

Lee-Ogle

ENTERPRISE

Zone

Ogle County-Lee County Enterprise Zone Agenda

Location: City of Dixon Council Chambers, Dixon IL

Date: 8/9/17 at 10 am

10:00 a.m.	I. Call to Order and Attendance	Chair
10:05 a.m.	II. Minutes	Chair
10:10 a.m.	III. Unfinished Business	
	a. Finances and Project Fund MOU	Andy Shaw, Administrator
	b. Administrator's Report	"
	c. Other Business	Chair
10:20 a.m.	IV. New Business	
	a. Mount Morris/Polo/Oregon	Andy Shaw, Administrator
	b. Amboy Hearing on 8/21/17	"
	& Amboy Amending Ordinance	"
	c. Website	"
	d. Certified Site Programs	Dan Payette, BHRC
	e. Next Advisory Board Meeting & Location	Chair
11:15 a.m.	V. Roundtable Discussion	Advisory Board
11:30 a.m.	VI. Adjournment	Chair

Lee-Ogle Enterprise Zone Meeting Minutes

Location: Rochelle City Hall Conference Room

Date: 8/9/17

Voting Membership Attendance

In-Person	Remote	
on		
<input checked="" type="checkbox"/>	<input type="checkbox"/>	City of Dixon Mayor Liandro Arellano (Vice Chair)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	City of Rochelle Mayor Chet Olson (Chair)
<input type="checkbox"/>	<input type="checkbox"/>	Lee County Chair Jim Wentling
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Ogle County Chairman Kim Gouker
<input checked="" type="checkbox"/>	<input type="checkbox"/>	GREDCO President Jason Anderson (arr. @10:07)
<input type="checkbox"/>	<input type="checkbox"/>	LCIDA President (Vacant)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Administrator Andy Shaw
<input type="checkbox"/>	<input type="checkbox"/>	

Guests in Attendance

In-Person	Remote	
on		
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Greg Sparrow, Ogle County Board
<input checked="" type="checkbox"/>	<input type="checkbox"/>	John Finfrock, Ogle County Board
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Dan Payette, Blackhawk Hills
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Amanda Bradshaw, City of Dixon
<input type="checkbox"/>	<input type="checkbox"/>	

Call to Order

Chair Olson called the meeting to order at 10:00 am.

Approval of Minutes

Minutes from 6/21/17 were emailed and available here. Motion to approve by Arellano and 2nd by Gouker. Motion carried.

Finances

Shaw again discussed this board's previous decision to have funds held by the administrator under an MOU as a fiscal agent. Dixon's attorney recommended MOU changes. BHRC approved with expected legal review of 501c3 concerns. Should be done by next meeting. Arellano noted that his attorney made sure it was clear that funds belonged to the E-Zone.

All parties have paid administrative fee to BHRC. Holding a handful of checks for 2017 projects to deposit in new account, accounting of this next month. More thorough financial reports will follow.

A large deposit of 50k from the Americold project fee is expected soon. On that note, Anderson added that this will be the 1st major industrial project of new zone. With 70-75 jobs, and operational in end of 2018, it will employ automation with few USA peers, and a first of its kind for Americold. A 14-story rack system of automated retrieval and storage.

Administrator Report

Report was distributed and attached here at end of minutes.

Mt Morris/Municipal Expansion Discussion

Discussion continued on municipal expansion. Shaw has discussed the zone with several Ogle communities, providing the "top-ten" list as a suggested starting point. Anderson stated that if you don't have water/sewer/roads, it wouldn't matter. Gouker wants to make sure we are not excluding them, suggested we have a "must-have" list and a "should-have" list of items. He asked that the criteria list be

distributed to board members. With the list, how many should be met, which area vital? Are the sites ready? Are the towns earnest in using the zone for industrial use? Mt Morris is expected to show us a proposal soon. The board needs to act on setting criteria soon.

Action Item: Distribute the Criteria List (attached to board packet for 9/13/17)

Action Item: Set Criteria, the Must Haves and Should Haves (moved to unfinished business for 9/13/17)

Amboy Hearing/Ordinance

Shaw reported that Amboy hearing is scheduled and will be held at the regular Dixon City Council meeting on August 21.

Website

Certified Site Programs

Payette discussed site certification programs that are available. Discussion questioned whether land would have a greater value if certified. Further, are we prioritizing new business over existing business with a site certification program? Anderson suggested a program for serving new and existing business and that E-Zone should spend less time and money on projects that do not come. Gouker stated that we should look at retaining businesses. Anderson stated that GREDCO is looking at Syncronist interviewing now.

