

City of Crystal Lake Economic Development Committee
October 25, 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.

Roll Call/Attendance

Members Affrunti, Dalzell, DeHaan, Haleblian, Reece, Riley, Saidler, and Fowler were present. Mr. Hymes was absent.

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

Approve Minutes of the September 27, 2011 EDC Meetings

Mr. Haleblian moved to approve the September 27, 2011 EDC minutes as presented. Mr. Reece seconded the motion. On roll call, members Affrunti, Dalzell, Haleblian, DeHaan, Reece, Riley, and Fowler voted aye. Mr. Saidler abstained. Motion passed.

Public Participation and Comment

There was no one present who wished to speak.

I Shop Crystal Lake (Pendergrast presentation)

Mr. Richter said Mr. Pendergrast was to make a presentation but has not arrived and suggested they move on with the agenda items.

I Shop Crystal Lake bi-monthly promotions discussion

Mr. Richter said the bi-monthly promotions will each have their own identity and there will be three contests which will take them to the end of this fiscal year. He said the format of the contests needs to be discussed.

Mr. Saidler said the contest prize options are quantity versus quality and he would prefer the quality. It has more of a “WOW” factor if there is one \$1,000 prize instead of prizes of \$50. Just look at the interest created by the Illinois Lottery when the jackpots reach a high dollar amount. He would still keep the total winnings at \$3,000 per contest but distribute them differently. Mr. Saidler also suggested a “Black Friday” contest that would bring people into Crystal Lake, which is one of the purposes of the contests. The giveaway could be just before Christmas so people will have extra money to spend on family gifts. He is also concerned that it would be hard to disqualify an entry after it is picked. Mr. Fowler said the drawing is done privately and it is easier to check the receipts of the winners versus all of the receipts from all of the entries. Mr. Richter said they have been in discussions with attorneys regarding the legality of this contest.

Mr. Reece said he likes having to give the original receipts so they aren’t used several times. He doesn’t see why employees and their families can’t be included in this contest.

Mr. Richter said the process of checking the receipts of the winning entries only will save a lot of staff time. He added that the City has reserved the craft wrap of the Northwest Herald for Thanksgiving Day so the form for the contest can be included.

There was a discussion regarding a possible special drawing for Black Friday, and pulling the names of the winners prior to Christmas. It was decided to keep the requirements the same for each of the contests – the

receipts must be postmarked by the last day of the contest and received 3 days after the last date of the contest.

Mr. Dalzell suggested one large grand prize - \$1,000 and the rest remain the same. The members agreed. Mr. Reece suggested that the winner is responsible for all taxes especially since it is over the \$600 limit. Mr. Richter asked if it would be at ok that the prizes be under \$500 or \$1,000 which would be easier from a tax stand point. The members agreed.

Mr. Affrunti moved to approve the bi-monthly certificate contests for November 1 to December 31, 2011 to be received no later than January 3, 2012; January 1, 2012 to February 29, 2012 to be received no later than March 5, 2012; and March 1, 2012 to April 30, 2012 to be received no later than May 3, 2012. The prizes shall be as follows: 1 grand prize of \$1,000 each; 10 second prizes of \$100 each; and 20 third prizes of \$50 each for the total prize amounts of \$3000 each. Mr. Dalzell seconded the motion. On voice vote, all members voted aye. Motion passed.

Incentive grant programs update

Mr. Richter discussed the prevailing wage challenge with the current incentive programs. He presented to the Committee changes to the matching grant program's criteria to include a certain number of new hires and the purchase of new furniture, fixtures and equipment.

Mr. Saidler asked about tech based businesses or if a new business such as a "Group-on" type is eligible for the grants. Mr. Reece said service businesses do qualify for the grants if they add new hires, etc. Mr. Fowler said that service uses need to be added to the manufacturing grant program. Mr. Richter said the original programs will be kept but the new programs will be added. There will not be any new funding but will all draw from the same funds that were available previously.

Mr. Reece moved to approve the amendment to the Grant programs to include service providers. Mr. Riley seconded the motion. On voice vote, all members voted aye. Motion passed.

Staff update: Summary of the ICSC Chicago Dealmaking Event (October 5th and 6th)

Mr. Richter said the level of energy is steadily increasing and there is a lot of interest in Crystal Lake. Ms. Rentzsch said the new businesses such as HH Gregg and Ross are helping bring attention to Crystal Lake. They have talked with developers of mixed use projects regarding the possible redevelopment of Crystal Court. Mr. Richter said over 200,000 square feet of space have been absorbed in Crystal Lake which is phenomenal. Ms. Rentzsch said many communities are asking them not only how we are doing that but how the City has turned around their image and provided better customer service.

Organization Reports

Downtown Crystal Lake (Brian Fowler)

Ms. Rentzsch said next year's Johnny Appleseed will be the 20th Anniversary. Also the downtown area is gearing up for the holiday season.

McHenry County Economic Development Corporation (Brian Fowler)

Mr. Fowler said the MCEDC annual dinner will be next week, on November 3.

Chamber of Commerce (Gary Reece)

Mr. Reece said he saw a piece on Caterpillar and the company is very prosperous. He said the annual Expo is half sold out and it will be open to non-Chamber members as of November 1. There are mixers scheduled for every week from now until the end of the year.

Mr. Reece added that they will have a tree dedication to Bill Dwyer on Friday at 7:30 a.m.

Monthly Report to the City Council

Mr. Fowler said he will again create the bullet point report for the City after he receives the draft EDC minutes. Mr. Riley asked that the monthly report be sent to the EDC members as well.

Comments from the Committee

Mr. Richter said that Courtesy Motors will host a Grant Reopening on November 11. They will have a ribbon cutting ceremony at 10. They are very excited to be in Crystal Lake.

Mr. Richter said there will be a tour of Camfil will be Thursday at 8 a.m. There is room for 10 people and 7 have signed up.

Mr. Richter asked about the scheduled EDC meeting on November 15. He asked the members to please check their schedule. If another date would be better to please let him know. Usually they cancel this meeting and hold one meeting in early December for both November and December.

Mr. Richter said they received information late last week that a manufacturing company is being courted to move their operations to another state. He understands they are interested in an 80,000 square foot building. Mr. Reece said he spoke with the owner and got the impression that if a large enough space is found in Crystal Lake that they would stay. Mr. Richter said they will move on this quickly and asked Mr. Reece to send him the contact information for that company's representative.

Mr. Richter said a thank you note was received from Service Master for the acknowledgement of their business' anniversary at the Council meeting. Mr. Fowler said there are many other businesses with anniversaries and possibly they could acknowledge more in January or February, on a regular quarterly basis.

Adjourn

There being no further business, the meeting was adjourned at 8:30 a.m.