

COMMITTEE REPORT

COMMITTEE: Development & Planning (D&P)
CHAIRPERSON: Merri Berlage
DATE/TIME: November 22, 2016, 7:00 p.m.

PRESENT:

<input checked="" type="checkbox"/> John Lang	<input checked="" type="checkbox"/> Robert Heuerman	<input checked="" type="checkbox"/> RJ Winkelhake
<input checked="" type="checkbox"/> Merri Berlage	<input checked="" type="checkbox"/> John O'Boyle	<input type="checkbox"/> Ron Smith
<input checked="" type="checkbox"/> Rick Dittmar		

A quorum was established.

Other Board members: Steve McIntyre
Others: Lisa McCarthy and Dan Reimer

1. Approval of Minutes

- a) Review and approve minutes for the August 23, 2016 Development & Planning committee meeting – **John O'Boyle made a motion to approve the minutes of the August 23, 2016 Development & Planning Committee meeting. Seconded by RJ Winkelhake and motion passed.**

2. Citizens' Comments – None

3. Unfinished Business

- a) FY2016 Strategic Goals & Plans – Nothing new to report at this time.
- b) Update on Enterprise Zone – Nothing new to report at this time.
- c) Update on Ag promotion/support – Merri Berlage, Development & Planning Committee Chair, reported that the Ag promotion committee is going to start meeting again. Berlage will continue to be on the committee. She would to see a County Board member appointed to the committee so that they can report back to this committee. The Ag Promotion committee would like to continue the farm tour program.

4. New Business

- a) Presentation regarding the Jo-Carroll Foreign Trade Zone – Bill Hooton joined the meeting via conference call. Mr. Hooton is managing member of Illinois International Trade Centers, which is the operator and administrator of Foreign Trade Zone #271, the Jo Carroll Foreign Trade Zone (FTZ). The FTZ is operated and administered as a Federal public utility. The service territory of FTZ#271 includes all of Jo Daviess, Carroll and Whiteside Counties. Any company or community at any time can ask to take advantage of or benefit from access to the Foreign Trade Zone Program. They are here to serve. There are two items for discussion - is there interest in establishing a FTZ magnet site by overlaying a contiguous group of properties in East Dubuque with Foreign Trade Zone status and second is there an interest in evaluating and defining the possibility of establishing what's presently called the logistics hub within or adjacent to that magnet site as part of economic justification for that site. Hooton explained, there are three ways that the FTZ can be expanded. We can do a FTZ expansion application (an economic justification is required), a FTZ minor boundary modification or third reorganize the entire FTZ under what is called the alternative inside frame work. All three of these accomplish the same task, which is to create a specific site in East Dubuque without diminishing the ability of the zone to serve everywhere else in the service area,. There are 2,932 acres of approved FTZ at the Savanna Army Depot Park and not all will be used for FTZ. Hooton discussed each option and explained you can have up to three magnet sites within grant of authority. The FTZ covers three counties. They are called magnet sites because they are meant to be an attraction to pull in international businesses that are looking to locate in a particular region of the country who source materials globally and wish to manufacture, produce or operate within our total service territory. Hooton discussed that two private companies have expressed interest in a development in East Dubuque, due to intermodal

transportation including barge access to the Mississippi River and rail capacity on the Canadian National Railroad. Hooton was asked which option he recommends. Hooton explained that he does not recommend any of the options. The expansion will be decided by the FTZ Board consisting of four members from Jo Daviess County and four members from Carroll County. The FTZ Board is the grantee of the Foreign Trade Zone grant of authority, they will choose the option, all the options cost about the same amount of money. The question is which option best suits the community and the FTZ Board and what they think is the appropriate methodology to use. Residential and retail cannot be included in the FTZ. Hooton discussed possible participants. In the application a letter from each property owner must be submitted that they are aware their property is being included in the FTZ and they concur with the application. John O'Boyle asked what the cost is and how that would be shared. Hooton discussed that the cost is approximately \$20,000 which includes economic justification and application order of magnitude. Costs could be shared between the number of entities which might include the County, the City of East Dubuque and two private businesses who are currently interested. A consulting firm would fill out the application; this could be Illinois International Trade Centers, LLC or another consultant. Hooton discussed that the FTZ and the Enterprise Zone can overlay each other. Hooton discussed the economic justification, East Dubuque and Jo Daviess County would be a distribution hub for trucks, rail and barge. Hooton was asked about any proposed timelines. Hooton would like to have any participation commitments made by the end of January. If Jo Daviess County is interested in participating financially with the logistics analyses and application a contract could be prepared. The FTZ Board would have to first concur and approve with making the application. Hooton discussed the logistic attributes of East Dubuque as a magnet site with a public warehouse that offers services to anybody that is interested; this lowers cost barriers for smaller companies. Hooton gave examples of how a company benefits in a FTZ. All car manufacturing is done in a FTZ, approximately 98% of ship building and 80 % of pharmaceutical manufacturing is done in a FTZ. Berlage asked Hooton how much he wanted the County to commit financially towards the application. Hooton discussed that the application cost will be approximately \$20,000, if there are four participants the County share would be \$5,000. Reimer reminded the Committee that the agenda only states presentation regarding the Jo-Carroll Foreign Trade Zone, so action on a commit cannot be taken at this meeting. Berlage discussed with Hooton that the Committee will need more information to take forward to the County Board. Hooton discussed that a declaration of interest from the County would be good. He would like something to take forward to the FTZ Board at their meeting in January. The next opportunity to discuss would be the December County Board meeting, unless there would be discussion and action at a future Development & Planning Committee. Reimer suggested that a resolution with specific FTZ information be drafted for a future meeting. Hooton will be out of Jo Daviess County for the next few weeks. Winkelhake suggested that Hooton provide the County with information regarding the other interested participants prior to the next time the County meets to discuss the FTZ application. Berlage suggested Hooton stay in contact with Reimer.

