



2006 ANNUAL REPORT
MONTGOMERY, ILLINOIS



WELCOME TO THE
MONTGOMERY ECONOMIC
DEVELOPMENT CORPORATION

1551 Aucutt Rd., Montgomery, IL 60538 * 630.897.6748 * 630.897.6747-fax

From the *Chairman*

The Village of Montgomery was founded on commerce, and that trend continues today. The economic strength of and stabilization of our manufacturing, government and retail sectors, have put our community to maximize its resources for the new era. We have the unprecedented opportunity to ask ourselves, “What do we want to be?”

The Montgomery Economic Development Corporation (MEDC) and its partners have had a tremendous year in 2006. The MEDC announced the relocation or expansion of 16 companies and attracted millions of dollars in local investment, creating more than 800 new jobs. In all, over 900,000 square feet of industrial/commercial space was added or renewed to our business base.

Citizens throughout the Village of Montgomery shared in our successes. The successes can be directly attributed to the benefits inherent in a balanced economic development plan.

I am proud of my association with this diligent organization. The MEDC is led by a group of dedicated Board of Directors possessing an entrepreneurial spirit. The vision for the Village of Montgomery provides for a thoughtful balance of enterprise, opportunity and preservation. I would like to personally thank our investors, who, by their membership in the MEDC, have demonstrated continuing support for our efforts. The MEDC is proud to be the voice of businesses throughout the Village of Montgomery. We will continue to work hard on your behalf.

On behalf of the Board of Directors, I would also like to applaud the dedicated efforts of the MEDC staff, who rose to the call—responding to the needs of our members and the entire Village and helped us bring the Village of Montgomery to the attention of a wider audience.

The Montgomery Economic Development Corporation will continue to attract quality jobs and investments to Montgomery. Stay tuned.



Kenneth M. Spaeth
Chairman of the Board



Officers– 2006

Ken Spaeth, Chair
 Mike Meyer, Vice-Chair
 James E. Allen, CEcD,
 Exec. Dir.
 Susan Volkert, Treasurer
 Dr. Neil Schlupp, Secretary
 Denny Lee, Past Chair

Committee Chairs

Finance	Susan Volkert
Human Resource	Mike Groff
Membership Dev.	Mike Meyer
Annual Meeting	Ken Spaeth
	Mike Groff

Most communities need new business and manufacturing investments to help provide the jobs and tax base that results in security, economic growth and new opportunities for their citizens. Every community needs to retain and help their existing business and industry grow, expand and compete in an ever changing marketplace.

Officers– 2007

Ken Spaeth, Chair
 Mike Groff, Vice-Chair
 James E. Allen, CEcD,
 Exec. Dir.
 Susan Volkert, Treasurer
 Daniel Caballero, Secretary
 Denny Lee, Past Chair

Committee Chairs

Finance	Susan Volkert
Human Resource	Mike Groff
Membership Dev.	Ken Spaeth
Annual Meeting	TBD

BOARD OF DIRECTORS



Daniel Caballero
 Director of R&D
 Gusto Packing Co.



Michael Groff
 Manager, Human
 Resources
 Caterpillar, Inc.



Dr. Neil Schlupp
 Greater
 Montgomery
 Area
 Chamber of
 Commerce



Peter Wallers
 President
 Engineering
 Enterprises, Inc.



Richard DeBoer
 President
 Ozinga Illinois
 RMC, Inc.



Steve Hornik
 Operations
 Manager
 HRM Properties/
 MasonCorp



Martha Schomer
 President
 Heitkotter, Inc.



Anne Marie
 Gaura,
 Ex-Officio
 Village Manager
 Village of
 Montgomery



Brian Dolan,
 CCIM
 President
 Dolan & Murphy,
 Inc.



Denny Lee
 Trustee
 Village of
 Montgomery



Kenneth Spaeth
 1st Vice President
 Old Second
 National Bank



STAFF
 James E. Allen,
 CEcD
 Executive
 Director
 MEDC



Matthew Fiascone
 Senior Vice
 President
 Inland Real Estate
 Development Corp.



