



Lee-Ogle Enterprise Zone Agenda

Location: Oregon City Council Chambers

Date: 10/9/2019 at 10 am

10:00 a.m.	I. Call to Order and Attendance	Chair
10:05 a.m.	II. Presentation on Housing Study	NIU Center for Governmental Studies Researchers
10:35 a.m.	III. Minutes	Andy Shaw, Administrator
10:40 a.m.	IV. Unfinished Business	
	a. Financial & Admin Report	AS
	b. Other Unfinished Business	Board
11:00 a.m.	V. New Business	
	a. EZ Board Chair Status	AS
	b. C-PACE Financing	AS
	c. Abatement Policy on Apartments	AS
	d. Farm Businesses in the EZ	AS
	e. Other New Business	Board
11:45 a.m.	VI. Set Next Board Meeting & Location	Board
11:50 a.m.	VII. Roundtable Discussion	Chair

Lee-Ogle Enterprise Zone Meeting Minutes

Location: Oregon City Hall, Oregon

Date: 10/9/19 | Time: 10:00 am

Voting Membership Attendance

In- Person	Remote	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Rochelle Mayor John Bearrows (Chair)
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Dixon Mayor Liandro Arellano
<input type="checkbox"/>	<input type="checkbox"/>	Amboy Mayor John Schamberger
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Mount Morris (Paula Diehl)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Oregon Mayor Ken Williams
<input type="checkbox"/>	<input type="checkbox"/>	Ashton President Tim Henert
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Lee County Chairman John Nicholson
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Ogle County Chairman John Finfrock
<input type="checkbox"/>	<input type="checkbox"/>	GREDCO (Jason Anderson)
<input type="checkbox"/>	<input type="checkbox"/>	LCIDA Exec. Director Kevin Marx
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Zone Administrator Andy Shaw (Vice-Chair)

Guest Attendance

In- Person	Remote	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Greg Sparrow, Ogle County Board
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Don Griffin, Ogle County Board
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Mim Evans, NIU CGS
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Shannon Sohl, NIU CGS
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Mel Henriksen, NIU CGS
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Danny Langloss, Dixon City Manager
<input type="checkbox"/>	<input type="checkbox"/>	

Call to Order

7 of 11 were present for quorum. Mayor Li Arellano joined us from overseas via speakerphone.

Presentation from Center for Governmental Studies Researchers

The Board heard a presentation from NIU Center for Governmental Studies Researchers on the potential study of housing in the areas of the Lee Ogle EZ. Their presentation slides are attached to the minutes. CGS offers flexible options, while proposing a phased approach separating demand and supply analysis. Pricing could vary widely due to how work is structured.

Discussion continued after NIU staff left the meeting, with a presentation of market data from Mayor Bearrows. Bearrows spoke about knowing what we need to do already, that we are needing housing at mid-range price levels. Langloss spoke of Dixon being involved with a soon to be delivered hotel study. Dixon knows a hotel on I-88 would fill up, but the study would give the city the credibility with developers. **NIU PRESENTATION IS ATTACHED TO MINUTES.**

Minutes

The minutes of July 31st, 2019 meeting were emailed out and are in board packet. Williams Motion to accept, Finfrock 2nd, Passed.

Financial Report

Since the last report, we have started several new projects and have just under \$20k receivable for fees that are not shown on this report, with the largest amount from Pilot's new project that was just certified. Williams Motion to accept, Nicholson 2nd, Passed.

Administrator's Report

Report is attached to board materials, some highlighted items:

- **Dropping off Project Lee Ogle Boundary and New Abatement Resolutions:** later today will be dropping off in Springfield on my way to Enterprise Zone conference in Peoria.

Lee-Ogle ENTERPRISE ZONE

- **Pilot Amendment:** Was certified in late September and I am now issuing many tax certificates.
- **Opportunity Zone Site:** I am working to highlight 2 OZ sites each in Dixon and Rochelle. The EZ will pay to have some great photography to show off these opportunities.

New Business

EZ Board Chair Status: Shaw received notice from Mayor Arellano that he would resign the EZ Board chairmanship due to his extended absence from the country. He expressed his desire to participate when possible, so I will be setting up conference equipment from Blackhawk Hills to allow that, this setup will be available to all of us and I will distribute the link to make it available. This sets in motion our action from last meeting. Bearrows is now chair and Shaw is vice-chair.

C-PACE: Slightly updated handout was distributed on this potential new incentive for energy-related costs in projects. This tool allows long term bond financing of energy conservation systems, renewables systems after modelling analysis. Bond is repaid by property tax assessment on that parcel's tax bill, and runs with the land so that future owners continue to pay for the cost. Better deal for developer due to greater leverage, shifts costs to the tenant in certain situations, and higher rate of return on project is possible with this. We are still gathering information on how to implement this locally and will report more when we get it.

Abatement Policy on Apartments in the EZ: Shaw drafted a policy document to address a seeming contradiction in the designating ordinance in regard to abatement for large scale apartments. Motion to adopt the policy document by Williams, Shaw 2nd, Passed.

Farm Business in the EZ: A potential project on a Lee County farm in the zone was briefly discussed. There are several legacy EZ sites in rural Lee County that in the past were commercial grain elevators. This one is considering an expansion but also inquired about a nearby site that is not in the zone. No motion but consensus was to not do amendments for commercial farm business.

Next Board Meeting & Location: The board was presented with two meeting schedule options for meetings through the end of 2020. The consensus was to adopt the schedule of "1st Wednesdays, every other month" as follows:

1st Wednesdays

Next meeting –December 4, 2019 at 10 am at Rochelle City Hall

February 5, 2020

April 1, 2020

June 3, 2020

August 5, 2020

October 7, 2020

December 2, 2020

Roundtable Discussion

None

Motion to adjourn by Williams, Shaw 2nd, Passed.

HOUSING AND ECONOMIC GROWTH

October 9, 2019

Lee-Ogle
ENTERPRISE ZONE



NORTHERN ILLINOIS UNIVERSITY

**Center for
Governmental Studies**

Outreach, Engagement, and Regional Development

Today's Agenda

- Can housing play a significant role in economic growth?
- What would a housing initiative look like in the Lee-Ogle area?
- What are some ways CGS could work with you to answer your questions and assist you in developing housing strategies that will encourage economic growth such as attracting housing developers or encouraging new residents to fill/repurpose the existing housing stock?

Is Housing Critical to Economic Growth?

