Memorandum

To: Dan Koukol, Economic Development Committee Chairman; Economic Development Committee  
CC: Jeff Wilkins, County Administrator  
From: Andrez Beltran, Economic Development and Special Projects Coordinator  
Subject: August 2015 Committee Report  
Date: 8/28/15

Please find below the reports for August 2015 on the items of the Economic Development Committee Agenda.

MetroNet Presentation

Kathy Schellar will give the presentation. MetroNet is a fiber optic provider headquartered in Evansville, Indiana. Currently in 23 communities, MetroNet provides video, audio, and data services to premises. It also looks to have high penetration in the communities it serves (40% in 40 months). Current proposed areas in Kendall County include: Plainfield, Oswego, Montgomery, and unincorporated Boulder Hill.

CMAP LTA Industrial Market Analysis: Kick-off Meeting September 2

On September 2 the kick-off meeting for the Industrial Market Analysis will be held at the quarterly Mayor-Managers of Kendall County meeting. In addition to County mayors and managers/administrators, economic and community development staff have been invited. CMAP staff will be present to go over the project and answer questions.

The CMAP Local Technical Assistance (LTA) grant was awarded to Kendall in 2014. The grant will use CMAP personnel and consultants to study the County’s strengths and weaknesses as well as using that information to identify possible strategies. The estimated completion date is second quarter of 2016.

Revolving Fund Loans Update

- **Dearborn Café**
  On Friday, August 7, funds in the amount of $80,000 were disbursed to the Dearborn Café. The Café’s original name had been Countryside, but the owners, Robert and Debra Dearborn, had decided to change a name. This did not impact the process.

- **Civilian Force Arms**
  On Friday, August 7, funds in the amount of $90,000 were disbursed to Civilian Force Arms.

- **Update: Process**
  Under direction of the Committee, the process for approving Revolving Loans was outlined by the Economic Development Coordinator and reviewed by the County
Administrator. Next steps include State’s Attorney Office review and input into the process as well as from the Treasurer’s Office. Staff respectfully asks for approval to send to both Offices as necessary.

**Planning 2015 Kendall Economic Development Alliance Legislative Business Forum – White Tail Ridge reserved for September 23**

Reservation and sponsorship forms have to been sent out to groups such as the municipalities, Chambers of Commerce, and interested businesses. Currently there are four sponsors for the event: ComEd, Waubonsee Community College Bridgeview Bank, and Yorkville National Bank and Trust.

In addition, staff will be contacting legislators today to supply a short summary of initiatives they have proposed and supported to grow the private sector in Kendall County, and a list of questions to be asked at the event. The questions are listed below for Committee review.

1. Do you believe revision of Illinois income tax structure would improve business climate and spur private sector job growth? Why?
2. What infrastructure projects in Kendall County do you support and believe would create long term private sector job growth?
3. Do you believe revising workers compensation laws would help spur private sector job growth? Why?
4. Would you be in favor of legislation preserving the centerline for the proposed Prairie Parkway?
5. Would you support enabling legislation for units of government in Kendall County to either become part of, or contract with, the RTA for the purpose of a Metra extension?

**Coordinated Responses to Business Retention & Expansion Survey**

On August 12, the County Administrator along with Executive Director of the Upper Illinois River Valley Development Authority (UIRVDA) and the Mayor of Plano met with a Plano business to discuss possible financing options for brownfield redevelopment. During the discussion staff explored their various needs in relation to expansion. After getting their contact information, staff will be contacting the business again in the next year to follow up on their progress.

**Regional Initiatives Update**

- **Chicago Metro Metals Consortium (CMMC)**
  
  The CMMC met on August 13. There are two Manufacturing Matchmaking events coming up: October 12 in Elk Grove and October 20 in Lake County. There are also discussions about hiring a manager for the program.

- **Metro Chicago Exports**
  
  Tom Hulseman came out to July’s KEDA meeting to go over the program with the members and clear up any questions. The second wave of the micro-grant had forty-
nine eligible applicants for a total of $220,000 in possible loans. Currently there is only $127,000 in monies left. One Kendall business was amongst them. The Grant Committee has started formulating how to award the remaining grants. The Grant Committee is comprised of:

- Tom Boon, Summit Industries (IL-District Export Council)
- David Boulay, Illinois Manufacturing Excellence Center
- Laura Ortega, IL Chamber of Commerce / International Business Council
- Philip Pittsford, Corr-Jensen (IL-District Export Council)
- Haley Stevens, Digital Manufacturing and Design Innovation Institute
- Ursula Wegrzynowicz, Trade Acceptance Group (IL-District Export Council)

Growing Our Regional Economy

The group updated on truck permitting process. They bid out the process to Cambridge Systematics. They are currently in information gathering stage and are looking to set up meetings with County executives at the end of September, possibly early October. By May the outcome will be a set of guidelines for governments to help streamline truck permitting. They are also looking for contacts in overweight/oversized.

