

Lee-Ogle ENTERPRISE Zone

Lee-Ogle Enterprise Zone Agenda (REVISED)

Location: Dixon City Hall

Date: 3/1/2018 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. Financial Report & Admin Report	Andy Shaw, Administrator
	b. Additional County Representation on EZ Board Adding Voting Membership to EZ Board	Board
	c. Other Unfinished Business	Board
10:25 a.m.	IV. New Business	
	a. Opportunity Zone Application	AS
	b. Update for Amboy and Mount Morris Applications	AS
	c. New Application for 2018 Projects	AS
	d. Blackhawk Hills Administrative Proposal	Dan Payette
	e. Statewide Competitive Freight Program	Dan Payette
	f. City of Oregon Request to Enter Zone	City of Oregon
11:25 a.m.	V. Next Board Meeting & Location	Board
11:30 a.m.	VI. Roundtable Discussion	Chair
11:45 a.m.	VII. Adjournment	Chair



- Draft
- Final
- Amended

Lee-Ogle Enterprise Zone Meeting Minutes

Location: Dixon City Hall Council Chambers

Date: 3/1/18

Voting Membership Attendance

In-Person	Remote	
<input 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 Chairman 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
<input checked="" type="checkbox"/>	<input type="checkbox"/>	LCIDA Exec. Director Kevin Marx
<input type="checkbox"/>	<input type="checkbox"/>	Administrator Andy Shaw
<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	

Guests in Attendance

In-Person	Remote	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Greg Sparrow, Ogle County Board
<input checked="" type="checkbox"/>	<input type="checkbox"/>	John Finrock, Ogle County Board
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Dan Payette, Blackhawk Hills RC
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Theresa Wittenauer, Lee County Admin
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Ken Williams, Mayor, City of Oregon
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Danny Langloss, Dixon City Manager
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Jeff Fiegenschuh, Rochelle City Manager
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Don Griffin, Ogle County Board
<input type="checkbox"/>	<input type="checkbox"/>	Julie Jacobs, Blackhawk Hills RC
<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	

Call to Order

Chair Olson called the meeting to order at 10:02 a.m. Payette announced that Shaw would not be able to attend today’s meeting due to being ill.

Minutes

The minutes to the January 23, 2018 minutes were handed out. Dan Payette asked that everyone check the minutes over for accuracy. Gouker made a motion to approve the minutes as written. Anderson noted that board membership cannot be added except by an ordinance modification. Payette will check with Shaw on it. Langloss seconded the motion. Motion carried.

Financial Report

The financial report was included in the meeting folders. There was only one transaction, interest. Anderson made a motion to approve the financial report. Gouker seconded the motion. Motion carried.

Administrator Report

Payette presented the Administrator’s report on behalf of Shaw. Four public hearings have been held and several abatements have been passed this month. Shaw will be fielding a lot of calls soon after sending letters to many Lee County abatement projects from the old zone. Lee County Assessor and Clerk are aware of this and know to refer people to Shaw. Looking for candidates for the Export Award. Shaw will be attending the Illinois Enterprise Zone Association conference in early May. Board members can join Shaw at the conference at a low cost. Let Shaw know if you are interested in attending.

New Business

Opportunity Zone application was submitted. Provision in new tax law that the Governor can select areas. Shaw put maps together on census tracts. Individual application and regional application were submitted which included one page on each tract. Similar to new market tax credit. Thanks to everyone that submitted applications.



Amboy and Mt. Morris

Amboy is pretty close to being approved by the State. Shaw heard from Craig Coil that the State is moving slowly. Mt. Morris is almost ready to submit just need a couple of resolution from Township and Fire District. Need Mayors Olsen and Arellano signature on it.

New Projects Application

This application is moving quickly through the ordinance process, will probably be a month behind the Mt. Morris application. Anderson stated that they are working on a couple of projects that should come around in summertime. Payette asked if anyone knew of businesses that would be benefit, please let our office know if it wasn't included. Anderson asked if Shaw had heard from Love's truck stop. Payette will check with Shaw.