- Housing shortages lead to economic instability by restricting labor mobility, increasing business costs and intensifying inequality
- In our knowledge and creative economies, people – and particularly skilled people – create wealth. Any area wishing to emulate the civilizational ideals of improved standards of living and a diversity of cultural goods should be aiming to have more people, and particularly young people, move in.
- And lastly, diversity produced places where people stayed put even if the circumstance of their lives changed. Think about how some places become so family-orientated they are monocultural. So what do you do if your children leave home? Move on? It doesn't have to be like this.

Housing Creates Jobs Directly and Indirectly

- New residents encourage local trades through home maintenance and renovations
- New homes mean new purchases of furnishings, appliances
- New residents support all kinds of local businesses
- New construction can raise EAV
- Construction jobs contribute to the economy



Issues Raised in the CEDS

- Unfilled job opportunities
- Loss of retirees
- Sprawling subdivisions adjacent to municipalities
- Low availability of quality rentals and workforce housing
- Abandoned, aging and blighted housing



Options for Creating Worker Housing

- Option 1: new housing built for workers
- Option 2: new housing built for seniors, freeing up their present homes
- Option 3: Assist renters to purchase homes, freeing up rentals
- Option 4: Mixed use, downtown revitalization and live/work
- Option 5: Amenity based housing

Examine current and future housing demand and assess the current supply to determine the mix of these options.

Questions to Answer

- Is there an unmet need for workforce housing?
- Are there other unmet housing needs that are a factor in population loss? (senior housing, rentals for young people, quality move up housing for established families)
- What kind of housing would new workers need?
- What kind of housing do people who are *not* thinking about living here want?
- Can this need be met through new construction or recycling of existing housing?
- If new construction, how can you attract developers?
- If recycling, what kind of housing is needed to move older residents out of larger single family homes or renters into their own homes, freeing up houses and rentals?
- What incentives could you consider?
- What successful models are there that you could learn from?

How can we help you answer these questions?

How to Bring You Value

- Be efficient to keep costs down-use information you have, use local expertise when possible
- We assemble data to fill in the gaps, particularly on existing supply
- Look for good examples of effective strategies and positive outcomes

Madison, Chicago, Fairfax incentive programs

https://www.rethinkwm.com/?utm_medium=linkedin&utm_source=rpi



The CGS Approach



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Outreach, Engagement, and Regional Development

- CGS is an academic institution rather than a consulting firm. The latter often has a set procedure for a type of project which can be repeated in many communities. This is a useful approach for a well-defined project. CGS, on the other hand, says “What do you need and how can we help you come to a useful decision?”
- That means that what we do for each client depends on what they need, rather than what we have done many times before.
- Our main interest is to help you make smart choices and investments that yield desired outcomes.
- The types and depth of analyses will probably differ quite a bit from what we did for the previous client or will do for the next one and we often do not recover all expenses calling it public service.

One Size Does Not Fit All

	EAV (Per AFR)	Estimated Population (Per AFR)	Jobs (OnTheMap)	Total Area Sq Miles (2010 Census)
Rochelle	\$ 225,294,807	9,293	5,812	12.919
Dixon	\$ 180,318,521	15,135	7,489	7.862
Byron	\$ 66,274,012	3,753	1,314	3.572
Oregon	\$ 46,030,791	3,518	1,600	2.028

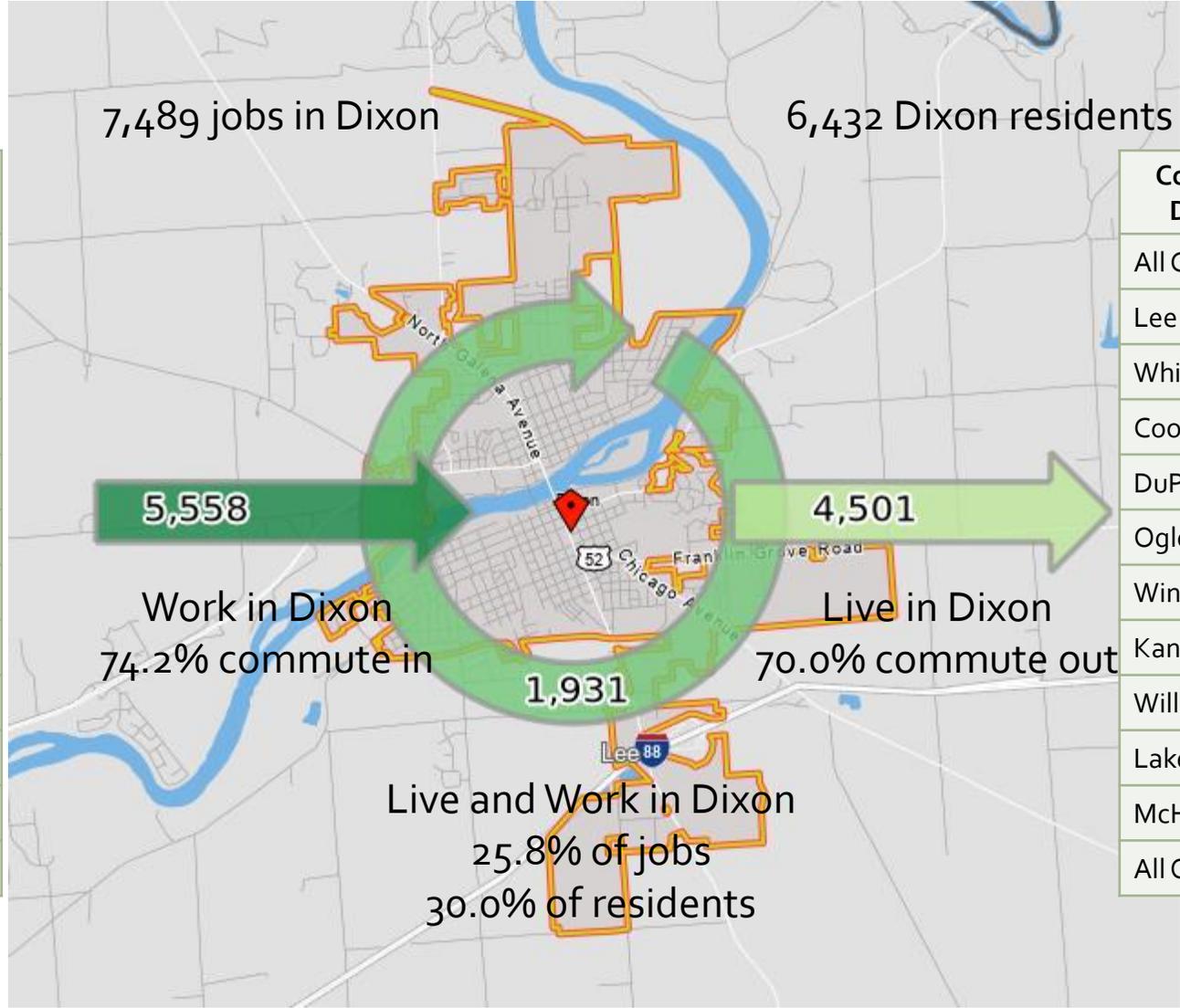
County of Residence for Rochelle Employees	Count	Share
All Counties	5,812	100.0%
Ogle County, IL	2,587	44.5%
Winnebago County, IL	627	10.8%
Lee County, IL	428	7.4%
DeKalb County, IL	338	5.8%
Cook County, IL	287	4.9%
LaSalle County, IL	184	3.2%
Whiteside County, IL	155	2.7%
Kane County, IL	116	2.0%
Boone County, IL	99	1.7%
Will County, IL	93	1.6%
All Other Locations	898	15.5%



