

**HIGHLAND, ILLINOIS
MINUTES OF REGULAR SESSION
INDUSTRIAL DEVELOPMENT COMMISSION
PUBLIC SAFETY BUILDING, 12990 TROXLER AVENUE
WEDNESDAY, MAY 1, 2024
12:00 PM**

Call to Order:

The April 3, 2024, meeting of the Industrial Development Commission was called to order at 12:10 PM by Chairman Jim Meridith. The Pledge of Allegiance to the Flag was recited.

Roll Call:

Members present: Chairman Jim Meridith; Josh Kloss; and Marshall Rinderer.

Members absent: Vice-Chairman Diane Korte-Lindsey and Ex-officio member, Highland Chamber of Commerce Executive Director Hillarie Holzinger.

Also present: City Manager Chris Conrad; Economic Development Coordinator Mallord Hubbard; Recording Secretary Lana Hediger; and, Kurt Von Der Haar who is to be appointed to the board on May 6, 2024.

Approval of Minutes:

Marshall Rinderer made a motion to approve the minutes of the April 3, 2024, Regular Session meeting of the Industrial Development Commission; seconded by Josh Kloss. All members present voted aye; none voted no; the motion carried.

Chairman Meridith reminded all members that today is the deadline to file statements of economic interests with Madison County.

Reports:

Treasurer's Report – Prepared by Director of Finance Reanna Ohren

Mallord Hubbard reviewed the report that showed the balance in the IDC checking account at First Mid Bank & Trust as of 02/28/2024, as \$26,520.11. There was one deposit of \$1,000, donated by Jon Greve, and one check written for \$500, to Highland Community Unit School District #5, to support the Business Education Alliance job fair at HHS. The balance in the checking account as of 05/01/2024 was \$27,020.11. The checking account balance combined with the \$25,000 CD also at First Mid Bank & Trust, makes the total assets of the IDC \$52,020.11.

Updates on Developments and other City Projects – Staff

Mallord reported that City Hall is open as of April 29. The council chambers will be renovated once it has been emptied of all the equipment currently being stored there. The plan is for the next IDC meeting to be held in the City Hall conference room.

Five Below is moving forward with building modifications and is planning to open for business this Fall.

Efforts to establish TIF #3 are progressing as expected. The JRB meeting was held April 12. Letters of support from the taxing bodies have been received. The Public Hearing has been scheduled for May 20. Letters have been sent to all owners of property within 750 feet of the proposed TIF area boundary. We have been getting emails and phone calls from people who are curious and/or who have concerns. One person on Lincoln Lane

was concerned that his property would be labeled as blighted due to being in the TIF area. He was also disappointed that more improvements have not been made in that area. Mallord was able to communicate the benefits of the TIF to him.

The city council approved an extension of the Façade Improvement Program for the next year. Mallord has spoken to a few business owners who are planning to make improvements soon. This program helps when an owner is on the fence about making costly improvements.

The old castle building on Broadway is progressing with many improvements. They have installed some new windows and are addressing some issues with the brick.

Diversified Services has rezoned 904 Beech Street to Industrial in order to move their business back to town. They are planning to move forward with construction. We are planning to meet with them about potentially utilizing some TIF funds to get up and going.

Mallord reported communicating with Sonny Tut as he is finishing up some of his projects in other towns. He will be meeting with him to go over his agreement with the city, focusing on his responsibilities for the project, such as fees, construction of a lift station, etc. This would be to make sure there are no surprises after the project begins. He has had some issues that caught him unawares on his projects in other communities.

Mallord reported on items that may come up to the Combined Planning & Zoning Board in the future. He has met with someone that is looking to purchase the former TMCI property at 12448 Sportsman Road. He has plans to construct and open a ~9,000 square foot day care facility and to construct and operate an indoor sports training facility. That will require rezoning the property.

Gauchos is officially open. Mallord reported hearing from another restaurant owner on the square that they are seeing an uptick in business since Gauchos opened.

Josh Kloss asked what is happening with the development behind Tulligan's. Mallord reported that he has no new information. He believes they are still planning to improve the former insurance company building for use as additional restaurant seating and the building across the street is being improved so that they can rent it out to commercial entities.

