

# Section 2: Growth & Economic Development

As municipalities throughout the Corridor plan for their future, it is important that the changes being made at the local level are placed in a regional context. Regional trends can have a significant impact on local land use decisions and these local decisions, in turn, can have a cumulative impact on the development of the region.

This section presents demographic, market and employment trends for the Corridor. As discussed in **Section 1: Introduction**, there is an important relationship between economic development, land use and transportation. These trends provide an important story about the growth and economic future of the Corridor. Land use decisions and public investment, especially in regard to transportation, will have to be made to accommodate the growth. This information is presented as follows:

- Long-Term Growth Forecasts (2030)** - Data prepared in September 2006 by the Chicago Metropolitan Agency for Planning (CMAP) are presented. The population of the Regional Centers and Historic Municipalities, which have the most influence on the Corridor, are projected to grow by 440% from 37,433 in 2000 to 202,034 in 2030. The majority of this growth (46%) is projected to occur in the Huntley Regional Center (which includes Hampshire and Pingree Grove), Sugar Grove (36%) and Elburn (11%). Employment growth is projected to lag behind population growth. This imbalance could place a strain on municipal budgets and services given that residential land use generally requires more public service and investment than non-residential land use.
- Current Market Analysis (2009)** – Data are presented regarding estimated surplus or deficit of retail space for four market areas which are centered on IL 47. The 2009 data is from Environmental Systems Research Institute, Inc. (ESRI), a nationally recognized provider of demographic data. The Huntley Regional Center has a large surplus of retail space which is likely a reflection of the expected growth that has been forecast. This area is a regional retail center that draws from a much larger area. The Woodstock and Sugar Grove Regional Centers both have a leakage or deficit in retail space. This suggests that these areas may want to initiate efforts to encourage development of additional retail space.
- Employment Trends (2009 - 2019)** - Three industry clusters areas were assessed for employment growth. This section provides information on the types of industry that have potential to grow in the Corridor according to data from Economic Modeling Specialists, Inc. (EMSI) for the second quarter of 2009. As discussed in the long-term forecasts, the number of jobs per household is projected to decrease. This section suggests the type of industry that municipalities may want to promote in the Corridor.

The section concludes with a presentation of the planning challenges that the Corridor will face and the recommended strategies or tools that can be used to address these challenges.

## Long-Term Growth (2030)

The forecast information used in this analysis is based upon 2030 projections from the CMAP (previously known as the Northeastern Illinois Planning Commission) that were prepared in September 2006. These projections represent the most current data available for the six-county region. The 2030 forecasts involve a three step process that combines region-wide population forecasts, expected local land use patterns per input from the region's municipalities, and adjustments based on overlapping jurisdictions and location relative to the regional transportation network. As with any long-term projection, the accuracy of population and employment forecasts is significantly influenced by many factors including changes in market and economic conditions as well as shifts in industry locations or business practices. The 2030 projections are updated every three years and CMAP is currently in the process of updating its information for the 2040 projections.

**Table 2.1: Population and Employment Change** provides data pertaining to projected population, household, and employment growth within the Corridor from 2000 to 2030. The data is separated by Regional Centers/Historic Municipalities and Edge Municipalities.

**Table 2.1: Population & Employment Change**

Projected Population/Employment Change within the Corridor: 2000 & 2030						
Regional Centers & Historic Municipalities	Population		Households		Employment	
	2000	2030	2000	2030	2000	2030
Elburn	2,756	21,126	1,038	6,120	748	2,449
Hampshire	2,900	23,768	1,015	6,728	1,080	8,167
Hebron	1,038	3,751	390	1,410	268	717
Huntley	5,730	44,435	2,324	16,076	2,183	9,876
Lily Lake	825	1,543	252	504	0	90
Pingree Grove	124	14,147	50	5,539	106	6,073
Sugar Grove	3,909	62,742	1,272	20,529	571	22,441
Woodstock	20,151	30,522	7,273	10,832	14,945	21,568
<b>Subtotals</b>	37,433	202,034	13,614	67,738	19,901	71,381
<b>Increase</b>		164,601		54,124		51,480
<b>Percentage</b>		440%		398%		259%
<b>Jobs/Population</b>					53%	35%
<b>Jobs/Households</b>					1.5	1.1

Edge Municipalities	Population		Households		Employment	
	2000	2030	2000	2030	2000	2030
Burlington	452	14,994	171	4,239	54	1,428
Campton Hills	N/A	Pending	N/A	Pending	N/A	Pending
Crystal Lake	38,000	44,363	13,070	15,573	25,549	37,161
Elgin	94,487	167,375	31,543	57,743	54,020	90,030
Lake in the Hills	23,152	30,532	7,652	9,932	3,071	11,299
Lakewood	2,337	5,922	815	2,656	68	1,631
Montgomery (Kane)	3,855	11,323	1,581	3,926	4,634	7,721
<b>Subtotals</b>	162,283	274,509	54,832	94,069	87,396	149,270
<b>Increase</b>		112,226		39,237		61,874
<b>Percentage</b>		69%		72%		71%
<b>Jobs/Population</b>					54%	54%
<b>Jobs/Households</b>					1.6	1.6

