



# BOARD REPORT

---

**TO:** VILLAGE PRESIDENT & BOARD OF TRUSTEES

**FROM:** SCOTT KOEPEL, VILLAGE ADMINISTRATOR

**SUBJECT:** SHARED ECONOMIC DEVELOPMENT DIRECTOR

**AGENDA:** 9/2/2025

**DATE:** 8/22/2025

---

## ISSUE

Shall the Village Pursue Shared Economic Development Director Position with Village of Elburn?

## DISCUSSION

The Village Board removed funding for a full-time Economic Development Director in the FY 2025-2026 budget. Earlier this fiscal year, the Village Board discussed the future of Economic Development. The consensus was to continue economic development but at a lower cost than previous budgets. The Village of Elburn has expressed interest in strengthening its own economic development efforts as well. Both municipalities recognize the challenge of dedicating sufficient resources to a full-time Economic Development Director position independently.

Staff identified an opportunity for the Village to enter into a shared services arrangement with the Village of Elburn to jointly employ an Economic Development Director. Under this model, a single professional would serve both communities, dividing their time and responsibilities as agreed upon.

An Intergovernmental Agreement (IGA) between Sugar Grove and Elburn would:

- Define the scope of services and duties of the position.
- Establish the cost-sharing formula for salary, benefits, and overhead.
- Set expectations for reporting, performance measures, and accountability.
- Outline how the position's time will be allocated between the two municipalities.
- Provide a framework for review and renewal of the arrangement.

## Examples of Successful Shared Economic Development Services

This concept is not without precedent. Municipalities across Illinois and the broader Midwest have successfully implemented shared economic development positions:

- West Cook County (IL): Several small municipalities collaborate through the *West Suburban Chamber of Commerce and Development Council*, pooling resources for regional marketing and business recruitment.
- Northwest Indiana Regional Development Authority: Communities in Lake and Porter Counties share staff and funding to pursue economic development projects that cross municipal boundaries.
- Kane County Municipal Collaboration: Some municipalities in Kane County already share professional staff for building inspection, code enforcement, and IT services — demonstrating the feasibility of shared staffing models.
- Rural Wisconsin Municipalities: Neighboring towns often share an Economic Development Director under intergovernmental agreements, particularly where resources are limited but regional cooperation can strengthen business attraction.
- Choose DuPage: Choose DuPage is a public-private funded not for profit that provides economic development services to all of DuPage County.

These models highlight that shared services and collaborative efforts can both reduce costs and increase impact, especially when communities have overlapping economic development goals and assets.

### **Benefits**

- Cost Efficiency: Sharing the position allows both communities to access professional expertise at a reduced cost compared to hiring independently.
- Regional Collaboration: Many economic development opportunities, particularly along the Route 47 corridor and I-88 interchange, are regional in nature. A shared director strengthens coordination and consistency in outreach.
- Increased Professional Capacity: A dedicated director would allow Sugar Grove to pursue more proactive business recruitment, retention, and marketing efforts.
- Flexibility: The IGA can be tailored to ensure each community's priorities are addressed fairly.

### **Next Steps**

If the Village Board is supportive, staff will:

1. Initiate formal discussions with the Village of Elburn.
2. Develop a draft IGA outlining the structure, duties, and financial commitments.
3. Present the draft agreement for Village Board review and approval.
4. Adjust the FY 25-26 budget to include funding for the Village share.
5. Collaborate with Elburn on hiring a Director.

### **COST**

There is no cost for the discussion and more defined costs and budget impacts will be presented along with an IGA.

### **ATTACHMENTS**

None

**RECOMMENDATION**

Staff recommends the Village Board discuss the potential collaboration with Elburn and provide feedback.