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DeKalb County Government
Sycamore, Illinois

**Economic Development Committee Minutes
January 5, 2016**

The DeKalb County Economic Development Committee met on Tuesday, January 5, 2016 @ 7:00p.m. in the Community Outreach Building's Barton Room. Chairman Brown called the meeting to order. Members present were Mr. Faivre, Ms. Leifheit, Ms. Polanco, Mr. Porterfield, Mr. Pietrowski, Jr., and Mr. Whelan. Others present were Mr. Gary Hanson and Rhonda Gillespie.

APPROVAL OF THE MINUTES

It was moved by Mr. Whelan, seconded by Mr. Porterfield, and it was carried unanimously to approve the minutes from December 1, 2015.

APPROVAL OF THE AGENDA

It was moved by Mr. Pietrowski, Jr., seconded by Mr. Porterfield, and it was carried unanimously to approve the agenda as presented.

PUBLIC COMMENTS

There were no public comments.

Ms. Mary Supple, DeKalb County Coordinator, read an article from the NIU Art Museum Newsletter highlighting the newly formed DeKalb Area Arts Council. The article mentioned that the formation of the Council started with the DeKalb County Economic Development Committee in 2012 following a recommendation from a study conducted with grant funding from the Illinois Department of Commerce and Economic Opportunity. The article recognized the committee for their foresight and efforts. They specifically thanked Ms. Eileen Dubin and Ms. Pat Vary in the article who sat on the Economic Development Committee.

Mr. Whelan mentioned an article that appeared in the Daily Chronicle regarding how much space has been built in 2015 with the construction of the new 3M building and Ideal. He believed that the square footage amounted to 2 million square feet.

SELECTING CONVENTION AND VISITOR'S BUREAU AS THE COUNTY'S AGENCY OF RECORD

Mr. Gary Hanson, DeKalb County Administrator, said that this is an annual request that the DeKalb County Convention and Visitor's Bureau makes each year stating that the agency is the County's Agency on Record for Tourism Promotion.

It was moved by Ms. Leifheit, seconded by Ms. Polanco, and it was carried unanimously to recommend this resolution for Selecting the DeKalb County Convention and Visitor's Bureau as DeKalb County's Agency of Record for Tourism promotions and to forward it to the full board for approval.

AMENDMENT TO SYCAMORE'S INTERGOVERNMENTAL AGREEMENT FOR PROPERTY TAX ABATEMENTS FOR INDUSTRIAL DEVELOPMENT

Mr. Gary Hanson, DeKalb County Administrator, approached the committee this evening regarding an Amendment to the City of Sycamore's Intergovernmental Agreement for Property Tax Abatements for industrial development. He said that the City has made some slight changes to the Agreement now that the Enterprise Zone has been approved. He said that we will still look at each request individually like we have been.

Mr. Whelan asked Mr. Hanson if the County will have to do this with the rest of the cities and towns in the County.

Mr. Hanson said that he is not aware of any as he has not heard from anyone else to date. The City of Sycamore original agreement was different than the others.

There were some changes that the committee found in the Agreement that needed to be made, they were: 1.) on the resolution, last page, 3rd sentence, the word "their" which should read "they," 2.) On the first page of the Agreement, 1st paragraph, 2nd line, the year should read "2016," 3.) Page 2 of the Agreement, item #7, should read " ..participating in the DeKalb County Enterprise Zone Intergovernmental Agreement,..." and page 4, after #12, the sentence starting with "Whereas" should change the year again to 2016.

Chairman Brown mentioned that on the 1st page of Exhibit B of the Model Business Partnership Agreement, last paragraph, there is a duplication of a statement in the first paragraph. It should read, "Whereas, the Parties hereto have each authorized the execution of this Agreement as an exercise of their respective governmental authorities,"

It was moved by Mr. Faivre, seconded by Ms. Polanco, and it was carried unanimously to recommend the resolution for the Amendment to Sycamore's Intergovernmental Agreement for Property Tax Abatements for Industrial Development with the changes mentioned, and to forward this recommendation to the full board for approval.

EXPLORING AND FUNDING A FRAMEWORK DESIGN FOR A 7-COUNTY NW ILLINOS REGIONAL PLAN COMMISSION

Mr. Mark Pietrowski, Jr., DeKalb County Board Chairman, explained to the committee that he was bringing a resolution forward to them regarding the formation of regional planning commission

that would include the following counties, Boone, DeKalb, Lee, McHenry, Ogle, Stephenson and Winnebago. They would agree to explore regional planning, economic development, shared technical services and legislative advocacy. He explained that the counties mentioned would all work together to help attract businesses to this region, lobby all together on certain legislative issues, and we could access grants and utilize grant writer(s). This way all of us could be communicating together on a certain issue, he stated.

He also mentioned that the formation of this Commission would involve a contribution of \$2,500 from each county to help with legal fees and consultant costs to repurpose the existing agency, RAMP in Rockford. This will be the oversight agency for this Commission since it is recognized by the Federal Highway Administration and Federal Transit Administration as the Metropolitan Planning Organization for the Rockford Metropolitan Area. The Economic Development District of Northern Illinois is recognized by the U. S. Economic Development Administration and is pending official designation as the Economic Development District for the Northern Illinois Region. These two agencies want to combine and facilitate the formation of a Regional Planning Commission. The staff from these two agencies would then lead and coordinate the new Commission.

Chairman Bob Brown asked Mr. Pietrowski, Jr., if the County would have to come up with more funds down the road like an annual fee.

Mr. Pietrowski, Jr. said that he did not think so and that this resolution would not obligate DeKalb County to any additional future funding.

It was moved by Mr. Porterfield, seconded by Mr. Whelan, and it was carried unanimously to forward this resolution to the full board for approval.