Michael Meyer
 Vice President
 Provena Mercy
 Medical Center



Susan Volkert
 President
 Bank of
 Montgomery



STAFF
 Trisha Wirth
 Executive
 Assistant
 MEDC



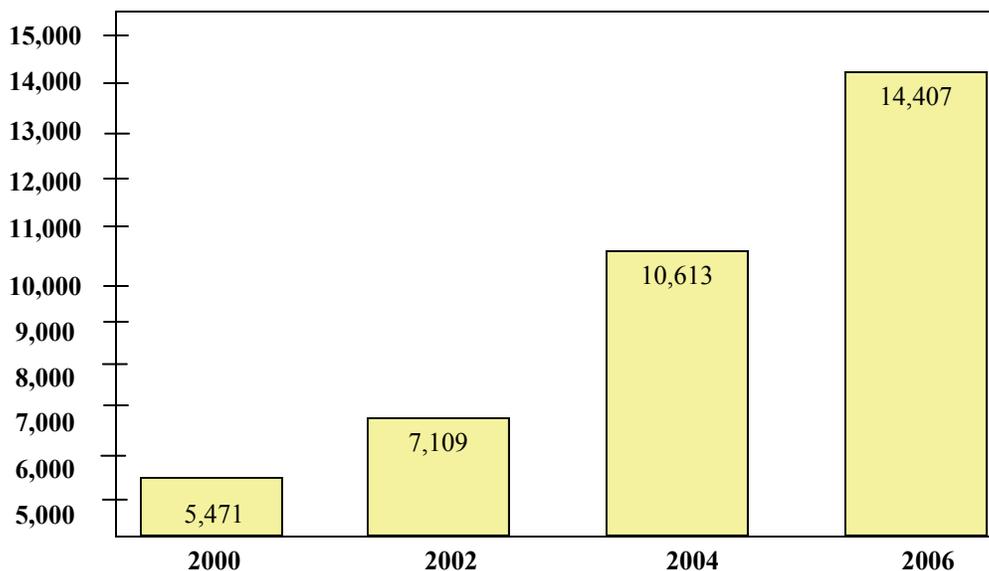
The MEDC Mission:

The mission of the Montgomery Economic Development Corporation is to improve the standard of living for all persons living in the Village of Montgomery by stimulating economic growth through the attraction of new investment, the creation of new jobs and the support of established businesses in Montgomery.

GOALS:

1. To market and improve the competitive position of the Village of Montgomery for employment, investment opportunities and business growth as a complement to residential growth;
2. To utilize the full potential of the human, educational and capital resources available to the Village of Montgomery in support of economic and business development, expansion and diversity;
3. To encourage the cooperative development of the infrastructure necessary for long-term economic growth;
4. While attracting new business to the community, encourage the development and retention of all business within the community.

Village of Montgomery Population Growth 2000-2006



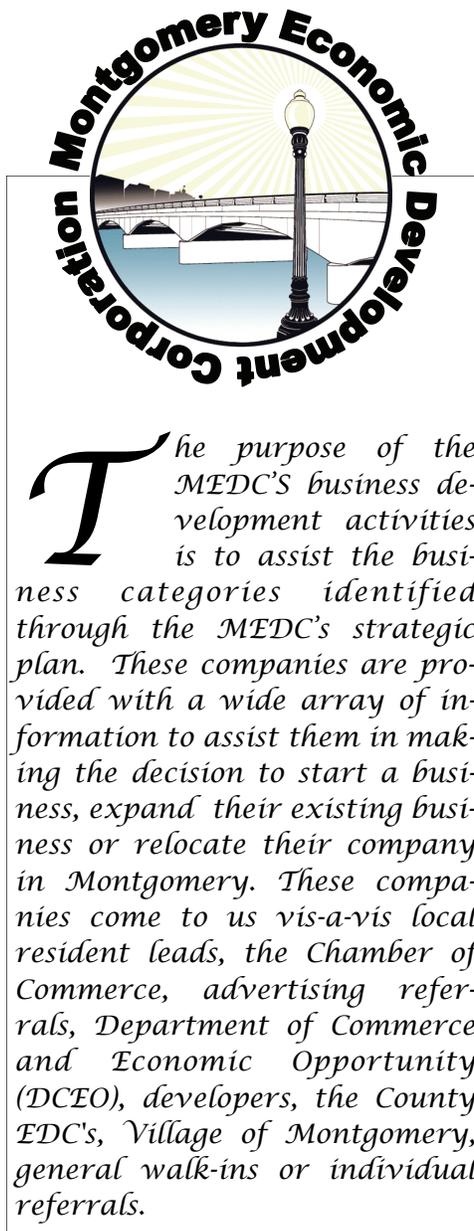
Business Development

MARKETING

A major purpose of the Montgomery Economic Development Corporation is to market the Village of Montgomery as a business location for existing business expansion, relocations and start-ups.

