

Economic Development Committee Meeting

March 8, 2021

Immediately Following the Streets, Alleys and Traffic Committee Meeting - City Hall Council Chambers

Chairman Ptak called the meeting to order at 6:32 p.m.

ROLL CALL:

Present: Alderman Demes, Alderman Ptak, Alderman Lavieri, Alderman Jeppson, Alderman Crane

Excused Absence: None

Others Present: Mayor Grove, Economic Development Director Leah Inman, Deputy City Clerk Brent Bader, Alderman Bacidore, Alderman Reynolds, Attorney Jim McPhedran

A quorum was present.

The minutes of the Economic Development Committee held on December 30, 2020 were unanimously approved by the Committee by voice vote after a motion from Alderman Lavieri and a second by Alderman Jeppson. Each and every alderman has a copy.

Voice vote, all ayes. Motion carried.

Mayor Grove asked Chairman Ptak if it would be possible to recess the committee meeting in order for a presentation scheduled to take place during the City Council meeting to commence without delay. It was moved by Alderman Lavieri and seconded by Alderman Demes to recess and reconvene the Economic Development meeting later in the evening.

Voice vote, all ayes. Motion carried.

There were no questions or comments from the public.

The meeting was recessed at 6:34 p.m.

7:23 p.m.: It was moved by Alderman Lavieri and seconded by Alderman Jeppson to reconvene the Economic Development Committee meeting.

Voice vote, all ayes. Motion carried.

In regard to annual memberships for economic development purposes, Director Leah Inman reviewed the various memberships currently within her budget. The budget includes the following memberships:

North Central Illinois Economic Development Corporation - \$12,492 (based on population)

Illinois Valley Area Chamber of Commerce (IVAC)-\$3,000

Small Business Development Center-\$1,000 donation (national organization with a local office that provides support to entrepreneurs)

North Central Council of Governments-\$3,000 (assists with grants, webinars, Covid related assistance)

With the unknown future of IVAC and their lack of a leader at this time, Mrs. Inman is proposing that we do not renew the IVAC membership for this fiscal year and then reevaluate once they determine who will be leading IVAC. That would take \$3,000 off the budget that could be used for other marketing efforts.

Leah Inman said IVAC has sent out surveys to its members for input as to how they envision IVAC in the future and how they want the organization to develop, so with so many unknowns she said that it may

be in our best interest to hold off at this time. The money could be left in the budget for future re-evaluation.

Alderman Lavieri said that he always thought that when NCIEDC came on board that eventually the local chambers would be folding, as the group seems to take most of the work up.

Leah said IVAC has leaned more toward networking events and promoting businesses within the area. She continued by saying that she has not gotten many leads from IVAC, but has gotten leads from the NCIEDC. Based on those results, she supports her recommended course of action.

Alderman Lavieri asked how NCIEDC has fared through the pandemic. Director Inman responded that membership numbers and donations received from private and public funding has kept NCIEDC sustained.

Leah Inman stated that the decision to renew or not renew the IVAC membership was certainly for the committee and council to decide, this is simply her recommendation. Alderman Bacidore said he has been on the council for twelve years and has never seen IVAC bring anything to La Salle other than Viakable which was a buyout, not a new business. Alderman Bacidore said he had no issue not renewing the membership.

Alderman Lavieri asked if we have to use NCICG to administer our grants. Director Inman stated that they can utilize the group on a case-by-case basis to administer grants and also the membership that assists with finding various grants. Director Inman said NCICG is also a good resource when questions arise regarding grant opportunities. Mayor Grove said that Leah and Brent in time will take on the role of administering certain grants once they have taken the required training. At this time the classes are not available.

It was moved by Alderman Lavieri and seconded by Alderman Reynolds to renew the membership with NCICG totaling \$3,000.

ROLL CALL:

Ayes: Alderman Demes, Alderman Crane, Alderman Jeppson, Alderman Lavieri, Chairman Ptak

Nays: None Abstain: None

Motion carried.

5-0

It was moved by Alderman Demes and seconded by Alderman Lavieri to renew the membership to the Small Business Development Center for \$1,000.

ROLL CALL:

Ayes: Alderman Demes, Alderman Crane, Alderman Jeppson, Alderman Lavieri, Chairman Ptak

Nays: None Abstain: None

Motion carried.

5-0

It was moved by Alderman Demes and seconded by Alderman Jeppson to forego the renewal of the \$3,000 membership to the Illinois Valley Chamber of Commerce with the understanding that the committee will re-evaluate the membership when the organization hires a new director and has further information on the direction of the organization.

ROLL CALL:

Ayes: Alderman Demes, Alderman Crane, Alderman Jeppson, Alderman Lavieri, Chairman Ptak

Nays: None Abstain: None

Motion carried.

5-0

Alderman Jeppson inquired how many leads we have received from NCIEDC. Director Inman stated that she serves on this board and believes that approximately 120 leads were sent, with La Salle qualifying for half. Of that half, La Salle has been short listed for 5-6 leads. She said leads do flow in regularly.

Leah Inman said she does not know the exact membership fee for the NCIEDC as it is based on population, but she estimates it to be approximately \$12,000.

