

RESOLUTION 2018-005

PASSED: JANUARY 8, 2018

AUTHORIZING A FUNDING AGREEMENT WITH THE DEKALB COUNTY ECONOMIC DEVELOPMENT CORPORATION IN THE AMOUNT OF \$45,000 FOR ECONOMIC DEVELOPMENT SERVICES BEGINNING JANUARY 1, 2018, THROUGH DECEMBER 31, 2018.

WHEREAS, the City of DeKalb is a home-rule municipal corporation with all power and authority derived under the law; and

WHEREAS, the City of DeKalb is actively engaged in economic development efforts to attract new businesses and developments for the purpose of expanding the community's tax base; and

WHEREAS, the DeKalb County Economic Development Corporation (DCEDC) is an organization funded through contributions from both public and private entities for the purpose of engaging in economic development efforts to attract and retain industrial type businesses and developments; and

WHEREAS, the City of DeKalb benefits from the efforts of the DCEDC.

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


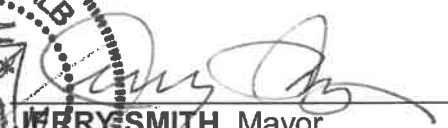
Section 1. That the Mayor of the City of DeKalb be authorized and directed to execute an Agreement with DCEDC in the amount of Forty-Five Thousand Dollars and no/100 (\$45,000) for economic development services from January 1, 2018, through December 31, 2018, a copy of which is attached hereto and made 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 held on the 8th day of January, 2018, and approved by me as Mayor on the same day. Passed by a 6-0-2 roll call vote. Aye: Jacobson, Finucane, Noreiko, Verbic, Faivre, Smith. Nay: None. Absent: Marquardt, Fagan.

ATTEST:


SUSANNA HERMANN, City Clerk



JERRY SMITH, Mayor

**DEKALB COUNTY ECONOMIC DEVELOPMENT
CORPORATION FY2018 FUNDING AGREEMENT**

This Agreement made and entered into the 8th day of January, 2018, by and between the DeKalb County Economic Development Corporation, hereinafter referred to as "Grantee" and the City of DeKalb, hereinafter referred to as "City" shall provide as follows:

- I. The Grantee 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 2018 Operating Goals and Work Program herewith attached as Exhibit "B".
 - B. Serve as the administrative agency for the DeKalb County Enterprise Zone, assisting any eligible businesses or developers for projects located within the City on required application procedures, and processing of required documents with the State of Illinois or DeKalb County, at no additional cost to the City.
 - C. 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.
 - D. 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.
 - E. 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.
 - F. The City will be invited to participate in identifying target industries and in formulating the marketing methodology; with final decisions made by the Grantee Executive Committee.
 - G. Provide advice, assistance and accompaniment to the City on important and sensitive business and industry retention matters. Grantee 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.

- H. 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, Grantee 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 Grantee shall be to the extent requested by the City.
- I. 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 Grantee shall be to the extent requested by the City.
- J. Assist the City in identifying opportunities, potential locations, and strategies for industrial development of less than 100,000 square feet, either speculative or the redevelopment of existing structures. A final report would be presented during a Committee of the Whole meeting to occur no later than the second meeting in July 2018.
- K. Participate in the City's Economic Development Commission as an ex-officio member and make a minimum of one presentation to the commission during the year on subject(s) identified by the City Manager or their designee.

That in return for such services and payment provided for in Section II, Grantee agrees to provide services in Section I for the period of January 1, 2018 through December 31, 2018.