Action Item: Distribute the Certified Site Powerpoint. (Sent 8/9/17 via email)

Action Item: Business Retention Programs. (moved to unfinished business for 9/13/17)

Adding Sites Not in Zone

A site came up that was left out of the zone but the business is expanding. Shaw is looking into whether such a site can be added to the Amboy application or an entirely separate application. Project is already underway so may be too late to assist this business.

Next Meeting

Set for September 13, 2017 in Rochelle at 10 am. Amboy should be encouraged to send a designee if Mayor Schamberger cannot make the meetings.

Action Item: Set a recurring day/time for meetings. (moved to unfinished business for 9/13/17)

Motion to adjourn by Arellano, Anderson 2nd. Meeting adjourned at 11:40 am.



Fiscal Sponsorship Agreement

Effective Date: 7/1/2017

This Agreement is made and entered into by and between Blackhawk Hills Resource Conservation & Development (hereinafter BHRC) and the Lee County-Ogle County Enterprise Zone (hereinafter the E-Zone). The purpose of this Agreement is to identify the roles and responsibilities of each party as concerns the administration of project fees.

1. Parties

- 1.1. Sponsor: BHRC is a 501(c)(3) not-for-profit organization and public charity, located in Rock Falls, IL, that has as its primary concerns the social, environmental, and economic needs of Carroll, Jo Daviess, Lee, Ogle, Stephenson and Whiteside counties.
- 1.2. Sponsoree: the E-Zone is designed to stimulate economic growth and neighborhood revitalization in economically depressed areas of the state through state and local tax incentives, regulatory relief, and improved governmental services.

2. Fiscal Sponsorship

- 2.1. The E-Zone has requested that BHRC to administer project fees for the E-Zone.
- 2.2. BHRC, by recommendation of its staff and approval of its Board of Directors, has decided to enter into a fiscal sponsorship agreement with the E-Zone that will further BHRC's tax-exempt purposes and support the E-Zone's stimulation of economic growth and neighborhood revitalization.
- 2.3. BHRC will designate a restricted fund for the E-Zone; all project fees collected for the E-Zone will be placed in the fund.

3. Reception & Use of Funds

- 3.1. BHRC agrees to administer project fees for E-Zone programs and to make those funds available to the E-Zone.
- 3.2. The E-Zone will use all funds collected to implement the program as conceived of by the State of Illinois and in inter-governmental agreements and designating ordinances. Any changes in the purposes for which project fees are spent must be approved by the E-Zone advisory board and BHRC board of directors.

4. Legal Relationship

Nothing in this Agreement will constitute the naming of the E-Zone as an agent or legal representative of BHRC for any purpose whatsoever except as specifically and to the extent set forth herein. This Agreement will not be deemed to create any relationship of agency, partnership, or joint venture between BHRC and the E-Zone, and the E-Zone will make no such representation to anyone.

5. Tax-Exempt Status

The E-Zone agrees not to use funds received from BHRC in any way that would jeopardize the tax-exempt status of BHRC. The E-Zone further agrees to comply with any written request by BHRC that it cease activities that might jeopardize BHRC's tax status. The funds collected are not earmarked to be used in any attempt to influence legislation within the meaning of Internal Revenue Code (IRS) Section 501(c)(3). No agreement, oral or written, to that effect has been made between BHRC and the E-Zone. Further, the E-Zone will not use any portion of the funds granted herein to participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office, to induce or encourage violations of law or public policy, to cause any private inurement or improper private benefit to occur, nor to take any other action inconsistent with Section 501(c)(3) of the Internal Revenue Code.



6. Indemnification

The E-Zone hereby irrevocably and unconditionally agrees, to the fullest extent permitted by law, to defend, indemnify, and hold harmless BHRC, its officers, directors, trustees, employees, and agents from and against any and all claims, liabilities, losses, and expenses (including reasonable attorney's fees) directly, indirectly, wholly or partially arising from or in connection with any act or omission of the E-Zone, except to the extent that such claims, liabilities, losses, or expenses arise from or in connection with any act or omission of BHRC, its officers, directors, trustees, employees, or agents.

7. Renewal

This agreement will renew annually, and the annual term of any such renewal will be coincident with BHRC's E-Zone administration arrangement with the E-Zone advisory board.

8. Termination

This agreement may be terminated by either party by providing sixty (60) days written notice.

9. Invalidity of Provisions

If any provision of this Agreement is or becomes invalid, illegal, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions contained herein will not be affected thereby.

10. Governing Law

This Agreement will be governed by and construed in accordance with the laws of the State of Illinois.

