

**HIGHLAND, ILLINOIS  
MINUTES OF REGULAR SESSION  
INDUSTRIAL DEVELOPMENT COMMISSION  
CITY HALL, 1115 BROADWAY  
WEDNESDAY, APRIL 1, 2020  
12:00 PM**

**This meeting was held telephonically, due to the city's COVID-19 response.**

**Call to Order:**

The April 1, 2020, meeting of the Industrial Development Commission was called to order at 12:00 PM by Chairman Meridith. The meeting was held via telephone conference due to the city's COVID-19 response.

**Roll Call:**

Members present via telephone: Chairman Jim Meridith, Vice-Chairman Diane Korte-Lindsey, Treasurer Jon Greve, and Marshall Rinderer.

Members absent: Bill Napper.

Also present via telephone: City Manager Mark Latham; Community Development Director Breann Speraneo; and, Economic Development Coordinator Mallord Hubbard. Recording Secretary Lana Hediger was in the city council chambers, recording the meeting.

**Approval of Minutes:**

Jon Greve made a motion to approve the minutes of the March 4, 2020, Regular Session meeting of the Industrial Development Commission; seconded by Marshall Rinderer. All members voted aye; none voted no; the motion carried.

**Reports:**

**Treasurer's Report – Submitted by Jon Greve**

Jon Greve provided a handout of the financial report, which was emailed to each of the members prior to the meeting. The balance in the IDC checking account is \$17,886.21, a \$3 dormancy fee was refunded. The IDC also holds a \$60,000 CD. Mallord indicated that he spoke with Finance Director Korte who indicated that it would be appropriate for the CD to be kept at city hall. Marshall Rinderer made a motion to approve the treasurer's report; seconded by Diane Korte-Lindsay. All members voted in favor of the motion. None were opposed. The motion carried.

**Update on job inquiries – Mark Latham**

Mark reported that Mallord and Breann reached out to the business community via an on-line meeting to let them know what assistance is available to them. Only 25 participants were able to connect via the phone bridge. Another session will be conducted on Friday at 10 a.m. Mallord has been getting inquiries daily and several phone calls after the meeting yesterday. Jim Meridith asked if these are city programs. Mallord indicated that they are not city, rather Federal and State programs. Diane asked if the local banks would be administering some of these programs. Jon indicated that

was correct. His bank held an on-line information session yesterday, which garnered over 900 attendees. Unfortunately, many people who need the assistance, still don't understand how to go about getting it. Information is becoming more prevalent each day. There are no banks that aren't providing assistance. Those needing it, just need to call their bank.

Mark indicated that both the Villas on State Route 143 and the Flax Drive apartments are moving along with their construction.

Trouw postponed their ribbon cutting until after the Coronavirus stay-at-home order is lifted.

The Combined Planning and Zoning Board reviewed the request for amendment of the plat submitted by Jason Mettler Development for Phase II of the Carbay Crest Subdivision. The CPZB is recommending that the city council deny the request, which would eliminate the entrance/exit to the subdivision off of Sportsman Road. The council is scheduled to vote on this request on Monday, April 6.

Breann informed the IDC of the items that will be discussed at the CPZB meeting tonight. First will be a rezoning (from residential to industrial) of the Fastenal building on Old Trenton Road. They would like to open a store-front there.

Schlafly Brewery is proposing to open a facility at 907 Main Street. Parking is a concern with that location, and will be discussed at the meeting.

There are some mathematical errors in the code relating to parking and those will be reviewed by the CPZB.

The last item is a text amendment that would allow for cannabis craft growing operations via a special use permit in the C3 and Industrial zoning areas.

Mallord has been in contact with Korte Meats. They are still in their planning process. He indicated that they are still moving forward and working on their timeline which hasn't been set yet. They will be meeting with their attorney regarding succession planning to pass the business down to their children. Then an assistance agreement will be drawn up.

Mark reported that bids were opened on the intersection signalization project at Hemlock St. and Highway 40. The bids were good and the project will be awarded at the city council meeting on April 6.

Some progress is being made on the Broadway Streetscape Project. Letters to existing property owners along the project will be sent, requesting temporary construction easements. Hopefully, those will be granted quickly so we can issue a notice of municipal letting on that project.

We are still waiting for IDOT to schedule the preconstruction meeting for the State Route 160 Trail project.

The Broadway Resurfacing project is progressing well. The concrete street entrances are nearly complete. The next step will be to mill the existing surface off and then resurface with asphalt. The resurfacing step will have to wait for warmer days.

