

West Dundee 2020

Economic Development Plan

Strategies and Tactics for Promoting Long-Term Economic Growth
in the Village of West Dundee

V8-05-2015



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SECTION 1

General Information

West Dundee 2020
Economic Development Plan

Executive Summary

Background

The Village of West Dundee is a unique community. Founded in the late 1800s, this Fox Valley river town has an established downtown area, a diverse housing mix, a large regional mall, highly traveled state and county roads, proximity to an interstate and an international airport, and substantial room to grow geographically on the community's west side. Despite all of this, West Dundee retains a "small town" feel while still having strong, semi-urban assets.

Since the early 2000s, however, the Village has observed substantial and sustained impacts on its economy, due mostly to competition from surrounding communities who themselves benefited from state roadway investments in Randall Road to the west and Rt. 59 to the east. The retail pad growth in these areas, combined with the increased prevalence of online shopping, combined to adversely impact the West Dundee economy. The compounding effect shifted developmental momentum away from the Village's retail corridor (at Rt. 31 and Rt. 72) to the Randall Road area, where the Village had no presence. An economic downturn in 2008 all but precluded retail reinvestment in the village for an extended time, resulting in further declines and mitigating the community's ability to compete effectively.

With the national economy now in turnaround and the Village's assets remaining, it is time to chart a course to rebuild the village's economy in a more diverse, sustainable way. With that in mind, this plan aims to outline the Village's efforts to attract, retain, and enhance business investment in West Dundee for the next five years. The intent of these efforts is drive increases in the community's equalized assessed valuation (EAV); create jobs; and generate sales taxes.

Overarching Strategies

- **Partner.** Public-private partnerships will be a hallmark of the Village's economic development efforts. That commitment will be evidenced by open and consistent communications from the Village; a willingness to contribute financially to projects that benefit the community; and an aggressive, innovative approach to surmounting development obstacles.
- **Plan.** The Village's approach will be a studied and deliberate one that seeks to develop long-term, well researched plans and that feature collaboration with business owners, market professionals, other local units of government, and residents. The plans will be clear, transparent, and executable. The outcomes must promote financial diversity, incorporating housing, repurposing of retail locations, the seeking of destination uses, geographic expansion, and the further development of office and light industrial projects.
- **Adapt.** The Village recognizes that the organization must adapt to market conditions, and that the community must innovate in order to advance its economic development efforts. The Village must recover developmental momentum in the aggregate, recognizing that there is no "silver bullet" and that the economic development trends of the recent past have changed and that, so too, must the Village's approach. Leveraging the Village's strong demographics; solid infrastructure; high Average Daily Traffic (ADT) counts; and robust incentive programs will be key.

Competitive Landscape

Primary Areas of Competition

Four (4) primary sectors provide significant competition to the Village of West Dundee, particularly to the Spring Hill Corridor, which is the largest component of the Village's economy. The sectors are:

- **Algonquin + Lake in the Hills Sector:** Since 2002, these two communities have developed an extensive retail corridor along Randall Road. In particular, Algonquin Commons (a lifestyle center), has presented substantial competition to the Spring Hill Mall area. The Costco in Lake in the Hills is yet another key anchor to the corridor. Pending road improvements initiated by McHenry County are likely to have a substantial, and potentially negative, impact on this sector in the coming years.
- **Hoffman Estates + South Barrington Sector:** Since 2005, this region has seen substantial growth with the creation of a lifestyle center (The Arboretum) and a high-end retail center (**Poplar Creek Crossing**).
- **Woodfield Mall + Schaumburg Sector:** Woodfield Mall is a highly successful super-regional mall, surrounded by abundant retail and entertainment uses. Proximity to this destination area has an impact on the success of Spring Hill Mall both in terms of both consumers and retailer/business attraction.
- **Online Shopping Sector:** Strong pricing competition from retailers like Amazon present an intrinsic challenge to brick-and-mortar retailers, who have struggled to find ways to adapt. The tax advantage conferred on Internet sales also create a competitive imbalance in favor of online retailers, who themselves contribute little to the local economy, shifting tax burdens to residents and other physical property owners.

It is worth noting that the three physical locations noted also experienced significant increases in households through large scale single- and multi-family developments in concert with their commercial growth.

Areas for Improvement

The Village of West Dundee endeavors to address the following points that, if address, could increase the Village competitiveness in the economic development space.

- **Residential Density:** The Village's market area could benefit from an increase in "rooftops," or the number of residential housing units within 1, 3, and 5-mile radii. Residential density is a critical component of any developer's evaluation of a market area's feasibility for a retail development.
- **Daytime Population:** Having workers within the community (or within a short drive of it) will assist in attracting new retail uses, particularly in the restaurant and retail spaces.
- **Roadway Enhancements:** Roadway capacity, particularly on Huntley Road and Rt. 72—each west of Spring Hill Mall—must be assessed and enhanced.
- **Downtown:** Downtown West Dundee, as identified through its adopted plan of April 2015, identifies policy, operational and capital improvements which should be considered to be adopted and implemented. Items include a thorough review of the Appearance Review Code and Commission, establishment of a 5-year operation and capital improvement budget, improving communications between stakeholders, organizational groups and businesses, and designing funding and construction selected streetscapes with particular attention to First Street.

Competitive Landscape, cont.

- **Fox River Access:** The Downtown Area could benefit from a maximization of the community's natural riverfront access.
- **Randall Road Parcels:** The Village has few parcels available on Randall Road, in essence missing the opportunity to capture prospective business via the vehicles that travel the road each day. The Village needs to expand itself westward along Randall Rd. while concurrently seeking control of the available parcels on the Rt. 72—Randall Rd. intersection.
- **Redevelopment of Current Sectors:** With special focus on the Spring Hill corridor, the redevelopment of existing retail spaces is necessary. Experiential shopping is a key driver of retail foot-traffic, so the repurposing of the Spring Hill corridor must be done in recognition of that fact. The net result should include a mix of dining, entertainment, and retail. The re-development should be conducted in concert with our neighboring community in that sector, namely the Village of Carpentersville.

Village Demographics

156,772

POPULATION WITHIN 5 MILES
or, alternately, within a 10-
minute drive of the Village

7,331

POPULATION
according to 2010 Decennial
Census

\$86,286

MEDIAN HOUSEHOLD INCOME
according to 2010 Decennial
Census

50,916

HOUSEHOLDS WITHIN 5 MILES
or, alternately, within a 10-
minute drive of the Village

2,785

HOUSEHOLDS
according to 2010 Decennial
Census

89,951

DAYTIME POPULATION
residing and working within a
5-mile radius of the Village

38

MEDIAN AGE
according to 2010 Decennial
Census

2

FULL INTERCHANGES
from I-90 that serve the
Village

Randall Road

RANDALL ROAD
serves the Dundee area, with
ADT of 55,000 vehicles

72

ILLINOIS ROUTE 72
serves the Village, with ADT
of 61,200 vehicles

31

ILLINOIS ROUTE 31
serves the Village, with ADT
of 61,200 vehicles



INTERSTATE 90
serves the Dundee area, with
ADT of 77,000 vehicles



O'HARE INTL. AIRPORT
28 miles from West Dundee,
accessible via I-90



LAKE IN THE HILLS AIRPORT
7 miles from West Dundee,
accessible via Rt. 31



METRA PASSENGER RAIL
3 miles from West Dundee,
accessible via Randall Road

SECTION 2

The Quadrants

West Dundee 2020
Economic Development Plan

Quadrant 1: Spring Hill Corridor

Critical Components

- Spring Hill Mall
- Former Target/Best Buy Sites
- Walgreens/JimmyJohns/Fed Ex
- Jewel-Osco
- Olive Garden
- Red Lobster
- Starbucks
- Chipotle
- Gateway Center—West
- Gateway Center—East
- Tartans Crossing
- Petco

Description

Defined by (access road near bank to the north), Rt. 72 to the south, and the Jewel store to the east, the Spring Hill Corridor generates the majority of Village sales tax. It is tenanted predominately by national and regional operators. Significant cross-shopping among these retailers is critical to the sustainability of this sector.

Challenges

Since the late 1990s, the Spring Hill Corridor has experienced considerable competition from other retail developments in surrounding communities, namely Algonquin and Lake in the Hills to the northwest and Hoffman Estates and South Barrington to the east.

As consumer trends have shifted preference from interior malls, **Spring Hill Mall** has experienced decreased sales tax revenue and there is a concern about the vacancy rate. To compete going forward, the Spring Hill Corridor likely will require a reinvention of sorts.

The Village sees the key component to that effort being a redevelopment of Spring Hill Mall, one that would combine the best elements of indoor and outdoor malls while retaining strong national tenants at both the interior and anchor positions. The Village would like to see the revamped mall have a greater focus on fast-casual dining and entertainment uses on the exterior or outlot positions. Pursuit of this reformat remains the Village's most vital goal for the Spring Hill corridor.

The **Gateway** properties, both east and west, are a challenge as they are currently configured, with store sizes, depths, and orientations that do not tend to match market realities. As currently configured, the Village believes Gateway will continue to struggle to find a tenant mix that is complementary to the super-regional mall to which both properties are adjacent.

The fact that the former **Target and Best Buy sites** are below roadway grade presents a tactical disadvantage for retail re-tenanting, but certainly does not preclude it.

The shrinking number of "Big Box" retailers, their slow recovery from the economic downturn, and a desire for smaller footprints for "Junior Box" stores with sizes more comparable to 20,000 square feet. Existing big box stores in the Spring Hill corridor are in the 25,000-40,000 square foot range.

Vision

The Spring Hill market remains robust, with supportive demographics surrounding, solid daytime and evening populations, and excellent accessibility via major roadways.

The Village is seeking other uses to increase area activity, thinking that such an increase will yield additional consumers for the commercial uses in the area. The concentration of such uses—which could include public facilities, offices, or recreational settings—would help to create the market compression, or "body heat,"

Quadrant 1: Spring Hill Corridor, cont.

necessary to help sustain the commercial uses at non-peak times.

A revamp of the mall likely would spur subsequent redevelopment at the **Gateway** properties. To address the structural weaknesses of the Gateway properties, the Village will continue to encourage their substantial redevelopment. Such a redevelopment should include a reorientation of the buildings nearest Rt. 31 on the east side and Rt. 72 on the west side so that the storefronts are visible to the significant number of passersby on the adjacent roadways. Breaking up the sites into several independent buildings and outlots might also work well to attract desirable tenants.

The redevelopment of the former **Target and Best Buy sites** could present for some interesting possibilities. the Village might also consider uses that are, again, complementary to Spring Hill Mall—uses such as a recreational facility, a mixed-use structure (vis., mixture of office, retail, and residential), or multi-family residential. Further, the Village would consider radical redevelopment of the site to promote a diversification of use for all involved parcels.

Quadrant 2: Downtown Area

Critical Components

- Emmett's Brewing Co.
- Francesca's Campagna
- Spa Bleu
- The Village Squire
- Former Clearwater Theater
- Former MT Barrels
- Samata Holdings
- Around the Corner Candy
- West Dundee Riverwalk
- Former Ace Hardware Site
- Dundee Market Property

Description

Defined by the river to the east and Fifth Street to the west, the Downtown area is the “heart” of the community. It is tenanted predominately by restaurant and service operations, with a mix of small, locally owned retailers. The main artery bisecting the Downtown area into north and south portions is Main Street (Rt. 72).

Downtown West Dundee benefits from four key anchors—**Emmett's**, **Francesca's**, **Spa Bleu**, and **Village Squire**. Each is unique, locally owned, and competitive in the face of strong competition from neighboring communities. The commercial future of the Downtown area is reliant, in part, on building off of these “bedrock” users, owing to the fact that quadrant is likely to be focused on attractions, namely dining, entertainment, and service uses as it evolves over the coming years.

The resulting space remains vital, provided the tenant mix is strong. The main Downtown area is compact, spanning roughly two blocks on either side of Main Street, and is therefore a manageable undertaking from a planning perspective.

Challenges

The removal of Main Street parking from the Downtown Area had a significant impact on the trajectory of this particular quadrant. Furthermore, the bisecting roadway, Rt. 72, is controlled by IDOT which limits opportunities available to the Village. The area also lack a train station, which is a strong asset to many other suburban downtowns. Given the proximity to the residential community and the existing housing structures, there is little room for expansion of the downtown business footprint.

Being along the Fox River, portions of the downtown are in the flood fringe (within the floodplain, but outside the floodway) and subject to shallow flooding. Thus, measures will be required to floodproof buildings that undergo substantial improvements.

Given the unique and historic nature of the Downtown structures and sites, many are older and in need of updating.

Vision

The vision for the future Downtown Area is outlined in the recently adopted West Dundee Downtown Plan. This established vision will have a significant impact on the Village's economic development goals for this quadrant.

This vision includes significant private investment in the redevelopment, renovation or repurposing of several key downtown commercial properties. It also lays the groundwork for future public investment in such amenities as parking improvements, visual branding and way-finding signage, extension of the Riverwalk to the south side of Rt. 72 and the addition of a park/public space with Fox River frontage.

Quadrant 2: Downtown Area, cont.

The Village will also continue to focus on the re-tenanting of key structures, including the adjacent former **Clearwater Theater** and **MT Barrels** properties, which have currently come under a single ownership. Physical improvements to the theater, and the reopening of these adjacent facilities as a live music venue and complimentary dining option, is anticipated in the near term.

The proposed business incubator program will be focused in the Downtown Area. Downtown is the ideal location for start-ups to introduce and test their new business concepts, prior to locating to a permanent site within the area. The support and financial/technical services offered through the business incubator will help to create and grow new businesses in Downtown West Dundee.

Further, adding additional residential density to the Downtown Area is likely also part of its long-term future. Having more residents in a semi-urban environment may help support the quadrant, which at present is already heavily dependent on visitors who reside outside of the Downtown Area.

The Village recognizes that its support—both administratively and financially—is necessary. This is especially true when the preservation of the historic character of these structures and sites is sought. The Village of West Dundee remains committed to being a partner in such ventures, understanding that such partnerships are critical to the long-term viability of the Downtown Area.

The Village will also consider river-related recreational uses that are not otherwise represented along the Fox River in neighboring communities. Items such as a boat launch would add appeal to the area and act as a draw to the Downtown area.

Quadrant 3: Randall Road Corridor

Critical Components

- Galvin Property
- SW Corner of Randall + Rt. 72
- NW Corner of Randall + Rt. 72
- Carrington Crossing
- Randall Oaks Recreation Center
- Leafs Ice Center
- Oakview Corporate Park

Description

Defined as Binnie Road to the north and Carrington Drive to the south, the Randall Road Corridor includes parcels on both the east and west side of the eponymous roadway. Some of these parcels have been annexed into the Village, though the majority have not yet come online within the community's service area.

Undeveloped sites include protected wetlands, for which much of work in terms of delineation and engineering have been completed. Utility service has been extended to Randall in preparation for future development.

The **Carrington Crossing** development at Randall Road and Carrington Drive is pad-ready; the necessary grading has been completed and infrastructure installed. With the potential for a signal to be installed, this particular spot is likely to feature the first substantial commercial development West Dundee will have seen along Randall Road. An excellent site with great visibility, this set of parcels is to be marketed heavily.

The **Oakview Corporate Park** is home to numerous light industrial uses, with additional facilities committed for build out in 2014/15. The Park has been expanding into Phase II, including the extension of Wesemann Drive and water main extensions ahead of projected timelines.

Challenges

In the late 1990s, as residential development headed westward, Randall Road was undersized and prone to frequent traffic issues. The roadway was subsequently expanded, and as that occurred, commercial development followed. Lacking a significant geographic presence along Randall, and wanting to preserve the retail integrity of the Spring Hill area, the Village of West Dundee did not participate in the Randall-focused expansion.

Annexations proceedings on the **Galvin** property have not been completed--initially due to circumstances related to the homestead status of the property and trust restrictions, and most recently due to a contract pending for multi-family development. Extensive work was undertaken by ownership for marketing the site in anticipation of market rebound.

Surrounding commercial vacancies in Algonquin and remaining lots at the Auto center remain as main competitors to new development in the quadrant.

The **Carrington Crossing** site carries challenges in regards to curb cuts and the potential for a traffic signal at the intersection of Randall Road Carrington Drive. As Randall Road is the jurisdiction of Kane County Department of Transportation, the installation of a traffic signal is hinged upon KDOT warrants and approval.

Vision

The Village is committed to moving westward, with negotiations ongoing with the **Galvin** family to annex their property into the Village. Once that occurs, the Village will seek to add both of the western corners of the intersection of Randall and Rt. 72 (the southwest corner is not available currently for sale or annexation).

Quadrant 3: Randall Road Corridor, cont.

With the expansion, the Village sees the potential for service uses, such as a gas station or niche groceries. Additionally, the roadway is ideal for automobile sales, and the Village will seek to find such uses for the corridor.

The area already has cultivated a “sportsplex” tone, with the **Leaf's Hockey Center**, **Randall Oaks** Fitness Center, Randall Oaks Park/Zoo, Randall Oaks Golf Club, and several athletic fields already in place. The long-range plan of the Dundee Township Park District includes the addition of a Randall Oaks Water Park. Adding additional sports capacity is a goal of the Village, especially if such capacity can attract local, regional, or national amateur sporting events. Such events not only enhance the prestige of the community, they also drive use of local shopping destinations, restaurants, and hotels.

The signalization of Wesemann Drive may be considered to facilitate increased capacity at the Oakview Corporate Park.

In the short-term, the Village will continue to pursue the acquisition of additional Randall Road frontage, believing that as the economy strengthens, the need for accessible properties near Randall Road and I-90 will increase.

Quadrant 4: Rt. 31 Corridor

Critical Components

- Century Plaza
- Haeger Estate
- D&M Perlman Jewelry
- Rose Plaza
- Bootleggers
- Harris Bank
- Marriott Properties
- Old World Village
- Heidner Property

Description

Defined as the span of Rt. 31 south of Rt. 72 and north of Marriott Drive. The Rt. 31 corridor is the entry point to the community for those traveling northbound on Rt. 31, typically via I-90. The Rt. 31 span offers full interchange to I-90 (just immediately outside of Village borders, in Elgin), and so provides ample access for vehicular access.

A number of retail centers are located midway through the corridor, including Century Plaza and Rose Plaza. **Century Plaza** is the largest, substantial enough in size to be considered a neighborhood center. It caters to small, independent businesses and can accommodate a variety of uses, from service to retail to office.

Challenges

The Village believes that **Century Plaza** can be even more competitive through a refresh of its façade, and the Village is committed to supporting the ownership in this regard.

Old World Village and Market Loop - existing spaces, recent development of two buildings, Marsh and Davis, and desire to complete similar rehabilitations of existing spaces.

Vision

Due to this access, the area is one that is primed for growth, particularly along the eastern portion of the roadway, in what is now part of the **Haeger Estate**. The Village is currently in the process of working with the owner to write a new development agreement, as the annexation agreement has expired, in service to future economic activity in the corridor. The Village will encourage activity that is likely to include a mixed-use development featuring residential, office, and light-industrial properties. The developments should also make use of the natural terrain that exists on the property, inclusive of a long stretch of river frontage.

Several former retail locations have been converted to alternative uses, including an office incubator at Century Plaza, Express Employment Professionals at Rose Plaza and Hamilton Academy Education at former O'Brien Furrier. This is in concert with recognition within 2005 Comprehensive Plan that the community had an over abundance of retail zoning. The Village has undertaken substantial efforts to attract successful niche businesses to fill these locations and will continue these efforts to secure these uses.

There are also some unique infill opportunities with vacant land along Route 31 including the 9 acres and 2 acres along the signalized intersection of Village Quarter Road and Market Loop. The Village has worked to preserve the build-ability of these sites with respect to the adjacent floodway areas. In Old World Village there remain buildable office lots and an opportunity for condominium offices such as the recently constructed Contaldo building along Beacon Street.

For the parcel at the northwest corner of Route 31 and Boncosky, the Village would entertain low-intensity residential plans; mixed use commercial and light office; and retail options that would complement the adjacent single-family detached subdivision.

SECTION 3

Attraction & Retention Tactics

West Dundee 2020
Economic Development Plan

Attraction Tactics

The Village of West Dundee operates in a highly competitive environment, as the community is surrounded by several communities with highly sophisticated municipal economic development programs. As a function of this fact, the Village's recruitment tactics—intended to attract new businesses to the community—are by design innovative and intended to promote economic diversity. Each type, described in brief below, is predicated on the belief that the Village is a partner to the businesses that are located within its borders.

Public-Private Partnerships: Described in greater detail later in this document, investments and incentives are a key feature in the Village's efforts to attract and retain business investment within the community. Such investments will be in the context of a public-private partnership and will be made in projects that the Village determines are important to the community's long-term well-being.

Retail Analysis and Support: A key feature of the Village's recent economic development efforts has centered on the use of a retail consultant/broker, and it is expected that such a relationship will continue. The contractor relationship allows the Village to expand its economic development team without adding permanent staff headcount and its inherent expense. Further still, the use of a retail consultant allows for the Village's team to be able to reach out directly to brokers—typically the key drivers in development deals—and provide them with critical site data that the Village has proactively obtained.

Sister Cities Relationships: Several area communities—including Chicago, Schaumburg, and Elk Grove—utilize Sister Cities relationships to attract foreign direct investment. This is a sustained program type, taking years to build in order to be effective, but one that can yield significant benefits in the recruitment of non-retail developments. In 2013, the Village of West Dundee incepted a relationship with Dundee, Scotland, in service of building such a relationship. An additional relationship with an Asian community (Japan, China, India) and/or another community in North America could be contemplated to broaden the effort in the long-term.

Business Incubator: Tentatively called the Dundee Foundry, the business incubator would be a partnership between the Village and local educational institutions (local school districts, community colleges, universities). Such an incubator would be geared toward entrepreneurs of all ages, and would provide not only shared services (vis., high-speed data access, co-working spaces) but also a full curriculum of instruction based on the increasingly popular "Slim Start-Up" concept. The program would also include opportunities for proof-testing through the use of downtown retail space for the use by pop-up stores and restaurants. The resulting organic job -growth could help grow the Village's business base as well as to attract visitors to the area for non-traditional retail and food uses. For more information, see Exhibit B.

Participation in ICSC Events: The International Council of Shopping Centers (ICSC) conducts both local and national events to help pair retail businesses with brokers, land owners, and municipalities. The Village of West Dundee has become and will remain an active participant in ICSC events directly or in concert with key property owners in service of marketing the community and the developments within it to retail developers.

Demographic Reports and Research Support: The Village continually researches and reports market data to assist businesses in ascertaining market dynamics in and around West Dundee.

Communication Coordination with Local Landowners and Brokers: The Village will work with local land owners and brokers to amplify their marketing efforts and, where warranted, support redevelopment through the use of incentives and public-private partnerships.

Retention Tactics

There are a number of methods by which the Village of West Dundee assists in retaining existing business. Each type, described in brief below, is predicated on the belief that the Village is a partner to the businesses that are located within its borders.

Business Check-Ins: Village staff and officials are committed to proactively reaching out to businesses within the community to engage an ongoing dialog and to ensure an open path of communication between Village Hall and the business owners.

Public-Private Partnerships: Described in greater detail later in this document, investments and incentives are a key feature in the Village's efforts to attract and retain business investment within the community. Such investments will be in the context of a public-private partnership and will be made in projects that the Village determines are important to the community's long-term well-being.

Marketing Support: Business profiles, hotel placards, mentions on all Village communications channels and sponsorships of community events are the current key support mechanisms the Village utilizes to help market area businesses. Additional options are being sought through research of best practices at other communities.

Expedited Plan Review: The Village is committed to expediting plan reviews to complement the progress of development. The Village will also entertain the use of special meetings to ensure the timely evaluation of critical projects.

Direct Communication with Village Decision-Makers: The relative small size of the West Dundee organization lends itself to the ability for business owners and developers to communicate directly and easily with Village department directors and elected officials.

Partnership with Other Government Entities and Businesses: The Village has established positive and productive relationships with local, county, state, and private entities—including the Department of Commerce and Economic Opportunity (DCEO), the Illinois Department of Transportation (IDOT), local banks, and Kane County. Such relationships can be beneficial to a business looking to grow within the market.

Demographic Reports and Research Support: The Village continually researches and reports market data to assist businesses in ascertaining market dynamics in and around West Dundee.

Communication Coordination with Local Landowners and Brokers: The Village will work with local land owners and brokers to amplify their marketing efforts and, where warranted, support redevelopment through the use of incentives and public-private partnerships.

Business Incubator: A function of the proposed business incubator will include a curriculum designed to develop a lean business—be it a start-up or an established entity. Such training on new concepts, such as the ever evolving use of social media to market one's business, would be among the many resources available to the businesses of West Dundee.

"Buy Local" Initiatives: The Village continues to provide an interactive on-line business directory for businesses to showcase opportunities about their businesses to the public. A mobile app is presently being developed for introduction prior to the end of the year. To promote the app, business size cards will be printed and available at destination locations, including Spring Hill Mall, Marriott properties and Leaf's Ice Center as well as other locations throughout the community to promote buy local initiative. The Village also sponsors an ongoing series of local shopping events designed to connect area residents to the local business community and generate additional revenues for the participating businesses.

Local Incentive Programs

The Village of West Dundee is committed to working with new and existing businesses to improve and grow the local economy and to enhance the character of the community. The following programs are designed to assist with business attraction and retention. Programs can be combined, tailored, and enhanced dependent upon individual circumstances.

Façade Improvement Grant

Designed to enhance the physical appearance of businesses along the Village's most public auto and pedestrian corridors. Improvements can range from minor repairs to complete façade renovation and may include:

- Brick cleaning and tuck pointing
- Window display area remodeling
- Awnings, canopies and lighting
- Window and door replacement
- Restoration of original architectural features
- Façade improvements visible from the street

Code Compliance Grant

Assists businesses with required code upgrades and to encourage and assist owners to make public safety improvements to existing buildings or properties that are non-conforming. Eligible improvements may include:

- Upgrading fire suppression system to code compliance
- Upgrading utilities to code compliance
- Upgrading building to code compliance (i.e., plumbing, electrical, etc.)
- Upgrading to ADA Handicap accessibility (i.e., ramps, doors, elevators, etc.)

Revenue Generation Incentive Grant

A tax sharing program to encourage existing businesses to continue to invest and grow their revenue stream and incentivizes new businesses to locate in West Dundee. Funds are available for general use and are intended to encourage investment and growth of revenue.

Façade & Electrical Improvement, Low Interest Loan

Designed to assist with façade renovations and utility relocation. Eligible improvements include:

- Electrical utilities
- Exterior lighting
- Awnings and canopies
- Exterior painting
- Masonry cleaning and tuck pointing
- Window and/or door replacement
- Restoration of original architectural features

Local Incentive Programs, cont.

Economic Development Assistance Loan

Designed to attract new businesses or to encourage the expansion/retention of existing businesses by stimulating private sector economic activity. Priority will be given for those projects which have the greatest potential for long-term job creation and retention and those that will result in increased Village revenues through increased property and/or sales taxes. **Loan proceeds may be used for the following purposes:**

- Land improvements
- Leasehold improvements
- Working capital and inventory purchase
- Building construction
- Purchase of machinery and equipment
- Purchase and renovation of a building

Special Service Area (SSA)

The Village will consider establishing a special taxing area to assist included properties with substantial redevelopment projects.

Business Districts

A Business District is a legally defined contiguous area of a municipality that has certain powers and authorities different from other parts of the municipality. The purposes of the Business District Development and Redevelopment Act are: to strengthen the tax base of Business Districts; to assure opportunities for district development or redevelopment; and to attract sound and stable commercial growth in the district.

Tax Increment Financing (TIF)

Tax Increment Financing is a powerful tool that enables municipalities to self-finance specific redevelopment programs. TIF funds can pay for public improvements and other economic development incentives using the increased property tax revenue that certain improvements generate.

Automobile Sales Rebate Program

Recognizing the substantial economic impact of automobile sales uses, the Village of West Dundee is committed to an aggressive sales tax-sharing regimen of sales tax revenue for the developments that feature the sale of new and, in some cases, used automobiles. For more information, please see Exhibit F.

State Incentive Programs

The Village of West Dundee is committed to working with the State of Illinois to assist new and existing businesses to improve and grow the local and state economy. The following programs are offered by the State of Illinois as administered by the Illinois Department of Commerce and Economic Development.

Illinois Angel Investment Tax Credit Program

Offers tax credits for businesses and individuals who make an investment in one of Illinois' innovative, qualified new business ventures. Investments must encourage job growth and expand capital investment in the state. Tax credits to qualifying firms and individuals will be in the amount equal to 25% of their investment (up to \$2M) made directly into a qualified new business venture.

Small Business Job Creation Tax Credit

Not-for-profit and professional employer organizations are eligible to receive tax credit for expanding jobs. Employers with 50 or fewer full-time employees as of July 1, 2012 are eligible. Jobs must be newly created, full time with at least \$10/hour salary, sustained for at least 10 years with withholding taxes going to Illinois.

Participation Loan Program

Supports business with projects that create or retain jobs and/or modernize their business to improve competitiveness. After a cursory review of business plan, DCEO facilitates a meeting with the prospective borrower's bank. If the bank is unwilling to support the project on its own, DCEO approximates the amount of potential participation. If new terms are acceptable to the bank, bank issues a loan commitment to the business contingent on DCEO and Advantage Illinois support.

Invest Illinois Venture Fund

A venture capital program to support young, innovative companies that show high growth potential. The program aims to accelerate commercialization of research discoveries and growth of start up companies in Illinois. Illinois based companies or companies relocating their headquarters or principal business operation to Illinois are eligible.

Collateral Support Program

This program establishes savings accounts or CDs that provide cash collateral support to lending institutions in order to enhance the equity and or loan collateral levels of small business borrowers. The program seeks to enable lenders and borrowers to establish mutually acceptable terms and conditions providing the necessary financing that might otherwise be unavailable due to insufficient collateral or equity according to the lenders analysis.

Capital Access Program

Assists businesses with capital financing needs. The program is designed encourage financial institutions to make loans to small and new businesses that do not qualify under conventional lending policies, using small amounts of public resources to generate private bank financing that might not otherwise be available. This program can assist in financing most types of business with exception of construction, renovation or purchase of residential or rental property.

Veteran's Tax Credit

Illinois employers can earn an income tax credit of up to \$5,000 annually for hiring veterans or Operation Enduring Freedom or Operation Iraqi Freedom. The credit is for 20% of the total wages paid up to \$5000 to every veteran hired after July 1, 2012. Illinois employers can also earn an income tax credit of up to \$1200 annually for hiring veterans of Operation Desert Storm.

State Incentive Programs, cont.

State Trade and Export Promotion Programs

Helps Illinois small and medium-sized businesses develop overseas markets for their products and services. Eligible companies must be in operation for at least one year, employ 500 less, have a minimum of \$250,000 in annual revenue for US operations and demonstrate an understating of the cost of exporting. Exports must have at least 51% USA and 25% Illinois content, must have a sound strategy for exporting and be export ready.

Economic Development for a Growing Economy (EDGE)

Offers special tax incentives for companies to locate or expand their operations in Illinois. Allows companies to reduce their costs of doing business compared to related costs in other states. Available for qualifying businesses making capital investments and creating new jobs. Tax credits are used to offset corporate income taxes over 10 years.

Illinois WorkNet

Connects individuals, business and workforce professionals with real-time access to job opportunities, recruitment, training, trends and other valuable resources. Utilizes partnerships and technology and provides local, up to date and geographically tailored information and supports the use of assistive technologies and meets the requirements of the Illinois Information Technology Accessibility Act.

Illinois Small Business Development Centers

Located throughout the state to provide confidential guidance, management expertise, business planning, marketing, financing and other resources and services for early stage and existing Illinois small business.

Trade and Investment, International Trade Centers, Foreign Trade Offices

Headquartered in Chicago, the Office of Trade and Investment improves Illinois' competitiveness in the global economy and serves as the official State of Illinois International Office to welcome foreign delegations, develop international relationships and collaborate with Illinois' international community.

State Minority Certification Program

Available to businesses owned by woman, minority and persons with disabilities. Certification will offer the opportunity to increase vendor contracts and be listed in the Business Enterprise Program directory used by state agencies, universities and other large firms when they are looking for businesses owned by minorities, females and person with disabilities.

SECTION 4

Exhibits

West Dundee 2020
Economic Development Plan

EXHIBITS

Exhibit A:

Business Profile Sample

West Dundee 2020
Economic Development Plan



BUSINESS PROFILE

Davisware Reinvests in West Dundee

Davisware is a full-service provider of business applications for the service, construction, distribution, and manufacturing industries. Since 1988, the company has offered state-of-the-art software solutions, and maintained knowledgeable sales, development, training, and support teams that serve its 700 customers.

Although Davisware has both national and international customers, the company's headquarters has remained in the Chicago metropolitan area since its founding. In 2004, Davisware settled into West Dundee. In 2013, the company moved its growing and successful business to a larger and newly renovated office space within the community, expanding and deepening Davisware's connection to the village.

"Community, and everything a community offers, is very important to us and our business," said Jennifer Davis, co-founder and president of Davisware. "During the last ten years, we have been involved with the Village of West Dundee. When we were looking to move our main office, we didn't want to lose our relationship with the community. Although we looked at surrounding towns, West Dundee's proximity to O'Hare and the Northwest Tollway made it an easy decision to remain in the community. This community educates our children, and houses both our visiting international staff members and our livelihood," she added.

Davisware prides itself on its service-first approach. Unlike many other software companies, Davisware's first line of support is on-site system trainers and staff members who are personally committed to answering customers' questions and successfully launching clients' software solutions. Available well past traditional business hours, the Davisware team is online and accessible via email, online chat, phone, or the customer service portal.

The Village of West Dundee retains a similar approach, offering direct, personalized, and progressive service to members of the business community. The net impact is a supportive environment for businesses, both big and small.

"When we purchased our current office building, we had some unique, business-type requirements," said Davis. "We met with village staff members, and they worked with us to find a solution. It was refreshing to work with a community that proactively supported its businesses. Even more uplifting, and surprising, was the mayor's appearance at our open house! He did a ribbon cutting and we gave him the first tour of the new office," she added.

Like the Village of West Dundee, Davisware's employees view strong relationships as a key to a successful environment.

"At Davisware, we don't just build software solutions that work; we focus on building the relationships with our customers and team that keep both of us at the top of our industries," said Davis. "Our software is developed around the needs of our customers, making our solutions the most industry-specific solutions available," she added.

COMPANY FACTS

FOUNDED

1988

EMPLOYEES

90

WEB SITE

www.davisware.com

BUSINESS SECTOR

Specialized Business
Software Applications

CONTACT INFORMATION

514 Market Loop, Ste. 111
West Dundee, IL 60118
847-426-6000



*Daniel and Jennifer Davis, co-founders
of Davisware of West Dundee.*



1834

Founded

7,331

Population of West Dundee

\$86,286

Median Household Income

38

Median Age

2,785

Households

48%

Residents with BA or Higher

156,772

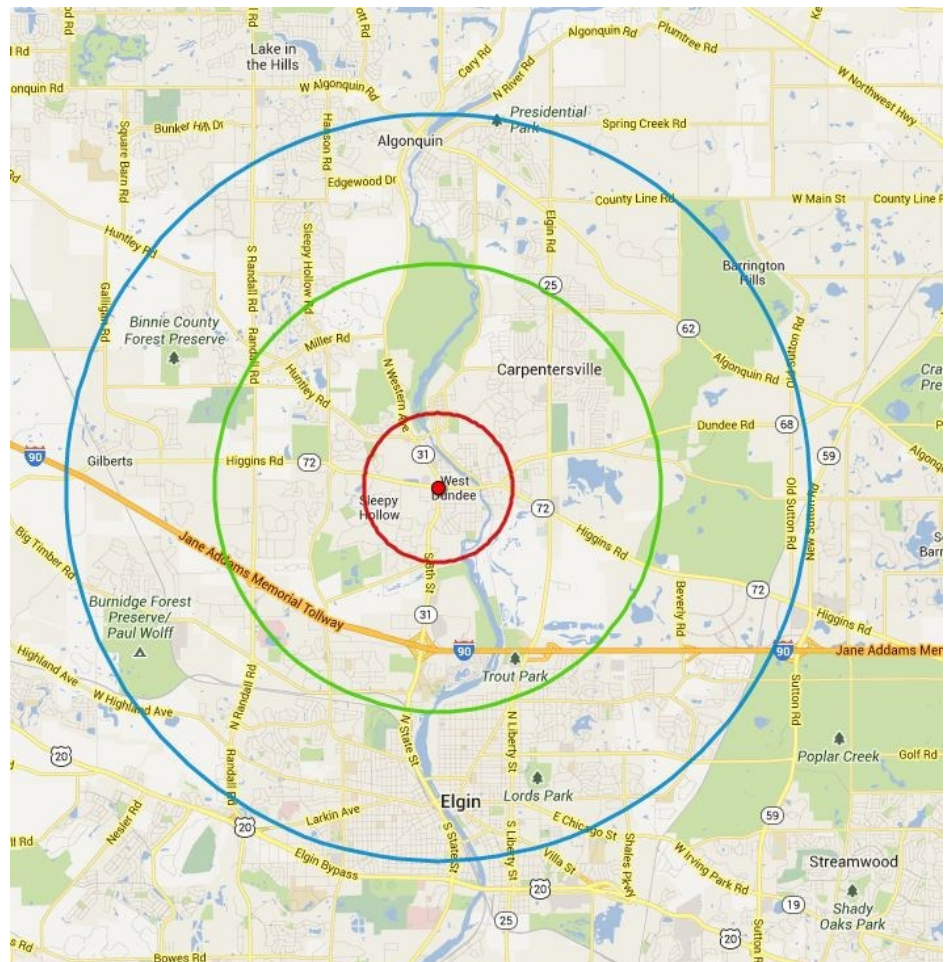
Population within 5-Mile Radius

50,916

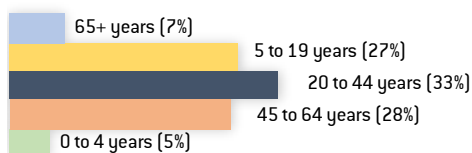
Households within 5-Mile Radius

89,951

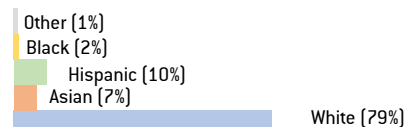
Daytime Employment within 5-Mile Radius

**Interstate 90**Two Full Interchanges
77,000 vehicles per day**O'Hare International**28 miles from West Dundee
Accessible via I-90**Illinois Route 72**Major East-West Roadway
61,200 vehicles per day**Lake in the Hills Airport**7 miles from West Dundee
Accessible via Randall Road**Illinois Route 31**Major North-South Roadway
61,200 vehicles per day**Metra Passenger Train Station**3 miles from West Dundee
Accessible via Randall Road**Randall Road**Major North-South Roadway
55,000 vehicles per day

Age Distribution



Race Distribution



EXHIBITS

Exhibit B:

Dundee Foundry (Business Incubator) Proposal

West Dundee 2020
Economic Development Plan

Executive Summary

The Dundee Foundry is a business incubator with three primary missions:

- **Academic:** To educate area students and residents of the region on the basic components of entrepreneurship from local educators and experienced business-owners.
- **Venture:** To provide a location where nascent businesses can meet, collaborate, and share services (such as high-speed data connections, meeting space, and administrative support). Additionally, the space will support market-testing options for those entrepreneurs with a retail model; for example, an incubator graduate could deploy a “pop-up” store in for 3—6 months to assess market feasibility.
- **Support:** To assist mature-but-growing businesses entering West Dundee in availing themselves of marketing and branding support channels.

To be located in Downtown West Dundee, the Dundee Foundry would be open to students and residents of the region. Utilizing the tenets of the “Slim Start-Up” model, the Dundee Foundry will be the product of a partnership between the Village of West Dundee, the State of Illinois, and local school districts.

Benefits to the Village

- The Dundee Foundry would serve as part-school, part-office, part-meeting-place. As such, it would draw regular visits throughout the day and evening on each day of the week. Such additional foot-traffic would be beneficial to the businesses located in the Downtown area and surrounds.
- Residents from the community will have an opportunity to receive entrepreneurial education and support to assist them in launching new ideas or gaining important skills in service of their current roles/jobs.
- The Foundry would also promote organic business growth, in that “graduates” could potentially locate to more permanent locations within the community.
- The Foundry’s support channel for mature-but-growing businesses entering the Village could provide timely assistance for marketing and branding efforts, averting potential issues during subsequent municipal reviews (vis., ARC review).
- The pop-up options could provide for a neat, hip, and renewable reason for people to visit and re-visit the Downtown.

Organizational Structure

The Dundee Foundry would be governed by a 5-member board appointed by the Village of West Dundee and supported by an as-yet-to-be-established 501c3 organization dedicated solely to incubator operations.

Location

The Dundee Foundry would be located in downtown West Dundee, potentially on the east side of First Street. Such a location would leverage the existing assets for the business formerly known as The Hive and could potentially facilitate the deployment of “pop-up” uses in the empty storefronts along Rt. 72.

Staffing

The incubator itself would contain different components, so staffing each would require different approaches. Overall, with the involvement of active scholastic partners, the project should not require additional headcount. That said, the prospective staffing regimen is outlined below.

- **Shared Services Area:** Could be leveraged from partners. One person per shift could support check-in and manage basic administrative tasks (vis., verifying eligibility to use support area, servicing printers, etc.).
- **Technical Support:** Could be leveraged from partners.
- **Instructors:** Could be leveraged from partners. In other area incubators of smaller size, one or two educators are provided training on the entrepreneurialism.
- **In-House Entrepreneurs:** Volunteer position. An in-house entrepreneur would be an established business-owner who could provide overarching guidance to the Foundry.
- **Marketing and Branding Support:** Contract basis. Village financial support might be required.

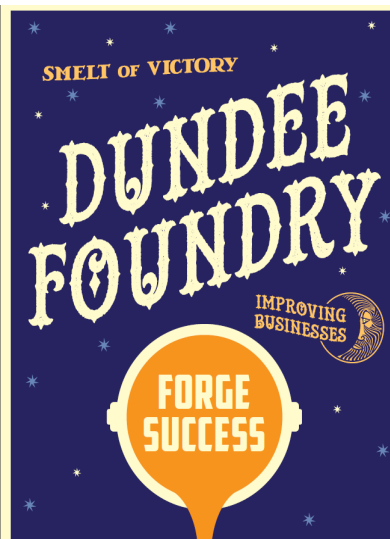
Financial Support

Monetary support of the Foundry will come from several sources:

- **State Grants:** The State of Illinois maintains a program that provides financial assistance to incubators throughout the state. Funds are currently available.
- **Donations:** Private donors for this type of program are available in our region. Support from providers, such as for data services, are an option. Comcast, Nicor, and ComEd are among the utility providers identified that have economic development support programs.
- **In-Kind Grants:** Partner organizations can assist by providing staff support in the form of instructors and technical support, among other things.
- **User Fees:** Participants in the shared services and education programs will be asked to pay nominal fees for participation.

DUNDEE FOUNDRY

A business incubator for the Fox Valley



EXHIBITS

Exhibit C:

Downtown Plan

West Dundee 2020
Economic Development Plan

West Dundee Downtown Plan

April 2015



ACKNOWLEDGEMENTS

Village President, Christopher Nelson

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Billy Pflanz

Thomas Price

Dan Wilbrandt

Andy Yuscka

IN ASSOCIATION WITH

Village residents, business owners and property owners.

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Connect to logical markets in every way

Create more market-supported destinations

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On the Cover

Downtown West Dundee

All images © Hitchcock Design Group, unless otherwise noted

EXECUTIVE SUMMARY

Dear Community Leaders,

Village leaders and Downtown stakeholders have long understood the value of their exceptional Downtown assets. Yet, in spite of heavy Village investment in Downtown over the last 2 decades, the combination of powerful economic and marketplace changes, lingering challenges created by the Illinois Department of Transportation's (IDOT) unfortunate 1996 Main Street "improvement," and the chronic disengagement of a few property owners continues to compromise Downtown vitality and undermine public confidence about its future. In response, Village leaders engaged the team of Hitchcock Design Group and Business Districts, Inc. to consider the current Downtown improvement opportunities, recommend a market-supported strategy, and outline a series of practical actions that will help the community accomplish its 5 year goal to sustain Downtown as a lively and cherished community asset that clearly conveys its history while offering distinctive experiences for its patrons and profitable commercial opportunities for its investors.

Special Opportunity

The relatively affluent local market may be modestly sized, but the regional/destination market is substantial and extremely competitive. Some exemplary Downtown property and business owners have capitalized on Downtown's assets, the regional marketplace and the Village's history of thoughtful investments in parking, streetscapes and the Riverwalk. These property owners recognize that Downtown's riverfront setting, small scale, historic charm, exceptional exposure and proximity to the popular Fox River Trail are highly marketable. So too are the attractive traditional neighborhoods that flank the Downtown.

Significant public outreach confirmed that residents are passionate about their Downtown and that they appreciate and expect a great deal (perhaps too much) from their Village government. Interestingly, Downtown patrons seem to make little distinction between Downtown East and West Dundee – they simply view both as one place that has



Community Stakeholders attending a workshop held on June 18, 2014

great potential.

Consequently, the challenge is to showcase Downtown's strengths, mitigate its weaknesses and connect it to today's market while preparing for the markets of the future.

Strategy

To achieve the community's aspirational 5 year goal, property owners, business owners and other community stakeholders need to:

Position Downtown West Dundee as a preferred option for high-quality business collaboration, dining, shopping, and socializing for professionals and their families.

Fortunately, this three-dimensional, experience-oriented strategy does not rely on high-stakes public investments in complex land development deals. Instead, it demands that public and private sector leaders maintain a highly collaborative partnership that 1.) *attracts and supports high-quality businesses*, 2.) *stays connected to logical markets in every way*, and only then 3.) *creates more market-supported destinations, when appropriate*.

Attract and support high-quality businesses.

Property owners must seek tenants that will attract destination buyers from the regional marketplace by focusing more on how they sell rather than what they sell. In support, Village leaders will need to balance an accommodating attitude with high performance property standards, and property owners must offer attractive, flexibly-sized spaces and flexible terms. The Village/owner “partners” will need to meet, at least quarterly, and receive as-needed operational support from staff or contract professionals, equitably funded by the “partners.”



DreamCo Design

Connect to logical markets in every way.

Downtown needs to be fully connected to its logical markets through a wider variety of digital and physical methods that will make it easier than ever to ***remember, find, park, walk, access, shop, work and socialize.***

Remember; because it will be successful, attractive, and consistently promoted

Find; because motorist, cyclist, pedestrian and paddler facilities will be convenient, comfortable, attractive and well signed.

Park; because free, public on and off-street parking spaces will continue to be conveniently and evenly distributed.

Walk; because streetscape, Riverwalk, and wayfinding signage improvements will comfortably and confidently lead pedestrians to and between Downtown destinations.

Shop; because retail and restaurant businesses will offer multi-channel comparison and purchasing opportunities in a slightly expanded Downtown footprint.

Work; because small and mid-sized office spaces in a unique environment will appeal to both entrepreneurs and experienced professionals.

Socialize; because residents and visitors will be drawn, every day, to Downtown’s unique and uncommonly attractive business and public destinations – like the new Riverwalk Park.

Create more market-supported destinations, when appropriate.

Property owners need to fill vacant commercial spaces before the market will support significant new development. Successful businesses in vintage spaces allows developers to attract good tenants to new, higher cost space. As this Downtown strategy matures and vacancies decrease, some properties, like the First American Bank show particular promise for new commercial development.

Implementation

Downtown leaders, both public and private, should execute a series of correlated policy, operational and capital improvements, over the next 5 years and beyond, to capitalize on Downtown's strengths, inspire investor confidence and advance the community's heartfelt goal.

Policy Improvements

In close collaboration with property and business owners, Village leaders should:

- Change the Zoning Code and Map to create a small transitional district, immediately adjacent to Downtown, which allows limited commercial repurposing of the stately residential structures in a way that will increase the daytime Downtown population.
- Thoroughly review and update the Appearance Review Code to minimize the most subjective and extraordinary standards, particularly as they apply to signs, landscaping and lighting, and concurrently,
- Review and refine the purview of the Appearance Review Commission and establish administrative review and approval procedures that promote a more business-centric attitude that showcases, but doesn't petrify the Village's exceptional cultural assets.
- Establish a 5 year operational and capital improvement budget.



Illustration of Proposed Riverwalk Park



Improved connections on 1st Street Downtown

Operational Improvements

As Downtown partners, Village staff, property and business owners should collaborate to:

- Initiate and maintain regular digital and face-to-face communications.
- Contract for professional services to synchronize events and create a brand strategy and marketing plan that are coordinated with East Dundee and Carpentersville.
- Identify best leasing practices for comparable Downtowns, create a model lease (conventional and short term), recruit tenants that fit logical markets, meet with new tenants.
- Identify organizational (Northern Kane County Chamber of Commerce, Small Business Development Center) and individual business leaders to mentor (behind the scenes, when appropriate) Downtown businesses. Encourage chamber membership and participation. Fill periodic operational leadership voids.
- Identify best property management practices and conform to Village codes.

Capital Improvements

Village leaders should target simple, high-impact/modest-cost projects, and advance more complicated, high-investment/high-impact projects, like the Riverfront Park, as funding allows. Specifically, and with property and business owner support, Village leaders should:

- Design and construct new wayfinding signage.
- Conduct a traffic study on Main Street to build the case for a left turn lane at 1st Street, cross-walk improvements, signal timing and other traffic calming measures. Explore potential, limited on-street parking options on Main Street.
- Seek grants, engineer and construct the 1st Street bike route. Collaborate with other jurisdictions to fund, design, permit and construct the Fox River Trail spur across the river near Oregon Avenue.
- Demolish the old Ace Hardware building. Seek grants to acquire the VFW building and acquire the Samata parking lot. Design and fund the Riverwalk Multi-Purpose Parking Plaza for construction as funds allow.

- Design, fund, permit and construct selected streetscapes as circumstances allow with particular attention to 1st Street.
- Conceptually design the Riverwalk Extension and Rivewalk Park for land acquisition and fundraising. Engineer, permit and construct Riverwalk improvements as funds allow.

Property Improvement and Development

Downtown leaders will accomplish the most important dimensions of the Strategy, business attraction and market connections, without extensive redevelopment of any property. Investors will redevelop underutilized properties and create more market supported destinations, the third dimension of the Strategy, as the economy improves and they gain confidence because Downtown leaders have implemented the policy, operational and capital projects outlined in this plan.

Village staff members should continue to maintain regular communications with the owners of vacant and under-performing properties to understand owner interests, advocate the Strategy, enforce maintenance codes, and help connect potential buyers, sellers, brokers, developers and tenants.

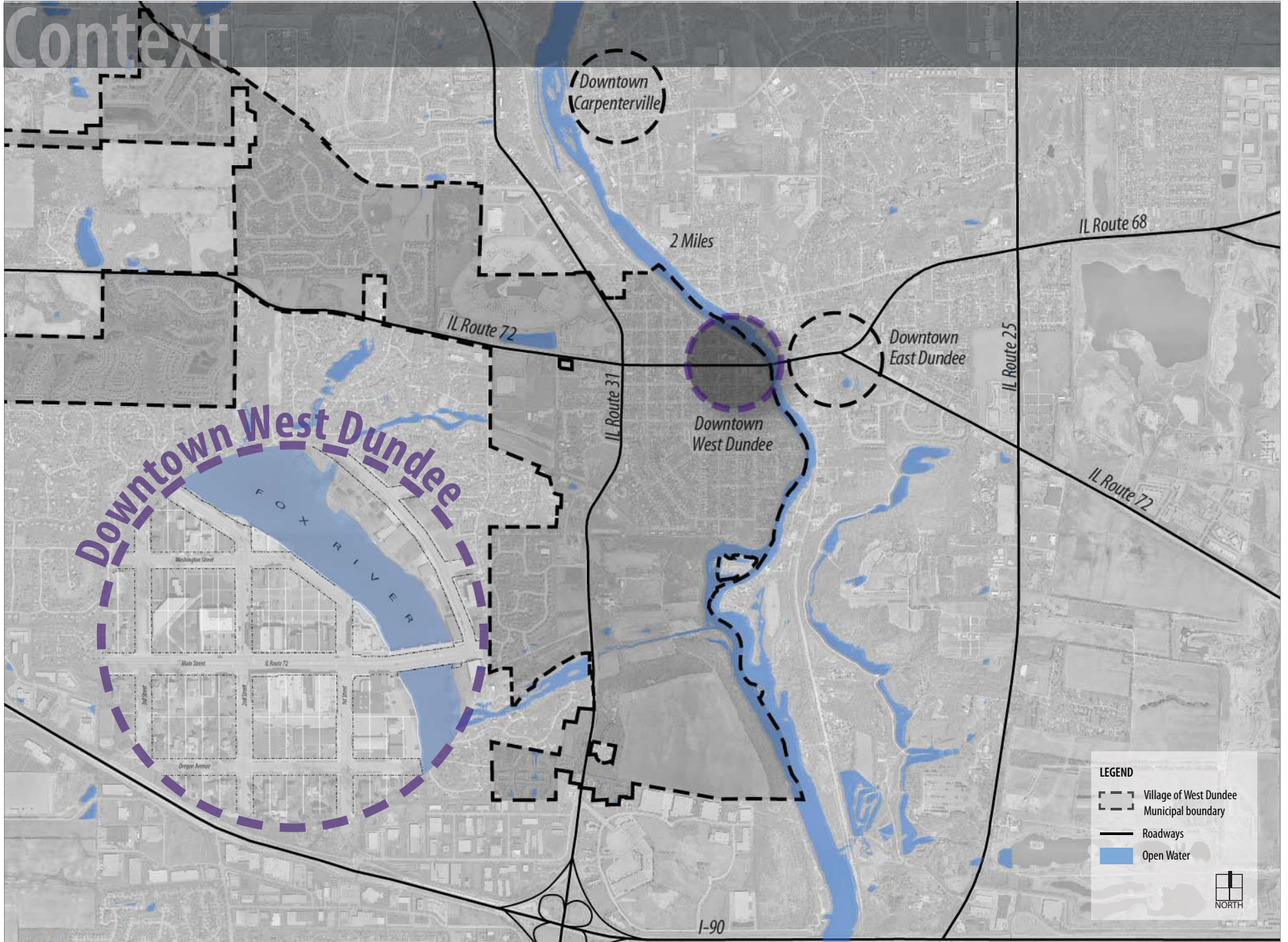
With community support, Downtown leader/partners can

Position Downtown West Dundee as a preferred option for high-quality business collaboration, dining, shopping, and socializing for professionals and their families.

Thank you for asking the Hitchcock Design Group/Business Districts, Inc. team to help you craft this important plan.

Sincerely,
Hitchcock Design Group
Business Districts, Inc.

Context



Municipal limits, regional context and nearby Downtowns

OPPORTUNITY ANALYSIS SUMMARY

OPPORTUNITY ANALYSIS SUMMARY

Introduction

In April of 2014, the Village commissioned Hitchcock Design Group (HDG) and Business Districts, Inc. (BDI) to update and refine the 2005 Comprehensive Plan as it relates to the 21 acre Downtown and provide policy and resources guidance to leaders for the next five years. First, the HDG/BDI team completed an **Opportunity Analysis** that examined area resources, the local and regional marketplace, and stakeholder behaviors and interests. Next, the team advanced a **Preferred Strategy** that defined an integrated, market-supported strategy proposing policy, operational and capital improvements, along with real estate development opportunities. This report concludes the **Final Master Plan** phase.

The team met regularly with the Project Task Force (PTF), consisting of elected officials, property and business owners, and residents, who worked with the consultant team throughout the engagement. The team also maintained a project website and conducted two valuable Consumer Behavior Surveys. In addition, the team conducted over 30 confidential stakeholder interviews and facilitated two public workshops before advancing this Downtown Plan to the Village Board.

Throughout the engagement, the community was committed to a compelling 5-year goal:

Goal: Sustain Downtown West Dundee as a lively and cherished community asset that clearly conveys its history while offering distinctive experiences for its patrons and profitable commercial opportunities for its investors.

The Downtown Plan is based on the alignment of exceptional study area resources, a modest local market, substantial regional marketplace, and the behaviors and interests of a cross-section of community stakeholders. Please see Appendix A for the full Opportunity Analysis Report.

Strengths and Opportunities

Resources

The study area scale, historic charm, Fox River setting, and exceptional exposure along Main Street (IL Route 72) are highly marketable assets that have benefited, and should continue to benefit the community, in the future. The entire Downtown is included in the Dundee Township Historic District, and the continuous row of historic buildings clustered along short blocks on Main Street creates a signature setting immediately adjacent to the picturesque river. Attractive single-family homes surround the Downtown, and along Main Street many stately and modest houses have been adapted for professional office uses. As a regional river crossing, Main Street brings nearly 33,000 vehicles per



Historic, charming Downtown West Dundee

day through the heart of Downtown, showcasing the properties and businesses along the street. Fortunately, over the last two decades, Village leaders have invested, significantly, in Downtown to make good use of these valuable assets.

The Village constructed the Riverwalk that gracefully follows the river north of Downtown, connecting residential neighborhoods to Main Street while providing opportunities for residents and visitors to linger and enjoy up-close and panoramic views of both the river and the historic Downtown. The Village has also provided 255 free, evenly distributed public parking spaces, both north and south of Main Street, alongside streets and in attractive off-street lots. In addition, the Village has constructed attractive streetscape improvements along Main Street, some side streets, and even behind most Main Street businesses to promote business. In addition to constructing and maintaining capital improvements, the Village offers incentives to improve privately owned properties and attract and retain businesses.

The enormously popular Fox River Trail is parallel to and about 400 feet east, across the Fox River in East Dundee. Trail users can access Downtown West Dundee via a pedestrian bridge, about 1/3 mile north of Main Street, via a bicycle/pedestrian bridge at South End Park, about 3/4 miles south of Main Street, or across the Main Street bridge. The Main Street bridge, however, is not designed to comfortably accommodate cyclists.



West Dundee Riverwalk



Photo credit: <http://www.panoramio.com/>

Fox River Trail is a significant regional asset, less than a quarter mile from Downtown West Dundee, the trail offers 43 miles of spectacular recreation opportunities along the scenic Fox River

Marketplace

Property and business owners must understand and consistently respond to their logical markets to be competitive. Downtown West Dundee's modest local markets, extremely competitive regional market, and historically significant resource require property owners find tenants that offer valuable services and products in a flexible, high quality environment.

The study area has a modest, but relatively affluent convenience drive-time primary market (5 minute drive) and a good regional destination market (15 minute drive). With a population of almost 15,000 and an average household income of almost \$90,000, the total spending and restaurant spending power of the primary market is \$127 million and \$16.5 million, respectively. With a destination market population of almost 200,000 and an average household income of almost \$91,000, the destination market is important, and competitive.

For basic shopping goods and restaurants Downtown West Dundee is in a very competitive region due to its proximity to Spring Hill Mall, Randall Road, The Arboretum and East Dundee, just across the river. Because increasingly sophisticated customers want more than basic goods and services, Downtown stores and restaurants have an opportunity to capture their interest in unique products, unique experiences and quality service. Small and mid-size office spaces that appeal to entrepreneurs and provide regional headquarters for professional businesses mix well with such stores and restaurants. Executives can shorten commutes by living and working in the same community while enjoying the local businesses and amenities.

Attractive, traditional single family homes in neighborhoods adjacent to Downtown provide good real estate values compared to new suburban construction. Market-rate rental apartments in developments of 100 units or more that target young professionals, seniors and transitioning families are attracting investor interest in other Fox River Valley suburbs.

Table 1 (below) highlights key demographic and spending characteristics of Downtown West Dundee's markets. (See Opportunity Analysis for more information.)

	Affiliated West Dundee	Pedestrian 0.5 Miles	Primary 5 Minutes	Destination 15 Minutes
Total Population	7,251	3,227	14,754	190,995
Median Age	40.5	43.6	38.6	34.2
Renter Occupied Housing Units	28.5%	30.0%	29.4%	23.4%
Hispanic Ethnicity	11.0%	9.8%	21.6%	33.8%
Average household income	\$102,829	\$81,974	\$87,075	\$90,975
Median household income	\$80,297	\$61,990	\$67,505	\$68,601
Employees	4,898	1,690	10,317	72,609
Spending power	\$65,551,608	\$28,458,692	\$126,939,223	\$1,409,578,824
Restaurant spending power	\$8,659,772	\$3,623,974	\$16,533,945	\$186,180,258

©2014, by Experian

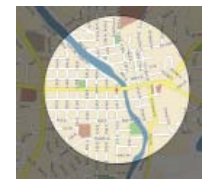
Market definitions

Affiliated: Successful Downtowns often define the character of a community. With pride, residents bring guests to dine in independent restaurants and seek special items at unique stores. The Downtown serves as a setting for community festivals that draw residents. With the Village Hall a prominent feature of Downtown West Dundee, it is the community's business center. This relationship creates an affiliation that makes community residents an important market for the Downtown enterprises.

Pedestrian: Residents living within a one-half to one-mile walk of commercial development are particularly intense users. The frequent trips and presence of these nearby residents adds vitality even when businesses are not open and consequently this market is more important to the success of clusters than its spending power suggests. The age, income and lifestyle of these nearby residents defines the character of Downtowns.

Primary: If one can drive to obtain needed items within a 5-minute drive, that location can be the routine choice to meet everyday needs. Convenience shoppers are the core market for neighborhood retail clusters. It should provide 60%-85% of the spending captured by area businesses. This drive time also identifies the homes of bicyclists who can travel to a commercial cluster in ten-minutes or less. These markets add recreational users to the convenience mix.

Destination: The businesses gaining the smallest percentages of their sales from the convenience market create a destination draw as their unique offering attracts shoppers from a larger geography. Customers from this secondary trade area add sales to adjacent convenience businesses. The stores attracting this market also give the commercial cluster a unique character that differentiates it from other shopping alternatives. It is important to note that, although the sales volume from this market is a smaller percent of the Downtown's total volume, these marginal sales add significantly to the profits of all businesses and, without destination customers, few businesses can meet their sales goals.



Pedestrian Market (.5 miles)



Primary Market (5 Minutes)



Destination Market
(15 Minutes)

Small Local Markets

- Small, affluent affiliated
- Small, modest pedestrian and primary markets
- Good destination



Shelley's Bridal

Evolving Trends

- Experience retailing
- Temporary retailing
- Multi-modal, multi-channel access
- The rise of the new millennial age cohort
- Apartment living



Co-working spaces

Experience retailing, wine and painting

Very Competitive Environment

- Retail
- Restaurant
- Housing



Spring Hill Mall

The Arboretum

Quality Prevails

- Historic ambiance
- Riverfront
- Entrepreneurship
- "Shopping Up"



Emmett's Tavern

DreamCo Design

Stakeholders

Downtown West Dundee has many stakeholders who influence its future. The Village owns 24% of the platted property in Downtown, controls most of the public infrastructure, zoning and building, and has adopted Kane County Stormwater Management standards. The Village has, historically, planned, funded and operated important community events like Heritage Fest and Dickens in Dundee. The state retains control of Main Street (IL Route 72) and several federal, state, and county agencies regulate activity in and along the Fox River. Downtown property and business owners, neighboring property owners, Village residents and, of course, a host of visitors and consumers have a vital interest in Downtown.

Based on our consumer behavior survey, confidential stakeholder interviews, a public workshop, collaboration with the Project Task Force, and activity on the project website, one thing is certain; community stakeholders are passionate about Downtown. Overall, consumers make no distinction between Downtown East and West Dundee. Residents have a deep appreciation of Downtown assets, expect a great deal from Village leaders, are eager to make improvements to hospitality, and are serious about strengthening the Downtown economy. Many stakeholders we interviewed have fond memories of special events that remind them of a by-gone time when Downtown was thriving and was THE place to be. Most interviewee's also expressed frustration with neglected and under-performing properties, and are anxious for improvement, but are uncertain about viable improvement strategies.

Key Finding: Overall, consumers make no distinction between Downtown East and West Dundee.

Many Stakeholders



About the Consumer Behavior Survey

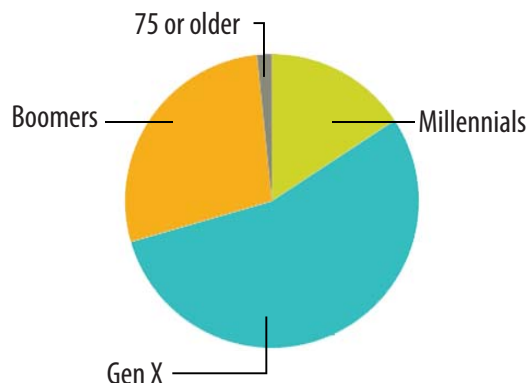
The Consumer Behavior Survey asked respondents 20 questions to help identify current usage, competitive area usages, desired businesses and facilities evaluation. Almost 800 people, including 135 non-residents, responded. The survey reports what respondents think, not why. Follow-up surveys may reveal why respondents answered in a particular way. Over 70% of survey respondents belong to either Generation X (early 1960s to early 1980s) or New Millennials (early 1980s to early 2000s) cohort. This indicates the presence of a relatively young demographic, who have a different lifestyle expectations than the baby boomers.

The survey highlights indicate that:

- ☐ *Dining (84.9%) is the number one reason for trips Downtown.*
- ☐ *Community Events (69.8%) and Riverwalk (47.0%) were also highly selected as reasons for visiting Downtown. In fact, events such as Heritage Fest, Dickens in Dundee, St. Patrick's Day and Memorial Day Parade rated average or better on experience. A significant number of people work from home at least part of the week.*
- ☐ *Satisfaction with cleanliness, safety, river access, sidewalks, lighting, and bicycle access was high.*
- ☐ *Satisfaction was relatively low with parking, building attractiveness and pedestrian comfort.*
- ☐ *When asked what changes would most improve Downtown respondents indicated more restaurants (75.2%), redeveloping spaces for new businesses (68.3%) and improving the appearance of existing buildings (45.7%) as the top 3. They also identified more parking lots (40.2%) and more on street parking (22.2%) as potential improvements.*
- ☐ *Residents said they would spend more if Downtown offered a bakery, home accessories, fine wine & spirits and hardware. The results indicate that people want more of what they have and more experiences.*

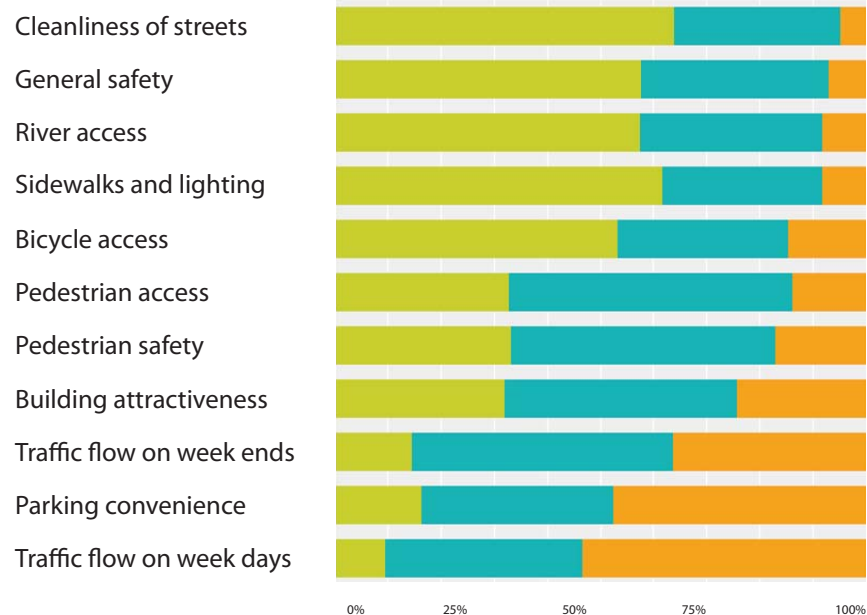
Youth Rules

The age demographics of survey participants reveal a national trend: The rise of the Millennials age cohort (ages 14-34). The results suggest a need to cater changing values and aspirations.



Satisfied Constituents

Rate your overall satisfaction with these factors as they apply to Downtown West Dundee:



■ Above average
 ■ Average
 ■ Below average or awful



Engaged citizens participating the public workshop on June 18, 2014



Key Finding: The public has huge expectations of the Village

Weaknesses and Threats

Despite the outlined resource, market and stakeholder advantages, Downtown West Dundee is compromised by some challenges that must be mitigated in order to advance the community's interests.

Periodic flooding along the Fox River is hazardous and a deterrent to investment. New construction is prohibited in the flood way and severely restricted in the flood plain, which includes 20% of the study area.

Since IDOT's major improvement of Main Street in 1996, motorists driving through Downtown have benefited at the expense of pedestrians, cyclists and motorists who are driving to Downtown who have to contend with increased traffic volumes, speed, and noise along with less convenient parking. The removal of parking also negatively impacted property and business owners along Main Street.

Coordinated wayfinding signage leading to and directing visitors around Downtown is inadequate.



Credit: Daily Herald

Flooding along the Riverwalk in West Dundee



Morning traffic congestion, east bound on IL Route 72

Over 20% of the Downtown building stock is vacant, including prominent structures on Main Street, and over 50% of the structures suffer from vary degrees of disinvestment, neglect or deferred maintenance.

The pedestrian and convenience markets are too small to sustain mediocre retail businesses that rely on heavy foot traffic to survive.

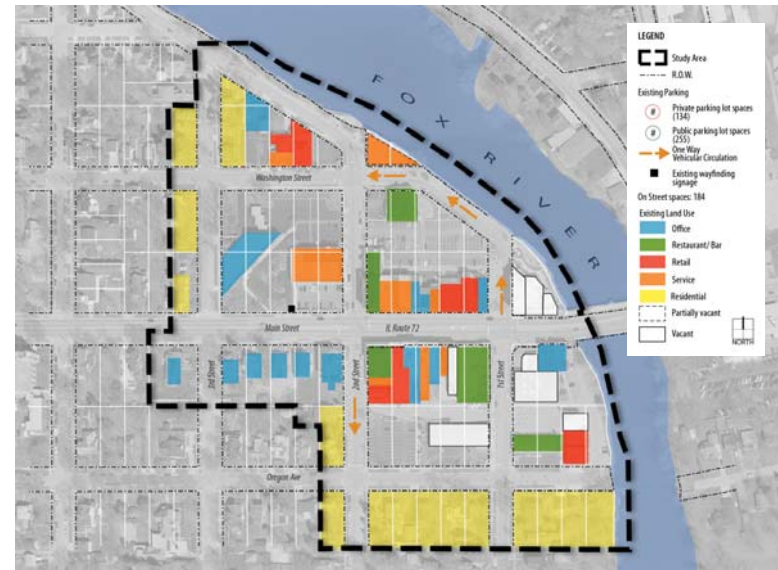
Equity and rental residential assets in Chicago's outer-ring suburbs, including West Dundee, are recovering more slowly than in Downtown Chicago and inner-ring suburbs, which makes absorption of new units uncertain. In addition, neighborhood home values are not high enough to drive demand for new or alternative residential products.

Although there are a few aging apartment buildings Downtown, opportunities to develop new market-rate apartments that target young professionals, seniors and transitioning families are limited because assembling single family lots into a large enough development parcel is problematic.

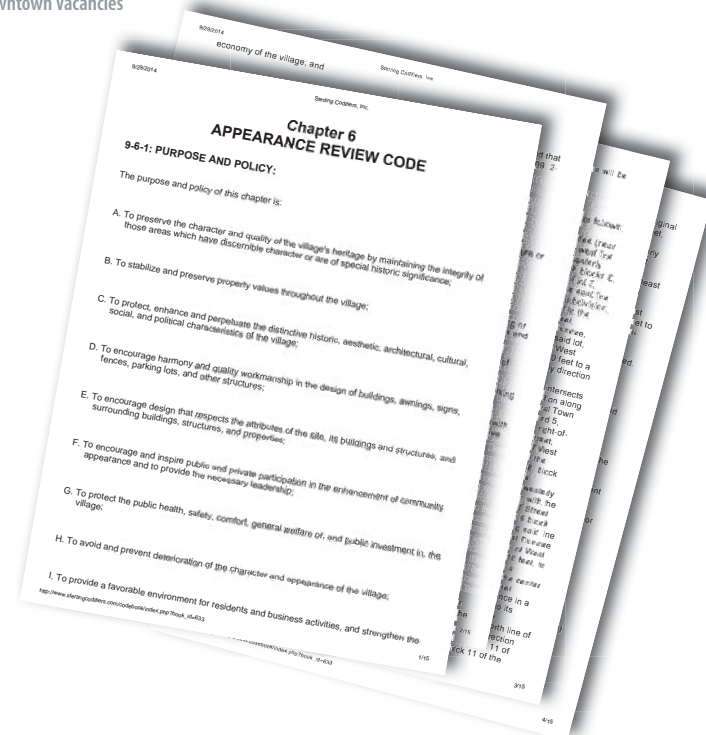
The Village, through its Appearance Review Commission (ARC), uses the Appearance Review Code to preserve the historic character of Downtown. Unfortunately, while well intentioned, the code is very broad and subjective, and we understand that the ARC's application of the code has unnecessarily complicated redevelopment and compromised property and business owner competitiveness.

Multiple property owners and multiple jurisdictional challenges make it particularly challenging to remodel or redevelop properties.

The community, including many Downtown property and business owners expect a lot – maybe too much from the Village, and it's not the public sector's role to fund, own, operate and fix everything Downtown.



Downtown Vacancies





Aerial perspective of Improvements that may set the stage for redevelopment in the future

STRATEGY

STRATEGY

As the Opportunity Analysis documents, Downtown West Dundee, with its charming and unique resources and its substantial regional marketplace is well situated to accomplish its aspirational 5-year goal. The community's strategic challenge, however, is to connect its beloved downtown to today's market and to prepare for the markets of the future.

To achieve the community's 5-year downtown goal, property owners, business owners and other community stakeholders need to

Position Downtown West Dundee as a preferred option for high-quality business collaboration, dining, shopping, and socializing for professionals and their families.

This experience-oriented strategy demands that public and private sector leaders maintain a three-dimensional and highly collaborative partnership that 1.) *attracts and supports high-quality businesses,* 2.) *stays connected to logical markets in every way,* and 3.) *sustains a variety market-supported destinations.*

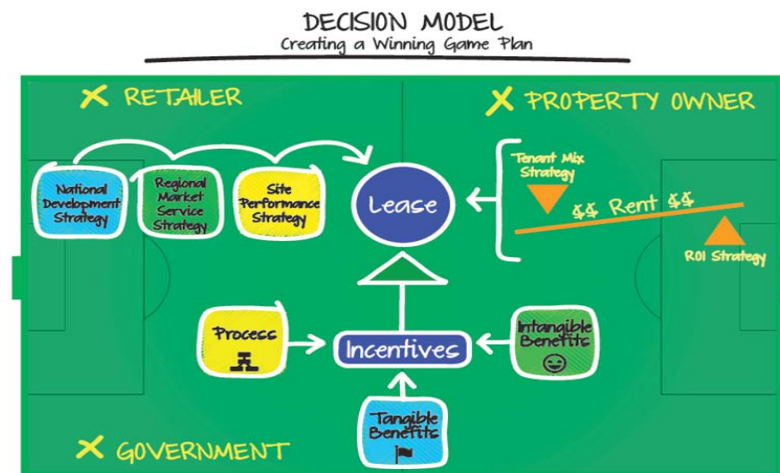
STRATEGY:

1. Attract and support high-quality businesses

Merge an **accommodating attitude** with **high performance standards**.

Today, Downtown West Dundee hosts some very good destination retail, restaurant and service businesses that are models for the future. However, downtown needs more stores and restaurants to establish itself as a unique destination. Business openings and closings are common in successful dining and shopping clusters. Vacant and underutilized spaces should be remodeled and re-tenanted to build a quality cluster.

In 2019, just as they are now, vacancies will be great opportunities for commercial property owners to attract new high-quality businesses that interest and engage West Dundee's logical markets. Property owners will appeal to the best businesses because they offer attractively appointed and maintained structures with flexibly-sized spaces and flexible terms to accommodate entrepreneurial businesses. The best business owners will focus more on how they sell rather than what they sell. They will offer unique products and/or



Recruitment is a team sport

Attract and support high-quality businesses

services on-premises, through the internet, and even in collaborative arrangements with other businesses in and outside of downtown. As a result, downtown businesses will attract more destination shoppers who will explore neighboring businesses.

Village leaders will merge an accommodating attitude with high-performance standards. They will slightly expand the downtown footprint, creating a carefully controlled transitional district that increases business options and daytime population. They will maintain supportive policies, communications and programming that will help businesses stay fresh and respond to unpredictable market forces. Village staff will help connect prospective buyers and sellers along with prospective tenants and property owners. To support property owners and their tenants, the Village will facilitate consistent, market-



Future land use plan, transitional use expansion



Photo credit:

Bed and breakfast, a transitional use

driven leasing practices. Staff will also provide timely promotional and informational e-communications to business and resident audiences, and facilitate business to business mentoring. Village leaders and business leaders will meet, whenever necessary, but at least four times per year, to exchange valuable information and discuss timely policy, communications and operational topics.



Connect: *Remember, find, park, walk, access, shop, work and socialize.*

STRATEGY:

2. Connect to logical markets in every way

Make Downtown West Dundee easy to: remember. Find. Park. Walk. Access. Shop. Work. Socialize.

Today, Downtown West Dundee is partially connected to the community and region, but needs to be fully connected to meet contemporary and future best practices.

In 2019, Downtown West Dundee will be superbly connected to its logical markets through a wide variety of digital and physical methods that will make it easier than ever to *remember, find, park, walk, access, shop, work, and socialize.*



Emmett's Tavern in historic, charming Downtown West Dundee



Remember, first because it will be successful, secondly because its historic character will be carefully retained and managed, and thirdly because it will be consistently promoted with an integrated brand strategy across all markets.

Nothing sells like success, and downtown is no exception. As this strategy gains momentum, and everyday experiences improve, downtown visitors will want to return again and again.

Community leaders will continue to nurture downtown's extraordinarily marketable character by preserving and showcasing the most important architectural, cultural and natural assets, while promoting a flexible and creative business-based attitude.

Downtown West Dundee's reputation as a great live, work, play environment, – its brand – is what visitors will come to expect when they visit, and that expectation will be reinforced through their experience. The brand strategy will include a well-defined platform, compelling messaging, and distinctive visual language including a mark, slogan, typography, imagery and patterns (also see "*Find,*" "*Access,*" and "*Shop.*").



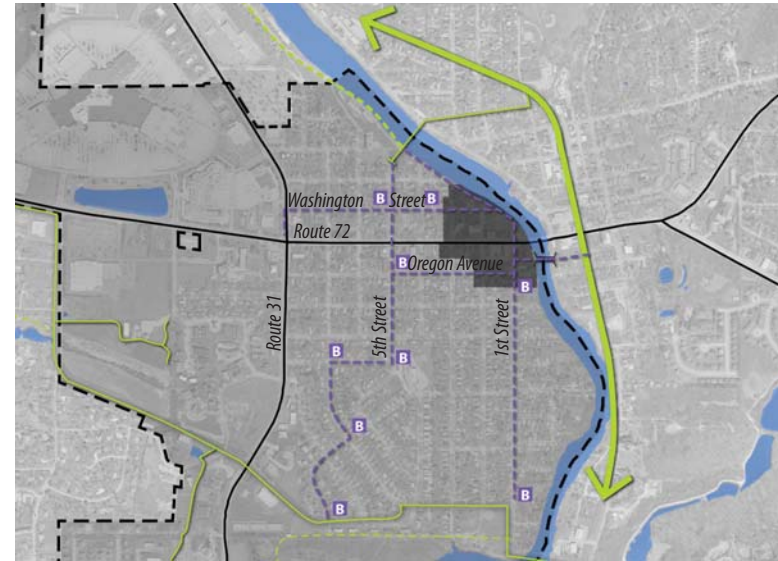
Connect: *Remember, find, park, walk, access, shop, work and socialize.*



Find, because motorist, cyclist, pedestrian and even paddler facilities will be convenient, comfortable, attractive and well signed.

The excellent existing street grid and directional flows will be further improved with a left turn lane on west-bound Main Street to south-bound 1st Street with IDOT cooperation, which may be challenging. This simple, low cost improvement will direct motorists to parking and destinations on the south side of Main Street, as soon as they cross the river.

A well-marked spur from the acclaimed Fox River Trail will invite cyclists and pedestrians to explore Downtown West Dundee by crossing a striking bridge near Oregon Avenue, avoiding the unfriendly river crossing at Main Street (also see “Walk”). Once across the river, trail users will find themselves in a handsome Riverwalk Park that extends downtown hospitality with convenient information, restrooms, parking, shelter, bike repair station, and other amenities (also see “Socialize”). A well-marked on-street bicycle route along South 1st



Proposed bicycle connections



Proposed left turn lane at 1st Street



Historic Main Street

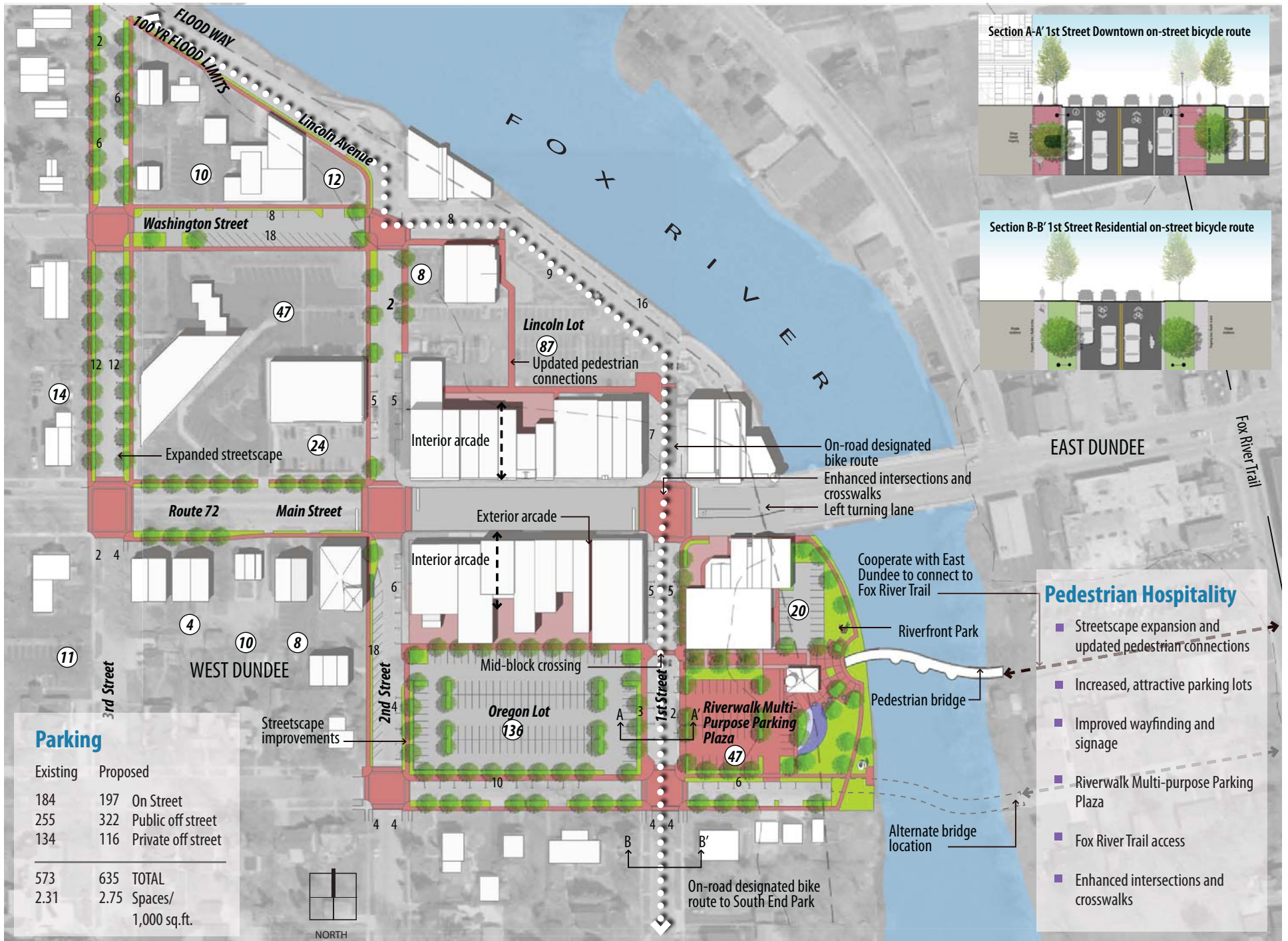
Photo credit: Dundee Township Historical Society



Paddler facilities



On-Street designated bike routes and bicycle facilities



Connect: *Remember, find, park, walk, access, shop, work and socialize.*



Existing Oregon Lot



Proposed Riverwalk Multi-purpose parking plaza

Street will also invite trail cyclists to cross the river at South End Park and travel a few blocks north to downtown. Similarly, an on-street route along Lincoln Avenue will connect cyclists coming south from Carpentersville.

Paddlers on the Fox River will find an accommodating launch at the Riverwalk Park providing them access to all of the Riverwalk Park amenities.

The Streetscape on every downtown street will define the district, and carefully located and coordinated public environmental graphics and wayfinding signage will enhance motorist/cyclist/paddler/pedestrian navigation while reinforcing the downtown brand (also see "Remember," "Park," and "Walk"). In addition, business owners will use distinctive, tasteful business signs to identify storefronts while playfully engaging passers-by, and they will rely, increasingly, on digital wayfinding tools that inform and direct their customers.



Park, because free, public on and off-street parking spaces will be conveniently and evenly distributed, both north and south of Main Street. Eighteen angled on-street spaces on Washington Street west of 2nd will add some capacity north of Main Street, and significant remodeling of the Oregon Avenue and Fox River lots will substantially increase capacity and motorist convenience, south of Main Street. The Oregon Avenue lot will expand from 83 spaces to about 136 spaces, once the former hardware store is demolished. And, as part of an integrated Riverwalk/parking improvement along the river, the Fox River lots will expand from two separate lots with 35 combined spaces to a consolidated and much more convenient multi-purpose lot with about 47 spaces (also see "*Socialize*").

While challenging, IDOT's hard-line, motorist-oriented policies of the past give way to a more context-sensitive, multi-modal agenda they may be willing to allow, off-peak on-street parking on Main Street that will greatly enhance the hospitality and success of the downtown.

Definition:

Parking ratio:

A parking ratio is the number of parking spaces per 1,000 square feet of gross, leasable commercial area. Parking ratios in successful suburban downtowns range from 2 to 3 spaces per 1,000 sq.ft. of gross, leasable commercial area.



Find and walk because downtown is defined



Find what you're looking for with wayfinding signage

Connect: *Remember, find, park, walk, access, shop, work and socialize.*



Walk, because significant streetscape, Riverwalk, and wayfinding signage improvements will comfortably and confidently lead pedestrians to and between downtown destinations. Streetscape on both sides of downtown street, including paving, landscape, lighting, wayfinding graphics, and where appropriate, public art, furnishings and other amenities, will conveniently, comfortably and safely guide pedestrians to any destination (also see *"Remember" and "Find"*). Every intersection will include features to enhance the pedestrian experience. Enhanced, decorative crosswalks will complement the streetscape design and safely connect pedestrians to downtown destinations. While challenging, even the Main Street sidewalks and intersections offer a more accommodating experience thanks to a combination of modest physical improvements and traffic management technologies. In addition, mid-block cross walks on 1st and 2nd Streets, aligned with spacious back-of-building walks both north and south of Main Street provide excellent connectivity between destinations.

The Riverwalk extension from Main Street to Oregon Avenue expands the stunning pedestrian riverfront experience north of Main Street. The Riverwalk extension will be a stylish and integral part of the Riverwalk Park, easily accessed from Main Street, Oregon Avenue, the 1st Street mid-block cross-walk, the Fox River lot, the boat launch and the pedestrian bridge (also see *"Remember," "Find" and "Socialize"*).

Conveniently located and attractively branded directories will help inform pedestrians about downtown attractions and business, and coordinated directional signage will help them navigate to their destinations (also see *"Remember" and "Find"*).



Riverwalk to walk, access and socialize



Great rear building entrance from Oregon Lot



Access, because Main Street buildings will have convenient front and rear entrances. Attractive rear facades with accessible, clearly defined entrances will be as, or even more important than the front entrances for most Main Street property and business owners. Visitors parked in the public parking lots will clearly see and be drawn to their destinations along handsomely appointed walkways with the full complement of streetscape amenities and graphics (also see *"Remember," "Find," "Park," and "Walk"*). In addition, key building owners will encourage visitors to use their interior hallways as semi-public arcades during normal business hours, showcasing their tenants' spaces while allowing customers to easily access the Main Street sidewalk.

Connect: Remember, find, park, walk, access, shop, work and socialize.



Photo credit: <http://newsblog.ispo.com/>

Multi-channel options to shop



Photo credit: <http://www.pinterest.com/KwekuBennin>

Temporary, festival retailing to shop



Photo credit: drewjones.co

Co-working spaces to work

Definitions

Multi-channel: A marketing strategy that offers a variety of options for a consumer's retail needs, including: in store, website, telephone, mail, television, catalog and comparison shopping sites. This strategy aims to maximize revenue and loyalty by providing consumers with options and convenience.

Co-working: A community of work-at-home professionals, independent contractors and people who frequently travel working independently in a shared working environment.



Shop, because retail and restaurant businesses will offer multi-channel comparison and purchasing opportunities in a slightly expanded downtown footprint. Downtown merchants will have a dynamic internet presence, be linked one to another and to the downtown, and in many cases, generate much of their revenue through internet sales. They will encourage customers to experience their terrific setting, goods and services, in person (also see *"Remember," "Find," "Park," and "Access"*). Consequently, downtown merchants will continue to offer traditional, in-store shopping that allows customers to physically connect with their goods and services.

Utilizing the beautiful structures in the transitional district, business owners will offer personal and professional services, along with one-of-a-kind coffee/tea shops and bed-and-breakfast inns.

Temporary, so-called pop-up retailers will test new concepts in a quality, traditional setting without committing to long term leases. In exchange, landlords will fill vacant spaces with a wide array of engaging tenants, some of whom may desire longer term leases. Similarly, on a small scale, a food truck or two may test the seasonal potential of Riverwalk Park, and on a larger, more coordinated scale, farm markets and/or groups of festival retailers may utilize the entire Fox River parking lot (also see *"Park" and "Socialize"*).



Work, because small and mid-sized office spaces in a unique environment will appeal to both entrepreneurs and experienced professionals. Downtown service businesses will not rely on their location to attract clients. However, they will find the accessible, walkable, mixed-use setting to be affordable, stimulating, and often, close to home (also see *"Park," "Walk," "Shop," and "Socialize"*). Business employees will increase the daytime downtown population, which will help support other downtown businesses. Some buildings, like the houses along 3rd or Oregon will be readily converted to professional office uses. Some buildings (particularly second floor space) will be better suited for temporary and flexible co-working office spaces that provide an opportunity for entrepreneurs to test new business concepts in a collaborative setting with short term leases.

Riverwalk Park



Riverwalk Park Plan



1. Promenade from Oregon Parking lot looking east to Riverwalk Park



2. Riverwalk Park looking west from East Dundee



Nature-based interpretive children's playground (Geneva, Illinois)



4. Pedestrian bridge connecting the Fox River Trail to West Dundee



3. Pump house rehabilitation

Connect: Remember, find, park, walk, access, shop, work and socialize.



A flexible multi-purpose parking/ plaza (DeKalb, Illinois)



Socialize, because residents and visitors will be drawn, everyday, to downtown's unique and uncommonly attractive business and public destinations. In addition to everyday socializing in shops and on the street, residents and visitors will frequent the stunning, multi-dimensional Riverwalk Park. In addition to ample public parking, the park will have outstanding exposure, accessibility and pedestrian amenities including abundant seating, landscaping and lighting, a nature-based, interpretive children's playground and a small boat launch (also see "**Remember**," "**Find**," "**Park**," and "**Walk**"). The pedestrian bridge linking the Fox River Trail to the Riverwalk will be anchored near the Pump House (also see "**Find**" and "**Walk**"). The historic Pump House will be rehabilitated to connect with and showcase its history, and repurposed to provide restrooms, shelter, information, and seasonal services such as kayak and bike rentals, repairs and concessions (also see "**Remember**" and "**Shop**"). The Village will continue to sponsor annual special events, which will be based at the specially designed, dual-purpose Fox River public plaza/parking lot (also see "**Park**" and "**Shop**").



Public space along the river to remember and socialize no matter the occasion (Naperville, Illinois)



A riverwalk to remember, walk and socialize (Lockport, Illinois)

Analysis Methodology for Site Development

To determine the advantages and disadvantages of development options, this development feasibility analysis calculates project economics by comparing project costs to the value of recommended development. The revenue to the Village comes from property taxes and sales tax. The following table explains how this information is calculated:

<i>Building and Parking Construction Cost</i>	<i>Total Value</i>	<i>Funds for Property Acquisition</i>	<i>Annual Property Taxes</i>	<i>Annual Municipal Sales Taxes</i>
Using a standard estimating service that continuously monitors construction costs, RSMeans, a very preliminary cost estimate for the concept's proposed uses and parking. Following detailed design, this component can change significantly.	The net operating income from a commercial development or apartments sets its value. That income is converted to a market value by determining how much the developer would invest to obtain that income. The return that developers require varies by the market demand for each use.	The difference between the construction cost and the total value is the amount that an investor can pay for the property. If the existing structures will be demolished, this amount must cover buying out the leases of existing tenants, relocation expenses, demolition of any buildings, brownfield remediation, and permitting costs.	This calculation uses a common realtor rule of thumb that property taxes are approximately 2% of the property value. In a TIF, these property taxes estimate the potential TIF increment.	In Illinois, each municipality receives 1% of the value of retail sales by businesses within their borders. This calculation assumes that new retail will achieve sales of \$300 per square foot, the national average.

The key to this analysis is setting the developer's required return as determined by the risk associated with undertaking proposed development options. The least risky projects are build to suit concepts for large, national corporations and the low cost reuse of buildings currently on a property. The least risky residential development conforms to competing, nearby new development and the project's surrounding homes. Risk increases when new residential development varies from proven models. The riskiest projects are speculative commercial development. Each project uses a combination of investor funds and bank loans to determine the return on investment (ROI) needed to appeal to the market. With today's

relatively low bank interest rates, the blended ROI, also known as a cap rate, varies from about 6.5% for the least risky projects to 9.5% for riskier projects. When a riskier project is more desirable, the Village can intervene with financial incentives that reduce costs to a level that matches other investment possibilities.

This feasibility summary of the conceptual development options respects this economic framework, as it examines the public and private investment necessary to support redevelopment options. At this preliminary analysis stage, those options generally involve reuse of existing structures, market supported redevelopment, and community incentives supported development. The analysis that follows examines each site in turn.

Create more market supported destinations

STRATEGY:

3. Create more market supported destinations

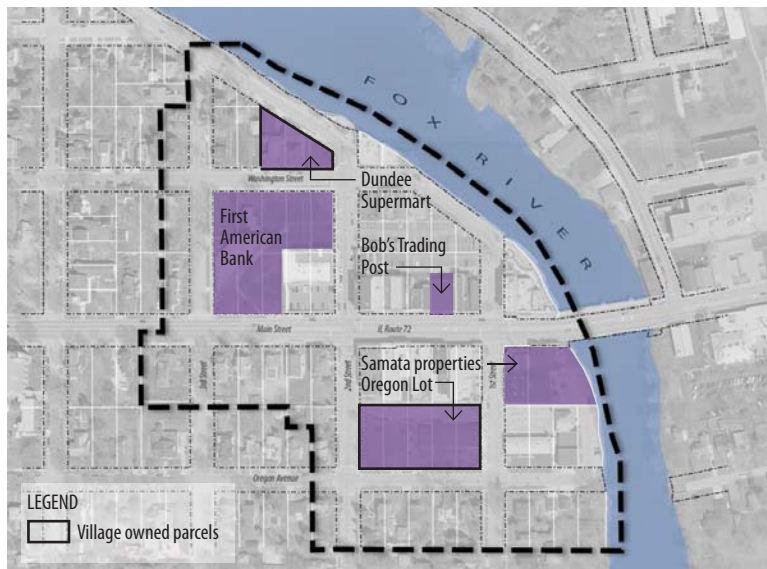
Encourage investors to create high quality service, dining, and retail destinations that **target professionals and their families**.

Today, Downtown West Dundee has vacant commercial spaces that need to be filled before the market will support significant new development because, vintage spaces compete at a lower cost than new construction, and the existing vacant spaces undermine the marketing of new, higher cost space.