11. Disposition of Assets and Liabilities

If either party terminates this agreement, any funds collected on behalf of the E-Zone, and remaining in the possession of BHRC at the time of termination, will be disposed of to a successor not-for-profit or governmental organization or proportionately to participating jurisdictions according to formula found in the establishing ordinance.

12. Remedies

Any specific right or remedy set forth in this Agreement, legal, equitable, or otherwise will not be exclusive but will be cumulative with all other rights and remedies set forth herein or allowable by this Agreement or by law.

13. Waiver

No failure by any party to insist upon strict performance of any covenant, duty, agreement or condition of this Agreement or to exercise any right or remedy consequent upon the breach thereof will constitute a waiver of any such breach or any other covenant, duty, agreement or condition.

14. Entire Agreement

This Agreement embodies the entire agreement and understanding of the parties and supersedes all prior agreements and understandings between the parties hereto relating to the subject matter hereof.

By signing below, both parties hereby execute this Agreement according to its terms, and the individuals signing on behalf of BHRC and the E-Zone, by signing this Agreement, certify that they are legally empowered and authorized to do so on behalf of BHRC and the E-Zone, respectively.



Signature (BHRC)

Name

Date

Signature (City of Amboy)

Name

Date

Signature (City of Dixon)

Name

Date

Signature (City of Rochelle)

Name

Date

Signature (County of Lee)

Name

Date

Signature (County of Ogle)

Name

Date

Lee-Ogle ENTERPRISE Zone

To: Enterprise Zone Advisory Board
From: Andy Shaw, Acting Administrator
Date: 8/9/2017
Subject: Report of Activities