Foreign Direct Investment strategies were also discussed. Mergers and Acquisitions is the dominant form of FDI compared to Greenfield. Examination of FDI in the Chicago Metro area shows that manufacturing has the largest, and with biggest investor being Japan. This data will help develop regional priorities that can be used to create a targeted strategy. A possible next step is collaboration on branding the Chicago Metro area.

Oswego Rotary Club on August 12

On August 12 the Economic Development Coordinator and County Administrator were invited to the Oswego Rotary Club to speak on economic development in Kendall County. After a brief overview of the County, its past and current economic development initiatives, staff answered questions on topic such as MetroNet and the current state of the Metra extension. There was also interest in the Legislative Business Forum.
Call to Order
The meeting was called to order by Chairman Dan Koukol at 8:35 a.m.

Roll Call
Committee Members Present: Chairman Dan Koukol, Judy Gilmour, Lynn Cullick, Scott Gryder, Matt Prochaska (arrived at 9:00 am)
Committee Members Absent:
Staff Present: Andrez Beltran, Economic Development and Special Projects Coordinator; Jeff Wilkins, County Administrator
Members of the Public: Yanos Hagos, CEO and Ernest Johnson, CMO, Civilian Force Arms; Reagan Gryder, potential business owner

Approval of Agenda – Ms. Gilmour made a motion to approve the agenda. It was seconded by Mr. Gryder. Approved 4-0.

Approval of Meeting Minutes – Ms. Cullick made a motion to approve the meeting minutes from the May 22, 2015 meeting. Seconded by Mr. Gryder. Approved 4-0.

New Business

Discussion of Kendall County Economic Development Strategic Plan
Chairman Koukol stated that there was a misprint in the agenda; the topic labeled Approval of Kendall County Economic Development was meant to be discussion.

Mr. Beltran informed the Committee that the Strategic Plan is a continuation of Economic Development Comprehensive Plan developed by the County in 2011. The document will be a small update but primarily be more operations focused compared to the Comprehensive Plan. Mr. Beltran stated he has already taken the advice of the Committee in reconfiguring the foreword to the document from a letter style to a more introduction style to eliminate confusion. He continued that it will also help with reporting accomplishments.

Mr. Gryder asked about the cooperative efforts with economic development corporations in the County. Chairman Koukol stated the Kendall Economic Development Alliance (KEDA) is still going strong and that Mr. Beltran has been shadowing the member groups. Mr. Beltran added that the recent micro-grant awarded from Metro Chicago Exports shows that the members are finding the relationship helpful. Mr. Gryder stated that he was pleased as he thinks cooperation is paramount.

Growing Our Regional Economy Lake County Forum – July 9 – Review
Mr. Beltran informed that on July 9 Mr. Wilkins and he went to Takeda Pharmaceuticals in Deerfield for a forum primarily on foreign direct investment (FDI). Takeda Pharmaceuticals is an international top 20 pharmaceutical company. The event had a panel on FDI with a representative from Takeda and two other foreign companies to discuss the major factors of
Mr. Beltran stated that the two key factors for investing in the Chicago Metropolitan area were talent and the State of Illinois’ EDGE program. With the web of universities in the metro area turning out highly skilled workers there was a large amount of talent in the area from which to pull from. Mr. Wilkins stated the EDGE program, which is the income tax credit offered by the State for creating jobs, was mentioned by all.

Ms. Gilmour asked if it was unique for Illinois. Mr. Wilkins stated other states have incentive packages also but EDGE is Illinois’ primary. Mr. Gryder stated that some states don’t have income tax, or lower. Ms. Gilmour stated that they might not have the talent. Mr. Wilkins agreed it is the combination of both that keeps Illinois attractive.

Mr. Wilkins stated that there was a group that is meeting with municipalities to continue the process of streamlining truck permitting. Mr. Gryder stated he was a part of a CMAP committee helping with the process. He further stated it has really shown him the difficulty getting wide load trucks moved around the state.

