

**AN INFORMATION BASE FOR AN UPDATE OF THE COMPREHENSIVE PLAN  
AND PRELIMINARY ECONOMIC DEVELOPMENT STRATEGIES FOR THE  
VILLAGE OF SHOREWOOD, ILLINOIS**

To

**VILLAGE OF SHOREWOOD**

From

**GRUEN GRUEN + ASSOCIATES**

*Urban Economists, Market Strategists & Land Use/Public Policy Analysts*

Submitted March 2021

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*APPLYING KNOWLEDGE  
CREATING RESULTS  
ADDING VALUE*

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**CHAPTER I**

**PRIMARY CONCLUSIONS AND RECOMMENDATIONS  
FOR ENHANCING THE ECONOMIC BASE AND  
UPDATING THE COMPREHENSIVE PLAN OF SHOREWOOD**

**INTRODUCTION – WHAT SUCCESSFUL COMMUNITIES DO TO ENHANCE PROSPERITY, QUALITY OF LIFE, AND THEIR ECONOMIC BASES**

Successful communities strategically select and implement policies to increase prosperity, quality of life, and their economic bases. These policies commonly include land-use regulations and provisions for infrastructure and services such as public safety and education and training that provide residents with knowledge and skills. Policy actions are tailored to local economic and social conditions, the political culture, and the needs of firms. Successful communities focus on creating favorable business climates and targeting economic sectors which derive comparative advantages from operating locally.

Public investments should help communities change and reorient themselves to provide services, amenities, building space, and mixes and scales of land uses that attract and hold the talented labor on which innovative companies depend, and increase location advantages (agglomeration economies) to firms, institutions, and talent.

In successful communities, business owners typically are consulted about their needs and any operational constraints that are within the ability of municipalities to influence. Infrastructure investments are made in consultation with the firms and industries that most depend on infrastructure assets. Training and skills programs are designed in partnership with local firms and institutions so that the programs are relevant and responsive to the needs of local employers. Finally, industries with significant staying power (or growing power) are supported by both the public and private sectors, rather than allocating scarce resources to prop up ailing firms or industries.

Communities can make prudently sized public investments in amenities and services that help attract and retain skilled residents. Successful communities require connection to nature and green space. A local example is the 445-acre Hammel Woods. The municipal basics for providing the conditions for innovation and improved quality of life also include transportation infrastructure, digital connectivity, a well-maintained public realm, and civic and social infrastructure. These conditions create an environment for firms and organizations to adapt and remain successful.

Schools of sufficiently high quality are one of the basics of place shaping and economic development. Improving the quality of education not only improves students' skills, but also helps communities attract and retain households that value high-quality education, creating a virtuous feedback mechanism. Communities with better-educated residents are better able to reinvent themselves to respond to change and competition.



# **An Information Base for an Update of the Comprehensive Plan and Preliminary Economic Development Strategies for the Village of Shorewood, Illinois**

## **HOW SHOREWOOD CAN CONTRIBUTE TO AND BENEFIT FROM A MORE PRODUCTIVE LOCAL ECONOMY**

Shorewood can contribute to and benefit from a more productive local economy through the update of the community's Comprehensive Plan and development of an economic development program to encourage:

- Multifamily rental units in mixed-use developments that appeal to Generation Y (also known as millennials);
- Office or flex space close to shopping, restaurant, and entertainment venues and integrated if feasible to do so with multi-family uses; and
- Distribution and industrial space to capture demands associated with shifts in patterns of goods movement and labor availability.

## **ENCOURAGE MULTIFAMILY RENTAL UNITS IN MIXED-USE DEVELOPMENTS**

Demographic- and behavioral-driven factors (including the deferral of marriage, overhang of student debt, and overburdened parents) support a post Covid-19 pandemic robust rental market for the foreseeable future—particularly among members of Gen Y, who will rent for far longer than previous generations before buying a house. The Y generation, which marries later and has few children (the dog has become the new child), will be a primary market for both multifamily rental and condominium housing.

According to the 2018 American Community Survey, about 18 percent of or 1,114 households in the Village of Shorewood were single-person households. In comparison, however, about 21 percent and 29 percent of households in Will County and the Chicago Metropolitan Statistical Area were single-person households. The active adult community Shorewood Glen accounts for a high share of older one- and two-person households in Shorewood (283 one-person households or 25 percent of the total one-person households in Shorewood and 469 two-person households or 21 percent of the two-person households in Shorewood). Only 3.8 percent of the housing stock in Shorewood includes multi-family rental product. At this point in the evolution of the economic and housing base of Shorewood, the importance of creating market rate multi-family rental housing in Shorewood relates less to potential market demand, which is likely to be relatively modest, than it does to the establishment of that product type and increasing the diversity of the housing stock and options for workers in Shorewood.

