
**PROCEEDINGS OF A SPECIAL WORK SESSION
OF THE CITY COUNCIL OF THE CITY OF PEKIN, ILLINOIS,
WITH THE ECONOMIC DEVELOPMENT ADVISORY COMMITTEE (EDAC)
HELD IN THE CITY HALL COUNCIL CHAMBERS
111 SOUTH CAPITOL STREET
ON WEDNESDAY, SEPTEMBER 2, 2009 AT 5:30 O'CLOCK P.M.
RUSTY L. DUNN * MAYOR * PRESIDING**

**PRESENT: COUNCIL MEMBERS: ABEL, BLANCHARD, STRAND, KORTKAMP,
SCHMIDGALL, BARRA, AND DUNN**

ABSENT: NONE

Council was properly notified and agenda posted for a special meeting of the Council on Monday, August 31, 2009.

The **Pledge of Allegiance** was led by Mayor Dunn.

Roll was called and all Council Members were present.

Agenda

Motion by Council Member Schmidgall, seconded by Council Member Abel that the **agenda be approved as presented**. On roll call vote, all voted Aye.

Communications, Petitions, Reports

PRESENTATION was made by the Economic Development Advisory Committee. The purpose of the work session was for Council to receive the Committee's report on economic development strategies and recommendations for incentives for development. Members of the EDAC, members of the City of Pekin staff, members of the press, and the public were present.

Council heard from the chairman and spokesperson for the presentation, Andy Sparks that the committee spent

- four months evaluating approaches to economic development.
- Six meetings
- Retreat
- Review of other community plans
- Drafting of several versions of Pekin development plan

A document "A Foundation for Pekin's Economic Prosperity" was submitted. The document explained the importance of placing a high priority on economic development, how an investment of city dollars would rebound to Pekin's benefit, suggested potential sources for that investment, provided illustrations of how the funds might be used to attract high quality development.

Though the City has assets required for economic development such as access to transportation, skilled labor, strong education, diverse business base, a safe community, the committee believed Pekin could take better advantage by establishing an investment fund. Member Frank Mackaman advised that having the funds available would supply the missing tool in Pekin's economic development toolbox. A PEDIF would set Pekin apart from other communities to improve the competitiveness. Council would have final say on a developer agreement and staff would have the authority to offer financial incentives.

The EDAC anticipated a variety of possible uses for the PEDIF:

- Revolving loans
- Location incentive
- Business plan gap insurance
- Economic development promotion
- Utility rebates

- Tax abatement refund
- Quality of life incentives

A recommendation was then made that the City commit \$2,000,000 to invest in economic development through the PEDIF. This number was based on “big box” retailers’ requirements to locate in communities. A proposal was made that the PEDIF be capitalized from General Fund investments. New retail development funded in part by PEDIF would replenish the investments. Instead of investing low-yielding certificates of deposit, the City would be investing in job producing, sales tax generating, local enterprises. A comparison of numbers to illustrate the potential return on investing in a “big box retailer” was given.

The committee and Council discussed investing in industrial development, giving the example of the unique advantages of the Riverway Business Park resources.

- Record success
- Existing Infrastructure
- Pricing below market rate of \$4.50 sq ft.
- Mixed use development (educational, federal, warehousing, light industrial)
- Uniquely configured business park

Council Member Chad Schmidgall left the meeting at 6:15 p.m.

The committee strongly encouraged, and the Council fully supported, that the City commit the specific dollar amount for economic development initiatives and that the proposal be placed on the next Council agenda in order to send the message that Council was moving forward with the recommendation.

EXECUTIVE SESSION

Motion by Council Member Blanchard, seconded by Council Member Abel, that **Council move to Executive Session** at 6:40 p.m. to discuss 5 ILCS 120/2 (c.) 2. Collective negotiating matters between the public body and its employees or their representatives, or deliberations concerning salary schedules for one or more classes of employees. On roll call vote, all present voted Aye. Council Member Schmidgall was absent.

No further business to come before the Council, in open session, Mayor Dunn declared the meeting adjourned.

COUNCIL ADJOURNED AT 7:10 P.M.

Sue E. McMillan
City Clerk