



SECTION 4

ECONOMIC & REAL ESTATE MARKET ANALYSIS

This section represents the introduction and executive summary of a full report that summarized the results of the research and analysis Gruen Gruen + Associates (“GG+A”) conducted to assess conditions and trends impacting Romeoville and to profile Romeoville’s economic base and real estate/land use inventory. This report provided an information base and perspective for the development of the Village’s Comprehensive Plan. The complete report is provided in the Appendix.

WORK COMPLETED

In order to accomplish the study objectives, GG+A performed the following principal tasks:

- (1) Analyzed employment and business establishment data over time to derive a profile of the economic structure and employment base of Romeoville and its relative position in the regional economy;
- (2) Reviewed relevant demographic and labor force characteristics of the community;
- (3) Identified the current inventory of office, industrial, and retail space, and analyzed historical patterns of change within the local and regional economy; and
- (4) Interviewed real estate brokers, developers, leasing agents, and residential realtors to obtain perspective on conditions and factors affecting the local real estate market for differing land uses.

PRINCIPAL FINDINGS & CONCLUSIONS

The principal findings and conclusions drawn from the research and analysis described in this report include the following:

EMPLOYMENT GROWTH

From 2005 to 2015, employment in the Village increased by an estimated 6,600 jobs, from nearly 9,800 jobs in 2005 to approximately 16,400 jobs by 2015.

Sectors which experienced the most employment growth included:

- ❑ Transportation and warehousing (gain of 1,890 jobs or 29 percent of net job growth);
- ❑ Wholesale trade (gain of 978 jobs or 17 percent of net job growth);
- ❑ Other services (gain of 695 jobs or 11 percent of net job growth);
- ❑ Retail trade (gain of 610 jobs or nine percent of net job growth);
- ❑ Leisure and hospitality (gain of 565 jobs or nearly nine percent of net job growth); and
- ❑ Manufacturing (gain of 503 jobs or nearly eight percent of net job growth).

COMPOSITION AND STRUCTURE OF EMPLOYMENT BASE

The economic base of Romeoville is weighted toward wholesale and retail trade, transportation and warehousing, and manufacturing. With average annual job growth of 23 percent over the past decade in the transportation and warehousing sector, the sector shifted upward from a very small share of employment in 2005 to 13.2 percent, the third largest source of employment in 2015. The share of employment in the wholesale and retail trade sectors decreased slightly by 5.0 percentage points but still remains the largest source of employment at over 30 percent collectively.

ROMEVILLE'S ECONOMIC BASE DIFFERS FROM CHICAGO REGION AS A WHOLE

The composition of the local employment base differs from that of the region. The finance, insurance and real estate and professional and business services sectors comprise more than 40 percent of the job base in the Chicago region while representing only 13 percent of employment in Romeoville. The transportation and warehousing sector is about twice as concentrated in Romeoville as it is regionally. The construction and wholesale trade sectors also comprise a larger share of employment in Romeoville (24 percent) than they do in the Chicago region (10 percent).

LARGEST EMPLOYERS IN ROMEVILLE AND LABOR SHED OF WORKERS

Peacock Foods, the largest individual employer with nearly 1,200 jobs in Romeoville comprises 7.3 percent of total employment. The next largest employer, PDV Midwest Refining CITGO with about 800 jobs reported comprises 4.8 percent of total employment. Kehe Foods reports approximately 750 employees in Romeoville and comprises about 4.6 percent of total employment. Aryzta, another food related business, has 600 jobs, or about 3.6 percent of total employment.

As listed in Figure 4.1, the 13 largest private employers (all reporting 250+ employees in Romeoville) employ a total of 6,900 people or approximately 42 percent of the total Romeoville employment base. Eleven of the largest employers are in the manufacturing or distribution sectors.¹

¹ Amazon is locating a fulfillment center in Romeoville which will employ 600 workers making it one of the top five employers in the Village.

Name	Industry / Activity	Employment
Peacock Foods	Food Manufacturer	1,200
PDV Midwest Refining CITGO	Fuels Refinery	803
Kehe Foods	Headquarters/Food Distributor	750
Aryzta	Food Manufacturer	600
Ulta	Offices/Distribution	542
RTC	Distribution/Manufacturing	530
Lewis University	Education	525
FedEx Ground	Distribution	500
Magid Glove and Safety	Headquarters/Manufacturing	400
Innotrac	Distribution	300
Chicago Tube and Iron	Corporate/Metal Processing	275
Neovia Logistics	Distribution	250
Samsung	Electronic Distribution	250
Total		6,925

FIGURE 4.1
Private Non-Retail Employers with more than 250 Employees in Romeoville

Sources: Village of Romeoville; Gruen Gruen + Associates

Only about seven percent of workers employed in Romeoville live within the community. (Only about five percent of Romeoville residents work in Romeoville). Another 29 percent of Romeoville workers originate from outside of Romeoville but within Will County. Cook and DuPage counties are the source of an additional 40 percent of labor employed within Romeoville. Trade, transportation, and utilities activities draw most of their labor from the core labor shed of Will, Cook, and DuPage Counties.

