



Economics Research Associates

**Economic Development
Feasibility Study for I-94/
Rt. 173 Interchange**

Submitted to

**Lake County
The Village of Old Mill Creek
The Village of Wadsworth**

January 2006

ERA Project Number: 16174

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Introduction

Economic Development Feasibility Study I-94 / Rt. 173 Interchange Area

Economics Research Associates (ERA) was selected to work with the Rt. 173 Corridor Council to develop strategy recommendations for the Rt. 173/I-94 interchange area. ERA's work scope for this project includes:

Task One: Orientation – ERA and Lake County staff tour of the subject site area, assembly and review of available data, define relevant area trends and projections. ERA also met with the Corridor Council to initially discuss their perceptions regarding development issues and priorities.

Task Two: Market Analysis – ERA and County staff analysis of demographic and economic patterns and trends to form the basis for identifying potential near-term interchange development opportunities. Relevant market considerations evaluated included:

1. Demographic and economic analysis
2. Development at other I-94 interchange areas
3. Initial identification of potential development opportunities that reflect the Corridor Council's priorities
4. Comparable interchange development patterns
5. Land values
6. Market implications for the Rt. 173 interchange area

Task Three: Development

1. Objectives (mesh Corridor Council priorities and market findings)
2. Review potential public actions to facilitate program scenarios
3. Potential phasing options
4. Fiscal implications of program options
5. Interchange highway program
6. Innovative concepts

Task Four: Strategy

1. Corridor Council Consensus
2. Corridor Council Mission
3. Priority projects and land uses
4. Project phasing

Conclusions:

1. Development Opportunities
2. Quadrant Concept Plan
3. Concept Plan Refinement – Next Steps

Major Findings

Task 1: Orientation

Through this process, ERA became familiar with the Rt. 173 interchange study area; the priorities and expectations of the members of the Rt. 173 Corridor Council; and development trends at comparable Lake County interchanges.

Task 2: Market Analysis

1. The Primary Market Area, which is defined as a 5-mile radius, is projected to modestly increase from just fewer than 26,000 persons in 2004 to just over 30,000 persons in 2012 (page 15).
2. The annual household income for the Primary Market Area is projected to increase from \$53,500 in 2004 to over \$71,000 in 2012 (page 15).
3. The amount of vacant land available at Lake County's other I-94 interchanges affects the development potential for the Rt. 173 study area (page 26).
4. In ERA's opinion, the role of the Rt. 173 interchange area in establishing the desirability of the entire corridor is more important than the short- and mid-range interchange development opportunities (page 30).
5. A coordinated interchange planning effort could aid in avoiding haphazard sprawl and maximizing desirable economic development (page 30).
6. ERA's review of the Rt. 173 study area reveals an excellent opportunity for a coordinated and phased development plan that will serve the entire Rt. 173 corridor and region (page 30).
7. The majority of the market for the study area will most likely be comprised of vehicles exiting from northbound on I-94 (page 31).

Task 3: Development Options

1. ERA identified the following interchange development priorities (page 32):
 - a. Image – interchange development should provide a positive image for the corridor.
 - b. Economic Benefits – the development should maximize the fiscal and economic benefits for local government, property owners, and area residents.
 - c. Commercial Amenities – Desirable uses include: office park, corporate headquarters, research facilities, medical/health center, specialty retail, and gym/fitness center.
2. The Corridor Council should instigate development of the interchange study area if it wants to stimulate development of the Rt. 173 corridor (page 34).
3. The Corridor Council should consider delaying development of the interchange study area if it wants to maximize the economic benefit of the development by maximizing the expanding market opportunities and eventual absorption of competing sites (page 35).

Task 4: Strategy

1. **Consensus** – A variety of potential public sector priorities and options for the interchange site and corridor have been identified and reviewed. An immediate objective should be agreement by the Corridor Council on its basic interchange and corridor priorities (page 36).
2. **Mission** – While the Corridor Council generally concludes that the goal for the Rt.173 interchange area is to maximize the long-term real estate development opportunities in the Rt. 173 Corridor, this mission will need to incorporate the priorities of the major property owners. The Corridor Council’s priorities should be presented to key property owners on an informal basis to determine their potential interest in the concept (page 36).
3. **Projects** – A variety of desirable developments that have been defined by the task force have generally been confirmed by initial market research. The eventual development activity, its scale, and the quality of the site plan will evolve out of developer negotiations, potential incentives or partnerships (page 37).
4. **Phasing** – A decision needs to be made on whether an aggressive near-term interchange development will be pursued as a catalyst for the corridor, or if an effort will be made to contain development at the interchange until market opportunities increase. The Corridor Council’s decision should also consider initial property owner response and the potential public sector incentives available (page 38).

Conclusions

1. *Development Opportunities* – The subject interchange provides a unique opportunity to house major corporate headquarters and potential major institutional users. Opportunities for these signature developments will arise as the regional population continues to increase and other I-94 interchanges build-out. The available data indicates that it may be currently difficult to develop office or specialty retail at this location (page 39).
2. *Quadrant Concept Plan* – Based on the project process to-date, the technical staff of ERA and Lake County recommends that the Rt. 173 Corridor Council consider developing a broad concept plan for the four quadrants of the interchange. A draft concept plan is included in the appendix for consideration (page 40 and Appendix O).
3. *Concept Plan Refinement* – ERA recommends that the Corridor Council:
 - a. Review the concept plan with property owners and determine potential level of interest.
 - b. Review existing and potential public sector development incentives.
 - c. Continue the Corridor Council’s Route 173 strategy process (page 40).

Task One: Orientation

The initial phase of the Economic Development Feasibility Study for the Rt. 173/I-94 Interchange began with a tour of the study area, which is bounded by a half-mile radius around the Rt. 173/I-94 interchange. ERA toured the site area, specifically noting areas of development, adjacent land uses, and site proximity to existing commercial, residential, and office clusters, especially along Rt. 173.

Following the tour, ERA and Lake County met to identify project priorities and the data that would be necessary to support these priorities. Lake County provided ERA with an excellent comprehensive collection of data regarding land use, traffic, infrastructure, environmental features, and development issues of the I-94/Rt. 173 site, as well as the other I-94 comparable interchanges. (See Appendix A for a complete list of data collected).

After project priorities and data needs were agreed upon, ERA met with the RT 173 Corridor Council, which is an intergovernmental committee that formed in 2004 to cooperatively address land use and transportation issues, to discuss their initial perceptions regarding desirable development, undesirable development, and project expectations. Overall, ERA noted group concurrence toward cohesive, planned development at the interchange rather than traditional piecemeal, developer-controlled improvements. ERA's general impressions of current development priorities, drawn from the stakeholder meeting, previous village plans, and some recent discussion of land assembly for a distribution center, include:

- Office or office campus is desirable but is generally not considered feasible at this time
- Condo-office concept has potential
- \$500,000+ homes in the area need reinforcement from interchange
- Small-scale architecture similar to Lake Forest downtown would be desirable
- Medical clinic facility could work
- Health club is desirable
- Hotel, perhaps in combination with a destination restaurant
- Consider limiting large scale housing development (i.e., over \$500,000 is okay)
- Need sales tax revenues
- Need berm for noise from adjacent interstate
- No gas stations, car washes, or big boxes at interchange
- No warehousing at interchange

ERA and Lake County staff further explored Corridor Council member interchange preferences through a survey document at their September 28, 2005, meeting and a discussion of survey findings occurs later in this report.

Through the orientation process, the study team of ERA and Lake County staff came to understand the important characteristics of the Rt. 173/I-94 interchange. The assets and limitations of the interchange are described below.

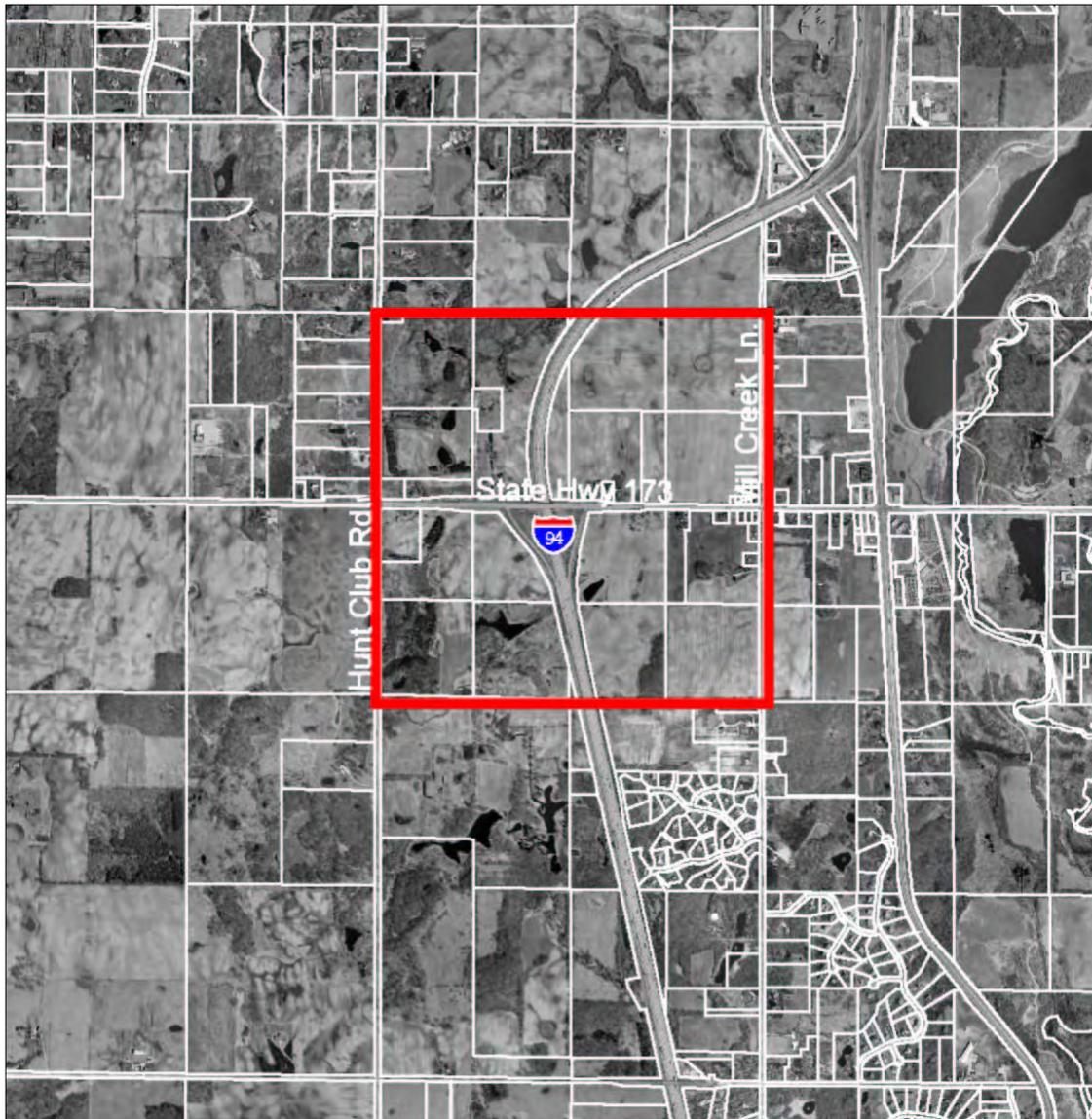
The existing Rt. 173/I-94 interchange allows northbound exits to east and west bound travelers on Rt. 173, and a southbound entrance to I-94 from east and west bound travelers on Rt. 173. According to Lake County conversations with the Illinois Toll Highway Authority, half-interchanges were created throughout the Illinois Toll Highway system to serve the uni-directional traffic demand created by suburb-to-Chicago travel. The Tollway Authority has not converted any half interchanges to full interchanges in recent history

According to the Illinois Department of Transportation (IDOT), there is no need for a full interchange at Rt. 173/I-94 to meet transportation needs, even if Lake County were fully built-out. IDOT estimates that a full interchange would require a \$5 to \$6 million-dollar renovation or replacement of the Rt. 173 bridge to accommodate 4 through-lanes and a 30-foot median with shoulders. IDOT reports that full interchange renovation would also require new signals for the ramps at an estimated cost of \$700,000. As such, any improvements would, in IDOT's opinion, have to be paid for by developers and/or local authorities. However, although "pass-through" traffic is limited by the half interchange configuration, complications surrounding the configuration of the I-94/Rt. 173 interchange have been partially mitigated by identifying Rt. 41 as a way to complete the half interchange and accommodate traffic to the site.

The Rt. 173/I-94-interchange study area is made up of four quadrants (see Appendix C – Property Ownership and Acreage and Municipal Jurisdiction map). The northwestern quadrant has a total of about 126 acres divided into five parcels. The majority of the northeastern quadrant is in the Village of Wadsworth, where two owners hold about 155 acres. The southeastern quadrant is comprised of 68 acres in the Village of Wadsworth and 77 acres on three parcels of unincorporated Lake County land. The majority (about 139 acres) of the southwestern quadrant is in the Village of Old Mill Creek and owned by the Tempel Steel Company, with the exception of a 10-acre lot which is unincorporated.

The study area's current land use has been identified as agricultural with wetlands and single-family homes scattered throughout (see Appendix D – 2000 Land Use map). Combining previous available planning for all four quadrants reveals that the majority of the study area is planned for office/research with some retail/commercial and agriculture in the northwestern quadrant (see Appendix E – Future Land Use map).

The Village of Wadsworth allocates land in the north and southeastern quadrants of the study area as office/research and low-density residential (see Appendix F – Village of Wadsworth Zoning Ordinance and Land Use Plan maps). The Village of Old Mill Creek classifies land in the southwestern quadrant as Corporate Campus and low- to medium-density residential, with small segments designated for conservation and a Village Center located south of RT 173 on Hunt Club Road (see Appendix G – Village of Old Mill Creek Zoning and Future Zoning Maps and Comprehensive Land Use Plan). Old Mill Creek conceptualizes the northwestern quadrant of the study area as community retail with open space buffers and "Residential Countryside," with portions of the southeastern quadrant delineated as Community Retail and Business Park (see Appendix H – Old Mill Creek Conceptual Land Use Plan). The unincorporated portions of the study area are currently zoned for agricultural uses (see Appendix I – Lake County zoning map).



Although Wadsworth designates part of the study area as having a wastewater management overlay district that would use some type of wastewater treatment instead of individual septic systems (see Appendix J – Village of Wadsworth Land Use Overlay District map); currently, only the southwest quadrant of the study area is in a Special Service Area (SSA) with guaranteed future access to sewers. (The remainder of the site would have to be annexed into the SSA in order to receive sewer service). According to Lake County Public Works, the best option for extending a sewer line to the service site area is to construct a forced main south along I-94 to Wadsworth Road and a gravity line south from Wadsworth Road to the sewer treatment plan. The site area does not have public water access, and a new access point would either have to be financed by a developer and turned over to the County for operation, or the County would have to extend or create a new SSA for future water access. An engineering report provided to the Village of Wadsworth in support of a large commercial development proposed for the east side

of the interchange approximated total costs for onsite infrastructure improvements at roughly \$10.6 million dollars.

Based on available data, ERA estimates there are approximately 460 acres of developable vacant land at the project site, most of which is designated for office/research, as noted earlier. In the 640-acre site, there are approximately 80 acres of Lake County Wetland Inventory Wetlands and 70 acres of hydric soils. The strong presence of wetlands and hydric soils reportedly indicates that the site has a large amount of depressional area that may collect water. While there are wetlands on the site, there are not any Advanced Identified wetlands that would require a 100-foot buffer. However, areas characterized by wetlands and hydric soils like those at the existing at the site reportedly require permits from Federal, State, and local environmental regulatory agencies. According to the local assessor's office, the Rt. 173/I-94 interchange study area generated about \$90,000 dollars of taxes in 2004, an increase of \$30,000 dollars since 1996. From 1995 to 2004, northbound traffic on I-94 just south of the Rt. 173 exit increased by 5,820 vehicles and southbound traffic counts on I-94 just north of the site increased by 4,570. Northbound traffic exiting to RT 173 increased by 880 vehicles from 1995 to 2004.

According to Lake County Partners, CenterPoint Properties (see Rt. 132 below) is currently working to acquire 250 acres for a business park. The project proposes two retail areas along Rt. 173, a 700,000 square foot office/research area, and 6 million square feet of "commercial site area" divided into 16 buildings. According to Lake County staff, it appears that the "commercial" buildings would primarily be used for manufacturing or warehouse/distribution.

Within the vicinity, Abbott Labs owns land at the southeast corner of Rt. 173 and 45, which is approximately 4 miles west of the Rt. 173 / I-94 interchange. Abbott is reportedly looking to sell the inactive site and Lake County has received inquiries regarding using the land for residential development.

Through the orientation process, the study team also came to understand the existing characteristics and development history and potential of comparable I-94 interchanges in Lake and Kenosha Counties. This information is presented in the Market Analysis portion of this report.

Task Two: Market Analysis

The market analysis includes determining the demographic and economic context of the site by assessing area demographic conditions and trends, development activity, comparable interchange activity and vacant land, zoning, utilities, and environmental implications. All of these components need to be considered in defining a list of potential short and long-term development opportunities for the Rt. 173 interchange study area. This section of the report was supplemented with data provided by Lake County staff and Lake County Partners staff following the Rt. 173 Corridor Council's November 9, 2005, meeting.

The Market Analysis is organized in three sections. First, ERA reviewed the Regional Market, with a focus on Lake and Kenosha Counties and the Villages of Old Mill Creek and Wadsworth. Secondly, ERA reviewed the Rt. 173 Interchange Market, with an emphasis on population growth and income within the primary market area, which was defined as the area within a 5-mile radius of the site. This review included interviews with three developers active in the I-94 corridor. The Market Analysis concludes with a review of select comparable interchanges in Lake and Kenosha Counties. The comparative interchanges are reviewed based on the same one-square mile interchange area and 5-mile radius primary market area.