By 2019 and beyond, commercial and residential redevelopment opportunities may mature as the local and regional economies expand. The business attraction, connection and retention strategies described in this plan will increase the demand for good commercial space—perhaps to a point that begins to exceed the available commercial building stock. In addition, the steady improvement of downtown along with the appreciation of surrounding home values will increase the opportunity for investors to introduce high-quality equity and rental multi-family residential development into selected downtown sites.

Some property owners on the west side of 3rd Street and the south side of Oregon Avenue will choose to re-purpose some of their stately houses for professional service businesses or for special purposes such as bed and breakfast facilities or tea houses. This slight and carefully controlled expansion of the downtown footprint as a Transitional District will make good use of important assets, increase owner flexibility, increase the variety of commercial space sizes and formats, increase the number and variety of business offerings, and increase the daytime downtown population. In addition, this Transitional District will buffer the attractive, surrounding residential neighborhood from commercial land uses by creating a more manageable backyard-to-backyard separation of uses.

Three privately held properties, Bob's Trading Post, Samata, and First American Bank, help illustrate three alternative development scenarios.



Redevelopment Sites

Bob's Trading Post

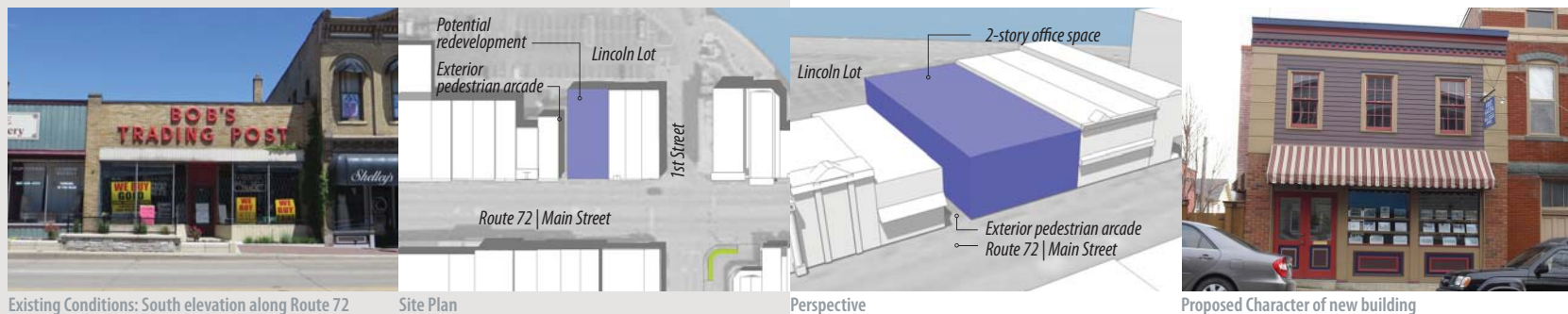
Fiscal Feasibility

Office (square feet)	14,367
Floors	2
Total construction cost	\$3,309,000
Total Value	\$3,192,667
Contribution to land costs	\$(116,333)
Annual property taxes	\$63,583
Parking demand	30

Comments

- The construction cost estimates assume union/prevaling wages because many communities require developers to pay those rates when public subsidies are provided. Interviews with local developers suggest that using lower cost wages typical of suburban Chicago construction reduces costs by 17% to 20%. This change would save \$563,000, providing additional funds to partially cover the project gap.
- This analysis assumes construction of office space with a net operating income of \$20 per square foot based on triple net rent of \$24 per square foot. The gross rent under this scenarios is approximately \$32. There are competing spaces along Main Street in vintage buildings with significantly lower rents.

First, Bob's Trading Post on the north side of Main Street is a well located, but underutilized, 4,560 square foot, single-story commercial property that is out of place from both a use and scale perspective. While logistically challenging, the owner can redevelop the site as an attractive three-story building yielding about 14,000 square feet of contemporary commercial space. However, absent the owner's desire to build a custom, tenant-specified building, the cost to develop the property will most likely be greater than its newly constructed value. A logical near-term scenario is for the current or future owner to lease the space to a new tenant who will reinvest in and use the existing structure until such time as the redevelopment return on investment is more attractive.



Samata Properties

Fiscal Feasibility

Office (square feet)	18,233
Floors	3
Total construction costs	\$3,927,000
Total value	\$4,051,778
Contribution to land costs	\$124,778
Annual property taxes	\$81,036
Parking demand	38

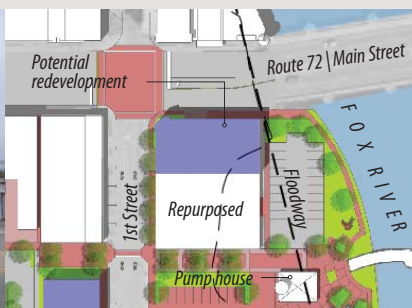
Comments

- The construction cost estimates assume union/prevaling wages because many communities require developers to pay those rates when public subsidies are provided. Interviews with local developers suggest that using lower cost wages typical of suburban Chicago construction reduces costs by 17% to 20%. This change would save \$667,600, providing additional funds for land costs and perhaps vault storage of stormwater.
- This analysis assumes construction of office space with a net operating income of \$20 per square foot based on triple net rent of \$24 per square foot. The gross rent under this scenarios is approximately \$32. There are competing spaces along Main Street in vintage buildings with significantly lower rents.

Second, the Samata properties have particular interest to the Village because of their river frontage. They include 6 separate lots with an eclectic, approximately 16,000 square foot mix of vintage and contemporary structures with good Main Street, 1st Street and riverfront exposures. The buildings fronting Main Street range from poor to good condition, and the building on 1st Street is in excellent condition. Because of the Main Street parking and left turn prohibitions, visitor parking and access to the buildings is awkward, but can be improved if IDOT accommodates southbound left turns from westbound Main Street and the Village constructs the Fox River Lot. Also, because of significant county floodplain and floodway regulations that impact a substantial portion of the property, the redevelopment yield is compromised. The current or future owner can choose from several alternative investment scenarios ranging from a total demolition/redevelop scheme (20,700 square feet of new commercial space) to a total retenant/remodel scheme in the existing structures – or something in-between. Absent the owner's ability to build a custom, tenant-specified building, the cost to redevelop the consolidated properties will, most likely, exceed the newly constructed value. The most logical near term scenario is for the owner to retenant/remodel the 1st Street building for a long term hold, and explore tenant-driven remodeling and redevelopment solutions for the Main Street properties. In the meantime, the Village should collaborate with the owner to acquire the private parking lot and shoreline in order to extend the Riverwalk, which in turn, may provide a source of construction funds to the owner.



Existing Conditions: North elevation on Main Street



Site Plan



Perspective



Character

First American Bank

Fiscal Feasibility

Office (square feet)	23,400
Floors	3
Total construction costs	\$4,751,500
Total value	\$6,500,000
Contribution to land costs	\$1,748,500
Annual property taxes	\$130,000
Parking demand	46

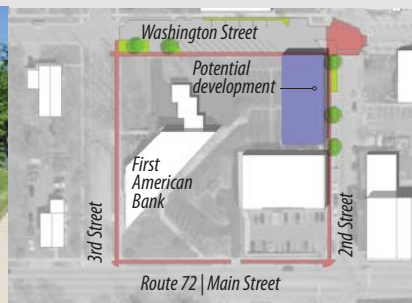
Comments

- This analysis assumes construction of office space with a net operating income of \$20 per square foot based on triple net rent of \$24 per square foot. The gross rent under this scenarios is approximately \$32. There are competing spaces along Main Street in vintage buildings with significantly lower rents.
- There is no parking provided in this analysis. Adding four spaces per 1,000 square feet would cost \$562,000 and reduce the contribution to land costs to \$1.2 million.
- Ideally this project would be a build to suit effort for local business owner who wants to expand at an amenity rich location that is a quick commute from home. Proximity to the Fox River could attract environmentally oriented businesses.

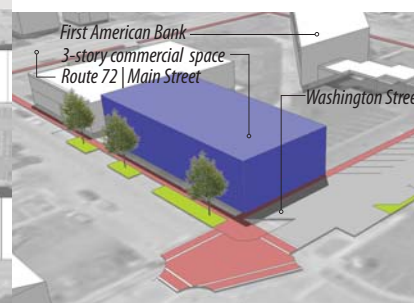
Third, the First American Bank property is a dominant, 1.67 acre property that occupies 75% of the block fronting on Main, 3rd, Washington, and 2nd Streets. Twenty-five to forty bank employees occupy the contemporary, approximately 14,500 square foot 2-story building that includes 4 drive-through lanes. If banking trends continue and bank operations consolidate and shrink the employee population in the building, the owner may remodel the building and ample parking lot to retain a bank presence, but open up the balance of the building for a high volume tenants like medical professionals. As the downtown improves, the owner may also sell or develop a 23,400 square foot, free-standing commercial building that fronts 2nd Street to increase capacity and take advantage increasingly valuable street frontage.



Existing conditions, looking SW from 2nd Street



Site Plan



Perspective, looking NW



Character

Dundee Supermart Site (Multi-family)

Fiscal Feasibility

40 Residential units (square feet)	40,443
Floors (2.5 residential over 1 parking)	3.5
Covered parking	52
Building construction costs	\$8,213,000
Parking constructions costs	\$676,000
Total construction cost	\$8,889,000
Total Value	\$8,153,309
Contribution to land costs	\$(735,691)
Annual property taxes	\$163,066

Comments

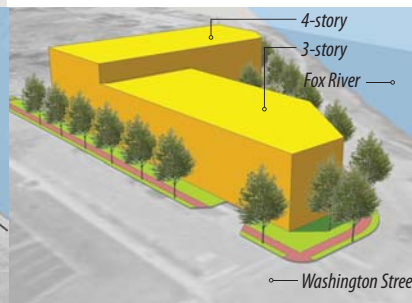
- The construction cost estimates assume union/prevaling wages because many communities require developers to pay those rates when public subsidies are provided. Interviews with local developers suggest that using lower cost wages typical of suburban Chicago construction reduces costs 17% to 20%. This change would save at least \$1.4 Million, providing funds to cover gap and possibly other costs such as vault storage for stormwater, payments for additional off site parking, enhanced landscaping or, payments to the village for land.
- If the rent is only \$1.70 per square foot, there is a project gap of \$1.2 Million, even before the cost of the chiropractor property and demolition and before the village is compensated for its land. These other issues raise the gap to approximately \$1.5 million.
- Interviews with village staff revealed that the properties owned by the village currently provide enough income to cover the cost of the debt incurred for their purchase. That allows for a "wait and see" approach to the market developing support for higher priced apartments.



Existing Conditions, looking west from Lincoln Ave.



Site Plan



Perspective, looking NW



Character

Two Village-owned properties, the Dundee Supermart and the Oregon Avenue parking lot/former hardware store help illustrate two additional redevelopment scenarios.

The village-owned Dundee Supermart property has excellent river views and is immediately adjacent to downtown stores and restaurants, making it very attractive for premium multi-family residential development. If the new development were large enough, this premium location would command premium pricing. However, the small site size demands careful project integration into the existing single-family neighborhood where very attractive homes have not commanded premium prices. If combined with the neighboring Chiropractor's property to the west, the site may be large enough to develop as rental or condominium apartments over covered parking, or as rear-loaded row houses fronting on Washington and Lincoln Streets. The sloping site will help conceal the covered parking floor making a 4 story multi-family structure look more like a 3 story structure. However, the cost of high quality construction for a limited number of units would probably drive the unit price far above the price of single family homes in the same neighborhood, making the new development very hard to market, unless the Village underwrites enough cost to lower unit prices. In addition, the redevelopment of the site does not trigger or enable any major public benefit (like a new section of riverwalk or public parking facility), and new housing subsidies may suppress neighboring home prices.

Dundee Supermart Site (Townhomes)

Fiscal Feasibility

12 Residential units (square feet each unit)	2,500
Floors	3
Covered parking per unit	2
Total construction costs per unit	\$360,860
Total project value	\$3,900,000
Gap before value or prep	\$(430,320)
Annual property taxes	\$78,000

Comments

- This analysis assumes brick exteriors and finishes appropriate to custom homes. The sales price of \$325,000 reflects the current prices in West Dundee for Townhomes and assumes a 10% premium for the Riverfront location.
- When the market supports townhome prices of \$410,000 (that price includes construction costs and a \$50,000 lot) this scenario would be market driven.

One option is for the Village to explore the sale of the property. Alternatively, since the Dundee Supermart currently generates enough income to cover the Village's debt service on the property and this riverfront location has timeless appeal, the Village can wait until local economics improve and an unsubsidized, market-driven redevelopment opportunity exists. A cost benefit analysis should be conducted to determine the feasibility of various re-tenanting scenarios. In the meantime, the Village should improve the performance of its current tenant, using both incentives and penalties, or find a qualified new tenant. Using a combination of lease terms and build out allowances, a new tenant could significantly improve the appearance and function of this property.

The Opportunity Analysis demonstrates that a high-quality, destination retailer can be successful downtown. The Consumer Behavior Survey even indicates support and preference for a specialty food and wine store. While not ideally located, the Dundee Supermart site is appropriately sized, has abundant on-site, on-street and nearby public parking, and with appropriate signage, could be relatively easy to find.



Photo Credit: Susie Wyshak



Existing Conditions, looking west from Lincoln Ave.



Site Plan



Perspective, looking NW



Character

Oregon Lot (Multi-Family)

Fiscal Feasibility

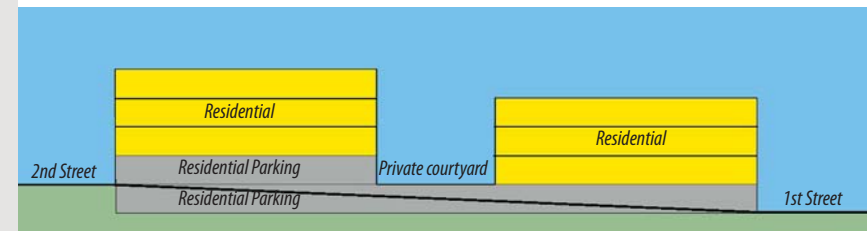
Residential (110 units)	36,500
Floors (2-3 residential over 1 parking)	2-3
Covered parking	78
Public Garage	120
Building construction costs	\$6,527,500
Parking constructions costs	\$1,014,000
Total construction cost	\$7,541,500
Total Value	\$7,358,400
Contribution to land costs	\$(183,100)
Annual property taxes	\$147,168

Comments

- Because the Village owns this land, it could incentivize this project by offering the land. However, replacing the parking lost to this development with a deck would cost \$1.5 million.
- This alternative provides 1.4 parking spaces per unit, less than the amount the Village requires.
- The construction cost estimates assume union/prevaling wages because many communities require those rates for publicly subsidized projects. Interviews with local developers suggest that using lower cost wages typical of suburban Chicago construction reduces costs by 17% to 20%. This change would save at least \$1.2 million, covering some of the parking deck costs.
- This analysis assumes luxury rental units leased at premium rates for this market. If the project were built before that market develops and therefore rents were only \$1.50 per square foot, the gap would be \$1.4 million plus the cost of replacing lost parking for a total of \$2.9 million.

Physically, the Oregon Lot can accommodate an apartment development that could yield over 100 units, which may make it an attractive redevelopment opportunity, for managers of rental apartments who are seeking a critical mass of new, market-rate units in a high-amenity downtown. The residential units could be constructed in one or two buildings on a pre-cast concrete parking structure (podium) that could serve both public and private parking needs. The sloping site would help conceal some of the parking and may help to mitigate the relatively large mass, compared to the neighboring single family homes. Nonetheless, this scenario may be difficult to entitle. In addition, public parking is not increased. Instead, it is restructured in order to accommodate the residential units and their dedicated, enclosed parking spaces. Consequently, the Village will have to contribute the land and the cost of constructing the parking structure.

Consequently, this scenario depends on much more robust development economics.



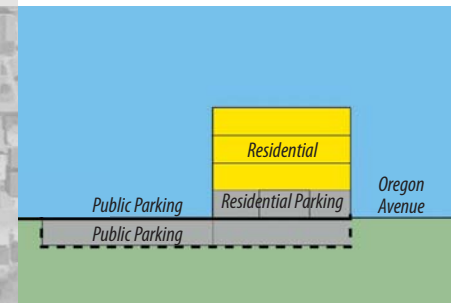
South Elevation



Existing Conditions, Oregon lot & vacant building



Site Plan



West Elevation



Character

Oregon Lot (Townhomes)

Fiscal Feasibility

Residential square feet per unit (12 units)	2,500
Floors	3
Covered parking per unit	2
Total construction costs per unit	\$360,860
Total project value	\$3,900,000
Gap before value or prep	\$(430,320)
Annual property taxes	\$78,000

Comments

- This analysis assumes brick exteriors and finishes appropriate to custom homes. The sales price of \$325,000 reflects the current prices in West Dundee for Townhomes and assumes a 10% premium for the Riverfront location.
- When the market supports townhome prices of \$410,000 (that price includes construction costs and a \$50,000 lot) this scenario would be market driven.

The cost of high-quality row-houses along Oregon Avenue, while attractive, would probably far exceed the price of existing single family homes in the vicinity, making them difficult to market, unless the Village underwrites enough costs to lower prices. Once again, none of the redevelopment scenarios triggers or enables a major public benefit, such as new public parking, and subsidizing the prices of new housing will tend to suppress neighboring home prices. Even if the entire publicly-owned site along Oregon Avenue between 1st and 2nd Streets is redeveloped as a combination of structured parking and apartments (the best revenue stream for the Village), the Village will still have to finance all of the parking construction cost because the residential component is too small to generate significant land sale/lease or property tax revenue.

Until redevelopment economics improve, the Village should demolish the structure and expand the parking lot or simply plant and maintain grass on the site.



Existing Conditions, Oregon lot & vacant building



Site Plan



Perspective, looking NW



Character

Oregon Lot (Office)

Fiscal Feasibility

Office (square feet)	21,420
Floors	3
Construction costs	\$5,030,500
Total Value	\$5,950,000
Contribution to land costs	\$919,500
Annual property taxes	\$119,000

Comments

- The construction cost estimates assume union/prevaling wages because many communities require developers to pay those rates when public subsidies are provided. Interviews with local developers suggest that using lower cost wages typical of suburban Chicago construction reduces costs 17% to 20%. This change would save at least \$855,000, providing funds to cover gap and possibly other costs such as vault storage of stormwater, a parking garage, or land payments to the village.
- This analysis assumes construction of office space with a net operating income of \$20 per square foot based on triple net rent of \$24 per square foot. The gross rent under this scenarios is approximately \$32. There are competing spaces along Main Street in vintage buildings with significantly lower rents.

The village owned former hardware store does not have the exposure or structure to be easily repurposed for retail, and multi-story residential over ground floor retail in that location is not feasible. There is little demand for newly constructed retail space and the apartment yield is too small to make up the probable financial shortfall on the retail space. However, a single use, multi-story apartment or tenant-specific office (medical, for instance) may be feasible in that location, taking advantage of abundant parking and excellent river and Riverwalk Park views.

The cost of high-quality row-houses along Oregon Avenue, while attractive, would probably far exceed the price of existing single family homes in the vicinity, making them difficult to market, unless the Village underwrites enough costs to lower prices. Once again, none of the redevelopment scenarios triggers or enables a major public benefit, such as new public parking, and subsidizing the prices of new housing will tend to suppress neighboring home prices. Even if the entire publicly-owned site along Oregon Avenue between 1st and 2nd Streets is redeveloped as a combination of structured parking and apartments (the best revenue stream for the Village), the Village will still have to finance all of the parking construction cost because the residential component is too small to generate significant land sale/lease or property tax revenue.

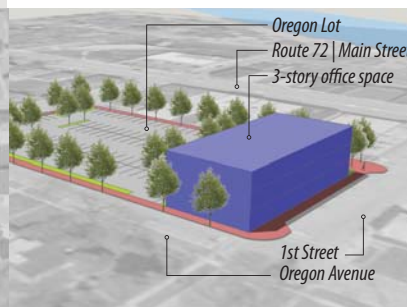
Until redevelopment economics improve, the Village should demolish the structure and expand the parking lot or simply plant and maintain grass on the site.



Existing Conditions, Oregon lot & vacant building



Site Plan



Perspective, looking NW



Character

- ☒ public policy improvements
- ☒ operational improvements
- ☒ capital improvements
- ☒ property improvement and development

IMPLEMENTATION ACTION PLAN

IMPLEMENTATION

The **Opportunity Analysis** documents the considerable strengths and a few key weaknesses of Downtown West Dundee's resources, marketplace and stakeholders. The three-dimensional **Strategy** describes Downtown West Dundee, in 2019, as a preferred destination for professionals and their families. This **Implementation Action Plan** describes *how* downtown leaders should execute a series of correlated *policy, operational and capital improvements*, over the next 5 years and beyond, to capitalize on downtown's strengths, overcome its weaknesses, inspire investor confidence and advance the community's heartfelt downtown goal. This section also describes how property owners and developers may be able to initiate certain *property improvement and development* opportunities as the economy improves and this downtown strategy matures.

Both public and private sector leaders and property owners will be responsible for executing the actions outlined in this plan, often in close collaboration with each other. With the periodic assistance of legal, marketing and other business consultants, ad hoc stakeholder committees can accomplish many modest-cost initiatives, such as policy and operational changes, if they are willing to invest the time to work through some challenging concepts and details. By comparison, most of the capital improvements will require the assistance of design and engineering consultants and involve considerable Village financial and leadership investments because of their scale, complexity and cost. Since the construction of many new capital improvements will depend, in part, on outside grant funding, the community may not complete some desired improvements within the 5 year time frame of this plan. Lastly, the land development scenarios illustrated in the Strategy are heavily influenced by market, investor and property owner circumstances

that are difficult to forecast. Logically, land development will likely lag behind and be influenced by the higher priority policy and operational improvements.

Policy Improvements

The Village has enacted many excellent downtown policies, such as the comprehensive Business Attraction and Retention Incentive Program, aimed at strengthening downtown properties and businesses. Nonetheless, Village leaders, property and business owners, and other downtown stakeholders need to closely collaborate to update and refine certain policies that will help advance all three dimensions of the downtown Strategy.

For instance, the Village should change the Zoning Code and Map to allow (but not require) 9 residential and retail properties that front 3rd Street, 2nd Street and Oregon Avenue to be repurposed as professional offices, coffee or tea houses, and/or bed and breakfast facilities, and to allow (but not require) 2 office properties that front Main and 3rd Streets to be repurposed as coffee or tea houses and/or bed and breakfast facilities. The Village should also clarify that off-street parking is not required (and, in fact, is discouraged) for business uses in the B-1 District.

In particular, an ad hoc task force that includes Village staff, Board members, Appearance Review Commissioners, downtown property and business owners, and other downtown leaders needs to thoroughly review and modify the Appearance Review Code to minimize the most subjective and extraordinary standards, particularly as they apply to signs, landscaping and lighting. Concurrently, the task force needs to review the purview of the Appearance Review Commission, refine its procedures, and establish administrative review and approval criteria and procedures for routine sign, landscaping and lighting improvements. The Illinois Historic Preservation Agency

and DePaul University's Chaddick Institute, which have provided many Chicago area communities with design review training and periodic forums for commissioners to discuss trends and best practices, are an excellent resources for the task force and Appearance Review Commissioners.

The Village established both the Appearance Review Code and Commission, primarily, to preserve the historic character of its beautiful downtown; although the Commission's current mission and jurisdiction are both far greater. The Code has many carefully crafted and useful standards that expand the standards outlined in the Municipal Code for site design, building design and property maintenance, particularly in the Historic District which includes all of downtown. The Code also includes many well intended, but highly subjective context, relationship, proportion, and color standards for site and building design – along with sign, landscape and lighting design regulations that are overly restrictive and add too much time to the permit process. The Village and Commission should consider including The Secretary of the Interior's Standards for the Treatment of Historic Properties into their code and review process.

The broad jurisdictional purview of the Commission combined with the sweeping scope and often subjective standards of the Code have protracted permit approval times and, in some cases, squashed well-conceived concepts. The three dimensional downtown Strategy requires a more business-centric attitude that showcases, but doesn't petrify downtown's wonderful cultural assets. In particular, the Strategy stresses business creativity, flexibility, and agility. This contemporary "speed to market" business practice relies on timely and predictable review processes from the Village.

Specific code and financial policies are outlined, on the following page.

Public Policy Improvements

Codes and Ordinances

Cost: \$10,000

Funding: Village General Fund

Leadership/partnerships: Village Staff in collaboration with ad hoc task groups

2015

- ☐ Approve this Downtown Plan, update the Priority Actions and Improvements, annually.
- ☐ Amend the Zoning Code and Map to accommodate the transitional uses in the slightly expanded downtown district.
- ☐ Amend the Zoning Code to allow residential as a Special Use on the ground floor of B-1 District to accommodate potential redevelopment of Village owned properties.
- ☐ Amend the Off Street Parking and Loading Code to clarify that off street parking spaces for commercial uses in the B-1 District are not required.
- ☐ Re-evaluate and amend the composition of the Appearance Review Commission, including term limitations, qualification requirements and number of commissioners.
- ☐ Amend the Appearance Review Code to simplify the purpose, definitions, required approvals, procedures, criteria and required submittals, particularly as related to signs, landscaping and lighting. Amend the Appearance Review Commission jurisdiction, accordingly.
- ☐ Establish SSA to assist in funding operational improvements.

Finance

Cost: See capital improvements

Funding: Capital Project Fund, Community Development Fund, Illinois Transportation Enhancement Program (ITEP), Recreational Trails Grant Program (RTP), Open Space Land Acquisition and Development (OSLAD) grants, Grand Victoria Foundation, TAP, OTHERS

Leadership/partnerships: Village staff

2015

- ☐ Establish 5 year budget for each of the following:
 - ☐ Maintenance of expanded streetscape, parking and Riverwalk improvements
 - ☐ Expanded operations (see Operational Improvements)
 - ☐ Management or sale of Dundee Supermart property
 - ☐ Acquisition of Samata shoreline and VFW for Riverwalk and parking improvements
 - ☐ Design, engineering, permitting and construction of streetscape, parking and Riverwalk improvements
 - ☐ Business Attraction and Retention Incentives (promote existing excellent programs)
 - ☐ Development assistance (establish participation criteria matrix for redevelopment)



Operational Improvements

Village staff is responsible for many day-to-day downtown operations, such as code enforcement and public property maintenance, and they are ombudsmen for business and property owner issues. Currently, the Village also has a role as the landlord of the Dundee Supermart site. Private property owners remain completely responsible for leasing and managing their own buildings. Unfortunately, West Dundee cannot support a full-time downtown economic development professional, and even if it could, the wide variety of duties, from property promotion to event planning to business development, makes finding the right person very challenging. Therefore, to successfully advance the first two dimensions of the Strategy, business attraction and market connections, Village leaders, property and business owners, and other downtown stakeholders all need to collaborate and contribute.

For example, the Village should engage local talent, as-needed, to compliment private initiatives and accomplish very specific tasks, each year. In 2015, an intern should be retained to set-up regular property and business owner communications by creating a document template and an accurate contact data base. Concurrently, the Village should review the results of East Dundee's summer festivals and partner with East Dundee to expand selected events to include West Dundee. The Village should also consider local professionals for banner design and e-publications.

Ideally, property and business owners should meet, at least quarterly, to discuss issues and implementation initiatives. Whether formally organized or not, the best downtown organizations operate as true public-private partnerships. These partnerships recognize that municipal government, including elected officials and staff, and downtown's private sector interests must work together to improve downtown. Focusing on areas of common interest and defining how each

entity can participate in downtown's success mitigates any potential overlap or competing interests in the necessary work to improve downtown.

Rather than starting yet another organization or using overextended municipal staff, the Village should encourage the Northern Kane County Chamber of Commerce to take a leadership role by establishing a sub-committee comprised of Downtown West Dundee businesses. With that subcommittee in place, the Village could contract with the Chamber for marketing and events that include all Downtown businesses not just Chamber members. Other communities have encouraged local businesses to join the Chamber by providing a free, one-year membership to new downtown businesses. That investment engages businesses in Chamber programs and promotes continuing membership.

Regardless of the organizational structure (dedicated staff or contract services provided by other professionals

or organizations), Village leaders and property owners should consider establishing a Special Service Area (SSA) to generate funding for these important operational initiatives. Under Illinois' enabling legislation, specifically defined areas can fund activities that enhance that area by establishing a SSA that adds a separate real estate tax specific to the properties included in the SSA. Downtown West Dundee is at a unique crossroads in considering future SSA possibilities. For the past 15 years, downtown property owners have partially funded the extraordinary costs

associated with utility burial. As that SSA expires, property owners may wish to continue a similar annual investment, but redirect the funds to support specific operational improvements.

In practice, SSAs are rarely established without the support of the affected property owners. In the strong public-private partnerships that characterize successful SSA funded downtown efforts, owners recognize a collective benefit—providing services to the defined area beyond local government's baseline services. This

collective benefit assumes that property owners realize that the economic strength of surrounding real estate establishes the value of their properties.

Specific organizational, marketing, leasing, business improvement, maintenance, and property management recommendations are outlined below.

Operational Improvements				
Organizational	Cost: \$5,000, annually, for professional services	2015	<input type="checkbox"/> Initiate and maintain (on a project-by-project basis) a property owner advocacy group (20 hours per year). <input type="checkbox"/> Update property and business owner contact information (2 hours per month). <input type="checkbox"/> E-mail relevant information to all property and business owners (5 hours per month). <input type="checkbox"/> Explore grants and other funding opportunities (10 hours per year).	
	Funding: SSA or General Fund	Annually		
	Leadership/partnerships: Village Staff and property owners	Monthly		
		Annually		
Marketing	Cost: \$50,000, initially, \$25,000 annually	2015	<input type="checkbox"/> Create a synchronized brand strategy including brand platform, nomenclature, messaging, positioning, language, graphic standards and applications (digital and print communications, signage, banners). <input type="checkbox"/> Create a downtown marketing plan including targeted (logical) markets, advertising, communications, public relations and special events. Coordinate "Dundee" public relations with East Dundee and Carpentersville. <input type="checkbox"/> Execute the marketing plan to communicate with targeted (logical) markets.	
	Funding: SSA or General Fund	2015		
	Leadership/partnerships: Village Staff and property owners	On-going		
Leasing	Cost: \$10,000	2015	<input type="checkbox"/> Identify best practices and rates for comparable downtowns. <input type="checkbox"/> Create a model lease template, including conventional and short-term versions, to guide property owners. <input type="checkbox"/> Maintain database of downtown properties including location, ownership, size, condition, zoning, availability, etc. (3 hours per month) <input type="checkbox"/> Recruit tenants that fit logical markets. <input type="checkbox"/> When appropriate, engage Village staff when showing properties to prospective tenants (on average, 2 hours per month). <input type="checkbox"/> Meet with new tenants to open consistent communication, convey relevant information and provide one-year Chamber membership (on average, 10 hours per year). <input type="checkbox"/> Contact property owners with vacant space to update efforts, opportunities, offer assistance, when appropriate (2 hours per month).	
	Funding: SSA, General Fund and property owners	2015		
	Leadership/partnerships: Village Staff, North Kane County Chamber of Commerce and property owners	Annually		
		On-going		
		On-going		
		On-going		
		Monthly		
Business Improvement	Cost: \$5,000	On-going	<input type="checkbox"/> Establish a relationship with the Illinois Small Business Development Center (SBDC) at Waubensee Community College to provide advice to business owners (An initial 3 hours). <input type="checkbox"/> Use the business advocacy group to identify and fill downtown operational leadership needs and to provide behind-the-scenes outreach to struggling business owners. <input type="checkbox"/> Encourage Chamber membership, programming and participation.	
	Funding: General Fund, North Kane County Chamber of Commerce	On-going		
	Leadership/partnerships: Village staff, North Kane County Chamber of Commerce and business owners	On-going		
		On-going		

Operational Improvements

Property Management (public and private properties)	Cost: not applicable for privately owned properties, \$41,500 annually to manage and maintain, Village-owned Dundee Supermart site, \$95,000 rental revenue generated.	On-going	<input type="checkbox"/> Private property owners should manage their assets, in conformance with Village code, to obtain appropriate returns on investment and to advance the downtown strategy.
	Funding: not applicable for privately owned properties, General Fund for Village-owned	On-going 2015	<input type="checkbox"/> Village should enforce all applicable codes for both vacant and occupied properties. <input type="checkbox"/> Identify best management practices and distribute to all property owners (part of monthly communications).
	Leadership/partnerships: Village staff, property owners	2015	<input type="checkbox"/> Meet with Dundee Supermart tenant to explore potential business improvements. Explore creative incentives to improve performance. Alternatively, explore opportunities to sell the property (10 hours, more if decision is made to recruit new tenant).
Maintenance (Riverwalk and Right-of-way)	Cost: \$\$\$	On-going	<input type="checkbox"/> Continue existing maintenance practices for existing public properties.
	Funding: SSA or General Fund	2016	<input type="checkbox"/> Add maintenance of new Wayfinding and Bicycle Facilities (nominal impacts), plus new turf at Oregon Avenue Parking Lot, plus acquired Samata parking lot.
	Leadership/partnerships: Village Staff	2017	<input type="checkbox"/> Add maintenance of new Roadway traffic calming improvements (nominal initial impacts).
		2018	<input type="checkbox"/> Add maintenance of new Fox River Trail spur (nominal impacts, shared bridge maintenance with East Dundee).
		2019	<input type="checkbox"/> Add maintenance of new basic Riverwalk Park (comparable to existing Riverwalk).
		2020+	<input type="checkbox"/> Add maintenance of new Riverwalk Multi-Purpose Parking Plaza and 1st Street streetscape (comparable to existing streetscape and Riverwalk).
Other	Cost: ? (Village to provide signage)	2015	<input type="checkbox"/> Promote and maintain interior passageways at 118 W. Main Street and 119 W. Main Street as interior connectors between public parking and Main Street.
	Funding: Property owners		
	Leadership/partnerships: Property owners		



Capital Improvements

West Dundee has invested millions into important downtown parking, streetscape and Riverwalk improvements that help make downtown the cherished asset that it is, today. This Plan identifies many additional capital improvements, some of which, because of cost and complexity, will logically be deferred beyond the plan's 5 year time horizon. Starting in 2015, and continuing over the next 5 to 10 years, Village leaders should budget and initiate several additional important projects that will immediately and directly support the first two dimensions of the Strategy, *business attraction* and *market connections*, and over time, will support the third dimension, *more destinations*. However, because the scale of appropriate Downtown West Dundee redevelopment makes the prospect of large-scale redevelopment unlikely, leaders should not measure return on investment of the recommended capital improvements only in conventional terms of reciprocal large-scale, private-sector investment or increased downtown property and sales taxes. Instead, they should consider overall downtown performance,

neighborhood property value improvement, and community-wide quality of life.

Capital improvement projects typically follow a three phase process: preliminary design/engineering, final design/engineering and construction. The cost of professional preliminary and final design/engineering services is typically 10% of the total project value, and the cost of construction phase services is typically 2-3% of the total project value. Some projects, like wayfinding signage, take a relatively short time to execute. Others, like Riverwalk improvements take a relatively long time to execute because of property acquisition, complex design/engineering, multi-jurisdictional permitting and challenging construction logistics.

Village leaders should start with simple, high impact, modest cost projects, like Wayfinding and Roadway improvements. Then, they should budget for and initiate more complicated, high-investment/high-impact projects, as funding allows, giving highest priority to the most catalytic projects like the Fox River

Trail spur and Riverwalk Park. Village leaders should also link the master-planned capital improvements to significant private sector investment, whenever possible to create the most catalytic impacts.

Costs

The cost information is for discussion purposes, only. Potential construction costs have been rounded to reflect the level of accuracy that can be expected at the conceptual level. Actual costs will vary.

Costs shown assume delivery through a general contractor in a competitive public bidding process, including material purchase, installation, 10% contractor general conditions, 10% design/bid contingency and a 10% contingency.

Costs include customary fees for design and engineering.

Costs do not include inflation for construction in future years.

Capital Improvements

Wayfinding	Cost: \$250,000	2015	□ Design, permit and construct new directional, identification, and directory signs (coordinated with branding).
	Funding: Capital Projects Fund, Community Development Fund Leadership/partnerships: Village Staff and property owners		
Roadway	Cost: \$500,000	2015	□ Conduct a traffic study on Main Street to build a case for a left turn lane, cross-walk improvements, signal timing and other traffic calming measures, and potential reintroduction of on-street parking during off-peak periods.
	Funding: Capital Projects Fund, Community Development Fund, TAP	2016	□ Engineer, permit and construct the left turn lane from WB Main to SB 1st Street and approved traffic calming measures.
	Leadership/partnerships: Village Staff, IDOT	2017	□ Explore limited on-street parking options during off-peak periods on Main Street.
Bicycle Facilities	Cost: \$575,000	2015	□ Engineer and construct 1st Street bike route (Ph I, II, III).
	Funding: Capital Projects Fund, Community Development Fund, TAP, IRTGP, OSLAD, County, East Dundee	2015	□ Design and install bike racks at parking lots and other key downtown locations.
	Leadership/partnerships: Village Staff, Kane County, East Dundee	2015	□ Design spur (including bridge) to Fox River Trail (Ph I) (also see Riverwalk), submit grant applications.
		2016	□ Engineer and permit Fox River Trail spur and pedestrian bridge (Ph II) (also see Riverwalk).
		2017	□ Construct the Pedestrian Bridge and Fox River Trail spur from Fox River Trail to west river bank, construct temporary connection from bike/pedestrian bridge to Oregon Avenue.
		2018	□ Construct the Basic Riverwalk and Fox River Trail spur from bridge to Oregon Avenue (Ph III) (also see Riverwalk).
		2018	□ Engineer and construct the Oregon Avenue bike route (Ph I, II, III).
Off-Street Parking	Cost: \$4,000,000	2015	□ Demolish the vacant building at the Oregon Avenue Parking Lot, establish turf.
	Funding: Capital Projects Fund, Community Development Fund, OSLAD	2015	□ Acquire VFW building on 1st Street, find new meeting space for VFW (also see Off-Street Parking and Riverwalk).
	Leadership/partnerships: Village staff	2015	□ Acquire the Samata parking lot and shoreline (also see Riverwalk).
		2016	□ Design the Riverwalk Multi-purpose Parking Plaza and former Samata parking lot (Ph I) (also see Bicycle Facilities, Streetscape and Riverwalk), submit grant applications.
		2017	□ Engineer and permit the Riverwalk Multi-Purpose Parking Plaza (Ph II) (also see and Bicycle Facilities, Streetscape and Riverwalk).
		2019	□ Demolish VFW, construct new Riverwalk Multi-Purpose Parking Plaza (Ph III) (also see Bicycle Facilities, Streetscape and Riverwalk).
		2020+	□ Design, engineer, permit and reconstruct the Oregon Avenue Parking Lot (Ph I, II).
Streetscape	Cost: \$1,500,000	2016	□ Design 1st Street streetscape (Ph I) (also see Bicycle Facilities, Off-Street Parking and Riverwalk).
	Funding: Capital Projects Fund, Community Development Fund	2017	□ Design Main Street streetscape (Ph I), submit grant applications, if available.
	Leadership/partnerships: Village staff	2017	□ Engineer and permit 1st Street streetscape (Ph II) (also see Bicycle Facilities, Off-Street Parking and Riverwalk).
		2019	□ Construct 1st Street streetscape (Ph III) (also see Bicycle Facilities, Off-Street Parking and Riverwalk).
		2020+	□ Design South 2nd Street streetscape (also see Off-street Parking).
		2020+	□ Design, engineer, permit and construct North 2nd, 3rd, Washington and Lincoln streetscapes.

Capital Improvements

Riverwalk

Cost: \$2,500,000

Funding: Capital Project Fund, Community Development Fund, OSLAD, Grand Victoria Foundation, Corporate and Individual gifts

Leadership/partnerships: Village Staff and downtown leaders

- 2015 ☐ Acquire shoreline from Main Street to Pump House (also see Off-Street Parking).
- 2015 ☐ Acquire VFW building (also see Off-Street Parking).
- 2016 ☐ Design Riverwalk Extension, Riverwalk Park and Riverwalk Multi-Purpose Parking Plaza (Ph I), Riverwalk Play Space, and Pump House, update phasing, submit grant applications and begin community fund-raising (also see Bicycle Facilities, Off-Street Parking and Streetscape).
- 2017 ☐ Engineer and permit Riverwalk Extension, Riverwalk Park and Riverwalk Multi-Purpose Parking Plaza (Ph II) (also see Bicycle Facilities, Off-Street Parking and Streetscape).
- 2018 ☐ Construct basic Riverwalk Park and Fox River Trail spur from bike/pedestrian bridge to Oregon Avenue (also see Bicycle Facilities).
- 2019 ☐ Construct Riverwalk Multi-Purpose Parking Plaza (also see Bicycle Facilities, Off-Street Parking and Streetscape).
- 2020 ☐ Construct Riverwalk Extension from Main Street to bike/pedestrian bridge (also see Off-Street Parking).
- 2020+ ☐ Construct Riverwalk Play Space.
- 2020+ ☐ Rehabilitate Pump House.

Property Improvement and Development

Downtown leaders will accomplish the most important dimensions of the Strategy, business attraction and market connections, without extensive redevelopment of any property. In fact, some downtown property owners have already taken advantage of their attractive assets and Village incentives to remodel, competitively position and properly tenant their properties. Those owners and other downtown leaders should continue to urge all downtown property owners to follow their lead and implement the private sector responsibilities outlined in this plan.

The Strategy describes a number of non-prioritized redevelopment scenarios. No single action or improvement will trigger any of the scenarios or any other redevelopment. Instead, investors will redevelop underutilized properties and create more market supported destinations, the third dimension of the Strategy, as the economy improves and downtown leaders implement the package of policy, operational

and capital improvements outlined in this plan. However, even when investor confidence improves, very dynamic ownership and economic factors will continue to make the timetable for redevelopment unpredictable.

Village staff members should continue to maintain regular communications with the owners of vacant and underutilized properties to understand owner circumstances, advocate the Downtown Plan, enforce maintenance codes, and help connect potential buyers, sellers, brokers, developers and tenants, whenever possible. When developers approach the Village with their redevelopment concepts, the staff members should continue to facilitate a thorough understanding of existing and planned infrastructure, along with existing policies and procedures. Village leaders should consider developer requests for financial assistance on a case-by-case basis using specific criteria (see Policy Improvements) to gage the community's return on investment.

Village leaders may wish to reach out to reputable developers who are familiar with the regional market to further explore the redevelopment potential of the Village owned Dundee Supermart and Oregon Avenue properties.

PRIORITY ACTIONS AND IMPROVEMENTS

Downtown leaders should use this prioritized list of actions and improvements to guide policy, operational and capital improvements over the next 3 years. They should update this list, annually, to review progress and account for new opportunities or changed circumstances. Costs are uninflated 2014 dollars. Leadership roles are noted with the understanding that the Village Board must approve all Village policies and appropriations.

Priority Operational Improvements

Cost	Action	Leadership
	Organizational:	
\$1,500	<input type="checkbox"/> Initiate a property owner advocacy group	Property Owners
\$1,000	<input type="checkbox"/> Maintain property and ownership data base	Staff
\$2,500	<input type="checkbox"/> Distribute property and business owner e-communications	Staff
\$TBD	<input type="checkbox"/> Explore grants and other funding opportunities	Staff, Chamber
\$50,000	Marketing:	
	<input type="checkbox"/> Create a brand strategy	Task Force
	<input type="checkbox"/> Create marketing plan	Task Force
	<input type="checkbox"/> Execute marketing plan	Task Force
\$10,000	Leasing:	
	<input type="checkbox"/> Identify leasing best practices and rates	Task Force
	<input type="checkbox"/> Create and distribute a model lease template	Task Force
	<input type="checkbox"/> Maintain database of downtown properties	Staff
	<input type="checkbox"/> Recruit tenants that fit logical markets	Property Owners
	<input type="checkbox"/> Engage Village staff when showing properties	Staff, Property Owners
	<input type="checkbox"/> Meet with new tenants	Staff
	<input type="checkbox"/> Contact all property owners with vacant space	Staff
\$5,000	Business Improvement:	
	<input type="checkbox"/> Engage WCC SBDC to help business owners	Staff, Chamber, Owners
	<input type="checkbox"/> Encourage Chamber membership and participation	Staff, Chamber, Owners
\$TBD	Property Management	
	<input type="checkbox"/> Use Business Advocacy Group to fill operational needs	Property Owners
	<input type="checkbox"/> Identify and conform to Village Codes and best practices	Property Owners
	<input type="checkbox"/> Enforce Village codes for all occupied and vacant properties	Staff
	<input type="checkbox"/> Explore performance improvement or asset sale at Supermart	Staff
\$TBD	Other:	
	<input type="checkbox"/> Promote, maintain interior connectors	Property Owners, Staff
\$70,000	Sub-total Operational Improvements	

2015-2016

Priority Policy Improvements

Cost	Action	Leadership
	Codes and Ordinances:	
\$TBD	<input type="checkbox"/> Adopt this Downtown Plan	Village Board
\$2,500	<input type="checkbox"/> Amend Zoning Code and map for transitional uses	Staff, Task Force
\$1,000	<input type="checkbox"/> Amend Zoning Code to allow first floor residential as Special Use	Staff, Task Force
\$500	<input type="checkbox"/> Amend Off-Street Parking Code to clarify B-1 waiver	Staff, Task Force
\$6,000	<input type="checkbox"/> Amend Appearance Review Code	Task Force
\$TBD	Finance:	
	<input type="checkbox"/> Establish Capital Improvement budget	Staff
	<input type="checkbox"/> Establish SSA to assist in funding operational improvements.	Staff

\$10,000 Sub-total Policy Improvements

Priority Capital Improvements

Cost	Action	Leadership
\$250,000	Wayfinding:	
	<input type="checkbox"/> Design, permit, construct new wayfinding signage	Task Force
\$50,000	Roadway:	
	<input type="checkbox"/> Conduct traffic study on Main Street, build case for improvements	Staff
	Bicycle Facilities:	
\$25,000	<input type="checkbox"/> Engineer and construct 1st Street Bike Route	Task Force
\$10,000	<input type="checkbox"/> Design and install bike racks at parking lots and other key places	Task Force
\$25,000	<input type="checkbox"/> Design spur and bridge to Fox River Trail, submit grant applications	Task Force, E. Dundee
	Off-Street Parking and Riverwalk:	
\$50,000	<input type="checkbox"/> Demolish vacant building, install turf at Oregon Avenue lot	Staff
\$250,000	<input type="checkbox"/> Acquire VFW building, find new meeting space	Staff
\$50,000	<input type="checkbox"/> Acquire Samata parking lot and shoreline	Staff

\$710,000 Sub-total Capital Improvements

Total 2015-2016 Actions and Improvements:
\$790,000

2016-2017

Priority Policy Improvements

Cost	Action	Leadership
\$0	<input type="checkbox"/> None planned	
\$0	Sub-total Policy Improvements	

Priority Operational Improvements

Cost	Action	Leadership
	Organizational:	
\$1,500	<input type="checkbox"/> Initiate a property owner advocacy group	Property owners
\$1,000	<input type="checkbox"/> Maintain property and ownership data base	Staff
\$2,500	<input type="checkbox"/> Distribute property and business owner e-communications	Staff
\$TBD	<input type="checkbox"/> Explore grants and other funding opportunities	Staff, Chamber
	Marketing:	
\$25,000	<input type="checkbox"/> Execute marketing plan	Chamber, Task Force
\$TBD	Leasing:	
	<input type="checkbox"/> Maintain database of downtown properties	Staff
	<input type="checkbox"/> Recruit tenants that fit logical markets	Property owners
	<input type="checkbox"/> Engage Village staff when showing properties	Staff, Property Owners
	<input type="checkbox"/> Meet with new tenants	Staff
	<input type="checkbox"/> Contact all property owners with vacant space	Staff
\$5,000	Business Improvement	
	<input type="checkbox"/> Engage WCC SBDC to help business owners	Staff, Chamber, Owners
	<input type="checkbox"/> Encourage Chamber membership and participation	Staff, Chamber, Owners
	<input type="checkbox"/> Use Business Advocacy Group to fill operational needs	Staff, Chamber, Owners
\$TBD	Property Management:	
	<input type="checkbox"/> Identify and conform to Village Codes and best practices	Property Owners
	<input type="checkbox"/> Enforce Village codes for all occupied and vacant properties	Staff
\$1,000	Maintenance:	
	<input type="checkbox"/> Maintain new wayfinding, bike facilities, parking lot	Staff
\$TBD	Other:	
	<input type="checkbox"/> Promote, maintain interior connectors	Property Owners, Staff
\$36,000	Sub-total Operational Improvements	

Priority Capital Improvements

Cost	Action	Leadership
\$200,000	Roadway:	
	<input type="checkbox"/> Engineer, permit and construct left turn lane and traffic calming	Staff
\$25,000	Bicycle Facilities:	
	<input type="checkbox"/> Engineer and permit the Fox River Trail spur	W and E Dundee staff
\$50,000	Riverwalk:	
	<input type="checkbox"/> Design Riverwalk Park, Multi-Purpose Parking Plaza, Extension, shoreline parking, Play Space and Pump House, submit grant applications, begin community fund-raising	Task Force
\$20,000	Streetscape:	
	<input type="checkbox"/> Design 1st Street streetscape	Task Force
\$295,000	Sub-total Capital Improvements	

Total 2016-2017 Actions and Improvements:
\$331,000

2017-2018

Priority Policy Improvements

Cost	Action	Leadership
\$0	□ None planned	
\$0	Sub-total Policy Improvements	

Priority Operational Improvements

Cost	Action	Leadership
	Organizational:	
\$1,500	□ Maintain property owner advocacy group	Property owners
\$1,000	□ Maintain property and ownership data base	Staff
\$2,500	□ Distribute property and business owner e-communications	Staff
\$TBD	□ Explore grants and other funding opportunities	Staff, Chamber
\$25,000	Marketing:	
	□ Execute marketing plan	Chamber, Task Force
\$TBD	Leasing:	
	□ Maintain database of downtown properties	Staff
	□ Recruit tenants that fit logical markets	Property owners
	□ Engage Village staff when showing properties	Staff, Property Owners
	□ Meet with new tenants	Staff
	□ Contact all property owners with vacant space	Staff
\$5,000	Business:	
	□ Engage WCC SBDC to help business owners	Staff, Chamber, Owners
	□ Encourage Chamber membership and participation	Staff, Chamber, Owners
\$TBD	Property Management:	
	□ Identify and conform to Village Codes and best practices	Property Owners
	□ Enforce Village codes for all occupied and vacant properties	Staff
	Maintenance:	
\$1,000	□ Maintain new wayfinding, bike facilities, parking lot	Staff
\$500	□ Maintain new roadway traffic calming improvements	Staff
\$TBD	□ Promote, maintain interior connectors	Property Owners, Staff
\$36,500	Sub-total Operational Improvements	

Priority Capital Improvements

Cost	Action	Leadership
	Roadway:	
\$5,000	□ Explore limited on-street parking on Main Street	Task Force
	Bicycle Facilities:	
\$450,000	□ Construct bike spur and pedestrian bridge from Fox River Trail to west river bank	West/East Dundee staff
	Off-Street Parking and Riverwalk:	
\$180,000	□ Engineer and permit Riverwalk Park and Multi-Purpose Parking Plaza	Staff
	Streetscape:	
\$20,000	□ Design Main Street streetscape, submit grant applications	Task Force
\$50,000	□ Engineer and permit 1st Street streetscape	Staff
\$705,000	Sub-total Capital Improvements	

Total 2017-2018 Actions and Improvements:
\$741,500



Planning and Landscape Architecture

225 West Jefferson Avenue
Naperville, Illinois 60540

T 630.961.1787

www.hitchcockdesigngroup.com

EXHIBITS

Exhibit D:

Vacant Parcel Profile Sample

West Dundee 2020
Economic Development Plan

SITE PROFILE

Carrington Crossing of West Dundee

Carrington Crossing is at the intersection of Randall Road and Carrington and is just south of the intersection of Randall Road and Route 72. The intersection has been approved for future signalization.

Carrington Crossing is annexed, subdivided, zoned and permit ready. There are presently 9 separate lots available but reconfiguration can be accomplished.

- Pad-ready, with infrastructure, grading, and roadways completed.
- One mile north of full interchange to I-90.
- Intersection can be fully signalized.
- Adjacent to and/or part of several large, high-end subdivisions.
- Location makes shopping an attractive destination to residents of Algonquin, Elgin, Gilberts, Lake in the Hills, and Sleepy Hollow.
- Near anticipated development of high-end, 250-unit multi-family development.

SITE FACTS

SIZE

27 acres

AVERAGE DAILY TRAFFIC

55,000 vehicles

ZONING

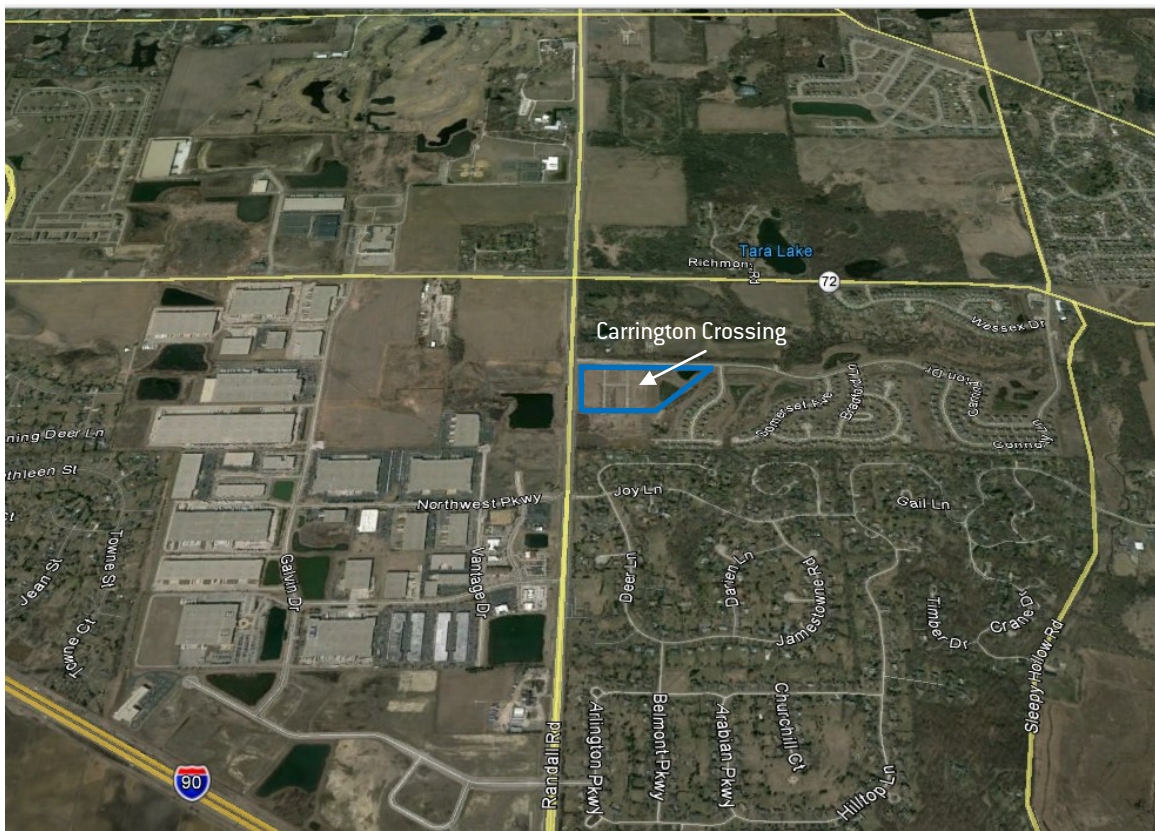
B2—Regional
Business District

CURRENT USE

Vacant

CONTACT INFORMATION

Robert Traska
847-426-4560





1834

Founded

7,331

Population of West Dundee

\$86,286

Median Household Income

38

Median Age

2,785

Households

48%

Residents with BA or Higher

156,772

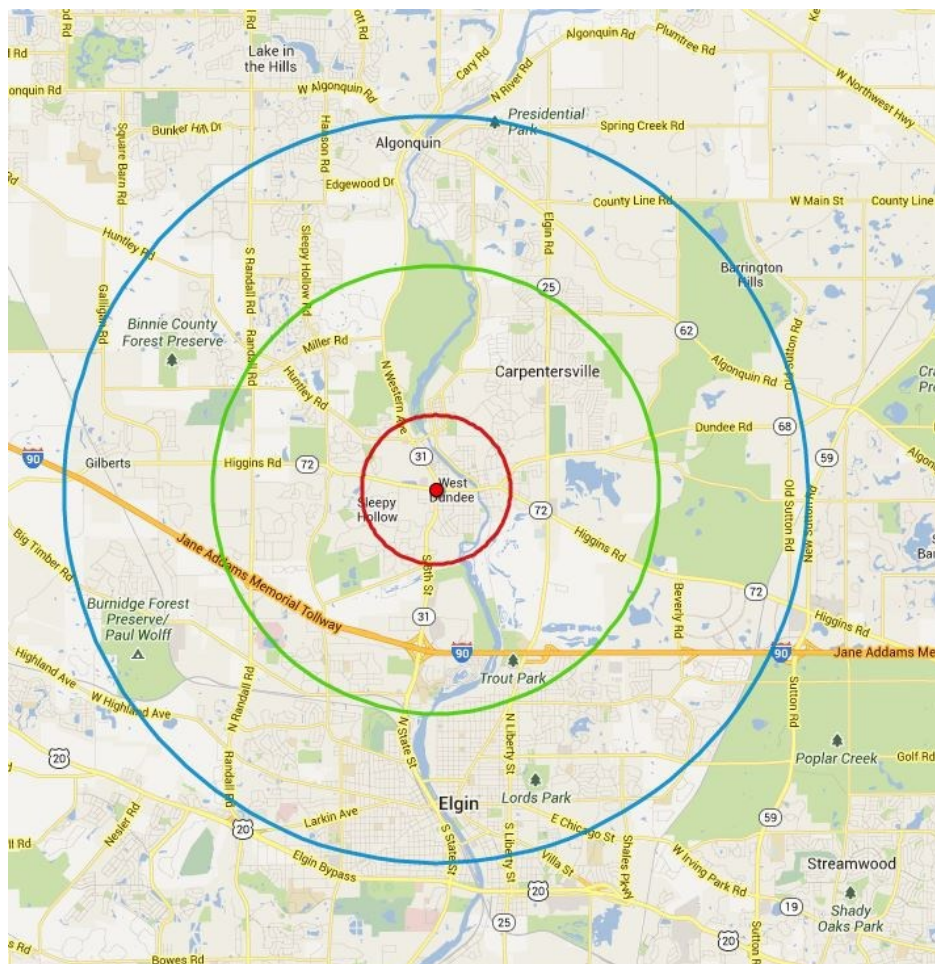
Population within 5-Mile Radius

50,916

Households within 5-Mile Radius

89,951

Daytime Employment within 5-Mile Radius



Interstate 90

Two Full Interchanges
77,000 vehicles per day



O'Hare International

28 miles from West Dundee
Accessible via I-90



Illinois Route 72

Major East-West Roadway
61,200 vehicles per day



Lake in the Hills Airport

7 miles from West Dundee
Accessible via Randall Road



Illinois Route 31

Major North-South Roadway
61,200 vehicles per day



Metra Passenger Train Station

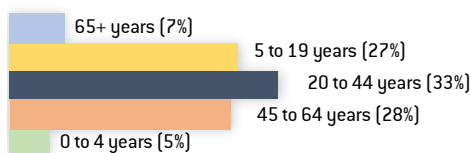
3 miles from West Dundee
Accessible via Randall Road



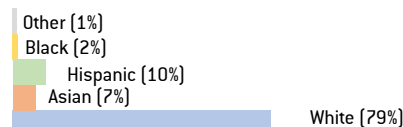
Randall Road

Major North-South Roadway
55,000 vehicles per day

Age Distribution



Race Distribution



EXHIBITS

Exhibit E:

Retail Market Study

West Dundee 2020
Economic Development Plan

MEMORANDUM

RE: Retail Market Study and Recruitment Project

Overview:

GRS was engaged by the Village of West Dundee to assist in the efforts of identifying and recruiting potential retail and restaurant users for the vacant improved property (i.e. – Gateway East/West, former Best Buy and Target) and available land (principally Randall Road) for development. We commenced a two phase retail market study and recruitment project in January of this year. The initial phase involved a retail market study identifying and mapping the national and regional retailers presently in the market trade area which we had defined as a 10 mile radius from the intersection of routes 31/72. This trade area includes West Dundee, East Dundee, Carpentersville, Algonquin, Elgin, Lake in the Hills, and Hoffman Estates/Barrington. Once this portion of phase I was complete we conducted and reviewed various demographic and retail market research reports to further define the market. Several of these reports were presented to the Village Board as part of a benchmark status report.

The later part of this phase involved taking what we had learned from mapping the retail/restaurant users, reviewing the demographic/market research reports, and then identifying the potential retail/restaurant users absent in the market trade area to create a target tenant list. This resulted in a list of approx. 150 potential users.

The second phase (recruitment process) consisted of a thorough calling/e-mailing campaign directed at the potential target tenant list followed up by direct mail – letter and marketing flyer. The marketing flyer was prepared as part of this project and included an aerial of the mall and immediately surrounding market with a list of available properties for sale/lease. GRS also attended the national (May) and regional (October) ICSCs in Las Vegas and Chicago, respectively and met with various retail/restaurant users to showcase West Dundee.

Results:

Through this effort we have concluded the retail/commercial development that has occurred west along Randall Road to the north and south of West Dundee, and to the east in the vicinity of routes 59 and 72 has significantly impacted the trade area immediately surrounding Springhill Mall. In combination, both of these developed areas have the majority of the retail/restaurant users in the Chicagoland area, and unfortunately they are on the perimeter of the defined trade area for West Dundee. Secondly, in our recruitment efforts of the 150 or so prospects, feedback was basically neutral with respondents stating “no interest” in the market for no particular reason; too close to our other store(s); not expanding in Chicago at the present; our pipeline is already full for 2014/2015; not enough density within the immediate trade area to add another store.

While the economy continues to recover from the recession with new job growth, increased home prices and new housing starts, the expansion in the retail market is not as vibrant. We are still experiencing store closures, consolidation, and the discounting/the value pitch that occurred during the recession is not easily forgotten by most consumers. This all contributes to the reason for lack of interest in West Dundee, those stores that left the Springhill Mall area for Randall Road and/or Route 59/72 are struggling to sustain the volumes needed to warrant another store in such proximity.

We did have one particular case we wanted to cite – confidentially – Studio Movie Grill (“SMG”) was actively pursuing the furniture space at Springhill Mall. I had meet with SMG and Rouse at the national ICSC and had subsequent conversations with both parties. Per my last conversation with SMG – they had tabled the negotiations on the Springhill Mall space because the cost to convert the space was exceedingly high and the economics became unattractive. They were only pursuing Springhill Mall because of the economics, and they perceive it could be an average-good performing theater for them. That said, they will revisit it in Q1 2015 at which time they may entertain alternative spaces outside the mall with in West Dundee.

Conclusion:

We have basically completed 100% of the project, but continue to dialogue on the behalf of the Village with various users, brokers and investors to hopefully spark some interest. With that said, I’d like to make few follow-on suggestions to assist the village in remaining proactive in pursuit of users and tenants for the community.

1. Although the Village did not participate in the Chicago ICSC regional dealmaking conference – I’d recommend a follow up with the communities that did and ask them these three questions –
 - a. Why did you participate/exhibit at the Chicago ICSC?
 - b. What benefit did you receive from doing so, or do you anticipate from doing so?
 - c. Would you do it again?
2. While the village has seemed to be reluctant to entertain interest from value oriented retailers (i.e. – Salvation Army) – I believe the average consumers today is not as reluctant to visit those retailers and many communities have been receptive to these type uses as they cater to a critical component of a market trade area. For example you will find users like Goodwill, Salvation Army, Savers, Value City, Dollar General, etc. in and around of the more affluent communities because that is the demographic they receive many of their donations from.
3. I believe a concentrated effort should be made to diversify the housing market with multi-family and possibly senior and assisted living housing near Springhill Mall, promoting the convenience of shopping without the congestion of Randall Road.
4. Along with this, alternative uses should be considered for some of the retail/commercial land surrounding Springhill Mall. For instance, if senior housing/assisted living communities would be pursued, nearby medical office/ urgent care facilities may follow.

I still have optimism that West Dundee and the area around Springhill Mall will see a resurgence in retail/commercial activity, and GRS is committed to assisting the village in its endeavors.

Please let me know if you have any questions.

-Best

Ben Best
1/4/5/14



TO: JOSEPH CAVALLARO, VILLAGE MANAGER
FROM: CATHLEEN TYMOSZENKO, COMMUNITY DEVELOPMENT DIRECTOR
SUBJECT: RETAIL MARKET STUDY AND RECRUITMENT PROJECT *CP*
DATE: 5/8/2014

INTRODUCTION

To assist with our efforts to identify and recruit national and regional potential retailers and restaurants, the Village Board approved the commencement of a two phase Retail Market Study and Recruitment Project and authorized a contract with Barry Bain of GRS Group in January 2014. Phase 1 consists of a Retail Market Study to map and identify national and regional retailers who are not presently operating in this market. Phase 2 consists of a Recruitment Project to work to bring identified operators to West Dundee.

BACKGROUND

On a regular basis, we work with individual property owners and brokers to retain, recruit and secure tenants. We also work to identify and recruit desired users at large for the Village including consistently reaching out to new retailers entering the market and contacting retailers on our ongoing "wish list". To support and enhance recruitment efforts we maintain an excel sheet list of current available properties with pricing and contacts, promote the Village's economic development incentive programs, distribute special marketing materials to showcase redevelopment opportunities with combined or reconfigured sites and publish available and existing site sheet catalogs to showcase opportunities to developers and end users. These efforts are detailed in our quarterly Economic Development and Market Analysis Update: Status of Efforts to Promote Use or Reuse of Available Properties Report.

To enhance our current efforts, the Village Board authorized a two phase Retail Market Study and Recruitment Project and authorized a contract with Barry Bain of GRS Group to assist with our efforts to identify and recruit national and regional potential retailers and restaurants. The framework for this project was formulated with input from consultant Barry Bain and the project was authorized in January.

Phase 1: Retail Market Study

Phase 1 of the project which consists of completing a Retail Market Study to map and identify national and regional retailers who are not presently operating in this market is near to completion. To identify opportunities, several reports and a map were completed for the West Dundee Retail Study Area. The reports and maps were created to show information in 1-mile; 5-mile and 10 mile radii to correspond with market areas and include the following as attached:

1. Executive Summary-Principal Demographics
2. Business Summary- Business/Employment
3. Retail Market Profile-Surplus/Leakage Report
4. Demographic and Income Profile-Detailed
5. Retail Market Potential-Compares trade area spending habits with national averages
6. Restaurant Market Potential-Compares trade area dining habits with national averages
7. Map of existing operators

From this information, trade area criteria have been analyzed for retailers in the market area. Trade area criteria varies for each user and includes minimum distance between stores; demographic profile desired by retailers including population, density and income; site requirements, including minimum and maximum square footage; desired co-tenancies; and growth plans. This exercise has allowed for a determination of which retailers/users might consider another location in West Dundee.

To further the analysis, we worked to identify former (within the last three years) retailers/users in West Dundee that have departed or relocated in the market area. This analysis assisted in formulating an understanding of current customer shopping needs and to try to determine which needs are not being met to identify patterns and opportunities for recruitment of new users. One of the more relevant reports to this end is the Retail Market Profile-Surplus/Leakage Report. This report speaks to how consumers in the market area spend money and whether they spend money inside or outside of each radii. This report identifies surpluses and leakage for each category of consumer spending. For instance for grocery the report shows that there is a surplus demand and leakage in existence that can help to justify and bolster our efforts to attract grocery users to the market. The information will be part of our package presented to grocers to give them a reason to review and heighten the interest in West Dundee beyond just a desire to have them present.

In addition, we provided the consultant with names of businesses from the Village's "wish list". The "wish list" is a continuing list of desired retailers as placed on the list by staff, elected officials and suggestions from residents and other business owners.

These exercises have led to identifying nation/regional users not presently operating in this trade area and the creation of a list of potential users. This list was then analyzed based on each retailer's trade area criterion, including demographic profile, population, density and income; site requirements, minimum and maximum square footage desired; co tenancies; and site requirements to determine probability of recruitment.

Based on probability of recruitment, a target list 130 users has been developed to allow for the study to move toward initiation of Phase 2, recruitment of identified operators to West Dundee.

Phase 2: Retail Recruitment

Phase 2 work is also underway. Direct contact with potential users has been initiated and continues. To enhance efforts, recruitment activity will continue at the national real estate convention known as ReCon hosted by the ICSC in Las Vegas on May 18-20th. Barry Bain will be in attendance at the convention and he will be working to generate interest in West Dundee existing retail spaces and developable areas.

We have been working closely with Barry to create a number of different tools for his use in Phase 2 efforts at ICSC and after as recruitment efforts continue. These marketing tools

include a brochure highlighting the community demographics and available retail and development spaces and a few different potential site plans for the redevelopment of Gateway East as designed with staff and consultant input by Rick Gilmore, architect. These site designs include alternative renditions to allow for stand alone pad ready sites and reconfigured existing spaces. The site plans are attached; the marketing piece is being finalized and will be available for review Monday evening.

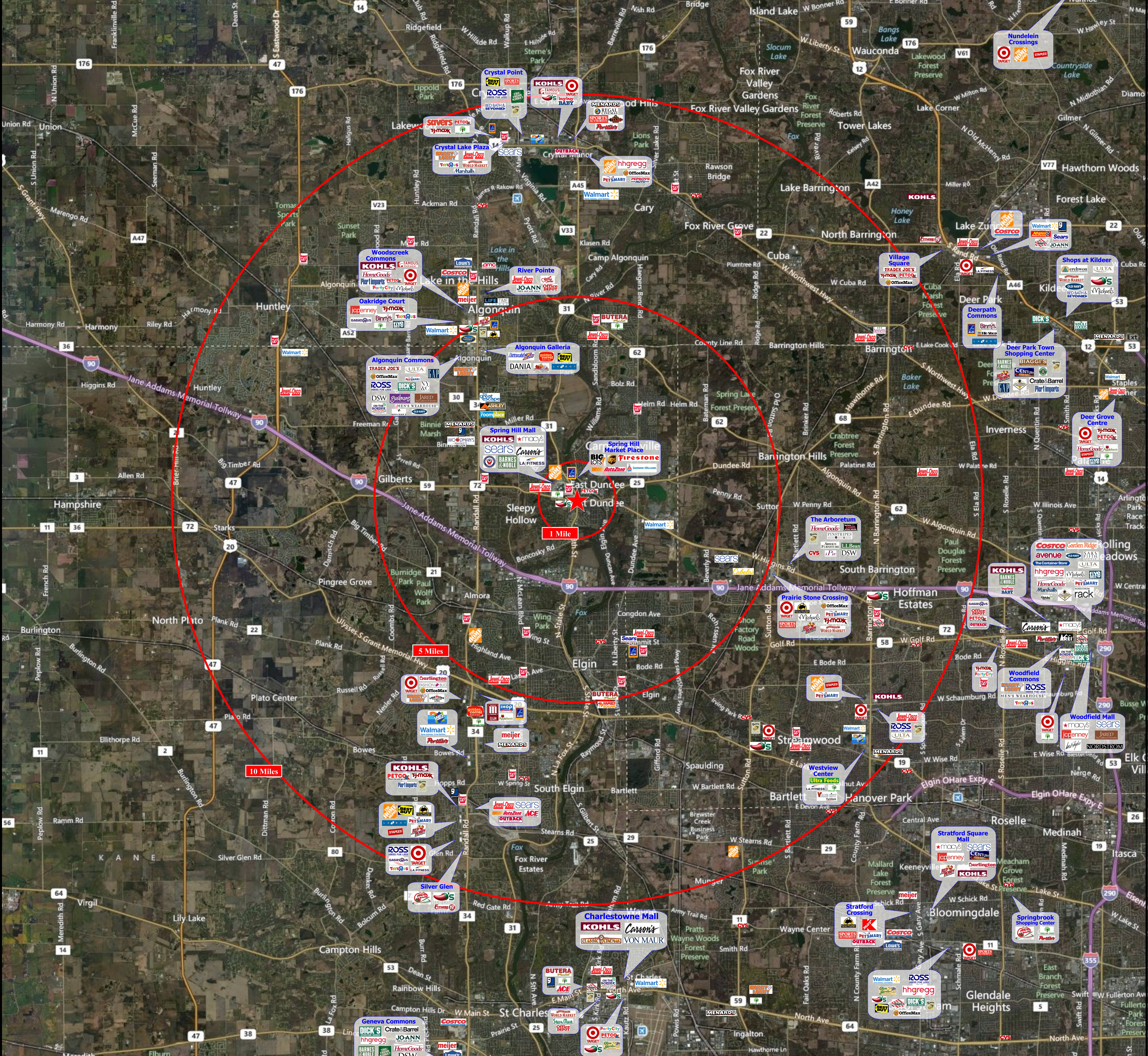
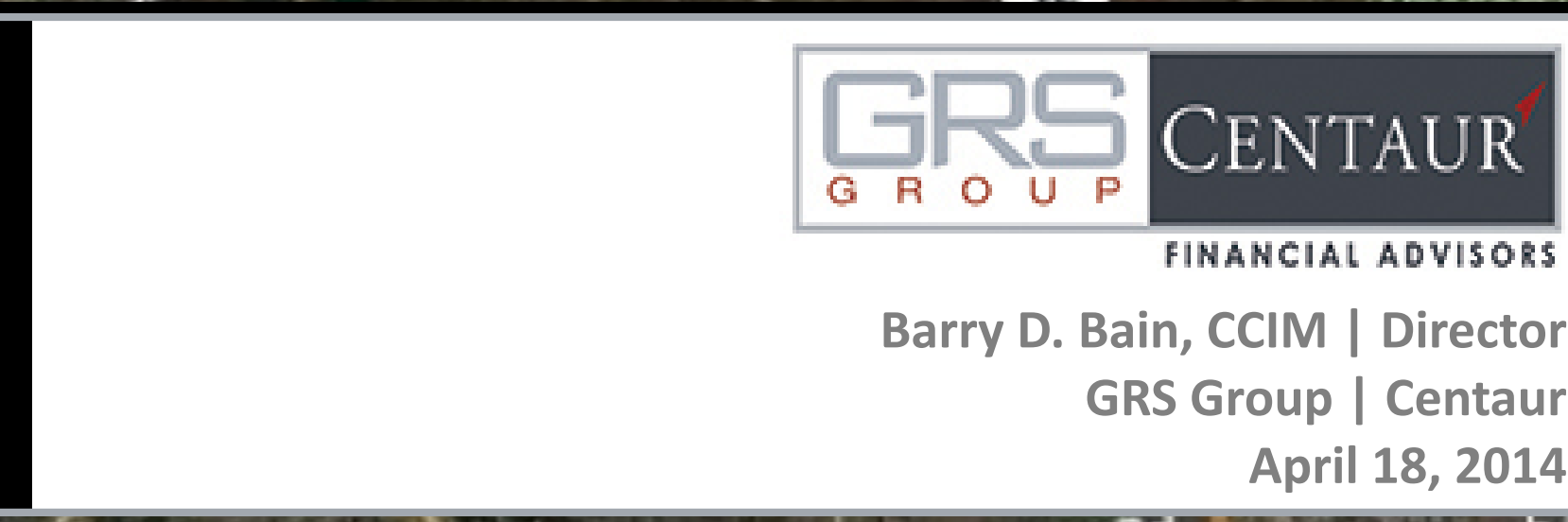
Also attached is the draft target list of retailers as refined. As earlier stated, this list has been developed systematically and with a great deal of analysis. Earlier drafts of this list did include more "wish list" users but some of these have been eliminated due to the application of criteria for location that cannot be met.

RECOMMENDATION

Consultant Barry Bain will be present at the meeting to provide a benchmark progress report and discuss Phase 1 findings and reports produced as well as Phase 2 efforts underway and continuing. Feedback on the materials presented and input and direction from the Village Board is requested and appreciated.

West Dundee, IL

Retail Market Study Map





Executive Summary

West Dundee Retail Study Area
1, 5 and 10 mile radius
Rings: 1, 5, 10 mile radii

Prepared by Barry Bain
Latitude: 42.098118
Longitude: -88.28705

	1 mile	5 miles	10 miles
Population			
2000 Population	6,905	140,828	435,744
2010 Population	6,693	162,705	519,803
2013 Population	6,715	166,010	529,479
2018 Population	6,821	171,244	542,868
2000-2010 Annual Rate	-0.31%	1.45%	1.78%
2010-2013 Annual Rate	0.10%	0.62%	0.57%
2013-2018 Annual Rate	0.31%	0.62%	0.50%
2013 Male Population	49.2%	49.9%	49.6%
2013 Female Population	50.9%	50.1%	50.4%
2013 Median Age	42.5	33.8	36.1

In the identified area, the current year population is 529,479. In 2010, the Census count in the area was 519,803. The rate of change since 2010 was 0.57% annually. The five-year projection for the population in the area is 542,868 representing a change of 0.50% annually from 2013 to 2018. Currently, the population is 49.6% male and 50.4% female.

Median Age

The median age in this area is 36.1, compared to U.S. median age of 37.3.

Race and Ethnicity

2013 White Alone	88.9%	69.5%	75.5%
2013 Black Alone	2.1%	5.4%	3.9%
2013 American Indian/Alaska Native Alone	0.3%	0.9%	0.6%
2013 Asian Alone	2.7%	6.3%	8.6%
2013 Pacific Islander Alone	0.0%	0.0%	0.0%
2013 Other Race	3.6%	14.7%	8.7%
2013 Two or More Races	2.5%	3.2%	2.7%
2013 Hispanic Origin (Any Race)	13.3%	38.1%	23.8%

Persons of Hispanic origin represent 23.8% of the population in the identified area compared to 17.4% of the U.S. population. Persons of Hispanic Origin may be of any race. The Diversity Index, which measures the probability that two people from the same area will be from different race/ethnic groups, is 63.2 in the identified area, compared to 62.1 for the U.S. as a whole.

Households

2000 Households	2,772	46,248	145,848
2010 Households	2,772	52,934	175,350
2013 Total Households	2,788	53,948	178,568
2018 Total Households	2,835	55,621	183,435
2000-2010 Annual Rate	0.00%	1.36%	1.86%
2010-2013 Annual Rate	0.17%	0.59%	0.56%
2013-2018 Annual Rate	0.33%	0.61%	0.54%
2013 Average Household Size	2.41	3.05	2.95

The household count in this area has changed from 175,350 in 2010 to 178,568 in the current year, a change of 0.56% annually. The five-year projection of households is 183,435, a change of 0.54% annually from the current year total. Average household size is currently 2.95, compared to 2.95 in the year 2010. The number of families in the current year is 135,312 in the specified area.

Data Note: Income is expressed in current dollars

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2013 and 2018. Esri converted Census 2000 data into 2010 geography.

March 17, 2014



Executive Summary

West Dundee Retail Study Area
1, 5 and 10 mile radius
Rings: 1, 5, 10 mile radii

Prepared by Barry Bain
Latitude: 42.098118
Longitude: -88.28705

	1 mile	5 miles	10 miles
Median Household Income			
2013 Median Household Income	\$69,036	\$63,328	\$76,409
2018 Median Household Income	\$81,686	\$76,996	\$86,254
2013-2018 Annual Rate	3.42%	3.99%	2.45%
Average Household Income			
2013 Average Household Income	\$86,346	\$82,740	\$94,977
2018 Average Household Income	\$99,647	\$94,345	\$107,807
2013-2018 Annual Rate	2.91%	2.66%	2.57%
Per Capita Income			
2013 Per Capita Income	\$34,692	\$27,107	\$32,168
2018 Per Capita Income	\$40,094	\$30,860	\$36,562
2013-2018 Annual Rate	2.94%	2.63%	2.59%
Households by Income			

Current median household income is \$76,409 in the area, compared to \$51,314 for all U.S. households. Median household income is projected to be \$86,254 in five years, compared to \$59,580 for all U.S. households

Current average household income is \$94,977 in this area, compared to \$71,842 for all U.S. households. Average household income is projected to be \$107,807 in five years, compared to \$83,667 for all U.S. households

Current per capita income is \$32,168 in the area, compared to the U.S. per capita income of \$27,567. The per capita income is projected to be \$36,562 in five years, compared to \$32,073 for all U.S. households

Housing			
2000 Total Housing Units	2,860	47,767	149,906
2000 Owner Occupied Housing Units	2,015	35,163	120,476
2000 Owner Occupied Housing Units	757	11,085	25,372
2000 Vacant Housing Units	88	1,519	4,058
2010 Total Housing Units	2,951	56,599	185,093
2010 Owner Occupied Housing Units	2,007	39,567	144,119
2010 Renter Occupied Housing Units	765	13,367	31,231
2010 Vacant Housing Units	179	3,665	9,743
2013 Total Housing Units	2,962	57,457	188,274
2013 Owner Occupied Housing Units	1,964	39,538	144,825
2013 Renter Occupied Housing Units	824	14,410	33,742
2013 Vacant Housing Units	174	3,509	9,706
2018 Total Housing Units	3,046	58,989	192,042
2018 Owner Occupied Housing Units	2,041	41,297	150,150
2018 Renter Occupied Housing Units	794	14,323	33,285
2018 Vacant Housing Units	211	3,368	8,607

Currently, 76.9% of the 188,274 housing units in the area are owner occupied; 17.9%, renter occupied; and 5.2% are vacant. Currently, in the U.S., 56.4% of the housing units in the area are owner occupied; 32.3% are renter occupied; and 11.3% are vacant. In 2010, there were 185,093 housing units in the area - 77.9% owner occupied, 16.9% renter occupied, and 5.3% vacant. The annual rate of change in housing units since 2010 is 0.76%. Median home value in the area is \$219,926, compared to a median home value of \$177,257 for the U.S. In five years, median value is projected to change by 2.70% annually to \$251,254.

Data Note: Income is expressed in current dollars

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2013 and 2018. Esri converted Census 2000 data into 2010 geography.

March 17, 2014



Business Summary

West Dundee Retail Study Area
1, 5 and 10 mile radius
Rings: 1, 5, 10 mile radii

Prepared by Barry Bain
Latitude: 42.098118
Longitude: -88.28705

Data for all businesses in area			1 mile		5 miles		10 miles					
Total Businesses:			806		7,376		24,198					
Total Employees:			6,321		58,498		171,657					
Total Residential Population:			6,715		166,010		529,479					
Employee/Residential Population Ratio:			0.94		0.35		0.32					
by SIC Codes	Businesses		Employees		Businesses		Employees		Businesses		Employees	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Agriculture & Mining	13	1.6%	74	1.2%	157	2.1%	848	1.4%	596	2.5%	2,708	1.6%
Construction	71	8.8%	239	3.8%	689	9.3%	4,072	7.0%	2,389	9.9%	11,627	6.8%
Manufacturing	39	4.8%	728	11.5%	420	5.7%	8,959	15.3%	1,205	5.0%	22,338	13.0%
Transportation	21	2.6%	144	2.3%	278	3.8%	1,751	3.0%	875	3.6%	4,947	2.9%
Communication	9	1.1%	56	0.9%	70	0.9%	385	0.7%	204	0.8%	3,606	2.1%
Utility	2	0.2%	10	0.2%	25	0.3%	156	0.3%	63	0.3%	404	0.2%
Wholesale Trade	42	5.2%	227	3.6%	429	5.8%	3,758	6.4%	1,292	5.3%	9,968	5.8%
Retail Trade Summary	163	20.2%	2,616	41.4%	1,086	14.7%	11,562	19.8%	3,343	13.8%	33,165	19.3%
Home Improvement	4	0.5%	133	2.1%	48	0.7%	663	1.1%	167	0.7%	2,637	1.5%
General Merchandise Stores	5	0.6%	785	12.4%	23	0.3%	1,871	3.2%	70	0.3%	5,153	3.0%
Food Stores	12	1.5%	158	2.5%	90	1.2%	1,640	2.8%	302	1.2%	4,775	2.8%
Auto Dealers, Gas Stations, Auto Aftermarket	6	0.7%	89	1.4%	83	1.1%	865	1.5%	263	1.1%	2,802	1.6%
Apparel & Accessory Stores	28	3.5%	238	3.8%	102	1.4%	970	1.7%	252	1.0%	1,859	1.1%
Furniture & Home Furnishings	17	2.1%	76	1.2%	110	1.5%	478	0.8%	329	1.4%	1,354	0.8%
Eating & Drinking Places	40	5.0%	671	10.6%	296	4.0%	3,049	5.2%	872	3.6%	8,301	4.8%
Miscellaneous Retail	50	6.2%	467	7.4%	333	4.5%	2,024	3.5%	1,088	4.5%	6,284	3.7%
Finance, Insurance, Real Estate Summary	58	7.2%	266	4.2%	510	6.9%	5,597	9.6%	1,802	7.4%	12,484	7.3%
Banks, Savings & Lending Institutions	13	1.6%	121	1.9%	97	1.3%	4,103	7.0%	303	1.3%	7,215	4.2%
Securities Brokers	4	0.5%	10	0.2%	30	0.4%	198	0.3%	143	0.6%	655	0.4%
Insurance Carriers & Agents	15	1.9%	48	0.8%	114	1.5%	421	0.7%	400	1.7%	1,420	0.8%
Real Estate, Holding, Other Investment Offices	26	3.2%	86	1.4%	269	3.6%	876	1.5%	956	4.0%	3,194	1.9%
Services Summary	379	47.0%	1,609	25.5%	3,663	49.7%	19,619	33.5%	12,287	50.8%	66,333	38.6%
Hotels & Lodging	6	0.7%	90	1.4%	18	0.2%	243	0.4%	52	0.2%	583	0.3%
Automotive Services	13	1.6%	66	1.0%	157	2.1%	620	1.1%	491	2.0%	1,969	1.1%
Motion Pictures & Amusements	17	2.1%	97	1.5%	153	2.1%	1,182	2.0%	542	2.2%	4,257	2.5%
Health Services	34	4.2%	146	2.3%	463	6.3%	3,933	6.7%	1,493	6.2%	12,614	7.3%
Legal Services	16	2.0%	46	0.7%	128	1.7%	386	0.7%	317	1.3%	899	0.5%
Education Institutions & Libraries	12	1.5%	196	3.1%	125	1.7%	3,649	6.2%	385	1.6%	14,210	8.3%
Other Services	281	34.9%	968	15.3%	2,618	35.5%	9,606	16.4%	9,007	37.2%	31,801	18.5%
Government	10	1.2%	352	5.6%	49	0.7%	1,792	3.1%	141	0.6%	4,077	2.4%
Totals	806	100%	6,321	100%	7,376	100%	58,498	100%	24,198	100%	171,657	100%

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March 17, 2014



Business Summary

West Dundee Retail Study Area
1, 5 and 10 mile radius
Rings: 1, 5, 10 mile radii

Prepared by Barry Bain
Latitude: 42.098118
Longitude: -88.28705

by NAICS Codes	Businesses		Employees		Businesses		Employees		Businesses		Employees	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Agriculture, Forestry, Fishing & Hunting	1	0.1%	9	0.1%	27	0.4%	113	0.2%	149	0.6%	473	0.3%
Mining	1	0.1%	5	0.1%	6	0.1%	61	0.1%	13	0.1%	137	0.1%
Utilities	1	0.1%	6	0.1%	8	0.1%	58	0.1%	21	0.1%	123	0.1%
Construction	72	8.9%	240	3.8%	705	9.6%	4,110	7.0%	2,440	10.1%	11,756	6.8%
Manufacturing	41	5.1%	735	11.6%	433	5.9%	8,943	15.3%	1,219	5.0%	22,266	13.0%
Wholesale Trade	42	5.2%	227	3.6%	425	5.8%	3,752	6.4%	1,277	5.3%	9,927	5.8%
Retail Trade	120	14.9%	1,916	30.3%	768	10.4%	8,361	14.3%	2,423	10.0%	24,558	14.3%
Motor Vehicle & Parts Dealers	4	0.5%	72	1.1%	53	0.7%	705	1.2%	181	0.7%	2,380	1.4%
Furniture & Home Furnishings Stores	10	1.2%	42	0.7%	57	0.8%	186	0.3%	168	0.7%	627	0.4%
Electronics & Appliance Stores	8	1.0%	44	0.7%	46	0.6%	279	0.5%	155	0.6%	723	0.4%
Bldg Material & Garden Equipment & Supplies Dealers	4	0.5%	133	2.1%	48	0.7%	663	1.1%	165	0.7%	2,633	1.5%
Food & Beverage Stores	9	1.1%	134	2.1%	84	1.1%	1,617	2.8%	281	1.2%	4,652	2.7%
Health & Personal Care Stores	11	1.4%	243	3.8%	64	0.9%	955	1.6%	201	0.8%	2,737	1.6%
Gasoline Stations	3	0.4%	17	0.3%	30	0.4%	160	0.3%	82	0.3%	422	0.2%
Clothing & Clothing Accessories Stores	33	4.1%	262	4.1%	129	1.7%	1,041	1.8%	316	1.3%	2,034	1.2%
Sport Goods, Hobby, Book, & Music Stores	10	1.2%	101	1.6%	55	0.7%	282	0.5%	175	0.7%	929	0.5%
General Merchandise Stores	5	0.6%	785	12.4%	23	0.3%	1,871	3.2%	70	0.3%	5,153	3.0%
Miscellaneous Store Retailers	19	2.4%	77	1.2%	144	2.0%	522	0.9%	489	2.0%	1,980	1.2%
Nonstore Retailers	4	0.5%	5	0.1%	34	0.5%	80	0.1%	141	0.6%	288	0.2%
Transportation & Warehousing	17	2.1%	129	2.0%	259	3.5%	1,644	2.8%	789	3.3%	4,651	2.7%
Information	20	2.5%	151	2.4%	165	2.2%	949	1.6%	520	2.1%	5,631	3.3%
Finance & Insurance	36	4.5%	193	3.1%	273	3.7%	4,803	8.2%	1,004	4.1%	9,626	5.6%
Central Bank/Credit Intermediation & Related Activities	13	1.6%	121	1.9%	96	1.3%	4,094	7.0%	300	1.2%	7,194	4.2%
Securities, Commodity Contracts & Other Financial	7	0.9%	24	0.4%	60	0.8%	281	0.5%	294	1.2%	992	0.6%
Insurance Carriers & Related Activities; Funds, Trusts &	15	1.9%	48	0.8%	118	1.6%	428	0.7%	409	1.7%	1,439	0.8%
Real Estate, Rental & Leasing	26	3.2%	89	1.4%	263	3.6%	975	1.7%	863	3.6%	3,310	1.9%
Professional, Scientific & Tech Services	127	15.8%	427	6.8%	1,044	14.2%	3,700	6.3%	3,662	15.1%	11,372	6.6%
Legal Services	16	2.0%	47	0.7%	132	1.8%	391	0.7%	332	1.4%	971	0.6%
Management of Companies & Enterprises	3	0.4%	8	0.1%	15	0.2%	65	0.1%	45	0.2%	165	0.1%
Administrative & Support & Waste Management & Remediation	95	11.8%	293	4.6%	1,086	14.7%	3,216	5.5%	3,765	15.6%	12,670	7.4%
Educational Services	12	1.5%	181	2.9%	134	1.8%	3,477	5.9%	458	1.9%	13,983	8.1%
Health Care & Social Assistance	44	5.5%	196	3.1%	571	7.7%	5,000	8.5%	1,871	7.7%	15,257	8.9%
Arts, Entertainment & Recreation	14	1.7%	70	1.1%	118	1.6%	1,079	1.8%	391	1.6%	3,645	2.1%
Accommodation & Food Services	46	5.7%	763	12.1%	319	4.3%	3,351	5.7%	936	3.9%	8,990	5.2%
Accommodation	6	0.7%	90	1.4%	17	0.2%	242	0.4%	50	0.2%	575	0.3%
Food Services & Drinking Places	40	5.0%	673	10.6%	302	4.1%	3,109	5.3%	886	3.7%	8,415	4.9%
Other Services (except Public Administration)	79	9.8%	334	5.3%	708	9.6%	3,050	5.2%	2,213	9.1%	9,117	5.3%
Automotive Repair & Maintenance	11	1.4%	62	1.0%	137	1.9%	513	0.9%	421	1.7%	1,658	1.0%
Public Administration	10	1.2%	352	5.6%	49	0.7%	1,792	3.1%	140	0.6%	4,000	2.3%
Total	806	100%	6,321	100%	7,376	100%	58,498	100%	24,198	100%	171,657	100%

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March 17, 2014



Retail MarketPlace Profile

West Dundee Retail Study Area
1, 5 and 10 mile radius
Ring: 1 mile radius

Prepared by Barry Bain
Latitude: 42.098118
Longitude: -88.28705

Summary Demographics

2013 Population	6,715
2013 Households	2,788
2013 Median Disposable Income	\$53,107
2013 Per Capita Income	\$34,692

Industry Summary	NAICS	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Total Retail Trade and Food & Drink	44-45,722	\$100,429,791	\$238,438,946	-\$138,009,155	-40.7	152
Total Retail Trade	44-45	\$90,354,777	\$197,255,876	-\$106,901,099	-37.2	122
Total Food & Drink	722	\$10,075,014	\$41,183,070	-\$31,108,056	-60.7	30

Industry Group	NAICS	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Motor Vehicle & Parts Dealers	441	\$16,988,068	\$18,140,696	-\$1,152,628	-3.3	2
Automobile Dealers	4411	\$14,580,089	\$17,990,357	-\$3,410,268	-10.5	2
Other Motor Vehicle Dealers	4412	\$1,053,683	\$49,173	\$1,004,511	91.1	0
Auto Parts, Accessories & Tire Stores	4413	\$1,354,295	\$101,166	\$1,253,129	86.1	0
Furniture & Home Furnishings Stores	442	\$1,977,430	\$4,868,110	-\$2,890,681	-42.2	10
Furniture Stores	4421	\$1,159,454	\$4,121,058	-\$2,961,605	-56.1	5
Home Furnishings Stores	4422	\$817,976	\$747,052	\$70,924	4.5	5
Electronics & Appliance Stores	4431	\$2,457,372	\$20,963,446	-\$18,506,074	-79.0	6
Bldg Materials, Garden Equip. & Supply Stores	444	\$3,250,061	\$10,799,218	-\$7,549,157	-53.7	4
Bldg Material & Supplies Dealers	4441	\$2,736,182	\$10,799,218	-\$8,063,036	-59.6	4
Lawn & Garden Equip & Supply Stores	4442	\$513,879	\$0	\$513,879	100.0	0
Food & Beverage Stores	445	\$14,521,273	\$10,513,141	\$4,008,132	16.0	9
Grocery Stores	4451	\$12,910,739	\$9,382,565	\$3,528,174	15.8	4
Specialty Food Stores	4452	\$432,954	\$366,919	\$66,035	8.3	4
Beer, Wine & Liquor Stores	4453	\$1,177,581	\$763,657	\$413,924	21.3	2
Health & Personal Care Stores	446,4461	\$7,699,499	\$18,200,803	-\$10,501,303	-40.5	10
Gasoline Stations	447,4471	\$9,137,522	\$2,837,080	\$6,300,442	52.6	3
Clothing & Clothing Accessories Stores	448	\$5,736,692	\$30,768,872	-\$25,032,179	-68.6	35
Clothing Stores	4481	\$4,124,289	\$24,107,110	-\$19,982,821	-70.8	21
Shoe Stores	4482	\$847,985	\$5,159,704	-\$4,311,718	-71.8	8
Jewelry, Luggage & Leather Goods Stores	4483	\$764,418	\$1,502,058	-\$737,639	-32.5	6
Sporting Goods, Hobby, Book & Music Stores	451	\$2,345,469	\$12,117,491	-\$9,772,023	-67.6	13
Sporting Goods/Hobby/Musical Instr Stores	4511	\$1,816,606	\$9,655,557	-\$7,838,951	-68.3	12
Book, Periodical & Music Stores	4512	\$528,863	\$2,461,934	-\$1,933,071	-64.6	1
General Merchandise Stores	452	\$16,055,567	\$64,578,408	-\$48,522,841	-60.2	6
Department Stores Excluding Leased Depts.	4521	\$6,165,979	\$64,501,515	-\$58,335,536	-82.5	5
Other General Merchandise Stores	4529	\$9,889,589	\$76,893	\$9,812,696	98.5	1
Miscellaneous Store Retailers	453	\$1,938,237	\$2,039,848	-\$101,612	-2.6	22
Florists	4531	\$115,471	\$87,051	\$28,420	14.0	1
Office Supplies, Stationery & Gift Stores	4532	\$327,225	\$497,970	-\$170,745	-20.7	6
Used Merchandise Stores	4533	\$186,692	\$424,512	-\$237,820	-38.9	2
Other Miscellaneous Store Retailers	4539	\$1,308,849	\$1,030,315	\$278,533	11.9	12
Nonstore Retailers	454	\$8,247,587	\$1,428,763	\$6,818,824	70.5	4
Electronic Shopping & Mail-Order Houses	4541	\$7,175,072	\$1,255,799	\$5,919,273	70.2	1
Vending Machine Operators	4542	\$249,933	\$12,324	\$237,608	90.6	0
Direct Selling Establishments	4543	\$822,582	\$160,640	\$661,942	67.3	2
Food Services & Drinking Places	722	\$10,075,014	\$41,183,070	-\$31,108,056	-60.7	30
Full-Service Restaurants	7221	\$4,470,703	\$19,080,161	-\$14,609,458	-62.0	12
Limited-Service Eating Places	7222	\$4,607,890	\$19,452,938	-\$14,845,048	-61.7	13
Special Food Services	7223	\$463,719	\$1,851,354	-\$1,387,635	-59.9	0
Drinking Places - Alcoholic Beverages	7224	\$532,702	\$798,617	-\$265,915	-20.0	4

Data Note: Supply (retail sales) estimates sales to consumers by establishments. Sales to businesses are excluded. Demand (retail potential) estimates the expected amount spent by consumers at retail establishments. Supply and demand estimates are in current dollars. The Leakage/Surplus Factor presents a snapshot of retail opportunity. This is a measure of the relationship between supply and demand that ranges from +100 (total leakage) to -100 (total surplus). A positive value represents 'leakage' of retail opportunity outside the trade area. A negative value represents a surplus of retail sales, a market where customers are drawn in from outside the trade area. The Retail Gap represents the difference between Retail Potential and Retail Sales. Esri uses the North American Industry Classification System (NAICS) to classify businesses by their primary type of economic activity. Retail establishments are classified into 27 industry groups in the Retail Trade sector, as well as four industry groups within the Food Services & Drinking Establishments subsector. For more information on the Retail MarketPlace data, please view the methodology statement at <http://www.esri.com/library/whitepapers/pdfs/esri-data-retail-marketplace.pdf>.

