RESOLUTION 2016-066
PASSED: JUNE 27, 2016

AUTHORIZING THE MAYOR OF THE CITY OF DEKALB, ILLINOIS TO ENTER INTO A FUNDING AGREEMENT WITH THE DEKALB COUNTY ECONOMIC DEVELOPMENT CORPORATION (DCEDC) IN THE AMOUNT OF $22,500 FOR ECONOMIC DEVELOPMENT SERVICES BEGINNING JULY 1, 2016 THROUGH DECEMBER 31, 2016.

BE IT RESOLVED BY THE CITY COUNCIL of the City of DeKalb, Illinois, as follows:

Section 1. That the Mayor of the City of DeKalb be authorized and directed to execute an Agreement with DeKalb County Economic Development Corporation in the amount of Twenty-Two Thousand and Five Hundred Dollars and no/100 ($22,500) for economic development services from July 1, 2016 through December 31, 2016, a copy of which is attached hereto and made a part hereof as Exhibit “A,” subject to such changes as shall be acceptable to him.

Section 2. That the City Clerk of the City of DeKalb be authorized and directed to attest the Mayor’s signature.

PASSED BY THE CITY COUNCIL of the City of DeKalb, Illinois, at a Regular meeting thereof held on the 27th day of June, 2016, and approved by me as Mayor on the same day. Passed by a roll call vote of 8-0. Aye: Jacobson, Finucane, Marquardt, Snow, Noreiko, Baker, Faivre, Rey.

ATTEST:

JENNIFER JEEP JOHNSON, City Clerk

JOHN A. REY, Mayor
DEKALB COUNTY ECONOMIC DEVELOPMENT
CORPORATION FY16.5 FUNDING AGREEMENT

This Agreement made and entered into the 27th day of June, 2016, by and between the DeKalb County Economic Development Corporation, hereinafter referred to as "DCEDC" and the City of DeKalb, hereinafter referred to as "City" shall provide as follows:

I. The DCEDC agrees to provide the following services to the City:

A. Maintain a professional economic development staff including a full-time professional director and follow the Strategic Goals and Work Program herewith attached as Exhibit "1".

B. Provide reports to the City as needed or requested on activities and programs during the term of this contract. Provide written prospect reports and descriptions to the City Manager. Provide presentations as necessary regarding development projects and prospects.

C. Perform research and maintain an information database, including sites and buildings information, demographics, population, labor supply, housing, utilities, taxes, incentives, etc. Maintain internet website where site selectors can access this information.

D. Respond promptly and follow-up on industrial leads and prospects; provide information and referrals for commercial, residential and other development inquiries; and such assistance on non-industrial prospects as deemed mutually necessary.

E. The City will be invited to participate in identifying target industries and in formulating the marketing methodology; with final decisions made by the DCEDC Executive Committee.

F. Provide advice, assistance and accompaniment to the City on important and sensitive business and industry retention matters. DCEDC staff shall make industry retention calls on industries of more than 50 employees, and selected small industries. The results from these retention calls will be shared with the City in order to incorporate the results into policy discussion and formulation.

G. Respond promptly and follow-up on industrial leads and prospects, and report to the City Manager or their designee on all such activities as they pertain to potential locations in the City or in unincorporated areas within 1.5 miles of the City on a regular or as-needed basis. For those leads and prospects requesting confidentiality, DCEDC shall report to the City
Manager or his designee the type of industry to be conducted by the prospect, their acreage or square footage requirements, expected number of employees, desired location, and other such information of a general nature as may be available.

All commercial and residential prospects and inquiries that could be sited in the City of DeKalb or in unincorporated areas within 1.5 miles of the City of DeKalb shall, upon intake, be advised and recommended to contact the City Manager or his designee. An additional assistance or involvement of DCEDC shall be to the extent requested by the City.

H. Refer all inquiries on City incentive programs, whether for industrial or commercial, to the City on an as-needed basis. Refer to the City all requests and inquiries of industries and businesses presently located in the City of DeKalb of their intentions to expand, to make public announcements, etc. Any additional assistance or involvement of DCEDC shall be to the extent requested by the City.

That in return for such services and payment provided for in Section II, DCEDC agrees to provide services in Section I for the period of July 1, 2016 through December 31, 2016.

II. That in return for the services specified in Section I, above, and upon a report and recommendation by the City Manager, and the Chairperson of the City Economic Development Commission that the City has received satisfactory service from the DCEDC, the City hereby agrees to pay to the DCEDC the sum of Twenty Two Thousand and Five Hundred Dollars ($22,500.00), payable in July of the term of this agreement.