The assessment considers how strengths of the local economic base can be used to develop the interchange as part of a larger corridor. The market analysis process begins with discussion of important general demographic conditions before moving to discussion of concepts that directly influence the feasibility of developing the interchange.

Regional Market

Population

Lake County grew at an average annual rate of 2.25% per year, adding about 128,000 new residents between 1990 and 2000. NIPC predicts population will increase from 644,356 in 2000 to more than 786,000 by 2020. North of the site in Wisconsin, Kenosha County added about 21,000 people and grew by an average of 1.6% during the same time period. The Village of Wadsworth added 1,250 residents over the same 10-year period, while Old Mill Creek Village increased by 180 additional residents over 10 years. Meanwhile, the Chicago Metro Area gained about 2 million people from 1990 to 2000, growing at about 3% per year. Median incomes for Kenosha and Lake Counties and the Villages grew strongly, increasing by an average of between 3.5% per year, compared to Chicago, where median household income only grew by an average of 0.8%.

The following table highlights population changes in Lake and Kenosha Counties, Wadsworth and Old Mill Creek Villages, and Chicago.

Population Change, 1990 to 2000				
Jurisdiction	1990	2000	Change	CAGR
Lake County	516,400	644,400	127,900	2.2%
Wadsworth	1,800	3,100	1,300	5.4%
Old Mill Creek	70	250	180	13.1%
Chicago	6,000,000	8,000,000	2,202,794	3.1%
Kenosha County	128,100	149,600	21,400	1.6%

Source: US Census

The following table shows median household income in noted jurisdictions in 1989 and 1999, which increased in all of the listed jurisdictions, but increased at the highest rate in Gurnee with a compound annual growth rate (CAGR) of 4.44%. The median income for the county increased from \$46,000 to \$67,000 in the ten-year period, with a CAGR of 3.82%.

Selected Median Household Incomes			
Jurisdiction	1989	1999	CAGR
Lake County	\$46,000	\$67,000	3.8%
Village of Old Mill Creek	\$55,000	\$82,400	3.8%
Village of Wadsworth	\$59,200	\$86,900	3.6%
Gurnee	\$49,100	\$75,700	4.4%
Waukegan	\$31,300	\$42,300	3.1%

Source: US Census

Economy

The BOMA Office and Commercial Real Estate Magazine reports that in general, Lake County enjoys a healthy economy with strong median household incomes and retail sales. At \$67,000 per year, Lake County's median income is notably higher than that of the state (\$47,000) or nation (\$42,000). Lake County Partners data points out that every day 70,000 Lake County residents travel outside of the County to their place of employment. While this skilled local labor force is a potential asset, it currently is not available to support restaurants and retail during the day and does add to the areas traffic constraints.

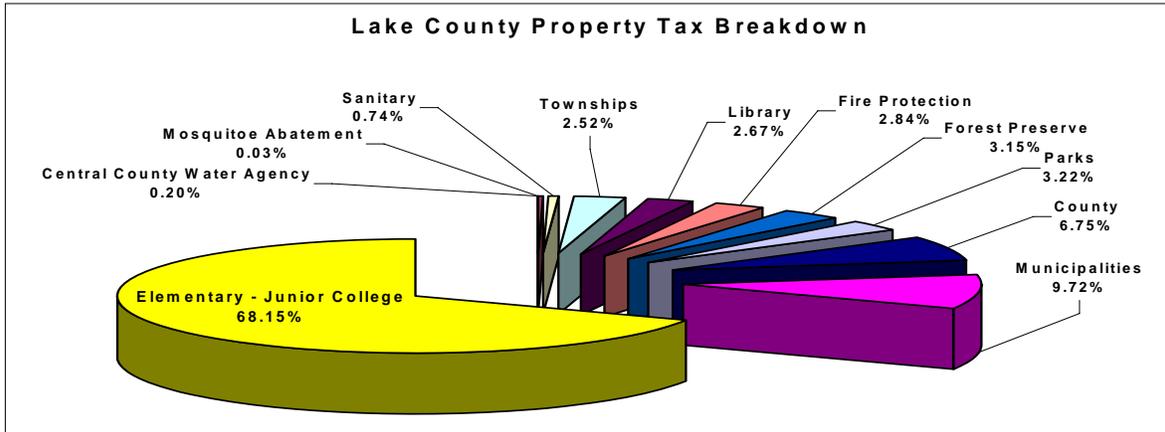
A related economic issue / opportunity is the amount of vacant office and industrial space available along I-94. Using available data this situation can be summarized as follows.

- **Office Space** – Lake County has a vacancy rate of approximately 17% which, while improving somewhat (it was 22% in 2002), is a deterrent to new development. For example, less than 50,000 SF of office space was built in Lake County from 2002 to 2004, compared with 2.8 million from 1999 to 2001.
- **Industrial Space** – The current industrial vacancy rate is approximately 8%, which represents 5.5 million square feet of available space.

Office and Industrial space vacancy rates are addressed in more detail in the Comparable Interchange portion of this Market Analysis.

Property Tax

Illinois has over 6,000 units of local government who levy property taxes. Property taxes are raised, spent, and distributed locally. The largest share of taxes goes to school districts, usually about 65% of each tax bill. Lake County tax policy allocates collected property tax as follows:



The Rt. 173/I-94 study area is within the Zion-Benton Township High School District and the Beach Park Elementary School District. Although almost 10% of property taxes generated at the interchange will be allocated to municipalities, almost 70% of taxes will be distributed to the school districts. The subject area is not located within any of these municipal borders. Economic development in the study area is complicated by the fact that there is currently not a straightforward relationship between the school districts (that will receive most of the tax revenue) and the municipalities.

Employment

Relatively high median incomes and retail sales, combined with a decreasing unemployment rate support Lake County’s current economy. According to the Bureau of Labor Statistics, the 2004 unemployment rate in Lake County was an estimated 5.5%, an improvement over 2002 and 2003 when unemployment rates were 5.7% and 6.2%, respectively. Lake County’s unemployment rate is also below the state’s, which had a July 2005 unemployment rate of 6%.

According to the Northeastern Illinois Planning Commission (NIPC) Old Mill Creek and Wadsworth will add 1,080 and 1,664 employees by 2030, respectively. In total, NIPC predicts the North Central planning region (which includes Old Mill Creek, Wadsworth, and Gurnee) will have almost 40,000 employees by 2020.

With 23,000 employees, the U.S. Navy is the largest employer in Lake County, but several of Lake County’s other large businesses specialize in health care products. Four such companies, Abbott Laboratories with 16,000 employees, Allegiance Healthcare Corporation with 2,750 employees, Baxter Healthcare Corporation with 2,500 employees, and TAP Pharmaceutical Products with 2,500 employees, are ranked among the top six largest companies.

Rt. 173 Interchange Market Area

The following table profiles market area demographic trends for 2004 to 2009 for primary, secondary, and tertiary markets around the I-94/Rt. 173 interchange, as follows:

- The primary market covers a 5-mile radius around the site.
- The secondary market covers a 15-mile radius around the site.
- The tertiary market covers a 30-mile radius, which extends significantly into Wisconsin, to the western suburbs of Kenosha, as well as to the south into Cook County.

The following table highlights population trends for the defined markets. Total population in the primary market is forecasted to grow at a slightly faster rate than the secondary and tertiary markets from 2004 to 2009. The population in this market is estimated to grow from approximately about 26,000 to 28,000 by 2009, with a compound annual growth rate (CAGR) of 2%. The table below also indicates that although there is currently a higher white than Hispanic or black population in all three markets, the Hispanic and black populations are expected to increase at a faster rate than the white population. In the primary market, the Hispanic population is forecast to increase at a CAGR (i.e. Compound Annual Growth Rate) of 8% and the black population is forecast to increase by 5% each year, while the white population at a CAGR of 1%. Median household income within a 10-mile radius of the site is projected to increase to \$71,230 by 2012.

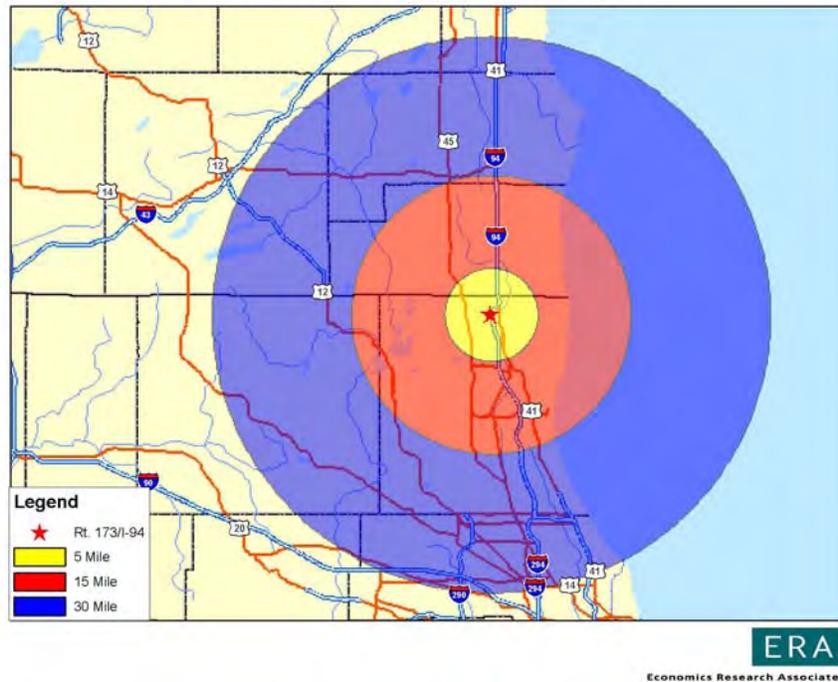
RT 173/I-94 Market Area Profile 2004 to 2012				
Primary (5 Miles)	2004	2009	2012	CAGR
Population	25,600	28,400	30,200	2%
Race				
White	21,600	23,000	24,000	1%
Hispanic	1,900	2,800	3,600	8%
Black	1,600	2,100	2,400	5%
Median Age	23.8	24.5	24.9	1%
Median HH Income	\$53,500	\$64,000	\$71,200	4%
Secondary (15 Miles)				
Population	627,400	683,100	706,700	2%
Race				
White	478,200	501,800	511,600	1%
Hispanic	112,100	143,000	157,700	5%
Black	56,200	63,800	67,100	3%
Median Age	32.6	33.3	33.6	0.4%
Median HH Income	\$62,200	\$74,600	\$80,300	4%
Tertiary (30 Miles)				
Population	2,016,400	2,152,300	2,238,300	1%
Race				
White	1,646,200	1,697,100	1,728,400	0.6%
Hispanic	259,800	336,800	393,600	5%
Black	100,400	114,300	123,600	3%
Median Age	35.6	36.4	36.9	0.4%
Median HH Income	\$72,300	\$85,500	\$94,600	3%

Source: ERA, ESRI Business Solutions

In order for ERA to draw conclusions regarding the short term demand for development at Rt. 173 ERA asked Lake County staff to review their population estimates and projections. Staff compared ERA’s population estimates and projections to the number of developed and undeveloped residential parcels in the interchange primary market area. Staff also compared ERA’s projections to the Northeast Illinois Planning Commission’s 30-year population projection for the primary market area.

The Lake County staff’s review of the Rt. 173 Interchange primary market area verified ERA’s demographic projections. Lake County’s portion of the 5-mile radius primary market area contains 8,447 residential parcels (including 28 parcels identified as apartments, condos, and multifamily, which may have multiple numbers of units), making the 2004 population estimate of 25,600 reasonable. Lake County's portion of the market area contains 2,341 vacant residential, subdivided residential, and farmland parcels, which would substantiate the short-term population forecast of 2,663 persons in terms of the number of lots available. Still, depending on the developability and absorption of these lots, the primary market could potentially experience more aggressive short-term population growth.

Rt. 173/I-94 Interchange Analysis



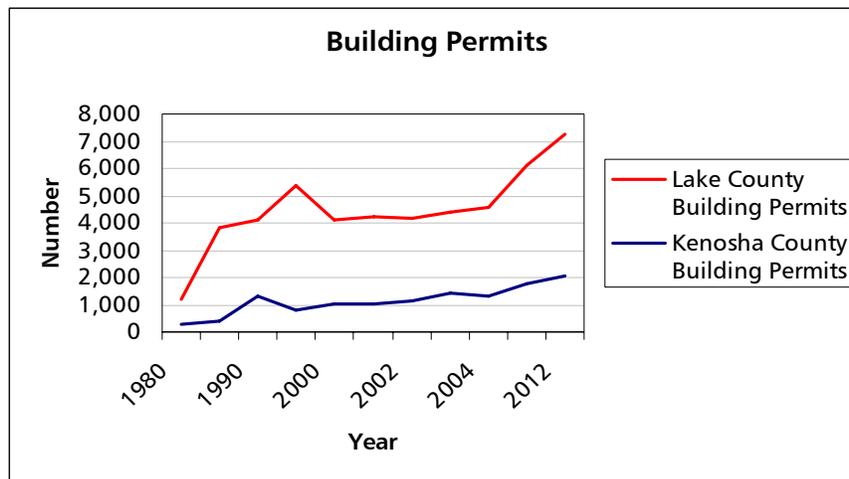
The Wisconsin portion of the primary market area is divided between the Village of Pleasant Prairie and the Town of Bristol. The Pleasant Prairie portion is primarily designated as Environmental Protection, Industrial, and Commercial on the Village's comprehensive plan. Only a small portion of the area is designated as Low Density Residential. The Town of Bristol portion is designated primarily as Agricultural Preservation and General Agricultural on the Town's Land Use Plan Map, with small areas designated for Highway Commercial or residential

uses. Figures provided by Kenosha County indicate a relatively slow population growth for the Town of Bristol, with 4,752 persons in 2004 increasing to 5,012 by 2010. Thus, estimates and projections for the Wisconsin portion of the market area seem reasonable, with potential population growth in communities north of the border.

The primary market area crosses Rt. 45 to the west and Green Bay Road to the east and includes residential neighborhoods adjacent to Grand Avenue on the south. Lake County staff predicts that, in order for people to choose to purchase goods and services at the Rt. 173/I-94 study site (instead of commercial areas south of the site), uses on Rt. 173 would need to be unique, particularly for people West of Rt. 45 and south of the site, who have strong access to the entire Gurnee Mills/Grand-Hunt retail agglomeration.

Development Activity

In establishing priority development opportunities, ERA also considered the current construction activity and planning in the area, noting densities per square mile. According to the most recent U.S. Census (2000), Lake County has 226,000 housing units and Kenosha County has 60,000 housing units. There are about 1,440 persons per square mile in Lake County, which is about two and a half times Kenosha County’s 550 persons per square mile. According to the Housing and Urban Development (HUD) State of the Cities, about 4,560 residential building permits were issued in Lake County and 1,300 in Kenosha County in 2004. Of these, 32 were for units in Wadsworth; none were issued in Old Mill Creek. The number of building permits in Lake and Kenosha Counties and the villages of Wadsworth and Old Mill Creek have been increasing slowly since 1980. As of September 2005, just over 2,900 permits had been reported in Lake County and 750 in Kenosha County. Strictly based on extending these trends out several years, ERA predicts Lake County will grant about 6,000 permits in 2009 and about 7,300 permits in 2012.



Census building permit information, based only on finalized building permit activity, is supported by data from Lake County (see Appendix L – Residential Parcel Map), which indicates there is additional development activity within a 10- by 3-mile area around the site. In

this area, there are 1,696 parcels designated as residential improved, 1,068 parcels subdivided and classified as residential (currently unimproved), and 519 subdivided, undeveloped parcels without residential property classification. Assuming one-housing-per-parcel, and based on the average of household sizes in Lake County, Wadsworth, and Old Mill Creek, these parcels will accommodate approximately 9 to 11,000 additional persons in the outlined area. These initial signs of aggressive development activity will potentially mature into a strong market for the identified priority uses.

Developer Comments

At the Rt. 173 Corridor Council's November 9, 2005, meeting ERA representatives were requested to develop a more complete understanding of the market demand for the Rt. 173 interchange. To help ERA meet this request, Lake County Partners staff interviewed three developers¹ regarding their perception of the I-94 interchange. The primary findings are summarized as follows:

General

- “The 173 interchange is a very tempting location. It has looked so good for so long. Players have to be careful not to jump too early and do something second tier, which is what the market calls for now. Instead, wait it out. It will take another ten years to ripen. If we have robust job growth, maybe the range becomes 5-7 years, but that's unlikely. If it continues as it has been going, will be 10 years. If we have a bad economy, it's a long time.”
- Although it offers an alternative to Kenosha – which is mostly industrial, half interchange a problem – Kenosha employees wouldn't be able to access the site.
- Full interchange critical – need as many advantages as you can get to compete against Wisconsin.
- Full interchange would cost a lot. Lack of full interchange not a big issue, can use 41. (Would be an issue if want Gurnee-style retail, with Cracker Barrels and other “on-and-off retail” – but you're not going to get that anyway because you're too close to 50 and Gurnee).
- More important that full interchange would be to make 173 a 4-lane road, which could draw labor from Richmond, Hebron, and even Harvard, which would help a lot.
- Sewer and water more important than full interchange.
- 173 will not warrant high-end development.

Corridor

- East on 173: Only low-key residential development on the east side of I-94 at Wadsworth.
- West on 173: not large enough population to warrant development. There will be low-density residential development (better option would be cluster development).
- One family controls west side of I-94 at Wadsworth (9,000-10,000 acres) – an interchange could open up this project.