VILLAGE OF ROMEVILLE POPULATION AND HOUSEHOLD BASE

The Village is currently estimated to include a population of approximately 39,700 and a housing base including nearly 12,000 households and 12,844 dwelling units. The average household size is about 3.3 persons and the overall housing vacancy rate is estimated at 8.5 percent. Between 2000 and 2010, the Village grew rapidly increasing from about 21,000 residents to nearly 40,000 residents. Between 2010 and 2014, the population and household base remained relatively stable.

JOBS-HOUSING BALANCE

The jobs-housing balance (the ratio of jobs in the community to total housing units) has increased over the past several years as employment grew strongly and the available housing inventory remained comparatively stable. The jobs-housing balance approximated 1.02 jobs per housing unit in 2010 and grew to about 1.27 by 2014/2015. Romeoville's job-housing balance is now within

that range of 1.3 to 1.7 jobs per housing unit considered for a balanced relationship between jobs and housing.² It would be appropriate for Romeoville to monitor employment and housing conditions and to encourage the maintenance of a healthy relationship between the number of local jobs and amount of housing units.

LABOR FORCE CONDITIONS AND CHARACTERISTICS

The size of the civilian labor force in Romeoville is estimated at approximately 18,500, up slightly from 2010. The local unemployment rate has declined to 6.5 percent from a high of 12.3 percent in 2012.

Approximately 59 percent of Romeoville's labor force (age 25+) has some college-level educational experience or degree and a majority have completed high school. Approximately one-quarter of adult residents in Romeoville possess a bachelors or advanced degree, less than the proportion of residents in the Chicago region that possess bachelors or advanced degrees.

The management, business, science, and arts-related occupational category comprises the largest segment of the labor force at nearly 29 percent. Sales and office (i.e. administrative) occupations represent an additional 26 percent of the resident labor force. Service occupations represent an additional 18 percent of labor in Romeoville. About one quarter of Romeoville's resident labor force is employed in traditional blue-collar jobs in the natural resources/

construction/maintenance and production, transportation and material moving occupational categories.³

Approximately five percent of Romeoville's resident labor force work and live in the Village.⁴

LAND USE CHARACTERISTICS

The Village of Romeoville encompasses approximately 12,000 acres of incorporated land. Residential uses total about 2,100 acres and comprise nearly 17 percent of land area within the Village. Commercial and industrial uses and other uses total approximately 6,700 acres and comprise about 54 percent of land area within the Village. Approximately 906 acres of vacant land exists within the Village of Romeoville commercial, mixed-use, and industrial zoning districts. The Village's GIS land use data indicates that approximately 711 acres of vacant land exists within "Planned Business District", and "Light/Medium Manufacturing" and "Medium/Heavy Manufacturing" zoning districts. About 195 acres of additional vacant land exists within commercial and mixed-use districts with the majority of vacant land in the "Highway/Regional Shopping District".

² See, for example, "Jobs-Housing Balances and Regional Mobility", Robert Cervero, Institute of Urban and Regional Development University of California at Berkeley, APA Journal, spring 1989, pp.136-150. While jobs to housing relationships will vary given differences among communities in labor force, social, and economic characteristics, transportation linkages, geographical constraints, and political factors, the generally accepted ratio for a balanced relationship between jobs and housing tends to fall within 1.3-to-1.7-jobs-per-housing unit. For example, the August 2008 Urban Land "Mixing It Up" article indicates the ideal jobs-housing ratio is generally between 1.2 and 1.4 jobs per housing unit and that sites or communities with an integrated set of land uses minimize traffic generation and increase "capture internal rates" for services, retail, restaurants and other uses. ("Mixing It Up," Urban Land, Walters, Jerry, Ewing, Reid. August 2008, p. 126).

When employees live far from their work places the result is often longer commutes and greater vehicle miles traveled. Traffic congestion, reduced worker productivity, and reduced quality of life are often associated with jobs-housing imbalances. A low jobs-housing balance relative to a higher jobs-housing balance tends to result in more employed residents commuting outside of the community for employment and the local household base having a higher tax burden.

