

Note: These minutes are not official until approved by the Economic Development Committee at a subsequent meeting. Please refer to the meeting minutes when these minutes are approved to obtain any changes to these minutes.

DeKalb County Government
Sycamore, Illinois

**Economic Development Committee Minutes
November 10, 2014**

The DeKalb County Economic Development Committee met on Monday, November 10, 2014 at 7:00 p.m., in the Administrative Building's Conference Room East. Chairman Whelan called the meeting to order. Members present were Mr. Brown, Mr. Oncken, Mr. Pietrowski, Mr. Metzger, and Mr. Reid. Mr. Deverell was absent. A quorum was present.

Others present were Christine Johnson and Mr. Paul Borek.

APPROVAL OF THE MINUTES

It was moved by Mr. Oncken, seconded by Mr. Reid, and it was carried unanimously to approve the minutes from October 7, 2014.

APPROVAL OF THE AGENDA

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

ENTERPRISE ZONE APPLICATION RESOLUTIONS

Chairman Whelan presented three resolutions for the Committee to consider forwarding to the County Board applicable to the DeKalb County Enterprise Zone Application. He indicated that he would like for the Committee to vote on the three resolutions individually.

Resolution Designating the DeKalb County Enterprise Zone:

The Committee reviewed the resolution before them and discussed a couple of clarifications among themselves and with Mr. Borek.

It was moved by Mr. Oncken, seconded by Mr. Pietrowski and it was moved unanimously to forward the resolution Designating the DeKalb County Enterprise Zone to the full County Board for approval.

Resolution Authorizing DCEDC as the Administrator of the DeKalb County Enterprise Zone:

The Committee asked Mr. Borek a few questions regarding his staff's ability to handle the extra assignments if the Enterprise Zone is awarded to the County of DeKalb. Mr. Borek responded very highly of his staff and the procedures that are in place to be able to handle any extra volume of work that may be adopted by an awarded Enterprise Zone. He also added that he would review with Craig Coil and other Enterprise Zone Administrators what their procedures are in

order to establish the most effective Administrative Program. Mr. Borek lastly added that he feels confident in the DCEDC taking on the Administrator roll because it complements much of what they currently do.

It was moved by Mr. Pietrowski, seconded by Mr. Brown and it was moved unanimously by voice vote to forward the resolution to the full County Board for approval.

Resolution Adopting the DeKalb County Enterprise Zone Intergovernmental Agreement:

Chairman Whelan presented the DeKalb County Enterprise Zone Intergovernmental Agreement between DeKalb County, the Town Council of Cortland, the City Council of DeKalb, the City Council of Genoa, the City Council of Sandwich, the City Council of Sycamore and the Village Board of Waterman.

Mr. Borek added that the specific incentive language from each municipality will be added by the time the final document will be presented to the full County Board.

The Committee also discussed in short a question that Mrs. Haji-Sheikh had brought up regarding having a separate intergovernmental agreement with Northern Illinois University because they are a separate governing entity from the City of DeKalb. Mrs. Johnson and Mr. Borek commented that they had not found anything in the statutes or have seen from any other existing Enterprise Zones where a University has had a separate agreement.

It was moved by Mr. Oncken, seconded by Mr. Pietrowski and it was moved unanimously to forward a resolution containing the DeKalb County Enterprise Zone Intergovernmental Agreement to the full County Board for approval.

Mr. Borek also handed out a schedule for upcoming Community and Taxing Body Meetings. He noted that he will be reaching out in the weeks to come to see if any Board Members would be able to help visit those meetings that he would not be able to attend in order to educate the public more on the Enterprise Zone. He also put together and handed out a summary of the Enterprise Zone Application Progressing to date.

TOURS OF THE ASSESSOR'S OFFICE & THE TREASURER'S OFFICE

Christine Johnson, DeKalb County Treasurer gave a physical and informative tour to the Committee of her office and the Assessor's Office located in the Administration Building.

ADJOURNMENT

It was moved by Mr. Oncken, seconded by Mr. Reid and it was carried unanimously to adjourn the meeting.

Respectfully submitted,

Chairman Jeff Whelan

Tasha Stogsdill, Recording Secretary

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Enterprise Zone Application Progressing

The Enterprise Zone application process is entering its final stages. The DeKalb County Board, through its Economic Development Committee, is sponsoring this application to help communities become more competitive in attracting industrial and commercial investment in order to create more jobs and to expand their tax base.

Enterprise Zones combine special state and local incentives for targeted areas to support private investment, construction and employment. Increased wages, local purchases and tax revenue generated by this program are intended to increase prosperity, improve quality of life and support the provision of public services.

Leaders of the cities of DeKalb, Sycamore, Genoa and Sandwich along with the Village of Waterman and Town of Cortland have expressed interest in the program and have the qualifications needed to compile a competitive application.

