

## **Establish a Market Supported Brand Position and Brand Promise**

The Route 171 Corridor is Lockport's signature 'Green Gateway' and should project the City's status as a high quality community.

## **Attract high quality investment and development**

One of the most attractive components of the study area is the amount of developable land that is west of the corridor. This land is well-positioned to accommodate new sustainable growth that, guided by utility extensions, annexations and zoning improvements, can serve Lockport's long-term economic interests.

## **Elevate the corridor's character**

Promote first class landscape, developments, roadway improvements, signage and branding to enhance the corridor's 'curb appeal' and elevate its profile in the investment community.

## 9 Key Community Stakeholder Takeaways

- *Entry level housing, of varying densities, is a critical land use for the future*
- *Access to Interstate 355 is the driver for development in this area*
- *There is an unrealized opportunity based on the proximity to the Romeoville Metra station*
- *Senior housing is an important market segment but needs to be close to other commercial or downtown amenities*
- *Downtown is a destination and this corridor could be the 'Green Gateway' into town*
- *The character of the corridor is rural. Residential development could refine the heavily landscaped nature of its appearance*
- *The history of the corridor is a foundation to build upon and multi-modal access (I-355, Metra, trails) is supportive of enhancing that legacy*
- *Focus retail on 159th Street, build the population in the Route 171 corridor*
- *Current asking prices are not aligned with market realities*

## Community Stakeholder Images



Route 171 interchange on I-355



Romeoville Metra Station



Downtown Lockport



Entry Market Housing



Landscaped/Buffered Residential Housing



Multi-Use Pathway

## 6 Key Resource Analysis Takeaways

- The study area is well positioned within the Des Plaines River Valley accessible to both Metra and Interstate 355 within 5 minutes (Figure 4)
- Key planning documents do not reflect shifts since the recession, creating mixed messages for private developers seeking a reasonable return on their investment
- Lockport is a one-sided market because of the significant non-residential uses west of the downtown (Figure 3)
- The land under County jurisdiction is not served by utilities, giving the City an opportunity to manage development and encourage annexation
- Much of the land is large lot residential and agricultural uses, making property consolidation, where appropriate, easier
- Low traffic counts limit the commercial opportunities (Figure 2)

## Resource Analysis Maps

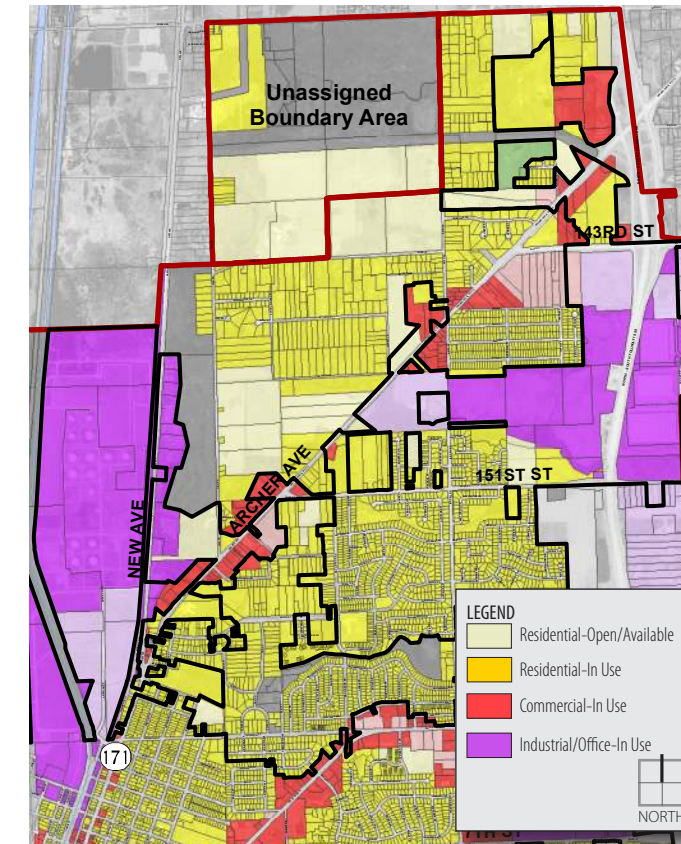


Figure 1: The City and County boundaries are a jigsaw puzzle along the corridor with significant low density residential in the County and more commercial in the City. The commercial nodes are clustered at High Road, Smith Road and I-355.



