



East Central Illinois Economic Development District (ECIEDD)

Quarterly Meeting Minutes

Approved as Distributed

Friday, September 4, 2009

J. Dimit Meeting Room – CCRPC

9:00 a.m.

In Attendance: **Champaign County:** Barbara Wysocki-Chair, John Dimit, Seamus Reilly
Douglas County: Brian Moody, Lloyd Murphy, Rachel Crane
Vermilion County: Todd Lee
Iroquois County: Ken Barragree-Vice Chair
Piatt County: Steve Gaines, Mike Wileaver, Joe Streit
Ford County: Diane Johnson

Others: Erik Kotewa (CCEDC)

CCRPC Staff: Cameron Moore, Susan Chavarria, Kathy Larson, Beth Brunk

Minutes

I. Call to Order

Chair Barb Wysocki called the meeting to order at 9:01 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, June 5, 2009*

Mr. Moody motioned, seconded by Mr. Lee to approve the minutes from June 5, 2009. Upon vote, the motion carried unanimously.

IV. Approval of Financials

A. *Balance Sheet and Income Statement from October 1, 2008 to May 31, 2009*

B. *Balance Sheet and Income Statement from October 1, 2008 to June 30, 2009*

C. *Balance Sheet and Income Statement from October 1, 2008 to July 31, 2009*

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

V. Old Business

A. *Status of ECIEDD with EDA*

The East Central Illinois Economic Development District (ECIEDD) has been in existence for three years. Mr. Moore discussed three benefits of this group:

- 5-year plan of regional economic development as outlined in the Comprehensive Economic Development Strategy (CEDS)
- Annual update to refine the District's project priorities
- Bringing people together on a regional basis- e.g. Community Ventures Network

With the CEDS and annual updates in place, the ECIEDD can request federal funding from the Economic Development Administration (EDA). Currently, ECIEDD is out of compliance with the EDA. The normal EDA funding cycle is every three years. With much negotiation, the EDA has agreed to a one year extension of funding (10/1/09 to 09/30/10) so the ECIEDD

can demonstrate that they are able to comply with the rules. To get into compliance, the following procedures must be completed:

- Finalize the ECIEDD Board composition by the 12/4/09 ECIEDD Board Meeting
- Formulation of the CEDS Strategy Committee with 51% representation from the private sector
- Formalize Champaign County Regional Planning Commission's status as the primary liaison with EDA
- Selection of Executive Director of ECIEDD
- Signatory confirmation of Cameron Moore
- ECIEDD Bylaws Revision
- Independent financial audit performed (suggested by EDA)
- Equitable sharing in matched funds for the planning grant by all six counties in ECIEDD

Champaign County Regional Planning Commission currently provides most of the 1:1 match amount, approximately \$48,000, and each of the counties pay \$1,700, to receive the \$53,628 annual planning grant from the EDA. EDA requires equal financial commitment based on per capita figures from all the county participants. Ms. Charvarria computed the breakdown based on the most recent 2000 U.S. Census data:

| | | |
|------------------|-------|----------|
| Champaign County | 52% | \$27,940 |
| Douglas County | 5.8% | \$3,110 |
| Ford County | 4.1% | \$2,199 |
| Iroquois County | 9.0% | \$4,827 |
| Piatt County | 4.7% | \$2,521 |
| Vermilion County | 24.3% | \$13,032 |

Mr. Moore stated that we are at a crossroads with the ECIEDD and looked for feedback from the other Committee members on how they wanted to proceed.

Mr. Moody expressed his struggle to define the role of this group. He is a participant in an 11-county economic development group (East Central Illinois Development Corporation – ECIDC) with more private sector involvement that has moved to implementation from strategic planning. He would like to see the ECIEDD move in that direction after the regional objectives are defined.

Mr. Wileaver felt that he needed more goals accomplished than just grant writing assistance from ECIEDD to be able to support the \$2,521 investment from Piatt County. Pursuing achievable goals for the regions needs to be the focus, not unrealistic projects like the high speed rail.

Mr. Dimit noted that other areas in Illinois are successfully working together on a regional basis. In our area, we lack the political leadership to help develop strong regional structures. Mr. Moody suggested identifying what assets work together to attract aligned interests from businesses. Utilizing technology from the universities/colleges and forming connections to private business may be a way to increase business opportunities in our area. Referencing the success story in Tupelo, Mississippi, the town was proactive in investing money to prepare a site that resulted in attracting a Toyota automotive plant. Mr. Moore stated the need to plan for the development that you want to come to your area.

Mr. Moore reiterated that the goals for the ECIEDD need to come from this Committee. He agreed with Mr. Moody that increasing jobs requires some financial investment from this

group. Companies look at regions, not just the county where the business will be located. There are benefits to adjacent counties as commuter employees spend money where they live, not where they work.

