



# **COUNTY OF KENDALL, ILLINOIS**

## **ECONOMIC DEVELOPMENT COMMITTEE**

**County Office Building  
County Board Rooms 209 & 210  
111 West Fox Street  
Yorkville, IL 60560**

**Friday, February 17, 2017 at 9:00 AM  
MEETING AGENDA**

- 1. Call to Order**
- 2. Roll Call**
- 3. Approval of Agenda**
- 4. Approval of January 20, 2017 Meeting Minutes**
- 5. New Business**
  - *Revolving Loan*
    - o *Approval: Recapture Strategy Modification*
- 6. Old Business**
  - *Revolving Loan*
    - o *Update: Pre-Applications*
    - o *Monthly Loan Statements*
  - *March 23, 2017: Chicago Regional Growth Initiative Bi-annual Meeting*
- 7. Chairman's Report**
- 8. Public Comment**
- 9. Executive Session**
- 10. Adjournment**



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# KENDALL COUNTY ECONOMIC DEVELOPMENT

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*Memorandum*

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*To:* Audra Hendrix, Economic Development Committee Chairwoman; Economic Development Committee  
*CC:* Jeff Wilkins, County Administrator  
*From:* Andrez Beltran, Economic Development and Special Projects Coordinator  
*Subject:* February 2017 Committee Report  
*Date:* 2//17/17

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Please find below the report for February 2017 on the items of Economic Development Committee.

*Revolving Fund Loans*

- *Approval: Recapture Strategy Modification*  
Staff is recommending approval adding a line to the Revolving Loan Fund Recapture strategy exempting loans made to municipalities for economic development purposes. This is due to the relative low-risk of the loans if given to municipalities directly.
- *Review: Monthly Statements*  
The current Revolving Fund Loan Reports are from January 1, 2017 to January 31, 2017. All current payments are in for the month. Current available loan amount is approximately \$1.7 million.
- *Update: Pre-applications*  
There is the possibility of a new large loan in the local communities. This loan could be to a municipality if the Recapture agreement is modified.

*March 23, 2017: Chicago Regional Growth Initiative Bi-annual Meeting*

On March 23, 2017 from 8:30 a.m. to 12:00 p.m. Kendall County will host the Chicago Regional Growth Initiative Bi-annual meeting. The location is to be Whitetail Ridge Golf Club located at 7671 Clubhouse Dr, Yorkville, IL 60560. ComEd is the sponsor for the event. More information will be forthcoming as soon as available.

# KENDALL COUNTY ILLINOIS

## Economic Development Committee

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Meeting Minutes  
Friday, January 20, 2017

### Call to Order

The meeting was called to order by Chairwoman Audra Hendrix at 8:30 a.m.

### Roll Call

Committee Members Present: Chairwoman Audra Hendrix, Matt Kellogg, Lynn Cullick,  
Committee Members Absent: Scott Gryder, Elizabeth Flowers

Staff Present: Andrez Beltran, Economic Development and Special Projects Coordinator; Jeff Wilkins, County Administrator

Members of the Public: James Manfre and Priscilla Liberatore, owners of Lucky's Beef N Dogs; Charlene Columbre-Fiore, Montgomery Economic Development Corporation Executive Director; Corinna Cole, Village of Oswego Economic Development Director; Lynn Dubajic, United City of Yorkville Economic Development Consultant and Executive Director of DLK, Inc; Rich Healy, Executive Director of Plano Economic Development Corporation.

**Approval of Agenda** – Ms. Cullick made the motion to approve the agenda with that amendment. It was seconded by Mr. Kellogg. **Approved 3-0.**

**Approval of Meeting Minutes** – Mr. Kellogg made a motion to approve the meeting minutes from the June 22, 2016 meeting. Seconded by Ms. Cullick. **Approved 3-0.**

### New Business

#### *Set 2017-2018 Meeting Schedule*

After discussion by the Committee, the regular meeting time was set for the third Friday of every month at 9:00 a.m.

#### *Revolving Loan*

- *Approval to Apply: Lucky's Beef and Dogs*

Mr. Beltran stated the loan was looking \$25,000. He continued that staff recommended moving to the Application stage. He invited Mr. Manfre to speak.