³ The total regional labor force throughout the Chicago MSA is less concentrated in blue-collar occupations and more concentrated in management, business, science, and arts-related occupations, which comprise about 40 percent of regional labor. Less than 20 percent of the Chicago MSA labor force is employed in natural resources/construction/maintenance and production, transportation and material moving occupations.

⁴ The proportion of resident labor force that works outside of Romeoville employed in the "good-producing" and "trade, transportation, and utilities" industry classes is approximately 39 percent. This compares 59 percent of the in-flow of workers to Romeoville (who do not reside in Romeoville) who work in these same industry classes.

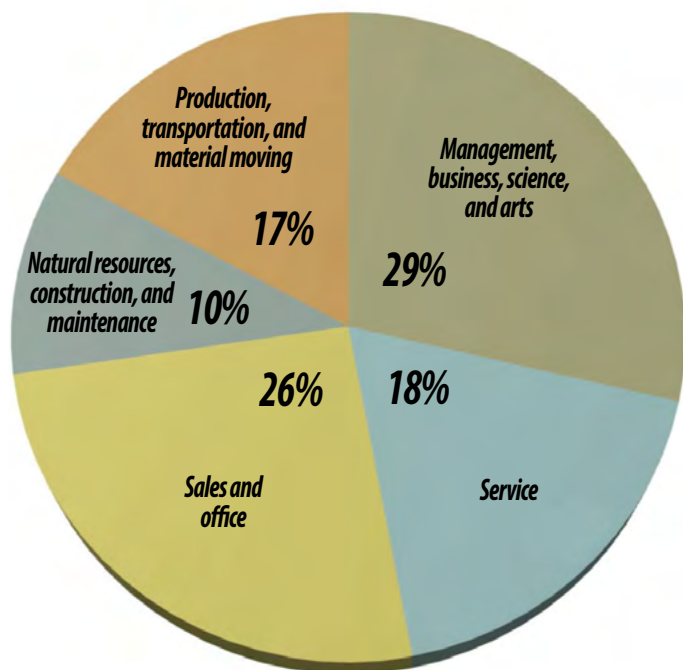


FIGURE 4.2
Occupational Mix of Romeoville Labor Force
 Sources: U.S. Census Bureau; 2014 American Community Survey; Gruen Gruen + Associates

OFFICE MARKET

The Village of Romeoville currently contains only 29 office buildings encompassing about 465,000 square feet of office space. The office space inventory of Romeoville comprises well under one percent of the total office space inventory of the Metro Chicago market. The vacancy rate within the Village is estimated at 5.7 percent currently and asking gross rents are reported at \$18.43 per square foot, below submarket and regional averages.

Romeoville is not a preferred office location within the Chicago region. The Village has not historically experienced any significant office development and the number of jobs in the finance, insurance, and real estate sector, which is the sector most likely to use office space, makes up less than five percent of employment. Relative to the Joliet/Central submarket of which it is a part, Romeoville's office space inventory has accounted for only about four percent of office space construction and three percent of office space absorption within the broader submarket over the past decade.

Consistent with the positive office space absorption which has occurred since 2011 and very little new supply additions, the office space vacancy rate in Romeoville has improved considerably since the aftermath of the recession in 2011, declining from 12 percent to around six percent today. Corresponding rent growth has been strong. Average asking rents have grown by over \$3 per square foot over past four years from about \$15 per square foot in 2011 to over \$18 per square foot today.

The current vacancy of 5.7 percent equates to vacant space of approximately 26,500 square feet in Romeoville. With historic average annual absorption of about 7,100 square feet of space in Romeoville the office market has capacity to absorb space demand for approximately three years.

	Romeoville	Joliet-Central Will	Metro Chicago
Number of Office Buildings	29	821	13,562
RBA¹ in Square Feet	465,361	12,579,827	468,278,344
Vacancy Rate	5.7%	9.8%	13.1%
Average Gross Rent²	\$18.43	\$19.43	\$23.28
RBA Under Construction	-	29,964	7,824,462

¹ Rentable building area.
² Annual asking rent per-square-foot.

