

**HIGHLAND, ILLINOIS
MINUTES OF REGULAR SESSION
INDUSTRIAL DEVELOPMENT COMMISSION
CITY HALL, 1115 BROADWAY
WEDNESDAY, MAY 7, 2014
12:00 PM**

Call to Order

The meeting of the Industrial Development Commission was called to order at 12:03 PM by Chairman Darell Bellm.

Roll Call

Members present: Chairman Darell Bellm, Vice-Chairman Jon Greve, Eric Rehkemper, Diane Korte-Lindsey and Ryan Goodwin.

Members absent: Ex-Officio Member Jami Jansen.

Also present: City Manager Mark Latham, Economic Development and Marketing Coordinator Lisa Peck, and Recording Secretary Lana Hediger.

Approval of Minutes

Jon Greve made a motion to approve the minutes of the April 2, 2014 Regular Session meeting of the Industrial Development Commission; seconded by Eric Rehkemper. All members voted aye; none voted no; the motion carried.

Reports:

Treasurer's Report – Ryan Goodwin

Ryan reported that there was a deposit on May 1 of \$689.43. Therefore, the balance in the account is \$12,506.69.

Update on other job inquiries – Mark Latham

Mark reported that construction is beginning on the San Gabriel Memory Care facility. There was a groundbreaking ceremony last week.

Mark reported that there have been some rumors going around with regard to Ruler Foods. There have been some issues with moving the Northtown tenants around. They are in the process of working it all out. Ruler Foods will likely not be open until Fall.

Mark reported that Tim Reaka is moving forward with the Dandy Dog Daycare. It won't create a lot of jobs.

Mark reported that special use permit applications for both the Dandy Dog Daycare and the DePetrich Brewing Company will be considered at the CPZB meeting tonight.

The DePetrich Brewing Company is projecting aggressive numbers for their brewery/restaurant. They are working to lease almost 7,000 sq ft. of the Wick's Organ building, plus additional area for parking.

Mark reported that he has now met twice with Air Evac, the second largest medical rescue helicopter organization in the world. They would like to locate a facility on the

new hospital property. Dave Kunkel will be talking to Peggy S. to see if there is room for them on the SJH property. If not, the city could carve out space for them on the public safety facility property adjacent to the hospital. They would like to build a \$3 million facility which would create 17 new jobs that pay an average of \$75,000/year (pilots, nurses, etc.). They would like to be in operation in our area this fall. They have not asked for any incentives.

Mark reported that we had a visit with a company out of Chicago that is very interested in building a high-end Senior housing facility in Highland. One young lady that works for them is a HHS graduate. It has been turned over to their realty people to find property here.

Update on Highland Communication Services – Mark Latham

Mark reported that HCS business is booming due to the fact that Charter is requiring their customers to have set top boxes now. HCS is still offering two packages that do not require set-top boxes. We are getting ready to pass 1300 customers within the next two weeks. Revenue is increasing steadily by ~\$5,000 - \$6,000/month. We are almost at the goal of \$125,000 in revenue per month.

We are making some changes to the infrastructure. We have been operating under two different contracts. One is AT&T and the other was a company called Cogent. That is where our internet and our redundancy has been coming from. We are now on our permanent internet site, which is Bluebird (that's the connection from Chicago to St. Louis). Now we are on our own redundant system either out of Chicago or St. Louis. We had to change everyone's IP addresses. We can now provide the maximum bandwidth. We are now able to offer more HD stations.

We will be having a lunch and learn with the banks to roll out the fact that we will be able to offer the banks a dedicated line to St. Louis. We will be trying to meet with some connections of the real estate and home builders' groups in order to do some marketing through their businesses.

Lisa Peck arranged for she and Mark to present information on HCS and Highland being a gigabit city to the RCGA (St. Louis Regional Chamber) later this month.

We have not yet received the TV spot from ICN. Mark did a 1- hour radio show with a gentleman who has a company called Gigabit Nation. Lisa has made connections with Channel 9 and the St. Louis Business Journal. They are doing a nice article on Highland as a gigabit city.