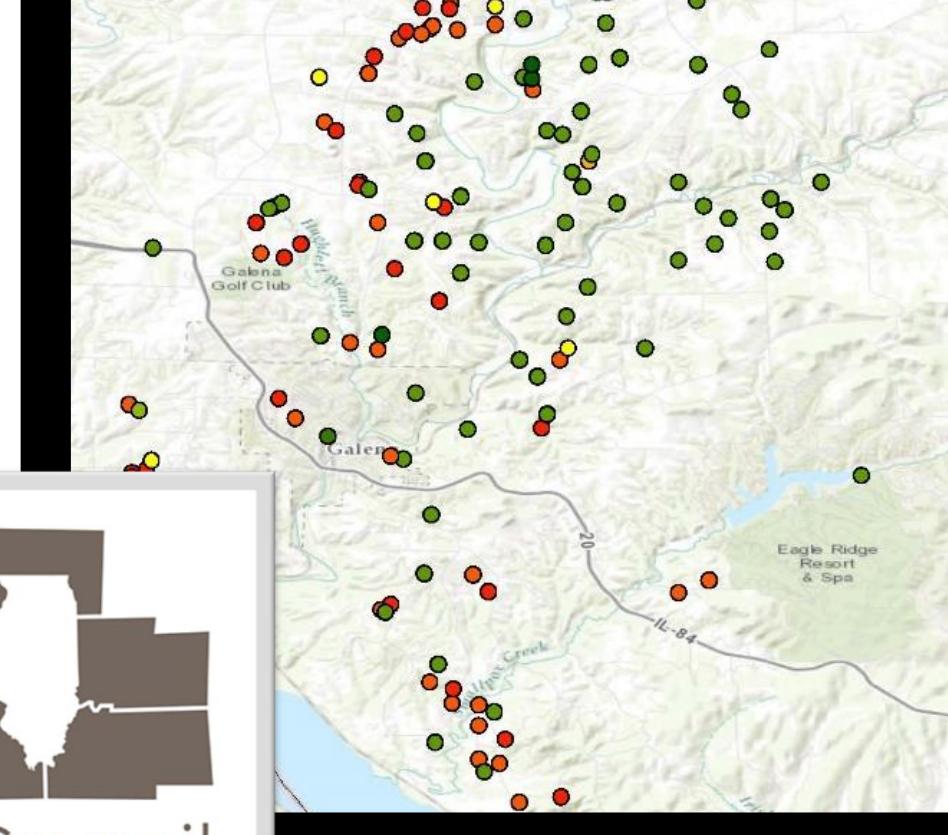
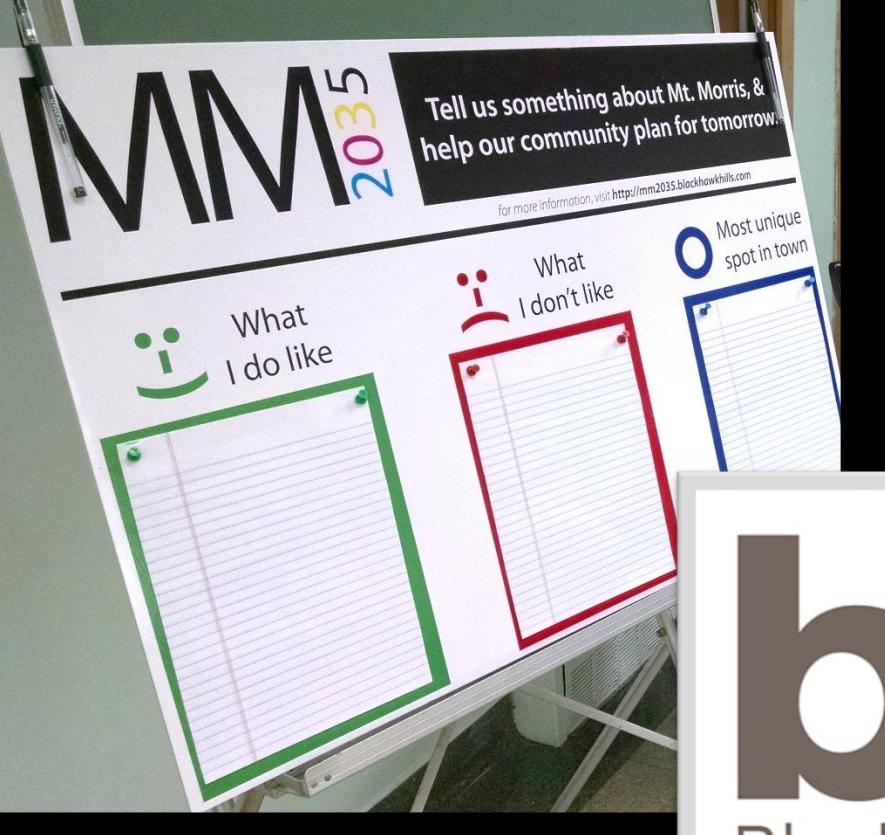
1. Financial: We have our BHRC MOU with suggested revisions from Dixon's city attorney. **This revised version was presented to the BHRC Council and approved on August 7, pending BHRC requested 501c3 legal review.** It outlines how funds will be held for the zone, with the zone having authority over all spending from the funds. We have collected \$2166 so far and expect a \$50k project fee soon.
2. Abatement Resolutions: Dixon USD is scheduled to hear my presentation TONIGHT. Mayor Arellano will accompany me in support of the abatement resolution. Priority now is school districts in AFC and Amboy. More to follow.
3. Amboy: The hearing is scheduled for August 22. I have the same transcriptionist scheduled that came for the most recent hearing. **Waiting for an answer from DCEO on whether hearing needed for abatements, whether hearings can be combined, and whether we could add some other "forgotten" parcels not in Amboy that have come up.**
4. Mount Morris/Polo/Oregon: The economic development effort in Ogle County continues to build steam. The group is meeting August 10 at the Ogle County courthouse. I have been in contact with the various cities/villages to outline how the zone works. **I am meeting today with MM and expect them to propose something at our next meeting.**
5. Many inquiries from Rochelle on commercial side and I worked with Jason on a major RFI to give good information on local zone incentives.
6. Upcoming/Pending/Ongoing Projects
 - o Americold, Groundbreaking tentative for August 29th
 - o Other Unnamed Industrial Expansion in Rochelle
 - o Dixon Presidential Plaza Expansion-Xsite/Paul Family
 - o Centerstage Dance Studio Dixon
 - o Former Stanley National
 - o Wellness Center Rochelle-McGee
 - o Dairy Delite's Amboy Production Facility
 - o **Anchor Road Storage Dixon-not in zone**
7. Met with
 - o Developer/New Owner for Stanley National
 - o Rochelle HS Superintendent Jason Harper
8. Calls with

Lee-Ogle

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Zone

- Dynegy (Nachusa Electric Plant)-new plant owner verifying zone status
 - Rochelle Community Development regarding Historic Tax Credit
 - Website Developers
 - Americold's project manager
9. Project Chabot: Foxconn We submitted area in Western Lee County earlier this year, had all the criteria:
- High MW power available
 - 2 fiber sources
 - Near to I-88 on US30
- 10.



Certified Sites Presentation | Lee-Ogle Enterprise Zone | Dixon City Hall | August 8, 2017 @ 10 am



Certified Sites

The What

- What are certified sites?
 - Development-ready industrial land
 - Involve rigorous certification (3rd party)
 - No national or international standards
 - Similarities between programs
 - Different levels of certification (e.g., Prime, Gold, Silver, Uncertified, etc.)
- Other Names: Qualified Sites, Shovel-Ready Sites, etc.

