. The 2009 new construction assessed value of 28,842,062 (approximately \$86.5 million market value) is approximately 34% less than the 2008 figures of 43,738,734 and approximately 70% less than the 2006 figures of 94,597,668. 2009 construction figures were equivalent to the 1997 figures.

She further stated that in 2009 approximately one percent of the total parcels in the county were foreclosed upon; in 2008 it was three tenths of one percent. Many of these parcels were foreclosures on a subdivision with empty lots. In 2009 the resale activity of foreclosed property showed an increase over 2008 resale activity.

Assessments may go down, but your tax bill amount may not. The factor that changes your tax bill amount, when everyone has received the same equalization factor in a township, is a change in spending by the taxing bodies. Tax bills will not go down in a declining real estate market unless the dollar amount request by taxing bodies is reduced from the level of the prior year, even though there is a reduction in the assessment.

The real estate market, during the last months of 2007 showed a slowing in amount of the increase in values. The market decrease in value in DeKalb County began in 2008 and continued in 2009. The number of all transactions decreased greatly in 2008 and 2009.

The County of DeKalb's assessed value was 2,537,257,142 (not including operating railroad or pollution control parcels), an approximate 1.4% increase from 2008. The assessment increases were due to the equalization factors and new construction.

Also, farmland values increased 10% for all soil types, as certified by the Department of Revenue from calculations received from the University of Iowa.

The committee thanked Ms. Whitwell for her very informative report.

**ADJOURNMENT**

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

Respectfully submitted,

Eileen Dubin, Chairman

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