

Chapter 3 Economy and Employment

Vision

In the year 2020, Lake County will have a balanced mix of commercial development that meets the shopping and service needs of residents, provides local access to good jobs, and a sound tax base for the community.

Significance

The post World War II expansion of Lake County began with the development of “bedroom communities” without significant local employment. In response to the large customer and employment base represented by County residents, businesses began locating and expanding in the County. Since the 1970s employment growth in the County has accelerated. During the 1990s private sector employment in the County, as reported by County Business Patterns, increased over 49%. By way of comparison, the County’s population increased by 25% during the same period.

Understanding changes in the economy and employment is important to many planning decisions. Businesses, like population, increase the need for roads, sewers, stormwater management, and other infrastructure and public services. Local government interest in promoting economic development stems from the business community’s role in providing jobs, meeting consumer needs for residents, and contributing to the community’s tax base. Businesses provide critical sales tax and property tax revenues that enable municipalities, schools, and other agencies to provide services to their residents. The County is projected to continue to experience significant employment growth through 2020. Economic development and redevelopment activities should focus in areas where businesses don’t provide for the needs of the community’s residents or where the tax burden falls heavily on residential property. It is important that economic development and redevelopment initiatives be consistent with local planning objectives and respect the integrity of natural resources and community character.

This chapter will evaluate trends and provide forecasts for employment and economic activities in Lake County. Employment and economy related problems and opportunities will be identified and policy recommendations for maintaining and strengthening the regional economy and tax base will be developed. The analysis and policies contained in this chapter will provide an important basis for other *Plan* components. In particular, the Future Land Use component will identify and contain policies to provide sufficient suitable land to accommodate projected employment growth and economic activity in areas of the County where development is desirable.

Issues and Opportunities

- Commercial and industrial property and sales taxes are important revenue sources for municipal and other public services.

Lake County, Illinois

- Lake County is receiving strong competition for business expansion and retention from local, regional, and global competitors.
- Opportunities exist to redevelop existing, under-utilized commercial and industrial properties for new community uses, which in addition to business, includes open space, recreation, and residential uses.
- In areas of the County that desire additional development, future economic development and redevelopment may be limited if needed infrastructure, public services, and roads are not provided.
- Recognize that Lake County municipalities and townships have diverse community character and quality of life.
- The business community has expressed concern that the lack of suitable housing options and long commute times have caused difficulties in employee recruitment and retention.
- Opportunities exist for increased coordination of economic development and redevelopment activities between government agencies and with the private sector.

Analysis

Figure 3.1 documents the change in Lake County's employment, by industrial sector, from 1970 through 2000. The data were obtained from County Business Patterns, a yearly report compiled by the U.S. Census Bureau through a series of business surveys that are not part of the decennial census of population and housing. Until 1997, the Census Bureau used the Standard Industrial Classification (SIC) to classify employment data. In 1998 the Census Bureau began using the North American Industrial Classification System (NAICS) to report employment in its publications. Because of the change, 2000 data can't be directly compared to data reported in the previous issues of County Business Patterns. The Census Bureau published a document which allows one to reclassify 2000 NAICS data to the SIC system. However, there are significant differences between the classification systems and the results of any attempt to reclassify that data are inexact.

Employment data excluded from County Business Patterns includes self-employed persons, employees of private households, railroad employees, agricultural production workers and most government employees.

Total employment in the County grew by 245% between 1970 and 2000. Employment increased in all major sectors between 1970 and 2000 except mining and agricultural services, which employ only a small number of people in the County. During the time period, manufacturing employment grew by 10,000 persons and wholesale trade grew by 20,000 persons. The number of persons employed in the services industries grew by 85,000.

Between 1970 and 2000 manufacturing employment fell from 47.5% of Lake County employment to 19.5% of the County total. Wholesale trade grew from 3% to 7.3% of the total County employment and Services grew from 17.1% of the total to 32.6% of total employment. During the same time period manufacturing employment declined in the state and nation while service industries experienced significant growth.

Figure 3.1
Lake County Employment by 2-Digit Standard Industrial Classification
1970,1980, 1990, and 2000