County of Work for Rochelle Residents	Count	Share
All Counties	3,610	100.0%
Ogle County, IL	1,629	45.1%
Cook County, IL	355	9.8%
Winnebago County, IL	336	9.3%
DeKalb County, IL	272	7.5%
Lee County, IL	161	4.5%
DuPage County, IL	139	3.9%
Kane County, IL	85	2.4%
Will County, IL	61	1.7%
Whiteside County, IL	42	1.2%
Lake County, IL	41	1.1%
All Other Locations	489	13.5%

Source: U.S. Census Bureau, OnTheMap, 2017.

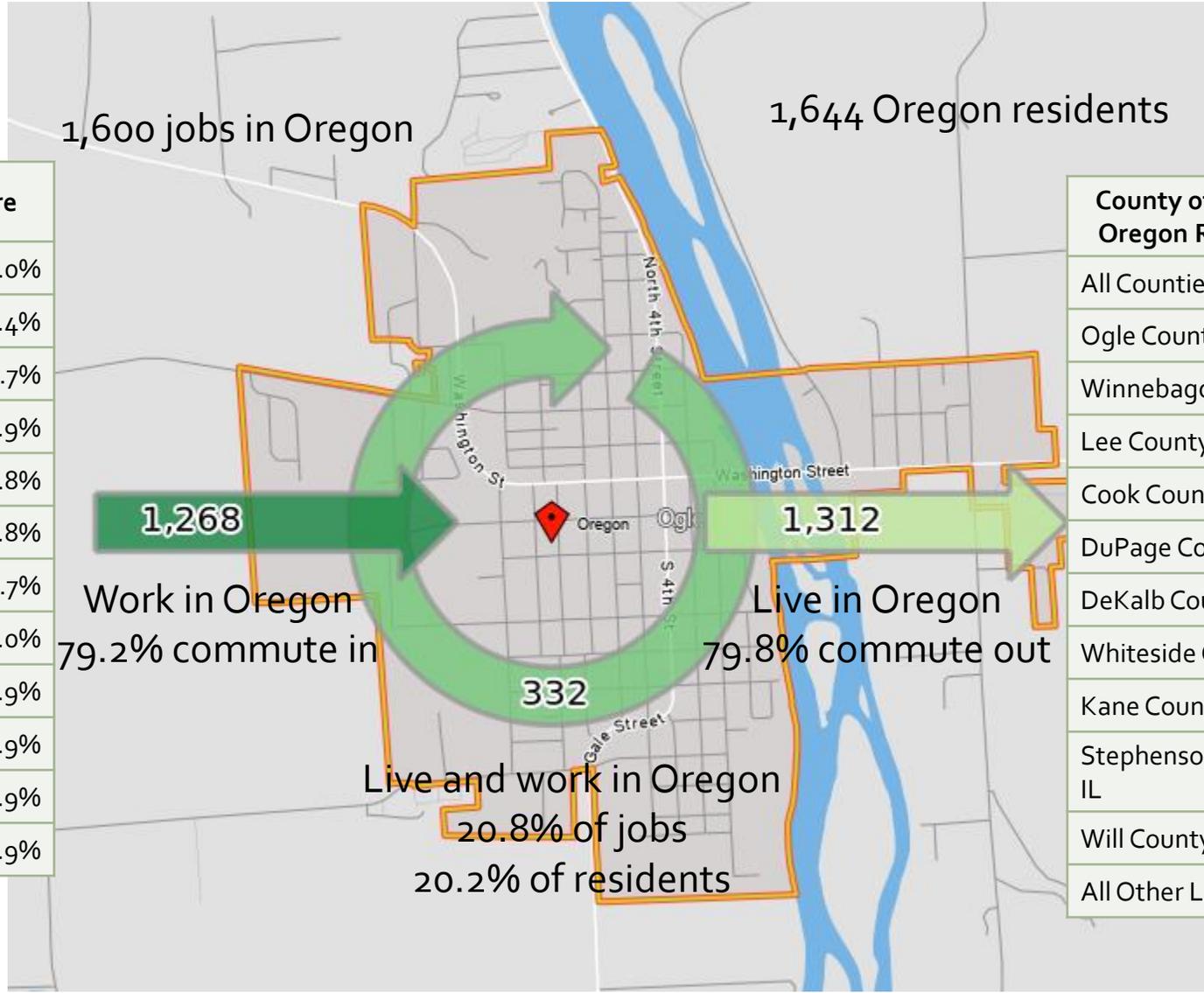
County of Residence for Dixon Employees	Count	Share
All Counties	7,489	100.0%
Lee County, IL	3,188	42.6%
Whiteside County, IL	1,336	17.8%
Ogle County, IL	820	10.9%
Cook County, IL	265	3.5%
LaSalle County, IL	141	1.9%
Will County, IL	132	1.8%
Winnebago County, IL	122	1.6%
Bureau County, IL	115	1.5%
Kane County, IL	94	1.3%
Stephenson County, IL	93	1.2%
All Other Locations	1,183	15.8%