Public Relations The MEDC expanded its local marketing strategy by reformatting the quarterly MEDC Newsletter; created a bi-monthly e-newsletter, doing interviews with the local media giving updates on MEDC activities; completed an all-member visitation tour; and began a systematic one-on-one visitation program to all businesses within the Village of Montgomery. Seventy percent of local businesses have been visited and the program will continue into 2007.

The MEDC also conducted a Business Roundtable, a Business After Hours event, the Annual Golf Classic, and an "open to the community" Annual Dinner at Payton's Roadhouse with 168 guests. The Executive Director attended the Village's Development Committee and updated the Village Trustees, staff and the general public on the activities of the MEDC monthly. The Executive Director also spoke before the Greater Montgomery Area



The purpose of the MEDC's business development activities is to assist the business categories identified through the MEDC's strategic plan. These companies are provided with a wide array of information to assist them in making the decision to start a business, expand their existing business or relocate their company in Montgomery. These companies come to us vis-a-vis local resident leads, the Chamber of Commerce, advertising referrals, Department of Commerce and Economic Opportunity (DCEO), developers, the County EDC's, Village of Montgomery, general walk-ins or individual referrals.

Chamber of Commerce membership meetings to present semi-annual reports on commercial developments happening within the community and interest being shown by prospective companies.

New Business Development The MEDC focused on what types of companies would be complementary to both existing companies and our local and area workforce. The MEDC has focused on expansion and in-fill in the areas of retail, healthcare & fitness, daycare, hospi-

tality and specialty housing.

The MEDC considers the Village's industrial base to be a very key part of the strategic planning process being done where close attention is being given to fabricated metal products, pharmaceuticals, plastics, computer/software, warehousing and distribution. To accomplish this, the MEDC representatives attended industrial shows, commercial conferences and trade shows and industrial summits. Some of these activities took place at the International Conference on Shopping Centers (ICSC) in Las Vegas and Chicago, Midwest Retailers Show at Navy Pier, the Association of Industrial Real Estate Executives Show in Rosemont, the Spring Industrial Summit in Oak Park and the ICSC Conference on Mixed Use Developments in Hollywood, Florida.

Ads promoting the Village of Montgomery appeared in local and national economic development publications, where they reached site selectors across North America. Some of these publications are the *Chicago Industrial Properties*, *Northern Illinois Real Estate Magazine*, *Business Xpansion Journal* and the *Office and Commercial Real Estate Magazine*. The MEDC also got its name out locally by running event ads in the *Ledger-Sentinel*, *Aurora Beacon News*, *Elburn Herald* and interviews on *WSPY*.

BUSINESS DEVELOPMENT.....MEDC Successes

One of the most visible results of these efforts is when a company builds a new building, expands an existing facility, does a major retooling or refurbishing inside their facility or enters an existing building and establishes their business within the Village of Montgomery. This was seen at a rate of more than 900,000 square feet of commercial/industrial space during 2006. MEDC can never take credit alone for these successes, having partnered with the Village of Montgomery, the Greater Montgomery Area Chamber of Commerce, Kane and Kendall Counties, DCEO, private developers and realtors. The partnerships were very fruitful throughout 2006.

Kart Werks expanded their facility at US 30 and Route 31 with a 2,500 square foot work floor expansion and created two new jobs. Kart Werks serves golf courses, businesses, organizations and the general public. It is a full service facility able to handle any and all golf car needs.

Comforts of Home bought the 10,000 square foot building on the corner of Aucutt Road and Industrial Drive and moved into 5,500 square feet of the building, while the other two units in the building are presently leased. Comforts of home has started out with a work force of six upon their move from Plainfield, IL. They manufacture deluxe mobile restrooms (trailers or semi sizes), and also sell and rent them. The other tenants in their building are City Electrical Supply, the Greater Montgomery Area Chamber of Commerce and the Montgomery Economic Development Corporation.