Standard Industrial Classification	1970		1980			1990			2000 [^]		
	Employees	Percent of Total	Employees	Percent of Total	Percent Change '70 - '80	Employees	Percent of Total	Percent Change '80 - '90	Employees	Percent of Total	Percent Change '90 - '00
Agricultural Service, Forestry, and Fishing	343	0.4%	858	0.6%	150.1%	2,260	1.1%	163.4%	692	0.2%	-69.3%
Mining	19	0.0%	500-999*	N/A	N/A	156	0.1%	N/A	100-249	N/A	N/A
Construction	4,872	5.4%	6,065	4.5%	24.5%	11,559	5.6%	90.6%	15,294	4.9%	32.3%
Manufacturing	41,017	45.7%	49,765	36.7%	21.3%	53,664	25.8%	7.8%	54,439	17.6%	1.4%
Transportation and Public Utilities	3,518	3.9%	5,082	3.7%	44.5%	6,640	3.2%	30.7%	7,935	2.6%	19.5%
Wholesale Trade	2,666	3.0%	6,183	4.6%	131.9%	16,400	7.9%	165.2%	22,800	7.3%	39.0%
Retail Trade	19,058	21.3%	31,793	23.4%	66.8%	45,717	22.0%	43.8%	61,053	19.7%	33.5%
Finance, Insurance and Real Estate	2,629	2.9%	7,366	5.4%	180.2%	13,942	6.7%	89.3%	45,417	14.7%	225%
Services	15,350	17.1%	27,082	19.9%	76.4%	57,129	27.5%	110.9%	100,871	32.6%	76.5%
Total Employment for Lake County	89,665	100.0%	135,774	100.0%	51.4%	208,054	100.0%	53.2%	309,313	100%	48.7%

Source: U.S. Census Bureau, County Business Patterns, 1970, 1980, 1990, 2000

*Employment figures are reported in a range to protect employer confidentiality

[^]In 1998 the U.S. Census of Bureau began to report employment with the North American Industrial Classification System. Figure 3.1 reports that data using the old Standard Industrial Classification System. While it is possible to convert data from one system to the other, the conversion is inexact.

Figure 3.2 compares employment totals in Lake County, Illinois, and the U.S. in 2000. The data are reported using the NAICS industrial categories. Manufacturing employment is still important in the County and has the highest total employment of any industrial sector. However, during the mid 1990s employment in manufacturing peaked at approximately 70,000 employees in the Lake County before dropping to 52,680 as shown in Figure 3.2

Within the manufacturing sector, firms classified as Chemical Manufacturing, have the greatest number of employees followed by firms producing Machinery Equipment. The percentage of the County's workforce employed in these manufacturing industrial sectors is greater than both the state and nation in 2000. The second largest manufacturing sector measured by employment was Computer and Electronic Product Manufacturing. During the mid 1990s, this sector employed over 10,000 people. By 2000, employment had fallen to just under 4,000 people. However, Lake County still specializes in Computer and Electronic Product Manufacturing employment when compared to the state or nation.

In 2000, the County also specialized in firms that employ persons in Management of Companies and Enterprises and Finance and Insurance.

Retail Trade employment, as a percent of total, was comparable to the rate for the state and nation. Health Care and Social Assistance employment is underrepresented in the County when compared to the state and nation, as are Transportation and Warehousing, Accommodation and Food Services, and Information.

Figure 3.2
County, State, and National Employment by the North American Industrial Classification
System Major Group—2000

Industrial Sector	County		State		Nation	
	Employees	Percent of Total	Employees	Percent of Total	Employees	Percent of Total
Forestry, Fishing, Hunting, and Agricultural Support	692	0.2%	2,768	0.1%	183,565	0.2%
Mining	100-249	N/A	8,939	0.2%	456,128	0.4%
Utilities	1,842	0.6%	31,173	0.6%	655,230	0.6%
Construction	15,294	4.9%	265,481	4.8%	6,572,800	5.8%
Manufacturing	52,680	17.0%	852,481	15.5%	16,473,994	14.4%
Wholesale Trade	22,800	7.4%	344,027	6.3%	6,112,029	5.4%
Retail Trade	42,268	13.7%	636,996	11.6%	14,840,775	13.0%
Transportation & Warehousing	3,384	1.1%	344,027	6.3%	3,790,002	3.3%
Information	4,980	1.6%	143,003	2.6%	3,545,731	3.1%
Finance and Insurance	20,981	6.8%	344,564	6.3%	5,963,426	5.2%
Real Estate & Rental & Leasing	3,541	1.1%	84,884	1.5%	1,942,046	1.7%
Professional, Scientific & Technical Services	21,124	6.8%	355,199	6.5%	6,816,216	6.0%
Management of Companies & Enterprises	22,299	7.2%	183,549	3.3%	2,873,521	2.5%
Administrative, Support, Waste Management, Remediation Services	24,300	7.9%	488,513	8.9%	9,138,100	8.0%
Educational Services	5,765	1.9%	121,108	2.2%	2,532,324	2.2%
Health Care and Social Assistance	26,578	8.6%	631,926	11.5%	14,108,655	12.4%
Art, Entertainment & Recreation	5,327	1.7%	72,105	1.3%	1,741,497	1.5%
Accommodation & Food Services	21,125	6.8%	406,601	7.4%	9,880,923	8.7%
Other Services (except public administration)	10,564	3.4%	261,112	4.7%	5,293,399	4.6%
Auxiliaries	3,334	1.1%	46,909	0.9%	1,001,015	0.9%
Total	309,313	100.0%	5,501,036	100.0%	114,064,976	100.0%