Appropriately scaled to potential demand mixed-use multi-family residential uses integrated with retail, restaurants, and health club or wellness uses are likely to be more responsive to the preferences of younger-aged and smaller-sized households than multi-family developments in single-family neighborhoods not proximate to employment, shopping, and eating and drinking opportunities. Locations providing ready accessibility to employment opportunities in the vicinity of Crossroads



## **An Information Base for an Update of the Comprehensive Plan and Preliminary Economic Development Strategies for the Village of Shorewood, Illinois**

Business Park (north of Black Road and west of Route 59) and near retail, dining, and fitness uses such as part of the commercial Route 59 corridor (for example, near the new Aldi store on Black Road) could be appropriate locations to include in the Comprehensive Plan for multi-family uses. One challenge, however, may be that the reservation prices or the minimum prices for which owners will sell land in the Route 59 corridor may be relatively high and the added costs of greater density (multi-story buildings) to reduce the land costs per apartment unit will not be accompanied by sufficiently high rents to offset the higher land and development costs.

### **BE PREPARED TO REINFORCE THE STRENGTH AND REINVENT THE ROUTE 59 RETAIL CORRIDOR**

The recommendation for locating multi-family residential uses near major transportation access and retail nodes reflects the need to reinforce the strength of and reinvent the Route 59 retail corridor. As described in Chapter IV, the retail sales in Shorewood are far higher than expenditures of Shorewood households can support. Shorewood captures more sales from nonresidents than it loses from residents spending some of their income on retail goods and services outside of Shorewood. The proportion and amount of retail expenditures made online will continue to grow and reduce the need for on-the-ground retail space.<sup>1</sup> Closures (a record number of over 15,500 chain stores chain stores closed in 2020<sup>2</sup>) and downsizing of many retail and restaurant chains has been accelerated by the Covid 19 pandemic. A reduction in the rate of household growth reviewed in Table II-1 puts pressure on retail sales, especially general merchandise and apparel sales. The aging of the population reviewed in Figure II-2 also puts pressure on retail sales as many older consumers spend a lower proportion of their income on retail goods because they have accumulated many of the goods they either need or want.

Retail supply additions in Joliet, Plainfield, and other locations near Shorewood may reduce the rate of capture of sales from non-resident households. The broader corridor area has multiple “repeat” stores that were built ahead of demand during the housing boom prior to the Great Recession (for example Target and Walmart stores are located within four or five miles of each other limiting the draw area of each store). The availability of similar stores approximately seven to nine miles to the north on Route 59 in Plainfield and approximately three to four miles to the east in Joliet limit the extent of the trade area served by the Shorewood retailers on Route 59. Some store closings in the corridor have already occurred and it would not be surprising if additional chain stores consolidated further.

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<sup>1</sup> [E-Commerce Retail Sales as a Percent of Total Sales \(ECOMPCTSA\) | FRED | St. Louis Fed](#). From 2019 to 2020, E-commerce sales as a percentage of total sales increased from 11.2 percent to 14.3 of total sales. The rate of growth of E-commerce sales has accelerated during the Covid-19 pandemic and expanding to categories that formerly thought to be relatively immune to E-commerce.

<sup>2</sup> [More Than 15,500 Stores Are Closing In 2020 So Far—A Number That Will Surely Rise \(forbes.com\)](#).



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The increasing importance of time and growth of E-commerce suggest communities will be better off with fewer but bigger and better shopping nodes. As demonstrated by the acceleration of adoption of E-commerce shopping by older consumers during the Covid-19 Pandemic and acceleration of E-commerce purchasing from other demographic segment, E-commerce will increasingly substitute for the purchase of standard commodities like those available on Route 59 that are not fun or convenient to buy in person. Regional shopping centers and community shopping areas will need to be large and diverse enough to facilitate multi-purpose shopping and service trips. These centers will need to combine value, food-offerings, and entertainment and provide interesting, enjoyable, and entertaining experiences in secure environments. Accordingly, encourage more vital, mixed-use projects and areas such as Route 59 to incorporate multi-family residential, office, healthcare, and entertainment uses and promote walking and biking between compatible land uses. Some of these alternative uses may replace obsolete or vacant retail space that will be challenging to replace with traditional big-box retail uses.