County of Work for Dixon Residents	Count	Share
All Counties	6,432	100.0%
Lee County, IL	2,583	40.2%
Whiteside County, IL	748	11.6%
Cook County, IL	658	10.2%
DuPage County, IL	450	7.0%
Ogle County, IL	415	6.5%
Winnebago County, IL	233	3.6%
Kane County, IL	171	2.7%
Will County, IL	150	2.3%
Lake County, IL	110	1.7%
McHenry County, IL	100	1.6%
All Other Locations	814	12.7%

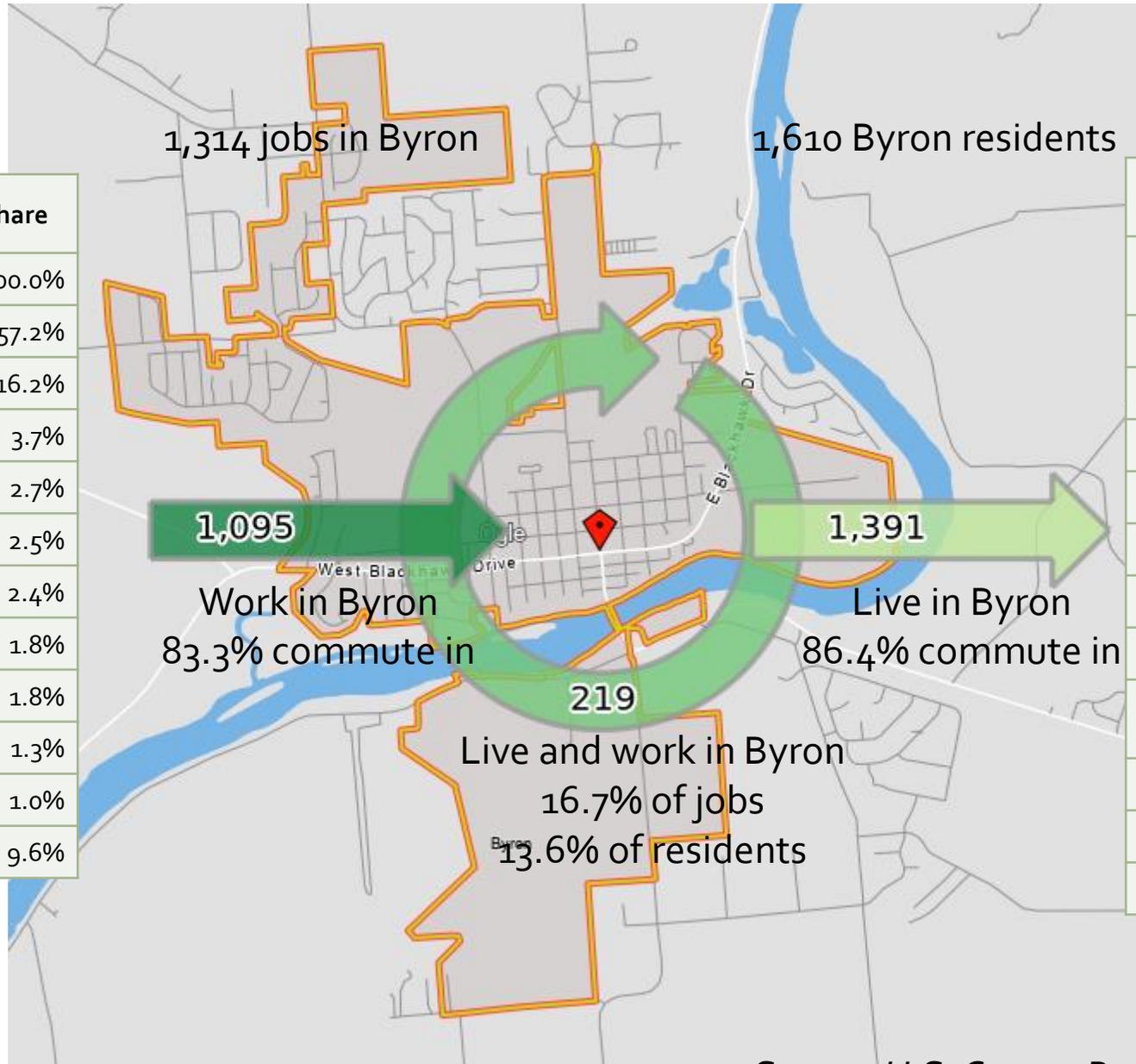
Source: U.S. Census Bureau, OnTheMap, 2017.

County of Residence for Oregon Employees	Count	Share
All Counties	1,600	100.0%
Ogle County, IL	1,094	68.4%
Lee County, IL	123	7.7%
Winnebago County, IL	94	5.9%
Whiteside County, IL	61	3.8%
DeKalb County, IL	29	1.8%
Stephenson County, IL	27	1.7%
LaSalle County, IL	16	1.0%
Carroll County, IL	15	0.9%
Cook County, IL	15	0.9%
Kane County, IL	15	0.9%
All Other Locations	111	6.9%



County of Work for Oregon Residents	Count	Share
All Counties	1,644	100.0%
Ogle County, IL	737	44.8%
Winnebago County, IL	220	13.4%
Lee County, IL	144	8.8%
Cook County, IL	114	6.9%
DuPage County, IL	46	2.8%
DeKalb County, IL	44	2.7%
Whiteside County, IL	44	2.7%
Kane County, IL	28	1.7%
Stephenson County, IL	23	1.4%
Will County, IL	22	1.3%
All Other Locations	222	13.5%

Source: U.S. Census Bureau, OnTheMap, 2017.



County of Residence for Byron Employees	Count	Share
All Counties	1,314	100.0%
Ogle County, IL	751	57.2%
Winnebago County, IL	213	16.2%
Lee County, IL	48	3.7%
Will County, IL	35	2.7%
Stephenson County, IL	33	2.5%
Whiteside County, IL	32	2.4%
Boone County, IL	23	1.8%
DeKalb County, IL	23	1.8%
Cook County, IL	17	1.3%
LaSalle County, IL	13	1.0%
All Other Locations	126	9.6%

County of Work for Byron Residents	Count	Share
All Counties	1,610	100.0%
Winnebago County, IL	589	36.6%
Ogle County, IL	460	28.6%
Cook County, IL	126	7.8%
Boone County, IL	54	3.4%
DuPage County, IL	48	3.0%
DeKalb County, IL	46	2.9%
Lee County, IL	37	2.3%
Stephenson County, IL	25	1.6%
McHenry County, IL	24	1.5%
Kane County, IL	19	1.2%
All Other Locations	182	11.3%

Source: U.S. Census Bureau, OnTheMap, 2017.