- 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 Grantee, the City hereby agrees to pay to the Grantee 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 Grantee.
- 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 Grantee, or provide timely reports to Grantee on the status of those not referred.
- IV. That the Grantee hereby agrees that it shall indemnify, defend and hold harmless the City of DeKalb, its elected officials, officers, employees and agents, from any and all claims, liabilities or damages whatsoever arising out of the activities of the Grantee, the conduct of the activities specified above, for any and all debts incurred by the Grantee or for any of the acts of omission or commission by the Grantee, any of its officers, any of its board members or any other members of the Grantee, to the fullest extent permitted by law. The Grantee also agrees that it shall comply with all laws applicable to the conduct of the activities described above. The Grantee acknowledges that neither it nor its personnel shall be acting as an employee or official representative of the City for purposes of being offered any protection or coverage under City insurance policies for tort immunity or other legal purposes. Grantee shall have sole control over the manner and means of providing the work and services performed under this agreement. The City's relationship to the Grantee under this agreement shall be that of an independent Grantee. Grantee will not be considered an employee to the City for any purpose.
- V. Grantee agrees to keep and maintain all books and records and other recorded information required to comply with any applicable laws. Grantee shall comply with the record retention and documentation requirements of the Local Records Act 50 ILCS 205/1 et seq. and the Act and shall maintain all records relating to this Agreement in compliance with the Local Records Retention Act and the Act (complying in all respects as if the Grantee was, in fact, the City). Grantee shall review its records promptly and produce to the City within two business days of contact from the City the required documents responsive to a request under the Act. If additional time is necessary to comply with the request, the Grantee may request the City to extend the time do so, and the City will, if time and a basis for extension under the Act permits, consider such extensions. This contract shall be governed and construed in accordance with the laws of the State of Illinois. Venue and jurisdiction for any legal action arising out of or related to this Agreement shall be exclusively fixed in the DeKalb County Circuit Court, DeKalb County, Illinois.
- VI. That this Agreement shall be for the term of one year commencing January 1, 2018 and concluding December 31, 2018.
- VII. That this Agreement may not be altered or amended without prior

written consent of both parties hereto.

- VIII. 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/Grantee officials, as the case may be.
- IX. This Agreement may be terminated by either the Grantee 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. Upon termination, the City shall have no further obligation to provide funding.

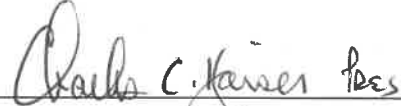
In witness whereof, the parties have signed as of the day and year written above

CITY OF DEKALB

DEKALB COUNTY ECONOMIC
DEVELOPMENT CORPORATION



Jerré Smith, Mayor



Charles Kaiser, President



Susanna Herrmann, City Clerk



Mike Milano, Secretary/Treasurer

November 21, 2017

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

Attention: Jason Michnick

RE: DCEDC FY 2018 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 2018 in return for economic development services. These resources will enable DCEDC to generate private and other public funding to execute its Work Program and coordinate completion and implementation of the DeKalb County Comprehensive Economic Development Strategy (CEDs) created together with City leaders and stakeholders.

2018 Operating Goals and Work Program

DCEDC's operating goals for 2018 include Business Attraction and Development, Business Retention/Expansion, Business Climate Enhancement, Workforce Development, Marketing, Innovation and Entrepreneurship, 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 executives conducting site searches and inquiries. DCEDC will work with the City and INTERSECT Illinois to improve the readiness of the 1,000-acre expanded ChicagoWest Business Center site assembled for Project New World (Mitt). DCEDC will market business park sites at Park 88 as well as available buildings including: 12101 Barber Greene Road, 2600 Wirsing Parkway, 711 Fairview Drive, and 300 Harvestore Drive. In addition, DCEDC will assist the City in identifying sites to accommodate smaller industrial buildings (less than 100,000 square feet). As development projects are initiated, DCEDC will coordinate efforts of prospective companies with the DeKalb Development Team and will help ensure timely planning, permitting, construction, and operation.

During 2017, DCEDC assisted the City of DeKalb by convening an interdisciplinary team of public and private professionals to assemble a 1,000-acre site and compete effectively for a \$1.6 billion, 4,000 job auto assembly plant. Illinois ranked 4th among the top 1,000 acre sites in the U.S. While the development prospect selected the southeastern U.S. for this project, they were impressed with the workforce, transportation, and educational advantages of DeKalb County and Illinois. We were advised by INTERSECT Illinois that additional site selection opportunities are anticipated in the near future.

During the past year, 434,000 square feet of industrial space was constructed or leased and over \$135 million of capital investment was made in DeKalb County. Over 800 new jobs were created including 400 at 3M in DeKalb. This matches the prior year when over 800 jobs were created, including 400 at Target. These are the largest job creation totals since 2006. Also in DeKalb, Nestle extended the lease on its building for 10 years and completed exterior improvements and interior remodeling. Developer SparrowHawk completed office space buildout at the 711 Fairview Drive building for Solotech USA. This live entertainment technology designer/supplier, in turn, made significant investments in video, lighting, sound, and staging equipment used to support their entertainment and business clients.