III. In addition, the City agrees to maintain the following responsibilities and services:

A. Maintain an updated Community Profile, especially municipal utility rates and information regarding government services and quality of life matters.

B. Refer industrial prospects to DCEDC, or provide timely reports to DCEDC on the status of those not referred.

IV. That the DCEDC hereby indemnifies and holds the City harmless for any and all debts incurred by the DCEDC or for any of the acts of omission or commission by the DCEDC, any of its officers, any of its board members or any other members of DCEDC.

V. That this Agreement shall be for the term of six months commencing July
VI. That this Agreement may not be altered or amended without prior written consent of both parties hereto.

VII. Notwithstanding that as described in Section I, Paragraph G, no breach of this Agreement shall occur in the event that the inquiring party shall request confidentiality. The parties to this Agreement shall advise and recommend contact with City/DCEDC officials, as the case may be.

In witness thereof, the parties have hereto set their handseals as of the day and year written above.

CITY OF DEKALB

John A. Rey, Mayor

Jennifer Jeep Johnson, City Clerk

DEKALB COUNTY ECONOMIC DEVELOPMENT CORPORATION

Greg Millburg, President

Cohen Barnes, Secretary/Treasurer
May 16, 2016

Ms. Anne Marie Gaura
City Manager
City of DeKalb
200 S. Fourth Street
DeKalb, IL 60115

RE: DCEDC FY 2016.5 Funding Request

Dear Anne Marie:

The DeKalb County Economic Development Corporation appreciates the City of DeKalb’s leadership and financial support, and respectfully requests $22,500 in funding during Fiscal Year 2016.5 in return for economic development services. These resources will enable DCEDC to generate private and other public funding to execute its Strategic Industrial Growth Initiative created together with City leaders and stakeholders:

2015/2016 Strategic Goals and Work Program

DCEDC’s goals for 2016.5 include Business Attraction and Development, Business Retention/Expansion, Business Climate Enhancement, Innovation and Entrepreneurship, Marketing, Industrial Growth and Workforce Development, and Strengthening the Public/Private Economic Development Partnership.

Business Attraction and Development – DCEDC will work with developers and communities to prepare competitive development proposals detailing development opportunities and operating resources for site selectors and industry officials conducting site searches and inquiries. As development projects are initiated, DCEDC will coordinate efforts of prospective companies with the DeKalb Development Team and to help ensure timely planning, construction and operation. DCEDC will focus particular attention on marketing newly available buildings including 12102 Barber Greene Road, 2600 Wirsing Parkway, 711 Fairview Drive and the former GE plant. In addition, DCEDC will assist the City by recruiting developers to invest in needed new business and industrial park sites.

During 2015-16, 1,038,000 square feet of industrial space was constructed or leased in the City of DeKalb, representing 71% of the total in DeKalb County. Capital investment totaled $170 million, 86% of the county total. This is the largest amount of development since 2006. Venture One Real Estate and Clayco began construction of a new $40 million, 987,000 Square foot Distribution Center for 3M in Park 88. Investor SparrowHawk of Houston, Texas acquired the 711 Fairview Drive building and is committed to building out the space to attract industrial users. Lighthouse Catholic Media relocated to DeKalb in the 733 Enterprise Avenue building.
Business Retention/Expansion – DCEDC’s Business Retention & Expansion Committee will contribute to the expansion of local industry by introducing resources to support needs identified in business retention visits and surveys with owner/managers. Visits are conducted by teams including the City of DeKalb and the Illinois Manufacturing Excellence Center (IMEC). A report summarizing the visits and survey results will be prepared to guide policy and document business climate performance prospective companies.

During 2015-16, Target completed a $50 million equipment expansion and is in the process of doubling the size of its workforce from 350 to approximately 800. DeKalb Forge is expanding its die shop on the north side of Pleasant Street. Cole Pallet acquired the 1600 South 7th Street building and is planning to improve its Oak Street millwork plant. Retention visits with Armoloy, DeKalb Iron & Metal, OSP DeKalb Fiber Optic, Sundog IT and Walt Ltd. identified opportunities for collaboration on business growth, expansion and workforce development.

Business Climate Enhancement – DCEDC will administer the new DeKalb County Enterprise Zone include processing applications, entering data onto the Illinois Department of Revenue website, convening the Enterprise Zone Advisory Board and reporting to the State of Illinois, DeKalb County, 6 communities, and 8 taxing bodies, including the City of DeKalb.