Methodology*

- **Phase 1: Demand analysis including survey of residents, survey of nonresidents (employers/employees), sales analysis, demographics, economics, stakeholder input (interviews and focus groups), commuting/telecommuting patterns**
- Phase 2: Targeted/relevant supply analysis depending on your areas of interest such as workforce for specific industries, particular geographic areas or other considerations.
- Phase 3: Final report and/or presentation tool

***Research area to include the two counties with emphasis on Rochelle, Oregon, Dixon and Byron**

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www.cgs.niu.edu



NORTHERN ILLINOIS UNIVERSITY

**Center for
Governmental Studies**

Outreach, Engagement, and Regional Development

Lee-Ogle Enterprise Zone Meeting Minutes

Location: Dixon City Hall, Dixon
 Date: 7/31/19 | Time: 10:00 am

Voting Membership Attendance

In- Person	Remote	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Rochelle Mayor John Bearrows
<input type="checkbox"/>	<input type="checkbox"/>	Dixon Mayor Liandro Arellano (Vice-Chair)
<input type="checkbox"/>	<input type="checkbox"/>	Amboy Mayor John Schamberger
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Mount Morris (John Finfrock)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Oregon Mayor Ken Williams
<input type="checkbox"/>	<input type="checkbox"/>	Ashton President Tim Henert
<input type="checkbox"/>	<input type="checkbox"/>	Lee County Chairman John Nicholson
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Ogle County Chairman Kim Gouker
<input checked="" type="checkbox"/>	<input type="checkbox"/>	GREDCO (Richard Ohlinger)
<input type="checkbox"/>	<input type="checkbox"/>	LCIDA Exec. Director Kevin Marx
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Zone Administrator Andy Shaw

Guest Attendance

In- Person	Remote	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Greg Sparrow, Ogle County Board
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Don Griffin, Ogle County Board
<input type="checkbox"/>	<input type="checkbox"/>	

Call to Order

6 of 11 were present for a quorum.

Minutes

The minutes of May 15th, 2019 meeting were emailed out and are in board packet. Williams Motion to accept, Finfrock 2nd, Passed.

Financial Report

Since May 15th, we have collected fees from three new projects.

Administrator's Report

Report is attached to board materials, highlighted items:

- **Project Lee Ogle Boundary:** Amending Ordinances are nearly complete for this and are expected for your August board meetings.
- **Pilot Amendment:** My thanks to your boards and councils for the cooperation on this one that came up quickly. The application went to the state around the first of July and is awaiting review by DCEO. The company hopes to begin building by fall.
- **Added to Upcoming Events:** as noted by Mayor Bearrows, the Rochelle Developer Summit is on September 26th from 1-3 pm at SALT.
- **Blue Collar Jobs Act:** Handout distributed about this new incentive in the enterprise zone. Future company income tax credit based on construction jobs on projects greater than \$10 Million in capital investment. This one is a year and a half away but will be a great new incentive on larger projects.
- **C-PACE:** Handout also distributed on this potential new incentive for energy-related costs in projects. This tool allows long term bond financing of energy conservation systems, renewables systems after modelling analysis. Bond is repaid by property tax assessment on that parcel's tax bill, and runs with the land so that future owners continue to pay for the cost. Better deal for developer due to greater leverage, shifts costs to the tenant in certain situations, and higher rate



of return on project is possible with this. We are still gathering information on how to implement this locally and will report more when we get it.

New Business

EZ Board Chair Status. The board discussed the anticipated long term absence of Mayor Arellano due to his upcoming active duty Army status. Arellano has stated he will continue as Mayor of Dixon from overseas but duties not directly for the city will need to be curtailed. He plans to assign an alternate to attend our board meetings while he is away. It was discussed that we would have board action to elect a new chair be contingent on Mayor Arellano's resignation as chair, where after his resignation the following two actions would take place:

Motion to elect Mayor John Bearrows of Rochelle to chair the Lee-Ogle Enterprise Zone board (Pending the potential resignation of Mayor Arellano) by Williams and 2nd by Ohlinger, Motion Carried.

Motion to elect LOEZ Administrator Andy Shaw as Vice-Chair of the Lee-Ogle Enterprise Zone board (Pending election of Bearrows to Chair) by Bearrows and 2nd by Williams, Motion Carried.

Roundtable Discussion

None

Next Board Meeting & Location

Next meeting –Wednesday October 2nd at 10 am, Oregon City Council Chambers

Motion to adjourn by Shaw, Gouker 2nd, Passed.

Lee Ogle Enterprise Zone Administrative Budget
January 1-September 30, 2019

	Budgeted	Actual
Income		
Lee County	\$ 10,411.48	\$ 10,411.48
Ogle County	\$ 7,584.14	\$ 7,584.14
City of Dixon	\$ 22,588.14	\$ 22,588.14
City of Rochelle	\$ 23,999.26	\$ 23,999.26
City of Amboy	\$ 683.62	\$ 683.62
Village of Ashton	\$ 612.20	\$ 612.20
Village of Mt. Morris	\$ 1,785.58	\$ 1,785.58
City of Oregon	\$ 846.88	\$ 846.88
Total	\$ 68,511.30	\$ 68,511.30
Expenses		
Personnel	\$ 36,323.87	\$ 21,416.11
Fringe	\$ 10,357.12	\$ 4,364.68
Travel	\$ 1,801.39	\$ 1,751.60
Other/Indirect	\$ 6,851.13	\$ 5,138.35
Non-Fixed Expense	\$ 13,177.80	\$ 2,020.22
Total	\$ 68,511.31	\$ 34,690.96

