



East Central Illinois Economic Development District

Approved as Distributed
Quarterly Meeting Minutes
Friday, June 4, 2010
J. Dimit Meeting Room – CCRPC
9:00 a.m.

County	Present	Absent	Organization
Champaign	Barbara Wysocki – Chair		Champaign County Board
Champaign		Chris Kaler	Rantoul Chamber of Commerce
Champaign		Seamus Reilly	Parkland College Institutional Advancement
Douglas	Brian Moody – Treasurer		Tuscola Econ Dev Inc.
Douglas	Lloyd Murphy		Tuscola Natl Bank
Douglas		Rachael Crane	Arcola Chamber of Commerce
Vermilion		Vicki Haugen	Vermilion Advantage
Vermilion		Jim McMahan	Vermilion Co Board Chair
Vermilion		Bill Donahue	Asst. State’s Attorney
Iroquois	Ken Barragree – Vice Chair		Iroquois Development Assoc
Iroquois	Roger Dittrich		T & D Metal Products
Iroquois		Jim McCray	Iroquois County Board
Piatt	Steve Gaines		Village of Mansfield
Piatt	Mike Wileaver		Piatt County Board
Piatt	Joe Streit		Parkland College Business Training
Ford	Randy Ferguson		Ford County Board
Ford	Diane Johnson		Gibson City Chamber of Commerce
Ford		Rick Bowen	Ford County Board

Others: Laura Frerichs (Enterprise Works, UIUC), Craig Walker (Blaylock Robert Van LLC), Callie McFarland (Monticello Comm Dev), Erik Kotewa (Ch Co EDC), Linda Masters (CIM-TEK)
CCRPC Staff: Cameron Moore, Susan Chavarria, Kathy Larson, Beth Brunk

Minutes

I. Call to Order

Ms. Wysocki called the meeting to order at 9:05 a.m.

II. Roll Call – Sign-in Sheet

Roll was taken by written record and a quorum declared present.

III. Approval of Minutes

A. *Friday, March 5, 2010*

Mr. Gaines moved to approve the minutes from March 5, 2010. Mr. Barragree seconded. Upon vote, the motion carried unanimously.

IV. Approval of Financials

- A. *Balance Sheet and Income Statement from October 1, 2009 to February 28, 2010*
- B. *Balance Sheet and Income Statement from October 1, 2009 to March 31, 2010*
- C. *Balance Sheet and Income Statement from October 1, 2009 to April 30, 2010*

Mr. Gaines moved for approval of the financials. Ms. Johnson seconded. Upon vote, the motion carried unanimously.

V. New Business

A. *i6 Challenge*

Ms. Laura Frerichs, manager of the Research Park & Incubation Facilities at the University of Illinois, spoke to the ECIEDD Board to elicit support for a grant opportunity funded by the Economic Development Administration (EDA). In each of the six EDA regions in the US, \$1 million will be awarded to a winning team with the most innovative proposal that move ideas from research labs into the commercial marketplace. The EDA is also partnering with the National Institutes of Health (NIH) and the National Science Foundation (NSF), who have pledged an additional \$6 million in funding to their Small Business Innovation Research grantees that partner with i6 Challenge winners.

Ms. Frerichs explained that this grant opportunity fits in with the University's economic development mission. EDA funding typically targets underserved or disadvantaged areas. The Midwest could be categorized as such when compared to other geographic regions that have funding, venture capitalists, angel investors and serial entrepreneurs that support companies. Ms. Frerichs thought that we have an opportunity to be competitive in this proposal if we can prove that our ecosystem of technology commercialization and entrepreneurship has weaknesses that restrain the ability to have impact.

The University is discussing three ideas for the proposal:

1. Proof of Concept Funding – Take basic research and provide a small amount of extra funding to bridge it to a commercial application – currently Federal funds restrict this use from a research standpoint
2. Expanding Entrepreneur in Residence Program – Have experienced serial entrepreneurs work with those less experienced to help commercialize their technology
3. Advanced Mentoring Network – Mentoring from successful individuals including alumni from the University of Illinois

The letters of intent are due on June 15th and the application submission deadline is July 15th. There is a \$500,000 match share requirement of cash or in-kind contribution.

Mr. Moody moved for support of the letter of intent by the University for the EDA i6 Challenge grant opportunity. Mr. Barragree seconded. Upon vote, the motion carried unanimously.

B. *Public Finance Models available from ARRA*

Mr. Craig Walker, Senior Vice President in Public Finance for Blaylock Robert Van LLC, spoke to the ECIEDD Board about three American Recovery and Reinvestment Act (ARRA) tools available for use in financing municipal and economic development needs.

- Build America Bonds (BABs) – State and local governments can issue taxable bonds at a lower borrowing cost since the interest is federally subsidized by 35%.
- Recovery Zone Bonds (RZBs) – A type of BAB that targets communities with populations greater than 100,000. The Economic Development RZBs are for local government use and have a 45% federal interest subsidy. The Facility RZB is a tax-exempt private activity bond issuing authority to companies that finance certain kinds of business facilities in recovery zones.
- Qualified Energy Conservation Bonds (QECBs) – Tax credit bonds issued by states and large local governments to finance a variety of clean energy projects with a federal subsidy of 70% of interest cost.