Mr. Manfre stated they are looking at the Old Pizza Hut on Douglas Road. He believes that there is an opportunity for a hot dog/ beef restaurant in Montgomery. He stated they would offer specialty items and a limited selection of alcohol and video gaming room. That would be separate. He stated in addition, there would be an area for children's games. He continued that the loan money would be used mostly for working capital like salary and inventory.

The Committee asked Mt. Manfre about his business plan including delivery, table space, and marketing. Mr. Manfre stated they are focusing on getting started before expanding more. In addition, the Committee about community involvement. Mr. Manfre answered

# KENDALL COUNTY ILLINOIS

## Economic Development Committee

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he is looking at getting involved in the community events and possible sponsorships.

Ms. Cullick made the motion to approve. Mr. Kellogg seconded. **Approved 3-0.**

- *Approval to Sign: Revolving Loan Fund Notice*

Mr. Beltran stated after reviewing Federal statutes, the Illinois Department of Commerce and Economic Opportunity have informed the County that the Revolving Fund Loan is no longer capitalized. This means the funds are the County's to do as they wish. They need the County Board Chairman's signature to close out the account on their part.

Mr. Kellogg made the motion to approve. Ms. Cullick seconded. **Approved 3-0.**

- *Discussion: Revolving Loan Fund money*

Mr. Beltran stated that there is a number of ways to use the funds in light of new flexibility and using it to leveraging private sector dollars.

The Committee agreed that the money should maintain the funds for economic development. In addition, structure for using the funds either as the County or in another organization with certain requirements. However, the Committee stressed that retaining the funds for loans was important.

Local municipality economic developers also spoke on the topic. Options presented were using the funds for financial leveraging on private loans, separating the funds to target different programs, but emphasized keeping the Revolving Loan Funds for loans in some part, at least.

- *Discussion: Revolving Loan Fund process*

- *Custard Cup Pay Off*

Mr. Beltran stated that the process was included in the packet. Mr. Beltran gave a brief overview of the process. Chairwoman Hendrix asked the Committee to review it and offer suggestions.

Mr. Beltran also stated Custard Cup was paid in full.

- *Update: Pre-Applications*

Mr. Beltran stated he had interest from a long time business in the community looking for funds to renovate. The company did not get back to him, but he will keep the Committee informed.

- *Review: Monthly Loan Statements*

Mr. Beltran stated the current Revolving Fund Loan Reports are from December 1, 2016 to December 31, 2016. All current payments are in for the month. Current available loan amount is approximately \$1.7 million.

# KENDALL COUNTY ILLINOIS

## Economic Development Committee

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### *Quarterly Reports*

- *Update: Economic Indicator Dashboard*  
Mr. Beltran stated the Economic Indicator Dashboard for 2016Q4 is located in the packet. The dashboard contains little significant change as the economy continues a slow recovery with unemployment hovering around 5%. Mr. Beltran noted that the website giving the Chicago Region Home Price Index website was down so there was no value.
- *Update: 2016Q4 Strategic Goals Action Items Report Card*  
Mr. Beltran stated that they have met most of the goals for the quarter, but that some are continued into the next quarter and year.

### *Review: 2016 Strategic Plan and Goals*

Mr. Beltran stated a year-end report for the Economic Development 2016 Strategic Plan is included in the packet. Overall, 58% of items were completed, with another 18% in progress.

### *March 23, 2017: Chicago Regional Growth Initiative Bi-annual Meeting*

Mr. Wilkins stated on March 23. Kendall County will host the Chicago Regional Growth Initiative Bi-annual meeting. Current location is to be determined. Tentative agenda includes creation of a regional group. Mr. Wilkins stated that they have met success on some goals already. However, most counties cannot have more resources to put behind the effort. Mr. Wilkins finished by saying they may be looking at a modest amount from the County.

### *Discussion: Caterpillar*

Mr. Wilkins stated that the County drafted and sent letters asking for reconsideration, but if not, to partner with the County and local economic development personnel to help plan for the future. This includes redevelopment of the site, and job fair for dislocated workers.

**Old Business** - None

**Chairwoman's Report** - None

**Public Comment** - None

**Executive Session** - None

**Adjournment**

With no further business to discuss, Ms. Cullick moved to adjourn. The motion was seconded by Mr. Kellogg. There being no objection, the Economic Development Committee at 9:51 a.m., adjourned.

