

CITY OF WEST CHICAGO

WHERE HISTORY & PROGRESS MEET
DEVELOPMENT COMMITTEE

**Monday, February 8, 2021
7:00 P.M. - Council Chambers**

During the COVID-19 Pandemic, those wishing to attend public meetings of the Development Committee are welcome to do so at City Hall. You may attend in person to listen to the audio of the meeting, or via teleconference from home or another location on the Zoom app. Downloading Zoom from zoom.us will provide the audio link to the meeting. Anyone wishing to provide comment on a topic or an agenda item may address the Development Committee by 4:00 p.m. the day of the meeting. You may do so either by an online form on the City's website, email to jburke@westchicago.org or voicemail message at (630) 293-2205 x141. Your comment to the Development Committee will be read during the Public Participation portion of the agenda.

**Meeting ID: 853 7078 9638
Passcode: 461574**

AGENDA

1. Call to Order, Roll Call, and Establishment of a Quorum – *Mayor Pineda has determined that in-person meetings are not practical and prudent.*
2. Approval of Minutes
 - A. January 11, 2021
3. Public Participation
4. Items for Consent
 - A. **Zoning Text Amendment** – Section 13.1-13(A)(14) is proposed by the City to be updated to clarify that the parking of recreational vehicles on a residentially zoned lot is allowed only if the principal use of that lot is residential.
5. Items for Discussion
 - A. **Draft West Chicago Economic Development Plan** – Staff has made a set of changes based on comments drawn from the last few months of presentations, discussions and editing of the Draft Economic Development Plan. Staff proposes recommending approval of the Plan.
6. Unfinished Business
7. New Business
8. Reports from Staff
9. Adjournment

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MAYOR
Nancy M. Smith
CITY CLERK

Michael L. Guttman
CITY ADMINISTRATOR

Draft

MINUTES

DEVELOPMENT COMMITTEE

January 11, 2021 7:00 P.M.

The Development Committee meeting of January 11, 2021 was held part remotely and partly in person due to the Coronavirus pandemic.

1. Call to Order, Roll Call, and Establishment of a Quorum.

Alderman Stout called the meeting to order at 7:00 p.m.

All Aldermen in attendance were present remotely unless indicated otherwise. Roll call found Aldermen James Beifuss, Melissa Birch Ferguson, Michael Ferguson, Matthew Garling, John Jakabscin, Jayme Sheahan and Rebecca Stout (in person) present.

Also in attendance was Community Development Director, Tom Dabareiner.

Alderman Stout announced that Mayor Pineda has determined that in-person meetings are not practical and prudent.

2. Approval of Minutes.

A. December 14, 2020.

Alderman Beifuss moved and Alderman Garling seconded a motion to approve the minutes. Voting Aye: Aldermen Beifuss, Birch Ferguson, Ferguson, Garling, Jakabscin, Sheahan and Stout. Voting Nay: 0.

3. Public Participation. None.

4. Items for Consent.

A. Minor Subdivision – Property owner seeks to subdivide three properties into two 13,500 square foot lots at 924 and 928 Hahn in the R-5 Single Family District.

Alderman Garling moved, and Alderman Birch Ferguson seconded the motion to approve Items 4. A. and 4. B. Voting Aye: Aldermen Beifuss, Birch Ferguson,

Development Committee Minutes

January 11, 2021

Ferguson, Garling, Jakabscin, Sheahan and Stout. Voting Nay: 0.

5. **Items for Discussion**

- A. **Townhouse Proposal / Block Two** – Staff has been meeting with Aspen Venture Group, a developer interested in building the townhouses targeted for Block Two of the Central Main Street Plan Update. Representatives from Aspen wish to make a presentation to the Development Committee to assure compatibility with the Plan and the City's goals.

A staff update was provided by Tom Dabareiner. The townhome project in question would be located in Block 2 of the Central Main Street Plan. The developer is asking for \$175,000 in TIF assistance, which may be available right away as there are cash reserves in the current TIF. The reserves need to be used before they can extinguish the current TIF in order to establish a new one. Tonight's discussion should consider whether the proposed project's design fits with the City's established goals and whether the TIF incentives should be used. He then turned it over to the developer, Phil Richardson of the Aspen Venture Group.

Mr. Richardson introduced himself and shared the project highlights. They propose to develop eight urban-looking townhomes with 2-car garages to be located in the rear. Brick will be used on the exterior, which ties in with the downtown. They believe this project would be a good kick off for the development of the downtown area, and they hope to be able to do more development in the future. They performed a market study, and the townhomes will be about 1,800 square feet with a basement and would sell from the \$350 K to \$375 K range. They feel it is a good project and there is a market for this.

Alderman Beifuss commented that he likes the look of the façade and the townhomes would be reasonably compatible with the existing neighborhood. He likes that they are brick. He asked if the townhomes would face High Street and use the existing alleyway, and Mr. Richardson confirmed this. Alderman Beifuss also stated that he likes the amenities. He then asked about the market study and if they feel confident about the estimated sale price. Mr. Richardson replied they worked with the St. Charles office of @Properties, the largest residential broker in the Chicago metropolitan area and a study was performed. They looked at what newer housing is available in West Chicago and what townhomes are currently selling for in surrounding communities. In addition, they considered the amenities of being located close to a commuter train station and a downtown and offering higher-end kitchen finishes and a basement. They believe the market will be comprised of empty-nesters and young couples. Alderman Beifuss asked if they are asking for any other incentives besides the land and TIF funds, such as utilities, and Mr. Richardson replied they are not asking for any other assistance. Alderman Beifuss asked about stormwater management, and Mr. Richardson answered they plan to handle that.

Alderman Garling stated he is concerned about the combination of offering free land and cash and the precedent that would be setting. The real estate market is hot, and sales are up year after year. This may cause a bad precedent in terms of giving away land for free while

offering cash on top of it. Mr. Dabareiner stated that in the discussions staff has been having with other developers, everyone seems to want the land for free as well as some kind of cash incentive. The larger the project, the more cash they will be looking for. In this case, the annual increment property tax revenue the project will generate can pay for the incentive. Larger developers are looking for incentives that would exceed potential tax revenue, and so staff believes this developer's ask is reasonable.

Alderman Beifuss asked what the median percentage for return-on-cost is, as it was stated that this project is on the low end by industry standards. West Chicago's Economic Development Coordinator, Pete Kelly, stated that an 8% rate-on-return is the hurdle rate to make it worth the developer's time. If it is less than that, banks may not want to underwrite the project. In the case of Aspen Venture Group, they intend to use this project as a springboard for other future development projects. Mr. Richardson said they are looking at this as a long-term project, but they have built in a contingency in their pro forma. There needs to be public-private partnership for the downtown development to begin, and, as more and more is developed, the land and house prices will go up over time, which will make free land more enticing.

Alderman Stout stated that she likes the appearance of the townhomes and the brick facades. She also said that, given the scope of the project and that this is the beginning of the downtown redevelopment, what they are asking is in line with what is to be expected. She asked the other members for their input.

Alderman Jakabscin stated that he understands the cause for concern about setting a precedent, but at the same time, they need a spark to start the fire, and this project is that spark. If all goes well, it can lead to more growth. As growth continues, they can field the concerns about setting a precedent. He also commented that he likes the appearance, and he hopes the finished project looks as good as the drawings.

Alderman Beifuss commented that the project follows what they are trying to do with respect to quality development. The price point is reasonable, and the size is compatible with the neighborhood. As this is his neighborhood, the look is particularly important to him.

Alderman Birch Ferguson stated the appearance is great and fitting with the neighborhood. The financial incentive is expected, and she agrees with staff's analysis on this. She believes this is a positive catalyst and a great place to start. She is in favor of moving forward.

Alderman Stout summed up the Committee's response to be positive. Mr. Richardson thanked the members and stated he is looking forward to working with them to get the project started this year.

6. **Unfinished Business.** None.

7. **New Business.** None.

8. **Reports from Staff.** None.

9. **Adjournment.**

Alderman Birch Ferguson moved, and Alderman Garling seconded the motion to adjourn the Development Committee meeting at 7:25 p.m. Voting Aye: Aldermen Beifuss, Birch Ferguson, Ferguson, Garling, Jakabscin, Sheahan and Stout. Voting Nay: 0.

Respectfully submitted,

Jane Burke

CITY OF WEST CHICAGO

DEVELOPMENT COMMITTEE AGENDA ITEM SUMMARY

ITEM TITLE:

Text Amendment, App. A. Sec. 13.1-13(A)(14)
Storage of RV on Commercial Properties in Residential
Districts

Ordinance No. 21-O-0001

AGENDA ITEM NUMBER: 4. A.

FILE NUMBER: _____

COMMITTEE AGENDA DATE: Feb. 8, 2021

COUNCIL AGENDA DATE: _____

STAFF REVIEW: Tom Dabareiner, AICP

SIGNATURE 

APPROVED BY CITY ADMINISTRATOR: Michael Guttman

SIGNATURE _____

ITEM SUMMARY:

The City recently confirmed the Zoning Administrator's interpretation that a Recreational Vehicle (RV) is not allowed on a residentially zoned lot if the principal use of the lot is not residential. The property that prompted that discussion is a legal nonconforming commercial use and the RV served no purpose for the business. They eventually removed the RV from the property and received a fine during their Adjudication Hearing.