Factoring in the interest rate subsidy, bonds can be a lower cost alternative to the traditional tax-exempt instrument for long-term capital projects. To date, municipal issuers that have utilized BABs have accumulated \$12 billion in present value savings. The state has not been proactive in promoting these bonds at the local level so money remains unallocated. At this point the state has no formal process for reallocating the money so communities/municipalities can pool their bond allocations for a regional project or convey their portion to another eligible issuer within the county through the Illinois Finance Authority.

Mr. Streit joined the meeting at this time.

Mr. Barragree wondered how Iroquois County could have a RZB allocation when their resident population is far below the 100,000 requirement. Mr. Walker responded that other factors such as economic impact are factored in the qualifications.

C. Regional Infrastructure Improvement Zones (RIIZ) Letter of Support

Ms. Chavarria received a newsletter from the National Association of Regional Councils (NARC) seeking support for pending legislation on Regional Infrastructure Improvement Zones (RIIZs). Mr. Moore explained that RIIZs provide an incentive via a tax deduction for private business to invest in public infrastructure that is consistent with an approved long-range/comprehensive regional plan.

Mr. Streit moved to authorize a letter of support for the Regional Infrastructure Improvement Zones. Mr. Murphy seconded. Upon vote, the motion carried unanimously.

D. FY 2011 Work Plan

Based on input from the Board, Ms. Chavarria compiled a work plan that was submitted to the EDA as part of the planning grant in May. New benefits for this year's plan are economic development strategies for each county, educational forums with industries that focus on business retention/relationship building and promotion of local and regional food processing.

Mr. Barragree asked if the work plan has any flexibility in the stated tasks. Ms. Chavarria responded that staff made their best time estimates for trying to complete the work items but it will not undermine the plan if all the goals are not met.

Mr. Moody moved to approve the FY 2011 Work Plan as submitted. Mr. Barragree seconded. Upon vote, the motion carried unanimously.

E. I-Open Workshop – Next Steps

On April 27th, Ed Morrison facilitated the I-Open Retreat at the Salt Fork Center. Ms. Chavarria asked the Board if they had any ideas on how to proceed with the concepts presented at the retreat.

Mr. Moody commented that the shortened retreat did not allow for a summary document to map assets, the links between them and identify the gaps. Ms. Chavarria agreed that developing our own infrastructure of assets is crucial with a next step of organizing the community forums on a county or community level. Mr. Moody was encouraged to see Ms. Frerichs at the meeting today and hopes to expand the group to get others involved in the conversation.

Mr. Barragree discussed Iroquois County's challenge to get different groups to work together. To that end, they are hosting an evening meeting on June 30th with Eric Canada to facilitate a focus session. Mr. Moody stated that Tuscola is bringing Ed Morrison back for a one-day workshop to help open communication between various groups like the county and school board members.

From the feedback, Ms. Chavarria and staff will work with the individual counties to help bring forums like these together. She will report on the progress by the next meeting.

F. Other

Ms. Chavarria distributed a map of the six-county area showing incentive and trade zones. She asked for input from the Board if this information is a useful tool to distribute to potential investors or developers.

Mr. Murphy felt that the map needed to be enlarged and would be helpful to include the railways. Mr. Kotewa responded that most investors have already done their own research and have that kind of information. Mr. Moody thought that the map should be an addition to the regional profile.

Mr. Kotewa affirmed that this information is available as a GIS layer for those counties that have GIS capabilities. Ms. Chavarria commented that if counties that are not currently accessing a GIS system could give her the legal descriptions of the various districts indicated on the map, then the CCGIS staff could map it more accurately.

VI. Old Business

A. *Update on CEDS document*

The CEDS Strategy Committee will have a meeting in July to finalize a draft that will be open to public review for 30 days. Then the document will be presented to the Board for approval in the September meeting so it can be sent to the EDA by the September 30th deadline. Ms. Chavarria asked for any project profiles that Board members would wish to include in the CEDS document as soon as possible.

B. *County Economic Development Updates*

Douglas

Mr. Moody had an opportunity to talk directly to the Douglas County Board about the various local/regional economic development groups. He felt that they were supportive of his efforts and was encouraged by the discussion.

Piatt

Ms. McFarland reported on the first Piatt County Mayors' Meeting where five out of eight villages were represented. At the meeting, everyone worked together, and Ms. McFarland is excited about the future of this committee.

Champaign

Mr. Kotewa stated that the Economic Development Corporation (EDC) is working to organize community forums targeting groups with specific issues. In terms of workforce development concerns, utilizing the RZB Economic Development bonds may be an excellent opportunity for a regional approach to those people who have lost jobs and need new ones.

C. *Update on Free Labor Hours Usage*

Ms. Chavarria reported that only Champaign County has used 30 hours – all other counties have not used their 60 hour allotment of ECIEDD staff time for various tasks like researching economic development requests, writing grants and applications, analyzing data and/or impact modeling. There are four months left in the fiscal year to use up their free labor allocation.

VII. Public Participation

None

VIII. Adjournment

Mr. Murphy moved to adjourn the meeting. Mr. Gaines seconded. Upon vote, the motion carried unanimously. Ms. Wysocki adjourned the meeting at 10:50 a.m.