**Economic Indicator Dashboard – Review**

Mr. Beltran stated that this information had previously been compiled monthly, but due to lagging of information reported that a quarterly perspective was clearer. Most of the information shows that the economy has slowly been improving. Mr. Beltran stated the unemployment was up to 5.8% from 4.6% but it was not seasonally adjusted.

### Old Business

#### Revolving Fund Loans Update

- **Revolving Fund Loan Closing Process: Countryside Café**
  
  Mr. Beltran stated the he and the State’s Attorney’s Office were coordinating on a closing time with a tentative date on Tuesday, July 28. Chairman Koukol stated that they were had done their part and were waiting on other entities. Mr. Wilkins added that after the closing the State’s Attorney that those documents would be recorded and then the funds could be disbursed. Chairman Koukol stated that this is the first loan with a time crunch so that is why there is a second report.

- **Revolving Fund Loan Closing Process: Civilian Force Arms**
  
  Chairman Koukol stated that Yonas Hagos and Ernest Johnson were here, and asked Mr. Beltran to bring the Committee up to speed. Mr. Beltran stated that this loan was similar to the previous with the exception of a third partner out of state. This meant an additional acceptable process had to be developed. After exploring the options, having the partner sign and certify the documents and mailing them back was determined to be the best course of action. Mr. Beltran stated that he had the paperwork given to him today.

  In addition, in the UCC-1 search a judgment was discovered against an Ernest Johnson by the City of Chicago in Cook County. Mr. Johnson signed an affidavit with additional information so as to be able to verify if the judgment was against him. However, due to
lack of information on the judgment, it could not be verified. Mr. Beltran stated that the State’s Attorney wanted it brought to the Committee’s attention for direction. Mr. Beltran stated that if by Committee direction the documents could be signed this day as both Mr. Hagos and Mr. Johnson were leaving that day for a business trip.

Mr. Gryder asked that the sole issue with Ernest Johnson was the unverifiable UCC-1 judgment. Mr. Beltran stated affirmatively. Mr. Gryder stated that they way he has dealt with that in the past was to have an affidavit signed stating that the person was not the same one as the judgment.

Chairman Koukol asked Mr. Beltran if what was needed was a consensus from the Committee to have them sign the promissory notes. Mr. Beltran stated in the affirmative. Chairman Koukol decided to get individual responses.

Ms. Gilmour asked for clarification. She asked that in the background check that something was found for an Ernest Johnson. Mr. Beltran answered in the affirmative. She asked what information was found. Mr. Beltran stated that a judgment of $1500 in Cook County.

Ms. Cullick asked if it was on their credit score. Mr. Beltran answered in the negative. Ms. Cullick stated that it was typical that it happens, and that Cook County records were not as precise as other counties. She stated it was a common enough issue with a common name.

Mr. Beltran read that the judgment was memorandum of judgment in the Circuit Court of Cook County against a Johnson, Ernest. He continued it was August 11, 2011. Mr. Gryder asked what it was for. Mr. Beltran said it was not stated.

Chairman Koukol asked if Ms. Gilmour asked if she found it acceptable for them to sign and go forward. She stated that she thought signing the affidavit was a good idea. She also asked for clarification of the process.

Mr. Wilkins stated they needed all the paperwork signed before moving forward. He also stated that drafting an affidavit would take some time.

Mr. Gryder stated that Mr. Johnson could affirm at the meeting that he was not the same Ernest Johnson as the one in the judgment. Mr. Prochaska added that a county board could legally swear a person in under oath and have them give testimony.

Chairman Koukol asked for a consensus from the Committee. The Committee’s unanimous consensus was the promissory note agreement could be signed after Mr. Johnson gave his sworn testimony.

Chairman Koukol called Mr. Johnson to the podium. Mr. Gryder swore Ernest Johnson in under oath. Mr. Gryder asked Mr. Johnson is he was the same Ernest Johnson as the judgment read by Mr. Beltran. Mr. Johnson stated he was not.
Ms. Cullick stated that the loan process should be examined. Chairman Koukol agreed.

**Update: Fiber Initiative**

Mr. Wilkins briefly updated the Committee on the fiber optic service to the County. The initial service area proposed is Plainfield, Oswego, Montgomery, North Aurora, Yorkville, and unincorporated Montgomery in the Boulder Hill area. They are currently in the final stages of their due diligence and will need individual franchise agreements with each entity. Boulder Hill is under the County for franchise authority. The Boulder Hill area would be the initial service area in unincorporated Kendall County under the franchise agreement but they would later look to expand not only to other communities but also away from the municipal areas. Mr. Wilkins stated that to expand they would need fifteen committed customers within 1200 feet of a line.