Figure 2: The Route 171 corridor has traffic counts that do not support the type of commercial development that the Comprehensive Plan envisions. Retailers prefer counts greater than 20,000 ADT, almost twice the current volume.

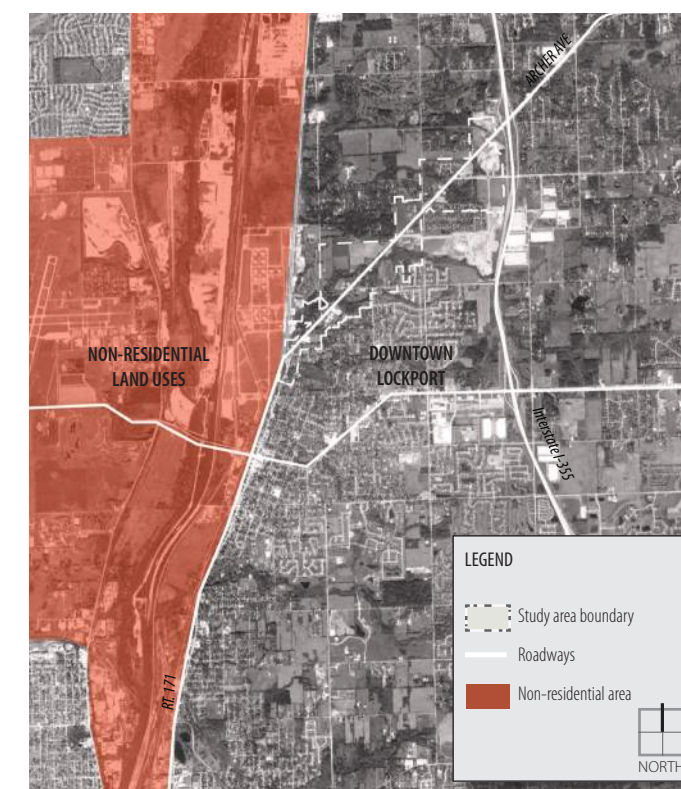


Figure 3: The City's retail and commercial market is challenged by the one-sided nature of the surrounding topography and land use. Industry, canals/rivers, Lewis University, open spaces and the Stateville complex cover all of the areas west of the city, making Lockport's commercial developments mostly dependent on local Lockport patrons east of the Sanitary and Ship canal.

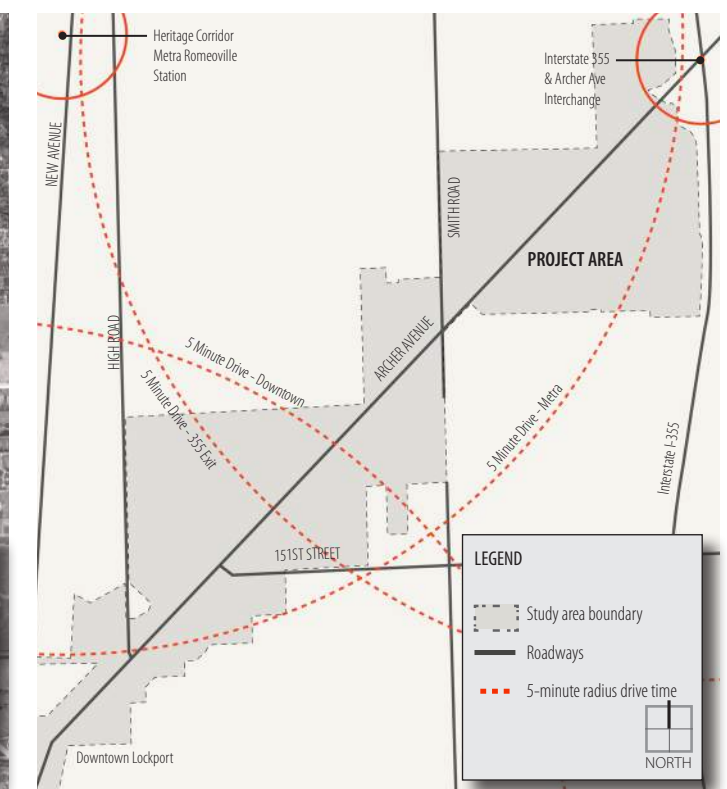


Figure 4: The study area, and the land north of Archer, is well positioned within 5 minutes of the Romeoville Metra Station (Heritage Corridor line) and the Archer Avenue/Interstate 355 interchange, two major transportation connections that few other communities in the region can boast.

