City of Crystal Lake Economic Development Committee
December 8, 2015 – 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. by Mr. Dalzell.

Roll Call/Attendance
Members DeHaan, Haleblian, Leech, Maule, Saidler, and Dalzell were present. Members Fowler, Affrunti, and Reece were absent.

James Richter II, Planning and Economic Development Manager, was present from staff. Erik Beier and Mike Reynolds with First Institute, and Carrie Zethmayr with Illinois Department of Commerce were also present.

Approve Minutes of the October 27, 2015 Meeting
Mr. Haleblian moved to approve the minutes from the October 27, 2015 EDC meeting as presented. Ms. Maule seconded the motion. On voice vote, members Affrunti, DeHaan, Haleblian, Leech, Maule, Reece, Saidler, and Fowler voted aye. Mr. Dalzell abstained. Motion passed.

Public Participation
There was no one present who wished to speak.

Presentations:
First Institute – Eric Beier, Mike Reynolds
Mr. Richter welcomed the representatives from First Institute. He said the Committee is inquiring about their business. Mr. Beier said a travel agency business was started by his parents in 1972 in the building which is now the home of the Crystal Lake Park District at the corner of Walkup and Crystal Lake Avenue. They then moved a few buildings down on Crystal Lake Avenue. It seemed that they were training travel agents and after they were trained, they would move on to other agencies in Schaumburg where they could make more money. Eventually First Institute was formed and moved to McHenry Avenue and Barlina Road. There they trained travel agents and then when the internet because more available, they evolved into training for IT and computer repair. He said since then they evolved into training in the medical fields – medical assistants, dental assistants, and massage therapists.

Mr. Beier said that not only do they have the building on the west side of McHenry Avenue but they also use half of the building across the street. He said they graduate 150 to 200 people a year who work in McHenry, Kane and Lake Counties. Currently they have approximately 175 students enrolled in both day and evening classes. Mr. Beier said part of the classes they offer include an internship which gives good experience to the student. The graduations are held at Crystal Lake South High School's auditorium. For many of their students it is their first success point. There are career services available to their students during their education, which also helps the students secure an internship. Additionally about 80% of their graduates find employment in that field and about 75% of their massage therapists find employment. Mr. Reynolds said with the hospital growth in the area, they have been contacted by hospitals regarding possible employees.

Mr. Beier said they brought some fliers from their mobile welding program which is national. There are four welding stations within the trailer and they can train eight students at a time. This is an 8-week program and the students will receive their welding certificate at the end. Their goal is to provide quality welders. Mr. Beier said they are also looking into having classes in HVAC and Industrial Maintenance.

Mr. Leech said many companies in Crystal Lake tell them there is a lack of qualified employees available in this area. Mr. Beier said a large number are going to MCC and 4-year colleges instead of going into trades. There is a significant need for this type of training. They have also looked into training for tool and die and there is a company who would like to partner with them. Mr. Leech asked about a possible partnership with the high schools. Ms. Maule said that is going on and there was a job fair held at Crystal Lake South High School yesterday. She said that neither this program nor the one at MCC is getting a strong hold in the County. Mr. Beier said there are ads now on TV and radio for colleges. He said they have met with several companies and sent them to the County for help with funds and they never return. There is a disconnect somewhere and they can't seem to crack the code for funding for some students. He is not sure why this is happening here while other counties are pressuring them to come. Ms. Maule suggested they work directly with the companies. Mr. Richter said the City has both attraction and retention procedures and asked if the City could connect employers with First Institute to help them.

Mr. Dalzell said both the Lions Club and Service League have scholarships. Mr. Beier said they have used both of those. He said they want to be sure the potential students are interested in that field before they start taking the classes. Mr. Leech said most kids want a college degree and to get a good job. Kids aren't always aware that there are other options. Ms. Maule asked if First Institute accepts the GI Bill. Mr. Beier said yes.

Mr. Richter asked about their faculty. Mr. Reynolds said their faculty has a minimum of 6,000 hours of experience in that field. They are also evaluated by them. He said their student body is different and has many barriers. They do know that they are expected to attend classes. Mr. Reynolds said they also do a lot of mentoring.

