

**City of Crystal Lake Economic Development Committee**  
**February 22, 2011 – 7:30 a.m.**  
**Municipal Complex – City Council Chambers Conference Room**

**Call to Order**

The meeting was called to order at 7:30 a.m.

Mr. Haleblian welcomed the new members of the EDC.

**Roll Call/Attendance**

Members Affrunti, DeHaan, Fowler, Hymes, Riley, Saidler, and Haleblian were present. Ms. Feddersen arrived later during the meeting. Mr. Dalzell was absent.

James Richter II, Assistant Director of Economic Development, was present from staff. Also in attendance were Gary Reece, President of the Crystal Lake Chamber of Commerce; and Dan Colby with Mercy Health Systems.

**Approve Minutes of the January 25, 2011 EDC Meetings**

Mr. Fowler moved to approve the January 25, 2011 EDC minutes as presented. Mr. Riley seconded the motion. On roll call, members Affrunti, Fowler, Riley, and Haleblian voted aye. Members DeHaan, Hymes, and Saidler abstained. Ms. Feddersen had not arrived yet. Motion passed.

**Public Participation and Comment**

Mr. Colby handed out information regarding the proposed hospital and showed a color rendering of the building. This will be located at Three Oaks Road and Route 31 and will consist of a hospital and medical office buildings. Mr. Colby stated that they have rental facilities scattered around Crystal Lake and with the building of the medical offices, it will bring them all together in one place. This project will bring up to 800 construction jobs to the City and will take two years to build. The hospital will employ 1000 jobs initially and up to 1800 as growth occurs. Mr. Colby said they want to consolidate their facilities and provide additional services. He added that they take Medicare, etc. patients and this location shortens the time to get to the emergency services. Crystal Lake is the center of population in McHenry County and there are projections that the population will be 67 to 68,000 in a few years. They have received a Resolution from the City Council in support of this project.

Mr. Colby explained the process for the Certificate of Need that is required by the State of Illinois. He said the public hearing will be held here at the City of Crystal Lake Council Chambers on March 18<sup>th</sup> and that a report will be forwarded to the State. The hearing will be conducted by a non-voting representative and an attorney who will determine if the testimony will be allowed. The testimony can be made in person or by letter. After the hearing the State Board of 6 members will convene on May 10<sup>th</sup> to make their decision. Mr. Colby said they can approve, deny or continue their decision. He added that they will be presenting first to the Board and then Centegra.

Mr. Affrunti asked if both proposals could be approved. Mr. Colby said it is possible but he doubts it. Ms. Feddersen asked if the area hospitals are running at capacity. Mr. Colby said they only need to be at 80% capacity. He said Good Shepherd in Barrington will be objecting to this request because it is close. There are districts within the State and McHenry County is its own district. The Board only looks at what is close by in that district and not the distance between a request and a hospital in an adjacent district like Lake County.

Mr. Richter asked how much does the State look at the location vs. the population density of the area. Mr. Colby said it's up to the Board members. He said they should be looking at the existing population, greatest EMS needs, etc. The Crystal Lake area has over 100,000 people. If they were to get the Board's approval, they would be coming to the City of Crystal Lake for their PUD approval of the plan like they did several years ago which received approval. They would be starting construction ASAP while Centegra wants to wait 2 years before going to Huntley for their approval and then start building. One of the problems for Centegra is that the population is not growing as rapidly as it has in the recent past while the population is there in Crystal Lake. Mr. Colby said they plan to open their facility in 2014 while Centegra wants to wait to build until 2015 possibly. If the population doesn't grow, it could be even longer.

Mr. Reece asked how long is the Certificate of Need good for. Mr. Colby said 2 years. Ms. Feddersen asked if there will be a rehab center with this facility. Mr. Colby said not immediately. Mr. Saidler asked all of the doctors will be moved into this facility from other leased spaces. Mr. Colby said there will be 12 doctors moving into the site and there will be new doctors moving here from all over the country.

Mr. Colby said this facility will be a Level 2 emergency room with a heliport. They can't put in everything, such as rehab center, in the beginning or they will not meet certain criteria that is necessary.

Mr. Fowler said he feels this is a plus for the area and a long time coming. He never understood why Crystal Lake did not have a hospital since we have always been the largest city in McHenry County. He said this is a great fit.

Mr. Haleblian moved that a letter or resolution be created in support of the Certificate of Need for Mercy Health Systems. Mr. Riley seconded the motion. On voice vote, members Affrunti, Feddersen, Fowler, Hymes, Riley, Saidler, and Haleblian voted aye. Mr. DeHaan abstained. Motion passed.