## 5 Key Market Analysis Takeaways

- *Within 30 minutes, residents can have access to 800,000 jobs and nearly \$3B in restaurant spending, supporting the benefits of the existing transportation connections*
- *Low density per square mile offers the potential for increases in appropriate areas to improve traffic volumes, increase commercial opportunity and provide another lane to support Lockport's business community*
- *Focusing on medium-density (similar to the R-2, R-3 or R-4 District) residential development can significantly increase EAV while limiting impacts to schools because of the fewer number of students generated by those development types*
- *The majority of the homes in the study area were built between 1950 to 1979, neither historic or new, and on large lots, creating an opportunity for redevelopment*
- *Tax receipts slightly exceed resident spending because out-of-town customers spend within the community, especially in the agriculture and manufacturing sector, providing an opportunity to target revenue-generating uses in business parks*

## Market Analysis Tables

**Figure 5: Housing Age**

|             | Lockport | Study Area |
|-------------|----------|------------|
| Before 1950 | 12.0%    | 24.7%      |
| 1950-1979   | 29.5%    | 45.8%      |
| 1980-1999   | 23.8%    | 19.6%      |
| Since 2000  | 35.3%    | 9.9%       |

Source: 2017 Experian, Inc. All rights reserved, Alteryx, Inc., BDI

**Figure 6: 30 Minute Drive Time**

|                          |                 |
|--------------------------|-----------------|
| Total Population         | 1,523,964       |
| Average Household Income | \$111,805       |
| Median Household Income  | \$81,661        |
| Per Capita Income        | \$40,333        |
| Jobs                     | 792,734         |
| Restaurant Spending      | \$2,891,695,262 |

Source: 2017 Experian, Inc. All rights reserved, Alteryx, Inc., BDI

**Figure 7: Property Values**

|             | Acreage | %    | Equalized Assessed Value | %    | EAV/Acre  |
|-------------|---------|------|--------------------------|------|-----------|
| Residential | 2197.8  | 30.3 | \$540,642,059            | 84.2 | \$245,992 |
| Commercial  | 305.8   | 4.2  | \$61,801,979             | 9.6  | \$202,099 |
| Industrial  | 416.9   | 5.7  | \$39,532,000             | 6.1  | \$93,256  |
| Farm        | 947.1   | 13.1 | \$486,344                | 0.1  | \$514     |

Source: CMAP Community Profiles, BDI

**Figure 8: Existing Market Character**

|                                      | Lockport  | Study Area |
|--------------------------------------|-----------|------------|
| Total Population                     | 25,517    | 2,484      |
| Total Households                     | 9,054     | 978        |
| Population Density (per Square Mile) | 2,230     | 1,282      |
| Median Age                           | 37.6      | 41.5       |
| Renter Occupied Housing Units        | 18.5%     | 27.8%      |
| Average Household Income             | \$100,642 | \$89,028   |
| Median Household Income              | \$82,717  | \$67,095   |
| Per Capita Income                    | \$35,727  | \$35,050   |
| Jobs                                 | 7,274     | 1,265      |

