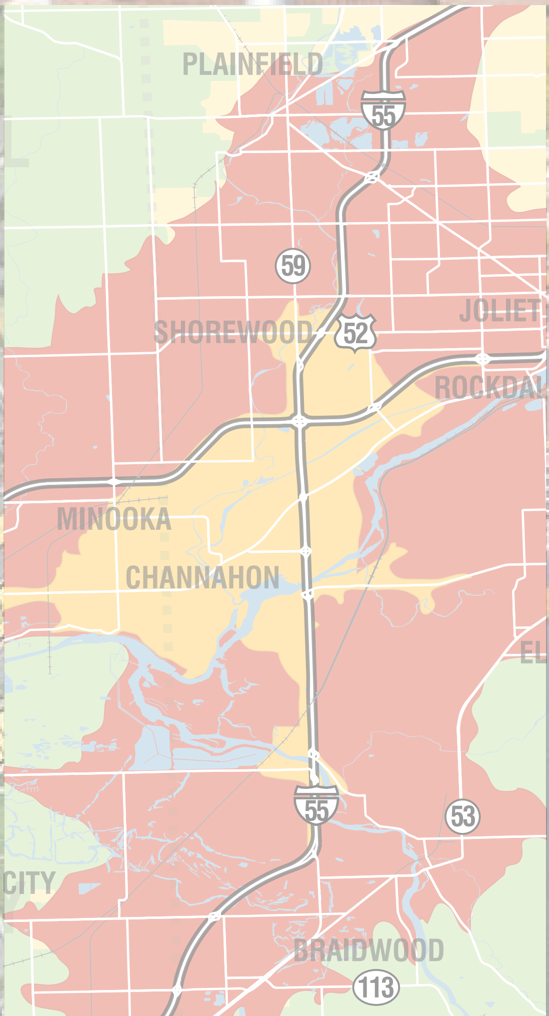
Economic Development Initiative



1 Introduction

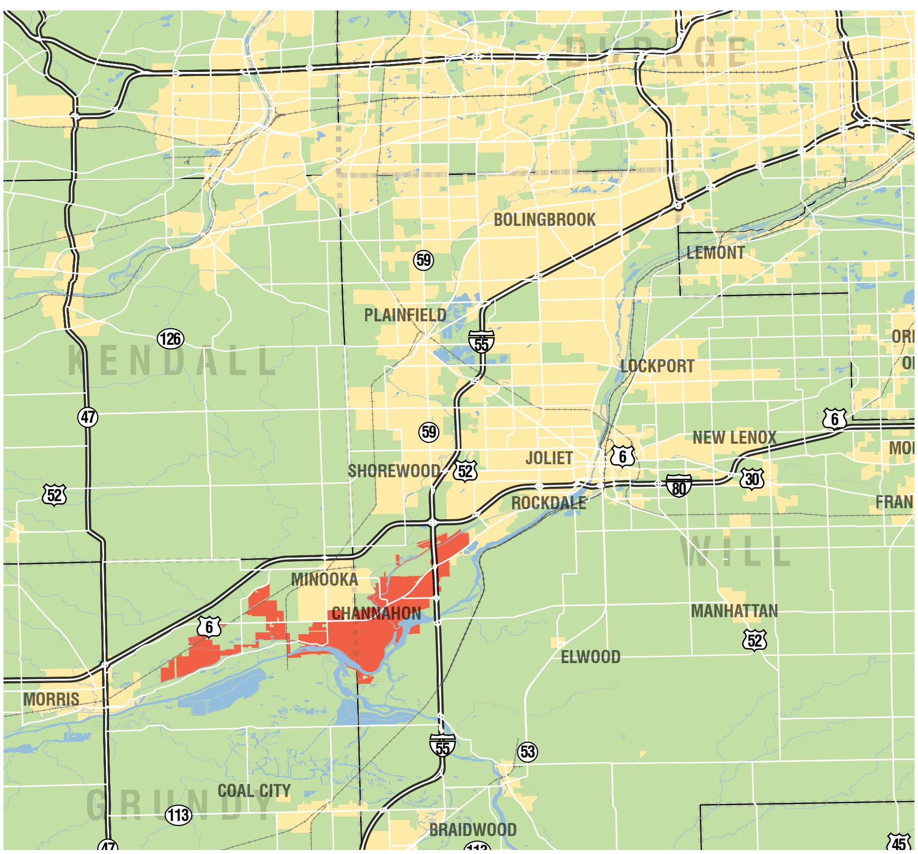
The goal of this study is to assess current and future development/redevelopment potentials and address economic development initiatives within the Village of Channahon. The following report analyzes existing conditions and development opportunities and establishes an economic development program centered on business attraction and retention.

Background

The Village's location on the edge of the Chicago metropolitan area, near the I-55 and I-80 interchange, has served to facilitate steady growth in its residential population and industry base for the past decade. Between 2000 and 2007, the Village's population increased from 7,344 to nearly 13,000. Despite this overall increase, however, there has been a decline in development over the past several years.

The pace of commercial development in Channahon has not kept pace with the number of households now living in the Village and surrounding area, leading Channahon residents to do the majority of their shopping and dining outside of the community. Recognizing the need for additional retail uses, service providers and restaurants, the Village contracted with Houseal Lavigne Associates (HLA) in the Fall of 2010 to prepare a market analysis to identify opportunities to expand the community's commercial base. In addition, HLA was requested to study the potential benefits of forming a public/private economic development corporation to better facilitate new development.

The following report identifies specific actions required including recommendations pertaining to target markets, priority improvement projects and redevelopment sites, business attraction strategies, design improvements, potential funding sources, implementation techniques, and general administration and follow-up. The timing of various economic development initiatives, the responsible entities, and their roles are also identified. This report includes the detail necessary to allow the Village to track the progress and effectiveness of the initiatives and maximize the usefulness of this study as a tool to achieve the community's economic development goals and objectives.



Community Outreach

Project Website

While it is the Village's goal to spur economic development within the community, the type and character of development should match the community's vision for the future. It is important that future development reflect the attitudes and desires of Channahon's residents, property owners, and businesses. Toward this end, several community outreach activities were utilized in forming an understanding of the desired vision, including a:

- Community Workshop;
- Business Workshop;
- Key Person Interviews;
- On-line Resident Questionnaire; and,
- On-line Business Questionnaire.

The following is a summary of key economic development issues and opportunities presented throughout the public outreach process. More detailed summaries of all workshops were prepared and have been included in the Appendix.

Limited Shopping and Dining Options

Participants widely agreed that Channahon is impacted by the limited availability of both regular, day-to-day shopping destinations as well as 'big ticket' retailers. Commercial uses identified as particularly lacking or absent in Channahon include a grocery store, sit-down restaurants, a coffee shop and hotel as well as general merchandise retailers such as Kohl's or Target. The overall lack of local shopping and dining options was the most cited reason for residents shopping outside of the community. Minooka, Morris and Shorewood were listed as frequent destinations for daily shopping needs while the Louis Joliet Mall area was the most cited destination for specialty shopping.

Business Retention

Both the business community and local residents indicated that, in addition to expanding retail options, retaining existing businesses should be a priority as the Village moves forward. Many expressed concern with a perception of a high degree of business turnover in the community. Turnover, in combination with vacancies in retail centers, were identified as threats to the overall health of the Village's commercial areas. Business owners and representatives of the larger business community have expressed a desire for assistance from the Village to reduce rent or other operating costs. One suggested strategy was to assist local financial institutions in providing loans or lines of credit to businesses looking to renovate, expand, or otherwise reinvest in Channahon location(s).

Article Discussing Workshops

Town Center

While other opportunity sites were discussed, the Town Center area was frequently mentioned as long term asset to the community. Overall, participants expressed support for the Town Center vision, with recognition that the existing master plan may need to be adjusted to be more marketable. Elements of the vision such as site orientation and layout and the scale of the mixed-use and multi-family housing components were identified as areas where the Village may need to remain flexible as it pursues development of the Town Center site.

I-55

The area surrounding US Route 6 and I-55 was frequently identified as having the potential for commercial development including 'big box' retailers and a hotel property. In particular, the former mobile home park site to the northwest of the interchange was the site most often discussed. All levels of outreach identified the realignment of the interchange as a priority for the Village. It is widely recognized that the current configuration and resultant congestion and access issues limit the development potential of the area.

Community Outreach

'Jobs and Rooftops'

The Village's significant industrial users and large employers were often cited as key assets that will play a role in the community's future. It was indicated that the Village should continue to encourage similar uses and draw additional employees to the area. Many participants supported the notion that more local jobs would attract new residents which in turn would support additional commercial development. It was also mentioned that employees may represent an untapped source of customers, but ease of access between commercial and employment areas may continue to limit any day-time activity. Rather, participants highlighted the potential to capture employees travelling to and from work in the mornings and evenings.

Branding Channahon

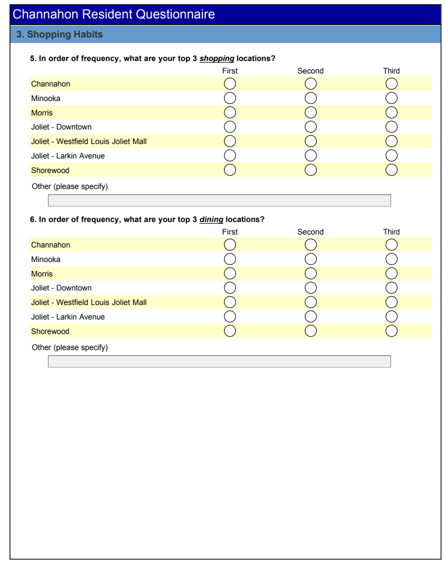
Members of both the resident and business communities indicated that Channahon lacks name recognition in the larger region and that many are not aware of where Channahon is and what it has to offer. Participants have called for a branding campaign to collectively market the entire Channahon business community and highlight businesses, shopping districts, and the potential for commercial development. Such an initiative could dovetail with the Village's "Discover Channahon" campaign, but should target potential customers, rather than potential home owners; strengthen local business; and, attract new retailers and restaurants. Interest was also expressed in incorporating the 'buy local' efforts of the Greater Channahon-Minooka Area Chamber of Commerce.

In addition to helping the community define what type of destination Channahon should be, the branding campaign should also advance efforts to enhance the physical appearance of Channahon's commercial areas. Linked to this idea was support for the commercial design guidelines adopted by the Village in 2008 and suggestions that the Village improve its 'gateway' areas.

Encouraging Development

While potential economic development strategies and incentives were not discussed in detail during the community and business workshops or in on-line questionnaires, key person interviews provided several suggestions. These included:

- 'Gateway' improvements at key entry points to commercial areas with signage, landscaping, etc.;
- A façade improvement program to assist existing businesses enhance the appearance of their storefronts;
- Annual business awards publicizing the achievements of local businesses;
- Fee waivers for tap-on fees, permitting fees, etc.;
- Sales tax rebate incentives to new development;
- 'Build out' grants for restaurants expanding or relocating within/to Channahon;
- Village-backed loans to assist local businesses in securing financing or lines of credit;
- Simplifying the permitting and development process to remove administrative hurdles to development; and,
- Tax Increment Finance (TIF) to provide a source of funding for incentives and development.


Channahon Resident Questionnaire

3. Shopping Habits

5. In order of frequency, what are your top 3 *shopping* locations?

	First	Second	Third
Channahon	○	○	○
Minooka	○	○	○
Morris	○	○	○
Joliet - Downtown	○	○	○
Joliet - Westfield Louis Joliet Mall	○	○	○
Joliet - Larkin Avenue	○	○	○
Shorewood	○	○	○

Other (please specify)

6. In order of frequency, what are your top 3 *dining* locations?

	First	Second	Third
Channahon	○	○	○
Minooka	○	○	○
Morris	○	○	○
Joliet - Downtown	○	○	○
Joliet - Westfield Louis Joliet Mall	○	○	○
Joliet - Larkin Avenue	○	○	○
Shorewood	○	○	○

Other (please specify)

Resident Questionnaire

2 Regulations

The Village zoning ordinance and other pertinent development regulations have been assessed to ensure that potentially viable businesses are not being discouraged or prohibited from locating within the community. Overall, Village policy appears to be reasonable with regard to what is expected of new commercial development and redevelopment. Some regulations related to parking standards and setback requirements could potentially be revised to further enhance the environment within Channahon's commercial areas.

Zoning Assessment

Uses

The range of uses permitted within the Village's town center and commercial zoning districts appears to be sufficient to accommodate the variety of uses desired by the community. Where a proposed use is not explicitly allowed in the zoning ordinance, the Village should continue to remain flexible in accommodating special uses that will benefit the community. Regardless, the most important consideration is whether the form of the proposed development is in keeping with the desired character of the Village. Any negative impacts on adjacent uses should be mitigated through innovative site design and development techniques.

Bulk and Height Standards

Requirements regarding height, floor area ratio, and setbacks do not appear to be overly restrictive and should not hinder contemporary commercial development practices. In particular, the existing floor area ratio maximums of between 1.0 and 3.0 and height maximums of between 2.0 and 3.0 stories should provide an adequate building envelope with respect to the size of the development site.

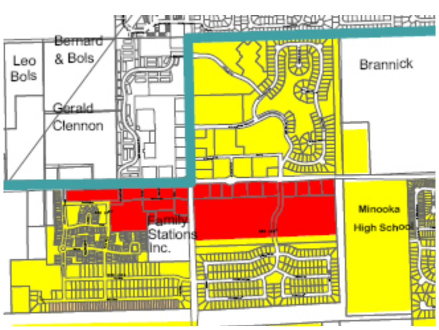
The Village has a minimum front yard setback requirement of 20 feet regardless of commercial district (C-1, C-2 or C-3). This setback requirement encourages front loaded, auto-oriented commercial development and may detract from less intense commercial areas such as those dedicated to local shopping. The Village should consider reducing minimum setback requirements in such areas to maintain space for pedestrian amenities and landscaping and establishing a better sense of enclosure and activity, while locating the majority of parking in the rear and side yards.

Parking Standards

Parking standards for the majority of commercial uses within the Village require an 5.5 spaces per 1,000 square feet of retail and 12.5 spaces per 1,000 square feet of restaurant space. While these standards are not extremely high, standards of 4.5 to 5 spaces for large retail and 10 to 12 spaces for restaurants are more common. Recent trends in planning best practices also support maximum parking requirements of just 4 spaces per 1,000 square feet of large retail and 10 spaces per 1,000 square feet of restaurant space. The current parking requirements do not necessarily represent a deterrent to commercial development in the Village, but lower minimum parking standards could potentially free-up site area to accommodate additional buildable area and enhance the attractiveness of opportunity sites.

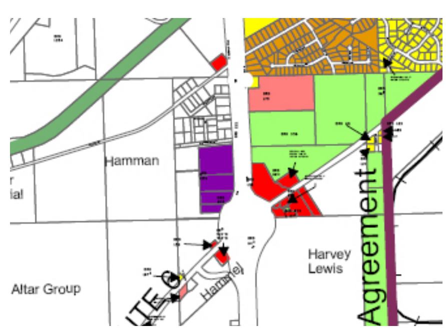
Landscaping Standards

The Village adopted a new landscaping ordinance in April of 2008. Minimum landscaping requirements appear to be in-line with contemporary best practices. Additionally, the use of plant units, as opposed to strict minimum requirements for various plant material types, provides flexibility in how required landscaping areas are landscaped. Screening requirements for open storage yards and service areas should also help mitigate any appearance issues caused by non-retail uses (e.g. business service establishments) permitted in some commercial districts.



Ridge Road Zoning


Bluff Road Zoning



I-55 Interchange Zoning

Commercial Design Guidelines

Example of parking lot landscaping

Example of good architectural outlot/stand alone retail design and use of color

Example of good architectural big-box design and use of color

Example of retail trash/mechanical enclosure

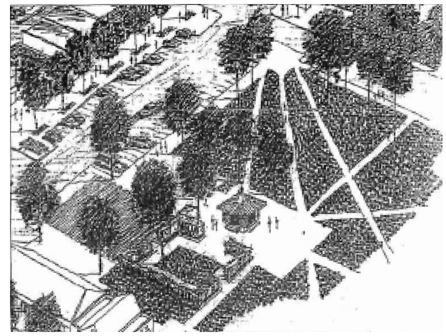
Example of stand alone/outlot retail oriented towards the main thoroughfare with associated bike path

Example of good landscaping

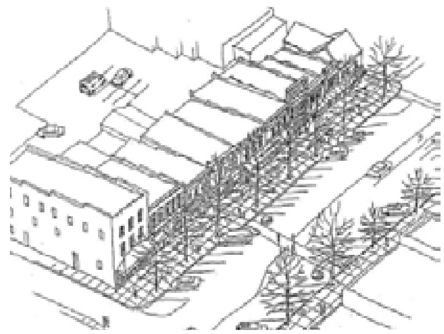
Town Center Design Standards

The Village adopted commercial design guidelines in 2006 with the goal of promoting quality site design and development that minimizes the potential negative impacts related to commercial development. The standards put forth in the design guidelines appear to be reasonable with respect to what should be expected of new development. Moreover, the design guidelines should not adversely impact attracting new commercial development to the Village with respect to development costs.

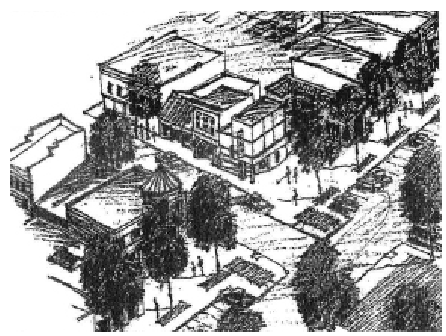
For example, standards related to façade and roof-line variation are not overly restrictive. The list of permitted materials is broad enough and flexible, mainly prohibiting the extensive use of synthetic stucco (EIFS) and concrete block. Design guideline language is also flexible, outlining expectations where strict requirements may not be warranted such as in dealing with access management and lighting features. New commercial development should continue to be required to adhere to these design guidelines.



Village Green



Zero lot line commercial, Residential, Mixed Use



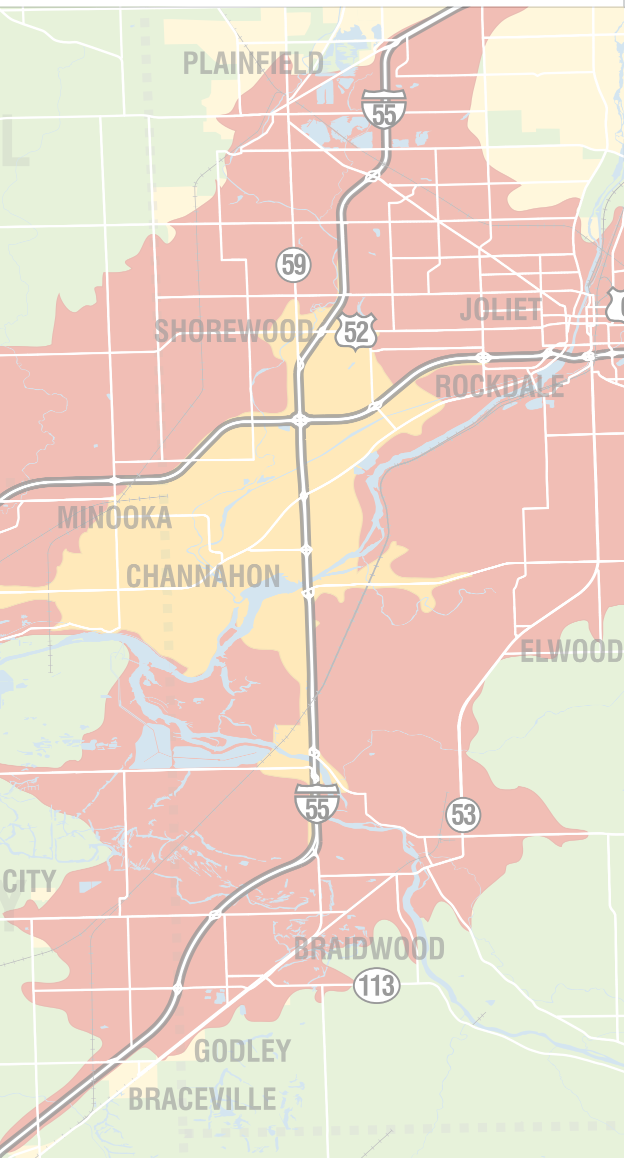
Side Street Business Buildings

Proposed Town Center Site Plan

Proposed Town Center Land Use Plan

3 Market Summary

As a component of this study, a market analysis was prepared to present market and economic conditions and potentials in the context of the Village of Channahon's position within the competitive market. The plans and strategies presented in this report have been designed to maximize the economic development opportunities identified in the market assessment. The following summary of the market assessment discusses the implications of future residential growth and highlights potential opportunities for retail expansion and the attraction of industrial development.



Demographic Overview

While the pace of growth has slowed, projections indicate continued population growth in the Village and surrounding area through the year 2015. An additional 1,264 households are projected to locate within Channahon, Minooka, and the surrounding area over the next five years. This represents a 12% increase in population at an annual rate of 2.4%.

As growth occurs, the Channahon area population will become more affluent with an increasing proportion of higher income households. Projected population growth across all age cohorts will likely drive demand for a range of housing products including both single family and multi-family residential development such as condominiums, townhomes and senior housing. Rental housing may also come to make up a more significant component of the local housing stock. The local purchasing power is expected to increase as a result of the growth in population and household incomes as well.

Retail Competition

When compared to neighboring communities, Channahon has fewer retailers and restaurants per capita and appears to be underserved. The number of businesses and total sales within the Village highlight a gap or undersupply or retail within the local market. As a result of this gap, Channahon residents frequent several retail destinations outside of the Village, namely Morris, the IL Route 59 and Larkin Avenue corridors, and the Louis Joliet Mall area. These areas will continue to offer competition to Channahon businesses.

Within Channahon, businesses are clustered along US Route 6 near Ridge Road, Bluff Road and the I-55 interchange. Each of these areas experience traffic volumes of around 20,000 vehicles per day. There is also nearly 100,000 square feet of available retail space within Channahon and Minooka, but it is predominantly located in small, in-line spaces.

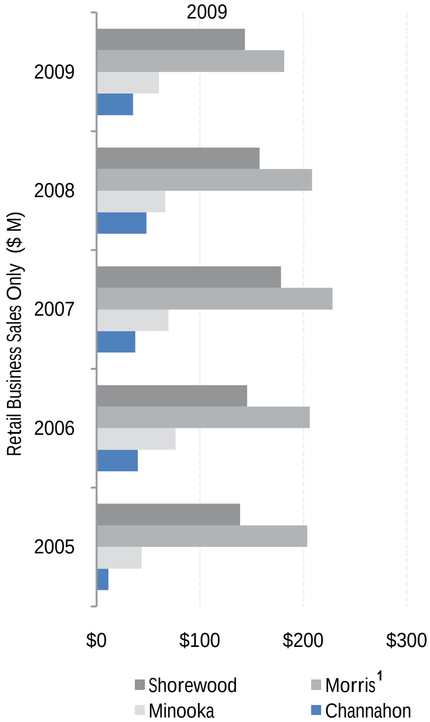
Table 1. Demographic Summary
Primary & Secondary Market Areas, 2010 - 2015

	2010		2015		Total Change 2010 - 2015	
	Primary Market Area	*Secondary Market Area*	*Primary Market Area*	*Secondary Market Area*	*Primary Market Area*	*Secondary Market Area*
Population	29,454	318,521	33,117	346,023	3,663 (12.4%)	27,502 (8.6%)
Households	9,839	110,551	11,103	119,852	1,264 (12.8%)	9,301 (8.4%)
Median Age	35.9	34.2	36.3	34.2	0.4 (1.1%)	0.0 (0.0%)
Median Household Income	$78,303	$68,866	$86,602	$79,982	$8,299 (10.6%)	$11,116 (16.1%)
Average Household Income	$86,326	$77,297	$96,042	$88,883	$9,716 (11.3%)	$11,586 (15.0%)
Per Capita Income	$29,180	$27,059	$32,634	$31,028	$3,454 (11.8%)	$3,969 (14.7%)

Source: ESRI Business Analyst; Houseal Lavigne Associates

Retail Market

Chart 8. Annual Retail Sales Volume
Channahon & Surrounding Communities, 2009



[1] Morris 2009 sales volume based on estimates for sales tax in the *Food* and *Furniture, Household and Radio* retail categories due to partially reported data.

Table 10. Future Retail Demand Primary & Secondary Market Area, 2010 - 2015		
	10 Minute Drive (PMA)	20 Minute Drive (SMA)
New Households	1,264	9,301
Retail Expenditure per Household	$33,455	$28,151
Market Area Purchasing Power	$42,287,120	$261,832,451
Market Area Retail Demand (sf)	*105,718*	*654,581*

Source: ESRI Business Analyst; Houseal Lavigne Associat

Retail Gap Analysis

A retail gap analysis, comparing estimated retail demand to existing supply, indicates that opportunities exist within the current market which includes not only Channahon, but portions of neighboring communities as well. Given competition within the region and the distribution of retail potential amongst multiple retail categories, retail opportunities for a location in or near Channahon are limited to several distinct categories including Furniture & Home Furnishings; Electronics; Building Materials & Supply Dealers; Food & Beverage Stores; Clothing Stores; and Limited- and Full-Service Restaurants. There is demand for new retail space, however despite this potential, other factors may be limiting near term development opportunities within Channahon.

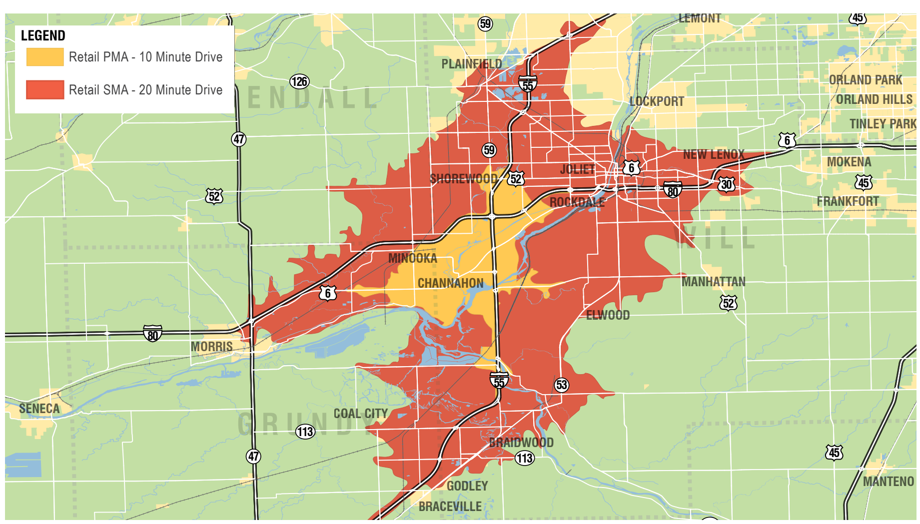
Competition within the secondary market area and opportunities elsewhere in the Chicago metropolitan region could be limiting interest by national retailers. Many retailers who may have favored a growing suburban location such as Channahon in the past, are now looking at in-fill locations in urbanized markets where a denser population base already exists. In general, retailers have shifted from betting on future potential, to maximizing the profitability of existing locations. So, while data indicates that the existing population base is underserved, additional residential development may be needed to further bolster retail demand before Channahon can compete with these more densely populated locations.

Future Demand

Population projections for the primary market area indicate the potential demand for an additional 100,000 square feet of retail space over the next five years. While a portion of this may be absorbed by currently available properties, tenants such as a furniture stores, grocery stores, or uses with more specialized needs (i.e. full-service restaurants) will likely require new construction.

Regional Destination

The Village is well suited to capture a regional destination oriented development. The combination of available land; proximity to large population and employment centers; interstate access; and proactive development climate can be leveraged to promote the Village and attract a use that would draw visitors from throughout the region. While it is unlikely that a regional mall or retail related use could be supported, an entertainment or recreation destination may be feasible. Such a use would serve to support ancillary commercial development including hotels and restaurants. Further analysis would be required on a case by case basis dependent upon the type of use proposed.



Office & Industrial Market

Employment Growth

While the overall regional labor force is stable and growing, employment projections indicate that manufacturing employment will continue to decline through the year 2016. Despite a decline in manufacturing, the Channahon area has maintained a diverse economic base with significant employers in several industries. Moreover, both the labor and commute shed data highlight Channahon's ability to attract workers from the larger region.

Despite near term job losses, projections indicate that Channahon is located in a growing area with regard to employment. Given its diverse economy and growing industries, Channahon is well positioned to capture new jobs being created in Grundy and Will Counties through the year 2016. The concentration of manufacturing, health care and transportation and warehousing industries in the area may represent the strongest assets on which to build future economic growth and development.

Office Market Summary

Channahon is located to the south of the I-55 Corridor office submarket, which is relatively small, but stable and performing better than other areas with regard to overall vacancies. The amount of available space and negative absorption occurring in the larger Chicago market, however, decreases the likelihood of new speculative office construction in the near- to mid-term. Any activity will likely be in the form of a build-to-suit project for a specific end user. Regardless, with access to two interstates (I-55 and I-355) and a large inventory of Class B space, the I-55 Corridor remains an affordable alternative to the nearby and much larger East-West Corridor submarket centered along I-80.

While in-line office space will remain predominant in the market, a realignment of the US Route 6 and I-55 interchange may have the largest impact on long-term office development in Channahon. The area surrounding the interchange is best situated for business park office uses that do not currently exist in the community. Given Channahon's location on the far southern edge of the suburban Chicago office market and the community's strength within the industrial market, office space will likely be most marketable as flex space within a business park environment where research and development, light manufacturing, and warehousing and distribution may also occur.