Lisa reported that the City's new website (www.highlandcommunicationservices.com) is up and running. Hype Initiative designed it.

Diane asked for an estimated date of completion on the fiber cabinet installation on the south end of town. Mark indicated that the goal is to have cabinet 11 completed by the end of 2014. He is confident it will be accomplished.

Update on Highland Entrepreneurship Program – Lisa Peck

Lisa reported that we have had two new applicants since the last meeting. One is a restaurant which sounds very promising and the other is a computer repair business that

we are still working on securing a mentoring team for. A man picked up an application for his daughter yesterday. So there are potentially three new mentees.

Core Physicians is still having regular meetings; Charlie Dave's is still meeting every two weeks; and, the Lory just had their quarterly meeting. Dandy Dog just purchased a building, so everything is on hold for them right now until he gets the renovation done.

Lisa reported that the council approved the contract with SIUE. We have interviewed one intern and additional interviews are planned.

Update on Higher Education Discussions – Lisa Peck

A meeting was planned with the vice-president and another higher-up individual from SWIC, but at the last minute, the vice-president was not able to attend the meeting. He is still interested and we will reschedule the meeting. Lisa is in the process of acquiring letters of support from the school and the hospital. The county is willing to provide a letter of support.

Lisa has been concentrating on SWIC so far. She wants to see them both in on this. SWIC is interested in the students who are graduating from HHS while Lindenwood is looking at adult education. It would be difficult to produce data showing a high level of interest in the adult education aspect of this. Darell suggested that adult education data may be obtained from SWIC based on their adult education classes. Lisa will check with SWIC for some sort of usable data.

If we can get SWIC, Lindenwood will come along. Lindenwood's concern would be leasing the building alone. They would like another entity to share the cost. Neither SWIC nor Lindenwood has said "No" but things are moving slower than Lisa had anticipated.

Lisa stated that when she met with Chairman Dunstan about this, he indicated that Highland is the fastest growing community in the county. Lisa double checked the census data and confirmed that the growth rate in Highland was 17% from 2000 to 2010, which makes it the fastest growing municipality in the county.

New Business:

Dandy Dog

Lisa reported that the incentive agreement is not in final form yet, because he still needs to get his special use permit in place. The application was reviewed. Lisa indicated that they will be looking for action by council on May 19.

Diane made a motion to forward a favorable recommendation for the incentive agreement to the council contingent on approval of their special use permit. Seconded by Jon Greve. All members voted aye; none voted no. The motion carried.

De Petrich Brewing Co.

Lisa reported that Mr. DePetrich's brewing equip is stored locally. The application was reviewed. His Retrofit of the building is estimated to cost \$60,000. He has estimated his annual gross sales at \$1.1 million and taxable sales at \$950,000. The project should create an equivalent of 15 full-time jobs. The incentives break down as follows: Rebate

of fees: \$2,025; Reimbursement of projected sales tax: \$7,148. At this rebate he should recoup the \$12,000 he is eligible for. If not, this is designed for 10 years. He anticipates being up and running by October.

Jon made a motion to forward a favorable recommendation for the incentive agreement to the council contingent on approval of the special use permit; seconded by Eric. All members voted aye; none voted no. The motion carried.

Discussion of Highland Tech and Small Business Support Center

Lisa indicated that in order to most effectively market the city's gigabit internet, we need to be able to advertise that we have gigabit internet and low cost space currently available for internet companies. Tri-Onics will work and so will Wick's. At Wick's there is space for 11 offices and a conference room. With Lisa's assistance, an architect has done a walk-through, gratis. We will have something to show how it will work. There is also a room upstairs that will lend itself to gaming.

There was a brief discussion regarding possibilities for development and marketing of this idea. It was discussed that the next step should be to get the property owner in touch with a property manager and that Lisa should facilitate the progress and reach out to property owners.

Next Meeting:

The date of the next meeting of the Industrial Development Commission was changed to Wednesday, June 11, 2014.

Adjournment

Ryan Goodwin made a motion to adjourn; seconded by Jon Greve. All members voted aye; none voted no. The motion carried and the meeting adjourned at 1:08 PM.