Source: 2017 Experian, Inc. All rights reserved, Alteryx, Inc., BDI

**Figure 9: Markets**

| Industrial Market Submarket | Rentable Building Area (Sq. Ft.) | Availability Rate (%)    | Vacancy Rate (%)        | User Sales (Sq. Ft.)      | Leasing Activity (Sq. Ft.)               | Net Absorption YTD (Sq. Ft.)     | Under Construction (Sq. Ft.)  | Average Net Asking Lease Range (S/Sq. Ft./Yr) |   |
|-----------------------------|----------------------------------|--------------------------|-------------------------|---------------------------|--|----------------------------------|-------------------------------|---|---|
| Far SW Suburbs (14)         | 90,608,887                       | 10.7                     | 7.6                     | 171,919                   | 3,313,246                                | 649,885                          | 1,894,054                     | 3.75 to 6.00                                  |   |
| Joliet Area (17)            | 81,781,080                       | 14.2                     | 11.6                    | 136,736                   | 1,383,829                                | -54,436                          | 1,879,593                     | 3.25 to 4.50                                  |   |
| Chicago Metra Area Subtotal | 1,182,582,146                    | 5.4                      | 3.5                     | 4,916,539                 | 15,392,566                               | 6,287,152                        | 10,937,403                    | 5.13  |   |
| Office Market Submarket     | Rentable Building Area (Sq. Ft.) | Direct Vacant (Sq. Ft.)  | Direct Vacancy Rate (%) | Sublease Vacancy Rate (%) | Total Vacancy Rate (%)                   | Q1 2019 Net Absorption (Sq. Ft.) | 2019 Net Absorption (Sq. Ft.) | Under Construction (Sq. Ft.)                  | Gross Asking Lease Rates (S/Sq. Ft./Yr) |
| East-West Tollway           | 39,262,218                       | 6,417,585                | 16.3                    | 1.0                       | 17.3                                     | (73,868)                         | (73,868)                      | -   | \$23.76                                 |
| South Suburbs               | 2,311,411                        | 419,588                  | 18.2                    | 0.1                       | 18.2                                     | 43,633                           | 43,633                        | -   | \$14.47                                 |
| Total Suburban              | 102,909,660                      | 18,378,653               | 17.9                    | 0.9                       | 18.7                                     | 68,586                           | 68,586                        | -   | \$23.68                                 |
| Retail Market Submarket     | # of Properties                  | Gross Building (Sq. Ft.) | Vacant Area (Sq. Ft.)   | Vacancy Rate (%)          | Avg Asking Lease Range (S/Sq.Ft./Yr) LOW | HIGH                             |                               |   |   |
| Far S.W. Suburbs            | 39,262,218                       | 6,417,585                | 1,135,587               | 9.1                       | 17.82                                    | 20.64                            |                               |   |   |
| Total                       | 830                              | 138,573,491              | 15,991,746              | 11.5                      | 16.64                                    | 20.35                            |                               |   |   |
| Multi-Family Rental Market  | Smith Avenue                     | New Avenue               | Study Area              | Lockport                  |  |                                  |                               |   |   |
| Single Family               | 87.5%                            | 95.9%                    | 83.4%                   | 88.3%                     |  |                                  |                               |   |   |
| Rental %                    | 18.5%                            | 11.1%                    | 32.2%                   | 27.8%                     |  |                                  |                               |   |   |
| Single Family Rental        | 6.0%                             | 7.0%                     | 15.6%                   | 16.2%                     |  |                                  |                               |   |   |

Source: CBRE's 2nd Quarter 2019 Market report for the Chicago region



## Opportunities

Lockport's aspirations and resources combine with the market to define a number of opportunities that will strengthen investor interest and the community's overall marketplace profile. There are two major opportunities that emerged from the analysis.

### **Differentiate the Route 171 Corridor as a regional destination that provides the best access to Downtown Lockport**

Few Chicago metro area communities have the history and character that exists in Downtown Lockport and the 30-minute drive time market that surrounds it. Yet, it appears that the larger region recognizes neither Downtown Lockport's quality nor clearly understands the easiest way to travel there. The City can improve the image of Downtown and the community as a whole by investing in public improvements that strengthen the corridor's curb appeal and investment prospects. These investments include:

- **Create a signature CITY gateway at Interstate 355**
- **Construct a signature DOWNTOWN gateway at New and/or 2nd Street**
- **Build a multi-modal trail**
- **Consolidate and minimize curb cuts**
- **Bury power lines from New Avenue to 7th Street**

### **Capitalize on opportunities to capture property and sales tax revenue**

With recent changes in Illinois sales tax collection that provides municipal revenue from internet sales and the possibility of sales tax expansion to cover services, it is important to consider new market supported land use models for generating local sales tax revenue. This approach also prevents destructive competition with the growing commercial cluster on Lockport's 159th Street. Property values and, by extension, property tax revenues rise when market demand is met by apartments connected to amenities like convenience shopping and personal services. These amenities are ideally clustered in centralized locations with easy access such as major roadway intersections. Investments that capitalize on this opportunity include:

- **Encourage horizontal and vertical mixed-use development**
- **Complete Lockport's full residential life cycle**
- **Seek alternative warehouse users**
- **Promote desired development through managed growth**
- **Work with existing property and business owners to improve the condition and appearance of their developments**