

HIGHLAND, ILLINOIS
MINUTES OF REGULAR SESSION
INDUSTRIAL DEVELOPMENT COMMISSION
CITY HALL, 1115 BROADWAY
WEDNESDAY, DECEMBER 5, 2012
12:00 PM

Call to Order

The meeting of the Industrial Development Commission was called to order at 12:02 pm by Chairman Bellm.

Roll Call

Members present: Darell Bellm, Rick Frey, Eric Rehkemper, Jon Greve, and Ryan Goodwin.

Members absent: Ex-Officio Member Jami Jansen.

Also present: City Manager Latham, Business Retention and Recruitment Coordinator Kathleen Mulcrone, and Deputy Clerk Lana Hediger.

Approval of Minutes

Eric Rehkemper made a motion to approve the minutes of the November 7, 2012 Regular Session meeting of the Industrial Development Commission; seconded by Rick Frey. All members voted aye; none voted no; the motion carried.

Reports:

Update on other job inquiries – Mark Latham

Mark reported that we've had quite a bit of action. He met with Charlie Dave's BBQ yesterday. They have a contract right now (lease to purchase agreement) with Yogi's. They have expressed an interest in participating in the Highland Entrepreneurship Program and have filled out an application for Business District Development incentives.

Sal Dimaggio of Dimaggio's Pizza is working to purchase the McGinley's 456 warehouse building on Broadway. Mark is working with them to possibly get them some Rural Development money. Lack of parking is the reason that he would like to move out of his current location on Broadway. The City will likely have to run sewer to that building.

Mark has spoken to a person that has a contract on the House of Plenty and is planning some major upgrades to the building. They want to keep it basically the same but with some upgrades to the menu.

There was a hearing on Friday on the Koch Cleaners building and the City could obtain it. Mark spoke to Kevin Limestall today and Kevin indicated that part of the problem with it, is that some of the exterior has asbestos. According to the EPA it could be covered adequately so that removal would not be necessary. It is currently owned by the bank. It has been condemned. It would cost approx \$40,000 to tear it down. Mark doesn't believe that demolition is the best solution.

Mark reported that the City did follow through with the sale of the property to Jerome Hediger. City worked feverishly to install a 480 amp service for his press. He is moved in and is receiving material.

Mark reported that Kathleen will be talking with Lindenwood University personnel today about visiting Highland. Currently their main facility is located in St. Charles, MO with a facility in what used to be the Belleville West High School. Mark believes they see an advantage to locating a site in Highland.

Update on Highland Entrepreneurship Program – Kathleen Mulcrone

Kathleen Mulcrone reported that the program is moving right along. Charlie Dave's submitted an application yesterday. The Core Team is up and running as of last night. We received an application from Williams Painting and also the GravPower Generator Company. We have interviewed both of them and are in the process of setting up mentoring teams for them.

Kathleen expressed gratitude to those members that attended the recognition luncheon. Kathleen spoke to the Rotary recently about the program and has received a few calls from people asking additional questions about it. She is hopeful that her presentation will yield some mentors and possibly some new sponsors. Other than that, she feels the program is gaining momentum recently simply through word-of-mouth.

Ryan asked if we're going to do the student program this year? Mark indicated that he and Kathleen have an appointment to meet with Mike Sutton next week. Ryan indicated that a presentation to the optimists would be a good idea once the student program has been set up.

Mark asked Kathleen to elaborate on the generator business. Kathleen indicated that the name of it is the GravPower Generator Company. The gentleman created a "green" generator that doesn't rely on any type of fuel. He lives in the Grantfork area and is interested in working with local Highland vendors to produce his generators. Rick Frey indicated that when he read about it, he was intrigued. A brief conversation took place surrounding the many potential uses for this product. Rick Frey and Darell Bellm expressed an interest in being on the mentoring team for this entrepreneur.

Ryan asked about the status of the CrossFit entrepreneur. Kathleen indicated that he corresponds via e-mail and it takes a while to get a response. Initially he wanted to begin the program after Thanksgiving. He was out of town and also had back surgery. Kathleen confirmed that it is still in the works and that sometimes the entrepreneurs take a while to really get rolling.

