

RESOLUTION 2019-003

PASSED: JANUARY 28, 2019

AUTHORIZING A FUNDING AGREEMENT WITH THE DEKALB COUNTY ECONOMIC DEVELOPMENT CORPORATION IN THE AMOUNT OF \$35,000 FOR ECONOMIC DEVELOPMENT SERVICES BEGINNING JANUARY 1, 2019 THROUGH DECEMBER 31, 2019.

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 Thirty-Five Thousand Dollars and no/100 (\$35,000) for economic development services from January 1, 2019 through December 31, 2019, 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 28th day of January 2019 and approved by me as Mayor on the same day. Passed by an 8-0 roll call vote. Aye: Jacobson, Finucane, Stupegia, Fagan, Noreiko, Verbic, Faivre, Smith. Nay: None.

ATTEST:


LYNN A. FAZEKAS, City Clerk


STATE OF ILLINOIS


JERRY SMITH, Mayor

EXHIBIT A

DEKALB COUNTY ECONOMIC DEVELOPMENT CORPORATION FY2019 FUNDING AGREEMENT

This Agreement made and entered into the 28th day of January 2019, 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 2019 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. 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, 2019 through December 31, 2019.

- 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 Thirty-Five Thousand Dollars (\$35,000.00), payable in equal quarterly payments of Eight Thousand Seven Hundred Fifty Dollars (\$8,750.00), following the receipt of an invoice from the Grantee.
- III. In addition, the City agrees to maintain the following responsibilities and services:
 - A. Respond to requests for information for City related services and regulations in a timely manner that allows the grantee to provide necessary supporting materials to prospective businesses, brokers, and site selectors.
 - 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, 2019 and concluding December 31, 2019.
- 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




Jerry Smith, Mayor



Cohen Barnes, President

Attest:





Lynn A. Fazekas, City Clerk

November 28, 2018

Raymond Munch
Interim City Manager
City of DeKalb
200 S. Fourth Street
DeKalb, IL 60115

Attention: Jason Michnick

RE: DCEDC FY 2019 Contract for Services/Funding Request

Dear Mr. Munch:

The DeKalb County Economic Development Corporation respectfully presents its proposal to provide economic development services to the City of DeKalb during 2019. These services include marketing and industrial recruitment; business retention, expansion, and workforce development; and Enterprise Zone administration. These activities will attract investment, create jobs, and expand the tax base in the City.

In addition, the DCEDC Public/Private Partnership will implement the Comprehensive Economic Development Strategy (CEDS Plan) adopted to accomplish the following goals:

1. *Ensure DeKalb County has a talent pipeline that meets the needs of workers and employers;*
2. *Identify and recruit target industries;*
3. *Create a business climate in DeKalb County that contributes to business success;*
4. *Brand and promote the "DeKalb County Experience" focusing on the county's unique assets; and*
5. *Collaborate countywide to maximize the economic health of all communities.*

A major initiative will be to develop a branding strategy to distinguish the City of DeKalb and DeKalb County as premier destinations for commercial, industrial and residential investment, education, and tourism. To provide these services, DCEDC is requesting \$45,000 for Fiscal Year 2019. This funding will help DCEDC generate private and other public funding to execute its collaborative work program.

2019 Operating Goals and Work Program

Strategic Business Attraction and Development – DCEDC will prepare and implement a business development strategy that incorporates CEDS Industrial Cluster Analysis to attract and retain cutting edge industries and support start-ups. The six Target Industry Clusters are:

- Consumer and Electronic Products Manufacturing,
- Creative Economy Industries,
- Fabricated Metal Products Manufacturing,
- Machinery Manufacturing,
- Research Development and Information Technology, and
- Transportation, Distribution, and Logistics.

DeKalb County EDC
421 N. California Street, Ste. 200 Building 1B
Sycamore, IL 60178
815-895-2711 (phone) · 815-895-8713 (fax)

dcedc.org

bottom line period

DCEDC plans to focus on Food Processing and Agricultural Innovation to incorporate food production, processing, food-to-table, food hubs, and distribution in support of NIU's Northern Illinois Center for Community Sustainability. DCEDC will work with NIU and the City of DeKalb to foster collaboration of businesses, investors, and developers in the development of a research park on the NIU Campus. In addition, DCEDC will target the Healthcare Industry to reinforce and capitalize on the investment and initiatives of Northwestern Medicine in DeKalb County.

DCEDC will work with developers and communities to prepare competitive development proposals for site selectors and industry officials conducting site searches and inquiries for development opportunities and operating characteristics. As development projects are initiated, DCEDC will coordinate efforts of the *DeKalb Development Team* with prospect companies to ensure timely construction and operation.

Also, DCEDC will assist the City of DeKalb in reaching out to developers and investors to initiate industrial park development at one or more of the preferred sites identified in DCEDC's Industrial Park Site Inventory prepared for the City in 2018.

Business Retention, Expansion & Workforce Development – DCEDC's Business Retention & Expansion Committee will continue to conduct business retention visits with local industries and conduct surveys with owner/managers designed to identify needs and opportunities. This will enable DCEDC to bring resources to bear in support of local industry growth and expansion. Visits will be conducted by teams including host municipalities and the Illinois Manufacturing Excellence Center (IMEC). DCEDC's Voice of Industry Report will quantify survey results and business climate conditions to serve as testimonials for the DeKalb County business environment and support attraction of new industry and additional investment.

DCEDC will continue to engage NIU, Kishwaukee College, area high schools, and the Kishwaukee Education Consortium together with business and industry to support collaborative education, internships, employee recruiting, and employer training in support of new businesses and local business expansion/retention. DCEDC will:

- Continue efforts to introduce students to industrial careers, work to expand enrollment in manufacturing career programs, and place interns and employees with local companies through the DeKalb Ogle Workforce Development Consortium.
- Lead the Kane Kendall DeKalb Workforce Development Board in providing business leadership and guidance for regional job training and placement.

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 (6) community partners, and 11 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 implementation of the DeKalb Airport Strategic Plan and promote the airport to industrial prospects.

Marketing – DCEDC will lead the implementation of CEDS Goal #4 - Brand and promote the "DeKalb County Experience..." by commissioning a Branding Study to develop a brand and branding strategy to distinguish and promote the City of DeKalb and DeKalb County.

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. DCEDC will collaborate with the NIU College of Engineering and Engineering Technology, the Division of Information Technology, and the College of Business to recruit research & development, manufacturing, and logistics industries to the City of DeKalb and DeKalb County.

DCEDC will 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.

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.

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, the 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 FY2019 contract proposal/funding request and looks forward to working together with the City to expand and diversify the DeKalb economy. Attached for your review and consideration is a summary of DCEDC's Accomplishments in and for the City of DeKalb during 2018.

Sincerely,



Paul J. Borek
Executive Director / Enterprise Zone Administrator

Attachment: DCEDC 2018 City of DeKalb Accomplishments