Mr. Haleblian said there is a large need for trades people - specifically tile setters. He is not seeing young people entering trades. Ms. Maule said there seems to be a lack of training through the unions like there was in the past. That seems to be the gap. Mr. Leech asked how that link gets recreated. Ms. Maule said it's difficult to get through the parents that kids don't need to go to college. Mr. Dalzell said he finds that kids don't want to work under anyone to learn.

Mr. Richter thanked Mr. Beier and Mr. Reynolds for their time. It was good to learn what they do at First Institute. He said he will keep in touch with them.

<u>Illinois Department of Commerce</u> – Carrie Zethmayer
Ms. Zethmayr said she is the new representative for the region and started with the IDC in August. She reviewed her previous experience in economic development. There has been more business activity in McHenry County than Winnebago County (Rockford). Also the businesses in McHenry County are more willing to make investments in their companies and employees. She said this is a unique business community.

Ms. Zethmayr said the basics for economic development is to average the good money (money to create primary jobs) with bad money (importing). When economic development happens, that is just the tip of the ice berg. What happens before hand – the years of hard work, contacts, etc. – usually goes unnoticed. Without the initial efforts, economic development doesn't happen.

Ms. Zethmayr explained the various sub-departments within the Department of Commerce. Mr. Richter asked what the Community Development branch does. Ms. Maule said they handle the Main Street program.

Ms. Zethmayr said there are various resources that can be used – Illinois Department of Commerce, EDDNI, McHenry County EDC, and your own municipality. Each group has unique characteristics to bring to the table.

They all need to work together for success. Mr. Richter said communication is key between all entities and that the surrounding states have their act together and coordinates well which puts us at a disadvantage. Ms. Zethmayr said there needs to be trust in the agencies with a focus on the end goal. They need to bring up the assets they have such as low energy cost, natural resources, skilled labor, airports, etc. The Department has a strong need for change. In the past there has been a lack of flexibility, no marketing dollars, and the internal structures were very rigid. Now they are changing policy where they can and still be within the statutes.

Mr. Richter asked about the process for businesses after they apply for assistance from IDC. Ms. Zethmayr said previously the burden was on the business to complete a project profile and now the burden is on IDC staff to gather the information needed. This can be done through a face-to-face meeting. A letter is created that outlines the benefits of remaining in the state which includes information from all sources to provide one solid package to the business.

Ms. Maule said the whole structure has changed. The previous people didn't understand business language and that was hard to overcome. Now there are business people in charge of this department. Mr. Leech said it is refreshing to see the change.

Ms. Maule said she heard that the SBDC in the surrounding areas are closing. Ms. Zethmayr said those are important. She said the state funding remains the same. If there are no local efforts to keep SBDC's, they cannot be retained.

Mr. Richter thanked Ms. Zethmayr for making the trip to Crystal Lake. Ms. Zethmayr said she would like to attend more of these meetings. It is important that the communication remain open. Mr. Richter said this committee meets once a month and looks forward to seeing her again soon.

Business anniversaries and tour updates

Mr. Richter thanked those who attended the Curran tour last week. He heard that the tour was good. The Martin Chevrolet tour is scheduled next Monday at 4 p.m. He will be sending out an e-mail regarding the tour. He is still trying to get in contact someone from the theater and will let the members know when something is scheduled.

Welcome Packet

Mr. Richter said the City Manager has authorized the use of funds to update the previous marketing piece used to attract businesses. He said the information will be updated and it will include the information on being named one of the best small Cities by WalletHub. They will be working with a local company, JMS Marketing, on the project and is looking forward to it.

I Shop Crystal Lake update

Mr. Richter said businesses have been sending them information to be included in the blasts, face book information, etc. Currently the City is in budget discussions and he hopes the budgeted amount for EDC remains the same. Ms. Maule asked if the City could pull together Downtown Main Street, Crystal Lake Plaza and other representatives to collaborate on this since it benefits all and not just the downtown area.

Comments and Suggestions from the Committee

There were no comments from the Committee.

Organization reports:

Downtown Crystal Lake
No report.

Chamber of Commerce
Ms. Maule said a legislative forum was held recently. The topics of discussion was limited and there was good information that given.

City of Crystal Lake (Staff)
No report.

Adjourn

The meeting was adjourned at 9:05 a.m.