Kathleen mentioned that the interesting thing about Williams Painting is that the owner is a woman and they would like to use that fact to their advantage to secure government contracts for painting bridges and such. Eric stated that the Korte Company would be likely to have some insight into how to get government contracts.

Update on Black Twig – Kathleen Mulcrone

Kathleen reported that there are no new developments. They continue to experiment with different marketing ideas in their dealings with HCS.

Eric indicated that Charter moving their headquarters out of St. Louis may be a good thing for Highland. They don't seem to care much about Highland right now.

Update on HCS/New Businesses – Mark Latham

Mark reported that they are up to 775 customers. We brought in a group to help with installations. Our goal is 20 new customers per week to reach 1200 by April. The changes recently have to do with reliability. We changed to Big River Telephone Company last week. We have had a few glitches but overall have been doing well. On the internet side, we have done very well with regard to reliability. The video side is getting better and better every day. We're doing some door to door sales. It is working well. Darell Bellm indicated that he just renewed with Charter and they are now only offering month to month – no more 2-3 year contracts. New features coming out on the video side this week.

Update on Economic Development Tour – Kathleen Mulcrone

Kathleen reported that we decided to postpone and reschedule it. John Herzog has experience doing these kinds of tours. He indicated that September/October is a time you get very low response. A couple of reasons for that are, people are not interested in making decisions or even thinking about expanding or moving until after the first of the year. Or, they are waiting until the building season starts. He would like to help Kathleen prepare for this to make it better.

Update on the Jet-Lite building research – Mark Latham

Mark Latham asked Dennis Rinderer to appraise the property. He valued the land at \$40,000; the building at \$122,500; or, \$162,500 total. Mark spoke to one of the Kutz family members. They have not set their price on the property yet. They would like to do some work to the building before they list it. We're on hold until they set a price for it. Mark indicated that they want to sell it and they know the City is very interested in buying it. Mark believes it would be a very good building to have in inventory. Mark reported that it has a couple of freight docks on it, which he believes are valuable assets. Mark thinks the City could clean up the area around it which would make it more valuable. He indicated that the 50' x 100' portion of the building (5,000 sq. ft.) is 42 years old. The part of the building that is 32' x 50' and 38' x 70' is 75 years old. It is all concrete block construction, one story, and the lot size is 125' x 40'. Darell would like to have Mark continue to watch this site until they determine what they want for it.

Mark reported that of the Zeller Bus property purchase, \$260,000 has been realized for the property and the city still owns the back lot behind the Cabinet Gallery.

There was some discussion regarding the Linenfesler lumber property. The advantages and disadvantages were discussed. This property has a lot of frontage on Monroe Street. It is listed for \$142,000. Mark will look into this property also. Mark pointed out that it is also located in the TIF district.

New Business:

Update on Enterprise Zones

Mark reported that he spoke with Keith Moran and asked for an update. Keith indicated that nothing can be done right now and that we are as prepared as we can be. The state is in the process of writing the new Enterprise Zone rules and should have them done in mid-January. The focus will be on labor market areas. The county is on board with partnering with the City and possibly bringing in St. Jacob and Troy. The more communities that can be included, the better it will be.

Mark invited Keith and John Herzog to come to our meeting in January.

Approval of Schedule of 2013 Meeting Dates

Jon Greve made a motion to approve the schedule of 2013 meeting dates for the IDC. Rick Frey seconded the motion. All voted aye. None voted No. The motion passed.

Ryan Goodwin distributed the Treasurer's Report on the IDC bank account and reviewed it with the members. The initial deposit in the account was actually two payments from the McLaughlins totaling \$1,378.86. A second deposit was made recently bringing the balance to \$2,068.29. Ryan will provide these statements monthly.

Rick Frey asked for an update on the Lory Theater. Mark stated that it is now scheduled to open the day after Christmas. The hold-up appears to be due to the delay in installation of the new digital projector. Jon Greve added that the installation is now scheduled for December 17. There was a brief discussion about their adding a very small viewing area to be able to provide a more intimate movie-going experience which is a trend right now.

Next Meeting:

Next meeting of the Industrial Development Commission is scheduled for Wednesday, January 2, 2013.

Adjournment

Eric Rehkemper made a motion to adjourn; seconded by Ryan Goodwin. All members voted aye; none voted no. The motion carried and the meeting adjourned at 12:43 PM.