FIGURE 4.3
Current Office Market Inventory and Conditions

Sources: CoStar; Gruen Gruen + Associates

	2007-2010 # Square Feet	2011-2016 # Square Feet	Total 2007-2016 # Square Feet
Romeoville:			
Net Absorption ¹	28,408	39,326	67,734
New Space Delivered	68,251	10,000	78,251
Joliet/Central Will:			
Net Absorption ¹	1,487,802	785,891	2,273,693
New Space Delivered	1,264,092	547,288	1,811,380
Romeoville Share of Submarket:			
Net Absorption ¹	1.91%	5.0%	2.98%
New Space Delivered	5.40%	1.83%	4.32%

FIGURE 4.4
Historical Office Space Absorption and New Construction

Sources: CoStar; Gruen Gruen + Associates

INDUSTRIAL MARKET

Romeoville’s desirable location for industrial users, especially those in the distribution chain due to its excellent transportation accessibility to I-55, I-355, and I-80 is evidenced by Amazon’s recent announcement that it is converting an existing vacant facility to a new fulfillment center. Romeoville has 216 industrial buildings comprising 30.2 million square feet of space. This amount of space equates to about 26 percent of the total I-55 Corridor industrial market inventory. The vacancy rate for the industrial inventory in Romeoville at 5.6 percent is considerably lower than the 7.6 percent vacancy rate for the I-55 Corridor market and the 6.9 percent vacancy rate for the overall Metro Chicago industrial space market. Rental rates of \$5.92 per square foot are lower than rents in the I-55 Corridor market but higher than for Metro Chicago.

The Romeoville industrial market has been in relative balance over the past decade. The amount of net absorption of industrial space has been about the same as the amount of new space delivered to the market. Approximately 10.1 million square feet of industrial space has been absorbed in Romeoville since 2007, or annually about 1.1 million square feet of space on average. Romeoville has accounted for 49.5 percent of the I-55 Corridor’s space absorption and about 48 percent of the new space delivered in the submarket.

This trend of increasing rent and declining vacancy correlates with the recovery from the Great Recession and low amount of industrial space built in Romeoville between 2011 and 2013 which was only approximately 35 percent of the amount of space built between 2007 and 2010. In 2014 and 2015, as demand picked up and net absorption of space increased, the vacancy rate has come down to its current 5.6 percent, lower than for the I-55 Corridor submarket. Few existing vacancies and limited “shovel ready” land sites remain available in Romeoville for industrial space users.

The current vacancy of 5.6 percent equates to vacant space of nearly 1.7 million square feet in Romeoville. With historic average annual absorption of about 1.1 million square feet of space in Romeoville the industrial market has tightened up as rents continue to increase. The new supply additions (under construction or in the pipeline) in Romeoville and nearby totaling approximately two million square feet of space will satisfy near term demand (and temper near term rent increases). Over the longer term, land constraints will temper the ability of Romeoville to accommodate significantly more industrial development that would occur if more land were available.

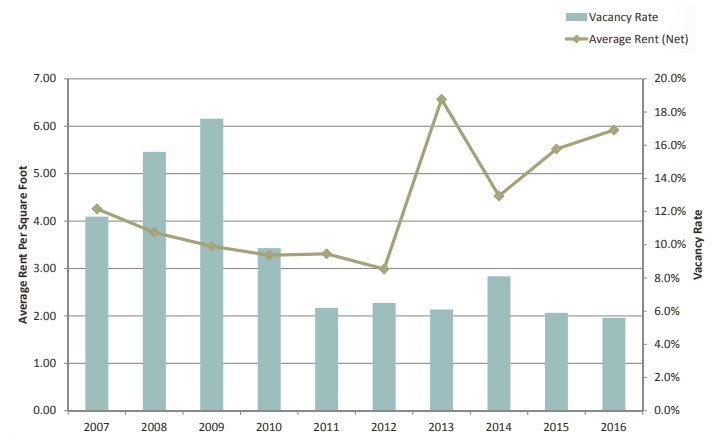


FIGURE 4.5
Romeoville Industrial Vacancy and Average Rental Rates, 2007-2016
Sources: CoStar; Gruen Gruen + Associates