### **Meet Regularly with Retail Stakeholders to Monitor Conditions and Develop Business Plans to Maintain the Competitiveness of the Route 59 Corridor Retail Base**

Given the potential retail supply additions made at the long planned (over 10 years) Rock Run Crossings, a large mixed-use development at the northeast quadrant of the intersection between Interstates 55 and 80 in Joliet, the impacts of E-commerce, and other trends outlined above, meet regularly with existing property owners, property managers, and leasing agents to stay on top of current occupancy and rental rate and sales trends (see Table IV-1 for overall sales trends in Shorewood), consumer shopping patterns, issues of recurring concern, and potential tenanting and use enhancement opportunities as they become available in the corridor. Be prepared to respond to proposals or proactively collaborate with property owner representatives in the corridor to prepare business plans for keeping or repositioning property to remain relevant to users and consumers. As indicated above, this could include incorporating multi-family residential, office, healthcare, fitness, or other uses on properties in the corridor.



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### **LACK OF HOUSING DENSITY IN THE TOWNE CENTER SIGNIFICANTLY LIMITS RETAIL/EATING AND DRINKING SPACE AND BUSINESS DEVELOPMENT OPPORTUNITIES ENVISIONED IN THE 2018 TOWNE CENTER PLAN UPDATE**

Especially to the west, the Towne Center area is currently sparsely populated. The demographics and spatial analytics provider ESRI estimates 2,000 households are located within a little more than one mile from the Towne Center site/intersection. (The dominant Route 59 retail agglomeration in Shorewood is only 2.5-3 miles from the site).

Given the competitive retailing conditions, and that Towne Center site does not have a dense population or large high-order job base or represent an established location for retail and dining, if the Village wants to encourage services for its workers and immediate households around Village Hall, it may want to consider subsidizing the development and/or operation of restaurants and retail service providers. The development of the Towne Center area would need to create a unique environment with tenants that can attract customers to this location until sufficient density develops to support the full build-out of the planned commercial uses.

### **INTEGRATE FLEX OR OFFICE SPACE NEAR SHOPPING/SERVICE AMENITIES AND HOUSING IN ACCESSIBLE LOCATIONS**

The potential for attracting businesses will increase by Shorewood building up a larger base of labor that could work and shop close to home. Workers with short commutes and attractively priced housing tend to have lower turnover and lower salary and wage requirements. This represents an inducement for firms to stay, expand, and enter the Shorewood market.

Shorewood has a limited supply of professional or corporate office space. As described, however, in Table II-5 and Table II-6, Shorewood has residents engaged in occupations that use office space to which many residents commute. Shorewood also has small older industrial and business parks in several locations including at the southern end of Route 52 and Earl Road, west of Route 59 and north of Black Road, and south of Route 52/west of Route 59 on Amendodge Road.



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## **POTENTIAL BUSINESS TARGETS AND WORKSPACE OPTIONS**

Business, educational, and health service sector and other firms which can ride the economic growth wagon of the regional economy represent business targets including those that combine hands-on management and a combination of technical and entrepreneurial skills with combinations of services, distribution, and goods-enhancement. The interviews conducted with local commercial and industrial brokers and developers and review of supply suggest demand from a variety of businesses that serve larger businesses including logistics and distribution, and a broad variety of construction and other businesses serving local businesses and households would be sources of demand for smaller buildings. Some businesses have operations which require outdoor storage.

Communities offering diverse housing options including apartment units close to shopping, restaurants, and entertainment venues will tend to retain and attract businesses especially those in the technology, professional technical and business service sectors competing for footloose talent. Therefore, increases in the diversity of housing options will tend to help reinforce the strength of employment uses. Office developments will need to be located and built with or near other activities that help enhance productivity and attract and hold labor. Especially given that much of the office space in Shorewood is occupied by businesses serving the local households and other area businesses (investment advisors, insurance agents, accountants, healthcare providers, dentists, etc.), developments including office space will need to provide locational, display and amenity advantages. This suggests appropriate locations would be along the Route 59 corridor or those visible or highly accessible to Interstate 55 and Interstate 80. Office demand is likely to depend upon growth of households and expansion of the existing business base and over time the need to replace obsolete office space.

In addition, another way workspace could be added to Shorewood is as part of a multi-family residential development that could include “remote work hubs” integrated into the development- the new “clubhouse”.

Advances in telecommunications decrease the relative importance of geographic distance at the cost of dramatically increasing the shortage of time. The increasing importance of the dimension of time relative to the dimension of space is a primary reason for the shift from segregated single uses toward mixed-use development. Locations that provide the most accessible places are no longer enough for success. Required are places that provide the most efficient and highest quality of the use of time. In addition, in response to Covid-19-related concerns, enhanced building features that promote health and safety and ease of access will be competitive advantages in attracting and keeping space users.



