

RESOLUTION 2017-027

PASSED: JANUARY 23, 2017

**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 \$45,000 FOR ECONOMIC DEVELOPMENT SERVICES BEGINNING JANUARY 1, 2017 THROUGH DECEMBER 31, 2017.**

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

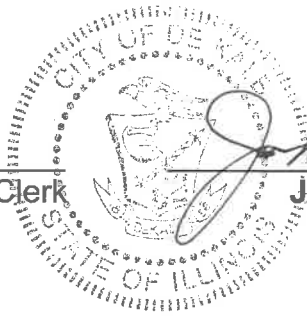
**Section 1.** That the Mayor of the City of DeKalb be authorized and directed to execute an Agreement with DCEDC in the amount of Forty-Five Thousand Dollars and no/100 (\$45,000) for economic development services from January 1, 2017 through December 31, 2017, a copy of which is attached hereto and 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 23<sup>rd</sup> day of January, 2017, and approved by me as Mayor on the same day. Passed by an Omnibus roll call vote of 8-0 under the Consent Agenda. Aye: Jacobson, Finucane, Marquardt, Snow, Noreiko, Baker, Faivre, Rey.

**ATTEST:**

  
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JENNIFER JEEP JOHNSON, City Clerk



  
\_\_\_\_\_  
JOHN A. REY, Mayor

**DEKALB COUNTY ECONOMIC DEVELOPMENT CORPORATION  
FY2017 FUNDING AGREEMENT**

This Agreement made and entered into the 23rd day of January, 2017, 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 businesses of more than 50 employees, and selected small businesses. 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 their 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 their 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.
- I. Assist the City in identifying opportunities, potential locations, and strategies for speculative industrial development of less than 100,000 square feet. A final report would be presented during a Committee of the Whole meeting to occur no later than the first meeting in November, 2017.
- J. Make two presentations to the City's Economic Development Commission during the year on subjects identified by the City Manager or their designee.

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 January 1, 2017 through December 31, 2017.

- II. That in return for the services specified in Section I, above, and upon a report and recommendation by the City Manager that the City has received satisfactory service from the DCEDC, the City hereby agrees to pay to the DCEDC the sum of Forty-Five Thousand Dollars (\$45,000.00), payable in equal quarterly payments of Eleven Thousand Two Hundred Fifty Dollars (\$11,250.00), following the receipt of an invoice from the DCEDC.
- 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.

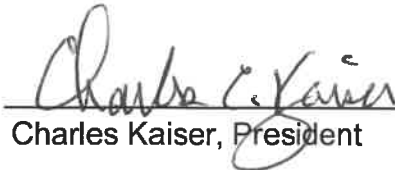
- B. Refer industrial prospects to DCEDC, or provide timely reports to DCEDC on the status of those not referred.
- IV. That the DCEDC hereby indemnifies and holds the City harmless for any and all debts incurred by the DCEDC or for any of the acts of omission or commission by the DCEDC, any of its officers, any of its board members or any other members of DCEDC.
- V. That this Agreement shall be for the term of one year commencing January 1, 2017 and concluding December 31, 2017.
- 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.
- VIII. This Agreement may be declared null and void by either the DCEDC or the City should either party fail to meet any of the terms and conditions noted herein, within thirty (30) days of written notification of same by the other party, and during which time the other party has not complied with this Agreement's provisions and conditions.

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

CITY OF DEKALB

DEKALB COUNTY ECONOMIC  
DEVELOPMENT CORPORATION

  
\_\_\_\_\_  
John Rey, Mayor

  
\_\_\_\_\_  
Charles Kaiser, President

  
\_\_\_\_\_  
Jennifer Jeep Johnson, City Clerk

  
\_\_\_\_\_  
Mike Milano, Secretary/Treasurer

September 2, 2016

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

RE: DCEDC FY 2017 Funding Request

Dear Anne Marie:

The DeKalb County Economic Development Corporation appreciates the City of DeKalb's leadership and financial support, and respectfully requests \$45,000 in funding during Fiscal Year 2017 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:

**2017 Strategic Goals and Work Program**

DCEDC's goals for 2017 include Business Attraction and Development, Business Retention/Expansion, Business Climate Enhancement, Marketing, Innovation and Entrepreneurship, Industrial Growth and Workforce Development, and Strengthening the Public/Private Economic Development Partnership.