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March 17, 2014

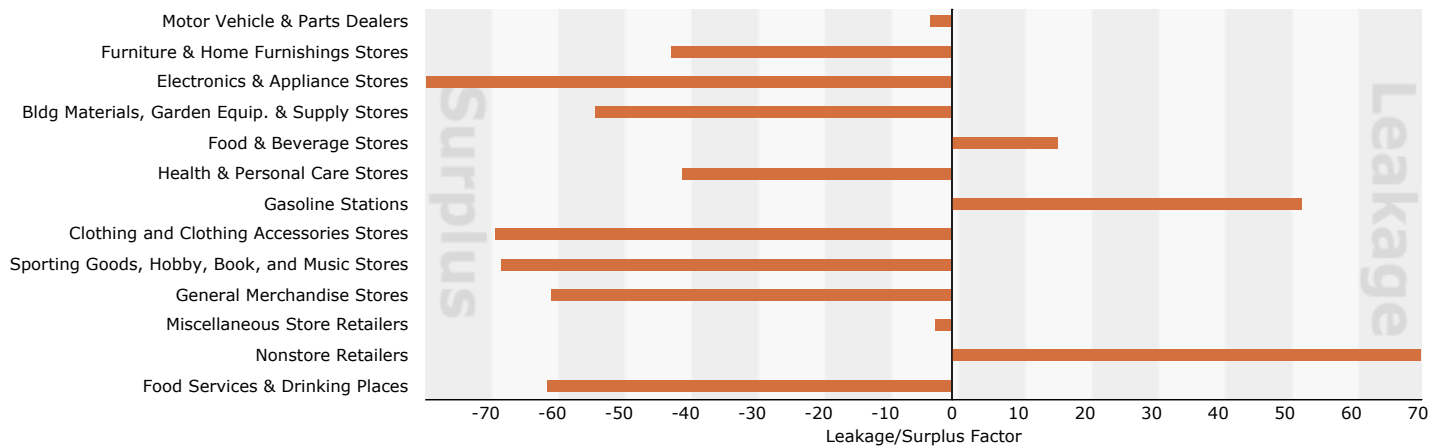


Retail MarketPlace Profile

West Dundee Retail Study Area
1, 5 and 10 mile radius
Ring: 1 mile radius

Prepared by Barry Bain
Latitude: 42.098118
Longitude: -88.28705

Leakage/Surplus Factor by Industry Subsector



Leakage/Surplus Factor by Industry Group





Retail MarketPlace Profile

West Dundee Retail Study Area
1, 5 and 10 mile radius
Ring: 5 mile radius

Prepared by Barry Bain
Latitude: 42.098118
Longitude: -88.28705

Summary Demographics

2013 Population	166,010
2013 Households	53,948
2013 Median Disposable Income	\$50,616
2013 Per Capita Income	\$27,107

Industry Summary	NAICS	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Total Retail Trade and Food & Drink	44-45,722	\$1,843,784,919	\$1,322,139,099	\$521,645,820	16.5	932
Total Retail Trade	44-45	\$1,656,861,891	\$1,168,378,144	\$488,483,747	17.3	761
Total Food & Drink	722	\$186,923,028	\$153,760,955	\$33,162,073	9.7	171
Industry Group	NAICS	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Motor Vehicle & Parts Dealers	441	\$314,224,389	\$232,542,236	\$81,682,153	14.9	51
Automobile Dealers	4411	\$270,934,452	\$223,305,302	\$47,629,150	9.6	26
Other Motor Vehicle Dealers	4412	\$18,735,791	\$2,418,703	\$16,317,088	77.1	6
Auto Parts, Accessories & Tire Stores	4413	\$24,554,146	\$6,818,232	\$17,735,915	56.5	18
Furniture & Home Furnishings Stores	442	\$36,077,353	\$18,394,517	\$17,682,836	32.5	59
Furniture Stores	4421	\$21,463,798	\$10,930,138	\$10,533,660	32.5	25
Home Furnishings Stores	4422	\$14,613,555	\$7,464,379	\$7,149,177	32.4	34
Electronics & Appliance Stores	4431	\$45,481,818	\$70,574,137	-\$25,092,319	-21.6	39
Bldg Materials, Garden Equip. & Supply Stores	444	\$57,922,282	\$43,224,237	\$14,698,045	14.5	53
Bldg Material & Supplies Dealers	4441	\$49,277,470	\$38,868,404	\$10,409,066	11.8	49
Lawn & Garden Equip & Supply Stores	4442	\$8,644,812	\$4,355,834	\$4,288,978	33.0	4
Food & Beverage Stores	445	\$267,408,956	\$201,439,008	\$65,969,948	14.1	81
Grocery Stores	4451	\$237,938,628	\$183,484,449	\$54,454,179	12.9	47
Specialty Food Stores	4452	\$7,979,210	\$4,887,393	\$3,091,818	24.0	18
Beer, Wine & Liquor Stores	4453	\$21,491,117	\$13,067,166	\$8,423,951	24.4	16
Health & Personal Care Stores	446,4461	\$138,448,458	\$114,764,259	\$23,684,199	9.4	57
Gasoline Stations	447,4471	\$170,407,347	\$36,471,841	\$133,935,506	64.7	29
Clothing & Clothing Accessories Stores	448	\$105,215,801	\$150,927,979	-\$45,712,178	-17.8	130
Clothing Stores	4481	\$75,412,410	\$127,697,102	-\$52,284,692	-25.7	84
Shoe Stores	4482	\$15,698,694	\$15,836,270	-\$137,577	-0.4	18
Jewelry, Luggage & Leather Goods Stores	4483	\$14,104,696	\$7,394,606	\$6,710,090	31.2	27
Sporting Goods, Hobby, Book & Music Stores	451	\$43,654,737	\$27,140,191	\$16,514,546	23.3	66
Sporting Goods/Hobby/Musical Instr Stores	4511	\$33,851,681	\$21,486,557	\$12,365,123	22.3	55
Book, Periodical & Music Stores	4512	\$9,803,057	\$5,653,634	\$4,149,423	26.8	11
General Merchandise Stores	452	\$296,166,160	\$220,233,445	\$75,932,715	14.7	19
Department Stores Excluding Leased Depts.	4521	\$114,232,784	\$193,142,744	-\$78,909,960	-25.7	16
Other General Merchandise Stores	4529	\$181,933,376	\$27,090,700	\$154,842,675	74.1	4
Miscellaneous Store Retailers	453	\$35,243,823	\$19,781,093	\$15,462,730	28.1	147
Florists	4531	\$1,945,953	\$568,973	\$1,376,980	54.8	9
Office Supplies, Stationery & Gift Stores	4532	\$5,991,533	\$5,680,163	\$311,370	2.7	40
Used Merchandise Stores	4533	\$3,431,377	\$2,357,495	\$1,073,882	18.6	19
Other Miscellaneous Store Retailers	4539	\$23,874,959	\$11,174,462	\$12,700,497	36.2	79
Nonstore Retailers	454	\$146,610,767	\$32,885,202	\$113,725,565	63.4	31
Electronic Shopping & Mail-Order Houses	4541	\$129,577,754	\$17,498,260	\$112,079,494	76.2	8
Vending Machine Operators	4542	\$4,617,994	\$569,702	\$4,048,292	78.0	4
Direct Selling Establishments	4543	\$12,415,020	\$14,817,240	-\$2,402,220	-8.8	18
Food Services & Drinking Places	722	\$186,923,028	\$153,760,955	\$33,162,073	9.7	171
Full-Service Restaurants	7221	\$82,866,344	\$53,250,392	\$29,615,952	21.8	56
Limited-Service Eating Places	7222	\$85,887,205	\$74,853,462	\$11,033,743	6.9	77
Special Food Services	7223	\$8,541,560	\$18,867,260	-\$10,325,700	-37.7	13
Drinking Places - Alcoholic Beverages	7224	\$9,627,919	\$6,789,841	\$2,838,078	17.3	26

Data Note: Supply (retail sales) estimates sales to consumers by establishments. Sales to businesses are excluded. Demand (retail potential) estimates the expected amount spent by consumers at retail establishments. Supply and demand estimates are in current dollars. The Leakage/Surplus Factor presents a snapshot of retail opportunity. This is a measure of the relationship between supply and demand that ranges from +100 (total leakage) to -100 (total surplus). A positive value represents 'leakage' of retail opportunity outside the trade area. A negative value represents a surplus of retail sales, a market where customers are drawn in from outside the trade area. The Retail Gap represents the difference between Retail Potential and Retail Sales. Esri uses the North American Industry Classification System (NAICS) to classify businesses by their primary type of economic activity. Retail establishments are classified into 27 industry groups in the Retail Trade sector, as well as four industry groups within the Food Services & Drinking Establishments subsector. For more information on the Retail MarketPlace data, please view the methodology statement at <http://www.esri.com/library/whitepapers/pdfs/esri-data-retail-marketplace.pdf>.

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March 17, 2014

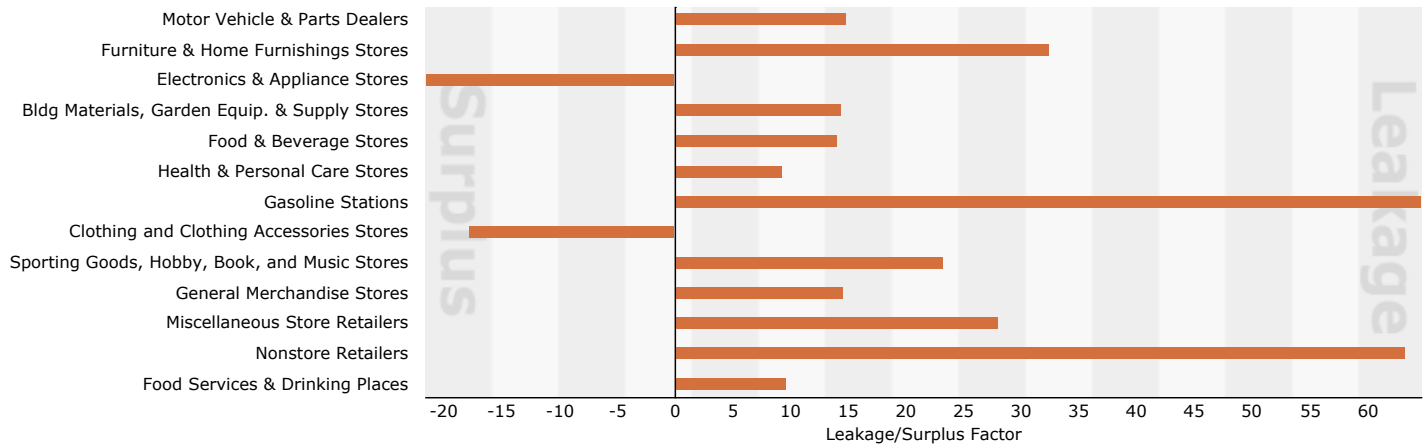


Retail MarketPlace Profile

West Dundee Retail Study Area
1, 5 and 10 mile radius
Ring: 5 mile radius

Prepared by Barry Bain
Latitude: 42.098118
Longitude: -88.28705

Leakage/Surplus Factor by Industry Subsector



Leakage/Surplus Factor by Industry Group





Retail MarketPlace Profile

West Dundee Retail Study Area
1, 5 and 10 mile radius
Ring: 10 mile radius

Prepared by Barry Bain
Latitude: 42.098118
Longitude: -88.28705

Summary Demographics

2013 Population	529,479
2013 Households	178,568
2013 Median Disposable Income	\$56,706
2013 Per Capita Income	\$32,168

Industry Summary	NAICS	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Total Retail Trade and Food & Drink	44-45,722	\$6,762,138,272	\$4,942,241,501	\$1,819,896,771	15.5	2,907
Total Retail Trade	44-45	\$6,079,462,718	\$4,501,406,425	\$1,578,056,293	14.9	2,410
Total Food & Drink	722	\$682,675,554	\$440,835,076	\$241,840,478	21.5	497

Industry Group	NAICS	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Motor Vehicle & Parts Dealers	441	\$1,158,554,229	\$1,039,707,828	\$118,846,401	5.4	160
Automobile Dealers	4411	\$997,084,095	\$975,410,426	\$21,673,669	1.1	71
Other Motor Vehicle Dealers	4412	\$71,010,128	\$25,363,870	\$45,646,258	47.4	31
Auto Parts, Accessories & Tire Stores	4413	\$90,460,006	\$38,933,532	\$51,526,474	39.8	58
Furniture & Home Furnishings Stores	442	\$133,875,995	\$69,594,115	\$64,281,879	31.6	159
Furniture Stores	4421	\$79,194,304	\$37,772,655	\$41,421,649	35.4	57
Home Furnishings Stores	4422	\$54,681,691	\$31,821,461	\$22,860,230	26.4	102
Electronics & Appliance Stores	4431	\$167,181,505	\$149,502,090	\$17,679,415	5.6	145
Bldg Materials, Garden Equip. & Supply Stores	444	\$219,671,858	\$232,787,810	-\$13,115,953	-2.9	178
Bldg Material & Supplies Dealers	4441	\$186,982,166	\$212,862,044	-\$25,879,878	-6.5	160
Lawn & Garden Equip & Supply Stores	4442	\$32,689,692	\$19,925,767	\$12,763,925	24.3	18
Food & Beverage Stores	445	\$970,132,493	\$581,563,116	\$388,569,378	25.0	265
Grocery Stores	4451	\$862,183,713	\$519,390,584	\$342,793,129	24.8	149
Specialty Food Stores	4452	\$28,887,039	\$20,701,375	\$8,185,664	16.5	71
Beer, Wine & Liquor Stores	4453	\$79,061,741	\$41,471,156	\$37,590,585	31.2	45
Health & Personal Care Stores	446,4461	\$509,685,591	\$455,480,018	\$54,205,573	5.6	190
Gasoline Stations	447,4471	\$619,859,481	\$214,066,181	\$405,793,300	48.7	78
Clothing & Clothing Accessories Stores	448	\$386,792,541	\$333,345,553	\$53,446,988	7.4	312
Clothing Stores	4481	\$276,980,500	\$270,648,845	\$6,331,655	1.2	212
Shoe Stores	4482	\$57,039,813	\$44,894,238	\$12,145,575	11.9	35
Jewelry, Luggage & Leather Goods Stores	4483	\$52,772,228	\$17,802,470	\$34,969,758	49.5	64
Sporting Goods, Hobby, Book & Music Stores	451	\$160,111,239	\$150,974,515	\$9,136,724	2.9	190
Sporting Goods/Hobby/Musical Instr Stores	4511	\$124,271,852	\$135,791,328	-\$11,519,475	-4.4	157
Book, Periodical & Music Stores	4512	\$35,839,387	\$15,183,188	\$20,656,199	40.5	33
General Merchandise Stores	452	\$1,080,243,465	\$1,033,793,556	\$46,449,909	2.2	68
Department Stores Excluding Leased Depts.	4521	\$418,634,951	\$391,911,365	\$26,723,586	3.3	40
Other General Merchandise Stores	4529	\$661,608,514	\$641,882,191	\$19,726,322	1.5	27
Miscellaneous Store Retailers	453	\$130,039,259	\$112,536,255	\$17,503,004	7.2	526
Florists	4531	\$7,430,989	\$4,234,754	\$3,196,235	27.4	39
Office Supplies, Stationery & Gift Stores	4532	\$22,052,336	\$31,575,903	-\$9,523,567	-17.8	140
Used Merchandise Stores	4533	\$12,594,026	\$8,164,327	\$4,429,699	21.3	48
Other Miscellaneous Store Retailers	4539	\$87,961,907	\$68,561,270	\$19,400,637	12.4	298
Nonstore Retailers	454	\$543,315,063	\$128,055,387	\$415,259,676	61.9	138
Electronic Shopping & Mail-Order Houses	4541	\$478,962,044	\$95,390,581	\$383,571,463	66.8	24
Vending Machine Operators	4542	\$16,727,665	\$4,709,102	\$12,018,563	56.1	29
Direct Selling Establishments	4543	\$47,625,354	\$27,955,704	\$19,669,649	26.0	85
Food Services & Drinking Places	722	\$682,675,554	\$440,835,076	\$241,840,478	21.5	497
Full-Service Restaurants	7221	\$302,873,638	\$179,427,399	\$123,446,239	25.6	178
Limited-Service Eating Places	7222	\$312,727,913	\$212,283,490	\$100,444,423	19.1	222
Special Food Services	7223	\$31,474,348	\$30,115,800	\$1,358,548	2.2	30
Drinking Places - Alcoholic Beverages	7224	\$35,599,655	\$19,008,387	\$16,591,268	30.4	66

Data Note: Supply (retail sales) estimates sales to consumers by establishments. Sales to businesses are excluded. Demand (retail potential) estimates the expected amount spent by consumers at retail establishments. Supply and demand estimates are in current dollars. The Leakage/Surplus Factor presents a snapshot of retail opportunity. This is a measure of the relationship between supply and demand that ranges from +100 (total leakage) to -100 (total surplus). A positive value represents 'leakage' of retail opportunity outside the trade area. A negative value represents a surplus of retail sales, a market where customers are drawn in from outside the trade area. The Retail Gap represents the difference between Retail Potential and Retail Sales. Esri uses the North American Industry Classification System (NAICS) to classify businesses by their primary type of economic activity. Retail establishments are classified into 27 industry groups in the Retail Trade sector, as well as four industry groups within the Food Services & Drinking Establishments subsector. For more information on the Retail MarketPlace data, please view the methodology statement at <http://www.esri.com/library/whitepapers/pdfs/esri-data-retail-marketplace.pdf>.

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March 17, 2014

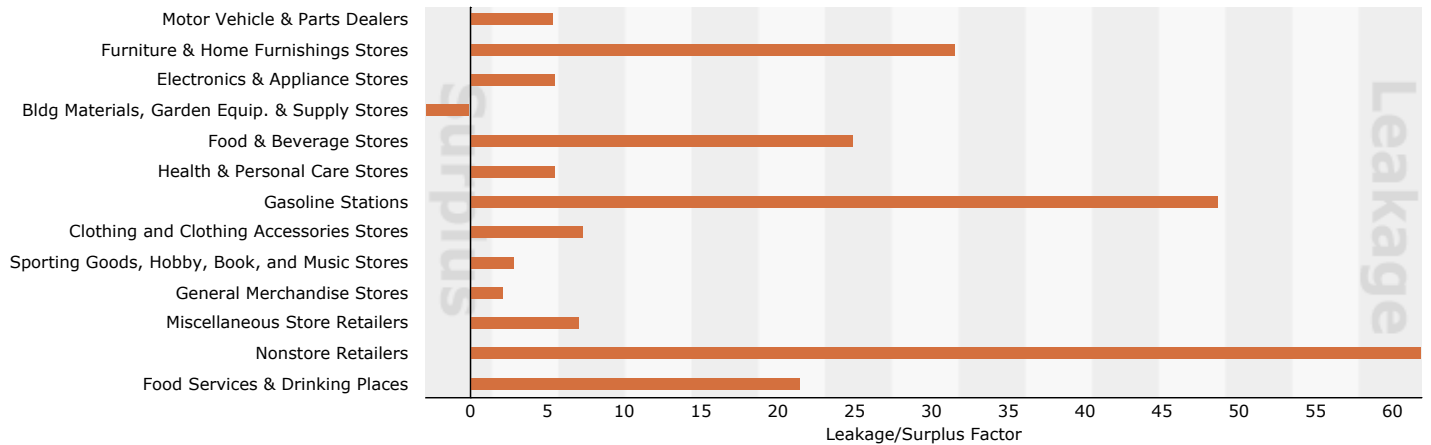


Retail MarketPlace Profile

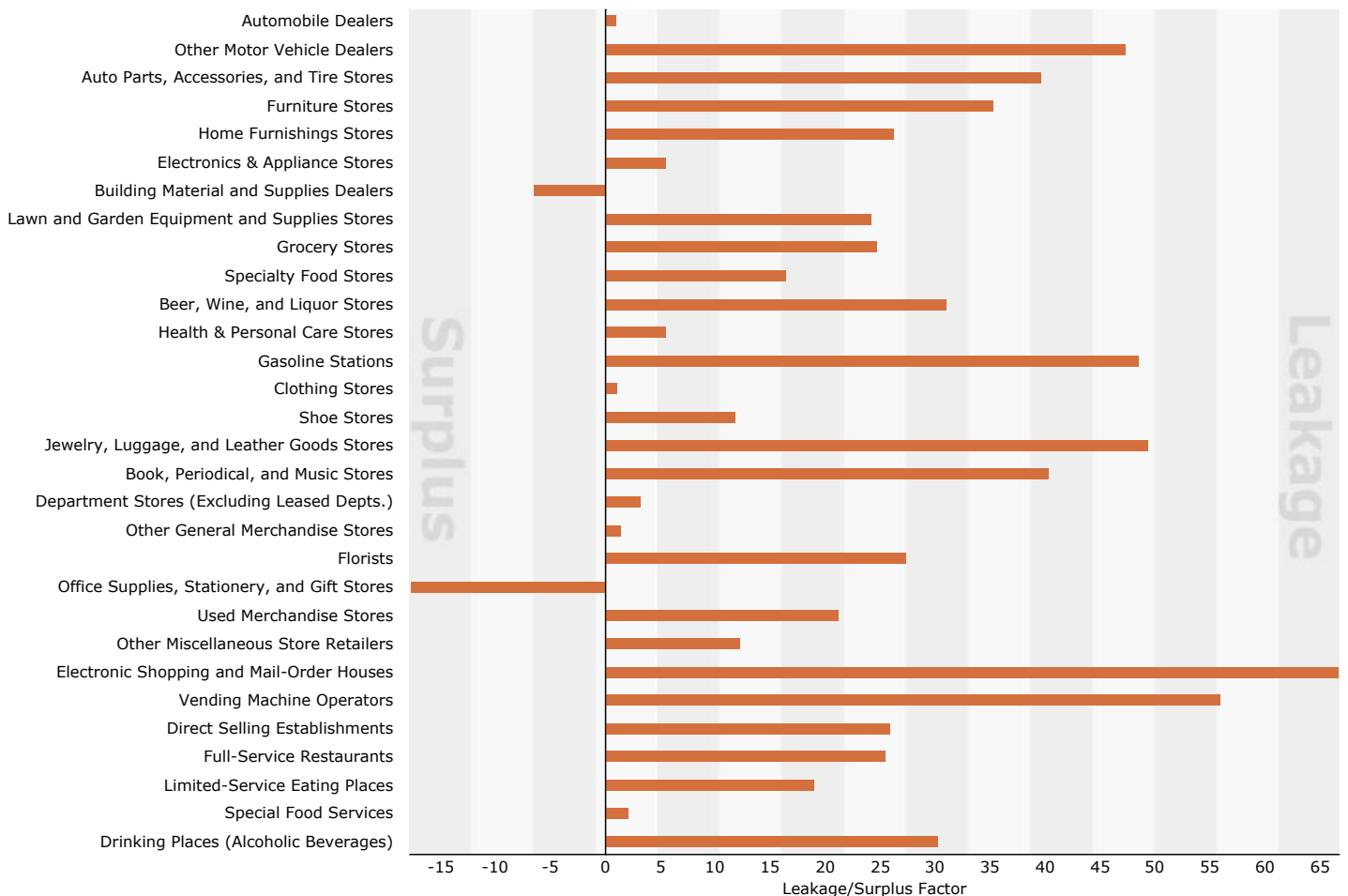
West Dundee Retail Study Area
1, 5 and 10 mile radius
Ring: 10 mile radius

Prepared by Barry Bain
Latitude: 42.098118
Longitude: -88.28705

Leakage/Surplus Factor by Industry Subsector



Leakage/Surplus Factor by Industry Group





Demographic and Income Profile

West Dundee Retail Study Area
1, 5 and 10 mile radius
Ring: 1 mile radius

Prepared by Barry Bain
Latitude: 42.098118
Longitude: -88.28705

Summary	Census 2010		2013		2018	
Population	6,693		6,715		6,821	
Households	2,772		2,788		2,835	
Families	1,876		1,870		1,883	
Average Household Size	2.41		2.41		2.41	
Owner Occupied Housing Units	2,007		1,964		2,041	
Renter Occupied Housing Units	765		824		794	
Median Age	41.7		42.5		43.5	
Trends: 2013 - 2018 Annual Rate	Area		State		National	
Population	0.31%		0.26%		0.71%	
Households	0.33%		0.32%		0.74%	
Families	0.14%		0.15%		0.63%	
Owner HHs	0.77%		0.54%		0.94%	
Median Household Income	3.42%		3.14%		3.03%	
Households by Income	2013		2018			
	Number	Percent	Number	Percent		
<\$15,000	207	7.4%	183	6.5%		
\$15,000 - \$24,999	233	8.4%	168	5.9%		
\$25,000 - \$34,999	245	8.8%	209	7.4%		
\$35,000 - \$49,999	291	10.4%	246	8.7%		
\$50,000 - \$74,999	510	18.3%	425	15.0%		
\$75,000 - \$99,999	433	15.5%	545	19.2%		
\$100,000 - \$149,999	569	20.4%	685	24.2%		
\$150,000 - \$199,999	163	5.8%	210	7.4%		
\$200,000+	139	5.0%	163	5.7%		
Median Household Income	\$69,036		\$81,686			
Average Household Income	\$86,346		\$99,647			
Per Capita Income	\$34,692		\$40,094			
Population by Age	Census 2010		2013		2018	
	Number	Percent	Number	Percent	Number	Percent
0 - 4	374	5.6%	352	5.2%	351	5.1%
5 - 9	407	6.1%	389	5.8%	375	5.5%
10 - 14	444	6.6%	432	6.4%	419	6.1%
15 - 19	399	6.0%	397	5.9%	393	5.8%
20 - 24	360	5.4%	360	5.4%	324	4.8%
25 - 34	763	11.4%	798	11.9%	829	12.2%
35 - 44	929	13.9%	861	12.8%	840	12.3%
45 - 54	1,220	18.2%	1,130	16.8%	1,003	14.7%
55 - 64	911	13.6%	1,001	14.9%	1,122	16.4%
65 - 74	491	7.3%	574	8.5%	705	10.3%
75 - 84	272	4.1%	287	4.3%	326	4.8%
85+	123	1.8%	133	2.0%	134	2.0%
Race and Ethnicity	Census 2010		2013		2018	
	Number	Percent	Number	Percent	Number	Percent
White Alone	6,003	89.7%	5,969	88.9%	5,958	87.3%
Black Alone	130	1.9%	140	2.1%	157	2.3%
American Indian Alone	16	0.2%	19	0.3%	21	0.3%
Asian Alone	180	2.7%	181	2.7%	199	2.9%
Pacific Islander Alone	1	0.0%	1	0.0%	1	0.0%
Some Other Race Alone	210	3.1%	239	3.6%	292	4.3%
Two or More Races	152	2.3%	166	2.5%	194	2.8%
Hispanic Origin (Any Race)	782	11.7%	892	13.3%	1,104	16.2%

Data Note: Income is expressed in current dollars.

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2013 and 2018.

March 17, 2014

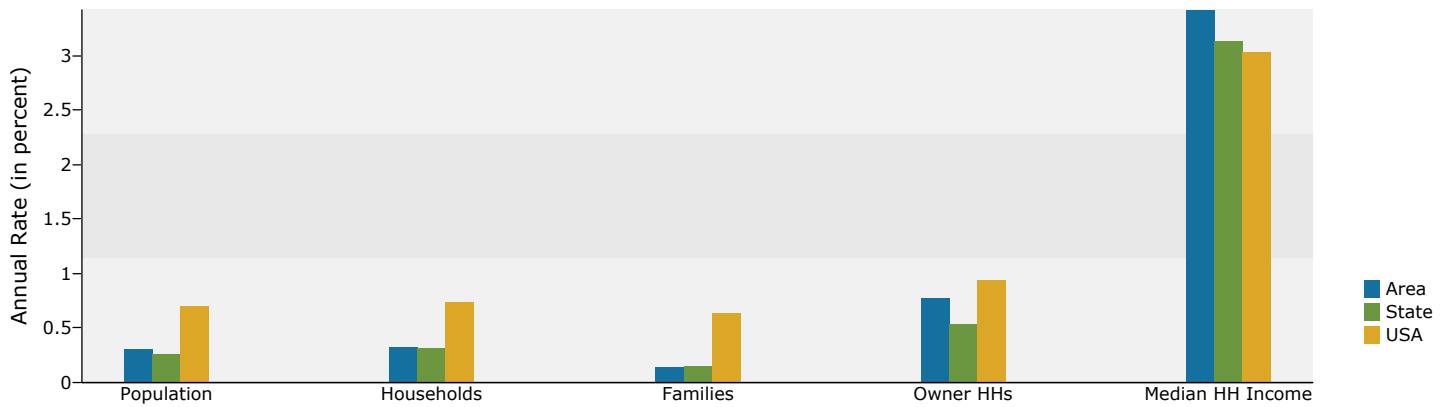


Demographic and Income Profile

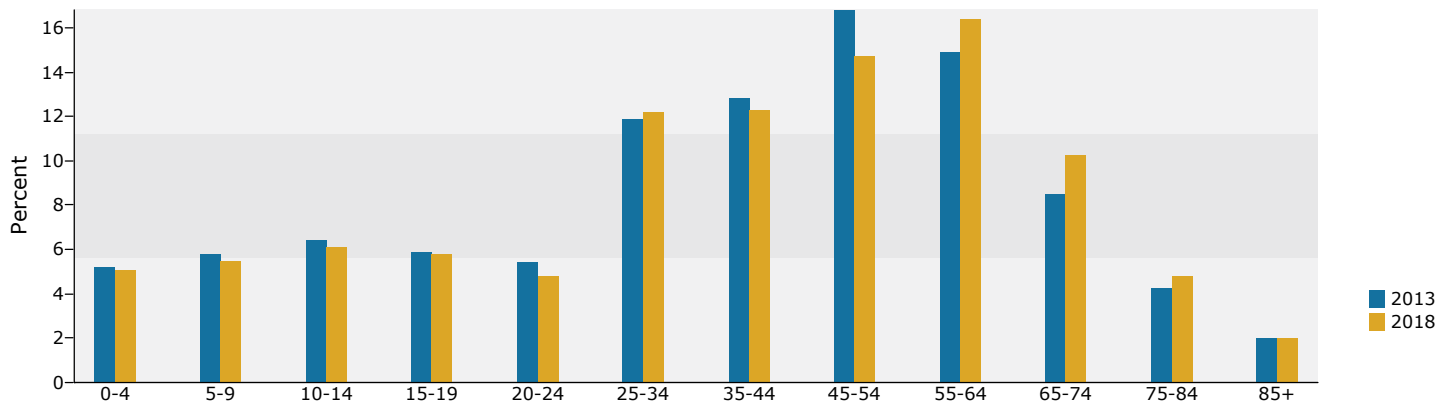
West Dundee Retail Study Area
1, 5 and 10 mile radius
Ring: 1 mile radius

Prepared by Barry Bain
Latitude: 42.098118
Longitude: -88.28705

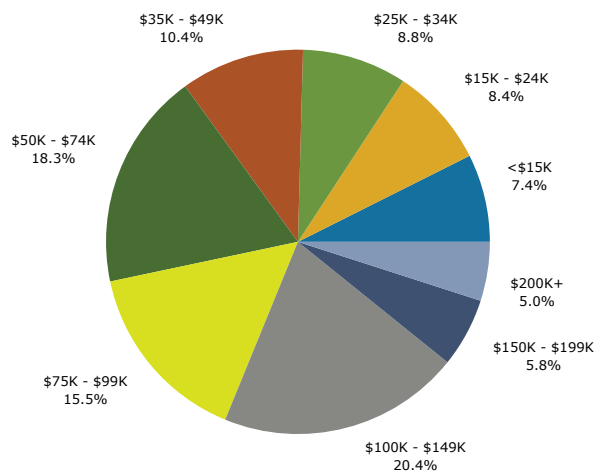
Trends 2013-2018



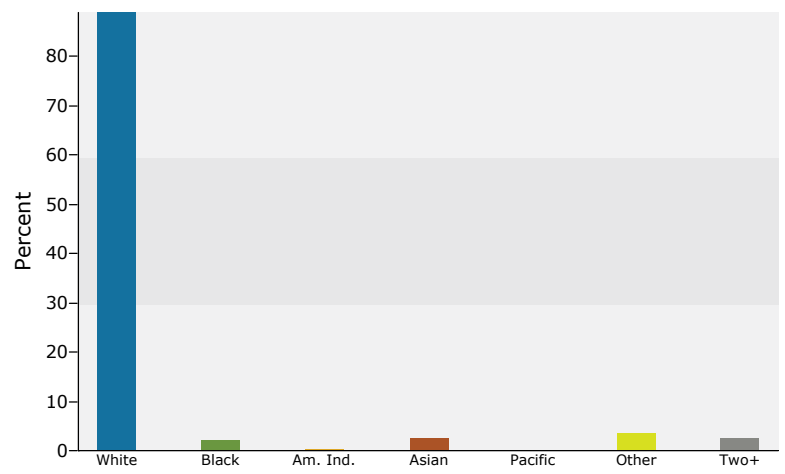
Population by Age



2013 Household Income



2013 Population by Race



2013 Percent Hispanic Origin: 13.3%

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2013 and 2018.

March 17, 2014



Demographic and Income Profile

West Dundee Retail Study Area
1, 5 and 10 mile radius
Ring: 5 mile radius

Prepared by Barry Bain
Latitude: 42.098118
Longitude: -88.28705

Summary	Census 2010		2013		2018	
Population	162,705		166,010		171,244	
Households	52,934		53,948		55,621	
Families	39,574		40,072		41,037	
Average Household Size	3.04		3.05		3.05	
Owner Occupied Housing Units	39,567		39,538		41,297	
Renter Occupied Housing Units	13,367		14,410		14,323	
Median Age	33.4		33.8		34.4	
Trends: 2013 - 2018 Annual Rate	Area		State		National	
Population	0.62%		0.26%		0.71%	
Households	0.61%		0.32%		0.74%	
Families	0.48%		0.15%		0.63%	
Owner HHs	0.87%		0.54%		0.94%	
Median Household Income	3.99%		3.14%		3.03%	
Households by Income	2013		2018			
	Number	Percent	Number	Percent		
<\$15,000	3,569	6.6%	3,384	6.1%		
\$15,000 - \$24,999	4,589	8.5%	3,530	6.3%		
\$25,000 - \$34,999	4,854	9.0%	4,485	8.1%		
\$35,000 - \$49,999	7,412	13.7%	6,462	11.6%		
\$50,000 - \$74,999	10,439	19.4%	8,810	15.8%		
\$75,000 - \$99,999	8,000	14.8%	10,300	18.5%		
\$100,000 - \$149,999	9,667	17.9%	11,875	21.3%		
\$150,000 - \$199,999	2,978	5.5%	3,941	7.1%		
\$200,000+	2,442	4.5%	2,834	5.1%		
Median Household Income	\$63,328		\$76,996			
Average Household Income	\$82,740		\$94,345			
Per Capita Income	\$27,107		\$30,860			
Population by Age	Census 2010		2013		2018	
	Number	Percent	Number	Percent	Number	Percent
0 - 4	13,585	8.3%	13,440	8.1%	13,910	8.1%
5 - 9	13,515	8.3%	13,542	8.2%	13,866	8.1%
10 - 14	12,536	7.7%	13,139	7.9%	14,036	8.2%
15 - 19	11,562	7.1%	11,422	6.9%	11,931	7.0%
20 - 24	10,148	6.2%	10,668	6.4%	9,750	5.7%
25 - 34	23,965	14.7%	23,899	14.4%	23,490	13.7%
35 - 44	24,588	15.1%	24,371	14.7%	25,652	15.0%
45 - 54	22,967	14.1%	22,560	13.6%	21,791	12.7%
55 - 64	16,245	10.0%	17,909	10.8%	18,749	10.9%
65 - 74	7,733	4.8%	9,081	5.5%	11,423	6.7%
75 - 84	4,091	2.5%	4,128	2.5%	4,738	2.8%
85+	1,769	1.1%	1,852	1.1%	1,908	1.1%
Race and Ethnicity	Census 2010		2013		2018	
	Number	Percent	Number	Percent	Number	Percent
White Alone	114,862	70.6%	115,451	69.5%	115,986	67.7%
Black Alone	8,883	5.5%	9,037	5.4%	9,231	5.4%
American Indian Alone	1,389	0.9%	1,446	0.9%	1,605	0.9%
Asian Alone	10,180	6.3%	10,401	6.3%	11,188	6.5%
Pacific Islander Alone	62	0.0%	68	0.0%	72	0.0%
Some Other Race Alone	22,386	13.8%	24,346	14.7%	27,420	16.0%
Two or More Races	4,943	3.0%	5,261	3.2%	5,742	3.4%
Hispanic Origin (Any Race)	58,319	35.8%	63,177	38.1%	71,264	41.6%

Data Note: Income is expressed in current dollars.

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2013 and 2018.

March 17, 2014

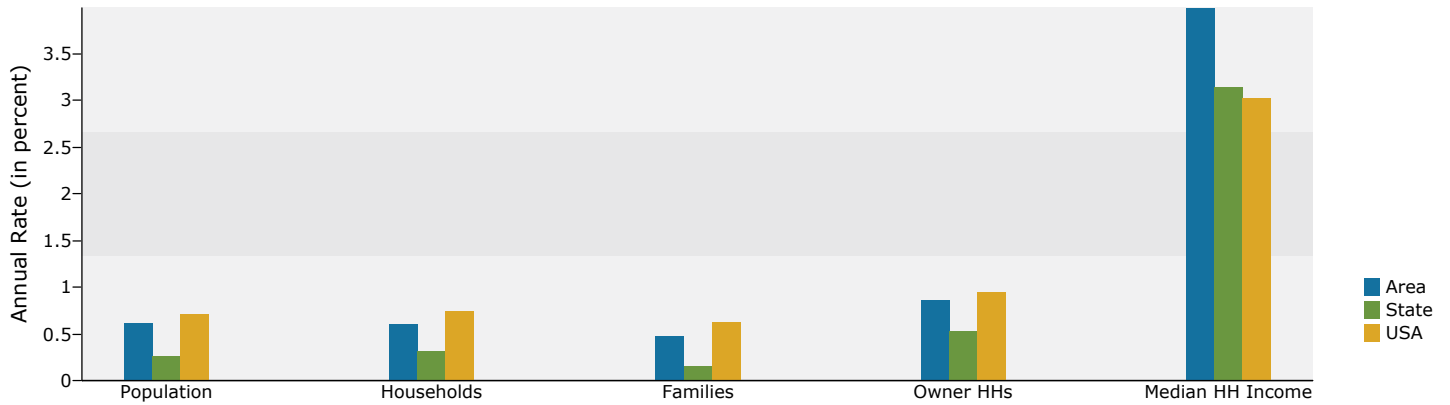


Demographic and Income Profile

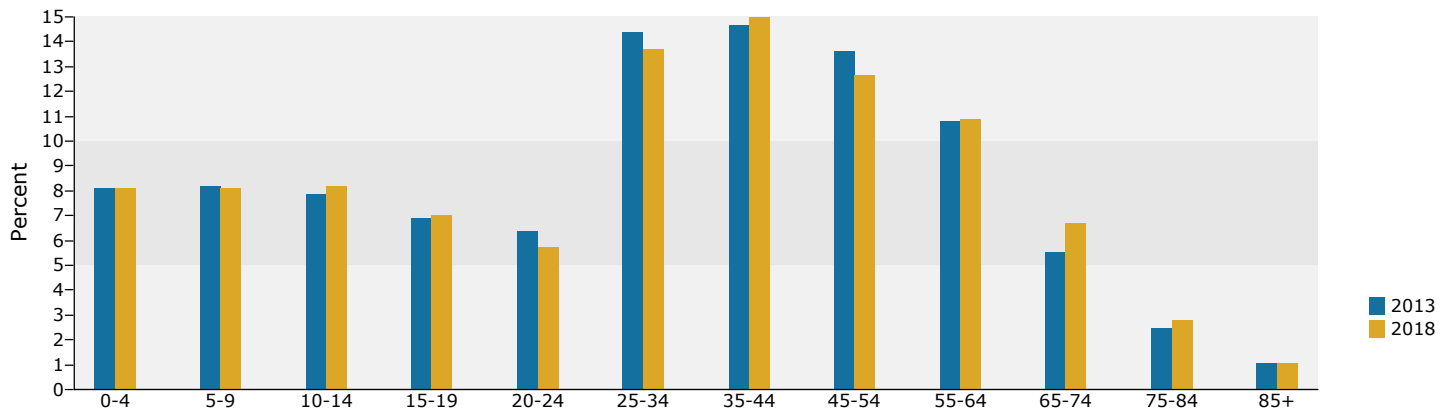
West Dundee Retail Study Area
1, 5 and 10 mile radius
Ring: 5 mile radius

Prepared by Barry Bain
Latitude: 42.098118
Longitude: -88.28705

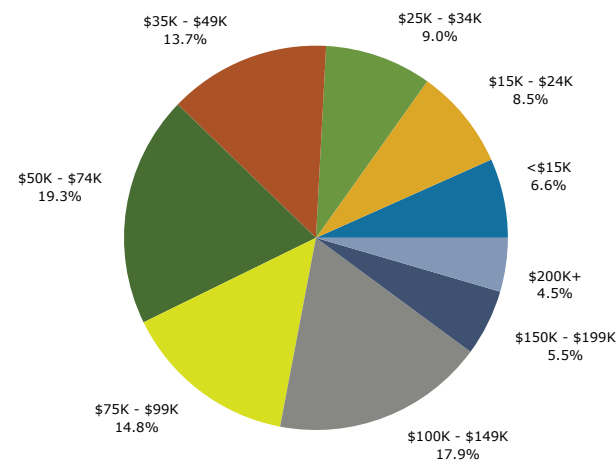
Trends 2013-2018



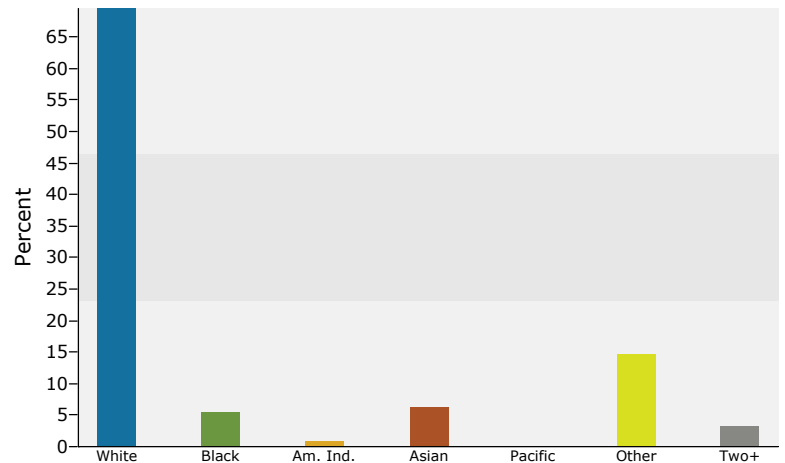
Population by Age



2013 Household Income



2013 Population by Race



2013 Percent Hispanic Origin: 38.1%

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2013 and 2018.

March 17, 2014



Demographic and Income Profile

West Dundee Retail Study Area
1, 5 and 10 mile radius
Ring: 10 mile radius

Prepared by Barry Bain
Latitude: 42.098118
Longitude: -88.28705

Summary	Census 2010		2013		2018	
Population	519,803		529,479		542,868	
Households	175,350		178,568		183,435	
Families	133,627		135,312		138,178	
Average Household Size	2.95		2.95		2.94	
Owner Occupied Housing Units	144,119		144,825		150,150	
Renter Occupied Housing Units	31,231		33,742		33,285	
Median Age	35.7		36.1		36.7	
Trends: 2013 - 2018 Annual Rate	Area		State		National	
Population	0.50%		0.26%		0.71%	
Households	0.54%		0.32%		0.74%	
Families	0.42%		0.15%		0.63%	
Owner HHs	0.72%		0.54%		0.94%	
Median Household Income	2.45%		3.14%		3.03%	
Households by Income	2013		2018			
	Number	Percent	Number	Percent		
<\$15,000	9,547	5.3%	8,831	4.8%		
\$15,000 - \$24,999	12,435	7.0%	9,260	5.0%		
\$25,000 - \$34,999	12,779	7.2%	11,383	6.2%		
\$35,000 - \$49,999	19,404	10.9%	16,478	9.0%		
\$50,000 - \$74,999	32,948	18.5%	26,858	14.6%		
\$75,000 - \$99,999	28,348	15.9%	35,397	19.3%		
\$100,000 - \$149,999	37,770	21.2%	44,742	24.4%		
\$150,000 - \$199,999	14,031	7.9%	17,791	9.7%		
\$200,000+	11,302	6.3%	12,691	6.9%		
Median Household Income	\$76,409		\$86,254			
Average Household Income	\$94,977		\$107,807			
Per Capita Income	\$32,168		\$36,562			
Population by Age	Census 2010		2013		2018	
	Number	Percent	Number	Percent	Number	Percent
0 - 4	38,694	7.4%	38,096	7.2%	39,250	7.2%
5 - 9	41,506	8.0%	40,962	7.7%	41,729	7.7%
10 - 14	41,333	8.0%	41,997	7.9%	43,735	8.1%
15 - 19	37,133	7.1%	36,416	6.9%	36,488	6.7%
20 - 24	27,381	5.3%	30,128	5.7%	27,527	5.1%
25 - 34	68,310	13.1%	68,581	13.0%	68,252	12.6%
35 - 44	81,471	15.7%	78,877	14.9%	81,896	15.1%
45 - 54	79,392	15.3%	78,230	14.8%	74,551	13.7%
55 - 64	55,968	10.8%	61,334	11.6%	64,475	11.9%
65 - 74	28,849	5.5%	33,733	6.4%	40,818	7.5%
75 - 84	14,256	2.7%	15,141	2.9%	17,672	3.3%
85+	5,510	1.1%	5,985	1.1%	6,475	1.2%
Race and Ethnicity	Census 2010		2013		2018	
	Number	Percent	Number	Percent	Number	Percent
White Alone	397,038	76.4%	399,542	75.5%	400,063	73.7%
Black Alone	19,824	3.8%	20,674	3.9%	22,004	4.1%
American Indian Alone	3,100	0.6%	3,219	0.6%	3,594	0.7%
Asian Alone	43,916	8.4%	45,402	8.6%	49,071	9.0%
Pacific Islander Alone	148	0.0%	159	0.0%	176	0.0%
Some Other Race Alone	42,573	8.2%	46,278	8.7%	52,225	9.6%
Two or More Races	13,204	2.5%	14,204	2.7%	15,736	2.9%
Hispanic Origin (Any Race)	116,298	22.4%	126,094	23.8%	142,889	26.3%

Data Note: Income is expressed in current dollars.

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2013 and 2018.

March 17, 2014

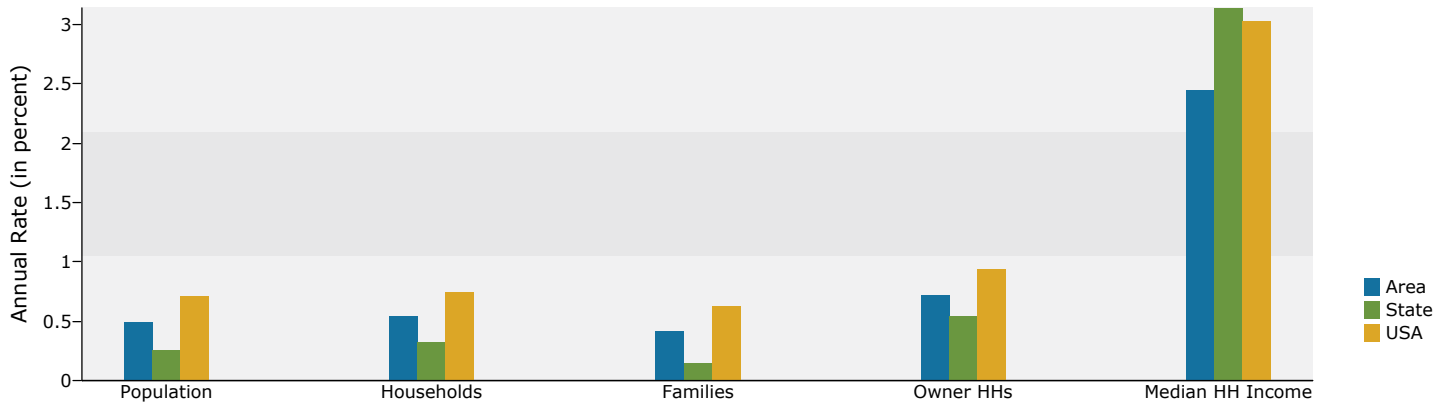


Demographic and Income Profile

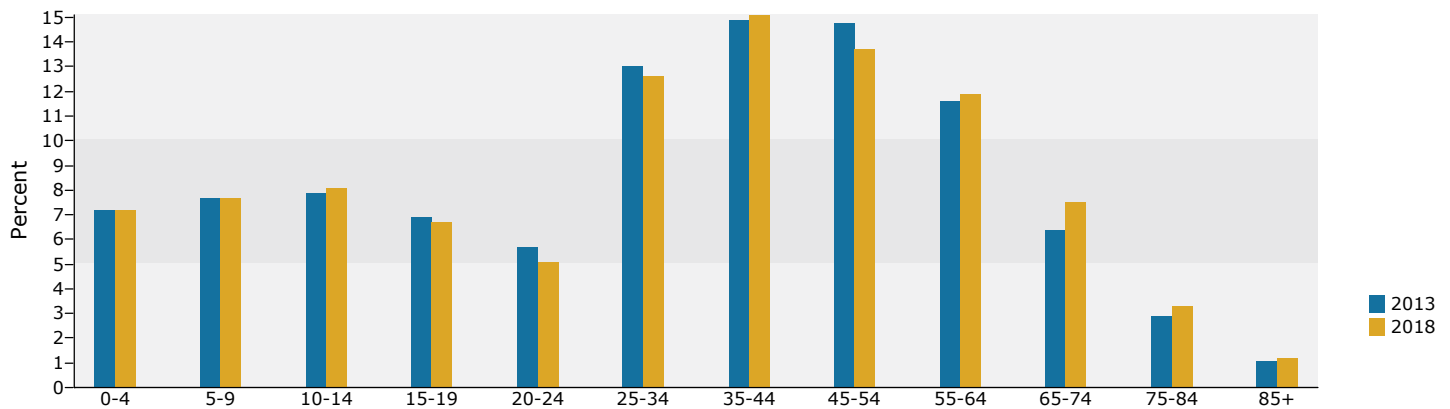
West Dundee Retail Study Area
1, 5 and 10 mile radius
Ring: 10 mile radius

Prepared by Barry Bain
Latitude: 42.098118
Longitude: -88.28705

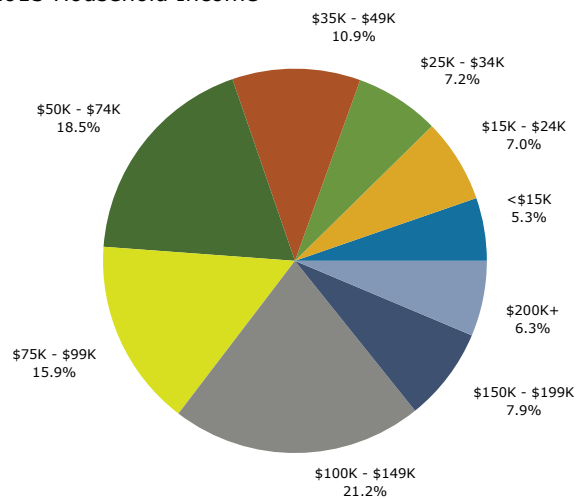
Trends 2013-2018



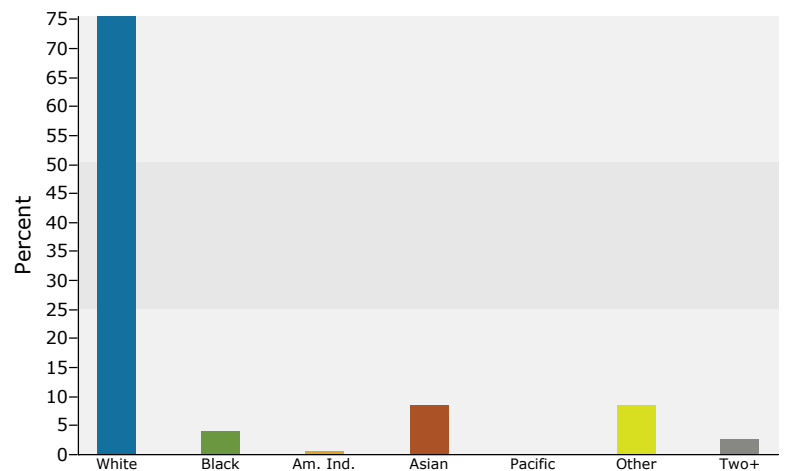
Population by Age



2013 Household Income



2013 Population by Race



2013 Percent Hispanic Origin: 23.8%

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2013 and 2018.

March 17, 2014



Retail Market Potential

West Dundee Retail Study Area
1, 5 and 10 mile radius
Ring: 1 mile radius

Prepared by Barry Bain
Latitude: 42.098118
Longitude: -88.28705

Demographic Summary		2013	2018
Population		6,715	6,821
Population 18+		5,301	5,436
Households		2,788	2,835
Median Household Income		\$69,036	\$81,686

Product/Consumer Behavior	Expected Number Adults/HHs	Percent of Adults/HHs	MPI
Apparel (Adults)			
Bought any men's apparel in last 12 months	2,973	56.1%	113
Bought any women's apparel in last 12 months	2,454	46.3%	102
Bought apparel for child <13 in last 6 months	1,459	27.5%	97
Bought any shoes in last 12 months	2,987	56.4%	108
Bought costume jewelry in last 12 months	1,185	22.4%	107
Bought any fine jewelry in last 12 months	1,182	22.3%	101
Bought a watch in last 12 months	1,000	18.9%	98
Automobiles (Households)			
HH owns/leases any vehicle	2,568	92.1%	107
HH bought/leased new vehicle last 12 mo	338	12.1%	126
Automotive Aftermarket (Adults)			
Bought gasoline in last 6 months	4,881	92.1%	106
Bought/changed motor oil in last 12 months	2,741	51.7%	100
Had tune-up in last 12 months	1,876	35.4%	114
Beverages (Adults)			
Drank bottled water/seltzer in last 6 months	3,423	64.6%	104
Drank regular cola in last 6 months	2,529	47.7%	94
Drank beer/ale in last 6 months	2,558	48.3%	113
Cameras & Film (Adults)			
Bought any camera in last 12 months	726	13.7%	107
Bought film in last 12 months	1,078	20.3%	107
Bought digital camera in last 12 months	443	8.4%	122
Bought memory card for camera in last 12 months	496	9.4%	123
Cell Phones/PDAs & Service (Adults)			
Bought cell/mobile phone/PDA in last 12 months	1,906	35.9%	102
Avg monthly cell/mobile phone/PDA bill: \$1-\$49	1,235	23.3%	109
Avg monthly cell/mobile phone/PDA bill: \$50-99	1,777	33.5%	103
Avg monthly cell/mobile phone/PDA bill: \$100+	1,271	24.0%	113
Computers (Households)			
HH owns a personal computer	2,378	85.3%	115
Spent <\$500 on most recent home PC purchase	253	9.1%	105
Spent \$500-\$999 on most recent home PC purchase	577	20.7%	116
Spent \$1000-\$1499 on most recent home PC purchase	477	17.1%	130
Spent \$1500-\$1999 on most recent home PC purchase	239	8.6%	120
Spent \$2000+ on most recent home PC purchase	204	7.3%	117

Data Note: An MPI (Market Potential Index) measures the relative likelihood of the adults in the specified trade area to exhibit certain consumer behavior or purchasing patterns compared to the U.S. An MPI of 100 represents the U.S. average.

Source: These data are based upon national propensities to use various products and services, applied to local demographic composition. Usage data were collected by GfK MRI in a nationally representative survey of U.S. households. Esri forecasts for 2013 and 2018.

March 17, 2014



Retail Market Potential

West Dundee Retail Study Area
1, 5 and 10 mile radius
Ring: 1 mile radius

Prepared by Barry Bain
Latitude: 42.098118
Longitude: -88.28705

Product/Consumer Behavior	Expected Number Adults/HHs	Percent of Adults/HHs	MPI
Convenience Stores (Adults)			
Shopped at convenience store in last 6 months	3,404	64.2%	107
Bought cigarettes at convenience store in last 30 days	656	12.4%	80
Bought gas at convenience store in last 30 days	1,780	33.6%	101
Spent at convenience store in last 30 days: <\$20	680	12.8%	133
Spent at convenience store in last 30 days: \$20-39	596	11.2%	111
Spent at convenience store in last 30 days: \$40+	1,868	35.2%	99
Entertainment (Adults)			
Attended movies in last 6 months	3,468	65.4%	111
Went to live theater in last 12 months	920	17.4%	131
Went to a bar/night club in last 12 months	1,208	22.8%	119
Dined out in last 12 months	3,146	59.3%	121
Gambled at a casino in last 12 months	1,095	20.7%	129
Visited a theme park in last 12 months	1,303	24.6%	114
DVDs rented in last 30 days: 1	182	3.4%	129
DVDs rented in last 30 days: 2	336	6.3%	137
DVDs rented in last 30 days: 3	219	4.1%	129
DVDs rented in last 30 days: 4	274	5.2%	135
DVDs rented in last 30 days: 5+	788	14.9%	112
DVDs purchased in last 30 days: 1	307	5.8%	116
DVDs purchased in last 30 days: 2	296	5.6%	118
DVDs purchased in last 30 days: 3-4	216	4.1%	88
DVDs purchased in last 30 days: 5+	230	4.3%	84
Spent on toys/games in last 12 months: <\$50	317	6.0%	99
Spent on toys/games in last 12 months: \$50-\$99	132	2.5%	90
Spent on toys/games in last 12 months: \$100-\$199	419	7.9%	110
Spent on toys/games in last 12 months: \$200-\$499	673	12.7%	118
Spent on toys/games in last 12 months: \$500+	368	6.9%	121
Financial (Adults)			
Have home mortgage (1st)	1,453	27.4%	143
Used ATM/cash machine in last 12 months	3,247	61.3%	121
Own any stock	672	12.7%	138
Own U.S. savings bond	464	8.8%	128
Own shares in mutual fund (stock)	744	14.0%	150
Own shares in mutual fund (bonds)	428	8.1%	137
Used full service brokerage firm in last 12 months	462	8.7%	140
Have savings account	2,429	45.8%	126
Have 401K retirement savings	1,308	24.7%	139
Did banking over the Internet in last 12 months	2,007	37.9%	138
Own any credit/debit card (in own name)	4,385	82.7%	112
Avg monthly credit card expenditures: <\$111	864	16.3%	119
Avg monthly credit card expenditures: \$111-225	458	8.6%	112
Avg monthly credit card expenditures: \$226-450	449	8.5%	113
Avg monthly credit card expenditures: \$451-700	414	7.8%	122
Avg monthly credit card expenditures: \$701+	935	17.6%	131

Data Note: An MPI (Market Potential Index) measures the relative likelihood of the adults in the specified trade area to exhibit certain consumer behavior or purchasing patterns compared to the U.S. An MPI of 100 represents the U.S. average.

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March 17, 2014



Retail Market Potential

West Dundee Retail Study Area
1, 5 and 10 mile radius
Ring: 1 mile radius

Prepared by Barry Bain
Latitude: 42.098118
Longitude: -88.28705

Product/Consumer Behavior	Expected Number Adults/HHs	Percent of Adults/HHs	MPI
Grocery (Adults)			
Used beef (fresh/frozen) in last 6 months	3,921	74.0%	105
Used bread in last 6 months	5,173	97.6%	101
Used chicken/turkey (fresh or frozen) in last 6 months	4,250	80.2%	104
Used fish/seafood (fresh or frozen) in last 6 months	3,038	57.3%	109
Used fresh fruit/vegetables in last 6 months	4,823	91.0%	104
Used fresh milk in last 6 months	4,962	93.6%	103
Health (Adults)			
Exercise at home 2+ times per week	1,865	35.2%	117
Exercise at club 2+ times per week	833	15.7%	126
Visited a doctor in last 12 months	4,380	82.6%	107
Used vitamin/dietary supplement in last 6 months	2,901	54.7%	113
Home (Households)			
Any home improvement in last 12 months	1,033	37.1%	117
Used housekeeper/maid/prof HH cleaning service in the last 12 months	523	18.7%	119
Purchased any HH furnishing in last 12 months	1,016	36.5%	121
Purchased bedding/bath goods in last 12 months	1,600	57.4%	105
Purchased cooking/serving product in last 12 months	807	28.9%	105
Bought any kitchen appliance in last 12 months	533	19.1%	110
Insurance (Adults)			
Currently carry any life insurance	2,911	54.9%	116
Have medical/hospital/accident insurance	4,175	78.8%	110
Carry homeowner insurance	3,264	61.6%	118
Carry renter insurance	340	6.4%	104
Have auto/other vehicle insurance	4,773	90.0%	109
Pets (Households)			
HH owns any pet	1,530	54.9%	107
HH owns any cat	743	26.7%	111
HH owns any dog	1,078	38.7%	103
Reading Materials (Adults)			
Bought book in last 12 months	3,130	59.0%	118
Read any daily newspaper	2,509	47.3%	115
Heavy magazine reader	1,098	20.7%	104
Restaurants (Adults)			
Went to family restaurant/steak house in last 6 mo	4,265	80.4%	112
Went to family restaurant/steak house last mo: <2 times	1,385	26.1%	102
Went to family restaurant/steak house last mo: 2-4 times	1,729	32.6%	121
Went to family restaurant/steak house last mo: 5+ times	1,151	21.7%	112
Went to fast food/drive-in restaurant in last 6 mo	4,804	90.6%	102
Went to fast food/drive-in restaurant <6 times/mo	1,821	34.3%	98
Went to fast food/drive-in restaurant 6-13 times/mo	1,623	30.6%	106
Went to fast food/drive-in restaurant 14+ times/mo	1,360	25.6%	103
Fast food/drive-in last 6 mo: eat in	2,137	40.3%	107
Fast food/drive-in last 6 mo: home delivery	596	11.2%	108
Fast food/drive-in last 6 mo: take-out/drive-thru	2,992	56.4%	108
Fast food/drive-in last 6 mo: take-out/walk-in	1,506	28.4%	116

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March 17, 2014



Retail Market Potential

West Dundee Retail Study Area
1, 5 and 10 mile radius
Ring: 1 mile radius

Prepared by Barry Bain
Latitude: 42.098118
Longitude: -88.28705

Product/Consumer Behavior	Expected Number Adults/HHs	Percent of Adults/HHs	MPI
Telephones & Service (Households)			
HH owns in-home cordless telephone	2,027	72.7%	113
HH average monthly long distance phone bill: <\$16	874	31.4%	113
HH average monthly long distance phone bill: \$16-25	371	13.3%	116
HH average monthly long distance phone bill: \$26-59	291	10.4%	113
HH average monthly long distance phone bill: \$60+	110	3.9%	88
Television & Sound Equipment (Adults/Households)			
HH owns 1 TV	434	15.6%	78
HH owns 2 TVs	736	26.4%	100
HH owns 3 TVs	652	23.4%	105
HH owns 4+ TVs	721	25.9%	124
HH subscribes to cable TV	1,940	69.6%	120
HH Purchased audio equipment in last 12 months	274	9.8%	101
HH Purchased CD player in last 12 months	107	3.8%	99
HH Purchased DVD player in last 12 months	282	10.1%	104
HH Purchased MP3 player in last 12 months	630	11.9%	116
HH Purchased video game system in last 12 months	333	12.0%	111
Travel (Adults)			
Domestic travel in last 12 months	3,441	64.9%	124
Took 3+ domestic trips in last 12 months	1,104	20.8%	140
Spent on domestic vacations last 12 mo: <\$1000	767	14.5%	115
Spent on domestic vacations last 12 mo: \$1000-\$1499	456	8.6%	128
Spent on domestic vacations last 12 mo: \$1500-\$1999	338	6.4%	156
Spent on domestic vacations last 12 mo: \$2000-\$2999	260	4.9%	118
Spent on domestic vacations last 12 mo: \$3000+	379	7.1%	141
Foreign travel in last 3 years	1,775	33.5%	128
Took 3+ foreign trips by plane in last 3 years	321	6.1%	125
Spent on foreign vacations last 12 mo: <\$1000	419	7.9%	132
Spent on foreign vacations last 12 mo: \$1000-\$2999	285	5.4%	131
Spent on foreign vacations last 12 mo: \$3000+	295	5.6%	112
Stayed 1+ nights at hotel/motel in last 12 months	2,778	52.4%	129

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March 17, 2014



Retail Market Potential

West Dundee Retail Study Area
1, 5 and 10 mile radius
Ring: 5 mile radius

Prepared by Barry Bain
Latitude: 42.098118
Longitude: -88.28705

Demographic Summary		2013	2018
Population		166,010	171,244
Population 18+		118,958	122,103
Households		53,948	55,621
Median Household Income		\$63,328	\$76,996

Product/Consumer Behavior	Expected Number Adults/HHs	Percent of Adults/HHs	MPI
Apparel (Adults)			
Bought any men's apparel in last 12 months	62,588	52.6%	106
Bought any women's apparel in last 12 months	54,400	45.7%	101
Bought apparel for child <13 in last 6 months	39,039	32.8%	116
Bought any shoes in last 12 months	63,817	53.6%	103
Bought costume jewelry in last 12 months	25,640	21.6%	103
Bought any fine jewelry in last 12 months	26,774	22.5%	102
Bought a watch in last 12 months	23,012	19.3%	100
Automobiles (Households)			
HH owns/leases any vehicle	48,133	89.2%	104
HH bought/leased new vehicle last 12 mo	6,189	11.5%	119
Automotive Aftermarket (Adults)			
Bought gasoline in last 6 months	105,677	88.8%	102
Bought/changed motor oil in last 12 months	59,034	49.6%	96
Had tune-up in last 12 months	40,382	33.9%	109
Beverages (Adults)			
Drank bottled water/seltzer in last 6 months	79,092	66.5%	107
Drank regular cola in last 6 months	63,043	53.0%	104
Drank beer/ale in last 6 months	53,909	45.3%	107
Cameras & Film (Adults)			
Bought any camera in last 12 months	15,599	13.1%	102
Bought film in last 12 months	22,109	18.6%	98
Bought digital camera in last 12 months	9,094	7.6%	112
Bought memory card for camera in last 12 months	10,374	8.7%	114
Cell Phones/PDAs & Service (Adults)			
Bought cell/mobile phone/PDA in last 12 months	44,231	37.2%	105
Avg monthly cell/mobile phone/PDA bill: \$1-\$49	23,070	19.4%	91
Avg monthly cell/mobile phone/PDA bill: \$50-99	42,089	35.4%	109
Avg monthly cell/mobile phone/PDA bill: \$100+	28,652	24.1%	114
Computers (Households)			
HH owns a personal computer	43,876	81.3%	110
Spent <\$500 on most recent home PC purchase	4,474	8.3%	96
Spent \$500-\$999 on most recent home PC purchase	10,098	18.7%	105
Spent \$1000-\$1499 on most recent home PC purchase	7,946	14.7%	112
Spent \$1500-\$1999 on most recent home PC purchase	4,384	8.1%	114
Spent \$2000+ on most recent home PC purchase	3,912	7.3%	115

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March 17, 2014



Retail Market Potential

West Dundee Retail Study Area
1, 5 and 10 mile radius
Ring: 5 mile radius

Prepared by Barry Bain
Latitude: 42.098118
Longitude: -88.28705

Product/Consumer Behavior	Expected Number Adults/HHs	Percent of Adults/HHs	MPI
Convenience Stores (Adults)			
Shopped at convenience store in last 6 months	73,432	61.7%	103
Bought cigarettes at convenience store in last 30 days	15,411	13.0%	84
Bought gas at convenience store in last 30 days	37,423	31.5%	94
Spent at convenience store in last 30 days: <\$20	13,234	11.1%	115
Spent at convenience store in last 30 days: \$20-39	12,968	10.9%	107
Spent at convenience store in last 30 days: \$40+	40,615	34.1%	96
Entertainment (Adults)			
Attended movies in last 6 months	76,881	64.6%	110
Went to live theater in last 12 months	17,191	14.5%	109
Went to a bar/night club in last 12 months	21,916	18.4%	96
Dined out in last 12 months	60,771	51.1%	104
Gambled at a casino in last 12 months	21,867	18.4%	115
Visited a theme park in last 12 months	31,732	26.7%	124
DVDs rented in last 30 days: 1	3,505	2.9%	111
DVDs rented in last 30 days: 2	5,621	4.7%	102
DVDs rented in last 30 days: 3	4,179	3.5%	110
DVDs rented in last 30 days: 4	5,059	4.3%	111
DVDs rented in last 30 days: 5+	18,777	15.8%	119
DVDs purchased in last 30 days: 1	6,977	5.9%	118
DVDs purchased in last 30 days: 2	5,809	4.9%	103
DVDs purchased in last 30 days: 3-4	5,606	4.7%	102
DVDs purchased in last 30 days: 5+	6,423	5.4%	104
Spent on toys/games in last 12 months: <\$50	7,535	6.3%	104
Spent on toys/games in last 12 months: \$50-\$99	3,524	3.0%	108
Spent on toys/games in last 12 months: \$100-\$199	8,972	7.5%	105
Spent on toys/games in last 12 months: \$200-\$499	13,764	11.6%	107
Spent on toys/games in last 12 months: \$500+	7,556	6.4%	111
Financial (Adults)			
Have home mortgage (1st)	26,211	22.0%	115
Used ATM/cash machine in last 12 months	66,388	55.8%	110
Own any stock	11,517	9.7%	105
Own U.S. savings bond	8,349	7.0%	103
Own shares in mutual fund (stock)	12,232	10.3%	110
Own shares in mutual fund (bonds)	7,368	6.2%	105
Used full service brokerage firm in last 12 months	7,738	6.5%	105
Have savings account	44,685	37.6%	104
Have 401K retirement savings	23,700	19.9%	113
Did banking over the Internet in last 12 months	37,599	31.6%	115
Own any credit/debit card (in own name)	89,536	75.3%	102
Avg monthly credit card expenditures: <\$111	15,742	13.2%	96
Avg monthly credit card expenditures: \$111-225	9,303	7.8%	101
Avg monthly credit card expenditures: \$226-450	9,435	7.9%	106
Avg monthly credit card expenditures: \$451-700	8,307	7.0%	110
Avg monthly credit card expenditures: \$701+	18,528	15.6%	116

Data Note: An MPI (Market Potential Index) measures the relative likelihood of the adults in the specified trade area to exhibit certain consumer behavior or purchasing patterns compared to the U.S. An MPI of 100 represents the U.S. average.

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March 17, 2014



Retail Market Potential

West Dundee Retail Study Area
1, 5 and 10 mile radius
Ring: 5 mile radius

Prepared by Barry Bain
Latitude: 42.098118
Longitude: -88.28705

Product/Consumer Behavior	Expected Number Adults/HHs	Percent of Adults/HHs	MPI
Grocery (Adults)			
Used beef (fresh/frozen) in last 6 months	85,377	71.8%	102
Used bread in last 6 months	114,510	96.3%	100
Used chicken/turkey (fresh or frozen) in last 6 months	93,044	78.2%	101
Used fish/seafood (fresh or frozen) in last 6 months	64,683	54.4%	103
Used fresh fruit/vegetables in last 6 months	105,615	88.8%	102
Used fresh milk in last 6 months	109,326	91.9%	101
Health (Adults)			
Exercise at home 2+ times per week	37,088	31.2%	104
Exercise at club 2+ times per week	17,953	15.1%	121
Visited a doctor in last 12 months	91,034	76.5%	99
Used vitamin/dietary supplement in last 6 months	57,475	48.3%	100
Home (Households)			
Any home improvement in last 12 months	18,076	33.5%	106
Used housekeeper/maid/prof HH cleaning service in the last 12 months	9,775	18.1%	115
Purchased any HH furnishing in last 12 months	16,959	31.4%	105
Purchased bedding/bath goods in last 12 months	29,997	55.6%	102
Purchased cooking/serving product in last 12 months	15,383	28.5%	104
Bought any kitchen appliance in last 12 months	9,519	17.6%	101
Insurance (Adults)			
Currently carry any life insurance	55,528	46.7%	98
Have medical/hospital/accident insurance	84,640	71.2%	99
Carry homeowner insurance	64,013	53.8%	103
Carry renter insurance	6,106	5.1%	83
Have auto/other vehicle insurance	102,229	85.9%	104
Pets (Households)			
HH owns any pet	29,069	53.9%	105
HH owns any cat	11,766	21.8%	91
HH owns any dog	21,806	40.4%	107
Reading Materials (Adults)			
Bought book in last 12 months	62,127	52.2%	104
Read any daily newspaper	44,753	37.6%	91
Heavy magazine reader	24,088	20.2%	102
Restaurants (Adults)			
Went to family restaurant/steak house in last 6 mo	90,784	76.3%	106
Went to family restaurant/steak house last mo: <2 times	31,206	26.2%	102
Went to family restaurant/steak house last mo: 2-4 times	34,304	28.8%	107
Went to family restaurant/steak house last mo: 5+ times	25,273	21.2%	110
Went to fast food/drive-in restaurant in last 6 mo	107,719	90.6%	102
Went to fast food/drive-in restaurant <6 times/mo	40,536	34.1%	97
Went to fast food/drive-in restaurant 6-13 times/mo	35,622	29.9%	104
Went to fast food/drive-in restaurant 14+ times/mo	31,562	26.5%	107
Fast food/drive-in last 6 mo: eat in	46,437	39.0%	104
Fast food/drive-in last 6 mo: home delivery	14,796	12.4%	119
Fast food/drive-in last 6 mo: take-out/drive-thru	63,898	53.7%	103
Fast food/drive-in last 6 mo: take-out/walk-in	30,083	25.3%	103

Data Note: An MPI (Market Potential Index) measures the relative likelihood of the adults in the specified trade area to exhibit certain consumer behavior or purchasing patterns compared to the U.S. An MPI of 100 represents the U.S. average.

Source: These data are based upon national propensities to use various products and services, applied to local demographic composition. Usage data were collected by GfK MRI in a nationally representative survey of U.S. households. Esri forecasts for 2013 and 2018.

March 17, 2014



Retail Market Potential

West Dundee Retail Study Area
1, 5 and 10 mile radius
Ring: 5 mile radius

Prepared by Barry Bain
Latitude: 42.098118
Longitude: -88.28705

Product/Consumer Behavior	Expected Number Adults/HHs	Percent of Adults/HHs	MPI
Telephones & Service (Households)			
HH owns in-home cordless telephone	36,645	67.9%	105
HH average monthly long distance phone bill: <\$16	14,795	27.4%	99
HH average monthly long distance phone bill: \$16-25	6,112	11.3%	99
HH average monthly long distance phone bill: \$26-59	5,350	9.9%	108
HH average monthly long distance phone bill: \$60+	2,576	4.8%	107
Television & Sound Equipment (Adults/Households)			
HH owns 1 TV	8,909	16.5%	83
HH owns 2 TVs	13,147	24.4%	93
HH owns 3 TVs	13,184	24.4%	109
HH owns 4+ TVs	13,395	24.8%	119
HH subscribes to cable TV	33,114	61.4%	106
HH Purchased audio equipment in last 12 months	5,587	10.4%	106
HH Purchased CD player in last 12 months	2,143	4.0%	103
HH Purchased DVD player in last 12 months	5,647	10.5%	108
HH Purchased MP3 player in last 12 months	14,927	12.5%	123
HH Purchased video game system in last 12 months	7,290	13.5%	125
Travel (Adults)			
Domestic travel in last 12 months	65,923	55.4%	106
Took 3+ domestic trips in last 12 months	19,328	16.2%	109
Spent on domestic vacations last 12 mo: <\$1000	15,048	12.6%	100
Spent on domestic vacations last 12 mo: \$1000-\$1499	8,020	6.7%	100
Spent on domestic vacations last 12 mo: \$1500-\$1999	6,014	5.1%	123
Spent on domestic vacations last 12 mo: \$2000-\$2999	5,580	4.7%	113
Spent on domestic vacations last 12 mo: \$3000+	6,931	5.8%	115
Foreign travel in last 3 years	37,611	31.6%	121
Took 3+ foreign trips by plane in last 3 years	6,657	5.6%	116
Spent on foreign vacations last 12 mo: <\$1000	8,292	7.0%	116
Spent on foreign vacations last 12 mo: \$1000-\$2999	5,633	4.7%	115
Spent on foreign vacations last 12 mo: \$3000+	6,555	5.5%	111
Stayed 1+ nights at hotel/motel in last 12 months	51,689	43.5%	107

Data Note: An MPI (Market Potential Index) measures the relative likelihood of the adults in the specified trade area to exhibit certain consumer behavior or purchasing patterns compared to the U.S. An MPI of 100 represents the U.S. average.

Source: These data are based upon national propensities to use various products and services, applied to local demographic composition. Usage data were collected by GfK MRI in a nationally representative survey of U.S. households. Esri forecasts for 2013 and 2018.

March 17, 2014



Retail Market Potential

West Dundee Retail Study Area
1, 5 and 10 mile radius
Ring: 10 mile radius

Prepared by Barry Bain
Latitude: 42.098118
Longitude: -88.28705

Demographic Summary		2013	2018
Population		529,479	542,868
Population 18+		385,547	395,027
Households		178,568	183,435
Median Household Income		\$76,409	\$86,254

Product/Consumer Behavior	Expected Number Adults/HHs	Percent of Adults/HHs	MPI
Apparel (Adults)			
Bought any men's apparel in last 12 months	206,141	53.5%	107
Bought any women's apparel in last 12 months	182,759	47.4%	104
Bought apparel for child <13 in last 6 months	125,651	32.6%	115
Bought any shoes in last 12 months	214,886	55.7%	107
Bought costume jewelry in last 12 months	88,818	23.0%	110
Bought any fine jewelry in last 12 months	87,865	22.8%	104
Bought a watch in last 12 months	74,930	19.4%	101
Automobiles (Households)			
HH owns/leases any vehicle	163,978	91.8%	107
HH bought/leased new vehicle last 12 mo	23,381	13.1%	136
Automotive Aftermarket (Adults)			
Bought gasoline in last 6 months	352,586	91.5%	105
Bought/changed motor oil in last 12 months	193,291	50.1%	97
Had tune-up in last 12 months	131,961	34.2%	110
Beverages (Adults)			
Drank bottled water/seltzer in last 6 months	259,732	67.4%	109
Drank regular cola in last 6 months	192,286	49.9%	98
Drank beer/ale in last 6 months	178,983	46.4%	109
Cameras & Film (Adults)			
Bought any camera in last 12 months	52,747	13.7%	107
Bought film in last 12 months	71,278	18.5%	97
Bought digital camera in last 12 months	32,181	8.3%	122
Bought memory card for camera in last 12 months	35,756	9.3%	122
Cell Phones/PDAs & Service (Adults)			
Bought cell/mobile phone/PDA in last 12 months	145,232	37.7%	107
Avg monthly cell/mobile phone/PDA bill: \$1-\$49	77,314	20.1%	94
Avg monthly cell/mobile phone/PDA bill: \$50-99	136,350	35.4%	109
Avg monthly cell/mobile phone/PDA bill: \$100+	100,238	26.0%	123
Computers (Households)			
HH owns a personal computer	153,925	86.2%	116
Spent <\$500 on most recent home PC purchase	14,981	8.4%	97
Spent \$500-\$999 on most recent home PC purchase	36,186	20.3%	114
Spent \$1000-\$1499 on most recent home PC purchase	28,961	16.2%	124
Spent \$1500-\$1999 on most recent home PC purchase	16,072	9.0%	126
Spent \$2000+ on most recent home PC purchase	14,922	8.4%	133

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Source: These data are based upon national propensities to use various products and services, applied to local demographic composition. Usage data were collected by GfK MRI in a nationally representative survey of U.S. households. Esri forecasts for 2013 and 2018.

March 17, 2014



Retail Market Potential

West Dundee Retail Study Area
1, 5 and 10 mile radius
Ring: 10 mile radius

Prepared by Barry Bain
Latitude: 42.098118
Longitude: -88.28705

Product/Consumer Behavior	Expected Number Adults/HHs	Percent of Adults/HHs	MPI
Convenience Stores (Adults)			
Shopped at convenience store in last 6 months	238,112	61.8%	103
Bought cigarettes at convenience store in last 30 days	47,617	12.4%	80
Bought gas at convenience store in last 30 days	125,681	32.6%	98
Spent at convenience store in last 30 days: <\$20	42,379	11.0%	114
Spent at convenience store in last 30 days: \$20-39	41,364	10.7%	106
Spent at convenience store in last 30 days: \$40+	132,624	34.4%	96
Entertainment (Adults)			
Attended movies in last 6 months	257,022	66.7%	113
Went to live theater in last 12 months	63,476	16.5%	125
Went to a bar/night club in last 12 months	77,826	20.2%	106
Dined out in last 12 months	213,098	55.3%	112
Gambled at a casino in last 12 months	71,375	18.5%	115
Visited a theme park in last 12 months	107,009	27.8%	129
DVDs rented in last 30 days: 1	11,784	3.1%	115
DVDs rented in last 30 days: 2	20,487	5.3%	115
DVDs rented in last 30 days: 3	14,482	3.8%	117
DVDs rented in last 30 days: 4	17,291	4.5%	117
DVDs rented in last 30 days: 5+	63,118	16.4%	124
DVDs purchased in last 30 days: 1	23,964	6.2%	125
DVDs purchased in last 30 days: 2	20,556	5.3%	113
DVDs purchased in last 30 days: 3-4	18,303	4.7%	103
DVDs purchased in last 30 days: 5+	18,810	4.9%	94
Spent on toys/games in last 12 months: <\$50	24,229	6.3%	104
Spent on toys/games in last 12 months: \$50-\$99	10,602	2.7%	100
Spent on toys/games in last 12 months: \$100-\$199	28,793	7.5%	104
Spent on toys/games in last 12 months: \$200-\$499	46,950	12.2%	113
Spent on toys/games in last 12 months: \$500+	28,212	7.3%	128
Financial (Adults)			
Have home mortgage (1st)	100,669	26.1%	136
Used ATM/cash machine in last 12 months	231,488	60.0%	118
Own any stock	45,818	11.9%	129
Own U.S. savings bond	30,979	8.0%	118
Own shares in mutual fund (stock)	48,196	12.5%	133
Own shares in mutual fund (bonds)	28,941	7.5%	127
Used full service brokerage firm in last 12 months	30,116	7.8%	126
Have savings account	159,708	41.4%	114
Have 401K retirement savings	89,615	23.2%	131
Did banking over the Internet in last 12 months	138,136	35.8%	131
Own any credit/debit card (in own name)	310,085	80.4%	109
Avg monthly credit card expenditures: <\$111	51,233	13.3%	97
Avg monthly credit card expenditures: \$111-225	31,851	8.3%	107
Avg monthly credit card expenditures: \$226-450	32,621	8.5%	113
Avg monthly credit card expenditures: \$451-700	28,999	7.5%	118
Avg monthly credit card expenditures: \$701+	73,612	19.1%	142

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March 17, 2014



Retail Market Potential

West Dundee Retail Study Area
1, 5 and 10 mile radius
Ring: 10 mile radius

Prepared by Barry Bain
Latitude: 42.098118
Longitude: -88.28705

Product/Consumer Behavior	Expected Number Adults/HHs	Percent of Adults/HHs	MPI
Grocery (Adults)			
Used beef (fresh/frozen) in last 6 months	281,119	72.9%	103
Used bread in last 6 months	372,747	96.7%	100
Used chicken/turkey (fresh or frozen) in last 6 months	306,727	79.6%	103
Used fish/seafood (fresh or frozen) in last 6 months	215,328	55.8%	106
Used fresh fruit/vegetables in last 6 months	345,208	89.5%	103
Used fresh milk in last 6 months	355,498	92.2%	102
Health (Adults)			
Exercise at home 2+ times per week	128,136	33.2%	111
Exercise at club 2+ times per week	66,125	17.2%	138
Visited a doctor in last 12 months	305,973	79.4%	103
Used vitamin/dietary supplement in last 6 months	197,639	51.3%	106
Home (Households)			
Any home improvement in last 12 months	65,537	36.7%	116
Used housekeeper/maid/prof HH cleaning service in the last 12 months	36,701	20.6%	131
Purchased any HH furnishing in last 12 months	59,871	33.5%	112
Purchased bedding/bath goods in last 12 months	100,998	56.6%	103
Purchased cooking/serving product in last 12 months	51,820	29.0%	106
Bought any kitchen appliance in last 12 months	33,582	18.8%	108
Insurance (Adults)			
Currently carry any life insurance	201,058	52.1%	110
Have medical/hospital/accident insurance	292,271	75.8%	106
Carry homeowner insurance	232,789	60.4%	115
Carry renter insurance	20,694	5.4%	87
Have auto/other vehicle insurance	341,615	88.6%	107
Pets (Households)			
HH owns any pet	100,036	56.0%	109
HH owns any cat	41,103	23.0%	96
HH owns any dog	74,940	42.0%	112
Reading Materials (Adults)			
Bought book in last 12 months	217,498	56.4%	112
Read any daily newspaper	157,074	40.7%	99
Heavy magazine reader	83,659	21.7%	109
Restaurants (Adults)			
Went to family restaurant/steak house in last 6 mo	305,279	79.2%	110
Went to family restaurant/steak house last mo: <2 times	102,640	26.6%	104
Went to family restaurant/steak house last mo: 2-4 times	115,659	30.0%	111
Went to family restaurant/steak house last mo: 5+ times	86,989	22.6%	116
Went to fast food/drive-in restaurant in last 6 mo	351,545	91.2%	103
Went to fast food/drive-in restaurant <6 times/mo	129,915	33.7%	96
Went to fast food/drive-in restaurant 6-13 times/mo	118,738	30.8%	107
Went to fast food/drive-in restaurant 14+ times/mo	102,891	26.7%	107
Fast food/drive-in last 6 mo: eat in	152,899	39.7%	105
Fast food/drive-in last 6 mo: home delivery	46,799	12.1%	116
Fast food/drive-in last 6 mo: take-out/drive-thru	216,824	56.2%	108
Fast food/drive-in last 6 mo: take-out/walk-in	100,337	26.0%	106

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March 17, 2014



Retail Market Potential

West Dundee Retail Study Area
1, 5 and 10 mile radius
Ring: 10 mile radius

Prepared by Barry Bain
Latitude: 42.098118
Longitude: -88.28705

Product/Consumer Behavior	Expected Number Adults/HHs	Percent of Adults/HHs	MPI
Telephones & Service (Households)			
HH owns in-home cordless telephone	127,168	71.2%	111
HH average monthly long distance phone bill: <\$16	51,023	28.6%	103
HH average monthly long distance phone bill: \$16-25	21,588	12.1%	106
HH average monthly long distance phone bill: \$26-59	19,507	10.9%	119
HH average monthly long distance phone bill: \$60+	9,153	5.1%	115
Television & Sound Equipment (Adults/Households)			
HH owns 1 TV	25,895	14.5%	73
HH owns 2 TVs	43,242	24.2%	92
HH owns 3 TVs	44,360	24.8%	111
HH owns 4+ TVs	48,777	27.3%	131
HH subscribes to cable TV	115,579	64.7%	111
HH Purchased audio equipment in last 12 months	18,736	10.5%	108
HH Purchased CD player in last 12 months	7,052	3.9%	102
HH Purchased DVD player in last 12 months	18,904	10.6%	109
HH Purchased MP3 player in last 12 months	51,346	13.3%	130
HH Purchased video game system in last 12 months	24,698	13.8%	128
Travel (Adults)			
Domestic travel in last 12 months	237,296	61.5%	118
Took 3+ domestic trips in last 12 months	72,356	18.8%	126
Spent on domestic vacations last 12 mo: <\$1000	51,053	13.2%	105
Spent on domestic vacations last 12 mo: \$1000-\$1499	30,416	7.9%	117
Spent on domestic vacations last 12 mo: \$1500-\$1999	21,758	5.6%	138
Spent on domestic vacations last 12 mo: \$2000-\$2999	21,402	5.6%	134
Spent on domestic vacations last 12 mo: \$3000+	26,947	7.0%	138
Foreign travel in last 3 years	133,431	34.6%	133
Took 3+ foreign trips by plane in last 3 years	25,520	6.6%	137
Spent on foreign vacations last 12 mo: <\$1000	28,918	7.5%	125
Spent on foreign vacations last 12 mo: \$1000-\$2999	19,518	5.1%	123
Spent on foreign vacations last 12 mo: \$3000+	26,432	6.9%	138
Stayed 1+ nights at hotel/motel in last 12 months	190,274	49.4%	122

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March 17, 2014



Restaurant Market Potential

West Dundee Retail Study Area
1, 5 and 10 mile radius
Ring: 1 mile radius

Prepared by Barry Bain
Latitude: 42.098118
Longitude: -88.28705

Demographic Summary		2013	2018	
Population		6,715	6,821	
Population 18+		5,301	5,436	
Households		2,788	2,835	
Median Household Income		\$69,036	\$81,686	
Product/Consumer Behavior	Expected Number of			
	Adults	Percent	MPI	
Went to family restaurant/steak house in last 6 months		4,265	80.5%	112
Family restaurant/steak house last month: <2 times		1,385	26.1%	102
Family restaurant/steak house last month: 2-4 times		1,729	32.6%	121
Family restaurant/steak house last month: 5+ times		1,151	21.7%	112
Family restaurant/steak house last 6 months: breakfast		800	15.1%	115
Family restaurant/steak house last 6 months: lunch		1,475	27.8%	112
Family restaurant/steak house last 6 months: snack		154	2.9%	103
Family restaurant/steak house last 6 months: dinner		3,343	63.1%	120
Family restaurant/steak house last 6 months: weekday		2,543	48.0%	125
Family restaurant/steak house last 6 months: weekend		2,681	50.6%	114
Family restaurant/steak house last 6 months: Applebee's		1,596	30.1%	120
Family restaurant/steak house last 6 months: Bennigan's		150	2.8%	127
Family restaurant/steak house last 6 months: Bob Evans Farm		245	4.6%	102
Family restaurant/steak house last 6 months: Cheesecake Factory		446	8.4%	126
Family restaurant/steak house last 6 months: Chili's Grill & Bar		766	14.5%	124
Family restaurant/steak house last 6 months: Cracker Barrel		640	12.1%	110
Family restaurant/steak house last 6 months: Denny's		524	9.9%	109
Family restaurant/steak house last 6 months: Friendly's		331	6.2%	159
Family restaurant/steak house last 6 months: Golden Corral		283	5.3%	74
Family restaurant/steak house last 6 months: Intl Hse of Pancakes		709	13.4%	114
Family restaurant/steak house last 6 months: Lone Star Steakhouse		158	3.0%	111
Family restaurant/steak house last 6 months: Old Country Buffet		150	2.8%	101
Family restaurant/steak house last 6 months: Olive Garden		1,281	24.2%	136
Family restaurant/steak house last 6 months: Outback Steakhouse		825	15.6%	136
Family restaurant/steak house last 6 months: Perkins		162	3.1%	85
Family restaurant/steak house last 6 months: Red Lobster		817	15.4%	115
Family restaurant/steak house last 6 months: Red Robin		501	9.5%	168
Family restaurant/steak house last 6 months: Ruby Tuesday		566	10.7%	129
Family restaurant/steak house last 6 months: Ryan's		86	1.6%	44
Family restaurant/steak house last 6 months: Sizzler		106	2.0%	65
Family restaurant/steak house last 6 months: T.G.I. Friday's		710	13.4%	130
Went to fast food/drive-in restaurant in last 6 months		4,804	90.6%	102
Went to fast food/drive-in restaurant <6 times/month		1,821	34.4%	98
Went to fast food/drive-in restaurant 6-13 times/month		1,623	30.6%	106
Went to fast food/drive-in restaurant 14+ times/month		1,360	25.7%	103
Fast food/drive-in last 6 months: breakfast		1,595	30.1%	110
Fast food/drive-in last 6 months: lunch		3,428	64.7%	110
Fast food/drive-in last 6 months: snack		1,081	20.4%	117
Fast food/drive-in last 6 months: dinner		2,759	52.0%	108

Data Note: An MPI (Market Potential Index) measures the relative likelihood of the adults in the specified trade area to exhibit certain consumer behavior or purchasing patterns compared to the U.S. An MPI of 100 represents the U.S. average.

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March 17, 2014



Restaurant Market Potential

West Dundee Retail Study Area
1, 5 and 10 mile radius
Ring: 1 mile radius

Prepared by Barry Bain
Latitude: 42.098118
Longitude: -88.28705

Product/Consumer Behavior	Expected Number of		MPI
	Adults	Percent	
Fast food/drive-in last 6 months: weekday	3,872	73.0%	110
Fast food/drive-in last 6 months: weekend	2,668	50.3%	104
Fast food/drive-in last 6 months: A & W	267	5.0%	111
Fast food/drive-in last 6 months: Arby's	1,280	24.1%	118
Fast food/drive-in last 6 months: Boston Market	378	7.1%	149
Fast food/drive-in last 6 months: Burger King	2,091	39.4%	110
Fast food/drive-in last 6 months: Captain D's	183	3.5%	68
Fast food/drive-in last 6 months: Carl's Jr.	292	5.5%	87
Fast food/drive-in last 6 months: Checkers	128	2.4%	76
Fast food/drive-in last 6 months: Chick-fil-A	908	17.1%	133
Fast food/drive-in last 6 months: Chipotle Mex. Grill	482	9.1%	148
Fast food/drive-in last 6 months: Chuck E. Cheese's	238	4.5%	100
Fast food/drive-in last 6 months: Church's Fr. Chicken	143	2.7%	63
Fast food/drive-in last 6 months: Dairy Queen	980	18.5%	117
Fast food/drive-in last 6 months: Del Taco	193	3.6%	107
Fast food/drive-in last 6 months: Domino's Pizza	637	12.0%	89
Fast food/drive-in last 6 months: Dunkin' Donuts	888	16.8%	146
Fast food/drive-in last 6 months: Fuddruckers	176	3.3%	117
Fast food/drive-in last 6 months: Hardee's	271	5.1%	76
Fast food/drive-in last 6 months: Jack in the Box	554	10.5%	99
Fast food/drive-in last 6 months: KFC	1,425	26.9%	98
Fast food/drive-in last 6 months: Little Caesars	340	6.4%	88
Fast food/drive-in last 6 months: Long John Silver's	249	4.7%	75
Fast food/drive-in last 6 months: McDonald's	3,056	57.6%	104
Fast food/drive-in last 6 months: Panera Bread	864	16.3%	167
Fast food/drive-in last 6 months: Papa John's	549	10.4%	119
Fast food/drive-in last 6 months: Pizza Hut	1,080	20.4%	93
Fast food/drive-in last 6 months: Popeyes	341	6.4%	88
Fast food/drive-in last 6 months: Quiznos	624	11.8%	129
Fast food/drive-in last 6 months: Sonic Drive-In	571	10.8%	92
Fast food/drive-in last 6 months: Starbucks	1,094	20.6%	137
Fast food/drive-in last 6 months: Steak n Shake	283	5.3%	106
Fast food/drive-in last 6 months: Subway	1,765	33.3%	105
Fast food/drive-in last 6 months: Taco Bell	1,819	34.3%	107
Fast food/drive-in last 6 months: Wendy's	1,793	33.8%	109
Fast food/drive-in last 6 months: Whataburger	223	4.2%	86
Fast food/drive-in last 6 months: White Castle	187	3.5%	89
Fast food/drive-in last 6 months: eat in	2,137	40.3%	107
Fast food/drive-in last 6 months: home delivery	596	11.2%	108
Fast food/drive-in last 6 months: take-out/drive-thru	2,992	56.4%	108
Fast food/drive-in last 6 months: take-out/walk-in	1,506	28.4%	116

Data Note: An MPI (Market Potential Index) measures the relative likelihood of the adults in the specified trade area to exhibit certain consumer behavior or purchasing patterns compared to the U.S. An MPI of 100 represents the U.S. average.