# **An Information Base for an Update of the Comprehensive Plan and Preliminary Economic Development Strategies for the Village of Shorewood, Illinois**

## **MAINTAIN AND IMPROVE EXISTING INDUSTRIAL/BUSINESS PARKS**

### **Encourage the Availability of Building Space for Expansion of Existing and Start-up of Entrepreneurs**

Shorewood has historically attracted entrepreneurs which own their businesses and wish to locate their businesses near where they live in relatively low cost, smaller space. This suggests the advisability of encouraging the development of incubator, maker, and most important traditional flexible and light assembly with office or showroom and storage space geared to the smaller user. A small building of approximately 4,500 square feet of building space on 1.5 acres of land sold in the Amendodge Industrial Park. Four offers were received immediately and over 20 inquiries from businesses within the nearby area were quickly received and the number of bidders for the property far exceeded the available supply of such buildings.

The interviews and review of supply indicate the importance of creating an inventory of space to serve existing users requiring additional space as well as new businesses. However, little industrial zoned land is available. The Village may also investigate how most effectively and prudently to facilitate the development of “ready-to-go” lots and building space through assistance with capital infrastructure improvements and expediting approvals. Given the general overbuilding of retail space and the future is likely to be intensely competitive, one approach to encouraging the attraction and retention of expanding local businesses would be to permit non-retail uses on some properties designated for retail uses. For example, properties of approximately 10 acres on Earl Road south of Route 52 could be desirable uses for businesses needing light assembly, fabrication, and associated distribution, showroom and/or office space. The location could be rezoned to permit the types of businesses that would be required to operate in industrial zoned districts. Higher quality design standards (non-metal buildings) for industrial buildings fronting Jefferson Street/Route 52 could be required. An alternate option that does not generate high-skilled, high wage jobs would be to facilitate the development of vacant commercially zoned properties with recreational, sports and fitness uses which utilize industrial or flex space and benefit from accessibility to transportation linkages and proximity to households.

Several of the industrial/business parks contain a limited amount of vacant land and limited supply of newer building space and some may be burdened by parking constraints, lack of contemporary codes, covenants and restrictions (CC&Rs) and the fragmented nature of land ownership and uses, and therefore varied property owner and user objectives and interests. These constraints may combine to make it more difficult for Shorewood industrial/business parks to compete effectively with contemporary business parks that can potentially serve firms already operating in or considering a Shorewood location. Because many of the buildings are older as they become obsolete, a need will arise for remodeling and redeveloping existing properties.



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The Village should set up site visits with a sample of businesses and property owners in the older industrial/business parks to obtain information and perspective about the following:

- background and future plans of the businesses;
- potential for growth;
- constraints to growth;
- workforce needs;
- local or other regulatory concerns;
- business climate perceptions;
- satisfaction with municipal services and other service providers;
- whether any suppliers or customers could be candidates for locating in Shorewood; and
- preferred changes that would improve the appeal of Shorewood as a business location from the point of view of the particular business including specific incentives to assist with labor growth or building expansion or adaptive changes to the industrial/business parks (including changes related to parking, infrastructure) to keep them relevant and productive locations for contemporary businesses.

Based on the results of the interviews, it may be appropriate to conduct a broader survey of the businesses and/or set up task forces to evaluate and implement preferred changes found to be feasible and beneficial. The task force would evaluate, initiate, and coordinate improvements to the older industrial areas including reviewing parking and capital facility requirements and means for financing improvements. The appropriateness of expanding industrial zoning designations given the shortage of industrial zoned land available for development should be evaluated. Actions should be directed toward helping building owners and businesses adapt to market changes in a reasonable time, while avoiding the typical downward cycle associated with competitive obsolescence. Consideration should also be given to identifying opportunities to improve the public realm and landscaping of industrial/business park areas. The goal would be to improve the image of these areas while concurrently creating attractive buffers between the industrial/business park areas and proximate residential neighborhoods.

### **PLAN FOR AND ASSIST WITH GROWTH IN HEALTHCARE DEMAND IN CONTEMPORARY SETTINGS AND BUILDING SPACE**

Given the high share of healthcare employment and expectations of continued growth of this sector medical offices will also demand additional space in the coming years with the continuing shift from hospitals to offices and telemedicine as there already has been for glaucoma surgery, for example. Medical clinics, docs-in-boxes, physical therapy, and MRI centers are just some examples of activities that will increasingly occur outside of a hospital environment. Hospital practices have been consolidating. Major medical facilities have been built by Amita Health and Edwards in Plainfield and Amita Health St. Joseph Hospital in Joliet and Morris Hospital in Minooka, each close enough to



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serve Shorewood. While this may limit the need for major campuses in Shorewood, it would be worthwhile to routinely check in with major hospitals and healthcare practices to see if they may consider opening or expanding branches in Shorewood and to offer assistance with planning and securing appropriate locations when interest arises.