Source: U.S. Census Bureau, County Business Patterns, 2000

Figure 3.3
2020 Employment Forecast by Cooperative Planning Area

Cooperative Planning Area	2000 Employment	2020 Employment Forecast	Total Change	Percent Change
Lakes Region	13,137	15,175	2,038	15.5%
North Central	24,295	31,740	7,445	30.6%
Northeast	60,658	78,883	18,225	30.0%
West Central	10,658	16,655	5,997	56.3%
Greater Avon	11,231	26,164	14,933	133.0%
Central Lake Co.	93,328	97,351	4,023	4.3%
Southeast	68,543	73,228	4,685	6.8%
Greater Barrington	9,500	10,623	1,123	11.8%
Southern Route 12	24,142	31,843	7,701	31.9%
South Central	38,938	44,034	5,096	13.1%
Lake County Total	354,114	425,696	71,582	20.2%

Source: Northeastern Illinois Planning Commission; Lake County Planning, Building and Development Department

Figure 3.3 contains 2000 employment totals and the 2020 employment forecast. Unlike County Business Patterns, the 2000 NIPC employment data includes self-employed persons, persons employed in agriculture, and government employees. The Planning, Building and Development Department produced the employment forecast using NIPC 2030 Forecasts. Employment in Lake County is forecast to increase by 71,000 jobs or 20% between 2000 and 2020. Employment will increase in all areas of the County. The Greater Avon and West Central Cooperative Planning Areas are forecast to see the largest increase in percent employment growth while Greater Avon and the Northeast Cooperative Planning Areas are forecast to have the greatest total increase in jobs. The Central Lake County Cooperative Planning Area is forecast to have the smallest percent change in employment.

Jobs/Households Ratio

Figure 3.4 can be used to determine whether a township is a net importer or exporter of jobs. It contains a ratio of the number of jobs within a township divided by the total number of households within the township. The Northeastern Illinois Planning Commission compiled the data during the creation of their 2030 population and employment forecasts. The ratio can be used as a proxy for the measurement of the commercial/industrial and residential land use balance of a region. It can also be used as a measure of the job housing balance for a region. Over a large area such as the County, metro area, or state the ratio falls between 1.2 and 1.6 jobs per household.

Figure 3.4
Township Jobs/Households Ratio

Township	2000 Employment	2000 Households	Jobs/Households Ratio
Antioch	4,932	8,573	0.58
Avon	12,737	17,377	0.73
Cuba	9,703	5,918	1.64
Ela	19,062	12,504	1.52
Fremont	4,063	7,996	0.51
Grant	3,801	6,812	0.56
Lake Villa	3,031	11,425	0.27
Libertyville	61,816	17,404	3.55
Moraine	15,359	12,690	1.21
Newport	806	1,459	0.55
Shields	26,467	10,397	2.55
Vernon	70,691	22,379	3.16
Warren	29,716	22,015	1.35
Wauconda	10,146	6,045	1.68
Waukegan	36,531	29,000	1.26
West Deerfield	36,211	10,602	3.42
Zion-Benton	7,510	13,784	0.54
Lake County	354,582	218,380	1.62
Metro Area	3,487,542	2,906,925	1.20
Illinois	6,029,000	4,591,779	1.31

Source: Northeastern Illinois Planning Commission

In the United States, the majority of households are composed of one or more workers. Therefore, townships with a ratio of less than 1 such as Antioch, Avon, Fremont, Grant, Lake Villa, Newport, and Zion-Benton are net exporters of workers. Townships with ratios of over 2 are net importers of workers. Those townships include Libertyville, Shields, Vernon, and West Deerfield. It is difficult to determine whether or not a region whose ratios falls between 1 and 2 imports or exports workers because household size varies between households and between regions. In addition, while a region may achieve a balance between households and jobs, the ratio is not useful in determining whether people who live in a region actually work locally.

Weekly Salary

Figure 3.5 contains the average weekly salary for the top 25 industries as ranked by total employment in Lake County. The data were collected in the first quarter of 2000 by the IDES. Average salaries range from a low of \$227 for employees of Eating and Drinking Establishments, the industry with the largest total employment in Lake County, to \$2,208 for employees of Wholesale Traders of Professional and Commercial Equipment. The employment in the top 25 industries represents 53% of total employment in Lake County. The average weekly wage of those industries was \$833.