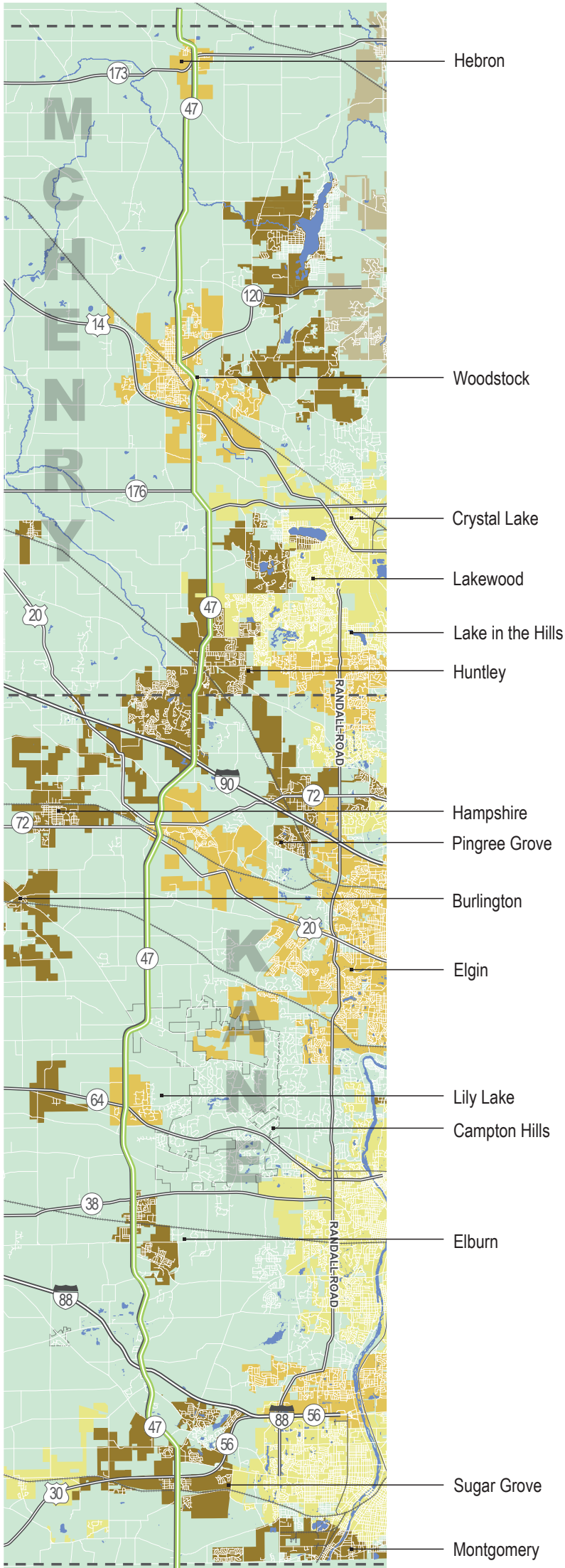
  

All Municipalities	Population		Households		Employment	
	2000	2030	2000	2030	2000	2030
<b>Total</b>	199,716	476,543	68,446	161,807	107,297	220,651
<b>Increase</b>		276,827		93,361		113,354
<b>Percentage</b>		139%		136%		106%
<b>Jobs/Population</b>					54%	46%
<b>Jobs/Households</b>					1.6	1.4

\* The Village of Campton Hills was incorporated in April of 2007. As such, Census 2000 estimates and 2030 projections are not available for this municipality.

Source: Northeastern Illinois Planning Commission 2030 Forecasts of Population, Households and Employment by Municipality; Sept. 27, 2006 (now Chicago Metropolitan Agency for Planning CMAP)

**Figure 2.1:  
Residential Forecast (2000 - 2030)**



It is projected that the Regional Centers and Historic Municipalities will have the most influence in the Corridor given their proximity to IL 47. Over the next two decades, these municipalities will account for an estimated 440% and 259% of population and employment growth respectively. Most of these municipalities are centered on IL 47. The growth of these municipalities will greatly affect IL 47 and significant planning efforts will be needed to ensure that infrastructure is in place to accommodate the growth.

The Edge Municipalities will have a different impact on the Corridor. All of these municipalities, with the exception of Burlington, are growing in an east to west fashion towards IL 47. The population and employment of the Edge Municipalities is forecasted to grow by 69% and 71%, respectively. Some of this growth is expected to occur in the Corridor. Elgin will be responsible for 65% and Burlington for 13% of the forecasted population growth within Edge Municipalities. However, much of Elgin's growth is likely to occur closer to the Fox River outside of the Corridor, which will have little effect on the Corridor.

It would be useful for the Regional Centers and Historic Municipalities to take a leadership role on the future of the Corridor. The Edge Municipalities will have an important influence on IL 47 and the Corridor. However, growth and development within the Corridor is not likely to be as high of a priority for the Edge Municipalities as it will be for the Regional Centers and Historic Municipalities.

**Figure 2.1: Residential Forecast (2000-2030)** illustrates projected percent change in population for municipalities in the Corridor.

## Employment Growth

By 2030, it is anticipated that total employment within the Corridor municipalities will have grown by more than 113,000 jobs (106%) from the year 2000 and reach approximately 220,000 jobs. The largest absolute gains in employment are expected in the communities of Elgin (36,000) and Sugar Grove (22,000). Although Elgin is primarily outside of the Corridor, its growth areas are located west of its current city limits and therefore it is expected that future growth will occur within the Corridor.

**Figure 2.2: Employment Forecast (2000-2030)** illustrates projected percent change in employment for municipalities in the Corridor.

Nearly 70% of the employment growth of the Corridor municipalities is anticipated to occur within Kane County. Within the corridor, the proportion of employment within McHenry County is projected to decrease from approximately 43% in 2000 to 37% in 2030. This shift in the geographic concentration of employment within the area is related to disparate rates of employment growth that are projected to occur in different locations of municipalities within the Corridor. While established employment centers in southeastern McHenry County are projected to grow, they will grow at a slower pace than those emerging employment centers in southern and northern Kane County.