Industrial Market Summary

Channahon is located in a portion of Chicago's industrial market that has suffered from increasing vacancies, but has stabilized over the past two years. While there are sites available for development within Channahon and the surrounding planning area, it is anticipated that speculative industrial development will be minimal. As with the office market, build-to-suit projects will be the likely source of any future development in the near term.

While Channahon cannot directly benefit from the two large intermodal facilities located in nearby Elwood and Joliet, the Village may be able to leverage these new facilities as a marketing spotlight for the Channahon area's locational advantage. In addition to transportation and warehousing, and other target industries, the manufacturing sector also remains a significant component of the local job base and may prove to be a source of demand for additional industrial space in the future despite decline in the larger region.

Labor Shed

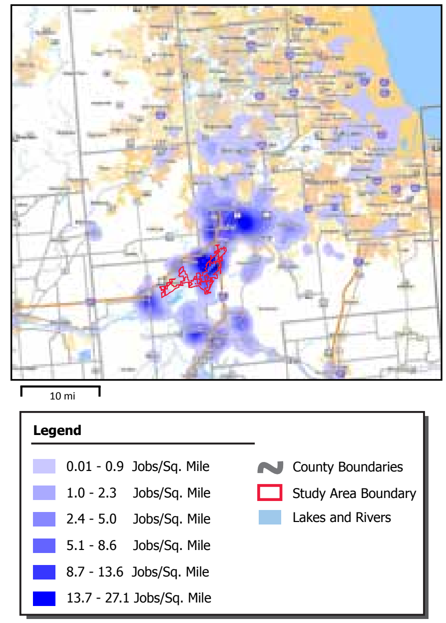


Table 14. Target Industries
Village of Channahon Planning Jurisdiction

Industry	Grundy-Will County Employment Growth (2006-2016) Jobs	Percent
Health Care & Social Assistance	5,372	28.7%
Manufacturing	-1,896	-8.9%
Educational Services	4,136	18.8%
Transportation, Warehousing & Util	1,667	12.3%
Retail Trade	2,124	7.9%
Construction	1,864	10.5%
Accommodation & Food Services	2,612	16.4%
Finance & Insurance	496	9.7%
Other Services	1,254	12.7%
Professional, Sci. & Tech. Svcs.	620	9.3%
Arts, Entertainment & Recreation	1,310	26.4%
Wholesale Trade	423	4.0%
Public Administration	1,098	7.4%
Admin., Supp. & Waste Mgmt. Svcs.	1,870	17.5%
Information	-59	-1.8%
Real Estate, Rental & Leasing	190	9.0%
Natural Resources & Mining	-6	-1.6%
Mgmt. of Companies & Enterprises	97	10.4%

= Important Growth Industry

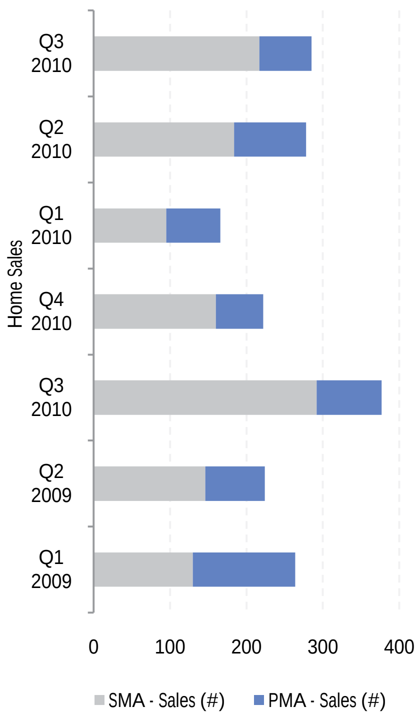
= Potentially Emerging Industry

= Mature Industry

Source: ESRI Business Analyst

Residential Market

Chart 12. Single Family Home Sales
PMA & SMA Communities,
2009 - Q3 2010



Current Trends

Despite a downturn in the housing market, projections indicate that Channahon will continue to grow albeit at a slower pace than in recent years. Detached single family homes are likely to remain the predominant housing type within the Village and larger market area. Trends in permitting activity indicate that multi-family housing will remain a small component of the local housing stock. However, given the downturn in the for-sale housing market, rental housing may become a more significant component of the housing stock within the Channahon area.

Although there has been a decline in the number of sales, home prices have remained relatively stable over the past two years. Moreover, single family homes within Channahon are priced similarly to those in the larger market area. There are currently 117 properties listed with the Multiple Listing Service of Illinois for the Village of Channahon. With an average of 15 sales per month within Channahon, this translates to an eight month inventory.

Shifting Housing Demand

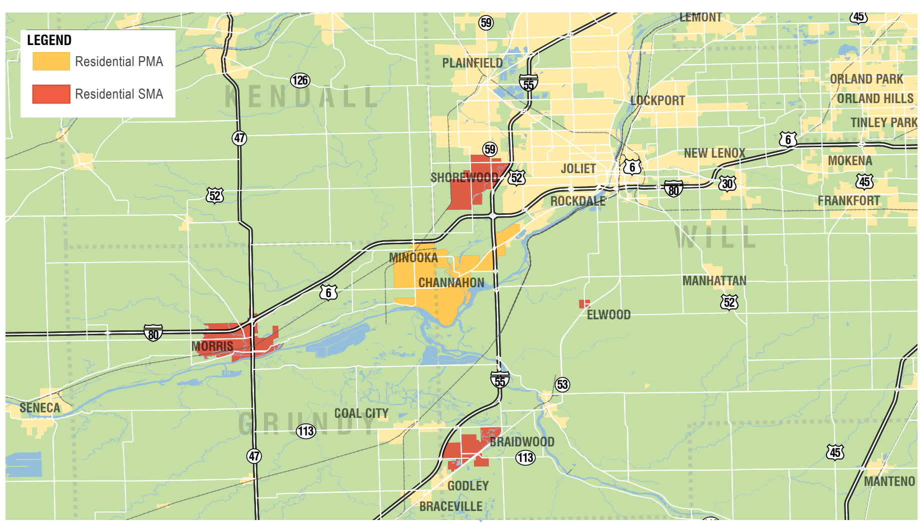
Demographic projections indicate that an additional 1,264 households will locate to the Channahon/ Minooka area over the next five years. Shifts in age and income composition anticipated to occur in connection with this growth indicate potential for additional for-sale, multi-family product targeted 'empty nester' households such as age restricted communities or senior housing development. While there are a number of single family homes for sale in the Village, there are few multi-family units available.

Not only would encouraging competitively priced multi-family development help provide more attractive, affordable and convenient housing options for a changing population, it may also offer the most effective means of expanding the customer base of existing businesses and future potential retailers. Moving forward, while single family homes will continue to dominate the local market, additional housing options should be encouraged to appeal to the young professional and senior households moving into the area.

Table 18. Age of Housing Structure
Village of Channahon

Year Built	*Number*	*Percent*
1939 and Earlier	149	3.4%
1940 - 1949	13	0.3%
1950 - 1959	235	5.4%
1960 - 1969	372	8.5%
1970 - 1979	594	13.6%
1980 - 1989	110	2.5%
1990 - 1999	1,380	31.5%
2000 - 2004	1,076	24.6%
2005 or Later	451	10.3%
Total	*4,380*	*100%*

Source: US Census; Houseal Lavigne Associates



Priority Improvement & Redevelopment Sites

The identification of priority improvement projects and redevelopment sites is not designed to deter investment at other locations, particularly those sites where development already exists. Instead, it is intended to highlight locations that may be best suited to facilitate and attract new development that will benefit the Village as a whole including existing businesses. A larger concentration and mix of uses will help to foster a destination environment that does not currently exist.

Existing priority improvement and redevelopment sites are consistent with those identified in the 2008 Comprehensive Plan. Some modification in terms of targeted or potential mix of uses may be warranted to better reflect current potentials.

I-55 and US Route 6

The area surrounding the I-55 interchange at US Route 6 is arguably the most prominent location within the Village with regard to exposure. The I-55 interchange area may be suitable for a mix of uses including convenience retail, restaurant, hotel and/or, on a larger scale, a business park. The areas to the west of the interchange (namely the former mobile home park property) would likely be most attractive from a commercial development standpoint as there is extensive frontage available along US Route 6 adjacent to the interchange.

Despite raw, long term potential for larger scale retail development, the current 'rural interchange' configuration is outmoded, causing inefficiencies and issues related to access and circulation that need to be addressed to facilitate future development. Marketing the I-55 interchange area will be difficult until a firm timeline for widening the US Route 6 overpass and realigning the interchange has been established. The Village should continue to communicate with IDOT regarding its plans for the interchange and lobby for configuration improvements.

I-55 & US Route 6 Interchange

Priority Improvement & Redevelopment Sites

Ridge Road and US Route 6

While not as visible as the I-55 and US Route 6 area, the area surrounding the intersection of US Route 6 and Ridge Road is perhaps the most developed in the Village. This area was the focus of new commercial activity in the Village prior to the slowdown in the market. Community scale shopping centers have been proposed for both the southwest and southeast corners of this intersection. The retail center to the southwest, previously known as Rivers Plaza, is now bank-owned. The center to the southeast, known as Southern Crossing, has four of nine outlot properties developed while the remainder of outlots and the anchor tenant properties are now bank owned.

There is an opportunity to build off of existing uses including the Southern Crossing outlots, Pheasant Lane retail center, and the Jewel-Osco anchored center in neighboring Minooka. The Morris Hospital - Ridge Road Campus is another asset in this area that may provide an anchor to future office and commercial development. This area is ideally suited for retail and professional office uses and will continue to grow in importance as a commercial destination as further industrial and residential development occurs to the east and west of the Village. The market assessment indicates that the previous scale of development proposed for this area may no longer be plausible in the near term. Large format retail has been approved and would still be desirable, but the Village should be open to alternative proposals.

Intersection of Ridge Road & US Route 6

Town Center Area

Previous planning efforts conducted during a stronger economic climate produced an ambitious mixed use Town Center plan. The concept of a Town Center remains viable, however the overall scale, density and mix of uses need to be revised. The Town Center area may represent the best site to capture near term retail demand, but its capacity to accommodate large format retailers is limited. The Town Center's central location within Channahon's most residentially developed areas and its frontage along a regional travel route, with proximity to I-55, present an opportunity for neighborhood scale, grocery or full-service restaurant anchored retail use. The area further northwest and extending along Navajo Drive continues to represent an opportunity for town center oriented development consisting of a mix of small retail uses, dining, professional office and potentially attached residential.

The US Route 6 and Bluff Road intersection is one of the Village's most highly travelled intersections with average traffic counts along US Route 6 reaching nearly 22,000 vehicles per day. Development at the Town Center area should be positioned to maximize exposure to US Route 6 traffic, however the proposed configuration limits exposure by placing retailers and restaurants far away from the hard corner. The current Town Center concepts calls for a large plaza at the corner with a grocery store located along US Route 6 more than 600 feet away from the intersection and a mixed-use building located approximately 300 feet northwest along Navajo Drive.

The Village should be open to alternative proposals that respect the desire for a town center, but take on an alternative configuration. While greenspace, including a plaza, is a desirable component of a town center, it should be viewed as an amenity to support the primary function of the site as a home to new residents and a retail destination within the community. Greenspace should be accommodated within the Town Center development, but should complement and not limit the site from reaching its full development potential.

Intersection of Bluff Road/Navajo Drive & US Route 6

4 Strategies

The Village desires to pursue an economic development program that takes advantage of the assets identified in the market assessment and creates development that better meets the needs of the community while advancing the vision of local residents and businesses. This section identifies economic development goals, strategies and funding sources centered on this goal.

Economic Development Position

While this study is an important first step in establishing an economic development program, further progress is impacted by the fact that there are currently only two members of Village staff (the Director of Community Development and the Chief Building Official) engaged in planning, building and development, and economic development activities on a regular basis.

Economic Development Position

It does not appear that economic development, planning, zoning, permits and related issues each warrant a dedicated full-time employee in and of themselves. However, given the limited amount of time and resources dedicated to such efforts, it is recommended that the Village establish a part-time position to administer economic development initiatives and provide supplementary assistance related to planning, zoning and related issues. This would allow current Village staff to focus on their primary duties and better assist Village residents, businesses and the development community. Where necessary, the Village could continue to utilize an outside consultant to assist with large scale projects or those requiring special expertise. As economic development activity increases, a full-time position may be warranted.

In that the position would require a firm understanding of economic development with knowledge reaching across multiple disciplines and activities, the position would ideally be titled Director of Economic Development, Economic Development Coordinator, or some variation thereof. The individual in this position should possess a skill set that enables them to understand economic development and basic planning, building and zoning principles. The individual should also have the ability to market the Village to attract new development and work with existing businesses on retention efforts.

The Director of Community Development would provide oversight, advise on more complex or interdisciplinary issues, and serve as the economic development representative in the event of that person's absence. The position would report directly to the Village Administrator and serve at the will of the Village President and Village Board. While exact duties and responsibilities would be defined at the time of employment, some flexibility should be maintained as the role is likely to change along with shifts in development activity and the Village's requirements and needs.

Economic Development Commission

An Economic Development Commission should also be established consisting of no more than ten people. It is recommended that the commission's initial members be appointed by the Village President and serve terms that can be renewed every other year. Renewal can be based on action by the Village President, the Village Board, or by vote of the Commission members. A Commission President could be appointed by the Village President or selected by fellow Commission members. Once established, it is recommended that the bylaws of the Commission call for appointments to be made by nomination and voted on by existing commissioners. The alternative is to have the Village President and/or the Village Board continue to appoint and replace commissioners. The Commission would meet at regularly scheduled times (at least once per month).

While the Commission would consist solely of volunteers, the Director of Economic Development would report regularly to the Commission and attend all meetings. As an employee of the Village, that individual would also act as a liaison between the Village Board and Economic Development Commission.

Marketing

Several growth opportunities have been identified within the Village and surrounding area with regard to market demand for new commercial development. There are also several potential development sites within the community that could accommodate new commercial development. One of the primary duties of the Director of Economic Development position should be the marketing and promotion of these market opportunities and development sites. Establishing a Village 'brand', developing promotional materials, and creating a dedicated economic development website should form the core of the Village's broader marketing strategy.

Branding

Throughout the community outreach process, participants highlighted a need for a stronger 'image' or 'brand' within the region and enhanced recognition as a place to both live and do business. The Village should work with local businesses and residents to develop a branding campaign that collectively markets Channahon's commercial areas and its retailers, restaurants and service providers.

Establishing an effective branding campaign is a complicated process and the Village should consider utilizing an outside consultant with special expertise. It may be possible to adapt the previous "Discover Channahon" campaign to promote the Village as both a place to live and work as well as shop and dine. Branding should be an initial step in economic development efforts as the branding components that emerge from the process should be used in all aspects of promoting the Village and its assets.

Promotional Materials

New promotional materials should be produced that better promote the Village and priority development projects to prospective businesses. Materials should include those that can be easily updated and produced in large quantity for mailings and conferences. These materials should also incorporate the Village's branding components to highlight the need for development that is consistent with the character of the community and the desires of local residents and businesses.

The Director of Economic Development should utilize promotional materials when reaching out to potential retail tenants. Given the results of the market analysis, for example, potential targets should include national and regional full-service and fine dining restaurant chains as well as smaller/specialty grocery store chains include Aldi, Berkot's, Fresh Market.

Morris Hospital - Ridge Road Campus Groundbreaking

Marketing

Promotional materials should be developed in concert with an economic development website and contain similar design elements and information.   Materials should be designed with flexibility in mind, allowing for content to be easily and inexpensively updated. The Director of Economic Development should be listed as the contact on all promotional materials and correspondence.

Memberships and Organizations

As part of the Village's marketing efforts, the Director of Economic Development should attend area conferences, meetings and events involving local area governments particularly those providing an opportunity to promote the Village. Membership in relevant organizations and attendance at respective meetings should also be encouraged. Those may include but not be limited to:

- Will County Governmental League – Allows for networking and idea sharing with other area officials.
- Urban Land Institute (ULI) – ULI holds monthly breakfast meetings and other events that offer informational seminars and conferences as well as networking opportunities.
- International Council of Shopping Centers (ICSC) – Membership and attendance at the Chicago conference at a minimum.
- Web based Subscription Services – Websites that allow for the promotion of available properties and businesses should also be utilized. The Village should subscribe to and monitor sites such as Retail Lease Trac, Loopnet, and CoStar as a means of providing information on the Village, as well as a means of keeping abreast of market activity and the competitive environment.

Morris Hospital - Ridge Road Campus

Economic Development Website

As a final component of this study, an economic development website will be created and linked to the Village's homepage to promote growth opportunities and the Village as a whole. The site will be designed so that it can be easily updated by Village staff whenever necessary. Although content has not been finalized, information contained within the new website will likely include:

Main Page
The main page contains a location map and brief introduction to the Village of Channaon, its opportunities, and desired development.

Discover Channahon
This portion of the website contains a demographic, employment, and retail market profile highlighting projected growth and current retail demand. The content from the Village's Discover Channahon webpage (e.g. 'Discover great Schools') is also provided under Discover More link.

What's New in Channahon
This page includes information on recent or on-going projects, current events within the local and regional market, and an interactive Community Mapper feature. The page includes RSS, Twitter and Facebook features that users can utilize to receive regular economic development updates.

The Community Mapper tool allows for ongoing input from the public, businesses and the real estate and development community. Users are allowed to create maps to highlight location specific economic development related issues, inquire about on-going or future development, or provide information on upcoming events or projects they may be aware of.

Development Opportunities
This section discusses significant potential development sites, such as the Town Center, and the community's vision for these areas. In addition to the proposed Town Center concept, other illustrations should be developed to highlight the character of desired commercial development. Discussion of targeted retailers and restaurants the Village desires to see locate within the community should also be included once a list of desired tenants has been developed. Areas envisioned for industrial development should also be included in the Development Opportunities page of the website.

Available Properties
The predominant feature of this page is an interactive map that provides information on available properties currently for lease of for sale within the Village. Properties are grouped by type (Commercial/Industrial/Subdivision) and links to outside real estate listings are also provided. The map should be regularly updated to that is updated to ensure current listings are provided.

Economic Development Website

Funding & Incentives

This portion of the website identifies funding sources and incentives that may be available to those looking to invest in the community. Descriptions of available resources and links to funding from the County and State governments are also provided. This page should be updated as the Village establishes its own economic development funding sources and incentive programs. Maps of targeted economic development areas such as a TIF district, Special Service Area, or Business Development District should also be included.

Design and Development Resources

This page provides information related to the Village's land use and development regulations, long term economic development goals and objectives, and the development process. Brief descriptions as well as links to PDF documents are provided for the Village's:

- Comprehensive Plan;
- Municipal Code & Zoning ;
- Commercial Design Guidelines;
- Landscape Ordinance; and,
- Contractor Registration procedure.

The Village also has a Development Handbook that highlights the development and permitting process and basic requirements. The Village's current handbook is in PDF format and could be redesigned to be more user-friendly, potentially as a navigable webpage, and better incorporated into the website.

Links

This section contains links other government websites, economic development resources, and partner organizations such as the Channahon-Minooka Area Chamber of Commerce and financial institutions involved in Village-sponsored programs.

In addition to regular updates to existing website content, as the Village takes steps to encourage economic development, new website elements should be created where needed. As with promotional materials, the Director of Economic Development should be listed as the contact on all website materials and correspondence.

Commercial Area Image

For many of the motorists passing through the Village en route to Joliet, Morris or I-55/I-80, the US Route 6 corridor plays a significant role in shaping their perception of the larger Channahon community including both its residential neighborhoods and commercial areas. Therefore, it is important that the US Route 6 corridor reflect the desired image, character, and appearance of the Village. Improving the appearance and function of an existing commercial area can also enhance the value of new development locating within that commercial area. This section presents recommendations for improvements and aesthetic enhancements to both the public and privately-owned areas within the Village's key commercial corridor (US Route 6) and related commercial areas.

This section also promotes the coordination of improvements between and amongst both existing commercial properties and new commercial development. Collectively, coordinated commercial area enhancements can transform the appearance and overall character of an area, making it a more desirable place to open a business, invest in new development, shop, dine, visit, and live. Consistency in design is important to achieving a more unified character and communicating a single community identity/brand between all of Channahon's commercial areas.

Unified Image

While the Village's updated Commercial Design Guidelines and Landscaping Ordinance will require many of the recommended improvements to be implemented as new development occurs, enhancements to public rights-of way or to existing commercial properties will likely require public funds to implement. The Village should consider establishing funding for improvements that enhance site design, pedestrian amenities and landscaping, signage, and access and circulation in the commercial areas along the US Route 6 corridor.

Commercial Nodes

Improvements to the appearance of Channahon's commercial areas should be applied in well-defined areas, or nodes, centered upon key intersections along the US Route 6 corridor. As identified in community outreach efforts as well as the market analysis, the areas surrounding the intersections of US Route 6 with Ridge Road, Bluff Road/Navajo Drive, and I-55 represent key commercial destinations within the Village. Concentrating enhancement efforts, such as streetscaping, burying utilities, and façade and signage improvements, will help delineate boundaries to unique commercial areas and visibly reinforce a sense of place. Doing so will help form commercial districts within Channahon that residents and visitors alike will recognize as destinations for shopping and dining.

Gateway treatments

Throughout the community outreach process, participants noted that the Village currently lacks any distinct points of entry or gateways. Specifically, businesses and residents spoke to the lack of signage or landscaping features denoting entry into, or exit from, the Village along US Route 6. Participants expressed a desire for gateway features that announce entry into Channahon and instantly communicate a sense of community character and identity to visitors and residents alike.

Gateway features should be strategically located throughout the community along US Route 6 and at key intersections in locations that function as entry points into the Village. Gateway features should include high-quality and attractive signage, landscaping, and decorative lighting. It is important that gateways be of reasonable cost for both construction and ongoing maintenance.

Commercial Area Image

Gateway features are cost effective and targeted tools the Village should utilize in its marketing and branding efforts. As a promotional tool, it is important that common design elements or "themes" (e.g. Village logo, building materials, landscaping and hardscaping) be consistently utilized as part of gateway features throughout the community to provide a unified image of the Village's commercial areas and the larger community.

Wayfinding Signage

A wayfinding signage program could also be implemented in concert with the gateway installation. Many community outreach participants noted being unfamiliar with what retailers, service providers and restaurants were located in the Village. Wayfinding could be utilized as a tool for providing that knowledge to local residents as well as passing motorists and increasing patronage among local businesses.

Within commercial areas, wayfinding signage could be utilized to alert vehicles, bicyclists and pedestrians to nearby retail and restaurant offerings. Other nearby points of interest such as public parking areas, schools or parks could also be included. Retail centers and individual businesses could also be listed on directory signs in areas where a significant number of businesses are present. Signage should be attractive, easily interpreted, and utilize design elements in common with the gateway features. Tenant or retail center specific signage should be designed to be updated regularly to account for business turnover.

Streetscaping

When concentrated within a targeted area, such as a commercial district, streetscaping improvements can help delineate the boundaries of the area and reinforce a sense of place. The Village should consider implementing streetscaping improvements in select areas along the US Route 6 corridor.

Enhancements should include "complete streets" elements, such as sidewalks or multi-use trails, vehicular and pedestrian scaled lighting, street trees, and landscaped medians where feasible. Streetscaping along major corridors such as US Route 6 requires components that are sensitive multiple scales of use, catering to both vehicles as well as pedestrian areas. Working cooperatively with IDOT is essential when considering streetscaping enhancements along IDOT roadways.

I & M Canal Trail

5 Incentives

In addition to marketing and promotion efforts and commercial area enhancements, the Village should also consider establishing programs to assist businesses in their efforts to relocate or expand within Channahon.

Assistance Programs

There are several incentive programs and strategies that the Village may choose to utilize in facilitating economic development. These programs can be used to not only attract new development to Channahon, but also facilitate the retention and expansion of existing businesses. Incentives related to commercial development can be applied to the construction of new space for new businesses or existing businesses with expanding or changing needs. Incentives can also be made available to improving existing retail space and enhancing the overall appearance of Channahon's commercial areas.

The following discussion of business assistance and incentives is not intended to be exhaustive, but rather highlight those programs that are believed to be most applicable to the Village of Channahon and its economic development goals. Additional incentives and strategies exist including several programs offered by the State of Illinois and further research should be undertaken should a firm economic development opportunity materialize.

Façade Improvement Program

A façade improvement program provides financial and technical assistance to owners that invest in the aesthetics of their property. Such a program is targeted at existing buildings and businesses in areas that may be dated in appearance.

Façade improvement programs typically operate as a matching grant or as a rebate program payable once construction is complete. For example, the nearby Village of Plainfield created a facade improvement program for its downtown area and will pay for up 50% of the cost of eligible improvements up to $150,000 per project. Eligible improvements under this program include the replacement or repair of exit doors, painting, shutters and awnings, signs, stairs and porches, walls, windows, and cornices. Some façade improvement programs allow individual businesses within larger developments to apply for a grant with written consent from the property owner.

A façade improvement program could be used to improve existing retail space and enhance the overall appearance of Channahon's commercial areas. While façade improvement funds would have limited direct impact in attracting new development to the Village, such a program would benefit existing retailers and could improve the overall health of the community's business community.

Business Assistance Program

A business assistance grant program can be utilized to attract targeted retail businesses and assist existing businesses located within a specific area. As with a façade improvement program, business assistance funds are typically offered in the form of a matching grant that pays for a certain percentage of eligible expenditures. The expenditures are typically limited to build-out costs, signage, moving expenses, and physical improvements to a property necessary to accommodate a new business or the expansion of an existing business. Priority can be given to businesses that complement the community's vision for its commercial areas and current retail needs.

The size of the grant available is typically tied to the overall impact the proposed project could have on the local area. The City of Des Plaines, for example, offers a grant of up to $5,000 to sales tax generating uses (including food and beverage taxes) while the Village of Lombard will cover 50% of costs up to $40,000.

Grant monies could be used to lessen the cost burden of relocating or expanding in Channahon. A business assistance program would likely have the most influence in attracting small and medium-sized retail tenants and restaurants as opposed to large scale, 'big box' retailers.

Mallory Plaza Façade

Assistance Programs

Restaurant Assistance Program

A restaurant assistance program is similar to a business assistance program, but specifically targeted at restaurants seeking to locate within a community. As with any grant program, the Village can define exactly what types of businesses qualify for funding. For example, the assistance program could be limited to full-service restaurants only by specifying a minimum threshold for the percent of gross income derived from sales made for on-site consumption.

The funds are intended to assist with renovating existing space to accommodate restaurant use or in the construction of a new restaurant and are typically limited to improvements to real property (i.e. kitchen equipment is ineligible). Funds are typically offered as a matching grant with a requirement that the business remain open for a minimum number of years. A lien is placed on the subject property which is then reduced by a proportionate amount for every year of operation and forgiven after completion of minimum period of operation.

The Village of Lisle has a restaurant loan program targeted at lessening the costs of renovating and retrofitting existing commercial space for restaurant use or demolishing an existing building for the construction of a new restaurant. Lisle will match funds up to 50% of the total project costs with a grant ceiling of $200,000. A lien for the grant amount is recorded on the property for a five year period after which the lien is released.

Commercial Loan/"Gap" Financing Program

Securing funding for development can be a long and complicated process and it has become increasingly common for projects to rely on multiple funding sources to come to fruition. With the recent economic downturn, conventional lenders have reduced the amount of risk they are willing to assume with a given project. Municipalities, counties and other public economic development entities have played an increasing role in providing "gap" financing to make up for shortfalls in financing provided by other financial institutions.

Commercial loan/"gap" financing programs can be established to lessen the risk to conventional lenders while providing more favorable loan terms to businesses looking to relocate or expand locally. Such loan programs typically stipulate that the program cannot be the primary lender of the project. Loan terms may range, but are typically either a short term loan to cover immediate capital needs before sufficient long term financing can be secured, or a secondary loan that coincides with the life of the primary loan. Regardless, the goal is to encourage and facilitate development by providing a project with a blended financial package that is below market rate.

As an example, the Berwyn Development Corporation and the City of Berwyn offer a commercial loan program targeted at providing incentives to renovate or expand existing commercial space or to new businesses looking to locate in the community. The program is capitalized by money from the municipality and lines of credit extended to partner financial institutions and guaranteed by the City of Berwyn. Loans terms vary depending on the goals of the project (e.g. startup capital, job creation, business modernization, etc.) and exist in two tiers comprising loans with a principal amount above or below $40,000.

Site Improvement Grant

While new development must adhere to the Village's Commercial Design Guidelines, much of the community's older commercial development is not consistent with the recently adopted guidelines. The site improvement grant could be utilized to revitalize existing commercial development and ensure complementary site design and amenities between new and old.

Tax Rebates & Abatements

The Downers Grove Economic Development Corporation (EDC) offers a grant program for properties located along one of its prominent commercial corridors, Ogden Avenue. Property owners are reimbursed for up 50% of project costs related to improving the appearance of the property or building, providing updated signage, and improving access and circulation for both pedestrians and automobiles. The grant is funded through a TIF District in place along the corridor and the grant ceiling is either $50,000 or $75,000 depending on the location of the subject property.

Sales Tax Rebate

A sales tax rebate is a tool typically used by municipalities to incentivize businesses to locate to a site or area. The rebate is offered as a percentage of the annual sales tax revenue generated by the establishment and is often tied to benchmarks such that as sales volume increases, so too does the proportion of the rebate. Sales tax rebate percentages can range from 1% to 100% and are dependent on the goals and objectives of the local municipality. Sales tax rebates have proven effective in attracting new businesses and encouraging redevelopment and renovation. Home rule communities like Channahon also have the authority to issue bonds based on sales tax revenue.

