

City of Crystal Lake Economic Development Committee
Workshop Meeting
March 22, 2011 – 7:30 a.m.
Municipal Complex – Training 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, Dalzell, DeHaan, Feddersen, Fowler, Riley, Saidler, and Haleblian were present. Mr. Hymes was absent.

James Richter II, Assistant Director of Economic Development, and Michelle Rentzsch, Director of Economic Development, were present from staff.

Approve Minutes of the February 22, 2011 EDC Meetings

Mr. Affrunti moved to approve the February 22, 2011 EDC minutes as presented. Mr. Fowler seconded the motion. On roll call, members Affrunti, DeHaan, Feddersen, Fowler, Riley, Saidler and Haleblian voted aye. Mr. Dalzell abstained. Motion passed.

Introductory Exercise

Mr. Richter handed out paper and markers to each in attendance and asked that they answer a few questions about themselves as part of an introductory exercise to get to know each other better.

Workshop Discussion

Mr. Richter reviewed a presentation regarding the City's economic development programs, the EDC's involvement, and our successes.

Ms. Feddersen asked if the City could look into the way recapture fees are determined – especially Teckler Industrial Park. Ms. Rentzsch said that staff is currently working on this issue and has developed some suggestions to help close out some of the older SSAs, such as capping the interest on retired bonds or possibly looking at a sunset clause. She said that there are some recaptures from the 1960s.

Mr. Richter asked the Committee to determine the structure for the workshop discussion. He said that the Committee would complete a SWOT analysis or discuss ideas and goals regarding the Committee's three main areas of concern: Legislative, Retention, and Promotion/Attraction. Ms. Feddersen asked if the tax sales figures are in from this past Holiday season. Ms. Rentzsch said they were better than what was conservatively forecast.

Ms. Feddersen asked about Camfil Farr Corp. on Main Street. Ms. Rentzsch said staff has visited them on more than one occasion and they are very slow to make a decision about remaining in Crystal Lake or leaving. Mr. Richter said he speaks with them occasionally. He indicated that the City has presented them with a package of retention based incentives that the County does have revolving loans available but no grants.

Mr. Fowler said for the Legislative side we have done a good job. The new fire alarm system will save businesses money and the Committee uses able to help promote it. He said the Unified Development

Ordinance (UDO) has also been a great help for businesses. Mr. Richter added that the addressing process was also presented to the EDC and was warmly received. Mr. Riley added that the changes in the Sign Ordinance have also been helpful to businesses.

Ms. Feddersen said the City has changed how we do business – a much better environment for receiving building permits, etc. We still need to work on changing people's perception of the City. Ms. Rentzsch said people are stunned on how much better things are done now than in the past. Mr. Haleblian said it is time to get the word out. Mr. Richter said the shopping center owners are doing just that at the ICSC. They tell others that Crystal Lake is a model community for customer service and economic development. Mr. Haleblian suggested that a marketing piece be put together on how things are done now and include testimonials. Mr. Affrunti said we need to let them know there is a new administration and a new mindset for staff.

Mr. Richter said they previously held a development forum in the spring. Ms. Feddersen said the forums got a lot of concerns addressed. Ms. Rentzsch said the only drawback is that manufacturers didn't attend the forums. Possibly if they try them more geographically based – more like an information session about the area their businesses are in. Such as the businesses near Rakow Road and discuss the expansion project and the impact on their business for the next 2 years. Mr. Haleblian said there should be more specific discussions like that. Ms. Rentzsch said they did try a forum similar to this for the manufacturing companies north of Route 176 but not many attended. Mr. Richter provided the details regarding the Terra Cotta Tech Business Park meeting.

Mr. Saidler suggested that to strengthen the relationship between the businesses and the City that a small number of similar businesses and size of the business be invited to a lunch with the mayor to voice their concerns. He said many times businesses that are being recruited will mention it at this type of meeting. Mr. Fowler said the recent Boltswitch visit was to be for the EDC member and the mayor and council. He would like a workshop with the Council to discuss the importance of business retention. Retention visits would help staff build a connection with the company. Mr. Richter explained that they set up the time of the business visits at the convenience of the business, and the mayor and council are invited to attend. Ms. Rentzsch said the mayor and council work out of town. Mr. DeHaan stated he comes from Elgin to these meetings. Mr. Affrunti said the non-attendance does not present well for the City. Mr. Haleblian said it would be good to have the City Manager attend these visits as well.

Mr. Richter asked how the committee put together some goals for retention. Mr. Fowler said they need to build relationships with our State and Federal representatives. They are willing to help but we need to be careful that they aren't promising things we can't do. Ms. Rentzsch said the City has a great relationship with those representatives. Mr. Fowler said he is not sure why they weren't involved earlier with Catalyst. He said they found out about this in September and we should have had our guns blazing in October. Mr. Haleblian suggested we have a business retention strategy put together and approved another situation such as Catalyst.