Indiana Site Certified Silver



- No size limit
- No proximity to state highway
- Support from Local Unit of Government and Chief Elected Official
- Clear Title-50 YR Title Search
- Zoning not required
- ALTA Survey
- Topo map using LiDAR
- Aerial Map
- Phase 1
- Wetland Delineation
- Letter from INDOT addressing appropriate use of site
- Utility Service capacity and distance defined

Indiana Site Certified Gold



- 20 contiguous acres
- No more than 5 miles from state highway
- Zoning required
- Geo tech study
- Seismic hazard map
- Be free of recognized environmental concerns
- Records Review
- Utility to property line or future build located in public right of way

Indiana Site Certified Prime



- 30 contiguous acres
- No more than 2.5 miles from state highway
- Zoning required
- Geo tech study
- No recs or site clear
- Phase 1a Archeological Reconnaissance
- Utility to property line or future build located in public right of way
- Local Unit of Government, Local Economic Development Organization, or Regional Economic Development Organization must own property or have agreement with property owner

Illustration: Indiana Office of Community and Rural Affairs

Certified Sites

The Where and Why

- Where are certified sites?
 - States: Minnesota, Iowa, Wisconsin, Indiana, and others
 - Localities: Rockford (local example)

- Why are certified sites desirable?
 - Provide confidence to site selectors
 - Address infrastructure capacity, zoning, ownership, and other factors in advance
 - Build networks
 - Consultants that certify sites often have connections to site selectors and/or firms reviewing opportunities
 - Marketing tool for the region

Certified Sites

Examples of Criteria (Source: <http://www.northernillinoisqsp.com>)

1. Site must have at least 20 contiguous developable acres
2. Industrial zoning must be in place
3. A Phase 1 Environmental report must be complete
4. A brochure or other marketing materials must be available
5. Site must be branded as a named industrial park
6. Site must be either be broker represented or have a letter of intent to sell from all owners



Illustration: Towngate PLC

Certified Sites

Examples of Criteria, continued

7. Asking price per acre must be available
8. A site plan must be available
9. Industrial-grade utilities (electric, natural gas, water, sewer) are either to park boundary, or developer/municipality has a credible plan in place to extend quickly
10. Site must have necessary archaeological, historic preservation, and natural resource clearances



Illustration: CadMax

Certified Sites

Considerations

- Investment of time and money
 - Feasibility study
 - Implementation
 - Marketing/branding
 - Site-by-site certification
- Not flypaper
- Non-certified sites remain important
- Workforce scarcity and low unemployment
- Process is focused outward
 - Diverts attention from start-ups and second-stage firms

Certified Sites

Considerations, continued

- Ideally paired with a regional (multiple counties) marketing/branding initiative and website
- Trend in megadevelopments?



Photo: Reuters



Photo: Tesla

Certified Sites

Considerations, continued

- Need local participation with knowledge (e.g., infrastructure capacity, etc.), guided by the consultant
- Distinguish through marketing (e.g., green/sustainable, PFN access, etc.)
- Should compliment comprehensive plan and land use
- Should consider fiscal impact through fiscal impact analysis
- Should consider current replacement cost and length of life cycle

Certified Sites

Partnerships

- Possible partners or funding (including match) sources
 - LC-OC E-Zone (including GREDCO and LCIDA)
 - CC-WC E-Zone (including Whiteside County Eco. Dev.)
 - GSDC
 - TCEDA
 - Commerce and industry
 - Local governments
 - Real estate firms
- Need to assess interest in these and others

… Possible Partners …



Certified Sites

Grant Opportunities

- EDA technical assistance grant (if coupled with feasibility study or with regional branding process)

Example of an EDA-funded project: “\$110,650 in Technical Assistance funds to the City of Baltimore, Maryland, to support the “Made in Baltimore Business Certification Program.” The program will create a locally-made brand platform for Baltimore-based manufacturers, allowing them to brand their products, businesses, and websites with the “Made in Baltimore” seal and be listed on a central online business directory. The project will elevate the presence of local manufacturing companies...”

Certified Sites

Rough Outline of Steps

- Set goals
- Tentative ID of participants and sites
- Obtain quotes from consultant
 - Feasibility (ranking and elimination, review of non-selected sites, etc.)
 - Certification (develop certification program, certify sites, etc.)
- Secure commitments and set rough budget
 - Consultant, engineering, marketing/branding, etc.
- Hire consultant
- Obtain quotes from engineering firms
- Hire engineering firms to complete studies (Phase I, etc.)
- Marketing/branding (website, etc.)