¹ Interviewees were assured comments would be confidential.

Residential Uses

- Market says residential. Without question. Problem is you have too much to compete with across the border – community that's more pliable, state that's willing to do more and utilities in place, cheaper land...
- Mixed use – multiple family could be opportunity, should not be ruled out. Need right balance for tax revenues.

Mixed Use

- Mixed use – potentially, as in business park/industrial.

Office

- Office wants to be on the interstate further south. There's four to five years of office sublease product on the market meaning it will be at least 10-15 years before office will make sense for 173. Abbott, one of prime generators of office space, now has another alternative with its large purchase in Kenosha. Once they've driven to 173, what's the difference to going on up to Kenosha, which is only 3-5 minutes further and is cheaper?
- Headquarters possible, but there are not too many opportunities, especially because it is just as easy to go to Wisconsin and cheaper.
- Quality office development ends at 60. 132 still reasonable, but there is an abundance [of land] between 60 and 173, most of which is being held off market – like Abbott – which creates an impediment to development.
- Some market for industrial, less so office.
- A business park with office and research might work. Probably would not support any heavy density of office because it is too far north.
- Already too much office in Lake County. We're not seeing the office market we would like to see. Illinois isn't growing that kind of job markets, and neither is SE Wisconsin.

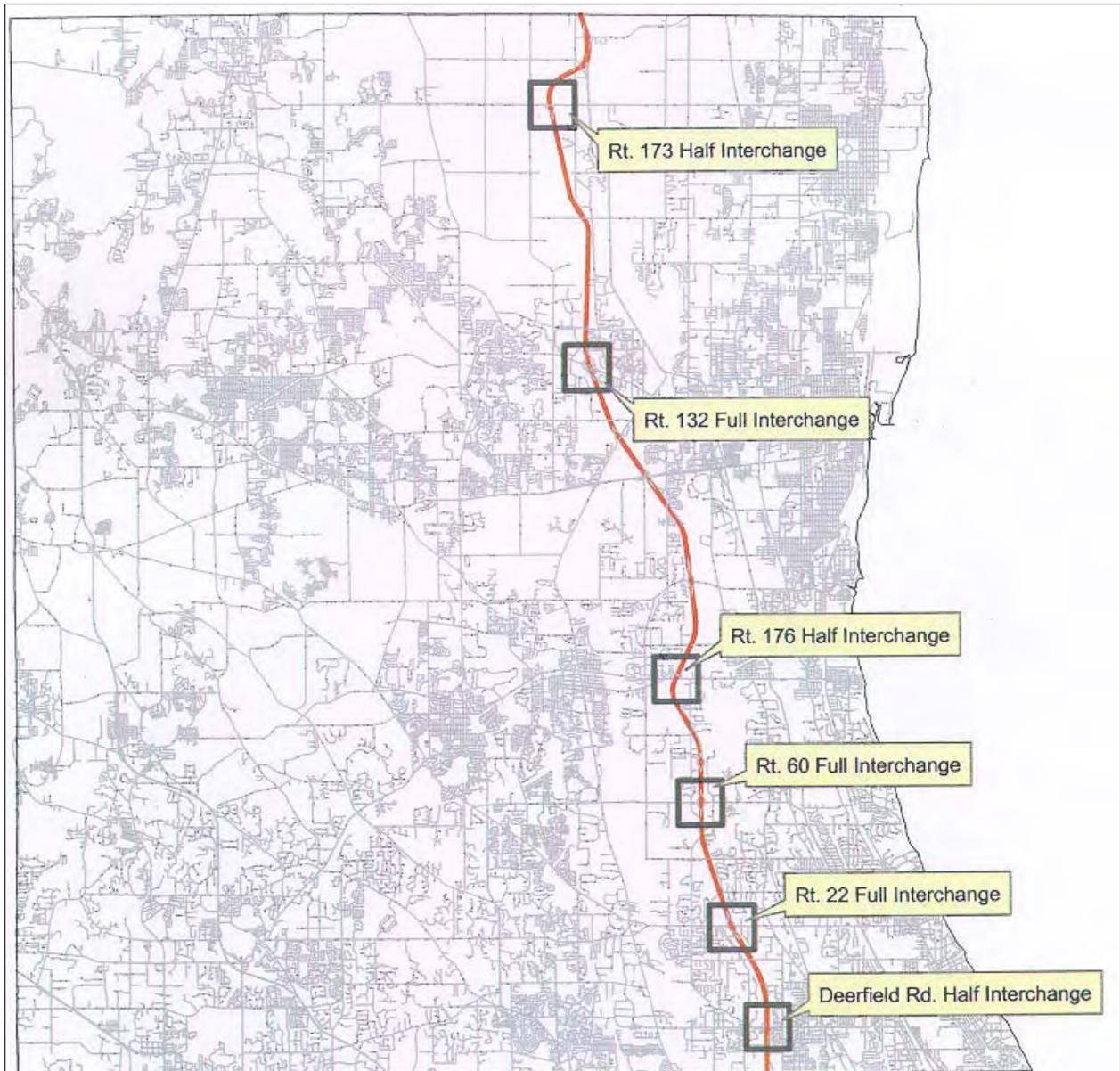
Retail

- Full interchange is critical for any commercial location.
- Could potentially support a convenience/community shopping center, especially if Antioch continues to fill in and the Smith property at Wadsworth gets developed. Won't pull too much from the north. Hunt Club/173 could be good place because would have interstate and arterial access.
- For other retail, lack of rooftops will be an issue, including for large retailers like Cabella's or IKEA.
- The Forest Preserve's 1,000-2,000 acres won't see any development, and Wisconsin is adding businesses (not houses).
- Retail unlikely.
- Retail – potential for limited retail, neighborhood retail rather than something significant or regional.
- Not much potential for retail. Already have retail west on 173 and big boxes clustering east of Antioch.

These developer comments are intended to help the member of the Corridor Council understand the strengths and weaknesses of the Rt. 173 Interchange area.

Comparable Interchanges

Identifying development experience at comparable interchanges is helpful for determining whether any common development trends or patterns exists. Lake County staff provided ERA with an inventory of development at select comparable interchanges along I-94. Data provided by Lake County staff included current land use, traffic counts, and taxes collected. (See Appendix B – Traffic Count Analysis and Maps). ERA representatives were requested to further analyze development trends at comparable interchanges. To help ERA meet this request, Lake County Partners staff provided ERA with a summary of recent development activity based on information contained in the Lake County Partners Progress Reports. The Lake County Partners also provided building space occupancy and availability data, which is summarized at the end of this section. This information collectively presents development, tax, and traffic trends at interchanges north and south of the project site.



Development Activity

Rt. 50 and Rt. 165 (Wisconsin)

According to Wisconsin Department of Transportation (WISDOT), 2004 traffic counts on I-94 between the Rt. 50 and Rt. 165 interchanges were 42,400, an increase of 5,000 vehicles from 2002. A total of 15,900 vehicles (7,200 southbound and 8,700 northbound) exited onto Rt. 50, while a total of 8,000 vehicles (3,700 southbound and 4,300 northbound) exited onto Rt. 165.

Kenosha County, with an annual credit budget of \$2.0 million, has a variety of development incentives to influence company investment and job creation decisions including:

- High tech companies located, or planning to locate in Southeast Wisconsin's Tri-County Technology Zone (Kenosha, Racine, Walworth), are eligible to apply for a tax credit of \$500,000 (maximum) per applicant.
- Kenosha Area Business Alliance (KABA) has a \$25 million dollar budget for gap financing, which is commonly used to finance company relocation costs.

Rt. 132 – Full Interchange

The majority of development at the Rt. 132/Grand Avenue is commercial with a variety of restaurants and retail tenants that include a hotel. According to data available, ERA identified several additional land uses including industrial, single-family housing, and government/institutional buildings. Despite there being approximately 109 acres of vacant land at the Rt. 132 interchange, the existing developed properties generated almost \$9 million dollars in taxes in 2004.

Southbound vehicles exiting onto Rt. 132 increased by 210 from 1995 to 2000, while northbound vehicles exiting increased by 2,350. (Note: there are 2 full interchanges on I-94 between Rt. 176 and Rt. 132 at Rt. 120 and Rt. 137, which explains the decrease in northbound traffic by 20,000 vehicles in between Rt. 176 and Rt. 132). Tax dollars increased by just over \$1 million over approximately the same period.

According to the Lake County Partners Progress Reports, recent development activities this interchange include:

- Sears, Roebuck and Co. opened its second freestanding prototype store, called Sears Grand, at Gurnee Mills on March 24, 2004. The 200,000 sq. ft. facility is designed to compete with other big box retailers and includes traditional department store items, an auto service center, and a variety of food items. It is expected that the store will bring in \$40 million to \$50 million a year in business and approximately \$400,000 to \$500,000 a year in sales tax revenue for the village.
- Golf Galaxy, a Minneapolis-based retailer offering golfing equipment, apparel, and accessories, opened a 16,000 sq. ft. store in Gurnee Mills.
- Great Northern Resorts is set to construct a hotel/conference center and water park resort at Grand Avenue and I-94. The Majestic Springs resort will include 400 hotel rooms, a 66,000 sq. ft. indoor water park, an outdoor pool, a 26,000 sq. ft. conference center, a 12,000 sq. ft. ballroom, a spa/fitness center, an ice cream parlor, and a restaurant.
- CenterPoint Properties presented plans to develop a 134-acre office and industrial project located on the west side of I-94 between Washington and Grand. The project received approval from the village board; construction began in 2004.
- Ta-Chen International contracted with CenterPoint Properties for a 182,000 sq. ft. build-to-suit building in CenterPoint's 135-acre business park in Gurnee.

- Watson Pharmaceuticals announced plans to relocate a distribution facility and 60 jobs from Glenview to Gurnee's CenterPoint Business Center. CenterPoint Properties, developers of the business park, will begin construction of a 265,000 sq. ft. facility for the company.
- Herbert Stanley Co. announced plans to construct a new 102,028 facility in CenterPoint Business Center, allowing for corporate expansion. CenterPoint Properties will construct the building.
- H & M, a Swedish fashion retailer, opened a store at Gurnee Mills. The retailer has 16,000 sq. ft. of space in the regional mall.
- Six Flags Inc. announced plans to open a 13-acre outdoor water park in Spring 2005 on a site just west of their Gurnee Park. The water park will be called Hurricane Harbor and have a Caribbean theme. There will be 25 water slides, a 500,000-gallon wave-making pool, an adventure river, waterfalls and family raft rides. The park will also include an area called "Skull Island" that will have pirate ships, an erupting volcano, 17 towers connected by swinging bridges, net climbs, children's slides and hundreds of water gadgets and sprayers, adjacent to a 23,000 sq. ft. activity pool for smaller children.

Rt. 120 – Full Interchange

While this interchange was not selected for analysis of land use and traffic patterns, according to the Lake County Partners Progress Reports, recent development activities at this interchange include:

- Washington Mutual announced plans to occupy a free-standing, 3,610 sq. ft. building at 780 Northpoint Boulevard in the Fountain Square development (formerly Lakehurst Mall)
- Wal-Mart is set to break ground on its 203,000 square foot Wal-Mart Supercenter at Fountain Square on the former site of Lakehurst Mall. The Supercenter will be part of the 98-acre Fountain Square Waukegan Development, which is part of an overall 134-acre project at the southwest corner of the intersection of Route 120 (Belvidere Road) and Route 43 (Waukegan Road).
- McDonalds has just broken ground on their newest restaurant just south of the Fountain Square project. They will occupy the lot near the Lakehurst Cinema at the corner of Waukegan Rd. (Route 43) and Fountain Square Blvd.
- Montrero Partners of Northfield, IL is building a 1,930 sq. ft., freestanding Starbuck's at 760 Northpoint Boulevard in the Fountain Square development in Waukegan (formerly Lakehurst Mall).
- Sundance Saloon announced plans to move to Waukegan to be part of the overall development near Fountain Square. Illinois' oldest country western destination that has been entertaining audiences for over 30 years and will occupy the 32,000 sq. ft. building that once was the Service Merchandise property near Belvidere Rd. (Route 120), Highway 41 and the I-94 Tollway.
- The Courtyard by Marriott across from the proposed Fountain Square development completed a \$2 million renovation.
- WMS Gaming leased its second office/warehouse facility in Amhurst Lake Business Park. The facility at 1692 Lakeside Drive has 45,645 sq. ft. and will serve as off-site warehousing supporting WMS Gaming's main facility located in Waukegan.

Note: Amhurst Park is built out.

Route 137 – Full Interchange

This interchange was not selected for analysis of land use and traffic patterns and no recent development activity at this interchange were reported in the Lake County Partners Progress Reports. However, Abbott Labs is currently expanding operations at Abbott Park, which is located at the southeast corner of I-94 and Rt. 137. Abbott also owns another 1,400 acres of vacant land at this interchange.

Rt. 176 – Half Interchange

The Rt. 176/I-94 interchange is primarily composed of industrial and single-family housing, with 178 acres devoted to public and private open space and some retail/commercial in the southeastern quadrant. According to data available, ERA estimates there are 128 acres of vacant land. Rt. 176 generated \$2.4 million dollars of taxes in 2004. Vehicles exiting onto Rt. 176 decreased by 260 from 1995 to 2004, while tax generation increased by about \$1.4 million dollars over approximately the same period.

According to the Lake County Partners Progress Reports, recent development activities this interchange include:

- BFG Technologies opened a new corporate facility in Lake Forest at 28690 Ballard Drive. BFG Technologies is a privately held U.S. based supplier of premium 3D video cards based on award-winning NVIDIA graphics technology.
- The Khayat Restaurant Group refurbished the former Libertyville Lanes bowling alley on Route 176 and transformed it into a new restaurant concept that includes food and entertainment.
- Village trustees approved a concept plan for a 40-acre parcel east of the Tri-State Tollway that includes a mix of retail businesses in an upscale environment. The site is across from Lambs Farm on Route 176. Village Officials suggest that the site could support up to 400,000 sq. ft. of commercial space. No specific projects or companies have been announced.
- The newly renovated Lake Forest Oasis on the Tollway opened after the Illinois State Tollway Authority spent \$100 million on upgrading seven oases on its road systems. The Lake Forest Oasis opened in early 2005 with several new businesses and a new Exxon Mobil gas station.

Rt. 60 – Full Interchange

The Rt. 60/I-94 interchange has an assemblage of over 86 acres of office development. Although portions of the land are devoted to public and private open space and some single-family housing, over 270 acres remain vacant land. The Rt. 60 interchange generated \$6.6 million dollars in 2004 taxes. Northbound and southbound I-94 traffic exiting onto Rt. 60

increased by 3,200 and 1,240 vehicles, respectively, while tax revenues increased by nearly \$5 million dollars over approximately the same period. The Rt. 60 overpass bridge is funded to be redesigned and replaced to add lanes to reduce traffic congestion.

According to the Lake County Partners Progress Reports, recent development activity at this interchange includes:

- Ayco Co., a Saratoga Springs, NY-based financial counseling firm, signed a 16,700 sq. ft. lease restructure at Two Conway Park at 150 N. Field Dr., in Lake Forest.
- Hospira received \$13.5 million in state tax incentives to construct a new research and development center in Lake Forest. The 190,000 sq. ft. facility will house 300 scientists and engineers working to develop generic pharmaceuticals and medication delivery systems. The incentive package will allow the company to add 150 technical jobs in Lake Forest.
- IMC Global announced plans in Fall 2004 to layoff 216 employees due to its merger with Conagra, Inc.
- Pactiv Corporation announced that it had acquired a 44,315 sq. ft. building at 600 Bunker Court in the Continental Executive Park of Vernon Hills. The company plans to use the building as a prototype research and development lab facility.

Rt. 22 – Full Interchange

With 130 acres of office development, the Rt. 122/I-94 interchange has the densest cluster of office development of the comparable interchanges. Other portions of this interchange are made up of industrial and single-family housing with some retail and commercial. The Rt. 22 interchange has 117 acres of vacant land and generated \$8.2 million dollars in 2004 taxes. Vehicles increased by 610 from northbound I-94, and by 180 from southbound I-94 exiting onto Rt. 22. Taxes generated at the Rt. 22/I-94 interchange increased by about \$2.7 million dollars between 1996 and 2004.

According to the Lake County Partners Progress Reports, there have been no recent development activities at this interchange.

Deerfield Rd. – Half Interchange

The Deerfield Road interchange is largely made up of single-family housing and office, with some parcels designated as retail/commercial and government/institutional. There are 90 acres of vacant land, and in 2004, Deerfield Rd. brought in over \$9 million dollars of taxes. Between 1995 and 2004, I-94 northbound vehicles exiting onto Deerfield road increased by 1,490. Tax dollars generated increased by approximately \$3.8 million from 1996 to 2000.

According to the Lake County Partners Progress Reports, recent development activity at this interchange includes:

- Fujisawa Healthcare merged with New Jersey-based Yamanouchi Pharma America Inc. and announced plans to locate the new company, Astellas Pharma, Inc., in Deerfield. The

company plans to add 75 new jobs. Illinois provided \$8.2 million in incentives to retain the 415 jobs in Deerfield.

Lake Cook Road – Full Interchange

While this interchange was not selected for analysis of land use and traffic patterns, according to the Lake County Partners Progress Reports, recent development activities at this interchange include:

- Takeda Pharmaceuticals, Inc. received \$15 million in state incentives to keep its corporate headquarters in Illinois. The company will move from its current site in Lincolnshire to Deerfield. The new corporate campus will include 1.2 million sq. ft. of new offices and research & development space on 70.4 acres at the northwest corner of the Tri-State Tollway and Lake Cook Road. Takeda will move its 700 existing employees to the new facility and will add 500 new jobs.