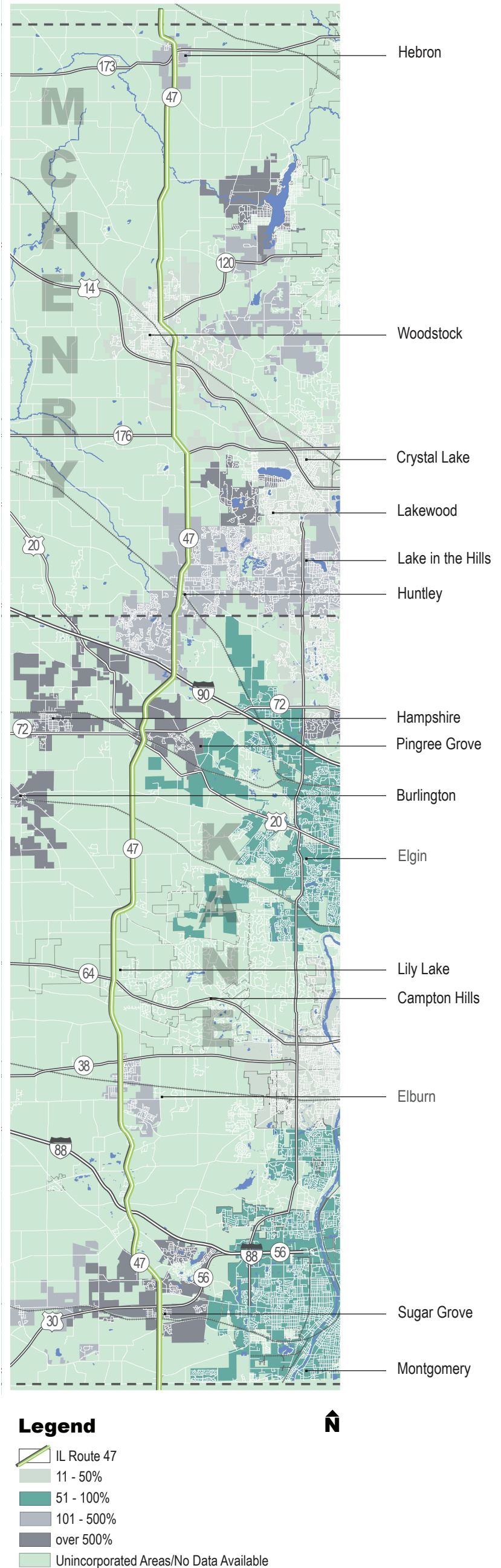
Similar to population and household growth, nearly half of all employment growth is projected to occur in the municipalities of Elgin, Hampshire, Huntley and Pingree Grove.

### Job/Housing Balance

It is important to recognize the relationship between residential and employment growth. Although it is difficult to identify an ideal balance between jobs and housing, in general, there should be an adequate amount of each to support and sustain growth. Research on this subject suggests that an estimated 1.5 jobs per household is a desirable ratio for healthy regions.<sup>1</sup>

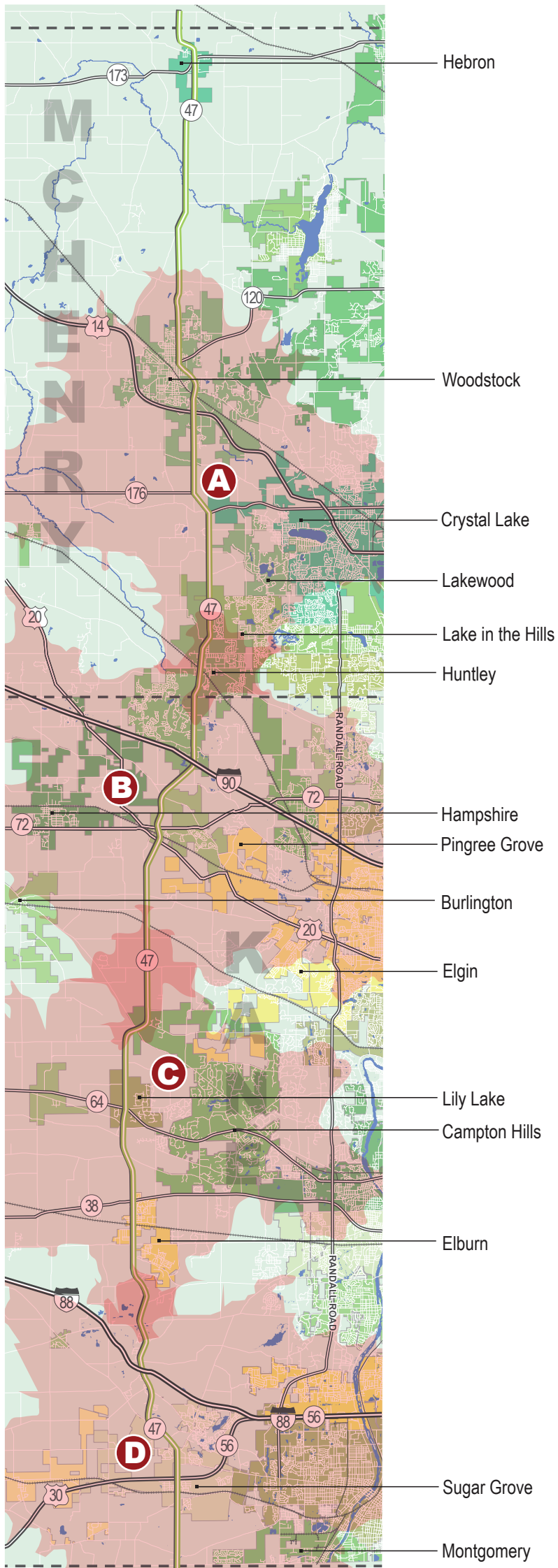
Overall, the Corridor is projected to experience a 136% increase in households while employment is projected to increase by 106%. The Corridor municipalities are expected to see a decline in the jobs-to-households ratio from 1.6 to 1.4. This disparity is not projected to occur uniformly throughout the municipalities in Corridor. Generally, the decline will come from the Regional Center and Historic Municipalities. These municipalities will have the most influence on the Corridor. This would suggest that a greater percentage of the new residents will have to travel outside of the Corridor and perhaps beyond the Fox Valley area to employment locations.

**Figure 2.2: Employment Forecast (2000 - 2030)**




<sup>1</sup> Jobs-Housing Balance. Jerry Weitz. American Planning Association. 2009.

**Figure 2.3:  
Market Areas**



**Legend**

-  IL 47
-  Unincorporated Areas
-  Retail Market Areas
-  IL 47 at IL 176 (Woodstock)
-  IL 47 at US 20/IL 72 (Huntley)
-  IL 47 at IL 64 (Mid Kane County)
-  IL 47 at US 30/IL 56 (Sugar Grove)

**Current Market Analysis (2009)**

To assess the potential for commercial development throughout the Corridor, demographic and market data for 2009 were pulled from areas within a fifteen-minute drive time of four key intersections along IL 47. Data was obtained from ESRI Business Analyst. **Figure 2.3: Market Areas** illustrates the market areas and the intersection each is centered upon:

- Market Area A – IL 47 at IL 176 (Woodstock)
- Market Area B – IL 47 at US 20/IL 72 (Huntley)
- Market Area C – IL 47 at IL 64 (Mid-Kane County)
- Market Area D – IL 47 at US 30/IL 56 (Sugar Grove)

As shown in **Figure 2.3**, there is limited overlap between the four market areas. These overlapping areas are relatively small and have minimal impact on the market data discussed in the following section.