**Figure 3.5
Employee Average Weekly Wages of Top 25 Industries, by Employment**

Industry Description	Number of Workers	Average weekly Wages	Industry Description	Number of Workers	Average weekly Wages
Eating and Drinking Places	15,313	\$227	Nursing and Personal Care Facilities	3,890	\$434
Pharmaceuticals	14,782	\$1,356	Motor Vehicle Dealers	3,865	\$835
Personnel Supply Services	12,425	\$302	Offices and Clinics of Doctors	3,817	\$1,136
Management and Public Relations	9,427	\$1,023	Fire, Marine, and Casualty Insurance	3,764	\$1,372
Professional and Commercial Equipment	8,912	\$2,208	Drug Store and Proprietary Stores	3,419	\$884
Hospitals	6,742	\$691	Residential Building Construction	3,060	\$857
Miscellaneous Plastic Products	5,920	\$793	Measuring and Controlling Devices	2,888	\$1,036
Grocery Stores	5,422	\$327	Landscape and Horticultural Services	2,704	\$476
Department Stores	5,140	\$289	Miscellaneous Shopping Goods Stores	2,696	\$265
Miscellaneous Business Services	4,484	\$405	Services to Buildings	2,492	\$325
Non-store Retailers	4,394	\$780	Machinery, Equipment and Supplies	2,339	\$899
Miscellaneous Amusement & Recreation	4,145	\$368	Total	140,208	
Medical Instruments and Supplies	4,101	\$1,734	Percent of Lake County Total	53.0%	
Computer & Data Processing	4,067	\$1,433	Average Wage		\$833.62

Source: Illinois Department of Employment Securities

Industries are not evenly distributed across the County. Communities tend to specialize in certain industries; therefore average wages are not evenly distributed throughout the County. Gurnee and Vernon Hills specialize in Retail Sales and Services, totaling 67% and 53% of their employment, respectively. Wages tend to be low in those industries. Wages range from \$227 at Eating and Drinking Establishments to \$884 in Drug Stores and Proprietary Stores. The average weekly wage for Retail and Service jobs in Lake County was \$630.

Finance, Insurance and Real Estate employment was reported to be concentrated in Vernon Hills (6%), Deerfield (9%), and Lake Forest (17%). Average weekly wages in this sector range from \$725 for Depository Institutions to \$5,135 for Holding and other Investment Offices. In Lake County, Holding Offices alone reported their employees had an average weekly salary of \$6,124. Only Commercial Sports Establishments (\$11,616) reported paying their employees a higher average weekly wage. These firms employed only 794 persons in the County.

The average wage of the Pharmaceuticals industry in Lake County was \$1,356. Major pharmaceuticals employers in Lake County located primarily in the southern half of the County.

Unemployment

The Illinois Department of Employment Security (IDES) compiles unemployment data for the state. It releases monthly and yearly seasonally adjusted unemployment reports for the state, counties, and cities over 25,000 persons.

During the 1990s annual average unemployment in Lake County ranged from an annual high of 5.8% in 1992 and 1993 to a low of 3.3% during 1999. During 2000 the annual unemployment for Lake County was 3.6%. Average annual unemployment in the County began to increase in the 2000s and reached 6.0% in 2003.

The national average annual unemployment rate rose to 7.5% in 1992. In Illinois it had risen to 7.6%. By 2000 national unemployment had fallen to 4.0%. In Illinois it reached a low of 4.3% in 1999 and 2000. By 2003, the average annual unemployment for the state rose to 6.7% and for the nation it stood at 6.0%

Pockets of persistently high unemployment as reported by the IDES include Waukegan and North Chicago. During the early 1990s recession Waukegan's annual average unemployment rate rose to a high of 9.3%. During the same period unemployment reached a high of 10.9% in North Chicago. North Chicago reached its lowest average annual unemployment rate of 7.9% in 1997. During 2000 average annual unemployment was 6.6% in Waukegan and 9.2% in North Chicago. By 2003, the rate had risen to 8.2% in Waukegan and 9.2% in North Chicago.

There are also communities with persistently low unemployment in the County. During the 1990s in Highland Park the highest recorded average annual unemployment rate was 3.8%, which occurred in 1993. In Buffalo Grove it reached 4.1% in both 1992 and 1993. The lowest annual average unemployment rate that Highland Park achieved was 1.8% in 1999. Buffalo Grove reached a low of 2.1% in 1998. In Highland Park the annual unemployment rate for 2000 was 1.9% and in Buffalo Grove it was 2.2%. By 2003, the rate had risen to 3.8% in Highland Park and 4.6% in Buffalo Grove (IDES, 2004).