Comparable Interchanges Summary

The comparable interchanges that were analyzed host a variety of land uses, ranging from government and institutional to office, retail, and residential. Every interchange surveyed has vacant land (calculated from the total agricultural, disturbed, and forest/grasslands acreage), ranging from 460 acres (at the Rt. 173/I-94 study site) to 90 acres (at the Deerfield Road interchange), with a median of 120 vacant acres. Some of the vacant land, such as Abbott Labs’ 500 acres near the Rt. 137/I-94 interchange and CenterPoint’s 130 acres at the Rt. 132/I-94 interchange (currently being developed as a business park), consists of larger swaths controlled by a single owner.

In addition to vacant land, according to data provided by the Lake County Partners, each interchange has vacant office and industrial space available. Office and industrial vacancy rates along I-94 vary based on the quality of the built environment. At the Rt. 60 interchange which has well-designed, desirable office space, the vacancy rate is low (1.3%). Meanwhile, just south of the subject site, Rt. 132 has a office and industrial space vacancy rate of 13%, which is similar to the 13.7% at Lake Cook Road.

Office and Industrial Space		
Interchange (North to South)	Vacancy	Net absorption (square feet, YTD)
Rt. 132	13%	121,848
Rt. 120	7.8%	(40,201)
Rt. 60	1.3%	35,793
Rt. 22	12.1%	51,865
Lake Cook Rd.	13.7%	260,826

The assessed values (one-third of fair market value) at the comparable interchanges have been increasing by an annual average of 7% each year. Assessed values at Grand Avenue are increasing by the slowest rate (0.9%), while assessed values are increasing most rapidly at Rt. 60 (18%). Thus, it appears that the growth in assessed value may also reflect the quality of the built environment.

Assessed Value	
Interchange (North to South)	Avg. Annual Change
Rt. 173	2.1%
Rt. 132	0.9%
Rt. 176	11.6%
Rt. 60	18.1%
Rt. 22	4.7%
Deerfield	7.2%
Average	7.4%
Median	6.0%

ERA also asked staff to review their population forecasts for the Lake County comparable interchanges. Based on these reviews, staff concluded that the initial population forecasts for the interchanges in southern Lake County might be overly optimistic compared to NIPC’s projections and land availability. This suggests that population may move northward faster than anticipated, which would have positive market implications for northern Lake County, including Rt. 173.

Market Discussion

Economic Priorities

ERA notes that the previously described annual population growth rate of 2.2% and slower employment growth is not perceived as a dynamic economic situation. As reported by the Lake County Partners, slower County employment and business expansion is starting to generate policy decision maker consensus that near term Lake County economic priorities include:

- Increase economic diversity
- Attract businesses that pay sustainable wages and generate economic growth
- Redevelop underperforming areas and vacant property
- Improved infrastructure, transportation, education and housing to reinforce economic objectives

Lake County Partners is currently working on an Economic Development Incentive Program Framework plan, which could eventually have positive implications for the I-94/Rt. 173 Interchange program.

Council Priorities

In determining priorities for developing the Rt. 173/I-94 interchange, ERA met with the Rt. 173 Corridor Council to discuss desirable and undesirable land uses, and followed up by submitting a survey for the Council members to complete (see Appendix K – Rt. 173 Corridor Council Economics Research Associates Survey). The survey results confirm initial development opportunities identified at the meeting, and indicate priority development uses as Office/Corporate Campus, Medical Center, Health Club, and Specialty Retail, and also list a Green Park as a desirable use. Restaurants, open space, and an entertainment complex or hotel all ranked as second tier priority uses. Whereas the Council members preferred uses were

concentrated on those four priorities, the Council members had varied Planning Objectives for the Rt. 173/I-94 interchange including image, commercial amenities, economic impact, and compatibility with high-end homes. No one objective stood out as being shared by members over the other objectives.

Opportunities

The primary market considerations for defining highway interchange development in urban areas are generally 1) area population growth, and 2) pass through traffic trends. For the Rt. 173/I-94 analysis, an additional market consideration is the amount of developable and available vacant land at I-94 interchanges in higher density areas to the South. **While ERA did not evaluate in detail the site availability situation, there is clearly considerable vacant land at adjacent interchanges.**

As described earlier, Lake County's population is continuing to grow at a rapid pace. ERA estimates Lake County will reach 1 million residents by 2020, while NIPC predicts more conservative population growth in the county that would not approach 1 million before 2030. However, by all estimates and projections, the increasing population in Lake County and within our study area markets represents expanding development opportunities and land use policy decisions should reflect this potential. Whereas a developer today is presented with traffic counts of about 30,000 on I-94 in either direction and about 13,000 on Rt. 173 in either direction, no existing available infrastructure, and a primary market area population of about 26,000 residents; by 2012, the same trends could potentially result in traffic counts 7,000 and 3,000 vehicles higher on I-94 and Rt. 173, respectively. In addition, while difficult to forecast, it is reasonable to assume residential expansion will increase the immediate market area by an additional 9 to 11,000 people.

With respect to the general discussion of development opportunity ideas presented at the initial meeting to potentially include a medical facility, office, hotel, health club, or some combination of these, ERA's initial conclusions are generally positive. Based on our experience with comparable programs, primary market considerations include:

Location – The primary site asset is its interchange location and undeveloped environment. As discussed, this somewhat unique situation could accommodate well-planned, innovative development activity. While limited for pass through markets, access options for regional residents are nearly as good as they would be with a full interchange.

Population – A rapidly growing population provides an expanding market for any service or facility located at this interchange (healthcare, recreation, gym, etc.).

Income – The interchange trade area (5 miles) has an average household income of \$53,500 per year. This upper income population supports the location of a health club or medical facility in a convenient location.

Competition – Experience in related high growth, business, and upper income population areas suggest that this positive and expanding market area can support a variety of uses at this interchange. ERA and Lake County did an extensive comparison study on interchanges along I-94 to identify significant trends in development process and tenant location. Lake County staff used aerial photographs and tax records to identify land uses across the state (see Appendix M – Hotel and Medical Facility Location), singling out hotel and medical facilities. With respect to health clubs in particular, the 5-mile radius includes (or is close to) 2 hospital-based fitness centers located at Rt. 45 north of Grand Ave. and on Hunt Club Rd. south of Grand Ave.; a Gold's Gym on Grand Ave. east of I-94; and the Pleasant Prairie RecPlex located on Rt 165. There are 2 or 3 medical facilities in the primary market area in Wisconsin, which include Saint Catherine's and Aurora Medical Center, both located on Rt. 50. According to 2000 data, there is only one other medical facility located on an I-94 interchange (at Rt. 176). In sum, ERA's analysis indicates that the I-94/Rt. 173 interchange, if treated as a full interchange utilizing Rt. 41, has relatively little current overpowering competition from existing developed interchanges.

Interchange – ERA is not considering Rt. 173 as a full interchange for a variety of reasons, including:

- Illinois Toll Highway Authority states that the Tollway Authority has not converted any half-interchanges to full interchanges in recent years and interchange expansion at Rt. 173 would require a local cost share and IDOT agreement and participation in the cost. IDOT would also need to fund necessary enhancements on its roadway. The project would take between 6 and 9 years to complete, depending on whether bridge upgrades are necessary.
- According to Illinois Department of Transportation (IDOT), Rt. 41 facilitates a full range of turn movements between Rt. 173 and I-94. As such, IDOT does not see a need for a full interchange to meet transportation needs now or in the future, and they will not contribute to improvements desired to serve local access needs. According to IDOT, a full interchange would require signals at the ramps and substantial bridge renovations at a total cost of \$5.7 to \$6.7 million dollars.
- The existing market, while predicted to increase significantly, does not warrant a full interchange, especially for uses that could utilize Rt. 41.

Lake County staff points out that current or future plans could incorporate long term uses reflecting a full, 4-way or even partial 3-way interchange, which would involve the utilization of Rt. 41. Although for the present, ERA assumes a half (2-way) interchange for reasons listed above, if current or future market and/or transportation changes opens the site to a full interchange program, the following uses could benefit: hotel, restaurants, retail, and other pass-through uses. **If the Council wants to keep the option for a full- or partial- interchange expansion, they could consider preserving land for the potential right-of-ways as interim uses (i.e., parking, green space, recreation, etc.)**

Site – ERA’s experience with interchange market analysis is that there is no standard model per say, but in general, as you move away from urban concentrations, commercial tends to evolve at each successive interchange in a random pattern. The common theme in the process appears to be that development decisions (i.e. what, where, when, etc.) are generally made by the private sector (i.e. developers, operators, land owners, etc.) This assures a narrow focus with site-by-site development and limited coordination of land use, infrastructure, traffic, image, etc. In instances of large-scale development, there is evidence of more coordinated land uses and site maximization. This approach and its public and private benefits is often the objective of interchange development strategies or plans.

ERA’s initial assessment is that the location and scale of the interchange site is well suited for any of the proposed concepts. While access is not ideal, it is still workable and should not significantly impede developments that are not “destinations developments” such as hotels and restaurants that benefit from having a full interchange. ERA notes that although only northbound I-94 can directly reach Rt. 173, if the vehicle is not a “pass-through” traveler, but instead en route to a regular destination such as a medical clinic, health club, or office building, it is presumed a regular route utilizing Rt. 41 could be formed.

Infrastructure – According to Lake County staff, utilities at the site and along the Rt. 173 corridor are limited and only the southwest quadrant is currently in a Special Service Area (SSA) that guarantees future sewer access. As indicated by Lake County Public Works, sewer lines could be extended to the site. The site also lacks a public water supply, which would either have to be financed by a developer or incorporated through the County extension of the existing (or creation of a new) SSA. **ERA notes that the absence of utilities would appear to give government decision makers significant opportunities for partnerships involving development timing and options at the site.**

Project – ERA’s review of the interchange site as well as the neighboring land uses reveals an excellent opportunity for a coordinated and phased development plan at the interchange site that would serve the larger corridor and regional area. It is important to point out that the decision process needs to reflect not only the site’s market opportunities (i.e., the private sector approach), but also the implications for the adjacent corridor image and development process, the implications or alternations for a phased program, potential public benefit and incentives, etc.

Implications and Comparables

As the interchanges evolve over time, the closest interchange to Chicago has gradually been built out and somewhat surprisingly, decisions regarding the surrounding development appear to have been made almost entirely by individual developers. In examining the comparable interchanges, ERA observed a number of relevant trends (See Appendix B – Traffic Count Analysis and Maps):

- Activity at interchange comparables north of the site in Wisconsin is modest, and largely self-contained at the interchanges.
- Taxes generated at each interchange progressively decrease as one moves north. With the exception of the Rt. 132/Grand Avenue interchange, tax dollars generated in 2004 decreased from \$9.2 million at the Deerfield Road interchange to \$90,000 at the Rt. 173 interchange. Similarly, in 2000, tax dollars generated ranged from about \$7 million at Deerfield Road, decreasing as one moves north to \$4 million, \$2 million, and finally \$63,000 (again, leaving out Rt. 132). In 1996, tax generation ranged from approximately \$5.4 million at Deerfield Road to \$60,000 at Rt. 173.
- In most cases, office and retail clusters are the highest tax generators of the comparable interchanges. Rt. 60, Rt. 22, and Deerfield Road have large tracts of office development that generated at least \$6 million dollars in 2004 taxes. The least amount of tax increase occurs where there have not been any major development changes, such as at the Rt. 176 and Rt. 173 interchanges, where taxes are based on industrial and agricultural/open space use and have evolved more slowly.
- There are also links between traffic counts and different types of development. Higher east/west traffic counts are common where there is office and commercial uses and lower counts are for agricultural/open space and industrial land uses.
- South to north, traffic counts increase, which is correlated to more intensive real estate development and higher taxes at those interchanges. ERA predicts the Rt. 173/I-94 interchange will experience the continuation of this trend as concentrated real estate development, higher tax generation, and increasing traffic counts continue to push northward.
- The majority of the market for the Rt. 173/I-94 site will most likely be comprised of vehicles traveling northbound on I-94. Northbound vehicles exiting off from I-94 increased anywhere from 880 to 3,200 vehicles from 1995 to 2000, while southbound vehicles increased by smaller amounts (210 to 1,240) over the same period. With the exception of the Rt. 132/I-94 interchange, a simple comparison of traffic counts on I-94 before and after interchanges reveals almost equal traffic decreases (northbound counts) and increases (southbound counts).
- As specific interchange development has increased, overall taxes have greatly increased. The property tax generated by the undeveloped Rt. 173/I-94 interchange is \$90,000; while it averages \$7 million per year at the other five interchange comparables.

Based on observations from the 5 interchange comparables, ERA concludes strategic planning around interchanges should evolve from a careful integration of the objectives of the municipalities with the objectives of the landowners and developers.

Task Three: Development Options

Based on review and input by the Rt. 173 Corridor Council, Planning Department staff, and ERA's market assessment findings, the following I-94 and Rt. 173 Interchange development opportunities priorities have been identified:

Image

The interchange development strategy should provide a positive image for the corridor area. The objectives include:

- Encourage more upscale development activity in the corridor (i.e. quality commercial activity, higher priced residential, etc.)
- Avoid the typical unattractive interchange land use patterns that result from the usual individual development decision-making process.
- Incorporate some green space in the eventual interchange plan.

Economic Benefits

The development strategy should maximize fiscal and economic benefits for local government, property owners and area residents. This objective relates to both their interchange area (which for example generate an average of \$7 million in annual real estate taxes at Lake County's other I-94 interchanges) as well as the large-scale and adjacent land areas in the corridor. In addition, the ongoing Lake County Partners general development priorities (i.e. economic diversity, high wage employers, etc.) as well as possible emerging developer incentive programs should also be considered by the Council.

Commercial Amenities

In addition to the desirability of a quality corporate office park, headquarters or research facility a variety of specific desirable corridor and regional amenities were identified including:

- Medical / Health Center
- Specialty Retail
- Quality Gym / Sports Recreation

ERA notes that, properly designed and developed, these types of functions would reinforce the previously described priorities, including area image as well as site and regional economic impacts.

Incentives

The Corridor Council's ability to maximize the potential development benefits of the Rt. 173/I-94 interchange will relate to the financial and planning policy incentives that can be provided.

The private sector real estate development decision-making process as evidenced in the majority of regional interchange areas almost always reflects:

- Immediate or near-term market opportunities
- Available sites and land costs
- Available infrastructure and related costs
- Financial capacity or constraints
- Minimum development delay

While this procedure works, the objective of this project is to enhance the process and maximize the benefits for all involved. Initial development considerations that could justify public sector support include:

- Attracting a scale and type of development activity that exceeds the current market demand. Development that is targeted or designed to attract and serve future markets, carries costs that could justify being offset by government incentives.
- Enhanced building or site design that contributes to the interchange image may also entail public sector support.
- Site design decisions that impact the benefits to municipalities or specific property owners could also require public sector involvement

ERA has reviewed this issue with Lake Planning County staff and if the Corridor Council concurs a range of tested planning policies (i.e. Gateway Design concepts, density standards, Corridor standards, etc.) could be evaluated to accomplish development image and visual quality.

Depending upon how and when it evolves, the recent Lake County Economic Development Incentive Program Framework's draft proposal, could be a significant addition to Lake County's development process. While comparatively modest in scope (compared to SE Wisconsin development incentive programs) it provides desired development functions and financial incentives, and could facilitate the negotiation process (i.e. better design, open space, etc.)

Phasing

The concept of phasing development activity at the Rt. 173/I-94 interchange area involves a variety of factors including:

1. If the Corridor Council agrees that the interchange project is an immediate priority to stimulate more beneficial development in the Route 173 corridor, considerations should include:
 - Consensus on priorities
 - Determination of planning and design guidelines
 - Refinement of potential development incentives

2. If the Corridor Council goals are to maximize the potential benefits of the last I-94 interchange area in Illinois, the strategy could be to possibly delay the development process until ongoing growth and build-out occurs at adjacent interchange areas.

ERA recognizes that the above decisions are essentially from a economic and land planning perspective, which is the focus of this assignment. The eventual Corridor Council phasing decision will also need to consider the priorities of the involved property owners, municipalities, available infrastructure, and development incentives.

Fiscal Implications

As described in the comparison of other I-94 interchanges as well as the related property and sales tax considerations, decisions regarding interchange development have significant fiscal implications. ERA's analysis did not detail the fiscal benefits of alternative development patterns or in this case, the timing of activities. However, the database and technical staff capacity exists to provide the Corridor Council with the detailed economic implications of project options: For example:

1. An initial development concept proposed by CenterPoint in the Wadsworth portion of the interchange includes an eventual 4.5 million square feet of Commercial Site Area (i.e. distribution functions) and 1.1 million square feet of office and retail space. In evaluating this type of proposal, the local municipality and Corridor Council should evaluate:
 - Tax implications
 - Job creation
 - Impact on adjacent corridor development sites
 - Related local issues (i.e. area residents, site owners, image, etc.)

It should be noted that any efforts to pursue more economically beneficial uses (i.e. office park, specialty retail, health care, etc.) may require a longer lead time in order to capture emerging market opportunities or development incentives to offset near term market constraints.

2. Site vs. Corridor: As discussed earlier in this report, a second consideration involves evaluating property on a site-by-site basis, (which is how developers, property owners and government regulations normally operate), or to evaluate development options from the perspective of the larger corridor area in both directions from I-94, which is what the Corridor Council is attempting to do. Defining these options will need the input and agreement of the key property owners in the corridor as well as the appropriate incorporation of development incentives and infrastructure projects.

Innovative Concepts

The project technical team has reviewed the comparatively modest economic development incentives currently available in Lake County to facilitate desirable development projects. In ERA's regional experience and in comparison to the incentives a few miles north in Kenosha County, the existing programs will not be the catalyst to maximize interchange development activities.

