

**COUNTY OF KENDALL, ILLINOIS
ECONOMIC DEVELOPMENT COMMITTEE**

**County Office Building
County Board Room 210
111 West Fox Street
Yorkville, IL 60560**



**Friday, January 31, 2020 at 9:00a.m.
MEETING AGENDA**

- 1. Call to Order**
- 2. Roll Call – Audra Hendrix (Chair), Scott Gryder (Vice Chair), Amy Cesich, Matthew Prochaska, Robyn Vickers**
- 3. Approval of Agenda**
- 4. Approval of November 22, 2019 Meeting Minutes**
- 5. Committee Business**
 - *Discussion of Economic Development Services RFQ*
 - *Discussion of Yorkville Comp Plan Updates & Kendall County LRMP*
 - *Discussion of Microlending*
 - *Discussion of Scholarships and or Grants*
- 6. Updates and Reports**
- 7. Chair's Report**
- 8. Public Comment**
- 9. Executive Session**
- 10. Adjournment**

If special accommodations or arrangements are needed to attend this County meeting, please contact the Administration Office at (630) 553-4171, a minimum of 24-hours prior to the meeting time

COUNTY OF KENDALL, ILLINOIS
Economic Development Committee

Meeting Minutes
Friday, November 22, 2019

Call to Order

The meeting was called to order by Chair Audra Hendrix at 9:04a.m.

Roll Call

Attendee	Status	Arrived	Left Meeting
Amy Cesich	Present		
Scott Gryder	ABSENT		
Audra Hendrix	Here		
Matthew Prochaska	Here		
Robyn Vickers	Here		

Others Present: Scott Koepfel

Approval of Agenda – Member Cesich made a motion to approve the agenda, second by Member Prochaska. **With four members voting aye, the motion was approved.**

Approval of October 25, 2019 Meeting Minutes – Member Cesich made a motion to approve the October 25, 2019 meeting minutes, second by Member Prochaska. **With four members voting aye, the motion carried by a vote of 4-0.**

Committee Business

- ***Discussion of RFQ for Economic Development Services*** –Discussion on the RFQ, necessary qualifications, salary, funding source, and exactly what the individual or firm would be expected to do. Member Hendrix stated she wanted to see more aggressive contact and proactive recruiting of businesses to locate or expand in Kendall County. Discussion on the Project Scope of Services and the professional services expected for the County.

There was consensus by the committee to authorize Mr. Koepfel to post the position, with a deadline of January 17, 2020. The Committee agreed that Mr. Koepfel and Member Hendrix would review applications and determine the top three candidates for interviews at the January 31, 2020 Economic Development Committee meeting, and then forward the top candidate to the County Board for approval in February.

Member Hendrix made a motion to proceed with the RFQ to hire an individual or firm to create an Economic Development Corporation, second by Member Cesich. **With four members present voting aye, the motion carried by a vote of 4-0.**

COUNTY OF KENDALL, ILLINOIS
Economic Development Committee

Updates and Reports – Economic Development Commission Loan Status written report for September 2019 provided.

Chairs Report – No report

Items for the County Board - None

Items for the Committee of the Whole Meeting - None

Public Comment – None

Executive Committee – Not needed

Adjournment - Member Prochaska made a motion to adjourn, second by Member Cesich. There being no objection, the Economic Development Committee meeting was adjourned at 9:30a.m.

Respectfully submitted,

Valarie McClain

Administrative Assistant and Recording Secretary

Microlending Sparks Hope and Renewal in Rochester, N.Y.

BY: [David Kidd](#) | January 7, 2020

Rochester, N.Y., used to be a company town. The city's robust economy was driven by its largest employers: Kodak, Xerox and Bausch + Lomb. Kodak Tower dominated the Rochester skyline for more than 50 years until Xerox Tower took the crown of tallest building in 1967. Today the Kodak Tower is still the company's headquarters, but its employees fill less than half the space inside. Xerox Tower was vacated last year when its remaining workforce was relocated to the nearby town of Webster.