BUSINESS INCUBATOR PROGRAM DESIGN

Mr. Hanson conducted a tour of the proposed Incubator space for the Committee before they began their discussion.

After the tour Chairman Brown began the discussion on the overall vision and program design for the Incubator. He mentioned that Mr. Gary Hanson had assigned the committee to think about certain questions that he proposed in December regarding the design of the Incubator and to be prepared to answer them in January.

Ms. Supple, DeKalb County Coordinator, started the discussion with the services that the Incubator would offer. She said that there were 6 key services found in the 15 top business incubator programs. They were: 1.) Infrastructure/Facility-Based Services, 2.) Business Services, 3.) Financing and Access to finance, 4.) People connectivity and networking, 5.) Education/Access to knowledge, 6.) Brand Building, and Secretarial Service. It was also pointed out that the Community Outreach Building offers access to the high-speed fiber optic network.

Ms. Polanco said that she basically had the same types of services that Ms. Supple mentioned, and that she did feel that these companies would need marketing help, human resources help, etc.

Before the committee began discussing the eight questions posed by Mr. Hanson, Mr. Porterfield first asked if the County even wanted an Incubator. Should Government be doing this?

The committee briefly discussed this point and decided that they did want to go forward with the Incubator project. Mr. Pietrowski said that we will be lending them a helping hand and assisting the entrepreneurs to grow their company and hopefully have them graduate from the Incubator and then relocate their business into another building in DeKalb County.

If we have a building open here for 24 hours, 7 days a week, can we protect these people, asked Chairman Brown. Mr. Hanson said that we do have cameras showing who came and who left. Someone recommended having the County Sheriff patrol the grounds overnight on an as-needed schedule.

Would the County maintenance people clean the Incubator and take care of it?

The committee said that yes, it would be made part of the services agreement with business tenants.

The committee discussed the types of companies that they would like to include in the Incubator and the ones they did not think were appropriate. They did not wish to seek any business requiring a “wet” or “dry” lab, generating pollution, explosives or hazardous wastes, or related to kitchen-culinary products, on-site retail sales, and fire arms. The committee indicated that the Incubator would be the place to conduct planning, but assembly would have to be done at another location. They are looking for people who want to start businesses that will eventually move into any of our towns and cities in the County, not necessarily the next “FACEBOOK” kind of companies. The committee also did not want to limit creativity in terms of the variety of businesses that could be nurtured in the Incubator.

Mr. Pietrowski, Jr., said that we need to look at lawyers who may be based in the Incubator. They would need to sign an agreement stating that they would not represent anyone intending to sue the County. Ms. Polanco said what we really want in here is a business or patent attorney.

Mr. Faivre felt that County residents should be given preference when possible. However, the committee further indicated that it would not be wise to limit Incubator applicants to only DeKalb County residents. Some people from outside the County, such as NIU students, may want to initially utilize the Incubator and then remain in our County after they graduate.

They also indicated 18 should be the minimum age requirement for tenants. The length of time that a company could operate in the Incubator would be 2 years and then a renewable 1-year contract for a maximum time of 3 years. There would be performance updates and reviews with each company at 6 months, 12 months, and 18 months intervals). The contract should also include a non-discrimination clause and certification.

They would like to see some space for women-owned and minority-owned businesses. The committee felt that the number of employees should not exceed 4 employees per business space. For example, if a company had 8 employees, then that company could rent two office spaces to accommodate 8 staff members. They felt that there should be no minimum limit to the current net worth or annual income of the business. Companies in the Incubator could hold meetings with visitors and have regular traffic flow during work hours in and out of the building. Again, hours of operation would be 24 hours a day, 7 days a week. The standard contract would include rental terms, damage and liability waivers, noise limits, etc. and be signed and approved before occupancy is permitted.

Chairman Brown suggested that the Incubator could hold an annual Open House for marketing existing tenants and recruiting potential tenants. Mr. Faivre said monthly networking events should be conducted as well. Mr. Pietrowski, Jr., said that we could have a centralized area in the Incubator, too, where the tenants could visit with one another and exchange ideas.

The committee then talked about the composition of the Advisory Committee, including business specialists, county board members from the Economic Development Committee and Mary Supple, who will be managing the Incubator. There also should be term limits. Consultants will be included in the interview process who works in the field of the applicant's business. For example, if a software engineering company applies to enter the Incubator Program, then there would be someone on the interview committee who has software engineering experience, etc. The final decision would be made by a majority of the Advisory Committee.

The committee next discussed the termination of a relationship with a company in the Incubator. If a tenant fails to pay rent for 2 or 3 months they could be terminated. If complaints are filed against the company for certain valid reasons, they then could be terminated. Also, if a company is successful and "graduates" from the program then the Incubator space would be terminated and the County would next help secure a building in DeKalb County for them to relocate and keep their business here in DeKalb County.

The committee felt that we should also investigate whether or not there would be a need to have a non-disclosure agreement between the County and certain clients.

Additional discussion covered strategies to market the Incubator, what the County should expect in return from participants, Membership and affiliate memberships, how the clients should pay for copying services and ink replacement, and what we should name the Incubator. Some members thought that there should be a contest to solicit possible names for the Incubator.

One item that the committee further discussed was what specific people should be excluded from being tenants in the Incubator. They felt that County employees and County Board members should not be eligible.

It was agreed that the committee would discuss the Incubator again at next month's meeting.

PROPOSED AGENDA TOPICS FOR 2016

Ms. Supple passed out a proposed agenda topics calendar for 2016 to the committee to review and then let her know if there would be any additions or changes at the February meeting.

ADJOURNMENT

It was moved by Mr. Whelan, seconded by Ms. Polanco, and it was carried unanimously to adjourn the meeting.

Respectfully submitted,


Chairman Robert Brown


Mary Supple, Recording Secretary