Source: These data are based upon national propensities to use various products and services, applied to local demographic composition. Usage data were collected by GfK MRI in a nationally representative survey of U.S. households. Esri forecasts for 2013 and 2018.

March 17, 2014



Restaurant Market Potential

West Dundee Retail Study Area
1, 5 and 10 mile radius
Ring: 5 mile radius

Prepared by Barry Bain
Latitude: 42.098118
Longitude: -88.28705

Demographic Summary		2013	2018
Population		166,010	171,244
Population 18+		118,958	122,103
Households		53,948	55,621
Median Household Income		\$63,328	\$76,996
		Expected Number of	
Product/Consumer Behavior	Adults	Percent	MPI
Went to family restaurant/steak house in last 6 months	90,784	76.3%	106
Family restaurant/steak house last month: <2 times	31,206	26.2%	102
Family restaurant/steak house last month: 2-4 times	34,304	28.8%	107
Family restaurant/steak house last month: 5+ times	25,273	21.2%	110
Family restaurant/steak house last 6 months: breakfast	17,929	15.1%	115
Family restaurant/steak house last 6 months: lunch	30,993	26.1%	105
Family restaurant/steak house last 6 months: snack	4,312	3.6%	129
Family restaurant/steak house last 6 months: dinner	67,206	56.5%	107
Family restaurant/steak house last 6 months: weekday	47,939	40.3%	105
Family restaurant/steak house last 6 months: weekend	58,304	49.0%	110
Family restaurant/steak house last 6 months: Applebee's	31,174	26.2%	104
Family restaurant/steak house last 6 months: Bennigan's	3,223	2.7%	122
Family restaurant/steak house last 6 months: Bob Evans Farm	4,058	3.4%	76
Family restaurant/steak house last 6 months: Cheesecake Factory	10,179	8.6%	128
Family restaurant/steak house last 6 months: Chili's Grill & Bar	17,628	14.8%	127
Family restaurant/steak house last 6 months: Cracker Barrel	11,664	9.8%	89
Family restaurant/steak house last 6 months: Denny's	14,555	12.2%	135
Family restaurant/steak house last 6 months: Friendly's	3,967	3.3%	85
Family restaurant/steak house last 6 months: Golden Corral	7,692	6.5%	90
Family restaurant/steak house last 6 months: Intl Hse of Pancakes	16,630	14.0%	120
Family restaurant/steak house last 6 months: Lone Star Steakhouse	2,974	2.5%	93
Family restaurant/steak house last 6 months: Old Country Buffet	2,984	2.5%	89
Family restaurant/steak house last 6 months: Olive Garden	24,854	20.9%	118
Family restaurant/steak house last 6 months: Outback Steakhouse	14,869	12.5%	110
Family restaurant/steak house last 6 months: Perkins	3,178	2.7%	74
Family restaurant/steak house last 6 months: Red Lobster	17,164	14.4%	108
Family restaurant/steak house last 6 months: Red Robin	9,525	8.0%	142
Family restaurant/steak house last 6 months: Ruby Tuesday	10,462	8.8%	106
Family restaurant/steak house last 6 months: Ryan's	2,653	2.2%	60
Family restaurant/steak house last 6 months: Sizzler	5,458	4.6%	150
Family restaurant/steak house last 6 months: T.G.I. Friday's	14,466	12.2%	118
Went to fast food/drive-in restaurant in last 6 months	107,719	90.6%	102
Went to fast food/drive-in restaurant <6 times/month	40,536	34.1%	97
Went to fast food/drive-in restaurant 6-13 times/month	35,622	29.9%	104
Went to fast food/drive-in restaurant 14+ times/month	31,562	26.5%	107
Fast food/drive-in last 6 months: breakfast	33,832	28.4%	104
Fast food/drive-in last 6 months: lunch	72,124	60.6%	103
Fast food/drive-in last 6 months: snack	22,503	18.9%	109
Fast food/drive-in last 6 months: dinner	59,014	49.6%	103

Data Note: An MPI (Market Potential Index) measures the relative likelihood of the adults in the specified trade area to exhibit certain consumer behavior or purchasing patterns compared to the U.S. An MPI of 100 represents the U.S. average.

Source: These data are based upon national propensities to use various products and services, applied to local demographic composition. Usage data were collected by GfK MRI in a nationally representative survey of U.S. households. Esri forecasts for 2013 and 2018.

March 17, 2014



Restaurant Market Potential

West Dundee Retail Study Area
1, 5 and 10 mile radius
Ring: 5 mile radius

Prepared by Barry Bain
Latitude: 42.098118
Longitude: -88.28705

Product/Consumer Behavior	Expected Number of		MPI
	Adults	Percent	
Fast food/drive-in last 6 months: weekday	78,640	66.1%	100
Fast food/drive-in last 6 months: weekend	61,905	52.0%	108
Fast food/drive-in last 6 months: A & W	5,863	4.9%	109
Fast food/drive-in last 6 months: Arby's	23,125	19.4%	95
Fast food/drive-in last 6 months: Boston Market	6,925	5.8%	121
Fast food/drive-in last 6 months: Burger King	42,715	35.9%	100
Fast food/drive-in last 6 months: Captain D's	3,910	3.3%	65
Fast food/drive-in last 6 months: Carl's Jr.	13,717	11.5%	181
Fast food/drive-in last 6 months: Checkers	3,442	2.9%	91
Fast food/drive-in last 6 months: Chick-fil-A	18,243	15.3%	119
Fast food/drive-in last 6 months: Chipotle Mex. Grill	10,584	8.9%	145
Fast food/drive-in last 6 months: Chuck E. Cheese's	6,711	5.6%	126
Fast food/drive-in last 6 months: Church's Fr. Chicken	4,899	4.1%	96
Fast food/drive-in last 6 months: Dairy Queen	17,444	14.7%	93
Fast food/drive-in last 6 months: Del Taco	6,887	5.8%	169
Fast food/drive-in last 6 months: Domino's Pizza	18,082	15.2%	113
Fast food/drive-in last 6 months: Dunkin' Donuts	13,531	11.4%	99
Fast food/drive-in last 6 months: Fuddruckers	4,524	3.8%	134
Fast food/drive-in last 6 months: Hardee's	4,750	4.0%	60
Fast food/drive-in last 6 months: Jack in the Box	19,315	16.2%	154
Fast food/drive-in last 6 months: KFC	32,398	27.2%	99
Fast food/drive-in last 6 months: Little Caesars	9,917	8.3%	114
Fast food/drive-in last 6 months: Long John Silver's	5,588	4.7%	75
Fast food/drive-in last 6 months: McDonald's	68,190	57.3%	103
Fast food/drive-in last 6 months: Panera Bread	13,813	11.6%	119
Fast food/drive-in last 6 months: Papa John's	11,718	9.9%	113
Fast food/drive-in last 6 months: Pizza Hut	26,837	22.6%	103
Fast food/drive-in last 6 months: Popeyes	9,919	8.3%	114
Fast food/drive-in last 6 months: Quiznos	13,625	11.5%	126
Fast food/drive-in last 6 months: Sonic Drive-In	14,594	12.3%	104
Fast food/drive-in last 6 months: Starbucks	23,652	19.9%	132
Fast food/drive-in last 6 months: Steak n Shake	5,882	4.9%	98
Fast food/drive-in last 6 months: Subway	40,425	34.0%	107
Fast food/drive-in last 6 months: Taco Bell	43,257	36.4%	113
Fast food/drive-in last 6 months: Wendy's	36,424	30.6%	99
Fast food/drive-in last 6 months: Whataburger	6,732	5.7%	116
Fast food/drive-in last 6 months: White Castle	4,130	3.5%	87
Fast food/drive-in last 6 months: eat in	46,437	39.0%	104
Fast food/drive-in last 6 months: home delivery	14,796	12.4%	119
Fast food/drive-in last 6 months: take-out/drive-thru	63,898	53.7%	103
Fast food/drive-in last 6 months: take-out/walk-in	30,083	25.3%	103

Data Note: An MPI (Market Potential Index) measures the relative likelihood of the adults in the specified trade area to exhibit certain consumer behavior or purchasing patterns compared to the U.S. An MPI of 100 represents the U.S. average.

Source: These data are based upon national propensities to use various products and services, applied to local demographic composition. Usage data were collected by GfK MRI in a nationally representative survey of U.S. households. Esri forecasts for 2013 and 2018.

March 17, 2014



Restaurant Market Potential

West Dundee Retail Study Area
1, 5 and 10 mile radius
Ring: 10 mile radius

Prepared by Barry Bain
Latitude: 42.098118
Longitude: -88.28705

Demographic Summary		2013	2018	
Population		529,479	542,868	
Population 18+		385,547	395,027	
Households		178,568	183,435	
Median Household Income		\$76,409	\$86,254	
Product/Consumer Behavior		Expected Number of Adults	Percent	MPI
Went to family restaurant/steak house in last 6 months		305,279	79.2%	110
Family restaurant/steak house last month: <2 times		102,640	26.6%	104
Family restaurant/steak house last month: 2-4 times		115,659	30.0%	111
Family restaurant/steak house last month: 5+ times		86,989	22.6%	116
Family restaurant/steak house last 6 months: breakfast		58,413	15.2%	116
Family restaurant/steak house last 6 months: lunch		107,702	27.9%	113
Family restaurant/steak house last 6 months: snack		12,495	3.2%	115
Family restaurant/steak house last 6 months: dinner		233,598	60.6%	115
Family restaurant/steak house last 6 months: weekday		168,979	43.8%	114
Family restaurant/steak house last 6 months: weekend		196,356	50.9%	115
Family restaurant/steak house last 6 months: Applebee's		108,494	28.1%	112
Family restaurant/steak house last 6 months: Bennigan's		11,251	2.9%	131
Family restaurant/steak house last 6 months: Bob Evans Farm		15,114	3.9%	87
Family restaurant/steak house last 6 months: Cheesecake Factory		37,040	9.6%	144
Family restaurant/steak house last 6 months: Chili's Grill & Bar		63,074	16.4%	140
Family restaurant/steak house last 6 months: Cracker Barrel		42,711	11.1%	101
Family restaurant/steak house last 6 months: Denny's		41,198	10.7%	118
Family restaurant/steak house last 6 months: Friendly's		13,303	3.5%	88
Family restaurant/steak house last 6 months: Golden Corral		23,805	6.2%	86
Family restaurant/steak house last 6 months: Intl Hse of Pancakes		56,481	14.6%	125
Family restaurant/steak house last 6 months: Lone Star Steakhouse		10,737	2.8%	104
Family restaurant/steak house last 6 months: Old Country Buffet		9,180	2.4%	85
Family restaurant/steak house last 6 months: Olive Garden		85,677	22.2%	125
Family restaurant/steak house last 6 months: Outback Steakhouse		54,918	14.2%	125
Family restaurant/steak house last 6 months: Perkins		11,295	2.9%	81
Family restaurant/steak house last 6 months: Red Lobster		58,168	15.1%	112
Family restaurant/steak house last 6 months: Red Robin		33,845	8.8%	156
Family restaurant/steak house last 6 months: Ruby Tuesday		38,150	9.9%	119
Family restaurant/steak house last 6 months: Ryan's		8,472	2.2%	59
Family restaurant/steak house last 6 months: Sizzler		12,757	3.3%	108
Family restaurant/steak house last 6 months: T.G.I. Friday's		51,791	13.4%	130
Went to fast food/drive-in restaurant in last 6 months		351,545	91.2%	103
Went to fast food/drive-in restaurant <6 times/month		129,915	33.7%	96
Went to fast food/drive-in restaurant 6-13 times/month		118,738	30.8%	107
Went to fast food/drive-in restaurant 14+ times/month		102,891	26.7%	107
Fast food/drive-in last 6 months: breakfast		113,036	29.3%	107
Fast food/drive-in last 6 months: lunch		244,221	63.3%	108
Fast food/drive-in last 6 months: snack		73,447	19.1%	109
Fast food/drive-in last 6 months: dinner		197,461	51.2%	106

Data Note: An MPI (Market Potential Index) measures the relative likelihood of the adults in the specified trade area to exhibit certain consumer behavior or purchasing patterns compared to the U.S. An MPI of 100 represents the U.S. average.

Source: These data are based upon national propensities to use various products and services, applied to local demographic composition. Usage data were collected by GfK MRI in a nationally representative survey of U.S. households. Esri forecasts for 2013 and 2018.

March 17, 2014



Restaurant Market Potential

West Dundee Retail Study Area
1, 5 and 10 mile radius
Ring: 10 mile radius

Prepared by Barry Bain
Latitude: 42.098118
Longitude: -88.28705

Product/Consumer Behavior	Expected Number of		MPI
	Adults	Percent	
Fast food/drive-in last 6 months: weekday	268,947	69.8%	105
Fast food/drive-in last 6 months: weekend	200,538	52.0%	108
Fast food/drive-in last 6 months: A & W	18,444	4.8%	106
Fast food/drive-in last 6 months: Arby's	80,885	21.0%	103
Fast food/drive-in last 6 months: Boston Market	24,975	6.5%	135
Fast food/drive-in last 6 months: Burger King	137,141	35.6%	99
Fast food/drive-in last 6 months: Captain D's	13,496	3.5%	69
Fast food/drive-in last 6 months: Carl's Jr.	35,470	9.2%	145
Fast food/drive-in last 6 months: Checkers	11,456	3.0%	93
Fast food/drive-in last 6 months: Chick-fil-A	68,335	17.7%	137
Fast food/drive-in last 6 months: Chipotle Mex. Grill	38,016	9.9%	160
Fast food/drive-in last 6 months: Chuck E. Cheese's	20,769	5.4%	120
Fast food/drive-in last 6 months: Church's Fr. Chicken	14,008	3.6%	85
Fast food/drive-in last 6 months: Dairy Queen	60,383	15.7%	99
Fast food/drive-in last 6 months: Del Taco	19,454	5.0%	148
Fast food/drive-in last 6 months: Domino's Pizza	55,892	14.5%	108
Fast food/drive-in last 6 months: Dunkin' Donuts	47,420	12.3%	107
Fast food/drive-in last 6 months: Fuddruckers	16,647	4.3%	153
Fast food/drive-in last 6 months: Hardee's	16,024	4.2%	62
Fast food/drive-in last 6 months: Jack in the Box	53,512	13.9%	132
Fast food/drive-in last 6 months: KFC	102,835	26.7%	97
Fast food/drive-in last 6 months: Little Caesars	30,050	7.8%	107
Fast food/drive-in last 6 months: Long John Silver's	18,387	4.8%	76
Fast food/drive-in last 6 months: McDonald's	223,315	57.9%	104
Fast food/drive-in last 6 months: Panera Bread	52,952	13.7%	141
Fast food/drive-in last 6 months: Papa John's	40,568	10.5%	121
Fast food/drive-in last 6 months: Pizza Hut	84,952	22.0%	100
Fast food/drive-in last 6 months: Popeyes	30,230	7.8%	107
Fast food/drive-in last 6 months: Quiznos	47,770	12.4%	136
Fast food/drive-in last 6 months: Sonic Drive-In	48,844	12.7%	108
Fast food/drive-in last 6 months: Starbucks	83,595	21.7%	144
Fast food/drive-in last 6 months: Steak n Shake	21,473	5.6%	111
Fast food/drive-in last 6 months: Subway	134,925	35.0%	111
Fast food/drive-in last 6 months: Taco Bell	139,345	36.1%	113
Fast food/drive-in last 6 months: Wendy's	125,042	32.4%	105
Fast food/drive-in last 6 months: Whataburger	22,113	5.7%	118
Fast food/drive-in last 6 months: White Castle	13,400	3.5%	87
Fast food/drive-in last 6 months: eat in	152,899	39.7%	105
Fast food/drive-in last 6 months: home delivery	46,799	12.1%	116
Fast food/drive-in last 6 months: take-out/drive-thru	216,824	56.2%	108
Fast food/drive-in last 6 months: take-out/walk-in	100,337	26.0%	106

Data Note: An MPI (Market Potential Index) measures the relative likelihood of the adults in the specified trade area to exhibit certain consumer behavior or purchasing patterns compared to the U.S. An MPI of 100 represents the U.S. average.

Source: These data are based upon national propensities to use various products and services, applied to local demographic composition. Usage data were collected by GfK MRI in a nationally representative survey of U.S. households. Esri forecasts for 2013 and 2018.

March 17, 2014

GROCERS:

Butera/Joseph Foods (25)
Angelo Caputo's Fresh Markets
Joe Caputo & Sons Fruit Market IGA
EuroFresh
Fresh Farms Market
Food 4 Less
Fresh Markets
Fresh Thyme Farmers Market
Garden Fresh (5)
Gordan Food Service
Heinen's
HyVee
Mariano's
Market Day
Meijer, Inc.
Nieman Foods
Pete's Fresh Markets (9)
Produce World
Shop & Save Market (6)
Spouts (160)
Trader Joe's
Centrella - Central Grocers
Valli Produce (4)
Village Market Place
Walt's Food Center
Whole Foods

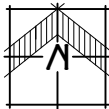
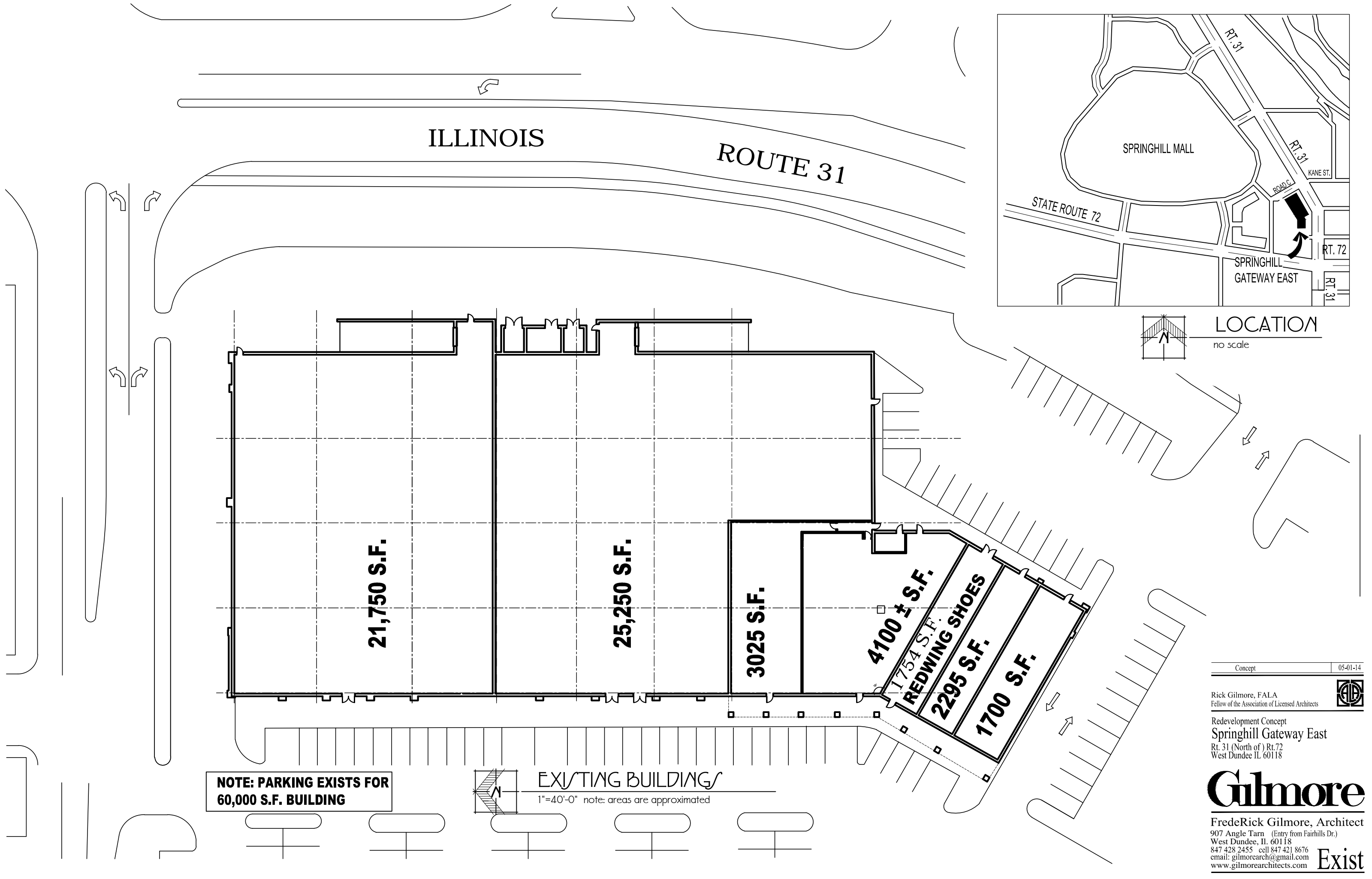
GENERAL RETAILERS:

Abt Electronics
Academy Sports
Ace Hardware
American Mattress
American Sale
Anna's Linens
Art Van Furniture
ATI Physical Therapy
Back to Bed
Bealls, Inc.
Beauty Brands
Bedding Experts/Back to Bed
Binny's Beverage Depot
Blain's Farm & Fleet
Boot Barn
Bridgestone Retail Operations
CVS Pharmacy
David's Bridal
Destination XL / "DXL"

Discount Tire
Dunham's Sports
Fallas Disc Store
Family Christian
Floor & Décor
FTI Therapy
Garden Ridge Home Décor
Glick's Art & Crafts
Goodwill Industries
Grand Appliances
Grant's Appliances
Guitar Center
H & M
Harbour Freight
Haverty Furniture Cos., Inc.
HH Gregg
Hibbet Sports
Hobby Lobby
Honey Baked Ham
La-Z-Boy
Leslie's Pool Supplies
Loehman Brothers
Kerasotes Theaters
Marshall/TJX Companies
Mattress Firm
Micro-Electronics
Name Brands, Inc.
Old Time Pottery
Party City
Pep Boys
Petco - West Dundee
Pier One Imports
Rainbow Apparel Cos.
Round 1 Bowling
Rural King
Savers/Value Village
Sear's Outlet
Sleepy's
Slumberland, Inc.
Staples
Stein Mart
Studio Movie Grill
Suburban Tire
The Dump
ULTA Beauty
Vitamin Shoppe
Walmart/SAM's

RESTAURANTS:

Arby's
Blaze Pizza
Buona Beef
Champs Sports Grill
Cheddar's
Chick-Fil-A
Chuck-E-Cheese
DQ Grill & Chill
El Famous Burrito
Golden Corral
Kona Grill
LJS/A&W
Meatheads
Miller Ale House
Muscle Maker Grill
Noodles and Company
Pepe's Mexican Restaurant
Pizzeria Locale
Red Robin
Sweet Tomatoes
The Cheesecake Factory



LOCATION

no scale

Concept 05-01-14

Rick Gilmore, FALA
Fellow of the Association of Licensed Architects

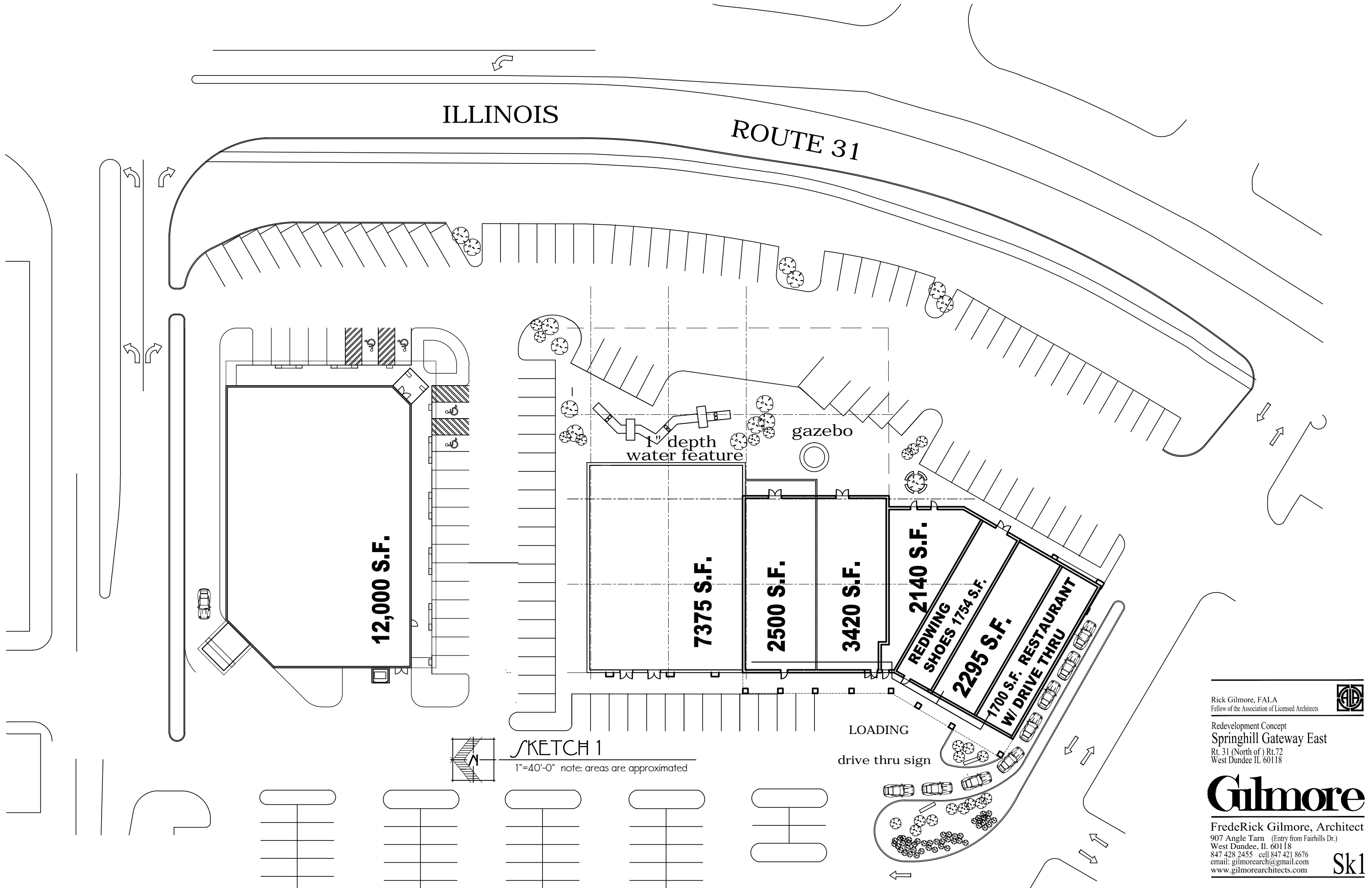


Redevelopment Concept
Springhill Gateway East
Rt. 31 (North of) Rt.72
West Dundee IL 60118

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Exist



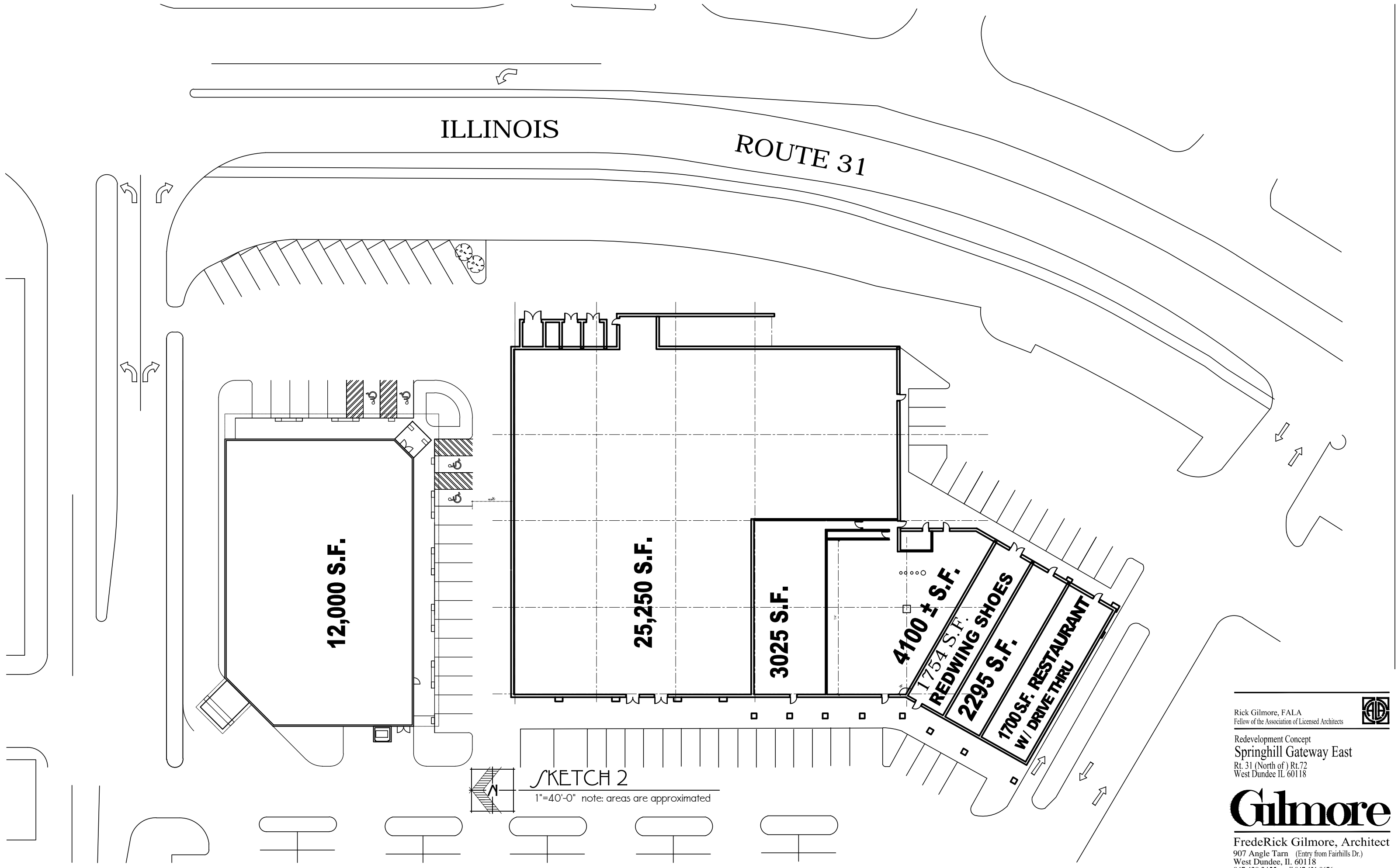
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Sk1



ILLINOIS

ROUTE 31

12,000 S.F.

25,250 S.F.

3,025 S.F.

4,100 ± S.F.

1,754 S.F.
REDWING SHOES

2,295 S.F.

1,700 S.F. RESTAURANT
W/ DRIVE THRU

SKETCH 2

1"=40'-0" note: areas are approximated

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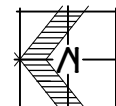
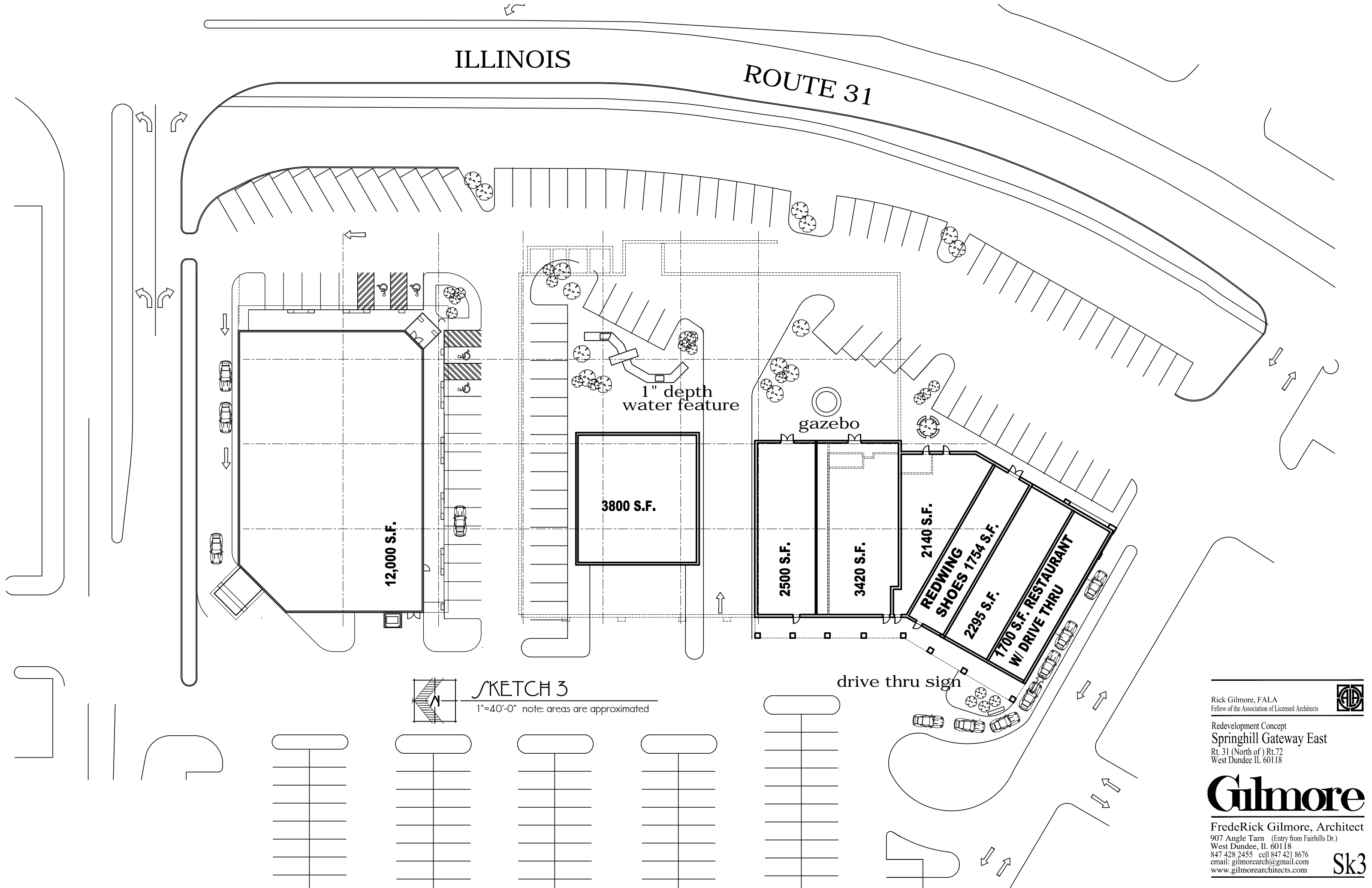


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Sk2



SKETCH 3

1"=40'-0" note: areas are approximated

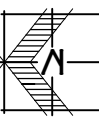
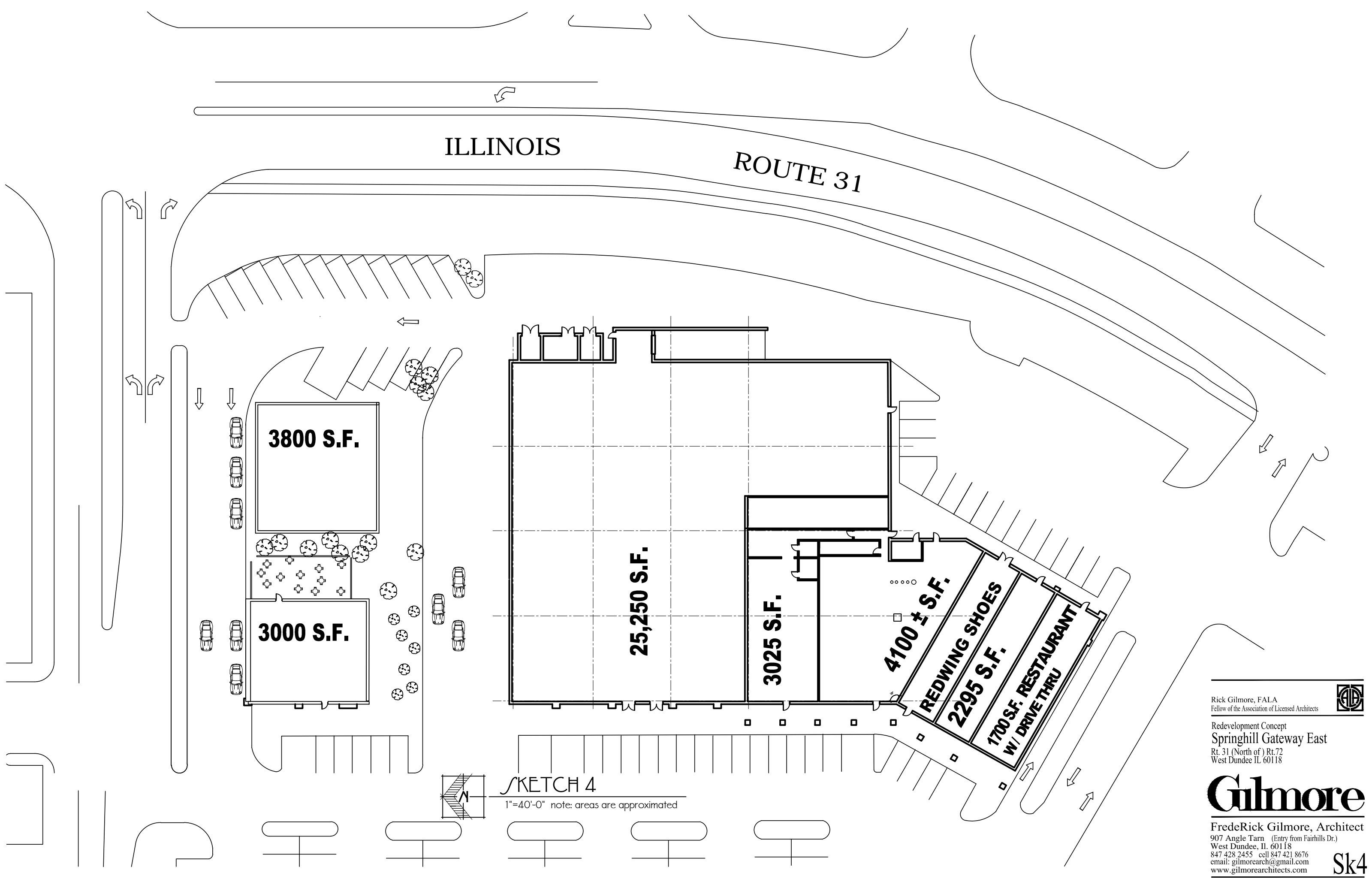
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Sk3



SKETCH 4

1"=40'-0" note: areas are approximated

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Fellow of the Association of Licensed Architects

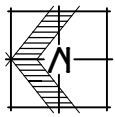
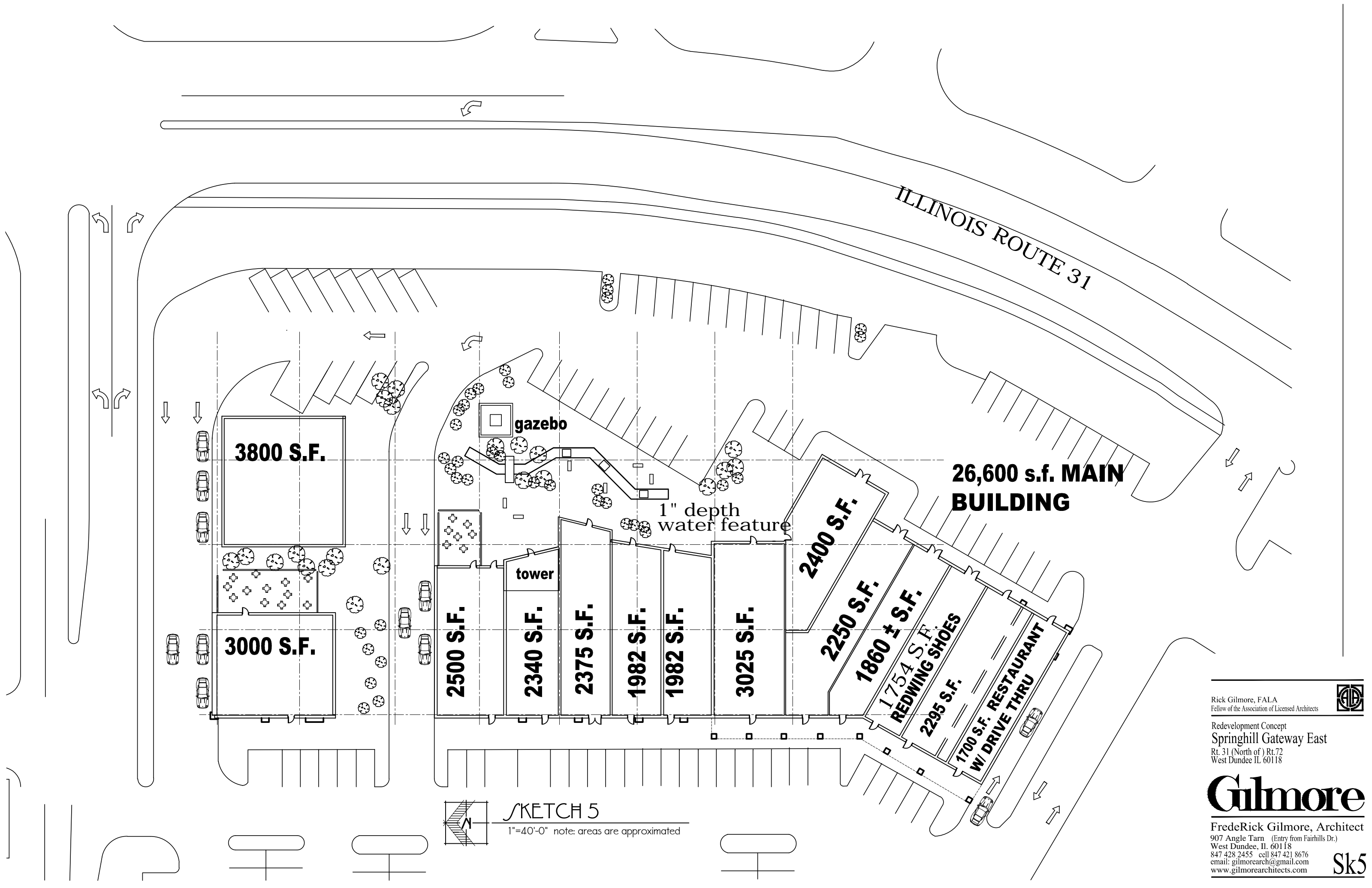


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Sk4



SKETCH 5

1"=40'-0" note: areas are approximated

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Rt. 31 (North of) Rt.72
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Sk5

DEVELOPMENT AND RETAIL SPACE NORTHWEST SUBURBAN WEST DUNDEE, IL



WEST DUNDEE, IL TRADE AREA PROFILE

DEMOGRAPHICS

RADIUS	POPULATION	HOUSEHOLDS	AVERAGE HOUSEHOLD INCOME	DAYTIME POPULATION
1 MILE	6,715	2,788	88,346	6,321
5 MILE	166,010	53,948	82,740	58,498
10 MILE	529,479	178,568	94,977	171,657

West Dundee has existing retail spaces and developable land at the center of Spring Hill Market Area at Route 31 and Route 72, along Route 31 within close proximity to I-90 interchange and along the Randall Road Corridor.

**FOR MORE INFORMATION CONTACT
WEST DUNDEE COMMUNITY DEVELOPMENT DEPT.
847-551-3805/ COMDEV@WDUNDEE.ORG**



September 4, 2014

Ms. or Mr.
GENERAL RETAIL

Re: Expansion Opportunity in West Dundee, IL

Dear Ms. or Mr. :

Pursuant to a strategic initiative the Village of West Dundee, IL is taking to enhance the commercial/retail services of the community, the Village of West Dundee has engaged GRS Centaur, a real estate/financial advisory firm to assist in the leasing and redevelopment of the retail and commercial property throughout the community. We are targeting quality retail users complimentary to the existing retailer base in and around principally Spring Hill Mall and the Randall Road corridor.

West Dundee has a strong interest in attracting quality retail and commercial uses to the community. There are several purchase and/or lease opportunities available in existing retail areas near Spring Hill Mall and the convergence of routes 31 and 72. Additionally, there are commercial sites available on Route 72 and the Randall Road corridor.

The attached flyer provides an aerial depiction of the opportunities around Spring Hill Mall which is the synergy of the commercial/retail development in West Dundee. On the back page of the flyer lists the available retail space for immediate occupancy or redevelopment and development parcels are shown with contact information. The Village is willing to assist in the establishment of your business through various programs - site improvements/interior build-out assistance, qualified reimbursement funds for redevelopment, and sales tax rebates.

We're certain your business would meet a need and have a loyal customer following in the West Dundee trade area. We would welcome the opportunity to discuss this further with you. Please feel free to contact us to discuss options for your next location in West Dundee.

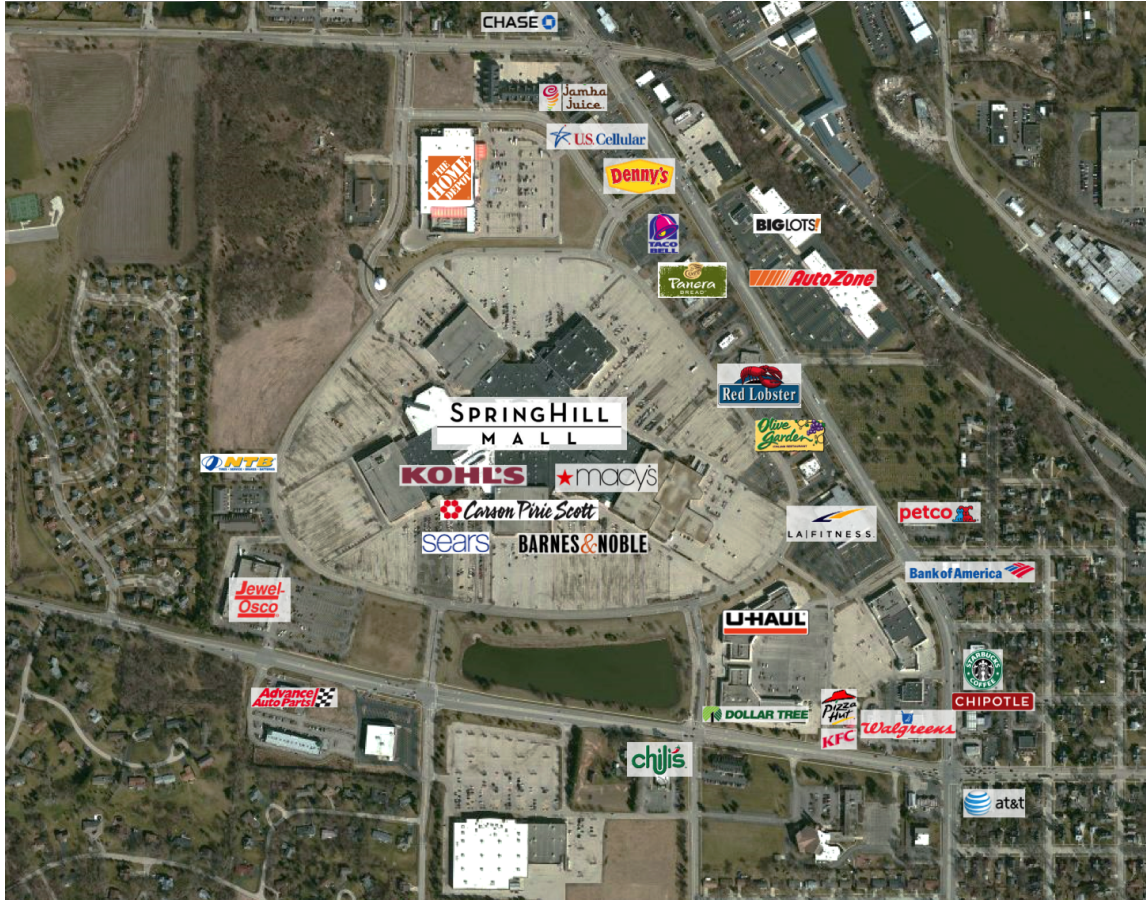
Thank you for your consideration in advance.

Cathleen Tymoszenko

Cathleen Tymoszenko, Community Development Director
Village of West Dundee
847-551-3805
ctymoszenko@wdundee.org

Barry D. Bain

Barry D. Bain, CCIM
GRS Group | Centaur – Director
630-690-4335
bbain@grs-global.com



NORTHWEST SUBURBAN CHICAGO

West Dundee

Illinois

West Dundee is one of northwest Chicago's fastest growing suburbs. A vibrant community that is home to Spring Hill Mall, the largest enclosed mall (1.1+mm sf) within a 30-40 minute drive, easily accessible from I-90, RT31&72 (41,000 vehicles per day) and Randall Road (45,000 vehicles per day).

Developer friendly incentives and public assistance programs include TIF and SSA financing, sales tax and development cost rebates, and grants and loans.

CONTACT

West Dundee Community Development Department
847-551-3805
comdev@wdundee.org

DEMOGRAPHICS

RADIUS miles	POPULATION permanent	POPULATION daytime	HOUSEHOLDS	HOUSEHOLD INCOME average
1	6,715	6,321	2,788	\$88,346
5	166,010	58,498	53,948	\$82,740
10	529,479	171,657	178,568	\$94,977

	Location	Address	Type of Space	Size (sf)	Zoning	Lease/Sale	Price	Contact	Company	Phone
RETAIL AND RESTAURANT SPACE										
1	Huntley and Tartans (Tartans Crossing)	1925-1991 Huntley	Retail Strip	1,200 - 5,400	B2	Lease	\$12-\$14 psf	Heather Schweitzer	Premier Commercial	847-854-2300
2	Rt 31 and Rt 72 (Spring Hill Mall)	N/A	Mall	Misc	B2	Lease	Undisclosed	Amy Prew	Rouse Properties	847-428-1509
3	Rt 31 and Rt 72 (Gateway East)	310-390 N. 8th St.	Existing Retail	1,500 - 59,000	B2	Lease/Sale	\$12 psf / negotiable	Stuart Lenhoff	Horizon	847-870-8585
4	Rt 31 and Rt 72 (Gateway West)	830-890 Main	Existing Retail	1,500 - 50,000	B2	Lease	Negotiable	Kurt Kresnery	Americo Real Estate	847-343-8149
5	Rt 72 and Village Quarter Rd (former Best Buy)	979 Main St	Existing Retail	36,000	B2	Lease	\$9 psf	Adam Cody	SRS	847-334-2547
6	Rt 72 and Locust (former Target)	999 Main St.	Existing Retail	126,000+10	B2	Purchase	\$3,200,000	Wendell Hollan	CBRE	630-573-7018
7	Rt 72 and 2nd St	121 Main St.	Existing Retail	10,000	B1	Sale	\$545,000	Dave Schmidt	Premier Commercial	847-404-3851
8	Rt 72 and 1st St	99 Main St.	Existing Retail	1,000	B1	Sale	\$125,000	Greg Samata		847-428-0001
9	Rt 72 and 1st St	89-93 Main St.	Existing Office	5,000	B1	Sale	\$295,000	Greg Samata		847-428-0001
10	Rt 72 and 1st St	101 S. 1st St.	Existing Office	10,000	B1	Sale	\$650,000	Greg Samata		847-428-0001
11	Rt 31 and Eichler	531-547 S. 8th St.	Retail Strip	1,200	B3	Lease	\$1996 per mo.	Affiliated Realty	Mariann Eder	847-439-0400
12	Rt 31 and Strom Drive	621-625 S. 8th St.	Retail Strip	2,576	B3	Lease	\$15 psf	Paul Tsakiris	1st Western Properties	773-545-2000
13	Rt 31 S of Willow	750-762 8th	Retail Strip	1,600	B3	Lease	Undisclosed	Alan Miller	Rose Plaza	847-744-6026
14	Rt 31 and Market Loop	631-785 S.8th St.	Retail Strip	Misc	B3	Lease	Undisclosed	Ladi Kolacny	Century Development	847-428-0700

DEVELOPMENT SITES										
1	E Side Randal (Rt 72 to Binnie)	N/A	Vacant/Mixed Use	270 Acres	SDD	Sale	Undisclosed / Will Divide	Mike Anderson	Anderson & Associates	847-468-1090
2	SE Corner Randall and Rt 72	N/A	Vacant/Mixed Use	70 Acres	Unincorp	Sale	Undisclosed	Cathleen Tymoszenko	Village of West Dundee	847-551-3805
3	Randall and Carrington	N/A	Commercial/Divided	24 Acres	B2	Sale	Undisclosed	Robert Traszka	Owner	847-826-0938
4	NW Corner Randall and Rt 72	N/A	Vacant/Commercial	1.9 Acres	Unincorp	Sale	\$1 million	Cathleen Tymoszenko	Village of West Dundee	847-551-3805
5	N of NW Corner Randall and Rt 72	N/A	Vacant/Commercial	6 Acres	Unincorp	Sale	\$7 psf	Jim Kiss	Owner	847-428-5477
6	N of NW Corner Randall and Rt 72	N/A	Vacant/Mixed Use	47 Acres	Unincorp	Sale	Undisclosed / Will Divide	John Cassidy	Lee and Associates	773-355-3006
7	Rt 72 and Wesemann (Oakview Corp Park)	N/A	Vacant/Improved	3-16 Acres	SDD	Sale	Undisclosed	Noel Liston	Darwin	630-782-9520
8	NE Rt 72 and Wesemann	N/A	Vacant Commercial	2.4 Acres	SDD	Sale	\$1.1 million	Paul Montes	Inland Real Estate	630-990-8400
9	SW Corner Randall and Rt 72	N/A	Vacant/Mixed Use	38 Acres	Unincorp	Sale	Undisclosed	Cathleen Tymoszenko	Village of West Dundee	847-551-3805
10	Huntley W of Harbour	N/A	Vacant/Commercial	22 Acres	B2	Sale	Undisclosed	John Regan	Owner	847-697-6770
11	SW Corner Huntley and Elm	N/A	Vacant/Commercial	11 Acres	B2	Lease	Undisclosed	Amy Prew	Rouse Properties	847-428-1509
12	Rt 31 and Rt 72 (Spring Hill Mall Outlot)	N/A	Vacant/Commercial	15 Acres	B2	Lease	Undisclosed	Amy Prew	Rouse Properties	847-428-1509
13	NE Corner Rt 72 and Locust	1250 W. Main	Vacant/Commercial	2.9 Acres	B2	Sale	Undisclosed / Divisible	Mike Streit	Arcore	630-908-5702
14	Rt 31 and Village Quarter Rd	N/A	Vacant/Commercial	7 Acres	B3	Sale	\$1,500,000	Tony Gange	CBRE	630-573-7030
15	SW Corner Rt 31 and Willow	N/A	Vacant/Commercial	1.82 Acres	B3	Sale	\$10 psf	Anne Imming	Jones Lang LaSalle	630-423-3433
16	Beacon Street	N/A	Vacant/Commercial	1.5 Acres	B3	Sale	Undisclosed	Ladi Kolacny	Century Development	847-428-0700
17	Rt 31 S of Willow	N/A	Vacant/Commercial	1.53 Acres	B3	Sale	Undisclosed	Ladi Kolacny	Century Development	847-428-0700
20	NW Corner Rt 31 and Boncosky	N/A	Vacant/Mixed Use	36 Acres	B3	Sale	Undisclosed	Craig Zachrich	HLC Partners	847-334-2547
21	Rt 31 from Marriott to N of Angle Tarn	N/A	Vacant/Mixed Use	500 Acres	SD	Sale	Undisclosed	Craig Zachrich	HLC Partners	847-334-2547
22	Rt 31 from Marriott to N Angle Tarn	N/A	Vacant/Mixed Use	170 Acres	SD	Sale	Undisclosed	Craig Zachrich	HLC Partners	847-334-2547
23	SW Corner Route 31 and Marriott Drive	2070 Rt. 31	Vacant/Commercial	40,000	B3	Sale	\$895,000	Jonathan Hyman	Metro CRE	224-627-3812

Business		RESTAURANTS
GROCERY STORES	Bridgestone Retail Operations	Arby's (Lunan Corp.)
Butera/Joseph Foods	CVS Pharmacy	Buona Beef
Angelo Caputo's Fresh Markets	David's Bridal	Champs Sports Grill
Joe Caputo & Sons Fruit Market IGA	Destination XL / "DXL"	Cheddar's
Cermak Fresh Market	Discount Tire	Chick-Fil-A
EuroFresh	Dunham's Sports	Chuck-E-Cheese
Fresh Farms Market	Fallas Disc Store	DQ Grill & Chill
Food 4 Less	Family Christian	El Famous Burrito
Fresh Markets	Floor & Décor	Golden Corral
Fresh Thyme Farmers Market	FTI Therapy	Kona Grill
Garden Fresh	Garden Ridge Home Décor	LJS/A&W
Gordan Food Service	Goodwill Industries	Miller Ale House
Heinen's	Grand Appliances	Pepe's Mexican Restaurant
HyVee	Grant's Appliances	Red Robin
Mariano's	Guitar Center	The Cheesecake Factory
Meijer, Inc.	H & M	
Nieman Foods	Haverty Furniture Cos., Inc.	
Pete's Fresh Markets	HH Gregg	
Produce World	Hibbett Sports	
Save-A-Lot Foods	Hobby Lobby	
Shop & Save Market	Honey Baked Ham	
Sprouts	La-Z-Boy	
Standard Market	Leslie's Pool Supplies	
Trader Joe's	Kerasotes Theaters	
Centrella - Central Grocers	Marshall/TJX Companies	
Valli Produce	Mattress Firm	
Village Market Place	Micro-Electronics	
Walt's Food Center	Name Brands, Inc.	
Whole Foods	Old Time Pottery	
GENERAL RETAIL	Party City	
Abt Electronics	Pep Boys	
Academy Sports	Petco - West Dundee	
Ace Hardware	Pier One Imports	
American Mattress	Rainbow Apparel Cos.	
American Sale	Rural King	
Art Van Furniture	SAM's Club/Wal-Mart	
ATI Physical Therapy	Savers/Value Village	
Peebles, Inc. (Stage Stores)	Sear's Outlet	
Beauty Brands	Sleepy's	
Bedding Experts/Back to Bed	Slumberland, Inc.	
Binny's Beverage Depot	Staples	
Blain's Farm & Fleet	Stein Mart	
Blicks Art & Crafts	Studio Movie Grill	
Boot Barn	Suburban Tire	
	ULTA Beauty	
	Vitamin Shoppe	

EXHIBITS

Exhibit F:

CMAP Housing Study

West Dundee 2020
Economic Development Plan



Overview: Fox Valley Homes for a Changing Region Study

In 2013, the Village began working with the Chicago Metropolitan Planning Agency (CMAP), the Metropolitan Planning Council and Metropolitan Mayors Caucus on a regional and local Housing Study titled Fox Valley Homes for a Changing Region. This project is a multijurisdictional effort to promote a regional approach to housing demand and supply issues and was completed with our municipal partners in Carpentersville, East Dundee, and Elgin. This project was awarded a CMAP local technical assistance grant which provided for 100% of the funding for the project costs.

Through the study, present and future housing needs were analyzed utilizing multiple data sources and existing housing conditions in such areas as housing affordability, housing and transportation costs, and housing condition. Additionally, the capacity for new housing was reviewed by creating profiles of the workforce in the sub region and identification of industry sectors and commuting patterns, and; utilizing population, demographic and employment forecasts and determining potential new populations for each municipality and for the study area as a whole.

The project entailed a public stakeholder workshop and outreach efforts including an online survey. There were initial and midterm presentations to the Village Board. The project had a steering committee that consisted of staff and elected officials from all participating communities. Trustee Price represented the Village Board of West Dundee. The final draft was circulated to the steering committee a few months ago and feedback sought and incorporated.

The final report is completed and includes several recommendations for future consideration and action. Some of the recommendations are already being implemented through our Downtown Planning effort, Retail Study and efforts to finalize and amend annexation and/or development agreements.



These recommendations are as follows:

- Focus multi-family developments
 - Amenities
 - Walkability
- Downtown West Dundee
 - Parking study
 - Improve bike and pedestrian access
- Haeger property
 - A neighborhood with many housing types
 - Gridded street pattern north of Jelkes Creek
- Work with Carpentersville to explore the future of Spring Hill Mall
- Consider the necessity of minimum living area standards when crafting new zones
- Foster openness
- Include a statement of welcome for peoples of all backgrounds in the Welcome Packet.
- Make sure all documents are available in a variety of languages, based on Local needs, and accessible to persons with disabilities
 - Provide information on how to file housing discrimination complaints
 - Ensure the Village evaluates whether proposed designs comply with the Fair Housing Act
 - Adopt a visitability ordinance



Homes for a Changing Region

Phase 3: Implementing Balanced Housing Plans at the Local Level



Year Seven: Carpentersville, East Dundee, Elgin, and West Dundee

Homes for a Changing Region

Phase 3: Implementing Balanced Housing Plans at the Local Level

Year Seven: Carpentersville, East Dundee, Elgin, and West Dundee

Spring 2014



May 2014

Over the last year, the Metropolitan Mayors Caucus (MMC), the Chicago Metropolitan Agency for Planning (CMAP), and the Metropolitan Planning Council (MPC) have engaged in forward-looking housing planning with four communities in northeastern Kane County: Carpentersville, East Dundee, Elgin, and West Dundee. These groups have worked with local officials, their staffs, and residents to develop housing policy plans for each community. The group also examined current and projected housing data for the entire four-municipality group, developing general recommendations on which they can collaborate.

We want to thank outside contributors to the project — the U.S. Department of Housing and Urban Development Sustainable Communities Initiative, the Chicago Community Trust, the Illinois Housing Development Authority, and the Harris Family Foundation — for their financial support. We also want to thank President Ed Ritter of Carpentersville, President Lael Miller of East Dundee, Mayor David Kaptain of Elgin, and President Christopher Nelson of West Dundee, as well as their staffs, for the extensive help they have provided in preparing these community studies.

Allison Milld Clements of the MMC, Nancy Firfer and King Harris of the MPC, and CMAP staff provided oversight to the project.

MarySue Barrett

President, Metropolitan Planning Council

David Bennett

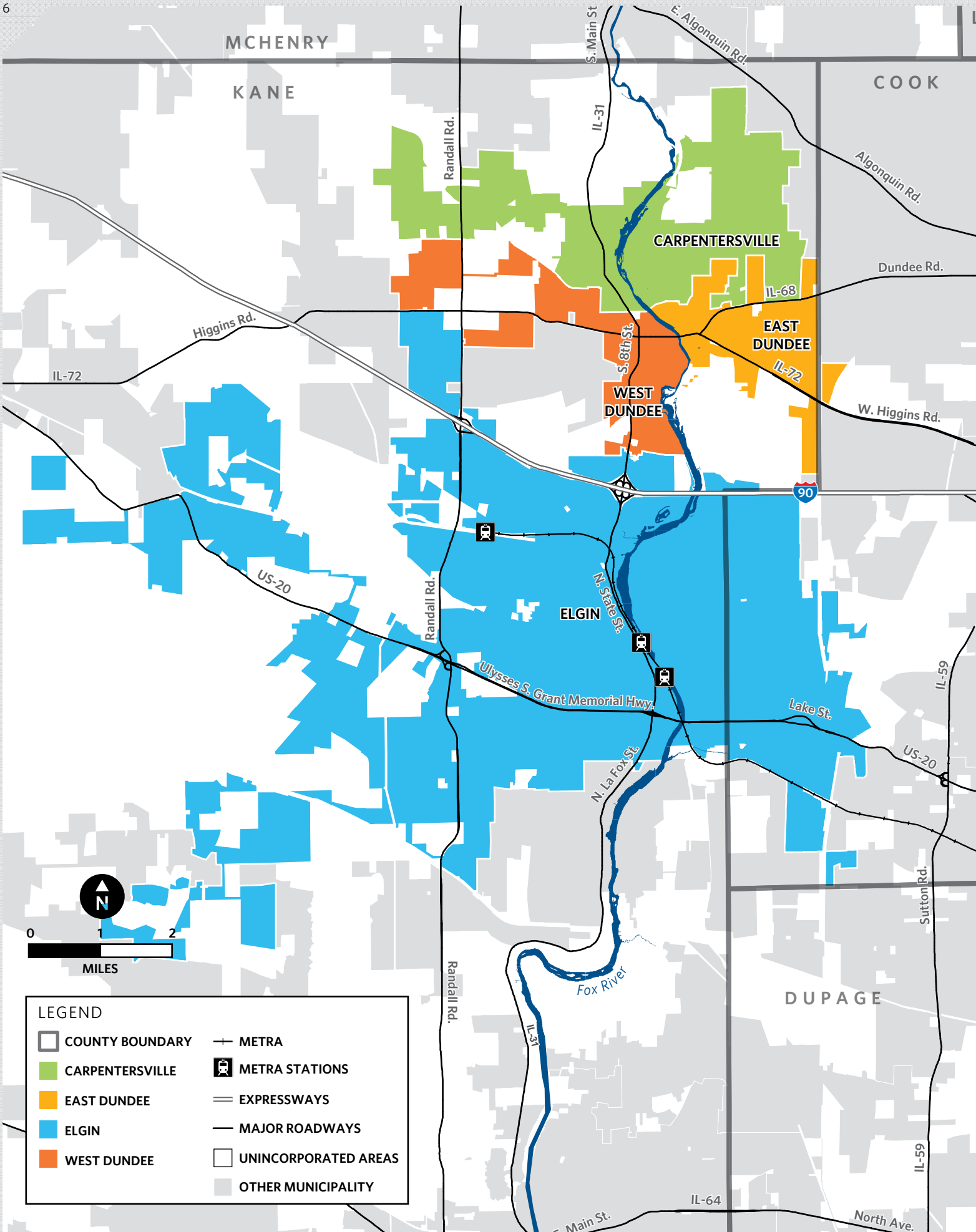
Executive Director, Metropolitan Mayors Caucus

Randall S. Blankenhorn

Executive Director, Chicago Metropolitan Agency for Planning

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Carpentersville, East Dundee, Elgin, and West Dundee participated in this study.

Source: Chicago Metropolitan Agency for Planning.

Subregional Report and Recommendations

Introduction

This Homes for a Changing Region (*Homes*) report focuses on four neighboring communities in northeastern Kane County — Carpentersville, East Dundee, Elgin, and West Dundee. Despite differences in population, income levels, ethnic composition, and transit access, all four communities share common assets. All of the municipalities benefit from access to the Fox River. Each community started with a downtown core along the Fox River, and these historic downtowns now offer an opportunity for revitalization. The subregional housing stock includes a mix of single-family homes, townhomes, and multi-family units. In recent years many communities have approved developments or undertaken policy changes designed to strengthen and diversify the local housing market. Major employers in and around the area provide numerous job opportunities at varying income and skill levels.

General statistics

	CARPENTERSVILLE	EAST DUNDEE	ELGIN	WEST DUNDEE
2011 population	37,480	2,909	108,681	7,208
Change as %, population 2000-11	23%	-3%	15%	33%
GO TO 2040 population projection, 2040	49,334	6,783	158,510	12,036
Change as %, 2011-40	32%	133%	46%	67%
Median household income	\$55,653	\$68,288	\$59,032	\$86,286
Jobs, 2011	7,327	2,747	57,869	3,751

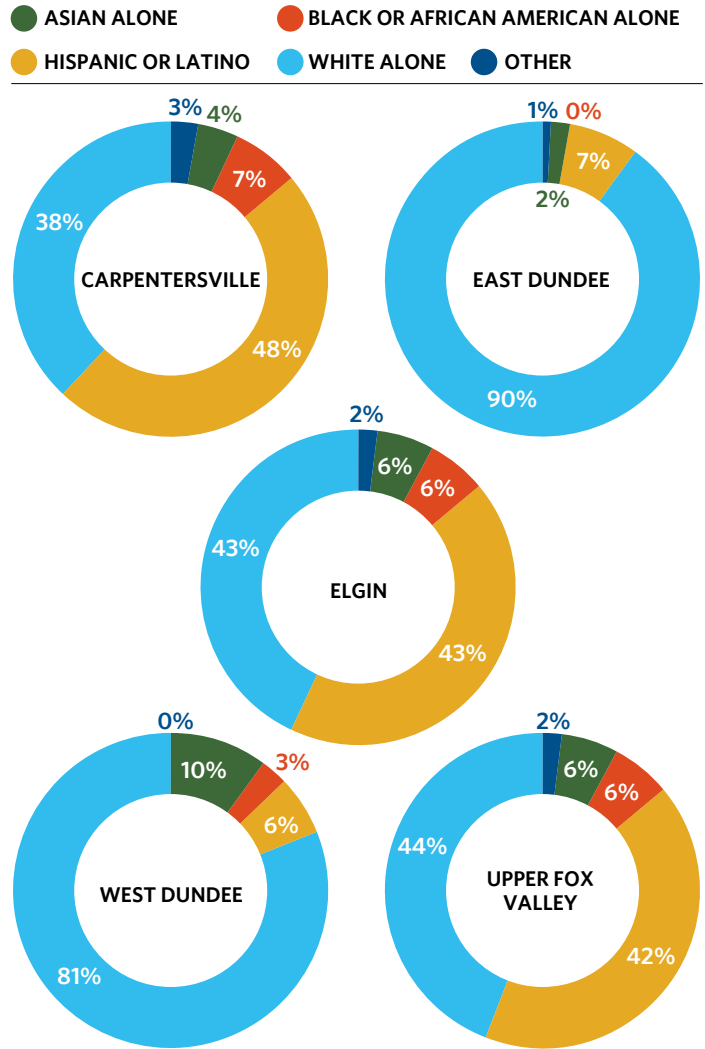
Source: U.S. Census Bureau 2000 Census, American Community Survey 2007-11, and Local Employment Dynamics data and Chicago Metropolitan Agency for Planning GO TO 2040 projections.

These assets offer much to build on when addressing common challenges, including:

- **Use of the Fox River to enhance livability and prosperity, including the revitalization of historic downtowns.**
- **Efficiently maintaining and improving the quality of existing housing.**
- **Balancing greenfield development and redevelopment.**
- **Meeting projected demand for senior housing.**
- **Growing while providing affordable housing opportunities for an increasingly diverse group of future residents.**

The challenges the four communities face are not unique. Many communities that have been or will be profiled in *Homes* reports—Aurora, Batavia, Geneva, Montgomery, North Aurora, and St. Charles—deal with similar issues. Collectively or in sub-groups, Kane County Fox River communities have an opportunity to work together toward a prosperous future. What follows is a subregional analysis of current conditions, a review of recent policy remedies, a look at the potential housing market, and recommendations for future subregional action that can build off of these strengths to address shared issues.

Race/ethnicity, 2011



Source: American Community Survey 2007-11 data.

Existing Conditions

Local, regional, and national recovery from the recession remains slow and uneven. Harvard University found that a broad array of housing market indicators improved over the last year, driven by rising home prices and a tighter rental market.¹ Despite improvements, the communities of northeastern Kane County, like communities throughout metropolitan Chicago, still suffer from the consequences of the crisis that hit the American economy in 2008. Home prices remain well below those found five years earlier. Foreclosure rates, particularly in Carpentersville and Elgin, remain elevated.

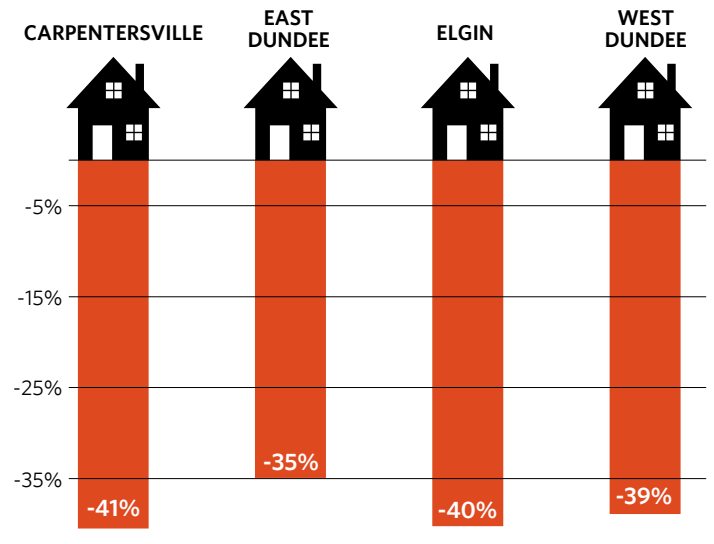
What is affordable housing?

One of the most essential elements in understanding local housing dynamics is housing affordability. What constitutes "affordable housing" varies from household to household, as the measure is relative.

- "Affordable housing" is housing that costs no more than 30 percent of household income (including utilities, insurance, and taxes).
- "Unaffordable housing" is housing that costs between 30 percent and 50 percent of household income.
- "Severely unaffordable housing" is housing that costs more than 50 percent of household income.

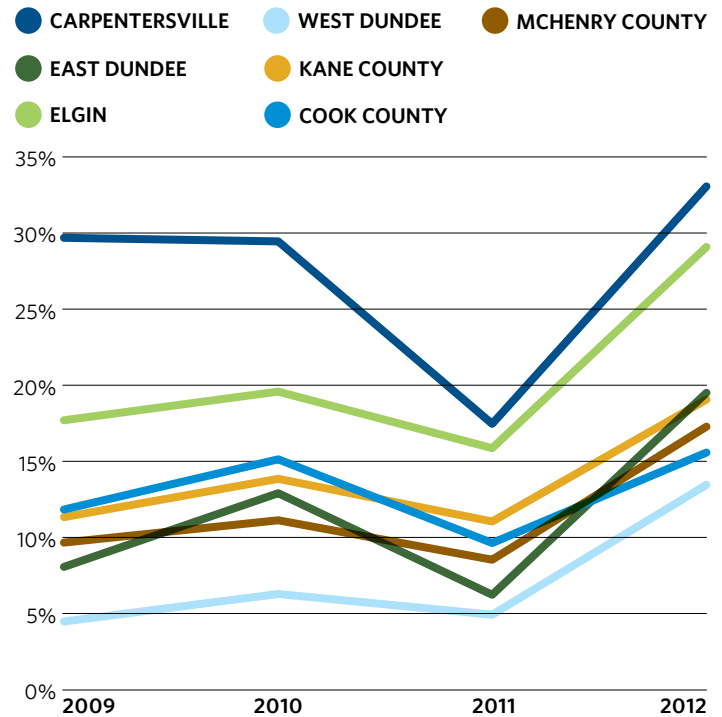
This time-tested standard is reflected in everything from the underwriting standards of private lenders to data from the Census Bureau.

Change in average home sales prices over the last five years



Source: Trulia, www.trulia.com, pulled July 10, 2013.

Foreclosure auction rate



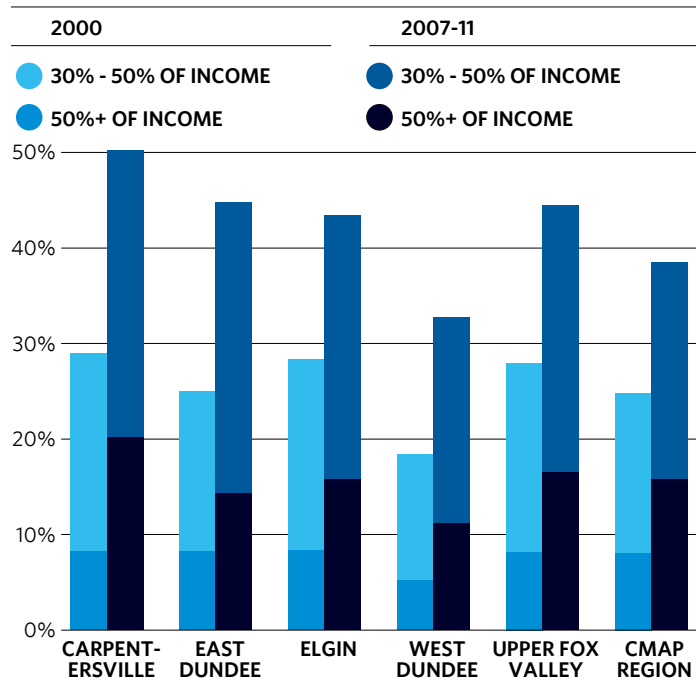
Source: Woodstock Institute, <http://www.woodstockinst.org/>.

1. Joint Center for Housing Studies. *State of the Nation's Housing 2013*. (June, 2013). Harvard University.

These lower home prices, combined with historically low mortgage interest rates, should be a recipe for improving housing affordability, with owners paying smaller percentages of their incomes on housing related costs.² Over the last decade the opposite has occurred. Far more owners now pay more than 30 percent of their income for housing and housing related expenses. One potential explanation for this trend is the sticky nature of owner costs. Many owners remain locked in older mortgages and face difficulty attempting to refinance. Declining incomes or unemployment only exacerbate the problem. In the subregion, the bulk of cost-burdened owners are lower- and middle-income homeowners, with 44 percent of owner households who pay more than 30 percent of their income on housing costs earning between \$20,000 and \$50,000.

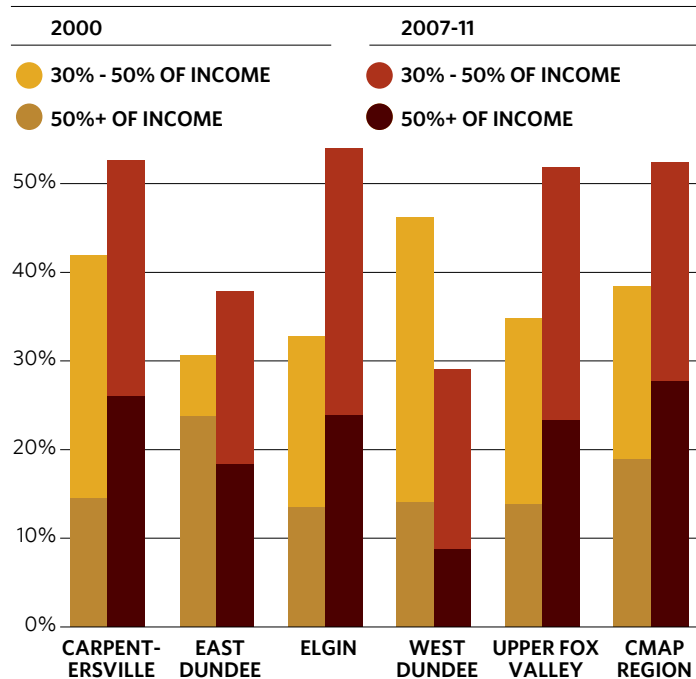
More renter households also spent greater than 30 percent of their income on housing and housing related expenses over the past decade. West Dundee, contrary to regional and national trends, saw the number of cost burdened renters decrease due to local growth in the number of middle- and upper-income renters. Almost 80 percent of cost-burdened renters with affordability issues earn less than \$35,000. Not surprisingly, these affordability trends track closely with foreclosures. West Dundee, the aforementioned outlier, maintained a much lower foreclosure auction rate.

Percent of owner-occupied households paying more than 30 percent of income on monthly owner costs



Source: 2000 U.S. Census and American Community Survey 2007-11 data.

Percent of renter-occupied households paying more than 30 percent of income on gross rent



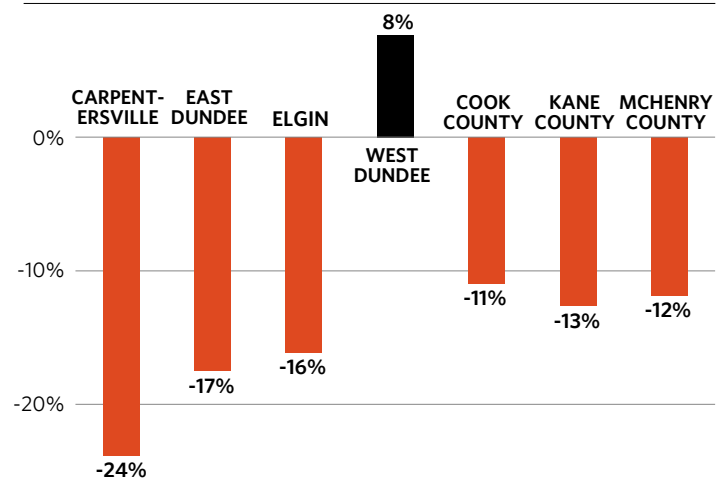
Source: 2000 U.S. Census and American Community Survey 2007-11 data.

2. Between 2000-12, the Federal Reserve reported that the annual contract rate on a 30-year fixed rate conventional home mortgage declined from 8.06 percent to 3.66 percent.

Typically, efforts to reduce the number of cost-burdened owners and renters focus on housing costs. How much is the mortgage payment or rent? How can that amount be lowered? An alternative way to think about the problem is to consider income, something inherently tied to education and economic opportunity. Households with rising incomes are better positioned to deal with rising housing costs.

Over the last 11 years, median household income in the region has declined in real terms (i.e. after adjusting for inflation). Comparatively, analysis of 2000 U.S. Census data and 2007-11 American Community Survey (ACS) data indicates that most dwelling units were added for renter households whose incomes exceeded \$50,000 and for owner households whose incomes exceeded \$75,000. Declining real incomes, coupled with rising housing costs, created the perfect storm for the increasing number of cost-burdened households, leaving municipalities to try and manage the physical and social impacts.

Percent change in real median household income 2000-11



Source: Chicago Metropolitan Agency for Planning analysis of the 2000 U.S. Census and American Community Survey 2007-11 data using the Bureau of Labor Statistics Consumer Price Index Inflation Calculator (http://www.bls.gov/data/inflation_calculator.htm).

Projected Future Demand

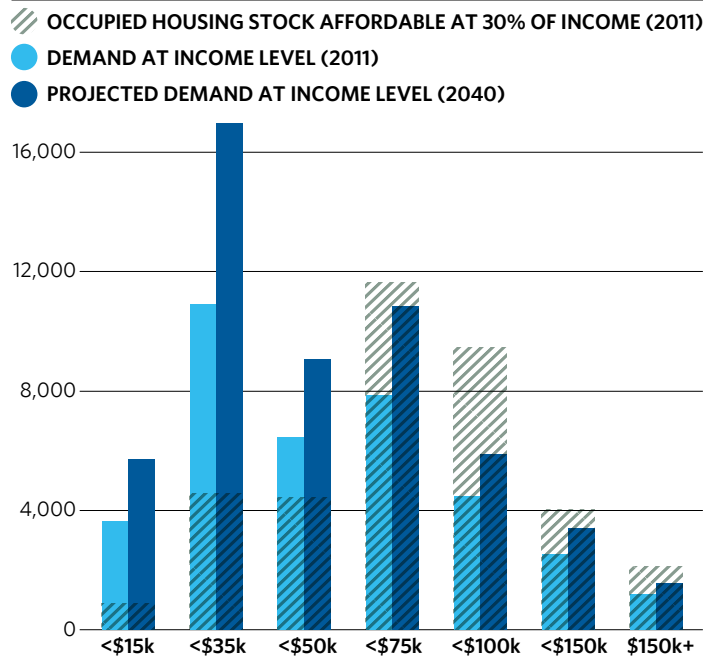
Using population and income projections for upper Kane County through 2040, CMAP developed housing demand forecasts by tenure (rent vs. own) and price point for the subregion, allowing a comparison of future demand to the current supply and demand of affordable housing.

Combined, the four communities currently experience a shortage of affordable owner-occupied housing for families whose incomes are below \$50,000, and this shortage could grow significantly by 2040. A key driver for increased demand will be the subregion's growing senior population.

Rental demand in some ways mirrors owner-occupied demand. Again, there currently exists a shortage of affordable rental units for low- and moderate-income families whose incomes are below \$35,000 per year, and this shortage will grow by 2040. Senior demand will be the key factor in explaining the need for more units. By 2040 there also will be a minor shortage of rental units for families whose incomes exceed \$75,000.

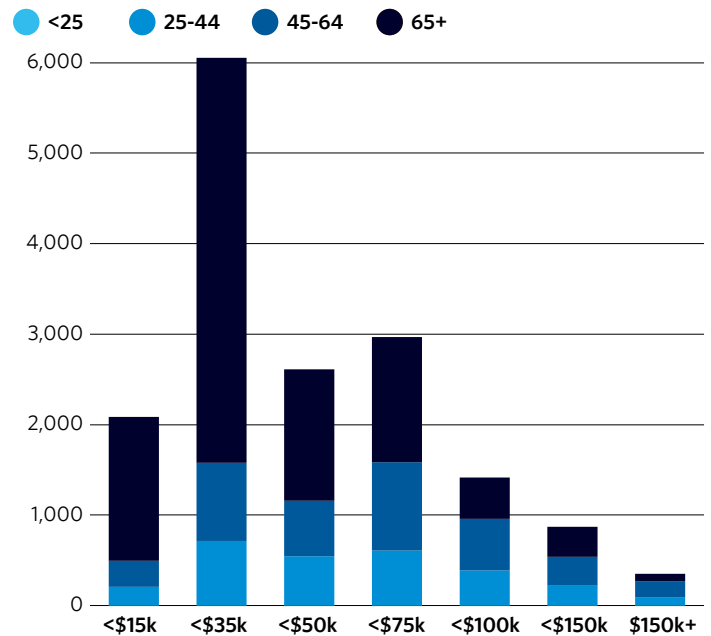
In total, projections show demand for roughly 16,000 owner units and 8,000 rental units in Carpentersville, East Dundee, Elgin, and West Dundee by 2040. This future demand could increase the number of rental units in all four communities relative to the number of ownership units, a possibility that highlights the growing interest in renting among households of all incomes and ages. Some owner units may become rental units, a process that may be facilitated by the current supply of foreclosures and vacant homes.

Upper Fox Valley 2011 households and housing stock compared with 2040 owner demand



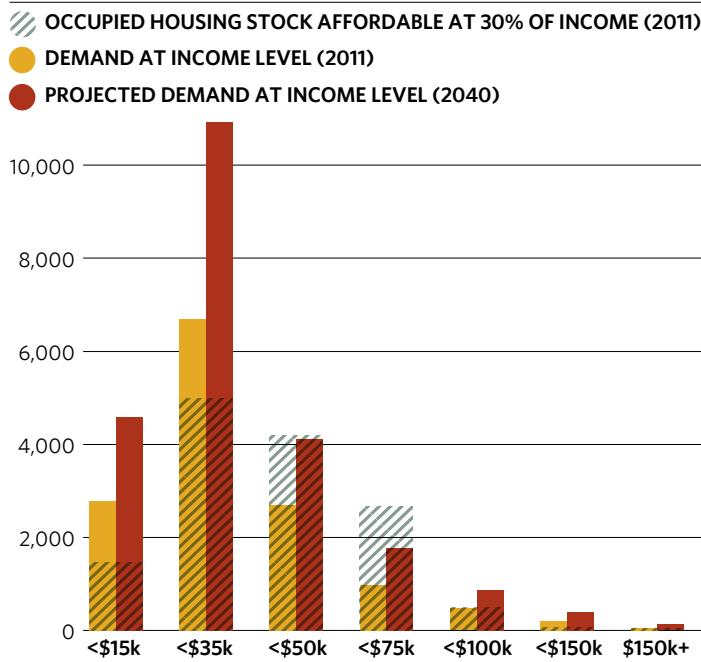
Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model using American Community Survey 2007-11 and CMAP GO TO 2040 household forecast inputs.

Upper Fox Valley 2011-40 change in owner demand by age and income



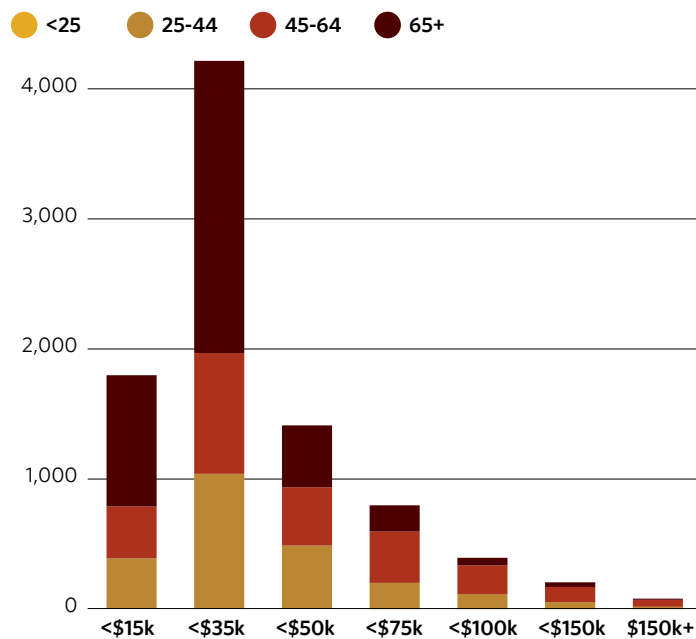
Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model using American Community Survey 2007-11 and CMAP GO TO 2040 household forecast inputs.

Upper Fox Valley 2011 households and housing stock compared with 2040 renter demand



Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model using American Community Survey 2007-11 and CMAP GO TO 2040 household forecast inputs.

Upper Fox Valley 2011-40 change in renter demand by age and income



Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model using American Community Survey 2007-11 and CMAP GO TO 2040 household forecast inputs.

The Urban Land Institute (ULI) conducted a study in 2013 on current housing preferences. This survey found that while many Americans desire single-family homes, they also desire proximity to jobs, schools, and medical facilities, particularly via walkability.³ Demand for walkability cuts across age groups. Generation Y (ages 18-34) shows the strongest preference for mixed-use development in walkable communities (i.e. containing a range of housing types that encourage walking to retail stores, neighborhood amenities, other homes, and transit lines). Baby Boomers (ages 48-66), while less likely to move, desire smaller homes with shorter commutes when moving. Due to these and other socioeconomic trends, Arthur C. Nelson projects that over the next 20 to 30 years the trend for walkable communities offering a mix of housing types will only accelerate.⁴ The low-income seniors projected to drive much of the future subregional demand will play a key part in that process. While savings may offer affluent seniors a way to live in a home that costs more than their income alone can support, they are not a monolithic group and many do not have such financial flexibility. Environmental Systems Research Institute (ESRI) divides seniors into nine different groups based on attributes including income, employment, home value, housing type, education, household composition, age, and other key determinants of consumer behavior. ESRI data indicates that the subregion contains not only affluent seniors but also many middle- and low-income ones who typically do not have significant assets. Figuring out how to meet changing demand, particularly the needs of seniors, is crucial in allowing Carpentersville, East Dundee, Elgin, and West Dundee to maintain competitive housing markets.

3. *Americans' Views on their Communities, Housing, and Transportation*. (March, 2013). Belden Russonello Strategists LLC, Urban Land Institute. See <http://tinyurl.com/pjmelrg>.

4. Nelson, Arthur C. *Reshaping Modern America: Development Trends and Opportunities to 2030*. Island Press, 2013.

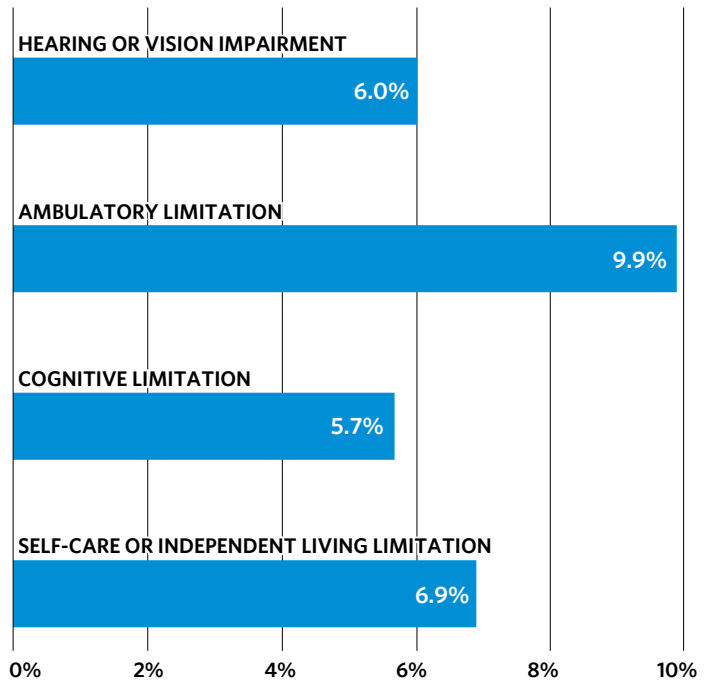
Population Specific Needs

While much of the analysis in this report focuses on the current and future housing needs of households by age and income, a deeper analysis is needed to consider the subregional issues for those with disabilities and those who are homeless. While many of the policy prescriptions necessary to address the needs of these populations are best implemented at the municipal level, the data is primarily found at the subregional level. Therefore, this section provides important data on those with disabilities and those who are homeless, but the associated recommendations are found within the reports for each community.

According to the National Council on Disability's *The State of Housing in America, a Disability Perspective*, on average, the income level of people with disabilities is significantly lower than that of people without disabilities.⁵ This trend is exhibited among households in the subregion.⁶ Based on an analysis of the U.S. Census's 2008-10 Comprehensive Housing Affordable Strategy (CHAS) dataset, approximately 30 percent of households with a disabled member earn less than 50 percent of the area median family income. Comparatively, less than 20 percent of households where no member has a disability make less than 50 percent of the area median family income. In the subregion, approximately 16 percent of households contain one member who has a disability. The most common form of disability in the subregion is an ambulatory limitation.

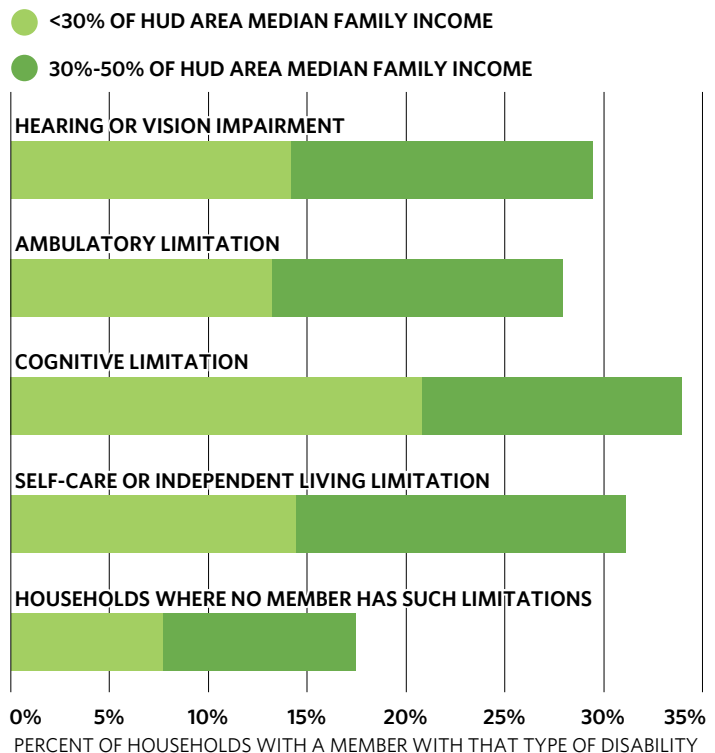
Kane County recognizes the importance of providing housing for disabled individuals. In its most recent Consolidated Plan, the County identified a need for additional housing options for the frail elderly, persons with mental illness, the physically disabled, and the developmentally disabled.⁷ As the population in the subregion grows over the next 30 years, the number of households with a disabled member will likely also grow, particularly given the projected increase in the senior population. This trend will increase demand for housing options that meet the needs of disabled individuals.

Percent of households with a member with a given type of disability



Source: Comprehensive Housing Affordability Strategy 2008-10.

Income level of households with a member with a given type of disability



Source: Comprehensive Housing Affordability Strategy 2008-10.