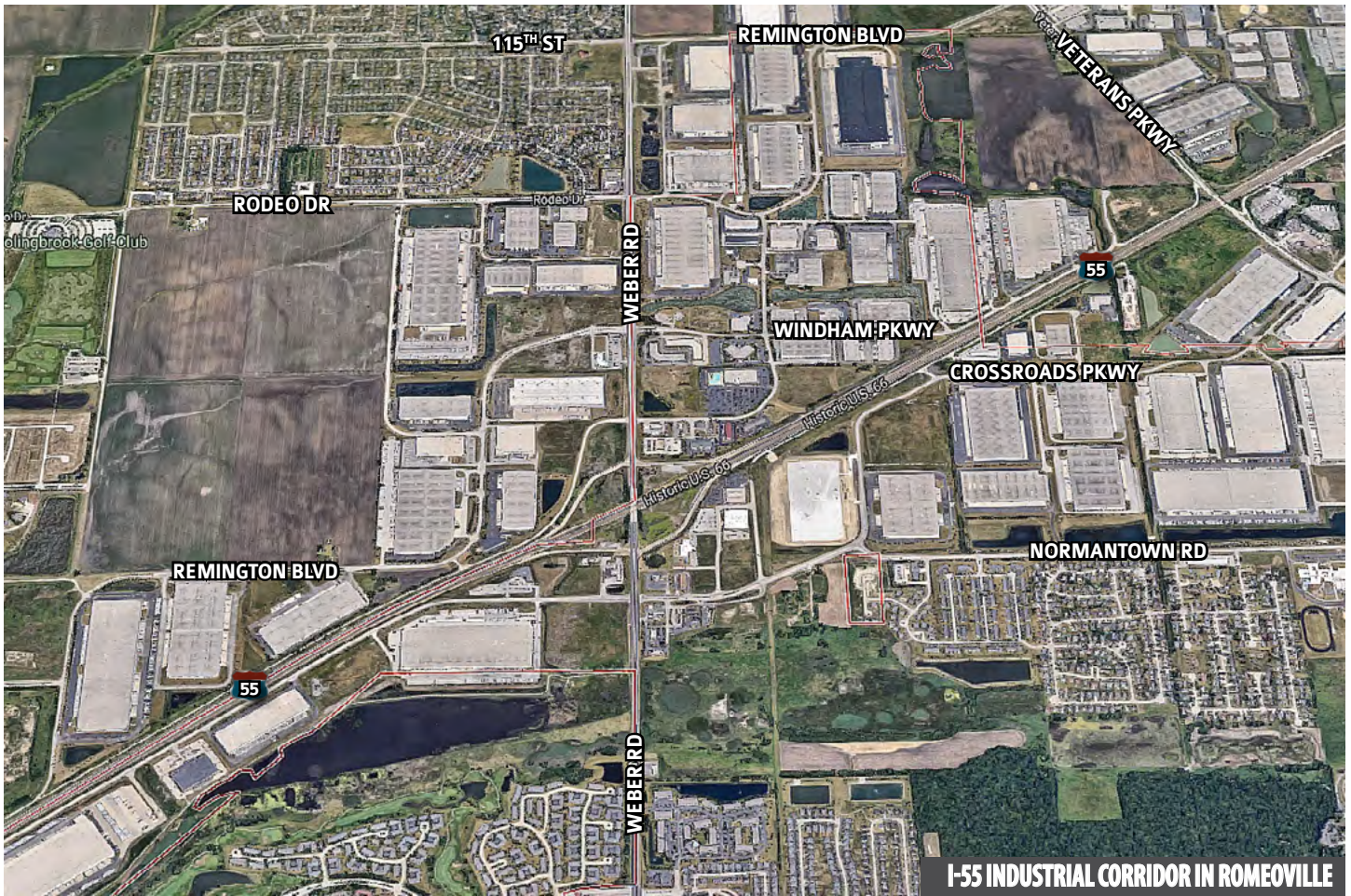
	Romeoville	I-55 Corridor ¹	Metro Chicago
Number of Industrial Buildings	216	1,336	22,801
Inventory in Square Feet	30,238,602	114,209,508	1,172,257,839
Vacancy Rate	5.6%	7.3%	6.9%
Average NNN Rent (Industrial)²	\$5.92	\$6.42	\$5.71
Inventory Under Construction	1,500,000+	2,230,111	15,293,360

¹ Includes North I-55 and South I-55 submarkets.

² Annual asking triple net rent per-square-foot. (Triple net rents exclude operating expenses).

FIGURE 4.6
Current Industrial Market Inventory and Conditions

Sources: CoStar; Gruen Gruen + Associates



I-55 INDUSTRIAL CORRIDOR IN ROMEOVILLE

Historical Net Absorption of Industrial Space and New Construction			
	2007-2010 # Square Feet	2011-2016 ¹ # Square Feet	Total 2007-2016 ¹ # Square Feet
Romeoville:			
Net Absorption	5,173,022	4,931,654	10,104,676
New Space Delivered	5,225,534	4,724,970	9,950,504
I-55 Corridor:			
Net Absorption	6,459,530	13,966,067	20,425,417
New Space Delivered	9,699,891	10,897,568	20,597,459
Romeoville Share of Submarket:			
Net Absorption ²	80.1%	35.3%	49.5%
New Space Delivered	53.9%	43.4%	48.3%