Tax Abatement

A property tax abatement is a versatile tool that can be applied to address a wide range of community issues. Property tax abatements are typically used as an incentive to attract business and revitalize the local economy. In the State of Illinois, municipalities and other taxing districts can abate any portion of the tax that they individually levy on a property. The period of tax abatement on a given property can be no longer than 10 years and the total combined sum of abated taxes for all taxing districts cannot exceed $4 million over that period. A taxing district can administer the abatement by one of two methods: 1) lowering the tax rate; or 2) initiating a property tax freeze where the property is taxed based on a pre-development assessed value.

In some circumstances municipalities can also petition the County to lower a property's assessment. For example, a commercial property could be assessed at a percentage equivalent to that of a residential property. This is an effective means of lowering a property tax bill, however, it should be noted that this method impacts all taxing districts and not just the district making the request.

Will and Grundy County Tax Abatement Programs

Both Will and Grundy Counties offer tax abatements to qualifying projects. Grundy County offers a pre-negotiated, three-year property tax abatement to qualifying companies where a project receives an abatement of 75% during its first fully assessed tax year, 50% during the second year, and 25% in the third year. For more significant projects, Grundy County also offers four and five-year property tax abatements at 50% each year to qualifying high impact companies.

Under Will County's tax abatement program, a project may receive up to 50% abatement on improvements for three to five years. Abatement can only apply to improvements done to the property, based on the equalized assessed valuation of the property. The Will County Tax Abatement Incentive is administered by the Will County Center for Economic Development.

There are also several incentive programs provided through the county, state and federal governments that the Village can utilize in seeking to attract industrial users to the area or expand existing employers in the community.

Industrial Development

Aux Sable Liquid Products

Industrial Revenue Bond (IRB) Inducements

Industrial Revenue Bonds (IRBs) offer a tax-exempt, low interest source of financing to manufacturing firms. A municipality may sell IRBs and then loan the proceeds to manufacturing businesses to finance capital investment projects. IRBs are unique in that although the municipality issues the bonds, the firm benefiting from the capital investment is to provide the interest and principal payments on the loan. In effect, the municipality is lending its bond tax-exemption, but not its credit, to the bond issue. Municipalities typically place limits on the minimum and maximum size of the bond issue and the maximum size of the project being funded. IRBs offer long-term financing rates lower than conventional financing, fixed or variable rate financing, and financing for up to 100% of a project's costs.

The State of Illinois 2011 Guidelines and Procedures allocated the Village of Illinois a volume cap $1,334,560. Given the financing costs associated with issuing IRBs, these bonds are typically used for projects totaling $1 million or more. In the past, if the Village has not used all of its allocated volume cap, the remaining volume cap has been ceded to the Upper Illinois River Valley Development Authority (UIRVDA) , a general development agency for Bureau, Grundy, Kane, Kendall, LaSalle, Marshall, McHenry and Putnam Counties. The UIRVDA is another source to which potential firms interested in locating in Channahon can also turn for IRBs and other assistance.

Illinois Economic Development for a Growing Economy (EDGE) Tax Credit Program

The Illinois Department of Commerce and Economic Opportunity's EDGE program offers tax incentives to encourage companies to locate or expand operations in Illinois as opposed to locations a company may be considering in other states. Tax credits may be provided in amounts equal to the state income taxes withheld from employees occupying new positions created by the project. The non- refundable credits can be used against corporate income taxes to be paid over a period not to exceed 10 years.

Companies applying to the EDGE program must document their active consideration of a competing location in another state. The project must include at least $5 million in capital improvements and create a minimum of 25 full-time jobs. For a company with 100 or fewer employees, the project must include at least $1 million in capital improvements and create at least 5 full-time jobs.

Large Business Development Program

Similar to the EDGE program, the Illinois Department of Commerce and Economic Opportunity's Large Business Development Program (LBDP) provides incentive financing to encourage large out-of-state companies to locate in Illinois. It also provides incentives for existing large companies to undertake substantial job expansion or retention projects.

Funds available through the program can be used by businesses with 500 or more employees for typical business activities, including financing the purchase of land and buildings, construction or renovation of fixed assets, and site preparation. LBDP funds are targeted to extraordinary economic development opportunities, that is, projects that will result in substantial private investment and the creation and/or retention of 300 or more jobs. Grant eligibility and amounts are determined by the amount of investment and job creation or retention involved.

Enterprise Zones
Local governments can create Enterprise Zones to encourage the development of new businesses within designated areas of their community. Businesses choosing to locate in these areas receive incentives such as tax breaks and relief from planning regulations. Enterprise Zones are currently limited to communities in which depressed areas are found (Illinois Enterprise Zone Act (20 ILCS 655)).

Will County has two Enterprise Zones that are adjacent to the Village of Channahon's planning jurisdiction. The Des Plaines River Valley Enterprise Zone (EZ 18) extends to the natural gas facilities located in unincorporated Will County to the south of Amoco Road and east of I-55. The Joliet Arsenal Enterprise Zone (EZ 94) comprises the Elwood Centerpoint Intermodal Center as well as the Exxon Mobil facility at Durkee Road and the area to the south. The nearest Grundy County Enterprise Zone is located in Ottawa, approximately 25 miles west of Morris.

In addition to incentives offered by a local municipality or county, there are several tax incentives can be available to qualifying businesses that locate within an Enterprise Zone including:

- Exemption on the retailers' occupation tax paid on building materials;
- Investment tax credit of 0.5 percent of qualified property;
- Enterprise zone jobs tax credit for each job created in the zone for which a certified dislocated worker or economically disadvantaged individual is hired;
- Expanded state sales tax exemption on purchases of personal property used or consumed in the manufacturing process or in the operation of a pollution control facility;
- Exemption on the state utility tax for electricity, natural gas;
- Exemption on the Illinois Commerce Commission's administrative charge and telecommunication excise tax.

If the Village of Channahon desired to designate an area as an Enterprise Zone, it would have to apply for the designation with the Illinois Department of Commerce and Economic Opportunity. To become a certified Enterprise Zone, the zone must be a contiguous, incorporated area that is between one-half and 12 square miles in size, area and that can be characterized as a depressed area wherein pervasive poverty, unemployment and economic distress exist.

High Impact Business (HIB)
The Illinois Department of Commerce and Economic Opportunity (DCEO) administers the High Impact Business (HIB) program which offers tax incentives similar to the Enterprise Zone program, but is targeted at large employers rather than businesses locating within a specific area. The HIB program provides tax incentives to businesses making major capital investments and creating or retaining a significant number of jobs. A high impact business qualifies for incentives if the project either creates 500 new full-time jobs, with a minimum of $12 million investment, or the project results in the retention of 1,500 full-time existing jobs, with a an investment of at least $30 million.

Incentives include:

- Investment tax credits;
- Exemption from State sales tax on building materials and utilities; and,
- Exemption from State sales tax on the purchases of personal property used or consumed in the manufacturing process or in the operation of a pollution control facility.

Industrial Development

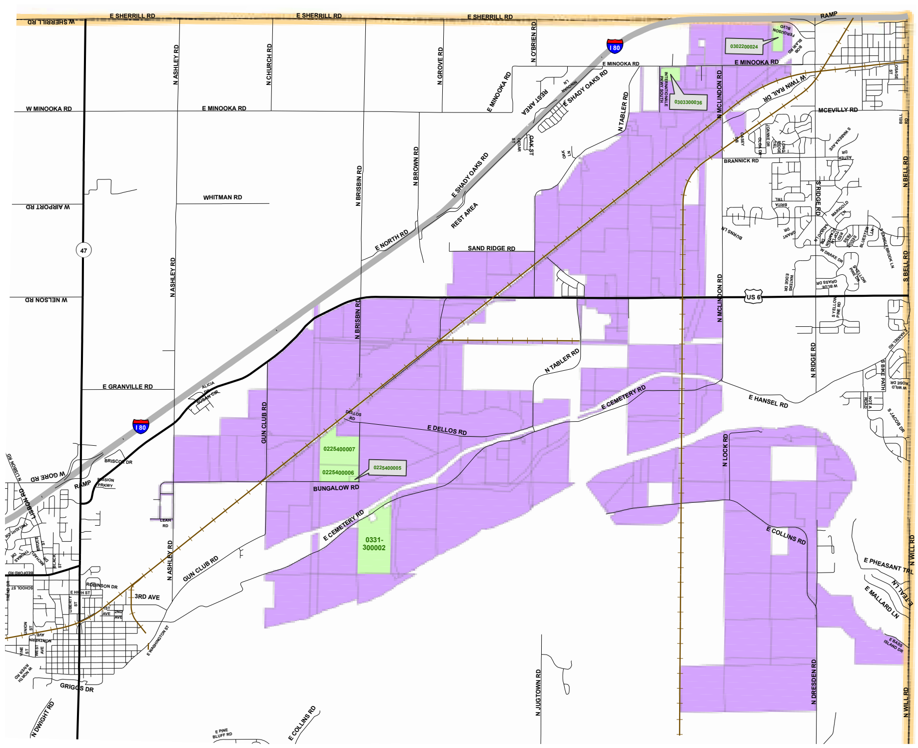
Participation Loan Program

The Illinois Department of Commerce and Economic Opportunity's Participation Loan Program (PLP) is designed to work through banks and other conventional lending institutions to provide subordinated financial assistance to Illinois small businesses that employ Illinois workers. A business with 500 or fewer employees may apply for a PLP loan of between $10,000 and $750,000 that is not to exceed 25% of the total project.

Eligible project costs that funds can be applied to include the purchase and installation of machinery and equipment, working capital, the purchase of land, and the construction or renovation of buildings. PLP funds may not be used for debt refinancing or contingency funding. Participating lending institutions are responsible for reviewing applications for eligibility and setting loan terms.

Economic Development Project Area (EDPA) – Grundy County

The Grundy County EDPA encompasses 12,000 acres of industrial property located in the areas adjacent to Channahon to the west and south (see figure below), as well as the majority of the incorporated areas of the Village to the west of McLinden Road. In addition to having all ordinances and approvals in place to permit industrial development, the EDPA encourages new industrial development through tax incentives including the negotiation of tax bills with Grundy County, freezing of assessment levels at 2007 values, and reimbursements for eligible costs.



Grundy County EDPA

Funding Mechanisms

Attracting business and fostering economic development is becoming increasingly competitive. The Village of Channahon has significant potential on which to build, but to fully realize this potential, the Village must be proactive in its efforts. The actions outlined above will allow for the Village to position itself to be more competitive, but these initiatives will require upfront expenditures and an investment in resources not currently allocated.

In a financially constrained environment it is vital that the Village make the most efficient use of its current resources and identify alternative sources of funding for new programs that cannot be readily accommodated within the existing budget. The following discussion outlines potential funding mechanisms that the Village could utilize in its efforts to promote local economic development. These funding sources could be used to support various incentives and provide a general source of funding for capital improvements related to economic development.

Tax Increment Finance (TIF)

TIF utilizes future property tax revenues generated within a designated area or district to pay for necessary improvements and incentivize further reinvestment. As the Equalized Assessed Value (EAV) of properties within a TIF District increases, the incremental growth in property tax over the base year that the TIF was established is reinvested in the area. Local officials may also issue bonds or undertake other financial obligations based on the growth in new tax revenue within the district.

The maximum life of a TIF district in the State of Illinois is 23 years although the TIF district can be extended via approval from the Illinois state legislature. Over the life of a TIF district, the taxing bodies present within the district, such as school or park districts, receive the same amount of tax revenue that was generated in the base year in which the TIF was established. There are provisions that allow for schools to receive additional revenue. TIF funds can typically be used for infrastructure, public improvements, land assemblage and in offsetting the cost of development – including but not limited to engineering, storm-water and other site related issues.

A study must be undertaken prior to the establishment of the TIF district to determine what areas and projects would be eligible to receive tax increment financing. Given the issues and opportunities in the Village, the availability of TIF funding could serve as an incentive for developers to pursue projects in line with the community's goals and objectives regarding economic development.

Special Service Area (SSA)

A Special Service Area (SSA) provides a means of funding improvements and programs within a designated area. In an SSA, a small percentage is added to the property tax of the properties within the defined service area. The revenue received from this targeted increase is channeled back into projects and programs benefiting those properties. An SSA can be rejected if 51% of the property owners and electors within a designated area object. SSA's are particularly useful in areas with a concentration of businesses such as portions of the US Route 6 corridor.

SSA funded projects can include such things as district marketing and advertising assistance, promotional activities and special events, streetscape and signage improvements, property maintenance services. SSA's can also be used to fund various incentives and tools such as small business loan funds or façade improvement programs discussed previously.

Funding Mechanisms

Business Development Districts (BDD)

A Business Development District (BDD) would allow the Village to levy up to an additional 1% retailers occupation tax, 1% hotel tax, and 1% sales tax within a designated district. Similar to a TIF district, a BDD has a maximum life of 23 years. BDD legislation also permits municipalities to utilize tax revenue growth that has been generated by BDD properties to fund improvements in the district.

As designated in Division 74.3 of the Municipal Code of the State of Illinois, a municipality may designate, after public hearings, an area as a Business District. Business district designation also empowers a municipality to carry out a business district development or redevelopment plan through the following actions:

- Approve development and redevelopment proposals.
- Acquire, manage, convey or otherwise dispose of real and personal property acquired pursuant to the provisions of a development or redevelopment plan.
- Apply for and accept capital grants and loans from the federal and state government, for business district development and redevelopment.
- Borrow funds for the purpose of business district development and redevelopment, and issue obligation or revenue bonds, subject to applicable statutory limitations.
- Sell, lease, trade or improve such real property as may be acquired in connection with business district development and redevelopment plans.
- Business district planning activities.
- Establish by ordinance or resolution procedures for the planning, execution and implementation of business district plans.
- Create a Business District Development and Redevelopment Commission to act as an agent for the municipality for the purposes of business district development and redevelopment.

BDD funds can be used for a multitude of things including infrastructure improvements, public improvements, site acquisition, and land assemblage. Given the limited amount of funds that a BDD is capable of generating, compared to a TIF district, BDD is best suited for funding small scale improvements and property maintenance programs.

Action Matrix

The following action matrix identifies the timing for the various economic development strategies outlined in this study along with potential partner agencies and participants and the tools or resources needed. Some of the items in this table represent administrative steps or policy decisions necessary for the Village to take further action with regard to implementing various economic development strategies later on.

It should be noted that this action matrix is not an exhaustive list containing every strategy or action discussed in this report. Rather, the matrix provides a simplified check list of major initiatives and is intended to serve as a general guide to economic development. Policy decisions made by the Village will ultimately determine the timing and extent of future economic development initiatives and the pursuit of some of the strategies recommended in this study may not come to fruition.

General Administration and Follow-up

It is anticipated that establishment of an economic development position or committee would follow the completion of the analysis outlined above. At the appropriate time, Houseal Lavigne Associates will be available to work with the Village in identifying responsibilities and hiring the appropriate individual. We will also further advise the Village on the potential structuring of an Economic Development Commission, should this initiative be pursued.

Whether personnel are added and/or a commission is formed, the Village should establish a mechanism for marketing and business development. Houseal Lavigne Associates will be available to work with the Village on developing market/economic development promotional materials. Furthermore, while the new economic development website and current content can be easily maintained by Village staff, Houseal Lavigne Associates will be available to add new content and features as needed.

In that the market for all development types will remain extremely competitive for the foreseeable future, flexibility must be maintained both in targeting potential uses and considering proposals outside of those previously envisioned. This is not to say that Village policy should abandon sound planning principles or allow development simply for the sake of development. Rather, the Village needs to be proactive in continually analyzing the market and surrounding influences to determine whether envisioned or desired uses realistically reflect the long-term economic and fiscal interest of the community. Moving forward, proactive economic development initiatives should be centered on a public – private partnership between the Village, residents, local businesses, private property owners and the development community.

Action Matrix

Strategy	"Phasing [1-Immediate 2-Short Term 3-Long Term]	Lead Contact	"Other Possible Participants & Partners"	"Tools, Techniques & Resources"
1. Establish Economic Development website	1	Director of Community Development	Grundy EDC; Will County CED; Greater Channahon-Minooka Chamber of Commerce	Consultant Assistance
2. Establish Economic Development Commission	1	"Village President; Director of Community Development"	Business community	Administrative actions; Policy decision
3. Identify initial funding for preliminary economic development efforts	1	Director of Community Development		Administrative actions; Policy decision
4. Establish Director of Economic Development position	1	Director of Community Development		Administrative actions; Policy decision
5. Conduct workshops to solicit input on primary duties of EDC and ED Director position	2	Director of Economic Development	Business community; Property owners; Development community; Residents	Administrative actions
6. Contact and coordinate with partner agencies	2	Director of Economic Development	Grundy EDC; Will County CED; Greater Channahon-Minooka Chamber of Commerce	Administrative actions
7. Conduct Branding Study with assistance of marketing specialists	2	Director of Economic Development	Business community; Property owners; Development community; Residents; Partner economic development entities	Administrative actions; Consultant Assistance
8. Evaluate costs and benefits of targeted funding mechanisms (i.e. TIF, SSA, and BDD)	2	Director of Economic Development	Business community; Property owners; Affected taxing bodies	Administrative actions; Policy decision
9. Conduct TIF Study	2	Director of Economic Development	Business community; Property owners; Affected taxing bodies	Consultant Assistance
10. Develop a target tenant list and initiate outreach/promotions	2	Director of Economic Development		Administrative actions; Policy decision
11. Develop promotional materials	2	Director of Economic Development	Business community and affected property owners	Administrative actions; Consultant Assistance
12. Coordinate and post commercial/industrial/ subdivision real estate listings to Village economic development website	2	Director of Economic Development	Channahon-area real estate and development community	Administrative actions
13. Launch a Branding Campaign	3	Director of Economic Development	Local and regional media outlets	SSA; TIF; BDD; Consultant Assistance
14. Establish Business Assistance Program	3	Director of Economic Development	Business community and affected property owners	SSA; TIF; BDD
15. Establish Restaurant Assistance Program	3	Director of Economic Development	Business community and affected property owners	SSA; TIF; BDD
16. Establish Façade Improvement Program	3	Director of Economic Development	Business community and affected property owners	SSA; TIF; BDD
17. Establish Commercial Loan Financing Program	3	Director of Economic Development	Chase; First Community Bank; Harris Bank; M & M Bank; The Private Bank	SSA; TIF; BDD
18. Establish Sales Tax & Property Tax Abatement Programs	3	Director of Economic Development	Affected taxing bodies	Administrative actions; Policy decision
19. Develop and implement gateway and wayfinding program	3	Director of Economic Development	IDOT	Branding campaign components
20. Establish streetscaping program	3	Director of Economic Development	IDOT	Branding campaign components

A

Community Outreach

A community workshop for Channahon residents was held on Monday, November 8, 2010 at Village Hall. The purpose of the workshop was to allow residents to provide input regarding their shopping habits and preferences and the type of future development they desire to see in Channahon. Approximately ten individuals participated in the workshop. Given the relatively small size of the group, the presentation took the form of an informal conversation between local residents, Village staff, and the consultant. The following is a summary of the general comments and overarching themes that emerged in this conversation.

Shopping Outside of Channahon

Participants indicated that they do the majority of their shopping outside of Channahon. The Jewel-Osco and related development at Ridge Road and US Route 6 was also identified as a frequent target for daily shopping needs. Morris, the IL Route 59 corridor in Shorewood, and Joliet were identified as popular areas to shop for both day-to-day needs and 'big ticket' items. Participants cited the ability to visit several retailers within the same area as a primary advantage. For example, a shopper may know of two grocery stores, but one is located near other stores that they also frequent. It was also noted that school district boundaries, and the locations of schools, have an influence on where parents with school age children shop.

Desired Retailers

While more retail variety was desired overall, workshop participants indicated that there were some store types that they would particularly like to see in Channahon. Some of the store types listed included a grocery store, sit-down restaurants, coffee shop, as well as a hotel. It was also indicated that commercial development that caters to passing truck traffic along the highway could benefit the community economically. It was stated that such development should be appropriately sited and not detract from the character of Channahon. The new Brisbin Road interchange was discussed as a potential future location for some commercial development, although it was stated that the surrounding areas would likely remain predominantly industrial.

US Route 6

US Route 6 was identified as the community's primary commercial corridor. Several residents noted the configuration of the I-55 interchange is inconvenient to motorists coming off the highway and may be limiting the potential for commercial development in this area. It was also noted that existing development in this area has an 'industrial feel' and negatively impacts the image of Channahon to outsiders. While participants noted that industrial uses are valued contributors to Channahon's economy, future industrial development should be located in areas where it is buffered from major roadways.

Retail Vacancies

The issue of vacancies in existing retail centers, predominantly along US Route 6, was also discussed by workshop participants. While new development should be encouraged over the long term, several residents indicated a preference to fill existing vacancies first. The presence of vacancies in Channahon's existing retail centers was also said to detract from the community's image and character.

Community Workshop - Monday, November 8, 2010

Bluff Road

Several participants expressed an interest in seeing more development occur along the riverfront near the Bluff Road interchange. The community's access to the Des Plaines and DuPage Rivers, Will County Forest Preserve areas, and other natural amenities was identified as one of the community's most significant advantages. Workshop participants indicated that the presence of the interchange near the river may create the potential to attract visitors from throughout the region to Channahon for recreation and riverfront activities.

Town Center

Overall, participants agreed with the vision established for the Town Center as illustrated in the 2008 Comprehensive Plan. Residents indicated a desire for a concentration of small 'niche' retailers, but recognized the difficulty of creating a town center development without an anchor to support smaller retailers. Mixed-use development that establishes more homes within the Town Center was also desired.

A workshop for Channahon business owners and members of the development community was held on Wednesday, November 17, 2010 at Village Hall. The workshop provided attendees with an opportunity to identify issues facing the Village with an emphasis on the business environment. Participants were also asked to discuss methods and strategies for stimulating economic development.

Approximately nine individuals participated in the workshop which was conducted as an informal discussion amongst members of the business community, Village staff, and the consultant. The following is a summary of the general comments and overarching themes that emerged in this conversation.

Issues

Workshop attendees stated a perception of a high degree of business turnover within the community. It was indicated that this may be constraining the customer base of local businesses and limiting the ability of Channahon to build momentum as a retail destination. Participants also noted that local residents typically shopped elsewhere and those passing through via US Route 6 and I-55 were bypassing Channahon businesses in favor of retailers in other communities such as Shorewood and Morris.

Assets & Opportunities

Participants highlighted several community assets that they believed could be capitalized on with regard to economic development.

Parks and Trails

The community's numerous parks, recreation areas and trail network were identified as a unique contributor to local quality of life. These assets could be used to attract additional residents to the area and grow the customer base for local businesses.

Sporting Events

The baseball and softball tournaments held in the Village were highlighted as potential sources of weekend customers. It was said that tournaments could be used as a marketing tool for the Village. It was also noted that while the weekend traffic is important, additional steps need to be taken to attract a steadier weekday customer base.

Industry

The large number of industrial users was identified as a significant asset to the local business community. Participants noted that Channahon's location on the edge of the Chicago metro area and access to US Route 6, I-55, I-80, navigable rivers, and freight rail, make it a good location that should be leveraged to expand the local employment base.

Desired Development

Businesses indicated a desire for a 'big box' anchor tenant or regional retailer of some kind as an activity generator for the larger business community. The area surrounding I-55 and US Route 6 interchange was frequently mentioned as an appropriate location for 'big box' development and/or larger regional retailer. Such a development it was reasoned would serve to better establish Channahon as a retail destination and further support local businesses already located in the community. Hotels were also discussed a desirable use in this area as a means of enhancing Channahon as a destination.

Business Workshop - Wednesday, November 17, 2010

Branding Channahon

Several attendees stated that Channahon lacked name recognition in the larger region and that many are not aware of where Channahon is and what it has to offer. Participants indicated a desire for a marketing/branding campaign to build awareness of local retail and dining offerings. It was said that the community needs to define what type of destination Channahon wants to be and sell that brand/image.

Other

Other economic development strategies noted by workshop attendees included:

- Village support of 'Buy Local' efforts
- Enhancements to the I-55 interchange with regard to both transportation improvements and gateway treatments to improve the 'face' of Channahon to visitors; and,
- Regular meetings, like the business workshop, between Village staff and officials and the business community to discuss economic development strategies

Confidential, one-on-one interviews were conducted on November 16 and 17, 2010 with a dozen key persons within the Channahon community. Interviewees were selected from a diverse range of backgrounds including long time residents, small business owners, those involved in real estate and development, current and former Village officials, and significant employers within the community.

During the interviews, which lasted between 30 and 45 minutes each, a series of general questions were asked regarding retail competition, shopping habits, and desirable and undesirable types of development. Interviewees were also asked to identify potential sites and strategies for encouraging future development. While questions were designed to guide conversation, the knowledge and expertise of the interviewee was the primary influence in shaping discussion. The over arching themes and topics discussed in the key person interviews have been summarized below.

Competition for Channahon

The Ridge Road corridor was most frequently cited as a primary destination for day-to-day shopping needs such as groceries at the Jewel-Osco in Minooka. Morris was also mentioned with regard to both day-to-day and destination shopping. The Morris Walmart was identified by several interviewees as a significant destination in the area and it was noted to be one of the best performing stores in the region. Lastly the Louis Joliet Westfield Mall and the IL Route 59 corridor in nearby Plainfield and Shorewood were also noted as significant retail destinations frequented by Channahon residents.

National Retailers

Interviewees noted that while competition with nearby retail areas such as the IL Route 59 corridor is an issue, a potentially larger issue in attracting commercial development to Channahon is the recent shift in marketing strategies by national retailers. It was noted that many national retailers that may have previously considered suburban locations such as Channahon are now seeking opportunities for infill development in areas with existing population centers. Some interviewees indicated a belief that successful efforts for commercial development would need to concentrate on local or regional chain retailers.

Development Costs

Some interviewees indicated that the costs of development may be responsible for some of the higher rents currently being asked at newly constructed, vacant commercial space in Channahon. While these high rents are needed to cover costs, they may also be limiting the tenants considering a Channahon location. Regardless of the ultimate cause for vacancies, the majority of interviewees indicated that existing commercial spaces should be filled before new development occurs.

Large Employers

There are several large employers, including industrial users and warehousing and distribution centers, located in the area to the north, east and west of Channahon's residential core. Interviewees noted that the employees in these areas represent a large pool of potential customers for Channahon businesses. Currently, however, there are no convenient places to shop or dine within proximity to these large employers. Lunch traffic may be limited, but the potential exists to capture business as employees go to work and or return home. It was noted that many of the people employed in these areas live within a relatively short distance (15 miles).

Key Person Interviews - November 16-17, 2010

Town Center Concept

The majority of interviewees indicated that they believed the Village should continue to support the Town Center development as originally envisioned. This vision includes a commercial district comprising several mixed use buildings, anchored by a grocery store or some other larger tenant near US Route 6, and a mix of single family and multi-family housing. Ultimately, interviewees stated that the vision needs to be market supportable. While the current Town Center plans are desirable in character, interviewees indicated that if long term potential does not exist for what was proposed, a 'scaled back' version that respects the current vision could be acceptable.

Interviewees had differing opinions regarding the time line for development of the Town Center site. Some believed that the Village should wait for the retail and residential markets to rebound and allow development to occur with no specific time table in mind. Others indicated that they would support the Village's use of incentives to facilitate near term development wherever possible. Overall, interviewees indicated that the outcome of the Retail Market Analysis should be used to help inform the Village's decision-making regarding the Town Center and the timing and scale of development.

Residential Development

Interviewees generally agreed that additional residential development should be encouraged within the Village and attracting more 'roof tops' to Channahon will help attract additional commercial development. Interviewees identified the community's quality schools and access to parks and recreation opportunities including the Channahon Park District, Will County Forest Preserve, regional trails, and the Des Plaines and Kankakee rivers as assets to be marketed to attract families to Channahon. In addition, several areas were identified that are currently available for residential development.

It was also noted that the Village should maintain its high standards for housing. To facilitate quality residential development, interviewees suggested using a range of incentives such as tap-on fee waivers, property tax abatements for new home buyers, and a streamlined permitting process. One interviewee reasoned that the community would benefit more from having vacant areas developed and be exempt from taxes over the short term, than from having large areas of undeveloped land that is not generating tax revenue.

Business Attraction and Retention

Several interviewees identified supporting and retaining local businesses as a priority for the Village. It was indicated that there is a perception by some regarding a lack of support or effort to improve the business environment. It was also said that the Channahon/Minooka area has a large proportion of dual income households with both parents working during the day, creating a very low day time population in the area. The lack of day time demand for goods and services has created a need for longer hours of operation and increased weekend hours.

When asked how best to help local businesses, interviewees identified several potential strategies they would support. It was said that businesses have requested some form of temporary assistance in lowering rents and reducing operating expenses during tough economic times. A façade program that utilizes low-interest loans or matching grants was also identified as a tool to enhance local storefronts. In general, it was indicated that the local business community is likely to support the attraction of larger retailers to generate additional activity and establish a more stable customer base within Channahon.

A branding campaign that collectively markets the entire Channahon business community was also identified as strategy to support local business. The "Discover Channahon" campaign was highlighted as an example of the type of marketing desired, but it was also noted that this campaign emphasizes the benefits of moving to Channahon and seemed targeted at attracting residents rather than customers. Interviewees indicated that a new marketing campaign should highlight businesses, shopping districts, and the potential for commercial development.

