

City of Crystal Lake Economic Development Committee
June 4, 2013 – 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, Haleblan, Hymes, Reece, Riley, Saidler, and Fowler were present. Mr. DeHaan was absent.

James Richter II, Assistant Director of Economic Development, was present from staff. Nancy Schwarts from the Holiday Inn was also in attendance and arrived at 7:40 a.m.

Approve Minutes of the April 23, 2013 Meeting and the February 27, 2013 Workshop

Mr. Affrunti moved to approve the minutes from the April 23, 2013 EDC minutes as presented and the February 27, 2013 Workshop adding Mr. Haleblan as being in attendance. Mr. Haleblan seconded the motion. On voice vote, members Affrunti, Haleblan, Reece, Riley, Saidler, and Fowler voted aye. Members Dalzell and Hymes abstained. Motion passed.

Public Participation and Comment

There was no one present at that time who wished to speak. (Ms. Schwarts arrived later.)

ICSC Reconvention summary and Franchise development discussion

Mr. Richter said there are several important things relating to Crystal Lake that were discussed at the ICSC.

Mr. Richter provided a summary of the ICSC Reconvention in Las Vegas. During the trip, staff made over 100 meetings/contacts with developers, shopping center owners, brokers, tenant reps, hoteliers, and retailers. Mr. Richter reports that the overall ambience and activity level at the conference was definitely getting back to pre-recession levels, with lease rates, land prices, and velocity, all climbing back up to the levels found in 2009, particularly in urban core areas with secondary-market suburbs trailing behind.

Mr. Richter said he spoke with several businesses and restaurant companies who are very interested in coming to Crystal Lake but need franchisees. He said the Chicagoland area is mostly franchisee driven and not corporate owned businesses such as on the east coast. Some of the businesses looking for franchisees are Brickhouse Tavern and Pub, Moe's, Bennigan's, Papa Murphy's and several others. Mr. Richter asked the Committee members how we can help the businesses reach potential franchisees. He was thinking that the City could invite people and businesses here to possibly hold a match making event. Mr. Affrunti said Schaumburg holds a franchise expo. Mr. Reece asked how many businesses are there. Mr. Affrunti said usually around 40 businesses. Ms. Schwarts said it is held by the Greater Schaumburg Chamber and they send mailings to homes even in the surrounding area. She believes they host it every three years. Mr. Richter said that something similar may be an event worth hosting. Mr. Reece said the Chamber would be willing to partner the event and it could possibly be held at the Holiday Inn. He said that most new businesses lately are started by people over 50 and added that they could also include groups that work with people who are unemployed.

Mr. Richter said that Ms. Rentzsch met with developers at the ICSC. He said there was a much higher energy level at this year's event than in the past.

I Shop Crystal Lake program planning for FY 2013-14

Mr. Richter suggested that there be an I Shop committee that would consist of just a few meetings including several business owners who have used the I Shop programs in the past to research and offer suggestions on how they would like the program to proceed. Mr. Fowler said they need to restructure the I Shop program with possibly holding 2 contests a year instead of the 4 that was held last fiscal year and using the money saved on advertising to generally promote shopping in Crystal Lake. He said they have been getting the same people participating in the contests. Mr. Richter said the Holiday program extends to the greatest number of people.

Mr. Richter said we can't conclude that holding the I Shop contests throughout the year helped promote sales at Crystal Lake businesses, due to the data on the State's SIC reports.

Mr. Reece suggested that they hold two contests a year to keep it in front of the consumers and to take the extra dollars and put it towards marketing the I Shop "brand" and the contests. He suggested using social media, newspapers, radio, electronic, etc.

Mr. Hymes said they need to ask what is different about Crystal Lake. What do we have that others don't have? Mr. Reece said we have a unique downtown area. He said it is a shame but some residents don't know about it. Mr. Hymes said the broader approach hasn't worked. He suggested that they focus on one or two areas in Crystal Lake and there will maybe a trickledown effect. Mr. Reece said they need to create an awareness and build on the I Shop program. It's an educational process.

Mr. Richter reminded the Committee about the Rewards program for consumers and businesses but that didn't take off as expected. They didn't get the payback they expected and the businesses weren't interested in maintaining their own information on-line.

Mr. Reece moved to eliminate the existing website and replace it with a website that has the same look and feel, but that doesn't include the directory, maintain e-mail blasts for special events, and advertise the I Shop Crystal Lake brand using a variety of media. Mr. Haleblian seconded the motion. On voice vote, all members voted aye. Motion passed.

Updates:

A. Unified Development Ordinance proposed Amendments

Mr. Richter stated that the proposed amendments will be continued to the June 19th PZC meeting. Staff is waiting on the approval of the proposed language.

B. Incentives programs

Mr. Richter said there have been two applications received this fiscal year. The first was for a bridal shop in the Crystal Lake Plaza and the grant was approved by Council. The second was recently received for ABC Supply. They will be expanding their business in their current location. Mr. Richter said what they were looking for was additional outside storage and they will be leasing the property next door to their current location. That grant request will be going to City Council at their next meeting.

C. Business retention tours

Mr. Fowler said the Eisenmann tour is set for next week. Mr. Richter said letters were sent to various businesses within Crystal Lake but staff has not heard back from them to set up a tour. The members divided up the letters and said they would contact those businesses regarding tours. He said if nothing can be set up,

they will move on to the next group of businesses. Mr. Richter said he would provide members with a script to use for the follow up calls.

Organization reports:

Downtown Crystal Lake (Brian Fowler)

Mr. Dalzell said things are going well in the downtown area.

McHenry County Economic Development Corporation (Brian Fowler/James Richter II)

Mr. Fowler said there was no report.

Chamber of Commerce (Gary Reece)

Mr. Reece said the annual dinner was well attended. He said he will be very busy over the next few weeks and will not be able to attend the Eisenmann tour.

City of Crystal Lake (Staff)

Mr. Richter said there was nothing to report.

Report to the City Council

Mr. Richter said he would create the report highlighting the major points discussed during this meeting.

Comments from the Committee

Mr. Dalzell asked if the sales tax for internet sales had passed. Mr. Reece said it had not passed both houses yet.

Mr. Haleblian asked Ms. Schwarts what the City could do to help the Holiday Inn. Ms. Schwarts said they would like to see more manufacturing. They are also targeting more international travel since they stay longer. She said people aren't looking at Crystal Lake as a destination. They do have shopping and dining guides available but people use their smart phones or tablets. If that business is not on that map, they don't go there. Also events in the surrounding areas help their business such as the rib fest. Ms. Schwarts added that many of their business travelers are looking for a large sports bar. When there is a big game – Blackhawks, Bulls, etc. – Buffalo Wild Wings is too small and there is a waiting list for even the bar area. Those travelers come back and are mad at them for suggesting they go to that place.

Adjourn

There being no further business, the meeting was adjourned at 8:45 a.m.