

**MINUTES
CITY OF WOODSTOCK
ECONOMIC DEVELOPMENT COMMISSION
August 11, 2015**

The regular meeting of the Economic Development Commission of the City of Woodstock was called to order at 8:05 AM on Tuesday, August 11, 2015 by Chairperson Rick Francois in the Council Chambers at Woodstock City Hall, 121 West Calhoun, Woodstock, Illinois. A roll call was taken by Deputy City Clerk Amy Weber.

COMMISSION MEMBERS PRESENT: Rick Francois, John Buckley, and Ryan O'Connor.

COMMISSION MEMBERS ABSENT: Craig Hallenstein and Henry Patel.

STAFF PRESENT: Economic Development Coordinator Joe Napolitano and Deputy City Clerk Amy Weber.

PUBLIC COMMENTS: None

APPROVAL OF MINUTES

Ryan O'Connor made a motion to approve the minutes for the July 21, 2015 meeting. John Buckley seconded and the motion carried unanimously.

GENERAL BUSINESS/DISCUSSION

1-Draft Economic Development Plan

Rick Francois asked for more feedback on the Economic Development Plan. Joe Napolitano indicated there were four new points on page 4 relating to tax abatements and a few of those relate to the Enterprise Zone. We won't know for sure until the end of September, but things look promising for the Enterprise Zone application. Rick Francois asked what the next step was if the commission approves the plan today. Joe Napolitano said it would be forwarded to the city council and they would be informed that the commission will be working on the plan's strategies. Staff will also ask the council for a task force to work on tax reduction strategies.

Ryan O'Connor asked about the strategy for Metra. Joe Napolitano noted there is a plan to have a yard in Woodstock. This would likely increase the number of stops in Woodstock and decrease the number of people going to Crystal Lake's depot rather than Woodstock's. Having Metra service is a great benefit to community and the more we can increase it, the better the benefit.

John Buckley asked Joe about the plan's metrics and the reporting process if the plan is approved. Joe Napolitano indicated staff would be reporting back to this commission. John Buckley asked how companies are over the 150 employee benchmark and will visits to three businesses a month be effective. Joe Napolitano believes they will get a feel for this once they get going. The hope is to visit all major employers once a year, and some smaller ones that are also very important. Try to avoid another Brown Printing situation. Rick Francois asked what the

reporting mechanism would be, and Joe Napolitano indicated that staff would be submitting this information, in written form, to the commission each month. Rick Francois asked if the commission was satisfied with the plan. John Buckley made motion to approve the plan and forward it to the city council. Ryan O'Connor second. Motion carried.

2-Continued discussion on property taxes

Joe Napolitano reported back on the equalized assessed valuation over the last 5 years, looking at McHenry County communities. There has been a decrease across the board, except for Huntley where there was a modest increase. Overall, Woodstock's change is comparable with McHenry and Crystal Lake for all properties, including industrial. Joe Napolitano also looked at communities in surrounding counties, particularly Deerfield, Palatine and Woodridge, to try to get a comparison with Cook and Dupage County. Those communities have also experienced a decline in EAV, but not to the extent in McHenry County.

From a straight tax perspective, it is hard to compare because different counties have different tax rates, plus the variations in industrial and commercial bases makes it tricky. Overall, going above 14% seems to be an economic killer, and the effect on services has to be kept in mind. Ryan O'Connor would like a more forward, aggressive approach to growth to attract businesses, including working with the state and school district and trying to improve access to businesses along Route 47. Joe Napolitano noted that the main areas that can be impacted are the city's tax rate and the school district's tax rate. The commission agreed that starting with the school district was the priority, since that is the biggest impact on taxes, though how much can be done on the local level when the state level financing is up in the air is hard to determine.

Rick Francois would like to provide this information to the city council and mayor and ask how much energy they want to put into this. He would also like to develop more educational materials, and indicated the task force should include someone from the school district. If EAV continues to drop, the 15% tax rate for Woodstock residents may necessitate strategies to change, cuts in services, etc. Joe Napolitano indicated they will continue the education process.