Coffman Trucks expanded their operations on Route 31 in Montgomery with the building of a new 7,200 square foot building that will be used in their truck sales operation. This expansion also added at least one new employee.

Midwest Siding consolidated their Aurora and Hinckley, Illinois sites into one operation on Aucutt Road in Montgomery. They moved into the west half of the Processed Plastics building with about 140,000 square feet and the consolidation will bring to Montgomery approximately 75 jobs. The company is a wholesaler/retailer facility as well as a warehouse for their building materials.

Ochsenschlager Development is constructing a 17,500 square foot spec industrial condo on Aucutt Road.

Gusto Packing Company is expanding their present facility of 144,000 square feet on Rochester Road by 100,500 square feet and adding 30+ new employees to their present 200 employees. This expansion will be used to increase production and allow the addition of shipping coolers. They are a meat packing facility with six product lines. Gusto Packing has had its Corporate Headquarters in the Village of Montgomery, IL since 1972. They are rated the 25th top small business in the USA, 67th most diverse company in the USA and 3rd most diverse company in Illinois.

Metal Networking moved into the 90,000 square foot Steiner building on Orchard Road. They started with 25 employees and expect to raise that number to 100 when at full operating capacity. They manufacture guard rails, commercial lockers, silt fencing posts, and other metal job shop projects.

Cookie's Family Fun Center took over the 20,000 square feet that formerly housed Sears Hardware on Douglas Road and they hired 25 employees. The facility has a games arcade, restaurant, laser tag and has the capability to hold private parties.

Auto Zone built their new 7,400 square foot Montgomery store, located on Douglas Road just north of Settler's Landing. This facility also created eight new jobs. The Auto Zone caters to do-it-yourselfers and automotive repair facilities.

Shanahan & Sons Builders constructed a 12,400 square foot industrial spec building on Commerce Drive in the Montgomery Industrial Park.

BUSINESS DEVELOPMENT...MEDC Successes

Ogden Hill of Montgomery a joint venture of Inland Real Estate Development and Bradford Real Estate began construction on 67 acres at the intersections of US30, US34 and Hill Avenue on Montgomery's far east side. They started construction of four retail stores totaling about 295,000 square feet of the planned 500,000 square foot shopping center. The entry of these stores into Montgomery signaled the start of major retail developments that will continue for years to come. The first four stores are Menard's—162,340 square feet with 145 employees, JCPenney—103,625 square feet, Office Depot—20,954 square feet, and National Tire and Battery—7,964 square feet. With this development also came the announcement of a subdivision to be built to the north of the center with 205 single family homes. A new 1.5 million gallon water tower was also constructed to serve these developments.

Orchard Crossing/Blackberry Creek Shopping Centers a McVickers Development LLC & Zifken Realty Development, project of 68 acres in total at US30 and Orchard Road. The project broke ground for a Wal-Mart Super Center—204,000 square feet and 400 employees, Harris Bank—4,700 square feet, and Starbucks—1,850 square feet.

The Montgomery Preserve The Village of Montgomery, in partnership with Inland Real Estate Development, announced the formation of this Tax Incremental Financing District (TIF) east of Fifth Street to approximately the Waubonsie Creek on the east and US30 on the south totaling about 345 acres. The Preserve will be a multi-use development that will contain the following types of developments: 538 residential development, 5.1 acres of office research development, 35 acres of commercial development along US30, some existing commercial, the Oswego Library District's Montgomery Branch, open park space totaling about 111 acres including Miracle League Fields, softball fields, bike and walking paths and general play areas, and about 118 acres of natural area. A number of lakes and ponds will be created to manage water run-off for this historically wet area.

New Village Hall the Village Trustees and staff have worked diligently to create a structure that works for the staff and residents and is cost effective for the community. The Village Hall will be 23,000 square feet and be the center of our community adjacent to Settler's Cottage and the historic Gray's Mill (Jason's).

CenterPoint Montgomery Business Center a 168 acre industrial park was announced in Fall 2006. The Park will have the capability to construct about 1.5 million square feet of manufacturing and warehousing space in six to eight structures. This project also gives the Village the opportunity to connect Knell Road all the way through from Route 31 on the east to Orchard Road on the west. This Park will also make it possible to continue the bike trail through to Route 31 and beyond. This is the last large developable industrial property in the Village.