Market Areas A, B and D somewhat approximate the three regional centers in the Corridor. Market Area C was added to provide near full coverage of the Corridor. The market areas encompass nearly the entire Corridor with the exception of the northern portion of McHenry County (to the north of approximately IL Route 120).

The market areas extend beyond an area that might be considered as the Corridor boundary. The market area drive times are an approximation of the geographic area from which businesses typically draw their customers. A market area’s population is larger than the population of municipalities in the Corridor. This is necessary in order to identify market forces that would affect the Corridor.

**Table 2.2: Corridor Business Inventory** indicates the number and percent of businesses in each retail category within each respective market area. A review of the retail inventory indicates that Market Area B – IL 47 at US 20/IL 72 and Market Area D – IL 47 at US 30/IL 56 comprise a major share of the businesses within the Corridor. Each of these market areas has approximately one-third of all Corridor businesses. Conversely, the other two market areas, Market Area A - IL 176 and Market Area C - IL 64 comprise approximately 23% and 11% of all businesses respectively. The uneven distribution of businesses in the Corridor may be somewhat demonstrative of the influence of the larger cities of Aurora and Elgin. This pattern also likely reflects the importance of Interstate 90 and Interstate 88 in influencing retail markets.

**Table 2.2: Corridor Business Inventory**

IL 47 Corridor Retail Inventory by Number of Businesses 15 Minute Drive Time Market Areas (2009)									
Summary	IL Route 176		US Route 20 / IL Route 72		IL Route 64		US Route 30 / IL Route 56		Combined Market Area
Total Retail Trade and Food & Drink	660	23.31%	930	32.85%	324	11.44%	917	32.39%	2,831
Total Retail Trade	487	23.33%	672	32.20%	231	11.07%	697	33.40%	2,087
Total Food & Drink	173	8.29%	258	12.36%	93	4.46%	220	10.54%	744
<b>Industry Group</b>									
Motor Vehicle & Parts Dealers	40	25.0%	30	18.8%	22	13.8%	68	42.5%	160
Furniture & Home Furnishings Stores	47	30.9%	48	31.6%	15	9.9%	42	27.6%	152
Electronics & Appliance Stores	45	26.8%	56	33.3%	17	10.1%	50	29.8%	168
Bldg Materials, Garden Equip. & Supply Stores	67	28.3%	78	32.9%	32	13.5%	60	25.3%	237
Food & Beverage Stores	38	19.2%	63	31.8%	28	14.1%	69	34.8%	198
Health & Personal Care Stores	21	14.2%	56	37.8%	11	7.4%	60	40.5%	148
Gasoline Stations	20	20.8%	30	31.3%	7	7.3%	39	40.6%	96
Clothing and Clothing Accessories Stores	44	14.2%	115	37.2%	14	4.5%	136	44.0%	309
Sporting Goods, Hobby, Book, and Music Stores	34	22.7%	54	36.0%	23	15.3%	39	26.0%	150
General Merchandise Stores	16	20.5%	24	30.8%	7	9.0%	31	39.7%	78
Miscellaneous Store Retailers	106	29.6%	105	29.3%	54	15.1%	93	26.0%	358
Nonstore Retailers	9	27.3%	13	39.4%	1	3.0%	10	30.3%	33
Food Services & Drinking Places	173	23.3%	258	34.7%	93	12.5%	220	29.6%	744

Source: ESRI Business Analyst

A retail gap analysis was conducted wherein projected spending by households within each market area was compared to the existing supply of retail space. This provides an indication of “surplus” or “leakage” for each retail category. A surplus in any given category indicates that there is at least enough retail space in that category to accommodate demand from households located in the designated market area. Conversely, leakage (also known as a “gap”) indicates that demand for goods in a given retail category has exceeded the supply and consumers are spending their dollars outside of the market area. The gap analysis offers a means of gauging retail competition and identifying potential opportunities for growth within the various population and employment centers.

**Table 2.3: Retail Gap Analysis** indicates the estimated retail gap for various retail categories within the four market areas. A positive number under the retail gap column indicates leakage while a negative number indicates a surplus of demand.

Positive retail gap figures relating to sales per square foot can be utilized to estimate a preliminary indication of development potential. A generally accepted benchmark of \$300 to \$350 of sales per square foot annually is used for this analysis. The use of the higher end of this range allows for a more conservative approach, so as not to overstate potential.

As shown in **Table 2.3**, when a per square foot amount of \$350 is applied, demand is effectively translated to a potential number of square feet that could be supported within each respective Corridor market area.<sup>2</sup>

**Summary by Market Area**

**Table 2.4: Market Area Summary** shows demographic and gap analysis information by market area.

**Table 2.4: Market Area Summary**

Estimated Demographic & Retail Characteristics Market Area Summary (2009)				
	A - IL 176 (Woodstock)	B - US 20/IL 72 (Huntley)	C - IL 64 (Mid-Kane County)	D - US 30/IL 56 (Sugar Grove)
Population	99,000	130,000	35,000	150,000
Per Capita Income	34,000	31,000	26,000	26,000
Retail Surplus	-	550,000 sq. ft.	182,000 sq. ft.	-
Retail Leakage	366,000 sq. ft.	-	-	200,000 sq. ft.

Source: ESRI Business Analyst; Houseal Lavigne Associates

The gap analysis indicates that Market Area A - IL 176 and Market Area D - US 30/IL 56 have potential for Retail Trade and Food & Drink industry growth. Market Area B - US 20/IL 72 and Market Area C - IL 64 are fairly saturated with retail space.

<sup>2</sup> NOTE: The **Motor Vehicles & Parts Dealers, Gasoline Stations, and Nonstore Retailer** retail categories are not addressed. While these retail categories may demonstrate unmet demand, this demand cannot be easily converted to demand for retail space given the nature of the products sold in these categories. Opportunities for auto parts sales, catalog sales, automobile sales, or gas stations may exist within the Corridor and should not be excluded from consideration as development opportunities arise.