With an economy dominated for years by a few big companies, the city was slow to adapt its policies to the new reality. "We had lots of incentives for large business and for manufacturing," says Alex Yudelson, chief of staff for the city. "That was sort of the way our economic development strategy was oriented." But not anymore.

Starting her seventh year in office, Rochester Mayor Lovely Warren likes to say, "We're no longer a company town. We're a town of companies." She has introduced several initiatives designed to help established and aspiring small-business owners, especially in communities traditionally underserved or left behind. In 2016, Rochester partnered with San Francisco-based Kiva, the world's largest crowdfunded microlender, as part of the city's efforts to encourage small business growth.

Kiva was started in 2005 to facilitate lending via the Internet to low-income entrepreneurs in third-world countries. Supported by grants, donations, corporations, institutions and volunteers, the nonprofit lender offers small, zero-interest loans to people unlikely to have access to banks. Today, Kiva partners with several cities in the U.S. including Detroit and Pittsburgh. Kiva loans range from hundreds of dollars to \$10,000, payable in one to three years at zero interest. Borrowers are guided through a process that begins with a certain number of \$25 commitments from friends and family before their pitch goes out to the Kiva universe of potential lenders.

Since the Great Recession, nonprofit microlending (also known as microfinancing) has expanded exponentially, making money available to start-ups and small business owners shunned by reluctant banks. [NerdWallet](#) lists 13 nonprofit microlenders operating in the U.S. that offer loans of less than \$50,000 to startups and small businesses.

The lenders vary in size, scope and financial business model. With offices in 15 cities, microlender Grameen America has been making small loans to women who live below the poverty line since 2008. Many jurisdictions work to connect borrowers with willing lenders. The city of Chicago's website lists a half-dozen providers willing to lend \$500 to \$100,000 to small businesses. Of those, Kiva is the only one offering zero-interest loans.

Amy Ventura had been making loans through Kiva long before Rochester's partnership with the program. Since 2009 she has made 19 loans in seven countries. But now that she is Kiva Rochester's administrator, "I like to loan to people that we work with." Ventura is happy to share the program's statistical success in her city. Seventy percent of borrowers are people of color and half are women. Applicants' median income is \$35,000 and their average credit score is a low 576. "When we launched the program, the idea was that there aren't a lot of resources for low-income business owners," she says. "They don't have credit histories that would allow them to just walk into a bank and get a small business loan."

Ventura is optimistic about the program's future. "We've had 20 of our loans fully repaid since we started," she says. "Of the people who have repaid, over half of them have come back for a new loan." Rochester's Kiva borrowers come from diverse backgrounds, and each one has a unique startup goal. Collectively, they are a testament to the impact a small loan can have on a small business and the larger community. *Governing* profiled six borrowers. Here are their stories:

The Spiritual Media Programmer

Clad wrist to ankle in maroon with her blond hair wound into two tight braids, Liza Savage-Katz leans forward from a sitting position on the floor. Both of her hands extend out beyond the toes of her outstretched right foot, the left foot tucked under her torso. Along the opposite wall, four students try their best to mimic her pose, with varying degrees of success.

Having studied graphic design and illustration at the Rochester Institute of Technology, Savage-Katz left for London in 1993 to pursue a career in advertising. There, she worked on a number of big-name accounts until becoming gradually disillusioned with her chosen path. "I just got sick and tired of making people feel bad, to buy products and services they don't need," she says now. So, she took a year off to travel the world, studying yoga along the way and eventually ending up in Los Angeles.

Her time in California was a frenzy of activity and upheaval. She took a number of jobs including fitness instructor and documentary filmmaker as well as contributing her talents to "spiritual media programming" and design work. But basically, she was earning a living as a yoga instructor. In time, a difficult divorce left her and her child "basically homeless." If not for the kindness of friends, family and her synagogue, they would have ended up on the street. But, "I always land on my feet," she says.

