



East Central Illinois
Economic Development District

Quarterly Meeting Minutes

Tuesday, May 20, 2008

RPC Large Conference Room

10:00 a.m.

1 **In Attendance:** Lloyd Murphy (Douglas Co.) President, Tom Carrino, Barbara Wysocki, John Dimit
2 (Champaign Co.), Brian Moody (Douglas Co.), Todd Lee (Vermilion Co.), Ken Barragree
3 (Iroquois Co), Steve Gaines and Max Olson (Piatt Co), Debbie Smith (Ford Co.)
4 **Others:** C. Pius Weibel, Erik Kotewa (CCEDC), Brian Kelly (Congressman Johnson's Ofc.), Joe
5 Streit (Parkland Bus Dev Cntr)
6 **CCRPC Staff:** Susan Chavarria, Brent Rose, Andrew Levy, Mary Cummings

7
8 *Minutes*

9 **I. Call to Order**

10 President Lloyd Murphy called the meeting to order at 10:03 a.m.

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12 **II. Roll Call – Sign-in Sheet**

13 Roll was taken by written record and a quorum declared present. Mr. Murphy asked for
14 introductions all around.

15
16 **III. Approval of Minutes**

17 A. *Friday, March 14, 2008*

18 There being no changes or additions, **Ms. Wysocki made the motion to approve the minutes of**
19 **March 14, 2008 as presented. Mr. Moody seconded the motion. Upon vote, the motion**
20 **carried unanimously.**

21
22 **IV. Approval of Financials**

23 A. *Balance Sheet and Income Statement from October 1-2007 to March 31, 2008*

24 B. *Balance Sheet and Income Statement from October 1-2007 to April 30, 2008*

25 **Ms. Wysocki made the motion, seconded by Mr. Gaines, to approve the financial statements**
26 **as presented. There being no discussion, and upon vote, the motion carried unanimously.**

27
28 **V. Old Business**

29 A. *Discussion of Special June Meeting with EIEDA*

30 Mr. Murphy announced that we have scheduled a special meeting with the Economic
31 Development Authority in June. Ms. Chavarria distributed additional information and pointed
32 out the invitation for the June 6th quarterly luncheon meeting of the EIEDA (Eastern Illinois
33 Economic Development Authority). She stated that reservations were required and you could fax
34 or call in your reservation by June 3rd as listed on the announcement. She added that the lunch is
35 complimentary from the EIEDA and they would like to discuss how the two organizations can
36 work together. She stated that there was more information on the EIEDA in the short report dated
37 August 2007 for consideration.

38
39 Mr. Murphy mentioned that if we needed our own business meeting, it could be held after our
40 discussion with the EIEDA.

41
42 **VI. New Business**

1 A. *Further Discussion of Economic Impact Analysis Model*

2 Ms. Chavarria pointed out the comparison table included in the packet of information. She
3 explained the separate models, outlined in the chart, for creating an impact model for the six-
4 county region. She explained that staff received information on models from the Bureau of
5 Economic Analysis, the IMPLAN Model from Minnesota and RIMS II Model. The University of
6 Illinois REAL staff proposed similar software that could be housed at CCRPC and maintained at
7 CCRPC. The Retention & Relocation Model from Elliot Pollack & Company was also presented
8 for consideration and provided a model on-line to use as a demonstration. She explained that
9 they all had similar outputs and that comparison of the software is not exact.

10
11 Mr. Moore pointed out that the IMPLAN multipliers are well-respected. Ms. Chavarria stated
12 that the city multipliers are available and demonstrated the Retention & Relocation Model
13 (IMPLAN) and the UIUC model. During the demonstration, Ms. Chavarria stated that there are
14 different reports that can be generated by industry detail, physical impact, and jobs created –
15 direct, indirect, and induced. Mr. Moore explained that the direct jobs are those associated with
16 the company directly and that there are three tier jobs produced – indirect jobs produced for
17 purchasing goods and supplies, and induced jobs are those that would benefit from the other
18 activities.