To add clarity to the Zoning Ordinance, Staff proposes to add text in Section 13.1-13(A)(14)(a) that states clearly that RVs are permitted in residential zoning districts only if the principal use on the lot is residential. Other components of that section are simply re-lettered to follow the new text.

At its February 2, 2021 meeting, the Plan Commission/Zoning Board of Appeals (PC/ZBA) conducted a public hearing to consider the proposed text amendment. Members voted unanimously (6-0) in favor of recommending the Text Amendment.

ACTION PROPOSED:

Consideration of the proposed Ordinance restricting storage of RVs in certain locations.

COMMITTEE RECOMMENDATION:

Attachments:
Draft Ordinance & PC Report

ORDINANCE NO. 21-O-0001

AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF WEST CHICAGO – APPENDIX A ARTICLE XIII OF THE ZONING CODE RELATING TO RECREATIONAL VEHICLES

WHEREAS, Article XIII of the West Chicago Zoning Code regulates recreational vehicles in residential districts; and

WHEREAS, the purpose and intent of these regulations is to limit the prevalence of recreational vehicles throughout the City; and

WHEREAS, recreational vehicles are permitted in residential districts provided that they are considered accessory to a residential principal use of the property; and

WHEREAS, Section 13.1-13(A)(14) of the Zoning Code lacks clarity of this requirement; and

WHEREAS, the City Council believes it is in the best interest of the City to add text to this section of the Zoning Code to clearly state that recreational vehicles are permitted to be parked on residential property as accessory uses only when the principal use of the property in question is residential; and

WHEREAS, Notice of Public Hearing on said text amendment was published in the Daily Herald on or about January 18, 2021, as required by the ordinances of the City of West Chicago and the statutes of the State of Illinois; and

WHEREAS, a Public Hearing was conducted by the Plan Commission/Zoning Board of Appeals of the City of West Chicago on February 2, 2021, pursuant to said Notice; and

WHEREAS, at the Public Hearing all interested parties had an opportunity to be heard; and

WHEREAS, the corporate authorities of the City of West Chicago have received the recommendation of the Plan Commission/Zoning Board of Appeals which contains specific findings of fact, pursuant to Recommendation No. 21-RC-0002, a copy of which is attached hereto as Exhibit “A” which is, by this reference, made a part hereof.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of West Chicago, Du Page County, Illinois, in regular session assembled, as follows:

Section 1. That Section 13.1-13(A)(14) – Recreational Vehicles, of Article IV, Appendix A, of the Code of Ordinances of the City of West Chicago, be amended as follows:

(14) Recreational vehicles.

a. A Recreational Vehicle is permitted on a residentially zoned lot only if the principal use of that lot is residential.

~~a.~~ b. The following types of recreational vehicles shall be restricted in size as follows:

1. Travel trailer, thirty-five (35) feet or less in length and not to exceed eight (8) feet in width.
2. Camper trailer (pop-up), twenty-four (24) feet or less in length and not to exceed five (5) feet six (6) inches in height, stored in a collapsed position.
3. Watercraft, thirty-five (35) feet or less in length, but not to exceed twelve (12) feet in height, either mounted on a boat trailer or not mounted; also boat trailer without boat mounted.
4. Motor home, forty (40) feet or less in length and not to exceed twelve (12) feet in height.

~~b.~~ c. Not more than one (1) recreational vehicle shall be parked on any one (1) lot. No recreational vehicle shall be parked on any one (1) lot where the outdoor overnight storage of a commercial vehicle is present.

~~c.~~ d. The parking of a recreational vehicle shall be prohibited in the required front yard, actual front yard, and required corner side yard between October 15 and April 15.

~~d.~~ e. A recreational vehicle shall not be located closer than five (5) feet to the rear lot line and shall not be located closer than three (3) feet to the side lot lines.

~~e.~~ f. The parking area, permanent or temporary, shall be paved.

~~f.~~ g. Outdoor overnight parking and storage of recreational vehicles shall not be permitted on lots containing apartment units/condominiums.

~~g.~~ h. Occasional use of travel trailers or other recreational vehicles shall be permitted as set forth in Section 6.8.

~~h.~~ i. Any recreational vehicle that does not comply with regulations established herein shall be removed or made to comply with said regulations by May 1, 2008.

Section 2. That all ordinances and resolutions, or parts thereof, in conflict with the provisions of this Ordinance are, to the extent of such conflict, expressly repealed.

Section 3. That this Ordinance shall be in full force and effect after its passage, approval and publication in pamphlet form as provided by law.

PASSED this ____ day of _____, 2021.

Alderman Beifuss

Alderman Chassee

Alderman Sheehan

Alderman Brown

Alderman Hallett _____

Alderman Birch-Ferguson _____

Alderman Swiatek _____

Alderman Stout _____

Alderman Jakabcsin _____

Alderman Dimas _____

Alderman Garling _____

Alderman Short _____

Alderman Morano _____

APPROVED as to form: _____
City Attorney

ADOPTED THIS 15th day of February, 2021.

Mayor Ruben Pineda

ATTEST:

City Clerk Nancy M. Smith

PUBLISHED: _____

EXHIBIT “A”

RECOMMENDATION # 21-RC-0002

TO: The Honorable Mayor and City Council

SUBJECT: PC 20-21
Zoning Text Amendment for the regulations of Recreational Vehicles in Residential Districts

DATE: February 2, 2021

DECISION: The motion to approve the amendment was approved by a unanimous vote of six (6) “yes” and zero (0) “no”.

RECOMMENDATION:

After a review of the proposed text amendment as presented, the Plan Commission/Zoning Board of Appeals finds that the proposed amendment does not pose a threat to the health, safety and welfare of the community. It is the Commission’s opinion that the proposed amendment will be beneficial to the City of West Chicago.

The amendment is in keeping with the purpose of the Zoning Code. The Plan Commission is of the opinion that this proposed amendment will protect, promote, and improve the public health, safety, morals, convenience, order, appearance, prosperity and the general welfare of the citizens of West Chicago community.

Respectfully submitted,

Barbara Laimins
Chairperson

VOTE:

<u>For</u>	<u>Against</u>	<u>Abstain</u>	<u>Absent</u>
Hale			
Kasprak			
Dettman			
Laimins			
Devitt			
Banasiak			

CITY OF WEST CHICAGO

DEVELOPMENT COMMITTEE AGENDA ITEM SUMMARY

ITEM TITLE:

City of West Chicago Economic Development Plan
2021-2025

Resolution No. 21-R-0010

AGENDA ITEM NUMBER: 5.A.

FILE NUMBER: _____

COMMITTEE AGENDA DATE: Feb. 8, 2021

COUNCIL AGENDA DATE: _____

STAFF REVIEW: Tom Dabareiner, AICP

SIGNATURE 

APPROVED BY CITY ADMINISTRATOR: Michael Guttman

SIGNATURE _____

ITEM SUMMARY:

In September 2020, Development Committee members were provided a copy of the first draft of the City of West Chicago Economic Development Plan 2020-2024. Preparing an economic development plan was called for in the City's Strategic Plan and Staff researched and wrote it without the assistance of a consultant. During the ensuing months, some time was spent in Development Committee meetings reviewing and discussing sections of the Draft Plan.

Comments were noted which led to a few changes. For the most part, the document stayed true to the relevant elements noted in the Strategic Plan, while adding new and supportive data, and acknowledging that the current worldwide pandemic would affect economic development in ways that are not so easily predicted. Increased reliance on shopping online has occurred and this is unlikely to change back, if it does at all, for several years. This means less retail development but more service and entertainment opportunities. Of course, manufacturing and related uses are this City's strength and will continue to be encouraged.

Staff has renamed the document to reflect the years 2021-2025, the period it initially covers. A copy is provided as an attachment of the revised Draft Plan.

ACTION PROPOSED:

Recommendation to City Council to adopt the City of West Chicago Economic Development Plan 2021-2025.

COMMITTEE RECOMMENDATION:**Attachments:**

Draft Economic Development Plan 2021-2025
Resolution 21-R-0010

RESOLUTION NO. 21-R-0010

A RESOLUTION APPROVING THE CITY OF WEST CHICAGO ECONOMIC DEVELOPMENT PLAN 2021-2025

WHEREAS, the City Council of the City of West Chicago supports the attraction, development and preservation of business within the City of West Chicago; and,

WHEREAS, the West Chicago Strategic Plan called for the preparation and adoption of an Economic Development Plan for the City.

BE IT RESOLVED by the City Council of the City of West Chicago, in regular session assembled as follows:

Section 1. The City of West Chicago Economic Development Plan 2021-2025 is hereby approved as the Economic Development Plan for the City.

Section 2. That all resolutions, or parts thereof, in conflict with the provisions of this Resolution are, to the extent of such conflict, expressly repealed.

Section 3. That this Resolution shall be in full force and effect from and after its adoption and approval as provided by law.

APPROVED this 15th day of February, 2021.

