

**MINUTES
CITY OF WOODSTOCK
ECONOMIC DEVELOPMENT COMMISSION
March 8, 2016
Council Chambers**

CALL TO ORDER: A meeting of the City of Woodstock Economic Development Commission was called to order by Acting Chairman R. Francois at 8:00 AM on Tuesday, March 8, 2016 in the Council Chamber, Woodstock City Hall, 121 W. Calhoun Street, Woodstock. A roll call was taken.

COMMISSION MEMBERS PRESENT: John Buckley, Craig Hallenstein, Ryan O'Connor, Henry Patel, and Rick Francois.

COMMISSION MEMBERS ABSENT: None.

STAFF PRESENT: Economic Development Director Garrett Anderson, Economic Development Coordinator Krista Coltrin, and Chief Deputy Clerk Jane Howie.

OTHERS PRESENT: Ken Schroeder and Ceal Schroeder.

APPROVAL OF MINUTES:

Motion was made by J. Buckley, second by H. Patel, to approve the Minutes of the January 12, 2016 meeting as presented. Ayes: John Buckley, Craig Hallenstein, Ryan O'Connor, Henry Patel, and Rick Francois. Nays: None. Absentees: None. Abstentions: None. Minutes were approved.

PUBLIC COMMENT: None.

GENERAL BUSINESS/DISCUSSION:

1. Revolving Loan Fund Application – The Thoughtfulness Shop, 104 Cass Street G. Anderson. Said this opportunity was recently created. Ken & Ceal wish to re-invest in Woodstock. Loan request is for \$60,000., 50% of owners cost to renovate / upgrade. Materials were presented to detail project and show how monies will be spent. Ken said not just improvements, but also new lines & inventory to help promote their store in Woodstock. They're looking to increase inventory to keep people shopping in Woodstock. Trying to create a total package of what people are looking for. Letter entails their plans. New lighting, ceiling tiles, etc. to update the store along with the new products. Ceal thanked the Commission for considering their request. They believe these changes are necessary to evolve and keep up with the competition. C. Hallenstein asked about what types of newer items the store sells. Ken said a lot of their items appeal to women; fashion, jewelry, interior design, Pandora. They want to attract customers by staying current. Updating window displays, show variety of products. R. Francois, the Commission can recommend that the City Council consider and approve this revolving loan. The Thoughtfulness Shop has been an anchor and a great business in Woodstock for many, many years. This is a great opportunity for the City to support this business in moving forward with their plan. R. Francois believes that the Schroeder's to meet the

criteria for this plan. C. Hallenstein asked if there's a continuity plan, in the event of the Schroeder's retirement. Ken said they do not have a plan for retirement as they plan to work for at least 3-7 more years. Ken enjoys the interior design; Ceal enjoys working in the store. The trends are changing so it is their plan to re-invent themselves. They would like to keep the store for at least 5 more years. G. Anderson said the pay back term is five years, 2% interest. Ken said they had a line of credit with Amcore Bank, and they went out of business for this type of loan. The Schroeder's are doing what they can to stay current with the changing times, and the revolving loan will help them with their business plan.

Motion to recommend that City Council approve this revolving loan for The Thoughtfulness Shop. Motion made by C. Hallenstein, second by H. Patel. Ayes: J. Buckley, C. Hallenstein, R. O'Connor, H. Patel, and R. Francois. Nays: None. Absentees: None. Abstentions: None.

2. Business Contact Report – Mar 2016

G. Anderson said last month there was a bit of change in the reporting numbers. Added 'Realtors' and 'Not Contacted Before'.

3. Project Activity Report – Mar 2016

G. Anderson said the report has been slightly modified, Potential Incentives that have been offered to the business. Some businesses have dropped off the list because the businesses have already opened. R. O'Connor, definition of retained jobs. G. Anderson said it doesn't mean that they were threatened. Business may have existing jobs or may be growing and adding jobs.

C. Hallenstein asked about the winery. G. Anderson said someone is looking at doing something totally different on that site.

Another change, the list has three main categories. Dura-Bar is working with the City; they'll be the first company in the Enterprise Zone. There are four main elements, property tax component; just the amount that the City collects – 16%. This is for new growth, not for companies that are expanding. Whatever the growth amount is, that amount will be a rebate back. The school district is not ready to get involved with this yet, but they think the timing isn't right. New construction will be a significant number. It will be good when the school district comes on board. First four years is 100% of what's being pledged, next two years is 50%, next two years at 25%.

New building supplies / materials, sales tax free in Illinois, purchased anywhere in Illinois. They'll receive a certificate in advance of the purchase. They must be in the geographic area of the Enterprise Zone. New construction is included.