**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
2/28/2018		Interest	\$ 12.03		\$ 62,985.66
3/31/2018		Interest	\$ 13.32		\$ 62,998.98
4/18/2018	3102001	Growmark, Inc.	\$ 14,000.00		\$ 76,998.98
4/30/2018		Interest	\$ 14.04		\$ 77,013.02
5/22/2018	5832	Blackhawk Hills Regional Council (Mt. Morris Application Fee)	\$ 3,000.00		\$ 80,013.02
5/22/2018	25555	Illinois River Energy LLC	\$ 139.46		\$ 80,152.48
5/31/2018		Interest	\$ 16.48		\$ 80,168.96
6/14/2018	1000	Blackhawk Hills Regional Council (Amboy's Admin. Fee)		\$ 670.00	\$ 79,498.96
6/30/2018		Interest	\$ 16.36		\$ 79,515.32
7/31/2018		Interest	\$ 16.81		\$ 79,532.13
8/8/2018	12769	Boise Cascade Company	\$ 2,375.00		\$ 81,907.13
8/15/2018	27265	Bob Slain Construction LLC	\$ 800.00		\$ 82,707.13
8/31/2018		Interest	\$ 17.28		\$ 82,724.41
9/28/2018	1001376075	Love's Travel Stops	\$ 12,252.00		\$ 94,976.41
9/30/2018		Interest	\$ 16.93		\$ 94,993.34
10/5/2018		Interest	\$ 5.19		\$ 94,998.53
10/18/2018	5183	Kennay Farms	\$ 5,400.00		\$ 100,398.53
10/31/2018		Interest	\$ 22.84		\$ 100,421.37
11/30/2018		Interest	\$ 53.49		\$ 100,474.86
12/31/2018		Interest	\$ 55.30		\$ 100,530.16
1/31/2019		Interest	\$ 55.32		\$ 100,585.48
2/8/2019	5996	BHRC (\$7875.15)	\$ 8,206.07		\$ 108,791.55
	2071	Angelkrishna Corporation (\$330.92)			\$ 108,791.55
2/28/2019		Interest	\$ 53.06		\$ 108,844.61
3/15/2019	75358	Sewer Equipment	\$ 138.00		\$ 108,982.61
3/18/2019	1024	BHRC (Oregon and Ashton Application Fee)	\$ 6,000.00		\$ 114,982.61
3/18/2019	1001	Fehr Graham (Lee-Ogle Boundary project)		\$ 8,900.00	\$ 106,082.61
3/28/2019	75620	Sewer Equipment	\$ 170.00		\$ 106,252.61
3/31/2019		Interest	\$ 60.35		\$ 106,312.96
4/1/2019	1002	BHRC (Mt. Morris Admin. Fee)		\$ 1,785.58	\$ 104,527.38
4/12/2019	26483	Illinois River Energy LLC	\$ 1,500.00		\$ 106,027.38
4/15/2019	1019	Venier Construction LLC	\$ 309.96		\$ 106,337.34
4/30/2019		Interest	\$ 56.26		\$ 106,393.60
5/16/2019	10002	HP Rochelle Real Estate	\$ 4,975.00		\$ 111,368.60
5/31/2019		Interest	\$ 59.97		\$ 111,428.57
6/30/2019		Interest	\$ 59.35		\$ 111,487.92
7/19/2019	34936711	Mighty Vine (\$27,001.80)	\$ 27,014.80		\$ 138,502.72
	10120	TLM Enterprises, Inc. (\$13.00)			\$ 138,502.72
7/31/2019		Interest	\$ 67.59		\$ 138,570.31
8/16/2019	27134	Farmers National Bank - Brinkmann Roth IRA	\$ 100.00		\$ 138,670.31
8/21/2019	1136	Hub City Development LLC	\$ 310.00		\$ 138,980.31
8/31/2019		Interest	\$ 76.35		\$ 139,056.66
9/30/2019		Interest	\$ 74.06		\$ 139,130.72
		Balance on hand as of 9/30/2019			\$ 139,130.72





To: Enterprise Zone Advisory Board
From: Andy Shaw, Administrator
Date: 10/9/2019
Subject: Report of Activities

1. Financial: Report is attached to board materials for Project Fund and our Admin Expenses.
2. New Abatement: Resolutions are recorded and will be delivered today to DCEO.
3. Facebook: I have been blocked temporarily from boosting posts on the page for the zone, due to it being classified as a social/political issue. Been going through a verification process that is a bit strange but should be able to get through it.
4. Setting Meetings & OMA: It has been advised that we should seek to run as close as we possible to the OMA, so I am moving that direction with getting the agenda published and distributed earlier. We should also set a meeting schedule for a longer term. I think the 2-month schedule has worked well lately.
5. Opportunity Zone Site: DCEO and Intersect Illinois are rolling out a site (in Zoom Prospector) to promote local Opportunity Zone investors and potential projects. The EZ is looking to promote at least 2 from Dixon and 2 from Rochelle on this site. I have made contact with the drone pilot photographer from Dixon Chamber to get some great photography done for this. It appears that the Intersect site can be used for non-OZ promotion too so I am looking into adding even more of our great sites.
6. Project Lee-Ogle Boundary: Amending ordinances were all passed throughout September by boards and councils. Signatures for the application are being collected and the application package will be hand delivered later today on my way to the IEZA conference.
7. Bonnell Project Amendment: We passed everything for this, but the company got sidetracked with another project that just got started at the former Tidybug site on Anchor Road. Still working on the application for this which was for a site adjacent to their main office on Franklin Grove Road, so it has not been submitted to the state yet.
8. Pilot Project Amendment: I just got word on October 2nd that the amendment was certified by DCEO and have begun issuing certificates for their contractors.
9. BHRC Opportunity Zone Meeting: See flyer. BHRC subscribed to and has hosted the first viewing of a webinar series on facets of the Opportunity Zone. The final session will be October 24th.
10. Historic Projects on our website: In process.
11. Past and Future Conferences and Meetings:
 - o Rochelle Developer Summit, September 26
 - o IDOT Fall Planning Conference, October 2-4



- ComEd Developer Summit, October 2
- Illinois Enterprise Zone Conference, October 9-11
- ComEd Regional Forum, October 18
- BEDC, Basic Economic Developer Class, October 21-25



C-PACE: the Commercial Property Assessed Clean Energy Program in Illinois

C-PACE is an exciting new bonding program through the Illinois Finance Authority, that allows commercial property owners access to the municipal bond market to fund up to 100% of clean energy projects, allowing much better financing terms on a long-term basis. Establishing a local program could be a great incentive to business to adopt best practices in energy systems.