AYES: _____

NAYES: _____

ABSTAIN: _____

ABSENT: _____

Mayor Ruben Pineda

ATTEST:

City Clerk Nancy M. Smith

DRAFT City of West Chicago Economic Development Plan 2021-2025

February 2021

| EXECUTIVE SUMMARY

A number of components go into making an economic development plan and it begins with an assessment of current conditions. With little land remaining for residential development and shifting demographics, population growth has slowed to a trickle. Still growth remains positive and residents are younger in a state experiencing a contraction and an aging population. Furthermore, the plan to bring new residences to the downtown could add a highly significant 1,000 new residents to the City. Many of these new residents are expected to be Millennials, who place significant value on finding a diverse community—a plus for West Chicago.

In economic development, building on one's strengths is important and a key strength favoring West Chicago is its manufacturing base. Manufacturing provides 25% of the jobs in West Chicago compared with 11% in DuPage County. With its older population, the County sees health care as a somewhat stronger trend, something West Chicago may benefit from as its residents age as well. However, West Chicago will continue its manufacturing dominance for the foreseeable future and policies should be in place to support that.

Manufacturing jobs can offer a good wage, but the recent influx of transportation, logistics, and warehousing jobs may suppress City-wide averages. Higher wage occupations typically require stronger educational attainment. A challenge for West Chicago comes in education and training, helping more young residents to obtain a high school diploma or college degree coupled with an increased emphasis in the marketplace placed in on-the-job training. Higher achievement will help stem the "brain drain" away from the community and help ready the City for a long-range future reliant more on knowledge-based employment.

Retail is a challenge for many communities nationwide as online purchasing options increase. Nevertheless, West Chicago has managed to maintain a modest increase in sales tax revenue in the years since the Great Recession. Of course, year-to-year there has been volatility to these sales tax figures. The relocation of an automobile dealership outside the City may explain some of it. The recent addition of two large used car sales locations could help make up for that loss. Retail leakage, where buyers go outside the City or online to make purchases, suggest opportunities in the general merchandise, apparel and furniture businesses. However, these products are available online or within an easy drive of the City. In addition, much of the City's retail building stock is dated and functionally obsolete. A better opportunity exists with destination-oriented restaurants and food services, which should be actively sought for the community.

The link between housing and economic development is critical and a strength for West Chicago. The inability to find employees in close proximity to a business can influence location and expansion decisions. West Chicago has a range of housing opportunities, well-matched to income levels. Lacking is the newer, highly amenitized rental opportunities, which the Central Main Street Redevelopment Plan Update seeks to correct. Downtown apartments will also add "rooftops" to boost activity with downtown business. In general, more housing is needed to attract and support retail anywhere in the community.

Infrastructure is a key factor with economic development and another West Chicago advantage. Historically a center of freight train activity, West Chicago has land remaining for new businesses needing rail, as well as existing buildings with access to a spur. Also, the downtown provides easy access to Metra's commuter rail network and Chicago. From the air, DuPage Airport, Illinois' third busiest, is situated on the City's west side. On the ground, the City has three urban highways serving its north, south and east sides and is a short distance from I-88. Finally, West Chicago utilities are well-equipped to handle most business needs.

A SWOT analysis shows many strengths for the City's economy, including its location, affordable land and housing, nearby cultural amenities, robust manufacturing base, supportive local government and modest cost of living. Weaknesses lie in the State's financial condition, some out-of-date housing stock and retail buildings, a low density of housing insufficient to support retail, and a lack of retail and restaurant options. Opportunities include the national re-shoring trend, transitioning to a knowledge-based economy, tapping various training and grant programs, improving the downtown, and the potential for in-place expansion. Finally, threats are seen in national protectionist trade policies, low cost overseas labor, State finances and business environment, and the outmigration of young residents to other areas. Some are within the grasp of the City to address, while others are on a global, national or State level.

The plan contains a list of tasks to help address the major concerns or support the major strengths in the community. Chief among these is the creation of an Economic Development Task Force, made up of local business advisors, who can serve as a sounding board and provide their insights into the community, offer transparency and creative thinking, and serve as ambassadors for the tasks contained herein. Other tasks focus on embracing the manufacturing sector and revitalization of the downtown. It is an aggressive list of activities, some of which will require increased resources from the City in order to accomplish the goals.

| INTRODUCTION

Now is the time for the City of West Chicago. With a proud history and opportunities ahead, the City must enhance its economic base while navigating through global economic shifts. The challenge will be to maintain a healthy manufacturing setting while transitioning, eventually, towards a knowledge-based economy. In addition, attracting retail in a world increasingly participating in online purchases presents more challenges. Other factors, such as housing, education and infrastructure need to be taken into consideration, as well.



Elevate West Chicago's competitive position as one of the prominent commercial centers and major employment hubs within DuPage County and the suburban Chicago region. – West Chicago Strategic Plan (2016)

The Economic Development Plan provides a roadmap for this journey for the next several years. While able to stand on its own in many ways, it is also inextricably linked to other plans, strategies and policies of the City.

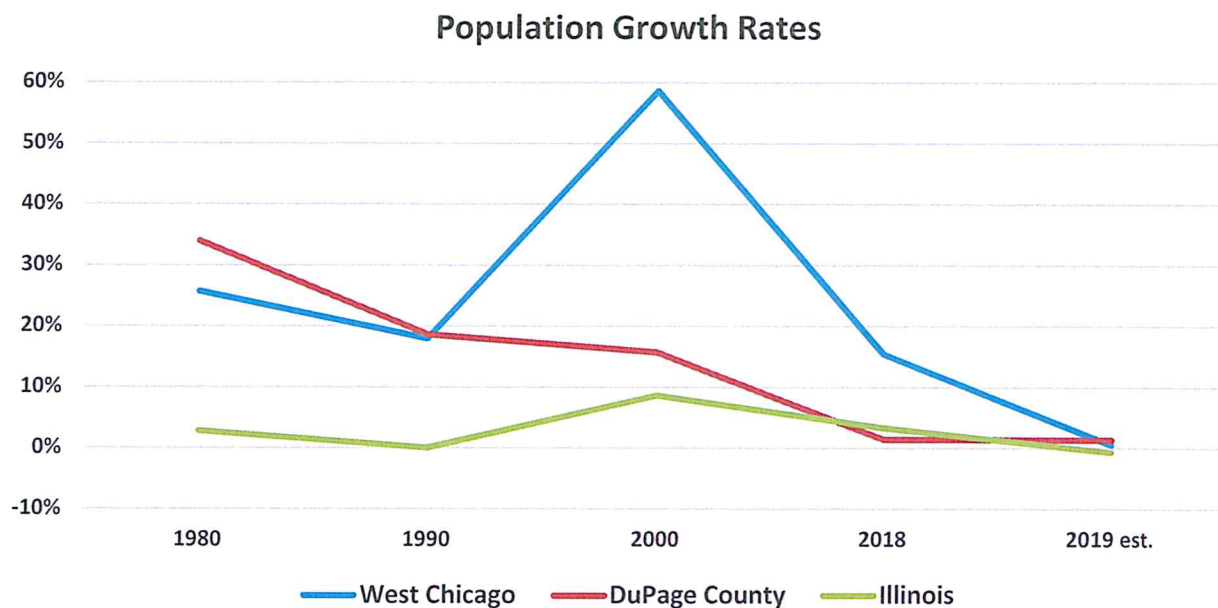
This report contains an extensive evaluation of existing conditions and trends related to economic development in West Chicago. Using this information and other anecdotal information, a Strengths-Weaknesses-Opportunities-Threats (SWOT) review was prepared. Based on this, action items were created which address the needs and support the strengths found for West Chicago.

| EXISTING CONDITIONS

Demographics

The City of West Chicago's current population is about 27,045 residents. West Chicago has experienced population growth at a rate roughly mirroring DuPage County, although the City saw large in-migration between 1990 and 2000. Today, with available residential land largely built-out, growth has slowed to an annual rate of 0.5%. This contrasts with the State of Illinois, where a 0.7% population loss was experienced.

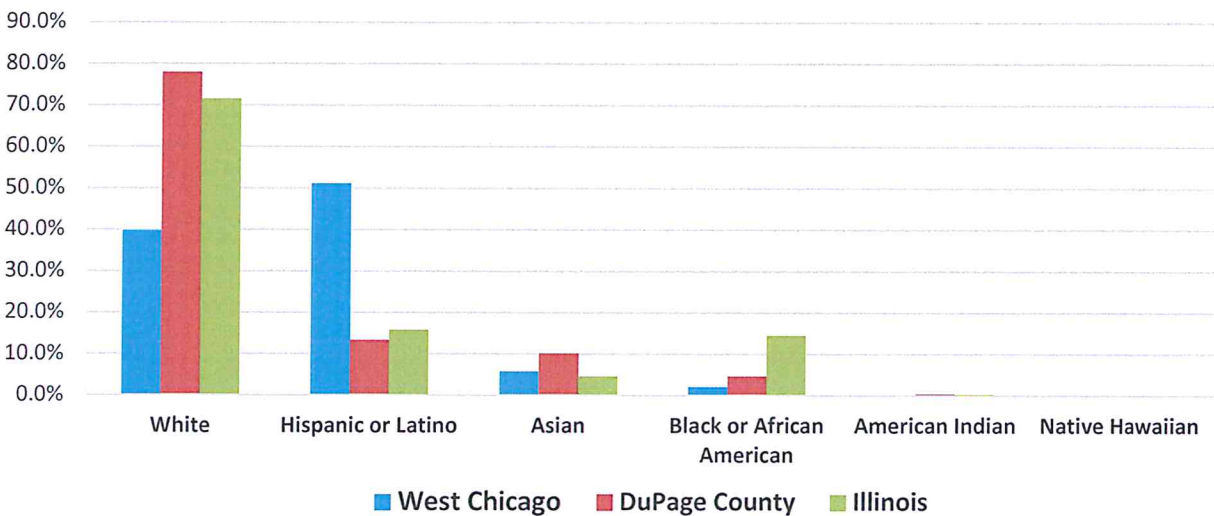
The U.S. Census projects flat growth in West Chicago for the foreseeable future, although with an eye towards "adding rooftops" a more sizable increase in population could be realized. The *Central Main Street Redevelopment Plan Update* (2018) calls for adding residences adjacent to the downtown, with the potential for 500 new dwelling units and 1,000 new residents in the next five years. Annexation, coupled with development of some of the last tracts of available open space, could also combine to contribute residents to the City. Adding population will help support the many retail and restaurant businesses in the City, today and in the future.