Respectfully Submitted,

Andrez P. Beltran  
Economic Development and Special Projects Coordinator

**COUNTY OF KENDALL**  
**REVOLVING FUND PROGRAM**  
**RECAPTURE STRATEGY**



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*Revised: February 2017*

# KENDALL COUNTY RF RECAPTURE STRATEGY

## A. Revolving Fund Goals and Objectives

1. Stimulate economic growth in the County of Kendall, Illinois, by assisting with the retention and growth of the existing industrial and commercial base, providing needed equity to new start-up businesses, encouraging the development of minority and female owned businesses and providing an incentive for established businesses to relocate to the County of Kendall.
2. Assist new or existing Kendall County businesses to create and retain jobs.
3. Ensure that jobs are created or retained by business applicants benefit a minimum of 51% low-to-moderate income persons in the area.
4. Increase the County of Kendall property tax and sales base.
5. Provide businesses with the opportunity to expand.
6. Encourage and leverage loans to businesses by area private financial institutions.

## B. Revolving Fund Strategy

1. Eligible use of funds
  - a. Site development/infrastructure extension costs.
  - b. Construction of new facility or additions.
  - c. Renovation of existing facilities.
  - d. Leasehold improvements.
  - e. Purchase of new or used machinery or equipment.
  - f. Working Capital
  - g. For every **\$15,000 of revolving funds provided, one full time equivalent (FTE) job should be created or retained, 51% of which must be given to individuals from low-to-moderate income households in the area.** (FTE jobs are positions consisting of a minimum of 1,950 hours worked per year).
  - h. Kendall County participation shall not exceed 30% of available RF funds or \$750,000, whichever is higher, and **shall not exceed 50% of total project financing.**
  - i. Projects of a speculative nature are ineligible for funding.
2. The geographic area served by the fund will be within the boundaries of the County of Kendall.
3. The funds will be targeted to assist existing industrial and commercial base, start up businesses, female and minority owned firms and established businesses that will relocated to Kendall County, Illinois, on a first come, first serve basis as the County of Kendall expects to receive more applicants than available funding will cover.

Applications that demonstrate the greatest potential for job creation and meeting the goals and objectives of the fund will be given the highest priority.

4. Applications will be generated by:
  - a. Sending RF information to the County's existing businesses.
  - b. Including RF information in the County's marketing package.
  - c. Provide information to municipal economic development commissions and area chamber of commerce associations to be included in their marketing information.
  - d. Staff participation in business related seminars, workshops or meetings held in the County.
  - e. Provide RF information to local chapter of NAACP, Urban League and other organizations representing minority groups and offer to speak at meetings periodically.
  - f. Provide information to area women's associations and service organizations.
  - g. Publicize approved loan projects by sending news releases to area media and holding ribbon cuttings and ground breaking ceremonies to encourage media coverage.
  - h. Area lending institutions will be provided with information about the RF and asked to inform potential borrowers of fund availability.

### **C. RF Management Plan**

1. The County of Kendall shall appoint Kendall County Board members to the Kendall County Economic Development Commission. As needed, the Business Loan Review Committee shall consist of the Kendall County Economic Development Commission, State's Attorney, County Economic Development Director, County Treasurer and an experienced area financial institution lender. The committee shall review all applications to the revolving fund after the County Economic Development Director and a local financial institution lender have packaged the application and it is referred to the Kendall County Economic Development Commission. The Commission will meet with the applicant, meet with the representative of the participating lending institution, visit the site if necessary, negotiate terms, length, and security of loans and ensure compliance with the RF goals and objectives. A recommendation will be prepared for the County Board's review for approval or denial which will include a description of the project, project costs, and source of funds, security required, special conditions, and reasons for approval or denial. All other application information is kept confidential. The County Board will formally approve or deny the application.
2. The RF will be staffed by the County's Economic Development Director, State's Attorney and County Treasurer.
3. The loan documents, including commitment agreements, liens, title policies, security recordings, transfer tax declarations, amortization schedules and security releases, shall be obtained and completed by the State's Attorney. The County Treasurer and Economic Development Director shall monitor repayments of the loan, job creation



and/or retention reports required to be provided semi-annually until commitment is met, monitor other special conditions required by the loan and submit semi-annual reports on the status of the RF to the Department of Commerce and Economic Opportunity.

4. Delinquent Loans: When an RF payment becomes 10 days past due, the fund administrator will place a telephone call to the borrower and request payment. At 30 days past due the County will send a formal letter requesting payment. Should the payment become 45 days past due the matter will be turned over to the State's Attorney to pursue. All legal rights will be exercised by the county to reclaim funds. The County State's Attorney will be consulted during foreclosure and liquidation proceedings if events warrant.