Tourism

Domestic travelers spent \$793 million in Lake County during 2000. In 2000, the tourism industry in Lake County employed 10,000 persons with a payroll of \$205 million and generated \$59 million in state and local tax revenue. During 2000 Lake County ranked third overall in the state in total tourism expenditures, behind Cook and DuPage Counties (Travel Industry Association of America, 2000). The data does not identify the percentage of tourism dollars that are generated by Lake County residents.

Lake County, Illinois

The venues that attract the largest number of visitors in Lake County are Gurnee Mills, Six Flags Great America, and Illinois Beach State Park. Gurnee Mills attracts 23 million visitors a year. Over 6 million visitors travel 50 miles or more to get to the mall. Other significant tourist attractions are Historic Long Grove, the Naval Training Center, Ravinia, Lake County Fairground events, the 37 public golf courses located in the County, Cuneo Museum, and the Lake County Museum.

The State Parks, State Natural Area, and County Forest Preserves attract a large number of visitors each year. Illinois Beach State Park had 2,540,340 visitors in 2000. During 2000, Chain O'Lakes State Park had 1,336,199 visitors and Volo Bog had 51,583 visitors. In an average year 2.5 million people visit Lake County Forest Preserves.

Economic and Employment Impacts of Naval Training Center Great Lakes

Lake County is the home of the sole U.S. Naval Recruit Training Center and is also home to the Navy's largest technical school. Each year 50,000 recruits graduate from the Recruit Training Center and the Technical Schools. During 2000 there were 4,200 civilian employees working at the Center with a total annual payroll of \$89,914,000. Civilian employees work as support staff to base operations; staff the Naval Exchange; the Morale, Welfare, and Recreation Department; and as temporary contract employees in various departments. Even more significant, the Center annually disburses \$190,859,000 in military payroll to officers, enlisted personnel, and trainees.

The Naval Training Center contributed \$391,751,000 to the Lake County economy in 1999. In addition to military and civilian salaries, the total includes contract purchases, construction and maintenance of base infrastructure and utilities, and purchases made by military retirees at the Commissary and Naval Exchange (Naval Training Center Public Affairs Office, 2000).

Municipal Revenue

Businesses provide funds for two significant sources of local government revenue: sales taxes collected from retailers and property taxes levied on commercial and industrial properties. These data are included in the *Regional Framework Plan* as a means of targeting those areas in the County that may need and desire economic development.

In Lake County, many municipal government operations are funded through use taxes, which are commonly known as sales taxes. The Illinois Department of Revenue is responsible for collecting and redistributing the local portion of the sales tax revenue to the municipality where it has been collected. In addition to sales taxes, the Department of Revenue also returns a portion of the state's income tax receipts and motor vehicle fuel tax to each municipality. The Department of Revenue produces the report *Payments to Local Governments* on an annual basis. Data from this report was used to produce Figure 3.6. The table compares payments to Lake County local governments made during 1995 and 2000. Totals from 1995 were converted to 2000 dollars to account for inflation.

Per capita revenue payments vary widely throughout Lake County. The median per capita payment made to municipalities in Lake County was \$202.50 in 2000. The highest per capita revenue payments were reported in Volo and Bannockburn at over \$1,000. There is a second

Figure 3.6
Per Capita and Percent Change in State Payments to Municipalities between 1995 and 2000

Municipality	1995 Per Capita Payments	2000 Per Capita Payments	Percent Change in Payments 1995-2000	Municipality	1995 Per Capita Payments	2000 Per Capita Payments	Percent Change in Payments 1995-2000
Old Mill Creek	95	36	-62%	Round Lake Beach	251	212	-16%
Round Lake	241	82	-66%	Lake Forest	208	220	6%
North Barrington	111	97	-12%	Lakemoor	284	224	-21%
Lindenhurst	125	113	-9%	Grayslake	235	228	-3%
Tower Lakes	93	120	30%	Highwood	157	229	46%
Third Lake	123	122	-1%	Wadsworth	178	236	33%
Fox River Valley Gardens	103	125	21%	Waukegan	239	241	1%
Round Lake Park	122	126	3%	Mundelein	232	248	7%
Round Lake Heights	131	127	-3%	Hawthorn Woods	103	263	155%
Hainesville	353	131	-63%	Wauconda	317	264	-17%
Kildeer	153	131	-14%	Buffalo Grove	260	277	6%
Park City	174	140	-20%	Lake Zurich	225	278	24%
Long Grove	176	140	-21%	Deerfield	259	281	8%
Island Lake	133	143	7%	Antioch	373	308	-17%
Barrington Hills	105	144	38%	Fox Lake	249	327	31%
Fox River Grove	146	147	1%	Lake Bluff	244	365	49%
Winthrop Harbor	128	148	16%	<i>All Lake County</i>	<i>431</i>	<i>421</i>	<i>-2%</i>
Lake Villa	299	150	-50%	Highland Park	314	431	37%
Beach Park	115	152	33%	Gurnee	505	479	-5%
Riverwoods	132	153	15%	Libertyville	432	483	12%
Lake Barrington	136	159	17%	Mettawa	83	503	503%
Deer Park	168	159	-5%	Lincolnshire	332	523	58%
North Chicago	125	163	31%	Vernon Hills	446	606	36%
Indian Creek	106	166	56%	Barrington	502	606	21%
Green Oaks	183	179	-2%	Bannockburn	674	1,184	76%
Zion	172	193	12%	Volo	886	1,469	66%