5. *The State of Housing in America in the 21st Century: a Disability Perspective*. (January, 2010). National Council on Disability. See <http://tinyurl.com/nqtv68>.

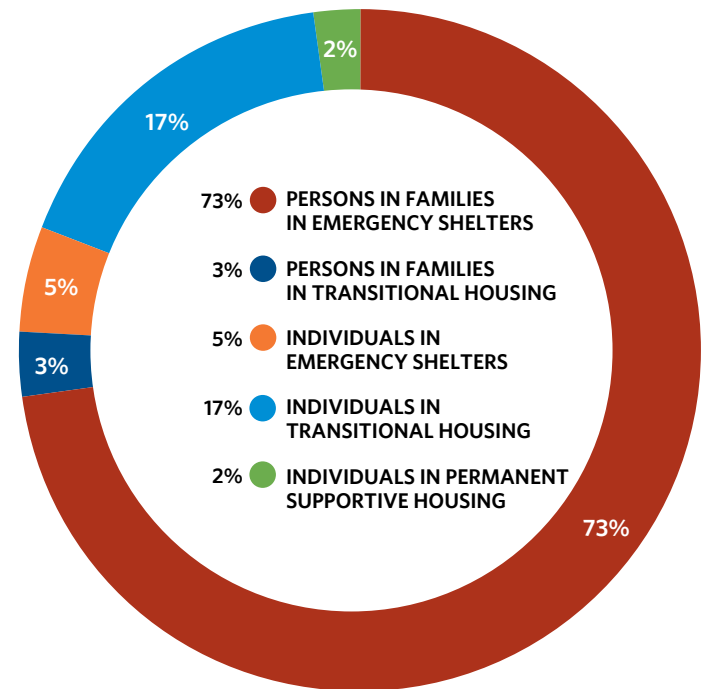
6. Due to data limitations, the subregion reflects a combination of data for the City of Elgin and Dundee Township.

7. *Housing and Community Development Consolidated Plan: 2010-2014*. Kane County/ City of Elgin Consortium. See <http://cityofelgin.org/DocumentCenter/Home/View/43565>.

Both Kane County and the City of Elgin are members of the Kane County Continuum of Care (CoC), along with the City of Aurora. The CoC consists of organizations and agencies that assist individuals and families that are at-risk of being homeless or are in various stages of homelessness. These social service agencies provide: outreach, assessment, and intake; emergency shelter; permanent housing; permanent supportive housing; and supportive services. The CoC is responsible for the coordination of all of the social service agencies throughout the County to ensure that all gaps and overlaps in services are addressed.

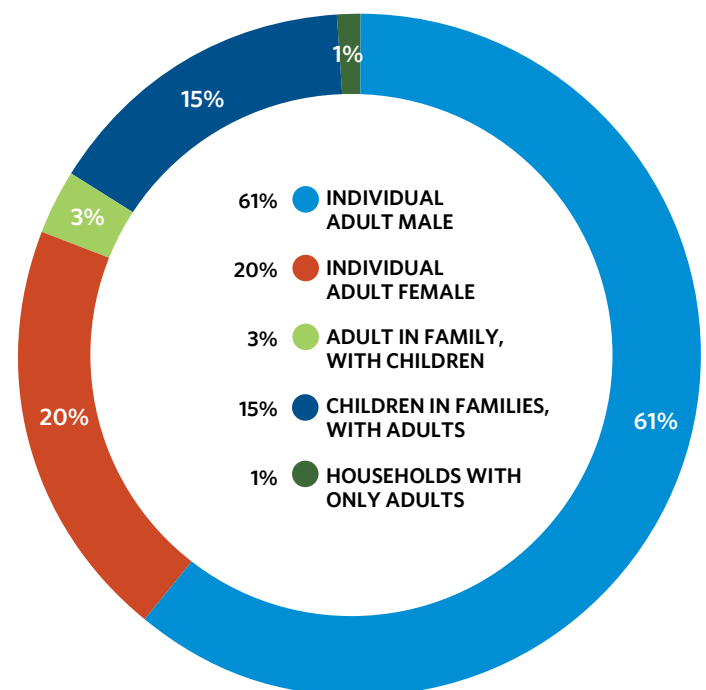
As part of this effort, the CoC produces information on the homeless population in Kane County. In 2011, the CoC estimated that the total homeless population in its service area included 1,968 persons in shelters or housing. Approximately 90 percent of these persons found temporary housing in emergency shelters, as such facilities provide the vast majority of capacity to house the homeless population. While individual males are the most common type of homeless individual, those of all ages are part of the homeless population, including children. About 19 percent of the sheltered homeless population are disabled individuals and 6 percent are veterans. The point-in-time count (PIT) by the CoC found 43 unsheltered individuals in January 2011, indicating that the homeless population is larger than can be estimated by reviewing those who used local shelters and programs. The most recent Kane County Consolidated Plan estimated that most of the County's homeless population resides in Elgin and Aurora and that the County as a whole needs additional homeless shelters and transitional housing facilities.⁸

Estimated homeless counts during a one-year period, October 2010 - September 2011



Source: Sheltered Homeless Persons in Kane County 10/1/2010-9/30/2011, <http://www.hudhdx.info/PublicReports.aspx>.

Estimated homeless counts during a one-year period by household type, October 2010 - September 2011



Source: Sheltered Homeless Persons in Kane County 10/1/2010-9/30/2011, <http://www.hudhdx.info/PublicReports.aspx>.

8. *Housing and Community Development Consolidated Plan: 2010-2014*. Kane County/ City of Elgin Consortium. See <http://cityofelgin.org/DocumentCenter/Home/View/43565>.

Housing Policy and Resources

Despite slow improvements in the national housing market, the reverberations of the recession and foreclosure crisis continue to drive local, regional, state, and national resources.

The result of the National Mortgage Servicing Settlement remains the most impactful development. Thanks to a massive state and federal civil law enforcement investigation, the settlement brought the nation's five largest mortgage servicers into a \$25 billion agreement. The agreement includes a minimum of \$17 billion in direct aid to struggling homeowners, \$3 billion for an underwater mortgage refinancing program, and \$5 billion to state and federal efforts. New servicing and foreclosure standards and an independent monitor will ensure servicer compliance with the settlement. Payments to borrowers who lost their homes during the period covered by the suit occurred in June and July 2013 (approximately \$1,480 per loan).

With funds from the settlement, Illinois is providing legal assistance programs to improve access to the justice system for borrowers and renters (\$23 million); foreclosure mediation projects (\$3 million); and community revitalization and housing counseling (up to \$70 million). In July 2013, the Illinois Attorney General's office announced awards for community revitalization and housing counseling, including two programs in the subregion.

- The Community Foundation of the Fox Valley was awarded \$3 million for the redevelopment of approximately 40 properties as a first step in a broader regional revitalization strategy. The project is targeted to overlap with many of the communities participating in both of the Homes projects along the Fox Valley, with the resulting reports offering the foundation for a broader regional revitalization strategy.
- Neighborhood Housing Services (NHS) received \$1.75 million from the Illinois Attorney General's office under the National Mortgage Settlement for the expansion of lending, construction, and outreach from the Fox Valley and southern Cook County offices.

Separate from the National Mortgage Servicing Settlement, the National Fair Housing Alliance and thirteen affiliates filed a federal housing discrimination complaint with the U.S. Department of Housing and Urban Development (HUD) in April 2012 against Wells Fargo Bank. In July 2013, a settlement in the case was reached, with Wells Fargo providing the involved organizations with \$42 million to promote home ownership, neighborhood stabilization, property stabilization, and rehabilitation in minority communities. The Hope Fair Housing Center received \$1.4 million of the settlement, with some of these funds targeted for use in portions of Elgin with high foreclosure rates.

In July 2013, the Illinois Housing Development Authority (IHDA) launched a new program to further the reuse of 240 vacant single-family properties in communities outside of Cook County. Under the \$6.6 million program, qualifying low- to moderate-income homebuyers of vacant single-family homes can apply for grants of up to \$5,000 for acquisition and up to \$20,000 for rehabilitation for home modification repairs and improvements. The program is not limited to first-time homebuyers and is designed to couple with IHDA's existing loan products. IHDA approved a \$200,000 allocation of funds for NHS that will be used to help 13 homebuyers with downpayment and rehabilitation funds in Carpentersville, East Dundee, Elgin, and West Dundee.

The Illinois Supreme Court created the Special Supreme Court Rules Committee on Mortgage Foreclosures to study how to improve the judicial process for mortgage foreclosure in the state in April 2011. The recommended rules by the committee were approved by the Court in February 2013. One of the rules (#99.1) was effective in March 2013 and provides courts a checklist for incorporating mortgage foreclosure mediation programs in Circuit Courts and counties. Coupled with this rule, the Illinois Attorney General's office announced a \$5 million grant program to fund the creation and implementation of new mortgage foreclosure mediation programs in counties with significant needs but without current programs. The 16th Circuit Court, which includes Kane County, is one of the targeted areas. Program funding came from the aforementioned National Mortgage Servicing Settlement.

Governor Quinn and the Illinois legislature created and subsequently expanded the Abandoned Residential Property Municipal Relief Fund (also known as the Abandoned Property Program) through the Save Our Neighborhoods Act. Under this program, municipalities or counties, jointly or separately, may apply for grant funds to secure, maintain, demolish, or rehabilitate abandoned homes. Rehabilitation is limited in scope to exterior building safety concerns. Funds come from foreclosure filing fees paid by lending institutions and collected by the clerk of each county. The collection of fees began in June 2013 and will continue until December 31, 2017, with IHDA soliciting applications for funding annually. Thirty percent of funds under the program are set aside for grants to counties and municipalities in DuPage, Kane, Lake, McHenry, and Will Counties.

Most of these programs only provide temporary assistance to address potential local issues. Developing sustainable resources will be necessary to maintain programs valued by Carpentersville, East Dundee, Elgin, and West Dundee.



The Fox River is a shared resource and forms a basis for potential collaboration.

Source: Chicago Metropolitan Agency for Planning.

Recommendations

The four communities highlighted in this report have significant challenges and opportunities. Each must carefully strategize ways to meet the growing demand for senior housing. Each must consider the mix of housing — small-lot single-family, large-lot single-family, townhome, and multi-family — that will meet the likely future demand for both owner and renter occupied housing. Each must strive for new housing truly affordable to future residents. In the years before the housing crisis, too many developments were approved that relied on owners or renters paying significant percentages of their income on housing costs. Often these issues are best addressed at the local level. Therefore, Carpentersville, East Dundee, Elgin, and West Dundee, should consider the municipal recommendations in subsequent sections to address these matters at the local level.

Yet, the communities of this report have also struggled with housing affordability, driven in part by stagnant incomes and the difficulty of balancing new development and redevelopment. **The four communities should carefully consider what they can do collectively, either as a group or as a broader Kane County collective, to address these issues given the anticipated resources flowing into the subregion over the next few years.** What follows are three specific recommendations for group action.

Leveraging the Fox River

A well designed riverfront is an important benefit for a community. A clean river equates to boating and even swimming. Marinas and docks for small boats become possible. Restaurant and park development are encouraged. Lengthy biking and jogging trails or paths offer amenities for residents. Capitalizing on river access can help provide the walkable communities offering a mix of housing types needed to maintain a competitive housing market. A river corridor can function as an economic engine for an entire subregion.

Carpentersville, East Dundee, Elgin, and West Dundee all have access to the Fox River. All have historic town centers that were initially developed in the late 19th Century. All have expressed interest in reviving and revitalizing their historic riverfront downtowns, recognizing that access to the river remains a powerful asset. Some communities have already undertaken individual planning to further such efforts. Yet, all of these efforts are separate and distinct. The Fox River unites the four communities. **Planning for river-focused development and redevelopment should be similarly united.**

There are many different models for collaboration around a shared resource. Two prominent examples come from the east coast. In the Hudson River Valley north of New York City, Scenic Hudson, a non-profit environmental group, partnered with state, regional, and local officials to develop *Revitalizing Hudson Riverfronts*.⁹ The document lays out guidelines to help local officials, developers, and citizens advance a shared vision for waterfront development. In this model, an outside non-profit uses a plan to advocate for desired outcomes. Along the Mystic River in suburban Boston, the U.S. Environmental Protection Agency and the Metropolitan Area Planning Council (MAPC) worked with six communities to develop the *Lower Mystic River Corridor Strategy*.¹⁰ For this project, regional and national agencies helped a group of communities harmonize local thinking around a common river-corridor. The report lays out six broad strategies that are important to the communities involved along with recommended ways to tackle these topics. Closer to home, a number of communities have partnered to build off of the Illinois and Michigan Canal National Heritage Corridor. The Canal Corridor Association created a ten-year plan in 2008 that focused on important issues, such as boundaries, conservation, tourism, and economic development.¹¹ In this case, the federal designation of a national heritage corridor provided a framework for an array of partners come together in a formal collaboration to plan around a shared asset.

Similar to these efforts, the communities of the Fox Valley in Kane County should collaborate with the many existing Fox Valley organizations and with one another when focusing on how to leverage the Fox River. Friends of the Fox River works to preserve, restore, and protect the Fox River watershed through education, research, restoration, and advocacy. The Elgin Area Convention and Visitors Bureau focuses on tourism, drawing visitors to the subregion. Both the Elgin Area Chamber of Commerce and the Northern Kane County Chamber of Commerce advocate for business interests through education, development, support, and promotion. The Fox River Ecosystem Partnership is focused on preserving and enhancing the health of the watershed.

Such collaboration can allow the municipalities to ensure that their efforts and those of partner organizations are united, working together on topics including infrastructure improvements, acquiring open-space and river access, and pursuit of coordinated tourism efforts (i.e. unified branding for the corridor, including signage and materials). The cleanliness of the Fox River underpins all of these efforts and should be a particular focus, building off of recent efforts such as the Ferson-Otter Creek Watershed Plan and the Jelkes Creek-Fox River Watershed Action Plan. Start small with representatives of each community continuing to discuss their downtown revitalization efforts and meeting with partner organizations on a regular basis, using the interaction to identify opportunities for collaboration.

This type of collaboration would support the efforts of individual municipalities to revitalize their downtowns. Municipal-level analysis indicates that such areas in Carpentersville, East Dundee, Elgin, and West Dundee offer the greatest potential to diversify the local housing stock and create the walkable communities future households will demand. The creation of additional housing in and around such centers can reinforce the Fox River as the economic engine of the subregion, driving income growth near housing and thereby helping to improve both housing and transportation affordability.

9. *Revitalizing Hudson Riverfronts*. (2010). Scenic Hudson. See <http://tinyurl.com/kodobyx>.

10. *Lower Mystic River Corridor Strategy*. (June, 2009). Metropolitan Area Planning Council. See <http://tinyurl.com/lesr7s>.

11. *Illinois and Michigan Canal Heritage Corridor: A Roadmap for the Future*. (June, 2011). Canal Corridor Association. See <http://www.iandmcanal.org/plan.html>.

Coordinate rehabilitation efforts for efficiency

In the public workshops and through an on-line survey, residents in each community discussed the need for rehabilitation, often in areas near historic downtowns. A number of organizations rehabilitate units in the subregion. The City of Elgin rehabilitates more than 40 homes a year through a handful of different programs. Kane County funds the rehabilitation of 25 homes each year through the work of Elgin-based non-profit Community Contacts Inc.

Fortuitously, additional federal, state, or local rehabilitation funds may flow into the subregion over the next few years to address a broad range of housing issues, including those described previously in this report. **Carpentersville, East Dundee, Elgin, and West Dundee should use this confluence of funding sources to help develop the most efficient system for rehabilitation given local needs and funding sources.** Such work could culminate in the targeting of resources into existing or new rehabilitation entities that have or develop the capacity to rehabilitate significant numbers of units (i.e. more than 50 per year). Focusing would allow the communities to benefit through more efficient and effective rehabilitation programs. By choosing a common management entity, savings and efficiencies would be found through common procedures, in addition to honing and supporting staffing and expertise that can benefit all funders and communities. An operator would need the capacity to work in the different housing markets present in each community. In areas with high cash investor activity, the four communities will need to support rehabilitation with targeted code enforcement or other efforts. As noted previously, the funds to underpin these efforts are temporary. Carpentersville, East Dundee, Elgin, and West Dundee would need to cultivate additional resources to maintain the program in the long-term.

Broaden municipal participation

Past and ongoing *Homes* efforts in the Fox Valley offer the opportunity to create a vision for housing throughout the eastern half of Kane County. Within the next year, ten communities will have completed plans (Aurora, Batavia, Carpentersville, East Dundee, Elgin, Geneva, Montgomery, North Aurora, St. Charles, and West Dundee). Yet, as noted early on in the planning process by municipal representatives, some key communities have not been included in the process, including Algonquin, Sleepy Hollow, and South Elgin. **Therefore, the four communities in this Plan should work to involve their neighbors in the *Homes* process by reaching out at both the staff and elected levels to discuss the outcomes of this Plan and the importance of future involvement in leveraging the Fox River and regional rehabilitation.** Through the Lower Fox Valley cluster (Batavia, Geneva, North Aurora, and St. Charles) the project team is training Kane County staff on the *Homes* process. Additional communities can link with the *Homes* effort by working with the County to develop municipal plans.



Fox River in Carpentersville.

Source: Chicago Metropolitan Agency for Planning.

Housing Policy Plan: Carpentersville

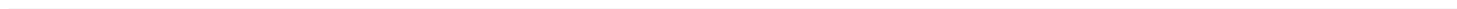
Project Summary

Located in rapidly growing northern Kane County, Carpentersville offers many assets upon which to capitalize in planning for future growth. A diverse housing stock of affordable workforce units and modern, upscale subdivisions can accommodate a wide variety of housing needs. Accessibility to major arterial roadways, including Illinois Routes 25 and 31 and Randall Road, offers the potential to ease the commutes of those who work in and around the Village. The Fox River and adjacent open spaces encourage hiking, biking, and boating. Finally, local schools provide the educational opportunities young families seek.

Between now and 2040, Carpentersville could add 11,000 new residents. The Village must address a number of key issues to determine the best way to address such potential growth, including:

- **Preserving and upgrading existing neighborhoods, making them attractive for future residents.**
- **Balancing reinvestment in older areas with development at the periphery.**
- **Rejuvenating the Spring Hill Mall area while capturing opportunities along Illinois Route 25 and Randall Road.**
- **Successfully integrating a diverse community.**

This report provides a series of policy recommendations based on a detailed analysis of existing conditions and future needs. Carpentersville will use these recommendations to prepare for projected population growth, particularly among low-income seniors.



Demographic Trends

Located in the northeastern corner of Kane County, the Village of Carpentersville is bordered by Algonquin to the north; Barrington Hills to the east; and East Dundee and West Dundee to the south. Most unincorporated land around the Village is located to the north and west.

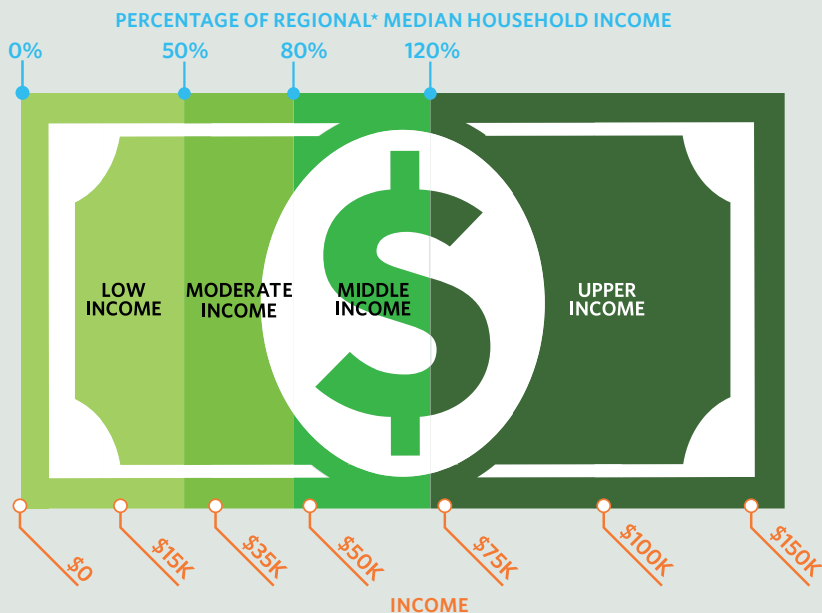
Carpentersville's population grew over the past 11 years, predominantly through westward annexation. More than half of this growth came from additional Hispanic residents. The Chicago Metropolitan Agency for Planning (CMAP) produced population and household projections as part of GO TO 2040, the seven-county region's comprehensive plan for sustainable prosperity through mid-century and beyond.¹² These figures indicate that if GO TO 2040 is implemented and if the Village takes advantage of its numerous assets, its population could rise to almost 50,000 by 2040, an increase of more than 30 percent.¹³ While continued annexation could address some of this growth, is this the right course for Carpentersville?

General Carpentersville statistics

	POPULATION	HOUSEHOLDS
2000 Decennial Census	30,586	8,872
2011 American Community Survey (ACS)	37,480	11,178
Change, 2000-11	6,894	2,306
Change as %, 2000-11	23%	26%
GO TO 2040 projection, 2040	49,334	14,409
Change, 2011-40	11,854	3,231
Change as %, 2011-40	32%	29%

Source: U.S. Census and Chicago Metropolitan Agency for Planning GO TO 2040 projections.

Income



While household income is discussed throughout the Homes for a Changing Region plan, it's important to understand some of the definitions behind phrases like "low-" and "moderate-income." The U.S. Department of Housing and Urban Development (HUD) has established definitions for how the relationship between an area's median income and the income of an individual household can define what is a low (less than 50 percent of regional median income), moderate (50 percent to 80 percent), middle (80 percent to 120 percent), and upper income households (120+ percent). By comparing each income group to the regional* median household income (\$61,045), readers can understand what constitutes low, moderate, middle, and upper income households.

*Region defined as the Chicago-Naperville-Joliet, IL Metropolitan Division.

Source: Chicago Metropolitan Agency for Planning analysis of the American Community Survey 2007-11.

12. See <http://www.cmap.illinois.gov/about/2040>.

13. See the Appendix for more information about these projections.

Current Housing Market

Like the other communities in this study, Carpentersville gradually expanded from its historic downtown along the Fox River. At first, the Village expanded eastward, toward Illinois Route 25 in the '50s, '60s, and '70s, creating neighborhoods such as Meadowdale. Since that time, growth has been predominantly west of the Fox River. As a result, the Village includes single-family subdivisions, older multi-family developments, and historic compact neighborhoods.

Because of the increasing number of foreclosures along with concerns about the quality of some local units, the owner of Otto Engineering, a major local employer, started Homes by Otto in 2005. This company purchases and rehabilitates local units for rental and sale in many areas of Carpentersville, including the Meadowdale area.

Single-family homes, which account for almost 70 percent of all local units, are typically occupied by owners. Slightly over half of local renters live in multi-family buildings. More than one-third of renters live in single-family homes, more than double the region's share. As highlighted in the Metropolitan Planning Council's (MPC) *Managing Single-Family Rental Homes* white paper, many communities are struggling with a surge in single-family rentals.¹⁴ Much like the region, the percentage of rental households falls as income rises. For Carpentersville, the sharp change is at the \$75,000 threshold; over 80 percent of local renter households earn less than this amount.

Housing Affordability

One of the most essential elements in understanding local housing dynamics is affordability. What constitutes "affordable housing" varies from household to household as the measure is relative. An affordable housing unit is one that a family can own or rent for no more than 30 percent of its income. This spending includes both housing (rent or mortgage) and housing-related costs, such as property taxes, insurance, and utilities. This time-tested standard is reflected in everything from the underwriting standards of private lenders to data from the U.S. Census Bureau.

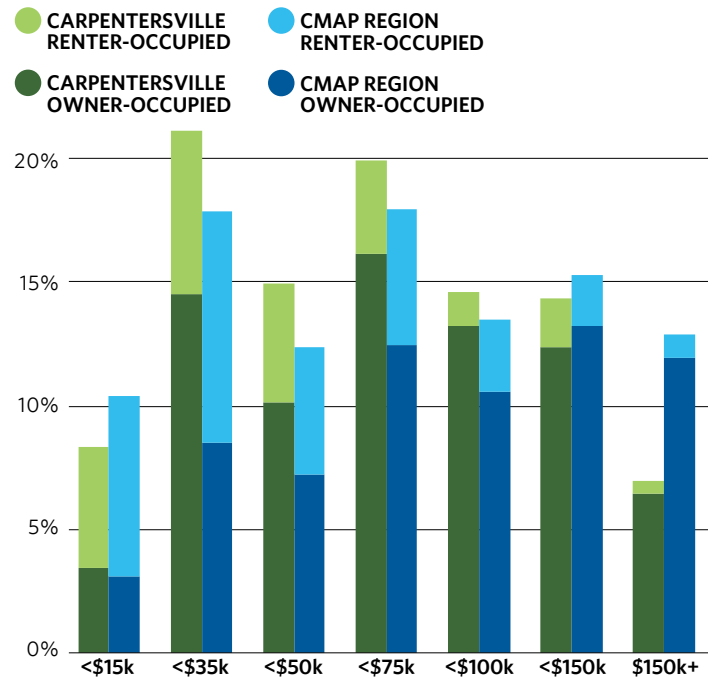
Over the last decade, rapidly rising property values accelerated far faster than incomes in the U.S., increasing the number of cost-burdened households. Since the recession, affordability issues have persisted despite declines in home values and mortgage rates due in part to declining incomes, slow employment growth, and stringent credit requirements.¹⁵ As households became renters, supply did not initially keep pace with the sudden spike in demand. Harvard University indicates that currently more than 10 percent of owners and 25 percent of renters in the U.S. pay more than 50 percent of their income on housing costs.¹⁶

14. *Managing Single-Family Rental Homes*. (June, 2013). Metropolitan Planning Council. See <http://tinyurl.com/kjdjm2h>.

15. Joint Center for Housing Studies. *State of the Nation's Housing 2012*. (June, 2012). Harvard University.

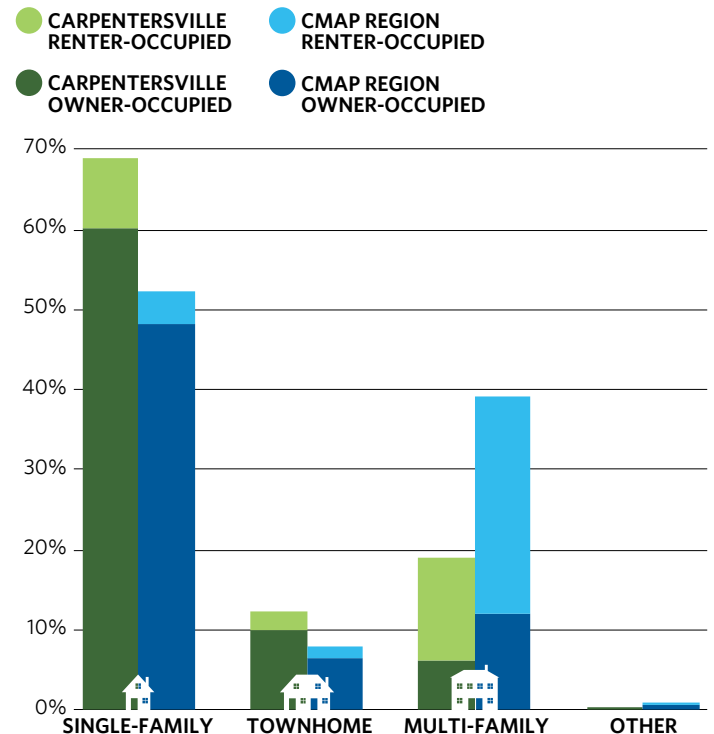
16. Joint Center for Housing Studies. *State of the Nation's Housing 2013*. (June, 2013). Harvard University.

Owner/renter by household income



Source: American Community Survey 2007-11 data.

Housing type by owner/renter



Source: American Community Survey 2007-11 data.

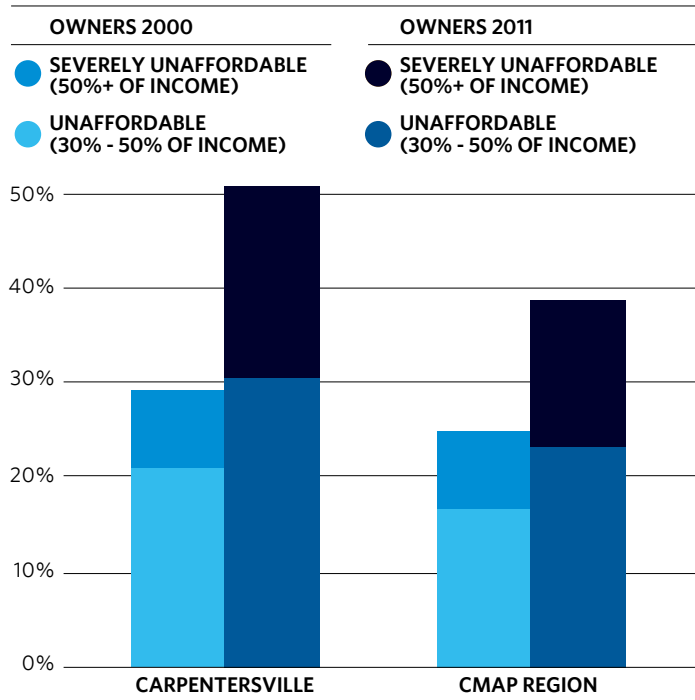
What is “Affordable Housing?”

- **“Affordable housing”** is housing that costs no more than 30 percent of household income (including utilities, insurance, and taxes).
- **“Unaffordable housing”** is housing that costs between 30 percent and 50 percent of household income.
- **“Severely unaffordable housing”** is housing that costs more than 50 percent of household income.

Affordability in Carpentersville mirrors the regional and national trends of the past 11 years. Currently, half of renters pay more than 30 percent of their income on gross rent. The preponderance of renters struggling with housing costs in Carpentersville are low-income. Analysis by Harvard University found that “according to the latest Consumer Expenditure Survey, severely burdened families in the bottom expenditure quartile (a proxy for low incomes) spend a third less on food, half as much on pensions and retirement, half as much on clothes, and three-quarters less on healthcare as families paying affordable shares of their incomes for housing.”¹⁷

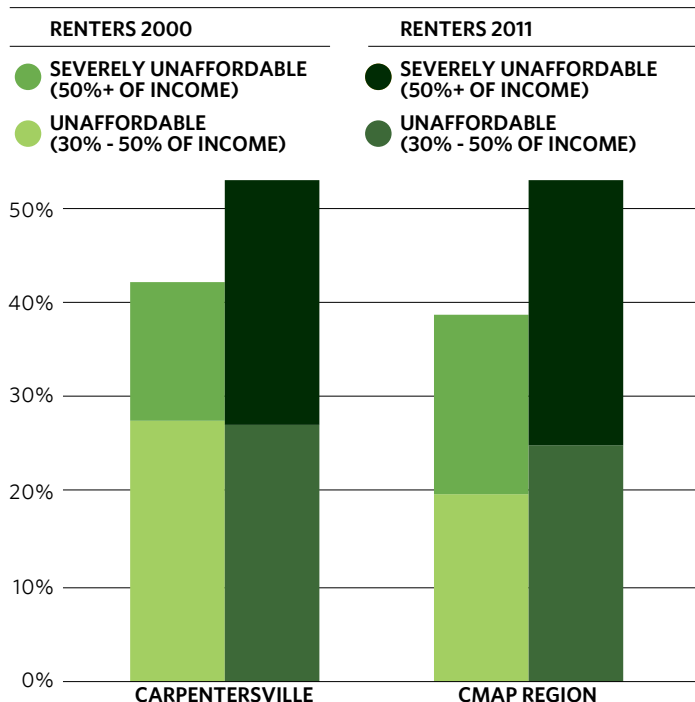
Approximately 50 percent of owners in the Village are currently cost-burdened, versus only 39 percent in the region. As explained in the subregional report, Carpentersville’s rate of completed foreclosures is higher than many nearby counties. Such findings are a symptom of the affordability issues faced by local owners. Future sections of this report look at those income groups among owners and renters that are most burdened by housing costs.

Percent of owner-occupied households in paying more than 30 percent of income on monthly owner costs



Source: 2000 U.S. Census and American Community Survey 2007-11 data.

Percent of renter-occupied households paying more than 30 percent of income on gross rent



Source: 2000 U.S. Census and American Community Survey 2007-11 data.

17. Ibid.

Utilities and Affordability

Utility costs can increase or decrease the number of cost-burdened households because they contribute to gross housing costs. In 2007, the Center for Neighborhood Technology (CNT) developed the “Carpentersville Energy and Emissions Profile,” which examined energy consumption, vehicle miles traveled, and greenhouse gas emissions at a community-wide scale. This report was part of the Municipal Energy Profile Project (MEPP) that included the development of profiles for over 270 municipalities in metropolitan Chicago. The profiles serve as a baseline from which communities can develop more specific strategies and accurately measure progress in achieving reductions in energy consumption and emissions. The MEPP Guidebook examined both municipal and community scale best practices for strategies in energy and transportation. The project was funded by the Illinois Clean Energy Community Foundation, and data partners included ComEd, Nicor Gas, Peoples Gas, North Shore Gas, and the Illinois Department of Transportation.

The table below highlights residential natural gas and energy usage in the Village and Kane County in 2007. At that time, the average Carpentersville household spent \$14 per month less on energy costs than the average Kane County household. Implementing energy efficient designs as part of rehabilitation and new construction in the coming years can further reduce local energy costs and help decrease the number of cost-burdened households. Some communities have utilized municipal aggregation to help lower utility costs for residents. This means a municipality or county can collectively negotiated for who will supply electricity to residents and eligible small businesses. That said, the comparatively lower annual energy costs per household in Carpentersville combined with the growing number of cost-burdened owners or renters over the last decade highlight that lower utility costs alone do not solve the problem.

Residential energy use in Carpentersville and Kane County, 2007

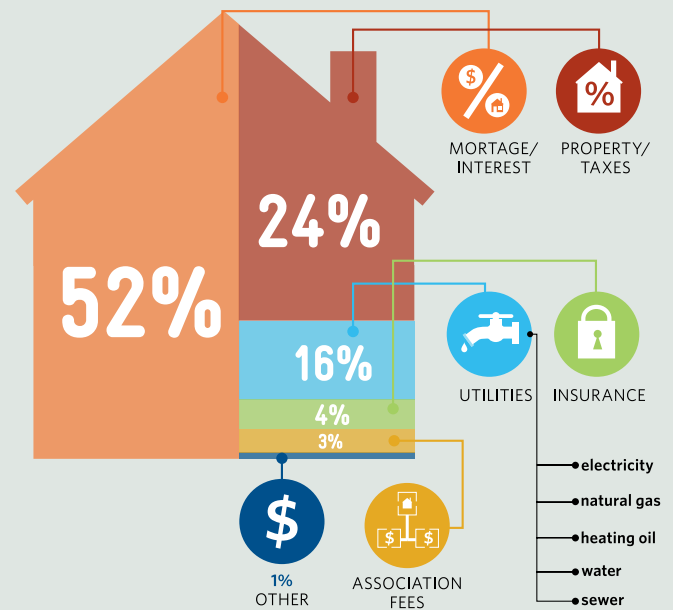
	CARPENTERSVILLE	KANE COUNTY
Average electricity use per household	7,584 kWh	8,203 kWh
Average annual \$ for electricity per household*	\$816	\$883
Average natural gas use per household	896 Therms	1,008 Therms
Average annual \$ for natural gas per household*	\$795	\$898
Average annual energy costs	\$1,611	\$1,781

Source: Elevate Energy Community Profile.

*Calculated using average residential sales per kilowatt hour (kWh) (Illinois Commerce Commission Utility Sales Statistics 2007).

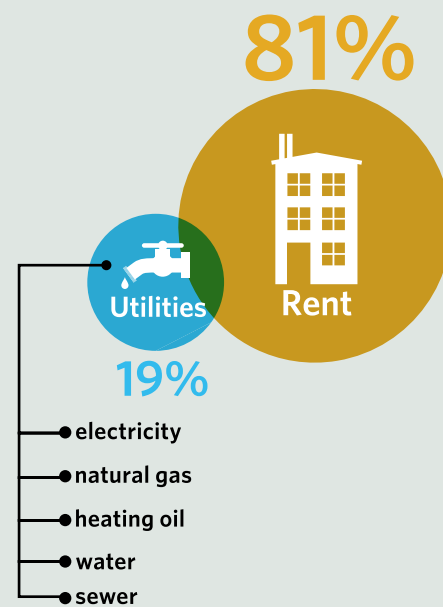
What is included in monthly owner costs?

Average monthly costs for renters in Chicago Metropolitan area, 2009



What is included in gross rent?

Average monthly costs for renters in Chicago Metropolitan area, 2009



Source: Chicago Metropolitan Agency for Planning analysis of the 2009 American Housing Survey (AHS).

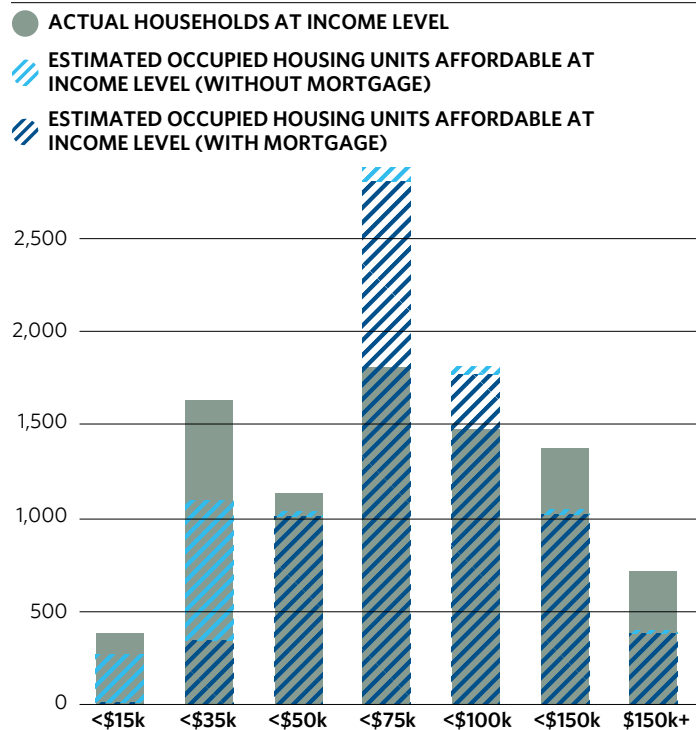
The 2009 AHS data includes Cook, DuPage, Grundy, Kane, Kendall, Lake, McHenry, and Will Counties in the metropolitan area.

Current Ownership Housing Market

Carpentersville has a significant supply of units affordable to middle-income homeowners, creating a surplus of housing that can meet the needs of families whose incomes range between \$50,000 and \$75,000. The shortage of units meeting the needs of families with incomes below \$50,000 helps drive the growing number of cost-burdened owners.

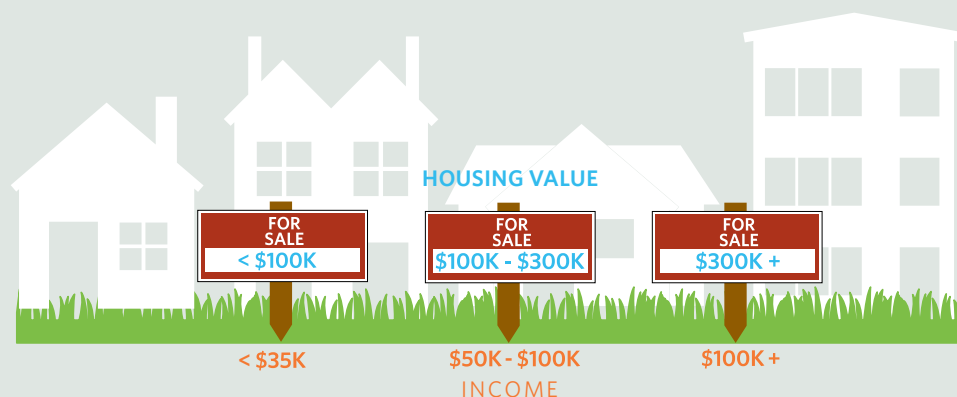
Mortgage and interest payments made up approximately 56 percent of the average regional owner's monthly housing costs in 2009. Therefore, it is unsurprising that unit affordability depends greatly on whether a home is mortgaged. In Carpentersville, ownership units affordable to households earning less than \$35,000 are typically not mortgaged. Intuitively this makes sense. Owners who do not carry a mortgage usually pay less in total housing costs. The likelihood of owning a home with or without a mortgage depends in part on age. The bulk of local owner units affordable to households earning less than \$35,000 per year are occupied by seniors, while the working age population occupies units affordable to households earning more than \$35,000 per year. As these un-mortgaged units are sold, many will no longer be affordable to low- and moderate-income households.

Carpentersville comparison of owner household incomes with occupied units affordable at each income level



Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model using American Community Survey 2007-11 inputs.

Translating incomes into housing values



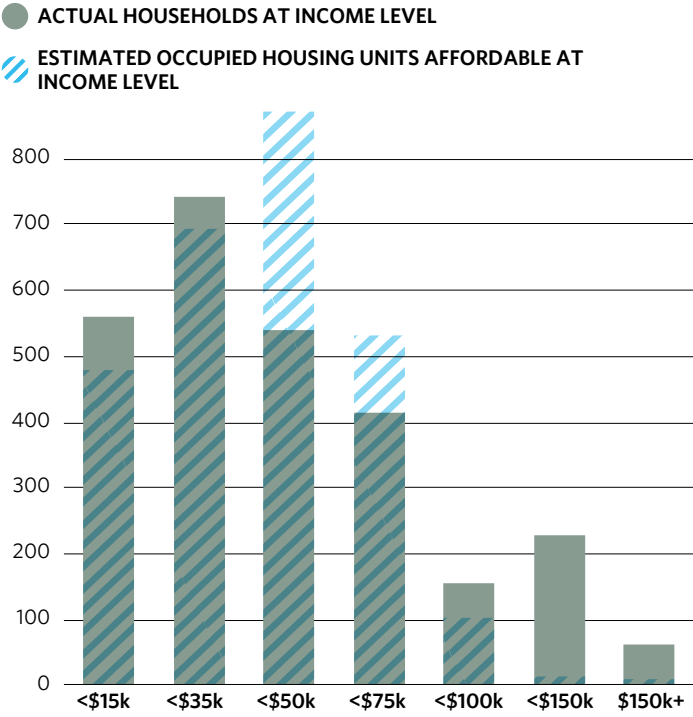
With so many factors influencing what home a household can afford to purchase (housing cost, income, downpayment, credit score, etc.), it can be difficult to figure out how the seven income groups analyzed in the Homes for a Changing Region report correspond to local housing values. A long-standing rule of thumb has been that households should buy units valued at no more than three times their annual income. Using this rough standard, these home values are generally affordable at each of the associated income levels.

Source: Chicago Metropolitan Agency for Planning.

Current Rental Housing Market

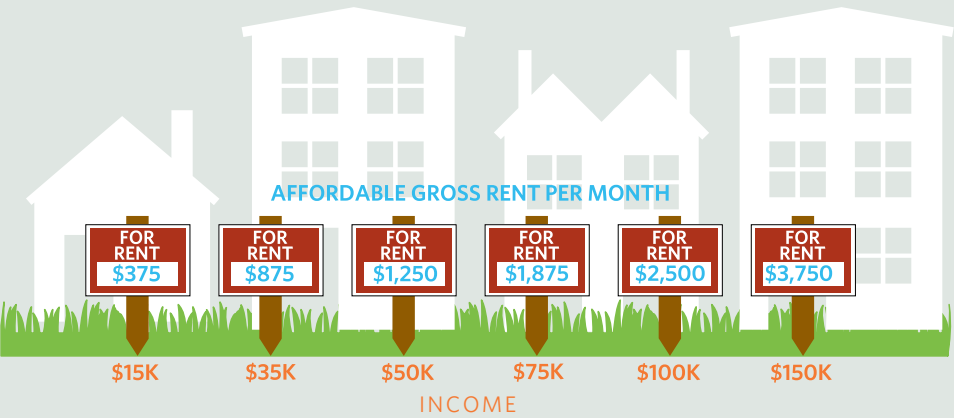
From an affordability point of view, Carpentersville’s rental market is reasonably well balanced for the great majority of families whose incomes are below \$75,000. There is a relatively small shortage of affordable units for families whose incomes are under \$35,000. These families are likely living in somewhat more expensive units and paying more than 30 percent of their incomes on housing and housing related costs.

Carpentersville comparison of rental household incomes with occupied units affordable at each income level



Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model using American Community Survey 2007-11 inputs.

Translating incomes into rents



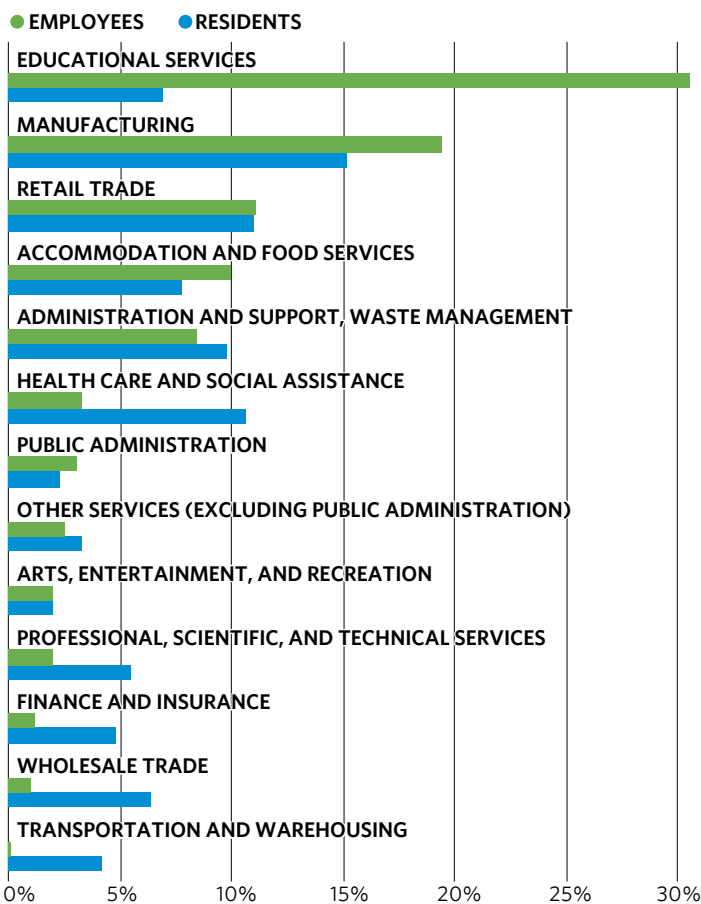
Applying the previously discussed concept that households should spend no more than 30 percent of income on housing costs, these gross rents are generally affordable at each of the associated income levels.

Source: Chicago Metropolitan Agency for Planning.

Jobs, Transportation, and Housing

While Carpentersville offers a mix of single-family, townhome, and multi-family units, a truly attractive housing stock is also driven by jobs. People working in Carpentersville represent built-in demand for housing. With less than one job for every household, there are fewer jobs than households in the community. Boosting this ratio would make the community's housing stock more attractive as some housing locations are inherently more or less costly by virtue of their location. If a housing unit is located farther away from jobs or retail, the typical occupant will need to spend more time and money commuting, leaving less money for housing and other expenses. Moreover, a mismatch between the location of jobs and affordable housing reduces economic competitiveness as employers experience difficulty with employee recruitment and retention.¹⁸ This section explores how the local job base impacts the Carpentersville housing market.

Industries of Carpentersville residents and employees, 2011



Source: U.S. Census Bureau, Local Employment Dynamics, On-the-Map data.

Jobs

Carpentersville offers a diverse employment base, with manufacturing (Otto Engineering), education (District 300), and retail (Spring Hill Mall) as the three largest local industries. This diversity creates a strong local employment base; the number of jobs increased from 6,638 to 7,327 between 2007-11. Residents tend to be employed across a wider range of industries, although the plurality are employed in the manufacturing sector. The table below details the average earnings in the subregion for the industries in which most residents or employees work. Local employment opportunities mix low earning industries (e.g. retail trade) and better paying occupations (e.g. manufacturing or educational services), highlighting a diverse job market. Yet, the gap between employment and residence for key industries such as educational services highlight the opportunity for the Village to have more local workers live in Carpentersville.

Transportation

Due in part to the local mismatch between housing and jobs, many local employees and residents commute long distances, adding higher transportation costs on top of unaffordable housing costs. Residents and employees commute to and from locations not only in Kane County, but also Cook (including the City of Chicago), DuPage, Lake, and McHenry Counties. Only 7 percent of residents work in the community. The lack of jobs in the health care sector, in particular, represent an industry for which employed residents must commute.

Subregion* earnings

INDUSTRY	AVERAGE EARNINGS**
Educational services	\$43,102
Manufacturing	\$62,859
Retail trade	\$28,916
Accommodation and food services	\$18,239
Administration and support, waste management	\$27,716
Health care and social assistance	\$57,180
Public administration	\$64,073
Other services (excluding public administration)	\$37,739
Arts, entertainment, and recreation	\$22,566
Professional, scientific, and technical services	\$71,549
Finance and insurance	\$60,782
Wholesale trade	\$75,555
Transportation and warehousing	\$52,713

Source: Economic Modeling Specialists International (EMSI).

*Subregion includes the following ZIP Codes: 60110, 60118, 60120, 60123, and 60124.

**According to EMSI, the reported earnings include hourly wages, employer contributions for employee pensions and insurance funds, and employer contributions for government social insurance.

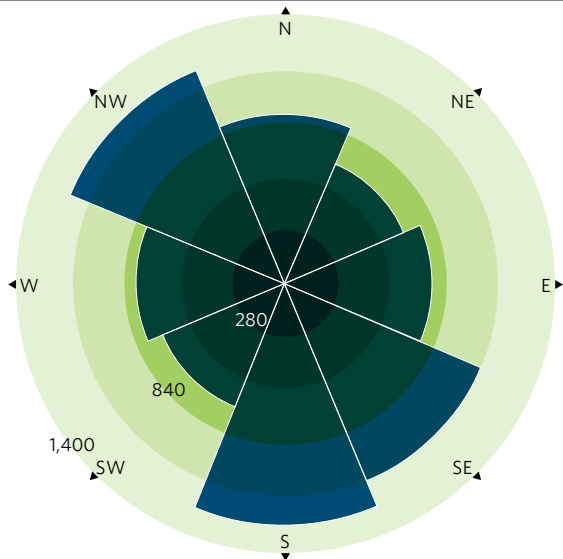
18. Pill, Madeleine. *Employer-Assisted Housing: Competitiveness Through Partnership*. (September, 2000). Joint Center for Housing Studies, Neighborhood Reinvestment Corporation. See <http://tinyurl.com/n73amvw>.

Almost equal amounts of employees commute from locations outside of Kane County and McHenry County, as people come to Carpentersville from all directions, particularly from the northwest and south.

Research by Reid Ewing and others in the *Journal of Urban Planning and Development* has shown that the biggest factor in reducing vehicle miles traveled, a major driver of transportation costs,

Where Carpentersville's workers live

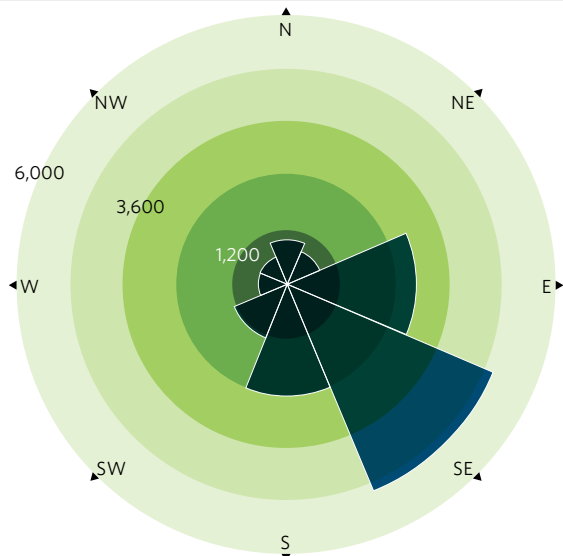
Job counts by distance/direction in 2011, all workers



Source: U.S. Census Bureau, Local Economic Dynamics, On-the-Map data.

Where Carpentersville's residents work

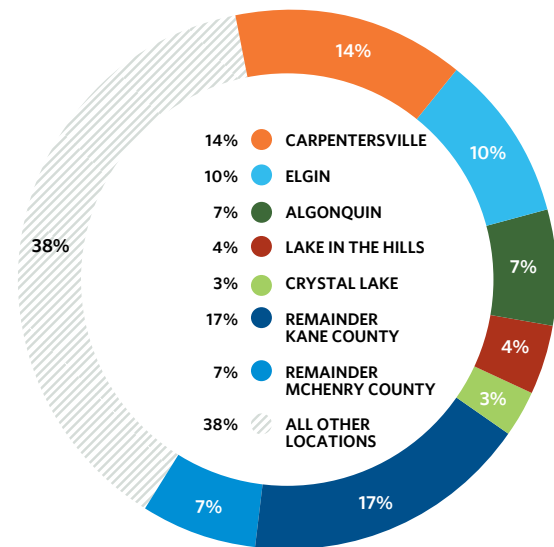
Job counts by distance/direction in 2011, all workers



Source: U.S. Census Bureau, Local Economic Dynamics, On-the-Map data.

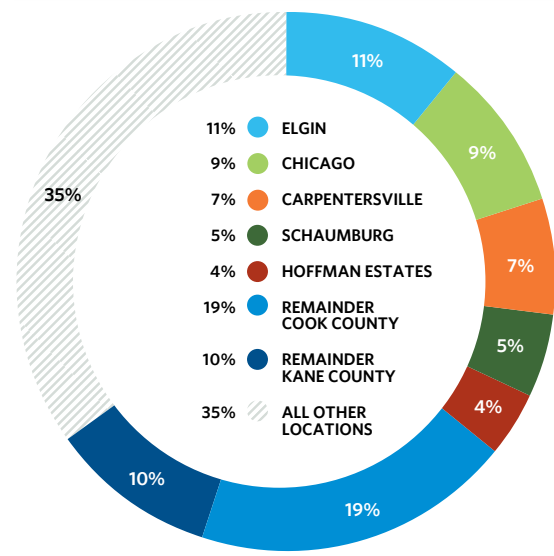
comes from “putting offices, shops, restaurants, residences, and other codependent activities in close proximity to each other.”¹⁹ In Carpentersville, focusing development in the midst of the Village’s existing residents and jobs can help create the interactions that reduce the number of cost-burdened households. Polling local employees on why they don’t live in the Village may provide additional guidance on how to address this imbalance.

Where Carpentersville's workers live, 2011



Source: U.S. Census Bureau, Local Employment Dynamics, On-the-Map data.

Where Carpentersville's residents work, 2011



Source: U.S. Census Bureau, Local Employment Dynamics, On-the-Map data.

19. American Society of Civil Engineers. “Traffic Generated by Mixed-Use Developments — Six-Region Study Using Consistent Built Environmental Measures.” *Journal of Urban Planning*, October 2010.

Projecting Future Housing Needs

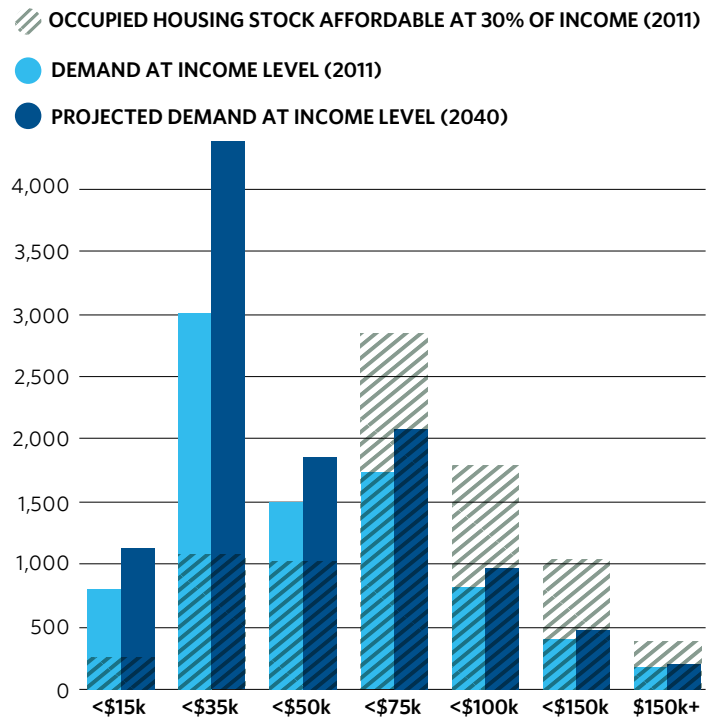
Proactive housing planning needs to take into account those who might live in the community in the future. Blending together U.S. Census data and CMAP's local household and population projections for the year 2040, some realistic estimates can be made of who will want to live in the Village over the next 30 years. What types of housing would be necessary to meet the needs of current and future residents?

Future Ownership Needs

Carpentersville will have a shortage of owner-occupied housing units affordable to families whose incomes are below \$50,000 and a modest surplus of affordable units for families whose incomes exceed \$50,000. Meeting the needs of present and future middle- and upper-income owners will require maintaining existing units. Projected shortfalls in supply for low-, moderate-, and middle-income households could further increase the number of cost-burdened owners, as buyers attempt to purchase homes affordable to middle- and upper-income households. For households earning less than \$15,000, the financial realities of property acquisition, construction costs, and financing make development very difficult.

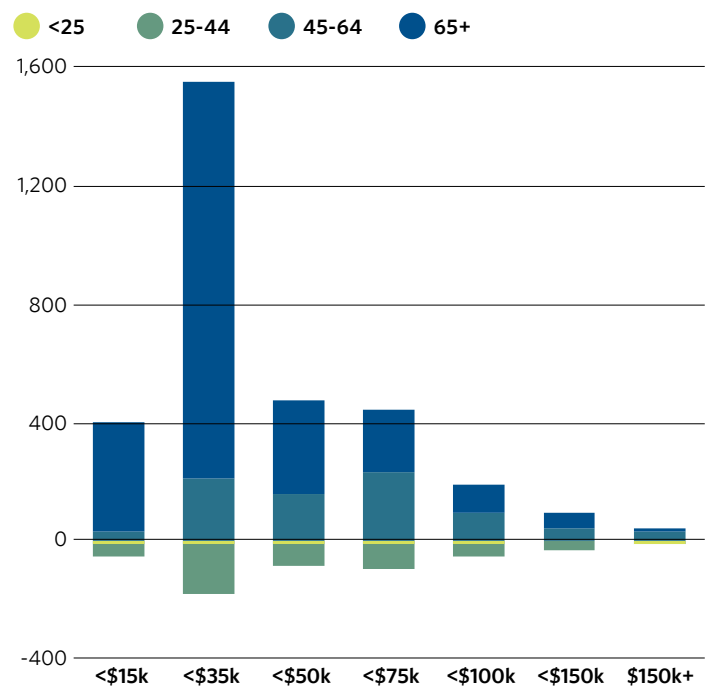
Regardless of income level, seniors are expected to drive future demand, particularly at the lowest income levels. As the population grows and ages, over 75 percent of added homeowners will be older than 65. This growth underlines the importance of considering multigenerational housing options, a unit type of interest to many current residents. Carpentersville could lose a small number of younger households in the next 30 years.

Carpentersville 2011 households and housing stock compared with 2040 owner demand



Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model using American Community Survey 2007-11 and CMAP GO TO 2040 household forecast inputs.

Carpentersville 2011-40 change in owner demand by age and income



Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model using American Community Survey 2007-11 and CMAP GO TO 2040 household forecast inputs.

Future Rental Needs

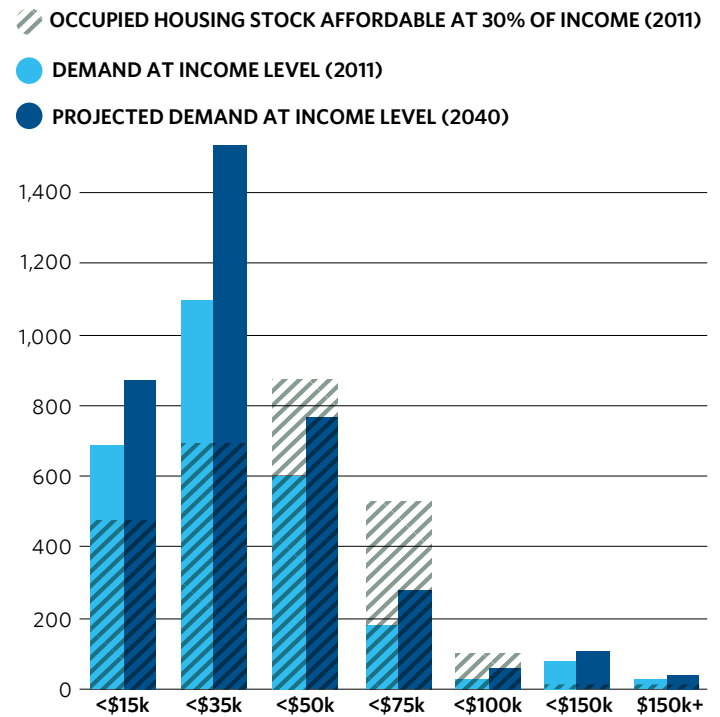
Future growth among renters will be primarily low-income and senior. Accommodating this growth would require the addition of 950 rental units in Carpentersville. Very few households earning more than \$75,000 annually are projected to rent in the future. Much like with owners, future renter housing must meet the needs of seniors. The structure of this future demand creates the potential for further increases in the number of cost-burdened renters without the development of additional housing for low-income renters.



Planning for future renters includes maintaining the existing rental stock.

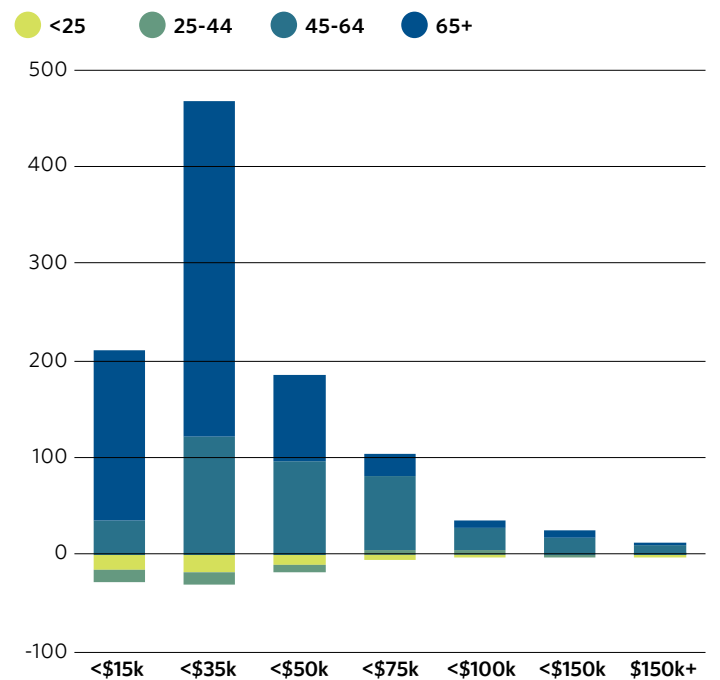
Source: Chicago Metropolitan Agency for Planning.

Carpentersville 2011 households and housing stock compared with 2040 renter demand



Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model using American Community Survey 2007-11 and CMAP GO TO 2040 household forecast inputs.

Carpentersville 2011-40 change in renter demand by age and income

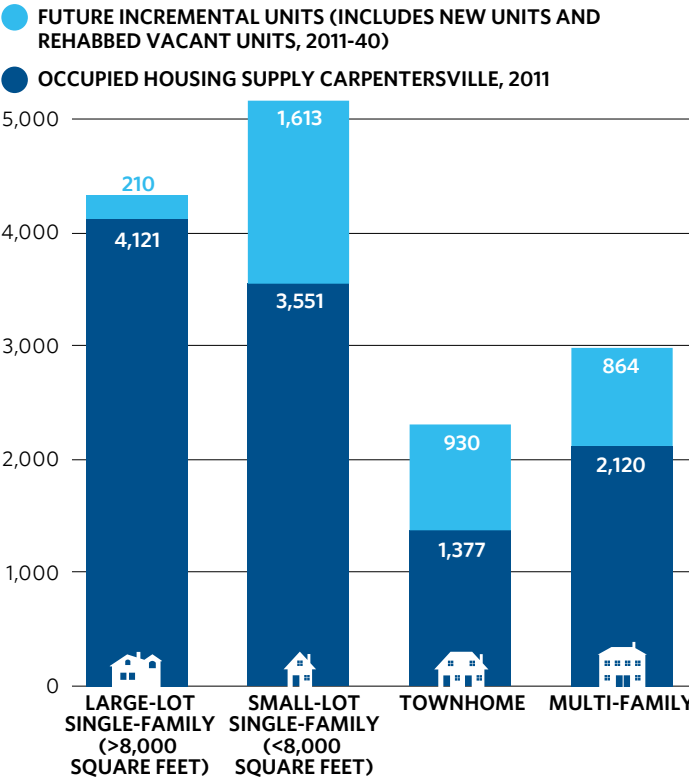


Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model using American Community Survey 2007-11 and CMAP GO TO 2040 household forecast inputs.

Housing Demand by Type of Unit

Based on the breakdown of projected future owners and renters in Carpentersville along with national estimates of future demand for four broad housing types, a forecast of demand for additional housing units in 2040 arises. This “balanced housing profile” shows demand for 3,617 additional units between now and 2040.²⁰ About 3,050 of these units will be needed for seniors. Such strong senior demand drives the interest in denser unit types, including 1,613 additional small-lot single-family homes, 930 townhomes, and 864 multi-family units between now and 2040.

Carpentersville future balanced housing profile



Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model using American Community Survey 2007-11 and CMAP GO TO 2040 household forecast inputs.



Homes in Old Town can serve as a guide for future neighborhoods.
Source: Chicago Metropolitan Agency for Planning.

20. Note that this figure is higher than the projected increase in households between 2011 and 2040 (3,231) because of the inclusion of potential future vacant units. See the Appendix for more information about the methodology.

Capacity for Growth

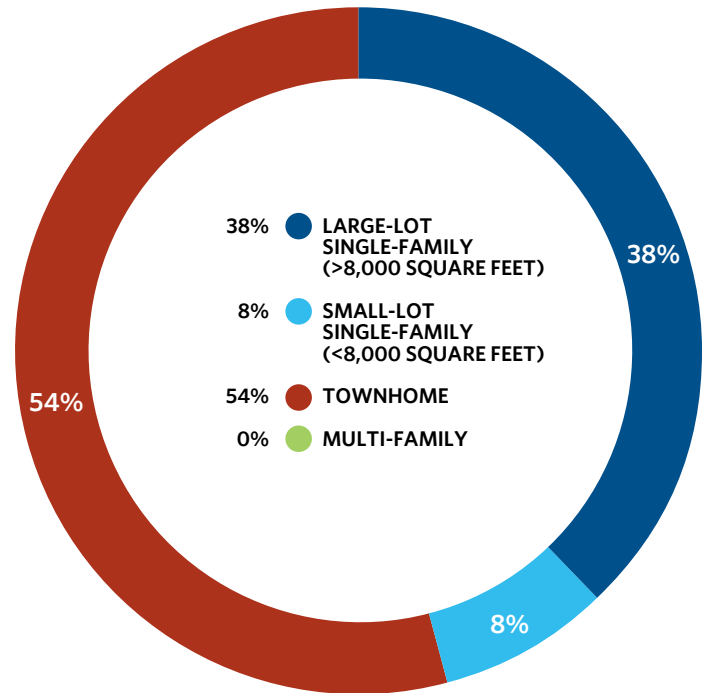
Forecasted population and household growth is only one half of the equation in considering future housing needs. As a community with numerous assets, it is understandable why many people want to live in Carpentersville now and in the future. But to plan for future households and housing, it is also important to look at capacity. To understand the Village's ability to accommodate projected growth, two key sources of capacity were reviewed: development/redevelopment and vacancy.²¹

Development/Redevelopment Analysis

The development/redevelopment analysis considers how Carpentersville could grow over the next 30 years based on current land use regulations, development approvals, and key development sites. CMAP and Village staff calculated the total square footage of vacant and redevelopable land in the Village by reviewing Kane County Assessor data. Then, Carpentersville's current zoning and development standards were applied to those figures to calculate how many units could be built given the amount of vacant and redevelopable land within the various zoning districts. This analysis did not include the capacity for land in the Village's planning area that could be later annexed.

Based on this analysis, the Village has the capacity for approximately 1,009 additional dwelling units compared to the 3,617 units that would be needed should the Village decide to plan for the estimated increase in its population possible by 2040. This capacity would allow the Village to accommodate 27 percent of the forecasted household growth, though the full capacity for large-lot homes may not be needed.

Carpentersville maximum capacity by unit type



Source: Chicago Metropolitan Agency for Planning analysis of Carpentersville zoning ordinance and Kane County Assessor data.

Maximum capacity by unit type

TYPE	UNITS
Large-lot single-family (>8,000 square feet)	388
Small-lot single-family (<8,000 square feet)	76
Townhome	541
Multi-family	4
TOTAL	1,009

Source: Chicago Metropolitan Agency for Planning analysis of the Carpentersville zoning ordinance and Kane County Assessor data.

21. See the Appendix for more information about the methodology.



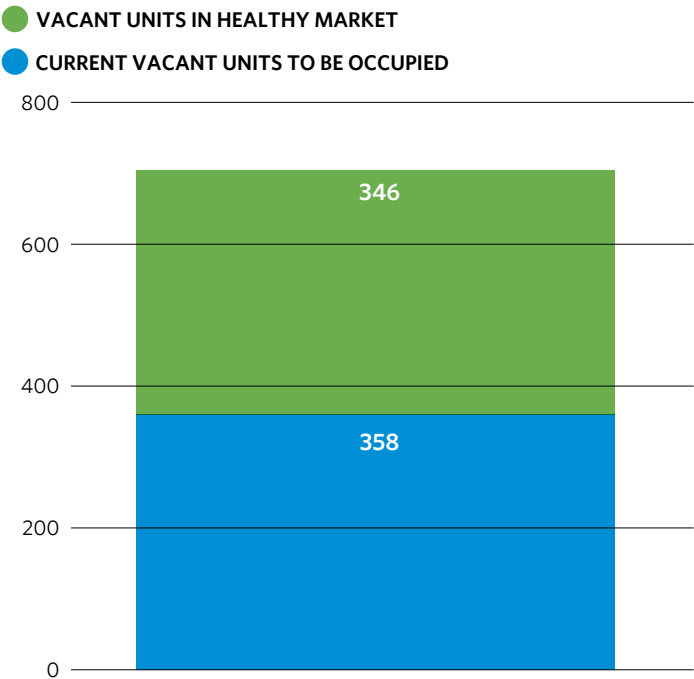
New residents could occupy currently vacant units.

Source: Chicago Metropolitan Agency for Planning.

Vacancy Analysis

Because of the current housing market, many homes now vacant may not be so in the future, allowing people to move in without building new units. According to 2007-11 ACS estimates, Carpentersville has approximately 704 vacant units, or about 5.9 percent of all homes in the Village. Normal long-term vacancy rates for a strong community are 7.4 percent among rental units and 1.5 percent among owner-occupied units.²² Given the number of local owner and rental units and a healthy housing market, the Village should only have approximately 346 vacant units, a vacancy rate of approximately 2.9 percent. Therefore, 358 currently vacant units could be occupied in the future as Carpentersville grows and the market stabilizes. This capacity would allow the Village to accommodate a relatively small share of projected growth (about 10 percent).

Carpentersville breakdown of current vacant units



Source: Chicago Metropolitan Agency for Planning analysis of American Community Survey 2007-11 data.

22. Belsky, E., Bogardus Drew, R., McCue, D., *Projecting the Underlying Demand for New Housing Units: Inferences from the Past, Assumptions about the Future*. (November, 2007). Joint Center for Housing Studies, Harvard University. See <http://tinyurl.com/mlwyddq>.

Urban Design Focus Area

In June 2013, the *Homes* team conducted a community workshop in Carpentersville. Residents, community leaders, officials, and others presented their views on a focus area selected by the Village: the southwestern intersection of Illinois Route 31 and Main Street. As a prominent corner, the community would like to see the adjacent and aging Huntley Square shopping center revitalized.

Stakeholders at the meeting discussed a number of different visions for the area. Much of the discussion focused on whether the site could support retail development in the future. Ultimately, stakeholders felt that the community should start discussing the possibility of residential development on the site and that the visualization should kick-start this discussion. Based on this feedback, the following images show the construction of multi-family residential housing on the site along with the possible rehabilitation of Huntley Square for services, such as medical offices.

Southwest corner of Illinois Route 31 and Main Street today



Source: Chicago Metropolitan Agency for Planning.

Southwest corner of Illinois Route 31 and Main Street in the future



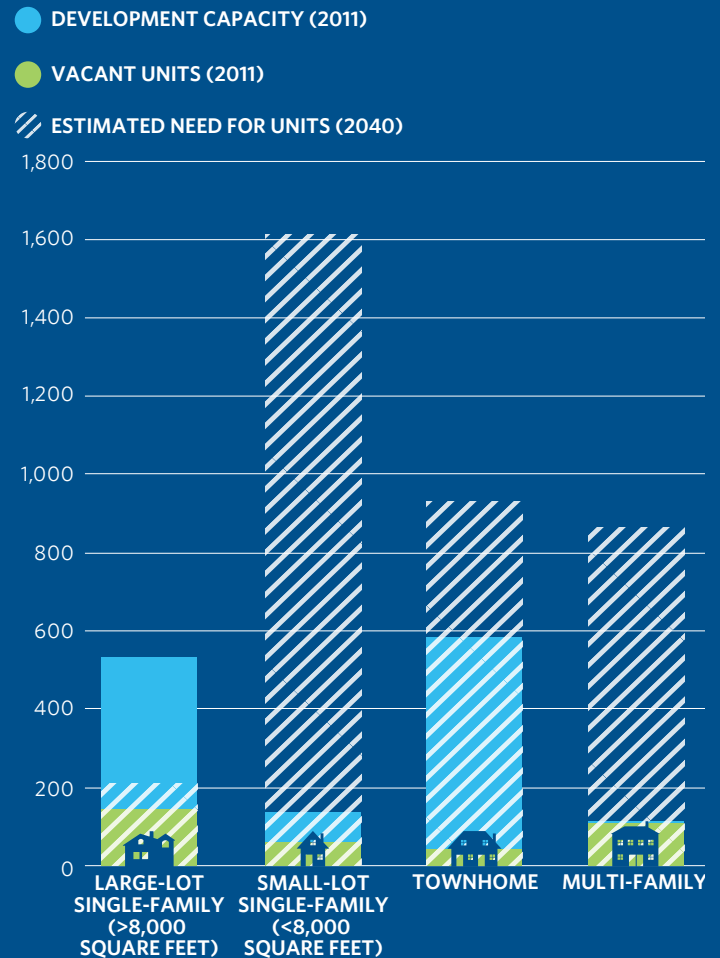
Source: Fregonese Associates.

Conclusions and Recommendations

Taking into account the capacity available through development, redevelopment, and vacancy, demand for future housing will outstrip available capacity for new housing construction by roughly 2,000 units. Available capacity provides little growth for the multi-family housing and small-lot single family housing likely to be sought by a sharply growing senior population under existing zoning. Should the current zoning be modified to accommodate this demand? If so, where should this housing be located? Should Carpentersville annex additional land to accommodate growth or focus its efforts on redeveloping areas closer to its historic core?

Decisions regarding whether to grow by annexation or redevelopment will have the biggest impact on the Village's future housing market. Regardless of the route chosen, maintaining existing units and fostering an open housing market will be very important. The following policy recommendations are grouped thematically into rehabilitation, additional capacity, and openness, exploring how each can help bridge the demand gap.

Carpentersville demand vs. vacancy and capacity by housing type



Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model, Kane County Assessor data, and U.S. Census Bureau inputs.



Growth by redevelopment or greenfield development will have big impacts on the Village's future housing market.

Source: Chicago Metropolitan Agency for Planning.

Rehabilitation

With future population growth outstripping current capacity for all unit types, maintaining a responsive housing market requires that existing units are in good condition and meet the needs of future occupants.

Numerous stakeholders expressed concern over the quality of the Village's existing rental housing stock. With the number of single-family rentals in Carpentersville combined with the higher local foreclosure rate and growing future demand for rental housing, developing a regulatory system that allows the Village to improve the condition of the current stock and maintain the quality of new rental development is key. Currently, the Village annually licenses all local rental units. As part of these requirements, the landlord is required to complete a crime-free housing seminar administered by the Police Department and a copy of the lease must be submitted to the Village to demonstrate that the crime-free lease addendum has been included. Each rental unit is inspected by the Community Development Department once every four years.

While Carpentersville should consider adopting many of the strategies included in MPC's *Managing Single-Family Rental Homes* white paper, the Village should in particular focus on modifying its licensing structure to provide additional opportunities for inspections balanced with incentives for landlord compliance. A good model for Carpentersville is the system adopted by the Village of Addison in 2011. Under this system all local rental units, including single-family homes, are licensed annually. At the time of initial licensure, units are inspected and

graded as "very good," "satisfactory," and "unsatisfactory" based on the number of code violations. Very good units can waive inspections for the following year. Satisfactory units have one extra yearly inspection. Unsatisfactory units are inspected three additional times that year. Addison indicates that this tiered inspection structure has increased the percentage of very good rentals by 10 percent and decreased unsatisfactory rentals by 10 percent. If the Village modifies its rental licensing system, it should be coupled with an effective fee structure, designed to cover some of the municipality's inspection costs without overburdening landlords.

While changes to the local rental inspection program can address rental units generally, outreach identified the Meadowdale neighborhood as in particular need of rehabilitation. This area contains suburban single-family homes built in the 1950s, '60s, and '70s. Homes in this area provide almost 40 percent of the Village's housing stock. Any strategy for addressing the long-term health of the Village's housing stock must stabilize this neighborhood.

The Village already recognizes the need for this focus. Staff has worked on revising the R-2 zoning standards that cover most of the area. The current standards create a number of non-conformities and owners must often seek variances for large (expansion) and small (decks and porches) improvement. By revising the R-2 standards, the Village hopes to reduce regulatory barriers and spur rehabilitation.

The Village should also consider additional ways to stimulate rehabilitation in the area. Much like Meadowdale, the Parkside neighborhood in the Village of Tinley Park is a post-war subdivision containing older single-family homes. Tinley Park developed the Architectural Enhancement Program to increase rehabilitation activity in the area and ensure that the homes would remain appropriate for the young growing families that occupied most units. Under this program, Tinley Park hired an architectural firm to survey the units in the neighborhood, finding that most fell into one of four types. The firm then developed standard options for unit modernization. Plans for these stock rehabilitations were available through the Village and, as staff was familiar with the plans, permitting was fast-tracked.

Finally, multiple funding sources will be brought to bear on issues in the Carpentersville area over the next few years, including the following.

- Kane County annually receives Community Development Block Grant (CDBG) funding, approximately \$1,070,000 in 2013.
- Kane County Consortium annually receives Home Investment Partnership Program (HOME) funds, approximately \$570,000 in 2013.
- The Community Foundation of the Fox River Valley was awarded \$3 million in funding from the Illinois Attorney General's office under the National Mortgage Settlement for the redevelopment of approximately 40 properties as a first step in a broader regional revitalization strategy.
- Neighborhood Housing Services (NHS) received \$1.75 million from the Illinois Attorney General's office under the National Mortgage Settlement for the expansion of lending, construction, and outreach from the Fox Valley and southern Cook County offices.

Moreover, Carpentersville has benefited from the work of Homes by Otto.

Targeting regional rehabilitation efforts and funding sources into the Meadowdale area combined with the creation of an architectural enhancement program by the Village will focus public, private, and non-profit efforts on improving the neighborhood. Given the likely growth of the senior population, rehabilitation efforts should focus on improving accessibility and adaptability. Access to these public funding sources may be critical for rehabilitation of homes for low-income seniors, including helping residents age in place.

Additional Capacity

The community has multiple methods to add housing capacity. Meeting future demand will require more multi-family and small-lot single-family homes. The Village should consider zoning changes that increase opportunities for both types of development, particularly for low-income seniors. This subset of recommendations envisions ways that the community can add such housing types through redevelopment and expansion.

Demand for multigenerational housing options will likely only grow in the coming decades as the local population ages. **Therefore, Carpentersville should consider how best to accommodate multigenerational housing options in the community through its zoning code, including accessory dwelling units in appropriate locations.**

The mapping exercises undertaken as part of this plan demonstrates interest in re-envisioning the intersection of Illinois Route 31 and Main Street with multi-family and mixed-use development, including senior housing. The growth of retail along the Randall Road corridor coupled with a desire to spur commercial redevelopment along Illinois Route 25 increases the need to consider non-retail options when reworking the Illinois Route 31 corridor. While Carpentersville should explore regulatory changes that would allow for non-commercial development, the Village should also keep in mind that it shares the responsibility for the long-term health of the area around Spring Hill Mall with West Dundee. **Therefore, the two communities should work together to explore how best to ensure the long-term economic health of the area.**

The recently completed *Old Town Plan*, also developed through CMAP's Local Technical Assistance Program, recommends attached single-family homes along Lincoln Avenue, additional small-lot single-family homes in Old Town, and the pursuit of at least one senior housing development. **The findings of this report emphasize the importance of continuing to implement the *Old Town Plan*, including completing the changes necessary to allow these housing types.**

Openness

A key component for any community seeking to maintain an efficient and effective housing market is ensuring that local housing and service providers show openness to current and future residents of all backgrounds. The following strategies outline ways Carpentersville can continue fostering openness throughout the Village.

Because of the important role that seniors will play in the future housing market, accessibility in new and rehabilitated housing is very important. **One way to meet this need would be for Carpentersville to adopt a visitability ordinance.** The idea is to create homes that accommodate those with and without physical impairments through construction modifications to doorways, hallways, and bathrooms. Communities such as the Village of Bolingbrook and the City of Naperville have adopted visitability ordinances to ensure that new construction or major housing renovations can provide for the needs of the disabled and growing senior populations.

Additionally, care should be taken to make sure that multi-family housing meets both the design standards of the Illinois Access Code and the Fair Housing Act. Statewide, the Illinois Accessibility Code (IAC) requires that new residential housing be accessible to persons with disabilities. Under the IAC, prior to issuing permits, municipalities must evaluate whether the designs comply with the IAC. However, municipalities are not obligated to assess whether the plans comply with the federal Fair Housing Act under the IAC. The federal law requires that multi-family housing with four or more units include basic attributes of accessibility (e.g., accessible entrances, accessible routes, accessible kitchens and bathrooms, and accessible common areas).

Carpentersville understands the importance of embracing its diversity. A critical component of fostering openness is intentionally seeking the involvement of community members from all backgrounds. Many communities have found that the development of a community relations commission (CRC) is a good method to demonstrate intentionality.

CRCs can play many different roles. Some groups focus on leading community outreach efforts related to housing and diversity. CRCs can play an important role in providing accurate and balanced information on topics including housing needs, racial and cultural sensitivity, accessibility, and community change. The best CRCs proactively engage residents through regular forums and surveys and provide objective input on timely issues that have an impact on the community. Many CRCs are given adjudication powers for fair housing complaints. **Carpentersville should create a CRC and consider what role it would best play in the community.** Recognizing that the changing composition of communities throughout the region brings challenges and opportunities, the Metropolitan Mayors Caucus (MMC) has partnered with CMAP to produce the Immigrant Integration Toolkit. This document will provide best practices for many topics, including eliminating language barriers and fostering community engagement. A role for the CRC might be to review the toolkit for best practices that Carpentersville should implement.

The Village provides a welcome packet to each new resident that includes information on the community. Currently this packet is only available in paper form. The Village should consider posting the document online. **Moreover, the Village should ensure that this packet reflects the community's commitment to openness by including a statement of welcome for peoples of all backgrounds.**

An important part of demonstrating openness is ensuring residents can communicate about local issues. The Village website does not currently provide information about how residents can file housing discrimination complaints. **Therefore, Carpentersville should provide such contact information on its website and in the welcome packet.**

A Final Thought

This report lays out a vision for how the Village can prepare for a projected influx of low-income seniors by preserving an open housing market, improving the quality and accessibility of existing units, and adding capacity. As demonstrated through the *Old Town Plan*, Carpentersville's leadership understands that implementing a long-range plan requires a continual focus on incremental steps. Implementing this plan will require the same focus.



Southeast corner of River Street and Jackson Street.

Source: Chicago Metropolitan Agency for Planning.

Housing Policy Plan: East Dundee

Project Summary

East Dundee is a small, successful Fox River community that benefits from its riverfront location and easy access to Illinois Routes 25 and 72, as well as I-90. The Village's historic downtown, close-knit neighborhoods, school system, and solid commercial base make it attractive to families and businesses alike.

This very attractiveness presents one of its key challenges. The Village's population could more than double by 2040. With limited capacity for new development, East Dundee must plan carefully for future housing and consider the desires of potential households. Having already shown true regional leadership by developing attractive housing for veterans and low-income families, what price points should the Village target for new developments? Given expansion constraints, careful thinking must go into planning for effective preservation and rehabilitation programs, including how to properly preserve and rehabilitate the historic downtown.

This report reviews East Dundee's current housing market, projected future housing market, and capacity for development. Out of this analysis come a series of policy recommendations East Dundee will use to address these challenges. Recommendations include:

- **Exploring regulatory changes to continue diversifying the local housing stock.**
 - **Ensuring the quality of existing units through rehabilitation.**
 - **Demonstrating that East Dundee is open to all future residents.**
-

Demographic Trends

Located along the Cook County-Kane County boundary, the Village of East Dundee is bordered by Carpentersville to the north; Barrington Hills and Hoffman Estates to the east; unincorporated Kane County to the south; and West Dundee to the west.

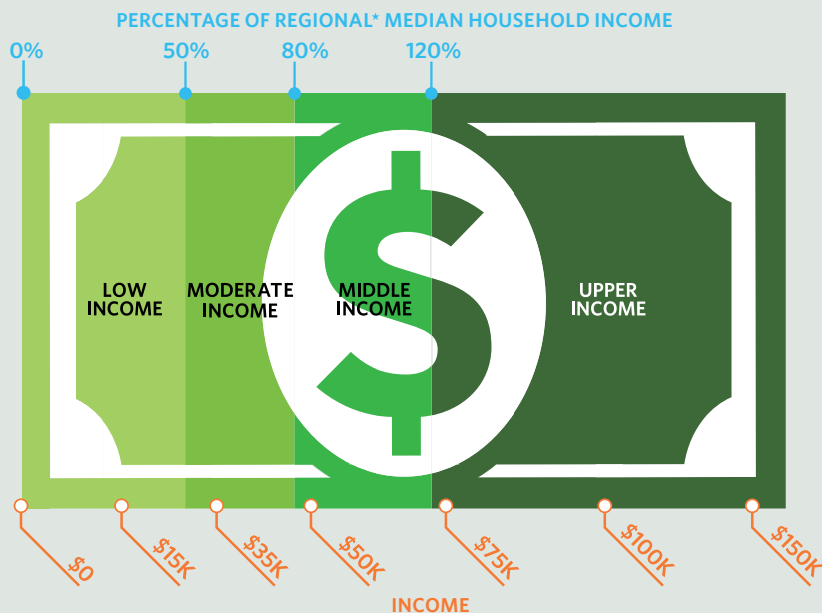
The population of East Dundee was essentially unchanged over the last decade. The Chicago Metropolitan Agency for Planning (CMAP) produced population and household projections as part of GO TO 2040, the seven-county region's comprehensive plan for sustainable prosperity through mid-century and beyond.²³ These predictions indicate that if GO TO 2040 is implemented and if the Village can find capacity, its population could rise to 6,783 by 2040, an increase of approximately 3,900 residents.²⁴ With few undeveloped tracts within the Village and limited developable land available for annexation, the Village's expansion capabilities are somewhat limited. How should East Dundee grow given these constraints?

General East Dundee statistics

	POPULATION	HOUSEHOLDS
2000 Decennial Census	2,955	1,228
2011 American Community Survey (ACS)	2,909	1,263
Change, 2000-11	-86	35
Change as %, 2000-11	-3%	3%
GO TO 2040 projection, 2040	6,783	2,905
Change, 2011-40	3,874	1,642
Change as %, 2011-40	133%	130%

Source: U.S. Census and Chicago Metropolitan Agency for Planning GO TO 2040 projections.

Income



While household income is discussed throughout the Homes for a Changing Region plan, it's important to understand some of the definitions behind phrases like "low-" and "moderate-income." The U.S. Department of Housing and Urban Development (HUD) has established definitions for how the relationship between an area's median income and the income of an individual household can define what is a low (less than 50 percent of regional median income), moderate (50 percent to 80 percent), middle (80 percent to 120 percent), and upper income households (120+ percent). By comparing each income group to the regional* median household income (\$61,045), readers can understand what constitutes low, moderate, middle, and upper income households.

*Region defined as the Chicago-Naperville-Joliet, IL Metropolitan Division.

Source: Chicago Metropolitan Agency for Planning analysis of the American Community Survey 2007-11.

23. See <http://www.cmap.illinois.gov/about/2040>.

24. See the Appendix for more information about these projections.

Current Housing Market

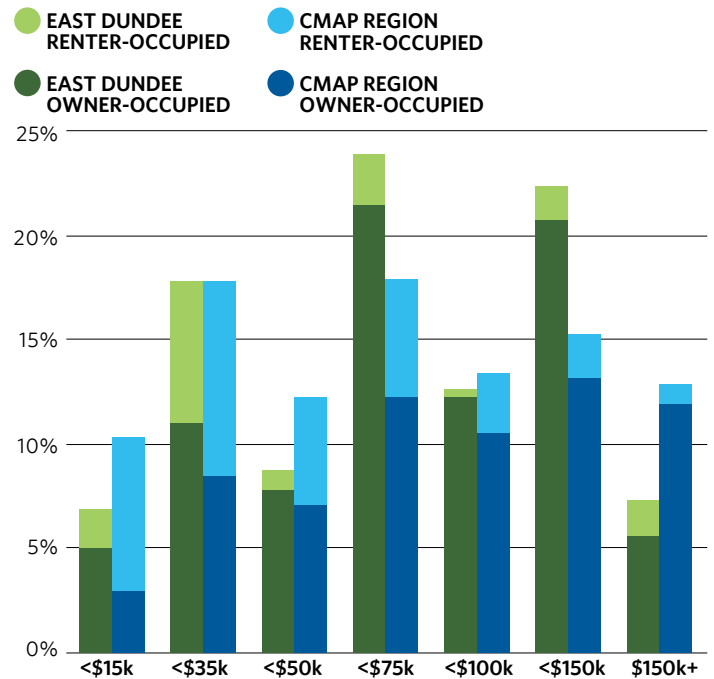
Because East Dundee grew from its historic core along the Fox River, the Village's housing stock offers everything from historic 19th Century units to modern single-family subdivisions. Slightly over two-thirds of housing units in East Dundee are single-family homes. Generally, as an occupant's income rises, so does the likelihood of ownership. Households earning less than \$35,000 occupy half of all local rental units. These tenure trends are very similar to those found in suburban communities throughout the region, except that in East Dundee townhomes play a particularly important role in the rental market.



Recent townhome developments have diversified local housing options.

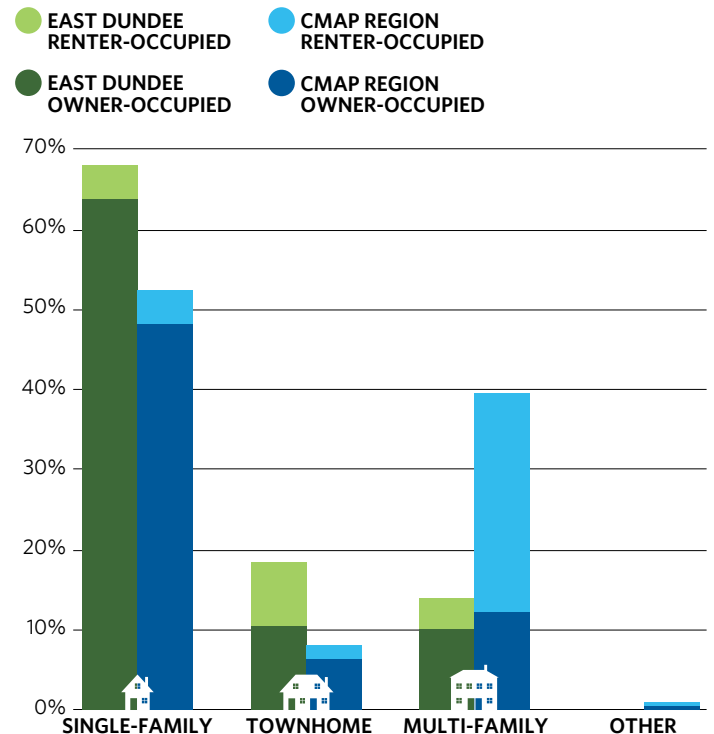
Source: Chicago Metropolitan Agency for Planning.

Owner/renter by household income



Source: American Community Survey 2007-11 data.

Housing type by owner/renter



Source: American Community Survey 2007-11 data.

What is “Affordable Housing?”

- **“Affordable housing”** is housing that costs no more than 30 percent of household income (including utilities, insurance, and taxes).
- **“Unaffordable housing”** is housing that costs between 30 percent and 50 percent of household income.
- **“Severely unaffordable housing”** is housing that costs more than 50 percent of household income.

Housing Affordability

One of the most essential elements in understanding local housing dynamics is affordability. What constitutes “affordable housing” varies from household to household as the measure is relative. An affordable housing unit is one that a family can own or rent for no more than 30 percent of its income. This spending includes both housing (rent or mortgage) and housing-related costs, such as property taxes, insurance, and utilities. This time-tested standard is reflected in everything from the underwriting standards of private lenders to data from the U.S. Census Bureau.

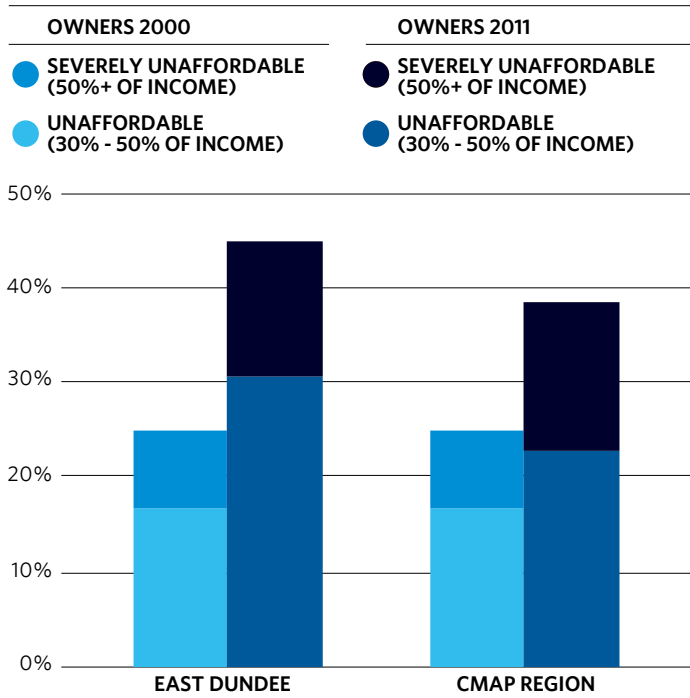
Over the last decade, rapidly rising property values accelerated far faster than incomes in the U.S., increasing the number of cost-burdened households. Since the recession, affordability issues have persisted despite declines in home values and mortgage rates due in part to declining incomes, slow employment growth, and stringent credit requirements.²⁵ As households became renters, supply did not initially keep pace with the sudden spike in demand. Harvard University indicates that currently more than 10 percent of owners and 25 percent of renters in the U.S. pay more than 50 percent of their income on housing costs.²⁶

Similar to the experience of the rest of the nation, the number of cost-burdened owners and renters increased in East Dundee from 2000 to 2011. Over this period, the share of owners spending more than 30 percent of their income on housing costs rose from approximately 25 percent to 45 percent. Future sections of this report look at those income groups among owners and renters that are most burdened.