Update on Workforce Development Initiatives – Mallord Hubbard

Mallord reported that he attended the Holly's House of Hope gala and that Matthew Tori, who has been apprenticing with the City, received his certificate there from the IL Director of Apprenticeships, which is a federal posting. Holly's House of Hope announced that they are working on deploying some of the programs that they piloted in Highland, to other communities.

The HHS Job Fair was held last month. It was set up so that the students could visit the booths during their lunchtime. The students who visited three booths, were entered into a drawing for airpods, which the IDC provided through their donation to the program.

Approval of Sponsorship for 2024-2025 CEO Program

Mallord reported that the CEO held their Investor Breakfast in April. All sponsors and stakeholders were invited. It is an opportunity for the CEO to update everyone on the

success of the program over the past year. Mallord was impressed by the number of HHS students that participated, the number of Highland businesses that participated, the number of Highland mentors increased this year, as did the number of Highland sponsors.

Mallord is impressed with the effect the program has on the participating students. He notices a change in their level of comfort with public speaking and with the potential of being a business owner someday. He expressed gratitude to the IDC for supporting the program and noted that he will be trying to convince other entities in Highland to support this program, too.

This past Sunday, at the Old Herald building in Collinsville, the CEO held their trade show, which highlighted the students' projects and it was set up so that they could sell their products and services. Ben Eberwein was able to attend and noted that the attendance was high. He purchased some of the products that were being sold.

Mallord requested that the IDC support the CEO program again this year and reminded them that they donated \$1,000 last year and reviewed some of the sponsorship levels. Chairman Meridith asked that it be put on the agenda for action at the next IDC meeting so that Diane Korte-Lindsey could be present to vote.

Update on Highland Communication Services – City Manager Conrad

City Manager Conrad reported that he didn't have much to report on HCS as rain has been hampering the remainder of the construction in Prairie Trails. He reported that over the past weekend, over 4,000,000 gallons of storm water passed through the water reclamation facility. This was an extreme amount not seen since the big storms in 2013. Kurt Vonder Haar added that the Highland Speedway was flooded, too.

Video services are increasing (approximately 70 additional customers) rather than decreasing, as was expected.

A benefit of HCS, is their stability. Recently, the company that HCS purchases the VTV program from contracted with another vendor when their contract expired and moved their data connection point from Albuquerque (to Highland via Chicago) to Kansas City. This service already has an alternate connection for redundancy. This should make the VTV program even more stable than it already is.

New Business:

Update on Monthly Tax Revenues

City Manager Conrad reported on tax revenues collected in March and received in April, which is the end of our fiscal year. We have seen good growth in the restricted revenues, while unrestricted revenues only grew by about 2.5% or ~\$175,000 total. Still low growth is better than no growth. It is not enough however to keep up with the rising cost of doing business.

- Non-Home Rule Sales tax: Up ~\$94,000 for the year, or ~5%.
- Business District Tax: Up ~\$500,000, which included about a half year at the full 1%.
- Telecom Tax (Excise Tax): Down ~\$11,500, or 10%.
- Marijuana Tax: Down ~\$500 for the year. We expected that to drop more due to several neighboring states passing legalization earlier this year.
- Use Tax: Down ~\$25,000 for the year.
- Gaming: Down ~\$5,000 for the year.

- Income Tax: Up ~\$20,000 for the year.
- Sales Tax: Up ~\$200,000 for the year.

The big concern right now, is the Governor's proposed elimination of the grocery tax. This will equate to a loss of ~\$300,000 in revenue for Highland. Some other communities are much worse off. This will mean a loss of over \$1,000,000 to both Collinsville and Glen Carbon.

There isn't much room in the budget for us to lose \$300,000 in discretionary funds. A frequent question is, "Why are we doing large infrastructure projects while we are cutting employees?" This is a restricted versus unrestricted funds issue and we are not alone in this.

Next Meeting:

The next meeting of the Industrial Development Commission is scheduled for Wednesday, June 5, 2024, and will be held at the recently renovated city hall.

Adjournment

Josh Kloss made a motion to adjourn; seconded by Marshall Rinderer. All members voted aye. The motion carried and the meeting adjourned at 12:42 PM.