FIGURE 4.7
Historical Net Absorption of Industrial Space and New Construction

Sources: CoStar; Gruen Gruen + Associates

RETAIL MARKET

Romeoville contains 103 retail buildings totaling nearly two million square feet of space. The amount of retail space equates to about two percent of the total retail inventory in the South Suburban submarket. The retail space vacancy rate is 8.7 percent, slightly higher than the vacancy rate for Metro Chicago and about the same for the South Suburban market. Average net rental rates in Romeoville, estimated currently at \$14.51 per square foot, are generally consistent with average rents throughout the South Suburban submarket and lower than the Metro Chicago average net retail of \$15.81 per square foot.

Romeoville’s location between larger nodes of retail space/activity in Joliet and Bolingbrook has influenced the existing retail inventory in Romeoville to serve neighborhoods within and the community as a whole. Shopping center space of 1.4 million square feet accounts for 73 percent of the Village’s retail inventory and includes the 397,000-square-foot Shops of Romeoville community center with Kohl’s, Petco, and Target and the 391,000-square-foot Romeoville Crossings with Sam’s Club and Walmart, both located along Weber Road. The Shops of Romeoville still has land to accommodate a significant amount of future retail development. Several outlots remain available at the Romeoville Crossings project at Weber and Airport Roads. In addition several new outlots will become available in front of the new Farm and Fleet store on Weber Road.

Future retail development in Romeoville will likely be directed to serving the local household and employment base. Land remains available on the preferred Weber Road to accommodate additional commercial development.

Future retail development in Romeoville will likely be directed to serve the local household and employment base along Weber Road. Large amounts of land remains available on the preferred Weber Road corridor to accommodate additional commercial development, which likely exceeds demand. Retail, grocery, and restaurant uses are under construction in Uptown Square, with limited potential for additional commercial. Remaining redevelopment sites in Uptown Square would likely be best suited for higher density residential uses to complement and provide walk-in trade support for existing retail uses. Limited opportunities exist for commercial development along the Route 53 corridor. Discussions with officials of Lewis University indicate that local serving retail uses would potentially serve the student population, and should be explored as part of a mixed-use development at the Renwick Road and Route 53 area.

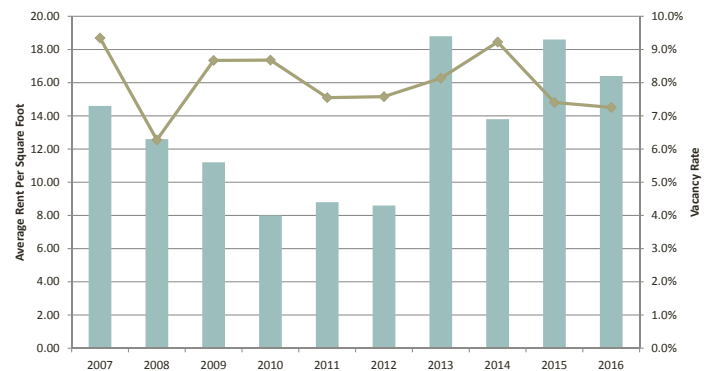


FIGURE 4.8
Romeoville Retail Vacancy and Average Rental Rates, 2007-2016

Sources: CoStar; Gruen Gruen + Associates

	Romeoville	South Suburban	Metro Chicago
Number of Retail Buildings	103	5,898	40,904
Inventory in Square Feet	1,970,821	91,205,478	533,915,482
Vacancy Rate	8.7%	8.6%	7.5%
Average NNN Rent ¹	\$14.51	\$14.29	\$15.81
Inventory Under Construction	0	216,094	1,935,753

¹ Annual asking triple net rent per-square-foot. (Triple net rents exclude operating expenses).

FIGURE 4.9
Current Retail Market Inventory and Conditions

Sources: CoStar; Gruen Gruen + Associates

	Historical Retail Space Absorption and New Construction		
	2007-2010	2011-2016 ¹	Total 2007-2016 ¹
	# Square Feet	# Square Feet	# Square Feet
Net Absorption²	646,679	64,712	711,391
New Space Delivered	534,164	169,068	703,232

FIGURE 4.10
Historical Retail Space Absorption and New Construction

Sources: CoStar; Gruen Gruen + Associates

RESIDENTIAL MARKET

Romeoville’s relative affordability compared to alternative locations and good freeway accessibility to I-55 and I-355 has made it a desirable location in Will County in which a significant amount of housing has been built in the 1990’s and 2000’s.