Recognizing that the growth of E-commerce will impact retail formats and the demand for “standard” on-the-ground retail space and that much of the Shorewood resident workforce commutes to locations outside of Shorewood for employment where alternative retail shopping options may exist to encourage retail centers to be integrated with healthcare, educational, and fitness and service uses and “restaurant rows” to encourage multi-purpose visits and patrons making the most efficient use of time. While these non-retail uses may not generate sales tax, they will generate customer traffic and contribute to maintaining the relevance of the applicable real estate.

### **PROVIDE DISTRIBUTION AND INDUSTRIAL SPACE FOR CURRENT AND FUTURE NEEDS**

To capture demands associated with shifts in the patterns of goods movement, and the anticipated additional growth in transportation and warehousing, opportunities would exist for additional distribution buildings similar to those in Heartland Corporate Center if sites with accessibility and ingress and egress similar to that provided by Heartland Corporate Center can be created on currently agricultural properties.

The Troy Township Assessor’s Office reports a total of approximately 6.7 million square feet of commercial and industrial space in Shorewood. If the mix of land uses and building space relative to total employment (about 6,000 existing jobs in 2019 according to Village’s business license data) stay broadly similar, then an additional 1,000 jobs in Shorewood would require an additional 500,000 square feet to 1.3 million square feet of building space.



CHAPTER II

ANALYSIS OF DEMOGRAPHIC, LABOR FORCE,  
AND HOUSING CHARACTERISTICS, AND LAND  
AVAILABILITY IN SHOREWOOD

INTRODUCTION

Firms seeking to expand or relocate in a community tend to consider the size and quality of the resident labor force and the labor force within the commute shed. The size and make-up of the household composition also influences the demand for retail goods and services. This chapter reviews the demographic and labor force make-up of Shorewood households and housing characteristics as well as the land capacity of Shorewood to provide a framework for considering economic development options and in preparing a Comprehensive Plan update.

HISTORICAL AND FORECAST POPULATION AND HOUSEHOLD GROWTH

Table II-1 shows historical population and household growth in Shorewood and Will County from 2000 to 2020.

<b>TABLE II-1: Historical Population and Household Growth Trends</b>						
	Village of Shorewood		Will County			
	Population #	Households #	Average Household Size # Persons	Population #	Households #	Average Household Size # Persons
2000	8,900	2,936	3.03	502,288	167,550	2.94
2010	15,615	5,507	2.84	677,560	225,256	2.97
2020 Estimate	17,128	6,191	2.77	708,850	236,557	2.95
Change 2000-2020	8,228	3,255	-0.26	206,562	69,007	0.01
Average Annual Growth Rate 2000-2020	3.3%	3.8%	---	1.7%	1.7%	
Sources: U.S. Census Bureau; ESRI; Gruen Gruen + Associates.						