**Business Attraction and Development** – DCEDC will work with developers and the City of DeKalb 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, permitting, construction and operation. DCEDC will focus particular attention on marketing business park sites at Park 88 and the ChicagoWest Business Center and available buildings including 12101 Barber Greene Road, 2600 Wirsing Parkway, 711 Fairview Drive and the former GE plant. In addition, DCEDC will assist the City in 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 completed construction of a \$40 million, 987,000 Square foot Distribution Center for 3M in Park 88. Expedited plan review and permitting by the City of DeKalb enabled 3M to meet their August 31, 2016 occupancy deadline. Investor SparrowHawk leased the 711 Fairview Drive building to Solotech, a Quebec, Canada-based supplier and integrator of audio, lighting, video and control equipment and technical solutions for the live performance industry.*

**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 for 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 has expanded 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, Cole Pallet, DeKalb Iron & Metal, NorthStar Packing, OSP/DeKalb Fiber Optic, Sundog IT and Walt Ltd. identified opportunities for collaboration on business growth, expansion and workforce development.*

**Business Climate Enhancement** – DCEDC administers the DeKalb County Enterprise Zone including 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. DCEDC will continue to promote and process Enterprise Zone applications to support the attraction and expansion of industrial and commercial development in the City of DeKalb.

During the current year, DCEDC processed Building Materials Exemption Certificates for the Brian Bemis Toyota renovation project, the first project in the new DeKalb County Enterprise Zone. *DCEDC supported the Proudly DeKalb Branding and Marketing Campaign. A Technology Outlook Luncheon was convened to illustrate how the county’s broadband fiber resources can support business attraction, expansion and new business formation. A Business Roundtable Luncheon is being convened at the DeKalb Taylor Municipal Airport with the support of the City to promote business aviation and aviation-related development. DCEDC continued to work with state legislators, the data center development industry and the Illinois Chamber of Commerce to advocate for tax policy to attract data center and technology development.*

**Marketing** – DCEDC will market the new Enterprise Zone together with DeKalb’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 and the State of Illinois. DCEDC’s Video Email Marketing Campaign targeting site selectors and industrial real estate brokers will be expanded to reach to industry executives in target markets. DCEDC will collaborate with NIU College of Engineering and Engineering Technology, Division of Information Technology and College of Business to recruit research & development, manufacturing and logistics industries to the City of DeKalb and DeKalb County.

*During the current year, DCEDC is coordinating one-on-one appointments and tours with industrial realtors and site selectors. DCEDC has contracted with a national marketing firm to expand its digital marketing to include key word advertising and retargeting through Google, LinkedIn and other media and to coordinate and focus all marketing channels – website, email, social media and advertising. DCEDC developed prospects and referral sources at trade shows, business luncheons and networking events, including 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, and the SelectUSA International Business Summit. DCEDC produced and emailed four testimonial videos to over 500 site selectors and industrial realtors. Also, DCEDC secured prominent placement of editorial content promoting DeKalb County in online and print trade publications [www.rejournals.com](http://www.rejournals.com) and Chicago Industrial Properties.*

**Innovation and Entrepreneurship** – DCEDC will promote DeKalb as a center for innovation and entrepreneurship by highlighting and supporting initiatives including the DeKalb County Business Incubator; Proudly DeKalb's Launchpad Virtual Incubator, Coworks Space and the Food Hub initiatives and NIU's Entrepreneurship curriculum. *During the past year, DCEDC introduced IDEAL INDUSTRIES and NIU principals leading to the creation of the IDEAL/NIU Intrapreneurship Program at their East Lincoln Highway facilities. This program is designed to develop and bring to market new technologies and products using interdisciplinary teams of NIU students, professors and IDEAL business leaders.*

**Industrial Growth and Workforce Development** – 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 provide leadership for the Kane Kendall DeKalb Workforce Development Board to ensure that DeKalb residents and businesses access training, placement and career development resources. 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.

*During the past year, 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. DCEDC coordinated the local strategic planning with the Kane Kendall DeKalb Workforce Development Board and guided the allocation of training and career development resources to support employment and advancement for 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 schedule of business education and networking events for County business and community leaders together with prospects and site selectors. *During the past year, the Technology Focus Luncheon, Business Roundtable Luncheon, Annual State-of-the-County Dinner, Economic Outlook Luncheon, and Large Contributor Reception were all held in DeKalb.*

With the support of the City of DeKalb, DCEDC leverages contributions and membership dues from approximately 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 - generate \$3.6 million in tax revenue each year.

We appreciate the City's consideration of DCEDC's FY2017 funding request and look forward to working together to expand and diversify the local economy.

Sincerely,



Paul J. Borek  
Executive Director