

**AGENDA and NOTICE OF MEETING
CITY OF HIGHLAND
INDUSTRIAL DEVELOPMENT COMMISSION**

**CITY HALL
1115 BROADWAY
July 1, 2020
12:00 P.M.**

**NOTE: This meeting will be conducted via phone conference as part of COVID-19 response.
Please see page 2 of this agenda for instructions for submitting public comments
and for monitoring the meeting**

Call to order: Chairman Jim Meredith

Approval of Minutes:

- A. Motion—Approve of Minutes of the June 3, 2020 regular meeting of the Industrial Development Commission.

Reports:

- A. Treasurer’s Report—Jon Greve
- B. Updates on other job inquiries—Mark Latham
- C. Update on Highland Communication Services—Mark Latham
- D. Update on Disaster Relief Initiatives---Mallord Hubbard
- E. FEMA Map update---Mark Latham


New Business:

- A. Approval of grant to Keri Douglas of Renew Functional Medicine and Anti-Aging for implementation of solutions provided as part of Technology Innovation Program
- B. Recommendation on Development Agreement with Langhauser Sheet Metal

Next Meeting:

- A. Next meeting of the Industrial Development Commission is scheduled for Wednesday, August 5, 2020.

Adjournment

	Anyone requiring accommodations, provided for in the Americans with Disabilities Act (ADA), to attend this public meeting, please contact Breann Speraneo, ADA Coordinator, by 9:00 AM on Tuesday, June 30, 2020, by calling 618-654-7115.
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Continued

Directions for Public Monitoring of Highland City Council Meetings:

In an effort to protect as many individuals as possible, including the leaders of our communities statewide, Governor J.B. Pritzker has issued a number of directives, one of which was to suspend the provisions of the Illinois Open Meetings Act (5 ILCS 120), requiring or relating to in-person attendance by members of a public body. Specifically, (1) the requirement in 5 ILCS 120/2.01 that “members of a public body must be physically present;” and (2) the conditions in 5 ILCS 120/7 limiting when remote participation is permitted, are suspended. Public bodies are encouraged to postpone consideration of public business where possible. When a meeting is necessary, public bodies are encouraged to provide video, audio, and/or telephonic access to their meetings to ensure members of the public may monitor the meeting, and to update their websites and social media feeds to keep the public fully apprised of any modifications to their meeting schedules or the format of their meetings due to COVID-19, as well as their activities relating to COVID-19.

In following this directive, the City of Highland is providing the following phone number for use by citizens to call in just before the start of this meeting:

618-882-5625

Once connected, you will be prompted to enter a conference ID number.

Conference ID #: 798439

This will allow a member of the public to hear the city council meeting. **Note:** This is for audio monitoring of the meeting, only. Participants will not be able make comments.

Anyone wishing to address the city council on any subject during the Public Forum portion of the meeting may submit their questions/comments in advance via email to lhediger@highlandil.gov or, by using the citizens’ portal on the city’s website found here:

https://www.highlandil.gov/citizen_request_center_app/index.php. Any comments received prior to the end of the “Public Forum” portion of the meeting, will be read into the record.



CITY OF HIGHLAND

To: Industrial Development Commission
From: Mallord Hubbard, Economic & Business Recruitment Coordinator
Date: June 24, 2020
Re: Development Agreement with Langhauser Sheet Metal

RECOMMENDATION: It is Staff's recommendation that the Industrial Development Commission review and recommend advancing a Development Agreement with Langhauser Sheet Metal.

DISCUSSION: Langhauser Sheet Metal is proposing a warehousing addition to its building located at 120 Matter Dr. Langhauser is a heating/cooling company specializing in commercial and residential installations and service. The building is located in TIF #1 Project Area, making it eligible for incentives providing property tax rebates. This will allow the company to expand its existing operations with the opportunity for future growth and job creation.

Langhauser's proposed expansion has a total investment estimated to be \$170,000 in eligible project costs. The TIF Agreement would reimburse 75% of the incremental EAV of property taxes, generated as a result of the project's completion. The present EAV for assessment year 2018 is \$96,610. The Developer anticipates estimated EAV after redevelopment and completion of project to be \$400,000. Therefore, the estimated reimbursement would be \$2,979 annually for 10 years, or until the maximum reimbursement amount is reached. It is important to note, the estimated reimbursements are estimates only, reimbursements are solely contingent on the actual incremental EAV generated as a result of the project's completion.