#### **D. Assurances**

1. Not more than 10 percent of the annual revenue to the RF will be used for administration of the RF fund. Administrative expenses will be documented via receipts, bills, invoices, etc.
2. Assistance provided from the RF will result in at least 51 percent benefit to low-to-moderate income persons and these benefits will be documented by utilizing Job Training Partnership Act (JTPA) service providers, Illinois Employment and Training Centers, Workforce Investment Boards or the employee certification forms found in the RF handbook.
3. The County of Kendall agrees to report semi-annually on the status of the RF to the Department of Commerce and Economic Opportunity.
4. Any changes to the recapture strategy will be submitted to the Department of Commerce and Economic Opportunity.
5. The grantee shall agree to pursue legal remedy to recover delinquent loans. Legal action shall include that authorized by federal and state law, including, but not limited to, efforts to collect and pursue the interests of the RF through bankruptcy court.
6. A minimum leverage ratio of \$1 non-CDAP funds to \$1 CDAP RF funds must be obtained for each project. RF funds may not comprise more than 50% of the financing for any project.
7. The grantee shall assure that environmental reviews will be completed for each project funded, as well as prevailing wages paid if applicable.

#### **E. Exemptions**

1. Loan to local municipalities for economic development purposes are exempt from this Recapture Strategy.

REVOLVING FUND SEMIANNUAL REPORT FORM

Report Period: **January-June 2016**

Local Government: Kendall County

II. Financial Assistance made from the Revolving fund (RF):

	Date of Project	Borrower	Project Cost		Total Amount to be Recaptured		Total Amount Recaptured to Date		Project Status	Date of last Pmt	Settlement Amount	Job Creation "C"/ Retention "R"				
			RF Project Amount	Non RF Project Amount	Principal	Interest	Principal	Interest				Total Jobs "C"	Total Jobs "R"	LMI Jobs "C"	LMI Jobs "R"	
1	Dec-88	Aurora Cord & Cable	\$ 100,000.00		\$ 100,000.00	\$ 18,725.00	\$ 100,000.00	\$ 21,267.00	PIF	Sep-99						
2	May-89	City of Plano	\$ 75,000.00	\$ 100,000.00	\$ 75,000.00	\$ 14,044.00	\$ 75,000.00	\$ 14,044.00	PIF	Dec-95						
3	Apr-93	Tri-R Corp	\$ 50,000.00	\$ 1,030,000.00	\$ 50,000.00	\$ 10,854.00	\$ 50,000.00	\$ 5,620.00	PIF	Jul-95		0	6	0	6	
4	Jan-94	City of Yorkville	\$ 700,000.00	\$ 1,300,000.00	\$ 700,000.00	\$ 232,572.00	\$ 700,000.00	\$ 247,595.00	PIF	Feb-04						
5	Aug-94	Boytor Enterprises	\$ 70,000.00	\$ 690,000.00	\$ 70,000.00	\$ 14,496.00	\$ 70,000.00	\$ 6,407.00	PIF	Mar-98		10	0	10	0	
6	Oct-94	Ground Effects	\$ 57,072.00	\$ 92,000.00	\$ 57,072.00	\$ 11,819.00	\$ 57,072.00	\$ 11,780.77	PIF	Sep-04		8	0	8	0	
7	Feb-95	National Tractor Parts	\$ 195,000.00	\$ 557,200.00	\$ 195,000.00	\$ 73,747.00	\$ 195,000.00	\$ 73,921.89	PIF	Jan-04		5	20	5	20	
8	Sep-95	City of Plano II	\$ 500,000.00	\$ 890,000.00	\$ 500,000.00	\$ 136,939.00	\$ 500,000.00	\$ 141,792.15	PIF	Oct-05						
9	Dec-95	Accurate Enterprises	\$ 150,000.00	\$ 400,000.00	\$ 150,000.00	\$ 37,103.00	\$ 150,000.00	\$ 40,848.00	PIF	Jul-03		15	0	12	0	
10	Sep-96	Super 8	\$ 20,000.00	\$ 60,000.00	\$ 20,000.00	\$ 2,988.00	\$ 20,000.00	\$ 309.00	PIF	Nov-96		9	0	5	0	
11	Apr-99	Miro Mold	\$ 130,000.00	\$ 1,209,000.00	\$ 130,000.00	\$ 39,301.00	\$ 130,000.00	\$ 24,629.26	PIF	Oct-02		5	0	3	0	
12	Dec-00	All Season Rental	\$ 50,000.00	\$ 135,000.00	\$ 50,000.00	\$ 11,356.00	\$ 50,000.00	\$ 2,680.00	PIF	Sep-13		7	0	7	0	
13	Mar-06	Humidors by AROL	\$ 75,000.00	\$ 350,000.00	\$ 75,000.00	\$ 26,052.00	\$ 8,496.49	\$ 6,770.34	BC	Jan-08	0.00	5	0	3	0	
14	May-06	Custard Cup	\$ 95,000.00	\$ 100,000.00	\$ 95,000.00	\$ 35,787.31	\$ 86,663.30	\$ 33,112.51	C	Jun-16		7	0	4	0	
15	Nov-08	WB Holdings	\$ 750,000.00	\$ 13,700,000.00	\$ 750,000.00	\$ 350,241.00	\$ -	\$ 62,312.50	BC	Oct-11	7500.00	56	0	39	0	
16	Jul-11	Can Man	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 1,502.39	\$ 20,000.00	\$ 1,502.39	PIF	Feb-16		0	2	0	2	
17	Feb-15	Law Offices Corporation	\$ 120,000.00	\$ 120,000.00	\$ 120,000.00	\$ 19,423.64	\$ 5,177.34	\$ 1,771.26	C	Jun-16		0	0	0	0	
18	Sep-15	Dearborn Café	\$ 80,000.00	\$ 211,000.00	\$ 80,000.00	\$ 6,093.84	\$ 9,819.86	\$ 1,454.37	C	Jun-16		7	0	7	0	
19	Sep-15	Civilian Force Arms	\$ 90,000.00	\$ 400,000.00	\$ 90,000.00	\$ 6,791.14	\$ 15,539.44	\$ 2,205.65	C	Jun-16		12	3	12	3	
<b>TOTALS</b>			<b>\$3,327,072.00</b>	<b>\$21,364,200.00</b>	<b>\$3,327,072.00</b>	<b>\$1,049,835.32</b>	<b>\$2,242,768.43</b>	<b>\$700,023.09</b>			<b>\$7,500.00</b>	<b>146</b>	<b>31</b>	<b>115</b>	<b>31</b>	