ERA's national experience reveals a variety of innovative concepts, separate from direct financial incentives, to help facilitate desirable development projects. As outlined in ERA's project recommendations, the next phase of activities should include a review of appropriate approaches to fit the local situation. It is very likely that the eventual project proposals will be the primary consideration in determining the specifics of the appropriate public response.

- Maximize development at interchange to facilitate demand Rt. 173 corridor development.
- Package development sites to attract upscale projects using innovative revenue sharing, infrastructure funding pool concepts, transfer of development rights, innovative zoning, etc.
- Possibly delay development to maximize the expanding market opportunities and eventual absorption of remaining vacant sites at competing interchanges.

Task Four: Strategy Recommendations

In ERA's opinion, the role the I-94/Rt. 173 interchange site plays in introducing and reinforcing the desirability of the Rt. 173 corridor to quality development activity is as important, if not more than, taking advantage of near- and midrange-development opportunities. Appropriate users and a quality development strategy for the interchange area could enhance the substantial amount of vacant land in the corridor and its development potential. Consideration needs to be given to interchange functions that will reinforce the opportunity to attract quality, upscale business or corporate users, and high-end residential, if deemed desirable. In ERA's experience, development will eventually come, and when it does, a coordinated, well-planned interchange could aid in 1) avoiding traditional sprawl land use patterns; and 2) maximizing desirable development activity.

The project process to-date leads to several initial development strategy recommendations that reflect the following issues:

Consensus

A variety of potential public sector priorities and options for the interchange site and corridor have been identified and reviewed. A primary objective of maximizing the potential value of the last I-94 interchange in Illinois in terms of the economic benefits for area residents, remaining vacant land areas and the government entities involved appears to ERA to have decision maker consensus. How this is accomplished will by necessity be an ongoing process (i.e. incorporating the priorities of individual property owners, responding to specific developer proposals, using or creating new incentive programs etc. An immediate objective should be agreement by the Corridor Council (i.e. consensus) of its basic interchange and corridor policy development priorities.

- Interchange development objectives
- Corridor development objectives

Using this report and the Corridor Council response the described priorities (i.e. not specific uses) should be briefly summarized.

Mission

While the Corridor Council generally concludes that the goal is to maximize the long-term real estate development opportunities in the Rt. 173 Corridor, this mission will need to incorporate the still to be defined priorities of the major property owners involved. For example, the limited public sector development incentives may necessitate a strategy where the property owners that receive the interchange development benefits in return support the infrastructure or developer incentive programs required.

ERA notes this type of property owner input is somewhat unusual and reflects the potential opportunity available as a result of large land holdings along Rt. 173 by relatively few individuals. An initial Corridor Council priority should be to relate its project concept and priorities to key property owners on an informal basis to determine the potential initial level of interest in a development team concept. The response of the property owners involved will determine whether the Corridor Council should focus on an interchange/corridor strategy or just an interchange strategy.

Projects

A variety of desirable functions have been defined by the task force process and have generally been confirmed by initial market research. The eventual development activity, its scale, and the quality of the site plan will evolve out of developer negotiations and partnerships (i.e. incentives). Initial priorities identified that reflect the earlier defined project objectives (image, economic benefits, professional employment, corridor enhancement, etc.) in ERA's opinion include:

Office Park, Corporate Headquarters, Research Facilities – These are obviously desirable community assets and are being aggressively pursued throughout the region. In the absence of aggressive development incentives, it may be necessary to consider preserving a project site for future corporate use, while possible related interchange projects and amenities are developed, the area market expands, and some of the competing sites are built out.

Medical / Health Center – ERA's experience is that the overall residential growth in the area with professional residents with health insurance will create opportunities for a variety of medical and health related facilities. We have also found that this type of activity reinforces the areas' desirability for a variety of development functions (business employers, upscale residential, families with children, retirees, etc.)

Specialty Retail – Continued population growth creates opportunities for a variety of specialty retail functions as well as upscale restaurants, health clubs, recreational functions, etc. A goal should be combining these traditional individual attractions into a planned complex that is more attractive and maximizes functional synergism, parking and maintenance.

Other – A variety of highway related functions will be in play as other I-94 interchanges build out (in Illinois and Wisconsin) making the Corridor Council's functions a potential ongoing mission. ERA's experience is that there will be continued and increasing interest by individual developers of entertainment, distribution, automotive, etc. to locate at visible interchange locations. These uses should be guided to more appropriate sites away from the interchange. Those that need direct Interstate access should be incorporated into a large-scale planned environment.

Phasing

As described earlier, a decision needs to be made on whether an aggressive near-term interchange/corridor project is to be pursued (i.e. interchange development as a catalyst for the corridor), or a less aggressive (contain development until market opportunities increase) approach is to be pursued. ERA recognizes the potential of each approach as well as the negative implications of the more traditional respond to private sector proposals approach. The Corridor Council's phasing process decision will also be determined by initial property owner response, and potential public sector incentives available.

Conclusion

ERA's conclusion is that the Corridor Council is in general agreement on the need for a development strategy that enhances corridor potential and maximizes the resulting community benefits. ERA recognizes that for a variety of valid reasons, pursuing an aggressive corridor plan will be a challenge to the Corridor Council both from a time and resource perspective. A key consideration should be the fact that considering a 3-mile East and West corridor a ¼ mile deep off Rt. 173 includes a land area of over 960 acres. The type and quality of development at the interchange will directly effect the type and quality of development along the entire corridor. The long-term quality of the built environment appears more important than short-term concerns for economic development.

Based on the project process to-date, the technical staff of ERA and Lake County recommends that the Rt. 173 Corridor Council consider developing a broad concept plan for the four quadrants of the interchange. A draft concept plan is included in the appendix for consideration.

Development Opportunities

The subject interchange provides a unique opportunity to house major corporate headquarters and potential major institutional users. These types of large-scale projects are difficult to define through market analysis but it is reasonable to assume opportunities will arise as the regional population continues to increase and other I-94 interchanges build-out. As Lake County's last undeveloped interchange, the Rt. 173 / I-94 interchange should be considered one of the County's last best opportunities for capturing these types of signature developments.

The available data indicates that it may be currently difficult to develop general office or specialty retail at this location, due to existing competition at other locations. There may be an existing demand for limited retail and service uses that serve the local population and existing traffic on Rt. 173. The demand for office may improve in the future as competing space is absorbed. The demand for specialty retail at this location may also improve in the future as population growth continues.

Given the long lead time required for development at this location, it is essential for local officials to build consensus regarding the range of desirable uses to be developed at the interchange and a plan to either aggressively pursue these uses through incentives or a commitment to holding the land open until the market improves or the right user emerges.

At a minimum, local officials need to implement a strategy that assures a fragmented, piecemeal development scenario is avoided. This is particularly important if some amount of local retail/service development or even office/warehouse development is going to be allowed in the short-term based on existing market conditions or property owner interests. Any such developments must be carefully designed to fit into the larger context of a fully developed interchange.

Quadrant Concept Plan

Northeast – This quadrant has the fewest identified development constraints and one primary owner who is reportedly interested in pursuing near-term commercial activity. This probably is the best-suited quadrant for an office park development that could include multiple tenets and a mix of office and professional services. Possible uses include office employers of all types, health clubs, banks, and professional services such as insurance offices, medical clinics, and veterinarians. This site is also appropriate for a Corporate HQ Campus, if a single major occupant emerged. The corner maybe appropriate for local retail/service uses, in coordination with development in the southeast quadrant.

Southeast – This quadrant is probably the best location in terms of access and visibility for specialty retail and services activity, such as a lifestyle center. Because the market for this use is currently limited, the goal should be a well-planned strategy that would permit development to occur over time in order to maximize market opportunities while still achieving an integrated development, including any desirable local retail/service uses.

Northwest – This quadrant has major constrained area (wetlands) that may limit its development potential. Access limitations could further confine development opportunities. The goal for this quadrant could involve a smaller campus for a single corporation or institution or, perhaps, several compatible users. This quadrant could also include limited retail/services geared towards the local population and existing traffic. The north portion of the quadrant is most suitable for conservation residential development, with substantial green areas preserved.

Southwest – This quadrant has significant environmental limitations and a major landowner, which could facilitate the opportunity to preserve this site for a potential major corporate headquarters or institutional campus. An alternative goal could involve an office park that would permit phased development by separate, but compatible users over a period of time. Some retail/service uses could also be accommodated within an integrated development plan.

The initial concept described above will need to be refined.

Concept Plan Refinement – Next Steps

ERA recommends the Council take the following next steps toward defining the concept plan:

1. Review the development concept with property owners, including representatives of Center Point Properties and the Temple Steel Company and if appropriate with potential developers to determine levels of interest.
 - Initial contacts should be informal and by appropriate County decision-makers or a qualified professional authorized to represent the Corridor Council

-
2. Review existing and potential public sector development incentives.
 - Sales Tax Incentives
 - EDGE (Economic Development Tax Credits)
 - Tax Increment Finance (TIF)
 - Property Tax Abatement
 - Large Business Development Program
 - IDOT Economic Development Program
 - Other Lake County Partners potential incentives

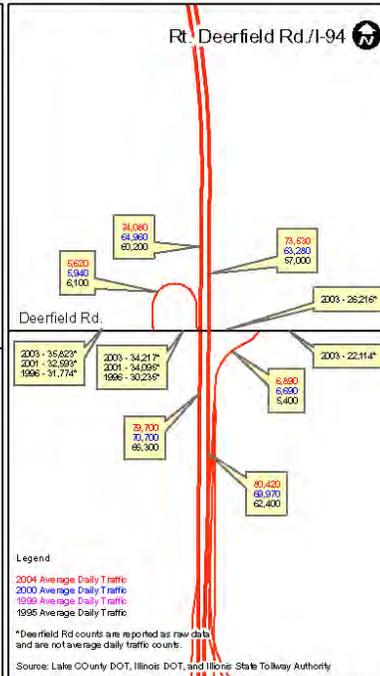
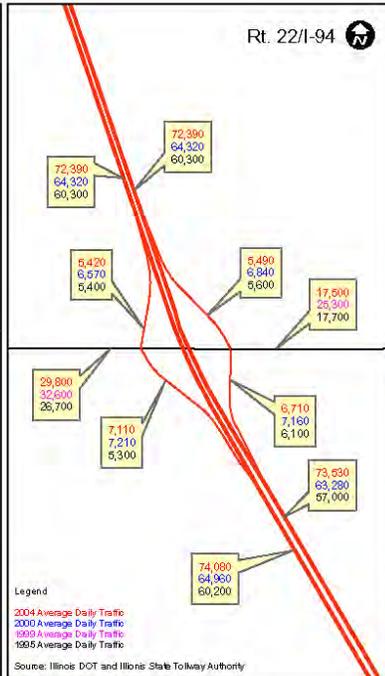
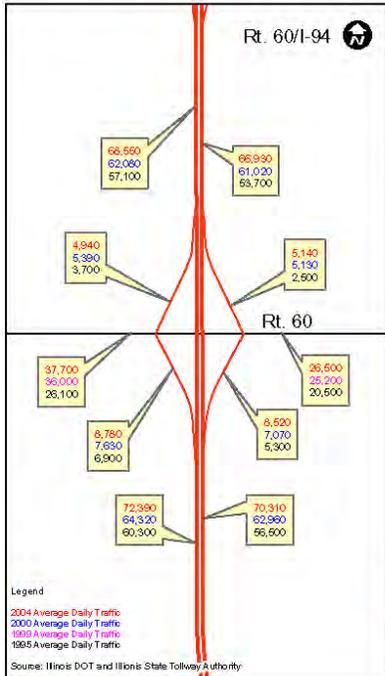
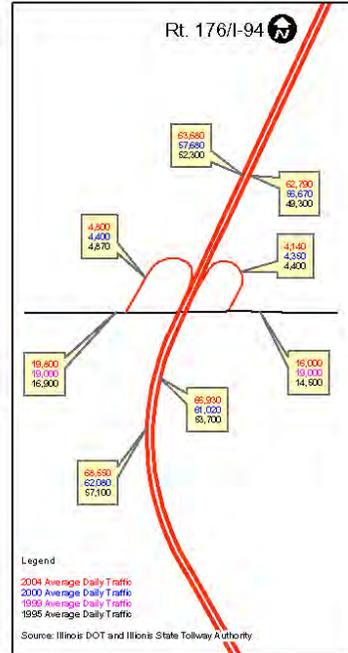
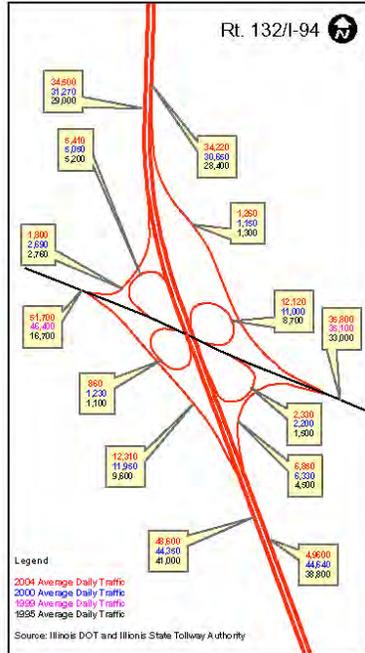
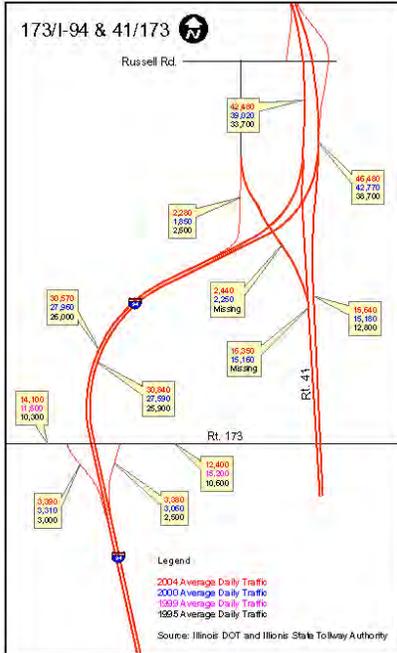
 3. Continue to develop the Corridor Council's strategy for Route 173.
 - Conduct a comprehensive real estate market analysis that will guide the Corridor Council's and property owners decision-making
 - Further develop the Quadrant-based concept plan
 - Develop site development and site design standards
 - Plan for the provision of infrastructure, particularly sewer and water
 - Market project to development interests

Appendix A – List of Data Points

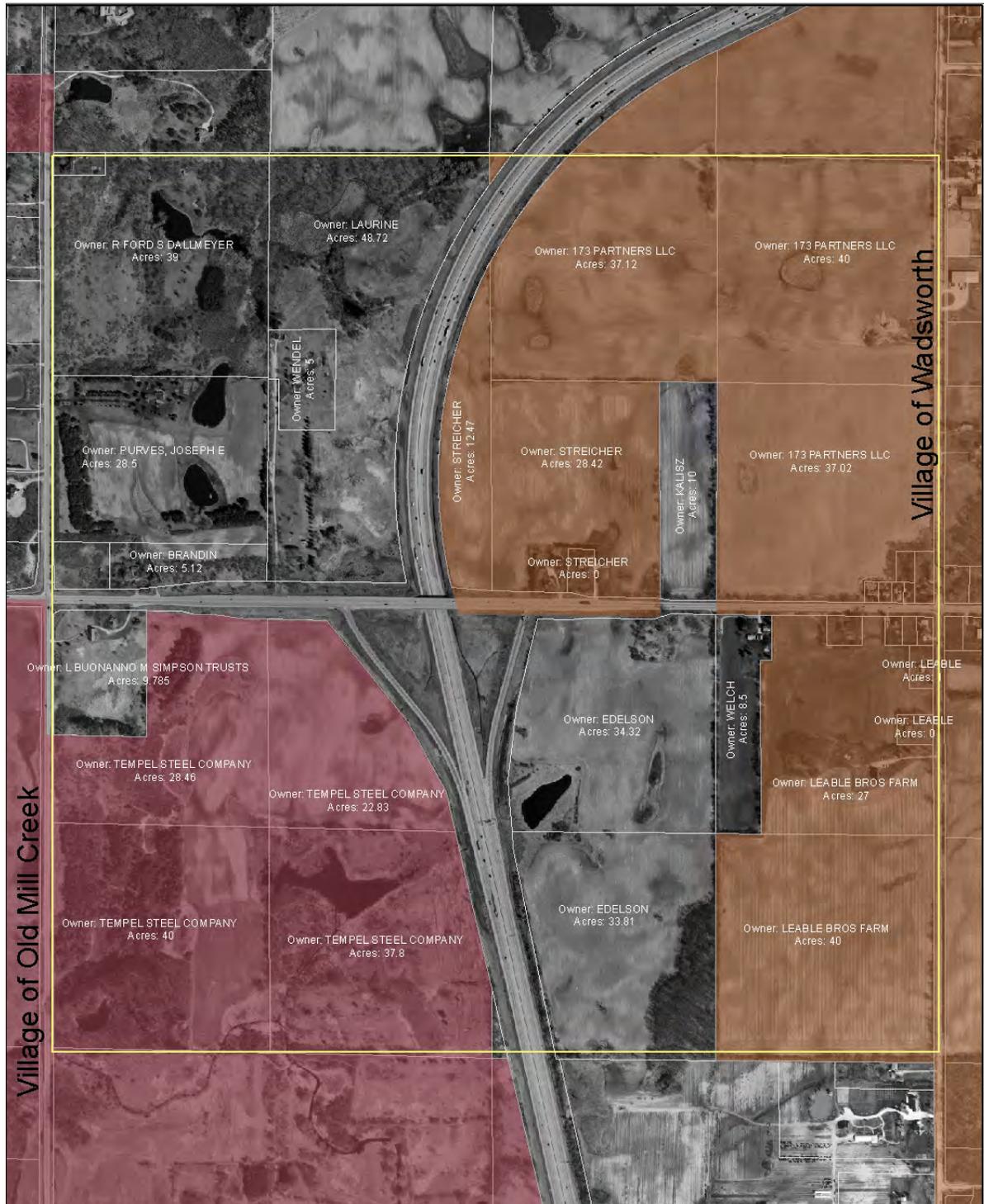
1. Data item: Meeting notes from August 17th RT 173 Corridor Council Meeting
2. Data item: Existing interchange configuration and options (2005)
3. Data item: Site zoning map (2000)
4. Data item: Zoning allowed uses and density standards (2004)
5. Data item: Site environmental map (2005)
6. Data item: Infrastructure (sewer and water) service options and engineering report (2005)
7. Data item: Wetland and hydric soil implications (2005)
8. Data item: Lake County regional framework plan (2005)
9. Data item: Old Mill Creek conceptual land use plan (2003)
10. Data item: Old Mill Creek comprehensive land use plan (1991)
11. Data item: Old Mill Creek future zoning map (1993)
12. Data item: Wadsworth land use plan (2000)
13. Data item: Wadsworth comprehensive plan update (2000)
14. Data item: Edwards road area plan (2004)
15. Data item: IDOT interviews regarding RT 53 and RT 120
16. Data item: ESRI demographics (2004, 2009 projected)
17. Data item: Population (2000, 2020, 2030 projected) and population density (1989, 2000)
18. Data item: Median household income by municipality (1979, 1989, 1999)
19. Data item: Housing units by type in Lake County (1980, 1990, 2000)
20. Data item: Building permits for Lake and Kenosha Counties, Wadsworth, and Old Mill Creek (1980, 1985, 1990, 1995, 2000-2004)
21. Data item: Housing affordability and employment locations (2004)
22. Data item: Property tax rates by municipality (2004) and IL effective tax rates (1999-2002)
23. Data item: Property tax implications Kenosha v. Lake County (2002)
24. Data item: Contacts in Kenosha
25. Data item: CoStar office real estate market data (2005)
26. Data item: Acreage by land use for 6 interchanges (2004)
27. Data item: Traffic counts for 6 Illinois I-94 interchanges (1995, 1999, 2000, 2004)
28. Data item: EAV and taxes by land use for 6 interchanges (1996, 2000, and 2004)
29. Data item: Hotel and medical facilities within 5 miles (2000)
30. Data item: Map identifying vacant and residential parcels 5 miles E/W, 1 mile S, and 2 miles N of the RT 173/I-94 interchange site (2004)
31. Data item: Employment by county region and sector (1995, 2020 projected)
32. Data item: Middletown EDC interchange report (2002)
33. Data item: Highway Interchanges report (2000)
34. Data item: Fee schedule (2005)
35. Data item: Lake County revenue sharing case studies (2005)