The maximum reimbursements the project would be eligible for is \$34,000 over the 10 year life of these agreements.

CITY OF HIGHLAND - BUSINESS ASSISTANCE APPLICATION

Project Name LANGHAUSER SHEET METAL ADDITION

Address of Proposed Project 120 MATTER DRIVE HIGHLAND, IL 62249

APPLICANT INFORMATION

Company Name LANGHAUSER SHEET METAL Office Phone 618-654-8086

Company Address 120 MATTER DRIVE Alt. Phone 618-781-6595

City State Zip HIGHLAND Fax 618-654-3077

Contact Person / Title BRIAN LANGHAUSER PRESIDENT

Email brian@langhauserhvac.com

Type of Business: Corporation Years in Business 49
 Partnership
 Sole Proprietor
 Trust

PROJECT COSTS

Projected Costs

Architectural & Engineering Fees	_____
Legal & Other Professional Fees	_____
Cost of marketing the sites	_____
Purchase Land	_____
Purchase of Existing Facility	_____
Demolition Cost	_____
Site Improvements	<u>9,000.00</u>
Rehab, remodel of existing building	_____
Construction of New Building(s)	_____
Contingency	_____
Working Capital (Equity)	_____
Other (Please Specify) <u>BUILDING ADDITION</u>	<u>166,000.00</u>

170,000.00

TOTAL PROJECT COSTS

170,000.00

\$ Assistance Requested _____

CURRENT INFORMATION

SALES Current Annual Gross Sales NA

SALES TAX Current Annual Taxable Sales for Sales Tax _____

JOBS Current number of full time jobs (proof from IDES) _____

PROPERTY TAX Attach a copy of the most current property tax bill
Real Estate Taxes for the year ATTACHED

Parcel ID Number for each property within your development area D2-2-18-32-00-000-026

Parcel ID Number for each property within your development area _____

Parcel ID Number for each property within your development area _____

Township (Helvetia Saline Marine) Saline

Fair Market Value (or Current Appraisal Value) _____

Taxable Value _____

Combination Tax Rate _____

Total Tax _____

ESTIMATES AFTER REDEVELOPMENT

Acreage or total square footage of the project area 1,400 SQ FT. CONCRETE AREA

Square Footage of Building / Structures Office 800 / 7500 / 2400 3,750 SQ FT. BUILDING
orig. Bldg Addition

Estimated Market Value after redevelopment _____

EAV after redevelopment (approx 1/3 of Market Value) _____

Estimated Annual Gross Sales (Includes Labor) _____

Estimated Annual Taxable Sales for Sales Tax 2019 7,609.00

Estimated Number of Newly Created Full Time Jobs 2-3

Type of Jobs (Clerical 002 Production 03 Sales and Service and Service) 15

Estimated Annual Salary for each newly created job 63,700 - 75,000

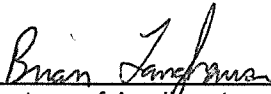
Estimated Number of Jobs Retained - Full Time 15

Please include a narrative that will address the following:

1. Description of Business / Company
2. Project Description
 - a) Construction information that may include the number of square feet to be demolished and constructed, the number and square footage of units, parking, and the number of construction phases;
 - b) Evaluation of site or other constraints;
 - c) Benefit or Service to the Community;
3. A request for the City's assistance with the project that specifies the type(s) of assistance needed and why it is needed.
4. Construction start date and timeline for Project Completion.
5. Applicant may need to also submit any additional information such as site plans, environmental studies, marketing studies, business plans, engineering or architectural drawings to be included for review and consideration.

Certification of Applicant

The applicant certifies that it will comply with all the rules, regulations, and ordinances of the City of Highland. Applicant hereby certifies that will information contained above and in exhibits attached hereto is true to his/ her best knowledge and belief and are submitted for the purpose of obtaining financial assistance from the City of Highland, Illinois. Additional cost, above the amount of deposit, incurred by the City for outside professional review or expertise will be the responsibility of the applicant.