### **Update on Highland Communication Services – Mark Latham**

HCS has just reached a major milestone of 2400 customers. Crew has been out wiring. We will have exclusive rights to service the new apartment complexes on Flax Drive and State Route 143. The Villas are being wired right now.

### **Update on Workforce Development Initiatives – Mallord Hubbard**

Mallord reported that the State has waived the normal 7 day lead time for people to file for unemployment benefits in response to the COVID-19 pandemic.

The federal government has issued the Paycheck Protection Program, which allows for partially forgivable loans up to \$10 million dollars for business owners. If you keep your workers on payroll, much of the loan can be forgiven. They are still refining the details of how this will work and putting together the application. Mallord and Breann were on an informational call with the IL DCEO and Senator Durbin on Wednesday. Chairman Meridith indicated that his understanding of the PPP is that it is for up to 250% of your payroll, and further, that if you use it for payroll, it would be forgiven. Jon indicated that the amount would be based on a weekly average of your 2019 payroll records and applicants would be eligible for the equivalent of up to ten weeks of payroll.

### **FEMA Map Update – Mark Latham**

There seems to be a holdup whereby the railroad hasn't approved the plans submitted by the contractor. Korte Luitjohan cannot commence construction until the railroad approves the plans. Mark is working with Oates Associates to set up a phone call with all parties to try to expedite that process as the weather is perfect for this right now.

FEMA has agreed to flood levels within 1½ foot of the previous (1980) maps. No idea of any deadline.

### **New Business:**

#### **Consideration of Development Agreement with TJO Holdings for “Brewed in Highland” project**

The project proposal was emailed to the members with the agenda of the meeting on Friday. Mallord reported that this is a unique project and the details of the agreement are still being worked out. The CPZB will be discussing their application for a special use permit at their meeting tonight. We are proceeding with drawing up a development agreement that includes incentives related to property taxes, sales taxes, and TIF reimbursements. It is in the business district, which offers opportunity to include all of these types of rebates. We will be offering 75% of the city's portion of the tax increment generated. You will see in the proposal what the estimated numbers look like. The property tax numbers in the proposal are being corrected to represent 75% of the city's portion rather than 100%, as is shown. With that correction, the final estimate of reimbursements totals around \$336,000 over ten years. Mallord also noted that details are still being worked out on the community space. As this will be the first Schlafly Micro Brewery on the Illinois side of the river, we see this being a regional attraction. It will be a great meeting space for the community.

Diane asked if they are proposing to use any of their own property to install parking. Mark and Breann both indicated that they would. Mark believes that Lory Theatre customers

will use the new parking lot which will free up parking nearer the square. Breann indicated that Schlafly owners are intending to have their employee parking at the rear of their property.

Jon asked if there has been any concern over the special use permit allowing a brewing operation. Breann indicated, no, and added that the brewing operation will not be the principal use.

Jon noted that this is a great opportunity; for the city to have this sort of investment made at the square. Jim Meridith asked where the estimate of annual sales figure came from. Mallord indicated that was a Schlafly internal estimate prepared based on their own research and experience. Mallord indicated that any actual reimbursements are based upon State sales tax reports, rather than estimates. Diane asked if any proposed timeline has been set. Mallord reported that they hope to have plans finalized by May 1 with a groundbreaking in June and completion estimated for Spring of 2021. Jon Greve made a motion to recommend to the city council that they approve the incentive agreement after it has been corrected to reflect 75% of the city's portion of property tax revenue based on the incremental increase in valuation of the property due to improvement; seconded by Diane Korte-Lindsey. All members voted aye; none voted no. The motion carried.

Mark asked the members to consider serving another one-year term and let him know if they are willing, or if they would prefer to be replaced. Jim Meridith, Diane Korte-Lindsey, Jon Greve, and Marshall Rinderer all indicated that they are willing to serve another term. Reappointments will be scheduled for approval by city council at their meeting on May 4.

Diane added that May property sales will most likely be down.

No update was provided on the party interested in the brewery on 13<sup>th</sup> street.

**Next Meeting:**

The next regular meeting of the Industrial Development Commission is scheduled for Wednesday, May 6, 2020.

**Adjournment**

Marshall Rinderer made a motion to adjourn; seconded by Diane Korte-Lindsey. All members voted aye; none voted no. The motion carried and the meeting adjourned at 12:36 PM.