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Local group wants to turnaround Crystal Court shopping center in Crystal Lake

Local investors eye residential units after demolishing former Wal-Mart

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[CRYSTAL LAKE](#) – Having already torn down a building, a group of local investors want to build residential units on the backside of the Crystal Court Shopping Center, one of the few Route 14 commercial centers in Crystal Lake that, for years, has struggled to attract tenants.

For the residential concept to work inside Crystal Court, the plan would need to capitalize on the center's location to the Three Oaks Recreation Area, an expansive open space with lakes and numerous recreational amenities that borders the southern edge of the center, the investors from McHenry and Lake counties have said.

Residents in the housing units could overlook Three Oaks while living in the heart of a busy commercial corridor in Crystal Lake. Residential units also could provide an economic boost to the smaller retailers scattered throughout the Crystal Court center, said John Green, president of Lynnwood Development Corp. in [Cary](#), who is the project manager working with the investors.

“Because it overlooks the Three Oaks Recreational Area, it’s an ideal place for a residential use, but we really don’t exactly know what shape yet it would take,” Green said. “It could be apartments, condos, independent living. We really don’t know yet.”

The investors have started putting their concept in motion. They acquired one of the anchors within the center – the former Wal-Mart vacant since 2007 – in November for \$500,000 and promptly demolished the 91,124-square-foot building a month later.

Currently fenced off, the vacant lot could house the residential units the investors have eyed for the center, with other redevelopment possibly forthcoming inside Crystal Court. But Green said his group will proceed slowly with their reinvestment, noting much more work remains to overcome the center's historic challenges and turn their idea into reality.

The center's complex ownership, boxy design, lack of visibility from Route 14 and inability to maintain a commercial anchor long have been identified as the problems holding back Crystal Court. It sports two vacant anchor locations – the now demolished Wal-Mart and an adjacent 64,000-square-foot building that used to house Cub Foods.

Either anchor haven't seen a tenant since 2007, when Wal-Mart moved from Crystal Court into a shopping center near Route 31 and Rakow Road.

J.C. Penney purchased the former Wal-Mart a few months later in spring 2008 but never redeveloped the property once the economic recession hit. Green and the other investors bought the property from J.C. Penney.

"We decided before we bought the property there was absolutely no reason to leave that building up longer than necessary," Green said, adding the former Wal-Mart was blighted with roof and mold issues. "It was an eyesore."

Green and the other unidentified investors have numerous obstacles to manage before they can present their redevelopment plan to the Crystal Lake Planning and Zoning Commission and to the City Council. He said they hope to present a formal plan to the city within the next three to six months.

Various owners control different lots within Crystal Court, requiring negotiations to ensure the owners all agree on the mixed-use concept being put forth by the local investors. Green said they've already started meeting with a majority of the owners and, so far, they have support for the idea.

The investors still need to reach the owner who controls the former Cubs Food – the other vacant anchor that could lead to additional residential units or possibly smaller retail units.

"We think that building is important for the redevelopment plans for the center," Green said. "We hope that property is a part of it, whether we own it or we work with the existing owner."

The investors' idea somewhat mirrors a general concept plan devised by city officials in 2009.

Crystal Lake at the time hired architects to gauge possible redevelopment options for the struggling shopping center. Officials eventually came away with a mixed-use idea combining residential units and additional retail outlets, along with new access roads that would lead motorists through the center and into the Three Oaks Recreation Area, said Community Development Director Michelle Rentzsch.

Developers responded well to the idea but nothing ever materialized after the economy soured. Years later, the city now looks forward to working with this group of investors even though officials have yet to see plans, she said.

"A residential component, as part of a mixed-use redevelopment, makes sense next to the recreation area and helps to further support the strong mix of national and local retailers that thrive along the Route 14 corridor," Rentzsch said. "The city is open to any redevelopment plan that make sense for this well-positioned property."

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