

## **Minutes of the CDAP Executive Sub-Committee Meeting**

The CDAP Executive Sub-Committee of the McLean County Board met on Tuesday, January 9, 2018 at 3:00 p.m. in Room 400, Government Center, 115 E. Washington Street, Bloomington, Illinois.

Members Present: Chairman Soeldner, Members Segobiano, Gordon, Erickson, Rankin and Dave Selzer

Members Absent:

Board Members Present: Chairman McIntyre, Members Schafer, Scritchlow, Wollrab, Robustelli, Metsker

Staff Present: Mr. Bill Wasson, County Administrator, Mr. Don Knapp, Assistant County Administrator; Ms. Jessica Woods First Assistant State's Attorney – Civil Division; Mr. Eric Schmitt, Administrative Services Director Ms. Julie Morlock, Recording Secretary;

Department Heads/  
Elected Officials Present: None

Others Present: None

Chairman Soeldner called to order a meeting of the CDAP Executive Sub-Committee at 3:00 p.m. and declared a quorum.

Chairman Soeldner presented the Minutes of the September 12, 2017 CDAP Executive Sub-Committee Meeting.

Motion by Rankin/Segobiano to recommend approval of the September 12, 2017 CDAP Executive Sub-Committee Meeting.  
Motion carried.

Chairman Soeldner confirmed with Staff that there were no appearances by the members of the public.

Mr. Soeldner stated they had one item on the Agenda, which is to consider for approval recommendations for CDAP Revolving Loan Program Funds. He stated that he hoped they would be able to come up with a consensus today to pass along to full Board.

Mr. Segobiano stated that a group approached Mr. McIntyre and himself about a program they wanted to bring to McLean County and a meeting had been set up for later this week. He stated that he felt McLean County would benefit from the continuation of a CDAP type of program to bring businesses and jobs to McLean County. He stated he is not in favor of

giving Illinois Wesleyan money as we are already giving money to the Economic Development Council.

Mr. Selzer stated that he had also spoken with a representative about the use of a loan program to bring jobs to the County. He stated he believes we can accomplish both revolving loan program and utilizing funds for other ideas. He stated that was why he proposed keep some money set aside for economic development. He stated he proposed the Small Business Development Center because 20% of the clients they serve are rural and felt that was something the Committee supported. Mr. Selzer stated that the third part of his memo was the grant writer, which was also something the Committee seemed to support.

Mr. Segobiano said he would support a grant writer as he considered that an important position to help maintain and sustain CDAP program and businesses in McLean County. He referenced an article that discussed small communities and business development. He said he felt the committee had a lot to do and that he did not want to rush through things.

Mr. Rankin agreed with several items mentioned in email from Mr. Selzer, but had some concern with number 3 which was to contribute money to the Small Business Development Center. He asked to discuss number 5, which was a part-time economic development position. Mr. Rankin asked if it would be realistic to find a part-time person to do rural economic development work. Mr. Wasson stated he would agree it might be difficult to find someone with expertise and knowledge in the rural economic development area that would work only part time. Mr. Wasson pointed out that Mr. Selzer suggested this position could work in relation to the Small Business Development Center, but stated that Staff would need to follow-up with SBDC on their needs. Mr. Rankin said he had always supported a grant writer and would like that the grant writer to work for the County since Bloomington and Normal have their own and seemed logical that the County would do the same. He asked if we had an idea of industry standards such as salary. Mr. Wasson said he could not remember salaries they had gathered before. Mr. Soeldner stated that if we shared with another organization we would not want them shifting gears throughout the day but would want them focused on community development.

Mr. Gordon pointed out that arrangements would have to be worked out if we did consider sharing an individual on a part-time basis and asked if Mr. Selzer saw negotiations on positions being handled by the Administration. Mr. Selzer agreed.

Mr. Soeldner asked Mr. Selzer about unencumbered numbers proposed in memo under item number 4. Mr. Selzer went over his thought process to set aside about 600,000 for a revolving loan program and the remaining funds could be utilized in the unencumbered fund balance to reduce taxpayer liability. Mr. Selzer asked Mr. Wasson to explain where the money is currently. Mr. Wasson stated that once the State removed restrictions and designation so that the funds could be used for anything, the funds were moved to the unencumbered fund balance. He stated that the County can utilize the funds for a loan program but the funds will not reside in a special fund. Mr. Gordon asked if there is any

prohibition against us creating special fund. Mr. Wasson stated that it would have to meet GASB requirements for what can be held in special funds and these funds are unrestricted and may not meet any of those requirements.

Mr. Segobiano stated that he was aware the restrictions were lifted, so we can spend the money by taking an Emergency appropriation to the Board but then the money will be spent and gone. He asked if we could write a resolution that would set aside funds. Mr. Wasson stated he felt they could pass a resolution setting up a revolving loan program with a process that requests up to a certain amount from the general unencumbered fund balance be loaned with the approval of the County Board for Economic Development purposes and have a pay-back provision. Mr. Gordon asked him to confirm that funds are in the general fund currently. Mr. Wasson confirmed. Mr. Gordon asked if this program would include interest rates, how the loans would be handled and repayment. Mr. Wasson confirmed. Mr. Rankin asked if that would be an enterprise fund. Mr. Wasson stated he was not sure it would be an enterprise fund. He provided example of the Employee Benefits Fund that is shown as a separate fund in the financial system, but consolidated in to general fund for reporting purposes to determine the County's financial capabilities.