Signature of Applicant

BRIAN LANGHAUSER PRESIDENT

Print Name and Title

6-10-2020

Date

LANGHAUSER SHEET METAL

Print Company Name

Return application to:

City of Highland
Attn: Mallord Hubbard
1115 Broadway, PO Box 218
Highland IL 62249
618-654-9891



120 Matter Drive, Highland, IL 62249
P 618/654-8086 F 618/654-3077

June 1, 2020

To: City of Highland

Job name: Business Assistance Application Narrative
TIF Zone

Langhauser Sheet Metal Narrative-

Langhauser Sheet Metal is a heating/cooling company specializing in commercial and residential installations and service. We also have a full duct fabrication line in which we fabricate duct and fittings in house. Langhauser Sheet Metal has been in business serving Highland and the surrounding area for 49 years. We currently have eleven sheet metal workers, three servicemen, and two office workers.

Project Description-

Langhauser is proposing to remove the end (non-bearing) wall and add a 75x50 warehouse addition to the back of the building. This addition will match the wood frame building that was added in 2003. Also, a 40x35 covered loading area will be added. The building addition will be used for additional storage and the covered area will allow us to get the exposed things covered and allow for dry loading on rain days.

There are no site constraints other than one electrical pole that will need to be moved. This has been coordinated with the City previously.

The building addition and covered storage will allow us to clean up the parking lot and surrounding building. Currently, we have no room to move things indoors. In addition, we currently have eight semi-trailers in our parking lot. Our plan is to move some of the items indoors and dispose of at least seven of them. Most of the trailers have been here for over 15 years and are dilapidated.

The City Assistance requested is that Langhauser Sheet Metal is in the TIF District. We request the use of these funds for the above reasons and that we are zoned accordingly.

The construction start date is immediately. We have applied for a zoning permit and are waiting on the building drawings to be completed.

Sincerely,

Brian Langhauser

CHRIS SLUSSER
MADISON COUNTY TREASURER

Registration #: 267640



PARCEL I.D. NUMBER		RATES 2018	AMOUNT OF TAXES	TAXING DISTRICT	RATES 2019	AMOUNT OF TAXES
02-18-32-00-000-026		4.8075	\$4,154.16	HIGHLAND CU #5	4.6673	\$4,033.01
02-SALINE	TOWNSHIP	1.8905	\$1,633.58	CITY OF HIGHLAND	1.8735	\$1,618.89
907	TAX CODE	0.0000	\$602.56	HIGHLAND TIF #1	0.0000	\$827.36
	TAX PAYING AGENT NUMBER	0.5953	\$514.38	MADISON COUNTY	0.5746	\$496.52
	CLASS CODE	0.4599	\$397.40	SW IL COLLEGE #522	0.4544	\$392.65
0060	T.I.F. CERTIFIED ASSESSMENT	0.3157	\$272.80	SALINE ROAD & BRIDGE	0.2845	\$245.84
86.410	FAIR MARKET VALUE	0.1670	\$144.30	LATZER MEMORIAL LIBRARY	0.1646	\$142.23
289,860	NON-FARM ASSESSMENT	0.1214	\$104.90	SALINE TOWNSHIP	0.0926	\$80.02
93,620	TOWNSHIP MULTIPLIER					
X 1.0319	FARM LAND					
+	FARM BUILDING \$0.00					
+	TOWNSHIP EQUALIZED VALUE					
=	96,610					
-	HOMESTEAD IMPROVEMENT EXEMP.					
-	0					
-	GENERAL DISABLED VETERAN					
-	0					
X	1.0000					
=	96,610					
-	SR ASSESSMENT FREEZE DEDUCTION					
-	0					
-	GENERAL HOMESTEAD OWNER OCCUPANCY					
-	0					
-	HOMESTEAD DEDUCTION OVER 65					
-	0					
-	FRATERNAL/VETERAN ORG. FREEZE					
-	0					
-	DISABLED PERSON					
-	0					
-	VETERAN EXEMPTION					
-	0					
=	96,610					
X	8.1115					
+	0.00					
	TOTAL TAX					
	\$7,836.52					