During 2015-16, DCEDC advocated for approval and certification of the DeKalb County Enterprise Zone with the Illinois Enterprise Zone Board and the Department of Commerce & Economic Opportunity. DCEDC continues to support the Proudly DeKalb Branding and Marketing Campaign. A Technology Outlook Luncheon is being convened to identify how the county’s broadband fiber resources can support business attraction, expansion and new business formation. DCEDC continued to work with state legislators, the data center development industry and the Illinois Chamber of Commerce to advocate for the revision of Illinois tax policy to attract data center and technology development.

Innovation and Entrepreneurship – DCEDC will assist the Proudly DeKalb Team with the Launchpad Virtual Incubator, DeKalb Coworks and the DeKalb Food Hub initiatives.

During the past year, DCEDC introduced IDEAL INDUSTRIES and NIU leading to the creation of the IDEAL/NIU Intrapreneurship Center on East Lincoln Highway. The program is design to develop and bring to market new technologies and products using interdisciplinary teams of NIU students, professors and IDEAL business leaders.

Marketing – DCEDC will market the new Enterprise Zone together with DeKalb County’s competitive advantages to attract investment, jobs and tax base by convening and participating in real estate networking events and trade shows individually and in partnership with the I-39 Corridor Association. DCEDC’s Video Email Marketing Campaign targeting site selectors and industrial real estate brokers will be evaluated and expanded to reach to industry executives in target markets. DCEDC will expand digital marketing to include key word advertising and retargeting through Google, LinkedIn and other media. DCEDC will collaborate with NIU College of Engineering and Engineering Technology in recruiting research & development, manufacturing and other industries to the City of DeKalb and DeKalb County.

During the past year DCEDC developed prospects and referral sources at trade shows, business luncheons and networking events with the Associating of Industrial Realtors (AIRE), Society of Industrial and Office Realtors (SIOR), the Illinois Economic Development Association (IEDA), Northern Illinois Commercial Association of Realtors (NICAR), Chicago Industrial Properties, Bisnow, the 7x24 Exchange Data Center, and the SelectUSA International Business Summit. DCEDC produced and emailed four testimonial videos to over 500 site selectors and industrial realtors generating interest from 90. Also, DCEDC secured prominent placements promoting DeKalb County in www.rejournals.com and Chicago Industrial Properties.
Industrial Growth and Workforce Development – In addition, DCEDC will expand the work of the DeKalb Ogle Workforce Development Consortium by generating increased internships and summer jobs for students with local industries. DCEDC will coordinate the local strategic planning with the Kane Kendall DeKalb Workforce Development Board to ensure access to training, education and jobs for residents. DCEDC will collaborate with the NIU College of Engineering and Engineering Technology and NIU EIGERlab linking manufacturers with the Digital Manufacturing and Design Innovation Institute.

The DeKalb Ogle Workforce Development Consortium introduced over 300 students to industry and facilitated the creation of approximately 40 internships/summer jobs with industries. DCEDC coordinated the support of the Illinois workNet Center and Kishwaukee College to assist Target in recruiting new employees at the DeKalb distribution center and guided the allocation of over $1,000,000 in training and career development services to support reemployment and career development for DeKalb residents.

Strengthen Public/Private Economic Development Partnership – With the support of its public and private sector members and contributors, DCEDC will generate the financial, in-kind and volunteer resources necessary to conduct its work program. DCEDC will conduct a full business education and networking event schedule including Business Roundtable Luncheon at DeKalb Taylor Municipal Airport, Technology Focus Luncheon in DeKalb, Annual State-of-the-County Dinner, Economic Outlook Luncheon, and Leader Recognition Events.

With the support of the City of DeKalb, DCEDC leverages contributions and membership dues from over 200 private businesses, DeKalb County, Northern Illinois University and 16 communities, townships and park districts to share the cost and benefits of economic development. Over 70% of these resources generated are from private sources and operating revenue. More than $1.6 billion in private investment and assessed valuation, resulting in over 11,000 new jobs in DeKalb County have been realized since DCEDC’s creation in 1987. During this period, employment of county residents has increased by 20,000. The DCEDC public/private partnership was instrumental in attracting or expanding five of the eight largest City of DeKalb taxpayers. These five industries - 3M, Target, Goodyear, Nestle and Panduit - now generate $3.6 million in tax revenue each year including over $330,000 to the City of DeKalb.

We appreciate the City’s consideration of DCEDC’s FY2016.5 funding request.

Sincerely,

[Signature]

Paul J. Borek
Executive Director