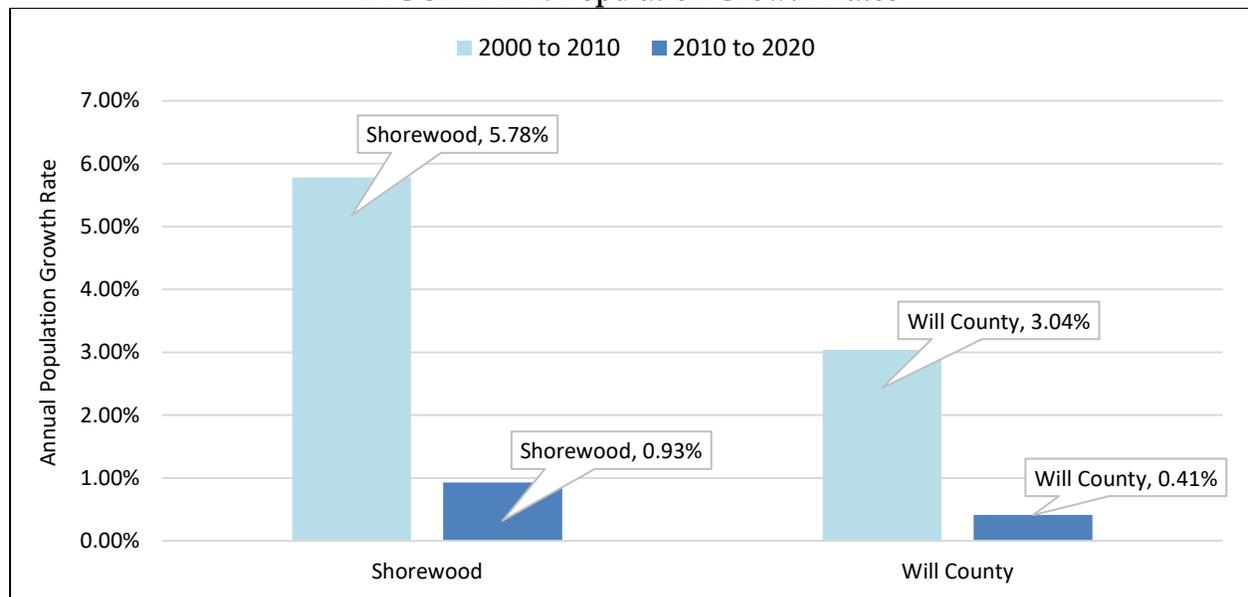


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The Village of Shorewood has grown more rapidly over a 20-year period than that of Will County. According to U.S. Census Bureau estimates, the population base of the Village of Shorewood has grown by over 8,200 people since the 2000 Census. The total population is estimated to have grown at an average annual rate of approximately 5.8 percent between 2000 and 2010 increasing from about 8,900 persons in 2000 to approximately 15,600 persons by 2010. The household base also increased over the 2000 to 2010 period, rapidly expanding at an average annual rate of 6.5 percent from under 3,000 households to over 5,500 households. Since 2010, Shorewood's population has grown more slowly. Since 2010 population increased at an average annual rate of about 0.93 percent to over 17,000 in 2020. Since 2010 households also more slowly increased at an average rate of 1.2 percent to nearly 6,200 by 2020. Over time, the average household size in Shorewood is estimated to have decreased slightly from 3.0 persons per household in 2000 to approximately 2.8 persons per household by 2020.

Figure II-1 presents a comparison of the population growth rates for Shorewood and Will County.

**FIGURE II-1: Population Growth Rates**



For both the 2000 to 2010 and 2010 to 2020 periods, Shorewood has experienced faster population growth than that of Will County. Shorewood's population growth between 2000 and 2010 was nearly six percent annually versus about three percent annually for Will County. Both Shorewood and Will County had significantly slower population growth between 2010 and 2020. Shorewood's population growth was nearly one percent annually versus less than one-half percent annually for Will County.