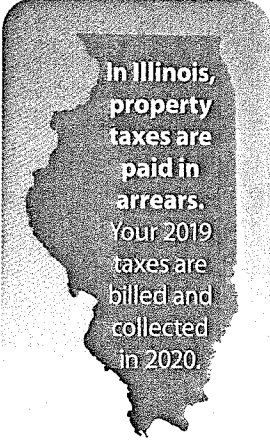
2019 REAL ESTATE TAXES	LEGAL DESCRIPTION	ACREAGE TOTAL = 0.0000	2019 TOTAL TAX	\$7,836.52
	M MATTER 5TH SUBD LOT 1& PT VAC ST 281.2 6 X 205.83 IRR		2019 TAXES PAID	\$0.00
	Property Address		2019 TOTAL TAX DUE	\$7,836.52
	LANGHAUSER, ROBERT J AND EDNA M 1 MATTER DR HIGHLAND, IL 62249			
	THIS IS NOT A NEW OR ADDITIONAL TAX			
	INFORMATIONAL DISTRICTS	AMOUNT		
	MUNICIPALITY PENSION	\$661.30		
	UNIT SCHOOLS PENSION	\$217.15		
	COUNTY PENSION	\$130.14		
	TOWNSHIP PENSION	\$9.07		
	ROAD DISTRICT PENSION	\$3.63		

02-18-32-00-000-026
LANGHAUSER ROBERT J AND EDNA M
1 ROBIN CT
HIGHLAND IL 62249

***** REMINDER *****
IF YOU ESCROW TAXES
Check with your mortgage company before paying.

Total Collected in 2019 - \$437,724,207

SCHOOL DISTRICT	56%	\$246,175,429
CITIES/VILLAGES	13%	\$58,558,800
MADISON COUNTY	7%	\$30,797,750
COMMUNITY COLLEGE	7%	\$30,666,131
OTHER DISTRICTS	6%	\$25,996,116
TIF DISTRICTS	6%	\$25,884,277
TOWNSHIPS	5%	\$19,645,704



WARNING: Don't Overpay!
Ways to reduce YOUR equalized assessed valuation (EAV)

Contact the Chief County Assessor's Office @ 618.692.6270

- Homestead — \$6,000
- Senior Citizen — \$5,000
- Disabled Veteran — Contact Assessor
- Returning Veteran — \$5,000
- Disabled Person — \$2,000
- Senior Citizen Freeze — Contact Assessor
- Homestead Improvement — Contact Assessor

TIF DISTRICT #1 INCENTIVE PROGRAM FOR LANGHAUSER SHEET METAL

All numbers are estimates. The final incentives would be based on actual numbers provided through the required documentation.

\$	34,000	MAXIMUM TIF DISTRICT INCENTIVES 20% of eligible costs = \$170,000*20%=\$34,000
N/A	FEE WAIVERS (Estimated)	Based on actual costs Building Permit Plumbing Permit Electrical Permit Certificate of Occupancy Site Plan Review (Zoning Code Req.) Exterior Plan Review by others (estimate) Electric Connection Fees Water Connection Fees Sewer Connection Fees (This incentive is not eligible in TIF Agreements)
\$	2,979	PROPERTY TAX REBATE Reimburse up to 75% of property taxes from the <u>incremental TAXABLE VALUE</u> up to 10 years. (\$133,333.33-96,610*.081115*.75=\$2,978.81 Annually)
N/A	SALES TAX REBATE	Reimburse up to 100% of the incremental 1% City sales tax up to 10 yrs. (This incentive is not eligible in TIF Agreements)
\$	29,788.10	Estimated Incentive Total over 10 year Time Period Total package shall not exceed 20% of the Total Projected Costs

Encourage 20% local suppliers.

This represents a general offer. All details and offers must be approved by the City Council and an agreement must be agreed upon and signed by both parties.

Incremental - means the additional or new taxes, above the base year taxes.



TECHNOLOGY INNOVATION PROGRAM

BROUGHT TO YOU BY THE CITY OF HIGHLAND

To: Kari Douglas, N.P.
From: Technology and Innovation Program Mentors
Subject: Recommendations and go forward plan

Summary:

Kari Douglas, N.P. and owner of Renew Functional Medicine and Anti-Aging was selected as the inaugural participant in the City of Highland's Technology and Innovation Program or TIP.