Moved by Alderman Lavieri and seconded by Alderman Demes to renew the membership for approximately \$12,000 with the North Central Illinois Economic Development Corporation.

ROLL CALL:

Ayes: Alderman Demes, Alderman Crane, Alderman Jeppson, Alderman Lavieri, Chairman Ptak

Nays: None Abstain: None

Motion carried.

5-0

In regard to the agenda item concerning modifications to the Façade/RIP Grant program, Leah Inman said she is proposing, that due to the popularity of the program, that we reexamine the qualifications in the grant ordinance and the program qualifications.

Her recommendations include promoting the use of local contractors for material and labor. The current ordinance requires two proposals for each type of work being done. Her recommendation is to require at least one of those proposals comes from a contractor with an office or business registration within 50 miles of La Salle. This would apply to carpentry, windows, doors, plumbing, HVAC and electrical, but not design, structural work or tuck pointing as there are not as many available contractors within the 50-mile radius. Director Inman said these recommendations are up for discussion. She indicated that certain projects may need to be handled on a case-by-case basis. Alderman Lavieri asked what will be done if they start arguing on a case-by-case basis.

Alderman Crane suggested the radius be reduced to 30 miles. Alderman Reynolds and Lavieri suggested a 40-mile radius so it would include Morris and Streator. Alderman Jeppson asked if we would also set a radius for those more obscure trades perhaps having to be within 70 miles of La Salle. Director Inman said if the committee chose, it was an option to break mileage out by trade. Alderman Demes was in favor of including all trades in whatever radius was agreed upon.

Attorney McPhedran reminded the committee that this only applies to one of the two estimates. Attorney McPhedran said we do need to be sensitive to local contractors, so by requiring only one of the proposals to be local it does not lock anyone out.

Alderman Demes asked Alderman Crane how he feels about this since he is in the business. Alderman Crane said he is always in favor of keeping the work with local labor. Director Inman stated that this is the intent of the program. Attorney McPhedran since this is a grant paid out of tax payer monies and are not projects that are bid, there is an arguable basis that this requirement can be made.

Moved by Alderman Demes and seconded by Alderman Crane to require one of the two estimates submitted as part of a RIP Grant application for any type of trade must have an office or established business within a 40 mile radius of La Salle.

ROLL CALL:

Ayes: Alderman Demes, Alderman Crane, Alderman Jeppson, Alderman Lavieri, Chairman Ptak

Nays: None Abstain: None

Motion carried.

5-0

Director Inman stated that the other possible modification within the RIP Grant program is to limit reimbursement for material costs only if the applicant chooses to do the work themselves.

Alderman Demes stated that he liked that idea. Leah stated that as Alderman Crane had suggested in order for labor to be reimbursed, some type of entity including but not limited to partnerships, LLC's, corporations must exist in order for labor to be reimbursed.

Alderman Demes expressed concern over situations where the applicant provides estimates for labor and materials which are approved, but then end up doing the work themselves. Alderman Demes wondered how we could circumvent that from happening.

Director Inman said grant recipients have to turn in receipts for materials. Alderman Ptak said if we drive by the jobs, we can see what is being done. Director Inman stated that the committee could decide to forego reimbursement for labor if the applicant chooses to do the work themselves. Alderman Bacidore wondered if we should give an owner who chooses to do the work themselves a little more reimbursement for materials, perhaps 75% versus 50% as a way to help them a bit.

Leah said in the spirit of the program we want to encourage labor by local contractors. She said this provides work for our businesses and also is somewhat of a guarantee that façade improvements are done properly.

Moved by Alderman Demes and seconded by Alderman Lavieri to reimburse RIP grant applicants who choose to do the labor themselves 50% of the material costs only.

ROLL CALL:

Ayes: Alderman Demes, Alderman Crane, Alderman Jeppson, Alderman Lavieri, Chairman Ptak

Nays: None Abstain: None

Motion carried.

5-0

Leah confirmed that we already require receipts to be turned in for all materials prior to reimbursement and she reviews them thoroughly.

Leah asked Attorney McPhedran if we need to set a date as to when this becomes effective. She stated that she has no pending applications at this time. Attorney McPhedran stated that if she had they would have been grandfathered in. If the ordinance changes before an application is approved, they would fall under the new rules.

Alderman Ptak stated that he likes to see itemized estimates. He thinks we need to see itemized lists of labor for services rendered.

It was moved by Alderman Ptak and seconded by Alderman Crane that when RIP grant applicants submit final bills for final reimbursements for labor they need to be itemized.

ROLL CALL:

Ayes: Alderman Demes, Alderman Crane, Alderman Jeppson, Alderman Lavieri, Chairman Ptak

Nays: None Abstain: None

Motion carried.

5-0

Alderman Ptak asked who purchased the building at First and Hennepin. Leah Inman said she was not at liberty to say who the buyers are, but confirmed it was sold. The new owners of the property at First and Hennepin (851-853 Hennepin) have plans for downstairs retail and upstairs residential.

7:49 p.m.: Moved by Alderman and seconded by Alderman to adjourn the meeting.



Carrie Brown, City Clerk