Appendix B – Traffic Count Analysis & Maps

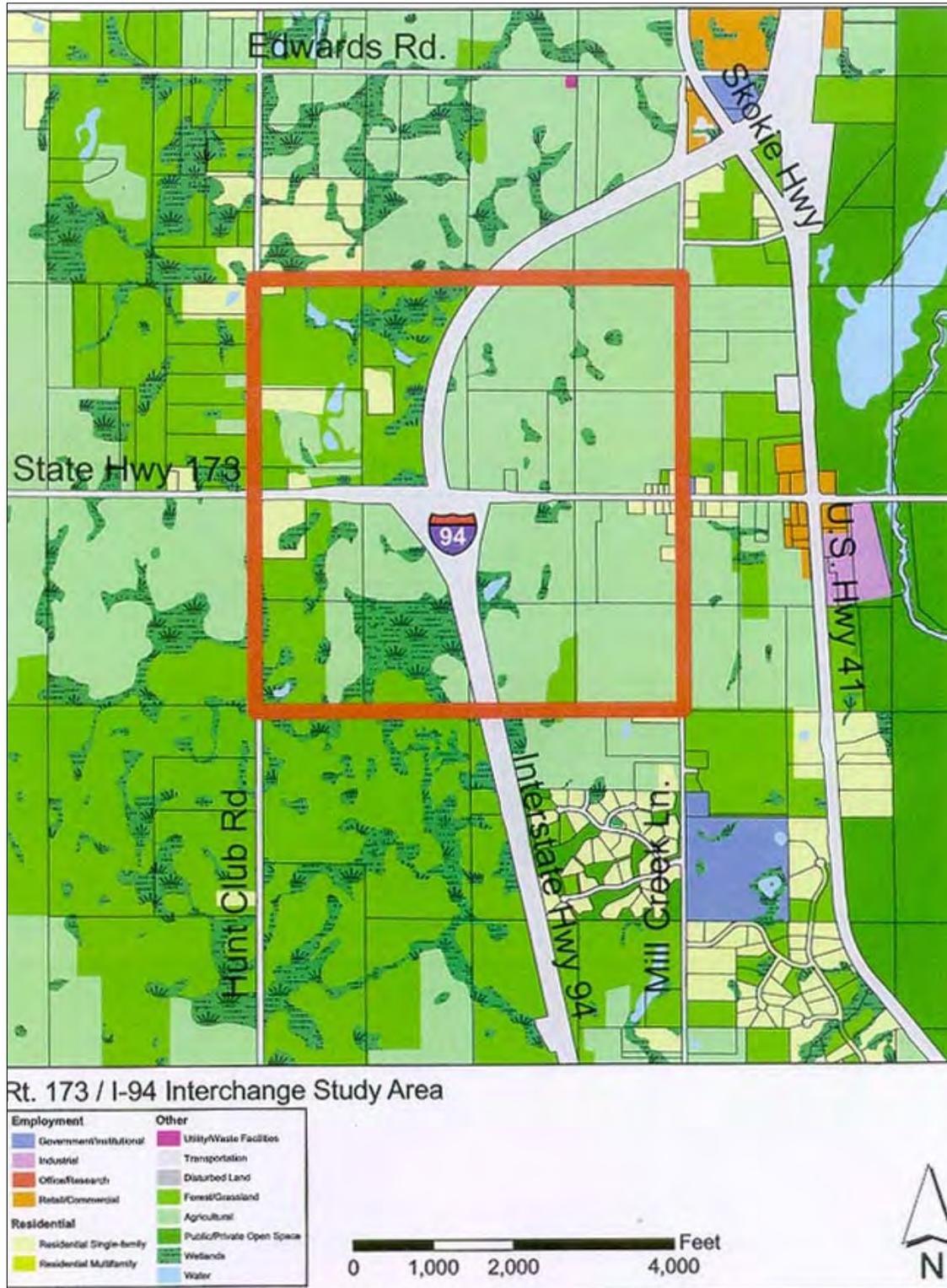
	I-94 at	Local W	Local E	Sbd Pre Exit	Sbd EXIT to local	EXIT to Sbd 94	Sbd Post Exit	Nbd Pre Exit	Nbd EXIT to local	EXIT to Nbd 94	Nbd Post Exit	Taxes (Millions)
LEGEND	173	14100	12400	30570	-	3390	34500	34220	3380	-	30840	\$0.090
2004		11500	15200	27960	-	3310	31270	30650	3060	-	27590	\$0.063
2000		10300	10600	26000	-	3000	29000	28400	2500	-	25900	\$0.059
1999												
1994	132	51700	35800	34500	1800+860	5410+12310	48600	49600	6850+12120	1260+2330	34220	\$8.7
1996		46400	35100	31270	2690+1230	5050+11950	44350	44640	6330+11000	1150+2200	30650	\$11.2
		16700	33000	29000	2760+1100	5200+9600	41000	38800	4500+8700	1300+1500	28400	\$7.6
	176	19800	16000	63680	-	4800	68550	66930	4140	-	62790	\$2.4
		19000	19000	57680	-	4400	62080	51020	4350	-	56670	\$1.9
		16900	14500	52300	-	4870	57100	53700	4400	-	49300	\$0.9
	60	37700	26500	68550	4940	8780	72390	70310	8520	5140	66930	\$6.6
		36000	25200	62080	5390	7360	64320	62960	7070	5130	61020	\$4.0
		26100	20500	57100	3700	6900	60300	56500	5300	2500	53700	\$1.6
	22	29800	17500	72390	5420	7110	74080	73530	6710	5490	72390	\$8.2
		32600	25300	64320	6840	7210	64960	63280	7160	6840	64320	\$7.1
		26700	17700	60300	5600	5300	60200	57000	6100	5600	60300	\$5.5
	Deerfield	35823	24000	74080	5620	-	79700	80420	6890	-	73530	\$9.2
		32593		64960	5940	-	70700	69970	6690	-	63280	\$7.1
		31774		60200	6100	-	66300	62400	5400	-	57000	\$5.4



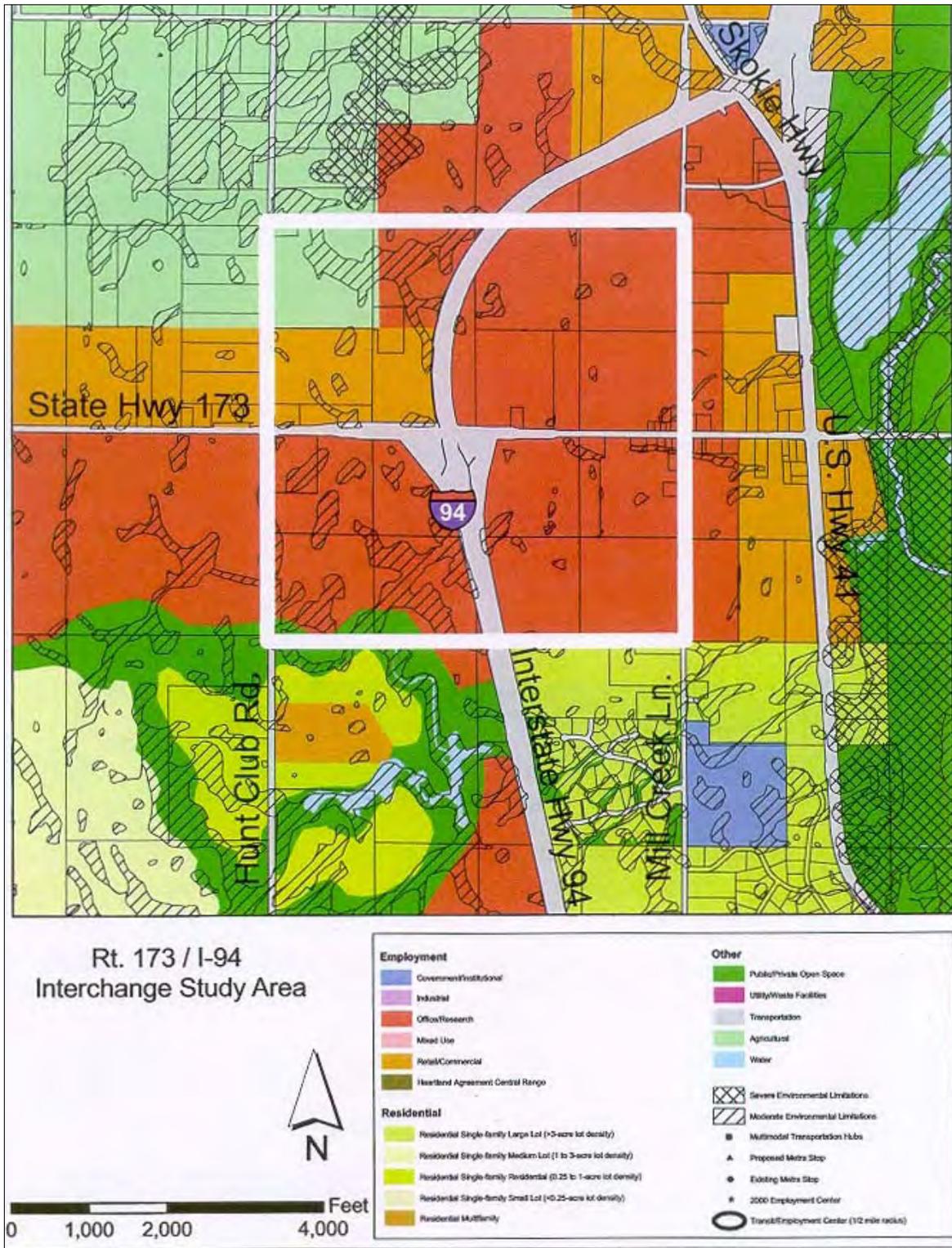
Appendix C – Property Ownership & Acreage Map