5. Staff Reports

a) Building & Zoning

- i. Monthly Report – Building & Zoning Administrator, Eric Tison, was unable to attend. A report from Building & Zoning was included in the informational packet.

b) Economic Development

- i. CVB Monthly Report – CVB Executive Director, Katherine Walker, was unable to attend.
- ii. TCEDA Monthly Report – Tri-County Economic Development Alliance Executive Director, Lisa McCarthy, reported that the Bi-State Freight Study is moving forward. CPCS Transcom is the consultant chosen for the freight study. The kick-off meeting will be scheduled soon. The study is anticipated to take approximately 14 months, a steering committee will be appointed. TCEDA is working with Blackhawk Hills Regional Council on creating a list of businesses to interview to collect data; an expert on manufacturing will be retained to assist with the interviews. TCEDA is currently assisting 17 businesses with retention, expansion

or location to our region. TCEDA was awarded Nonprofit of the Year by the Galena Area Chamber of Commerce and the Business Certificate of Appreciation by the State of Illinois' workforce development department. TCEDA's Build it - Grow it Elizabeth has shown over \$315,000 in increased sales for the first three quarters of 2016, year-over-year, for an average of five businesses in the program. We are moving the pilot program to Warren with education sessions at the Warren Community Building. TCEDA has been selected and received a \$2,000 grant as one of only 40 communities nationwide to participate in the second-round pilot for Talent Pipeline Management (TPM) with the U.S. Chamber of Commerce Foundation. McCarthy will be going to Washington D.C. in January to learn the final three strategies and implement them. If this is successful in manufacturing we would like to expand to healthcare and logistics. TCEDA has been selected as one of a few leading organizations around the country to be a member of the National Small Business Association's (NSBA) Leadership Council. This is a non-partisan industry group headquartered in Washington D.C. that advocates for small business issues. TCEDA's Political Advocacy Committee sent the first of a series of letters to legislators and economic developers in border communities asking them to support new incentives that don't penalize border communities. There are two economic developers downstate that are joining our coalition. National Manufacturing Day tours were held in October. Over 250 high school students toured one manufacturer then attended a panel discussion of manufacturing leaders discussing their career path and why they selected manufacturing. TCEDA hosted an after-hours with Highland community College in Savanna and talked about Build it - Grow it and Highland's new programs. TCEDA attended a small business forum with Senator Kirk and a meeting with Representative Bustos about USDA Rural Development loans. Sign up to their Facebook page when you have a chance. McCarthy thanked the committee members who are going off the Board for helping and encouraging, a lot of progress was made the past three years. McCarthy thanked Merri Berlage for the idea and the Committee for helping secure office space for TCEDA at the Highway Building in Hanover. It really makes a difference to be able to meet with people and be close to Planning & Development administrative assistant, Christine Soat who splits her time as TCEDA's administrative assistant.

6. Citizens' Comments -- None

- 7. Board Member Concerns** – Rick Dittmar thanked Merri Berlage for her service on the Development & Planning Committee. Berlage commented that this has been one of the most interesting committees that she has served on. It is a good committee to be on and she thinks a diverse committee is needed for new ideas to come to the table. She hopes the new committee is that way.

The next Development & Planning Committee meeting will be Tuesday, December 27, 2016 at 7:00 p.m. (tentative upon approval of FY2017 meeting schedule).

The meeting adjourned at 8:47 p.m. following a motion made by John O' Boyle and seconded by Bob Heurman, motion carried.