BHRC Administrative Proposal

Payette handed out a copy of the proposed administrative proposal. Not too many changes from last year's document. The agreement is for twenty-four months. Billing will be in March. The contractual/marketing budget line item is considered non-fixed. The board will retain the option to transfer the unspent portion of the expense to the project fund at the end of the calendar year. The board needs to think about what they are going to spend their project funds on. Payette recommended a smaller committee be formed to come up with some ideas. Since this is the first time the board is seeing the proposal, Payette recommended that the agreement be voted on at the next meeting.

State Freight Funds

Payette spoke of the Illinois Competitive Freight Program funding. Application are due on April 6, 2018. Looking for projects that would score best in the four goal categories in the freight transportation plan; bottleneck reduction, freight related safety, intermodal accessibility, and technology deployment. The State is looking at critical corridors which includes I-39. Ten percent of the funds are to be awarded to intermodal projects designed to improve the flow of freight into and out of a freight intermodal or freight rail facility. There is not a lot of time and limited funds. Rochelle would be highly competitive. There is a map on IDOT website showing critical corridors. There was discussion on potential projects in the Rochelle area. If you have a project reach out to the contact person on the application. This would be an opportunity that the zone may want to match. Anderson added that the project needs to be shoveled ready. A potential project could be Dement Road expansion in Rochelle. There is a lot of environmental issues and may not score very well but would have a greater impact.

City of Oregon Request to Join the Lee-Ogle EZ

Mayor Williams presented the City of Oregon's request for the inclusion of 89 acres into the Lee-Ogle EZ. A copy of the request was handed out. The request included the qualifying factors and potential projects within the City, infrastructure, intermodal capabilities, and participation by other governmental bodies. Potential projects for the area include an expansion of a metal fabrication company, riverfront development, and retirement and urgent care facility. The 89 acres are included in the TIF boundaries. Mayor asked if tax abatements are needed if area is same as TIF district. Payette will check with Shaw on the question. There is adequate infrastructure in the proposed area. There was discussion as to how many more acres are allowed in the Lee-Ogle EZ. Anderson felt we should get done the current application before submitting another one. Gouker asked if there were any other communities in Ogle County to include in the zone. Payette will check Shaw on acres available in the zone. Resolutions



approving participation in the EZ have been signed by City of Oregon, Oregon Community Unit School District #220, and Oregon Park District. Copies of the resolutions were given to BHRC staff. No action was taken on the Oregon's request.

Adding Members

Anderson spoke to Craig Coil on the process of adding new members to the Zone. The board is an advisory board only. Each county and community would have to agree on adding new members and a change in the ordinance would have to be made. This item will be kept on future agendas.

Next Advisory Board Meeting & Location

Set for Friday, April 27, 2018 at 10 AM at Rochelle City Hall.

Roundtable Discussion

Payette announced that BHRC is in the process of updating its five-year Comprehensive Economic Development Strategy (CEDS) Plan. A CEDS Forum will be held in Lee County in April. BHRC is also doing a water study on the availability of water in our area. Informational meetings will be held in April as well. It is important that we get local participation in the CEDS process and the water study.

Adjournment

Motion to adjourn by Anderson, Gouker seconded. Meeting adjourned at 11:20 AM.

Item #1

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Item #2

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Item #3

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Adjournment

X motioned to adjourn the meeting. X seconded the motion. The meeting ended at X AM.