25. Joint Center for Housing Studies. *State of the Nation's Housing 2012*. (June, 2012). Harvard University.

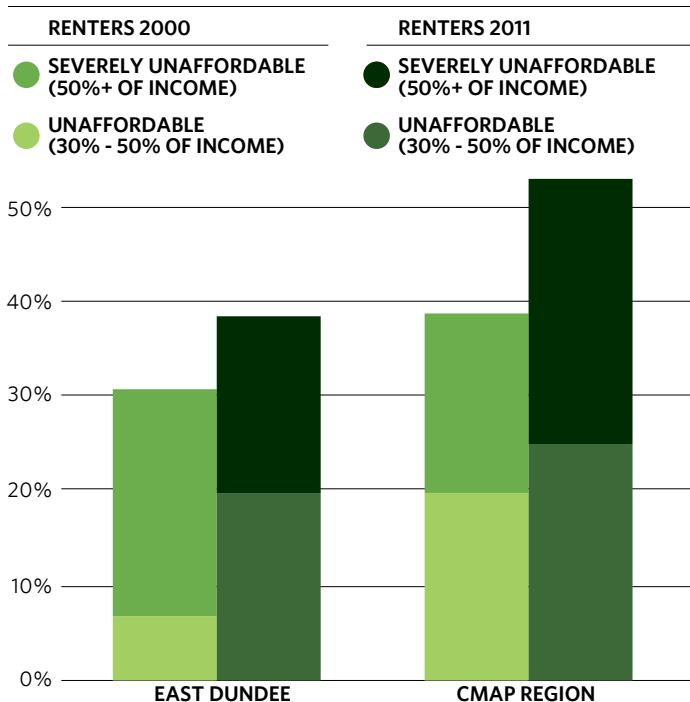
26. Joint Center for Housing Studies. *State of the Nation's Housing 2013*. (June, 2013). Harvard University.

Percent of owner-occupied households paying more than 30 percent of income on monthly owner costs



Source: 2000 U.S. Census and American Community Survey 2007-11 data.

Percent of renter-occupied households paying more than 30 percent of income on gross rent



Source: 2000 U.S. Census and American Community Survey 2007-11 data.

Utilities and Affordability

Utility costs can increase or decrease the number of cost-burdened households because they contribute to gross housing costs. In 2007, the Center for Neighborhood Technology (CNT) developed the “East Dundee Energy and Emissions Profile,” which examined energy consumption, vehicle miles traveled, and greenhouse gas emissions at a community-wide scale. This report was part of the Municipal Energy Profile Project (MEPP) that included the development of profiles for over 270 municipalities in metropolitan Chicago. The profiles serve as a baseline from which communities can develop more specific strategies and accurately measure progress in achieving reductions in energy consumption and emissions. The MEPP Guidebook examined both municipal and community scale best practices for strategies in energy and transportation. The project was funded by the Illinois Clean Energy Community Foundation, and data partners included ComEd, Nicor Gas, Peoples Gas, North Shore Gas, and the Illinois Department of Transportation.

The table below highlights residential natural gas and energy usage in the Village and Kane County in 2007. At that time, the average East Dundee household spent \$18 more per month on energy costs than the average Kane County household. The Village moved forward with municipal aggregation in 2012, offering residents lower electricity rates. Implementing energy efficient designs as part of rehabilitation and new construction in the coming years can further reduce local energy costs and help decrease the number of cost-burdened households.

Residential energy use in East Dundee and Kane County, 2007

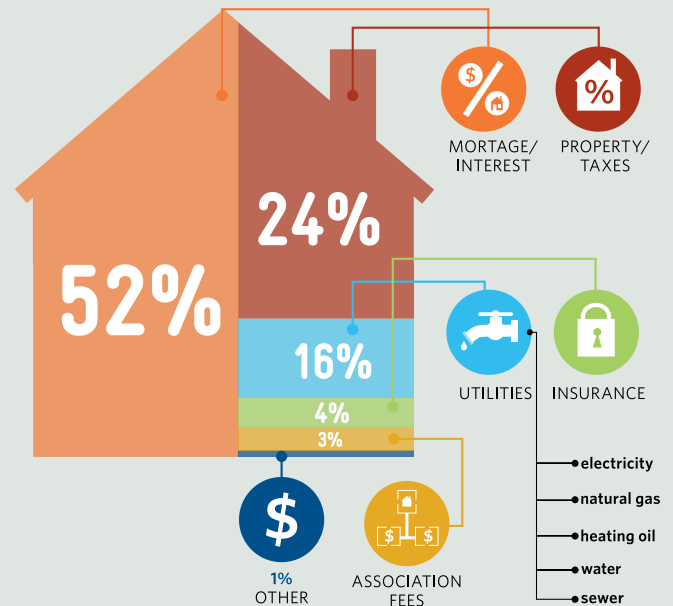
	EAST DUNDEE	KANE COUNTY
Average electricity use per household	8,973 kWh	8,203 kWh
Average annual \$ for electricity per household*	\$966	\$883
Average natural gas use per household	1,165 Therms	1,008 Therms
Average annual \$ for natural gas per household*	\$1,034	\$898
Average annual energy costs	\$2,000	\$1,781

Source: Elevate Energy Community Profile.

*Calculated using average residential sales per kilowatt hour (kWh) (Illinois Commerce Commission Utility Sales Statistics 2007).

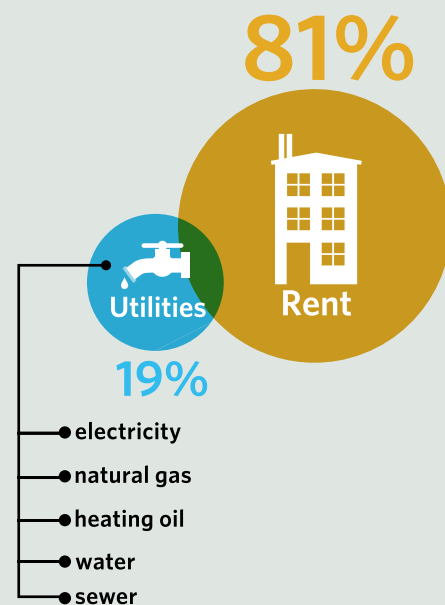
What is included in monthly owner costs?

Average monthly costs for renters in Chicago Metropolitan area, 2009



What is included in gross rent?

Average monthly costs for renters in Chicago Metropolitan area, 2009



Source: Chicago Metropolitan Agency for Planning analysis of the 2009 American Housing Survey (AHS).

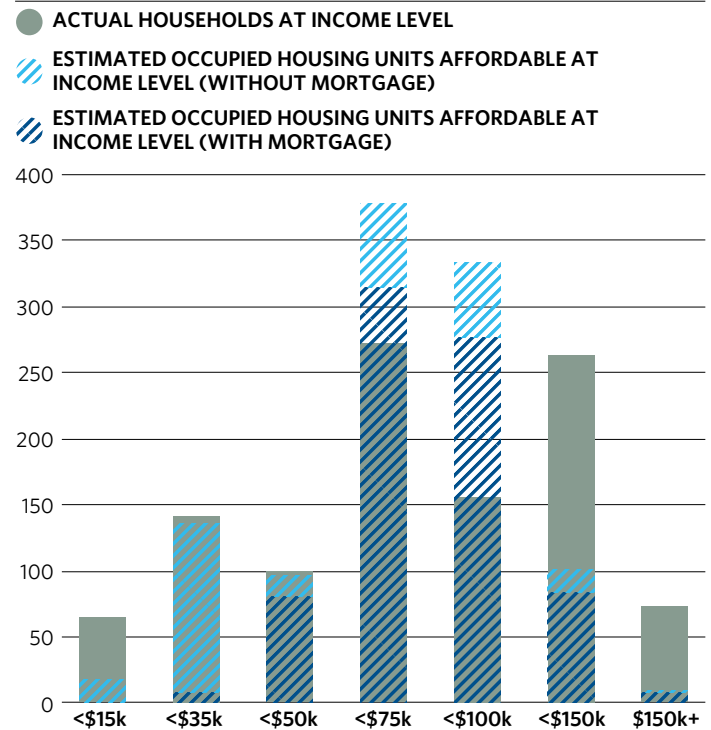
The 2009 AHS data includes Cook, DuPage, Grundy, Kane, Kendall, Lake, McHenry, and Will Counties in the metropolitan area.

Current Ownership Housing Market

Among owner households in East Dundee, the availability of units at each income level depends greatly on mortgage status. Well over 90 percent of owner units affordable to households earning less than \$35,000 are not mortgaged. Units affordable to households earning above \$35,000 typically require the owner to carry a mortgage. Intuitively this difference makes sense, as owners who do not carry a mortgage usually pay less in total housing costs. Two-thirds of owner-occupied units in the Village are affordable to households earning between \$50,000 and \$100,000. The structure of the East Dundee ownership market mirrors that of the region.

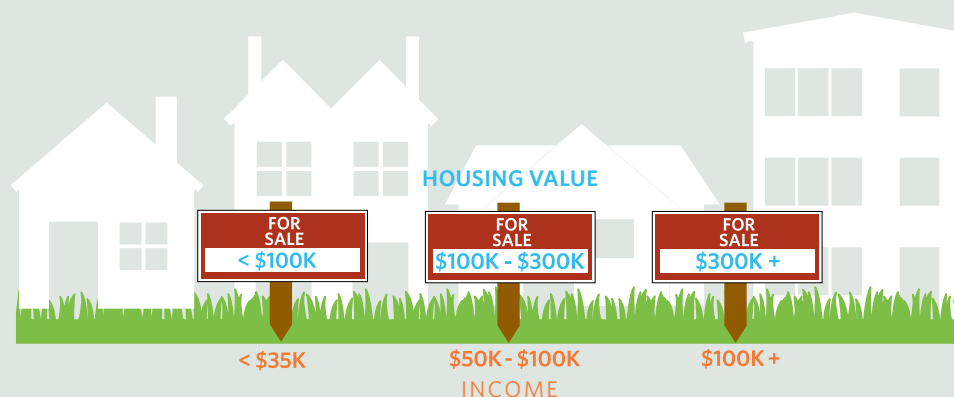
The likelihood of owning a home with or without a mortgage depends in part on age. Approximately 73 percent of owners without mortgages are over the age of 65 but comprise only 10 percent of units with mortgages. Therefore, the bulk of East Dundee's supply of owner units affordable to households earning less than \$35,000 per year are occupied by seniors, while the working age population occupies most of the units affordable to households earning more than \$35,000 per year.

East Dundee comparison of owner household incomes with occupied units affordable at each income level



Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model using American Community Survey 2007-11 inputs.

Translating incomes into housing values



With so many factors influencing what home a household can afford to purchase (housing cost, income, downpayment, credit score, etc.), it can be difficult to figure out how the seven income groups analyzed in the Homes for a Changing Region report correspond to local housing values. A long-standing rule of thumb has been that households should buy units valued at no more than three times their annual income. Using this rough standard, these home values are generally affordable at each of the associated income levels.

Source: Chicago Metropolitan Agency for Planning.

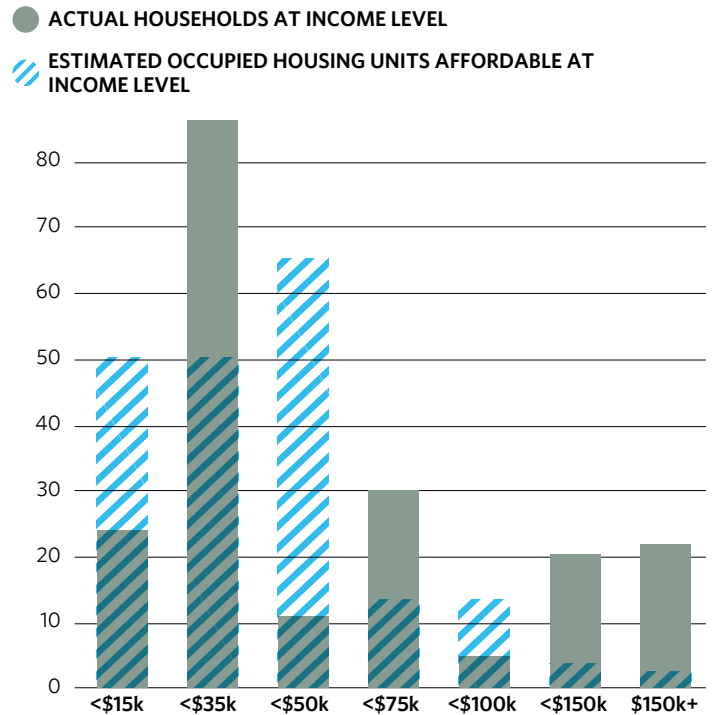
Current Rental Housing Market

East Dundee's rental market is very small, with less than 200 units mostly serving households earning less than \$50,000. This structure, in part, responds to the incomes of renters in East Dundee, as 61 percent have incomes under \$50,000. The large number of renters earning between \$35,000 and \$50,000 outpaces supply, resulting in a number of cost-burdened renters.

Village leadership is well aware of affordability issues within East Dundee's rental market. Recognizing this gap, the Village supported the development of River Haven Place and Gardiner Place near the intersection of Illinois Route 25 and Illinois Route 72. River Haven Place includes 68 rental townhomes for families, with priority offered to veterans. All units in this development are affordable to households earning less than \$40,000. Gardiner Place is an 80 unit affordable senior apartment complex, with a majority of units affordable to households earning less than \$30,000. Once both projects are completed, the supply of rental units for households earning less than \$50,000 will increase significantly.

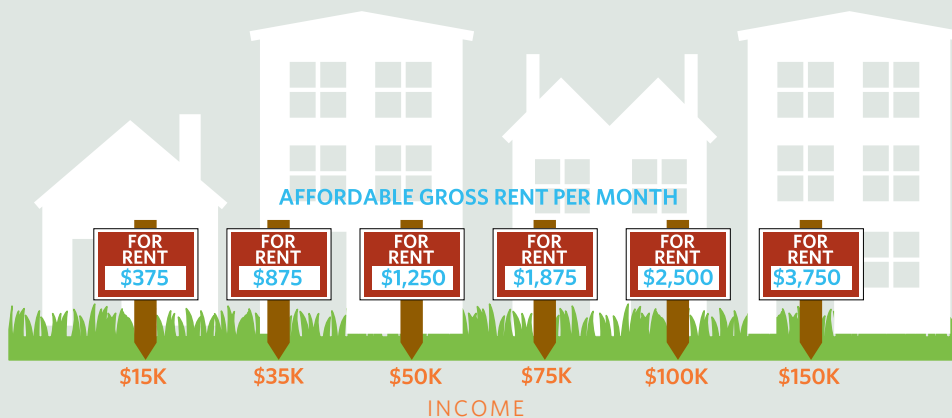
According to 2007-11 American Community Survey (ACS) data, while only 28 percent of renters are seniors, 59 percent of cost-burdened renters are older than 65, indicating that senior renters are disproportionately likely to be paying more than 30 percent of their income on housing.

East Dundee comparison of rental household incomes with occupied units affordable at each income level



Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model using American Community Survey 2007-11 inputs.

Translating incomes into rents



Applying the previously discussed concept that households should spend no more than 30 percent of income on housing costs, these gross rents are generally affordable at each of the associated income levels.

Source: Chicago Metropolitan Agency for Planning.

Jobs, Transportation, and Housing

East Dundee is a job-rich community, with more than two jobs available for every household. As a result, the Village has built-in demand for its housing stock, as people who work in the community may want to live there as well, taking advantage of the potential to reduce their commute time and costs. Continued expansion of industrial areas east of Illinois Route 25 will add to the number of people interested in living in the Village.

Matching jobs and housing, however, is more complicated. If the jobs in a community do not match the skills of the workforce, commute times will increase for both workers and residents. In the same vein, if jobs are available but housing values do not mesh with what workers can afford, there is still a mismatch and workers must commute from elsewhere.

These potential issues show how transportation and affordability are linked. Some housing locations are inherently more or less costly by virtue of their location. If a housing unit is located farther away from jobs or retail, the typical occupant will need to spend more time and money commuting, leaving less money for housing and other expenses. Moreover, a mismatch between the location of jobs and affordable housing reduces economic competitiveness as employers experience difficulty with employee recruitment and retention.²⁷ This section explores how the local job base impacts the East Dundee housing market.

Subregion* earnings

INDUSTRY	AVERAGE EARNINGS**
Retail trade	\$28,916
Professional, scientific, and technical services	\$71,549
Administration and support, waste management	\$27,716
Manufacturing	\$62,859
Accommodation and food services	\$18,239
Construction	\$74,277
Arts, entertainment, and recreation	\$22,566
Information	\$68,828
Transportation and warehousing	\$52,713
Other services (excluding public administration)	\$37,739
Wholesale trade	\$75,555
Health care and social assistance	\$57,180
Finance and insurance	\$60,782
Educational services	\$43,102

Source: Economic Modeling Specialists International (EMSI).

*Subregion includes the following ZIP Codes: 60110, 60118, 60120, 60123, and 60124.

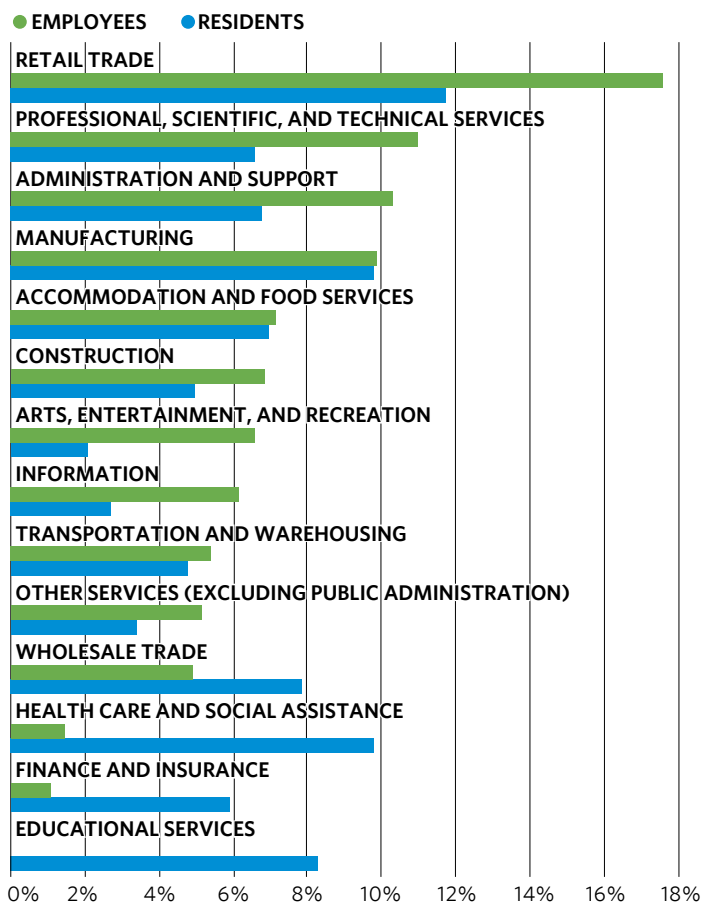
**According to EMSI, the reported earnings include hourly wages as well as employer contributions for employee pensions and insurance funds as well as employer contributions for government social insurance.

27. Pill, Madeleine. *Employer-Assisted Housing: Competitiveness Through Partnership*. (September, 2000). Joint Center for Housing Studies, Neighborhood Reinvestment Corporation. See <http://tinyurl.com/n73amvw>.

Jobs

The top employment sectors for both residents and employees include a mixture of lower wage (e.g. retail trade, accommodation, administration) and higher wage industries (e.g. manufacturing, construction, education). As a result, both jobs and housing are present for low-, middle-, and upper-income households in East Dundee. These jobs reflect the local approach to economic development. The Village has created seven tax increment financing (TIF) districts that connect to one another, allowing monies from one area to be used in another. These TIF districts contain a number of retail and service developments. The improvement of properties east of Illinois Route 25 in recent years has added a number of non-retail jobs. Many of the areas covered by TIFs are also part of one of the Village's three business development districts (BDD), creating another layer of potential incentives. Areas covered by incentive districts include the historic downtown along with important commercial corridors such as Illinois Route 72 and Illinois Route 25. With funds generated from these districts, the Village has created a business façade improvement program. Major employers include Wal-Mart, H&M Limo, Valleycrest Landscape Maintenance, and Midwest Integrated.

Industries of East Dundee residents and employees, 2011



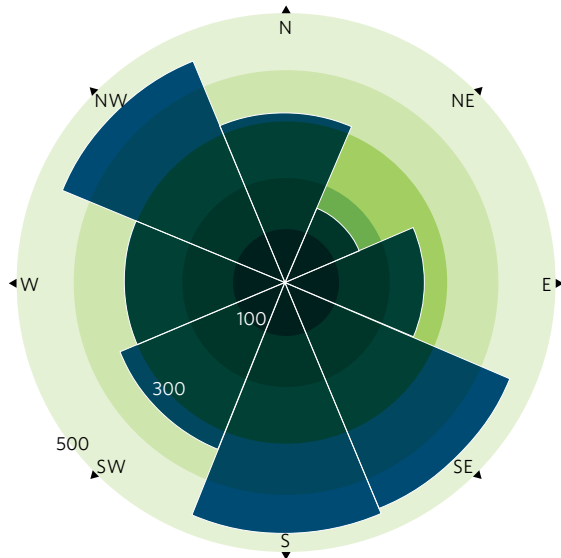
Source: U.S. Census Bureau, Local Employment Dynamics, On-the-Map data.

Transportation

Despite having employment and housing options for low-, middle-, and upper-income households, many local employees and residents commute long distances. Only 4 percent of employed residents work locally. Comparatively, 38 percent commute to locations outside of Cook County or Kane County, such as DuPage County, Lake County, and McHenry County. As with other communities in the subregion, Elgin is the employment hub for East Dundee, with 12 percent of residents commuting to the city for work. As a result, many households must deal with higher transportation costs in addition to struggling with housing costs.

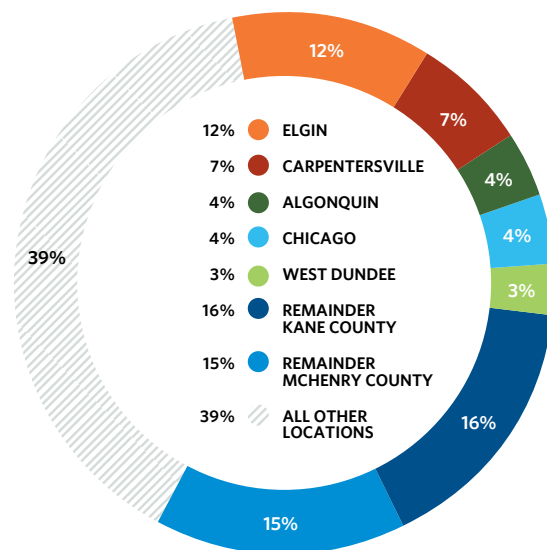
Where East Dundee's workers live

Job counts by distance/direction in 2011, all workers



Source: U.S. Census Bureau, Local Employment Dynamics, On-the-Map data.

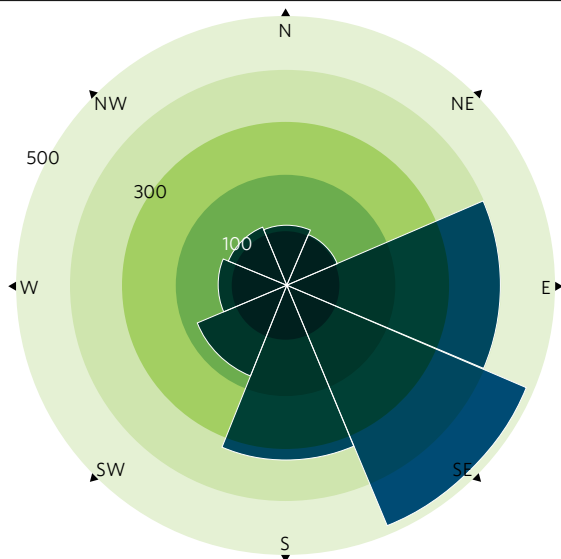
Where East Dundee's workers live, 2011



Source: U.S. Census Bureau, Local Employment Dynamics, On-the-Map data.

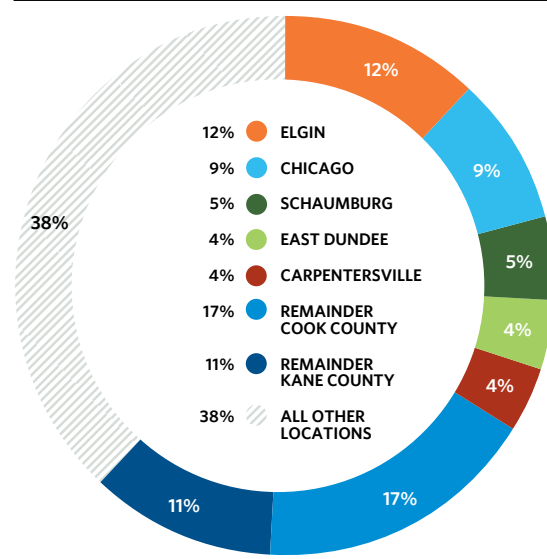
Where East Dundee's residents work

Job counts by distance/direction in 2011, all workers



Source: U.S. Census Bureau, Local Employment Dynamics, On-the-Map data.

Where East Dundee's residents work, 2011



Source: U.S. Census Bureau, Local Employment Dynamics, On-the-Map data.

28. American Society of Civil Engineers. "Traffic Generated by Mixed-Use Developments — Six-Region Study Using Consistent Built Environmental Measures." *Journal of Urban Planning*, October 2010.

Projecting Future Housing Needs

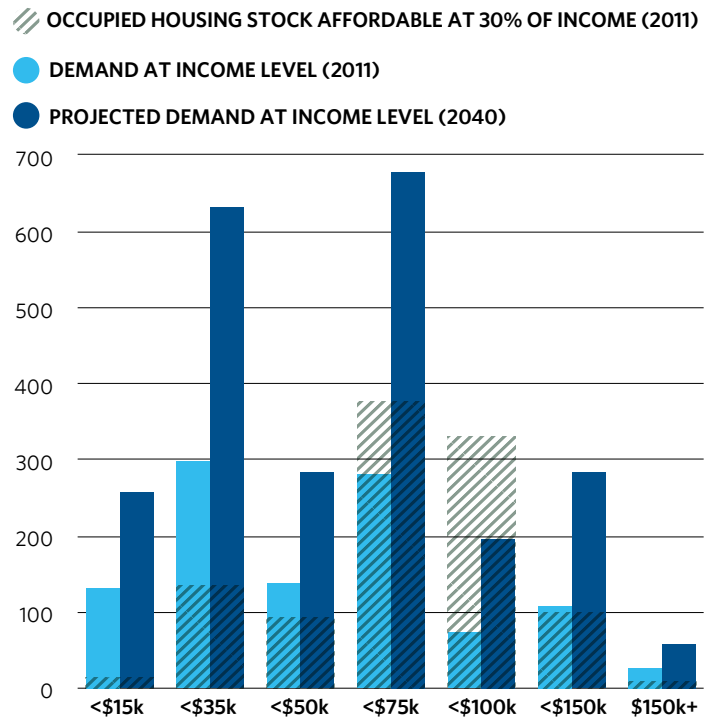
Proactive housing planning needs to take into account those who might live in the community in the future. Blending together U.S. Census data and CMAP's local household and population projections for the year 2040, some realistic estimates can be made of who will want to live in the Village over the next 30 years. What types of housing would be necessary to meet the needs of current and future residents?

Future Ownership Needs

Over the next 30 years, CMAP projections indicate that more than 1,300 new owner-occupied units would be needed to meet future demand. Meeting all of this growth would double the number of households in the Village. Where will this demand come from?

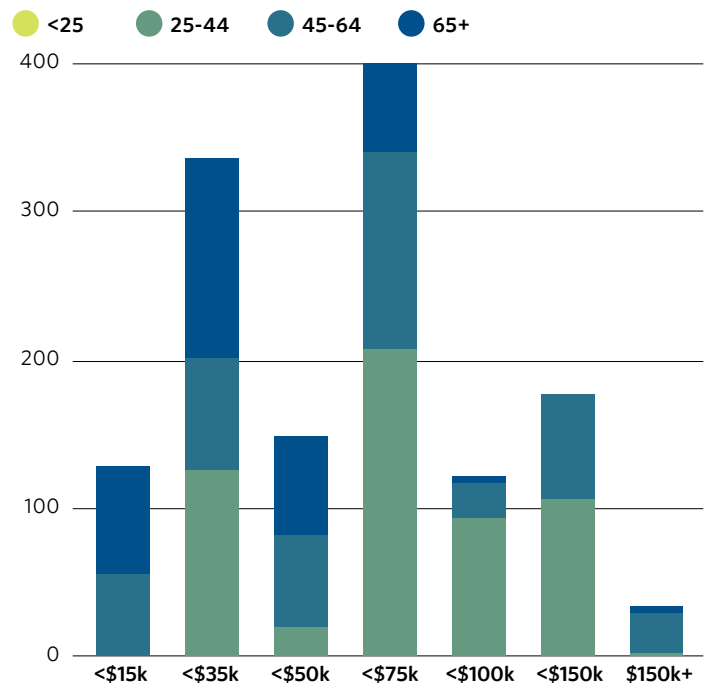
The current supply of units affordable to households earning between \$75,000 and \$100,000 would be sufficient to meet projected growth. Shortages, however, could occur at all other income levels. The largest gaps between current supply and projected demand are for units affordable to households earning between \$50,000 and \$75,000 and between \$15,000 and \$35,000. Projected shortfalls in supply for low- and moderate-income households, particularly for households below \$35,000, reflect the potential for further increases in the number of cost-burdened owners. For households earning less than \$15,000, the financial realities of property acquisition, construction, and financing make development very difficult. Working age owners (25-44 and 45-64) are a key component of future demand at all income levels.

East Dundee 2011 households and housing stock compared with 2040 owner demand



Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model using American Community Survey 2007-11 and CMAP GO TO 2040 household forecast inputs.

East Dundee 2011-40 change in owner demand by age and income



Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model using American Community Survey 2007-11 and CMAP GO TO 2040 household forecast inputs.

Future Rental Needs

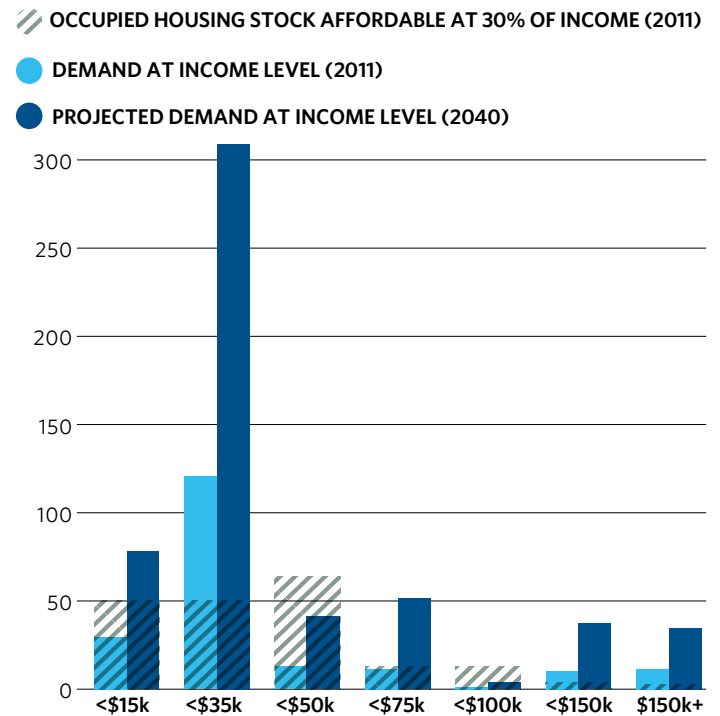
Projected to add only 300 rental units, meeting future rental demand between now and 2040 will be far easier for the Village. Over half of additional renters would come from households earning between \$15,000 and \$35,000 annually. Through forward-thinking planning, the Village is prepared to accommodate approximately 40 percent of potential growth through River Haven Place and Gardiner Place. These developments target the exact households likely to be future renters and should serve as a model for future developments.



Gardiner Place should serve as a model for future local developments.

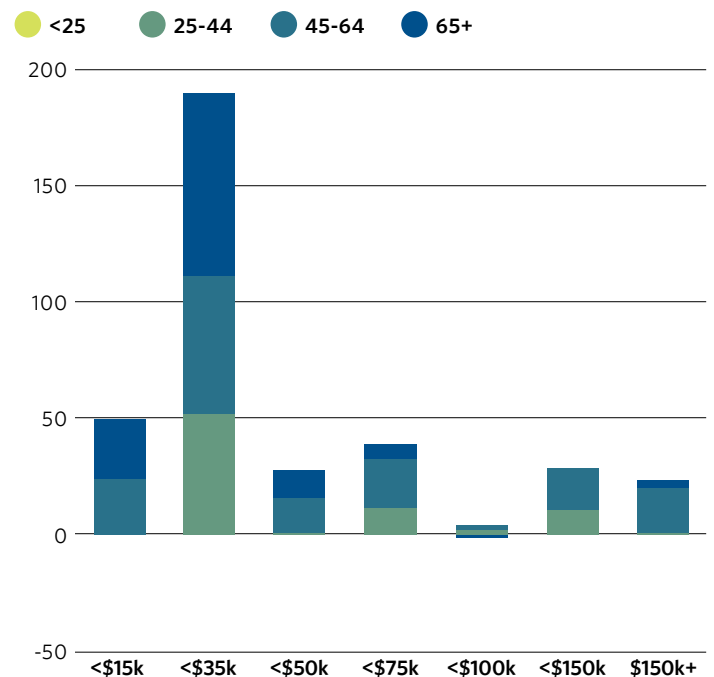
Source: Chicago Metropolitan Agency for Planning.

East Dundee 2011 households and housing stock compared with 2040 renter demand



Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model using American Community Survey 2007-11 and CMAP GO TO 2040 household forecast inputs.

East Dundee 2011-40 change in renter demand by age and income



Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model using American Community Survey 2007-11 and CMAP GO TO 2040 household forecast inputs.

Housing Demand by Type of Unit

Based on the breakdown of projected future owners and renters in East Dundee along with national estimates of future demand for four broad housing types, a forecast of demand for additional housing in 2040 arises. This “balanced housing profile” shows demand for 1,696 units between now and 2040.²⁹ Around 450 of the units would be large-lot single-family homes. The additional 600 small-lot single-family homes, 450 townhomes, and 230 multi-family units would be driven by low- and middle-income seniors along with the working-age owner population.

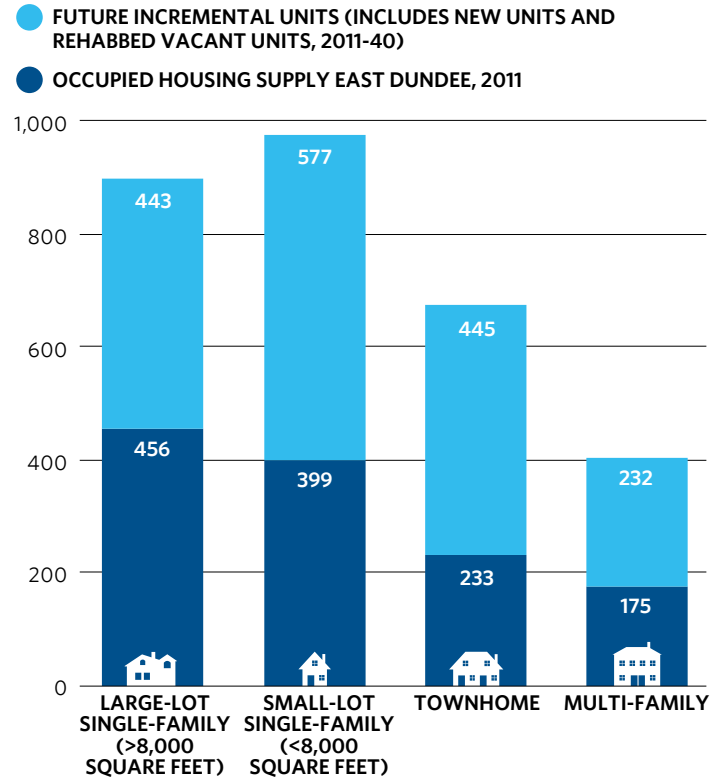
This profile is consistent with the feedback received through the on-line survey conducted as part of the project. On the website, residents were asked to rate images of various housing types, choosing whether the image was appropriate for East Dundee. The image that most residents found appropriate was a small-lot single-family home. Similarly, the public was asked what types of housing (single-family, apartment/condo, townhome/duplex, or other) seniors and young households (under 30) would prefer. Respondents thought that providing apartments and townhomes were an important part of attracting both age groups.



River Haven Place contains the types of units of interest to future residents.

Source: Chicago Metropolitan Agency for Planning.

East Dundee future balanced housing profile



Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model using American Community Survey 2007-11 and CMAP GO TO 2040 household forecast inputs.

29. Note that this figure is higher than the projected increase in households between 2011 and 2040 (1,642) because of the inclusion of potential future vacant units. See the Appendix for more information about the methodology.

Small-lot single-family units and townhomes

What one person calls a townhome another may call a townhouse, condominium, or even small-lot single-family home. The goal of this report is not to define the right design for the community, but rather to provide information on the general types of units people may prefer in the future so that East Dundee can explore the right version of that type for the Village.

Density: 5-8 dwelling units/acre



Examples of moderate density single-family homes and townhouses from other communities in the region are provided below. Similar densities can be achieved in numerous styles and layouts. Density may be increased while maintaining a neighborhood feel with open space and natural elements.

Density: 5-8 dwelling units/acre



Density: 6 dwelling units/acre



Density: 8-10 dwelling units/acre



Source: Chicago Metropolitan Agency for Planning.

Capacity for Growth

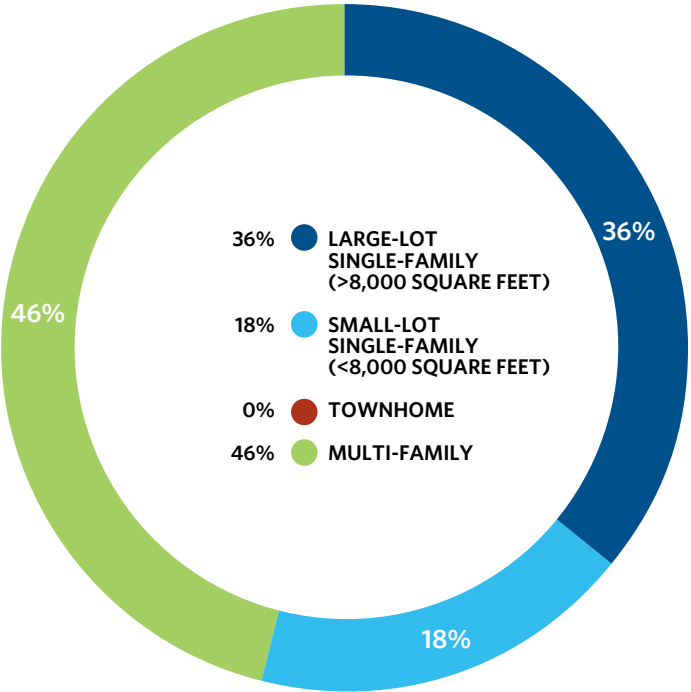
Forecasted population and household growth is only one half of the equation in considering future housing needs. As a community with numerous assets, it is understandable why many people want to live in East Dundee now and in the future. To plan for future households and housing, it is also important to look at capacity. To understand the Village’s ability to accommodate projected growth, two key sources of capacity were reviewed: development/redevelopment and vacancy.³⁰

Development/Redevelopment Analysis

The development/redevelopment analysis considers how East Dundee could grow over the next 30 years based on current land use regulations, development approvals, and key development sites. CMAP and the Village calculated the total square footage of vacant and redevelopable land in the Village by reviewing Cook County and Kane County Assessor data. Then, East Dundee’s current zoning and development standards were applied to those figures to calculate how many units could be built. For this analysis, build-out estimates were not prepared for nearby unincorporated areas that may be developed over the next 30 years.

Without including nearby unincorporated lands, it was estimated that East Dundee has the capacity for approximately 501 additional dwelling units compared to the approximately 1,700 units that would be needed should the Village decide to plan for the estimated increase in its population possible by 2040. This capacity would allow the Village to accommodate about 30 percent of the projected household growth. Of the projected capacity, 150 units are part of River Haven Place and Gardiner Place.

East Dundee maximum capacity by unit type



Source: Chicago Metropolitan Agency for Planning analysis of East Dundee zoning ordinance and Cook County and Kane County Assessor data.

Maximum capacity by unit type

TYPE	UNITS
Large-lot single-family (>8,000 square feet)	181
Small-lot single-family (<8,000 square feet)	90
Townhome	-
Multi-family	229
TOTAL	501

Source: Chicago Metropolitan Agency for Planning analysis of the East Dundee zoning ordinance and Cook County and Kane County Assessor data.

30. See the Appendix for more information about the methodology.



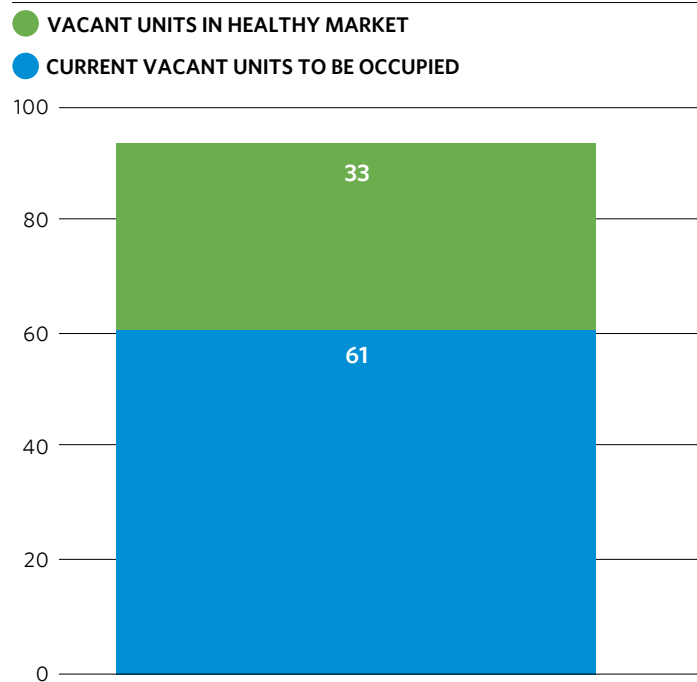
The redevelopment of some commercial facilities could include housing.

Source: Chicago Metropolitan Agency for Planning.

Vacancy Analysis

Because of the current housing market, many homes now vacant may not be so in the future, allowing people to move in without building new units. According to 2007-11 ACS estimates, East Dundee has approximately 94 vacant units, or about 6.9 percent of all homes in the Village. Normal long-term vacancy rates for a strong community are 7.4 percent among rental units and 1.5 percent among owner units.³¹ Given the number of local owner and rental units and a healthy housing market, the Village should only have approximately 33 vacant units, a vacancy rate of approximately 2.4 percent. Therefore, 61 currently vacant units could be occupied in the future as East Dundee grows and the market stabilizes. This capacity would allow the Village to accommodate about 4 percent of projected growth.

East Dundee breakdown of current vacant units



Source: Chicago Metropolitan Agency for Planning analysis of American Community Survey 2007-11 data.

31. Belsky, E., Bogardus Drew, R., McCue, D., *Projecting the Underlying Demand for New Housing Units: Inferences from the Past, Assumptions about the Future*. (November, 2007). Joint Center for Housing Studies, Harvard University. See <http://tinyurl.com/mlwyddq>.

Urban Design Focus Area

In June 2013, the *Homes for a Changing Region* team conducted a community workshop in East Dundee. Residents, community leaders, officials, and others presented their views on a focus area selected by the Village — the southern side of Illinois Route 72 east of Illinois Route 25. This large unincorporated tract presents East Dundee with an interesting opportunity for new commercial and/or residential development.

Stakeholders at the meeting presented a number of different visions, ranging from completely developing the area with industrial uses or new housing units. A consensus seemed to form around a development with office and light industrial structures along Illinois Route 72 and residential units behind. Such a development would integrate job and housing opportunities. Pictures of what this development might look like appear below.

Illinois Route 72 looking east today



Source: Chicago Metropolitan Agency for Planning.

Illinois Route 72 looking east in the future



Source: Fregonese Associates.

Focus area concept plan



Source: Fregonese Associates.

Conclusions and Recommendations

Taking into account the capacity available through development, redevelopment, and vacancy, East Dundee can accommodate 33 percent of the projected housing units that could be desired by future residents by 2040, or about 560 additional residents. The remaining approximately 1,140 households represent unmet demand, people who may want to live in East Dundee but might not be able due to a lack of available units. Given limited capacity for new development, East Dundee must plan carefully for future housing, building off of the local employment base and a revitalized downtown while fostering an open housing market.

The B-1 and B-2 zones in downtown East Dundee provide most of the multi-family capacity. Through its efforts to create a downtown plan, the Village has discussed the importance of adding denser residential options in and around the downtown area through the redevelopment of key parcels, thereby increasing the number of people patronizing restaurants and retail. As the plan is not yet complete, this report offers the chance to inform its creation. Based on a review of the local zoning ordinance, the downtown planning process should consider ways in which zoning changes might further the development of residential in the area.

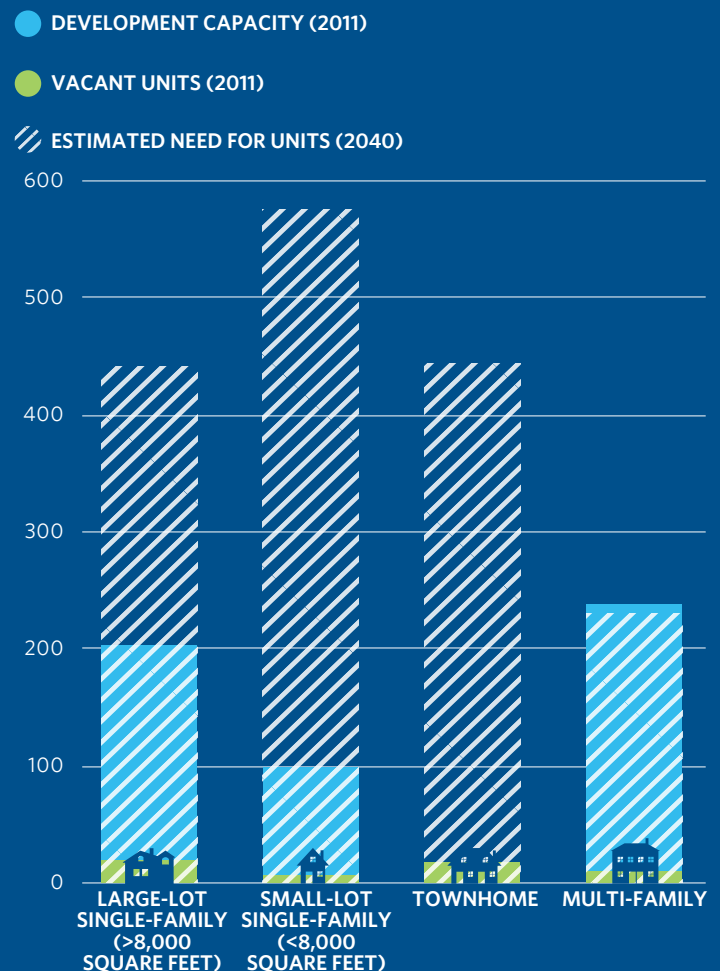
Both the B-1 and B-2 zones only permit residential development above the first floor if all other requirements are met, including the provision of one off-street parking space per unit. The B-1 zone requires that the off-street parking spaces must be provided on the same lot. **Therefore, the downtown planning process should explore how best to deal with parking in the downtown area, including a review of potential modifications for the B-1 and B-2 standards.** Particular attention should be paid to whether on-street or shared parking should be counted in meeting parking standards.



The Village's downtown represents an opportunity.

Source: Chicago Metropolitan Agency for Planning.

East Dundee demand vs. vacancy and capacity by housing type



Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model, Cook County and Kane County Assessor data, and U.S. Census Bureau inputs.

The B-1 and B-2 zones cover not just the Village's primary commercial/ mixed-use streets (River Street, Main Street, Meier Avenue), but also a number of other streets that may be better suited for denser supporting residential development around downtown (e.g. portions of Jackson Street and Johnson Street). **The planning process should consider permitting townhomes in selected locations around the downtown core as part of the broader goal of adding residential options that support the area.**

The Village's current zoning does not provide as many opportunities for small-lot single-family and townhome units, a key part of attracting future middle-income working age households, particularly those between 25 and 44. **If the Village wishes to continue accommodating the demand for these types of units, land in and around the Village will need to be zoned for such development.** Recognizing the need to develop such alternative housing types, the Village pursued the development of River Haven Place, helping meet such demand. The largest single way to accommodate both housing types would be the annexation and development of the area east of Illinois Route 25 and south of Illinois Route 72. Additional residential development in this location would be close to both an expanding industrial area and Sears's corporate headquarters, allowing residents living in such a development the potential for short commutes to nearby employers.

Yet, even the pursuit of downtown redevelopment and the development of nearby unincorporated areas are unlikely to meet all future demand. Therefore, East Dundee should focus on housing efforts that maintain the quality of its existing housing stock so those units will remain ready and able to address changing housing demand in the future. **To help ensure the quality of local units, it is recommended East Dundee explore the creation of a rehabilitation program.**

Funding to operate such a program could come from local, state, or federal sources, as described in the Subregional Report. Success of the Village's TIF districts has led to the establishment of the Commercial Façade Improvement program and may provide a model if East Dundee chooses to fund the program locally. Local funding of the program allows for far greater flexibility in designing a program tailored to local needs. Ideally such a program would include components that allow energy efficiency and accessibility improvements. Due to the Village's small size, the most efficient way to operate such a program may be to delegate the administration to a regional rehabilitation organization. The mapping exercise indicates that rehabilitation may be particularly needed for the older neighborhoods northwest of the downtown.

Part of future housing planning is ensuring that the Village's ordinances offer the flexibility to respond to the changing dynamics of the local housing market. Officials have indicated that most new residential development goes through East Dundee's Planned Unit Development (PUD) process. While this approval method allows both the developer and the Village greater flexibility in creating new housing, PUD regulations also include maximum density requirements that are taken from the Comprehensive Plan and the underlying zoning. These densities cannot be exceeded without a full rezoning of the property, requiring a far longer and more intense approval process. Village officials have noted that these standards may be incompatible with the projected need for townhomes and small-lot single-family units. **Therefore, East Dundee should monitor the existing density standards and consider exploring modifications that would allow the ordinance to respond to future demand.**

Rehabilitation repayment structures

The structure of a rehabilitation program depends on many factors, including the housing and households targeted, the local housing market, and the funding source. As a rule of thumb, however, there are three main methods.

- **Grant:** Assistance to the homeowner can be provided as a straight grant, with no recollection of the funds. This format is the most administratively simple, as it does not require monitoring of the property into the future.
- **Loan:** Rehabilitation funds can be provided to the property owner as a traditional loan, where the program operator charges an interest rate (typically below market rate) and requires periodic payments (monthly, quarterly, annually, etc.) over a number of years. This design is the most administratively intense, requiring personnel to manage the portfolio of loans and track repayment.
- **Deferred Loan:** In this type of program, the operator provides a loan for rehabilitation, with repayment deferred until the property is sold. Interest is not typically charged on such loans. Some programs will forgive the loan if an owner-occupant lives in the home for a set time period. The administrative burden of this format falls somewhere in the middle. The program must monitor homes to ensure money is collected upon resale or that the loan is released after the agreed upon period.

Finally, a key component for any community seeking to maintain an efficient and effective housing market is ensuring that local housing and service providers show openness to current and future residents of all backgrounds. The following strategies outline ways in which East Dundee can continue fostering openness throughout the Village.

- The Village provides a welcome packet to all new East Dundee residents. This resource is a wonderful method for the Village to demonstrate its interest in community members of all backgrounds. **The Village should ensure that this packet reflects the community's commitment to openness by including a statement of welcome for peoples of all backgrounds. Additionally, this document, along with all other Village materials, should be made available in a variety of languages, particularly in Spanish, and should be accessible to persons with disabilities, including those with sight or hearing impairments.**
- An important part of demonstrating openness is ensuring residents can communicate about local issues. The Village website does not appear to currently provide information about how residents can file complaints about housing discrimination. **Therefore, East Dundee should provide such contact information on its website along with including the information in the welcome packet.**
- Statewide, the Illinois Accessibility Code (IAC) requires that new residential housing be accessible to persons with disabilities. Under the IAC, prior to issuing permits, municipalities must evaluate whether the designs comply with the IAC. However, municipalities are not obligated to assess whether the plans comply with the federal Fair Housing Act under the IAC. The federal law requires that multi-family housing with four or more units include basic attributes of accessibility (e.g., accessible entrances, accessible routes, accessible kitchens and bathrooms, and accessible common areas). **Therefore, when East Dundee issues residential building permits, the community should confirm that it evaluates whether the proposed designs demonstrate compliance with the new construction provisions of the Fair Housing Act, ensuring accessibility/usability by persons with disabilities.** The Village exhibited its emphasis on accessibility and visitability through the recently constructed River Haven Place and Gardiner Place.

- Universal design reflects the broad concept that building, products, materials, and environments should be inherently accessible to people with and without disabilities. The idea is to create homes that accommodate those with and without physical impairments through construction modifications to doorways, hallways, and bathrooms. Communities such as the Village of Bolingbrook and the City of Naperville have adopted visitability ordinances to ensure that new construction or major housing renovations can provide for the needs of the disabled and growing senior populations. **Therefore, East Dundee should adopt a visitability ordinance in line with the local housing market to incorporate these principles into local codes and ordinances.**

A Final Thought

These recommendations reflect the strength of East Dundee's local leadership by building off of current efforts. By reinvesting in existing neighborhoods, East Dundee will be prepared to manage the ever-changing housing market and carefully consider if and how new development should fit into the community given scarce development capacity.



Garden Drive.

Source: Chicago Metropolitan Agency for Planning.

Housing Policy Plan: Elgin

Project Summary

Elgin's slogan is "the city in the suburbs," and rightly so. The City is the eighth largest municipality in Illinois and is a major population and employment hub in one of the largest metropolitan areas in the U.S. Founded in 1835, the City has been at the forefront of regional and national development trends for over 100 years. Elgin contains all the strengths and challenges associated with both urban and suburban areas.

Older neighborhoods surround a dense urban core. With a planning area that extends to Illinois Route 47, the community can annex additional land to grow westward. Metrostudy, a leading provider of primary and secondary housing market information, reported in January 2014 that Elgin had more single-family housing starts in 2013 than any other community in the Chicago metropolitan area. The City has access to both major roadways (I-90, U.S. 20, Randall Road, etc.) and transit, including three Metra stations and the Pace Transportation Center. The Fox River offers Elgin not only a recreational asset, but also an important natural resource. The City limits the use of deep wells by using the Fox River for drinking water.

Like many of its neighbors, Elgin must balance residential areas with different needs. Maintaining the quality of neighborhoods, particularly the housing stock and the commercial base, in older areas while also pursuing expansion of the residential and commercial base west of Randall Road is a significant challenge. A key part of establishing a vision for development in Elgin is determining how to react to these development pressures given an interest in continuing to support revitalization in mature neighborhoods.

Elgin's last comprehensive plan was adopted in 2005 and the City is currently crafting a new plan. This report provides a series of policy recommendations that Elgin will include when developing a new comprehensive plan. These recommendations are based on a detailed analysis of existing conditions and future needs for the City's housing market. Recommendations include:

- **Exploring regulatory changes to continue diversifying the local housing stock.**
- **Guidance on how to address stalled developments, mainly those west of Randall Road.**
- **Spurring development and redevelopment in older areas through a review of regulations.**
- **Demonstrating that Elgin is open to all future residents.**

Demographic Trends

The City of Elgin is located in both Cook County and Kane County, bordering the communities of East Dundee and West Dundee to the north; Hoffman Estates and Bartlett to the east; Campton Hills and South Elgin to the south; and Pingree Grove to the west.

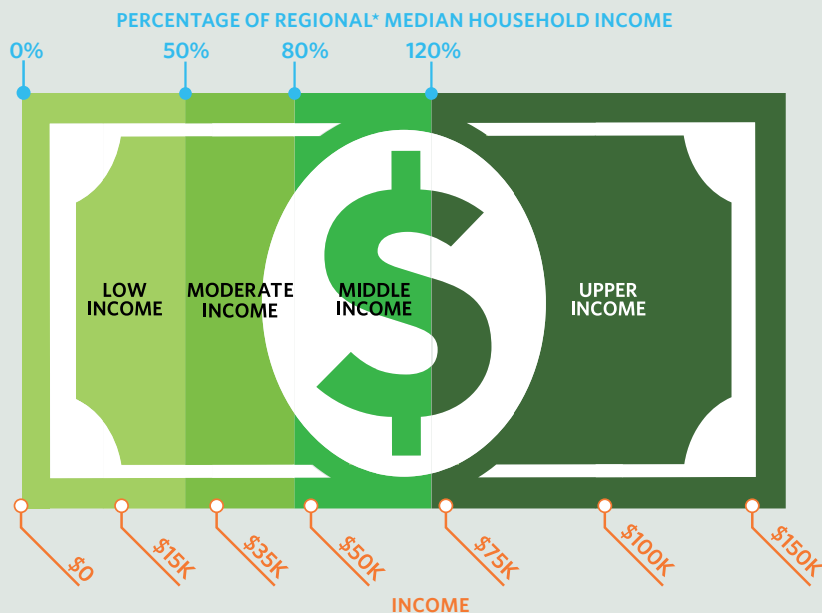
Elgin grew over the last 11 years by both adding people and land. The population surged to approximately 108,600 in 2011, making it the eighth largest municipality in the state. The Chicago Metropolitan Agency for Planning (CMAP) produced population and household projections as part of GO TO 2040, the seven-county region's comprehensive plan for sustainable prosperity through mid-century and beyond.³² These figures indicate that if GO TO 2040 is implemented and if the City takes advantage of its numerous assets, its population could rise to 158,510 by 2040, an increase of approximately 50,000 residents.³³ With a significant amount of unincorporated land west of Randall Road and numerous redevelopment sites, Elgin has the capacity to meet this potential population. What is the best method for doing so?

General Elgin statistics

	POPULATION	HOUSEHOLDS
2000 Decennial Census	94,487	31,543
2011 American Community Survey (ACS)	108,681	35,837
Change, 2000-11	14,194	4,294
Change as %, 2000-11	15%	14%
GO TO 2040 projection, 2040	158,510	52,033
Change, 2011-40	49,829	16,196
Change as %, 2011-40	46%	45%

Source: U.S. Census and Chicago Metropolitan Agency for Planning GO TO 2040 projections.

Income



While household income is discussed throughout the Homes for a Changing Region plan, it's important to understand some of the definitions behind phrases like "low-" and "moderate-income." The U.S. Department of Housing and Urban Development (HUD) has established definitions for how the relationship between an area's median income and the income of an individual household can define what is a low (less than 50 percent of regional median income), moderate (50 percent to 80 percent), middle (80 percent to 120 percent), and upper income households (120+ percent). By comparing each income group to the regional* median household income (\$61,045), readers can understand what constitutes low, moderate, middle, and upper income households.

*Region defined as the Chicago-Naperville-Joliet, IL Metropolitan Division.

Source: Chicago Metropolitan Agency for Planning analysis of the American Community Survey 2007-11.

32. See <http://www.cmap.illinois.gov/about/2040>.

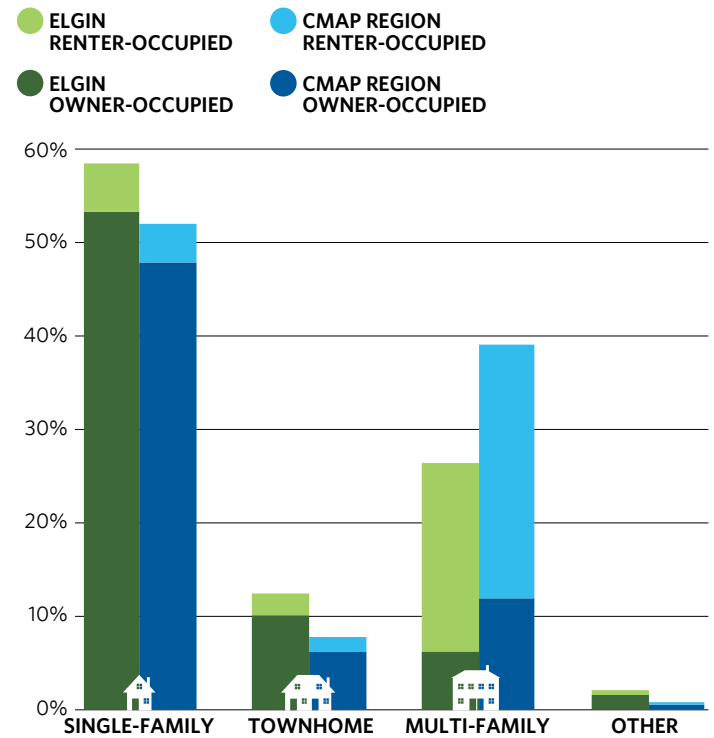
33. See the Appendix for more information about these projections.

Current Housing Market

The City of Elgin grew from its historic core along the Fox River. In the post-war period, the City's growth expanded both east and west of its older neighborhoods, particularly east of Illinois Route 25 and west of McLean Boulevard. Beginning in the early 1990s, future growth focused on areas west of Randall Road (e.g. the Far West Area). Due to its size and age, Elgin contains single-family homes, townhomes, multi-family units, and mobile homes.

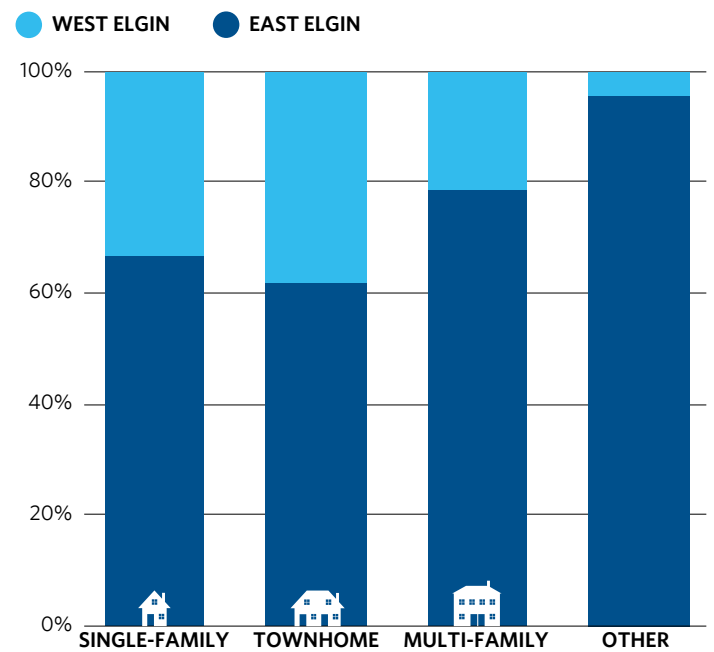
Single-family homes account for 58 percent of local units, with the vast majority occupied by owners. Approximately 27 percent of households in Elgin rent compared to approximately 32 percent of households in the region. In 2011, almost 20 percent of renters in Elgin occupy single-family homes, an increase from the 13 percent figure reported in the 2000 U.S. Census. Other communities in the Chicago area are experiencing a similar trend toward more single-family rentals.³⁴ As highlighted in the Metropolitan Planning Council's (MPC) *Managing Single-Family Rental Homes* white paper, fundamental changes in the housing market over the past five years present new challenges for municipalities as the number of single-family rentals increases.³⁵

Housing type by owner/renter



Source: American Community Survey 2007-11 data.

Elgin housing type by location



Note: McLean Boulevard was used as the dividing line between east and west Elgin.
Source: American Community Survey 2007-11 data.

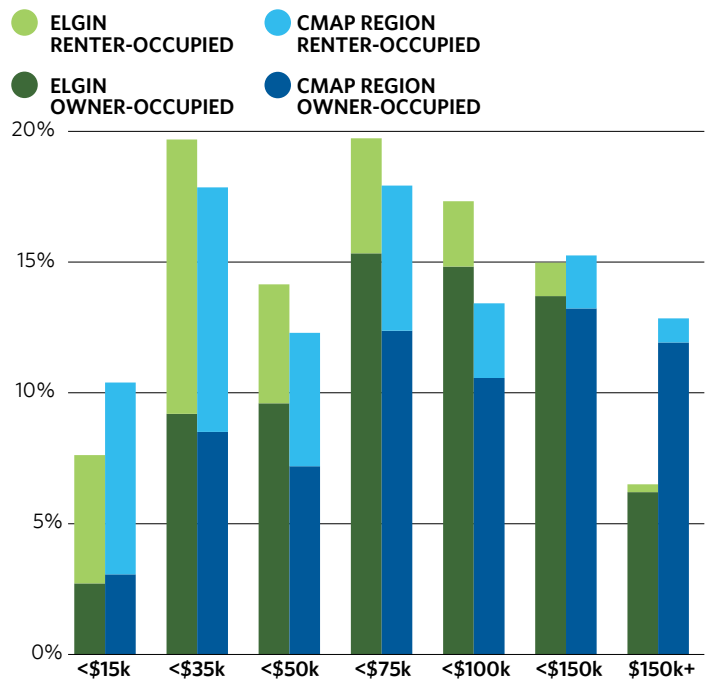
34. *Single-Family Housing Tenure Changes in the CMAP Region*. (February, 2013). Chicago Metropolitan Agency for Planning. See <http://tinyurl.com/d5zzfd5>.

35. *Managing Single-Family Rental Homes*. (June, 2013). Metropolitan Planning Council. See <http://tinyurl.com/kjdjm2h>.

Similar to communities throughout the region, the percentage of renting households falls as income rises in Elgin. Most households are middle-income. Areas east of McLean Boulevard contain approximately 70 percent of all occupied housing units but 81 percent of all rental units. Eastern parts of the City offer relatively more rental units than western sections. Households earning less than \$35,000 are more likely to be renters if they live west of McLean Boulevard.

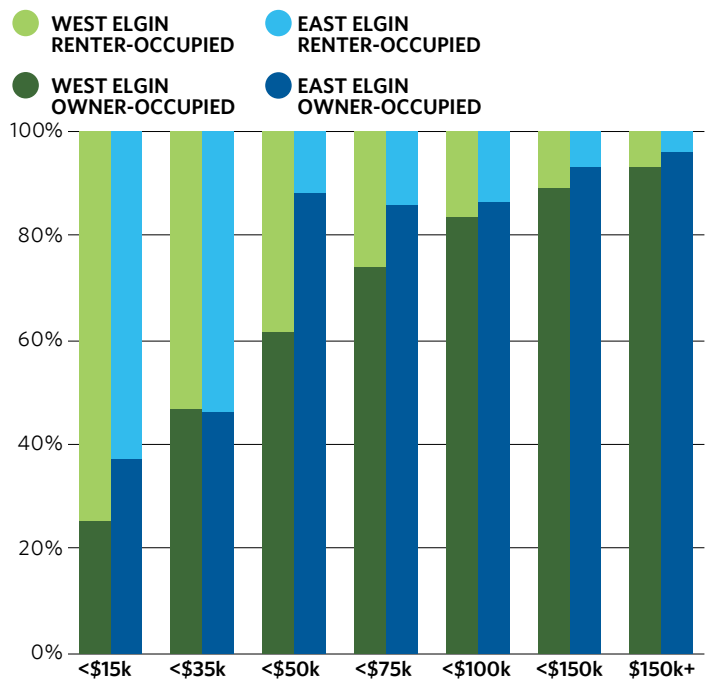
Elgin currently operates many programs that help maintain its sizable stock of existing units. Since 2000, the City has allocated more than \$6.8 million of Community Development Block Grant (CDBG) funding to rehabilitate single-family homes owned or occupied by local low- and moderate-income families. Starting in 1998, the City funded architectural rehabilitation grants for low- and moderate-income families living in historic districts or in historic landmark properties. This program, which covers up to 75 percent of rehabilitation work, has led to a total investment of \$2.2 million at more than 130 homes. Finally, starting in 1995, the City has allocated \$1.9 million for architectural rehabilitation efforts at landmark homes or properties in a historic district, regardless of household income. This program, which covers up to 50 percent of rehabilitation work, has led to a total investment of more than \$4 million at more than 170 homes. All four Elgin historic districts are located east of the Fox River.

Owner/renter by household income



Source: American Community Survey 2007-11 data.

Elgin owner/renter and household income by location



Note: McLean Boulevard was used as the dividing line between east and west Elgin.

Source: American Community Survey 2007-11 data.

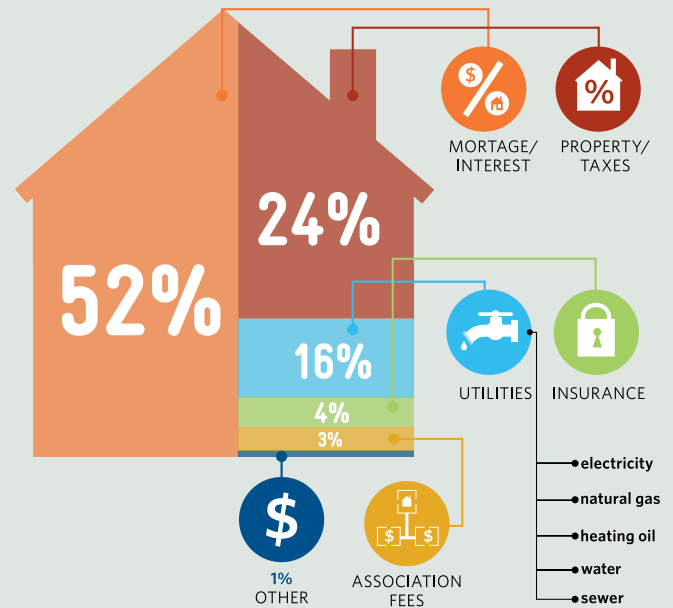
Housing Affordability

One of the most essential elements in understanding local housing dynamics is affordability. What constitutes “affordable housing” varies from household to household as the measure is relative. An affordable housing unit is one that a family can own or rent for no more than 30 percent of its income. This spending includes both housing (rent or mortgage) and housing-related costs, such as property taxes, insurance, and utilities. This time-tested standard is reflected in everything from the underwriting standards of private lenders to data from the U.S. Census Bureau.

Over the last decade, rapidly rising property values accelerated far faster than incomes in the U.S., increasing the number of cost-burdened households. Since the recession, affordability issues have persisted despite declines in home values and mortgage rates due in part to declining incomes, slow employment growth, and stringent credit requirements.³⁶ As households became renters, supply did not initially keep pace with the sudden spike in demand. Harvard University indicates that currently more than 10 percent of owners and 25 percent of renters in the U.S. pay more than 50 percent of their income on housing costs.³⁷

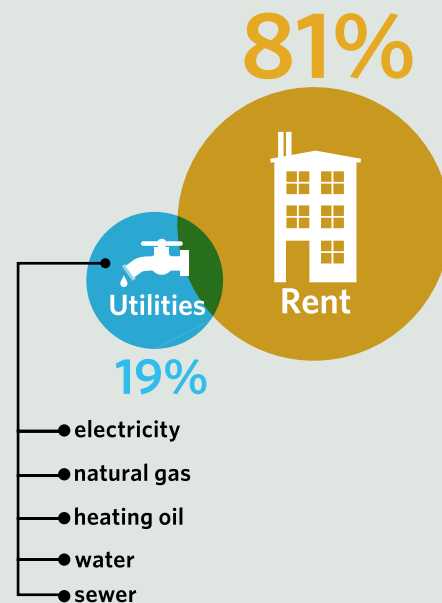
What is included in monthly owner costs?

Average monthly costs for renters in Chicago Metropolitan area, 2009



What is included in gross rent?

Average monthly costs for renters in Chicago Metropolitan area, 2009



36. Joint Center for Housing Studies. *State of the Nation's Housing 2012*. (June, 2012). Harvard University.

37. Joint Center for Housing Studies. *State of the Nation's Housing 2013*. (June, 2013). Harvard University.

Source: Chicago Metropolitan Agency for Planning analysis of the 2009 American Housing Survey (AHS).

The 2009 AHS data includes Cook, DuPage, Grundy, Kane, Kendall, Lake, McHenry, and Will Counties in the metropolitan area.

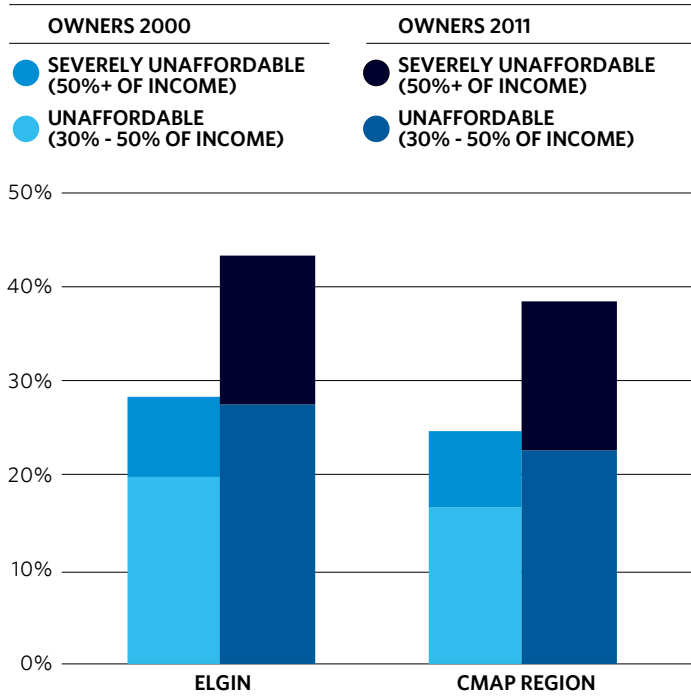
What is “Affordable Housing?”

- **“Affordable housing”** is housing that costs no more than 30 percent of household income (including utilities, insurance, and taxes).
- **“Unaffordable housing”** is housing that costs between 30 percent and 50 percent of household income.
- **“Severely unaffordable housing”** is housing that costs more than 50 percent of household income.

Much like the region and the nation, the number of cost-burdened owners and renters in Elgin increased over the past 11 years. More than 50 percent of local renters pay at least 30 percent of their income on gross monthly rent. Similarly, the proportion of homeowners paying more than 30 percent of their income on monthly housing costs increased from 28 percent in 2000 to 44 percent in 2011.

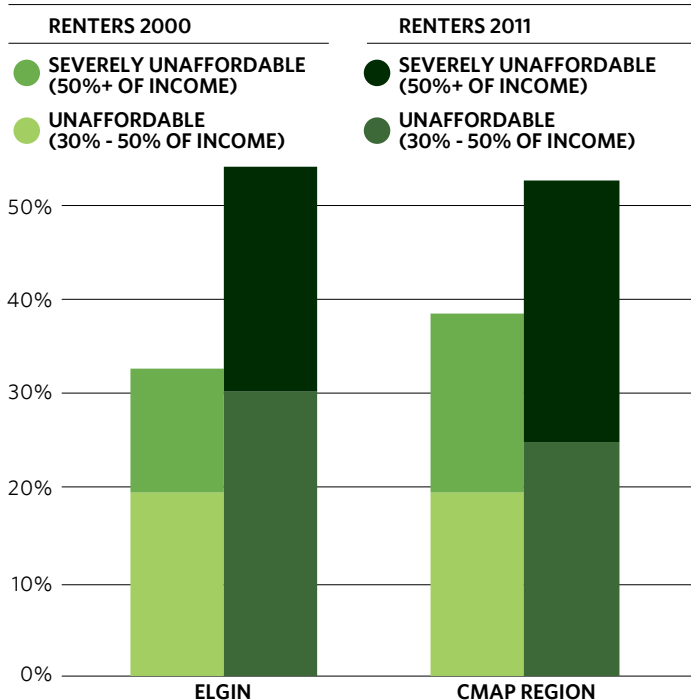
As explained in the subregional report, Elgin’s rate of completed foreclosures was higher than many nearby counties and communities. Such findings are a symptom of the housing cost issues faced by local owners. Analysis of 2007-11 American Community Survey (ACS) data indicates that similar shares of owners and renters are cost-burdened in areas of the City east and west of McLean Boulevard. Future sections of this report will look at those income groups that are most burdened by housing costs.

Percent of owner-occupied households paying more than 30 percent of income on monthly owner costs



Source: 2000 U.S. Census and American Community Survey 2007-11 data.

Percent of renter-occupied households paying more than 30 percent of income on gross rent



Source: 2000 U.S. Census and American Community Survey 2007-11 data.

Utilities and Affordability

Utility costs can increase or decrease the number of cost-burdened households because they contribute to gross housing costs. In 2007, the Center for Neighborhood Technology (CNT) developed the “Elgin Energy and Emissions Profile,” which examined energy consumption, vehicle miles traveled, and greenhouse gas emissions at a community-wide scale. This report was part of the Municipal Energy Profile Project (MEPP) that included the development of profiles for over 270 municipalities in metropolitan Chicago. The profiles serve as a baseline from which communities can develop more specific strategies and accurately measure progress in achieving reductions in energy consumption and emissions. The MEPP Guidebook examined both municipal and community scale best practices for strategies in energy and transportation. The project was funded by the Illinois Clean Energy Community Foundation, and data partners included ComEd, Nicor Gas, Peoples Gas, North Shore Gas, and the Illinois Department of Transportation. The table below highlights residential natural gas and energy usage in the City along with Cook County and Kane County in 2007. At that time, the average Elgin household spent about the same amount as the average Kane County household on energy costs, but less than the average Cook County household.

Recently, Elgin has undertaken a few different efforts to reduce local energy costs. In 2009, the City received just over \$1 million dollars from the U.S. Department of Energy via an Energy Efficiency Conservation Block Grant (EECBG). Almost \$350,000 of that grant was allocated specifically to audit energy consumed by single-family homes in Elgin and to fund energy efficiency measures within those homes to reduce consumption. The City conducted 38 audits and loaned 18 persons the funds necessary to make the improvements recommended by those audits. Loan repayments will replenish a revolving fund that can be used for more energy audits and improvements in the future. The City moved forward with municipal aggregation in 2012, offering residents lower electricity rates. This means Elgin collectively negotiated for who will supply electricity for residents and eligible small businesses. Finally, Elgin complies with the state-mandated Energy Efficient Building Act, which establishes energy efficiency requirements for new construction of and certain improvements to all buildings, including single-family homes.³⁸ Continuing to find ways to reduce residents’ energy costs is an important part of helping decrease the number of cost-burdened households.

38. 20 ILCS 3125/ Energy Efficient Building Act.



The Elgin Artspace Lofts include energy efficient features.

Source: Chicago Metropolitan Agency for Planning.

Residential energy use in Elgin, Kane County, and Cook County, 2007

	ELGIN	KANE COUNTY	COOK COUNTY
Average electricity use per household	8,109kWh	8,203 kWh	7,692 kWh
Average annual \$ for electricity per household*	\$872	\$883	\$828
Average natural gas use per household	983 Therms	1,008 Therms	1,130 Therms
Average annual \$ for natural gas per household*	\$873	\$898	\$1,274
Average annual energy costs	\$1,745	\$1,781	\$2,102

Source: Elevate Energy Community Profile.

*Calculated using average residential sales per kilowatt hour (kWh) (Illinois Commerce Commission Utility Sales Statistics 2007).

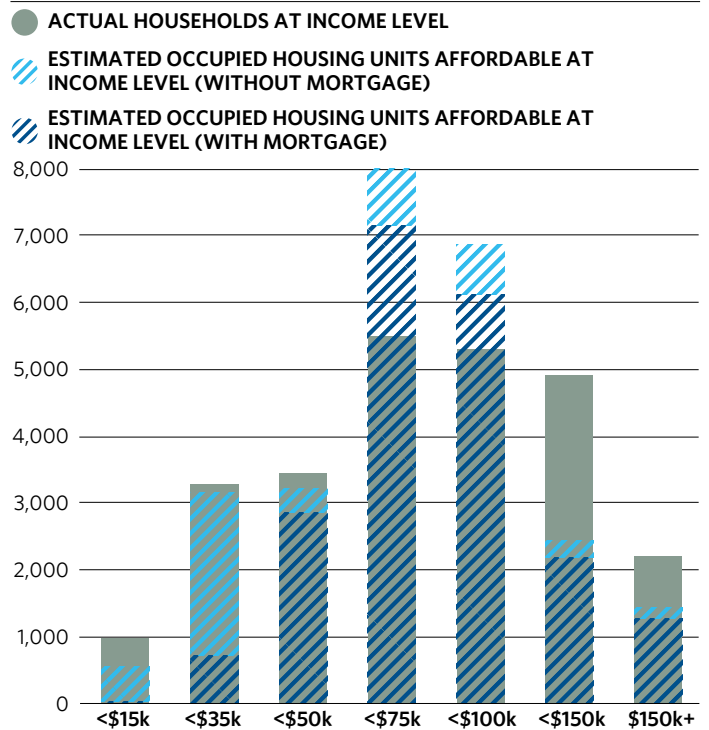
Current Ownership Housing Market

As previously discussed, mortgage and interest payments made up approximately 56 percent of the average regional homeowner's monthly housing costs in 2009. Therefore, it is unsurprising that unit affordability depends greatly on whether a home is mortgaged. Units affordable to homeowners earning less than \$35,000 are typically not mortgaged in Elgin. Intuitively this makes sense, as owners who do not carry a mortgage typically pay less in total housing costs. Unfortunately these units are unlikely to remain available for lower income households once sold and, normally mortgaged upon purchase.

The likelihood of owning a home with or without a mortgage depends in part on age. Approximately 52 percent of owners without mortgages are over the age of 65 versus only 8.7 percent of owners with mortgages. Therefore, the bulk of Elgin's supply of owner units affordable to households earning less than \$35,000 per year are occupied by seniors, while the working age population occupies most of the units affordable to households earning more than \$35,000 per year.

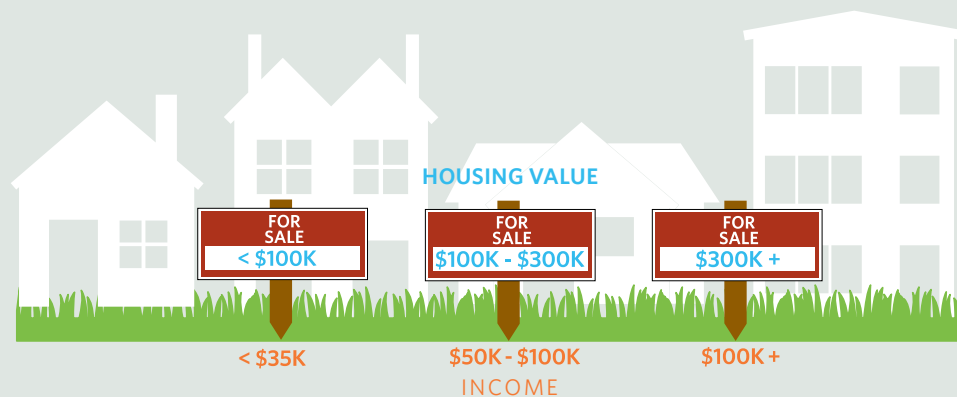
Many cost-burdened owners are likely buying units affordable to households making \$50,000-\$100,000, explaining the large oversupply of units for these income groups and the shortages at all other income levels. Yet, the supply of units in this range also serves those upper-income households who choose to pay less than 30 percent of their income on housing costs.

Elgin comparison of owner household incomes with occupied units affordable at each income level



Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model using American Community Survey 2007-11 inputs.

Translating incomes into housing values



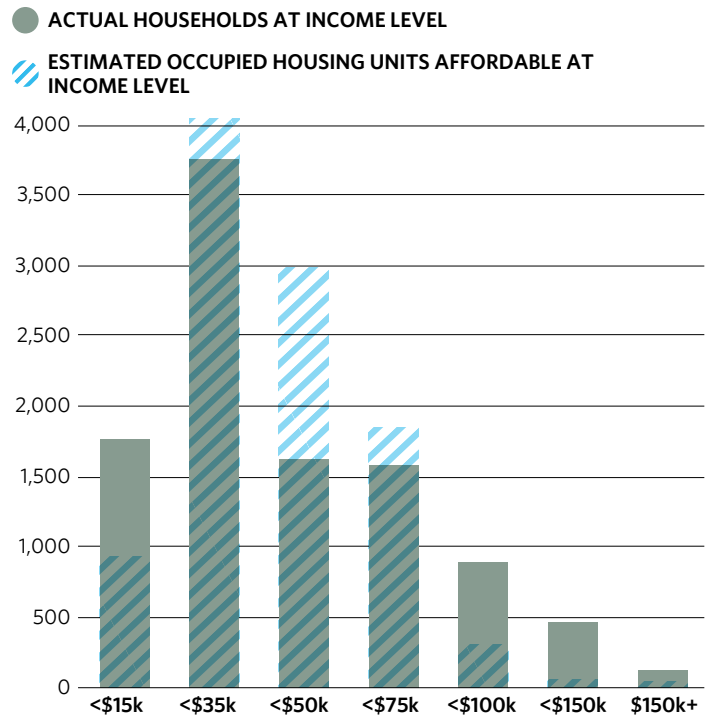
With so many factors influencing what home a household can afford to purchase (housing cost, income, downpayment, credit score, etc.), it can be difficult to figure out how the seven income groups analyzed in the Homes for a Changing Region report correspond to local housing values. A long-standing rule of thumb has been that households should buy units valued at no more than three times their annual income. Using this rough standard, these home values are generally affordable at each of the associated income levels.

Source: Chicago Metropolitan Agency for Planning.

Current Rental Housing Market

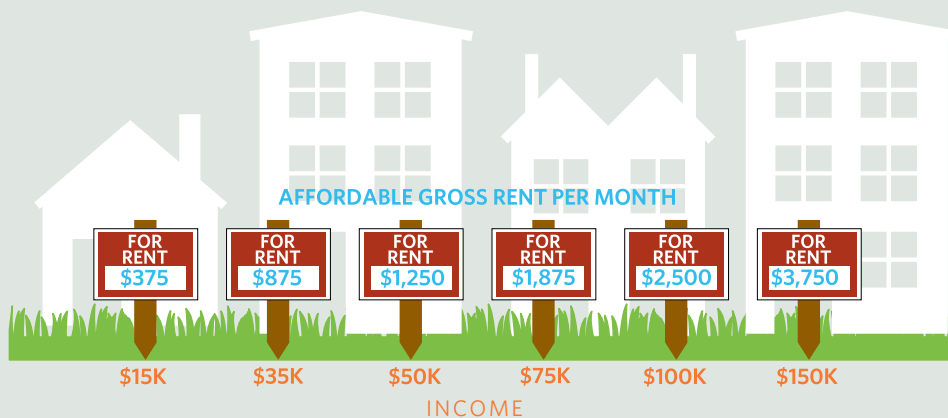
In Elgin, more than 50 percent of renters earn below \$35,000. While the presence of so many units affordable to households earning between \$15,000 and \$35,000 would seem to help local rental affordability, 2007-11 ACS data indicates that 92 percent of renter households in Elgin earning less than \$35,000 pay more than 30 percent of their income on housing costs. This discrepancy is likely the result of two underlying factors. First, U.S. Census income definitions do not include housing assistance, such as Housing Choice Vouchers. Some households in these lower income ranges may be able to afford units through public assistance. Second, middle- and upper-income households may be choosing to pay less than 30 percent of their income on housing costs, occupying units affordable to low-income households. Low-income renters, in turn, must seek out units that are affordable to higher income levels, driving up the number of cost-burdened renters.

Elgin comparison of rental household incomes with occupied units affordable at each income level



Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model using American Community Survey 2007-11 inputs.

Translating incomes into rents



Applying the previously discussed concept that households should spend no more than 30 percent of income on housing costs, these gross rents are generally affordable at each of the associated income levels.

Source: Chicago Metropolitan Agency for Planning.

Jobs, Transportation, and Housing

Elgin is an employment hub for the region. As a result, the City has built-in demand for its housing stock, as people who work in the community may want to live there as well, taking advantage of the potential to reduce their commute time and costs.

Matching jobs and housing, however, is more complicated. If the jobs in a community do not match the skills of the workforce, commute times will increase for both workers and residents. In the same vein, if jobs are available but housing values do not mesh with what workers can afford, there is still a mismatch and workers must commute from elsewhere.

These potential issues show how transportation and affordability are linked. Some housing locations are inherently more or less costly by virtue of their location. If a housing unit is located farther away from jobs or retail, the typical occupant will need to spend more time and money commuting, leaving less money for housing and other expenses. Moreover, a mismatch between the location of jobs and affordable housing reduces economic competitiveness as employers experience difficulty with employee recruitment and retention.³⁹ This section explores how the local job base impacts the Elgin housing market.

Subregion* earnings

INDUSTRY	AVERAGE EARNINGS**
Health care and social assistance	\$57,180
Educational services	\$43,102
Manufacturing	\$62,859
Administration and support	\$27,716
Finance and insurance	\$60,782
Retail trade	\$28,916
Wholesale trade	\$75,555
Accommodation and food services	\$18,239
Construction	\$74,277
Information	\$68,828
Professional, scientific, and technical services	\$71,549
Transportation and warehousing	\$52,713

Source: Economic Modeling Specialists International (EMSI).

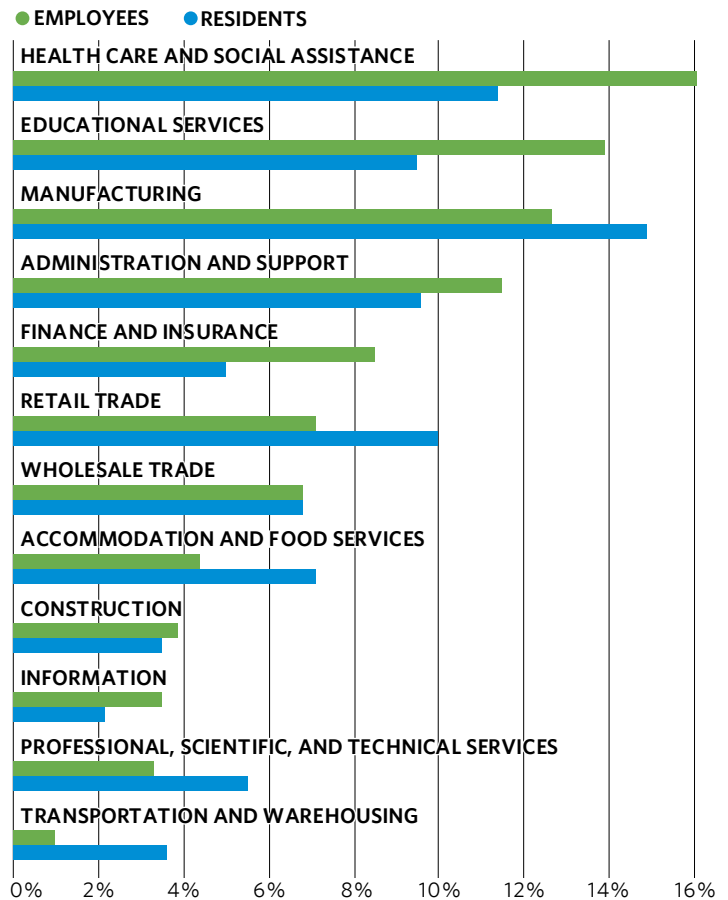
*Subregion includes the following ZIP Codes: 60110, 60118, 60120, 60123, and 60124.

**According to EMSI, the reported earnings include hourly wages as well as employer contributions for employee pensions and insurance funds as well as employer contributions for government social insurance.

Jobs

In 2011, the City of Elgin contained approximately 57,800 jobs and 45,700 employed residents.⁴⁰ The Elgin Area Chamber of Commerce reports that the five largest local employers include School District U-46, Sherman Hospital, JP Morgan Chase, St. Joseph's Hospital, and Grand Victoria Casino. As a number of health care and educational facilities are major employers, it is not surprising that both health care and education hold the largest shares of local jobs. Similarly, a number of residents are employed in the health care and educational services sectors, though manufacturing is the sector in which the largest share of residents are employed (15 percent). The table below details the average earnings in the subregion for the industries in which most residents or employees work.⁴¹ The largest industries for both residents and employees offer middle-income earnings. Some less-populated industries offer higher wages, such as the Management sector in which only 220 employees work with average annual earnings of approximately \$97,000.

Industries of Elgin residents and employees, 2011



Source: U.S. Census Bureau, Local Employment Dynamics, On-the-Map data.

39. Pill, Madeleine. *Employer-Assisted Housing: Competitiveness Through Partnership*. (September, 2000). Joint Center for Housing Studies, Neighborhood Reinvestment Corporation. See <http://tinyurl.com/n73amvw>.

40. U.S. Census Bureau, Local Employment Dynamics data, On-the-Map.

41. The subregion includes the following ZIP Codes: 60110, 60118, 60120, 60123, and 60124.

42. *Jobs-Housing Balance Technical Report*. (2009). Chicago Metropolitan Agency for Planning. See <http://tinyurl.com/m2cyste>.

43. American Society of Civil Engineers. "Traffic Generated by Mixed-Use Developments — Six-Region Study Using Consistent Built Environmental Measures." *Journal of Urban Planning*, October 2010.

Transportation

Because the City contains job opportunities that generally match the industries in which residents work, the potential exists to reduce the job-housing mismatch. In 2011, 26 percent of employed residents worked in Elgin. Despite the relatively high percentage, this share represents a steep numeric decline from past figures. In 1980, 55 percent of Elgin residents worked in the community. In a 2009 analysis, CMAP found that among high employment municipalities, Elgin experienced the greatest decline in the share of jobs held by local residents between 1980 and 2004, declining by more than half.⁴²

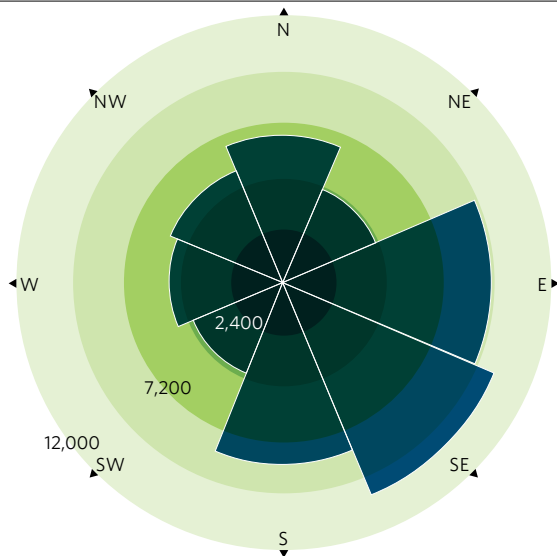
The declining share of citizens who work in the community increases commute times for employees and residents. Approximately 25 percent work at locations outside of either Kane

County or Cook County. The locations from which employees commute to jobs in Elgin are even less concentrated, with almost 35 percent coming from locations outside of Kane County or McHenry County. These distributions are similar to those found in many communities throughout the region, creating longer commuting times and higher commuting costs for residents and workers.

Research by Reid Ewing and others in the *Journal of Urban Planning and Development* has shown that the biggest factor in reducing vehicle miles traveled, a major driver of transportation costs, comes from “putting offices, shops, restaurants, residences, and other codependent activities in close proximity to each other.”⁴³ Elgin’s size, form, and access to transit are assets to be capitalized upon when planning for future growth.

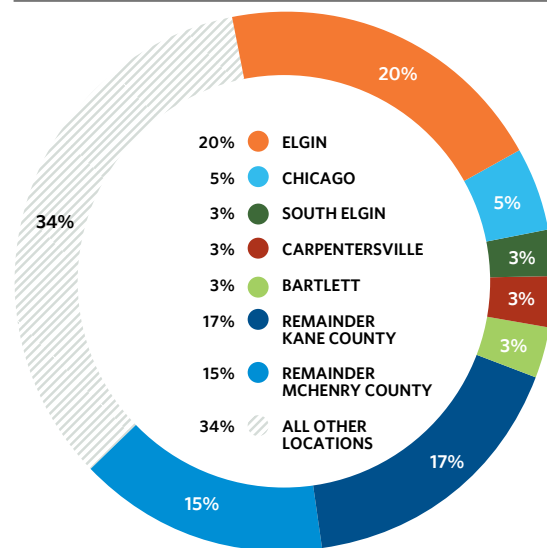
Where Elgin’s workers live

Job counts by distance/direction in 2011, all workers



Source: U.S. Census Bureau, Local Employment Dynamics, On-the-Map data.

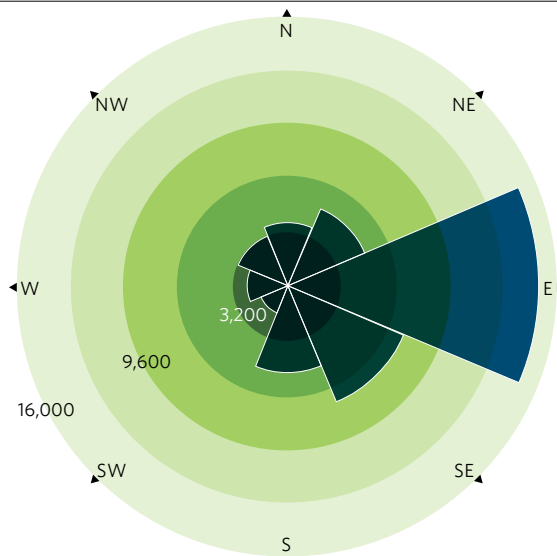
Where Elgin’s workers live, 2011



Source: U.S. Census Bureau, Local Employment Dynamics, On-the-Map data.