BUSINESS DEVELOPMENT TOOLS FOR EVERYONE'S USE—The MEDC worked diligently with its partners throughout 2006 to create tools to assist businesses and entrepreneurs to develop commercial and industrial space within the Village of Montgomery. One of the best tools was a total re-work of the MEDC website — www.montgomery-illinois.org. We were able to do this with the large contribution made by Weblinx Incorporated and their phenomenal staff reps. We also believe that because of the large amount of assistance given by the Village's Community Development Department and other departments within the Village, we have a total package within our website. Other partners were DCEO, GMACC, Kane and Kendall Counties, THANK YOU ALL for being a part of the TEAM.

Condensed Financial Statements

For the year ended December 31, 2006

Montgomery Economic Development Corporation

Condensed balance sheet	2006
Assets:	
Cash	\$ 3,318
Investments	40,000
Fixed Assets	26,379
Total Assets	<u>\$69,697</u>
Liabilities:	
Current Liabilities	\$ 2,208
Long-Term Debt	2,244
Total Liabilities	4,452
Total Equity	\$65,245
Total Liabilities & Equity	<u>\$69,697</u>

Condensed Statement of Revenues & Expenses

Revenues:	
Total Membership Investment	\$163,025
Total Other Income	38,779
Total income	<u>\$201,804</u>
Expenses	<u>\$197,852</u>



Where we've been—Looking FORWARD

Letter from Jim Allen

Anticipating and adapting to change is a well-experienced theme in the MEDC's three-year history. We find ourselves at a crossroad, examining the horizon and deciding the best way to move forward, once we have taken a glimpse in the rearview mirror.

In the rearview mirror, we saw that 2006 was a pretty solid year of starts, stops, advances and sometimes even a disappointment. But overall we have had a good 2006.

Let me review some of those pluses. We had some administrative things to do and we accomplished them. The MEDC finalized the 501.c.6 classification status for the MEDC back to 2003. All taxes were filed. All Village of Montgomery profiles were brought up-to-date and placed on our website, the Kane County EDC website and the Illinois DCEO websites. A community inventory of available sites and buildings was done and all of those properties were placed into the Location One Information System (LOIS) database that puts our sites and buildings on display in 14 states. Thanks to Weblinx we totally reworked the MEDC website. A Finance Manual and a Personnel & Operations Manual were developed. We also created customized site availability booklets for clients.

The MEDC partnered with the GMACC in conducting groundbreaking and ribbon cutting ceremonies.

The MEDC conducted 19 community tours in 2006. In this same vein, we had direct contact with 14 different development companies, 94 prospective retailers, 15 manufacturers and 24 other contacts that included medical, office, grocers, automotive/service, warehousing/distributors and other general service type developments.

An outreach program was established and all MEDC members and 70% of the community's 400 businesses were visited (the remainder will be completed in 2007).

The MEDC is active in the following local committees: Nicholson School Task Force, Village Planning Council, Rte 34/BNSF Logistics Corridor Consortium, STAR Line Task Force, Kane & Kendall Counties Economic Development Pros, Montgomery/Oswego Administrators, Kendall County Tourism, Aurora Chamber's Development & Public Works and the Community Retreat Committees. MEDC was also involved in the Village's Strategic Planning Process.

The MEDC also conducted the following membership services activities: Annual Dinner, Golf Classic, MEDC Business After Hours, Business Roundtable and the Holiday Open House.

The MEDC also participated in the following trade shows in 2006: International Council of Shopping Centers in Las Vegas and Chicago, Midwest Retailers Show at Navy Pier, Association of Industrial Real Estate Executives in Rosemont, the CIP Spring Industrial Summit in Oak Park, and the ICSC Mixed Use Development Program.

Trisha Wirth, Executive Assistant completed her BASICS Economic Development Course training with a ComEd scholarship. I also successfully completed my Certified Economic Developer recertification.

In 2007, the MEDC Board has agreed that our vision will include further prospecting of retailers, manufacturing and developers; marketing and promotion of our community; participation in select trade shows, development of events and tours; helping create a community brand identity; retention and create new outreach programs and communication tools.

The MEDC can only achieve this vision by working together with our many allies and members. Growth in our membership is vital to our future successes. With this in mind, the MEDC stands ready to face the challenges of 2007, empowered by a shared commitment to promote and preserve the economic interests of the Village of Montgomery.