



East Central Illinois
Economic Development District
Quarterly Meeting Minutes

Friday, March 6, 2009
J. Dimit Meeting Room – CCRPC
9:00 a.m.

In Attendance:	Champaign County: Barbara Wysocki-Chair
	Douglas County: Lloyd Murphy
	Vermilion County:
	Iroquois County:
	Piatt County:
	Ford County: Diane Johnson

Others:	Paul Faraci (DCEO), Seamus Reilly (Parkland College), Jeff Harshbarger (Piatt Co Democrats), Pius Weibel (Champaign Co Board), Erik Kotewa (Champaign Co. EDC)
CCRPC Staff:	Cameron Moore, Susan Chavarria, Kathy Larson, Beth Brunk

Minutes

I. Call to Order

Chair Barb Wysocki called the meeting to order at 9:02 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 6, 2009*

Mr. Weibel motioned, seconded by Mr. Gaines to approve the minutes from March 6, 2009. Upon vote, the motion carried unanimously.

IV. Approval of Financials

A. *Balance Sheet and Income Statement from October 1-2008 to February 28, 2009*

B. *Balance Sheet and Income Statement from October 1-2008 to March 31, 2009*

C. *Balance Sheet and Income Statement from October 1-2008 to April 30, 2009*

Mr. Lee moved for approval of the financials. Mr. Weibel seconded. Upon vote, the motion carried unanimously.

V. Old Business

A. *ECIEDD staff update*

Ms. Chavarria introduced Kathy Larson as Champaign County Regional Planning Commission's new Economic Development Specialist. Ms. Larson had worked at the City of Urbana in Community Development for several years and more recently at Wolfram Research.

1
2 B. *Presentation by Don Kathan, Area Director of Economic Development Administration (EDA)*
3 Mr. Kathan is the Area Director of EDA for the Illinois, Indiana and Ohio region. His office
4 is located in Chicago. Nationwide, the EDA received \$150 million in stimulus money – \$27
5 million was allocated to the Chicago EDA office. With one of the special requirements for
6 stimulus money being “shovel ready”, the number of applicants with projects ready to go has
7 already exceeded the available stimulus money. However, Mr. Kathan indicated that the
8 EDC office has other money sources available for grants like the regular allocation from
9 Congress for fiscal year 2009 and two supplemental appropriations for disaster recovery.

10
11 Mr. Barragree noted that Iroquois County had some flooding occur in 2008 and wondered if
12 they could apply for the disaster recovery money. Mr. Kathan explained that the money is
13 only available to Douglas County in our area because they received a Federal Emergency
14 Management Agency (FEMA) Disaster Declaration for public assistance. Iroquois County
15 received a Disaster Declaration in 2008 for individual assistance which includes low-interest
16 loans to rebuild homes. Mr. Kathan indicated that the FEMA disaster designations are
17 detailed on their website, www.fema.gov.

18
19 Mr. Kathan delineated some of the important general elements the EDA looks for in a solid
20 economic development project: job creation, job retention and private sector investment. A
21 grant by the EDA requires a 50% match of local funds from a non-Federal source (an
22 exception is USDA funding). CDBG Block grants may be used as the local match but must
23 be approved by the EDA on a case-by-case basis. Other sources of local money could be
24 state grants from the Illinois Department of Commerce & Economic Opportunity (DCEO).
25 Mr. Kathan stipulated that the local match must be readily available and firmly committed.

26
27 Ms. Wysocki asked for a clarification of job creation. Mr. Kathan explained that the jobs
28 produced in the construction phase of the project are not to be included in the project’s job
29 creation numbers. The EDA is looking for full-time equivalent, high-skilled jobs generated
30 after the construction is completed. The focus on job creation/retention is to produce
31 employment opportunities that will diversify the local and regional economy. In our area, the
32 emphasis would be jobs not related to the agriculture sector. Mr. Kathan also stressed that
33 the EDA grantees are required to report the job retention numbers at three, six and nine year
34 intervals in accordance with the Government Report Performance Act.

35
36 Additional eligibility requirements include the comparison of local county statistics as in per
37 capita income level not more than 80% of the national average and a 24-month
38 unemployment rate higher than 1% above the national average. Mr. Kathan pointed out that
39 these numbers are moving targets so the primary importance should be on a good economic
40 development project and secondarily on the eligibility criteria. Other factors can mitigate the
41 eligibility requirements like plant closures or other job losses. This highlights the value of
42 working with your EDA specialist, Bill Warren for Central Illinois, throughout the whole
43 application process. He can help guide the applicant to tailor the request to be a concise plan.

44
45 Mr. Faraci asked if there was a way to examine the common elements of the successful top
46 20 awarded projects. Mr. Kathan thought that would not be time well spent. Since each
47 project presents a unique proposal, there are “no one size fits all” elements. Mr. Moore
48 commented that the best way to learn is to present a project to the EDA and utilize the
49 feedback.

50
51 Mr. Kathan described “deal killers” that can derail a proposal:

- 52 ○ No identification of environmental constraints
- 53 ○ Lack of coordination with other affected agencies (railroad, etc) if applicable

- 1 ○ No clear title to the land being developed or control of the property - cannot be
- 2 on private property
- 3 ○ Community cannot demonstrate financial need and could fund the project from
- 4 their own resources
- 5 ○ Overly ambitious plans that lack a letter of intent from a beneficiary and/or no
- 6 market plan to attract new businesses once the construction has been completed
- 7

8 The proposed economic development project should be regional in its scope and consistent

9 with the defined vision in their Comprehensive Economic Development Strategy (CEDS). A

10 new library or fire station may be good for community development but does not fit the larger

11 scale needed for an EDA grant.