Lee-Ogle ENTERPRISE Zone

To: Enterprise Zone Advisory Board
From: Andy Shaw, Administrator
Date: 3/1/2018
Subject: Report of Activities

1. Financial: The project fund report is attached to this month's board material.
2. New abatements have been passed by Amboy Fire, Marion, Harmon, Dixon and South Dixon Townships. I have received the resolutions from Steward ESD and Alto Township as well. More to come, and at mid-year I will have a public hearing to make application to DCEO to add these tax districts.
3. Amboy Application: I was already in Springfield on January 30th for another meeting so I hand-delivered our 2nd set of ordinances to DCEO. A week after that, DCEO asked for a new original copy of Dixon's 2nd ordinance, and that was sent 2/13/18. It sounded like the approval was pretty far along so I expect it soon.
4. Mount Morris: All Mt Morris ordinances are in-hand as of 2/22/2018. Still working on getting their abatement resolutions, all passed except Highland College. Application to be sent upon getting the abatement resolutions.
5. New 2018 Projects Application: This one was discussed in October for the new Manor Court nursing home in Rochelle. An \$18 million investment and @ 200 jobs. With its approval by the healthcare board, it is going forward as a zone amendment. I'm also working to add a Dixon business that is continuing to expand, but was left off the zone map. Amending ordinances are already being passed and this application will go in to DCEO about a month behind Mount Morris. Not as time-sensitive since Manor Court is only seeking abatement and did not need Building Materials Exemption per company. Anchor Road 2017 project is too late for BMEC so theirs will only impact abatement as well.
6. Opportunity Zone: On the zone's behalf, BHRC applied for this new and sudden opportunity. Will share our application in new business.
7. Export Award Nominations: I am working to make a list of a half dozen exporters to nominate for the governor's export award by April 20. Categories include: Exporter of the Year, New Exporter, Agricultural Business Exporter, Service Exporter, and Export Awareness and Development. Looking for suggestions in the zone.
8. Website Status: Website at leeoglezone.com. Please give any input you can on this.
9. Upcoming Conferences include Illinois Institute for Rural Affairs on March 7-8 and Illinois Enterprise Zone Association is May 2-4 in Springfield. (I am able to bring someone from the zone board with our membership.)

**Lee-Ogle Enterprise Zone
Sauk Valley Bank Checking Account**

Date	Check Number	From	Deposit	Withdrawal	Total
5/25/2017	237254	Willett, Hofmann & Associates, Inc.	\$ 266.00		\$ 266.00
8/3/2017	2888	Centerstage Dance Company	\$ 50.00		\$ 316.00
8/23/2017	3865	Nathan & Jennifer McGee	\$ 200.00		\$ 516.00
8/29/2017	29265	Hayden Real Estate, Inc.	\$ 1,450.00		\$ 1,966.00
9/6/2017	39105	City of Amboy	\$ 3,670.00		\$ 5,636.00
9/19/2017	17440	Griffco Design/Build Inc.	\$ 50,000.00		\$ 55,636.00
9/20/2017	ETF	Harland Clarke (Checks for Account)		\$ 19.10	\$ 55,616.90
10/2/2017	6520	Larry Farley Insurance Agency, Inc.	\$ 15.00		\$ 55,631.90
10/2/2017		Interest	\$ 4.27		\$ 55,636.17
10/31/2017		Interest	\$ 11.00		\$ 55,647.17
11/30/2017	25173	Illinois River Energy LLC	\$ 1,688.86		\$ 57,336.03
11/30/2017		Interest	\$ 11.39		\$ 57,347.42
12/11/2017	9174	Richard & Doris Kennay	\$ 5,200.00		\$ 62,547.42
12/11/2017	5480	Hvarre Holdings	\$ 400.00		\$ 62,947.42
12/31/2017		Interest	\$ 12.89		\$ 62,960.31
1/31/2018		Interest	\$ 13.32		\$ 62,973.63



28-Feb-18

To: Lee Ogle Enterprise Zone Advisory Board
From: Daniel Payette, Executive Director
Subject: 2018 Enterprise Zone Administration Proposal
Date: 3/1/2018

SUMMARY

The following memorandum outlines Blackhawk Hills Regional Council's (BHRC) renewal proposal for administering the Lee Ogle Enterprise Zone.