Desirable Development

When asked to describe the type of development they desired to see in Channahon, interviewees listed a wide range of uses, retailers, and style of development. Overall, interviewees did not appear to oppose any specific type of development as long as a project is appropriately located within the community and is sensitive to its surroundings. Industrial uses were favored in the far western and eastern portions of the community near I-55 and I-80. Larger retail uses were typically highlighted for the Ridge Road and US Route 6 area, or near the I-55 interchange. Smaller retailers were favored along the more central portion of US Route 6.

The following types of development and uses were identified during key person interviews:

Professional offices (e.g. accountants, attorneys, medical offices, groups of related services/office users in the same location)

- General merchandise store / 'Big Box' retail (e.g. Kohl's, Target, Walmart)
- Grocery store
- Movie theater
- Clothing stores and other 'family-oriented' businesses
- Full-service/'fine dining' restaurants
- Hotel – Near I-55 interchange
- Auto-dealerships – Near planned Brisbin Road interchange
- Entertainment / restaurants near riverfront – this area is not fully utilized
- Trucking related development – Areas near the planned Brisbin Road interchange or near the Bluff Road interchange to cater to trucks utilizing the new interchange at Blodgett Road to the south of the Village limits.

Design Standards

Comments by interviewees reinforced the need to maintain high standards for development, regardless of use. The Annie B's building was identified as a positive example of enhanced standards for commercial development. However, some concern was expressed regarding the potential increase in cost of development caused by higher standards and the corresponding need for increased rents.

Key Person Interviews - November 16-17, 2010

Regional Destination

Many of the interviewees desired to see some sort of large scale or unique retailer in Channahon that could draw customers from the surrounding region, not just from within the Channahon-Minooka area. While big box retailers such as Target and Walmart were identified, destination retailers like Bass Pro Shop that rely on a large trade area were also discussed. Fine dining was also identified as a desired use that could have the potential of drawing customers from outside of the local area.

The former mobile home park property located adjacent to the US Route 6 and I-55 interchange was frequently identified as a potential development site for such regional commercial development. Sites along US Route 6 near Ridge Road were also identified as potential sites for such retail, but it was said that a 'big idea' was needed to generate more interest in Channahon commercial development. Nearly all interviewees discussed the need to improve the US Route 6 and I-55 interchange to improve access and better facilitate development in the surrounding area.

Encouraging Development

After identifying the type of development desired in Channahon, some interviewees also identified potential strategies and incentives to encourage development. These strategies included:

- Cleaning up 'gateways' – Improving key entry points along major roads with signage, landscaping, etc.
- Façade program – Establishing some form of low-interest loan of matching grant to fund façade improvements for local businesses
- Annual awards for businesses – Publicize achievements of local businesses
- Fee waivers – e.g. tap-on fees, permitting fees, etc.
- Sales tax rebates
- 'Build out' grants for restaurants
- Government backed loans
- Simplified permitting and development process
- Consistent communication regarding the development process
- Tax Increment Finance (TIF) districts

The Resident Questionnaire was be posted on the project website as a supplement to face-to-face outreach activities. The Resident Questionnaire deals specifically with resident issues and concerns regarding shopping habits and retail needs in the Village.

1. How long have you lived in Channahon?

	Response Percent	Response Count
Less than one year	2.7%	3
One to five years	26.8%	30
Six to ten years	**29.5%**	**33**
Eleven to twenty years	27.7%	31
Twenty-one to thirty years	8.0%	9
Over thirty years	5.4%	6

2. If in Channahon less than 10 years, what are your primary reasons for moving to Channahon? (Check all that apply)

	Response Percent	Response Count
Job or employment opportunity	22.2%	16
Regional location	33.3%	24
Housing quality	**54.2%**	**39**
To be near family	15.3%	11
Grew up here	5.6%	4
Schools	37.5%	27
Overall community character	47.2%	34
Other (please specify)	16.7%	12

On-line Resident Questionnaire -
November 2010 - February 2011

3. What are the primary advantages of living in Channahon? (Check all that apply)

	Response Percent	Response Count
Residential Neighborhoods	55.4%	62
Quality of housing	45.5%	51
Housing affordability	28.6%	32
Job opportunities	6.3%	7
Small town feel/character	73.2%	82
Environmental features	31.3%	35
Access to regional transportation	19.6%	22
Location	48.2%	54
Parks and recreation amenities	**77.7%**	**87**
Religious institutions	11.6%	13
Friendliness of community residents	41.1%	46
Feeling of safety and security	61.6%	69
Schools	58.0%	65
Community appearance	31.3%	35
Other (please specify)	1.8%	2

4. What are the primary disadvantages of living in Channahon? (Check all that apply)

	Response Percent	Response Count
Housing choices	0.9%	1
Lack of available shopping	77.0%	87
Lack of dining options	**77.9%**	**88**
Absence of an established downtown or town center	52.2%	59
Lack of job opportunities	31.0%	35
Inconvenient location/traffic issues	16.8%	19
Lack of access to public transportation	30.1%	34
Cmmunity appearance	10.6%	12
Public Infrastructure	12.4%	14
Other (please specify)	15.0%	17

5. In order of frequency, what are your top 3 *shopping* locations?

	First	Second	Third	Rating Average	Response Count
Channahon	**44.0% (11)**	20.0% (5)	36.0% (9)	2.08	25
Minooka	36.1% (13)	**38.9% (14)**	25.0% (9)	2.11	36
Morris	22.5% (16)	35.2% (25)	**42.3% (30)**	1.80	71
Joliet - Downtown	33.3% (1)	0.0% (0)	**66.7% (2)**	1.67	3
Joliet - Westfield Louis Joliet Mall	26.9% (21)	**38.5% (30)**	34.6% (27)	1.92	78
Joliet - Larkin Avenue	20.7% (6)	**44.8% (13)**	34.5% (10)	1.86	29
Shorewood	**59.5% (47)**	24.1% (19)	16.5% (13)	2.43	79

6. In order of frequency, what are your top 3 *dining* locations?

	First	Second	Third	Rating Average	Response Count
Channahon	**37.5% (18)**	27.1% (13)	35.4% (17)	2.02	48
Minooka	**36.6% (15)**	26.8% (11)	**36.6% (15)**	2.00	41
Morris	22.2% (12)	**38.9% (21)**	**38.9% (21)**	1.83	54
Joliet - Downtown	30.0% (3)	20.0% (2)	**50.0% (5)**	1.80	10
Joliet - Westfield Louis Joliet Mall	**38.6% (22)**	33.3% (19)	28.1% (16)	2.11	57
Joliet - Larkin Avenue	23.8% (5)	**52.4% (11)**	23.8% (5)	2.00	21
Shorewood	**54.4% (37)**	30.9% (21)	14.7% (10)	2.40	68

7. Where do you primarily do your shopping for everyday items (i.g. groceries, hardware, household products, etc.) and services (e.g. dry cleaning, banking, barber/salon)?

	Response Percent	Response Count
Channahon	27.5%	30
Minooka	**46.8%**	**51**
Morris	30.3%	33
Joliet - Downtown	0.9%	1
Joliet - Westfield Louis Joliet Mall	2.8%	3
Joliet - Larkin Avenue	11.0%	12
Shorewood	33.0%	36
Other (please specify)	8.3%	9

8. Where do you primarily do your shopping for specialty items? (e.g. apparel, shoes, gifts, electronics, furniture, etc.)

	Response Percent	Response Count
Channahon	0.0%	0
Minooka	0.9%	1
Morris	6.4%	7
Joliet - Downtown	0.9%	1
Joliet - Westfield Louis Joliet Mall	**68.2%**	**75**
Joliet - Larkin Avenue	4.5%	5
Shorewood	32.7%	36
Other (please specify)	29.1%	32

9. What can't you find in Channahon that you wish you could?

	Response Text	
1	Starbucks, department stores, more restaurants	Oct 28, 2010 7:37 PM
2	Panera Bread, Coffee (Enjoy is dirty and has no class), Whole Foods or Trader Joes	Oct 28, 2010 8:41 PM
3	Electronics, Clothes, more dining options. The lack of big box stores is frustrating. You get tired of driving around all the time.	Oct 29, 2010 12:13 AM
4	Target, Walmart, K-Mart and good food.	Oct 29, 2010 7:21 PM
5	Meijer Whole Foods Kohl's TJ Maxx Menards	Oct 30, 2010 3:11 PM
6	Meijer or Lowes	Oct 31, 2010 1:17 AM
7	Home Improvement items, Clothing, Electronics, Home Brew	Oct 31, 2010 2:37 PM
8	microbrewery	Nov 1, 2010 5:33 PM
9	better dining (not fast food) like Panera, FlatTop Grille, etc. More grocery store options (Aldi, Trader Joe's, Whole Foods).	Nov 2, 2010 3:46 PM
10	clothing Walmart type prices for hardware-drug-grocery,etc Speiality needs: furniture-technologhy variety of good dining options	Nov 3, 2010 8:02 PM
11	Quant downtown center, Target,	Nov 4, 2010 11:59 AM
12	More dining options in channahon/minooka other than pizza places.	Nov 5, 2010 6:57 PM
13	I wish we had better places to eat.	Nov 9, 2010 1:57 AM
14	Restaurants. Public transportation. Going to Joliet to catch a train to downtown Chicago limits people's interest in living this far out. I really do love the idea of the Town Center, and very nearly built a home there. I dislike the idea of a "big box store" in the area but I also dislike driving to bunches of little stores to take care of business. A centrally located area where you could park (or live!) and do a number of errands is a great idea.	Nov 10, 2010 11:02 PM
15	Downtown center with shops, Hotel for out of town visitors that is not a truck stop Variety of Restaurants	Nov 11, 2010 2:37 AM
16	Nearby groceries, dining options, cute downtown atmosphere, clothing, drugstore	Nov 12, 2010 11:54 PM
17	Cheaper Property Taxes, Food store compatition, sports bar, cheaper gas(run BP the hell out of town)	Nov 13, 2010 9:41 PM
18	A well-run coffee shop, restaurants, and big box stores (like Target or Menards).	Nov 13, 2010 11:42 PM
19	Aldi, shoe store, game stop, bookstore, toystore	Nov 14, 2010 3:08 AM
20	A major chain restaurant(such as an Olive Garden)	Nov 15, 2010 1:06 PM
21	grocery store	Nov 17, 2010 4:33 AM

9. What can’t you find in Channahon that you wish you could?		
22	Costco Target variety of good restaurants (other than fast food and Italian) movie theatre bike shop	Nov 18, 2010 1:22 AM
23	A Grocery store on the East end of town........	Nov 18, 2010 4:15 PM
24	A Dominick's food store would be perfect for Channahon and an Aldi's. A good shoe store, sports store. Glad we have Ace Hardware in Minooka.	Nov 18, 2010 5:30 PM
25	new public officals connected bike routes big box hardware	Nov 19, 2010 7:54 AM
26	Menard's/Home Depot kind of store; Decent Dentist; Gas station on the west end of town; another choice of "fast food/drive through" besides McD's; pet sitter business (like Doggie Daycare); Laundrymat with Oversized machines; Healthfood store	Nov 20, 2010 12:26 AM
27	Good places beyond pizza restaurants to go eat, good shopping, fun activities for families and kids	Nov 20, 2010 3:56 PM
28	There is nothing in Channahon, besides good housing, good people and schools... We have no restaurants, shopping or retail... When we moved here 4 years ago they were really promoting the town center, we were hoping that would have taken off... We're lucky that we can easily get to Shorewood, Joliet and Plainfield. We just hope one day we don't have to travel so far to get to nice places.	Nov 20, 2010 4:15 PM
29	Target!!!	Nov 20, 2010 4:23 PM
30	More variety of food establishments. More options to buy every day things	Nov 20, 2010 4:39 PM
31	Big Box Store like Target. Sit down Restaurants.	Nov 20, 2010 5:21 PM
32	We need a larger discount retail store like a Target. Also, more dining options like a Chili's or Applebees.	Nov 20, 2010 7:22 PM
33	Chain restaurants that are NOT fast food and not Pizza, Mexican or Chinese (i.e., Olive Garden, Red Lobster, Texas Roadhouse). A better quality hotel with conference/reception space Specialty grocery stores like Whole Foods or Trader Joes. Clothing other than resale or consignment.	Nov 20, 2010 8:02 PM
34	restaurants	Nov 20, 2010 9:36 PM
35	Restaurants other than fast food. A nice sit down restaurant would be great. Or an updated cafe/breakfast place. Dining options other than pizza, mexican cuisine and subs.	Nov 21, 2010 2:40 AM
36	Shopping and restaurants	Nov 22, 2010 3:07 PM
37	National brand restaurants Car wash- Like Fuller's in Naperville or Palos National brand services like Firestone Car Care National brand small retail stores- Like Famous footwear, dress barn National Brand Hotels	Nov 23, 2010 3:24 PM
38	Grocery store and Lowes type store.	Nov 23, 2010 4:22 PM
39	Restaurants that were anything other than Pizza or fast food burgers/subs. Any type of shopping. It would be nice to be able to buy groceries ANYWHERE in Channahon or anywhere east of the river. Jewel is nice, but Minooka gets all those tax dollars.	Nov 23, 2010 5:29 PM
40	Nothing. Willing to travel to keep small town.	Nov 23, 2010 8:16 PM
41	Restaurants and shopping...Panera Bread, Kohl's...are a few suggestions....	Nov 23, 2010 8:30 PM
42	Grocery store choices, Kohls, better dining	Nov 23, 2010 8:35 PM
43	I would love to see a Target or Walmart in Channahon because I'm not too thrilled about traveling a distance everytime I need items that could easily be bought at the above mentioned stores.	Nov 23, 2010 8:58 PM
44	Buffalo Wild Wings, Chipoltles, TGIF, Gamestop, Kohl's, DMV, Good car wash (ie Dolphin), 4 star hotel, Mini Golf, Emergency vetinarian service	Nov 23, 2010 9:00 PM
45	restaurants & larger specialty stores	Nov 23, 2010 9:19 PM
46	Kohls, Meirs, Home Depot or Menards, Aldi,Walmart, Penney's,Sear's	Nov 23, 2010 10:13 PM
47	Restaurants, Sears JC Pennys Actually a mall would be nice; then I wouldn't have to go to Joliet	Nov 23, 2010 10:30 PM
48	Upscale clothing, Cold water Creek and J Jill, shoes, household decor, home improvement, electronics, Target, Kohls,	Nov 23, 2010 10:43 PM
49	More of a variety of RESTAURANTS!!!	Nov 23, 2010 11:35 PM
50	Good food! Target. Lowes.	Nov 23, 2010 11:38 PM
51	Super Wal-Mart, Target, Home Depot, Dominicks or other grocery, Olive Garden, Applebees,	Nov 24, 2010 12:29 AM

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9. What can't you find in Channahon that you wish you could?		
52	kohls, superwalmart, target, chilis restaurant, buffalo wild wings, nice steak restaurant,aldi	Nov 24, 2010 12:29 AM
53	aldi, retail(target) gas stations, better resturants	Nov 24, 2010 12:44 AM
54	A shopping complex such as the Bolingbrook Promenade. Also a small downtown shopping area, with restuarants/bars.	Nov 24, 2010 12:58 AM
55	Aldi or Economy Grocery Store	Nov 24, 2010 1:24 AM
56	clothing and home improvement items	Nov 24, 2010 1:36 AM
57	Target, Dominicks, Walmart	Nov 24, 2010 2:53 AM
58	Clothing stores, shoes, groceries, house hold things like a Target store.....	Nov 24, 2010 3:25 AM
59	Dining, shopping, recreational clubs (running club)	Nov 24, 2010 3:33 AM
60	cheap taxes new fresh trustees a rebuilt I-55/Rt-6 interchange a highschool dist that includes channahon ideas a bike/ped plan that links & finishes current trails	Nov 24, 2010 3:51 AM
61	Groceries	Nov 24, 2010 4:31 PM
62	Grocery shopping and better dining such as an Appleby's or Chili's.	Nov 24, 2010 5:40 PM
63	1- A barber shop 2- A small engine repair facility to repair lawnmowers/snowblowers	Nov 24, 2010 7:19 PM
64	Other choices in grocery shopping (only Jewel. No retail stores (Kohls, Target, etc.) No fine or casual dining choices; too many pizza-type carry out places. No "downtown shops" as we were promised. No train access.	Nov 24, 2010 10:15 PM
65	Major Retailers Variety of Fast Food. We have three McDonalds within Minooka and Channahon, that's all we have.	Nov 24, 2010 10:22 PM
66	Shopping dining shoes clothing would like to see a Meijer in this area	Nov 24, 2010 11:01 PM
67	Casual sit-down dining, Aldi	Nov 25, 2010 3:24 AM
68	Groceries	Nov 25, 2010 11:51 PM
69	Super Target, Dining options, ie: from Cheesecake Factory to Panera to Portilio's. We go to Orland Park Mall and Fox Valley Mall because Joliet's mall lacks a lot of the specialty stores like Ulta, Carters, Holister, Abercrombie, DSW Shoes.	Nov 26, 2010 4:53 PM
70	catholic school	Nov 26, 2010 9:34 PM
71	Discount store.	Nov 26, 2010 10:38 PM
72	small grocery stores more sit down eating places bakery	Nov 26, 2010 10:58 PM
73	Somewhere to eat as a restaurant chain. Also some where to Groccery shop as well as clothes and electronics in a chain store.	Nov 27, 2010 2:53 PM
74	#1- competitor grocery store; #2- restaurant	Nov 27, 2010 8:35 PM
75	More dining facilities! A Target store!	Nov 27, 2010 9:00 PM
76	Dept. store, such as Kohl's, Target, etc. More restaurants such as Crispy Waffle, Maggie's Diner, Denny's' Bob Evans, etc. (which could go around Rt. 6 and I55, if the frontage road is reconfigured) Ice cream parlor attract a new car dealer	Nov 28, 2010 1:08 AM
77	Really nothing. I like the way it is. The country feel and not all the stores. I can go 15 minutes either direction to get items i need and it works out great. The stores that are here in Channahon and Minooka the people are very nice and we don't need more stores.	Nov 28, 2010 3:46 AM
78	A small town grocery store like Frank's used to be. He had more items than Casey's.	Nov 29, 2010 3:13 PM
79	A grocery store	Nov 29, 2010 3:37 PM
80	A second grocery store in the area would be nice....maybe a Target store	Nov 29, 2010 9:43 PM

10. What kind of new development would you like to see in Channahon in the future? (Check all that apply)

	Response Percent	Response Count
Retail stores	**81.5%**	**88**
Full Service Restaurants (Full menu with wait staff)	79.6%	86
Limited Service Restaurants (Example: Panera, Corner Bakery or similar type)	76.9%	83
Fast Food Restaurants	13.9%	15
Bars	16.7%	18
Professional offices	30.6%	33
Medical facilities	20.4%	22
Industry	13.0%	14
Single-family homes	25.0%	27
Townhomes	7.4%	8
Apartments	3.7%	4
Condominiums	9.3%	10
Senior housing	30.6%	33
Mixed-Use developmnet	12.0%	13
Other or specify a specific store or use that you would like to see	26.9%	29

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11. What kind of new development would you NOT like to see in Channahon in the future? (Check all that apply)

	Response Percent	Response Count
Retail stores	7.8%	8
Full Service Restaurants (Full menu with wait staff)	4.9%	5
Limited Service Restaurants (Example: Panera, Corner Bakery or similar type)	2.9%	3
Fast Food Restaurants	33.0%	34
Bars	52.4%	54
Professional offices	6.8%	7
Medical facilities	7.8%	8
Industry	42.7%	44
Single-family homes	8.7%	9
Townhomes	44.7%	46
Apartments	**73.8%**	**76**
Condominiums	41.7%	43
Senior housing	7.8%	8
Mixed-Use developmnet	28.2%	29
Other or specify a specific store or use that you would NOT like to see	25.2%	26

12. Where would you most like to see new commercial development in the Village?

	Response Percent	Response Count
Downtown/Town Center area	22.3%	23
At I-55	32.0%	33
Along Route 6	**40.8%**	**42**
Riverfront	4.9%	5
	Other (please specify)	11

13. Please provide any additional comments in the space below.

1	Already to many "cornfield" homes. Stop adding unusable homes and add some upscale eateries, food specialty stores, and shops to attract people to our town.	Oct 28, 2010 8:43 PM
2	Moved out of New Lenox because of the mall infrastructure too close to homes and traffic congestion trying to get to I-80	Oct 29, 2010 7:23 PM
3	We need a Meijer or a Lowes so we can have different options then the ones that are not too far away like in Shorewood. That would also bring shoppers from that area to our area. Also residents from communities further south like Wilmington or Coal City would be likely to stop and shop in our area.	Oct 31, 2010 1:22 AM
4	There is a great potential to develop the riverfront. No community has taken advantage of this area yet for entertainment and dining on a larger scale. The Big Basin area could be significant as it has visibility from I-55 and easy access via Bluff Road	Oct 31, 2010 2:41 PM
5	I moved to Channahon for the small town atmosphere. I don't need more people or the traffic that goes with them. I don't appreciate stopping at traffic lights every ½ mile.	Nov 1, 2010 5:39 PM
6	Riverfront development would also be great. However, the industry on the river in the Channahon area does not make for an attractive location. I own a boat but keep it in a marina 30 miles away because the river near Channahon is smelly and unatractive.	Nov 4, 2010 12:04 PM
7	The Village is overrun with subdivisions! Please stop adding more subdivision, apartments, condo's, etc. The cirme rate in the village has increased and police are not staffed enough to deal with more people. Besides, there are way too many subdivsions that resemble ghost towns. Fill those first and stop adding new!	Nov 15, 2010 1:09 PM
8	I would love to see the riverfront developed, but would be equally excited about the town center. We moved to Channahon because of the town center. We never have a night on the town in Channahon and whenever we go out with friends from other suburbs, we meet them in their town because there is nothing to do here. I wish Channahon was like Frankfort. It still has the small town feel with many activities for families and adults near their town square without the stuffiness of Naperville.	Nov 18, 2010 1:30 AM
9	# 1 item channahon needs to act on: rebuild I55 / Rt6 hold taxes control all trucking	Nov 19, 2010 8:01 AM
10	We don't utilize the Bluff Rd/I-55 exit as it should be developed to accomodate trucks from the Arsenal/Deer Run Industrial Park (I.E. R-Place in Morris) - not all truck stops have to be nasty, "travel centers" are also good places for workers to stop on their way to the industrial park and for family travelers as well; there are no gas stations between Rt 6 and Lorenzo Rd on I-55 either.	Nov 20, 2010 12:33 AM
11	I think we need to bring a big business into the area. Something like a Target or Kohls would bring people from outside the Minooka/Channahon area to shop here.	Nov 20, 2010 5:22 PM
12	We already have the area where the Village Hall and Park District are. We need to develop that into more of a "Downtown" area. We also need to develop the area near I-55 similar to what Minooka has done. We are the first exit south of I-80 and most of the exits south of us do not have hotels or fast food. We need to take advantage before someone else does.	Nov 20, 2010 8:07 PM
13	Channahon should ban burning- we can never have our windows open.	Nov 20, 2010 9:38 PM
14	I love the feel of living in Channahon. Location is great. I am growing more and more concerned about the safety of the numerous chemical plants along the river and bordering Channahon. Exelon Nuclear plant, Lyondell on Rt. 6 (Morris twp), and Akzo Nobel to name a few. EPA reports state these and others spill hazardous chemicals into our air and water regularly. Channahon also has a foul fishy, chemical smell that occurs a couple times a month. The smell is from one of these chemical plants and cannot be healthy. It's so potent, the whole town smells. I am concerned about the quality of air and health risks in Channahon and we've considered moving only because of these concerns.	Nov 21, 2010 2:45 AM
15	It would be far fetched, but the best place for any "riverfront" development would be along the I & M canal. Lockport and Lemont had the businesses along the canal set up a long time ago, unfortunately, Channahon had houses put along there, along with the state park. I don't think of being along the DesPlaines river looking at Mobil, Exxon, and the Nuke plant seems as nice as the riverwalk in Naperville. I think all of the areas that would be ideal are taken up by either state park, or forest preserve.	Nov 23, 2010 3:29 PM
16	Stay away from apartments, condominiums...keep this a single family development. The only housing missing is for our senior citizens!	Nov 23, 2010 8:31 PM
17	I really hope that the riverfront remains primarily a natural undeveloped area. We moved here for the small town atmosphere and the open spaces. I really hope that respect is shown to the many residents who are here for the same reasons. Thank you for the opportunity of providing my input.	Nov 23, 2010 9:01 PM
18	I would like to see the downtown area completed but without compromising the origonal plan. I realize this may take awhile, but it will be worth it.	Nov 23, 2010 9:22 PM
19	We need industry to lower our taxes on property. This is driving every day working class people out.	Nov 23, 2010 10:16 PM

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13. Please provide any additional comments in the space below.		
20	What Riverfront?	Nov 23, 2010 10:32 PM
21	Less focus on Brisbin Rd Interchange, More focus on developing and improving I-55 & Rt 6 interchange-this interchange is all Channahon and not shared with Minooka or Morris therefore more benefit to our community.	Nov 24, 2010 1:34 AM
22	Our City Center was supposed to have cute little shops and restaurants. Recently I heard they might be building apartments instead. That would be terrible for Channahon. We should learn from Minooka's mistakes. Low income housing= drugs and gang activities.	Nov 24, 2010 3:28 AM
23	OUR CURRENT TRUSTEES NEED TO TAKE A HARD LOOK AT THIER EFFORT TO MAKE THINGS START HAPPENING IN CHANNAHON, SHOREWOOD/MINOOKA ARE LEAVING US IN THIER DUST. GET I-55/ TR-6 DONE OR GET OUT OF THE WAY. MOST OF WHAT THEY HAVE BEEN DOING IS STUPID AND MEANING LESS.	Nov 24, 2010 4:02 AM
24	We need development along Rt. 6 like New Lenox has on Rt. 30. There are the "rooftops" and traffic to support the stores. First you need to widen the bridge and stop the trucks from crossing over from the frontage road by re-routing it.	Nov 24, 2010 10:21 PM
25	Rivers nice, but you already started something off route six. stick with the plan.	Nov 25, 2010 11:54 PM
26	I would think using At I55, Along Route 6 and the Riverfront would all be excellent ideas.	Nov 26, 2010 4:58 PM
27	The community has the potential to remain a quality community but also has the potential of falling into the "bigger is better" falacy which leads to higher crime, traffic, and lower income housing. Smart growth and development is the key.	Nov 26, 2010 9:37 PM
28	I think it is very important to keep channahon the way it is. People are so nice here, it is a safe community and wonderful place to live.	Nov 28, 2010 3:51 AM
29	keep Channahon small town feel, put commercial places out and hide the parking lots with trees, make it easy to get to, but hide from the highway, riding along Rt6 going west of I55, it is nice, small town and look at Rt 59, it is ugly and so much traffic, noise and so commercial,	Nov 30, 2010 12:08 AM
30	I think locating businesses near I-55 would be a better option since they will attract more business. Having stores along Rt. 6 will cause more traffic issues and accidents. Please keep in mind that buses and kids coming and going to school are in the Rt. 6 zone. Safety issues will need to be reviewed for these reasons, PLEASE!	Dec 1, 2010 2:25 PM
31	ideally i would like a place where you could shop, dine, and do recreation. similar to downtown naperville. if channahon could locate some stores and dining closer to the trail I think it would draw more people to the town.	Dec 4, 2010 7:32 PM
32	We have plenty of new homes. We need quality as opposed to quanity in the future. I would love to see the beautiful town center that was originally talked about. Walking thru a quaint little village with a few nice homes and nice places to shop. Maybe a couple of benches to sit and talk to each other. We don't have a lot of good shopping in Channahon. Much of the shopping belongs to Minooka, (even OUR Channahon school)! We need something of our own that brings the revenue into our town. We definitely could use a nice department store.	Dec 5, 2010 11:39 PM
33	The traffic pattern in front of McDonalds NEEDS to be reconfigured.	Dec 29, 2010 7:26 PM
34	I think that the over use of strip malls is horrible in this area. Most are empty and it looks really bad to residents and visitors.	Jan 18, 2011 5:03 PM
35	Channahon should strive to retain its small, rural identity. There is no advantage in trying to force a traditional "suburban" culture upon the community.	Jan 19, 2011 7:24 PM

The Business Questionnaire was be posted on the project website as a supplement to key person interview and workshop data. The Business Questionnaire was designed to solicit direct input from area business owners regarding the Village business climate and strategies to attract desired development and businesses.