Savage-Katz and her son returned to Rochester six years ago where she took jobs at a number of yoga studios and reconnected to the university through the alumni association. Knowing that she was struggling with her financial life and the pressures of being a single mom, one of Savage-Katz's yoga students encouraged her to seek a Kiva loan. "I had 10 different business ventures that I was exploring, and he helped me find a path to follow," she says. "I wasn't making a living wage."

With a \$10,000 loan in hand, Savage-Katz funded the daily yoga class she calls Morning Practice. She used the funds to secure space at a local studio, buy needed equipment and pay for advertising. "My goal was to raise awareness about yoga to people in the city that might not have the means to go to practice," she says. "Where I have the yoga practice is just a wonderful studio. It's an art gallery in addition to being a cooperative yoga studio."

At peace when posing, Savage-Katz displays a boundless, almost frenetic energy when discussing her plans for the future. In order to be a full-time grad student at the university, she has cut back her yoga classes to twice a week. But she also teaches at the college of art and design and new media. "I love it. I love teaching," she says. "There's a lot of talent here at this school."

The Self-Taught Engineer

Jesse Hughson sits at his workspace, nearly surrounded by the tools of his trade. There are seven swing lamps, three monitors, tangles of multi-colored wire, scattered tools, stacks of paper, a soldering iron and innumerable little plastic drawers filled with who-knows-what, all spread out over a U-shaped makeshift desk. A keyboard rests on a span made of cardboard.

Hughson's company, Skillhoarder, does prototyping, product development and small batch manufacturing. The son of a machinist, Hughson enjoys figuring out how to make things. "I came up with the name Skillhoarder to describe what I do because I don't know a job title that really works," he says. "I'm not an engineer. I'm self-taught in everything that I do, so I can't legally say that I'm doing engineering."

Skillhoarder employs a half dozen part-timers to do programming, production work and videography, plus an office manager who holds it all together. "I've had several different businesses along the way," Hughson says. But his business and his life took an unexpected turn when he saw a video of someone using a Cyr wheel, a large metal ring often used by circus performers, dancers and acrobats.

"I thought it was the coolest, most amazing type of performance that I'd ever seen," Hughson says. "I kind of fell in love with it and wanted to learn how to perform and spin around in the Cyr wheel myself." But a wheel was far more than he could afford, so he put his dream on hold while tending to his work. "It took me a couple years to get around to actually building one of my own," he says. "As soon as I built one for myself, people started asking if I could build one for them." Long-standing friendships with performers and circus artists proved invaluable. Within a week of building his own, Jesse had his first order, with more coming in every week after that.

Skillhoarder builds its wheels under the brand name Cyrcraft. The wheel's frame is aluminum with steel couplers. Weighing as much as 45 pounds, they are easily disassembled into five pieces and stowed in a carry-on duffel bag. Fancy versions come with LED lights. With a big and growing market, orders come from around the world. Cirque du Soleil is a customer.

But this would not have been possible without a sophisticated piece of milling machinery that makes standardized parts possible. "We can build parts within tolerances in ways that we could not without that machine," says Hughson. At the suggestion of his wife, he attended a monthly Kiva presentation and soon after a milling machine became available. "The machine that I wanted went for sale at a price that I could afford with the Kiva loan. So, I jumped on it."

The One-Man Gourmet Burger Stand

Asked to recommend a selection from his chalkboard menu, Zaaqi "Zoc" Johnson, owner of Zoc's Gourmet Burgers and Shakes, has a ready answer. "I would suggest the Astro Burger; that's the most popular. It comes with bacon, pickled jalapeno, jalapeno American cheese, sweet glaze and an onion ring." Zoc's Gourmet is run out of a modest two-story white wood-frame house built over 100 years ago. Except for a simple "Zoc's Gourmet" sign over the front door, it could easily be mistaken for someone's home.

Johnson is a new business owner but not new to the business. He put in time at other restaurants, including a four-star resort on the other side of town. At times holding down two jobs at once, he felt overworked but was getting an education. "I was soaking up the game the whole time," he says. "I realized, 'Yes, I can do this myself.'"