Mr. Reilly stressed the advantages of looking at the big picture. He cited the example of a group in eastern Iowa that vetted business opportunities with India and Asia. In Coles County, Eastern Illinois University is building a Renewable Energy Center that will burn plant matter to supply its heating and cooling needs. Besides wood chips, miscanthus grass may be an additional biomass fuel source in the future. This could be an opportunity for local farmers.

Mr. Lee thought that the ECIEDD is not big enough. It should try to include the large players in the area like ADM, Caterpillar, Illinois State University and Danville industries. The investment of \$13,032 from Vermilion County to the ECIEDD would be difficult to sell without tangible results. A criticism of economic development districts with the EDA is the red tape involved to get a project funded. The slow process impedes the ability to get a quick answer to the private sector. Mr. Lee expressed his opinion that the common denominator that ties our region together is agriculture.

Ms. Crane wondered if we could have other counties participate in the ECIEDD to lessen the financial impact on the individual counties and become more effective as a district. Mr. Moody knew of the existence of economic districts in the Bloomington-Normal and Effingham areas. Mr. Moore acknowledged that the EDA is a bureaucratic institution but first the ECIEDD must get its own house in order before trying to increase membership. The existing ECIEDD has lacked focus and this Committee must decide if they want to move forward. Mr. Dimit noted that the matching funds needed by the counties to participate in the ECIEDD can come from the private sector.

Mr. Moody felt that educating the respective county boards and the community would be a way to prove the value of this economic district. He suggested a similar workshop as the East Central Open Retreat in October 2008 held at Allerton Park Conference Center as a way to bring this group together. Mr. Moore affirmed the retreat would be a valuable tool to rebuild the CEDS goals and accomplishments for the next five years.

Ms. Johnson voiced her frustration over the constraints of ECIEDD Board composition. She thought if the private sector had a greater representation, then a more fruitful dialogue could be established to move projects forward. In her opinion, Illinois thwarts business by extensive regulations.

Mr. Lee left the meeting at 10:17 a.m.

Mr. Moore stated that this discussion has been constructive, and no final decision will be required today concerning the financial match by each county. Ms. Chavarria will follow-up with each county member to discuss the finalized figures for the participation matches in the next fiscal year.

B. EDD Board Composition

Mr. Moody asked if we could include more private sector representatives on the board. Ms. Chavarria explained that the board must have the following composition assuming 18 members:

- 1 member from private sector
- 35% (7 members) from Chambers of Commerce, representatives of post-secondary educational institutions, workforce development groups or labor groups

- 51% (10 members) from elected officials and/or employees of a State or local government

If ECIEDD increased the private sector component, they would have to increase the public component according to the prescribed EDA formula. Ms. Chavarria confirmed that she needs the finalized board member roster to the EDA by the December 5, 2009 ECIEDD Board Meeting. As some members were still to be approved by the respective county boards, each county except Piatt needs to contact Ms. Chavarria as soon as possible to verify the final membership roll. The confirmation of the appointment of the ECIEDD member can be in the form of a letter, resolution or minutes from the respective county board.

C. CEDS Strategy Committee

Ms. Chavarria reported that the CEDS Strategy Committee must have 51% private sector representation. Since the current CEDS for 2007 is not as usable as it could be, CCRPC staff will undertake a complete CEDS update in the 10/1/09 – 9/30/10 fiscal year. The CEDS Strategy Committee needs to be in place as soon as possible. Ms. Chavarria envisions a 13 member committee with 7 members from the private sector. The meetings will be on a monthly or bi-monthly schedule until the updated document is complete. The deadline is 9/30/10. The ECIEDD members will advise Ms. Chavarria of possible candidates.

D. Administrative Oversight of ECIEDD

a. Contract for Services

The ECIEDD Board requested that CCRPC act as its administrative agent. A contract for services was sent out with the packet for member review.

Mr. Moody moved to accept the contract for services as submitted. Mr. Reilly seconded.

Mr. Moody asked about the financial obligation since the Committee members have not received approval from their county boards for the match participation cost. Mr. Moore explained that the contract must be in place to receive the one year planning grant by EDA for the next fiscal year. If the counties cannot meet the financial obligation, then the EDA will not fund additional money for fiscal year 10/1/10 – 9/30/11. Ms. Wysocki mentioned that county boards are working on their budget for next year so this discussion should be happening now. Mr. Dimit reminded the Committee that the match can be from private or public sources. The Community Venture Network or any other ECIEDD workshop/initiative expense could be used to offset that match amount.

Upon vote, the motion carried unanimously.

b. Executive Director

The EDA requires that the ECIEDD have an Executive Director. Ms. Chavarria, as a staff member paid from the EDA planning award, would be the logical candidate to serve as the Executive Director of the ECIEDD. She will not receive any additional money as a result of this appointment.

Mr. Moody moved to appoint Susan Chavarria as the Executive Director of the ECIEDD. Mr. Gaines seconded. Upon vote, the motion carried unanimously.