1. Which of the following would best describe your business?

	Response Percent	Response Count
Retail	**50.0%**	**2**
Service	25.0%	1
Restaurant/Bar	0.0%	0
Grocery or food related (other than restaurant)	0.0%	0
Professional office	0.0%	0
Medical	25.0%	1
Industrial/Manufacturing	0.0%	0

2. How long has your business been located in Channahon?

	Response Percent	Response Count
Less than one year	33.3%	2
One to two years	0.0%	0
Three to five years	16.7%	1
More than five years	**50.0%**	**3**

3. Why did you open your business in Channahon? (Rank up to three)

	First	Second	Third	Rating Average	Response Count
Proximity to I-55	0.0% (0)	**50.0% (1)**	**50.0% (1)**	1.50	2
Proximity to Joliet	0.0% (0)	**50.0% (1)**	**50.0% (1)**	1.50	2
Riverfront	0.0% (0)	0.0% (0)	0.0% (0)	0.00	0
Positive business climate	**33.3% (1)**	**33.3% (1)**	**33.3% (1)**	2.00	3
Access to customer base	40.0% (2)	**60.0% (3)**	0.0% (0)	2.40	5
Family	**100.0% (3)**	0.0% (0)	0.0% (0)	3.00	3

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4. What are the biggest issues and challenges facing businesses in Channahon? (Rank up to 3)	First	Second	Third	Rating Average	Response Count
Size of customer base	**50.0% (1)**	**50.0% (1)**	0.0% (0)	2.50	2
Competition from nearby communities	**50.0% (1)**	**50.0% (1)**	0.0% (0)	2.50	2
Access and exposure of commercial areas	0.0% (0)	**100.0% (1)**	0.0% (0)	2.00	1
Absence of an established business district	**66.7% (2)**	0.0% (0)	33.3% (1)	2.33	3
Landlord/property owners	**100.0% (1)**	0.0% (0)	0.0% (0)	3.00	1
Lack of suitable space	0.0% (0)	0.0% (0)	0.0% (0)	0.00	0
Need for more businesses	**100.0% (2)**	0.0% (0)	0.0% (0)	3.00	2

5. In order of magnitude, what are your top 3 sources of competition for businesses in Channahon?	First	Second	Third	Rating Average	Response Count
Other Channahon businesses	0.0% (0)	0.0% (0)	0.0% (0)	0.00	0
Minooka	**66.7% (2)**	0.0% (0)	33.3% (1)	2.33	3
Morris	0.0% (0)	**100.0% (3)**	0.0% (0)	2.00	3
Joliet - Downtown	**100.0% (1)**	0.0% (0)	0.0% (0)	3.00	1
Joliet - Westfield Louis Joliet Mall	**50.0% (1)**	0.0% (0)	**50.0% (1)**	2.00	2
Joliet - Larkin Avenue	**50.0% (1)**	0.0% (0)	**50.0% (1)**	2.00	2
Shorewood	0.0% (0)	0.0% (0)	0.0% (0)	0.00	0

6. What kind of new development would you like to see in Channahon in the future? (Check all that apply)

	Response Percent	Response Count
Retail stores	60.0%	3
Full Service Restaurants (Full menu with wait staff)	**100.0%**	**5**
Limited Service Restaurants (Example: Panera, Corner Bakery or similar type)	40.0%	2
Fast Food Restaurants	20.0%	1
Bars	0.0%	0
Professional offices	20.0%	1
Medical facilities	0.0%	0
Industry	0.0%	0
Single-family homes	40.0%	2
Townhomes	20.0%	1
Apartments	20.0%	1
Condominiums	20.0%	1
Senior housing	60.0%	3
Mixed-Use development	20.0%	1
Other or specify a specific store or use that you would like to see	40.0%	2

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7. What kind of new development would you NOT like to see in Channahon in the future? (Check all that apply)

	Response Percent	Response Count
Retail stores	0.0%	0
Full Service Restaurants (Full menu with wait staff)	0.0%	0
Limited Service Restaurants (Example: Panera, Corner Bakery or similar type)	0.0%	0
Fast Food Restaurants	25.0%	1
Bars	50.0%	2
Professional offices	0.0%	0
Medical facilities	0.0%	0
Industry	0.0%	0
Single-family homes	50.0%	2
Townhomes	75.0%	3
Apartments	**100.0%**	**4**
Condominiums	75.0%	3
Senior housing	0.0%	0
Mixed-Use development	25.0%	1

8. What types of retailers or service providers do you believe should be encouraged in Channahon?

	Response Text	
1	We need anchor tenants in our strip malls. Perhaps a big box store	Nov 16, 2010 7:39 PM
2	Senior Housing for people that want to stay in Channahon but it doesn't make sense to pay the taxes.	Nov 23, 2010 8:23 PM
3	Full service restaurants (Chili's, Applebee's etc)	Jan 2, 2011 8:28 PM

9. What criteria do you feel the Village should most strongly consider in soliciting/attracting new businesses? (Choose One)

	Response Percent	Response Count
Sales Tax generation	20.0%	1
Ability to increase pedestrian traffic	20.0%	1
Ability to increase vehicular traffic	0.0%	0
Uses complementary with existing mix	**60.0%**	**3**
Other (please specify)	0.0%	0

10. Where would you most like to see new commercial development in the Village?

	Response Percent	Response Count
Downtown/Town Center area	0.0%	0
At I-55	20.0%	1
Along Route 6	**60.0%**	**3**
Riverfront	20.0%	1
Other (please specify)		1
answered question		**5**
skipped question		**1**

11. Is there anything that Village staff or officials can do to further assist the business community?

	Response Text	
1	Lose the temporary sign permit cost	Nov 16, 2010 7:42 PM
2	Better communication between Village & Businesses. Ask businesses what the village can do to help	Jan 2, 2011 8:33 PM

12. Please provide any additional comments in the space below.

	Response Text	
1	Channahon has been around for a long time. we just need to make sure we are not trying to be something that we aren't. We are a small town and there is nothing wrong with that.	Nov 23, 2010 8:26 PM

B

Market Assessment

1 Market Areas

Markets behave differently dependent upon use, thus separate market areas have been defined and analyzed with regard to residential and identified commercial uses. The market analysis utilizes data from several geographies including the Village of Channahon, surrounding municipalities, and areas within a 10 to 20 minute drive of Channahon's Town Center site.

Demographic Data & Retail Market Area

Changes in population, households and demographic composition will influence the potential development of a range of uses within Channahon. Demographic data has been collected for two areas, a primary market area and a secondary market area.

Primary Market Area

The Primary Market Area (PMA) represents the local area from which the majority of the population could potentially patronize retailers and restaurants on a regular basis, thus serving as the greatest source of market support for development. For the purposes of this analysis, the PMA is defined as the area within a 10 minute drive of the intersection of US Route 6 and Bluff Road/Navajo Drive. The PMA primarily comprises the area bound by I-80 to the north, the Des Plaines and Illinois Rivers to the east and south, and the CN railroad to the west. The areas surrounding the Arsenal Road interchange and the I-55/I-80 interchange are also included within the PMA. While market area may differ slightly geographically by location within the Village, overall market dynamics remain consistent using this centralized point.

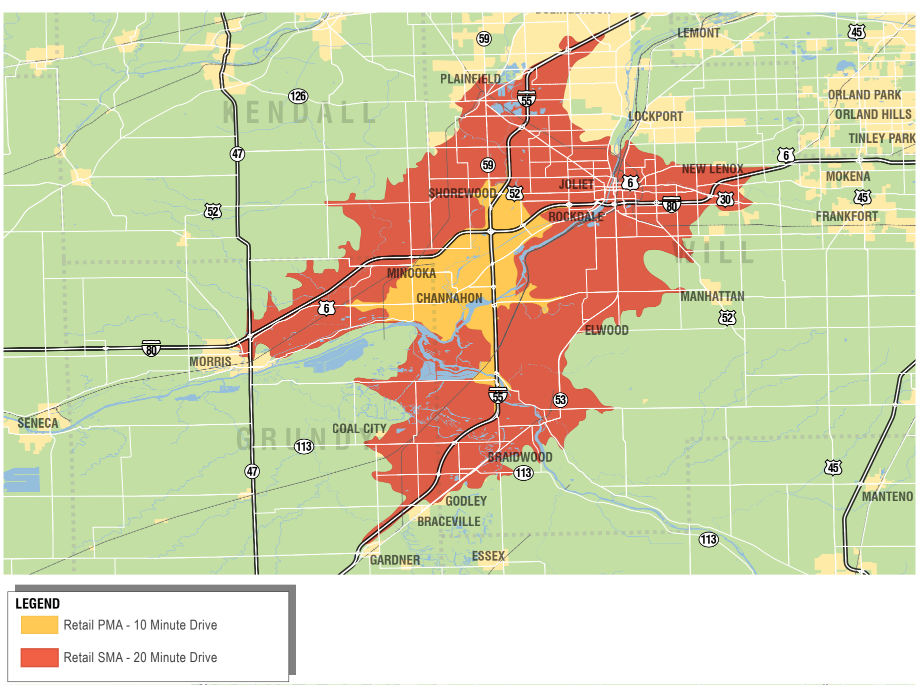
Secondary Market Area

The Secondary Market Area (SMA) is the larger area from which Channahon businesses could draw additional market support. The secondary market area (SMA) is defined as the area within a 20 minute drive time of this same location. This area, which extends along both the I-55 and I-80 corridors, encompasses portions of Joliet, Plainfield and Shorewood to the north, New Lenox to the east, Braidwood to the south, and Morris to the west.

In addition to demographic data, retail demand estimates and the attributes of competing commercial development within the PMA and SMA have also been examined to assess the potential for commercial development including office uses, retail, and restaurants.

Figure 1 illustrates the boundaries of the primary and secondary market areas. As shown in Figure 1, the PMA encompasses retail destinations in Channahon and neighboring Minooka while the SMA extends to regional shopping and dining destinations identified by Channahon residents including Downtown Morris, the Louis Joliet Mall, and the IL Route 59 corridor.

Figure 1. Retail Market Area



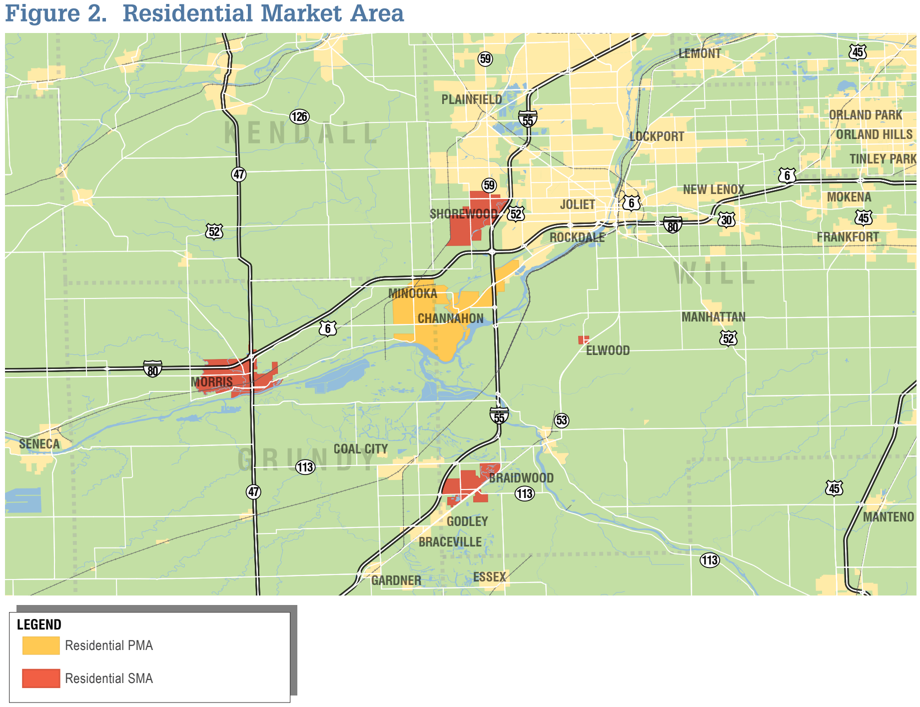
Residential Market Area

Just as driving distance will have a significant influence in determining the market area for Channahon businesses, the quality and character of the local housing stock and that of neighboring communities will influence a given household's decision to purchase or rent a home in Channahon. For the purposes of this study, the residential primary market area (PMA) is defined as the Village of Channahon and the neighboring community of Minooka. This area was chosen given the location of various barriers such rivers and interstate highways that have created physical divides between residential areas in Channahon and surrounding communities. Minooka is the only community with residential areas that are truly contiguous to the core of the Channahon community.

The residential secondary market area (SMA) is made up of the communities of Morris, Shorewood, Braidwood, and Elwood. These communities are relatively accessible to Channahon residents via US Route 6, I-55 and I-80 and represent the closest comparable housing markets to the housing product found in Channahon.

Data related to the home sales and trends have been collected for these market areas. Figure 2 illustrates the boundaries of the primary and secondary residential market areas.

Figure 2. Residential Market Area



2 Demographics

A demographic overview of Channahon and the surrounding market area has been undertaken, including an analysis of recent trends in population, households, income, age, labor force and employment.

Projections & Estimates

Demographic data has been assessed to document any anticipated growth or change within the primary and secondary market area populations. This analysis serves to inform the market assessment and assists in determine the potential for a mix of uses designed to position Channahon as a destination environment.

Data has been provided regarding current estimates for the year 2010 (the most recent year for which data is available) as well as five year projections. Projections have not been made beyond this time frame as the degree of accuracy in which market potential can be assessed would be reduced. Potential implications regarding demand for residential and commercial development have also been assessed using this data.

Market data for this analysis were obtained from ESRI Business Analyst, a nationally recognized provider of market and demographic data.

Population Change

Table 1 compares changes in population and the number of households between the primary and secondary market areas. Overall, it is anticipated that both market area populations and number of households will grow between 2010 and 2015.

- With an estimated 2010 median age of 35.9 years, the PMA population is slightly older than the larger SMA population (34.2).
- The population of the PMA is projected to grow by 3,663 to 33,117 in 2015. This represents an increase of 12.4%. The SMA is projected to grow by 8.6% to 346,023 over the same period.
- The number of households within the PMA and SMA are projected to increase at similar rates of 12.8% and 8.4% respectively.
- Between 2010 and 2015, median household income within the PMA is projected to increase by 10.6% while the median income within the SMA is projected increase by 16.1%. These increases represent annual rates of growth of 2.0% and 3.0% respectively.

Table 1. Demographic Summary
Primary & Secondary Market Areas, 2010 - 2015

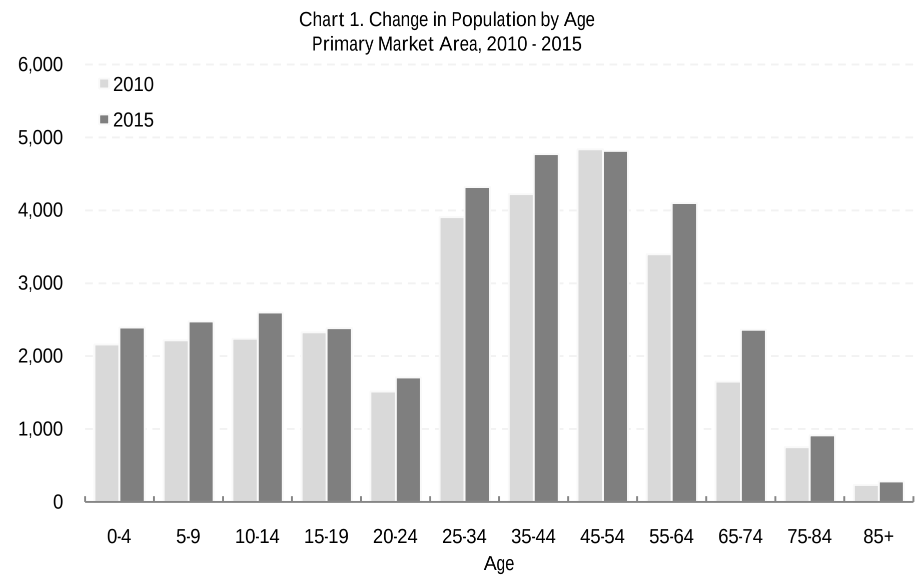
	2010		2015		Total Change 2010 - 2015	
	Primary Market Area	*Secondary Market Area*	*Primary Market Area*	*Secondary Market Area*	*Primary Market Area*	*Secondary Market Area*
Population	29,454	318,521	33,117	346,023	3,663 (12.4%)	27,502 (8.6%)
Households	9,839	110,551	11,103	119,852	1,264 (12.8%)	9,301 (8.4%)
Median Age	35.9	34.2	36.3	34.2	0.4 (1.1%)	0.0 (0.0%)
Median Household Income	$78,303	$68,866	$86,602	$79,982	$8,299 (10.6%)	$11,116 (16.1%)
Average Household Income	$86,326	$77,297	$96,042	$88,883	$9,716 (11.3%)	$11,586 (15.0%)
Per Capita Income	$29,180	$27,059	$32,634	$31,028	$3,454 (11.8%)	$3,969 (14.7%)

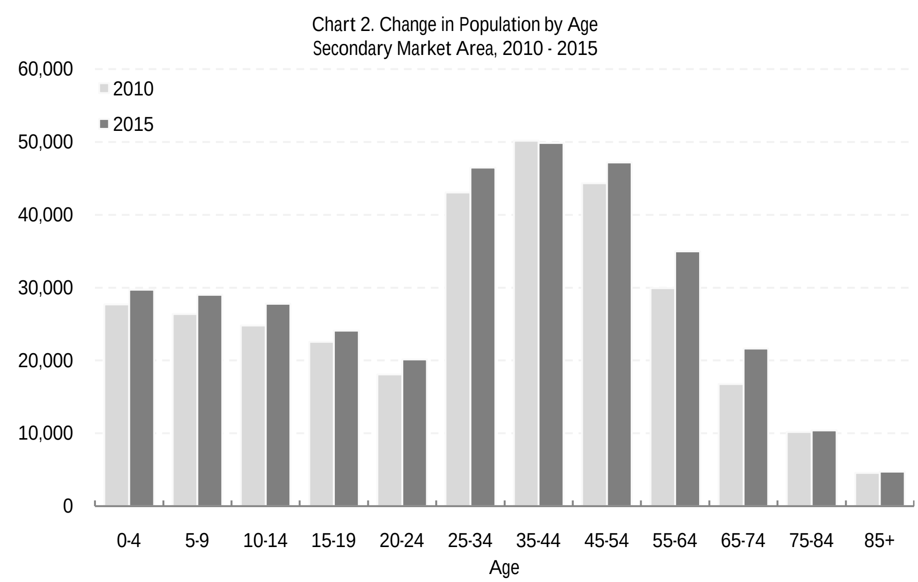
Source: ESRI Business Analyst; Houseal Lavigne Associates

Population Age Profile

Charts 1 and 2 illustrate projected population change by age cohort within the PMA and SMA populations. The PMA and SMA populations are experiencing similar age profile shifts among their younger populations; however growth among older individuals is projected to be more significant within the PMA.

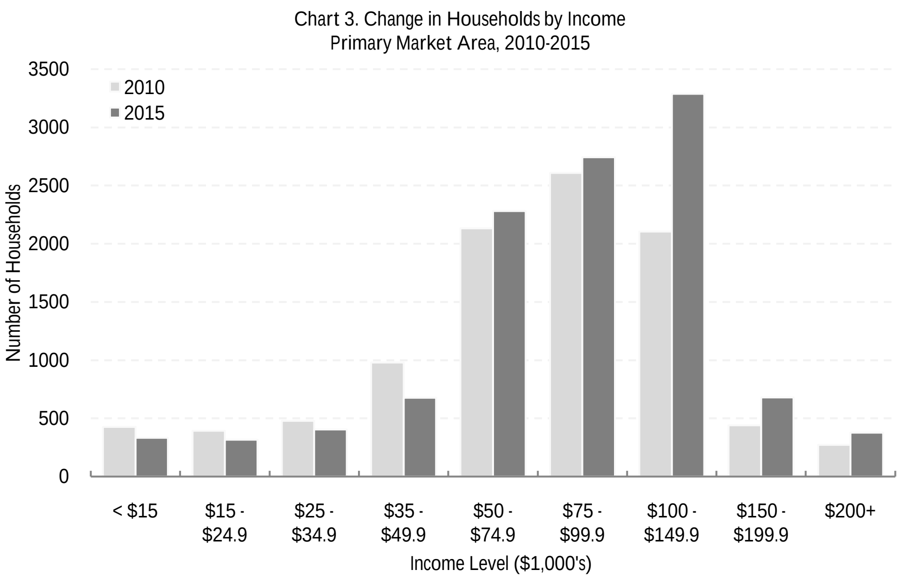
- Within both the PMA and SMA, all age cohorts below the age of 35 are projected to increase by between 2% and 16%. The PMA population under the age of 35 is projected to increase by 1,511, or 10.5%, between 2010 and 2015. The SMA population under the age of 35 is projected to increase by 9.0% over the same period.
- Within the PMA, the number of those aged 35 to 44 is projected increase by 13.0% while decreasing slightly within the SMA.
- Conversely, the number of those aged 45 to 54 is projected to increase by 6.5% within the SMA while remaining steady in the PMA.
- The largest increase in both the PMA and SMA is anticipated to occur among those aged 65 to 74. This age cohort is projected to increase by 711, or 43.0% within the PMA and by 4,882, a 29.1% increase, within the SMA.
- Between 2010 and 2015, significant increases are projected to occur within the PMA among those aged 75 and up. These three age cohorts are projected to grow by 212, an increase of 21.6% in the PMA. However, within the SMA population, those aged 75 and up are projected to increase by only 405, or 2.7%, over the same period.

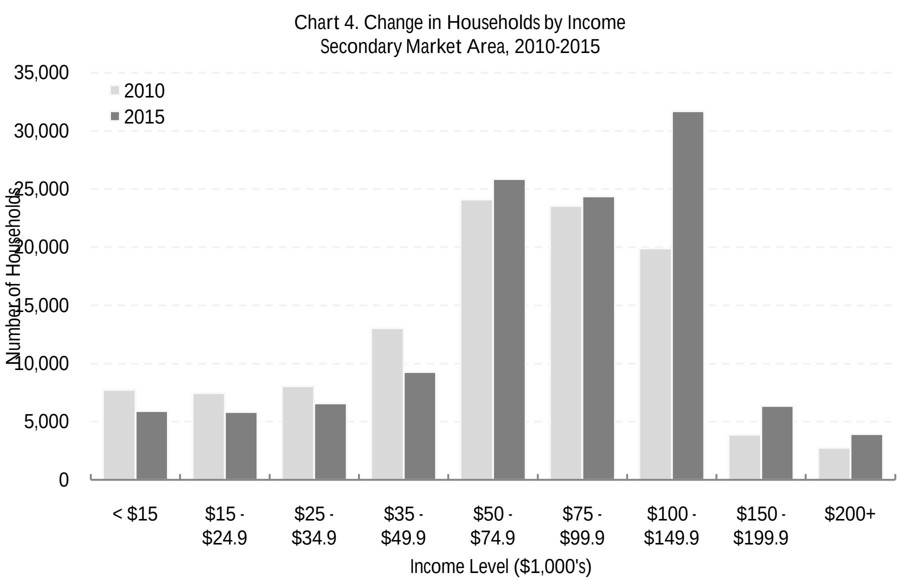




Household Income

Charts 3 and 4 illustrate projected change in the number households by income group within the primary and secondary market areas. Within both the PMA and SMA, it is projected that lower income households will decrease in number while the number of middle and upper income households is expected to increase. Due to a positive shift in income and a projected overall increase in the number of households within the PMA and SMA, it is anticipated that the buying power of both areas will increase over the next five years.





- The number of PMA households earning less than $50,000 per year is projected to decrease by 547, or -24.0%, between 2010 and 2015. The SMA is projected to lose 8,714 households (a 24.0% decrease) within this income group over the same period.
- Over the next five years, it is anticipated that the PMA will gain 1,810 households (a 23.9% increase) earning more than $50,000 per year. The SMA is projected to gain 18,015 households (a 24.3% increase) in this income group over the same period.
- Between 2010 and 2015, based on average household income and total number of households, the total income generated by households within the PMA and SMA is projected to increase by 25.5% and 24.7% respectively.

Age by Income

Charts 5 and 6 illustrate the projected change in number of households according to the age of the head of household and household income. Changes projected to occur between 2010 and 2015 are shown as they pertain to each respective household age cohort within both the PMA and SMA. For example, the dark gray columns indicate change within the market area householder population over the age of 75. A bar for this age group is shown in each income bracket. A dark gray bar located above the zero line of the graph indicates growth, while a dark gray bar below the zero line indicates decline.

Overall, both market areas are experiencing decline among lower income households with significant increases among upper income households. In general, shifts in household income are projected to occur uniformly across all age cohorts with no single age group deviating significantly from the larger pattern of growth or decline. Growth among senior households is projected to be more significant within the PMA and, as a result, market area populations are becoming more affluent on average with a small positive shift in the overall PMA age composition.

- For both market areas, the number of households earning less than $50,000 is projected to decrease across all age cohorts. Projected decreases in these lower income households are relatively uniform, ranging from -16% and -45% in any given age cohort.
- Changes among middle income households earning between $50,000 and $100,000 will be moderate among age cohorts in both market areas, ranging between a decrease of -6% and an increase of 36%.
- Within both the PMA and SMA, the number of households earning more than $100,000 is projected to increase across all age cohorts. Projected increases in upper income households are most significant among householders aged 35 to 54, which are expected to increase by 667 (42.1%) within the PMA and 6,996 households (44.4%) within the SMA.

Chart 5. Households by Age and Income Level
Primary Market Area, 2010 - 2015

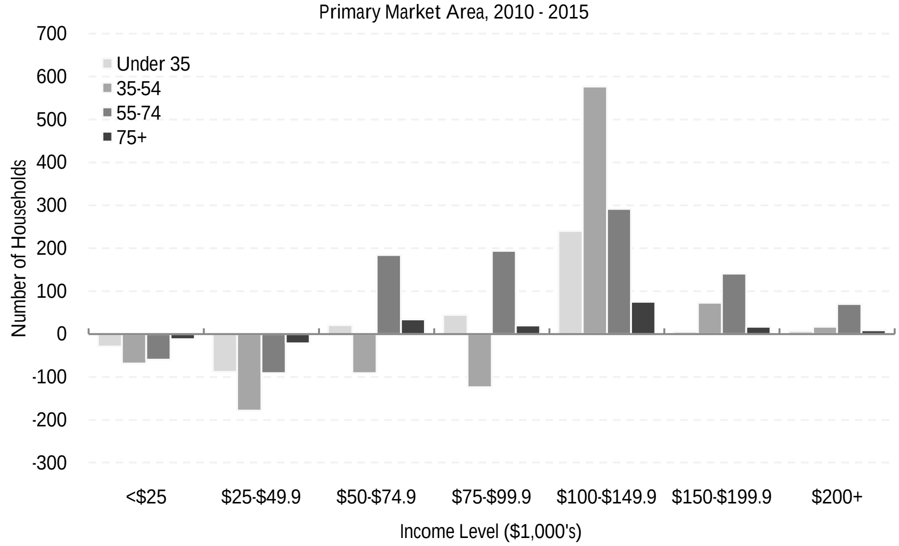
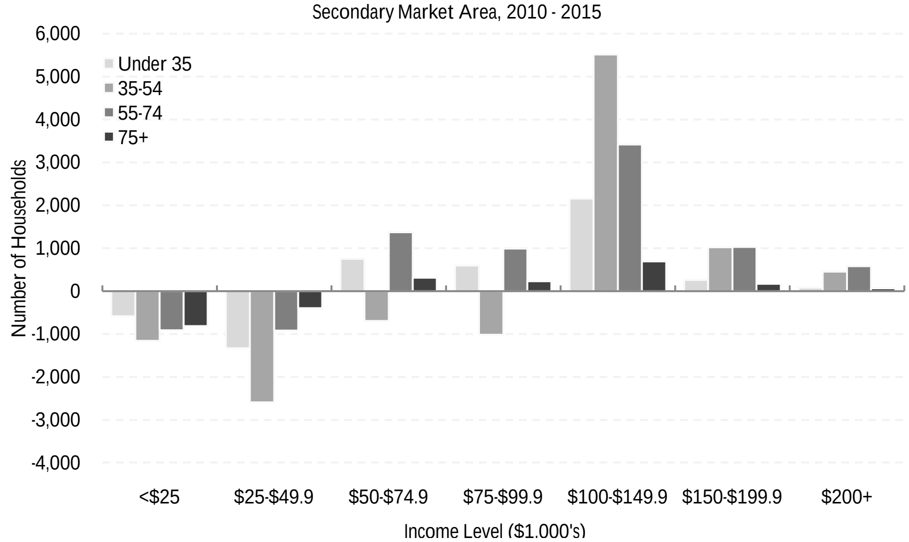


Chart 6. Households by Age and Income Level
Secondary Market Area, 2010 - 2015



Implications of Demographic Trends

Demographic projections indicate that the population and number of households within both the primary and secondary market areas will experience growth between 2010 and 2015. In general, similar changes in population are occurring across all age cohorts, but patterns differ significantly between lower, middle income households, and upper income households.

As the combined result of increasing population and household income, the purchasing power of the PMA and SMA is expected to increase significantly. Increases among middle-aged households with incomes over $100,000 indicate potential demand for single family homes. Furthermore, increases among upper income, 'empty nester' and senior households may also be indicative of increased demand for multi-family residential development including condominiums, townhomes and senior housing.

3 Retail

The retail market assessment documents Channahon's position within the competitive commercial landscape and identifies potential for retail or restaurant development in the Village and surrounding market area.

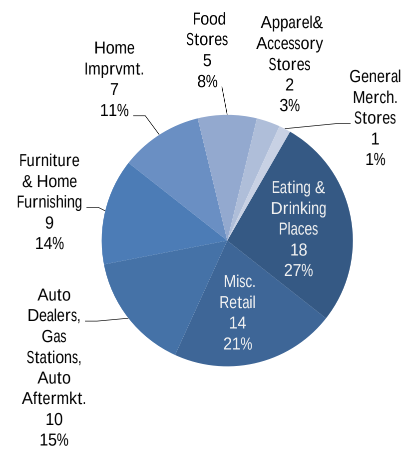
Channahon Businesses

As shown in Chart 7, there is estimated to be more than 400 businesses located within the Village of Channahon and its surrounding planning area. Approximately 48 of these businesses, representing 11% of the total, provide local residents with shopping options. Another 18 restaurants and taverns, representing 4% of all Channahon businesses, provide dining options. As shown in Table 2, Channahon's retail mix is similar to that of neighboring communities with a proportionate number of retail types and dining.