Mr. Selzer pointed out that they could take a CDAP application tomorrow as the CDAP program is still in place, but it is technically unfunded as it is in the general fund. He stated that they could make changes to the program such as making funding for rural development but encouraged them to be careful with wording. Mr. Rankin stated that the CDAP fund was open to people in the County and would not like to limit to rural he stated as he felt the goal is to bring in business no matter where it is located in the County. He stated that many did not apply for the CDAP loan program before because the standards of the state were difficult. Mr. Wasson stated that because of the changes in economic dynamics after the great recession, interest rate levels and state restrictions made the program outdated. Mr. Segobiano also pointed out that there were fewer requests because we were the last resort as they had to exhaust other financial options and many were able to get loans through other financial institutions. Mr. Wasson stated that the program required regular financing for a large portion of the project and that the Board should consider that because it reduced risk of the loans. Mr. Soeldner asked if Mr. Selzer wanted to make his memo a motion.

There was discussion among the Committee about whether they would make several motions or if Administration should take suggestions and then come back with a draft Resolution for them to discuss and vote on. Mr. Gordon and Mr. Segobiano asked for clarification that points 1 and 2 of the memo would be handled separately from points 3, 4 and 5 of the memo. Mr. Selzer agreed. Mr. Rankin wanted to clarify that language in the Resolution would not limit loans to rural economic development as he would rather set priorities for loans in the rules for the loan and not in the resolution. Mr. Gordon asked for confirmation that draft Resolution could come back to CDAP Committee. Mr. Soeldner stated that was his understanding. Mr. Wasson stated they would be able to have draft

language by the County Board meeting if they would be available to meet next Tuesday. Committee agreed to meet after the County Board on Tuesday.

Motion by Selzer/Rankin motion to have staff draft resolution for a McLean County Revolving Loan Program with a maximum outstanding loan limit of \$600,000.

Motion Carried.

Mr. Soeldner asked what the Committee wanted to do regarding the remaining points of the memorandum. Mr. Gordon stated that he felt that 3 and 5 are linked and would rather consider those together rather than separately. He said that the part-time position might be related to Small Business Development Center and if we have a position that assists the Small Business Development Center then we are designating funds to them. Mr. Selzer also agreed that 3 and 5 are linked as felt the goal could be met by giving funds to the Center or a position through the County that will help people with business development. He stated he felt we should do more than loan money, be more well rounded and assist them with the entire process.

Mr. Rankin stated he would prefer we hire our own coordinator as he felt there was enough work and would give us greater control. Mr. Rankin and Mr. Segobiano stated they felt the position that would naturally coordinate with the other agencies in town including the Small Business Development Center in pursuit of our main goal to bring and sustain jobs in the County. Mr. Rankin stated he had some issues with part time and asked the Committee to consider making this a full-time position. He stated that maybe we do not return the full amount to the unencumbered fund balance, but consider it an investment in a person who is bringing jobs and money into the County. Mr. Selzer stated the County has recently gone through some reduction of staff and this could be an opportunity for a staff member that could wear dual hats. Mr. Segobiano stated that he felt we could start the position as part-time, get a report on progress and then increase the position as the needs grow. Mr. Selzer stated that he felt there are individuals in the area that would consider a part time job but would not consider a full-time job based on their situation. Mr. Rankin asked if this position would be housed under Administration. Mr. Wasson stated that was the previous understanding. Mr. Soeldner asked if anyone opposed position; no one was in opposition. Mr. Gordon said he would support an Economic Development Coordinator and agreed to suggestion that position start as part time. Mr. Rankin stated he felt that it would be hard to make this a full-time position if we set it as a part-time position in the beginning, but felt he would rather have something than nothing. Mr. Selzer stated we do not know what Bloomington or Normal's plans are for increasing or decreasing economic development staff. He said that he would like to give staff direction to look into this position and then have them come back to us with specifics. Mr. Rankin asked staff to give us both part time and full time position options. Mr. Wasson stated that they would put some information together but could not have this by next Tuesday.

Mr. Soeldner said he is not opposed to giving to the Small Business Development Center but would rather hold for a grant writer or this position. Mr. Selzer stated he was fine with


that decision but did encourage members to go and see the McLean County Small Business Development Center. Mr. Rankin asked if they still needed to meet about the Resolution right after County Board because he would rather wait until Staff has information on both items to meet.

Mr. McIntyre stated it is his recommendation they get something done by January 31<sup>st</sup>, but since they have made some progress, he would be willing to compromise on that. He hoped they would keep original grant idea in tact so we have that opportunity for economic development of small businesses and rural areas. He stated that he was not opposed to other position but cautioned that if you have funds dedicated to a position and want to see it as on going, you would have to make sure you continue to have funding for that position.

Mr. Soeldner asked if any other member presented wanted to speak on the topic. Ms. Wollrab suggested they would want to draft a job description because once they listed duties it might help them decide if this should be a full time or part-time position. She stated that if you are going out in to the communities to meet with people it could take more time than a part-time position would allow for.

Chairman Soeldner asked if there was anything further to come before the Committee; hearing nothing, he adjourned the meeting at 4:07 p.m.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Julie A. Morlock".

Julie Morlock  
Recording Secretary