19
20 Ms. Chavarria explained the major differences between the various plans:

- 21 1. IMPLAN - cost is \$450. This would be difficult for staff to run without more research. It
22 would be moderately complicated but within staff capabilities.
- 23 2. UIUC REAL IMPLAN model – The cost is \$19,715. They will build a specific model for
24 this six-county region and use of a PhD student to run analysis for the first year.
25 Following the first year, we could do another yearly contract for \$20,000; however, staff
26 learning the software is within capabilities with additional training.

27
28 Mr. Dimit asked if staff was comfortable learning new software. Ms. Chavarria pointed
29 out that the software is moderately complicated, and staff time is limited this year and
30 may not be able to complete this task until some time next year. She also expressed the
31 concern of the staff person that learns the software would remain employed by CCRPC
32 for a longer period of time than one year. Mr. Moore stated that this is a concern, but a
33 realization that staff moves on and retraining new staff may be inevitable.

34
35 Further explanation of the fields was requested. Mr. Moore explained that different
36 information can be entered for analysis of the projects and those multipliers then can be
37 used for that area. He pointed out that there are different impacts for projects –
38 construction and on-going impacts. For an example of an analysis, Mr. Moore stated that
39 an industry type from approximately 60 classes could be chosen, number of employees
40 entered, annual payroll expected, etc. He stated that benefits are outlined based on
41 numbers. He emphasized that this analysis information is helpful in terms of a decision-
42 making tool and to generate general public support for various impacts for a project.

- 43
44 3. Retention & Relocation Model from Elliot Pollack & Company would cost \$19,500.

45
46 Ms. Chavarria stated that the State does not have the capability to do analysis for an
47 economic development district with their software (REMI) at this time.

48
49 Staff would recommend the Retention and Relocation Model from Elliot Pollack & Company if
50 you wanted everyone to have the capability of working with the software. If the ECIEDD would
51 like more local knowledge and comprehensive analysis of local information done, staff would
52 recommend the UIUC REAL software. If you want staff to build and maintain the model, staff
53 would recommend the IMPLAN Model rather than the RIMS II Model from the Bureau of
54 Economic Analysis. Ms. Chavarria pointed out that the Impact DataSource Model at \$35,000
55 could be negotiated lower; however, she was unsure how negotiable the cost would be.

1 Mr. Kotewa pointed out that the usability of the Retention and Relocation Model by an economic
2 development professional is a positive aspect.

3
4 Mr. Dimit asked if there was a qualitative difference for each of these models and if one gave
5 better information than another. Ms. Chavarria stated that each agency would generate their
6 report and if the reports were generated at RPC, each one would have to be customized. She
7 explained that those using IMPLAN multipliers would be more consistent and stronger output.
8 Mr. Moore added that the multipliers for every model would be the same and local economic
9 conditions would be customized. He pointed out that the difference in the models would be ease
10 of use and how much maintenance is required. He stated that each model would have basically
11 the same results, but pointed out that the analysis output is only an estimate in any case.

12
13 Mr. Murphy asked for what projects would this software be used. Following discussion, it was
14 determined that the software could be used for each project and an analysis could be done for
15 each one and placed in that particular file. It was pointed out that public support of a project
16 could be more positive given additional information being available to the public. Strategic
17 planning from a regional perspective could be another use for this type of analysis concerning
18 where areas need particular focus for the benefit of the entire region.

19
20 Mr. Dimit pointed out that the ECIEDD Board would be providing support for this software and
21 the individual counties would need to provide specific information for the model. He stated that
22 this is a service that we as a board can provide to our six member counties. I understand the need
23 to have it on your computer; however, updates to each County would be a concern and the model
24 would be best if kept in one location for consistency. Mr. Moore stated that there needs to be
25 some amount of quality control on how the model is used and the accuracy of information.

26
27 Mr. Murphy sited the Retention and Relocation Excel spreadsheet and asked if it could be
28 updated and given to members either on a disk or through a website. Mr. Moore stated that it
29 could be done either way and staff would need to investigate cost effective measures on this
30 point.