The TIP was developed by the City of Highland's department of Economic Development, in partnership with the city's Department of Technology and Innovation, the Small Business Development Center of Southern Illinois and various community mentors.

The goal of the TIP is to advance the growth of local businesses through the City's cutting-edge telecommunications infrastructure, Highland Communication Service (HCS), through process improvement and through adapting innovative approaches to tackle current day challenges marked by growing e-commerce and other technical trends. By matching small businesses with volunteer mentors who can advise businesses on overcoming the barriers to growth, increased profit will be realized.

The TIP is based on the belief that a local, small business is far more likely to achieve significant and sustainable growth when supported by multiple mentors with proven skills and experience. With its interest in success, the TIP contributes to the economic development of the community and delivers a competitive edge to keep local businesses relevant with e-commerce innovation.

Renew Functional Medicine and Anti-Aging was selected because the mentors believed they could have a positive impact on her business; could be realized by invoking improvements in processes, exploiting technology that Kari already owns and utilizing innovation to reach more customers with fewer resources.

The TIP team would like to thank Kari for the effort, passion and open approach taken on this venture and offering the following as guidance.



TECHNOLOGY INNOVATION PROGRAM

BROUGHT TO YOU BY THE CITY OF HIGHLAND

Stated Goals

- 1) Make functional medicine available to more people
- 2) Maintain storefront services in Highland
- 3) Reduce non-functional medicine services to focus on clients with wellness needs

Strategic Synopsis

1. Increased awareness of functional medicine discipline and specifically, of Kari's clinic
2. Increased and consistent revenue from functional medicine clients
3. Scalable services

Recommendations

Quick Wins:

The following recommendations are those that can be implemented with little to no capital. They are items that the TIP will commit to assisting with set-up, creating a schedule for ongoing planning, and will follow up on over the course of the next 6-12 months.

1. Data Acquisition

- a. Utilize Google Analytics (Guidance provided by TIP Mentors)
 - i. how visitors located your website
 - ii. which pages they visited
 - iii. how many unique visitors your website gleaned
- b. Capture Data from EMR (\$1000.00 consulting, add in software)
 - i. Who, what, when, etc. to develop reminders to reach out for follow up services and /or drip campaigns
 - ii. Use for referrals
 - iii. Request testimonials



TECHNOLOGY INNOVATION PROGRAM

BROUGHT TO YOU BY THE CITY OF HIGHLAND

2. Create and share your message
 - a. Develop your pillar marketing plan
 - i. Brand
 - ii. Message
 - b. Develop more robust and delineated website (\$500.00)
 - i. separate services
 - ii. use for value add to clients (scalability)
 - iii. gain granular detail about market and customer base
 - c. Develop word press blog (Guidance provided by TIP Mentors)
 - i. Feels like conversation
 - ii. Keep clients close/connected to you and your passion
 - d. Link to all your collateral (facebook, website, etc.)
3. Create your awareness campaign (\$500.00)
 - a. Use your brand, your message and your data to constantly stay in front of clients and potential clients

Long Term Strategy

Scalability

Understanding the passion Kari has for the functional medicine discipline, it's difficult to disconnect from the client. However, in order for her business to thrive, she must be able to receive a growing number of clients without adding resources. In an economic context, a scalable business model means increasing sales (revenue) with a less than proportional resources (expense) but still providing a high quality of product or service. In order for Kari to achieve the first stated goal, 'make functional medicine available to more people,' a more scalable service delivery model is required.

The following recommendations are offered by the TIP members in regard to scalability:

1. Create on-line search knowledge base or a repository of information that is available for clients to draw from. This could be in the form of an organized wiki linked to word press blog, named and searchable videos, etc.
2. Use Zoom Meetings for follow up calls. Allowing customers to visit with you without asking them to leave their homes or your driving to / from the clinic will reduce wasted time spend driving to and from.



TECHNOLOGY INNOVATION PROGRAM

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3. Create business to business (B2B) relationships. Partner with traditional medical doctors, chiropractors, weight loss clinics, massage therapists, aestheticians, etc.
4. Streamline the intake form; perhaps links some information to the form for immediate feedback to the client. For example, if the client clicks on 'insomnia' link that field to information about sleep hygiene or other basic knowns about insomnia.