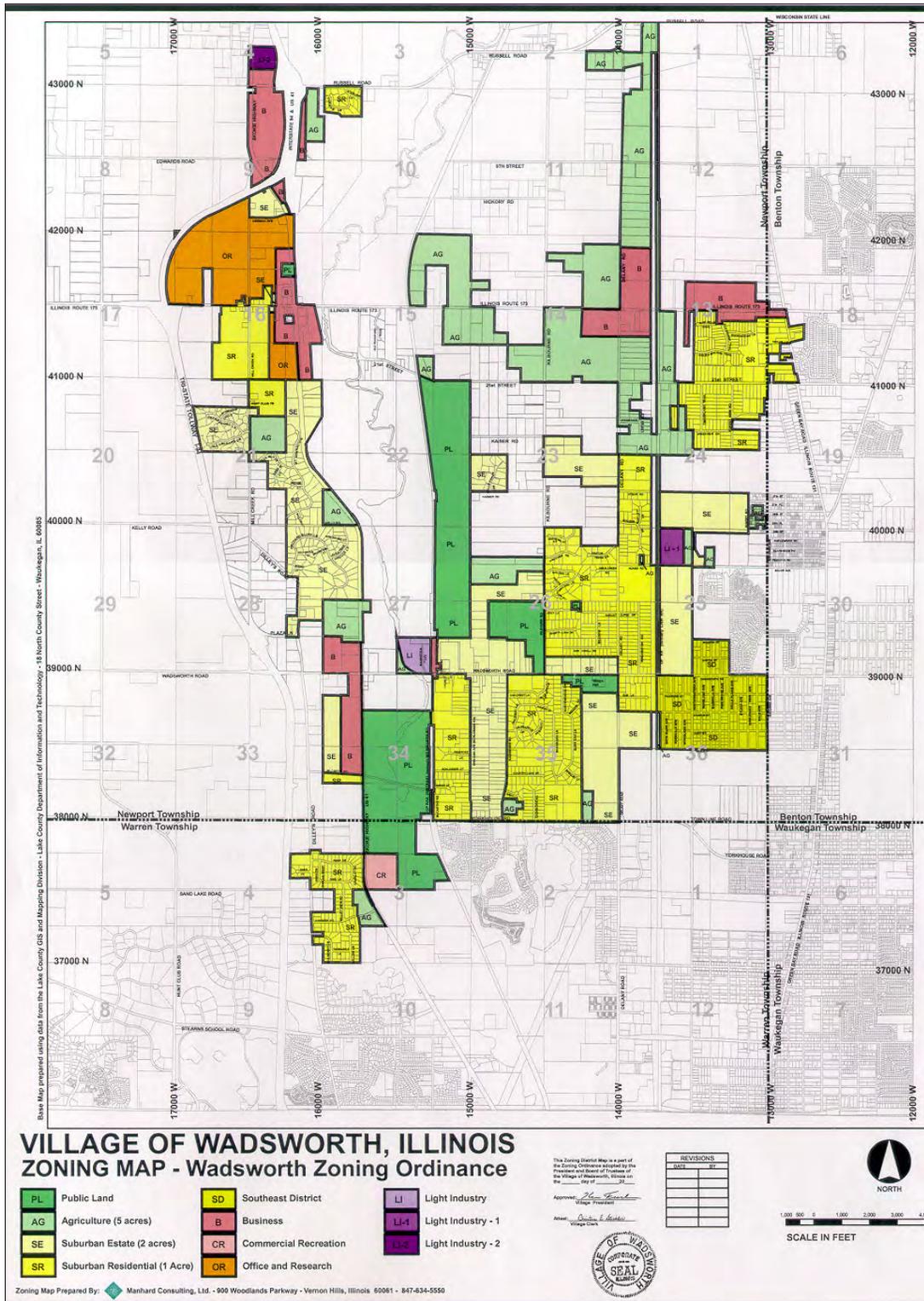
Appendix D – 2000 Land Use Map

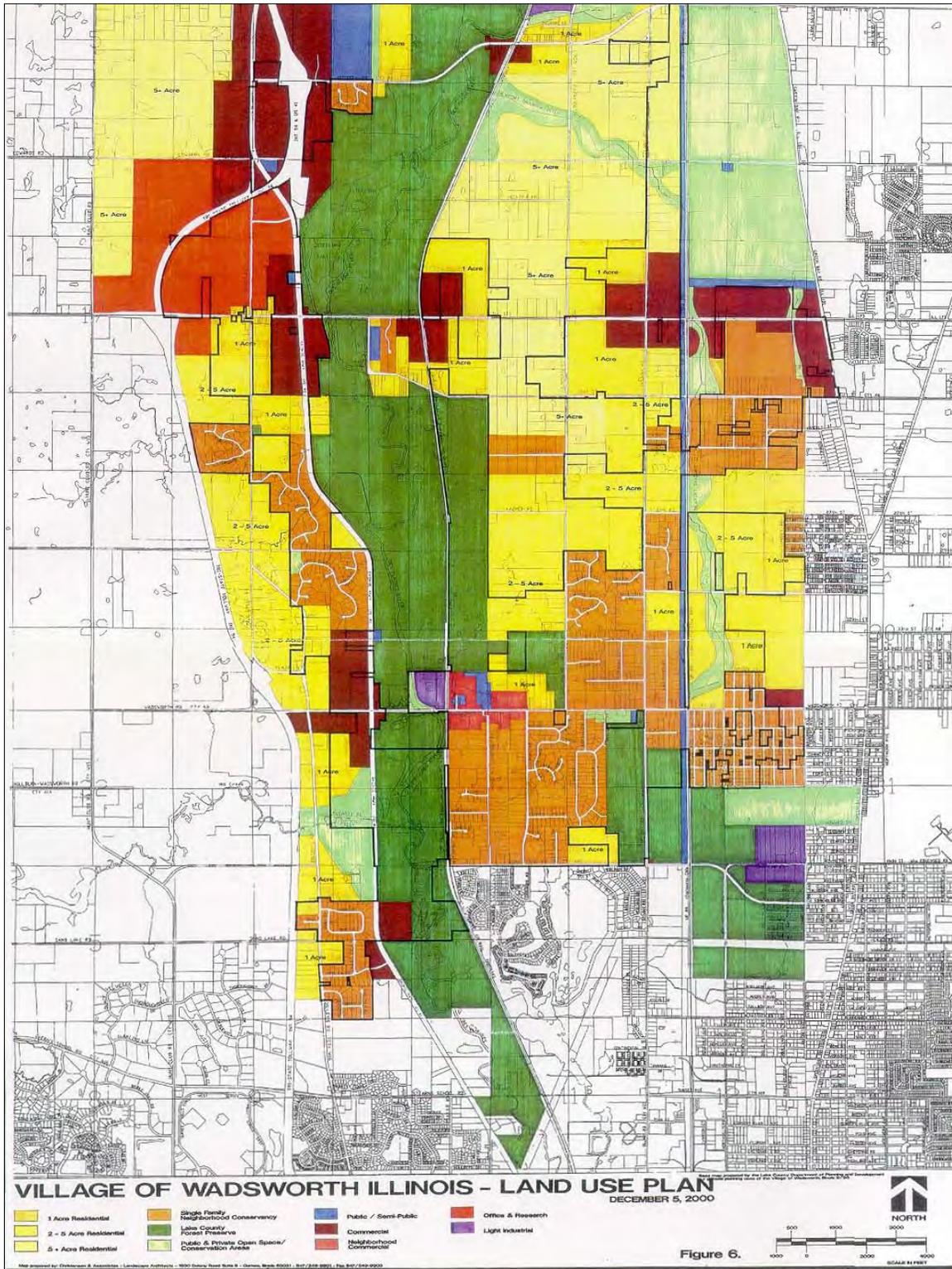


Appendix E – Future Land Use Map

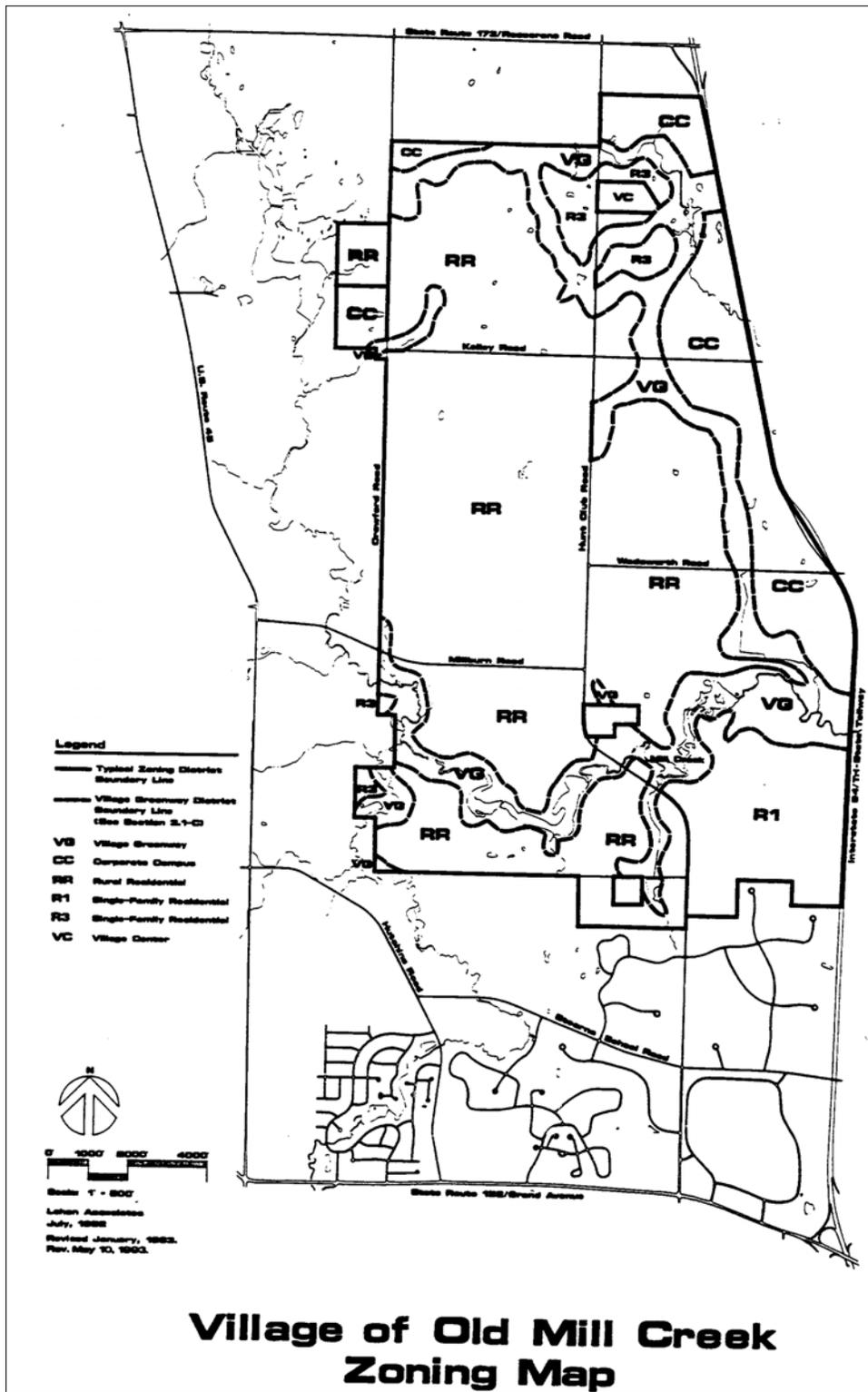


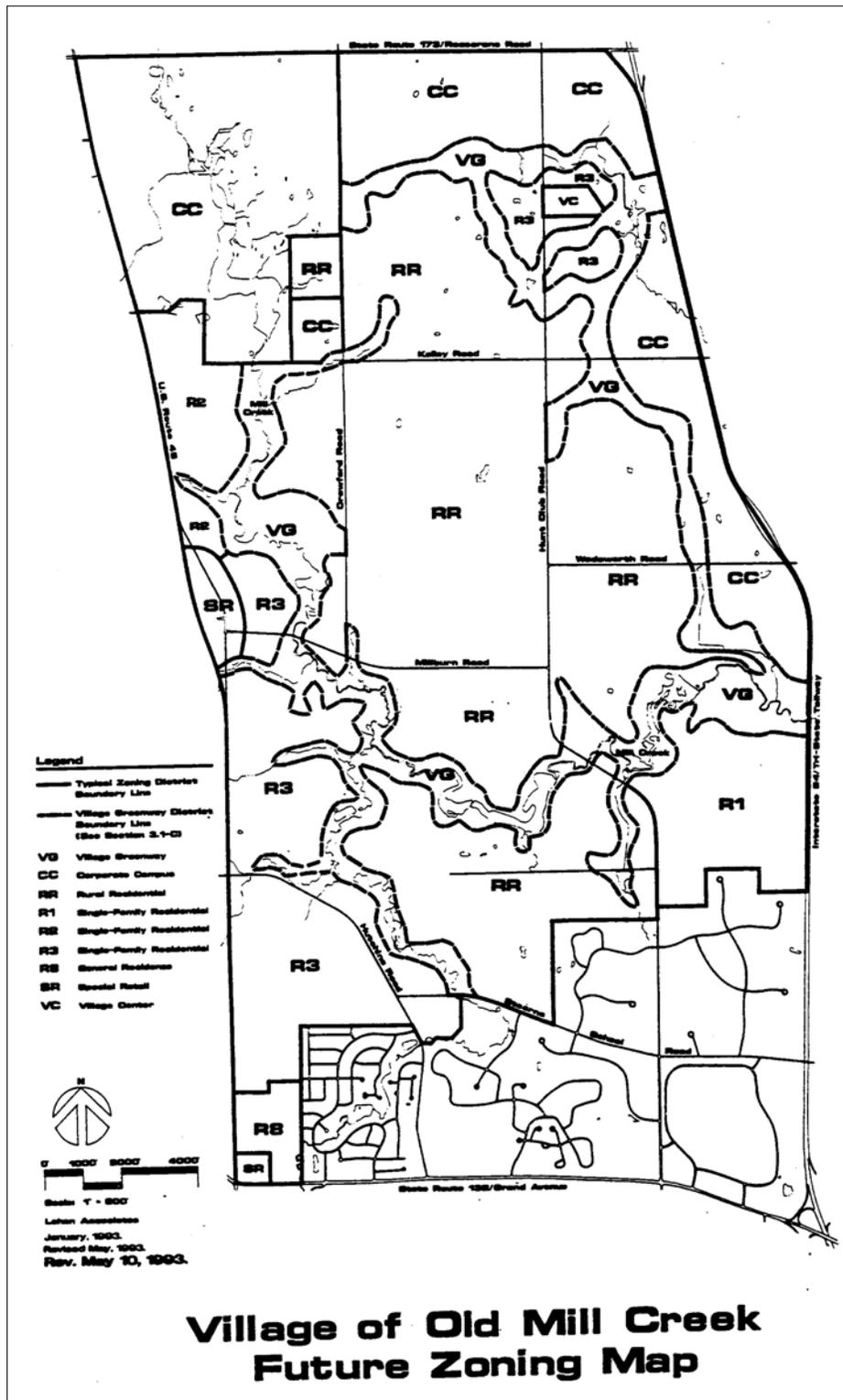
Appendix F – Village of Wadsworth Zoning Ordinance & Land Use Plan Maps

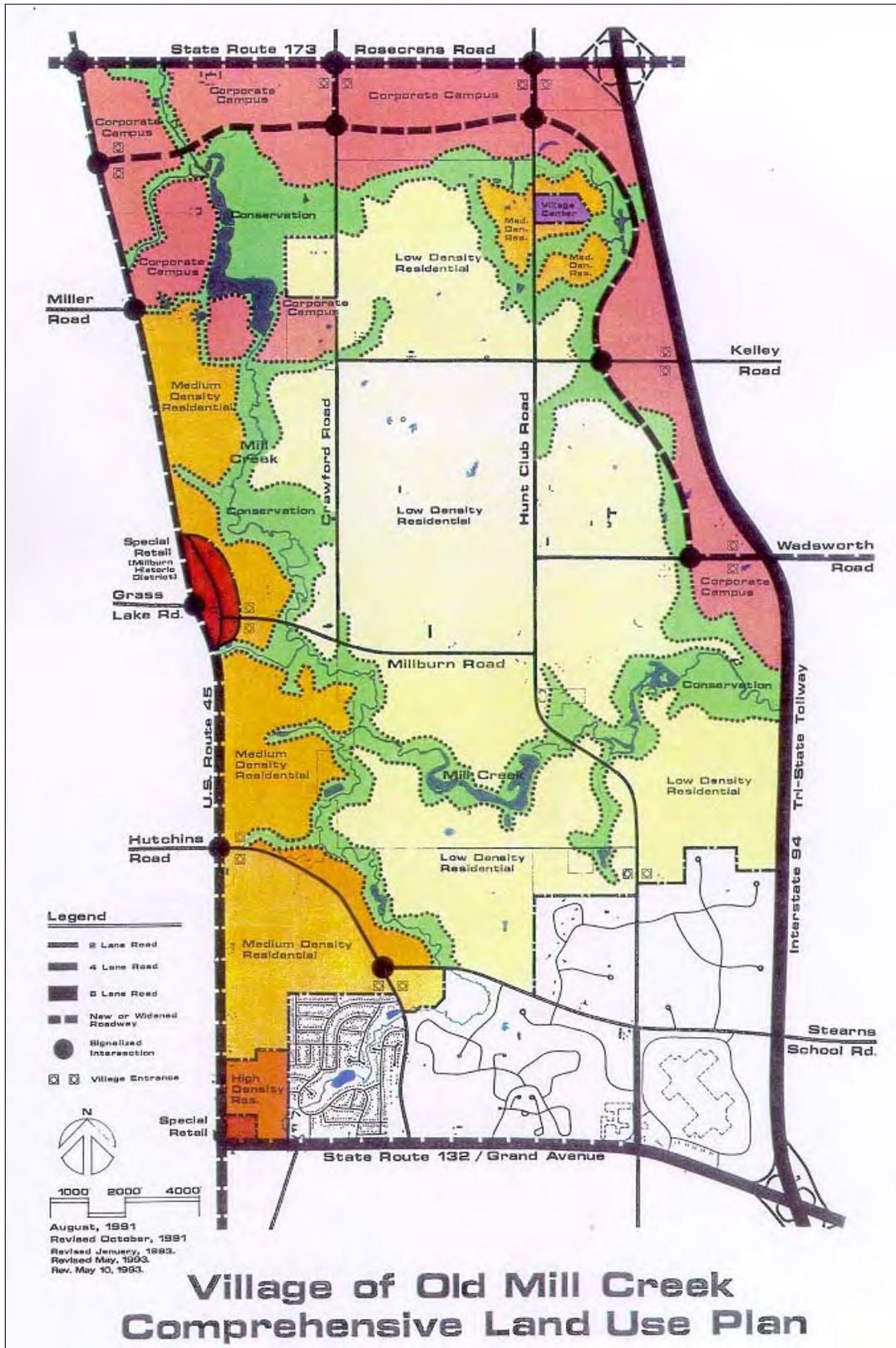




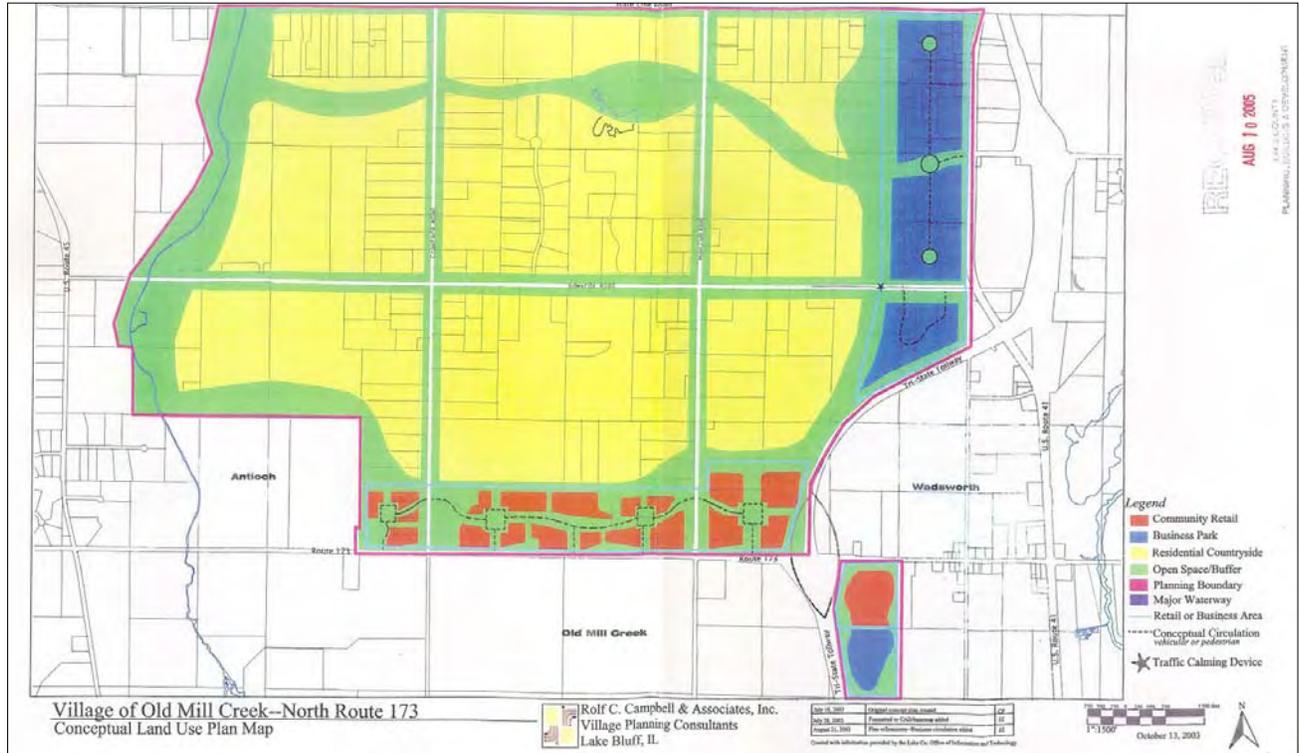
Appendix G – Village of Old Mill Creek Zoning & Land Use Plan