### **Committee Membership**

Mr. Richter welcomed the new members of the EDC. He suggested that at the next meeting they hold a strategic planning meeting to discuss the goals, objectives, and structure of the EDC. They can also appoint a new Chairperson for the Committee. Mr. Fowler suggested that they plan for a little more time for the next meeting – possibly until 9:30. The members agreed.

Mr. Riley suggested that the members be sent the information from last year's strategic planning meeting. Mr. Richter said he will send that out so members will have an opportunity to review it.

Mr. Richter said there were several other individuals who applied for these positions and were not appointed. The members had previously suggested that those people be invited to participate in subcommittees as well as give them an open invitation to attend these meetings. Mr. Richter stated there was an issue with one of the individuals who was not selected. Mr. Haleblian said he would call them.

### **Staff Updates**

#### **I Shop Crystal Lake**

Mr. Richter presented the proposed budget for the 2011-2012 fiscal year for the EDC.

Mr. Saidler said at the bottom of the I SHOP CL website says it can be mobile but it is not the best. He said that may cost a little more than what is shown. He added that there is money proposed for a new jingle. Mr. Saidler said jingles are expensive and unless there will be radio ads it doesn't pay.

Mr. Hymes asked if we were going to be social sites. Mr. Richter said we are currently on Facebook, Twitter, and a blog. When there is a new business opening, the information is entered into Twitter and that feeds the other sites as well as to the City's website. Mr. Hymes suggested that they get in front of people by using Groupon, etc. We need to make this pop for people. Ms. Feddersen said small business owners who are forced to multi-task just don't have the time to enter the information on the website to get started. Mr. Richter said he is meeting with two classes of marketing students from MCC regarding going to the businesses and help them set up their business on the website.

Mr. Affrunti suggested that they set up another workshop or two for EDC members as well as business owners. Mr. Richter said it only takes about ½ hour. Mr. Reece said the Chamber will help as well.

Mr. Hymes suggested that we have standard coupons available for the business owners such as 5% off, 10% off, Buy one Get one, etc. If the business owner can click on those or create their own it might make it even simpler for them. He also added that if the card could be put on the smart phones it would be beneficial to the customers. Mr. DeHaan asked if there is a way for the consumer to know what businesses are participating. Mr. Richter said there will be a table tent for the businesses to display, and window clings but that we are open to any suggestions they may have for ways to promote participation.

#### Incentives

Mr. Richter said the information provided was mostly for the benefit of the new members. There is nothing new to report.

#### Attraction

Mr. Richter said that despite the media's articles on the closing of stores in Crystal Lake, there are new businesses to Crystal Lake who are interested in the recently vacated spaces. We will let you know who these businesses are as soon as we are able to.

Mr. Reece said there are also a lot of businesses in Crystal Lake who are expanding. There are a lot of good things going on.

Mr. Richter said they have been in contact with many businesses through the ICSC that are currently looking to expand their business. There is a real push in Crystal Lake to fill retail but other businesses – manufacturing, industry, etc. – are also very important. Mr. Saidler said they have employees who live outside of Crystal Lake but do their shopping here on their lunch time.

Mr. Richter said there are several restaurants also have indicated that will not come to Crystal Lake because other similar businesses are not doing as well. Mr. Haleblian said it's the product. Case in point – Jameson's is going very well. Mr. Saidler agreed.

#### Retention

Mr. Richter said they are trying to schedule a tour of Catalyst Exhibits and the owner stated they have received a very lucrative offer from the State of Wisconsin. He said the Lt. Governor has also been calling the owner. Mr. Richter said he has spoken with the owner about his issues with the State increase in business taxes and other items. The Mayor has been asked to talk with them. Mr. Richter said he has been in contact with the State about what is available to retain businesses but they were not very helpful and he is exploring other options. Mr. Hymes asked if there is any Federal assistance available. Mr. Richter said he was checking into it. Mr. Fowler asked if we could get our legislators involved. Mr. Richter said he would contact their offices.

Mr. Richter said the tour of Boltswitch is set for March 16<sup>th</sup>. He will also be inviting the other businesses that they have toured to come as well.

Mr. Haleblian asked about Camelot School. Mr. Richter said they have submitted their plans for building permit and are waiting for the weather to break so they can start construction.

### **Organization Reports**

#### **Downtown Crystal Lake (Brian Fowler)**

Mr. Fowler said they are working on getting their events calendar together for this year. There are a few vacancies in the downtown but the hardest to fill is the Brink Street Market building on Brink and Williams.

#### **Committee for Business Support (Terry Feddersen)**

No report.

#### **McHenry County Economic Development Corporation (Brian Fowler)**

Mr. Fowler said he and Mr. Richter will be meeting with Ms. Cumpata from MCEDC to see what can be done for the Catalyst Exhibits.

### **Comments from the Committee**

There were no comments from the Committee members.

### **Adjourn**

There being no further business, the meeting was adjourned at 9:00 a.m.