Making the leap to his own business seemed like a natural next step. With help from his mother, Johnson talked to other business owners, researching the ins and outs of setting off on his own. "Once I got the information, I made my escape plan."

Zoc's Gourmet sold their first burger three years ago. With the help of savings and family, it got off the ground. But within months it became clear that more investment was needed if the restaurant was going to succeed. A \$10,000 Kiva loan paid for renovations and equipment.

Currently, Zoc's is a one-man operation. When he finishes his morning shopping by 9:00, Johnson heads directly to the restaurant to prep for opening at noon. Depending on the day, he is behind the counter until 10 at night. But the effort is paying off. Zoc's Gourmet has plenty of fans, and not just on Yelp and Facebook. A recent review in the Rochester *Democrat & Chronicle* was full of praise.

With his Kiva loan nearly paid off, Johnson is thinking about taking out another. And he hasn't ruled out moving to a new location. "I don't have parking. I don't have a bathroom for customers," he says. And the constant construction at the apartment building next door may be costing him business. But soon those apartments will be full of potential customers, in need of an Astro Burger.

The Specialty Apparel Students

As part of their graduate studies at the Rochester Institute of Technology, Brad Dunn and Kurtis Kracke worked with a team of students trying to make life better for multiple sclerosis patients. In talks with people at the local MS Society, they learned that a majority of patients are sensitive to high temperatures, putting them at risk of collapse. "Their neurological system just doesn't handle the stress of the heat," says Kurtis. Their goal was to create a garment that would keep body temperature low enough to allow MS patients to function when temperatures rise.

"We worked on it for two semesters as this huge team and we came up with a product and we thought it was pretty good," Kurtis says. "And then Brad and I graduated, and we didn't really know what to do with our lives now that we've gotten our fancy piece of paper." But before they could move on, an entrepreneurship program at RIT offered the two graduates \$3,000 for the summer to continue their work.

Instead of writing their resumes, they interviewed more people, instigating a complete redesign of their product, a light vest to be worn under clothing. Then they gave it out for people to try. "We were like, 'Holy cow, this is really neat, this is working,'" says Kracke, laughing. Their new company, ThermApparel, was born.

The ThermApparel vest weighs two pounds, sells for \$200 and comes in six sizes and two colors: white or black. "The actual thing that does the cooling is called a phase-change material," says Dunn, describing it as a nontoxic, biodegradable vegetable fat that freezes and melts at an engineered temperature. "We set ours to 70 degrees Fahrenheit, so that way it's not like putting ice up against your skin, but it's cold enough to help keep your core body temperature cool."

But they would need more than the one prototype if they were going to go any further. A local manufacturer agreed to produce a minimum order of 25 vests for \$10,000. "For two kids coming out of grad school with debt, \$10,000 was a tall order," says Kurtis. The manufacturing costs were not out of line. "They were being really generous with us and actually helping us out a lot because they really believed in the product," he says. "It wasn't just a product for making money."

Dunn and Kracke had been attending bootcamps for entrepreneurs, trying to pick up as much information about running a business as they could. It was at one of these bootcamps that they heard about Kiva. Being a brand-new

business, the most they could borrow was \$2,500. An additional bank loan and a grant from RIT got them to \$10,000, enough to pay for the first order.

After a number of good reviews and word of mouth, ThermApparel sales are growing steadily. The first year they sold 200 vests and 1,000 the year after that. This year they expect to sell at least 1,300 vests.

"It's been a business of sweat and tears and hard work," says Kracke. "I mean it's been two or three years of working eight hours here, then going to work another four or five hours when we get home." But the hard work is paying off. "The thing that's really incredible and I think the best, is the letters and notes we get from our customers, people that weren't able to go to their kid's wedding, but now they can."

The Upbeat Pastry Chef

On a recent Tuesday morning at Rochester's city-run Public Market, young businessman-baker Asad Muhammad is tending to a new customer at Taste of Supreme, featuring gluten-free vegan cookies, cakes and pies.