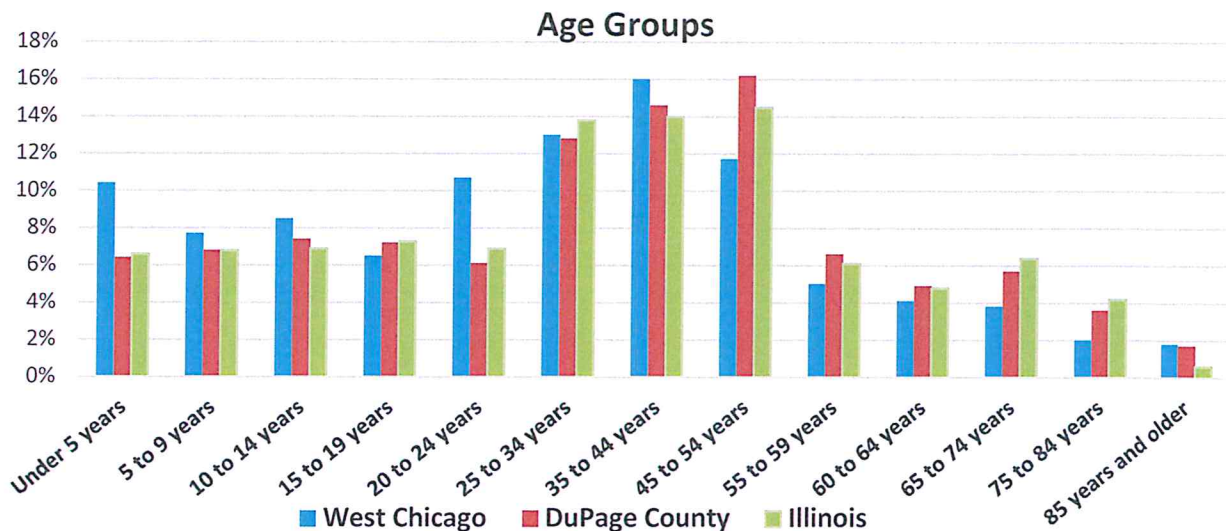
The City also benefits from its diversity. With over 50% of the City's residents identifying as Hispanic/Latina, the City's multi-cultural character serves as a source of pride and

distinction. Importantly, this character can serve as a tool to attract development and new residents, especially as younger Millennials place significant value on diversity when deciding where to live. The City has taken a number of steps to promote community cohesion and inclusion, such as sponsoring several festivals celebrating history and diversity.

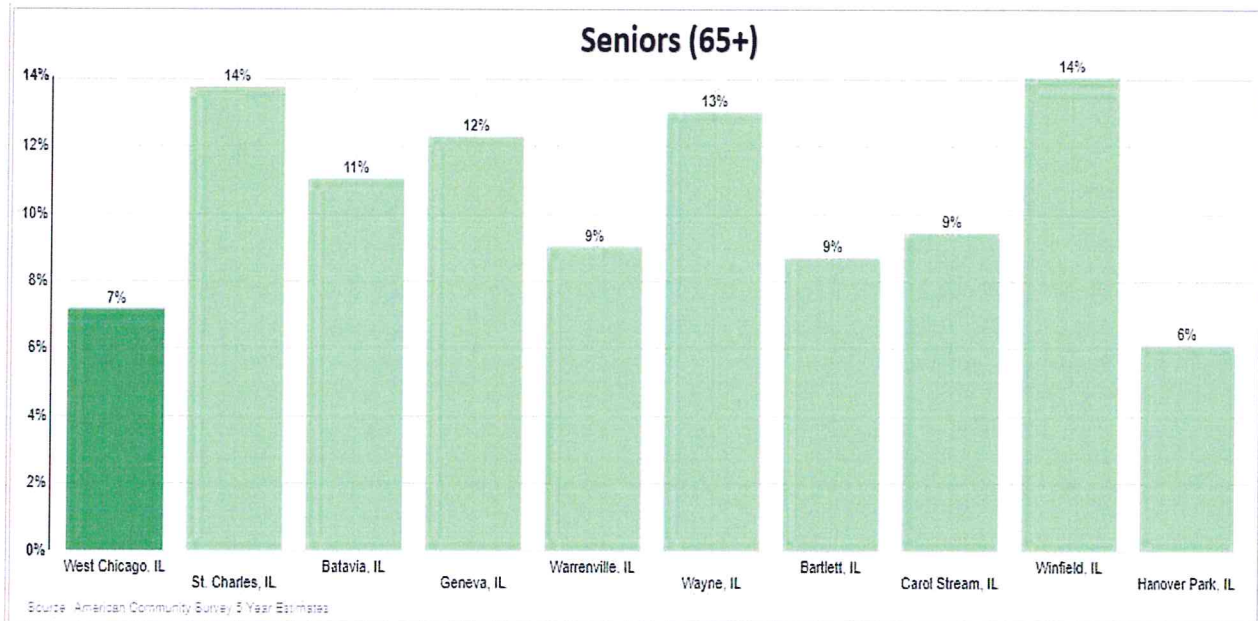
Ethnicity



When examining the age distribution of West Chicago residents, one key storyline emerges: Much of the nation's population is aging—including that in Illinois and DuPage County—but



West Chicago remains relatively young. The percentage of children is higher in West Chicago, while the proportion of seniors over 65 years of age is lower. Even adjacent communities' senior populations are proportionately as much as twice that found in West Chicago. Cities with aging populations see shifts in overall consumption habits, so it is important to match economic development and future housing outcomes with the population. New Senior and "empty nester" housing will help keep that age group in West Chicago.



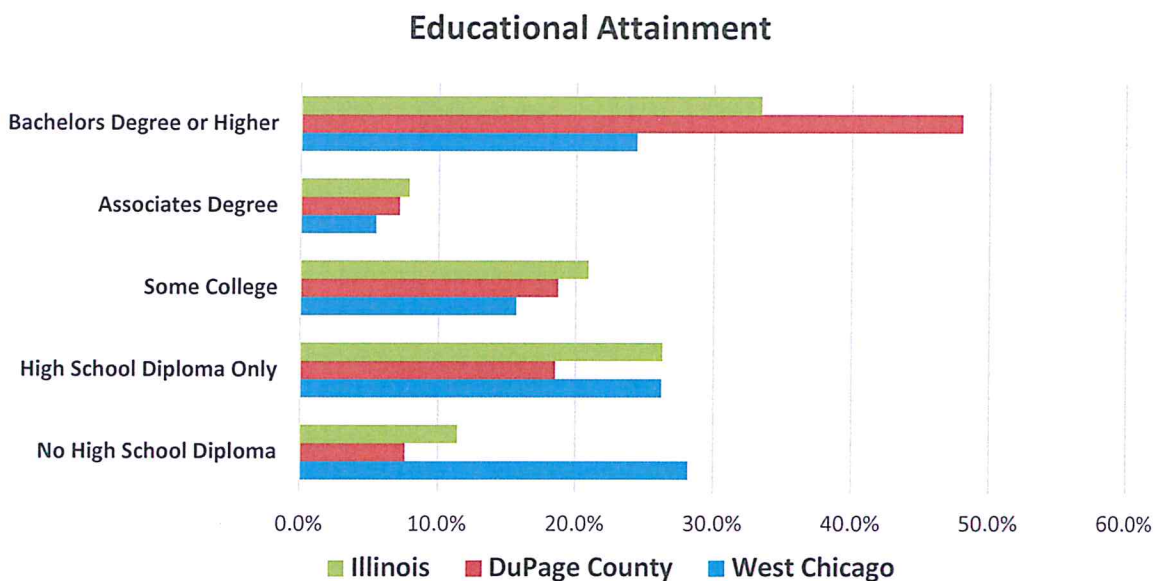
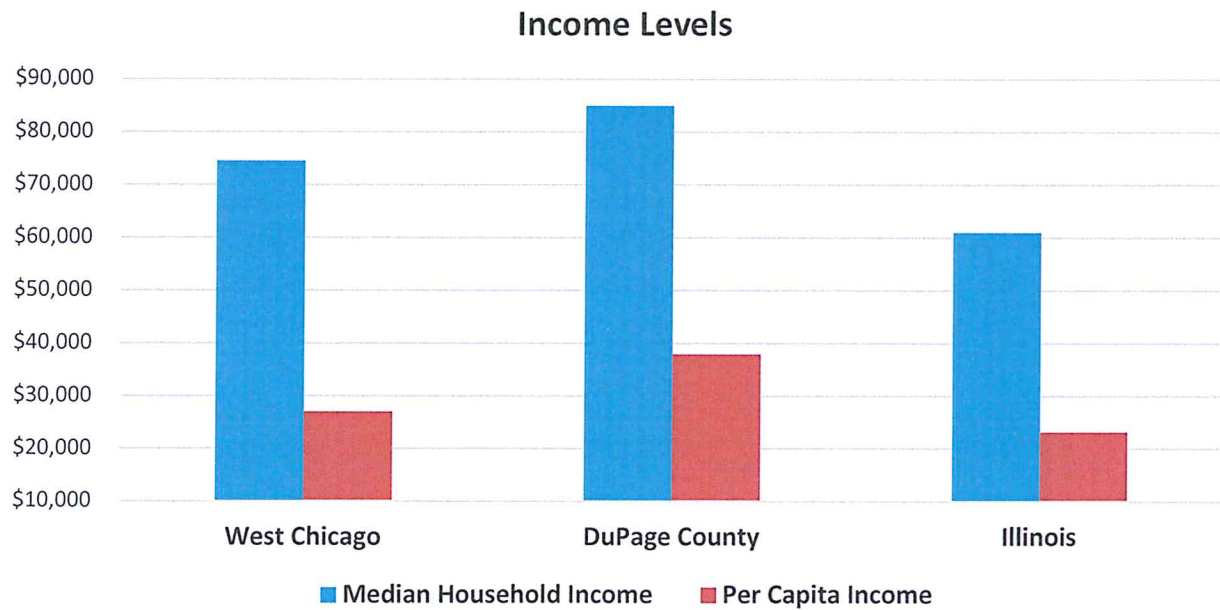
Income and Education