The commission discussed the revenue side of the equation, an area where Woodstock is hampered by its non-home rule status. Woodstock can't change their sales tax rate and is restricted in other ways as well. The commission would like to look at some strategies for improving revenue and what are the best practices. Comparisons to Crystal Lake, McHenry and Huntley were also discussed, although those communities have separate park and library districts. McHenry has recently lost several businesses to Johnsburg, and have some big vacancies in some of the north side retail areas.

John Buckley noted that the Route 47 situation is also not helping Woodstock right now, though once the expansion is complete, it should help us. The current timeline on the project is 2-3 years, though phase three requires land acquisition and right now IDOT is caught in the same state budget quandary as everyone else. The Route 14 project is far enough along that the current budget impasse shouldn't be too impactful, and Joe Napolitano feels the Route 14 project will benefit Woodstock more than the Route 47 work.

Rick Francois asked about happening on Old Capitol Creek. Joe Napolitano noted they've looked at various annexation agreements, but there are some impact fee hindrances. Developers are mostly looking at sites that already have infrastructure in place right now. Rick Francois asked about permit fees and Joe Napolitano noted it is really the impact fees that are the issue. John Buckley suggested examining impact fees and other fees as part of the tax reduction strategy. Rick Francois agreed. Joe Napolitano noted there is a deferred payment program in place, where they don't have to pay the fees up front but only after the house is sold.

John Buckley asked if the commission was in a position to refer ways to adjust taxes to the city council. Rick Francois said yes, and that the commission also does research. One strategy is to grow EAV. John Buckley asked if the tax discussion would be added to the plan at a later date and Rick Francois suggested Joe Napolitano add the language to Initiative 3 before it goes to council. Motion to add the appropriate tax, fee and infrastructure language to the Economic Development Plan made by John Buckley, seconded by Ryan O'Connor. Motion carried.

COMMISSION COMMENTS/UPDATES

Economic Development staff report. Great Lakes Credit Union is moving into the former Swanky Spa building. Munch is moving to the Off the Rails space. Wolfe Distributing is moving to the former Quincy building and anticipates moving 70 employees by end of year. Catalant is continuing their upgrades. 217 Benton Street is doing upgrades to façade. The proposed winery has found their final investor, so the owner is moving forward with closing in September and beginning improvement on that facility. Flo-con is acquiring the former DB Hess building and is closing next week. They hope to be in there end of the year and hiring some new people. The downtown visitors guide has been updated in a format that is more easily updateable. Joe Napolitano will get it out to downtown businesses as it is a good marketing tool. Staff is trying to get the marketing materials more current.

The city is doing a downtown smoking survey. Benton Street would remain a smoking area for all the restaurants, though more receptacles might be needed. The survey and information are on the city's web page. John Buckley asked if other communities have banned smoking in open spaces. Joe Napolitano indicated some communities have banned it in parks. The current rule is no smoking within 15 feet of a public entrance. These types of bans are hard to enforce, but the hope is to get some good feedback from the survey and to ensure some smoking options for downtown visitors.

Joe Napolitano reported back on the Woodstock Art Walk events. Held the second Friday of each month, they feature a variety of entertainment and business stay open later. For October, they may be able to cross promote this with the trick-or-treating on the square.

Rick Francois asked about the downtown merchant meetings. Joe Napolitano indicated that staff are trying to coordinate activities and keep everyone abreast of what's going on in the square. The city is still the main driver of this effort, but they are trying to get downtown merchants to take the lead. There is a core group of 5-6 business owners and Joe is starting to see more positive energy with business owners.

The city has made an offer to Garrett Anderson to become the new ED Director. Garrett is currently working in Branson MO, and he is a very dynamic, open and welcoming person. He should start September 8, the date of the next Economic Development Commission meeting, so hopefully he can be there and introduce himself. Ryan O'Connor expressed appreciation for a well presented Economic Development Plan.

ADJOURN

Motion by Ryan O'Connor, second by John Buckley to adjourn to the next regular meeting of the Economic Development Commission on Tuesday, September 8th, 2015 at 8:00AM in the Council Chambers at City Hall. Ayes: Francois, Buckley, and O'Connor. Nays: None. Absentees: Hallenstein and Patel. Abstentions: None. Motion Carried. Meeting adjourned 9:20 a.m.

Respectfully Submitted

Amy Weber
Deputy City Clerk