Shovel-ready industrial sites with available infrastructure have been identified for inclusion in the zone. Existing industrial areas have been identified to nurture expansion and redevelopment of local manufacturers. Commercial development and redevelopment areas have also been identified.

Information and data is being assembled to address the Illinois Enterprise Zone Qualification Criteria. These include areas of need like unemployment, poverty, presence of brownfield sites or disaster areas, large scale business closings, vacant or demolished structures and decreased equalized assessed valuation.

The application also requires applicants to demonstrate the ability to perform by projecting investment, job creation and tax revenue generation over the next 25 years. Public infrastructure plans are being assembled and career skill development programs are being defined to further address application criteria.

DeKalb County is proposing the designation of 13.15 square miles of the maximum 15 square miles. This will provide the opportunity for future expansion to accommodate business development projects outside the zone or sites that have removed obstacles to development.

State incentives include a 0.5% investment tax credit and a sales tax exemption on construction material for business investment and construction. In addition, manufacturers can benefit from tax exemptions on utilities, pollution control facilities and manufacturing machinery and equipment sales. In return for these incentives, the State strongly encourages the adoption of uniform local incentive to work in collaboration to leverage new investment, jobs and tax revenue.

Existing local tax abatement programs have been used by DeKalb County communities to attract new development or expansion. By law, tax abatement only applies to new construction. Realization of new revenue leveraged by the program is delayed according to a formula in order to attract the project. New revenue is realized by the taxing bodies in Year 1 and increases rapidly thereafter. If the new development was not attracted using the incentive, the value of the underlying farmland or vacant land would stay the same.

A uniform Enterprise Zone tax abatement program is proposed for the DeKalb County application. It calls for 5-year tax abatement program consisting of 90% in year 1 followed by 80% in year 2, 70% in year 3, 60% in year 4 and 50% in year 5. A 5-year bonus or ten year program is proposed for an Interstate Competition Market designated within 3 1/2 miles of I-88. This program would provide a more aggressive incentive schedule for knowledge-based industries like engineering, research and development, and manufacturing.

During the coming weeks, City Councils and taxing body boards will consider designating ordinances, intergovernmental agreements and abatement resolutions to participate in this collaborative application. Your support of the DeKalb County Enterprise Zone Application to create jobs, increase tax revenue, increase prosperity and enhance quality of life is encouraged.

By Paul Borek, Executive Director, DeKalb County Economic Development Corporation

DeKalb County Enterprise Zone Final Council / Board Meeting Schedule /Presenter Coverage 11/10/14

<u>Council / Board</u>	<u>Date/Time</u>	<u>Presenter</u>	<u>Follow-Up Meeting</u>
DeKalb Co. Econ Dev Comm.	Monday, Nov. 10 th 7 pm	Committee Members	County Board – Nov. 19 th / Dec. 17 th
Cortland Town Council -	Monday, Nov. 10 th 7 pm	TBD	(Next meeting - Monday, Nov. 24 th)
Genoa-Kingston Sch. COW –	Tuesday, Nov. 11 th 6:30	N.A.	(Next Meeting Board – Tuesday, Nov. 25 th @ 7 pm)
Sycamore Schools -	Tuesday, Nov. 11 th 7:00	Borek	(Next Meeting- Tuesday, Nov. 25 th)
Waterman Village Council	Tuesday, Nov. 11 th 7:30	Borek	(Next Meeting- Tuesday, Dec. 9 th)
DeKalb County Exec. Comm.	Wed., Nov. 12 th	Borek	
Kishwaukee College	Thurs., Nov. 13 th 5:30	Borek	(Next Meeting – Tuesday, Dec. 9 th)
City of Sycamore	Mon., Nov. 17 th 7:00	Borek	(Next Meeting- Mon., Dec. 1 st)
Indian Creek Schools	Mon., Nov. 17 th 7:00	_____	(Next Meeting – Mon., Dec. 15 th)
Sandwich City Council –	Mon., Nov. 17 th 7:00	_____	(Next mtgs. - Mon., Nov. 24 th / Mon., Dec. 1 st)
DeKalb Schools	Tues. Nov. 18 th 7:00	Borek	(Next Meeting – Mon., Dec. 1 st)
City of Genoa	Tues. Nov. 18 th 7:00	_____	
Sandwich Schools ???	Tues., Nov. 18 th 7:00	_____	(Next Meeting - Tues. Dec. 16 th)
DeKalb County Board	Wed., Nov. 19 th	Borek	(Next Meeting – Wed. Dec. 17 th)
DeKalb Council - 1st Reading -	Monday, Nov. 24 th 6 pm	Paul Borek	Second Reading & Approval - Dec. 9 th