**Market Area A**

IL 47 at IL 176 (Woodstock) has the largest potential for additional retail space that may exist in the following categories:

- Food & Beverage Stores (235,000 square feet) – This category includes businesses such as grocery stores, specialty food stores such as delis, liquor stores, and convenience stores.
- Health & Personal Care Stores (83,000 square feet) – This category includes stores such as pharmacies, beauty supply stores, and vitamin stores.
- Clothing & Clothing Accessories Stores (45,000 square feet) – Opportunities in this retail category may be impacted by General Merchandise stores.
- Food Services & Drinking Places (137,000 square feet) – This category includes businesses such as sit-down restaurants, limited-service restaurants, taverns, and catering services.

**Market Area B**

IL 47 at US 20/IL 72 (Huntley) General merchandise stores are the primary source of retail surplus within this market area, providing an additional 250,000 square feet of retail space over what is required by the market area population. There is a much larger supply of retail space in this market area than the other three. This indicates that the area functions as a regional commercial center, which is supported by the significant amount of retail space within the General Merchandise category. The Huntley regional center attracts from a larger market area and longer drive time than other market areas. In addition to the immediate market area, retailers in Market Area B are likely attracting customers from communities located farther north and south along both the IL 47 corridor and farther east and west along the I-90 corridor.

**Market Area C**

IL 47 at IL 64 (Mid-Kane County) presents retail opportunities within the clothing & clothing accessories stores retail category. Demand in this category may be impacted by general merchandise stores although it is estimated that there is a moderate degree of under supply in this category as well.

**Market Area D**

US 30/IL 56 (Sugar Grove) has potential for additional retail space that may exist in the following categories:

- Furniture & Home Furnishing Stores (57,000 square feet)
- Food & Beverage Stores (145,000 square feet) – This category includes businesses such as grocery stores, specialty food stores such as delis, liquor stores, and convenience stores.
- Food Services & Drinking Places (119,000 square feet) – This category includes businesses such as sit-down restaurants, limited-service restaurants, taverns, and catering services.

**Table 2.3: Retail Gap Analysis**

IL 47 Corridor Retail Gap Analysis 15 Minute Drive Time Market Areas (2009)								
Summary Demographics	A - IL 176 (Woodstock)	B - US 20/IL 72 (Huntley)	C - IL 64 (Mid-Kane County)	US 30 / IL 56 (Sugar Grove)				
	2009 Population	98,749	130,413	35,309	149,759			
2009 Households	34,463	45,419	12,311	49,103				
2009 Median Disposable Income	\$61,577	\$57,461	\$64,045	\$51,641				
2009 Per Capita Income	\$34,140	\$31,451	\$39,760	\$25,796				
Summary	Retail Gap (\$) (= Demand - Supply)				Potential (Square Feet) (= Retail Gap / \$350 Sales per Square Feet) <sup>1,2</sup>			
	A - IL 176 (Woodstock)	B - US 20/IL 72 (Huntley)	C - IL 64 (Mid-Kane County)	US 30 / IL 56 (Sugar Grove)	A - IL 176 (Woodstock)	B - US 20/IL 72 (Huntley)	C - IL 64 (Mid-Kane County)	US 30 / IL 56 (Sugar Grove)
<b>Total Retail Trade &amp; Food &amp; Drink</b>	<b>174,067,834</b>	<b>129,465,578</b>	<b>91,226,969</b>	<b>233,281,451</b>	<b>366,276</b>	<b>(556,374)</b>	<b>(182,168)</b>	<b>202,945</b>
Total Retail Trade	126,115,566	117,404,068	92,043,989	191,598,315	229,269	(590,836)	(179,833)	83,850
Total Food & Drink	47,952,268	12,061,510	(817,020)	41,683,136	137,006	34,461	(2,334)	119,095
<b>Industry Group</b>								
<i>Motor Vehicle &amp; Parts Dealers</i>	152,695,900	270,490,141	81,378,187	98,208,989	---- N/A ----			
<i>Furniture &amp; Home Furnishings Stores</i>	7,994,176	1,646,918	10,449,227	19,895,002	22,841	4,705	29,855	56,843
<i>Electronics &amp; Appliance Stores</i>	(34,609,170)	(10,929,401)	5,692,660	(11,901,283)	(98,883)	(31,227)	16,265	(34,004)
<i>Bldg Materials, Garden Equip. &amp; Supply Stores</i>	(52,810,263)	(69,696,662)	(13,825,115)	(17,477,798)	(150,886)	(199,133)	(39,500)	(49,937)
<b>Food &amp; Beverage Stores</b>	<b>82,359,209</b>	<b>(25,028,111)</b>	<b>(122,156,342)</b>	<b>50,793,367</b>	<b>235,312</b>	<b>(71,509)</b>	<b>(349,018)</b>	<b>145,124</b>
Grocery Stores	69,488,451	(38,547,924)	(123,720,714)	36,961,411	198,538	(110,137)	(353,488)	105,604
Specialty Food Stores	5,593,706	12,207,587	4,119,567	11,840,450	15,982	34,879	11,770	33,830
Beer, Wine, & Liquor Stores	7,277,052	1,312,226	(2,555,195)	1,991,506	20,792	3,749	(7,301)	5,690
<b>Health &amp; Personal Care Stores</b>	<b>29,178,231</b>	<b>4,278,847</b>	<b>(1,629,091)</b>	<b>(14,040,089)</b>	<b>83,366</b>	<b>12,225</b>	<b>(4,655)</b>	<b>(40,115)</b>
<i>Gasoline Stations</i>	96,830,882	2,394,451	45,148,211	38,368,104	---- N/A ----			
<b>Clothing &amp; Clothing Accessories Stores</b>	<b>15,756,255</b>	<b>(20,959,852)</b>	<b>17,831,255</b>	<b>(33,062,666)</b>	<b>45,018</b>	<b>(59,885)</b>	<b>50,946</b>	<b>(94,465)</b>
Clothing Stores	12,123,938	(19,419,005)	13,730,336	(21,004,094)	34,640	(55,483)	39,230	(60,012)
Shoe Stores	1,907,308	(1,255,551)	2,263,666	(8,713,069)	5,449	(3,587)	6,468	(24,894)
Jewelry, Luggage, & Leather Goods Stores	1,725,009	(285,296)	1,837,253	(3,345,503)	4,929	(815)	5,249	(9,559)
<b>Sporting Goods, Hobby, Book, &amp; Music Stores</b>	<b>1,983,207</b>	<b>(1,098,083)</b>	<b>3,598,261</b>	<b>9,651,158</b>	<b>5,666</b>	<b>(3,137)</b>	<b>10,281</b>	<b>27,575</b>
<i>General Merchandise Stores</i>	29,370,892	(89,046,409)	33,638,625	16,206,289	83,917	(254,418)	96,110	46,304
<i>Miscellaneous Store Retailers</i>	1,021,673	4,040,219	3,458,911	9,283,664	2,919	11,543	9,883	26,525
<i>Nonstore Retailers</i>	(203,655,426)	51,312,010	28,459,200	25,673,578	---- N/A ----			
<b>Food Services &amp; Drinking Places</b>	<b>47,952,268</b>	<b>12,061,510</b>	<b>(817,020)</b>	<b>41,683,136</b>	<b>137,006</b>	<b>34,461</b>	<b>(2,334)</b>	<b>119,095</b>
Full-Service Restaurants	22,255,302	(1,794,147)	(16,665,489)	(2,163,085)	63,587	(5,126)	(47,616)	(6,180)
Limited-Service Eating Places	17,218,012	6,605,799	17,185,913	43,221,268	49,194	18,874	49,103	123,489
Special Food Services	4,061,484	4,543,511	3,718,220	(954,992)	11,604	12,981	10,623	(2,729)
Drinking Places - Alcoholic Beverages	4,417,470	2,706,347	(5,055,664)	1,579,945	12,621	7,732	(14,445)	4,514