However, when compared to neighboring communities and their planning areas, Channahon appears to be underserved with respect to the total number of retailers and restaurants serving its population. Within Channahon there are approximately 80 households for every retail business (including restaurants). Conversely, the communities of Minooka and Shorewood have an estimated 57 and 58 households, respectively, per business. Despite being similar in size to Minooka and having a larger population within its planning area, Channahon is served by fewer retailers and restaurants. Morris, which serves a larger area, has only 34 households per business.

Having fewer households per business compared to neighboring communities typically indicates saturation within a market or the presence of a regional retail destination. Conversely, Channahon has the largest number of households per business in the area which is indicative of an under supply of retailers. As is discussed in the retail gap analysis section of the market assessment, retail supply and demand estimated support this observation.

Chart 7. Retail Trade Businesses
Channahon Planning Jurisdiction, 2009



Source: ESRI Business Analyst; InfoUSA

Table 2. Existing Business Inventory
Village of Channahon & Surrounding Communities (Planning Areas), 2010

	Channahon	Minooka	Morris	Shorewood
Total Businesses	426	309	886	526
Total Households	5,251	4,083	6,578	6,424
Total Retailers & Restaurants	66	72	193	110
Households per Retail Business	80	57	34	58

	Channahon		Minooka		Morris		Shorewood	
Retail Trade	*66*	*100.0%*	*72*	*100.0%*	*193*	*100.0%*	*110*	*100.0%*
Eating & Drinking Places	18	27.3%	26	36.1%	56	29.0%	39	35.5%
Miscellaneous Retail	14	21.2%	18	25.0%	59	30.6%	30	27.3%
Auto Dealers, Gas Stations, Auto Aftermarket	10	15.2%	4	5.6%	27	14.0%	10	9.1%
Furniture & Home Furnishings	9	13.6%	6	8.3%	13	6.7%	9	8.2%
Home Improvement	7	10.6%	7	9.7%	11	5.7%	4	3.6%
Food Stores	5	7.6%	9	12.5%	14	7.3%	10	9.1%
Apparel & Accessory Stores	2	3.0%	1	1.4%	8	4.1%	7	6.4%
General Merchandise Stores	1	1.5%	1	1.4%	5	2.6%	1	0.9%

Source: ESRI Business Analyst; InfoUSA Business Data

Trends in Retail Sales

The State of Illinois' sales tax includes a 1% municipal sales tax that goes to the local community where a sales transaction occurs. As such, the revenue received through the municipal sales tax can be used to estimate retail sales volumes within a community. So, if an Illinois community receives $1,000 in municipal sales tax, it is estimated that the community experienced $100,000 in sales over the course of the tax year. Trends in sales tax revenue (see Table 3 and Chart 8) have been used as a means of quantifying and comparing retail activity between Channahon and neighboring communities.

The Illinois Department of Revenue maintains records of total sales tax activity as well as sales tax activity by type of retailer (using the Standard Industrial Classification system). Table 3 indicates estimates for sales by retailers only and excludes tax generated by retail sales made in the Manufacturing; Agriculture; and Automotive and Filling Stations. The Drugs and Miscellaneous category has also been excluded. While this category includes typical retailers like drug stores and liquor stores, it also includes fuel dealers, machine venders, catalog and mail-order establishments, and other non-storefront based establishments.

In 2009, Channahon experienced an estimated $35 million in retail sales activity. This is less than two-thirds that of neighboring Minooka, one-quarter that of Shorewood, and one-fifth that of Morris. As shown in Chart 8, Morris and Shorewood have consistently dominated retail in the area since 2005 while Channahon has had the lowest retail sales activity.

Moreover, businesses within Channahon, on average, are not generating as much sales revenue as their counterparts in other communities. As shown in Table 4, in 2009 each of the 66 retail businesses within Channahon experienced an average of $537,022 in sales. This is approximately 64% that of the sales activity experienced by Minooka retailers, 57% that of Morris businesses, and 41% that of Shorewood businesses.

Table 4. Retail Sales per Business
Village of Channahon & Surrounding Communities (Planning Areas), 2010

	Estimated 2009 Sales	Businesses	Sales per Business
Channahon	$35,443,467	66	$537,022
Minooka	$60,314,931	72	$837,707
Morris	$181,517,665	193	$940,506
Shorewood	$143,370,029	110	$1,303,364

Source: ESRI Business Analyst; InfoUSA Business Data

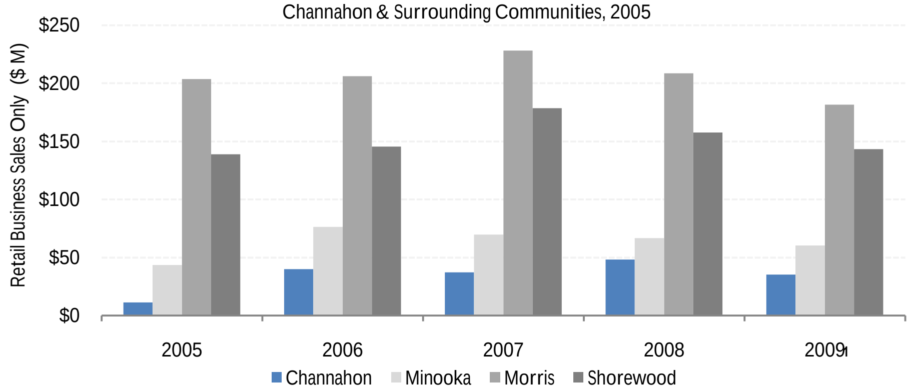
Table 3. Annual Sales Activity
Channahon & Surrounding Communities, 2005 - 2009

	2005	2006	2007	2008	2009
Channahon	$11,380,180	$40,014,719	$37,330,479	$48,404,575	$35,443,467
Minooka	$43,549,508	$76,307,790	$69,662,958	$66,605,006	$60,314,931
Morris	$203,729,212	$206,292,697	$228,245,718	$208,546,217	$181.517.665[1]
Shorewood	$138,957,372	$145,655,954	$178,491,252	$157,708,378	$143,370,029

[1] Morris 2009 sales volume based on estimates for sales tax in the *Food* and *Furniture, Household and Radio* retail categories due to partially reported data

Source: Illinois Department of Revenue; Houseal Lavigne Associates

Chart 8. Annual Retail Sales Volume
Channahon & Surrounding Communities, 2005



[1] Morris 2009 sales volume based on estimates for sales tax in the *Food* and *Furniture, Household and Radio* retail categories due to partially reported data.

Available Properties

There are approximately one dozen commercial properties currently being marketed for lease within Channahon and neighboring Minooka. Another four properties are currently listed for sale. The majority of properties inventoried (see Table 5) are in Minooka.

- There is over 97,000 square feet of retail space available for lease in Channahon and Minooka.
- The majority of spaces for lease have net asking rates near $13 per square foot.
- The Parker Square and Heartland Crossing properties in Minooka have the area's highest net asking rates at $22 and $24 per square foot respectively.
- The average space available for lease is 3,500 square feet, the largest space being 9,600 square feet.
- Two of the four commercial properties currently being marketed for sale (Southern Crossing and Rivers Plaza) are large parcels served with utilities, but otherwise unimproved. Both of these properties, which have been approved for retail use, are currently being offered at approximately $2 per square foot.
- Rose Plaza is a 7,752 square foot strip center with four inline tenant spaces. This property, which was constructed in 2006, is 50% occupied and is being offered at $1.75 million.

In addition to two large, undeveloped commercial properties at Ridge Road, Channahon currently has slightly less than 29,000 square feet of available retail space. An additional 69,000 square feet of space is available in neighboring Minooka. Rents for available space within the area generally range between $12 and $15 per square foot. Input from local commercial brokers indicates that these rents are lower than that commanded of new development and that existing small, in-line spaces currently for lease have been 'priced to move'.

Available Properties

The availability and low asking rents of small-scale, inline retail space within Channahon and Minooka indicate that the speculative construction of neighborhood strip centers will be limited until a significant portion of existing space has been absorbed or rents can be increased. However, this is not to say that tenants with specific site or building needs would not be attracted to locating or relocating within the area. In that most available space is located in properties in the range of 3,500 square feet, there is limited opportunity for retailers who require a large space. Furthermore users such as a fine dining restaurant typically require out-lot or end cap space, and/or kitchen facilities that cannot be accommodated in currently available spaces.

Table 5. Commercial Properties
Channahon & Minooka, December 2010

For Lease

Property	Community	Address	Gross Leasable Area (sf)	Space Available (sf)	Net Asking Rent PSF
Annie B's Plaza	Channahon	25158 Eames St	10,777	-	-
Channahon Crossing	Channahon	27025 W Eames St	13,014	7,657	$15.00
Channahon Plaza	Channahon	24447 - 24513 Eames St	19,572	9,600	$12.95
Mallory Plaza	Channahon	24735 Eames St	14,000	-	-
Oak Leak Plaza	Channahon	25208 - 25228 Reed St	17,820	3,406	$10.00
Pheasant Lane	Channahon	25445 S Pheasant Ln	26,400	6,165	$13.00
27754 Bluegrass	Channahon	27754 Bluegrass	3,452	1,726	$14.00
Heartland Crossing - Outlot	Minooka	2075 S Ridge Rd	1,781	1,781	$24.00
Heartland Crossing - Inline	Minooka	2075 S Ridge Rd	17,981	7,281	-
Brannick Court	Minooka	855 S Ridge Rd	40,343	12,677	$19.00
Crossroads of Minooka	Minooka	104 - 106 N Ridge	33,300	27,700	$12.00
Minooka Plaza	Minooka	641 - 653 Mondamin	11,496	5,625	$11.00
Mondamin Street Offices	Minooka	304 Mondamin St	5,075	2,175	-
Parker Square	Minooka	1410 Mondamin	19,762	11,550	$22.00
		Total Inventory	209,996	97,343	$13

For Sale

Property		Location	Estimated Lot Size	Building Size (sf)	Asking Price
Southern Crossing	Channahon	SEC Ridge & Eames St	1,795,108	-	$3,590,214.00
Fountains Banquet Hall	Minooka	502 Twin Rail Dr	2.50 ac	11,000	$1,300,000
Rivers Plaza	Channahon	SWC Ridge & Eames St	1,016,683	-	$1,850,000
Rose Plaza	Minooka	27243 Saxony Dr	-	7,752	$1,750,000

Source: Loopnet; Houseal Lavigne Associates

Regional Competition

The I-55 and I-80 corridors provide Channahon residents with convenient travel to retail areas well beyond the Village's boundaries. While the primary market area chiefly comprises Channahon, Minooka and southwestern Joliet, the secondary market area extends to include northern Joliet, Shorewood, Elwood, Morris, Braidwood, and portions of Plainfield and Romeoville. Access to expressways puts several significant regional retail locations within a 20 minute drive including Louis Joliet Mall, the Larkin Avenue and IL Route 59 corridors, and Downtown Morris.

Morris

While Downtown Morris, with over 50 retailers, has remained the commercial core of Morris, the area surrounding the interchange at I-80 and Division Street has emerged as a regional retail destination. An 85,000 square foot Big R Store opened there in 2002 and a Menards and a Walmart Supercenter opened in 2006. Morris retailers serve a considerable area, drawing customers from Channahon as well as much of northern Grundy County.

IL Route 59

During community outreach efforts the IL Route 59 corridor was repeatedly identified as a frequent retail destination among residents. The southern portion of the IL Route 59 corridor that travels through Shorewood and Joliet is the location of several big box centers and community scale shopping centers. Shorewood Crossing is a 174,000 square foot center located on the northeast corner of Black Road and IL Route 59 in Joliet and is the largest in the corridor. It is anchored by Dominick's, Babies R Us, Staples, and Petco. A Walmart Supercenter is located on the southwest corner of Theodore Road and IL Route 59. Other major tenants in this corridor include HomeGoods, Target, Home Depot, Jewel-Osco, and Cardinal Fitness.

Louis Joliet Mall

The Louis Joliet Mall is a 900,000 square foot center owned and operated by Westfield is the closest regional mall to Channahon. Anchor tenants of the mall, which is located at I-55 and US Route 30 (Plainfield Road), include JC Penney, Macy's, Carson Pririe Scott, Sears, and Cinemark Theatre. There are also several power centers and big box center located along Plainfield Road whose tenants include Bed, Bath and Beyond, PetSmart, Home Depot, Toys R Us, and Best Buy.

Larkin Avenue

Although the Larkin Avenue corridor in Joliet is not thought to be a primary retail or dining destination, community input has indicated that this area is visited often by Channahon residents. Larkin Avenue has areas of retail concentration at its intersection with Jefferson Street and Plainfield Road in Crest Hill. North Ridge Plaza, at Theodore Road, is the corridor's largest shopping center. The 315,000 square foot center's tenants include Hobby Lobby, OfficeMax, Minnesota Fabrics, Burlington Coat Factory, Ultra Foods, and Fun in Motion. There are several neighborhood shopping centers and community centers located in the Larking Avenue corridor with major tenants including Food 4 Less, Jewel-Osco, Kmart, Walmart, and Sam's Club.

Regional Competition

Table 6. Retail Competition
Primary & Secondary Market Area, 2010

	Shopping Center	Address	Community	Size (sf)	Year Built/ Renovated
Morris	Walmart Supercenter	333 E US Route 6	Morris	175,000	2006
	Menards	500 Menard Dr	Morris	160,000	2006
	Big R Store	2655 Sycamore Drive	Morris	85,000	2002
	Downtown Morris	Liberty St & Main St	Morris	50+ Retailers	-
IL Route 59 Corridor	Plainfield Commons	13530 S IL Route 59	Plainfield	15,000	
	Shorewood Retail Center	852 Sharp Dr	Shorewood	25,300	
	1552 S IL Route 59	1552 S IL Route 59	Plainfield	25,000 - 50,000	
	Brentwood Cove Shopping Center	2203 S IL Route 59	Plainfield	25,000 - 50,000	2005
	Caton Corners	2314 S IL Route 59	Plainfield	25,000 - 50,000	
	Kensington Center	12748 S IL Route 59	Plainfield	45,614	2004
	1316 S IL Route 59	1316 S IL Route 59	Joliet	50,000 - 100,000	
	1401 S IL Route 59	1401 S IL Route 59	Joliet	50,000 - 100,000	
	Brookforest Shopping Center	NWC IL Route 59 & Jefferson St	Shorewood	50,000 - 100,000	
	Shorewood Retail Center	852 Sharp Dr	Shorewood	50,000 - 100,000	
	Target Supercenter	1105-1111 Brook Forest Ave	Shorewood	50,000 - 100,000	1995
	Caton Corners	Caton Corners	Plainfield	83,792	1998
	Tower Marketplace of Joliet (U/C)	NWC IL Route 59 & Theodore St	Joliet	100,000 - 250,000	
	Shorewood Crossing	680-968 Brook Forest Ave	Shorewood	173,981	
Larkin Avenue Corridor	1608 N Larkin Ave	1608 N Larkin Ave	Crest Hill	25,000 - 50,000	
	1310 N Larkin Ave	1310 N Larkin Ave	Joliet	50,000 - 100,000	2000
	1801 W Jefferson St	1801 W Jefferson St	Joliet	50,000 - 100,000	2005
	2424 W Jefferson St	2424 W Jefferson St	Joliet	50,000 - 100,000	2005
	1500 N Larkin Ave	1500 N Larkin Ave	Joliet	100,000 - 250,000	2000
	321 S Larkin Ave	321 S Larkin Ave	Joliet	100,000 - 250,000	1995
	Hillcrest Shopping Center	SEC Plainfield Rd & Larkin Ave	Crest Hill	100,000	
	Marycrest Shopping Center	SWC Jefferson St & Hammes Ave	Joliet	170,928	
	Bronk's Corners	SWC IL Route 59 & Theodore St	Joliet	181,400	
	1701 N Larkin Ave	1701 N Larkin Ave	Crest Hill	250,000 - 500,000	1995
	Larkin Pointe Shopping Center	211 S Larkin Ave	Joliet	250,000 - 500,000	
	North Ridge Plaza		Joliet	314,355	
Louis Joliet Mall Area	3084 Hennepin Dr	3084 Hennepin Dr	Crystal Lawns	25,000 - 50,000	
	3351 Mall Loop Dr	3351 Mall Loop Dr	Joliet	25,000 - 50,000	
	2695 Plainfield Rd	2695 Plainfield Rd	Joliet	25,000 - 50,000	1995
	2903 Colorado Ave	2903 Colorado Ave	Joliet	25,000 - 50,000	1995
	3128 Voyager Ln	3128 Voyager Ln	Joliet	25,000 - 50,000	2000
	3150 Tonti Dr	3150 Tonti Dr	Joliet	25,000 - 50,000	1995
	2724 Plainfield Rd	2724 Plainfield Rd	Joliet	50,000 - 100,000	1995
	3001 Plainfield Rd	3001 Plainfield Rd	Joliet	50,000 - 100,000	
	3128 Plainfield Rd	3128 Plainfield Rd	Joliet	50,000 - 100,000	
	West River Crossing	2318 - 3084 Caton Farm Rd	Joliet	102,859	2000
	Dominick's Shopping Center	2741 Plainfield Rd	Joliet	100,000 - 250,000	2000
	Louis Joliet Pointe	2700 Plainfield Rd	Joliet	190,000	2000
	Joliet Commons	3785-2805 Plainfield Rd	Joliet	199,317	2000
	Louis Joliet Mall	1526 Louis Joliet Mall	Joliet	900,000	

Source: International Council of Shopping Centers; Houseal Lavigne Associates

Traffic Counts

National retailers outline a very specific set of standards when evaluating a potential site. One determining factor is a location's minimum Average Daily Traffic (ADT). The ADT figure measures the average amount of traffic on a street on any given day. Larger retailers typically look for an ADT count of between 20,000 and 30,000 when deciding if a particular site is well suited for future development. In a neighborhood retail setting, lower thresholds near 15,000 ADT can also considered. Given these criteria, key intersections and corridors with significant traffic counts are also the current location of major retail centers throughout the primary and secondary market areas.

Channahon-Minooka Area

- US Route 6 (Eames Street), Channahon's primary commercial corridor, would likely serve as the major source of traffic for local retailers. US Route 6 has a traffic count of over 14,000 vehicles per day as it approaches the I-55 interchange from the east. This count increases to 16,000 ADT to the west of the interchange. Traffic along US Route 6 is highest to the south of Bluff Road, at nearly 22,000 ADT, where it collects additional traffic coming to and from the Bluff Road interchange. Traffic counts drop to slightly more than 11,000 ADT to the east of Ridge Road and decrease to less than 7,000 ADT to the west of Ridge Road.

- Ridge Road, the primary north-south route between Channahon and Minooka, has daily traffic counts of 6,600 to the north of its intersection with US Route 6. This figure increases to more than 14,000 ADT as it approaches Mondamin Street in Minooka. Daily traffic counts increase to between 20,000 and 23,000 ADT as Ridge Road nears the I-80 interchange.

- I-55 can be accessed in Channahon via interchanges at US Route 6 and Bluff Road. Access is also provided via an Arsenal Road interchange but this primarily serves industrial users. Traffic volumes along I-55 are at nearly 70,000 ADT to the north of the US Route 6 interchange and drop to 49,000 ADT to the south of this interchange. This indicates that over 20,000 vehicles utilize the interchange on a daily basis. Traffic remains at 49,000 ADT as I-55 passes Bluff Road, indicating that this interchange is not as heavily utilized.

- I-80 provides Minooka residents with access to the regional expressway system. Daily traffic along I-80 is estimated at 55,000 ADT to the east of the Ridge Road interchange and tapers to less than 39,000 ADT to the west of Ridge Road. This indicates that the Ridge Road interchange is used by more than 16,000 vehicles each day.

Regional Traffic Counts

- IL Route 59/IL Route 56 (Black Road) – This intersection forms the southern end of the IL Route 59 commercial corridor that traverses portions of Joliet, Shorewood and Plainfield. Traffic along IL Route 56 ranges between 14,000 and 17,000 ADT while IL Route 59 experiences volumes of greater than 22,000 ADT. Combined traffic counts at this intersection range between 35,000 and 40,000 ADT.

- IL Route 59/IL Route 5 (Caton Farm Road) – This intersection forms the northern end of the IL Route 59 commercial corridor located within the secondary market area. Caton Farm Road experiences traffic volumes ranging between 17,000 ADT and 28,000 ADT while traffic along IL Route 59 ranges from 22,000 to 24,000 ADT. Combined traffic counts at this intersection are between 40,000 and 50,000 ADT.

- US Route 30 / I-55 – The area surrounding this interchange is the location of Westfield Louis Joliet Mall. Traffic along US Route 30 nears 34,000 ADT to the west of the mall's northern most entrance and drops to slightly more than 20,000 ADT further to the east. The mall's ring road and adjacent access routes have daily traffic counts of 23,000 vehicles per day.

Retail Gap Analysis

The following analysis uses a comparison of projected spending by market area households to the existing supply of retail space to assess the potential for retail development in the Village of Channahon and the primary and secondary market areas. This 'gap' analysis provides an indication of "surplus" or "leakage" within a given retail category. The presence of a surplus within a given retail category suggests that there is at least enough retail space to accommodate demand for the range of goods and services provided by stores in that category. Conversely, leakage indicates that demand exceeds supply and consumers are spending dollars outside of the market area.

This leakage could potentially be recaptured and may represent a commercial opportunity within the market area. It is important, however, to distinguish between support in the market and development potential of a specific site or location. As outlined previously, retail competition is significant within both the primary and secondary market areas. Suitable sites, access, visibility, traffic counts, competition, specifications of particular retailers, and related issues dictate whether market potential can be successfully translated to development potential within Channahon.

Primary Market Area

As shown in Table 7, in analyzing existing retail supply and demand within a 10 minute drive time (the primary market area), it is estimated that there is currently an undersupply of retail space totaling approximately $21.6 million. The primary market area has an estimated 9,839 households in 2010. With an estimated retail demand of $329.2 million, this equates to a potential expenditure per household of $33,455, with a current supply of only $31,264 per household. This figure includes all retail, eating and drinking establishments.

Secondary Market Area

In analyzing existing retail supply and demand within a 20 minute drive time (the secondary market area), there is currently an undersupply of retail space totaling approximately $846.6 million. Within the secondary market area, there are approximately 110,551 households contributing to a current retail demand of $3.1 billion. This demand equates to a potential expenditure per household of $28,151, with a current supply of $20,493 per household. This figure also includes all retail, eating, and drinking establishments.

Development Potential

Annual sales-per-square-foot can be utilized to equate consumer expenditures to a preliminary indication of development potential. While sales-per-square-foot revenues vary by individual retailer and industry sources, including the Urban Land Institute (ULI) and Costar, general assumptions of supportable square footage can be made by using a benchmark average. A generally accepted range for national retailers is $200 to $400 per-square-foot. The use of a per-square-foot amount on the higher end of this range allows for a more conservative approach so as not to overstate retail potential. As shown in Table 7, when a per-square-foot amount of $400 is applied, demand is effectively translated to a potential number of square feet that could be supported within both the primary and secondary market areas.

The typical market area for each retail tenant type is also indicated in Table 7. The customer base for the majority of store types within these retail categories is composed of the population within a 20 minute drive of their location. There are some store types, mostly convenience oriented, that will serve residents located within a shorter drive time of near 10 minutes. Retail uses with a smaller market area, including restaurants, are the most likely targets for retail space within Channahon or elsewhere in the surrounding area.

Table 7. Retail Gap Analysis Profile
Primary & Secondary Market Areas, 2010

Summary Demographics	10 Minute Drive	20 Minute Drive
2010 Population	29,454	318,521
2010 Households	9,839	110,551
2010 Median Disposable Income	$58,170	$53,014
2010 Per Capita Income	$29,180	$27,059

	Retail Gap by Market Area ($M)	
Summary	10 Minute Drive (PMA)	20 Minute Drive (SMA)
Total Retail Trade and Food & Drink	*$21.6*	*$846.6*
Total Retail Trade	$20.9	$714.7
Total Food & Drink	$0.7	$131.9

	10 Minute Drive (PMA)		20 Minute Drive (SMA)		
Industry Group	Retail Gap ($M)	Potential[1]	Retail Gap ($M)	Potential[1]	Typical Market Area
Motor Vehicle & Parts Dealers	*$14.2*	*35,458*	*$190.2*	*475,469*	*SMA*
Furniture & Home Furnishings Stores	*$9.0*	22,441	*$46.3*	*115,786*	*SMA*
Furniture Stores	$6.0	14,897	$38.7	96,708	
Home Furnishings Stores	$3.0	7,544	$7.6	19,078	
Electronics & Appliance Stores	*$4.6*	11,599	*$30.6*	*76,392*	*PMA-SMA*
Bldg Materials, Garden Equip. & Supply Stores	*$7.9*	19,652	*$38.7*	*96,678*	*SMA*
Building Material and Supplies Dealers	$6.2	15,380	$27.8	69,431	
Lawn and Garden Equipment and Supplies Stores	$1.7	4,272	$10.9	27,248	
Food & Beverage Stores	*$9.9*	*24,873*	*$151.5*	*378,861*	*PMA-SMA*
Grocery Stores	$8.7	21,861	$153.8	384,536	PMA
Specialty Food Stores	$0.8	1,886	$4.1	10,203	SMA
Beer, Wine, and Liquor Stores	$0.4	1,125	($6.4)	(15,878)	PMA
Health & Personal Care Stores	*($0.3)*	*(637)*	*$29.7*	*74,269*	*PMA*
Gasoline Stations	*$2.8*	*6,962*	*$133.4*	*333,493*	
Clothing and Clothing Accessories Stores	*$7.1*	*17,850*	*$32.4*	*80,905*	*PMA-SMA*
Clothing Stores	$5.0	12,567	$23.3	58,359	PMA-SMA
Shoe Stores	$1.0	2,418	$3.3	8,203	PMA-SMA
Jewelry, Luggage, and Leather Goods Stores	$1.1	2,865	$5.7	14,343	PMA-SMA
Sporting Goods, Hobby, Book, and Music Stores	*$3.6*	*8,882*	*$12.8*	*31,969*	*PMA-SMA*
Sporting Goods/Hobby/Musical Instrument Stores	$2.1	5,228	$7.0	17,467	SMA
Book, Periodical, and Music Stores	$1.5	3,654	$5.8	14,502	PMA
General Merchandise Stores	*($47.4)*	*(118,543)*	*($31.6)*	*(78,938)*	*SMA*
Department Stores Excluding Leased Depts.	$9.2	22,956	$58.1	145,267	SMA
Other General Merchandise Stores	($56.6)	(141,498)	($89.7)	(224,205)	PMA-SMA
Miscellaneous Store Retailers	*$2.2*	*5,405*	*$14.6*	*36,434*	*PMA*
Florists	$0.5	1,326	$1.7	4,299	PMA
Office Supplies, Stationery, and Gift Stores	($0.4)	(880)	($3.4)	(8,549)	PMA
Used Merchandise Stores	$0.3	804	$0.2	444	PMA
Other Miscellaneous Store Retailers	$1.7	4,155	$16.1	40,240	PMA
Nonstore Retailers	*$7.3*	*18,297*	*$66.2*	*165,389*	
Food Services & Drinking Places	*$0.7*	*1,648*	*$131.9*	*329,691*	*PMA-SMA*
Full-Service Restaurants	$14.2	35,604	$124.8	312,045	PMA-SMA
Limited-Service Eating Places	$1.1	2,840	$19.8	49,420	PMA
Special Food Services	($14.5)	(36,210)	($14.5)	(36,153)	SMA
Drinking Places - Alcoholic Beverages	($0.2)	(586)	$1.8	4,378	PMA

[1] Potential based on an average annual sales per-square-foot of $400.

Source: ESRI Business Analyst ; ULI; and Houseal Lavigne Associates

Unmet Demand

The ability to capture unmet demand depends on the needs of individual retailers, such as minimum traffic counts and minimum frontage requirements, and the availability of suitable retail space. While there is potential for destination retailers and fine dining restaurants in the market, tenants must be identified within each retail category that would consider locating to the Channahon area

- ***Furniture & Home Furnishings***. Demand for additional furniture and home furnishings retail has been estimated for both the primary and secondary market areas, but there is significant competition in the secondary market area in the Louis Joliet Mall area, the Larkin Avenue corridor, and along the IL Route 59. Based on primary market area demand and a typical store size of between 8,000 and 13,000 square feet, there may be sufficient market area support for a furniture or home furnishings store. A furniture or home furnishings store tenant would likely require minimum ceiling heights of 15 feet as well as use of a loading bay which may limit the reuse potential of currently available retail for this type of retailer.

- ***Electronics.*** While the potential for a big box electronics store such as a Best Buy is limited in the primary market area, there may be potential for smaller in-line retailers within this retail category. Typical store size of a general electronics store is less than 3,000 square feet. Although a RadioShack is currently located within the PMA, near the intersection of US Route 6 and Ridge Road, there may be an opportunity for an independent retailer within this category. A more specialized retailer, such as GameStop, may also find opportunity in this retail category.

- ***Building Materials & Supply Dealers.*** Both the primary and secondary market areas demonstrate additional demand for building material and supplies dealers. This group includes retailers selling building materials, hardware, paint, wallpaper and related supplies. There is currently a Do It Best hardware store located near the Channahon Town Center along US Route 6. While locating a competing hardware store may not be desirable, the retail analysis indicates there may be an opportunity to expand the existing hardware store. There may also be a market area opportunity for more specialized retailers such as a paint and wallpaper retailer. Within a neighborhood or community shopping center context, the typical size for stores in the building materials and supplies category range between 6,500 and 12,000 square feet with some national retailers at over 18,000 square feet.

