

# ROCHELLE CITY COUNCIL

## AGENDA ITEM MEMO

### REGULAR MEETING

**SUBJECT:** Resolution authorizing the City Manager to execute an agreement with LCIDA (Lee County Industrial Development Association) to perform economic development services.

**Staff Contact:** Jeff Fiegenschuh, City Manager

**Summary:** The current economic development director will be retiring from the City of Rochelle on December 31, 2024. Last month the former industrial development manager also retired and moved to Indiana to assume a new position with and economic development cooperation.

To continue to expand our economic development initiatives and move the community forward I am recommending the city approve a contract with LCIDA to perform economic development assistance for the next 18 months. The contract will allow for up to 25 hours per week to assist the city manager with ed services. Former state representative and current LCIDA CEO Tom Demmer will be our staff liaison performing the services. Based on his years of experience and contacts within the state and region, I am confident Tom will continue the city's successful economic development efforts and build new relationships for our community going forward.

**Contract Details:**

- 18-month agreement to commence retroactively on July 1, 2024 and terminate December 31, 2025
- Annual fees are \$100,000 (prorated for 2024).
- ED professional will attend all bi-weekly leadership team meetings and bi-weekly project meetings.
- ED professional will meet with the city manager weekly and will report to the city manager.
- ED professional will attend city council meetings as requested by the city manager and provide annual updates on ed initiatives to the city council.
- Either party may terminate the agreement with 90-day notification.
- LCIDA will indemnify the city, its elected officials and appointment staff and agents from all claims, suits, actions and fees due to neglect or willful misconduct of the LCIDA.
- LCIDA is responsible for all payroll and benefits. LCIDA will bill the city monthly.
- Current ED expenditures approximately \$300,000 annually. New contract will save the city approximately \$100,000 annually.

**Revenue Sources:**

Source:	Budgeted Amount:	Proposed Expenditure
20% rail fund, general fund, electric fund, water fund and waste water funds	\$350,000	\$100,000

**Strategic Goal Application:** Core Service Delivery, Community and Economic Development and Infrastructure Effectiveness and Improvement

**Recommendation:** Authorize the City Manager to execute an agreement with LCIDA for ED services