31
32 For the software, Ms. Chavarria stated that, in theory, we could have the company develop the
33 model and forward it to staff and then receive training. She explained that the University's
34 proposal is to provide analysis for one year.

35
36 Ms. Wysocki stated that it would not be to the benefit of the ECIEDD to purchase the program
37 from the University of Illinois and the Board seems eager to get going on analysis. Ms. Chavarria
38 could ask two questions of the University – what would be the cost to construct a model and pass
39 it off to staff and if the program could be installed on multiple computers.

40
41 Following further discussion, **Mr. Dimit made a motion to request staff to investigate and**
42 **acquire the Retention and Relocation model by the end of June and that part of the**
43 **investigation include the possibility of an internet-based application. Mr. Moody seconded**
44 **the motion. There being no further discussion, and upon vote, the motion carried**
45 **unanimously.**

46
47 *B. ECIEDD Member Benefits*

48 Ms. Chavarria pointed out that members have expressed concerns that cost shares are not being
49 utilized to benefit each county. She included in the packet information on the benefits of being a
50 member of the ECIEDD. She emphasized that Items 1 and 2 are services available upon request
51 to all members – grant application assistance and the creation of an EDD resource guide.

52
53 Mr. Rose stated that from a conversation at the last Economic Development Conference, he was
54 informed that 90% of the Economic Development Districts do not apply for funding assistance
55 for projects. He explained that it would be a requirement beginning the next fiscal year that each
56 Economic Development District must submit a grant application for assistance for a project.

1
2 Mr. Moore explained that criteria involved in an application would include job creation and
3 retention and infrastructure (water lines, sewer lines, roadways, access roads, etc.). He has
4 personal contact with the state EDA and would be willing to contact them if additional assistance
5 was necessary.
6

7 Mr. Rose pointed out that the new CEDS has not been approved and if a project application was
8 submitted, the CEDS would get approved more quickly. He stated that all information has been
9 submitted for the new CEDS and if projects in the other three counties were submitted, it would
10 get the process moving faster.
11

12 Mr. Murphy asked if the latest version of the CEDS could be e-mailed to everyone again.
13

14 Ms. Chavarria explained the second page of the benefits summary that outlined the potential
15 funding sources, requirements and funding. She offered this listing as a tool to assist the Board in
16 figuring out what program would be the most logical to use. She added that this information was
17 taken from the EDA website. She pointed out that the Board should discuss and prioritize the
18 projects included in the CEDS.
19

20 Concerning the other eight categories listed on the first page of the ECIEDD Member Benefits
21 page, Ms. Chavarria stated that there are different services that staff could provide based on cost
22 shares – 60 hours of labor per county per fiscal year. She explained that for a large project, the
23 first sixty hours of labor time would be free of charge and then \$60 per hour after that. She stated
24 that services could include mapping, transportation, etc., as listed.
25

26 **C. Other**

- 27 1. Economic Development Conference – Mr. Rose reported on the conference he attended
28 and that Mr. Robert Sawyer was helpful with additional information. He stated that
29 reauthorization was discussed along with revolving loan funds. Mr. Moore pointed out
30 that EDA has not funded revolving loan funds recently as there have been no additional
31 funds. He stated that the EDA funding would end on September 30, 2008 and
32 reauthorization discussion would take place. He anticipates an extension would be
33 granted until after the election. With the election, a different administration's attitude
34 toward EDA is uncertain. He stated that there is \$166,000,000 available now for at least
35 another year until the budget can be investigated.
36

37 **VII. Public Participation**

38 Members updated projects in their areas.
39

40 **VIII. Adjournment**

41 There being no further business to conduct, **Mr. Gaines moved to adjourn the meeting. Mr.**
42 **Moody seconded the motion. Upon vote, the motion carried unanimously.** Mr. Murphy
43 adjourned the meeting at 11:58 a.m.
44

45 Respectfully submitted,
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49 Mary A. Cummings, Recording Secretary