Chairman Koukol asked for Boulder Hill if they would start at the edge and look for customers. Mr. Wilkins stated that the initial plan was to serve the initial services areas, including Boulder Hill, in their entirety. He did state that build out could take a couple of years.

Ms. Gilmour asked while they are still in their planning stages, could the possibility of service to Millbrook be explored as service in that area is lacking. Mr. Wilkins stated that it was unlikely that they would include Millbrook in their initial stage as they have not looked as far west as Plano and Sandwich, but would certainly bring it to their attention.

Mr. Wilkins stated that the company was looking for a consensus of support as they were looking to make a presentation their own board. If there was not a consensus, then the Boulder Hill area would be omitted.

Chairman Koukol stated that he would like to make a resolution on the Committee of the Whole. He asked if they would be able to presentation to the whole County Board. Mr. Wilkins stated that their timeline was to present to their own Board in August and they were not looking for a formal resolution. Chairman Koukol stated that the Committee was in consensus but also they wanted to do a resolution to show their strong support.

Mr. Wilkins stated that they were looking at perhaps using County owned properties for their technology huts and the County was currently putting together a map of those properties. He stated that if there is a property that could work with their engineering towards Millbrook that he would look into it.

**Planning 2015 Kendall Economic Development Alliance Legislative Business Forum – White Tail Ridge reserved for September 23**

Chairman Koukol stated that this event will be marked as a meeting. Mr. Gryder asked the start time. Mr. Beltran responded that registration starts at 7:15 a.m. and at 8:15 a.m. the panel will start. He also stated that he has sent the save the dates and partnerships forms to the KEDA members and is working on sending it out to the Chambers of Commerce. He stated that there were two possible sponsors already.
**Coordinated Responses to Business Retention & Expansion Survey**
Mr. Beltran stated they have their targets picked but are currently attempting to coordinate a time with them. He also stated that the grantee for the Metro Chicago Exports micro-grant is also a potential business.

**Regional Initiatives Update**
Mr. Beltran stated that the Metro Chicago Exports awarded one business in Kendall a micro-grant of $5,000. He continued that the second wave of applications closed on July 31. Mr. Beltran added that in the second wave there was an additional Kendall County business.

**Chairman’s Report**
Chairman Koukol stated that in the old Panera in Oswego will now house a Salsa Verde. Mr. Gryder stated that they have three restaurants now.

Chairman Koukol stated that the Oswego Economic Development Commission has been created. Chairman Koukol asked Mr. Gryder if that was an open meeting. Mr. Gryder stated that it was. Mr. Gryder asked who the representative from the taxing body. Mr. Beltran stated he thought it was from the school district. He continued that the next meeting was on August 5.

Chairman Koukol went around the Committee for updates.

Ms. Gilmour stated that Yorkville road construction is moving along.

Mr. Gryder added no updates in Oswego other than Salsa Verde.

Mr. Prochaska added no updates.

Ms. Cullick added no updates.

Chairman Koukol asked the Committee a question. If there is a dry township, is there a process to which a business could sell alcohol. Mr. Prochaska stated if it was incorporated. Mr. Gryder stated that the local winery had managed. Mr. Wilkins stated that the used chattum where a municipality extends their zoning.  Mr. Wilkins stated otherwise they would need to go through a township election to change their code.

Chairman Koukol asked Mr. Gryder what he thought about commercial development along Ridge Road. Mr. Gryder stated he think it would be a good idea. Chairman Koukol stated that it was perhaps something to keep in mind during the planning process over the next couple of years. Mr. Wilkins stated that the Wikaduke Corridor Plan included that area and may be helpful to consult. Mr. Prochaska noted that Oswego is finishing their Comprehensive Plan revision and should be looked at.

Mr. Wilkins stated that the City of Plano arranged a meeting with Upper Illinois River Valley Development Authority. Their goal is to examine how they could use tax-exempt bonds to help develop their main corridor.

**Public Comment** – None
**Executive Committee** - None
**Adjournment**
With no further business to discuss, Ms. Cullick moved to adjourn. The motion was seconded by Mr. Gryder. There being no objection, the Economic Development Committee at 9:47 a.m., adjourned.

Respectfully Submitted,

Andrez P. Beltran
Economic Development and Special Projects Coordinator