State Income Tax, is the entire project cost, those types of investments, 1/2 of 1% can be credited against your state income tax.

Building Permits that are issued by the City, there's a 50% discount on these permits.

Two more categories, \$5M of investment, 1000 current employees, or 200 new jobs, There are two more layers: multi-year exemption on State utility taxes and sales tax on machinery and equipment.

Dura-Bar is wrapping up a major expansion. G. Anderson explained what Dura-Bar does. \$3.5M project, ½ of 1% is when all the capital is placed into service, so Dura-Bar is eligible for this.

G. Anderson said The Thoughtfulness Shop is one of the highest retailers in Woodstock along with a couple of restaurants.

G. Anderson is talking with Guys E Paper about benefiting from the Enterprise Zone. Bull Valley Ford used some different deals with the City; which will benefit the Ford dealership more than what the Enterprise Zone would have.

Project Purple, Lucky Bernie's, already has a lease on a building out near American Community Bank and Studio 2015, along with their Liquor License. The business owners are working on permitting with the City's Building & Zoning Department. It is their hope to open for business this spring.

G. Anderson said that *Project Cider*, Cal-Atlantic, will be building approximately 30 homes per year in Woodstock's Apple Creek subdivision. G. Anderson was informed that Cal-Atlantic also purchased some land in a stagnant Huntley subdivision. R. Francois asked how many active home builders are currently in Woodstock. G. Anderson will check with the City's Building & Zoning Department. K. Coltrin mentioned that this is just in-fill, where infrastructure is already in place.

G. Anderson shared updates for the Project Activity Report. *Project Aquarius* is local business owner that is looking for a larger space for the manufacturing portion of their business. *Project Gemini* is a potential new retail business that is looking for space on the Square. The company has already registered with the State of Illinois. *Project Pisces* is a current business just outside of the city limits of Woodstock. They are looking to move their business into the City. *Project Green* is a grocery store that is interested in the Wisted's building / location. While Wisted's was performing much lower than Woodstock's other grocery stores, it is the hope of city staff that a new grocer will be better able to compete and provide a need. R. O'Connor asked if this store is anything like Joseph's in Crystal Lake or Caputo's in Lake in the Hills. These types of stores provide fresh produce, deli items and prepared foods and do a great business. It would be nice to have a store like that in Woodstock so that residents don't have to leave town to shop. C. Hallenstein said he hopes the City will work aggressively to bring a new grocery store into this facility. He added that stores like Joseph's & Caputo's have a welcoming atmosphere compared to stores like Jewel and Walmart. G. Anderson said the applicant needs to provide their graphic demonstration, a list of improvements, and a business plan detailing how they are going to turn the business around. It is the City's

hope that this information will be submitted in the next couple of weeks; G. Anderson can share the details with the Commission at next month's meeting.

There was much discussion about the City's three Bed and Breakfasts, all of which are currently for sale. K. Coltrin said that this is a very tough business to be in as there are a lot of regulations by the county and the state along with strict insurance rules depending on how many bedrooms are available. K. Coltrin has talked with many of the B & B owners and they all mention that Woodstock doesn't have enough shopping or restaurants to bring people to town. R. O'Connor asked if there's anything the City can do to assist these businesses. These businesses help to anchor the image of what Woodstock is all about. J. Buckley said the state has recently loosened some of their guidelines for B & B's, however, he's not sure if the county has followed suit, yet. C. Hallenstein said it would be great if a realtor could find a young couple that has a passion of owning and running a B & B in Woodstock.

Project Leo is a grocery store that is more of a food co-op which would provide locally grown foods and would be owned by local residents; mostly from Crystal Lake and Woodstock. *Project Cancer* is a small indoor sports facility.

4. Economic Development Plan

- a. Business Forums
- b. Area / Corridor Plans
- c. City of Woodstock Incentives Policy Manual

COMMISSION COMMENTS / UPDATES: None.

H. Patel excused himself from this meeting at 9:28 AM.

ADJOURNMENT:

Motion by J. Buckley, second by R. O'Connor to adjourn to the next regular meeting of the Economic Development Commission on Tuesday, April 12, 2016 at 8:00 AM in the Council Chambers at City Hall. R. Francois said that he won't be available on 04/12/16. It was agreed by the Commission members and City staff that the next meeting will be held one week later on April 19, 2016. Ayes: J. Buckley, C. Hallenstein, R. O'Connor, and R. Francois. Nays: None. Absentees: H. Patel, Abstentions: None. Motion carried. Meeting adjourned at 9:38 AM.

Respectfully submitted,

Jane Howie
Chief Deputy Clerk