Median Household Income (MHI) is lower in West Chicago than that found for DuPage County, with 2018 figures coming in at \$74,491 and \$84,908, respectively. MHI in Illinois falls below West Chicago. Per-capita income levels see an even greater gap, but this is due to differences in average household size, which is 3.65 in West Chicago, contrasting with 2.68 in DuPage County. Since 2013, increases in MHI have exceeded those for the State and DuPage County. Lower incomes have a compounding effect on low retail spending in a community.

One reason for the difference in MHI may be that the West Chicago population in their peak earning years (45+) is relatively lower than that found in the county.

Another difference in MHI may be due to education levels. There is a strong correlation between wage levels and educational attainment. Residents in West Chicago with only a high school diploma earn an average of \$22,750 annually, compared with \$51,902 for those with a

Bachelor's Degree or higher. In 2017, only 24% of the City's residents held a Bachelor's Degree or higher; this compares with 48% in DuPage County. There is also a strong correlation between educational attainment and unemployment, where those without a high school diploma experience twice the rate of unemployment compared with those possessing a diploma. Those with at least some college or more experience the lowest unemployment rates.



What about future demands? Estimates are that employment in West Chicago will contract 0.3% per year over the next ten years, but those requiring a post-graduate degree will increase

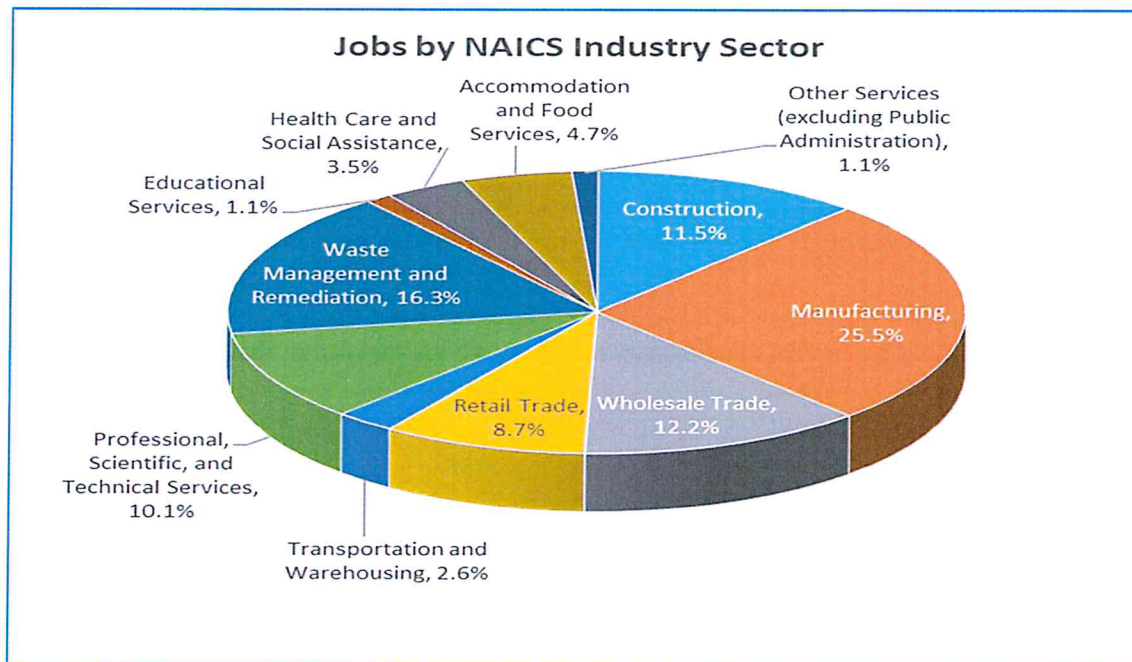
0.4% per year for the same period (*JobsEQ*, 2019). The forecast also mentions that on-the-job training will see an annual growth rate of 0.2% during the next decade. Making the community an exciting and attractive place to live, work and play will help attract more highly educated residents and avoid "brain drain" by keeping highly educated residents in town. The aging housing stock, a lack of retail options due in large part to low housing density, and a too quiet downtown should be addressed to enhance the attractiveness of the City.

| THE EMPLOYMENT ENVIRONMENT

Manufacturing and Wages

West Chicago is an employment center. Businesses in West Chicago employ more than 16,000 workers. Just ten percent of those are residents who live and work here. Nearly 12,000 residents work outside of the community in Chicago, Aurora, Elgin, St. Charles, Carol Stream and elsewhere. West Chicago's dominant industries are Manufacturing, Warehousing, Construction and Waste Management (e.g., scavenger services).

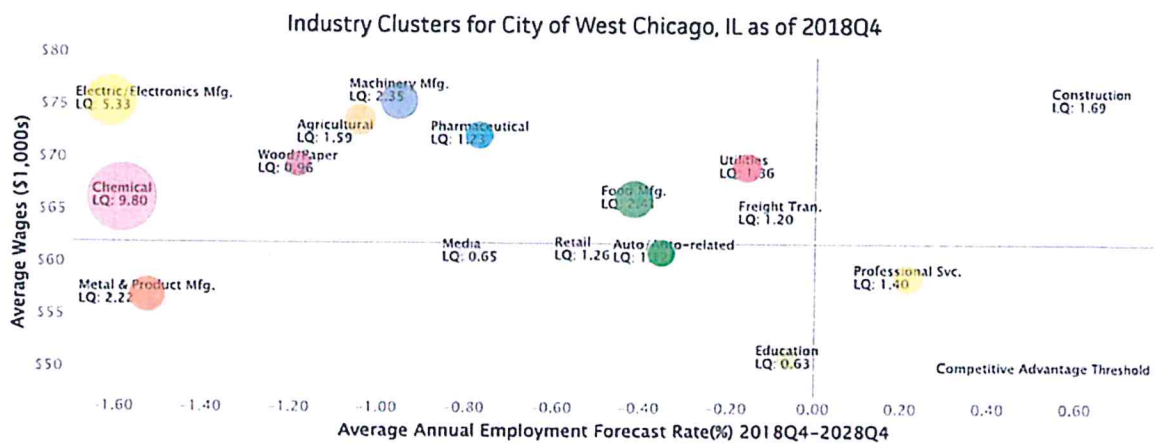
A look at employment by industry type reinforces that the City benefits from a strong manufacturing sector, which provides 25% of the jobs in West Chicago. By comparison, DuPage County's largest employment sector is Health Care and Social Assistance, at 12%, followed by manufacturing at 11%. The aging of the population creates a shift in demand for certain services such as more health care (just three percent of West Chicago's employment). This is a trend that, while possessing a younger population today, West Chicago should consider as new housing opportunities arise and are sought. It should be mentioned that a recent influx of warehousing and transportation may boost their relative dominance.



While trends suggest the need to be open to possible changes, the City's unique position as a manufacturing hub is not waning and should be cultivated. Manufacturing can offer much higher wages than many other employment clusters, such as warehousing, or retail and food services. It is worth noting that the recent development in the City of logistics and warehouse

facilities brings a lower wage job, so a renewed focus on true manufacturing is in order.