<sup>1</sup> Based on an average annual sales of per square foot of \$350.

<sup>2</sup> Excludes Motor Vehicles & Parts Dealers, Gasoline Stations, and Nonstore Retailer.

Source: ESRI Business Analyst

## Industry Cluster Analysis (2009 - 2019)

As part of this Study, CMAP performed an industry cluster analysis of employment trends. The CMAP data is organized based on zip code boundaries. Three industry cluster areas were created by aggregating four to five zip codes to reflect conditions in the Corridor. These cluster areas were used to provide an indication of future employment, and to assess growth potential of industry in the Corridor. Zip codes for all areas west of the Fox River in the Cities of Elgin and Aurora were included because these areas are expected to influence future employment in the Corridor. This information can be used to inform economic development decisions by municipalities located throughout the Corridor and assist in formulating business attraction and retention strategies.

An industry cluster is a group of related industries concentrated within a given area. The presence of an industry cluster demonstrates a region's competitive advantage for businesses within related industries that will likely benefit from proximity to one another. The advantages of this collocation might include shared inputs or skilled labor pool, close relationships between suppliers and buyers, and the ability to exchange complementary services.

This analysis utilizes three benchmarks to identify industry clusters that may have a competitive advantage: high wage levels, employment growth, and a high employment concentration (referred to as a location quotient). A location quotient (LQ) is a measure that is used to gauge the employment concentration of a particular industry cluster within a study area as compared to the larger nation. The LQ of industries within an area can reveal what makes that particular geography unique in comparison to the national average. A LQ value of greater than 1 indicates that a study area has more jobs than the national average for a given industry. Conversely, a value of less than 1 indicates that while the industry is important to the local economy, its impact is not as great.

Industry trends are categorized based on the characteristics in **Table 2.5: Significant Industry Clusters**. It should be noted that the benchmarks indicated here are unique to the Corridor. Characteristics of growth and location quotient are relative and unique to a given study area's geography.

**Table 2.5:**  
**Significant Industry Clusters**

Industry Cluster Characteristics		
Category	Growth	Concentration
Emerging	> 2%	LQ < 0.7
Important	> 2%	LQ > 1.25
Mature	< 0	LQ > 1.25

Source: EMSI Complete Employment - 2nd Quarter 2009 v.2

## IL 47 Industry Cluster Areas

The IL 47 Industry Cluster Area included two large areas along IL 47. The northern part was centered on US 14 and the southern part was centered on I-88. The IL 47 Cluster Area includes zip codes 60098 (Woodstock), 60142 (Huntley), 60119 (Elburn), and 60554 (Sugar Grove). Total 2009 employment in this area was 30,720. Over the next ten years, the number of jobs within the IL Route 47 study area is expected to increase 7.4% to 32,997 (See **Table 2.6: IL 47 Industry Cluster Area**). These zip codes best represent current conditions in the Corridor.

The other two areas are titled Elgin-Huntley and Aurora-Elburn-Sugar Grove Industry Cluster Areas. Zip code 60142 (Huntley) also was used in the Elgin-Huntley Cluster Area. Zip codes 60119 (Elburn) and 60554 (Sugar Grove) also were used in the Aurora-Elburn-Sugar Grove Cluster Area. (See **Figure 2.4: Industry Cluster Areas** for cluster area location).