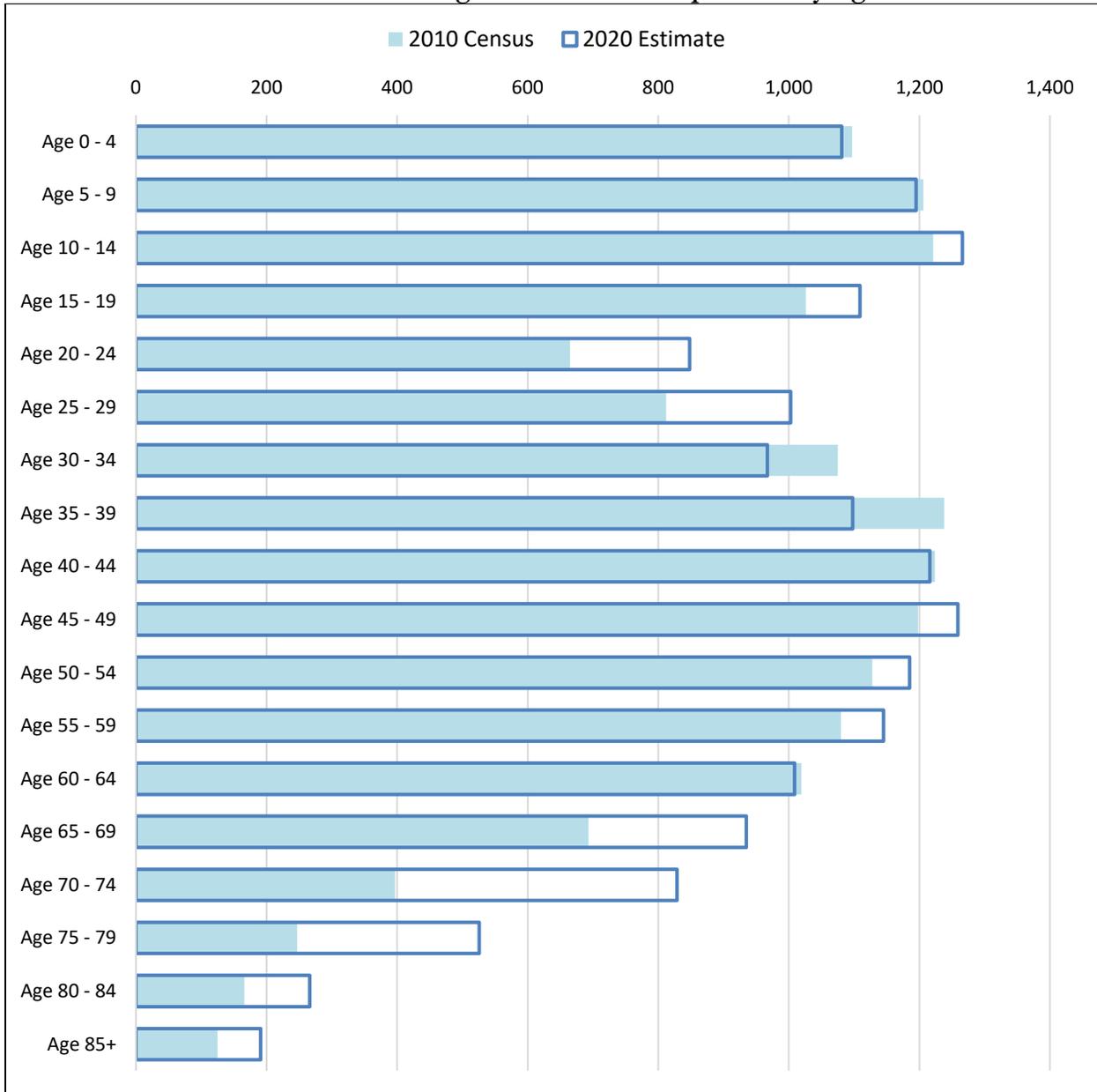


# An Information Base for an Update of the Comprehensive Plan and Preliminary Economic Development Strategies for the Village of Shorewood, Illinois

## Population by Age

Figure II-2 summarizes the historic and current distribution of the Shorewood population by age cohort.

**FIGURE II-2: Village of Shorewood Population by Age**



Sources: U.S. Census Bureau; ESRI; Gruen Gruen + Associates.



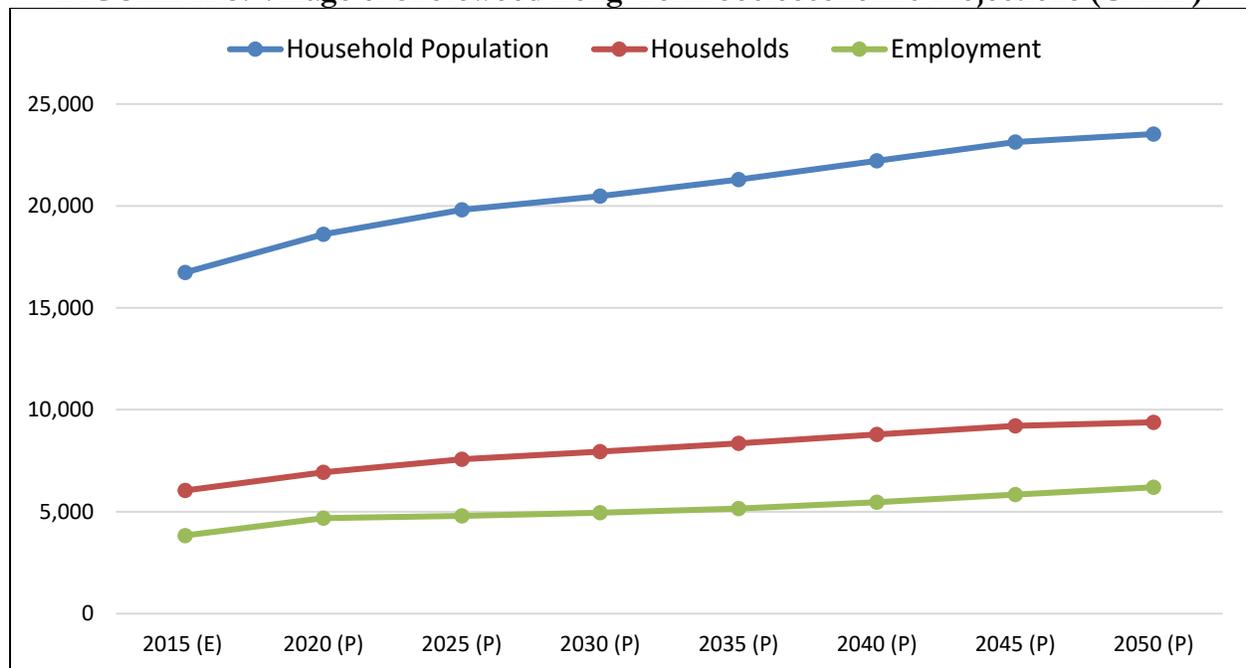
## An Information Base for an Update of the Comprehensive Plan and Preliminary Economic Development Strategies for the Village of Shorewood, Illinois

Shorewood has experienced a relatively large increase in younger adults. The Village's population age 20 to 29 years grew by 25 percent over the past decade. The Village has experienced an even more substantial increase in its older-age senior population. The population age 65+ years grew by more than 1,100 people or 69 percent between 2010 and 2020, accounting for almost all of the net population change. According to the Village of Shorewood the active adult Del Webb community Shorewood Glen for households with members 55 plus years of age includes 1,260 residents. The occupants of this community influence the upward population shift. Other age-restricted projects such as Alden and Timbers which added 237 units have contributed to the increase in the older age population.