Also important to know, by far the strongest industries (based on Location Quotient, which compares the local concentration of an industry-type with the nation's concentration for the same industry) within the manufacturing category in West Chicago are chemicals (LQ 9.80) and electronics manufacturing (LQ 5.33). However, both of these industries are projecting declines in employment over the next ten years. Sometimes this presents an opportunity to work towards increasing the local consolidation, as these businesses leave other locations. West Chicago could become the place where these businesses consolidate their divisions, thus retaining their stature in the area. On the other hand, it may be a signal to work towards diversifying the City's industries. Tasks relating to both approaches are included at the conclusion of this Plan.



Location quotient and average wage data are derived from the Quarterly Census of Employment and Wages, provided by the Bureau of Labor Statistics, imputed where necessary, and updated through 2018Q2 with preliminary estimates updated to 2018Q4. Forecast employment growth uses national projections from the Bureau of Labor Statistics adapted for regional growth patterns.

Retail Sales and Sales Tax

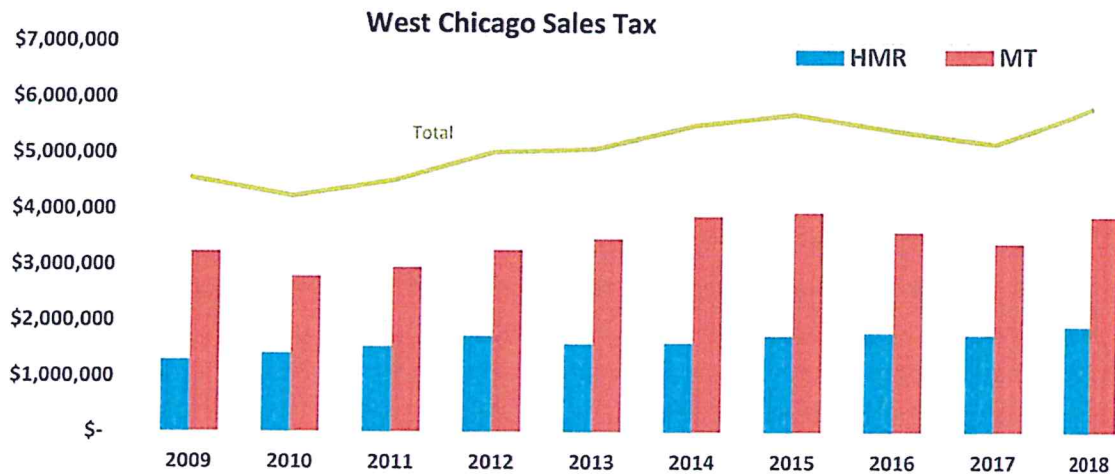
According to data from ESRI's *Business Analyst*, West Chicago is a supplier to the area when it comes to Specialty Food Stores (e.g., the Mexican grocers in the City) and Lawn and Garden Supplies (e.g., Menards). Shoppers need to leave the City for General Merchandise, Apparel, Furniture, Books and Office Supplies. Leakage/Surplus Analysis is a somewhat blunt instrument, but overall trends may be derived from looking at its data. A more nuanced approach might conclude that unmet local demand is being provided by online retailers and nearby department stores.

A small amount of "leakage" is seen in the restaurant industry and means it is a possible target for economic development efforts, bringing in new restaurants that are destination-oriented and "Internet proof". Easy proximity to the large department stores is a more difficult challenge to overcome.

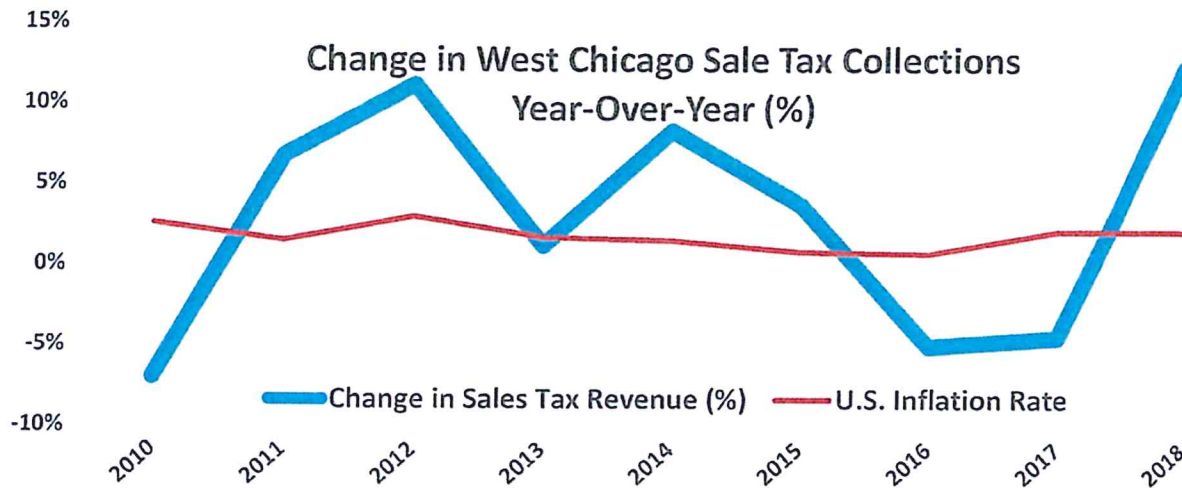
2017 Leakage/Surplus Factor by Industry Group



The location of retail near "rooftops" (the close proximity of a high density and numbers of residents to retail opportunities) has been a challenge for the City. The City's residential density is hampered by the amount of forest preserve, airport, Fermi Lab and golf course land within and near its borders. The most successful retail area in West Chicago, near the intersection of Neltner Avenue and North Avenue, is across from one of the least successful—and the proximity of "rooftops" is one of several factors that come into play. Other land in that vicinity is zoned for retail, but the likelihood of it actually becoming retail is very low, according to the *West Chicago Route 59- North Avenue Market Study* (2017). Housing and its impacts is discussed in more detail later on in this Plan.



Data from the Illinois Department of Revenue indicates a steady, modest increase in sales tax revenue for the City in the years since the Great Recession (averaging three percent and comparing favorably with inflation at 1.8%). A brief disruption in this trend was experienced in 2015-2017, the result of an automobile dealer leaving town. It can be reasonably anticipated that this gap will be filled by revenues from the recent opening of two new dealerships specializing in pre-owned vehicles.

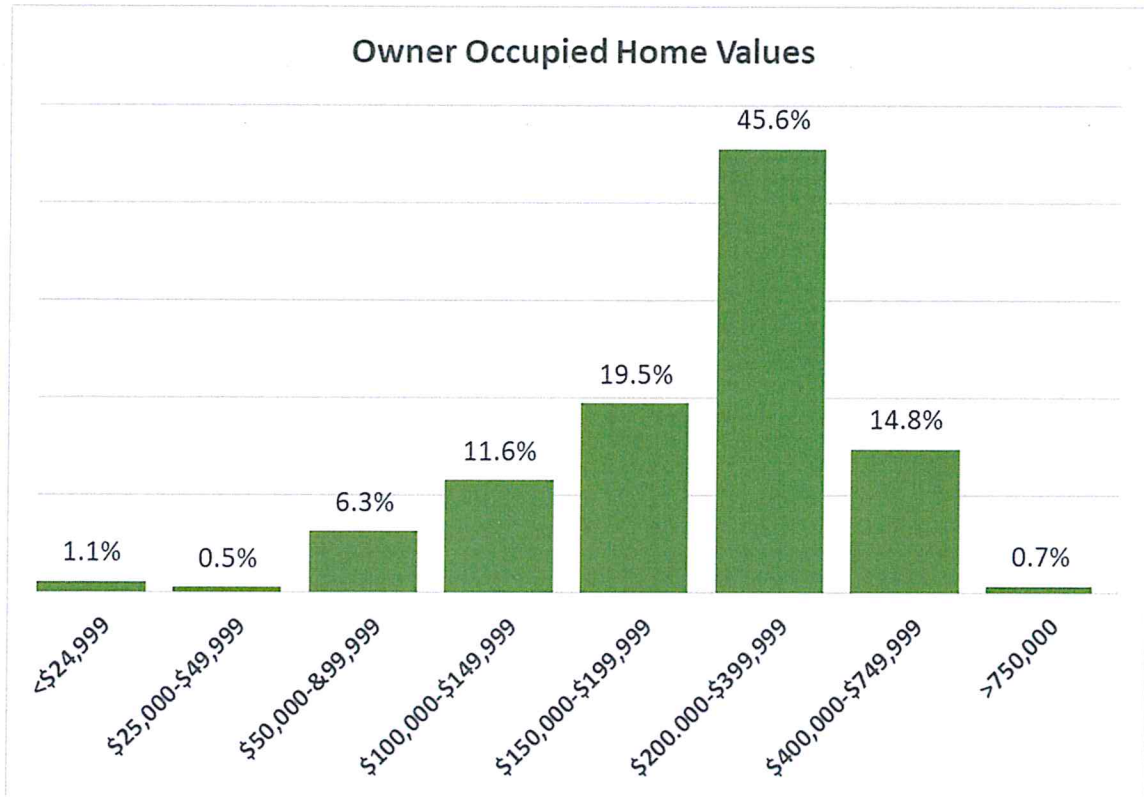


Retail jobs tend to be on the lower end of the wage scale. Nevertheless, the availability of retail is seen as critical to the character of any community, in addition to the ability to buy what you want and when you want it.

