

# **MACOMB/BUSHNELL ENTERPRISE ZONE**

## **MINUTES OF THE MANAGEMENT BOARD MEETING THURSDAY • JANUARY 31, 2019 • 4PM 1406 EAST CARROLL STREET, MACOMB, ILLINOIS**

Chairman Dennis Moon convened the meeting at 4PM with the following board members present: Bill Butcher, Mike Inman, Jeff Rench, and Robin Wilt. Staff present: Kim Pierce and Caitlin Brown.

Board Members Absent: George Dixon and Todd Hamilton.

Media present: Patrick Stout, McDonough County Voice

There was no public comment.

Affirmation of board members (2019-2021) was first on the agenda. Mayor Inman reaffirmed his term on the EZ board and that City Council approved the re-appointment of Dennis Moon (at their 12-17-2018 meeting). A copy of the letter was included in the packet. Mayor Wilt also re-appointed Jeff Rench to represent Bushnell.

Approval of the previous quarterly board meeting minutes (October 19, 2018) were reviewed for comment and/or revisions.

**BILL BUTCHER MOVED TO APPROVE THE MINUTES AS PRESENTED. ROBIN WILT SECONDED. MOTION PASSED UNANIMOUSLY.**

Next on the agenda was the treasury report. Pierce referred to the summary sheet of the 4th quarter/2018 expenses in the meeting packet. She reported that MAEDCO (on behalf of the Enterprise Zone) paid a total of \$818.78 in expenses incurred on beaccrued over the months of October, November and December 2018. Also included on the invoice is the annual Administration Fee for \$15,000.

**ROBIN WILT MOVED TO APPROVE THE REIMBURSEMENT OF EXPENSES (\$818.78) AS WELL AS THE ANNUAL \$15,000 ADMINISTRATION FEE TO MAEDCO. MIKE INMAN SECONDED.**

Pierce also reported that as of the end of the year (12/28/2018) the EZ had a bank balance of \$121,128.70 (the bank statement was included in the meeting packet). Pierce said the balance reflected the fifth and final tax distribution installment from the county as well as interest earned (\$16.92).

**MIKE INMAN MOVED APPROVE THE TREASURY REPORT. BILL BUTCHER SECONDED. MOTION PASSED UNANIMOUSLY.**

Review of the 2019 EZ fee schedule was next. Pierce referred the board to the email correspondence included in their meeting packet. In accordance to legislation all zone administrators are required to submit a copy of its fee schedule with the Department of Commerce & Economic Opportunity by April 01of each year. The fee schedule is then posted on DECO's website. Pierce reminded the board that the fee previously approved (0.5% of the total cost of permanently affixed building materials not to exceed \$50K per project) was applicable to only those EZ projects that had to be added into the EZ boundary. She used the Grand Prairie expansion as an example. For compliance in 2019, Pierce asked the board if they want to continue with the current fee schedule or revise it to cover all approved EZ projects requesting a sales tax exemption; which would create a small source of revenue for the Zone. Pierce said that of those EZ Administrators she talked with most all of them incorporate an "Application and Administration Fee" that mirrors what is allowed by state policy. She asked the board if they want to continue as is (expansion projects only) or place into effect the same fee but for all EZ approved projects. Mayor Inman asked Pierce for her recommendation. She does not see a reason why they wouldn't charge a fee, as it generates funds for future projects. However, she suggested waiting to put the fee into effect until after they are able to

notify business owners and contractors to the planned fee schedule (3-6 months). As it is, the enterprise zone receives its revenue now from their portion of the property tax distributions. Wilt questioned why they did not implement the fee prior, when the new zone was created. Pierce stated that before, they still considered it as a “developer” fee for new projects requiring a boundary expansion. A brief discussion clarifying the two options followed. Inman asked Pierce for her recommendation. Pierce said she didn’t see any compelling reason not to make the fee applicable to all EZ projects, as it will generate income for future EZ projects. Plus, she emphasized that the fee previously approved is .05% of the total cost of permanently affixed building materials per project and cannot exceed \$50,000. Pierce said there was “no hurry” in making a decision today and that the board could move to table the discussion until their next meeting in April. More discussion followed regarding other Enterprise Zones and their implementation of fees.

**MIKE INMAN MOVED TO ADOPT THE FEE SCHEDULE AS WRITTEN. ROBIN WILT SECONDED. MOTION PASSED UNANIMOUSLY.**

Moon asked the board if they wanted to wait until their next meeting to adopt or take action today. Wilt expressed that she did not see a reason to hold-out the adoption until the next meeting, because everyone seems to be in favor of adopting the application fee across the board.

**WILT MOVED TO ADOPT PUTTING INTO EFFECT AN APPLICATION AND EZ FEE FOR ALL APPROVED ENTERPRISE ZONE PROJECTS REQUESTING A SALES TAX EXEMPTION. INMAN SECONDED. BUTCHER, MOON, WILT, RENCH, AND INMAN VOTED YES TO APPROVE. HAMILTON AND DIXON WERE ABSENT. MOTION PASSED.**

**ROBIN WILT MOVED TO APPROVE THE ADOPTION OF THE FEE SCHEDULE FOR ALL PROJECTS MOVING FORWARD EFFECTIVE JULY 01, 2019. MIKE INMAN SECONDED. BUTCHER, INMAN, MOON, RENCH, AND WILT VOICE VOTED IN FAVOR. HAMILTON AND DIXON WERE ABSENT. MOTION PASSED.**

The governing unit updates were next on the agenda. **BUSHNELL:** Wilt reminded the board of the jeep blitz event happening in May. She also reported that Tellers has been completed and although they are in the zone, they did not utilize its benefits Jojo’s had acquired a liquor license for Tellers until they hire their in house chef. She also stated she had some people vist Bushnell in hopes of putting in a Mexican restaurant. Vaughan is still moving forward and adding jobs. **MACOMB:** Pierce reported the Lamoine opened in December. There has been interest from a private corporation looking to purchase and redevelop residential on the Macomb Downtown Square, preferably the north side. Niemann’s redevelopment on the corner of Dudley and Jackson is not in the zone and will be approximately another 6 weeks before it’s completed. NTN continues to utilize the zone and are still working on their pedestrian walkway between the plants. **McDONOUGH COUNTY:** There are no projects reported

Under old/new business, the next quarterly board meeting will be April 18, 2019. Pierce also briefly updated the board about the informational meeting between her, the City of Macomb, and the County assessor’s office, on determining the equalized assessed value for the parcels receiving benefits from the zone. Currently, the assessor’s office uses a mathematical equation and is looking to simplify by turning it into percentage-based.

Bill Butcher reminded the board that the airport will be celebrating their 50<sup>th</sup> anniversary this summer during Heritage Days.

There being no further business the meeting adjourned at 4:15PM.

Respectfully submitted,

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Kim Pierce, Zone Administrator