Pricing Model

It's clear that relationship building is not only important to Kari but it's critical to a successful health care plan. While the current price model is intended to be a subscription based service, meaning a time element exists for which services are rendered, the price may not be palatable, especially for those who aren't familiar with or believers in functional medicine. A subscription based business model offers the consistent, predictable revenue that Kari identified as a goal, it can break large fees into smaller, more manageable payments for clients and it can establish a foundation for long term relationship building between Kari and her client.

The following recommendations are offered by the TIP members in regard to pricing model:

1. Provide a very clear response to 'how much does this cost'? A better answer regarding insurance and the total cost is necessary. That must go on your website.
2. Offer three options and name them a standard name with which clients can relate.

These are random examples:

Wellness or Youthful package: Focus on overall health and movement. Designed to work in conjunction with a physical fitness or therapy team. Provide a botox or facial with this.

Young at Heart Package: Focus on elder or senior care. Maybe diabetes or arthritis is the key driver in this package. Provide medicine review along with ways to stay active

Inflammation or Weight Loss Package: Lots of information out there about inflammation and insulin resistance. This could focus of food sensitivities or gut health.



TECHNOLOGY INNOVATION PROGRAM

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Standard might be \$50 a month and include a phone call or zoom meeting 1x per week for 15 mins, include access to the knowledge base and 1 normal blood screening per year.

Active (focus on active people) might be \$75 a month, include a phone call or zoom meeting 2x per week, include a metabolic and food sensitivity panel with 1 facial or massage every 6 months

Silver (for older folks) might be \$60 a month, include all that is in standard plus colorectal screening, and blood sugar consulting.

3. Call yourself a life coach or wellness specialist. Offer life coaching services that focus on food being for health and medicine being for ailments.
4. Offer first meeting at no cost or an entry rate of \$50 that includes a certain amount of testing for you to provide meaningful feedback. Or, offer a facial or botox with a subscription for services.

Awareness Campaign (Guidance provided by TIP mentors)

In order for the market to understand the value of your service, focus on an awareness campaign should be established. Awareness campaigns typically are defined as a sustained effort to educate individuals and boost public awareness about an organization's cause or issue. And in almost every instance they should:

1. target people who share your organization's beliefs and values;
2. educate those potential supporters about your issue or cause; and
3. generate new contacts for your donor database

Successful awareness campaigns provide education about the problems you solve. They use current events to connect issues to your cause. You could use the current COVID pandemic to encourage people to seek self-care, for example, or teach food preparation for the purpose of wellness.

Hold zoom meetings or events in conjunction with any B2B partnerships you've created or would like to establish.

Make sure any collateral you provide or events include a call to action meaning you ask them to do a particular thing that encourages further interaction.

All collateral should message your problem and your answer and should not focus on the discipline or your particular organization. Stay focused on bringing awareness to 1) and problem and 2) how you can solve it.



TECHNOLOGY INNOVATION PROGRAM

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Business to Business Strategy

Because functional medicine is obscure, gaining traction from other businesses that share the same sort of followers will help you build your clientele in a scalable approach. In the context of communication, business-to-business refers to methods by which employees from different companies can connect with one another, such as through social media, procuring products from one another or providing services that are complimentary of each service or product.

Consider dovetailing with the following businesses or types of businesses:

- Apex Physical Therapy
- ChiroPro
- Massage Therapists with credible reputation
- Cygan Delaney EatWell or other dietary professionals
- Highland Nutrition or other provider of supplements

Go Forward Plan

- 1) Recommend \$2000 grant from IDC to offset the costs of implementing robust website, creating your awareness campaign, and exploiting all capability of the EMR.
- 2) Create Press Release highlighting Kari, the TIP and mentors. Submit to area newspapers and economic development organizations.
- 3) Schedule (3) 2 hour working sessions with some or all of the mentors to create Google Analytics, WordPress Blog and discuss awareness campaign in more details.
- 4) Provide 90 day follow up meeting to answer questions or assist with new needs.
- 5) Meet quarterly over the following year to review success indicators.
- 6) Provide year in review report to IDC showing the value of measures taken.