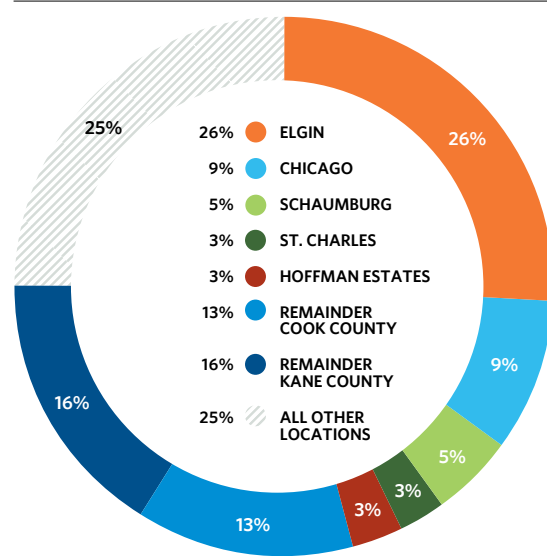
Where Elgin’s residents work

Job counts by distance/direction in 2011, all workers



Source: U.S. Census Bureau, Local Employment Dynamics, On-the-Map data.

Where Elgin’s residents work, 2011



Source: U.S. Census Bureau, Local Employment Dynamics, On-the-Map data.

Projecting Future Housing Needs

Proactive housing planning needs to take into account those who might live in the community in the future. Blending together U.S. Census data, CMAP's local household and population projections for the year 2040, and national future housing preferences, some realistic estimates can be made of who will want to live in the City over the next 30 years. What types of housing would be necessary to meet the needs of current and future residents?

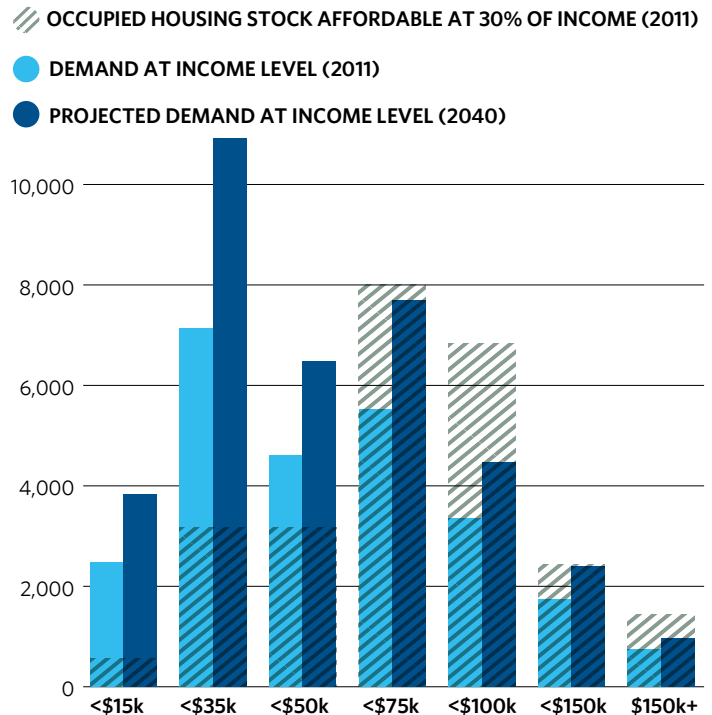
Future Ownership Needs

Households interested in owning in Elgin could potentially add more than 11,800 units to the local housing stock. For households earning more than \$50,000, the current supply of units is sufficient to meet future demand. A relatively even mixture of working age households and seniors will drive this growth. Fulfilling this demand will require maintaining existing units. Encouraging designs that meet the needs of both populations in terms of interior features and neighborhood design will also be important.

For households earning less than \$50,000, the current supply could be outpaced by demand. Over 70 percent of households making \$15,000-\$35,000 per year will be seniors. New ownership options must meet the needs of an aging population. This growth also underlines the importance of considering multigenerational housing options. For households earning less than \$15,000, the financial realities of property acquisition, construction costs, and financing make development very difficult.

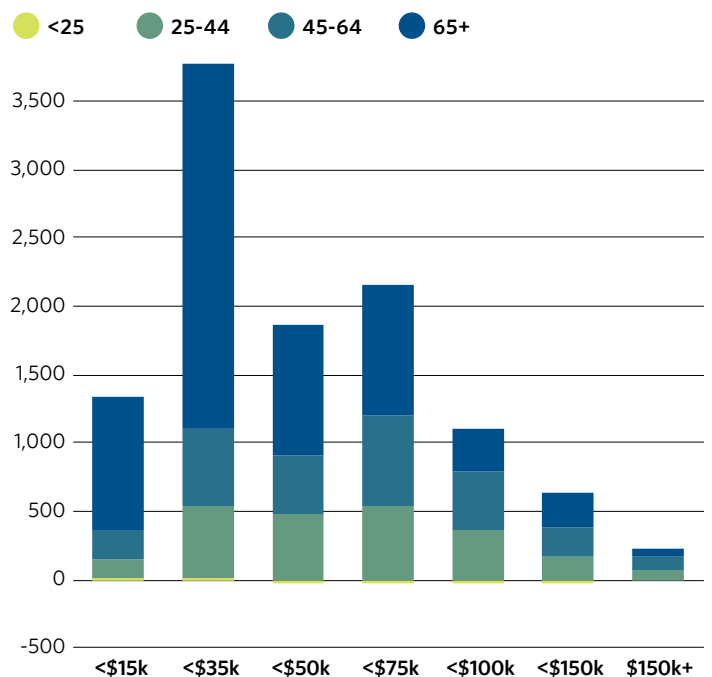
Owner demand will remain strong in both eastern and western portions of the City, with approximately 60 percent of future owner households west of McLean Boulevard. This area contains the strongest demand for units affordable to middle- and upper-income owners. Regardless of income level, owner demand in western neighborhoods will primarily come from working age households (25-44 and 45-64). In eastern neighborhoods, over 80 percent of owner growth will come from low-income seniors.

Elgin 2011 households and housing stock compared with 2040 owner demand



Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model using American Community Survey 2007-11 and CMAP GO TO 2040 household forecast inputs.

Elgin 2011-40 change in owner demand by age and income



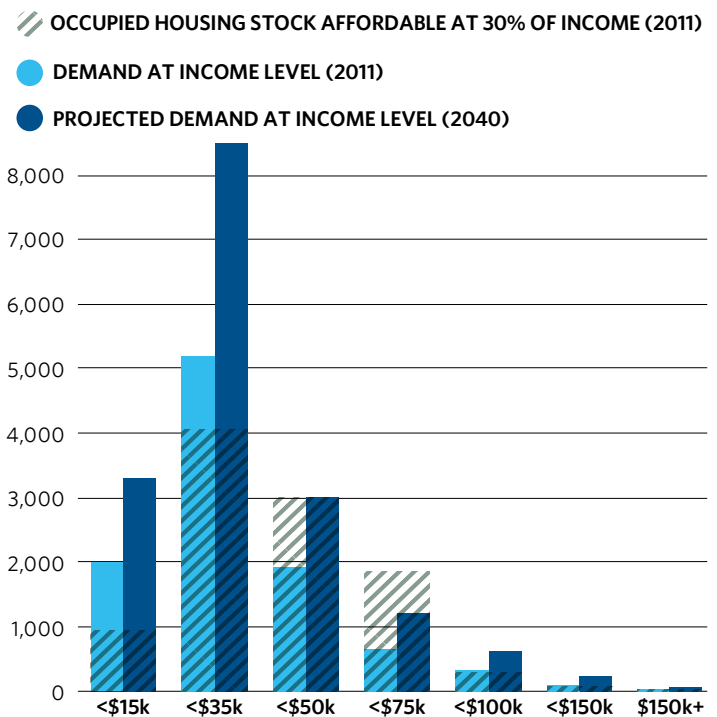
Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model using American Community Survey 2007-11 and CMAP GO TO 2040 household forecast inputs.

Future Rental Needs

Between 2011 and 2040, Elgin could add almost 6,700 additional rental units. The majority of that growth will come from households earning less than \$35,000. Demand for middle- and upper-income rentals can largely be addressed by the existing housing stock. Unaddressed demand for low-income units could increase the number of cost-burdened renters. While both younger and older households will want additional rental options, about half of the growth in demand among households earning less than \$35,000 will be from renters older than 65.

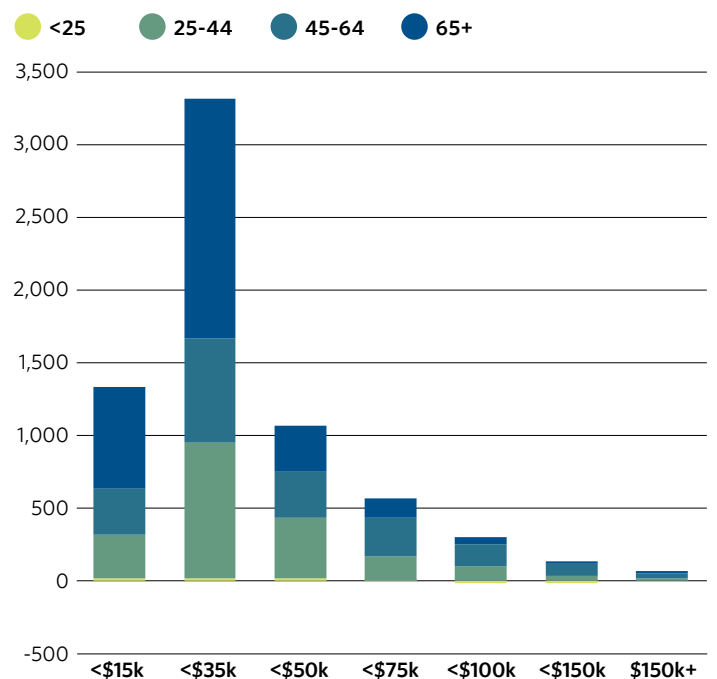
While additional units will be needed if the City decides to provide for rental demand, the ultimate price point of those units will depend in part on local economic development efforts. Increased educational and employment opportunities can boost household incomes. Approximately 60 percent of the future demand for rental units will come from neighborhoods east of McLean Boulevard.

Elgin 2011 households and housing stock compared with 2040 renter demand



Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model using American Community Survey 2007-11 and CMAP GO TO 2040 household forecast inputs.

Elgin 2011-40 change in renter demand by age and income

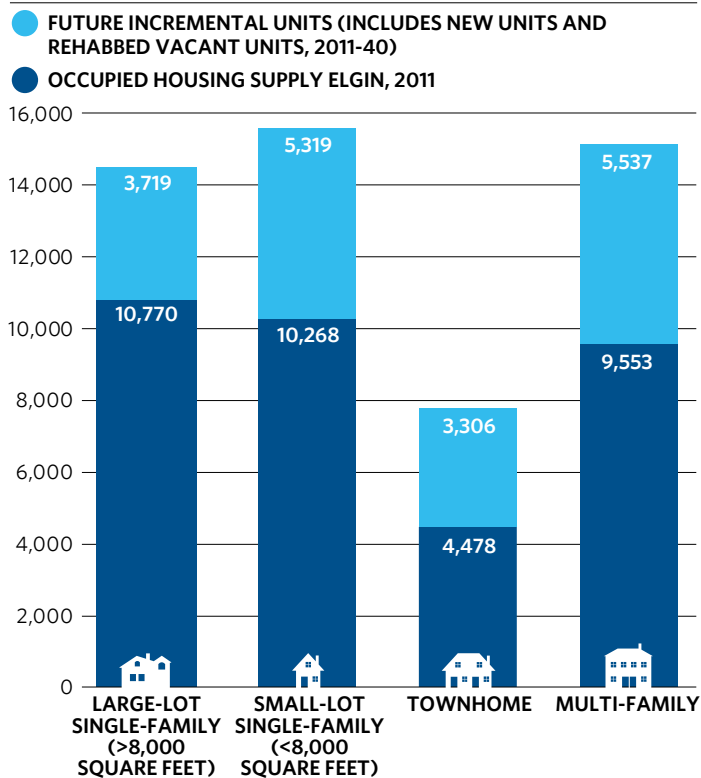


Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model using American Community Survey 2007-11 and CMAP GO TO 2040 household forecast inputs.

Housing Demand by Type of Unit

Based on the breakdown of projected future owners and renters in Elgin, along with national estimates of future demand for four broad housing types, a forecast of demand for additional housing units in 2040 arises. This “balanced housing profile” shows demand for 17,880 additional units between now and 2040.⁴⁴ Approximately 3,700 additional units would be large-lot single-family homes. The additional 5,300 small-lot single-family units, 3,300 townhomes, and 5,500 multi-family homes demonstrate increasing demand for denser unit types by people across the age and income spectrum.

Elgin future balanced housing profile



Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model using American Community Survey 2007-11 and CMAP GO TO 2040 household forecast inputs.



Townhomes are an important part of future housing demand.

Source: Chicago Metropolitan Agency for Planning.

44. Note that this figure is higher than the projected increase in households between 2011 and 2040 (16,196) because of the inclusion of potential future vacant units. See the Appendix for more information about the methodology.

Capacity for Growth

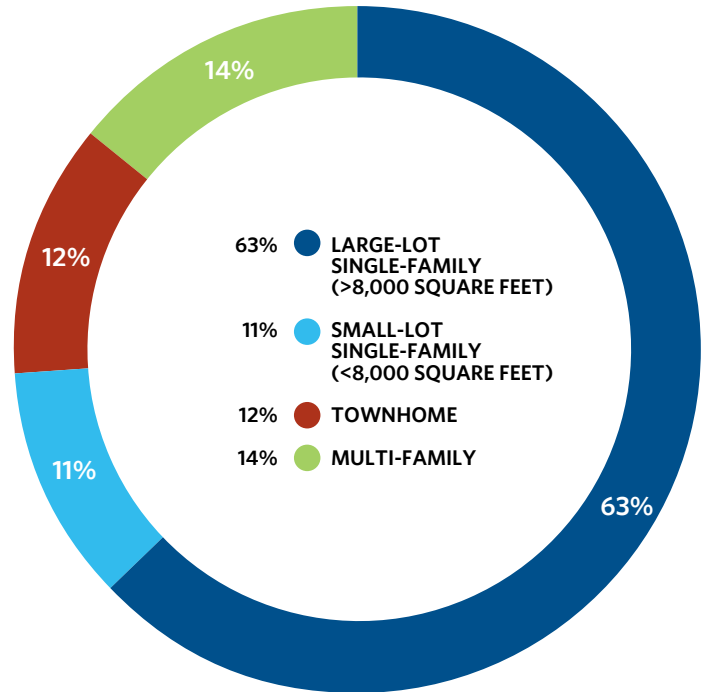
Forecasted population and household growth is only one half of the equation in considering future housing needs. As a community with numerous assets, it is understandable why many people want to live in Elgin now and in the future. To plan for future households and housing, it is also important to look at capacity. To understand the City's ability to accommodate projected growth, two key sources of capacity were reviewed: development/redevelopment and vacancy.⁴⁵

Development/Redevelopment Analysis

The development/redevelopment analysis considers how Elgin could grow over the next 30 years based on current land use regulations, development approvals, and key development sites. CMAP and City staff calculated the total square footage of vacant and redevelopable land in and around the City by reviewing Cook County and Kane County Assessor data. Then, Elgin's current zoning and development standards were applied to those figures to calculate how many units could be built.

Based on this analysis, the City has the capacity for approximately 17,132 additional dwelling units compared to the 17,880 units that would be needed should the City decide to plan for the estimated increase in its population possible by 2040. This capacity would allow the City to accommodate about 97 percent of the forecasted household growth. Almost 10,300 units of the anticipated capacity come from approved developments primarily in the Far West Area. While Elgin could add further capacity for residential development via annexation in the Far West Area, such additional capacity would seem largely unnecessary. The capacity for approximately 10,800 units of large-lot single-family homes is almost three times more than the projected future demand for that unit type. As noted previously, Elgin is currently developing a new comprehensive plan. The City intends to amend its land development regulations soon after the plan's completion. If the community decides to reduce the amount of vacant land allocated for large-lot single-family homes in its new plan, it is anticipated that correlating changes to local zoning and development standards would reduce future capacity.

Elgin maximum capacity by unit type



Source: Chicago Metropolitan Agency for Planning analysis of Elgin zoning ordinance and Cook County and Kane County Assessor data.

Maximum capacity by unit type

TYPE	UNITS
Large-lot single-family (>8,000 square feet)	10,790
Small-lot single-family (<8,000 square feet)	1,935
Townhome	2,068
Multi-family	2,339
TOTAL	17,132

Source: Chicago Metropolitan Agency for Planning analysis of the Elgin zoning ordinance and Cook County and Kane County Assessor data.

45. See the Appendix for more information about the methodology.



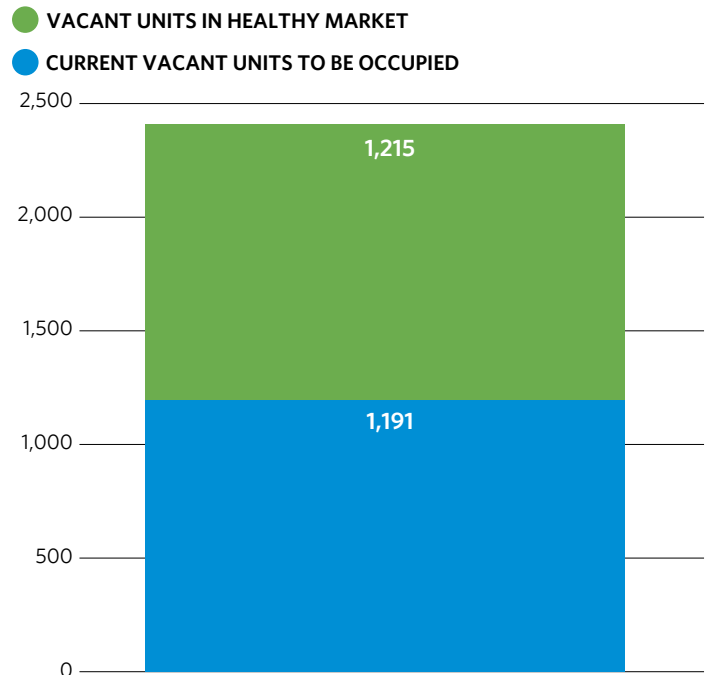
Unfinished or unbuilt single-family subdivisions in the western part of the City drive local capacity.

Source: Chicago Metropolitan Agency for Planning.

Vacancy Analysis

Because of the current housing market, vacancy may decline in the future, allowing people to move in without building new units. According to 2007-11 ACS estimates, Elgin has approximately 2,400 vacant units or about 6.3 percent of all homes in the City. Given the number of local owner and rental units and a healthy housing market, the City should only have approximately 1,200 vacant units, a vacancy rate of approximately 3 percent.⁴⁶ Therefore, about 1,200 currently vacant units could be occupied in the future as Elgin grows and the market stabilizes. This capacity would allow the City to accommodate a relatively small share of projected growth (about 6.7 percent).

Elgin breakdown of current vacant units



Source: Chicago Metropolitan Agency for Planning analysis of American Community Survey 2007-11.

46. Belsky, E., Bogardus Drew, R., McCue, D., *Projecting the Underlying Demand for New Housing Units: Inferences from the Past, Assumptions about the Future*. (November, 2007). Joint Center for Housing Studies, Harvard University. See <http://tinyurl.com/mlwyddq>.

Urban Design Focus Area

In July 2013, the *Homes* team reached out to residents, community leaders, officials, and others through MetroQuest, an on-line survey tool. More than 150 respondents shared their views on both the types of units they would prefer in the City and where they would like to see them.

Because the survey and mapping results can be abstract, many communities find it helpful to distill the responses into a picture of the desired vision at a specific location. One of the key issues surrounding future housing in Elgin is the numerous developments already approved by the City. The vast majority of the City's future housing capacity is found in planned large-lot single-family subdivisions west of Randall Road. In some cases, lots have been platted and streets, sewer, water, and other infrastructure installed. Recognizing the significance of this issue, staff recommended that the visualization focus on an existing stalled development near U.S. 20 and Russell Road.

The following images illustrate the sentiments recorded through MetroQuest. The photos shows a selected area of the development along Gansett Parkway with small-lot single-family and townhome units integrated into an existing large-lot single-family area. The conceptual plan shows that the entire area would also include multi-family units and a supporting retail/service node along U.S. 20 to make the area a true mixed-use neighborhood.

Aerial of the Focus Area (outlined in red)



Source: Fregonese Associates.

Gansett Parkway looking east today



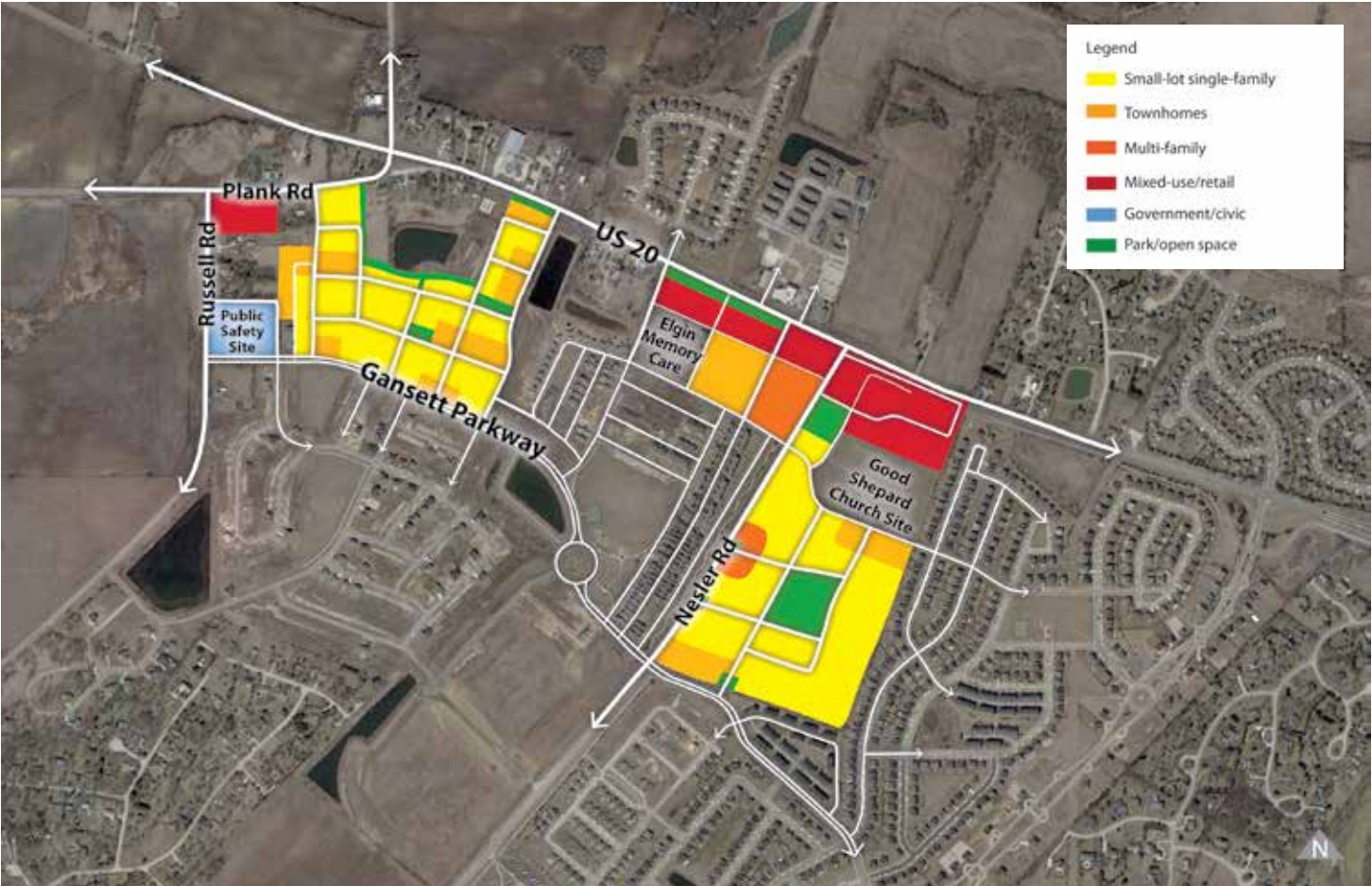
Source: Chicago Metropolitan Agency for Planning.

Gansett Parkway looking east in the future



Source: Fregonese Associates.

Focus area concept plan



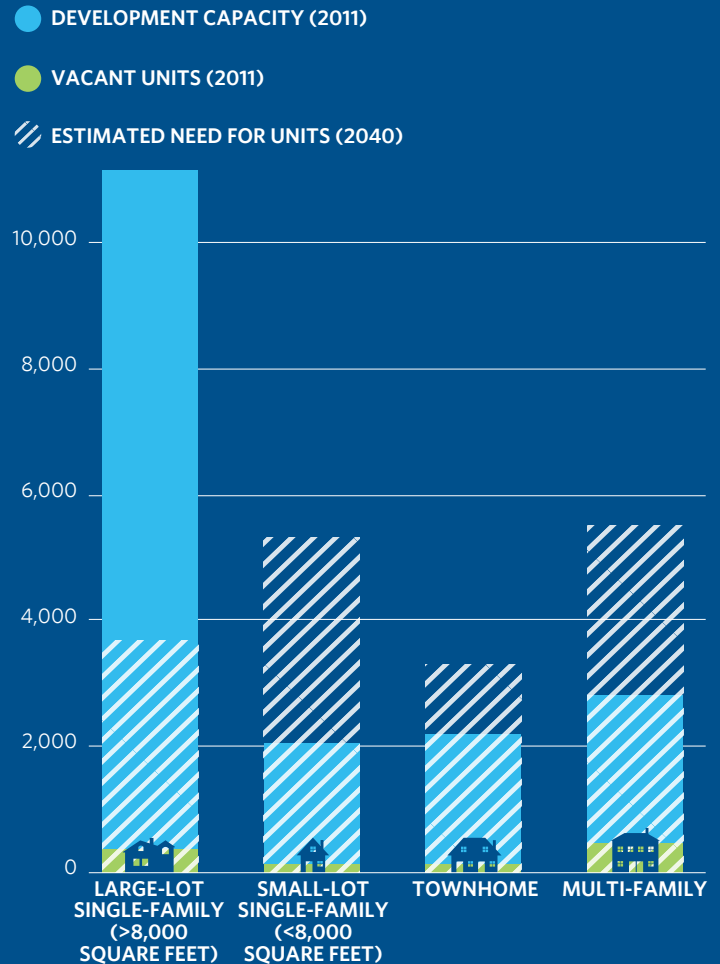
Source: Fregonese Associates.

Conclusions and Recommendations

Taking into account the capacity available through development, redevelopment, and vacancy, Elgin can accommodate all of the projected housing units that could be desired by future residents by 2040, with a slight excess of capacity (about 400 units). Therefore, the question is not whether Elgin can accommodate future growth. Rather, the key question is how Elgin can start to adjust its planning to better respond to the likely unit types that future households will demand. Virtually all capacity comes from large-lot single-family homes approved for development west of Randall Road, while future households will be interested small-lot, townhome, and multi-family units.

Again, the community is currently working on a new comprehensive plan, an excellent first step to address the mismatch between capacity and projected demand. **As the City develops its new comprehensive plan, Elgin should carefully consider its future land use plan and, ultimately, any potential revisions to its land development regulations based on the capacity and growth projections in this report.** In particular, the land use plan should reflect that the development capacity for future large-lot residential development far outstrips the projected future demand for this type of housing. As Elgin grows, additional capacity will need to be found for small-lot single-family, townhome, and multi-family developments that meet the needs of owners and renters from across the age and income spectrum. Accommodating growth in a way that corresponds to public feedback means balancing development of the Far West Area and reinvestment within the City's older, established neighborhoods and historic core.

Elgin demand vs. vacancy and capacity by housing type



Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model, Cook County and Kane County Assessor data, and U.S. Census Bureau inputs.



As Elgin grows westward, it should emulate the qualities of its older areas.



Source: Chicago Metropolitan Agency for Planning.

To accommodate additional small-lot single-family, townhome, and multi-family developments, the City should consider national trends showing an increased desire for mixed-use neighborhoods or areas containing a mix of housing types. **As the City develops its comprehensive plan, it should explore a node system, concentrating retail, services, and employment opportunities in higher density concentrations rather than increasing non-residential development along arterial roadways.** These nodes can then be supported by the integration of denser housing options into and around each node. Ideally such nodes would be concentrated along roadways with existing or proposed transit resources, such as Randall Road.

Implementing some of the recommendations of this Plan and the future comprehensive plan will require financial resources. Multiple funding sources can or will be allocated toward housing issues in the Elgin area over the next few years.

- The City of Elgin is an entitlement community and annually receives CDBG funding (approximately \$770,000 in 2013).
- Elgin is a member of the Kane County Consortium, which annually receives Home Investment Partnership Program (HOME) funds (approximately \$570,000 in 2013).
- The Hope Fair Housing Center received funding (\$1.4 million) through a national settlement with Wells Fargo and some of these funds will be targeted for use in portions of Elgin with high foreclosure rates.

- The Community Foundation of the Fox Valley was awarded \$3 million in funding from the Illinois Attorney General's office under the National Mortgage Settlement for the redevelopment of approximately 40 properties as a first step in a broader regional revitalization strategy.
- Neighborhood Housing Services (NHS) received \$1.75 million from the Illinois Attorney General's office under the National Mortgage Settlement for the expansion of lending, construction, and outreach from the Fox Valley and southern Cook County offices.

The availability of these funding sources just as the City will be developing a new comprehensive plan is fortuitous. **Elgin should capture the opportunity offered by this convergence to provide leadership and guidance in the strategic use of these funds to address the issues that matter most to the City, such as reinvestment in older, established neighborhoods and the historic core.** Elgin can use its role to leverage and guide these resources to implement these recommendations.

While the preceding recommendations lay a broad framework for planning strategically about housing in Elgin, the City must also develop a plan for the large-lot single-family capacity from existing entitlements located in the Far West Area, some of which stalled during the housing downturn. **As developers seek amended approvals to restart large, multi-phase developments, Elgin should use the opportunity to transition some units from large-lot single-family homes to the types anticipated in this report.** The critical question in such developments will be whether or not utilities were previously stubbed to platted lots.

One variation on the large-lot single-family housing type would be to explore multigenerational housing given the future demand for senior housing. Such units offer households with three or more generations the flexibility needed to cohabitate. Features of such units often include more private areas for independent living, such as small kitchenettes, private bathrooms, and even multiple living areas. Retrofitting existing developments to allow accessory dwellings, including granny flats and units over garages, would require zoning amendments. These types of units should be regulated within developments, with specific locations identified on approved site plans. The use of covenants, conditions, and restrictions and the site specific locations of such additional dwelling units should be discussed. To introduce the concept, Elgin could consider working with a consultant to create a demonstration project to address management or enforcement concerns.

Residents of Elgin seek both the development of portions of the Far West Area along with reinvestment in the City's older established neighborhoods and historic core. Considering how best to make use of underutilized areas is an issue facing communities throughout the region. CMAP found that, when completing GO TO 2040, there were more than 100,000 acres of vacant or under-used land in municipalities throughout the region. GO TO 2040 recommends the redevelopment of this land with a mix of residential and non-residential uses, accommodating half of the region's growth — about 1.2 million people.

In the rehabilitation and redevelopment of older neighborhoods, the City should build off of its educational and transit assets. The recently adopted National Street Station Area Plan lays out a vision for how the area around the National Street Metra Station can be revitalized through a combination of housing rehabilitation for nearby residential neighborhoods combined with new multi-family and townhome units. A similar plan should be developed to capitalize on the Big Timber Metra Station, as the area around it already contains a large parking lot and a number of office and warehouse facilities. The City should continue with its efforts to revitalize downtown Elgin by increasing the number of residents who live in the area. Stakeholders noted the difficulty in drawing residential development to the downtown area, in part because of school quality. A significant amount of future growth may be driven by seniors, offering the chance to add households for whom school quality is less of an issue in downtown. Great care should be taken siting such a project because of the City's emphasis on late-night entertainment in certain parts of downtown. The ground-floor of such a project will need to be carefully planned and designed to ensure it contributes to the greater vision for downtown.

This report anticipates that future housing demand in the City over the next 30 years will include demand for owner and renter housing units in both the Far West Area and in areas east of McLean Boulevard. Elgin staff has noted that applications for new residential developments in older areas of the City are significantly less than those in the Far West Area. Addressing this discrepancy is an important part of spurring development that fits the local vision.

One option is to consider the impact of the current local development fee structure. Section 17 of the City's ordinance imposes development impact fees on development that occurs in Elgin. Only development located in a designated redevelopment area, on a property for which an equivalent fee has been paid under a previous ordinance, or on a property owned by a public school district, library district, or water reclamation district are exempt from the fee. **Because of this structure, developments both close to the City center and on the western edges are treated similarly. Elgin should explore modifications to its existing development fee structure to incentivize the reuse of underutilized land closer to the City center.**

As discussed previously, there are many facets of affordability. Targeting any number of these aspects can help to reduce the number of cost-burdened residents. **In areas with existing concentrations of low-income households, it is recommended that the City not seek new developments that would dramatically increase the supply of units targeted to this income range.** Rather, the City should focus on projects and programs that increase educational and employment opportunities, tackling issues of affordability among low-income households by seeking ways to boost incomes rather than lower housing costs. Efforts could include funding workforce training programs, creating or expanding employment centers near these areas, and encouraging walking, cycling, and transit connections between these neighborhoods and employment centers. The flexibility of CDBG offers one potential funding source for such efforts. That said, maintaining the quality of Elgin's housing stock within these areas is particularly important, and the continued funding of projects that rehabilitate existing residential units should be supported.

Because of the important role that seniors will play in the future housing market, accessibility in new and rehabilitated housing is very important. **One way to meet this need would be for Elgin to evaluate whether or not "visitability" should be standardized and incorporated into local codes and ordinances.** The idea is to create homes that accommodate those with and without physical impairments through construction modifications to doorways, hallways, and bathrooms. Communities such as the Village of Bolingbrook and the City of Naperville have adopted visitability ordinances to ensure that new construction or major housing renovations can provide for the needs of disabled and senior populations. Several builders in Elgin already employ principles of visitability, albeit in varying degrees.

Finally, a key component for any community seeking to maintain an efficient and effective housing market is ensuring that local housing and service providers continue to show openness to current and future residents of all backgrounds. As an entitlement community, Elgin has already taken steps to identify ways to continue fostering openness by collaborating with Kane County and Aurora on an Analysis of Impediments (AI) to Fair Housing Choice in 2012. That document includes six recommendations for the City to improve fair housing issues over the next five years. **Elgin should remain committed to addressing the issues identified in that document by implementing the recommendations of the AI by the end of 2017.**

Beyond the City's AI, Elgin can further expand openness in the following ways.

- The City welcome guide includes information on many local departments and organizations along with the associated contact information. **The City should ensure that this packet reflects the community's commitment to openness by including a statement of welcome for peoples of all backgrounds.**
- **The City should continue to work towards providing all documents, including the welcome packet, in a variety of languages based on identified local needs, particularly Spanish.** Such documents should be accessible to persons with disabilities, including those with sight or hearing impairments.

A Final Thought

Creating an effective long-term housing strategy makes sense for any community, but the housing market does not operate in a vacuum. A well regarded school system is a vital part of sustaining a strong housing market. Stakeholders have noted that some portions of the City are challenged in this regard. There are no simple answers to these educational issues. Elgin should continue to work closely with local school boards. Local education officials should actively solicit help from regional educational institutions as well as nationally recognized school improvement groups. Finally, many schools are of good quality, marred by a bad reputation. The City and school boards should highlight the positives of all local schools to combat any stigmas.



Homes in the neighborhood around downtown West Dundee.

Source: Chicago Metropolitan Agency for Planning.

Housing Policy Plan: West Dundee

Project Summary

West Dundee stands at an important moment. As an affluent community with a historic downtown, numerous retail options, good roadway access, and many housing options, the Village is a desirable place to live. With two large greenfield development sites within the community along with possible redevelopment sites, West Dundee must decide how it wishes to grow in light of the mix of units future households will desire.

Making this decision is difficult. West Dundee must balance two residential areas with very different design styles. A walkable historic core with a mix of housing types surrounds a downtown with potential for growth along the Fox River. Areas west of Illinois Route 31 are predominantly suburban neighborhoods, with retail and services along Illinois Route 31 and Illinois Route 72. Expansion westward is slowly shifting the population and retail away from downtown and Spring Hill Mall, creating vacancies in existing retail corridors.

The Village last tackled this question in its 2005 Comprehensive Plan. Because of the recession some concepts need to be updated and retested given the current market realities. This report provides a series of policy recommendations that West Dundee will use in the coming years to establish a new vision. The Village will be a community that builds off of its existing neighborhoods and the Fox River while pursuing strategic expansions.

Recommendations include:

- **Exploring regulatory changes to continue diversifying the local housing stock.**
 - **Addressing barriers to residential development in downtown.**
 - **Working with Carpentersville to ensure the viability of the area around Spring Hill Mall.**
 - **Demonstrating that West Dundee is open to all future residents.**
-

Demographic Trends

Located in northeastern Kane County, the Village of West Dundee is bordered by Carpentersville to the north; East Dundee to the east; Elgin to the south; and Sleepy Hollow to the southwest. The Village is also bordered by unincorporated areas in all directions.

West Dundee's population grew by a third over the past decade to approximately 7,200. The Chicago Metropolitan Agency for Planning (CMAP) produced population and household projections as part of GO TO 2040, the seven-county region's comprehensive plan for sustainable prosperity through mid-century and beyond.⁴⁷ These figures indicate that if GO TO 2040 is implemented and if the Village takes advantage of its numerous assets, its population could rise to 12,036 by 2040, an increase of approximately 4,800 residents.⁴⁸

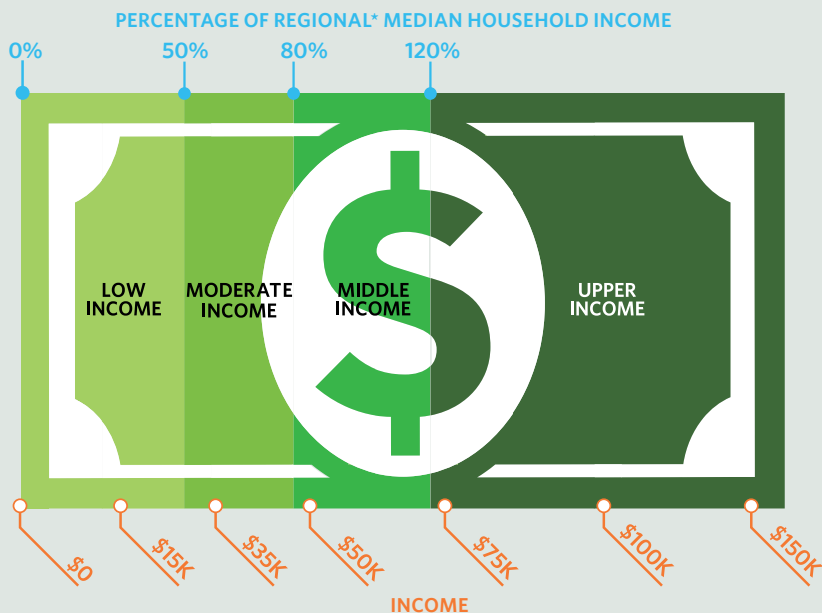
West Dundee could accommodate this growth in many different ways. Both the Haegar property along Illinois Route 31 and the Galvin Site along Randall Road could be transitioned from farmland into residences. West Dundee's historic downtown or the number of underutilized properties around Spring Hill Mall could be redeveloped or rehabilitated. What is the best course for the Village?

General West Dundee statistics

	POPULATION	HOUSEHOLDS
2000 Decennial Census	5,428	2,059
2011 American Community Survey (ACS)	7,208	2,748
Change, 2000-11	1,780	689
Change as %, 2000-11	33%	34%
GO TO 2040 projection, 2040	12,036	4,574
Change, 2011-40	4,828	1,826
Change as %, 2011-40	67%	66%

Source: U.S. Census and Chicago Metropolitan Agency for Planning GO TO 2040 projections.

Income



While household income is discussed throughout the Homes for a Changing Region plan, it's important to understand some of the definitions behind phrases like "low-" and "moderate-income." The U.S. Department of Housing and Urban Development (HUD) has established definitions for how the relationship between an area's median income and the income of an individual household can define what is a low (less than 50 percent of regional median income), moderate (50 percent to 80 percent), middle (80 percent to 120 percent), and upper income households (120+ percent). By comparing each income group to the regional* median household income (\$61,045), readers can understand what constitutes low, moderate, middle, and upper income households.

*Region defined as the Chicago-Naperville-Joliet, IL Metropolitan Division.

Source: Chicago Metropolitan Agency for Planning analysis of the American Community Survey 2007-11.

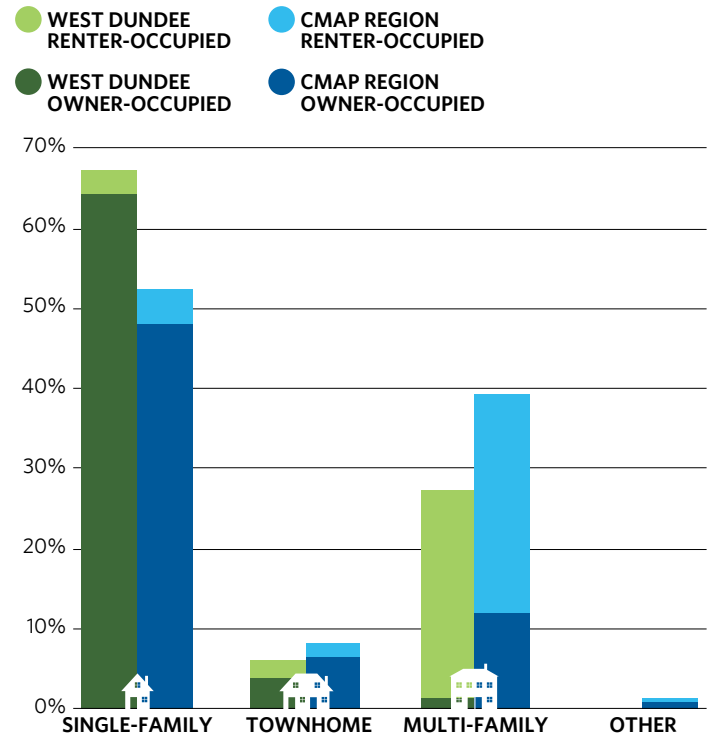
47. See <http://www.cmap.illinois.gov/about/2040>.

48. See the Appendix for more information about these projections.

Current Housing Market

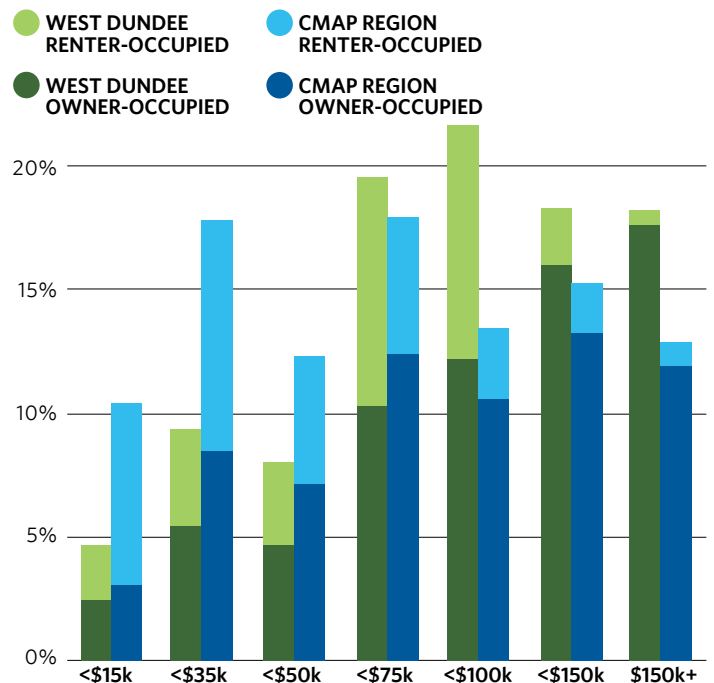
Because of West Dundee's gradual expansion westward from its historic core along the Fox River, the Village's housing stock includes everything from historic 19th Century units to modern single-family subdivisions. Many multi-family units are located along Illinois Route 31, including the Villages at Canterfield, the newest local multi-family development and the source of most of the growth in West Dundee's rental stock over the past decade. Single-family homes, which account for two-thirds of all local units, are typically occupied by owners. About 84 percent of renters in the Village live in multi-family structures. This tenure split, with the majority of renters occupying multi-family structures, is very similar to those found throughout the region. Village staff have noticed an increase in the number of single-family rental units over the past couple of years. As highlighted in the Metropolitan Planning Council's (MPC) *Managing Single-Family Rental Homes* white paper, many communities are struggling with the surge in single-family rentals.⁴⁹ Locally, rental households make up 40 percent to 50 of households at each of the income groups below \$100,000. Approximately 60 percent of local renters earn between \$50,000 and \$100,000. The presence of so many middle- and upper-income renters makes West Dundee's housing market unique. The Village may be filling unmet demand for quality rental housing in the subregion.

Housing type by owner/renter



Source: American Community Survey 2007-11 data.

Owner/renter by household income



Source: American Community Survey 2007-11 data.

49. *Managing Single-Family Rental Homes*. (June, 2013). Metropolitan Planning Council. See <http://tinyurl.com/kjdjm2h>.

Housing Affordability

One of the most essential elements in understanding local housing dynamics is affordability. What constitutes “affordable housing” varies from household to household as the measure is relative. An affordable housing unit is one that a family can own or rent for no more than 30 percent of its income. This spending includes both housing (rent or mortgage) and housing-related costs, such as property taxes, insurance, and utilities. This time-tested standard is reflected in everything from the underwriting standards of private lenders to data from the U.S. Census Bureau.

Over the last decade, rapidly rising property values accelerated far faster than incomes in the U.S., increasing the number of cost-burdened households. Since the recession, affordability issues have persisted despite declines in home values and mortgage rates due in part to declining incomes, slow employment growth, and stringent credit requirements.⁵⁰ As households became renters, supply did not initially keep pace with the sudden spike in demand. Harvard University indicates that currently more than 10 percent of owners and 25 percent of renters in the U.S. pay more than 50 percent of their income on housing costs.⁵¹

West Dundee, in part, bucked the national trend. The portion of renters paying more than 30 percent of their income on housing costs decreased from approximately 45 percent to 25 percent. This highly unusual trend likely stems from the growth in units occupied by households earning between \$50,000 and \$100,000. Regionally, only 13 percent of renters in this income range are cost-burdened versus 52 percent for the renter population as a whole. Growth in the number of middle- and upper-income renters likely helped decrease the overall share of cost-burdened renters. Much like the nation, the portion of owners spending more than 30 percent of their income on housing costs increased between 2000-11. The share of owners in West Dundee who are cost-burdened (approximately 30 percent) still falls short of the regional share (approximately 40 percent).

What is “Affordable Housing?”

- **“Affordable housing”** is housing that costs no more than 30 percent of household income (including utilities, insurance, and taxes).
- **“Unaffordable housing”** is housing that costs between 30 percent and 50 percent of household income.
- **“Severely unaffordable housing”** is housing that costs more than 50 percent of household income.



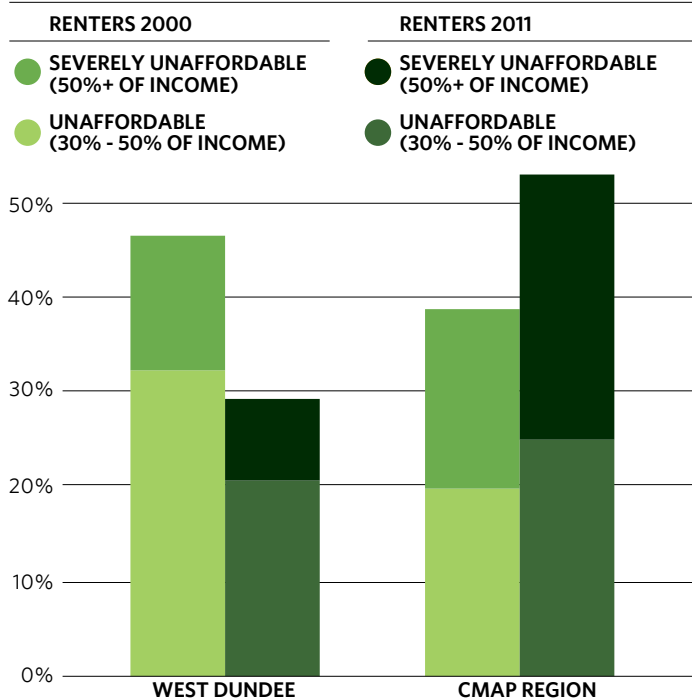
New rental options increased the number of middle- and upper-income renters in West Dundee.

Source: Chicago Metropolitan Agency for Planning.

50. Joint Center for Housing Studies. *State of the Nation's Housing 2012*. (June, 2012). Harvard University.

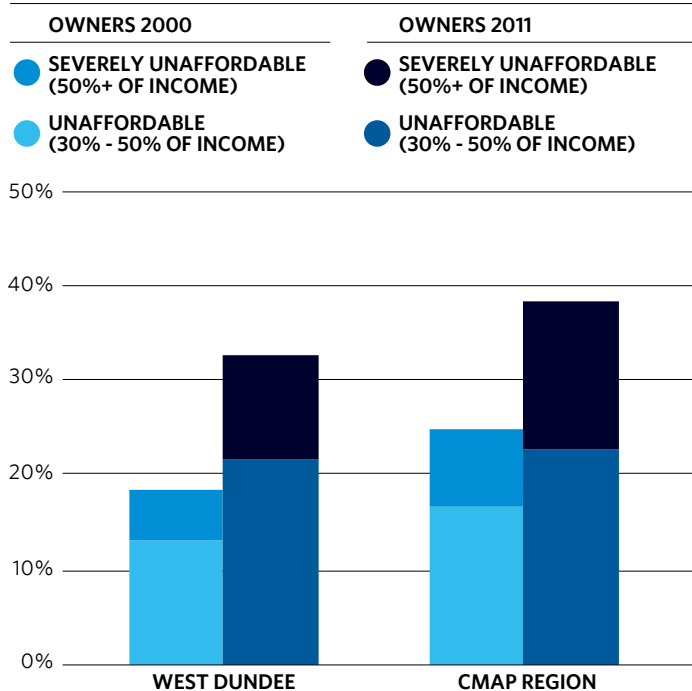
51. Joint Center for Housing Studies. *State of the Nation's Housing 2013*. (June, 2013). Harvard University.

Percent of renter-occupied households paying more than 30 percent of income on gross rent



Source: 2000 U.S. Census and American Community Survey 2007-11 data.

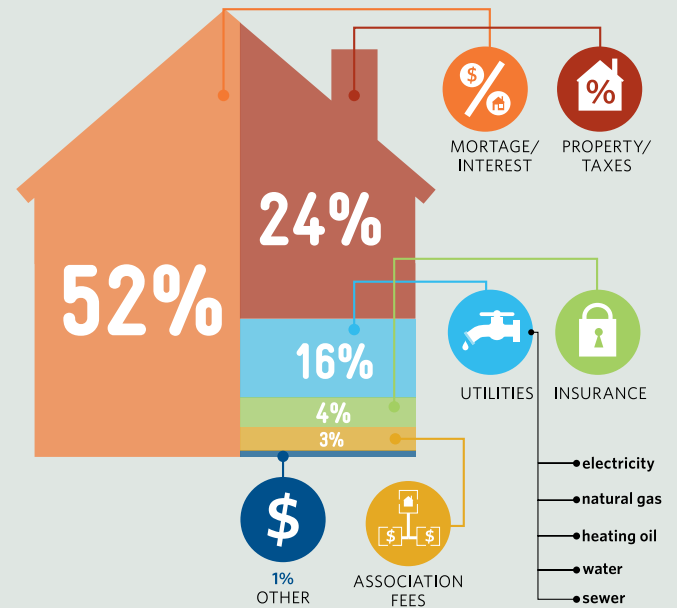
Percent of owner-occupied households in paying more than 30 percent of income on monthly owner costs



Source: 2000 U.S. Census and American Community Survey 2007-11 data.

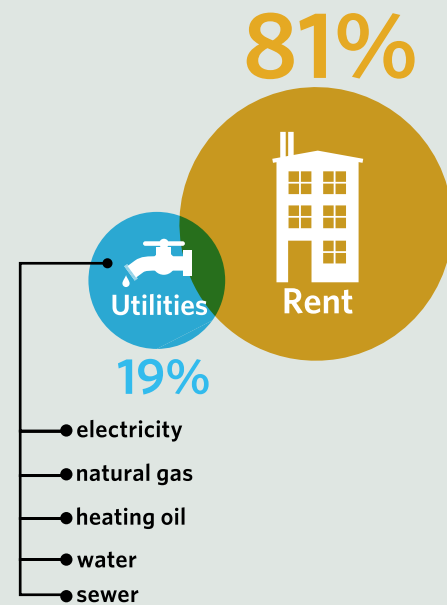
What is included in monthly owner costs?

Average monthly costs for renters in Chicago Metropolitan area, 2009



What is included in gross rent?

Average monthly costs for renters in Chicago Metropolitan area, 2009



Source: Chicago Metropolitan Agency for Planning analysis of the 2009 American Housing Survey (AHS).

The 2009 AHS data includes Cook, DuPage, Grundy, Kane, Kendall, Lake, McHenry, and Will Counties in the metropolitan area.

Utilities and Affordability

Utility costs can increase or decrease the number of cost-burdened households because they contribute to gross housing costs. In 2007, the Center for Neighborhood Technology (CNT) developed the “West Dundee Energy and Emissions Profile,” which examined energy consumption, vehicle miles traveled, and greenhouse gas emissions at a community-wide scale. This report was part of the Municipal Energy Profile Project (MEPP) that included the development of profiles for over 270 municipalities in metropolitan Chicago. The profiles serve as a baseline from which communities can develop more specific strategies and accurately measure progress in achieving reductions in energy consumption and emissions. The MEPP Guidebook examined both municipal and community scale best practices for strategies in energy and transportation. The project was funded by the Illinois Clean Energy Community Foundation, and data partners included ComEd, Nicor Gas, Peoples Gas, North Shore Gas, and the Illinois Department of Transportation.

The table to the right highlights residential natural gas and energy usage in the Village and Kane County in 2007. At that time, the average West Dundee household spent \$27 more per month on energy costs than the average Kane County household. The Village moved forward with municipal aggregation in 2012, offering residents the opportunity for lower electricity rates. This means West Dundee collectively negotiated for who will supply electricity for residents and eligible small businesses. Implementing energy efficient designs as part of rehabilitation and new construction in the coming years can further reduce local energy costs and help decrease the number of cost-burdened households.

Residential energy use in West Dundee and Kane County, 2007

	WEST DUNDEE	KANE COUNTY
Average electricity use per household	8,875 kWh	8,203 kWh
Average annual \$ for electricity per household*	\$955	\$883
Average natural gas use per household	1,296 Therms	1,008 Therms
Average annual \$ for natural gas per household*	\$1,151	\$898
Average annual energy costs	\$2,106	\$1,781

Source: CNT Energy Community Profile
*Calculated using average residential sales per kilowatt hour (kWh) (Illinois Commerce Commission Utility Sales Statistics 2007).

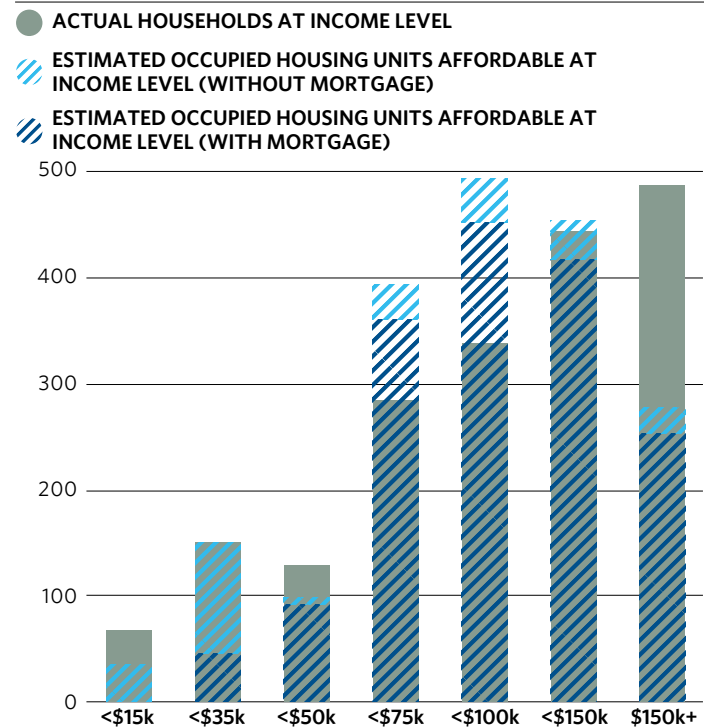
Current Ownership Housing Market

Mortgage status drives the West Dundee owner market. Owner units for households earning less than \$35,000 are only affordable to this income group if the owner does not carry a mortgage, while households above this income level typically pay a mortgage in addition to non-mortgage owner costs. Intuitively this makes sense. Owners who do not carry a mortgage usually pay less in total housing costs.

The likelihood of owning a home with or without a mortgage depends in part on age. Approximately 57 percent of owners without mortgages are over the age of 65, but comprise only 6 percent of units with mortgages. Therefore, the bulk of West Dundee's supply of owner units affordable to households earning less than \$50,000 per year are occupied by seniors, while the working age population occupies most of the units affordable to households earning more than \$50,000 per year.

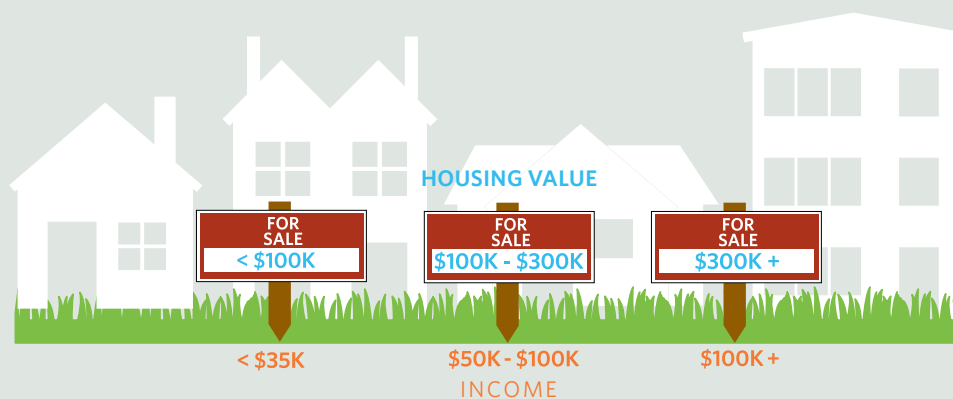
That more than 65 percent of local owners earn more than \$75,000 reflects the affluence of West Dundee homeowners. Comparatively, only 53 percent of owners have incomes above \$75,000 within the region. Due to this affluence, many local owners can choose to pay less than 30 percent of their income on housing costs, as demonstrated by the significant difference between households earning more than \$150,000 and the number of units affordable to owner at that income level. Households making less than \$15,000 often spend large portions of their income on housing costs.

West Dundee comparison of owner household incomes with occupied units affordable at each income level



Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model using American Community Survey 2007-11 inputs.

Translating incomes into housing values



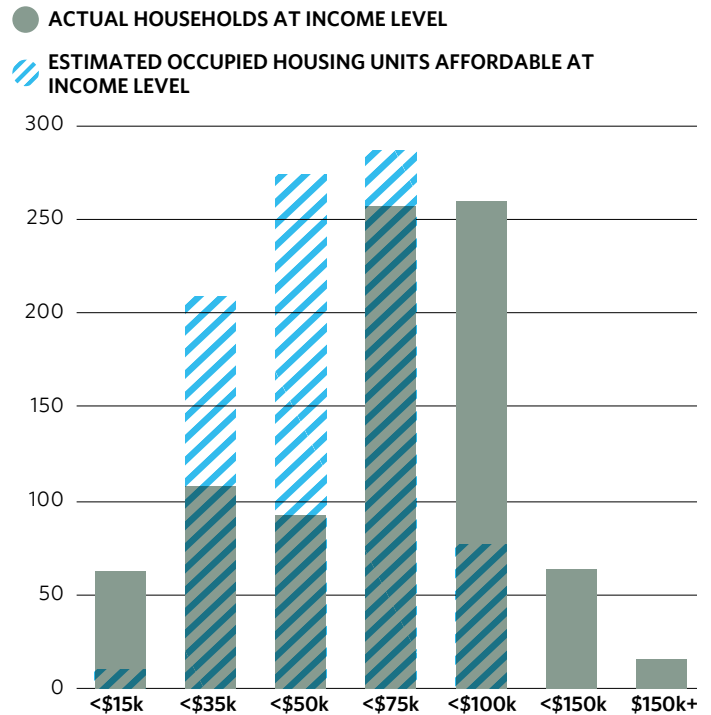
With so many factors influencing what home a household can afford to purchase (housing cost, income, downpayment, credit score, etc.), it can be difficult to figure out how the seven income groups analyzed in the Homes for a Changing Region report correspond to local housing values. A long-standing rule of thumb has been that households should buy units valued at no more than three times their annual income. Using this rough standard, these home values are generally affordable at each of the associated income levels.

Source: Chicago Metropolitan Agency for Planning.

Current Rental Housing Market

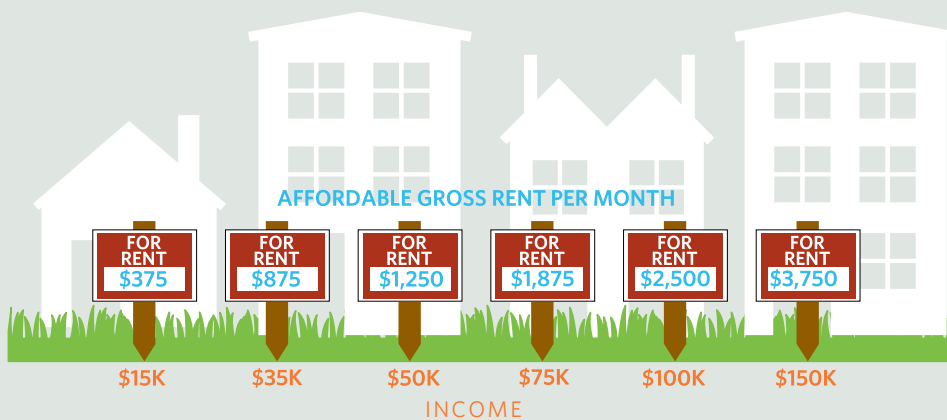
As discussed previously, the structure of the West Dundee rental housing market is unusual because approximately 60 percent of renters earn between \$50,000 and \$100,000 versus 25 percent regionally. The Village's middle- and upper-income renters have many options for units that cost less than 30 percent of their income. While affordability is generally not an issue in the West Dundee rental market, some low-income residents, such as those earning less than \$15,000, must live in units that cost more than 30 percent of their income. According to 2007-11 American Community Survey (ACS) data, while only 6 percent of renters are seniors, 23 percent of cost-burdened renters are older than 65, indicating that senior renters are disproportionately likely to be paying more than 30 percent of their income on housing in West Dundee.

West Dundee comparison of rental household incomes with occupied units affordable at each income level



Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model using American Community Survey 2007-11 inputs.

Translating incomes into rents



Applying the previously discussed concept that households should spend no more than 30 percent of income on housing costs, these gross rents are generally affordable at each of the associated income levels.

Source: Chicago Metropolitan Agency for Planning.

Jobs, Transportation, and Housing

With its many retail options, West Dundee contains almost 1.4 jobs for every local household. As a result, the Village has built-in demand for its housing stock, as people who work in the community may want to live there as well, taking advantage of the potential to reduce their commute time and costs.

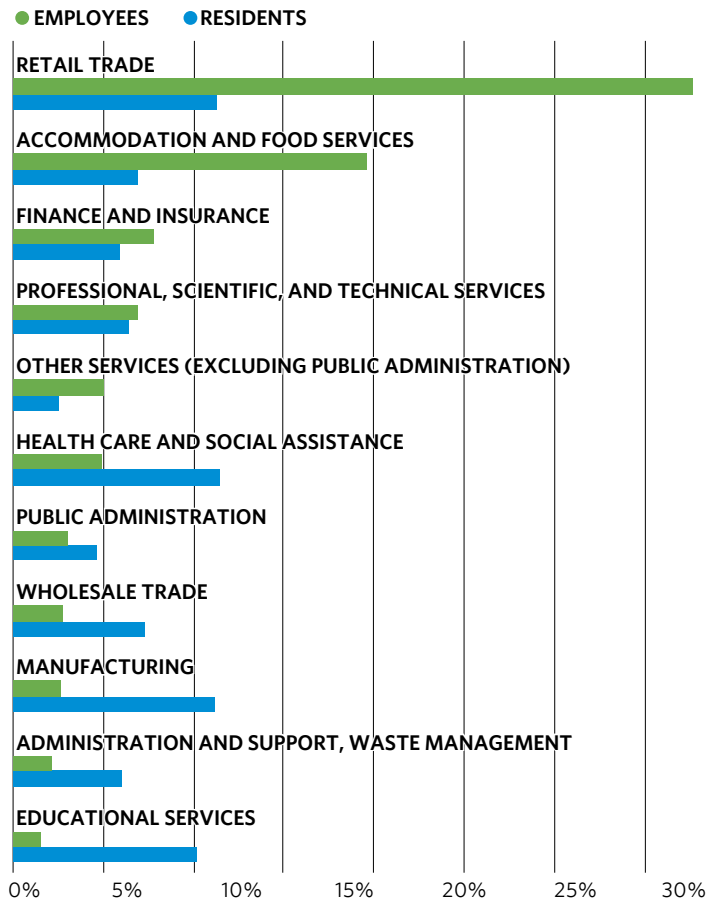
Matching jobs and housing, however, is more complicated. If the jobs in a community do not match the skills of the workforce, commute times will increase for both workers and residents. In the same vein, if jobs are available but housing values do not mesh with what workers can afford, there is still a mismatch and workers must commute from elsewhere.

These potential issues show how transportation and affordability are linked. Some housing locations are inherently more or less costly by virtue of their location. If a housing unit is located farther away from jobs or retail, the typical occupant will need to spend more time and money commuting, leaving less money for housing and other expenses. Moreover, a mismatch between the location of jobs and affordable housing reduces economic competitiveness as employers experience difficulty with employee recruitment and retention.⁵² This section explores how the local job base impacts the West Dundee housing market.

Jobs

The presence of Spring Hill Mall, along with a number of major national retailers (Sears, Jewel, Macy's, etc.) along Illinois Route 31 and Illinois Route 72, explains why 57 percent of all local jobs are in the retail trade and accommodation and food services industries. Employed residents, however, work in a wide range of industries, including manufacturing, health care, retail, and educational services. The table to the right details the average earnings in the subregion for the industries in which most residents or employees work. This breakdown highlights that most local employment opportunities are in relatively low earning industries (e.g. retail trade) while residents tend to be employed in better paying occupations (e.g. manufacturing). The relatively high median household income in West Dundee highlights the mismatch between the housing and jobs that exists for both residents and employees.

Industries of West Dundee residents and employees, 2011



Source: U.S. Census Bureau, Local Employment Dynamics, On-the-Map data.

Subregion* earnings

INDUSTRY	AVERAGE EARNINGS**
Retail trade	\$28,916
Accommodation and food services	\$18,239
Finance and insurance	\$60,782
Professional, scientific, and technical services	\$71,549
Other services (excluding public administration)	\$37,739
Health care and social assistance	\$57,180
Public administration	\$64,073
Wholesale trade	\$75,555
Manufacturing	\$62,859
Administration and support, waste management and remediation	\$27,716
Educational services	\$43,102

Source: Economic Modeling Specialists International (EMSI).

*Subregion includes the following ZIP Codes: 60110, 60118, 60120, 60123, and 60124.

**According to EMSI, the reported earnings include hourly wages as well as employer contributions for employee pensions and insurance funds as well as employer contributions for government social insurance.

52. Pill, Madeleine. *Employer-Assisted Housing: Competitiveness Through Partnership*. (September, 2000). Joint Center for Housing Studies, Neighborhood Reinvestment Corporation. See <http://tinyurl.com/n73amvw>.



Spring Hill Mall drives local employment, particularly for workers commuting to West Dundee.

Source: Chicago Metropolitan Agency for Planning.

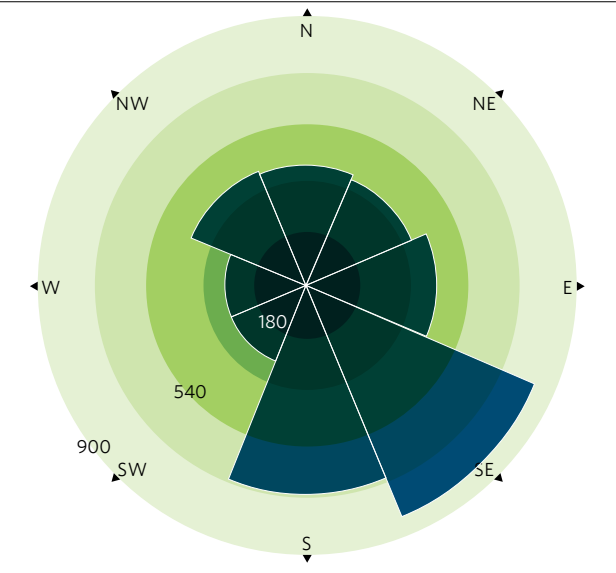
Transportation

The local mismatch between jobs and housing drives the need for longer commutes by residents and employees. Only 2.3 percent of employed Village residents work in the community, though approximately 24 percent work in the subregion, including 2 percent in East Dundee. Therefore, residents and employees must commute to jobs that match their skills, often in locations outside of Kane County.

Research by Reid Ewing and others in the *Journal of Urban Planning and Development* has shown that the biggest factor in reducing vehicle miles traveled comes from “putting offices, shops, restaurants, residences, and other codependent activities in close proximity to each other.”⁵³ Building off of local and subregional employment concentrations by providing housing that meets the needs of employers can help decrease the number of cost-burdened owners and renters.

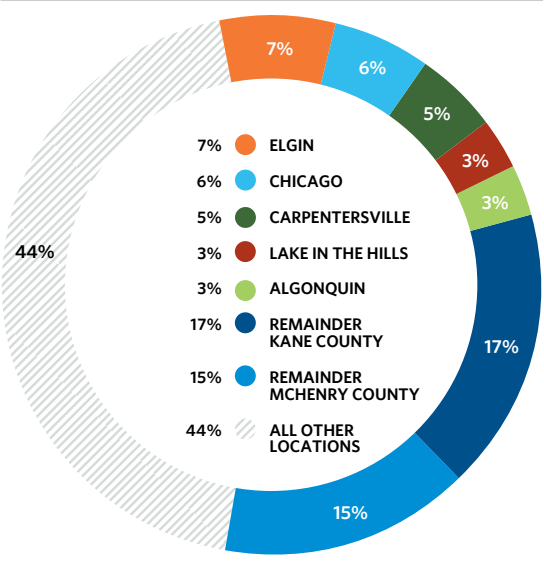
53. American Society of Civil Engineers. “Traffic Generated by Mixed-Use Developments — Six-Region Study Using Consistent Built Environmental Measures.” *Journal of Urban Planning*, October 2010.

Where West Dundee’s workers live
Job counts by distance/direction in 2011, all workers



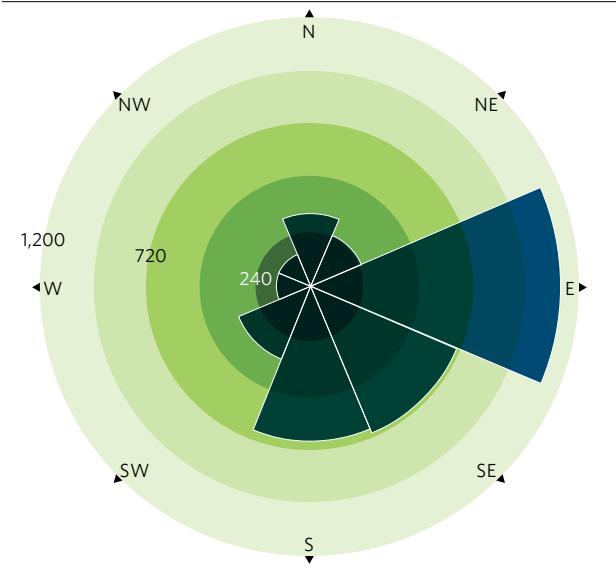
Source: U.S. Census Bureau, Local Employment Dynamics, On-the-Map data.

Where West Dundee’s workers live, 2011



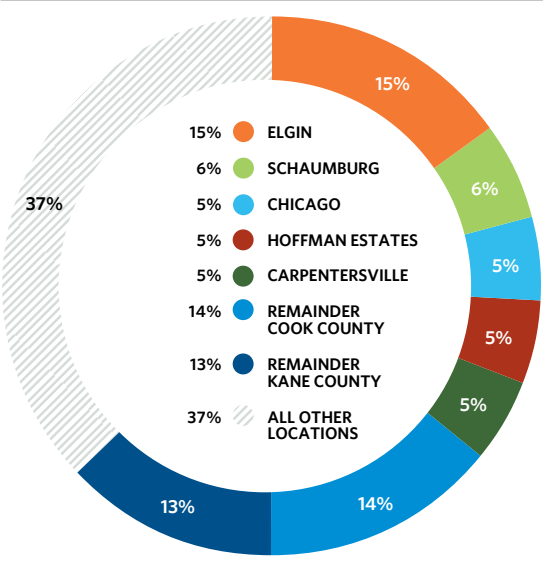
Source: U.S. Census Bureau, Local Employment Dynamics, On-the-Map data.

Where West Dundee’s residents work
Job counts by distance/direction in 2011, all workers



Source: U.S. Census Bureau, Local Employment Dynamics, On-the-Map data.

Where West Dundee’s residents work, 2011



Source: U.S. Census Bureau, Local Employment Dynamics, On-the-Map data.

Projecting Future Housing Needs

Proactive housing planning needs to take into account those who might live in the community in the future. Blending together U.S. Census data, CMAP's local household and population projections for the year 2040, and national future housing preferences, some realistic estimates can be made of who will want to live in the Village over the next 30 years. What types of housing would be necessary to meet the needs of current and future residents?

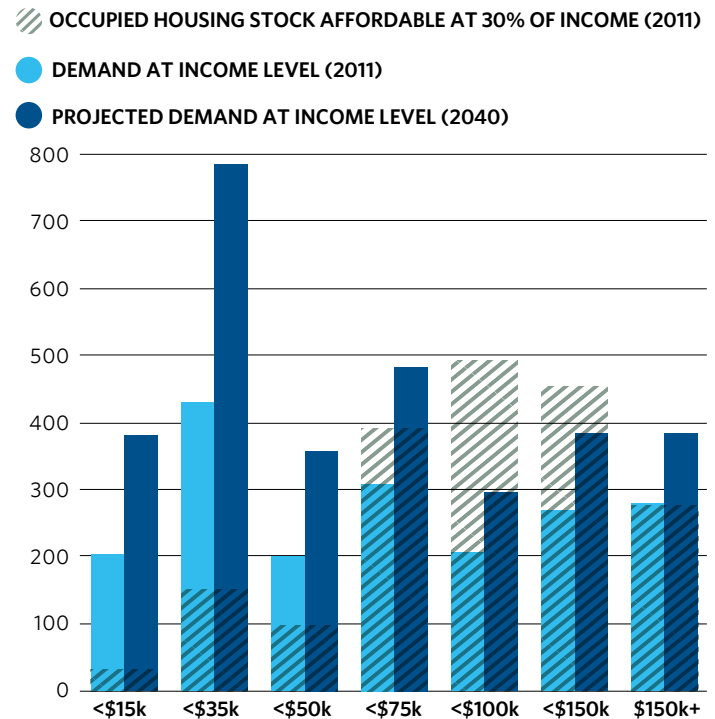
Future Ownership Needs

The number of households looking to own in West Dundee could grow by almost 1,200 over the next 27 years. The current supply of units affordable to households earning between \$75,000 and \$150,000 would be sufficient to meet projected growth. Shortages, however, would exist for all other income groups.

Projected shortfalls in supply for low-, moderate-, and middle-income households, particularly for households below \$50,000, could increase the number of cost-burdened owners. For households earning less than \$15,000, the financial realities of property acquisition, construction, and financing make development very difficult. The projected shortfall of units for owners earning more than \$150,000 indicates a potential market for upscale housing.

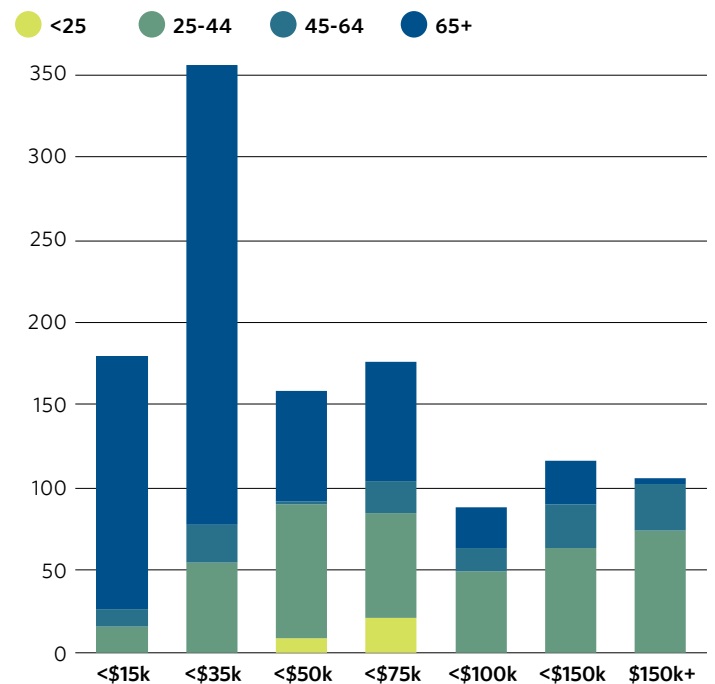
The age groups projected to drive growth play an important role in understanding the types of housing likely to be sought by future owners. Households headed by people 25-44 are a key component of demand at all income levels. The consistency in demand by this age group across many income levels creates an opportunity to consider inclusionary housing policies. The other major age group is seniors. Over 80 percent of the future demand for owner units affordable to households earning below \$35,000 is by households headed by people over 65. Managing this increase will require thinking about how to build new housing attractive to seniors and rehabilitate existing units for those who want to remain in their homes.

West Dundee 2011 households and housing stock compared with 2040 owner demand



Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model using American Community Survey 2007-11 and CMAP GO TO 2040 household forecast inputs.

West Dundee 2011-40 change in owner demand by age and income



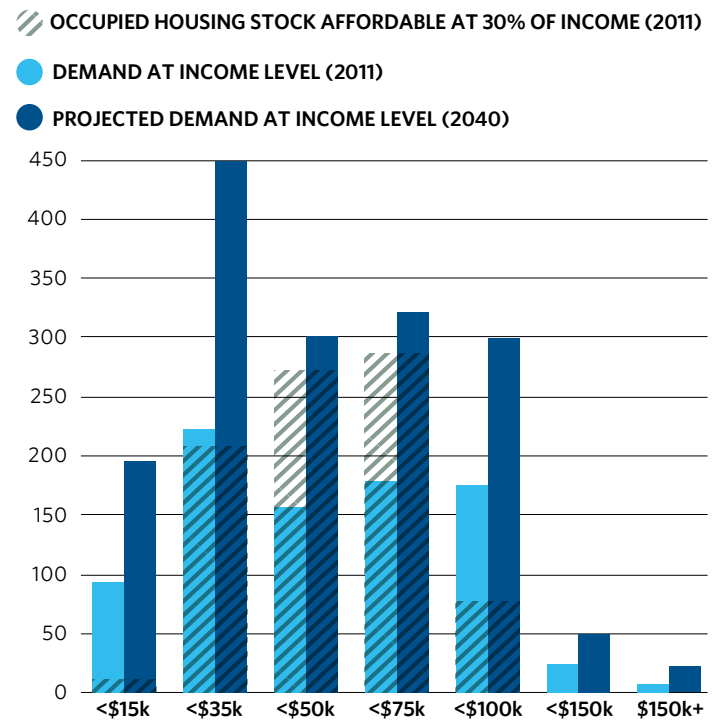
Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model using American Community Survey 2007-11 and CMAP GO TO 2040 household forecast inputs.

Future Rental Needs

Rental growth could create shortages of affordable rental housing units in West Dundee in 2040. The largest potential shortages are for units affordable to household earning less than \$35,000 and between \$75,000 and \$100,000. The structure of projected demand represents an opportunity to continue increasing the number of middle-income renters while also expanding options for low-income renter households. Very few households earning more than \$100,000 annually are projected to rent in the future.

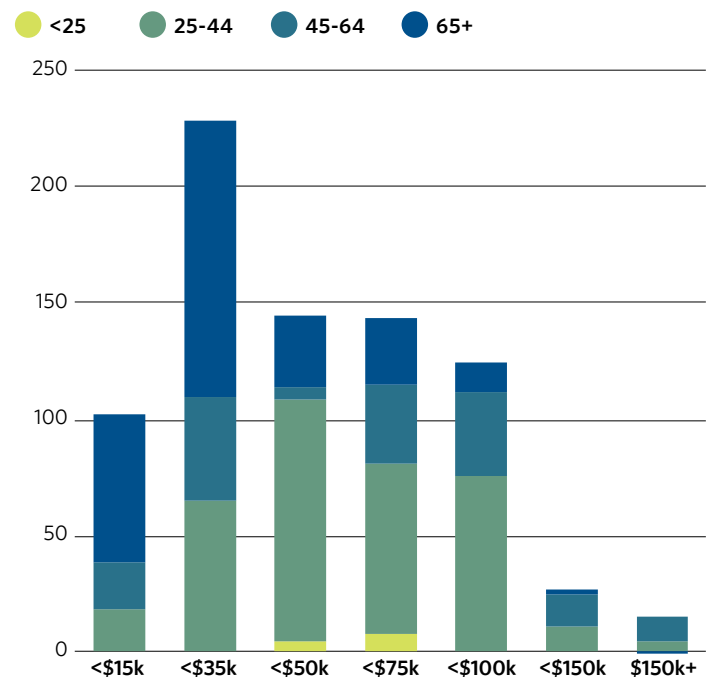
The age groups driving future rental demand correlate with income. For households earning less than \$35,000, seniors represent the key demographic, comprising 56 percent of the projected increase. Rental housing will be needed for people 25 to 44, particularly for households earning above \$35,000. This age group may give the Village an opportunity to work with local employers to meet labor force needs. Expanded rental options should include townhome and multi-family units.

West Dundee 2011 households and housing stock compared with 2040 renter demand



Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model using American Community Survey 2007-11 and CMAP GO TO 2040 household forecast inputs.

West Dundee 2011-40 change in renter demand by age and income



Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model using American Community Survey 2007-11 and CMAP GO TO 2040 household forecast inputs.

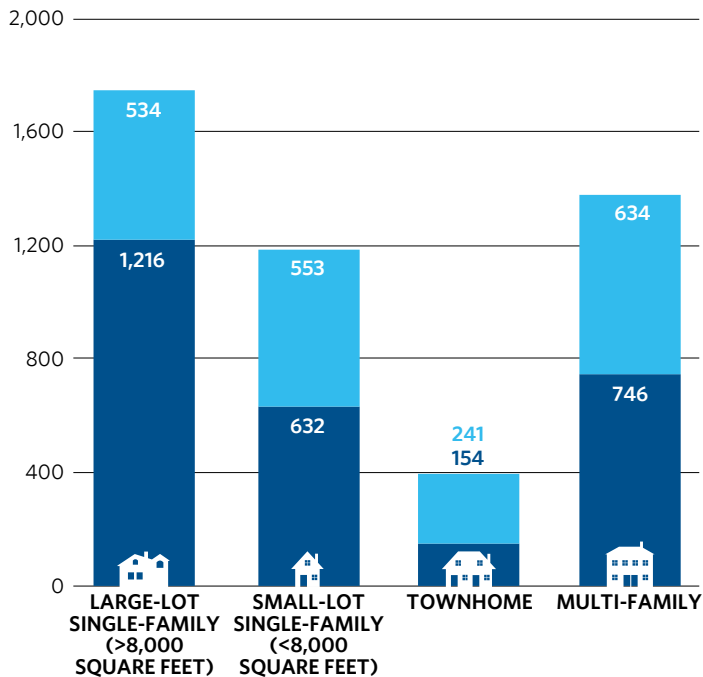
Housing Demand by Type of Unit

Based on the breakdown of projected future owners and renters in West Dundee along with national estimates of future demand for four broad housing types, a forecast of demand for additional housing in 2040 arises. This “balanced housing profile” shows demand for 1,962 additional units between now and 2040.⁵⁴ Slightly over 500 of the units would be large-lot single-family homes. The additional 550 small-lot single-family homes, 240 townhomes, and 630 multi-family units demonstrate the demand for denser housing types driven by the increasing number of low- and middle-income seniors along with the working-age rental population. As part of this project the *Homes* team reached out to residents, community leaders, officials, and others in two ways. In June 2013, the team conducted a community workshop. In July 2013, stakeholders participated in an on-line survey tool called MetroQuest. This profile is consistent with the feedback received through both methods.

West Dundee future balanced housing profile

● FUTURE INCREMENTAL UNITS (INCLUDES NEW UNITS AND REHABBED VACANT UNITS, 2011-40)

● OCCUPIED HOUSING SUPPLY WEST DUNDEE, 2011



Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model using American Community Survey 2007-11 and CMAP GO TO 2040 household forecast inputs.



Carrington Reserve is an example of a neighborhood of new small-lot homes.

Source: Chicago Metropolitan Agency for Planning.

Single-family homes

What one person calls a large-lot single-family home another may call a small-lot single-family home depending on where they live and the type of development they envision. The following definitions are used in this report for large-lot and small-lot single-family homes.

- *Large-lot single-family homes* are units with greater than 8,000 square feet of lot area for each detached dwelling.
- *Small-lot single-family homes* are units with less than 8,000 square feet of lot area for each detached dwelling.

To better understand these definitions, it helps to think about West Dundee’s local housing stock. While the majority of single-family homes would be classified as large-lot, the recently developed Carrington Reserve subdivision is an example of an area with many small-lot homes.

54. Note that this figure is higher than the projected increase in households between 2011 and 2040 (1,826) because of the inclusion of potential future vacant units. See the Appendix for more information about the methodology.

Capacity for Growth

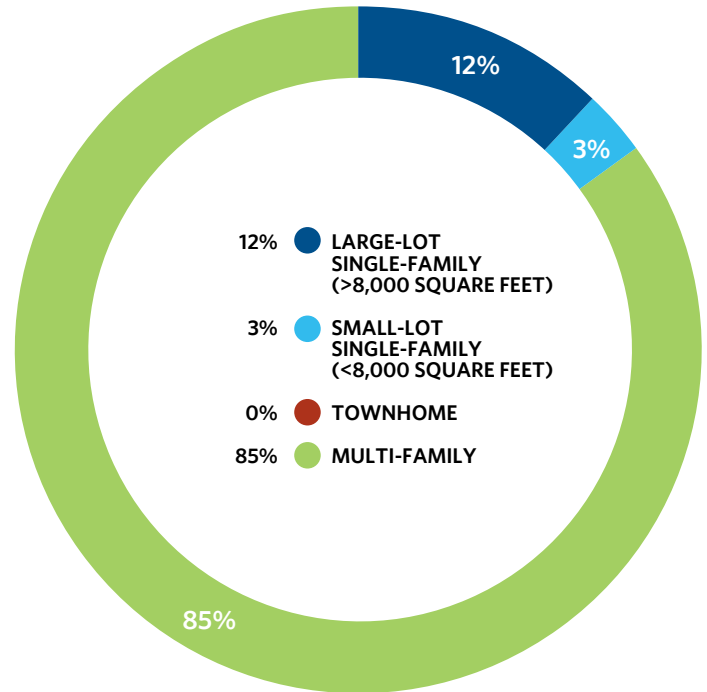
Forecasted population and household growth is only one half of the equation in considering future housing needs. As a community with numerous assets, it is understandable why many people want to live in West Dundee now and in the future. To plan for future households and housing, it is also important to look at capacity. To understand the Village's ability to accommodate projected growth, two key sources of capacity were reviewed: development/redevelopment and vacancy.⁵⁵

Development/ Redevelopment Analysis

The development/redevelopment analysis considers how West Dundee could grow over the next 30 years based on current land use regulations, development approvals, and key development sites. CMAP and Village staff calculated the total square footage of vacant and redevelopable land in and around the Village by reviewing Kane County Assessor data. Then, West Dundee's current zoning and development standards were applied to those figures to calculate how many units could be built given the amount of vacant and redevelopable land within the various zoning districts. For this analysis, build-out estimates were not prepared for two key sites: the 288 acre Galvin site along Randall Road and the 500 acre Haegar site along Illinois Route 31. Because of their size, the Village wanted to understand how many units could be accommodated through infill development alone as part of assessing the role that each site might play in accommodating future growth.

Without including these major sites, West Dundee has the capacity for approximately 618 additional dwelling units compared to the 1,962 units that would be needed should the Village decide to plan for the estimated increase in its population possible by 2040. This capacity would allow the Village to accommodate about a quarter of the forecasted household growth. Development of a long-term community vision for the Galvin and Haegar sites will play a major role in determining how West Dundee chooses to grow.

West Dundee maximum capacity by unit type



Source: Chicago Metropolitan Agency for Planning analysis of West Dundee zoning ordinance and Kane County Assessor data.

Maximum capacity by unit type

TYPE	UNITS
Large-lot single-family (>8,000 square feet)	78
Small-lot single-family (<8,000 square feet)	17
Townhome	-
Multi-family	523
TOTAL	618

Source: Chicago Metropolitan Agency for Planning analysis of the West Dundee zoning ordinance and Kane County Assessor data.

55. See the Appendix for more information about the methodology.



West Dundee must decide on the right balance between redevelopment and greenfield development.

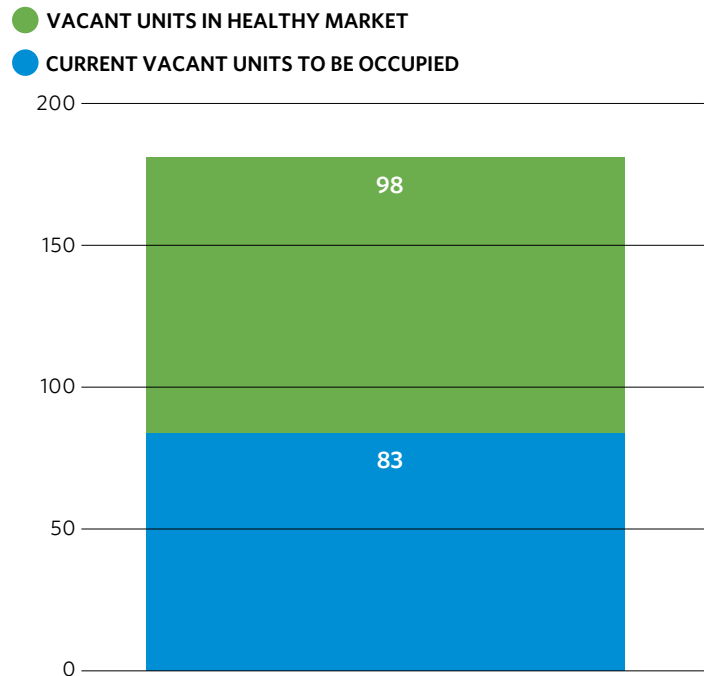


Source: Chicago Metropolitan Agency for Planning.

Vacancy Analysis

Because of the current housing market, many homes now vacant may not be so in the future, allowing people to move in without building new units. According to 2007-11 ACS estimates, West Dundee has approximately 181 vacant units, or about 6.2 percent of all homes in the Village. Normal long-term vacancy rates for a strong community are 7.4 percent among rental units and 1.5 percent among owner-occupied units.⁵⁶ Given the number of local owner and rental units and a healthy housing market, the Village should only have approximately 98 vacant units, a vacancy rate of approximately 3.3 percent. Therefore, 83 currently vacant units could be occupied in the future as West Dundee grows and the market stabilizes. This capacity would allow the Village to accommodate a relatively small share of the projected growth (about 4.2 percent). This finding reinforces the importance of development decisions regarding the Galvin and Haegar sites.

West Dundee breakdown of current vacant units



Source: Chicago Metropolitan Agency for Planning analysis of American Community Survey 2007-11 data.

56. Belsky, E., Bogardus Drew, R., McCue, D., *Projecting the Underlying Demand for New Housing Units: Inferences from the Past, Assumptions about the Future*. (November, 2007). Joint Center for Housing Studies, Harvard University. See <http://tinyurl.com/mlwyddq>.

Conclusions and Recommendations

Taking into account the capacity available through development, redevelopment, and vacancy, West Dundee can accommodate 30 percent of the housing units likely to be desired by future residents by 2040, or about 700 additional residents. The remaining approximately 1,350 units represent unmet demand for people who may want to live in West Dundee but might not be able due to a lack of available units.

The Village can accommodate these people in many different ways. The Galvin and/or Haegar sites could be developed. Residential options in downtown West Dundee could be expanded. Infill residential development could occur along major roads. The following policy recommendations explain the role that these options will play in the Village's vision for the future.

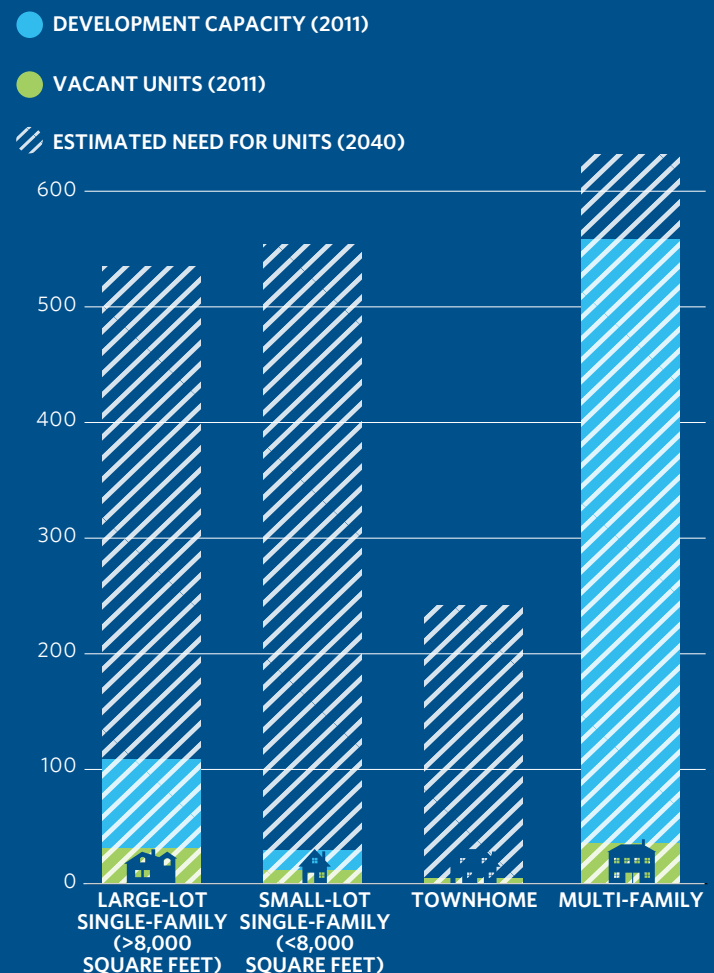
The largest projected future demand is for multi-family units, serving seniors and younger working-age households (25-44). Currently the Village's zoning, particularly through the R-4 designation, provides capacity for much of, but not all, that future growth. Areas zoned R-4 are predominantly located along Illinois Route 72, farther away from West Dundee's historic core. Feedback from the public workshop and MetroQuest site demonstrate that the greatest interest in multi-family development lies in locations closer to the historic downtown and better connected to existing development. **Therefore, the Village should consider allowing multi-family development in walkable amenity rich areas.**

Given future demand for multi-family housing, downtown West Dundee is a logical location for more units. In recent years the community has explored a variety of opportunities to spur development in the area, including purchasing important development sites. In June 2013, the *Homes* team conducted a community workshop in West Dundee. Residents, community leaders, officials, and others presented their views on downtown. Residents expressed interest in multi-family development, particularly mixed-use development. Some groups also recommended infrastructure improvements that would increase bicycle and pedestrian access, particularly along the Fox River.