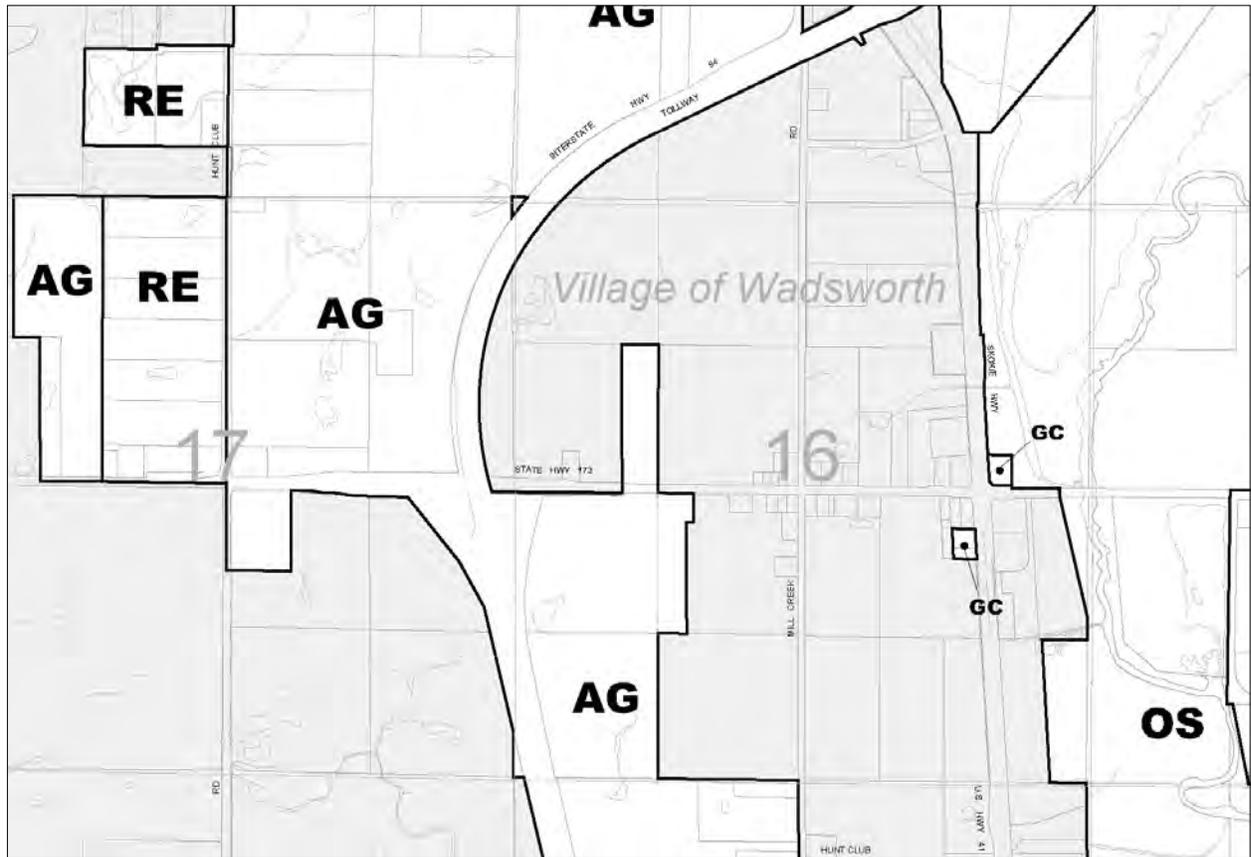




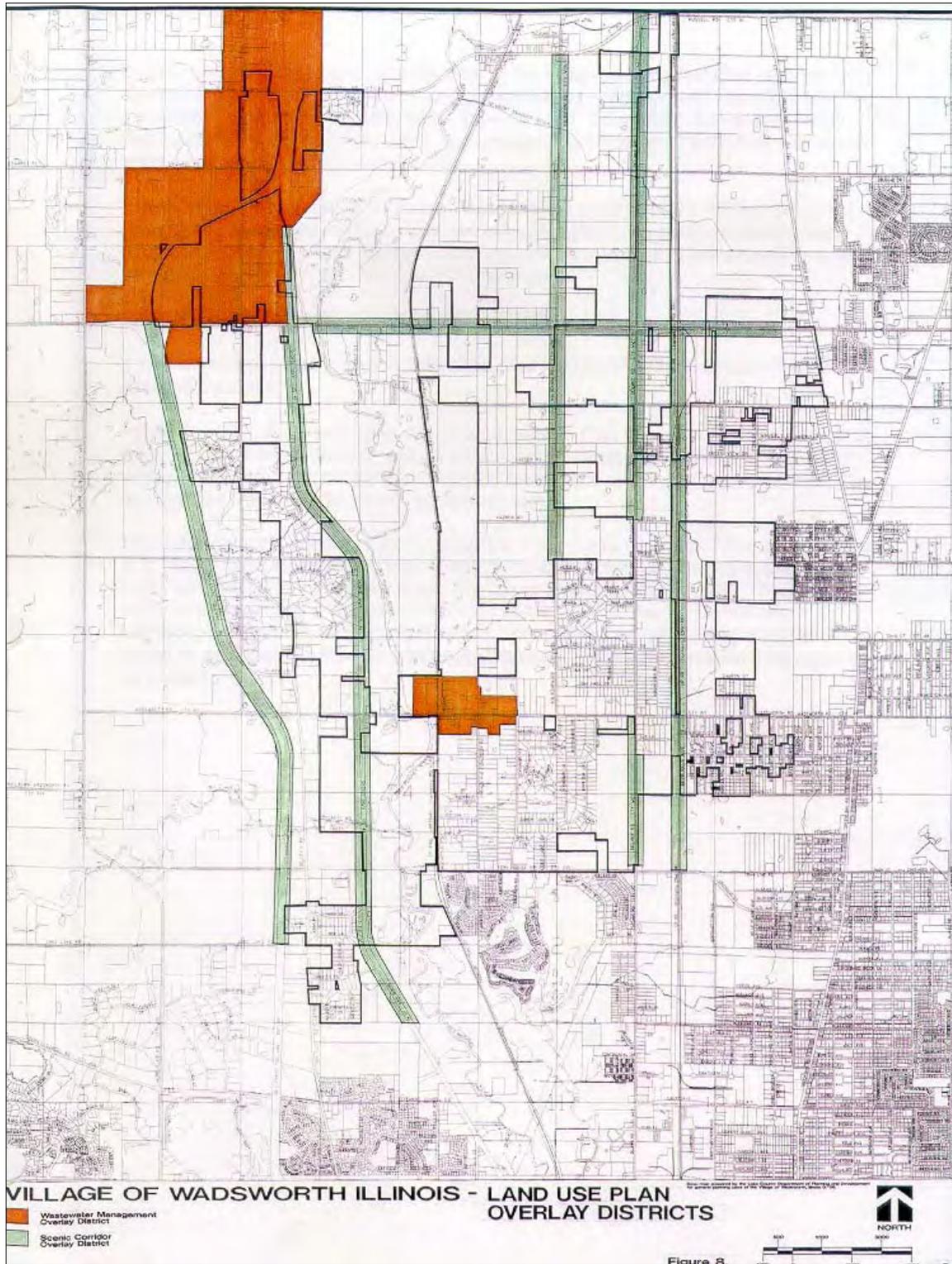
Appendix H – Old Mill Creek Conceptual Plan



Appendix I – Lake County Zoning Map



Appendix J – Village of Wadsworth Overlay District Map



Appendix K – Economics Research Associates Rt. 173 Corridor Council Survey



Economics Research Associates

Route 173 Corridor Council Economics Research Associates (ERA) Survey

ERA is currently completing the Market Analysis Phase of our Interchange Feasibility Study. We would like to briefly expand on our previous discussion regarding Corridor Council perceptions and priorities for the interchange development process. Please take a minute and rank and/or augment the following development considerations.

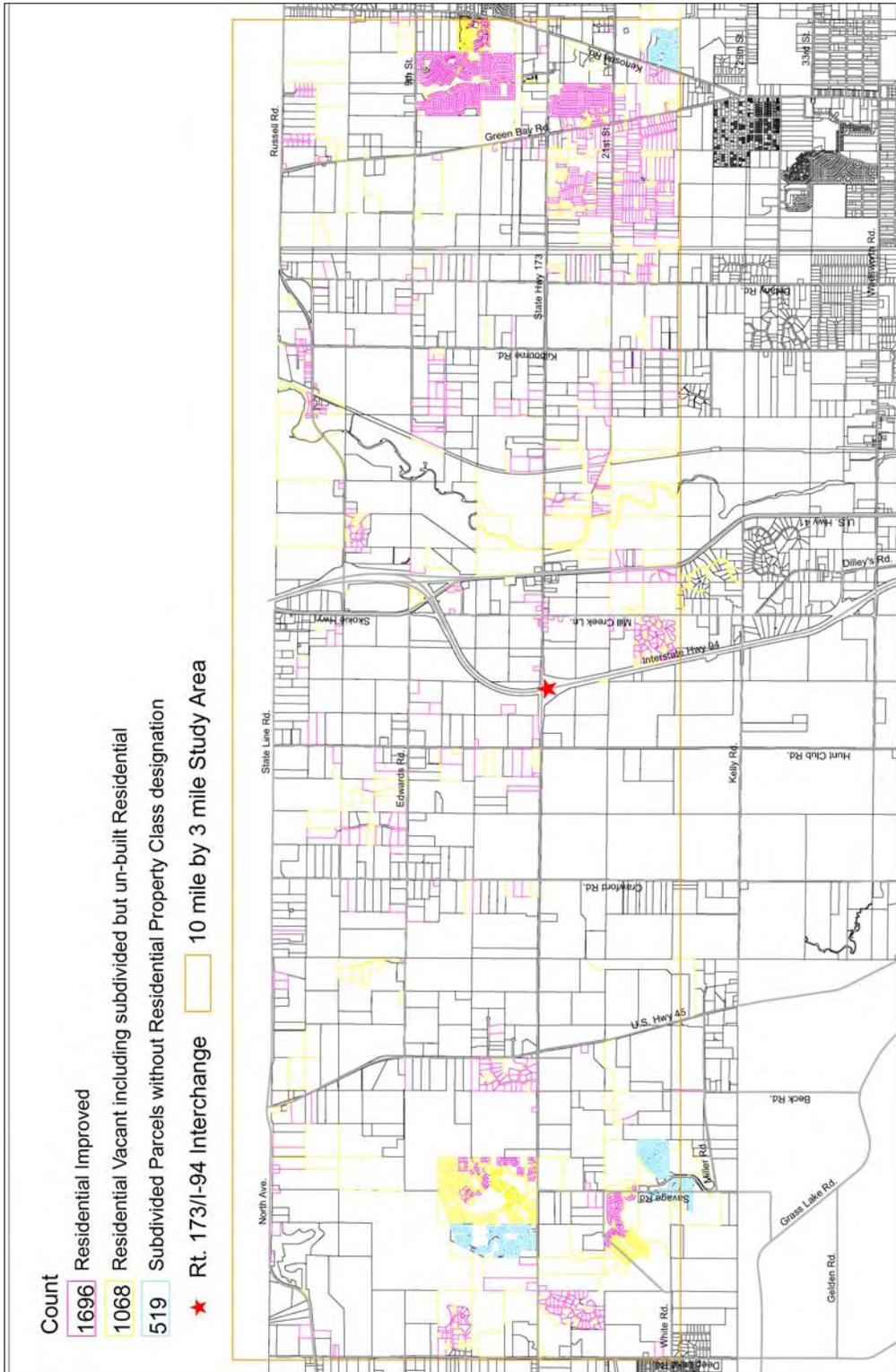
Recognizing that future development could and should be a combination of positive community benefits, please rank the following Priority **Planning** Objectives for Interchange Area in order of importance (1, 2, 3, 4):

- _____ Enhanced **image** for Rt. 173 corridor and future development activity
- _____ Provide desirable residential **commercial amenities** for area residents and to facilitate upscale housing activity
- _____ Maximize interchange **economic** impacts, especially local tax revenues
- _____ Other (please describe): _____

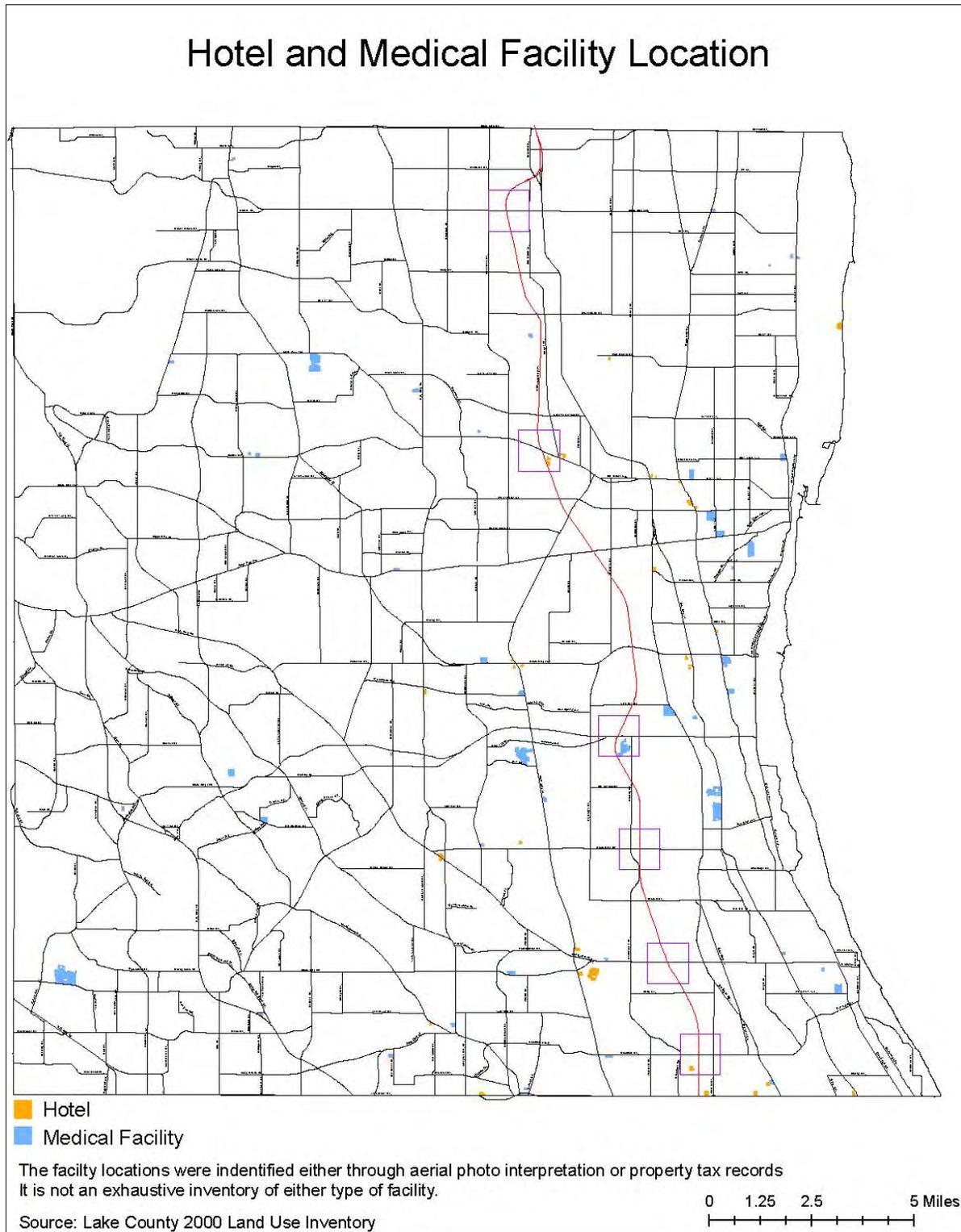
Of uses discussed at our meeting or in current planning documents, please rank the following potential interchange development components (A = Very Desirable; B = Desirable; C = Not Sure; D = Not Desirable):

- | | |
|---|---|
| _____ Office/Corporate Campus | _____ High-Density Residential (Condominiums) |
| _____ Medical Center | _____ Village Green/Park Space |
| _____ Health Club | _____ Open Space |
| _____ Hotel | _____ Educational Facilities |
| _____ Restaurants | _____ _____ |
| _____ Large-Scale Retail | _____ _____ |
| _____ Specialty Retail | _____ _____ |
| _____ Entertainment (Theater, Sports Complex, etc.) | |
| _____ Low-Density Residential (Townhouses) | |

Appendix L – Residential Parcel Map



Appendix M – Hotel & Medical Facilities Map



 Appendix N – Selected Demographic Tables

Table 1. Population

Area	2004	2009	CAGR
5 mile ring	25,581	28,383	2.1%
15 mile ring	627,360	683,076	1.7%
30 mile ring	2,016,372	2,152,346	1.3%
USA	295,628,353	314,308,848	1.2%

Table 2. Households

Area	2004	2009	CAGR
5 mile ring	8,941	9,965	2.2%
15 mile ring	216,201	237,301	1.9%
30 mile ring	727,834	781,427	1.4%
USA	111,572,974	119,334,642	1.4%

Table 3. Household Size

Area	2004	2009	CAGR
5 mile ring	2.86	2.85	-0.1%
15 mile ring	2.90	2.88	-0.2%
30 mile ring	2.77	2.75	-0.1%
USA	2.65	2.63	-0.1%

Table 4. Median Household Income

Area	2004	2009	CAGR
5 mile ring	53,457	63,961	3.7%
15 mile ring	62,167	74,613	3.7%
30 mile ring	72,342	85,519	3.4%
USA	67,572	84,607	4.6%

Table 5. Per Capita Household Income

Area	2004	2009	CAGR
5 mile ring	22,815	29,072	5.0%
15 mile ring	26,935	33,993	4.8%
30 mile ring	34,319	42,785	4.5%
USA	25,866	32,501	4.7%

Appendix O – Quadrant Concept Development Plan