Between 2000 and 2014, the total housing stock increased by 74 percent, or about 5,500 units from approximately 7,400 units to approximately 12,800 units. Attached single-family housing experienced the largest increase of over 300 percent of its stock. In 2014, detached single-family units comprised 69 percent of Romeoville’s single-family housing stock, down from 79 percent in 2000. Attached single-family units increased by over 2,100 units to comprise 21.3 percent of the single-family housing stock, up from 8.2 percent in 2000. Multi-family units increased by 277 units, but decreased from nearly 13 percent of the housing stock in 2000 to

just under 10 percent in 2014. The relatively limited amount of apartment supply growth may explain the growth in rental rates summarized below.

Between 2010 and 2014, the tenure of housing units shifted with the proportion of renter-occupied units increasing from about 10 percent to nearly 15 percent. The total vacant units increased from under four percent to over eight percent of the housing stock (including unoccupied but sold or rented units). During this period, the vacancy rate of owner-occupied units increased to a still low two percent. The renter-occupied vacancy rate remained constant and just over 11 percent.

Unadjusted for inflation, the median home value in Romeoville grew by 2.5 percent annually between 2000 and 2014 from \$118,100 to

Romeoville Housing Stock Characteristics						
Housing Type	2000		2014		Change	
	#	%	#	%	#	%
Detached Single-family	5,827	79.0	8,893	69.2	3,066	52.6
Attached Single-family	603	8.2	2,736	21.3	2,133	353.7
Multi-family	938	12.7	1,215	9.5	277	29.5
Total	7,368	100.0	12,844	100.0	5,476	74.3

FIGURE 4.11
Romeoville Housing Stock Characteristics

Sources: U.S. Census Bureau; Census 2000 Summary File; 2010-2012 American Community Survey; Gruen Gruen + Associates

Number of Properties Sold in Romeoville (2011-2016)			
Year	Number of Properties Sold ¹	Average Sold Price	Average Days on Market
	#	\$	#
2011	383	123,805	162
2012	493	116,630	151
2013	556	135,691	104
2014	654	145,793	76
2015	713	147,153	89
2016 ²	332	162,072	68
Average Sold Price Percent Change			
2011-2016		+30.9	

FIGURE 4.12
Number of Properties Sold in Romeoville, 2011-2016

Sources: A.S.A.P. Realty Inc.; Gruen Gruen + Associates

\$167,300. Median monthly gross rent grew faster over the 14 year period increasing from about \$900 to \$1,700. Romeoville shifted upward in price as newer housing stock was added but still remains below Will County median home value and rent levels.

The for-sale residential market in Romeoville has improved substantially since 2011. The velocity of sales has significantly increased from 383 total sales in 2011 to over 700 sales in 2015. The average sales price has increased by about 31 percent from nearly \$124,000 in 2011 (with a slight decrease to \$116,600 in 2012) to over \$162,000 (year to date 2016). The average number of days on the market has been significantly reduced from nearly six months in 2011 to less than 90 days in 2016. Year to date activity in 2016 is on track to meet or exceed 2015 sales activity, with increasing average sales price and decreasing days on the market.

Romeoville contains two existing apartment projects with a total of 782 market rate apartments. While current occupancy rates at these two projects are a little lower than a few years ago, rents have continued to increase. Monthly rents have increased since 2011. On a per square foot basis, per square foot rents have increased from about \$1.30 to over \$1.50, a 15 percent increase over the past five years. A new 292-unit apartment project is nearing completion in the Village. The developer anticipates attracting younger age (20-34-years of age) workers for the smaller unit types and largesized family households to the larger unit sizes to the project.

ECONOMIC DEVELOPMENT AND LAND USE POLICY RECOMMENDATIONS

MONITOR AND REGULARLY CONFER WITH LARGEST EMPLOYERS

- ❑ The largest employers should be met with regularly to monitor conditions, identify issues of recurring concern, and to assist with real estate requirements or service needs as they arise.

MITIGATE INFRASTRUCTURE CONSTRAINTS

- ❑ Roadway access or congestion constraints reduce the potential for not only attracting and retaining industrial space users, but also office space users. To maintain the key quality of life advantages and concurrently serve the evolving economic base requires continuing to plan, finance and implement the appropriate expansion of public infrastructure at least in step with development.