**Add additional rows if necessary.**

To Add additional rows:

Highlight the number of rows you want to insert. Be sure NOT to include the Totals row

Click on Insert, Rows

You will need to renumber the row.

Click in the cell with the last correct number

Place the cursor in the lower right corner of that cell until it looks like a black cross

Hold the left mouse button down and drag to the last line above the Totals row

Continue entering data

Account Name	Note Date Mty Date	A		B		C		D	E
		Principal Mnthly Payment	Interest	Total Overall Principal	Paid For Interest	Loan Balance Last Payment	Interest on Bank Accounts	Bank Balance	
Surplus - EDC BB #815-535							420,443.80	1,602,200.06	
Law Office Corporation MSB #150038 ** schedule includes the \$450.56	3/11/2015	450.56 120,000.00 579.05	1.50%	8,173.49	2,768.46	112,217.07	1.00	11,002.95	
CIVILIAN FORCE ARMS SBI# 3171	8/6/2015	90,000.00 1,613.19	2.90%	22,740.38	3,070.66	67,259.62	10.48	25,821.22	
Dearborn Café FNB #2920	8/9/2015	80,000.00 1,024.93	2.10%	16,167.91	2,280.83	63,832.09	6.49	18,455.25	
the Custard Cup YNB 405-582 CLOSED FNB 6601-520 8/24/10	5/17/2006 5/17/2016 addtl principle 9 PMTS	599.64 95,000.00 1,066.66 1,376.44	6.25%	95,000.00	35,787.31	(0.01)	1,790.21	131,625.71	
		385,390.55		142,081.78	43,907.26	243,308.77	422,251.98	1,789,105.19	
								AVAILABLE TO LOAN	
<u>Total Assets</u>								2,032,413.96	
								BANK BALANCE PLUS LOAN BALANCE	

A-B=D  
 D+E+Total Assets

Column E	\$1,789,105.19
Tap 10 - _____	\$1,789,105.19
Gr. Admin.	0