Housing and the Economy

Housing and economic development are inextricably linked. Of course, construction-related jobs are created when houses and apartment buildings are built, but housing's reach is even greater. New housing helps to attract new residents and retain existing ones. These residents, in turn, spend money locally on retail, services, food and entertainment. In addition, the availability of diverse, quality housing is essential to any community's ability to retain and attract businesses and jobs.

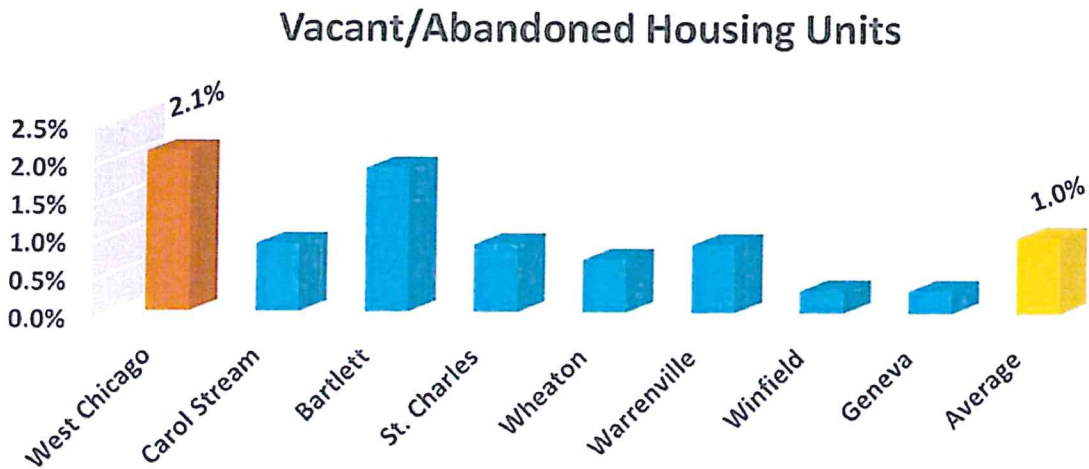
West Chicago possesses a diverse housing stock that meets the needs of a range of individuals and families. The City's median home value (MHV) of \$253,000 aligns well with its median household income. A significant portion (46%) of owner-occupied homes sees values between \$200,000 and \$399,999-these homes are most attractive to middle-income families. A sizeable number of less expensive starter homes are also available (39%). About 15% exceed \$400,000 in value.



One of every three residences in West Chicago is renter occupied. Much of this stock is older and lacks the amenities and finish-levels frequently demanded by Millennials. Without "Class A" rental stock, the City's ability to attract these individuals becomes markedly more difficult. Evidence of this dearth in high-end apartments is apparent when comparing rents. The median rent for an apartment in West Chicago is \$1,066 per month; the rent for surrounding communities is a full one-third higher at \$1,413. Providing new, highly-amenitized apartments is one of the goals coming out of the *Central Main Street Redevelopment Plan Update*,



mirrored in this Plan, which will have the added critical benefit of bringing more people and spending to the downtown.



Finally, consider the City's housing abandonment rate. With 2.1% of the City's homes vacant or abandoned (this does not include homes while in-between tenants or buyers), the abandonment rate is twice the average of the surrounding communities. This is when the City's code enforcement officers become economic development advocates, by addressing the potential for blight in the community.

Infrastructure and Jobs

The final piece needed for coordinating any city's needs for a strong economy and employment base includes a discussion of infrastructure. Here, West Chicago benefits from three urban highways-IL 59, IL 38 and IL 64-which provide excellent regional access to and from jobs in West Chicago. I-88 is a short drive away. Importantly, Metra commuter rail includes a station in downtown West Chicago, providing easy access to Chicago and places in between. In fact, the amount of rail in the City is extensive and available for the movement of freight in many manufacturing areas. Finally, DuPage Airport calls West Chicago home making freight and private jet service available for those needing air transport.

West Chicago also has its own water supply and wastewater treatment plant. It is a partial-waiver community and subject to the DuPage County Stormwater Rules. Commonwealth

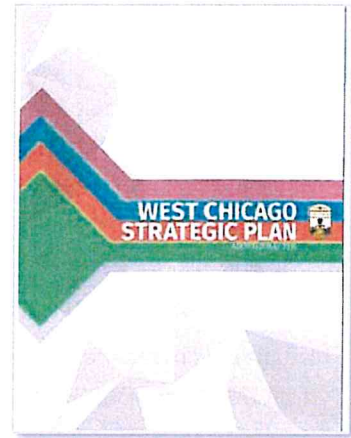
Edison, a unit of Exelon Corporation, provides electricity and NICOR Gas, owned by Southern Company, provides natural gas to the community. Fiber optic lines and cable services are also available in the community.

Infrastructure is a real asset in West Chicago. The City's ability to adapt to the future as air transport needs change, commuter patterns shift or driverless vehicles gain in acceptance is critical.

| OTHER PLANNING AND ECONOMIC DEVELOPMENT WORK

The City of West Chicago has long recognized the need to organize and focus its efforts to create a unified vision for development and promote growth within the community. The Economic Development Plan does not stand as the only tool available when considering the economic future of the community. Previous planning efforts and studies have played a role and continue to do so. These include:

- Central Main Street Redevelopment Plan Update (2018)
- Route 59- North Avenue Market Study (2017)
- West Chicago Strategic Plan (2016)
- Comprehensive Plan (2006)
- Various TIF reports



Special mention is made of two of the plans:

- In the *Strategic Plan* (2016), significant effort was made to develop Action Items for five business districts in the City. Many of these, but not all, were carried over into this document as Tasks. Some were updated and others were completed or not deemed to be within the five-year planning timeframe of this Plan.
- Essential recruiting activities are underway in an effort to implement the *Central Main Street Redevelopment Plan Update* (2018). The outcome will play a large role in determining the next steps taken by the City.

| SWOT ANALYSIS

A Strengths-Weaknesses-Opportunities-Threats (SWOT) analysis can provide a quick way to understand fully the necessarily complex set of topics that go into designing a list of future tasks for an Economic Development Plan. The analysis can take into account the kinds of information already reviewed in this Plan, coupled with external factors that are well-documented outside of the Plan. The goal is the identify weakness and threats which need to be addressed and the opportunities and strengths available to assist or build upon.

Strengths

The City of West Chicago can boast many strengths: a healthy manufacturing sector, strong employment base, affordability, and location within the region, to name a few.

Multiple rail lines, a Metra station downtown, the DuPage Airport, a proactive City Council and the availability of local incentives help to distinguish the community from others in the area when making location decisions.

Strengths

National/Global

- U.S. remains a low-risk, high-transparency investment destination

State/Region

- Moderate cost of living
- Number and quality of institutions of higher education
- Technical training schools
- Dining and shopping opportunities
- Cultural and recreational options
- Entrepreneurial programs
- High productivity of regional workforce
- Diversified regional economy
- Lagging median income levels

Local

- Strong employment base
- Access to region
- Mature and robust manufacturing base
- Strong transportation infrastructure
- Housing that is affordable
- Proactive City Council
- Quality parks system
- Relatively inexpensive land costs
- Some tax incentive programs

Weaknesses

One of the more significant weaknesses for West Chicago is the deteriorating and obsolete commercial property inventory. The lack of rental stock attractive to Millennials is another. Finally, perception of the City is something the City has worked hard to overcome.

The City has little control over training levels of employees, but the Economic Development Coordinator can help link businesses with community colleges for training opportunities.

Lack of housing density is a consistent theme affecting both housing choice and retail success.

The State's poor fiscal health is also not in the City's control, but for companies seeking a northeast Illinois location, West Chicago has a lot to offer.

Weaknesses

National/Global

- Trade wars threaten economic growth and stability

State/Region

- State financial condition
- State tax structure
- Lack of cohesive workforce strategy

Local

- Lagging median income levels
- Aging housing stock; lack of quality rental
- "Leakage" of retail and restaurant spending
- Need for additional training
- Outdated and poor quality retail space, requiring expensive redevelopment, more than simple rehabilitation
- Perception within the region
- Segments of main road corridors lack aesthetic appeal
- Low density of households to support retail with expanses of land dedicated to the Airport, Forest Preserve lands, Fermi Lab and Reed - Kepler Park

Opportunities

Despite the existence of several significant impediments to growth, West Chicago has an abundance of opportunities within its grasp. This list begins with the potential for new high quality multi-family residential development and commercial revitalization in the downtown.

Related to this is the opportunity to cultivate a vibrant arts scene in the central business district, building upon existing arts initiatives and organizations such as Gallery 200, People Made Visible and the City's Cultural Arts Commission, among others. A thriving arts scene could serve as a powerful and attractive force for young creative professionals from around the region.