- Counties pass ordinances establishing the program, after the development of a “Program Report” that would outline the local terms and administrator
 - Operates at no cost to the county
 - Transaction fees could recoup costs borne by administrator
 - Some counties, such as Cook, had outdated software for special assessments, requiring a 3rd party servicer
- Projects can include alternative energy, energy efficiency, renewable improvements, water use improvements, etc.
 - Also resiliency improvements: flood mitigation, fire suppression, backup power, energy storage, wind resistance, lead pipe replacement
- Project is evaluated and expected monetary savings are modelled
- Minimum project of about \$100,000
- Labor for project is subject to Illinois Prevailing Wage Act
- Property owner enters an assessment contract and a bond issuance funds the project.
 - Repaid by assessment made on local property tax bill
 - “Runs with the land”
 - Transfers to new owners until paid
 - Fixed amount for entire payment period
 - Current rates 5.5 to 7% for a 30-year bond of this type
 - PACE lien is senior to commercial mortgage
 - Mortgage holder must consent
 - Never an obligation of taxpayers
- Financing term up to the useful life of the project
 - Amount cannot exceed 25% of the greater of assessed or appraised value
 - Example: Chiller that may be eligible for 3-year vendor financing
 - Vendor likely would require a down payment
 - With C-PACE, 100% Financing up to the useful life of system of 20+ years
 - Much lower payment and higher leverage
 - No developer cash up front, improved net IRR return for the project
 - Repaid by future owners if initial investor sells interest

Contact Zone Administrator Andy Shaw for questions regarding Lee-Ogle Enterprise Zone Incentives at: 815-625-3854 or at LeeOgleZone@BlackhawkHills.com

The Lee-Ogle Enterprise Zone was Certified on 1/1/2017 for 15 years thru 12/31/2031.
A Ten-Year Extension is anticipated post-2031.



To: Interested Parties
From: Lee-Ogle Enterprise Zone Board
Date: 10/9/19
Subject: Board Interpretation on Tax Abatement in Commercial Multi-Family Projects

In the Lee-Ogle Enterprise Zone's Designating Ordinance and Intergovernmental Agreement, a seeming exclusion or seemingly contradictory clauses are present in regard to Property Tax Abatement for commercial-scale apartment projects in the Enterprise Zone. The Lee-Ogle Enterprise Zone Board wishes to make clear which types of commercial-scale residential projects are eligible for this abatement.

From Section 2 - PROPERTY TAX ABATEMENT, Subsection A) DEFINITIONS, 2 through 5, a section which defines the types of projects eligible for property tax abatement:

2) "Eligible Project Types" as defined herein are those projects with uses conforming to the codified zoning districts and uses of the applicable Designating Unit of Government where the project is located. The specific zoning districts and types for each of the Designating Units of Government are as listed herein and as may be amended by local ordinance from time to time.

3) "Eligible Special Uses, Variations" as defined herein are considered Eligible Project Types when the Special Use or Variation is granted pursuant to local ordinance of the applicable Designating Unit of Government where the project is located.

City of Dixon Districts for Eligible Project Types:
B-1 Limited Neighborhood Business District
B-2 General Business District
CBD Central Business District
BH-1 Interchange Planned Unit Development District
LM Limited Manufacturing/Business Park District
GM General Manufacturing District

4) "Commercial Multi-Family Residential Eligible Project Types" as defined herein are newly constructed multi-family residential projects where the buildings consist of six (6) units or more on a common foundation. For purposes of the Zone, these projects shall be considered commercial in nature and an Eligible Project Type.

5) Exclusions- Residential projects, other than Commercial Multi-Family Residential Eligible Project Types shall be ineligible for any benefits herein established in the Zone.

Our analysis of this portion of the Designating Ordinance follows:

1. Parts 2) and 3) These clauses restrict use of the incentive/benefits of the zone to only the listed zoning classes in the City of Dixon (in this example, other ordinances are very similar), and only those projects that conform with these zoning classes.



2. Part 4) "Commercial Multi-Family Residential Eligible Project Types" are those buildings with six (6) units or more on a common foundation and that these projects shall be considered commercial in nature and an Eligible Project Type.

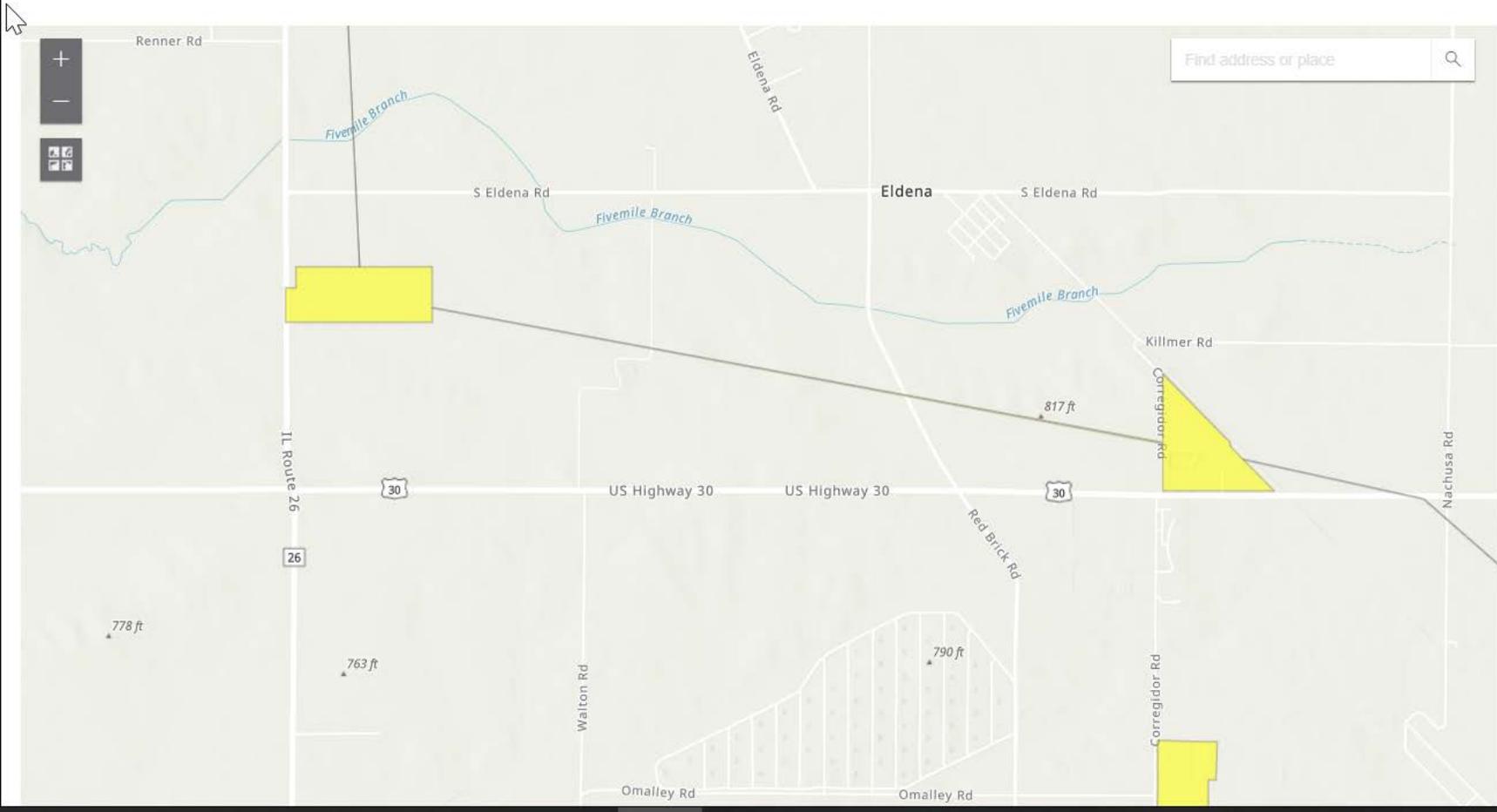
The Lee-Ogle Enterprise Zone board, for those projects located within the currently certified zone area, desires to incentivize projects that are Commercial Multi-Family Residential. The board finds that the statement in Part 4, "For purposes of the Zone, these projects shall be considered commercial in nature and an Eligible Project Type." overrides Part 3's stated restriction allowing the incentive only within the listed zoning classes.