**Table 2.6:**  
**IL 47 Industry Cluster Area**

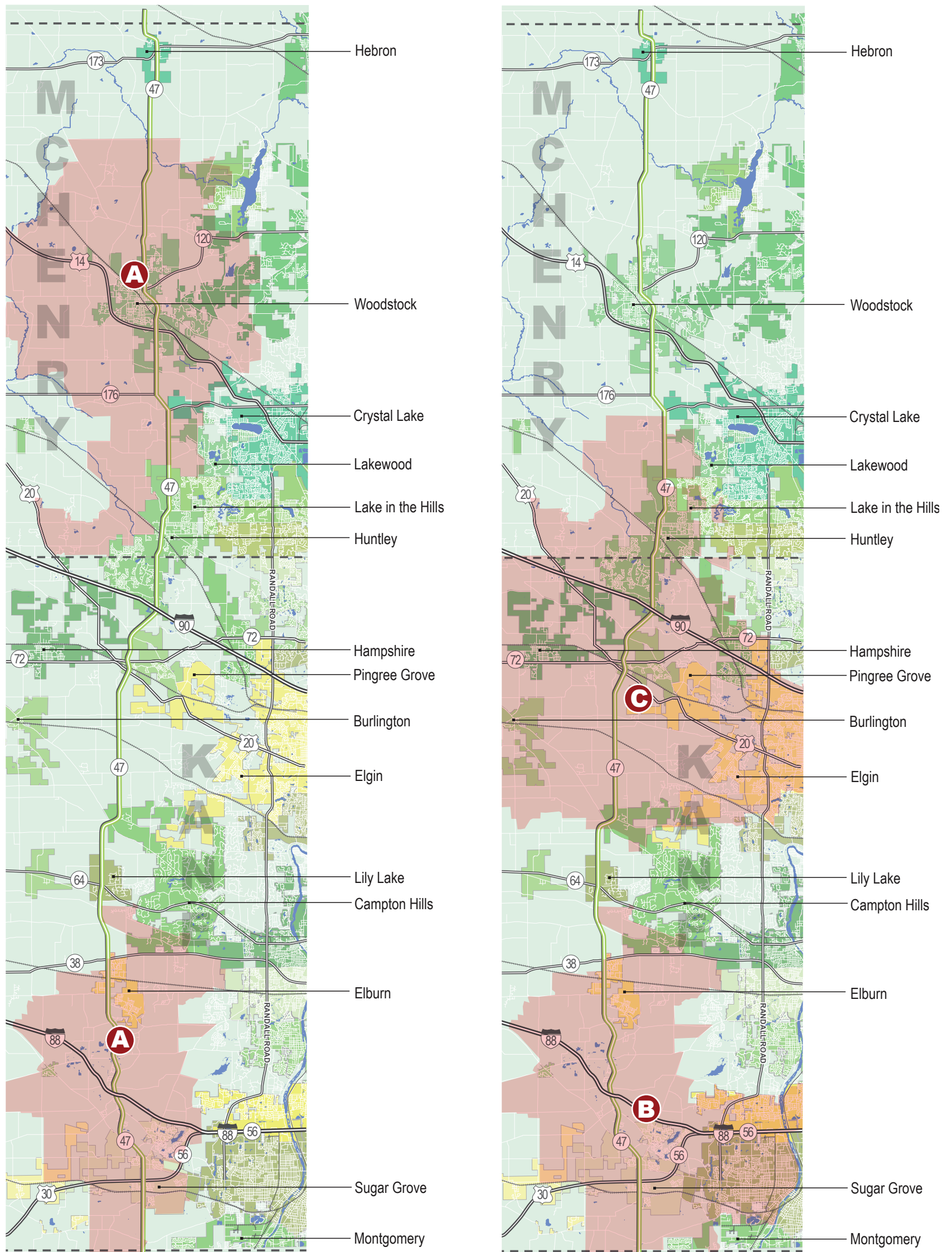
Clusters Ranked by Growth IL Route 47 Industry Cluster Area (2009, 2019)					
Cluster Name	2009 Jobs	2019 Jobs	Growth %	2009 LQ	2009 EPW
Computer & Elec. Product Mfg.	261	373	43%	1.83	\$60,094
Glass & Ceramics	93	123	32%	2.57	\$59,234
Transportation Equipment Manufacturing (Life Sciences)	97	128	32%	0.52	\$125,547
Transportation & Logistics	1,803	2,282	27%	0.87	\$39,227
Arts, Entertainment, Rec. & Visitor Industries	1,485	1,873	26%	1.86	\$41,994
Business & Financial Services	753	871	16%	0.66	\$88,712
Information Tech. & Telecommunications	1,982	2,202	11%	0.59	\$39,433
Fabricated Metal Product Manufacturing	1,695	1,868	10%	1.40	\$59,439
Defense & Security	561	613	9%	2.55	\$47,467
Education & Knowledge Creation	429	455	6%	0.42	\$67,098
Printing & Publishing	318	333	5%	0.46	\$30,924
Energy (Fossil & Renewable)	1,486	1,504	1%	2.71	\$43,152
Elec. Equip., Appliance & Component Mfg.	1,798	1,799	0%	1.06	\$55,351
Agribusiness, Food Processing & Tech.	352	340	-3%	5.21	\$49,357
Chemicals & Chemical Based Products	608	571	-6%	0.62	\$29,642
Forest & Wood Products	873	807	-8%	2.14	\$54,134
Mining	954	851	-11%	1.88	\$43,299
Apparel & Textiles	98	87	-11%	0.93	\$70,217
Advanced Materials	127	112	-12%	0.45	\$37,396
Machinery Manufacturing	2,240	1,934	-14%	2.19	\$51,625
Primary Metal Manufacturing	503	315	-37%	1.66	\$50,999
	335	205	-39%	3.30	\$51,137

Source: EMSI Complete Employment - 2nd Quarter 2009 v.2

LQ - Location Quotient

EPW - Earnings per worker

**Figure 2.4:  
Industry Cluster Areas**



**Legend**

- IL 47
- Unincorporated Areas
- Industry Cluster Areas
- A** IL 47 Industry Cluster Areas
- B** Aurora-Elburn-Sugar Grove Industry Cluster Area
- C** Elgin-Huntley Industry Cluster Area

Source: EMSI Complete Employment - 2nd Quarter 2009 v.2



**Aurora-Elburn-Sugar Grove Industry Cluster Area**

The Aurora-Elburn-Sugar Grove Industry Cluster Area is defined by zip codes 60119 (Elburn), 60506 (Aurora), 60542 (North Aurora), and 60554 (Sugar Grove). Zip codes 60119 (Elburn) and 60554 (Sugar Grove) also were used in the IL 47 Cluster Area. Total 2009 employment in this area was 45,819. Over the next ten years, the number of jobs within the Aurora-Elburn-Sugar Grove study area is expected to increase 12% to 51,348 (See **Table 2.7: Aurora-Elburn-Sugar Industry Cluster Area** ).