"Good morning!" he says, and gestures toward the bottom shelf of his display case. "This is the bean supreme custard pie. It's similar to pumpkin or sweet potato, but so much better. You want the big one?"

"No, my granddaughter wants to become vegan so I'm just going to try the little one, for her."

"It's a vegan crust, but they have a little dairy in them. You want to try two for five dollars?"

"No, just one."

Laughing, the woman turns to her friend. "I got Sophia a vegan pie!"

"It's a vegan crust. It has a little dairy."

"A vegan crust! We'll see how she likes it. She's crazy!" Everyone laughs.

He's made a sale and perhaps a repeat customer.

Perpetually upbeat and somehow serious at the same time, Muhammad has already been in business for nine years. "It's been a big part of my life!" After homeschooling and three years of high school, he studied business finance and accounting at the University of Rochester. "And along the way, I was still working on Taste of Supreme, Rochester's premier, authentic, delicious pastry!"

Muhammad knew early on that he wanted to be in business. Growing up, he spent a lot of time at home with his mother in the kitchen and his father included him in several of his sales jobs. "I sort of merged those two interests, the food and the passion for selling, and came up with Taste of Supreme Bakery," he says.

Vegan snickerdoodles, navy-bean pie and cheesecake supreme are just a few of the products Muhammad distributes to nearly a dozen locations around town and also offers online at tasteofsupreme.com. His one retail location is inside the Public Market. Hands wrapped in plastic and wearing a dress shirt and tie, he greets customers behind a wooden table with a glass display case to his left and a large stainless-steel refrigerator directly behind. It's a big step up from his former location in an outdoor market stall.

But coming in from the Rochester cold comes at a cost. It was his father who suggested the young baker investigate Rochester's micro loan program. The money Muhammad borrowed from Kiva made it possible to move indoors, which he credits with providing a more professional atmosphere. Comfortably ensconced within the market's newest building, he is just two installments away from paying off his \$10,000 loan.

Muhammad dreams of a central retail location in addition to his indoor spot at the market. He also expects to expand his distribution area "not just in Rochester but all throughout the east coast." If he needs to borrow in order to do those things, he may very well turn to Kiva a second time. But for now, there are customers to attend to.

The Therapeutic Hair Stylist

Assunta Conyers lost all of her hair. "I was very depressed and didn't know what was going on," she says. "So, I started researching why." Her search for answers led her to become a certified trichologist, someone who treats hair loss and associated problems with the scalp. Conyers' hair eventually grew back and she's ready now to help others with similar problems. With the help of Kiva Rochester, she just opened B. Renewed, her own salon on a busy boulevard west of town.

Until recently the 37-year-old single mom was working out of her house. Kids and the constant stress of a home-based business presented another problem. "There are certain things I cannot do at home. I can't do scalp treatments because OSHA will shut me down." Her last pregnancy kept her from seeing customers, so she turned to the Internet to make a living. More than 76,000 subscribers on YouTube watch her style hair. Some of her productions get over 3 million views. With 183 videos under her belt, viewers can follow along as Conyers demonstrates, "purple ombre passion bomb twists," and "how to add volume to your tapered TWA."

Conyers borrowed \$9,500 through Kiva Rochester. "It funded very fast. It happened like this," she says, snapping her fingers. Besides a one-year lease on the building, she was able to buy needed equipment as well. "I have a scalp analysis scope. I can see the client's scalp at 500 magnification."

The salon is a work in progress and there is still plenty to be done. Several of the walls are awash in purple, Conyers' signature color. Chairs, mirrors and her tools of the trade are in place along with a couple of professional photographer's light stands. At least one other stylist is present, renting booth space from Conyers by the week. A therapist will set up an office here next month. "I have clients that deal with depression because of the hair loss," Conyers says. The middle room will become a YouTube studio, which will rent by the hour.

She has made just two payments on her new loan. "I was scared at first," she says. "But I knew that my vision was going to fit. The plan now is to start making money."

This article was printed from: <https://www.governing.com/community/Microlending-Sparks-Hope-and-Renewal-In-Rochester-NY.html>