CONTINUE TO ENCOURAGE THE ENHANCEMENT OF ROMEOVILLE AS A PLACE TO LIVE, SHOP, PLAY AND WORK IN ORDER TO FACILITATE THE EVOLUTION OF ECONOMIC BASE AND TIGHTER ALIGNMENT BETWEEN RESIDENT LABOR FORCE AND JOBS AVAILABLE IN ROMEOVILLE

- ❑ The enhancement of the desirability of Romeoville for office space users, commercial uses, and less cost-sensitive higher-skilled seeking industries will continue as the result of encouraging the type of housing, shopping, restaurants, schools, parks and other community services and amenities that appeal to middle class households. A recent example of a community enhancement that appeals to Romeoville's large base of family households with children living at home includes the Romeoville Athletic & Events Center that has also helped to attract commercial uses to Uptown.
- ❑ Most potential office space demand will be for office space that provides locational, display, and amenity advantages to service firms and professionals serving local rather than basic markets (markets outside of the local area).
- ❑ Attempt to attract firms requiring higher level skills that better match the labor force characteristics of residents so that over time opportunities may arise for a higher proportion of residents to work within the community. Encourage firm seeking workers to promote openings to local residents.

APARTMENT DEVELOPMENT WILL ENCOURAGE EXISTING APARTMENT COMPLEXES TO MAINTAIN QUALITY AND RESPOND TO MACRO DEMAND FORCES

- ❑ Existing apartment complexes may be prodded by the new apartment supply competition to invest in maintenance and quality investments.
- ❑ Demographic- and behavioral-driven factors (including the deferral of marriage, overhang of student debt, and because highly-educated millennials comprise the largest population category and are highly mobile) are primary reasons driving the demand for apartments.
- ❑ Locations near transit and near restaurants, entertainment and recreational offerings, and employment opportunities are likely to be the most market responsive and competitive.
- ❑ One reason to encourage apartments is they can incubate young people in the community who may become home

buyers later and because some older households may choose to stay in the community by moving from their homes they no longer need and want to maintain.

ENCOURAGE A CONCENTRATION OF INTEGRATED RETAIL USES MIXED WITH EATING AND DRINKING ESTABLISHMENTS, MEDICAL OFFICE, AND RESIDENTIAL USES

- ❑ More and more goods are now purchased on the Internet. According to U.S. Census Bureau, online sales now account for about 7.4 percent of all retail sales in America (up from under three percent in 2005). The growth of e-tailing will place increasing pressure on retailing and retail real estate to evolve and respond to the threat of loss of on-the-ground customer traffic and sales.
- ❑ Locations that provide the most accessible places are no longer enough for success. Required are places that provide the most efficient quality of time. Retail clusters succeed because they contain a variety of proximate shopping opportunities and are large and diverse enough to facilitate multi-purpose shopping and service trips.
- ❑ It would be advantageous for Romeoville to have fewer, but larger, well-integrated shopping and service nodes than numerous smaller strip centers and free-standing buildings that siphon off relatively small sales dollars so as to make more difficult the development of larger projects with greater trade areas and more frequent visitation, or higher per visit expenditures. The Comprehensive Plan should encourage mixed-use development on Weber Road providing an integrated set of retail, eating and drinking, entertainment, healthcare, and housing uses that maximize the use of time and reduce traffic congestion.
- ❑ An increasing proportion of food expenditures are made away from home. According to the Bureau of Labor Consumer Expenditure Survey, approximately 41 percent of all food expenditures are made away from home. This trend suggests one potential substitute for traditional retail space will be food uses. For example, an agglomeration of restaurants centered on Weber Road, appealing to a wide variety of tastes and budgets will be able to draw from both residents and workers.
- ❑ Medical offices will also demand additional space in the coming years, and there will be a shift from hospitals to offices for some treatments, as there already has been for glaucoma surgery, for example. A major effect of the Affordable Care Act includes the need for lower-cost medical treatment options than hospitals traditionally have been able to provide. Medical clinics, docs-in-boxes, physical therapy, and MRI centers are just some examples of activities that will increasingly occur outside of a hospital environment.
- ❑ To increase the potential for surviving the competitive threat from the Internet as well as existing and future existing competing centers, encourage big-box retailers to locate in mixed-use centers (while discouraging freestanding stand-alone locations) that can serve residents as well as workers in close by business and industrial parks. Some Internet customers prefer shopping at services with both clicks and bricks so they have an opportunity to both pick-up and take back products. This means that retail chains will close their less successful stores, concentrating on their most successful regional outlets. Well designed, accessible centers with plentiful parking and a diverse set of uses and attractions are more likely to produce successful stores than freestanding locations.