Source: Fiscal Year 1995 and 2000 Payments to Local Governments, Illinois Department of Revenue

group of municipalities with per capita revenue payments of approximately \$500. This group of municipalities includes Barrington, Gurnee, Highland Park, Lincolnshire, Mettawa, and Vernon Hills. There are two reasons that municipalities have significantly higher per capita revenue payments than the rest of the County: they have either small populations with high incomes or they have large concentrations of retail relative to their population size.

Figure 3.6 also includes a calculation of the percent change in per capita revenue payments to the municipalities from 1995 until 2000. Twenty municipalities experienced a drop in per capita payments during that time. The largest drop was in Round Lake where payments fell by 66% as reported in 2000 dollars. Other communities that experienced a greater than 20% decrease in payments were Lakemoor, Long Grove, Lake Villa, and Old Mill Creek. The greatest increase occurred in Mettawa, at over 500%. Other municipalities that experienced significant growth are Bannockburn, Hawthorn Woods, Indian Creek, Lincolnshire, and Volo.

Figure 3.7
Per Capita and Percent Change in Equalized Assessed Valuation (EAV) Between
1995 and 2000—Municipalities*

Municipality	1995 Per Capita EAV in 2000 Dollars	2000 Per Capita EAV	Per Capita EAV Change 1995-2000	Municipality	1995 Per Capita EAV in 2000 Dollars	2000 Per Capita EAV	Per Capita EAV Change 1995-2000
N. Chicago	4,657	4,903	5%	Gurnee	28,590	27,974	-2%
Park City	6,757	6,049	-10%	Wadsworth	23,452	28,041	20%
Round Lake Park	9,004	7,994	-11%	Buffalo Grove	30,725	31,276	2%
Round Lake Beach	10,326	10,526	2%	Libertyville	30,549	33,736	10%
Waukegan	11,567	11,351	-2%	Vernon Hills	27,884	35,159	26%
Round Lake Heights	8,519	11,611	36%	Deerfield	34,025	36,044	6%
Round Lake	10,314	12,879	25%	Tower Lakes	34,534	36,199	5%
Beach Park	12,740	13,685	7%	Hawthorn Woods	36,637	36,963	1%
Winthrop Harbor	13,950	15,770	13%	Fox River Grove**	N/A	42,215	N/A
Zion	21,018	15,833	-25%	Deer Park	41,646	42,600	2%
Grayslake	21,337	16,543	-22%	Barrington	39,261	43,500	11%
Hainesville	70,034	17,167	-75%	Kildeer	43,748	44,729	2%
Mundelein	18,944	18,515	-2%	Green Oaks	41,555	45,308	9%
Antioch	17,275	18,620	8%	Highland Park	41,279	47,052	14%
Lindenhurst	16,258	18,690	15%	Lake Barrington	44,896	48,420	8%
Fox Lake	17,385	18,772	8%	Fox River Valley Gardens	46,979	54,762	17%
Island Lake	16,007	18,792	17%	Long Grove	58,010	55,890	-4%
Lake Villa	18,154	20,390	12%	Lake Bluff	54,512	58,397	7%
Third Lake	18,110	20,935	16%	Volo	24,957	62,434	150%
Highwood	12,871	21,233	65%	Riverwoods	61,591	64,239	4%
Wauconda	20,688	22,470	9%	North Barrington	63,768	66,102	4%
Old Mill Creek	26,941	22,619	-16%	Bannockburn	59,571	72,636	22%
Lakemoor	22,370	22,942	3%	Lake Forest	71,581	77,391	8%
<i>All Lake County</i>	<i>25,216</i>	<i>26,121</i>	<i>4%</i>	Lincolnshire	69,110	78,857	14%
Lake Zurich	25,661	26,439	3%	Mettawa	80,946	104,164	29%
Indian Creek	24,364	27,032	11%	Barrington Hills	71,383	109,157	53%

Source: Lake County Assessor's Office

*Townships also receive payments from the state however the Department of Revenue report includes that information only in the aggregate for all Illinois township governments.