E. Signatory Confirmation of Cameron Moore

As CCRPC CEO, Cameron Moore has signed checks, documents and applications on behalf of the ECIEDD. The EDA needs to have Mr. Moore appointed as a signatory by the ECIEDD Board.

Mr. Moody moved to appoint Cameron Moore as a signatory on behalf of the ECIEDD. Mr. Barragree seconded. Upon vote, the motion carried unanimously.

F. EDD Bylaws Revision

Ms. Chavarria explained that she was advised by EDA to change some of the language in the bylaws as indicated on the document in the packet for member review. In addition, she made changes to 2.3 and 2.4 to make it more specific.

Mr. Murphy moved to approve the ECIEDD Bylaws / Procedures as submitted. Mr. Moody seconded. Upon vote, the motion carried unanimously.

G. Financial Audit Request

Ms. Chavarria noted that the EDA requested, not required, an independent audit of ECIEDD finances for FY2010. Mr. Murphy commented that with 14 checks per year, it should be a simple audit.

Mr. Moody moved to approve an independent audit of the ECIEDD finances for fiscal year 10/1/09 through 9/30/10. Mr. Reilly seconded. Upon vote, the motion carried unanimously.

H. US Department of Agriculture – Intermediary Relending Program (IRP)

Mr. Moore stated that the Champaign County Regional Planning Commission (CCRPC) has been approved to administer a \$1 million revolving loan program in the six county ECIEDD region to increase economic activity and employment in rural communities with a population under 25,000. The cap on individual loans is \$250,000. This \$1 million loan fund is comprised of \$750,000 borrowed from the USDA at 1% for 30 years and a \$250,000 match supplied by the CCRPC. The details have not yet been worked out, but Mr. Moore anticipates that the lending rate will be at 5% to cover administrative costs. The loan approval committee will be independent of the ECIEDD Board, but might include representation from the Board. Application approval should take from 90- 120 days given that USDA also has to approve each loan until the original USDA loan has been drawn down. Once the \$750,000 is drawn down, the approval process will be quicker since it will not have to go through the USDA. Money can be lent to corporations, partnerships, LLCs, individuals, non-profits and public bodies. Mr. Moore thought this could be an opportunity for small villages since lending to local governments is not as risky as other entities. Mr. Dimit commented that this is another opportunity of permanent financing for the future. There will be more details released about the program in the next couple weeks.

I. ECIEDD website

Ms. Chavarria reported that the ECIEDD website needed to be independent of CCRPC. The new website is www.eciedd.org, and staff is adding more links and information.

J. Update on Free Labor Hours Usage

Ms. Chavarria reported that four counties have taken advantage of the free grant writing assistance:

- Piatt – Preliminary grant research for radio assistance emergency response
- Ford – Sibley water system improvements
- Vermilion – New fire station in Bismarck
- Douglas – Disaster recovery funding

There are still some remaining hours available for grant writing. The new fiscal year starts on October 1st and 60 new hours will be available for each of the counties.

Old Business

K. Demographic Profiles for ECIEDD Counties

Ms. Chavarria stated that artwork is still needed to finalize the profile for all but Champaign and Vermilion Counties. Mr. Wileaver asked about the error in sales receipts for Piatt County. Ms. Chavarria is checking with the State of Illinois to get an accurate number. Mr. Dimit noted that Champaign County's profile is up and receiving much usage.

L. Industrial Inventory of the Six County ECIEDD Region

Ms. Chavarria distributed a list of manufacturers in the six county area. This information was purchased from the InfoUSA database and is only for the use of the ECIEDD members. The list is sorted by county and is based on the Standard Industrial Classification (SIC) codes that identify the type of business. Mr. Kotewa indicated that this information comes from one source and is approximately 95% accurate. Mr. Moore commented that the data comes from companies classifying themselves so already has the potential for error. For an additional \$2,400, which would come from the existing ECIEDD budget, Ms. Chavarria could purchase a list of all employers within the six county region if the members would find that useful. Mr. Dimit commented that this information is good for a retention call program.

Mr. Moody moved to approve the purchase of an employer list of the six county region not to exceed \$2,400. Ms. Johnson seconded. Upon vote, the motion carried unanimously.

M. Community Ventures Network Update

The ECIEDD is a member of the Community Venture Network (CVN). CVN organizes periodic events where seven to eight firms make 30-minute presentations of their businesses looking to locate or expand in Illinois. Ms. Chavarria asked for an update from the members that have attended these events to see if ECIEDD will want to continue their \$6,500 annual membership in the future. Mr. Kotewa and Mr. Moody expressed their view that the presentations were positive experiences on the whole.

Mr. Streit left the meeting at 11:06 a.m.

N. Other

None

VI. Public Participation

None

VII. Adjournment

Mr. Dimit moved to adjourn the meeting. Mr. Murphy seconded. Upon vote, the motion carried unanimously. Ms. Wysocki adjourned the meeting at 11:10 a.m.