- ***Food & Beverage Stores.*** This retail category comprises three groups of retailers: Grocery Stores, Specialty Food Stores, and Beer, Wine & Liquor Stores. Both grocery stores and beer, wine and liquor stores rely on the local market area for support and there appears to be limited potential for expansion of these retail types within the PMA. However, specialty food stores typically pull from a larger trade area and there is some indication of demand for this type of retailer. Specialty food stores include such retailers as meat, fish and seafood markets, fruit and vegetable markets, and candy/nut stores. These stores haves a typical size of between 2,500 and 3,000 square feet within a neighborhood retail setting; however, a national chain in this category, such as Trader Joe's, has a typical footprint of between 8,000 and 10,000 square feet. Given current demand within the SMA, there may be sufficient market support for a single, larger specialty grocery store or two smaller retailers in this category.

Unmet Demand

- ***Clothing Stores.*** This retail category includes several types of retailers such as shoe stores, jewelers, luggage and leather shops, and stores selling apparel and accessories. These stores range in size, but tend to have a footprint of between 1,500 and 4,500 square feet and these smaller tenants are typically a component of a larger retail program. Clothing stores do not, in and of themselves, support an area, but tend to "fill in" smaller store fronts and less prominent locations. As such, the market area for any given clothing store is a reflection of the larger anchor tenant they support. So, while a clothing store near the Louis Joliet Mall may rely on a large market area, a retailer in Channahon would most likely rely on demand generated by the local population. As such, there appears to be market support for additional clothing stores within Channahon and the surrounding primary market area.

- ***Full-Service Restaurants.*** The retail gap analysis indicates potential for full-service restaurants in both the primary and secondary market areas. Full-service restaurants have a typical footprint of 5,000 square feet with some national tenants in excess of 7,000 square feet. Full-service restaurants require frontage along main thoroughfares or prominent end cap locations within retail centers. Parking requirements for full-service restaurants are also more significant than retailers. Given these requirements, a highly visible location along US Route 6 near Bluff Road or Ridge Road would be most desirable for this use. Given the significant number of full-service restaurants within the secondary market area, along IL Route 59 and near the Louis Joliet Mall, the retail gap of $14 million within the primary market area the best indication of market support for this use. It is estimated that between four and six additional full-service restaurants could be supported within a 10 minute drive from Channahon's Town Center.

- ***Limited-Service Restaurants.*** Potential has also been indicated for limited-service eating places in both the primary and secondary market areas. Limited-service restaurants include a wide variety of eateries such as deli and sandwich shops, cafes, pizza parlors, and fast food restaurants. These eateries have a typical size of between 1,500 and 2,500 square feet. Leakage in this category is estimated at between $1.1 and $19.8 million within the PMA and SMA. Limited-service restaurants typically rely on a smaller market area than their full-service counterparts, so the primary market area has been used to determine market support. With typical sales per square foot estimated at $300, there is market support for between two and three limited-service eateries. Limited-service restaurants rely more heavily on impulse purchasing from passing customers, so higher traffic areas such as the area surrounding the I-55 interchange would be most desirable within Channahon. The limited access created by the current configuration of the US Route 6 and I-55 interchange may limit potential for these eateries, but highly visible locations near the intersections of US Route 6 with Ridge or Bluff Roads may represent a more viable, near term location for this type of use.

Retail Tenant Characteristics

Data indicate that both the primary and secondary market areas are relatively saturated. As highlighted in Table 8, there are a few categories that demonstrate potential market support for additional retail development within the PMA and SMA. While leakage is marginal in most retail categories, there are two retail categories that exhibit potentially significant unmet demand: Food and Beverage Stores and Full- and Limited-Service Restaurants.

Table 8. Select Retail Tenant Information
National Chains, 2008

			Market Area Potential	
Tenant Classification	Typical GLA (sq. ft.)	Typical Sales $/per sq. ft.)	Sq. Ft.	Storefronts
Furniture & Home Furnishings Stores	*11,000*	*$225*	*39,895*	*1 - 2*
Furniture Store	9,800	$264	22,571	2
Home Accessories Store	12,800	$190	15,883	1
Electronics & Appliance Stores	*-*	*$225*	*20,621*	*1 - 2*
In-line Electronics Store	2,500	$300	15,466	1 - 2
Anchor Electronics Store	35,000	$700	43,652	1
Building Materials & Supplies Dealers	*-*	*$225*	*27,342*	*1 - 2*
Home Improvements Store	110,000	$300	20,506	0
Hardware Store	12,000	$145	42,427	1 - 2
Food & Beverage Stores	*-*	*$355*	*28,025*	*1 - 2*
Supermarket	50,000	$520	16,817	-
Specialty Food	2,500	$195	3,870	1 - 2
Beer and Wine Store	3,500	$350	1,285	-
Clothing Stores	*3,000*	*$245*	*29,143*	*3 - 5*
Clothing Store	4,700	$275	18,279	1 - 2
Shoe Store	2,950	$140	6,908	1 - 2
Jewelry Store	1,500	$315	3,639	1 - 2
Luggage and Leather Store	3,100	$245	4,678	1 - 2
Full-Service Restaurants	*5,500*	*$410*	*34,735*	*4 - 6*
Steakhouse	7,250	$405	35,164	4
Family	5,000	$370	38,490	7
American	5,350	$450	31,648	5
Limited-Service Restaurants	*1,500*	*$300*	*3,787*	*2 - 3*
Sandwich Shop	1,400	$290	3,923	3
Pizza	1,500	$195	5,826	2 - 3
Coffee/Tea	1,600	$405	2,808	2

Source: ICSC; ULI; US Business Reporter and Houseal Lavigne Associates

Household Growth in the Market Area

Channahon has grown quickly over the last two decades. Since 2000, approximately 537 housing units have been permitted in 14 subdivisions and another 664 units have been platted within the Village. While the pace of housing development in the Village and surrounding area has slowed, Channahon is still a growing market and new housing will continue to generate further demand for retail space.

Table 10 identifies estimated potential for retail demand that could be generated by new households locating in the primary and secondary market areas. Projections indicate that an additional 1,264 households will locate within the PMA between 2010 and 2015. A total of 9,301 households are projected to locate in the SMA over the same time period.

Given current retail expenditures of between $28,000 and $33,000 per household, it is estimated that purchasing power within the PMA and SMA will increase by $22.3 and $261.8 million respectively. Assuming a sales-per-square-foot value of $400, this increased purchasing power translates to an estimated additional demand of nearly 106,000 square feet of retail space within the PMA. It is estimated that the larger SMA population will demand an additional 655,000 square feet of retail space.

In addition to overall household growth, projections also indicate that household income will increase, further expanding the purchasing power of the area. This means that these estimates for increased demand may be conservative.

Table 9. Permitted & Platted Housing Units
Village of Channahon, 2000 - 2010

ACTIVE SUBDIVISIONS	YEAR APPROVED	UNITS PLATTED	PERMITS ISSUED	UNITS REMAINING
RILEY FARMS	2000	13	3	10
AMBERLEIGH ESTATES	2003	189	189	0
QUARRY SUBDIVISION	2003	21	3	18
RAVINE WOODS	2003	292	233	59
DEER RIDGE	2004	50	29	21
SERRANO SUBDIVISION	2004	13	8	5
COPPER LEAF	2005	40	3	37
KEATING POINTE	2005	165	18	147
TOWN CENTER	2005	55	11	44
WEDGEWOOD HIGHLANDS	2005	79	13	66
THE RAVINES OF CHANNAHON	2006	24	2	22
WHISPERING OAKS	2006	107	12	95
WOODS OF AUX SABLE	2006	129	12	117
NORTH HANSEL ESTATES	2007	24	1	23
Total		*1,201*	*537*	*664*

Source: Village of Channahon

Retail Market Conclusions

Table 10. Future Retail Demand Primary & Secondary Market Area, 2010 - 2015	10 Minute Drive (PMA)	20 Minute Drive (SMA)
New Households	1,264	9,301
Retail Expenditure per Household	$33,455	$28,151
Market Area Purchasing Power	$42,287,120	$261,832,451
Market Area Retail Demand (sf)	*105,718*	*654,581*

Source: ESRI Business Analyst; Houseal Lavigne Associat

As indicated in the retail gap analysis, opportunities exist within the current market. There is demand for new retail space within the market area which includes not only Channahon but portions of neighboring communities as well. However, despite this potential, other factors may be limiting near term development opportunities within Channahon.

Significant competition within the secondary market area and opportunities elsewhere in the Chicago metropolitan region may limit interest by national retailers. Many retailers who may have favored a growing suburban location such as a Channahon in the past, are now looking at in-fill locations in urbanized markets where a denser population base already exists. In general, retailers have shifted from betting on future potential, to maximizing the profitability of existing locations. So, while data indicate that existing households are underserved, additional residential development may be needed to further bolster retail demand before Channahon can compete with these more dense locations.

Population projections for the primary market area indicate the potential demand for an additional 100,000 square feet of retail space over the next five years. While a portion of this may be absorbed by currently available properties, larger tenants such as a furniture store, grocery store, or a use with more specialized needs such as a full service restaurant will likely require new construction.

4 Office & Industrial

The office and industrial market assessment highlights anticipated shifts in employment within Channahon and the surrounding area having an impact on future potential for office and industrial development. Existing office and industrial uses are also profiled and the area's competitive position is examined to determine the potential influence on development opportunities in the Village of Channahon.

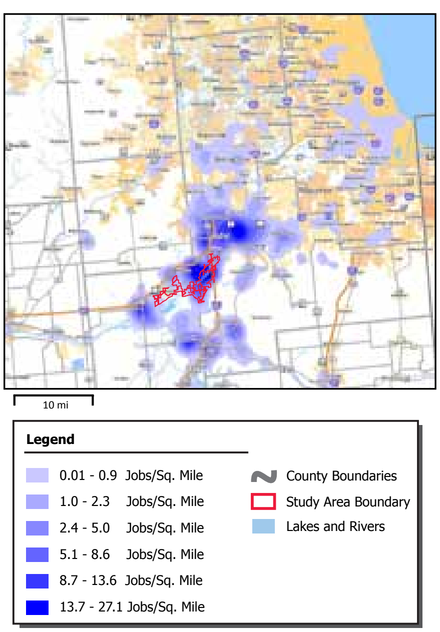
Labor & Commute Shed

Figure 3 depicts where people who work in the Village of Channahon live within the region as measured by the number of jobs per square mile (See 'Labor Shed'). The labor shed data discussed here is from 2008 which is the most recent year for which data is available. While the Village's labor shed is somewhat concentrated in the Channahon-Minooka area and Joliet, it is also dispersed throughout the western suburbs of Chicago following the I-80, I-355, and I-294 corridors. In 2008, nearly 9.5% of the Village's estimated 3,492 primary jobs were performed by workers who also live within Channahon. It is estimated that 16.5% of jobs in Channahon, in 2008, were performed by residents of nearby Joliet and another 5.8% of local jobs were performed by residents who live in Minooka. Both Morris and Chicago residents performed 3.7% of local jobs while Shorewood residents performed 3.3% of Channahon jobs. No other communities within the region have a significant proportion (3% or greater) of residents who work in Channahon. The majority (54%) of Channahon workers lived within Will County in 2008. It is estimated that another approximately 17% of Channahon's workforce resides in Grundy County and 10% resides in Cook County. Only 1.9% of Channahon's workforce lives in Kendall County.

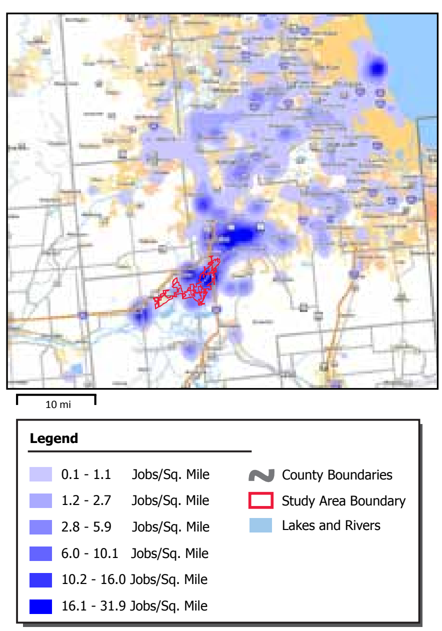
Figure 3 also highlights where residents of the Village of Channahon work within the region as measured by the number of jobs per square mile (See 'Commute Shed'). The commute shed data discussed here is from 2008 and is the most recent year for which this data is available. As with the labor shed, the Village's commute shed is somewhat concentrated in the Channahon-Minooka area and Joliet, but extends considerably into the western and northern suburbs of Chicago. In 2008, an estimated 4,695 Channahon residents held a primary job in the region. Approximately 7.1% of these people worked within the Village while another 18.4% and 8.2% were employed in Joliet and Chicago respectively. In 2008, Morris and Minooka businesses employed 3.6% and 3.1% of Channahon's labor force respectively. No other location has a significant proportion (3% or greater) of Channahon's labor force working within its boundaries. It is estimated that approximately 43.2% of the Village's labor force had jobs located within Will County and another 23.0% were employed in Cook County.

Figure 3. Labor Shed & Commute Shed (2008)

Labor Shed



Commute Shed



Employment by Industry

As shown in Table 11, it is estimated that nearly 7,500 people are employed within the Village of Channahon and its planning area. Employment estimates indicate that the area has a diverse economic base and employment is spread throughout several industries. This diversity is also reflected in the variety of major employers highlighted in Table 12. The largest employers in the area represent a range of industries including health services, education, warehousing and distribution, chemical manufacturing, plastics manufacturers, and a variety of manufacturing businesses.

- Despite an overall decline in manufacturing throughout the nation and region, Manufacturing sector businesses employ over 12.3% of the civilian employment base in the Channahon area. This is higher than the manufacturing employment share for the larger region which is estimated at 9%. ExxonMobil is the largest manufacturing employer within Channahon, employing approximately 560 at its Durkee Road facility.
- The Health Care and Social Assistance sector employs approximately nearly 1,100 (14.2% of total employment) within the Channahon area while another 782 (10.5% of total employment) are employed in Educational Services sector.
- An estimated 9.7% of Channahon area jobs are in the Retail Trade industry. This is similar to the larger northeastern Illinois region's estimated 10% of total jobs in Retail Trade industry.

Table 11. Employment by Industry
(Employed Civilians, Age 16+)
Village of Channahon Planning Jurisdiction, 2010

Total	*7,445*	*100.0%*
Health Care / Social Assistance	1,057	14.2%
Manufacturing	916	12.3%
Educational Services	782	10.5%
Retail Trade	722	9.7%
Construction	588	7.9%
Accommodation / Food Services	484	6.5%
Transportation / Warehousing	402	5.4%
Utilities	372	5.0%
Finance / Insurance	328	4.4%
Other Services	328	4.4%
Professional, Scientific & Technical Svcs.	298	4.0%
Arts / Entertainment / Recreation	231	3.1%
Wholesale Trade	223	3.0%
Public Administration	223	3.0%
Admin., Support &Waste Mgmt. Svcs.	208	2.8%
Information	156	2.1%
Real Estate / Rental / Leasing	89	1.2%
Agriculture, Forestry, Fishing & Hunting	22	0.3%
Mgmt. of Companies / Enterprises	7	0.1%
Mining	7	0.1%

Source: ESRI Business Analyst

Table 12. Major Employers
Village of Channahon & Surrounding Area
December 2010

Business	Employees
Provena St. Joseph Medical Center	2,400
Caterpillar	2,000
Empress Casino	1,675
Joliet Junior College	710
Lyondell	575
ExxonMobil	560
Stepan Company	400
Ecolab, Inc.	400
BP Amoco	350
Alcoa Engineered Products	250
Smurfit-Stone Container	180
BASF Corp.	150
Akzo Nobel Chemicals	135
Loders Croklaan	125
Dow Chemical Co.	120
Romar Cabinet and Top Co.	85
Aux Sable Liquid Products	60
MetalStamp	42
Northern Illinois Steel	40
Packard Transport	40
ComEd	31
Coleman Chemical	30
A & R Transport	26

Source: Village of Channahon

Employment Projections

While detailed employment projections are not available for the Village of Channahon, data at the regional scale has been assessed to identify general trends in employment growth. Table 13 provides 2006 estimates and 2016 projections (the most current data available) for employment by industry within Grundy and Will Counties.

- Total employment within the region is projected to grow by more than 23,000 jobs, or 11.0%, during the ten year period from 2006 to 2016.
- It is estimated that the Health and Social Assistance industry will have experienced the most growth over this period, gaining 5,400 jobs, a 29% increase.
- Employment within Arts, Entertainment and Recreation is projected to grow by 26% (1,300 jobs) between 2006 and 2016. Establishments in this sector include those related to performing arts, sports, amusements, gambling and recreation.
- It is anticipated that the Educational Services sector and will grow by approximately 18.8%, gaining 4,100 jobs while the Accommodation and Food Services sector will gain 2,600 jobs (a 16.4% increase).
- Manufacturing is projected to lose 1,900 jobs, a decrease of 8.9%, between 2006 and 2016. This decline is not as significant as that of the larger northeastern Illinois region which is projected to lose 11.1% of all jobs in manufacturing, a sector which will come to make up less than 8% of all employment.
- Employment within Administrative & Waste Management Services is projected to grow by 17.5% (1,900 jobs) between 2006 and 2016. Establishments in this sector specialize in performing routine support activities for the day-to-day operations of other organizations. Activities performed by these businesses include office administration, hiring and placing of personnel, document preparation and similar clerical services, solicitation, collection, security and surveillance services, cleaning, or waste disposal services.
- Other industries projected to grow significantly include Retail Trade (2,100 jobs, 7.9% growth); Construction (1,900 jobs, 10.5% growth); and Transportation, Warehousing & Utilities (1,700 jobs, 12.3% growth).

Employment by Industry

Table 13. Employment Projections by Industry
Grundy & Will Counties, 2006 & 2016

Industry (NAICS Code)	2006 Jobs	2006 Percent	2016 Jobs	2016 Percent	Change: 2006 - 2016 Jobs	Change: 2006 - 2016 Percent	Change: 2006 - 2016 CAGR
Total Nonfarm	*212,764*	*100.00%*	*236,183*	*100.00%*	*23,419*	*11.01%*	*1.05%*
Self Employed and Unpaid Family Workers (10)	5,885	2.77%	6,228	2.64%	343	5.83%	0.57%
Agricultural Production (11)	1319	0.62%	1222	0.52%	-97	-7.35%	-0.76%
Natural Resources and Mining (21)	372	0.17%	366	0.15%	-6	-1.61%	-0.16%
Construction (23)	17,703	8.32%	19,567	8.28%	1,864	10.53%	1.01%
Manufacturing, Total (30)	*21,418*	*10.07%*	*19,522*	*8.27%*	*-1,896*	*-8.85%*	*-0.92%*
Food Manufacturing (311)	1,913	0.90%	1,873	0.79%	-40	-2.09%	-0.21%
Beverage and Tobacco Product Mfg. (312)	224	0.11%	200	0.08%	-24	-10.71%	-1.13%
Textile Product Mills (314)	61	0.03%	53	0.02%	-8	-13.11%	-1.40%
Apparel Manufacturing (315)	7	0.00%	4	0.00%	-3	-42.86%	-5.44%
Wood Product Manufacturing (321)	467	0.22%	463	0.20%	-4	-0.86%	-0.09%
Paper Manufacturing (322)	1,051	0.49%	887	0.38%	-164	-15.60%	-1.68%
Printing & Related Support Activities (323)	851	0.40%	710	0.30%	-141	-16.57%	-1.80%
Chemical Manufacturing (325)	3,366	1.58%	3,172	1.34%	-194	-5.76%	-0.59%
Plastics and Rubber Products Mfg. (362)	1,587	0.75%	1,527	0.65%	-60	-3.78%	-0.38%
Nonmetallic Mineral Product Mfg. (327)	1058	0.50%	967	0.41%	-91	-8.60%	-0.90%
Primary Metal Mfg. (331)	478	0.22%	284	0.12%	-194	-40.59%	-5.07%
Fabricated Metal Product Mfg. (332)	2,170	1.02%	1,900	0.80%	-270	-12.44%	-1.32%
Machinery Mfg. (333)	3,478	1.63%	3,308	1.40%	-170	-4.89%	-0.50%
Computer and Electronic Product Mfg. (334)	1,140	0.54%	964	0.41%	-176	-15.44%	-1.66%
Electrical Equip, Appliance & Comp. Mfg. (335)	251	0.12%	186	0.08%	-65	-25.90%	-2.95%
Transportation Equipment Mfg. (336)	372	0.17%	357	0.15%	-15	-4.03%	-0.41%
Furniture and Related Product Mfg. (337)	1,272	0.60%	1,202	0.51%	-70	-5.50%	-0.56%
Misc. Manufacturing (339)	484	0.23%	413	0.17%	-71	-14.67%	-1.57%
Wholesale Trade (42)	10,611	4.99%	11,034	4.67%	423	3.99%	0.39%
Retail Trade (44)	26,775	12.58%	28,899	12.24%	2,124	7.93%	0.77%
Transportation & Warehousing & Utilities (46)	13,559	6.37%	15,226	6.45%	1667	12.29%	1.17%
Information (51)	3,251	1.53%	3,192	1.35%	-59	-1.81%	-0.18%
Finance and Insurance, Total (52)	5,126	2.41%	5,622	2.38%	496	9.68%	0.93%
Real Estate and Rental and Leasing (53)	2,120	1.00%	2,310	0.98%	190	8.96%	0.86%
Professional, Scientific & Tech. Services (54)	6674	3.14%	7,294	3.09%	620	9.29%	0.89%
Management of Companies and Enterprises (55)	935	0.44%	1,032	0.44%	97	10.37%	0.99%
Administrative & Waste Mngmnt. Services (56)	10,699	5.03%	12,569	5.32%	1,870	17.48%	1.62%
Educational Services, Private & Public (61)	21,956	10.32%	26,092	11.05%	4,136	18.84%	1.74%
Health Care & Social Assistance (62)	18,694	8.79%	24,066	10.19%	5,372	28.74%	2.56%
Arts, Entertainment and Recreation (71)	4,970	2.34%	6,280	2.66%	1,310	26.36%	2.37%
Accommodation and Food Services (72)	15,973	7.51%	18,585	7.87%	2,612	16.35%	1.53%
Personal & Other Services (81)	9872	4.64%	11126	4.71%	1254	12.70%	1.20%
Federal Government (91)	190	0.09%	160	0.07%	-30	-15.79%	-1.70%
State Government (92)	2,903	1.36%	2,785	1.18%	-118	-4.06%	-0.41%
Local Government (93)	11,759	5.53%	13,005	5.51%	1,246	10.60%	1.01%

Source: Illinois Department of Employment Security; Houseal Lavigne Associates

Target Industries

A combination of fast employment growth (in both absolute and relative terms) and a high employment concentration (referred to as a location quotient) have been assessed to identify industries that may have a competitive advantage within Channahon. A location quotient (LQ) is a measure that is used to gauge the employment concentration of a particular industry within a study area as compared to a larger region. In this instance, Channahon's 2010 percent employment by industry has been compared to percent employment for the region of Grundy and Will Counties for both 2006 and 2016 (the most recent years for which data is available).

The LQ of industries within an area can reveal what makes that particular geography unique in comparison to the regional average. A LQ value of greater than 1 indicates that a study area has more jobs in a given industry than is typical for the region. Conversely, a value of less than 1 indicates that while the industry is important to the local economy, its impact is not as great.

The LQ value for each industry has been viewed in relation to total employment and projected growth to classify industries into one of three types: Potentially Emerging, Important Growth, and Mature. Table 14 identifies industries of each type within the Village of Channahon and its surrounding planning area. Those not classified do not exhibit pronounced patterns of concentration or employment growth.

Table 14. Target Industries
Village of Channahon Planning Jurisdiction

	Channahon			Grundy-Will County Employment Growth (2006-2016)	
	Employment	Location Quotient[1]			
Industry	2010	2006	2016	Jobs	Percent
Health Care & Social Assistance	1,057	1.7	1.5	5,372	28.7%
Manufacturing	916	1.3	1.6	-1,896	-8.9%
Educational Services	782	1.1	1.0	4,136	18.8%
Transportation, Warehousing & Utilities	774	1.7	1.7	1,667	12.3%
Retail Trade	722	0.8	0.8	2,124	7.9%
Construction	588	1.0	1.0	1,864	10.5%
Accommodation & Food Services	484	0.9	0.9	2,612	16.4%
Finance & Insurance	328	1.9	2.0	496	9.7%
Other Services	328	1.0	1.0	1,254	12.7%
Professional, Scientific & Technical Svcs.	298	1.4	1.4	620	9.3%
Arts, Entertainment & Recreation	231	1.4	1.2	1,310	26.4%
Wholesale Trade	223	0.6	0.7	423	4.0%
Public Administration	223	0.5	0.5	1,098	7.4%
Admin., Support & Waste Mgmt. Svcs.	208	0.6	0.6	1,870	17.5%
Information	156	1.5	1.7	-59	-1.8%
Real Estate, Rental & Leasing	89	1.3	1.3	190	9.0%
Natural Resources & Mining	29	2.4	2.7	-6	-1.6%
Mgmt. of Companies & Enterprises	7	0.2	0.2	97	10.4%

[1] Location Quotient = [Channahon 2010 Employment %] divided by [Grundy-Will County 2006 and 2016 Employment %]

= Important Growth Industry
= Potentially Emerging Industry
= Mature Industry

Source: ESRI Business Analyst

Market Implications

- ***Potentially Emerging Industries*** are characterized by strong growth, but a weak concentration of employment. Industries that are considered potentially emerging within the Channahon area include Accommodation & Food Services and Arts, Entertainment & Recreation. The number of local jobs in these industries is on par with the larger region, but significant growth indicates that additional businesses within these clusters are likely to emerge.

- ***Important Growth Industries*** are characterized by a strong concentration and fast employment growth. Industries within this category include Health Care & Social Assistance and Transportation, Warehousing & Utilities. Both of these industries have high location quotients of near 1.7 and are projected to grow by 5,400 and 1,700 jobs respectively. The Health Care and Social Assistance industry is the fastest growing industry in the region. Meanwhile, Channahon's proximity to two expressways and freight rail lines and the availability of developable land would likely be attractive to transportation and warehousing users which are typically land intensive.

- ***Mature Industries*** are characterized by a strong concentration, but moderate employment growth. The Manufacturing industry is classified as the only mature industries within the Channahon area. Despite a long-term decline in manufacturing throughout the nation and Chicago region, manufacturing has remained significant within the Channahon area. While this industry is projected to experience decline between 2006 and 2016, the locational advantages of Channahon may limit the decline in local manufacturing employment.

While the overall regional labor force is stable and growing, employment projections indicate that manufacturing employment will continue to decline through the year 2016. Despite a decline in manufacturing, the Channahon area has maintained a diverse economic base with significant employers in several industries. Moreover, both the labor and commute shed data highlight the Village of Channahon's connection to the larger region and fast growing Will County in particular.

Despite near term losses in employment, projections indicate that Channahon is located in a growing area with regard to employment. Given its diverse economy and growing industries, Channahon is well positioned to capture new jobs being created in Grundy and Will Counties through the year 2016. The concentration of manufacturing, health care and transportation and warehousing industries in the area may represent the strongest assets on which to build future economic growth and development.

Standalone office development is not typical for the Channahon area. The majority of office space available for lease in Channahon and neighboring Minooka is located in small, in-line commercial spaces and single story office suites. Office uses in Channahon are primarily service oriented and adjacent to retail uses. With the exception of medical offices, such as the Morris Hospital Ridge Road campus or the offices at 25259 S Reed Street, office space is likely to remain focused on personal and business services for the local population and continue to be marketed alongside retail space.

Given recent trends in employment, there may be demand for office space from users in the Health and Social Assistance; Professional, Scientific & Technical Services; Real Estate, Rental & Leasing; Management of Companies and Enterprises; and Finance and Insurance industries. At an average of between 175 and 250 square feet of office space per worker, these five industries may combine to create additional demand in Grundy and Will Counties for between 1.36 million and 1.19 million square feet of office space between 2006 and 2016.

Suburban Chicago Office Market

Channahon is located on the southern edge of the suburban Chicago office market. As defined by NAI Hiffman, a nationally recognized provider of commercial real estate data, the submarket closest to Channahon is the I-55 Corridor submarket which includes areas along I-55 as far north as Burr Ridge and as far south as Romeoville. Activity occurring in this area is most representative of larger trends having an impact on office uses in Channahon.

Table 15 summarizes key office market statistics, as of third quarter 2010, for the I-55 Corridor submarket, the East-West Corridor (I-88) to the north, and the Chicago suburban office market as a whole. Rental information is provided for all properties within each suburban submarket. Average lease rates are also included as an indicator of relative demand for office space in the I-55 Corridor submarket compared to the larger region. Chart 9 illustrates vacancy and absorption within the region between third quarter 2007 and the third quarter of 2010.