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 include the City and the Illinois Manufacturing Excellence Center (IMEC) to ensure effective follow-up. A report summarizing survey results will be prepared to guide policy and document business climate performance for prospective companies.

During 2017, Right Pointe leased an adjacent building and storage lot on Harvestore Drive in DeKalb. Unified Wire & Cable began an expansion of its Dietz Avenue building. During recent years, retention visits with Armoloy, Cole Pallet, DeKalb Iron & Metal, Nehring Electric, 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 with the Illinois Department of Revenue, convening the Enterprise Zone Advisory Board, and reporting to the State of Illinois, DeKalb County, six community partners, and eight taxing bodies. DCEDC will continue to promote the program and process applications to support the attraction and expansion of industrial and commercial development in the City of DeKalb. DCEDC will continue to assist in the preparation and implementation of a strategic plan for the DeKalb Airport and further promote the airport to industrial prospects.

During 2016-17, DCEDC processed Building Materials Exemption Certificates totaling \$55 million for 18 projects throughout the DeKalb County Enterprise Zone. DeKalb applications included Brian Bemis Toyota, Cornerstone, Nestle, Solotech/SparrowHawk and Sundog IT. DCEDC expanded its promotion of the DeKalb Airport on its website by describing its assets and distributing brochures at trade shows. 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 centers and technology development.

Marketing – DCEDC will continue to market 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 INTERSECT Illinois. DCEDC’s Email Marketing and Digital Advertising 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 promoted the City of DeKalb and DeKalb County on an international stage by participating in the State of Illinois’ Asia Job Mission to Japan and China led by Governor Rauner and at the SelectUSA International Business Summit in Washington, D.C led by INTERSECT Illinois. DCEDC developed prospects and referral sources at other trade shows, business luncheons, and networking events, including the Association of Industrial Realtors (AIRE), Society of Industrial and Office Realtors (SIOR), the Illinois Economic Development Association (IEDA), and Chicago Industrial

Properties. DCEDC also coordinated one-on-one appointments and tours with industrial realtors and site selectors. DCEDC worked with a national marketing firm to complete a Digital Marketing Plan to coordinate and focus all marketing channels – website, email, social media, and advertising. DCEDC also increased awareness of DeKalb County by conducting key word advertising and retargeting through Google, LinkedIn, and other media.

Innovation and Entrepreneurship – DCEDC will promote DeKalb as a center for innovation and entrepreneurship by highlighting and supporting NIU’s Research, Innovation, and Entrepreneurship initiatives, including the IDEAL-NIU Intrapreneurship Program, as well as the DeKalb County Business Incubator. *During the past year, IDEAL INDUSTRIES and NIU expanded the Intrapreneurship Program at IDEAL’s East Lincoln Highway facilities to include 4 interdisciplinary teams of approximately 20 students working to bring new technologies and products to market guided by NIU professors and IDEAL business leaders.*

Industrial Growth and Workforce Development – DCEDC will expand the work of the DeKalb Ogle Workforce Development Consortium by generating internships and summer jobs for students with local industries. DCEDC provides leadership for the Kane Kendall DeKalb Workforce Development Board to ensure that DeKalb residents and businesses access training, placement and career development resources. *During the past year, DeKalb Ogle Workforce Development Consortium introduced over 300 students to industry and facilitated the placement with local companies. DCEDC coordinated the support of the Illinois workNet Center and Kishwaukee College to assist local industries in recruiting new employees. DCEDC guided the allocation of training and career development resources to support employment and advancement for residents through the Kane Kendall DeKalb Workforce Development Board.*

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, DCEDC’s Business Roundtable Luncheon, Annual State-of-the-County Dinner, Economic Outlook Luncheon, and Large Contributor Reception were 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, school districts, and other taxing bodies 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 over \$3.6 million in tax revenue each year.

DCEDC appreciates the City’s consideration of DCEDC’s FY2018 funding request and look forward to working together to expand and diversify the DeKalb economy.

Sincerely,



Paul J. Borek
Executive Director