Mr. Saidler said things change over time and the City needs to have a plan on how we start. Ms. Rentzsch said business retention is very important. Mr. Fowler said it is important to recruit retail as well as manufacturing. Ms. Rentzsch said the state has nothing to offer. Mr. Fowler said Wisconsin, Indiana, and Michigan have high unemployment. He said they contacted the state's DCEO and they were of no help. All they had were forms to be filled out. Ms. Feddersen said the state needs to look at the amount of unemployment funds they would be putting out for each employee for 18 month and that will tell them what they could afford to give a business.

Mr. Richter said he will put together a strategy for business retention and bring it back to the Committee for their review and additional comments.

Moving on to Promotion/Attraction, Mr. Fowler asked if they should scrap the I Shop Rewards program. Mr. Richter said that we have made progress on the program and to scrap it now would be wasteful and premature. He said MCC students are working with the businesses and get them signed up. Mr. Dalzell said the program isn't really for his business since there aren't a lot of products he can discount. They need to concentrate on signing up the businesses that hit most people, such as restaurants. He also suggested advertising on Facebook. Mr. Haleblian said the original certificate program put the burden of responsibility on the customer and now the burden is on the business. Having the college students help is a great idea. He said signing up his business is just not that important to him. It starts out high on the daily list but other things take over. Mr. Dalzell said they may want to go back to what has worked in the past – customer driven. This new program is just one more thing for him to update and remind his employees of. Mr. Richter said they need to start with business awareness and giving the college students time to meet with businesses. Ms. Rentzsch said they would like to have 50 businesses signed up before the cards go out. Mr. Affrunti said the consumer wants to be rewarded for shopping locally. Mr. Richter said this program uses their limited resources on getting businesses involved. Mr. Fowler said this is not going to work for every business in town.

Mr. Saidler asked if there is a corporate problem getting some of the businesses involved with the program. Ms. Rentzsch said it's mostly the big box stores. Mr. Haleblian said it is mostly getting to the right person. Mr. Richter said if they would just go with the promotions they already have available for the school fund raising cards, it would help. Mr. Fowler said it is impossible to come up with a program that will be good for all businesses.

Mr. DeHaan said when you go on the website you still have to search for the benefit you are looking for. They need to have them more up front such as on the home page.

Mr. Richter said he will be meeting with the MCC students again this week and will get them motivated. He said that the EDC members need to assist us in our efforts as well. The students were given a list of the over 300 businesses that participated in original website. He said this takes only 10 minutes to set up. Mr. Affrunti said if the students are not getting it done he is sure there are capable people who are unemployed who could go to the businesses and help them set it up. Mr. Dalzell said we need the customer to start asking for it again. Mr. Fowler said the cards should be sent out. Mr. Affrunti said that would be good and bad. The people could ask the company what they get for having the card or they could be upset that it is not worth it if the businesses they frequent aren't participating or don't know much about it.

Mr. Fowler suggested they sign up businesses that are at the Chamber Expo next weekend. Mr. Richter said this is a Chamber function and he is not sure that we could use it to recruit businesses, but that we would check it out. He said that possibly the Chamber and Ms. Kenney from Downtown Main Street can help get 15 businesses each to sign up for the program. Mr. Dalzell suggested using the electronic sign on the Chamber property. Ms. Rentzsch said the sign is owned by the Lions Club.

Mr. Richter said another matter of business for this meeting is to discuss a new chairperson. He said the City Code requires the Committee to select a new chairperson each year.

Mr. Affrunti moved to nominate Brian Fowler as Chairman of the EDC. Mr. Riley seconded the motion. On voice vote, all members voted aye. Motion passed.

Ms. Feddersen thanked Mr. Haleblian for all of his hard work over the years when the interest in economic development was very slim.

Organization Reports

Downtown Crystal Lake (Brian Fowler)

Mr. Fowler said there are a few more vacancies in the downtown area. They are also getting ready for their spring and summer events.

Committee for Business Support (Terry Feddersen)

No report.

McHenry County Economic Development Corporation (Brian Fowler)

Mr. Fowler said the MCEDC was there when they were needed for Catalyst. Mr. Haleblian said this was a learning experience and the City needs to have a contingency plan.

Comments from the Committee

Mr. Haleblian asked how the hospital hearings went. Ms. Rentzsch said it was very well attended and the final decision should be made at the state board's meeting on May 10th.

Adjourn

There being no further business, the meeting was adjourned at 9:30 a.m.