Downtown West Dundee could be attractive for multi-family development.
Source: Chicago Metropolitan Agency for Planning.

West Dundee demand vs. vacancy and capacity by housing type



Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model, Kane County Assessor data, and U.S. Census Bureau inputs.

The Village recently decided to embark on a downtown planning process. Based on public feedback and a review of local ordinances, the downtown planning process should consider ways in which ordinance changes or infrastructure improvements might further residential development. One of the primary constraints for development in the area is the perceived lack of parking, making the creation of higher-density residential development difficult. **Therefore, the downtown plan should explore how best to deal with parking, including ways to manage parking and improve communication about parking availability.**

A key part of continuing the rehabilitation of downtown West Dundee (spurring housing development, increasing business patronage, and helping to address parking issues) is improving non-automotive access. Illinois Route 72 is the primary roadway through downtown, a high traffic four lane street with no on-street parking or bike access. **Given the presence of the Fox River Bike trail passing through East Dundee, the downtown plan should explore improved bike connections between downtown and the trail.** Ideally, such connections would involve the multi-use bridges over the river to the north (along Lincoln Avenue) and south (into South End Park), linking the two via improvements to First Street and Lincoln Avenue.

Projected future demand is also strong for large-lot single-family homes, small-lot single-family homes, and townhomes. **Pursuing a mix of these housing types in the development of the Haegar property, particularly the area north of Jelkes Creek, would respond to projected demand.** Such development should include a continuation of the gridded street layout and mix of housing styles found in the Village's oldest neighborhoods. Small-lot single-family and townhome units are a key part of attracting future moderate- and middle-income working age households.

During the workshop and on the MetroQuest site, residents discussed the importance of maintaining a healthy local retail base. Between Spring Hill Mall and downtown West Dundee, along with potential growth along Randall Road, the community offers a number of locations for retail development. Many residents and officials have noted the decline of the area around Spring Hill Mall as retail options have grown along Randall Road. Is retail viable in all of these locations? **West Dundee should consider a retail market study to guide local decision-making.**

While exploring the future of the Illinois Route 72 and Illinois Route 31 area as part of a market study, the Village should also consider regulatory changes that would allow for non-commercial development nearby. The Village should keep in mind that it shares the responsibility for the long-term health of the area around Spring Hill Mall with Carpentersville. **Therefore, the two communities should work together to explore how best to ensure the long-term economic health of the area.**

Part of future housing planning is ensuring that the Village's ordinances offer the flexibility to respond to the changing dynamics of the local housing market. A number of the Village's residential zones include provisions that establish minimum living area requirements. For example, the RE-1 zone requires that all homes have a minimum of 2,000 s.f. of living area. Lot area, yard setback, and height requirements do an excellent job controlling the bulk and density of housing units, without the need to add such a requirement. **Therefore, the Village should consider not including minimum living area standards when crafting new zones.**

Because of the important role that seniors will play in the future housing market, accessibility in new and rehabilitated housing is very important. **One way to meet this need would be for West Dundee to adopt a visitability ordinance.** The idea is to create homes that accommodate those with and without physical impairments through construction modifications to doorways, hallways, and bathrooms. Communities such as the Village of Bolingbrook and the City of Naperville have adopted visitability ordinances to ensure that new construction or major housing renovations can provide for the needs of the disabled and growing senior populations.

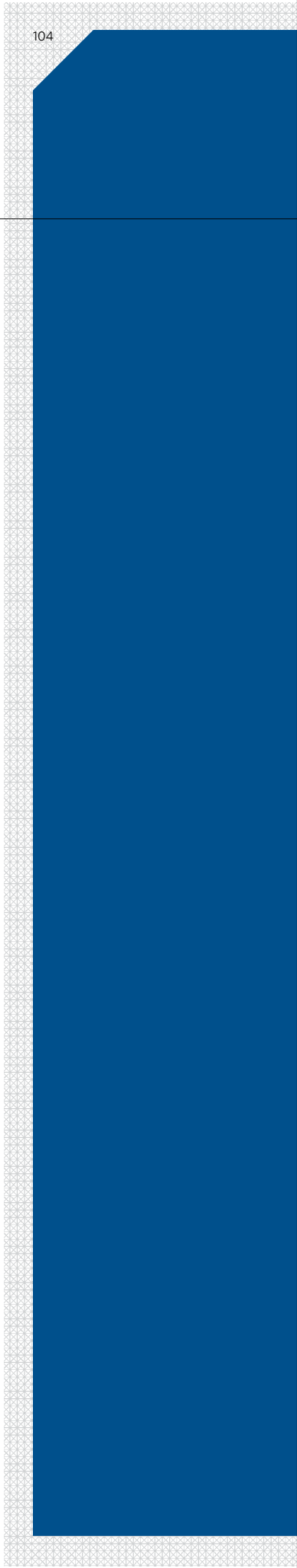
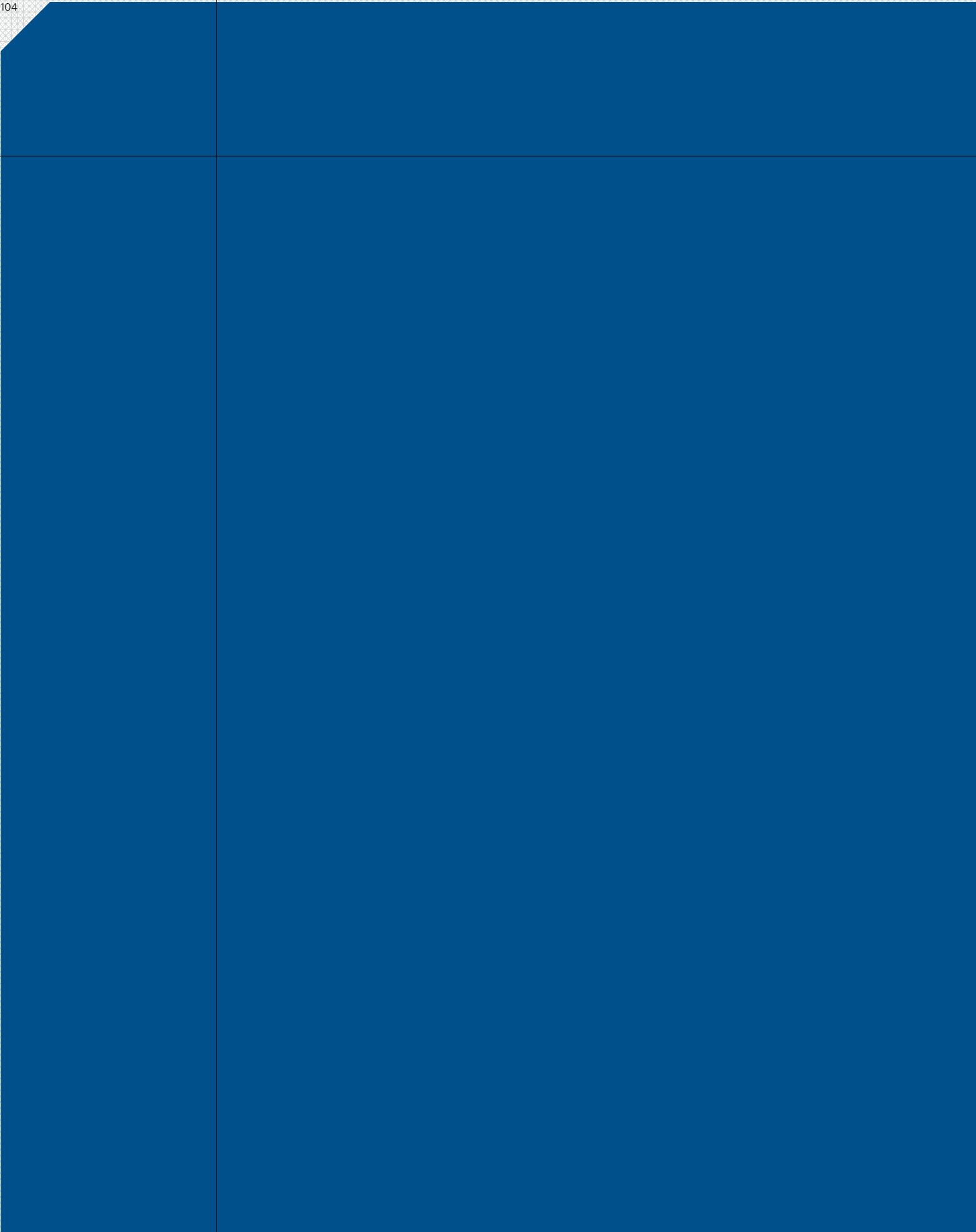
Additionally, care should be taken to make sure that multi-family housing meets both the design standards of the Illinois Access Code and the Fair Housing Act. Statewide, the Illinois Accessibility Code (IAC) requires that new residential housing be accessible to persons with disabilities. Under the IAC, prior to issuing permits, municipalities must evaluate whether the designs comply with the IAC. However, municipalities are not obligated to assess whether the plans comply with the federal Fair Housing Act under the IAC. The federal law requires that multi-family housing with four or more units include basic attributes of accessibility (e.g., accessible entrances, accessible routes, accessible kitchens and bathrooms, and accessible common areas).

A key component for any community seeking to maintain an efficient and effective housing market is ensuring that local housing and service providers show openness to current and future residents of all backgrounds. The following strategies outline ways West Dundee can continue fostering openness throughout the Village.

- The Village provides a welcome packet to all new West Dundee residents. **The Village should ensure that this packet reflects the community's commitment to openness by including a statement of welcome for peoples of all backgrounds.**
- **The Village should ensure that all documents, including the welcome packet, are made available in a variety of languages based on identified local needs.** Such documents should be accessible to persons with disabilities, including those with sight or hearing impairments.
- An important part of demonstrating openness is ensuring residents can communicate about local issues. The West Dundee website reflects this importance as it provides a way for residents to file complaints about local issues through the online service request system. The Village website does not appear to currently provide information about how residents can file complaints about housing discrimination. **Therefore, West Dundee should provide such contact information on its website and in the welcome packet.**

A Final Thought

These recommendations will help West Dundee manage future residential growth in a manner that is responsive to the changing residential market. Focusing on how to reuse and develop the areas closest to existing neighborhoods will support existing commercial corridors and continue strengthening downtown. Considering the types of units that future populations will demand can help West Dundee interact with developers proposing housing further west to ensure that as growth occurs, these areas provide a mix of housing types and amenities in a walkable neighborhood. Ultimately, these policies establish West Dundee as a community with a vision for its neighborhoods now and into the future.



Appendix

Approach And Methodology

The analysis in this report is based, in part, on a model that helps project future housing needs in the studied communities. The *Homes* model is part of a suite of open source regional planning tools (Envision Tomorrow) created by Fregonese Associates, a consulting firm based on Portland Oregon.⁵⁷ As described by Fregonese Associates, the model “is a tool that leverages demographic data and the power of scenarios to estimate a community’s future housing needs.” Since becoming involved in the project in 2010, the Chicago Metropolitan Agency for Planning (CMAP) has made modifications to the open source version, in particular the addition of CMAP’s population and household growth projections. This technical appendix provides an overview of the three analytical components of the model used in this report to determine housing needs for the four communities individually and combined: a housing needs analysis, a capacity analysis, and a future housing type analysis.

Housing Analysis

Housing needs are driven by a combination of current housing choices and projected future demographic trends. In many areas around the country, housing planning builds future recommendations off existing housing needs, simply extrapolating current conditions into the future. This process often fails to address larger population and household dynamics (and by extension the true housing “needs”) not immediately obvious from a review of the most recent U.S. Census tables.

The model’s approach was based on research showing that two variables — age of head of household (Age=A) and household income (Income=I) — demonstrated significantly stronger correlation with housing tenure than other variables, including household size. Fregonese Associates selected these two variables as the primary demographic components of the model. As expected, data gathered during research showed that different Age/Income (A/I) cohorts make significantly different housing tenure choices. For example, a household headed by a 53 year-old and earning \$126,000 is likely to make a different housing choice than one headed by a 29 year-old and earning \$43,000.

57. See <http://www.frego.com/services/envision-tomorrow/>.

Beyond age and income for the current and future projected population, the model also focuses on the issue of “affordability.” This concept does not refer to low-income housing, but rather to the relationship between incomes and housing costs. The “30 percent rule” assumes that housing is only affordable for a household if it spends less than 30 percent of its gross income on housing expenses. The model is built around the assumption that households should spend no more than 30 percent of their income on housing costs. In reality, many owners and renters spend less than 30 percent of their income on housing, particularly higher income households. Therefore, the model includes an adjustment that reflects this reality.

The model is first used to calculate the total number of housing units needed for the planning period based on:

- CMAP’s GO TO 2040 population and household projections for the year 2040.
- The current number of people in group quarters.
- The current number of occupied housing units (number of households).
- The current average household size.
- An assumed long-term vacancy rate for the study area in a healthy housing market.

The data sources for the population estimates, people in group quarters, and occupied housing units come from the U.S. Census Bureau’s most recent 5-year American Community Survey (ACS) data. The households in each A/I cohort are calculated by utilizing ACS data to determine the percentage of households that are in the 28 A/I cohorts (4 age cohorts and 7 income cohorts).

Age and income cohorts for analysis

AGE COHORT	INCOME COHORT
<25	<\$15K
25-44	<\$35K
45-64	<\$50K
65+	<\$75K
	<\$100K
	<\$150K
	\$150K+

The ACS-generated tenure parameters used in the model represent the probability of being a renter or homeowner for each of the 28 AI cohorts. Based on these tenure parameters, the model allocates those households in each A/I cohort to an indicated number of rental and ownership units that is affordable for the income range for that cohort. The model then aggregates the units demanded within each income range to show the total units that could be afforded at each income range by tenure. To estimate the future A/I cohorts, the current A/I percentages were adjusted to reflect demographic forecasts for the nation by the U.S. Census Bureau.

CMAP GO TO 2040 Population and Household Projections

A key component of the model is the projected population and households for each of the studied municipalities in 2040. The Chicago Metropolitan Agency for Planning *2040 Forecast of Population, Households and Employment* was developed in support of the GO TO 2040 comprehensive regional plan adopted on October 13, 2010. This forecast was developed through the creation of a “reference scenario” based on current population and land use trends. Mathematical modeling techniques were then employed to evaluate how the distribution of population and employment would change in response to different planning strategies that might increase or dampen the amount of socioeconomic activity within a given area. The data in this forecast reflect the CMAP Preferred Regional Scenario, which was developed in part through a series of Invent the Future workshops held throughout the region between May and September 2009. Because of the connection between the projections and the Preferred Regional Scenario, the projections reflect a region where the GO TO 2040 Plan has been successfully implemented.

Future Housing Demand by Type

The age and income projections that come out of the housing analysis were translated into a future balanced housing profile for each community using national projections of future residential preferences for single-family, townhome, and multi-family units. The surveys, compiled by the University of Utah’s Dr. Arthur C. Nelson, include information from the Robert Charles Lesser and Company (RCLCO) and Dr. Nelson’s own projections from his recent book *Reshaping Modern America: Development Trends and Opportunities to 2030*.⁵⁸ These surveys are then compared to the current national housing type distribution from the U.S. Census Bureau’s 2011 American Housing Survey (AHS). The change between the AHS data and average of the future housing type projections was then applied to each community’s current housing type distribution and the estimated increase households from the housing analysis section.

58. Nelson, Arthur C. *Reshaping Modern America: Development Trends and Opportunities to 2030*. Island Press, 2013.

Capacity Analysis

While the housing analysis section provides information on demand by future housing by age, income, and housing type, a complete analysis must compare these figures to the present capacity for growth in each community. A capacity analysis was conducted for Carpentersville, East Dundee, Elgin, and West Dundee. The capacity analysis contained two major components.

- An estimate of the amount of development potential remaining under the existing zoning based on developable and/or redevelopable land or long-term planning. This approach uses Geographic Information Systems (GIS) and the calculated development capacity of land is based on standardized buildable land assumptions.
- The number of currently vacant housing units that may be occupied by future households as the local housing markets stabilize. This approach is based on both nationwide research on the vacancy rates typically associated with rental and owner housing along with ACS data on the current local vacancy rate.

When these sources of capacity are combined, they illustrate each community's ability to accommodate projected future growth without adjustments to local zoning ordinances.

Geographic Information Systems

GIS was used to calculate vacant and redevelopable land, after environmentally constrained lands were removed. The basic GIS process involved several steps.

- Kane County and Cook County Assessor parcel data was used to summarize vacant acres of land by zone (this includes removal of environmentally constrained land [e.g. wetlands, flood plains, and steep slopes]).
- Kane County and Cook County Assessor parcel data was used to summarize redevelopable acres of land by zone, based on the ratio of land value to improvement value, with redevelopable acres being those with a land value greater than the improvement value.
- The maximum density allowed in the zoning code for each zone was calculated using municipal zoning codes.
- The development potential of vacant land by zone was calculated by multiplying maximum density by vacant acres.
- The development potential of redevelopable land by zone was calculated by multiplying maximum density by non-vacant acres.
- The initial capacity estimates were submitted to the municipalities for review and refinement.
- Based on municipal input, necessary adjustments were made.

Advisory Group: CMAP Housing Committee

Alan Banks	<i>Office of Congresswoman Robin Kelly</i>
Nora Boyer	<i>Village of Arlington Heights</i>
Rob Breymaier	<i>Oak Park Regional Housing Center</i>
Elizabeth Caton	<i>Northwest Side Housing Center</i>
Sarah Ciampi	<i>Lake County Community Development Division</i>
Allison Clements	<i>Metropolitan Mayors Caucus</i>
Paul Colgan	<i>PSColgan & Co.</i>
Spencer Cowan	<i>Woodstock Institute</i>
Adam Dontz	<i>LakeStar Advisors</i>
Nancy Firfer	<i>Metropolitan Planning Council</i>
Andy Geer	<i>Enterprise Community Partners</i>
Sharon Gorrell	<i>Illinois Association of Realtors</i>
Adam Gross	<i>Business and Professional People for the Public Interest</i>
Tammie Grossman	<i>Village of Oak Park</i>
Calvin Holmes	<i>Chicago Community Loan Fund</i>
Jane Hornstein	<i>Cook County Bureau of Economic Development</i>
Kevin Jackson	<i>Chicago Rehab Network</i>
Paul Leder	<i>Manhard Consulting, Ltd.</i>
Anthony Manno	<i>Regional Transportation Authority</i>
Janice Morrissy	<i>South Suburban Housing Collaborative</i>
Lisa Pugliese	<i>Affordable Housing Corporation of Lake County</i>
Carrol Roark	<i>DuPage County Community Development</i>
Geoff Smith	<i>DePaul University Institute for Housing Studies</i>
Andrea Traudt	<i>Illinois Housing Council</i>
Aisha Turner	<i>Illinois Housing Development Authority</i>
Kim Ulbrich	<i>McHenry County Planning and Development</i>
Stacie Young	<i>The Preservation Compact</i>

Upper Fox Valley Subregion Housing Factsheet

Population and Household Forecast 2007/2011-40

Upper Fox Valley Subregion

	2007-11 ACS	2040 CMAP	% CHANGE
Households	51,026	73,921	45%
Population	156,278	226,663	45%

Source: U.S. Census American Community Survey and Chicago Metropolitan Agency for Planning GO TO 2040 projections.

The data for 2007-11 average comes directly from the U.S. Census Bureau's American Community Survey. The projections for 2040 reflect a forecast of each community's potential population and household growth if CMAP's GO TO 2040 plan is implemented.

The tables in this section compare the number of dwelling units in 2011 (ACS data) that were "affordable" to households within an income category with the projected demand for such units in 2040. A unit is defined as "affordable" if a household can live in it by allocating no more than 30 percent of its income for housing-related costs (rent, mortgage payments, utilities, etc.). If the 2011 housing stock for an income category exceeds the 2040 demand projections, it means that a municipality may already have units beyond its forecasted need. If, however, 2040 demand is higher than the 2011 housing stock, additional units may be needed to meet projected demand.

Estimated 2040 Housing Demand by Income

Rental Housing - combined Upper Fox Valley Subregion

	<\$15k	<\$35k	<\$50k	<\$75k	<\$100k	<\$150k	\$150k+	TOTAL
Occupied Housing Stock Affordable at 30% of Income (2011)	1,461	4,990	4,194	2,669	482	72	43	13,911
Demand at Income Level (2011)	2,799	6,700	2,701	976	481	202	53	13,911
Projected Demand at Income Level (2040)	4,597	10,918	4,111	1,771	871	402	130	22,800
<i>Target Units Needed to Meet Projected Demand by Income</i>	3,136	5,928	n/a	n/a	389	330	87	8,889
<i>Additional Units Beyond Forecasted Need Within this Income Range</i>	n/a	n/a	83	898	n/a	n/a	n/a	n/a

Please note that housing units may not add up exactly to 100 percent due to rounding.

Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing model using 2007-11 American Community Survey and GO TO 2040 household growth projections as inputs.

Owner Housing - combined Upper Fox Valley Subregion

	<\$15k	<\$35k	<\$50k	<\$75k	<\$100k	<\$150k	\$150k+	TOTAL
Occupied Housing Stock Affordable at 30% of Income (2011)	873	4,559	4,437	11,640	9,457	4,047	2,102	37,115
Demand at Income Level (2011)	3,636	10,935	6,461	7,876	4,473	2,545	1,190	37,115
Projected Demand at Income Level (2040)	5,723	16,983	9,066	10,842	5,884	3,419	1,542	53,459
<i>Target Units Needed to Meet Projected Demand by Income</i>	4,850	12,424	4,629	n/a	n/a	n/a	n/a	16,344
<i>Additional Units Beyond Forecasted Need Within this Income Range</i>	n/a	n/a	n/a	798	3,573	628	560	n/a

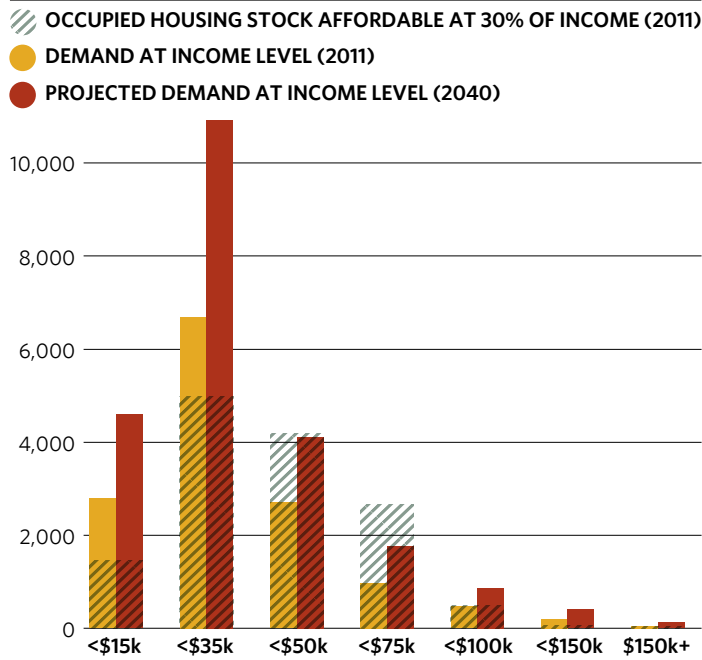
Please note that housing units may not add up exactly to 100 percent due to rounding.

Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing model using 2007-11 American Community Survey and GO TO 2040 household growth projections as inputs.

Estimated 2040 Affordable Housing Demand Compared to 2007-11 Housing Stock

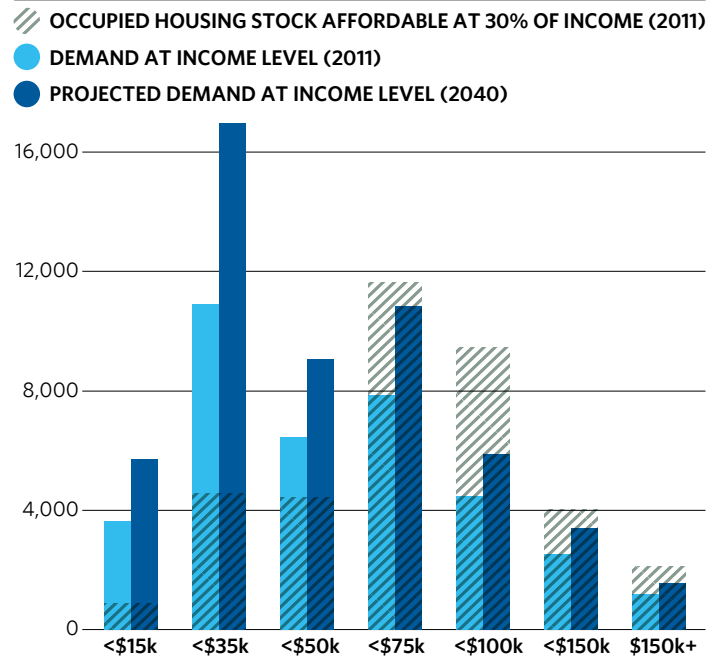
This section contains the charts that illustrate the data from the proceeding tables.

Upper Fox Valley 2011 households and housing stock compared with 2040 renter demand



Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model using American Community Survey 2007-11 and CMAP GO TO 2040 household forecast inputs.

Upper Fox Valley 2011 households and housing stock compared with 2040 owner demand



Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model using American Community Survey 2007-11 and CMAP GO TO 2040 household forecast inputs.

Carpentersville Housing Factsheet

Population and Household Forecast 2007/2011-40

	2007-11 ACS	2040 CMAP	% CHANGE
Households	11,178	14,409	29%
Population	37,480	49,334	32%

Source: U.S. Census American Community Survey and Chicago Metropolitan Agency for Planning GO TO 2040 projections.

Rental Housing - Carpentersville

	<\$15k	<\$35k	<\$50k	<\$75k	<\$100k	<\$150k	\$150k+	TOTAL
Occupied Housing Stock Affordable at 30% of Income (2011)	475	690	869	528	99	12	7	2,680
Demand at Income Level (2011)	687	1,095	599	174	23	77	25	2,680
Projected Demand at Income Level (2040)	869	1,530	765	272	57	102	34	3,629
<i>Target Units Needed to Meet Projected Demand by Income</i>	394	840	n/a	n/a	n/a	90	27	949
<i>Additional Units Beyond Forecasted Need Within this Income Range</i>	n/a	n/a	104	256	42	n/a	n/a	n/a

Please note that housing units may not add up exactly to 100 percent due to rounding.

Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing model using 2007-11 American Community Survey and GO TO 2040 household growth projections as inputs.

Owner Housing - Carpentersville

	<\$15k	<\$35k	<\$50k	<\$75k	<\$100k	<\$150k	\$150k+	TOTAL
Occupied Housing Stock Affordable at 30% of Income (2011)	265	1,095	1,032	2,865	1,807	1,045	390	8,498
Demand at Income Level (2011)	805	3,017	1,498	1,745	831	413	189	8,498
Projected Demand at Income Level (2040)	1,145	4,387	1,880	2,098	971	475	210	11,166
<i>Target Units Needed to Meet Projected Demand by Income</i>	880	3,292	848	n/a	n/a	n/a	n/a	2,668
<i>Additional Units Beyond Forecasted Need Within this Income Range</i>	n/a	n/a	n/a	767	836	570	180	n/a

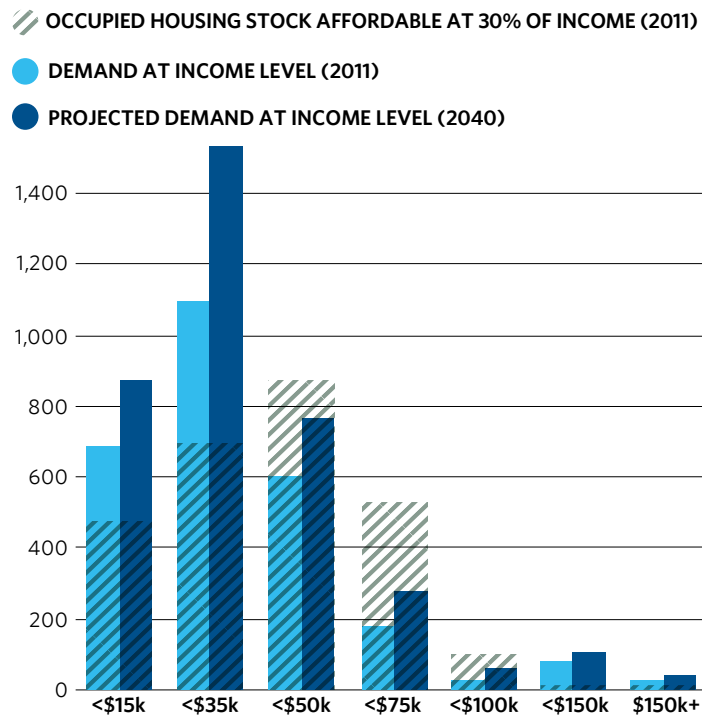
Please note that housing units may not add up exactly to 100 percent due to rounding.

Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing model using 2007-11 American Community Survey and GO TO 2040 household growth projections as inputs.

Estimated 2040 Affordable Housing Demand Compared to 2007-11 Housing Stock

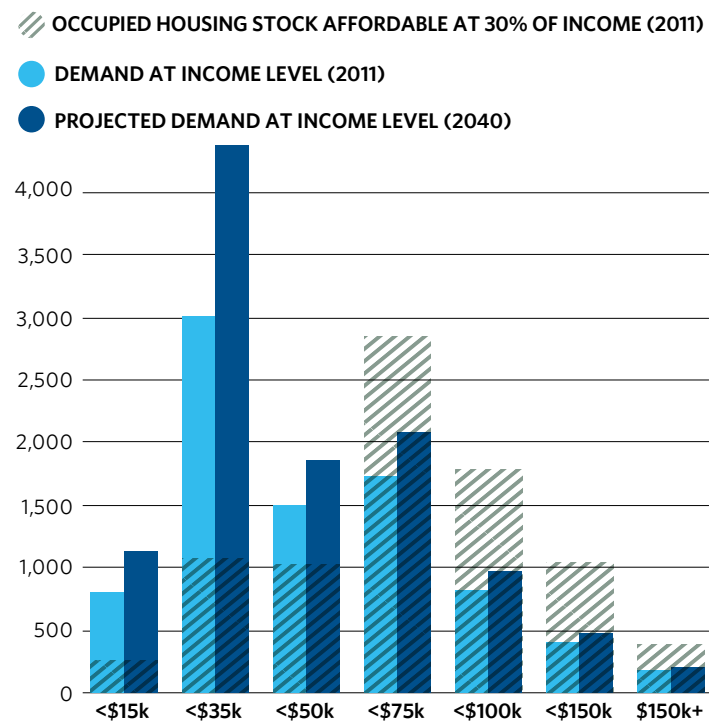
This section contains the charts that illustrate the data from the proceeding tables.

Carpentersville 2011 households and housing stock compared with 2040 renter demand



Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model using American Community Survey 2007-11 and CMAP GO TO 2040 household forecast inputs.

Carpentersville 2011 households and housing stock compared with 2040 owner demand



Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model using American Community Survey 2007-11 and CMAP GO TO 2040 household forecast inputs.

East Dundee Housing Factsheet

Population and Household Forecast 2007/2011-40

	2007-11 ACS	2040 CMAP	% CHANGE
Households	1,263	2,905	130%
Population	2,909	6,783	133%

Source: U.S. Census American Community Survey and Chicago Metropolitan Agency for Planning GO TO 2040 projections.

Rental Housing - East Dundee

	<\$15k	<\$35k	<\$50k	<\$75k	<\$100k	<\$150k	\$150k+	TOTAL
Occupied Housing Stock Affordable at 30% of Income (2011)	50	50	65	14	14	4	2	198
Demand at Income Level (2011)	30	121	13	12	0	10	12	198
Projected Demand at Income Level (2040)	79	310	41	51	4	38	35	558
<i>Target Units Needed to Meet Projected Demand by Income</i>	29	260	n/a	38	n/a	34	33	360
<i>Additional Units Beyond Forecasted Need Within this Income Range</i>	n/a	n/a	24	n/a	10	n/a	n/a	n/a

Please note that housing units may not add up exactly to 100 percent due to rounding.

Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing model using 2007-11 American Community Survey and GO TO 2040 household growth projections as inputs.

Owner Housing - East Dundee

	<\$15k	<\$35k	<\$50k	<\$75k	<\$100k	<\$150k	\$150k+	TOTAL
Occupied Housing Stock Affordable at 30% of Income (2011)	17	134	95	378	332	100	9	1,065
Demand at Income Level (2011)	134	300	139	281	76	108	28	1,065
Projected Demand at Income Level (2040)	260	634	286	679	197	285	60	2,401
<i>Target Units Needed to Meet Projected Demand by Income</i>	243	500	191	301	n/a	185	51	1,336
<i>Additional Units Beyond Forecasted Need Within this Income Range</i>	n/a	n/a	n/a	n/a	135	n/a	n/a	n/a

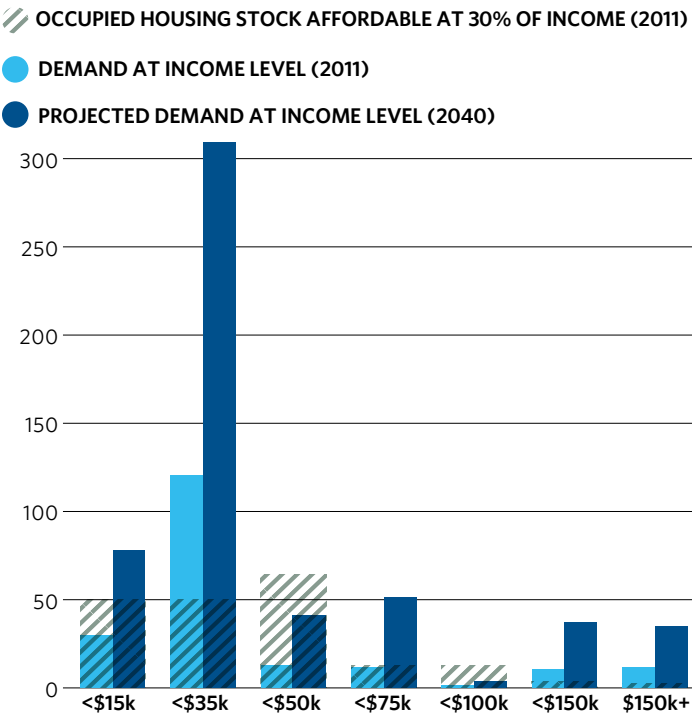
Please note that housing units may not add up exactly to 100 percent due to rounding.

Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing model using 2007-11 American Community Survey and GO TO 2040 household growth projections as inputs.

Estimated 2040 Affordable Housing Demand Compared to 2007-11 Housing Stock

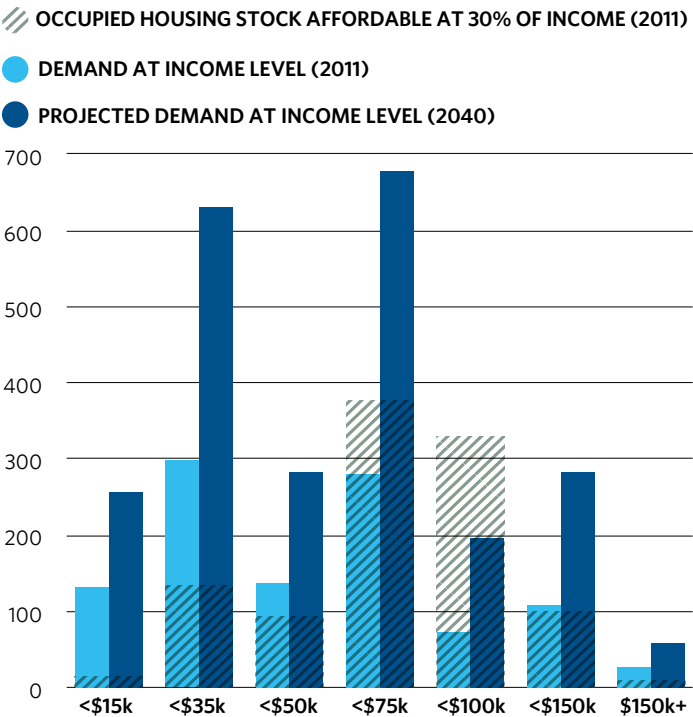
This section contains the charts that illustrate the data from the proceeding tables.

East Dundee 2011 households and housing stock compared with 2040 renter demand



Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model using American Community Survey 2007-11 and CMAP GO TO 2040 household forecast inputs.

East Dundee 2011 households and housing stock compared with 2040 owner demand



Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model using American Community Survey 2007-11 and CMAP GO TO 2040 household forecast inputs.

Elgin Housing Factsheet

Population and Household Forecast 2007/2011-40

	2007-11 ACS	2040 CMAP	% CHANGE
Households	35,837	52,033	45%
Population	108,681	158,510	46%

Source: U.S. Census American Community Survey and Chicago Metropolitan Agency for Planning GO TO 2040 projections.

Rental Housing - Elgin

	<\$15k	<\$35k	<\$50k	<\$75k	<\$100k	<\$150k	\$150k+	TOTAL
Occupied Housing Stock Affordable at 30% of Income (2011)	926	4,042	2,988	1,841	294	56	34	10,179
Demand at Income Level (2011)	1,976	5,201	1,929	640	322	91	20	10,179
Projected Demand at Income Level (2040)	3,301	8,505	2,988	1,206	613	216	64	16,893
<i>Target Units Needed to Meet Projected Demand by Income</i>	2,375	4,464	1	n/a	320	160	30	6,714
<i>Additional Units Beyond Forecasted Need Within this Income Range</i>	n/a	n/a	n/a	635	n/a	n/a	n/a	n/a

Please note that housing units may not add up exactly to 100 percent due to rounding.

Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing model using 2007-11 American Community Survey and GO TO 2040 household growth projections as inputs.

Owner Housing - Elgin

	<\$15k	<\$35k	<\$50k	<\$75k	<\$100k	<\$150k	\$150k+	TOTAL
Occupied Housing Stock Affordable at 30% of Income (2011)	558	3,174	3,210	7,995	6,863	2,431	1,428	25,658
Demand at Income Level (2011)	2,487	7,127	4,623	5,557	3,373	1,748	743	25,658
Projected Demand at Income Level (2040)	3,840	10,914	6,505	7,720	4,480	2,386	979	36,824
<i>Target Units Needed to Meet Projected Demand by Income</i>	3,282	7,740	3,295	n/a	n/a	n/a	n/a	11,166
<i>Additional Units Beyond Forecasted Need Within this Income Range</i>	n/a	n/a	n/a	275	2,383	45	449	n/a

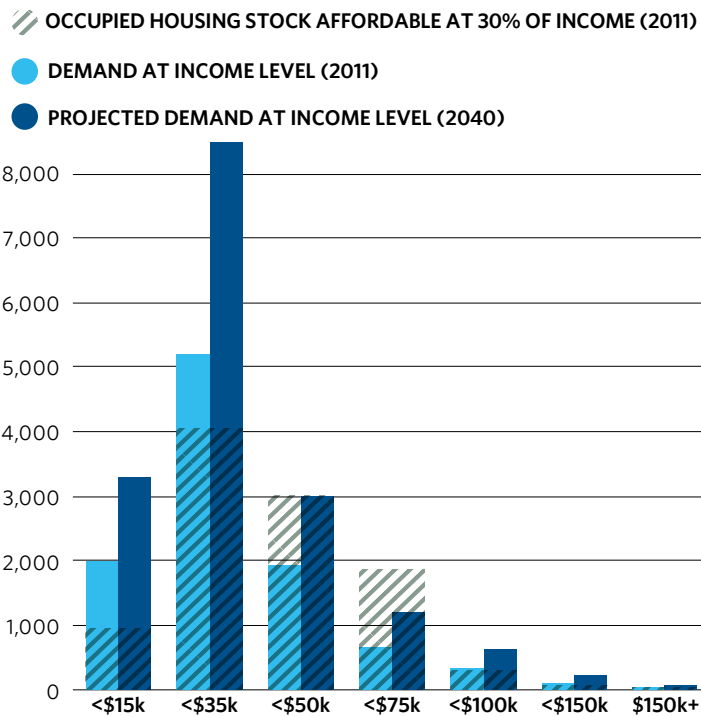
Please note that housing units may not add up exactly to 100 percent due to rounding.

Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing model using 2007-11 American Community Survey and GO TO 2040 household growth projections as inputs.

Estimated 2040 Affordable Housing Demand Compared to 2007-11 Housing Stock

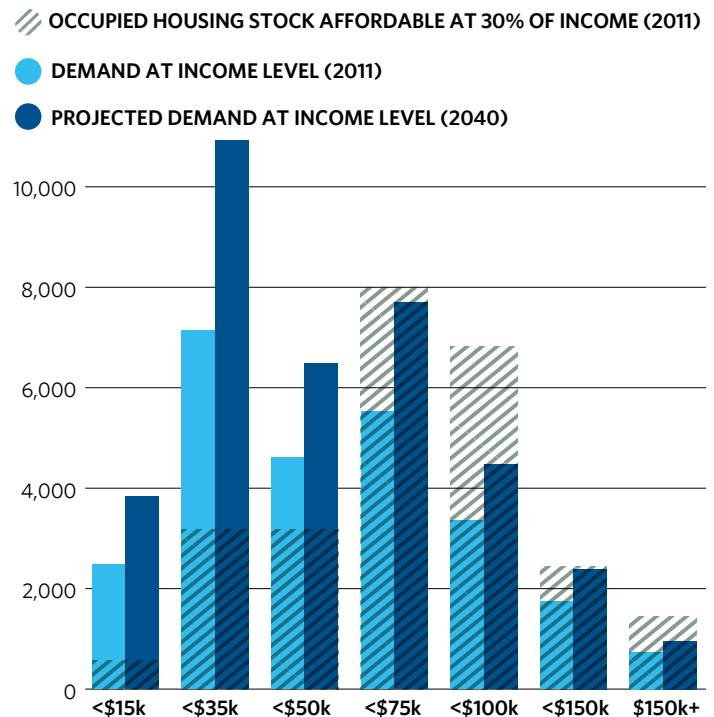
This section contains the charts that illustrate the data from the proceeding tables.

Elgin 2011 households and housing stock compared with 2040 renter demand



Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model using American Community Survey 2007-11 and CMAP GO TO 2040 household forecast inputs.

Elgin 2011 households and housing stock compared with 2040 owner demand



Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model using American Community Survey 2007-11 and CMAP GO TO 2040 household forecast inputs.

West Dundee Housing Factsheet

Population and Household Forecast 2007/2011-40

	2007-11 ACS	2040 CMAP	% CHANGE
Households	2,748	4,574	66%
Population	7,208	12,036	67%

Source: U.S. Census American Community Survey and Chicago Metropolitan Agency for Planning GO TO 2040 projections.

Rental Housing - West Dundee

	<\$15k	<\$35k	<\$50k	<\$75k	<\$100k	<\$150k	\$150k+	TOTAL
Occupied Housing Stock Affordable at 30% of Income (2011)	10	209	273	287	77	0	0	854
Demand at Income Level (2011)	93	222	157	178	175	23	6	854
Projected Demand at Income Level (2040)	195	450	301	322	299	49	21	1,637
Target Units Needed to Meet Projected Demand by Income	185	242	29	36	223	49	21	783
Additional Units Beyond Forecasted Need Within this Income Range	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Please note that housing units may not add up exactly to 100 percent due to rounding.
Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing model using 2007-11 American Community Survey and GO TO 2040 household growth projections as inputs.

Owner Housing - West Dundee

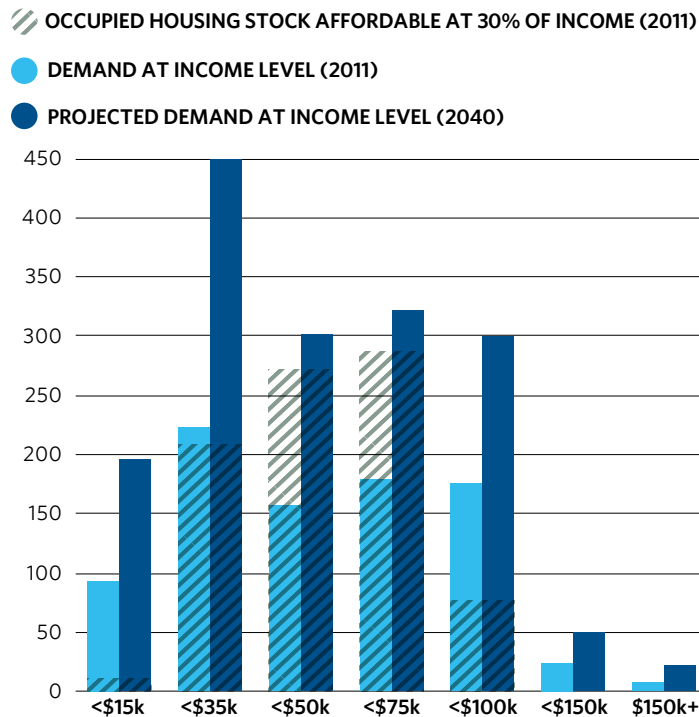
	<\$15k	<\$35k	<\$50k	<\$75k	<\$100k	<\$150k	\$150k+	TOTAL
Occupied Housing Stock Affordable at 30% of Income (2011)	34	151	98	391	491	454	275	1,894
Demand at Income Level (2011)	202	430	200	308	206	269	279	1,894
Projected Demand at Income Level (2040)	381	786	358	484	294	385	385	3,073
Target Units Needed to Meet Projected Demand by Income	347	635	260	93	n/a	n/a	110	1,179
Additional Units Beyond Forecasted Need Within this Income Range	n/a	n/a	n/a	n/a	197	69	n/a	n/a

Please note that housing units may not add up exactly to 100 percent due to rounding.
Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing model using 2007-11 American Community Survey and GO TO 2040 household growth projections as inputs.

Estimated 2040 Affordable Housing Demand Compared to 2007-11 Housing Stock

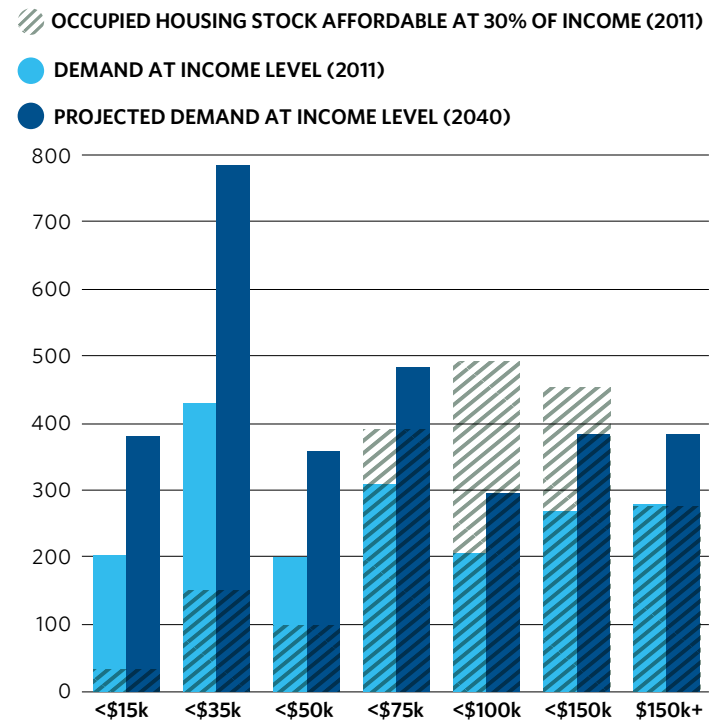
This section contains the charts that illustrate the data from the proceeding tables.

West Dundee 2011 households and housing stock compared with 2040 renter demand



Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model using American Community Survey 2007-11 and CMAP GO TO 2040 household forecast inputs.

West Dundee 2011 households and housing stock compared with 2040 owner demand



Source: Chicago Metropolitan Agency for Planning analysis of Fregonese Envision Tomorrow Balanced Housing Model using American Community Survey 2007-11 and CMAP GO TO 2040 household forecast inputs.

List of Acronyms

ACS	American Community Survey
AHS	American Housing Survey
AI	Analysis of Impediments
A/I	Age/Income
BDD	Business Development District
CDBG	Community Development Block Grant
CHAS	Comprehensive Affordable Housing Strategy
CMAP	Chicago Metropolitan Agency for Planning
CNT	Center for Neighborhood Technology
CoC	Continuum of Care
CRC	Community Relations Commission
EECBG	Energy Efficiency and Conservation Block Grant
EMSI	Economic and Modeling Specialists International
ESRI	Environmental Systems Research Institute
GIS	Geographic Information System
HOME	Home Investment Partnership Program
HUD	U.S. Department of Housing and Urban Development
IAC	Illinois Accessibility Code
IHDA	Illinois Housing and Development Authority
LTA	Local Technical Assistance
kWh	Kilowatt hour
MAPC	Metropolitan Area Planning Council
MEPP	Municipal Energy Profile Project
MMC	Metropolitan Mayors Caucus
MPC	Metropolitan Planning Council
NHS	Neighborhood Housing Services
PIT	Point in Time Count
PUD	Planned Unit Development
RCLCO	Robert Charles Lessor and Company
TIF	Tax Increment Financing
ULI	Urban Land Institute

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The following funders made this project possible:

The Chicago Community Trust, Illinois Housing and Development Authority, and the Harris Family Foundation.

This project was supported through CMAP's Local Technical Assistance (LTA) program, which is funded by the Federal Highway Administration, Federal Transit Administration, U.S. Department of Housing and Urban Development, Illinois Department of Transportation, and the Chicago Community Trust.

EXHIBITS

Exhibit G:

Automobile Sales Rebate Program

West Dundee 2020
Economic Development Plan

Automobile Sales Rebate Program

Economic incentives for auto dealerships are very commonplace within municipalities as an economic development tool to recruit dealerships to locate within the corporate limits of a community.

Following are two examples of such municipal economic incentive agreements:

- **Elgin:** The City of Elgin has utilized a sales tax rebate as part of its economic development program for auto dealerships for a number of years. Specifically, they have include a waiver of permit fees and rebate of up to 25% of the sales tax revenue generated by a dealership over a 10-year period. This was specifically the arrangement that was authorized for recruitment of Brilliance Subaru in 2013.
- **Libertyville:** The Village of Libertyville utilizes a threshold amount in determining a maximum amount of new sales tax to share as part of an economic incentive program. This is a tiered structure that allows for a maximum percentage of new sales tax rebate depending on the amount of the new sales tax generated. Specifically, they provide for a threshold amount between \$50,000 and \$250,000 in new sales tax as a maximum percentage of 30%, between \$250,000 and \$500,000 at 40%, between \$500,000 and \$1,000,000 at 50% and over \$1,000,000 at 60%.

The Village of West Dundee believes that auto dealerships, and in some cases, used automobiles, can and should be an appropriate use within approved locations in the community.

In addition, it is recognized that sales tax sharing is in all likelihood a necessary economic incentive tool that will be utilized. The framework as established above of between 25% and 60% sales tax sharing provides the Village of West Dundee the flexibility to negotiate an economic incentive program that would be appropriate for auto sales as a potential economic development and land use within the community.

It is to be understood that this would be looked at on a case-by-case, parcel-by-parcel basis with the final determination agreed upon by the Village Board of West Dundee.



REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

AGENDA ITEM: |

MEETING DATE: September 25, 2013

ITEM:

Economic Incentive Agreement with Brilliance Subaru of Elgin, Inc.
(Net Revenue Generation)

OBJECTIVE:

Generate additional sales tax revenue for the city from new and used motor vehicle sales by encouraging Brilliance Subaru of Elgin, Inc. to develop its newly awarded franchise on Randall Road.

RECOMMENDATION:

Approve the economic incentive agreement with Brilliance Subaru of Elgin, Inc. that waives building permit fees and rebates twenty-five percent of the sales tax revenue generated by the dealership during a ten-year term.

BACKGROUND

Before October 2008, the U.S. automobile industry market was selling 17 million vehicles annually. Since bottoming out in 2009 with just 10.4 million sales, new car sales have been accelerating, reaching 11.6 million sales in 2010, 12.8 million in 2011 and 14.5 million last year. New car sales have risen 7.3 percent in 2013 and at that pace will exceed 15 million vehicles for the first time in five years.

The ranks of new-car dealers drastically declined with the 2008 recession. A record 1603 dealerships closed their doors in 2009 so that the U.S. dealership count had fallen to an estimated 17,659 in 2010. With half percent increases in new dealers during 2011 and just under a one percent increase in 2012, the estimated number of U.S. dealerships stood at 17,851 as of January 2013. The two largest contributors to the turnaround were (135 dealerships) and Chrysler-Dodge-Jeep (50 dealerships). Other manufacturers added retailers, but in much smaller amounts.

Subaru is one of the manufacturers adding smaller numbers of dealerships. But that is only because it is selling too many cars. Subaru sales in the United States are up 27 percent for the first seven months of 2013, exceeding the overall market increases by three times. This represents the sixth straight year of sales gains for Subaru, including 2009, the year that bankrupted both GM and Chrysler.

Subaru has traditionally operated as a niche player, selling compact SUVs and Outback wagons. Its all-wheel-drive cars have earned an ardent following in the U.S., particularly within the Snow Belt regions. Subaru is expecting to derive 51 percent of its sales from the U.S. market compared with 33 percent a decade earlier.

OPERATIONAL ANALYSIS

With the city facing declining sales tax revenue streams for the foreseeable future, the city's ability to secure an additional new-car dealership during an economic environment in which the numbers of such dealerships are shrinking is of critical importance. New-car dealerships generate the largest proportion of sales tax revenue for the city.

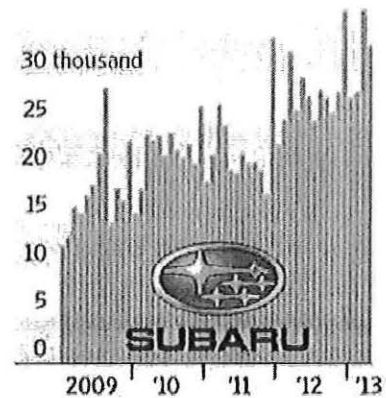
The owners of Brilliance Honda of Crystal Lake (Brilliance) were awarded a Subaru franchise earlier this year. The award was conditioned with the requirement that a site for the dealership be acquired by the fall. Brilliance originally attempted to negotiate the purchase of a parcel in the Randall-90 auto mall but was frustrated by the auto mall owner's conditions of sale. When the Randall-90 auto mall owner was sued by its lender in a foreclosure action, that lawsuit clouded the marketability of the auto malls parcels and prompted the auto dealer to seek alternative locations on Randall Road.

Brilliance was introduced to the city through the Elgin Development Group after negotiations with the auto mall broke off. Staff worked with Brilliance to examine the feasibility of five potential locations on Randall Road, including the vacant parcel on the west side of Randall Road at Capital Street. The developer also considered the viability of sites on Randall Road north of Elgin's borders. After analyzing the attributes of the various locations on Randall Road, and with direction from Subaru's area franchise manager, the auto dealer determined the vacant parcel on the west side of Randall Road at Capital Street, 14N250 Randall Road, was the best location for the Subaru dealership. The parcel is not within the city's corporate limits and the city council is being asked to annex and zone the parcel for use as an automobile dealership on this evening's city council agenda.

Brilliance will be investing \$6.8 million to purchase the parcel, construct the dealership and equip the facility. Sixty-to-seventy full-time employees will work at the Elgin dealership with combined compensation estimated at \$3.9 to \$4.5 million. New vehicle sales are projected at \$37.5 to \$45 million annually with used car sales totaling \$13.5 to \$18 million annually. Parts

Revving Up

Subaru's monthly vehicle sales in the U.S.

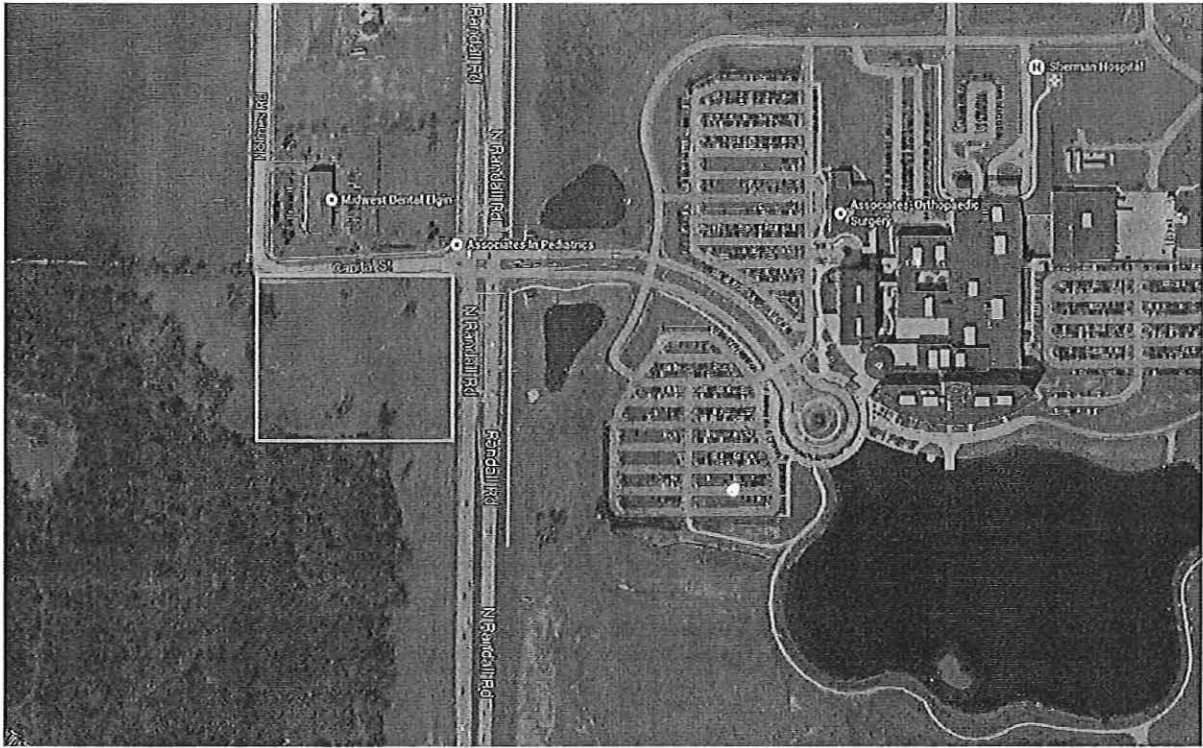


Source: Autodata
The Wall Street Journal



and other retail sales are estimated to generate \$2.5 to \$3 million annually. The city will receive approximately \$38,600 in annual property tax revenue for the dealership with all other taxing bodies collectively realizing approximately \$165,000 in annual property tax revenue.

The proposed incentive agreement with Brilliance Subaru of Elgin rebates twenty-five percent of the sales tax revenue generated by the dealership during a ten-year term and also waives the building permit fees associated with the dealership's construction.



Brilliance Subaru Parcel

The Brilliance incentive proposal favorably compares with those of the city's Cook County Retail Automobile Dealership Incentive Program and the incentives for the new-car dealerships at the Randall-90 auto mall. The Cook County program for existing new-car dealerships provides fifty percent sales tax rebates over a seven-year period for increases in sales tax in excess of the preceding three year month average (the sales tax rebate program component), or alternatively, a thirty-five percent rebate over a five-year period of the increase in retail sales tax received by the city (the dealer retention program component). The incentives for the new-car dealerships at the auto mall include sales tax rebates of up to fifty percent for a twenty-year period in addition to graduated real estate tax rebates.

In the event the city council approves Brilliance's annexation, zoning and economic incentive request, Brilliance will break ground on the dealership on October 10th, the day after final legis-

lative approval from the city council. This expedited timeframe does not allow for the conventional time period necessary for Incentis to perform its analysis. The expedited review Incentis is currently performing to accommodate Brilliance's scheduling constraints will not be complete by the time the city council's agenda packet is distributed. At this time, the Incentis analysis is will not be completed until Tuesday, September 24th. Once Incentis generates its report, copies will be distributed to the city council members for their review.

INTERESTED PERSONS CONTACTED

None identified.

FINANCIAL ANALYSIS

The economic incentive agreement with Brilliance Subaru of Elgin will have a positive and direct impact on the city's general fund sales tax revenues and to a lesser extent the city's property tax base. The agreement requires that the city rebate Brilliance Subaru of Elgin twenty-five percent (25%) of the city's share of sales tax revenues received from the sale of automobiles, parts and other retail sales at the dealership. The General Fund now finances automobile dealership rebates. To accommodate future rebate obligations, funds will be allocated in the General Fund 2014 – 2018 financial plan.

BUDGET IMPACT

FUND(S)	ACCOUNT(S)	PROJECT #(S)	AMOUNT BUDGETED	AMOUNT AVAILABLE
N/A	N/A	N/A	N/A	N/A

LEGAL IMPACT

None.

ALTERNATIVES

1. The city council may modify the provisions of the proposed economic incentive agreement.
2. The city council may choose not to enter into the economic incentive agreement.



NEXT STEPS

1. Execute the economic development incentive agreement.
2. Determine the sales tax revenue generated during the year following the agreement's commencement date for the next ten years.
3. Process the first payment under the agreement during 2014.

Originators: Richard G. Kozal, Assistant City Manager

Final Review: Colleen Lavery, Chief Financial Officer
William A. Cogley, Corporation Counsel/Chief Development Officer
Sean R. Stegall, City Manager

ATTACHMENTS

- A. Economic Incentive Agreement with Brilliance Subaru of Elgin, Inc.



EXHIBIT B

**VILLAGE OF LIBERTYVILLE
SOUTH MILWAUKEE AVENUE (IL 21) BUSINESS DISTRICT NO. 1
DEVELOPMENT PLAN**

12-09-08

TABLE OF CONTENTS/EXHIBITS

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IV	Establishment, Term & Amendment	12

EXHIBITS

A	Legal Description
B	Map of District
C	Taxpayers of Record

I. INTRODUCTION

A. BACKGROUND

The Village of Libertyville (the "Village"), has identified an area of the Village's Milwaukee Avenue commercial district, located south of Condell Drive and largely consisting of automotive dealerships, which would benefit from the creation of a Business District, as provided by 65 ILCS 5/11-74.3-1 et. Seq. (the "Business District Act"). The Business District (the "District") is legally described in Exhibit A attached hereto and made part hereof, and is depicted on the map included as Exhibit B, also made part hereof, with the label Business District No. 1.

The area proposed for the creation of the District has been known in the Chicago area as Lake County's auto row since the early 1970's. Although a number of dealerships have undergone renovations, most of the dealership buildings and lot configurations date to that time. Many of the dealerships are now experiencing pressure to upgrade, reconfigure and expand their facilities due to increasing competition and changes in the auto sales industry. This expansion, however, has been limited by the physical constraints of their properties which have made operations more difficult. Several dealerships have indicated to the Village that they will need to consider relocation or closure of their operations if they are unable to make necessary changes. As the dealerships all benefit from the clustering of similar businesses (agglomeration effect), a loss of any large dealership would be damaging to the whole, and would similarly be damaging to the Village's sales tax revenues.

This area of the Village is primarily composed of retail businesses, a crucial sector of the community which helps support Village services. Approximately 18% of the Village's annual general revenues, or \$4.3 million, are derived from auto related sales tax receipts. These revenues represent 61% of total sales tax receipts. In recent years, the top dealership alone has contributed \$1 million - \$1.5 million annually. Automobile sales have been declining for the last few years, resulting in reduced revenues.

Economic Development, including business retention and expansion within the South Milwaukee Avenue corridor, is a key objective of the Village, as reflected by the following:

- As part of the adoption of the FY 2008-09 Village budget, the Village Board adopted goals for the Community Development Department which included business retention.
- The Village's Comprehensive Plan (adopted, 2005) establishes a goal to "Improve the appearance of existing business areas". Furthermore, the Village has also identified a policy of utilizing assistance programs to assist owners in making upgrades and expansions.

- The importance of the South Milwaukee Avenue commercial corridor is evident by its emphasis in the Comprehensive Plan. The Plan acknowledges that “given the importance of the sales tax base to the Village, the Village’s policy should be directed toward accommodating needed expansion and improvement of these [car dealerships] facilities.”
- The 2004 report by S.B. Freidman & Company, entitled Economic Development Strategy – Issues and Opportunities, identifies the need for the Village to consider methods to retain its auto dealers and attract new business and economic land uses.

It is well established that communities utilize economic development initiatives to encourage a vibrant and diversified tax base, high employment, minimal vacancies, and an assorted selection of retailers and service providers to serve their residents and businesses

The adoption of the South Milwaukee Avenue (IL 21) Business District No. 1 Development Plan (the “Plan”), is a proactive initiative taken by the Village to achieve these goals. Through the implementation of this Plan, the Village will attempt to balance Village objectives with market demands.

B. THE BUSINESS DISTRICT ACT

The Illinois Business District Act authorizes Illinois municipalities to identify a specific area as a Business District, provided that certain conditions are met and that the district is in conformance with a plan officially approved by the corporate authorities of the municipality following public hearings. The Act specifically grants to municipalities the following powers in furtherance of the plan:

1. To approve all development and redevelopment proposals for a Business District.
2. To exercise the use of eminent domain for the acquisition of real and personal property for the purpose of a development or redevelopment project.
3. To acquire, manage, convey or otherwise dispose of real and personal property according to the provisions of a development or development plan.
4. To apply for and accept capital grants and loans from the United States and the State of Illinois, or any instrumentality of the United States or the State, for Business District development and redevelopment.
5. To borrow funds as may be deemed necessary for the purpose of Business District development and redevelopment, and in this connection issue such obligations or revenue bonds as it shall be deemed necessary, subject to applicable statutory limitations.

6. To enter into contracts with any public or private agency or person.
7. To sell, lease, trade or improve real property in connection with Business District development and redevelopment plans.
8. To employ all such persons as may be necessary for the planning, administration and implementation of Business District plans.
9. **To expend such public funds as may be necessary for the planning, execution and implementation of the Business District plans.**
10. To establish by ordinance or resolution procedures for the planning, execution and implementation of Business District plans.
11. To create a Business District Development and Redevelopment Commission to act as agent for the municipality for the purposes of Business District development and redevelopment.
12. To impose a retailers' occupation tax and a service occupation tax [sales tax] in the Business District for the planning, execution, and implementation of Business District plans and to pay for Business District project costs as set forth in the Business District plan approved by the municipality.
13. To impose a hotel operators' occupation tax in the Business District for the planning, execution, and implementation of Business District plans and to pay for the Business District project costs as set forth in the Business District plan approved by the municipality.
14. To issue obligations in one or more series bearing interest at rates determined by the corporate authorities of the municipality by ordinance and secured by the Business District tax allocation fund set forth in Section 11-74.3-6 [65 ILCS 5/11-74.3-6] for the Business District to provide for the payment of Business District project costs.

C. GOALS AND OBJECTIVES

In accordance with the Business District Act, the Village hereby establishes the following goals and objectives for the District:

- Facilitate the implementation of economic development and redevelopment strategies beneficial to the Village, its residents, and businesses.
- Maintain and strengthen the Village's property and sales tax base.
- Further the redevelopment of vacant or underutilized properties and buildings.
- Create and retain jobs.
- Provide a diverse business base with an array of retailers, service providers, and industries.

- Encourage coordinated redevelopment, providing for appropriate uses, safe access, and quality architecture, site design and streetscaping in furtherance of the Village's Comprehensive Plan.

The following objectives are identified in an effort to accomplish these goals:

- Stabilize retail operations to limit business closures or relocation of businesses outside Village limits.
- Attract new businesses.
- Promote and facilitate expansion of successful businesses.
- Assist in limiting the financial hardship to acquiring property on Milwaukee Avenue (especially difficult for large lot consolidation) by offsetting qualified redevelopment costs for large retailers.
- Allow for consolidation or replatting of parcels to accommodate site needs of auto dealers and large retailers.
- Encourage completion of upgrades to building facades, signage, lighting, parking and landscaping.
- Encourage shared parking and access, facilitating related agreements, where possible.

D. DISTRICT DESCRIPTION

The Business District roughly includes those lots immediately abutting the east and west sides of Milwaukee Avenue, bordered to the north by Condell Hospital and Valley Park Drive, and to the south by Green Tree Parkway/Red Top Drive. These properties are legally described in Attachment A and are depicted in Attachment B as District No. 1. Taxpayers of Record, Property Index Numbers (PINs) and common addresses for these properties are included in Attachment C. Only those properties which would be substantially benefitted by this Plan have been identified for inclusion.

II. REDEVELOPMENT PARAMETERS

In order to perpetuate the Village's policy of prudent use of public resources, the Village shall thoroughly review each request for incentives and the Village Board of Trustees shall only approve such incentives through use of Development Agreements with all parties requesting such incentives. All development projects shall conform to the guidelines outlined below and projects shall be of the type described below. Any party seeking incentives shall provide all documentation deemed necessary by the Village to determine eligibility and need, and establish terms for the incentives. All projects must comply with the provisions of the Village Municipal Code and follow Village procedures, unless a variation is otherwise granted. All projects must advance the Village's goal of improving the economic and tax base of the Village.

A. GUIDELINES

To properly guide development within the District, all projects shall follow the following policy guidelines:

- Promote the public interest.
- Advance the economic well-being of the Village through new retail development or redevelopment or expansion, and retention of existing commercial businesses, all which help to ensure sound and stable commercial growth.
- Enhance the tax base of the Business District.
- Promote the social welfare of the Village through job creation or retention.
- Conformance with this Plan, as well as the Village's Comprehensive Plan.
- Exercise cost efficiency and economies of scale in development through coordinated development, including property acquisition and consolidation, where possible.
- Evident economic feasibility. The Village shall be provided proof of such and shall have the sole discretion to determine need for assistance based on such.
- Provide public and private infrastructure which enhances the District, thus encouraging patronage and additional redevelopment.
- Supply safe and efficient vehicular and pedestrian circulation, sufficient parking for customer and stored vehicles, all within an attractive environment.
- Design structural improvements in a fashion which enhance the appearance of the District and substantially conforms with the Village Code and recommendations of the Architectural Review Committee.

- If notification of an outstanding violation of Village Code has been received, the violation must be corrected prior to issuance of financial assistance.
- Projects must be completed in a prudent, timely and fiscally responsible manner.

B. PROJECTS

The creation of the District is intended to allow the Village the ability to enter into agreements with developers, property owners, or other private interests in order to provide assistance in making improvements which will enhance the District and improve the ability of the businesses to operate. While potential projects are listed below, through Development Agreements, the Village may authorize additional projects provided they otherwise comply with the Plan. General site maintenance costs are not eligible for incentives.

- Property acquisition.
- Building construction or expansion.
- Construction of new pavement.
- New signage (preference shall be given to monument versus pole signs).
- Landscape improvements.
- Improvement of public utilities, including burial of utility lines.

At the time of drafting of the Plan, several businesses indicated interest in incentives for expansion of vehicle dealership showrooms, improvement of property for additional vehicle storage, and acquisition of property for construction of expanded facilities.

III. FINANCIAL ASSISTANCE

A. TERMS

It has been determined that projects within the Business District may require municipal incentives due to hardships created by existing market conditions and local development costs, the size and configuration of parcels, and certain site characteristics. Without such incentives, it is anticipated that certain costs of public and site improvements and/or land assemblage may make private development, redevelopment, or expansion infeasible. This can, in turn, result in a downturn of tax revenues which could negatively impact the nature and quality of public services rendered by the Village to its residents. As such, public financial incentives may be necessary to off-set such costs to ensure that development occurs which is in furtherance of the public interest. Projects shall be designed to enhance the business base and increase sales tax revenues paid to the Village.

Any party desiring to participate in the Plan shall submit an application to the Director of Community Development. The application shall identify the name of the applicant and a description of the project for which the applicant is seeking incentives along with projected costs of the project and the proposed timeline for completion of the project. The applicant shall also submit evidence of ability to complete the project, description/analysis of the benefit of the project to the community, a description of additional projects anticipated over the following 10 year period, and historical and anticipated revenue and tax generation figures.

The applicant shall also submit such plans, drawings or renderings as may be required by the Director of Community Development in order to allow the Village Board to analyze the development project and determine whether it will authorize the issuance of incentives in connection with the development project. Following review of the development project, the Village Board of Trustees shall determine the extent of incentives, if any, that it will approve in connection with the development project.

The following outlines certain steps and criteria that the Village Board may consider in reviewing a development project and determining if the project will qualify for incentives. The Village Board may modify these steps at any time in order to ensure that the issuance of incentives in connection with a development project is in furtherance of the public interest*:

1. The Developer or private entity presents a request for incentives for a specific development/redevelopment/expansion project along with the documents outlined above.
2. The Village will review the request and development proposal to determine feasibility and benefit to community.

3. After the initial review of the development project by Village Staff, Staff shall request and receive additional information from the Developer for further analysis, including a detailed history of sales taxes paid to the Village of Libertyville in connection with the business taking place on the property over the thirty-six (36) month period preceding the filing of the application for incentives.
4. Following its receipt and review of all materials submitted by the Developer, Village Staff shall provide to the Mayor and Village Board a summary of the proposed development and its recommendation as whether the development project is likely to provide a public benefit which would warrant the use of public funds through the granting of incentives.
5. The Mayor and Village Board shall review the report prepared by Village Staff and the documents submitted by the developer and shall consider the following:
 - a) Does the project assist in achieving the goal of increasing the economic base of the Village and likely generating increased sale tax revenues for the Village;
 - b) Is the project consistent with the Comprehensive Plan of the Village and other goals announced by the Village;
 - c) Does the project provide sufficient benefit to the Village to justify the expenditure of public funds;
 - d) Such other factors as the Village Board may deem prudent and appropriate.
6. If a majority of the Mayor and Village Board determine that the proposed development meets each of the criteria identified above, the Village Board shall direct the Village Attorney to prepare a Development Agreement for consideration by the Village Board of Trustees. Negotiations related to such Development Agreement will be conducted by Village Staff.
7. The Development Agreement, along with Staff recommendation, shall be presented to the Village Board of Trustees for review and approval. If approved by the Village Board, this Development Agreement shall be recorded against the property.

*Procedural steps may be consolidated as determined appropriate by Staff. The zoning and development approval process may occur concurrently with the outlined incentive process, however final zoning and development consideration by the Village Board must occur prior to final Development Agreement approval relating to the incentives.

B. ELIGIBILITY & CALCULATION OF INCENTIVES

While specific terms and incentives will be negotiated on an individual basis through separate Development Agreements, the following criteria shall be utilized by the Village as a guideline for determining the incentive, if any, to be paid to the applicant. The Village reserves the right to modify the terms or guidelines set forth herein.

Although the Village will not be rebating sales taxes to applicants, the economic incentives which will be available to applicants will be determined, in part, based upon tax revenues generated by an applicant which exceed a threshold amount as described below. Only those sales tax revenues received by the Village are to be considered in the calculation set forth below. At the time of the adoption of this Plan the State of Illinois was collecting a 7% composite sales tax rate in the Village, which incorporates a 1% Village sales tax. Should the State amend its collection formula, the Village reserves the right to adjust how incentive payments are disbursed.

- **Threshold Amount/New Sales Tax:** To the extent that incentives are based upon tax revenues, the incentives shall be determined based upon New Sales Tax. For purposes of this plan, New Sales Tax shall be those sales tax receipts received by the Village in a calendar year which exceed the average of sales tax received by the Village over a Threshold Amount. For purposes of the Plan, the Threshold Amount shall be the annual average of the tax receipts paid to the Village over the three year period immediately preceding the year in which the applicant submits its application. For businesses which have not existed within the Village for a period of at least three years, the Threshold Amount shall be determined by the Village Board. The Village may rely upon materials submitted by the applicant and Village Staff including, but not limited to the following, profit/sales tax reports from previous locations where the applicant operated the business or such reports for similar operations elsewhere in comparable communities.
- **Duration of Development Agreement/Incentives:** 10 years with a possibility of one five (5) year extension if determined appropriate by the Village Board.
- **Minimum Improvement:** A minimum of 25% of the total improvement project cost must be dedicated to exterior or site improvements including, but not limited to: new buildings or additions, exterior upgrades, signage, lighting, paving, and landscaping. The value of such exterior improvements may not be less than \$25,000. Total incentive payments made to an applicant over the full term of a Development Agreement shall not exceed 50% of the total value of improvements contemplated for the project.
- **Incentive Rate:** The Village Board shall determine the amount of incentive paid by the Village to an applicant based upon New Sales Tax paid to the Village during each year that the Development Agreement with the applicant is in effect. In no event, however, may the total incentives paid to an applicant over the full term of a Development Agreement exceed the Maximum Percentage of New

Sales Tax (defined below). The percentage of New Sales Tax paid to an applicant in any year may be adjusted by the Village Board based upon a tiered rate structure which will allow for a higher percentage being paid in the earlier years of a Development Agreement. If a tiered structure is utilized, then prior to the final disbursement of incentive payments, the Village shall calculate the total of incentive payments to date to verify that the amounts paid plus the final incentive payment do not exceed the Maximum Percentage of New Sales Tax calculated over the full term of the Development Agreement. In the event that the calculation discloses that the final incentive payment will result in cumulative payments in excess of the Maximum Percentage of New Sales Tax, the final incentive payment shall be reduced so as not to exceed said percentage. In the event that the calculation reveals that prior to the final incentive payment the cumulative payments made to date have exceeded the Maximum Percentage of New Sales Tax, no final incentive payment shall be made and the applicant shall remit to the Village payment for any amounts previously paid to the applicant which are in excess of said percentage. The Village Board may require such security from an applicant as it may deem appropriate to secure repayment to the Village of any incentive payments which had previously been made in excess of the Maximum Percentage of New Sales Tax. The Village Board, at all times, shall reserve the right to modify an incentive plan which is based upon a tiered structure, if, in the judgment of the Village Board, it appears that the tiered structure is likely to result in total incentive payments over the term of the Development Agreement exceeding the Maximum Percentage of New Sales Tax.

- **Maximum Percentage of New Sales Tax:** The following Maximum Percentages shall be applied:

<u>Threshold Amount</u>	<u>Maximum Percentage of New Sales Tax</u>
\$50,000 - \$249,999	30%
\$250,000 - \$499,999	40%
\$500,000 - \$999,999	50%
\$1 million plus	60%

- **Retroactivity:** Businesses within the District may request, and the Village, in its sole discretion, may agree to enter into a Development Agreement based upon expenditures for previously completed projects. Projects must have been completed either during the term of the Plan or within no more than three (3) years prior to the establishment of the District.

B. SOURCE OF FUNDS

Funds shall be distributed according to the terms of this Plan and any approved Development Agreement(s). The funds shall be paid from the Village's general revenues. Timing of payments shall be described in a Development Agreement.

IV. ESTABLISHMENT, TERM & AMENDMENT

The Business District shall become established upon adoption of an ordinance by the Village Board of Trustees which adopts this Plan and designated the District. Development Agreements may thereafter be approved between the Village and any developer or private party, provided they are consistent with the terms of the Plan and Business District Act. The Plan may be amended from time to time by the Village's Board of Trustees through adoption of an ordinance providing for such.

ECONOMIC INCENTIVE AGREEMENT

This Economic Incentive Agreement (the "Agreement") is made and entered into as of the 9th day of October, 2013, by and between the City of Elgin, an Illinois municipal corporation (hereinafter referred to as the "City"), and Brilliance Subaru of Elgin, Inc., an Illinois corporation d/b/a Brilliance Subaru and Subaru of Elgin (hereinafter referred to as the "Developer").

WHEREAS, the Developer acquired the right to own and operate a Subaru automobile franchise in 2013 and began searching for a suitable location to establish a new car dealership within a territory that includes the City and neighboring municipalities; and

WHEREAS, the Developer would be unable to proceed with the establishment of the Subaru automobile franchise in the City and to own and operate a dealership facility without certain economic development assistance from the City as hereinafter described; and

WHEREAS, BLMS, LLC entered into a Purchase Agreement in March, 2013, and plans to construct with Developer a new automobile dealership and service facility on the vacant property commonly known as 14N250 Randall Road, Elgin, IL 60123 and to lease the land to Developer; and

WHEREAS, the Developer will establish a Subaru automobile franchise at 14N250 Randall Road, Elgin, Illinois (the "Dealership") and with BLMS, LLC, the Developer will be constructing a new Dealership and service facility at an estimated cost of \$6 million; and

WHEREAS, Section 8-11-20 of the Illinois Municipal Code (65 ILCS 5/8-11-20) authorizes municipalities including the City to enter into economic incentive agreements relating to the development or redevelopment of lands within the corporate limits of a municipality and under such agreements the municipality may agree to share or rebate a portion of any Retailer's Occupation Taxes received by the municipality that were generated by the development or redevelopment over a finite period of time; and

WHEREAS, the City is a home rule unit authorized to exercise any power and perform any function relating to its government and affairs;

WHEREAS, economic incentive agreements including the economic incentive agreement as provided for in this Agreement pertain to the government and affairs of the City; and

WHEREAS, the Dealership is expected to create job opportunities within the City; and

WHEREAS, the Dealership will serve to further the development of adjacent areas; and

WHEREAS, without this Agreement the Dealership would not be possible; and

WHEREAS, the Developer meets high standards of credit worthiness and financial strength as demonstrated by equity financing for not less than ten percent (10%) of the total project costs; and

WHEREAS, the Dealership will strengthen the commercial sector of the City; and

WHEREAS, the Dealership will enhance the tax base of the City; and

WHEREAS, this Agreement is made in the best interests of the City.

NOW, THEREFORE, for and in consideration of the mutual promises and undertakings contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Recitals. The foregoing recitals are incorporated into this Agreement in their entirety.
2. Definitions.
 - A. "Commencement Date" means September 1, 2014.
 - B. "Sales Tax Revenues" means for the ten (10) years following the Commencement Date, all revenues that the City receives from retail sales taxes from the State of Illinois pursuant to the Illinois Service Occupation Tax (35 ILCS 115/1 et seq.) and the Illinois Retailer's Occupation Tax (35 ILCS 120/1 et seq.) derived solely from the sale of automobiles and/or motor vehicles, parts and other related retail items at the Dealership.
3. "Fast-Track" Permitting Process and Waiver of Building Permit Fees for the Subject Project.
 - A. The City agrees to conduct a "fast-track" permitting process for the Developer's construction of the Dealership and agrees to waive and not require Developer to pay any building permit fee which would otherwise be due and payable to the City in connection with the establishment of the Dealership. The provisions of this section are intended and shall be construed to apply only to the building permit fees.
 - B. Any and all impact fees or other fees which may be due and owing to the City and/or any other governmental entity other than the City shall be paid by Developer.

4. Rebate of a Portion of Sales Tax Revenues.

- A. The City hereby agrees to rebate and pay to the Developer a portion of the Sales Tax Revenues received by the City in accordance with this Agreement, in order to reimburse the Developer for a portion of the costs incurred by Developer in conjunction with the establishment of the Dealership, all as set forth and detailed below.
- B. The City shall pay to the Developer a rebate of a portion of Sales Tax Revenues received by the City over the ten-year period following the Commencement Date. Such rebate of Sales Tax Revenues from the City to the Developer shall be paid in annual installments according to the following formula:

The City shall rebate to Developer twenty-five percent (25%) of the Sales Tax Revenues received by the City that have been derived solely from the sale of automobiles and/or motor vehicles, parts and other related retail items at the Dealership.

- C. Notwithstanding any other provision of this Agreement to the contrary, it is agreed and understood that the amount of the rebates of Sales Tax Revenues provided herein have been agreed to based upon the current share of sales taxes received by the City in the amount of 1%. It is further agreed and understood that in the event the City's share of sales taxes is reduced from the current amount of 1% during the five years following the Commencement Date that the subsequent rebate of Sales Tax Revenues from the City to the Developer shall be reduced proportionately. For the purposes of clarification and example, in the event the City's share of sales taxes currently in the amount of 1% is reduced by 10 percent, then the amount of the subsequent rebate of a portion of Sales Tax Revenues from the City to the Developer will also be reduced by 10 percent. In the event of any conflict between the provisions of this paragraph and any other provisions of this Agreement, the provisions of this paragraph shall supersede and control.
- D. The City shall pay to the Developer the annual installments of the rebates of Sales Tax Revenues provided for herein within one hundred and eighty (180) days of each of the first ten (10) annual anniversaries of the Commencement Date and the City having determined the amount of sales and Sales Tax Revenues generated by the Dealership in the preceding year. In the event the State of Illinois fails to distribute documentation to the City providing for the sales and Sales Tax Revenues generated by the Dealership in sufficient time for the City to make the annual payments, then the City shall provide notice of such fact to the Developer. In such event, the City shall make the required Sales Tax Revenue rebate pay-

ment to the Developer within sixty (60) days after the date on which the City actually receives the supporting documentation for the applicable payment.

- E. At the time of each filing of an Illinois Department of Revenue form ST-1 or any successor reporting form with the Illinois Department of Revenue by the Dealership, the Developer shall cause a copy of such form to be filed with the Treasurer of the City or such other official as the City may designate. Within twenty (20) days after the Treasurer or other official receives an ST-1 Form, the Treasurer or other official shall calculate and certify to the City the amount of sales tax revenues due to the Developer in accordance with this Agreement. The City and its Treasurer and other officials shall keep strictly confidential all information in the ST-1 Form, except to the extent that disclosure is necessary to third parties for the proper administration of this Agreement, or is required by law or under this Agreement.
- F. Developer, as a condition of the City's obligation to pay to such Sales Tax Revenue rebate, shall be required to perform and observe the following covenants, collectively referred to as the "Dealership Reporting and Compliance Obligations":
 - (i) Make written request that the Local Tax Division of the Illinois Department of Revenue ("LTD-IDOR"), or such successor to such agency, supply to the City on a semi-annual basis a letter certifying the amount of Sales Tax Revenues received by the City for the Dealership operations during the preceding twelve (12) month period, with such letter from the LTD-IDOR certifying the amount of sales tax revenue received by the City from the Dealership being hereinafter referred to as a "IDOR Sales Tax Revenue Certification Letter."
 - (ii) Take all additional actions as may reasonably be necessary in order for the City to obtain the information to insure the accurate calculation of Sales Tax Revenues from the Dealership;
 - (iii) Supply or cause to be supplied to the City appropriate authorizations for the Illinois Department of Revenue to provide such information, including copies of filings with the Illinois Department of Revenue made by the Developer and/or the Dealership.
 - (iv) Upon written request of the City, provide a power of attorney in favor of the City in a form reasonably satisfactory to the LTD-IDOR, authorizing the City to request and retrieve gross revenue

and other information necessary to allow the City to compute the Sales Tax Revenues.

- (v) Upon the request of the City, provide to the City copies of any form ST-1 or form ST-556, or any successor reporting forms, filed with the Illinois Department of Revenue by the Dealership.
- (vi) Allow the City the right, upon reasonable notice to the Developer and/or Dealership, to audit Dealership records in order to confirm Sales Tax Revenues being generated by the Dealership.

G. Developer and the City agree to cooperate and take all additional actions as may reasonably be necessary in order to obtain the necessary information and to insure the accurate collection of deposits of Sales Tax Revenues. The City agrees to take all actions necessary to provide for the systematic receipt of sales tax information for the Dealership from the Illinois Department of Revenue. To assist the City, Developer will supply or cause to be supplied to the City appropriate authorizations for the Illinois Department of Revenue to provide such information, including copies of filings with the Illinois Department of Revenue made by Dealership. Developer shall cause Dealership, upon written request of the City, to provide a Power of Attorney in a form reasonably satisfactory to the Illinois Department of Revenue, authorizing the City to request and receive gross revenue and other information necessary to allow the City to compute the amount of Sales Tax Revenues.

H. Notwithstanding any other provision of this Agreement to the contrary, it is agreed and understood that the City's obligation under this Agreement to rebate a portion of Sales Tax Revenues shall not be a general debt of the City on or a charge against its general credit or taxing powers, and shall constitute a special limited obligation payable solely and only out of the Sales Tax Revenues received by the Dealership. The Developer shall have no right, and agrees that it shall not, compel any exercise of the taxing power of the City to pay the Sales Tax Revenues rebates, and no execution of any claim, demand, cause of action, or judgment shall be levied upon or collected from the general credit, general funds, or any other property of the City. The payments of a rebate of a portion of Sales Tax Revenues by the City to the Developer as provided for in this Agreement shall not constitute an indebtedness of the City or a loan or a liability of the City within the meaning of any constitutional or statutory provision. No interest shall be due, owing or paid by the City with respect to the rebate of any Sales Tax Revenues. Notwithstanding same, nothing herein shall bar the Developer from enforcing the terms and obligations of this Agreement in the event of non-compliance by the City.

5. Contingency. Notwithstanding any other provision of this Agreement to the contrary, it shall be a condition precedent to the obligations of the City under this Agreement that the Developer commences operations at the Dealership on or before September 1, 2014, and that the Dealership continues with its operations at the Dealership location or another location in Elgin approved by the City for a period of not less than ten (10) years after so commencing Dealership operations. In the event that any of the foregoing contingencies are not satisfied, then the City, upon written notice to the Developer, may elect to terminate this Agreement, and thereupon this Agreement shall be null and void and of no further force and effect without any further obligations of the City hereto.

6. Miscellaneous.

- A. That this Agreement shall not be deemed or construed to create an employment, joint venture, partnership, or other agency relationship between the parties hereto.
- B. That all notices or other communications hereunder shall be made in writing and shall be deemed given if personally delivered or mailed by registered or certified mail, return receipt requested, to the parties at the following addresses, or at such other address for a party as shall be specified by like notice, and shall be deemed received on the date on which said hand delivered or the second business day following the date on which so mailed:

TO THE CITY:

City of Elgin
150 Dexter Court
Elgin, IL 60120-5555

Attention: Richard G. Kozal

TO THE DEVELOPER:

Stephen McDaniels
Brilliance Subaru
680 W. Terra Cotta Ave.
Crystal Lake, IL 60014

With a copy of any such notice to:

City of Elgin
150 Dexter Court
Elgin, IL 60120-5555
Attention: William A. Cogley
Corporation Counsel

Scott G. Richmond, Esq.
Ariano, Hardy, Ritt et al.
2000 McDonald Rd., Ste. 200
South Elgin, IL 60177

- C. That the failure by a party to enforce any provision of this Agreement against the other party shall not be deemed a waiver of the right to do so thereafter.

- D. That this Agreement may be modified or amended only in writing signed by both parties hereto, or their permitted successors or assigns, as the case may be.
- E. That this Agreement contains the entire agreement and understanding of the parties hereto with respect to the subject matter as set forth herein, all prior agreements and understandings having been merged herein and extinguished hereby.
- F. That this Agreement is and shall be deemed and construed to be a joint and collective work product of the City and the Developer and, as such, this Agreement shall not be construed against the other party, as the otherwise purported drafter of same, by any court of competent jurisdiction in order to resolve any inconsistency, ambiguity, vagueness or conflict, if any, in the terms or provisions contained herein.
- G. That this Agreement is subject to and shall be governed by the laws of the State of Illinois.
- H. That this Agreement shall be binding on the parties hereto and their respective successors and permitted assigns. This Agreement and the obligations herein may not be assigned without the express written consent of each of the parties hereto, which consent may be withheld at the sole discretion of either the parties hereto.
- I. The City and Developer agree that, in the event of a default by the other party, the other party shall, prior to taking any such actions as may be available to it, provide written notice to the defaulting party stating that they are giving the defaulting party thirty (30) days within which to cure such default. If the default shall not be cured within the thirty (30) days period aforesaid, then the party giving such notice shall be permitted to avail itself of remedies to which it may be entitled under this Agreement.
- J. If either party fails or refuses to carry out any of the material covenants or obligations hereunder, the other party shall be entitled to pursue any and all available remedies as specified herein or otherwise available at law, equity or otherwise. Notwithstanding the foregoing or anything else to the contrary in this Agreement, with the sole exception of an action to recover the monies the City has agreed to pay pursuant to the preceding Section 3 hereof, no action shall be commenced by the Developer against the City for monetary damages. Venue for the resolution of any disputes or the enforcement of any rights pursuant to this Agreement shall be in the Circuit Court of Kane County, Illinois. In the event any action is brought by the City against the Developer or its permitted assigns with respect to this Agreement and the City is the prevailing party in such ac-

tion, the City shall also be entitled to recover from the Developer reasonable interest and reasonable attorney's fees.

- K. Time is of the essence of this Agreement.
- L. This Agreement shall be construed, and the rights and obligations of the City and the Developer hereunder shall be determined in accordance with the laws of the State of Illinois without reference to its conflict of laws rules.
- M. No past, present or future elected or appointed official, officer, employee, attorney, agent or independent contractor of the City shall be charged personally or held contractually liable under any term or provision of this Agreement including, but not limited to, because of their negotiation, approval, execution or attempted execution of this Agreement.
- N. Notwithstanding any other provisions of this Agreement, it is expressly agreed and understood by the Developer and the City that in connection with the performance of this Agreement, including, but not limited to, providing for improvements to the Dealership, and that Developer shall comply with all applicable federal, state, city and other requirements of law. Developer shall also at its expense secure all permits and licenses, pay all charges and fees and give notices necessary and incident to the due and lawful prosecution of the work necessary to provide for the improvements to the Dealership. Without limiting the foregoing, and notwithstanding anything to the contrary in this Agreement, Developer and its contractors and subcontractors shall comply with the Prevailing Wage Act in all respects relating to the improvements to the Dealership.
- O. To the fullest extent permitted by law, Developer agrees to and shall indemnify, defend and hold harmless, the City, its officials, officers, employees, attorneys, agents, boards and commissions from and against any and all claims, suits, judgments, costs, attorney's fees, damages or other relief, including but not limited to workers' compensation claims, in any way resulting from or arising out of or alleged to be resulting from or arising out of negligent actions or omissions of the Developer in connection herewith, including negligence or omissions of employees, agents or subcontractors of the Developer arising out of the performance of this Agreement, or in any way resulting from or arising out of or alleged to be resulting from or arising out of any violation and/or breach of the terms or provisions of this Agreement by the Developer, including any violation and/or breach by employees, agents or subcontractors of the Developer. In the event of any action against the City, its officials, officers, employees, agents, attorneys, boards or commissions covered by the foregoing duty to indemnify, defend and hold harmless such action shall be de-

fended by legal counsel of the City's choosing the costs of which shall be paid by the Developer. The provisions of this paragraph shall survive any termination, completion and/or expiration of this Agreement.

- P. To the fullest extent permitted by law, Developer agrees to and shall indemnify, defend and hold harmless the City, its officials, officers, employees, attorneys, agents, boards and commissions, from and against any and all third party claims, suits, judgments, costs, attorneys' fees, expert witness fees and expenses, damages or other relief, in any resulting from or arising out of or alleged to be resulting from or arising out of the existence of this Agreement, the provisions of this Agreement, the performance of this Agreement, and/or any other actions to the parties hereto provided for or arising from this Agreement. In the event of any action against the City, its officials, officers, employees, agents, attorneys, boards or commissions, covered by the foregoing duty to indemnify, and defend and hold harmless, such action shall be defended by legal counsel of the City's choosing and the costs of which will be paid for by the Developer. Additionally, in the event of such third party action the Developer to the extent permitted by law shall upon the request of the City attempt to intervene in such proceedings and join the City in the defense thereof.
- Q. Developer agrees to and shall provide to the City written reports on the status of the Dealership. Such written reports shall be provided to the City upon request of the City. Such written reports shall contain a status report on construction activities and such other information as may be requested by the City.
- R. Developer, on behalf of itself and its respective successors, assigns and grantees of the Dealership hereby acknowledges the propriety, necessity and legality of all of the terms and provisions of this Agreement and does hereby further agree and does waive any and all rights to any and all legal or other challenges or defenses to any of the terms and provisions of this Agreement and hereby agrees and covenants on behalf of itself and its successors, assigns and grantees of the Dealership, not to sue the City or maintain any legal action or other defenses against the City with respect to any challenges of the terms and provisions of this Agreement. The provisions of this paragraph shall survive any termination, completion and/or expiration of this Agreement.

IN WITNESS WHEREOF, the City and Brilliance Subaru of Elgin, Inc., an Illinois corporation d/b/a Brilliance Subaru have executed this Agreement on the date first set forth above.

CITY OF ELGIN,

an Illinois municipal corporation

BRILLIANCE SUBARU OF ELGIN, INC.

d/b/a BRILLIANCE SUBARU, a Illinois corporation

By: _____

David Kaptain, Mayor

By: _____

Attest:

Kimberly Dewis, City Clerk