**Table 2.7: Aurora-Elburn-Sugar Grove Industry Cluster Area**

Clusters Ranked by Growth Aurora-Elburn-Sugar Grove Industry Cluster Area (2009, 2019)					
Cluster Name	2009 Jobs	2019 Jobs	Growth %	2009 LQ	2009 EPW
Primary Metal Manufacturing	29	41	41%	0.42	\$30,853
Biomedical/Biotechnical (Life Sciences)	5,535	6,936	25%	1.69	\$42,516
Defense & Security	787	987	25%	0.59	\$62,713
Chemicals & Chemical Based Products	1,675	2,039	22%	3.46	\$44,057
Transportation & Logistics	1,213	1,452	20%	0.92	\$43,198
Advanced Materials	3,420	4,017	17%	2.91	\$50,786
Computer & Elec. Product Mfg.	320	371	16%	1.16	\$64,177
Business & Financial Services	3,957	4,484	13%	0.77	\$46,467
Information Tech. & Telecommunications	2,329	2,498	7%	1.20	\$53,292
Agribusiness, Food Processing & Technology	1,631	1,691	4%	1.18	\$28,881
Elec. Equip., Appliance & Component Mfg.	36	37	3%	0.36	\$42,011
Apparel & Textiles	137	139	1%	0.36	\$36,702
Education & Knowledge Creation	540	539	0%	0.48	\$29,479
Transportation Equipment Manufacturing	145	145	0%	0.38	\$105,202
Arts, Entertainment, Rec. & Visitor Industries	1,951	1,940	-1%	0.94	\$51,650
Fabricated Metal Product Manufacturing	948	930	-2%	2.48	\$53,092
Printing & Publishing	773	744	-4%	0.86	\$38,715
Energy (Fossil & Renewable)	1,876	1,805	-4%	0.68	\$56,360
Mining	142	132	-7%	0.90	\$73,952
Machinery Manufacturing	892	769	-14%	2.59	\$43,066
Forest & Wood Products	1,045	898	-14%	1.27	\$46,471
Glass & Ceramics	48	23	-52%	0.31	\$45,856

Source: EMSI Complete Employment – 2nd Quarter 2009 v.2

LQ - Location Quotient

EPW - Earnings per worker

**Elgin-Huntley Industry Cluster Area**

The Elgin-Huntley Industry Cluster Area is defined by the following zip codes: 60123 (Elgin), 60124 (Elgin), 60136 (Gilberts), 60140 (Hampshire), and 60142 (Huntley). Zip code 60142 also was used in the IL 47 Cluster Area. Total 2009 employment in this area was 54,139. Over the next ten years, the number of jobs within the Elgin-Huntley Industry Cluster Area is expected to increase 9% to 58,789 (See **Table 2.8: Elgin-Huntley Industry Cluster Area** ).

**Table 2.8: Elgin-Huntley Industry Cluster Area**

Clusters Ranked by Growth Elgin-Huntley Industry Cluster Area (2009, 2019)					
Cluster Name	2009 Jobs	2019 Jobs	Growth %	2009 LQ	2009 EPW
Mining	223	295	32%	1.77	\$63,856
Education & Knowledge Creation	1,445	1,845	28%	1.45	\$25,357
Biomedical/Biotechnical (Life Sciences)	4,652	5,864	26%	1.25	\$40,729
Defense & Security	1,084	1,263	17%	0.66	\$51,508
Arts, Entertainment, Rec. & Visitor Industries	1,078	1,222	13%	0.52	\$16,220
Transportation & Logistics	1,327	1,423	7%	0.79	\$39,370
Information Tech. & Telecommunications	2,592	2,703	4%	1.14	\$54,220
Business & Financial Services	5,389	5,605	4%	0.84	\$40,548
Apparel & Textiles	372	385	3%	0.87	\$36,841
Glass & Ceramics	191	192	1%	2.25	\$35,051
Energy (Fossil & Renewable)	2,578	2,596	1%	0.86	\$56,322
Printing & Publishing	590	596	1%	0.60	\$43,659
Chemicals & Chemical Based Products	1,952	1,914	-2%	2.85	\$51,055
Agribusiness, Food Processing & Technology	1,108	1,063	-4%	0.65	\$31,232
Elec. Equip., Appliance & Component Mfg.	512	452	-12%	3.89	\$47,912
Forest & Wood Products	1,730	1,527	-12%	1.90	\$42,383
Advanced Materials	3,929	3,416	-13%	2.17	\$46,542
Fabricated Metal Product Manufacturing	1,722	1,421	-17%	3.31	\$46,484
Computer & Elec. Product Mfg.	336	248	-26%	0.68	\$53,486
Machinery Manufacturing	779	510	-35%	1.50	\$54,238
Primary Metal Manufacturing	365	209	-43%	1.89	\$39,804
Transportation Equipment Manufacturing	91	43	-53%	0.10	\$60,999

Source: EMSI Complete Employment – 2nd Quarter 2009 v.2

LQ - Location Quotient

EPW - Earnings per worker

**Corridor Economic Development Planning Challenges**

The previous discussion identified several economic development planning challenges as growth occurs. These challenges are presented below. Several tools have been identified that can address these economic development planning challenges. The **IL 47 Toolbox** provides detail on each of these tools.

**Planning Challenge #1:**

According to CMAP's 2030 forecasts, the ratio of jobs to households will decline, primarily in the municipalities that are centered on IL 47. This will place a strain on local government infrastructure and services. Municipalities should take steps to encourage job growth.

**Tools:**

- Business Development Districts (BDD)
- Enterprise Zones
- Incubator Programs
- Industrial Revenue Bonds
- New Markets Tax Credits
- Payments in Lieu of Taxes (PILOT)
- Property Tax Abatements
- Recovery Zone Economic Development Bonds
- Recovery Zone Facility Bonds
- Sales Tax Rebates
- Special Service Areas (SSA)
- Tax Increment Finance (TIF)
- Utility Connection Fee Waivers/Reductions

## ***Planning Challenge #2:***

*The Edge Municipalities will have an important influence on the future of the Corridor, but growth and development within the Corridor will not likely be a high priority. The Regional Centers/Historic Municipalities should take a leadership role in addressing the implementation of planning strategies suggested in this study.*

### **Tools:**

- Corridor Planning Council
- Education of Elected Officials, Public and Communities
- Intergovernmental and Boundary Agreements
- Link Long Range Transportation and Land Use Plans
- Support Regional Planning Efforts