If a project has the "Part 4" attribute of 6 or more units on a common foundation, it shall be an eligible project, and is eligible to apply and have real estate tax abated.

This statement does not imply that the zone shall take any action to amend its boundaries for any particular future project of this type, but finds that when such projects are already within the zone boundaries, all incentives available in the zone shall be allowed to be utilized by such projects.

PROPOSAL

If you think you're in the zone after looking at the map, [submit a pre-application](#) or [contact the Zone Administrator](#). Official determinations of eligibility must be made by the Zone Administrator.





To: Enterprise Zone Advisory Board
From: Andy Shaw, Administrator
Date: 10/9/2019
Subject: Alternates for Meeting Schedules for 2019-2020 Lee Ogle Enterprise Zone Board

Location and times are TBA.

1st Wednesdays

December 4, 2019

February 5, 2020

April 1, 2020

June 3, 2020

August 5, 2020

October 7, 2020

December 2, 2020

or

2nd Wednesdays

December 11, 2019

February 12, 2020

April 8, 2020

June 10, 2020

August 12, 2020

October 14, 2020

December 9, 2020

Illinois e-News Release

FOR IMMEDIATE RELEASE

Monday, October 7, 2019

CONTACT

GovernorsOffice@illinois.gov

Gov. Pritzker, Lawmakers Celebrate Bipartisan Work to Attract Data Center Construction to Illinois

Taking another step to build an Illinois where both businesses and working families can thrive, Governor JB Pritzker joined legislators, business leaders, labor leaders, trade groups and existing data center businesses to promote Illinois' new tax incentive for data center construction.

"In today's world, data centers are as critical a part of our infrastructure as our roads, trains and schools," **said Governor JB Pritzker**. "With the legislation I signed into law, we are welcoming a surge of economic development, labor income, and good union jobs to Illinois – and not just here in the established market of Chicago, but across our whole state."

Illinois joins 30 other states with tax incentives specifically targeted at attracting data centers as part of expanded economic development efforts. It will bolster the industry in the Chicago region – the nation's third largest data center market – and serve as a powerful tool to increase Illinois' competitiveness and attract new businesses across the state. Data center investments will fuel new construction and create good paying jobs across the state.

"With the passage of Governor Pritzker's \$45 billion capital bill featuring tax incentives for data centers, Illinois joins IT hubs such as Atlanta, Silicon Valley and Northern Virginia as one of the most tax friendly and geostrategic destinations for IT investment," **said Clint Heiden, Chief Revenue Officer, QTS**. "QTS is proud to have worked closely with the Illinois Chamber of Commerce, state and local officials and economic advisors to pioneer the tax reform and we look forward to expanding our presence as a key player in Chicago's data center community."

The measure allows an exemption from sales tax for data centers who have or plan to make a \$250 million investment in Illinois. If a data center is seeking an exemption for the construction or rehabilitation of its structure, the data center must require all contractors and subcontractors to comply with the responsible bidder sections of the Illinois Procurement Code. The measure also creates 20 percent income tax credit against wages if the investment by the data center is in an underserved area. The bill requires an annual report to the Governor and the General Assembly on the tax credit's outcome and effectiveness.

"This incentive and these data centers, which we advocated for during the budget process, will help create jobs and invest in our communities," **said Senate Republican Leader Bill Brady (R-Bloomington)**.

"This move will help us be a leader in the fast-growing data center industry," **said Sen. Elgie Sims, Jr. (D-Chicago)**. "Not only are we now in a position to compete with neighboring states, but by growing Illinois' presence in this industry we will bring revenue and jobs that are desperately needed in our state."

"Data centers are the future of the economy, and with our incentive package, Illinois will lead the Midwest in attracting these job creators," **said House Republican Leader Jim Durkin (R-Western Springs)**.

"These incentives help give Illinois a competitive advantage in landing new data center projects," **said Rep. Tom Demmer (R-Dixon)**. "On top of high-speed fiber networks, competitive electricity rates, and open land for development, we now have tax incentives that will spur hundreds of millions of dollars in new investments. I was glad to work with business and labor, and both Republicans and Democrats, to help enact this exciting new program."

"Data centers are essential to cloud-based computing, and touch every major Illinois industry," **said Rep. Deanne Mazzochi (R-Elmhurst)**. "Just as Illinois benefits from being a physical transportation hub, this bill's elimination of data center taxes and burdens will help keep Illinois an information transport hub, and ensure we can stay competitive with neighboring states for this industry's investment, jobs and growth."

“As Illinois continues to grow its 21st century economy, data centers are at the forefront of an important transition for companies to cloud computing solutions,” **said Rep. Michael Zalewski (D-Riverside)**. These economic incentives will help make our state a destination for companies seeking to grow their tech footprint and create good, high paying jobs. Thank you to Governor Pritzker for his signature and Leader Keith Wheeler for his work on this legislation.”

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