Table 15. Office Market Characteristics
Suburban Chicago Market, 3Q 2010

Submarket	Office Buildings	Market Size (sf)	Direct Vacancy	YTD Net Absorption (sf)	Under Construction (sf)	Average Asking Rent (psf)
I-55 Corridor	*87*	*4,035,255*	*12.8%*	*-18,582*	*0*	*$20.15*
Class A	11	698,578	11.4%	-31,618	0	$22.10
Class B	57	2,685,974	13.7%	19,549	0	$20.16
Class C	19	650,703	10.7%	-6,513	0	$16.20
East-West Corridor	*664*	*42,710,999*	*21.0%*	*-577,849*	*263,014*	*$20.38*
Class A	141	20,870,182	21.8%	-588,821	245,000	$22.72
Class B	346	16,844,042	21.5%	45,580	18,014	$19.02
Class C	177	4,996,775	16.4%	-34,608	0	$16.28
North Suburban	526	29,955,140	17.3%	-35,578	425,000	$20.38
Northwest Suburban	585	33,763,046	24.9%	-57,206	0	$20.22
O'Hare Area	172	15,335,637	23.6%	150,642	0	$20.38
Suburban Total	*2,034*	*125,800,077*	*21.2%*	*-538,593*	*688,014*	*$20.38*
Class A	422	63,394,529	21.3%	-137,955	670,000	$22.10
Class B	1,086	49,785,273	22.8%	-313,683	18,014	$21.33
Class C	526	12,620,275	14.8%	-86,955	0	$16.75

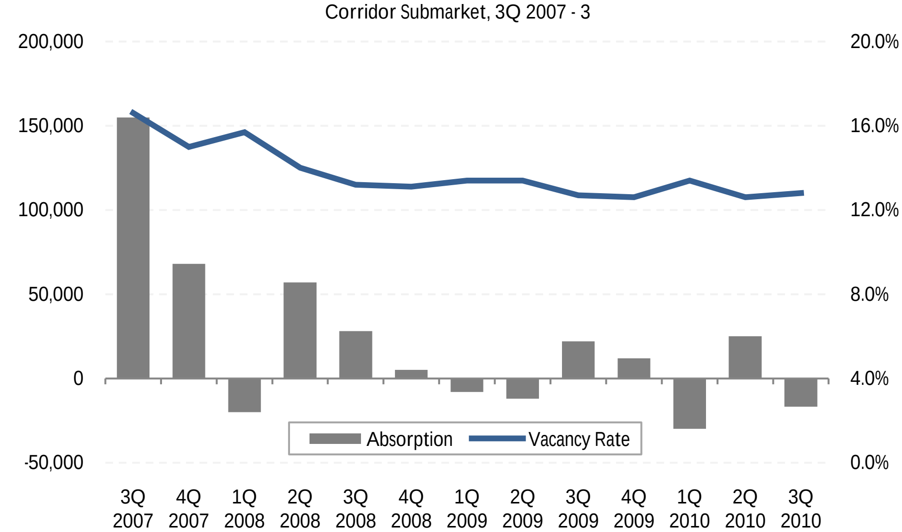
Source: NAI Hiffman

Office Vacancy & Absorption

Despite a regional trend of increasing vacancy rates and negative absorption over the last several years, the I-55 Corridor has remained stable with decreasing vacancies and limited shifts in absorption. Rents have also remained close to the regional average.

- The I-55 Corridor submarket has a total inventory 4.04 million square feet and is the smallest submarket within the region, composing 3.2% of all inventory.
- Direct vacancy rates within the suburban market as a whole are at a ten year high of approximately 21.2% in third quarter 2010. However, direct vacancy within the I-55 Corridor submarket has decreased to nearly a three year low of 12.8%, the lowest in the region.
- Approximately two-thirds of the space in the I-55 Corridor submarket is in Class B buildings where rents average $20.16 per square foot and vacancy is slightly more than 14%. In other suburban submarkets, Class B buildings make up between 49% and 57% of total inventory.
- In the third quarter of 2010, the average asking lease rate for office space in the I-55 Corridor submarket was $20.15 per square foot. While this rate is the lowest in the region, it is still comparable to the average asking rent of $20.38 among all properties in the Chicago suburban market.
- Absorption has been flat in the I-55 Corridor submarket since mid-2008, with several periods of negligible positive and negative absorption. Three of the four lease transactions occurring in the third quarter of 2010 were for spaces slightly less than 6,000 square feet.

Chart 9. Office Vacancy and Absorption
Corridor Submarket, 3Q 2007 - 3



Office Market Implications

Although the I-55 Corridor is small, this office submarket is stable and performing better than other areas with regard to overall vacancies. The amount of available space and negative absorption occurring in the larger Chicago market, however, decreases the likelihood of new speculative office construction in the near- to mid-term. Any activity will likely be in the form of a build-to-suit project for a specific end user. Regardless, with access to two interstates (I-55 and I-355) and a large inventory of Class B space, the I-55 Corridor remains an affordable alternative to the nearby and much larger East-West Corridor submarket.

While in-line office space will remain predominant in the market, a realignment of the US Route 6 and I-55 interchange may have the largest impact on long-term office development in Channahon. The area surrounding the interchange is best situated for business park office uses that do not currently exist in the community. Given Channahon's location on the far southern edge of the suburban Chicago office market and the community's strength within the industrial market, office space will likely be most marketable as flex space within a business park environment where research and development, light manufacturing, and warehousing and distribution may also occur.

Industrial Market Analysis

The Chicago industrial market is the second largest within the country by inventory with over 1.5 billion square feet of industrial space. Channahon is located in the I-80/Joliet Corridor submarket of the Chicago region. Table 16 includes information regarding total inventory, availability, construction activity, and lease rates for industrial space in the I-80/Joliet Corridor submarket, the I-55 Corridor submarket to the north, and the greater Chicago industrial market as a whole.

- The I-80/Joliet Corridor submarket has an inventory of over 62.4 million square feet which compose 5.2% of the larger Chicago market.
- In the third quarter of 2010, the vacancy rate of 17.7% for the I-80/Joliet Corridor submarket was higher than that of the larger region (11.8%). This rate was third highest among the metro area's 21 submarkets, at lower than the I-57/Will Corridor submarket (23%) to the east and the I-30 Corridor submarket (19.6%) to the far west.
- The I-80/Joliet Corridor submarket was one of only a handful of submarkets with industrial space under construction. Nearly 218,000 square feet were under construction in the third quarter of 2010.
- Channahon was the location of the I-80/Joliet Corridor submarket's biggest sale transaction in the third quarter of 2010. Siwin Corporation purchased a 167,282 square foot property at 23315 S Youngs Road for $3.05 million from Smurfit-Stone Container. Siwin specializes in plastic materials recycling and reprocessing.

Table 16. Industrial Market Characteristics
Chicago Market, 3Q 2010

Submarket	Buildings	Market Size (sf)	Vacancy	YTD Net Absorption (sf)	Under Construction (sf)
I-80 / Joliet Corridor	614	62,408,397	17.7%	249,307	217,712
I-55 Corridor	655	80,357,318	13.0%	410,470	53,000
Total	16,438	1,194,598,581	11.8%	-1,206,399	1,213,712

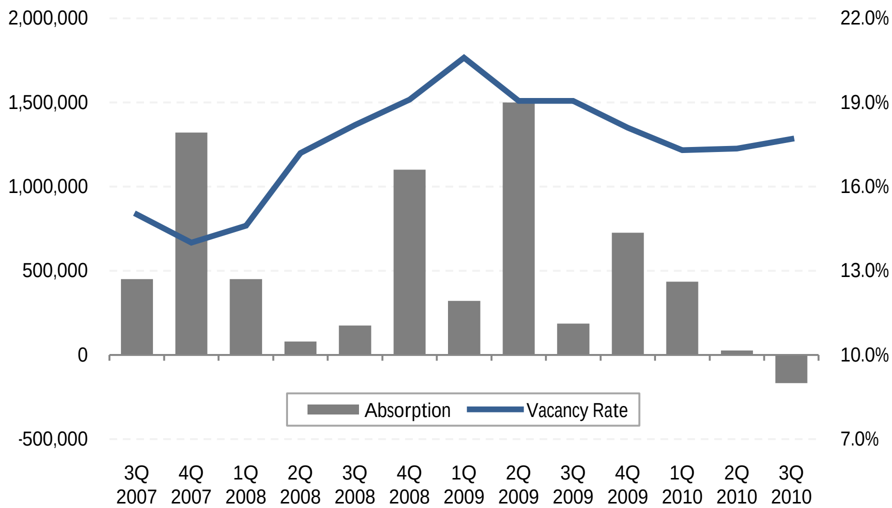
Source: NAI Hiffman

Industrial Vacancy & Absorption

Chart 10 illustrates vacancies and absorption within the I-80/Joliet Corridor industrial market between third quarter 2007 and third quarter 2010.

- Vacancies increased steadily from late 2007 to the first quarter of 2009, but have begun to slowly decline over the last year and a half to 17.7% in third quarter 2010.
- Absorption has been positive throughout the last three years with the exception of the third quarter of 2010 when absorption was at negative 168,031 square feet. Year-to-date absorption in the I-80/Joliet Corridor remains positive at 249,307 square feet.

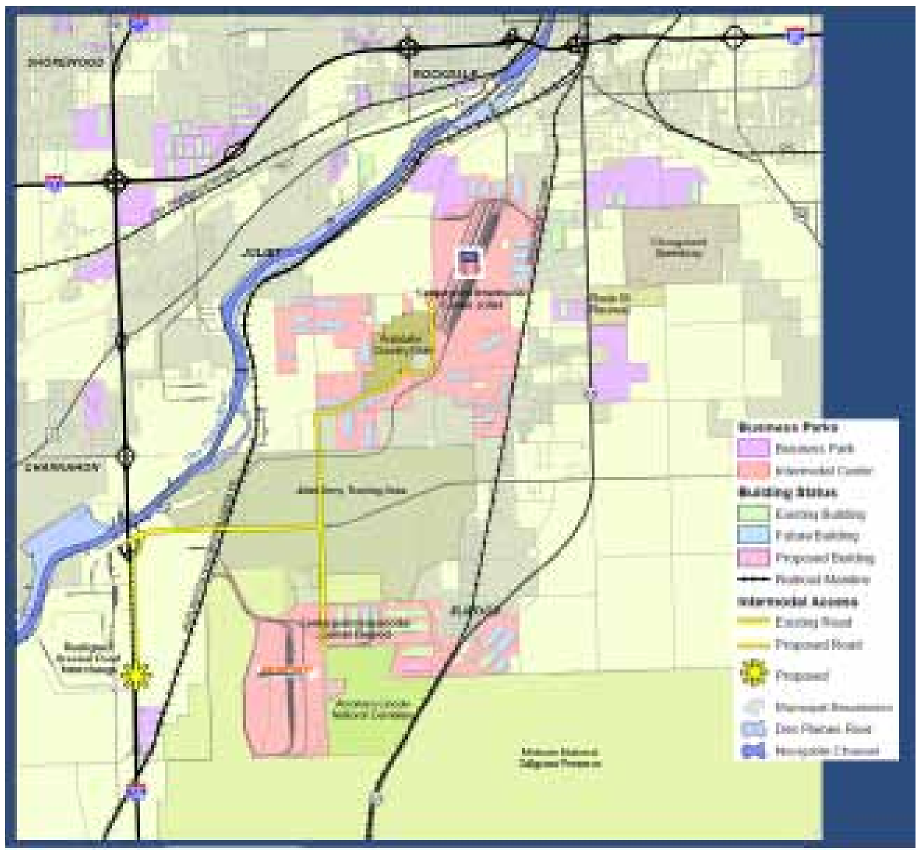
Chart 10. Indstrial Vacancy and Absorption
I-80 / Joliet Corridor Submarket, 3Q 2007 - 3



Inland Port Activity

Channahon is located less than five miles from two large intermodal facilities comprising 1,750 acres and serving approximately 3,700 acres of adjacent industrial park uses (See Figure 4). These two facilities, which total more than $3 billion in investments, underscore the appeal of western Will County as a transportation and warehousing hub. While Channahon cannot directly benefit from the intermodal facilities, the Village may be able to leverage these new facilities as a marketing spotlight for the Channahon area's locational advantage.

Figure 4. Centerpoint Intermodal Facilities – Will County



Source: Will County Center for Economic Development – Inland Port Impact Study

Channahon is located in a portion of Chicago's industrial market that has suffered from increasing vacancies, but has stabilized over the past two years. While there are sites available for development within Channahon and the surrounding planning area, it is anticipated that speculative industrial development will be minimal. As with the office market, build-to-suit projects will be the likely source of any future development in the near term.

While industrial development in general should be encouraged as a positive contributor to the local economy, the transportation and warehousing sector has gained momentum in the region. Industrial space in Will County has more than doubled in the last ten years, largely due to transportation and warehousing related users. Channahon has the potential to capitalize on this momentum moving forward with its large areas of developable land to the west, access to two interstates, navigable waterways, and rail access. The manufacturing sector also remains a significant component of the local job base and may prove to be a source of demand for additional industrial space in the future despite decline in the larger region.

5 Residential

The residential market analysis identifies anticipated residential development potential based on demographic trends and projections. The analysis also examined various characteristics of Channahon's existing housing stock in contrast with the shifting housing needs within the Village.

Housing Characteristics

Table 17 summarizes select housing characteristics for the Village of Channahon's housing stock. Data is from the 2005-2009 American Community Survey (US Census) and is the most current information available regarding the local housing stock. Since the previous census in 2000, over 1,500 housing units have been built in Channahon. New construction has been predominantly in the form of detached, single family housing and the proportion of multi-family housing in the community has decreased.

Overall, the most prominent type of housing in the Village is an owner-occupied, single family home with three bedrooms. Rental units make up a small portion of the local housing stock, but are split amongst single family homes and multi-family units.

Among the current housing stock, it is estimated that:

- Nearly 93% of all housing units in Channahon are owner-occupied.
- An estimated 90% of all owner-occupied housing units are single family detached homes.
- Approximately 43% of rental units are in single family detached homes while another 57% are in multi-family structures.
- Approximately 51% of owner-occupied units have three bedrooms while rental units range between one-bedroom (29%), two-bedroom (38%) or three bedroom (27%) units.
- Units in multi-family structures make up approximately 4.3% of all housing units in the Village.

Table 17. Housing by Tenure, Type & Number of Bedrooms
Village of Channahon, Illinois, 2005-2009 Average Estimate

Occupied Housing Units	*4,287*	*100.0%*
Owner Occupied	3,977	92.8%
Renter Occupied	310	7.2%

Units in Structure by Tenure		
Owner Occupied	*3,977*	*100.0%*
Single Family Detached	3,561	89.5%
Two Family	298	7.5%
Multi Family	8	0.2%
Mobile Home or Other	110	2.8%
Renter Occupied	*310*	*100.0%*
Single Family Detached	134	43.2%
Two Family	0	0.0%
Multi Family	176	56.8%
Mobile Home or Other	0	0.0%

Number of Bedrooms by Tenure		
Owner Occupied	*3,977*	*100.0%*
Studio	0	0.0%
One Bedroom	9	0.2%
Two Bedrooms	445	11.2%
Three Bedrooms	2,106	53.0%
Four Bedrooms	1,266	31.8%
Five+ Bedrooms	151	3.8%
Renter Occupied	*310*	*100.0%*
Studio	0	0.0%
One Bedroom	90	29.0%
Two Bedrooms	119	38.4%
Three Bedrooms	84	27.1%
Four Bedrooms	17	5.5%
Five+ Bedrooms	0	0.0%

Source: US Census; Houseal Lavigne Associates

Housing Age

Table 18. Age of Housing Structure Village of Channahon		
Year Built	*Number*	*Percent*
1939 and Earlier	149	3.4%
1940 - 1949	13	0.3%
1950 - 1959	235	5.4%
1960 - 1969	372	8.5%
1970 - 1979	594	13.6%
1980 - 1989	110	2.5%
1990 - 1999	1,380	31.5%
2000 - 2004	1,076	24.6%
2005 or Later	451	10.3%
Total	*4,380*	*100%*

Source: US Census; Houseal Lavigne Associates

As indicated in Table 18, the majority of the housing stock within the Village has been constructed since 1990. Almost as many housing units were constructed in the 1990's as had been built in the previous six decades combined.

- Prior to 1990, the 1970s represented the largest growth in local housing with 408 units, representing 9.9% of the current total.
- An estimated 1,380 units, representing nearly one-third of all housing units in Channahon, was constructed between 1990 and 1999.
- Another 25% of all units in the Village (1,076 units) were constructed between 2000 and 2004.
- Approximately 1,527 units have been constructed in the Village since 2000.

Table 19. New Residential Construction Permits
PMA & SMA Communities, 2005 - 2009

Single Family Detached	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
PMA Total	*191*	*194*	*216*	*807*	*895*	*722*	*345*	*98*	*83*	*40*
Channahon	147	152	152	229	267	311	170	52	22	10
Minooka	44	42	64	578	628	411	175	46	61	30
SMA Total	*218*	*254*	*412*	*512*	*504*	*671*	*524*	*316*	*148*	*106*
Braidwood	33	54	52	54	84	81	50	35	18	9
Elwood	50	21	22	46	32	19	27	6	1	0
Morris[1]	34	20	*44*	*46*	*47*	*40*	*30*	*19*	*14*	*12*
Shorewood	101	159	294	366	341	531	417	256	115	85
Grundy County	154	173	220	782	821	525	342	135	106	52
Will County	5,977	6,775	7,757	8,661	7,410	7,957	5,504	2,753	1,136	452

Multi Family Detached	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
PMA Total	*121*	*100*	*68*	*40*	*7*	*0*	*0*	*15*	*18*	*0*
Channahon	103	86	50	40	7	-	-	15	18	-
Minooka	18	14	18	-	-	-	-	-	-	-
SMA Total	*57*	*51*	*81*	*137*	*143*	*78*	*75*	*53*	*49*	*30*
Braidwood	12	-	6	16	27	14	11	-	-	-
Elwood	-	27	-	-	-	-	6	-	-	-
Morris[1]	23	24	*50*	*65*	*54*	*62*	*58*	*53*	*49*	*30*
Shorewood	22	-	25	56	62	2	-	-	-	-
Grundy County	41	49	55	101	22	4	36	6	12	0
Will County	678	346	471	409	339	60	330	53	70	51

[1] *Reported data is not available for Morris between 2002 and 2009. Data shown is an estimate based on reported data previous years and imputed estimates.*

Source: US Census; Houseal Lavigne Associates

Building Activity

Data for new construction permits for residential units were gathered for the Primary Market Area (PMA) communities of Channahon and Minooka. Data was also collected for the nearby communities of Braidwood, Elwood, Morris, and Shorewood. These communities are collectively referred to as the Secondary Market Area (SMA). Table 19 compares permitting activity for both single family detached and multi-family (including single family attached) units in the PMA and SMA communities.

As shown in Chart 11, permitting activity for single family homes increased greatly within both the PMA and SMA communities. Permitting activity for multi-family units, which make up approximately 9% of all PMA units permitted and 17% of all SMA units permitted, and decreased only slightly since 2000.

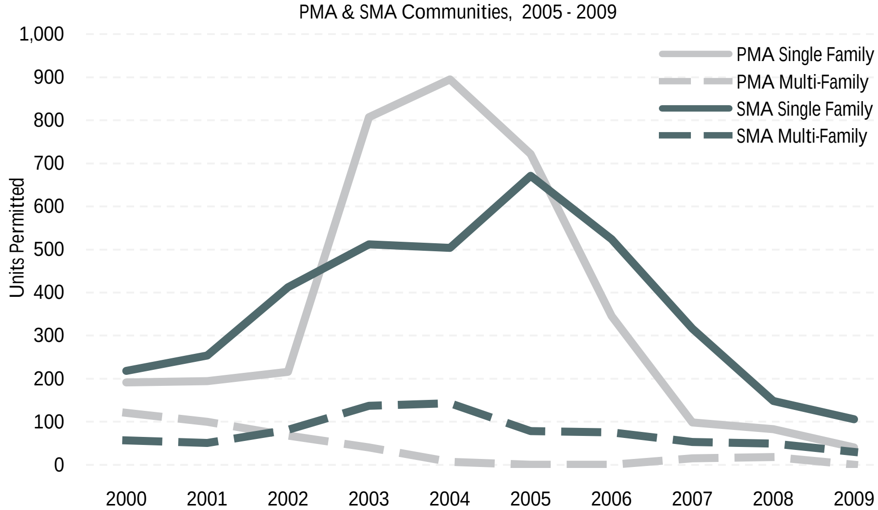
PMA Communities

- Between 2000 and 2005, single family permitting activity increased from 191 to 722 units. This represents an increase of 278%.
- Total permitting activity within Channahon and Minooka has fallen from 722 units in 2005 to 40 units in 2009.
- Since 2007, declines in single family permitting activity have not been as great. Between 2007 and 2009, activity decreased by 58 units and 59%.
- Multi-family permitting activity within Channahon and Minooka was at its height between 2000 and 2003 when an average of 82 units were permitted. Since 2003, an average of seven multi-family units has been permitted each year.

SMA Communities

- The total number of permits issued among SMA communities has declined by 82% from 749 units in 2005 to 136 units in 2009.
- Total permitting activity decreased most significantly between 2006 and 2007 when the number of units permitted dropped from 599 to 369.
- Multi-family permitting activity among SMA communities was at its height in 2003 and 2004 when 137 and 143 units were permitted respectively.

Chart 11. New Construction Building Permits
PMA & SMA Communities, 2005 - 2009



Source: US Census; Houseal Lavigne Associates

Home Sales

In a healthy, stable market the characteristics of new development such as size, unit mix, and pricing serve as the best gauge for assessing housing affordability and demand within the local market. As demonstrated by permitting activity, new residential development has been limited in both PMA and SMA communities since 2007. Currently, there are a large number of homes available in the market and the gap between the sales prices of new homes and existing homes has decreased significantly. Data indicate that since 2009 new construction accounted for approximately 10% of all home sales in the Channahon and Minooka areas. Given the current downturn in the housing market, the resale of existing homes provides a basis for understanding housing costs and near term demand for residential development in the riverfront area.

Sales Trends by ZIP Code

The impact of the current downturn in the national housing market is made evident at the local level through decreases in both the number of home sales and the sales prices of those homes sold. Table 20 and Chart 12 illustrate change in single family home sales over the five year period between the first quarter of 2009 and third quarter of 2010 in the Village of Channahon and surrounding market area communities. Due to the structure of available data sources, ZIP codes have been used to approximate community boundaries. In instances where multiple ZIP codes exist within a community, only those that compose a significant portion of the community within proximity of the Village of Channahon have been utilized.

While seasonal patterns are evident in the quarterly data, there has been an overall decline in sales volume over the past two years while average sales price has remained relatively flat.

- In the PMA communities of Channahon and Minooka, year-to-date sales in third quarter 2010 were 22% lower than at the same point in time in 2009. Compared to 2009, year-to-date sales within the SMA are approximately 13% lower.
- Average home prices within the PMA and SMA have been comparable with the exception of the most recent quarter. In the third quarter of 2010, the average sales price of a home within the PMA was estimated at $190,000. This is approximately 40% less than that of homes in the SMA which had an estimated average sales price of $310,000.
- Despite an overall decline in sales volume, Channahon has maintained a steady share of total home sales among PMA and SMA communities. In 2009 and 2010 (year-to-date), home sales in the Village have made up between 17% and 18% of all combined sales among Channahon, Minooka and SMA communities.

NOTE: Data relating to multi-family home sales, including single family attached, were not included given the limited number of sales that took place between 2009 and 2010.

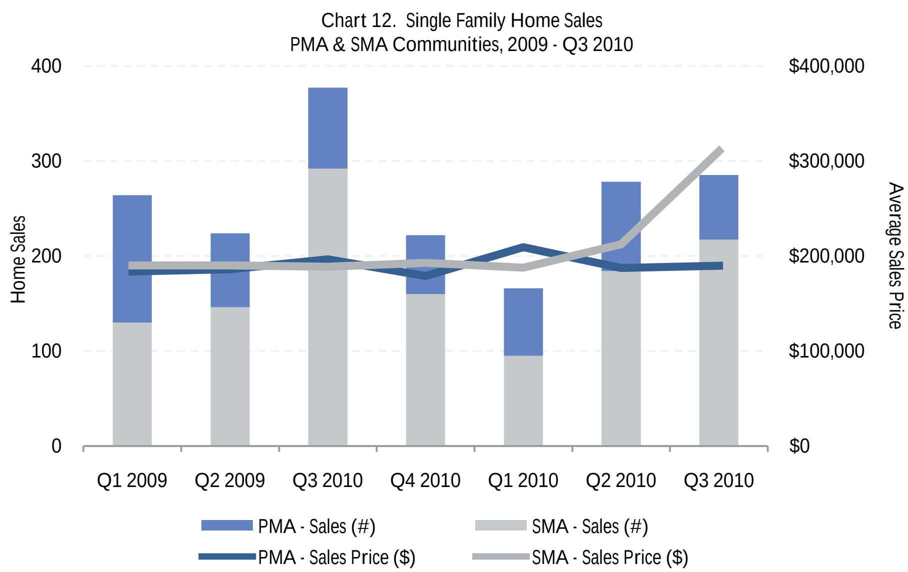


Table 20. Single Family Home Sales Statistics
Primary & Secondary Market Area Communities, 2009 - 3Q 2010

Median Sales Price

		Channahon (60410)	Minooka (60447)	Morris (60450)	Braidwood (60408)	Elwood (60421)	Shorewood (60404)
2009	Q1	-	$178,450	$150,000	$121,500	$150,175	$218,000
	Q2	$195,062	$178,000	$161,000	$143,042	$190,000	$214,900
	Q3	$212,250	$162,000	$165,000	$127,000	$197,500	-
	Q4	$180,500	$150,250	$147,500	$154,776	$227,500	$195,935
2010	Q1	$175,000	$168,750	$157,000	$129,008	$176,449	$198,000
	Q2	$177,200	$155,000	$178,500	$146,262	$181,925	$223,908
	Q3	$191,437	$160,000	$160,000	$158,666	$133,000	$297,536

Average Sales Price

		Channahon (60410)	Minooka (60447)	Morris (60450)	Braidwood (60408)	Elwood (60421)	Shorewood (60404)
2009	Q1	-	$183,809	$159,660	$124,944	162,992	$221,655
	Q2	$182,976	$189,818	$177,791	$134,559	204,410	$216,630
	Q3	$216,762	$177,228	$201,158	$135,496	225,273	-
	Q4	$190,278	$170,717	$166,183	$222,054	212,500	$199,690
2010	Q1	$208,294	$210,023	$210,055	$121,730	144,078	$215,081
	Q2	$182,339	$192,385	$204,106	$131,758	209,959	$247,724
	Q3	$212,753	$155,135	$172,732	$149,527	136,838	$385,228

Sales

		Channahon (60410)	Minooka (60447)	Morris (60450)	Braidwood (60408)	Elwood (60421)	Shorewood (60404)
2009	Q1	80	54	28	21	6	75
	Q2	45	33	52	20	19	55
	Q3	41	44	68	20	6	198
	Q4	26	36	49	20	6	85
2010	Q1	39	32	27	18	11	39
	Q2	46	48	66	29	8	81
	Q3	41	27	37	24	11	145

Source: OnBoard Informatics; Houseal Lavigne Associates

Rental Housing

It is estimated that 7% of Channahon's approximately 3,977 occupied housing units are rental units. Rental housing has become more predominant in the current housing market as a means of marketing homes originally intended as for-sale product. As such, rental housing may come to comprise a larger component of the Channahon housing stock.

As shown in Table 21, the median rent of $1,150 in Channahon (as of December 2010) is lower than rental rates in all PMA and SMA communities with the exception of Morris. Median rents range from $825 in Morris to $1,900 in Minooka. More than one-third of Channahon rental units have three bedrooms. In 2010, the typical three-bedroom rental units has a rent of $1,800.

Given an estimated 2009 median household income of $79,557 for the Village of Channahon, these rates appear to be relatively affordable. Housing is considered affordable if 30% or less of a household's gross annual income is spent on housing costs. With an income of $80,000, the typical Channahon household could afford to pay an estimated $1,990 per month for rent and utilities.

Table 21. Rental Market Statistics
Channahon Area Rental Properties, December 2010

	Median Rent				
Community	All	1 BR	2 BR	3 BR	4 BR
Channahon	*$1,150*	*$925*	*$1,150*	*$1,800*	*$1,875*
Elwood	$1,500	-	-	$1,500	$1,300
Minooka	$1,900	-	$1,175	$1,900	$2,000
Morris	$825	$588	$765	$1,550	$1,900
Shorewood	$1,400	$1,120	$1,300	$1,450	$2,100
Braidwood	$1,650	$1,500	$2,025	$1,775	$1,650

Source: Hotpads.com; Houseal Lavigne Associates

Housing Market Implications

Detached single family homes are likely to remain the predominant housing type within the Village and larger market area. Trends in permitting activity indicate that multi-family housing will remain a small component of the local housing stock. However, given the downturn in the for-sale housing market, rental housing may become a more significant component of the housing stock within the Channahon area.

Despite a decline in the number of sales, home prices have remained relatively stable over the past two years. Furthermore, single family homes within Channahon are priced similarly to those in the larger market area. There are currently 117 properties listed with the Multiple Listing Service of Illinois for the Village of Channahon. With an average of 15 sales per month within Channahon, this translates to an eight month inventory.

Demographic projections indicate that an additional 1,264 households will be locating in the Channahon and Minooka area over the next five years. Shifts in age and income composition anticipated to occur in connection with this growth indicate potential for additional for-sale, multi-family product targeted 'empty nester' households such as age restricted communities or senior housing development. While there are a significant number of single family homes for sale in the Village there are few multi-family units available. Not only would encouraging competitively priced multi-family development within Channahon help provide more attractive, affordable and convenient housing options for a changing population, but it may also offer the most effective means of expanding the customer base of existing businesses and future potential retailers.