**Staff determined that there were no reliable population estimates for Fox River Grove in 1995.

Figure 3.7 and Figure 3.8 contain real property tax equalized assessed valuation (EAV), data that were supplied by the Lake County Assessor's Office. The table compares per capita total EAV within the borders of each Lake County municipality and political township in 1995 and 2000. The tables are sorted by 2000 Per Capita EAV in ascending order. Totals from 1995 were converted to 2000 dollars to account for inflation. The township data presented in Figure 3.8 include both unincorporated and incorporated property. The median per capita EAV for the municipalities was \$27,974 in 2000. The largest per capita EAV was in Barrington Hills at \$109,157. Other communities with per capita EAVs over \$50,000 were Bannockburn, Fox River Valley Gardens, Lake Bluff, Lake Forest, Lincolnshire, Long Grove, Mettawa, North Barrington, Riverwoods, and Volo. The municipality with the lowest per capita EAV was North Chicago at \$4,903. Other communities with per capita EAVs under \$15,000 were Beach Park, Park City, Round Lake, Round Lake Beach, Round Lake Heights, Round Lake Park, and Waukegan.

Figure 3.8
Per Capita and Percent Change in Equalized Assessed Valuation (EAV)
Between 1995 and 2000—Townships

Township	1995 Per Capita EAV in 2000 Dollars	2000 Per Capita EAV	Per Capita EAV Change 1995-2000
Waukegan	9,622	8,904	-7%
Avon	12,412	13,361	8%
Benton	13,219	14,252	8%
Grant	18,467	19,714	7%
Lake Villa	18,989	18,193	-4%
Antioch	19,498	20,976	8%
Wauconda	20,110	23,137	15%
Zion	21,018	15,833	-25%
Warren	24,321	24,091	-1%
Newport	24,473	28,834	18%
Fremont	26,025	23,379	-10%
Shields	26,754	28,168	5%
Libertyville	29,246	34,497	18%
Ela	34,406	34,795	1%
Vernon	37,400	40,260	8%
Moraine	37,739	43,851	16%
Cuba	44,434	48,261	9%
West Deerfield	46,056	49,030	6%

Source: Lake County Assessor's Office

Figures 3.7 and 3.8 also include a calculation of the percent change in per capita EAVs by municipality and township in 1995 and 2000. Ten municipalities experienced a drop in per capita EAVs during that time. Included are the municipalities of Grayslake, Gurnee, Hainesville, Long Grove, Mundelein, Old Mill Creek, Park City, Round Lake Park, Waukegan, and Zion. The greatest increase occurred in Volo at 150%. Other municipalities that experienced significant increases were Barrington Hills and Highwood. Five of Lake County's 18 townships experienced a drop in per capita EAV between 1995 and 2000. Zion experienced the largest drop at 25% followed by Fremont at 10%. Newport, Libertyville, Wauconda, and Moraine townships all experienced over a 15% increase in per capita EAV during the same time period.

Economic Competitive Advantage

Over the past decade Lake County has faced growing competition for attracting and maintaining businesses. For example, in the last 10 years 13 businesses have left Lake County for Kenosha County, Wisconsin. This represented a loss of almost 1,300 jobs (Russell Medley, Lake County Partners, via e-mail, 3 December 2001.). Many factors, in concert, contribute to the overall economic competitive advantage of a region. Included are the cost of labor and available labor supply, land costs and property tax rates, political stability, government regulations, and government incentives.

A region’s economic success can lead to a decline in its competitive advantage and then a decline in economic activity. For example, land becomes more expensive and often is more valuable for its residential potential than its commercial potential. The local labor force quickly reaches full employment and individuals migrate to the region in order to take advantage of the growing economy. The cost of living rises as individuals compete for available housing and taxes rise as local government agencies are overwhelmed by new demands for services. Cost of living directly influences the salaries business has to offer in order to attract competent employees.

Lake County’s export industries; industries that produce the majority of their goods or services for consumption in markets outside of the County, compete on local, regional, and global playing fields. It is impossible in this chapter to produce a comprehensive measure of the competitive advantage of Lake County. It is also important to recognize that the County’s municipalities are not homogeneous—some communities provide a better business climate.

One method of measuring a region’s competitive advantage is a comparison of its property tax rates, which includes municipal as well as county, school, park district, and other taxing agencies, to the tax rates of competing areas. Figure 3.9 lists the lowest and highest property tax rates found in Lake, Cook, DuPage, McHenry, and Kenosha counties. The rates in Cook and Kenosha counties, which are calculated differently from the rest, were converted so that they can be easily compared with the rates of the other counties. Of the five counties, Lake County has the second lowest tax rates, second to DuPage. Lake County also has the second lowest of the highest-tax rates, second to Kenosha. A very simple conclusion one might draw is that Lake County’s tax rates are competitive with other collar counties in Illinois, but are less competitive with Kenosha County, Wisconsin.