12

13 Mr. Lee asked if there were Economic Development Districts (EDD) that crossed state lines.

14 Mr. Kathan affirmed there were two districts that had a combination of Illinois/Iowa and

15 Illinois/Wisconsin counties. Mr. Lee thought an outreach to the EDD in Indiana may be

16 beneficial for both districts. Mr. Kathan encouraged this strategy.

17

18 Mr. Dimit inquired about revolving loans funds. Mr. Kathan referred that question to the

19 manager of that area, Catherine Hugh. Mr. Dimit commented that the revolving fund product

20 was a way to get projects funded quicker. Mr. Kathan noted that the timeline from a

21 completed application that has all the information necessary for EDA evaluation to award of

22 the grant is approximately 90 days.

23

24 Ms. Wysocki had to leave the meeting at this time, and Mr. Barragree assumed the role of

25 Chairperson.

26

27 C. *ECIEDD/CEDS Status*

28 At its inception, Ms. Chavarria explained that our East Central Illinois Economic District

29 consisted of three counties, Champaign, Douglas and Iroquois. For the past two years, staff

30 has tried to update the application to include Ford, Piatt and Vermilion counties.

31 Unfortunately, the original material submitted is now outdated so Ms. Chavarria is working

32 with EDA to find out exactly what is needed to move forward. In regards to the CEDS, an

33 application was completed in September 2007, and she has not been informed of its approval

34 status at EDA.

35

36 Mr. Moore has been in conversation with Mr. Kathan concerning these organizational issues.

37 Mr. Kathan has agreed to become personally involved to get the problem resolved. Mr.

38 Kathan interjected that although the CEDS document must be formally updated every five

39 years, the annual progress reports must be completed to be eligible for EDA grants. These

40 reports will identify the project priorities and changing economic conditions to refine the

41 district's vision. The criteria should be broad enough to fit the parameters of a new

42 opportunity without the necessity of rewriting the CEDS.

43

44 Ms. Chavarria commented that the last CEDS update was in 2007, and staff will work on

45 revising it with Committee input.

46

47 D. *Rail Initiative Letter of Support*

48 Ms. Larson discussed a letter of support for the rail expansion bill, H.R. 272, from Brad

49 Roseberry. He asked for the ECIEDD's support of the bill by sending a group letter and/or

50 send individual letters from their respective communities.

51

1 **Mr. Weibel made a motion to send a letter of support from the ECIEDD for freight and**
2 **passenger rail expansion. Mr. Lee seconded the motion. Upon vote, the motion carried**
3 **unanimously.**

4
5 *E. Other - None*

6
7 **VI. New Business**

8 *A. Demographic Profiles for ECIEDD Counties*

9 Ms. Chavarria stated that the Committee previously asked for separate demographic profiles
10 to distribute to any prospective business looking to locate in their community. She referred to
11 the profiles and added that this is a first draft, so the Committee members should examine
12 their respective profile to add art work or make any changes. Ms. Chavarria would like the
13 changes back to her or Ms. Larson within 30 days. Mr. Dimit agreed to provide Champaign
14 County's completed profile as an example.

15
16 Ms. Chavarria mentioned that the Economic Development Guides are printed and available
17 for distribution on the back table. Committee members were encouraged to take as many
18 copies as they needed.

19
20 *B. Industrial Inventory of Wind Farm Implement Manufacturers in the Six County Area*

21 Ms. Chavarria distributed a list of potential manufacturers of wind turbine parts using NAICS
22 codes. The Committee members will study the directory and make changes as needed for
23 their local contacts. Once the changes are complete, Ms. Chavarria will update the list. This
24 will be an agenda item for the next meeting.

25
26 *C. Community Ventures Network Update*

27 The ECIEDD is a member of the Community Venture Network (CVN). CVN organizes
28 periodic events where seven to eight firms make 30-minute presentations of their businesses
29 looking to locate or expand in Illinois. The next event is June 19, 2009 in Schaumburg, IL.
30 Mr. Moody, Mr. Lee and Eric Kotewa from Champaign County Economic Development
31 Corporation will be attending.

32
33 *D. ECIEDD Work Summary*

34 Ms. Chavarria outlined the following ECIEDD projects for staff:

- 35 ○ EDA coordination for CEDS approval and expansion of ECIEDD to 6 counties
- 36 ○ Website improvements for EDD
- 37 ○ Information portal on economic development with links to each of the 6 counties
- 38 ○ Potential funding database on website
- 39 ○ 6 County regional GNP profile
- 40 ○ 60 hours of free grant writing from staff for each member agency per fiscal year
- 41 ○ Fiscal Year 2010 planning grant application for funding to staff this program

42
43 Ms. Chavarria asked for Committee input if there was anything else to include on the list.
44 Mr. Dimit suggested a comprehensive regional listing of manufacturers and suppliers to give
45 to business prospects. He currently has a listing for Champaign County but the other county
46 information would be helpful to buy local and thereby strengthen the economic region and
47 increase partnerships.

48
49 **VII. Public Participation--None**

50
51 **VIII. Adjournment**

52 **Mr. Dimit moved to adjourn the meeting; Mr. Lee seconded. Upon vote, the motion carried**
53 **unanimously.** Mr. Barragree adjourned the meeting at 10:49 a.m.