ENTERPRISE ZONE PROGRAM OVERVIEW

The Enterprise Zone is a critical partnership of local and state resources supporting business expansion and retention through a package of incentives. Locally, the Lee Ogle Enterprise Zone is a partnership of the cities of Dixon and Rochelle, the counties of Lee and Ogle, and the economic development agencies of LCIDA and GREDCO. With pending amendments to add Amboy and Mount Morris, the zone will have a set of two smaller and two larger municipalities. In the ordinances and intergovernmental agreement for the zone, the parties sensibly addressed administrative funding with contribution sharing formulas and automatic inflationary adjustments.

BLACKHAWK HILLS REGIONAL COUNCIL OVERVIEW

Daniel Payette, BHRC Executive Director

All BHRC activities are coordinated through Payette. Formerly Outreach Coordinator and Planning Manager, he has extensive experience supporting community and economic development, including through implementation of the Economic Development District's Comprehensive Economic Development Strategy (CEDS). He started at BHRC in 2011, enabling the roll out of the region's non-profit gigabit broadband network, iFiber. Payette received his MS from the University of Wisconsin-Madison (Urban & Regional Planning) and BA from Marquette University. He resides in and is a native of Shannon, IL.

Andy Shaw, Zone Administrator, BHRC GIS Mapping and Enterprise Zone Specialist

Shaw is experienced in business development, GIS mapping, demographic analysis, and stakeholder outreach. In 2017, he assumed the administrator role for the zone, following his training and work with previous zone administrator John Thompson. Since joining BHRC in 2013, he has participated in the Illinois Enterprise Zone Association and worked with local zones on expansion proposals, eligibility testing, and new applications. He received his MS from Northern Illinois University (GIS & Urban Geography) and BA from Western Illinois University. A native of Carroll County, he worked in the family grocery business and served on the former Carroll County Economic Development Corporation board. He resides in Dixon, IL.

Julie Jacobs, BHRC Office Manager

Jacobs has been with BHRC since 1987 and has extensive knowledge of and experience working with community and economic development stakeholders in the six Blackhawk Hills counties. Her current duties include grant administration, budgeting, bookkeeping, environmental issues and economic development support, and marketing activities. She resides in Sterling.

ZONE ADMINISTRATION DUTIES & RESPONSIBILITIES

The following administrator duties & responsibilities are anticipated:

1. Comply with all program requirements and requests for information from Illinois Department of Revenue (IDOR) and Illinois Department of Commerce and Economic Opportunity (DCEO).
2. Function as liaison between participating cities, counties, economic development organizations (EDOs), taxing districts, IDOR, DCEO, any other state agency, and any federal agency in matters affecting the zone.
3. Collect data and issue reports requested by the advisory board, state government, and other entities as appropriate.
4. Continue to approach taxing districts and obtain abatement resolutions to obtain the most complete abatement coverage possible for the zone.
5. Act as public affairs liaison between the media and the advisory board.
6. For new projects that meet local zone and state program requirements:
 - a. Run suitability analyses upon request;
 - b. Issue Building Material Exemption Certificates (BMECs);
 - c. Coordinate with county tax and assessment officials to ensure that abatements are granted as promised;
 - d. Assist applicants with submissions for other zone benefits when applicable, such as Expanded MM&E and Utility Tax Exemptions;
7. Develop a stakeholder marketing plan and support strategy for the zone and implement it.

Address the following components (in-zone properties only):

- a. Initiate strategic Business Retention & Expansion (BR&E) visits and calls, whether or not such properties use zone benefits. Target at least 15 properties per year;
 - b. When invited and scheduling permits, accompany economic development professionals on BR&E visits and encourage the use of all appropriate zone benefits;
 - c. Maintain and improve a website for zone promotion. The website will include the following:
 - i. General information;
 - ii. Interactive mapping and address search feature; zone and TIF overlay (the latter only if available);
 - iii. A list of available industrial properties in the zone, including embedded Location One Information System (LOIS) or similar platform;
 - iv. Blog posts and press releases announcing successfully applied incentives;
 - v. Board records, Agendas and meeting minutes;
 - d. Create and oversee targeted education and outreach on social media and news outlets.
8. Coordinate with EDOs and communities on external opportunities as follows:
 - a. Contribute GIS and demographic data analysis for the pursuit of appropriate DCEO and Intersect Illinois RFQs, as well as general site selector inquiries.