West Chicago has several large sites, zoned and available for new manufacturing, office or research-related facilities. This is something unique to West Chicago compared with cities located to the east.

Finally, the underutilized commercial space in West Chicago, especially near Routes 59 and 64, possesses the potential for revitalization.

Opportunities

National/Global

- Reshoring trend
- Transition to the "Knowledge Economy"
- Technological advancements
- Sustainable growth emphasis

State/Region

- EDGE tax credit program
- Worker retraining program

Local

- New housing and commercial development downtown
- Strong parks and recreation opportunities
- Develop housing stock to appeal to Millennials
- Commercial growth near Routes 59 & 64 and industrial growth near Roosevelt and Fabyan
- Enhance City's appearance along certain corridors
- Continued downtown revitalization
- Reuse of the former General Mills campus
- Artist community in the downtown
- Business/restaurant/retail incubator spaces
- Attract suppliers and customers of existing businesses, especially manufacturing firms

Threats

Many of the threats are external to the City of West Chicago but impact the City nonetheless. The “Knowledge Economy” and an aging population are two examples. In the long term, the ability to maintain a strong manufacturing sector will likely depend on its ability to adapt to many aspects of the Knowledge Economy. Also, an aging population will eventually catch up with West Chicago.

The “brain drain” can be staunched with success managing the opportunities discussed earlier. But with such heavy reliance on manufacturing, it may be hard to “turn the ship” towards a more diversified selection of business sectors which will provide the jobs attractive to Millennials.

The biggest obstacles are the business environment in Illinois, but as indicated earlier, West Chicago can compete if a northeast Illinois location is in the mix.

Threats

National/Global

- Trade wars
- Protectionist trade policies
- Low-wage labor overseas
- U.S. debt levels
- High health care costs
- Transition to the “Knowledge Economy”
- Climate change
- Rapid changes in skillset needs
- Political gridlock in Washington D.C.
- Aging population

State/Region

- State pension obligations
- State budget deficit
- Slow regulatory and permit approval process in Illinois

Local

- Potential “brain drain” as young, talented workers leave West Chicago for other opportunities
- Limited options for diversifying tax base
- Continued underutilization of former General Mills space

TASKS

The outgrowth of the exercise above is to generate a clear list of items to be addressed through task development. Some are derived directly from the *West Chicago Strategic Plan*. Others come from this document. In any case, the following list provides an aggressive approach to economic development in West Chicago for the next few years, broken into categories based on priority and relative cost.

High Priority/Low Cost

- Establish an Economic Development Task Force. The Task Force would be an advisory body that contains not only representatives from the City of West Chicago staff and elected officials, but also a purposeful mix of private sector actors, including developers, property managers, property owners, business owners, realtors, listing agents, banks, and others. These groups are sometimes called the Mayor's Council of Economic Advisors. As experts on the local economy, the group would meet regularly to recommend priorities and advise on the course of action the City should take. This action would expand on the City's commitment to support local business and economic development in West Chicago. (Set up in Year One, then ongoing)
- Embrace manufacturing as the predominant sector within the City. As the leading business and jobs sector in West Chicago, manufacturing has long been a strength here. This recognizes and is supportive of the on-shoring trend. Pursue a targeted, cluster-based strategy. Furthermore, wages tend to be higher than for many employment clusters. Opportunities may be available for suppliers and customers of existing manufacturing firms and could be targeted. (Ongoing)
- Actively determine the locations for new housing and consider ways to attract appropriate developers. Match potential residential developers with the properties identified for future housing. Promote the locations online and with mailed brochures. (Years 1-3)

:: Invest in and launch a robust, proactive economic development program, led by the City, that partners with the business and real estate development community to promote West Chicago as a place to invest in a range of commercial and industrial uses, and build an entrepreneurial spirit.

:: Establish targeted investment economic development strategies for each area of the City's five business districts, tailored to corridor and site-specific conditions.

- West Chicago Strategic Plan (2016)

- Support businesses in emerging *employment sectors* by partnering with local and regional organizations, including the College of DuPage, Choose DuPage, Western DuPage Chamber of Commerce, the DuPage County Hispanic Chamber of Commerce, and the West Chicago Hispanic Business Coalition. {Years 1-5)
- Find ways to link local businesses with available grants and other assistance. There are a number of resources available for new and existing businesses outside of any City programs. The Economic Development Coordinator should stay aware of these and help make connections as appropriate. (Ongoing)
- Work with code enforcement where appropriate. It is important not to allow properties to fall into disrepair to maintain a positive image for the City. The Economic Development Coordinator should report troubled properties to Code Enforcement personnel where needed and liaison, if appropriate, with problem businesses. (Ongoing)

High Priority / High Cost

- Establish a formal Business Retention and Expansion (BRE) program. Recognize that most growth by far occurs through the expansion of existing businesses and that a properly implemented BRE program will maximize growth potential, work to remove or mitigate local obstacles to growth and develop contingency plans should there be plant closings or serious economic changes. A variety of surveys could help identify potential candidates (or those "at risk" of closing). The City may also look towards creation of an incentives program. Criteria would need to be developed for eligibility based perhaps on the magnitude of the expansion or potential loss. A program like this requires adequate funding but other aspects of development, such as reduced permit fees, could also be helpful. (Routine efforts Years 1-2, Program in Years 3-5)
- Actively recruit new retail and restaurant users to the community. This must occur with the whole City in mind, but with special attention paid to the downtown. Consider establishing business incubators within the City as a public-private partnership. Make full use of an expanded Retail-Restaurant Grant and Facade Grant programs. (Years 1-5, Incubator Year 5)
- Formalize and refine new business support programs by engaging with local and regional organizations, such as the Small Business Development Center, to support entrepreneurs. Provide site selection assistance. Help "walk" applicants through the zoning and building approval processes. Make appropriate use of expanded Retail-Restaurant Grant and Facade Grant programs. (Years 1-5)
- Implement the Central Main Street Redevelopment Plan Update. Adopted in 2018, steps have been taken to identify the primary and secondary developers with whom to

negotiate a redevelopment agreement as a first phase of plan implementation. Focus on gaining mixed use /TOD development with Class A rental accommodations. Subsequent development agreements should follow. (Years 1-5)

- Advocate for ways to activate the downtown. As redevelopment occurs, including a new City Hall, the inclusion of public space that can be used for various passive activities (from an outdoor lunch with friends to an impromptu concert, etc.) will benefit the downtown and put more pedestrians on the sidewalks. Also, create a series of "pop up" events, allow food carts/trucks and event-related open streets. Work with downtown businesses to gain their participation in festivals located in the downtown. (Years 1-5)
- Create and adopt a formal Roosevelt Road Corridor Development Plan. Done in cooperation with the City Planner, it should detail the community's vision for the area, address public infrastructure needs, and provide subarea and site-specific detail on infill redevelopment strategies. (Years 4-5)
- Support cultivation of a vibrant arts scene in the downtown. A thriving arts scene would serve as a powerful and attractive force for young creative professionals from around the region. (Years 2-5)
- Continue to use and expand development-related incentive packages. Property tax and permit fee abatements have been routinely employed recently. Often these depend on IGAs with other governmental bodies. Sales tax rebates, the creation of special service areas and industrial revenue bonds are other tools available, as well. (As appropriate)
- Tax Increment Financing. TIF is a traditional and excellent way to generate revenue to support infrastructure installation and new development in targeted areas. Providing competent management of the existing TIFs is essential. Working to re-TIF the downtown will become critical to its eventual success and the implementation of the *Central Main Street Redevelopment Plan Update*. (Continuous, Re-TIF Year One)

Low Priority / Low Cost

- Find ways to link local colleges with the training needs of local businesses. The trend towards on-the-job training can be supported often through programs created and resourced by nearby community colleges. Surveys could help identify training needs. (As needed)
- Encourage development of health care and "Knowledge Economy" businesses. Active recruitment is called for in the mid-term, but working to identify available locations is warranted. This will take advantage of overarching trends in demographics and the economy. (Ongoing)

- Business friendly codes. A systematic review of key zoning requirements, locally amended building codes, internal policies and fees should be undertaken to identify those that may be revised to make the community more business-friendly. (Ongoing)

Low Priority / High Cost

- Encourage small business incubator and accelerator space. In partnership with colleges and universities located in the western suburbs, certain available manufacturing and commercial space might be developed for this activity. Projects could be developed with a mixture of public, private, nonprofit and college resources. (Years 3-5)
- Work with the new owner to develop a long-range plan for the former General Mills site All options should be "on the table" as the future of this site is considered. Cooperation with the new owner is essential. (Years 3-5)
- Broaden the facade improvement program to a City-wide effort. Significantly more funding would be required, but key corridors outside of the existing downtown program could be better defined, made more attractive and aided with this effort. (Years 4-5)
- Sub-Area and Corridor Plans. As these opportunities arise, make sure a sustainable economic development perspective is heard so the City can retain its business-friendly environment. The Roosevelt Road Corridor Plan, mentioned earlier, is one example of these. (As needed)
- Support transportation modernization. The City's ability to adapt to the future as air transport needs change, commuter patterns shift or driverless vehicles gain in acceptance is critical. (As needed)

