

DRAFT
Economic Development Committee
Minutes
October 10, 2012

The DeKalb County Economic Development Committee met on Wednesday, October 10, 2012 @ 7:00p.m., in the Administrative Building's Conference Room East. Chairman Pat Vary called the meeting to order. Members present were Bob Brown, Julia Fauci, Riley Oncken and Jeff Whelan. Mr. Metzger, Sr., was absent. Others present were Gary Hanson, Carrie Zethmayr, Paul Borek, Deb Armstrong, Robin Brunschon, Greg Millburg and Joe Bassett.

APPROVAL OF THE MINUTES

Moved by Mr. Oncken, seconded by Mr. Whelan, and it was carried unanimously to approve the minutes from September 2012.

APPROVAL OF THE AGENDA

Mr. Oncken asked to amend the agenda by moving item #5 to item #7 since the Foreign Trade Zone Director was running late from Rockford.

Moved by Mr. Whelan, seconded by Mr. Oncken, and it was carried unanimously to approve the amended agenda.

CHAIR'S COMMENTS

Chairman Vary spoke about whether or not to hold a meeting in November since she would be out of town. She said that one of the people she would like to invite is Ms. Karen Schmidt, who is the Executive Director of the Center for Business Development and Continuing Education at Kishwaukee College, to have her explain the training program that they are offering students to help them go into manufacturing jobs and other businesses. She said that if the committee could not get Ms. Schmidt to attend then there was nothing else that she knew of to hold a meeting for and therefore the committee should cancel the November meeting.

ECONOMIC DEVELOPMENT CORPORATION UPDATE - MR. PAUL BOREK

Mr. Paul Borek, Executive Director for the DeKalb County Economic Development Corporation (DCEDC), highlighted various companies around the county. One of those companies is the Aries Power and Industrial Company. DeKalb County and DeKalb County Economic Development Corporation have been instrumental in assisting Aries Power and Industrial Company plan for the development of a wind farm in the northwestern DeKalb County develop land owner contracts. Paul Miller and Ray Bockman described the zoning and public review process with the County Board and shared their experience with the NextEra project. DCEDC referred agricultural land brokers as requested by Aries to assist them in contacting landowners. Aries representatives indicated that the planning and zoning advice was very helpful and the land broker that they selected was instrumental in establishing positive relationships with landowners. It appeared that Aries representatives were engaging in their interaction with landowners. Aries Power and Industrial Co., is a U.S. subsidiary of Aries Industrial Systems of Madrid, Spain. They indicated that they believe that they have a sufficient number of interested land owners that they would proceed with plans and applications to build one or two wind farms

in Franklin, South Grove and Malta Townships.

Mr. Borek then informed the committee that H.A. Phillips, after completing construction of their new manufacturing plant in DeKalb's Airport North Industrial Park late last year, has broken ground on an expansion. DeKalb County Economic Development Corporation and the City of DeKalb contributed to the expansion of H.A. Phillips by convening a meeting of DeKalb development, building and permitting professional to guide and expedite the company through the process and apply development incentives to the expansion.

Mr. Borek then said that the DeKalb County Economic Development Corporation referred a prospect broker and land owner to the City of Genoa to consider annexation and initial support for a new Interstate Interchange at Route 23 and I-90. An interchange at this location could improve interstate access for business and residents in Genoa and the northeast portion of DeKalb County. The Genoa City Council approved a resolution supporting to planning and development of an interchange at that location. DeKalb County Economic Development Corporation and DeKalb County will be asked to weigh in on this matter.

DeKalb High School and some of the areas manufacturers are very interested in setting up interaction with manufacturers and other businesses regarding everything from speaking in classrooms to setting up formal apprentice programs. We are going to convene a meeting of manufacturers and other industries and determine what sort of activities companies are interested in and can support. The school district is ready to embrace these opportunities with open arms, he said.

FY'13 BUDGET APPEALS

DeKalb County Convention & Visitor's Bureau:

Mr. Oncken said that he would represent the Visitor's Bureau tonight on their appeal since he sits on their board. He said that they announced today that the IHSA Football will be hosted here in the City of DeKalb for the odd years covering 2013 until 2021. They will be bringing in between 30,000 to 40,000 visitors in those years to DeKalb County. This also means that this event will bring in lots of money into the County. That will take a lot of work and they have done exactly what we had hoped they would do. They have grown, they have hired new staff and they are promoting tourism, Mr. Oncken said.

The appeal filed by Mr. Oncken and Chairman Vary states that they are asking for an increase in funding by \$5,000.00 (from \$10,000 to \$15,000) for the Convention & Visitor's Bureau. Monies are to come from the Opportunity Fund. This money will be used for marketing purposes to promote tourism in DeKalb County to receive matching funds from the State of Illinois.

It was moved by Mr. Oncken, seconded by Ms. Fauci, and it was carried to approve the recommendation of increasing the funding by \$5,000 for the Visitor's Bureau and to forward this recommendation to the Finance Committee. Mr. Whelan voted no.

Mr. Hanson said that he was concerned that the appeal states that it would come from the Opportunity Fund because that is designed for 1-time expenditures. If the committee feels that this should be an ongoing award then it should really come out of the General Fund.

Mr. Oncken said that he is not excited about increasing taxes presently. He does look at this as a year to year thing. That is why he chose the Opportunity Fund and not a yearly thing for the County. Ms. Armstrong will have to come back again next year and ask for an amount again

next year.

The appeal filed by Mr. Oncken, Ms. Vary and Ms. Brunschon, for the Supervisor of Assessments office is to increase an existing allocation for part-time hours by 9 hours per week at a cost of \$7,300 per year. Monies to come from the Contingency Pool of tax monies identified in Budget Narrative Item #40.

There was a reduction in a position last year and she is asking for a nominal increase for 9 hours for a part-time position. After working in this position for over a year she realizes that the cut was too excessive. She has found that reports that should have been part of the office procedures were never done or completed. Therefore, Ms. Brunschon said that she needs 9 hours a week, for 52 weeks, that would equal \$7,300.00.

Chairman Vary asked Ms. Brunschon to clarify her request before the Finance Committee meeting.

Mr. Oncken said that it was in her letter to the committee last month.

It was moved by Mr. Oncken, seconded by Mr. Whelan, and it was carried unanimously by voice vote to forward this recommendation to the Finance Committee.

FOREIGN TRADE ZONE DIRECTOR AT ROCKFORD INTERNATIONAL AIRPORT – MS. CARRIE ZETHMAYR

Ms. Zethmayer explained to the committee what a Foreign Trade Zone is. She said that it is an area that is considered outside of U.S. customs territory. Certain types of merchandise can be imported into a Zone without going through formal Customs entry procedures or paying import duties. Customs duties and excise taxes are due only at the time of transfer from the Foreign Trade Zone for U.S. consumption. No duties or taxes are paid on items that never enter U.S. Commerce. She also said that there are Federal Tax Incentives for companies to partake with foreign countries. It helps to make our companies more competitive internationally.

Chairman Vary asked if small companies can participate too.

Ms. Zethmayer said that this applies to companies with less than 100 employees, too.

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

ADJOURNMENT

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

Respectfully submitted,

Patricia Vary, Chairman

PV:mcs

g:Economic Development Committee Minutes for 10102012.doc