

HIGHLAND, ILLINOIS
MINUTES OF REGULAR SESSION
INDUSTRIAL DEVELOPMENT COMMISSION
CITY HALL, 1115 BROADWAY
WEDNESDAY, JANUARY 5, 2011
12:00 PM

Call to Order

The meeting of the Industrial Development Commission was called to order at 12:00 pm by Chairman Bellm.

Roll Call

Members present: Darell Bellm and Marilyn Frey.

Also present: Ex-Officio Member Jami Jansen, City Manager Latham, Chief Building & Zoning Official Kevin Limestall, Director of Finance Sharon Rusteberg, Andrea Enright, Dennis Rinderer, and Deputy Clerk Lana Hediger. Commission Member Jon Greve was absent.

Approval of Minutes

Marilyn Frey made a motion to approve the minutes of the December 1, 2010 Industrial Development Commission meeting; seconded by Darell Bellm. Both members voted in favor; the motion carried.

Reports

Website Development update:

Kevin Limestall reported that a new server has been ordered and should arrive any day. Kevin would like to have additional money for the website development. The website will likely be ready by February 1.

Introduction of the HCS Customer Service Representative

Mark Latham introduced Andrea Enright, hired as the Customer Service Representative for Highland Communication Services. She just graduated from SIUE with a Master's Degree in Public Administration. Her undergraduate work is in marketing. Andrea will also be handling marketing and following up on the Retail Market Analysis. She will also help City Manager Latham and Kevin Limestall as needed.

Business Inquiries update:

Huddle House:

Huddle House's agreement with Wal-Mart will be addressed at the meeting of the Combined Planning & Zoning Board tonight. The owner's intention is to

break ground in the summer and open for business this fall. They have inquired about making a request for incentives to the City of Highland.

Family Dollar:

Mark Latham reported that he is still waiting for their Business District Development application to come in. Family Dollar will be locating in the old Sears store. Jim Rankin owns the building.

Randy's BBQ

Randy Ackermann will be locating Randy's BBQ in the Northtown Shopping Center.

Another contact was inquiring about putting a cigarette/package liquor business in the old Medicine Shoppe building at the corner of Laurel St. and Broadway. They already have a similar business in Centralia.

Wall-Street Journal

Kevin Limestall indicated that the plans for their improvements have been reviewed. They are just waiting to open bids for a contractor.

Fiber update:

Mark Latham reported that by the end of the week we will have a fiber connection and all the electronics installed. Major suppliers will be in next week to set up the equipment. He hopes to have some customers hooked up by the next IDC meeting. Andrea Enright added that a lot more people are calling about getting contracts. Currently they have between 50 and 60 signed contracts. Mark reported that we are engineering for Phase II right now, which will add more residential, and hope to have it completed by next June. Hopefully, after the City Council meeting on January 17th we will sign a contract with AT&T for a connection from St. Louis, which will provide our redundancy in case the main feed gets cut.

Update on Zeller Property:

The City purchased the Zeller property at a closing on December 29. We are already using the main building as storage for the City's Christmas decorations.

New Business

Paul Ray Capelle d/b/a Cabinet Gallery

Paul Ray and Denise Capelle distributed hand-outs outlining their business plan. Paul Ray reported that he has been building cabinets with another gentleman in a garage and a basement. Based on his current circumstances he would like to "go big". His plan is to purchase a CNC which is a \$120,000 piece of equipment. This machine would allow him to mass produce parts and would be the only CNC in the Metro East. Among his hand-outs were a copy of his Small

Business Association application, his resume, and a cash flow statement. He reported having a contract with Pete Korte to build him an inventory building. Originally he wanted to locate his business at his parents' farm, but he will be living on the farm himself and didn't care to have his home and business in the same place. He also offered a list of competitors and a map showing their locations, but none have the CNC capability. Chairman Bellm asked Mr. Capelle, exactly he was asking of the Industrial Development Commission. Paul indicated that in addition to the land which he has already spoken to Mark Latham about, he would need 3-phase electric, a 50 – 60' water line extension sewer service, and help with the building permits. Marilyn Frey asked for clarification...there would be a new building built, not using one that's already there? He indicated that he would be building a new structure. Mark indicated that it is up to the commission members to confirm that this business fits what the commission recommended this property be purchased and used for. Darell Bellm indicated that he thinks this proposal fits exactly what we were looking for: it's a manufacturing type business, it's bringing employment, Paul Ray is a "native son" who we can fairly sure will stay here if this business is successful. Darell thinks he meets all the qualifications that are important for cooperating with a new business getting started or expanding. Marilyn Frey added that she agrees and it's better to have this business here in Highland than in Trenton or anywhere else. Marilyn Frey made a motion to support this project, and forward a recommendation to the City Council that the newly purchased Zeller property be offered for sale to Mr. Capelle and all the details be worked out by City Manager Latham; seconded by Chairman Bellm. Both members voted aye, motion carried. Jami Jansen remarked that this type of project is exactly what the commission has been talking about and has the added benefit of it is that Paul Ray is local.

Development of Incubator Program Guidelines

Mark Latham reported that there has been no work started on the development of the Incubator Program Guidelines. Darell asked if Andrea Enright would be working on that. Mark indicated that she would.

Ruth Steiner Property

Denny Rinderer reported that they are waiting on the appraiser, Mr. Collier's report on the Steiner property.

Make a Difference Article

Darell asked if some of the communities mentioned in the article could be contacted and asked if they could provide a copy of their plans as an example of how to make a difference so that we are not starting from scratch. He asked what kind of incentives we're able to offer. Mark Latham indicated that whether their in the TIF District or the Business District, there's an application that they fill out. With that, we're looking at how much actual value their adding.

Right now this property is generating very little property tax. He's investing \$700,000 and his new building will appraise at about a half million dollars. Then we'll give him some money for employees, based on what the job pays. We'll basically give him the property, and get it back through TIF funds. We're looking at giving back about 20% of the value of the project.

Other Unrelated Bits of Information:

Kevin distributed hand-outs he got from the Small Business Development Center, through SIUE, advertising their upcoming workshops. He also mentioned that an ad will be coming out in the "Focus St. Louis".

Marilyn Frey stated that St. Joseph's Hospital will have an announcement in the Highland News Leader tomorrow regarding purchase of the Grotfendt property for the new hospital.

Next Meeting

This next meeting of the Industrial Development Commission is scheduled for Wednesday, March 2, 2011 at 12:00 pm at City Hall.

Adjournment

Marilyn Frey made a motion to adjourn, seconded by Chairman Bellm. Both in favor, meeting adjourned at 1:00 p.m.