- b. Strategically approach entities outside of the zone that might consider new enterprise that would prompt a zone entrance application.
- 9. GIS and demographic data analysis for the pursuit of appropriate DCEO and Intersect Illinois RFQs.
- 10. Collect project fees, as set by the advisory board at .5% of estimated project building materials, and disbursing the collected funds only as authorized by the advisory board for special projects to benefit the zone. These funds shall be segregated as agreed to in the separately executed Fiscal Sponsorship Agreement.
- 11. Conduct ongoing evaluations of the zone program, in consultation with the advisory board, and submit reports concerning the effectiveness of the zone on a semi-annual basis to all participating agencies in the designating ordinance.
- 12. Assist expired zone users in the issuance of new BMECs for ongoing projects in the new zone and with the filing of mandated reports of zone activity for prior calendar years. Note: While we can assume no liabilities for projects initiated prior to January 1, 2017, we will make all reasonable efforts to assist those clients with issues arising from the expired zone, including reporting for projects from the expired zone.

ZONE ADMINISTRATION BUDGET & BILLING

<u>Entity</u>	<u>Annual Contribution</u>	<u>Fixed Expense</u>	<u>Annual Cost</u>
Lee County	\$10,574.00	Personnel	\$35,600.00
Ogle County	\$7,778.00	Fringe	\$10,150.72
City of Dixon	\$22,508.00	Travel	\$1,765.49
City of Rochelle	\$23,866.00	Other/Indirect	\$6,714.60
City of Amboy	\$670.00		
Village of Mount Morris	\$1,750.00	<u>Non-Fixed Expense *see note</u>	<u>Annual Cost</u>
		Contractual/Marketing	\$12,915.19
Total Contributions	\$67,146.00	Anticipated Expenses	\$67,146.00

Anticipated expenses for zone administration, support staff, travel, equipment, supplies, marketing, contractual, overhead, etc. Expense line items are approximate and may not represent exact distributions. Other/indirect considers administration and overhead, as well as supplies, equipment, and software/hardware.

*The non-fixed category titled “Contractual/Marketing” includes consulting & legal expenses, as well as zone-specific development and marketing (e.g., website development & deployment). This category, when remainder amounts are deemed as excess by BHRC and the board at the end of a calendar year, shall have that excess portion returned to the project fund. The status of this category shall be updated regularly by the administrator for the board.

BHRC will bill each entity for its respective contribution each year. For calendar year 2018, billing will be in March and follow the amounts stated in the ordinance and this agreement. In future years it shall be



in January. With future year's contribution, contributors shall escalate the total budget by the most recent rolling 3-year rolling average of the October CPI index, per the designating ordinance.

GIS Mapping & Enterprise Zone Specialist Andy Shaw will be assigned administrator duties. Office Manager Julie Jacobs will be tasked with supporting the administrator.

ZONE ADMINISTRATION TERM & RENEWAL

BHRC's continued administration of the zone will commence on the date of proposal acceptance.

It will continue for an initial term of twenty-four months, will be renewed automatically for subsequent terms of twenty-four months, or until the zone is terminated, as long as the advisory board and BHRC see fit to maintain the administration arrangement.

If the advisory board or BHRC wishes to discontinue this arrangement, advanced notice of sixty days is required to be given by either party to allow for proper transition.



Signature (BHRC)

Signature (City of Amboy)

Name

Name

Date

Date

Signature (City of Dixon)

Signature (City of Rochelle)

Name

Name

Date

Date

Signature (County of Lee)

Signature (County of Ogle)

Name

Name

Date

Date

Signature (Village of Mount Morris)

Name

Date