Figure 3.9
Lowest and Highest Property Tax Rate by County—2000
Dollars per \$100 Assessed Value

County	Lowest	Highest
Lake	3.98	10.877
Cook*	5.84	23.314
DuPage	3.3075	11.6377
McHenry	5.3541	11.9138
Kenosha, WI*	5.637	8.019

Source: Cook, DuPage, Kenosha, Lake, and McHenry County Assessor’s Offices
*Converted for ease of comparison

Goals and Policies¹

3.1 Goal: Well-balanced communities as defined by a community’s desired mix of residential and commercial development, open space, local access to good jobs, and low unemployment.

3.1.1 **Policy:** Attract an employment mix consisting of retail, office/research, restaurants and entertainment venues, manufacturing, and warehouse and

¹ As stated in Chapter 1, Introduction, a Goal is “the desired result to be achieved by implementing the Plan;” and a Policy is “a general method or action designed to achieve a goal.”

distribution enterprises, in a manner consistent with local planning objectives and this *Regional Framework Plan*.

- 3.1.2 **Policy:** Provide a balance of business opportunities to reflect local factors of the area and individual sites, and recognize regional, community, and neighborhood commercial opportunities.
- 3.1.3 **Policy:** Promote business development and redevelopment in communities with per capita EAV below the median EAV, or per capita state payments that are below the median payment, or less than 2 jobs per household, in a manner consistent with local planning objectives and this *Regional Framework Plan*.
- 3.2 Goal:** Efficient utilization of existing and new infrastructure, in a manner consistent with local planning objectives and this *Regional Framework Plan*.
 - 3.2.1 **Policy:** Designate land use on the Future Land Use Map to accommodate potential business development and redevelopment that provides a variety of job opportunities and enhance the local sales and property tax base, in a manner consistent with local planning objectives and this *Regional Framework Plan*.
 - 3.2.2 **Policy:** Direct commercial and light industrial uses to locations in close proximity to arterial roadways and served by necessary public services, in a manner consistent with local planning objectives and this *Regional Framework Plan*.
 - 3.2.3 **Policy:** Establish impact fees so that new development pays for the increased public services and infrastructure required to serve the development.
 - 3.2.4 **Policy:** Promote the development of a countywide high tech infrastructure.
- 3.3 Goal:** A well-educated workforce that meets the needs of existing and future business and industry.
 - 3.3.1 **Policy:** Encourage business development, in a manner consistent with local planning objectives and this *Regional Framework Plan*, that has the potential to utilize job skills found in the existing local labor force.
 - 3.3.2 **Policy:** Provide superior academic, vocational, and technical training programs, and education opportunities to increase economic productivity and to meet the specific requirements of new and existing businesses.
- 3.4 Goal:** Maintain and improve the Lake County economy and business climate and foster cooperation between communities.
 - 3.4.1 **Policy:** Utilize Lake County economic development activities as tools to stimulate the redevelopment of the Lake Michigan shoreline communities and other areas in need of reinvestment, as identified in Chapter 6, Community Revitalization.

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- 3.4.2 Policy: Stimulate private investment and economic activity that encourage retention and expansion of existing businesses through selective public improvements and programs.
 - 3.4.3 Policy: Encourage the development or relocation of new business through selective public improvements and programs, which provide locally unavailable products or services and that increase the economic diversity of the County.
 - 3.4.4 Policy: Provide plans and land use controls that increase the opportunity for economic development, in a manner consistent with local planning objectives and this *Regional Framework Plan*.
 - 3.4.5 Policy: Provide mechanisms for coordinating and maximizing the cost effectiveness of County, municipal, and private sector economic development activities.
 - 3.4.6 Policy: Assist existing and prospective businesses in obtaining and reducing the cost of land, labor, and training, in disinvested communities with per capita EAV below the median EAV, or per capita state payments that are below the median payment, or less than 2 jobs per household. The County and municipal governments will invite real estate investment through appropriate zoning changes, appropriate tax incentives, and appropriate public expenditures.
- 3.5 Goal:** Promote tourism in Lake County.
- 3.5.1 Policy: Promote development of hotels, restaurants, and other businesses that serve tourists near major attractions.
 - 3.5.2 Policy: Encourage year round tourist activities at appropriate Lake County attractions such as the Chain-O-Lakes and Lake Michigan shore.
 - 3.5.3 Policy: Coordinate tourism activities and promotions among municipalities.

Sources

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