### Long-Term Growth Projections

Figure II-3 shows Shorewood's long-term forecast population, households, and employment change.

**FIGURE II-3: Village of Shorewood Long-Term Socioeconomic Projections (CMAP)**



Sources: CMAP, Socioeconomic Projections (2018); Gruen Gruen + Associates.

Between 2020 and 2050, the Chicago Metropolitan Agency for Planning (CMAP) projects that household population in the Village of Shorewood will grow at an average annual rate of approximately 0.8 percent. This suggests a potential Village population of about 24,000 by 2050.



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CMAF forecasts the Village’s households will grow by an average annual growth rate of 1.0 percent, or about 9,500 households by 2050. The Village of Shorewood average household size is forecast to continue to decline to about 2.5 persons from about 2.8 persons.

The Troy Township Assessor’s Office reports a total of approximately 6.7 million square feet of commercial and industrial space in Shorewood. If the mix of land uses and building space relative to total employment (about 6,000 existing jobs) stay broadly similar, then an additional 1,000 jobs in Shorewood would require an additional 500,000 square feet to 1.3 million square feet of building space. The amount of space will depend upon whether the future space is weighted to larger industrial buildings which tend to employ relatively few (one to two) people per 1,000 square feet or smaller industrial and office buildings which would likely employ a higher ratio of workers to space (the 500,000 square feet estimate reflects a higher employee-space density ratio of 500 square feet per job).

### INCOME AND EDUCATIONAL ATTAINMENT

Table II-2 summarizes average and median household income trends for the Village of Shorewood and Will County over the 2010 to 2020 period.

<b>TABLE II-2: Real Household Income<sup>1</sup> Trends</b>				
	Village of Shorewood		Will County	
	Average Household Income	Median Household Income	Average Household Income	Median Household Income
	\$	\$	\$	\$
2010	\$114,027	\$102,965	\$95,648	\$82,071
2015	\$113,574	\$101,468	\$101,327	\$82,069
2020 Estimate	\$125,458	\$104,551	\$112,836	\$87,927
Change 2000-2020	\$11,431	\$1,587	\$17,188	\$5,856
<sup>1</sup> Household income estimates adjusted for inflation to current 2021 dollars based on the Consumer Price Index for the Chicago Metropolitan Area.				
Sources: U.S. Census Bureau; ESRI; Gruen Gruen + Associates.				

Both average and median household income in Shorewood is higher than that of Will County. In 2020, Shorewood’s average household income of over \$125,000 exceeded that of Will County by 11



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percent. The average and median household income in Shorewood is estimated to have increased since 2010. Average household income, adjusted for inflation, grew by approximately \$11,400 or 10 percent over the decade. The median household income increased by \$1,600 or 1.5 percent.

Table II-3 shows the educational attainment of the age 25 and over population in Shorewood and Will County.

<b>TABLE II-3: Educational Attainment of Population (Age 25+)</b>			
	Shorewood 2020 %	Will County 2020 %	Difference % Points
Less than 12th grade, no diploma	5.1	8.3	(3.2)
High school graduate	24.6	26.5	(1.9)
Some college, no degree	22.5	21.1	1.4
Associate's degree	8.4	8.5	(0.1)
Bachelor's degree	23.3	22.3	1.0
Graduate or professional degree	16.1	13.3	2.8
Sources: ESRI; Gruen Gruen + Associates.			

The educational levels of the population of Shorewood are higher than that of the population of Will County as a whole with over 23 percent of the Shorewood population having obtained a bachelor’s degree (compared to over 22 percent of the Will County population) and over 16 percent having attained a graduate or professional degree (compared to 13.3 percent of the Will County population).



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**HOUSING CHARACTERISTICS**

Housing quality and quantity influences the type of labor attracted to a community. The capacity to develop housing and the type of housing developed will influence the demographic characteristics of the population. The characteristics of the resident labor force can in turn influence the type of businesses that will find the location productive.

Table II-4 shows the housing inventory in Shorewood is estimated to have increased by approximately over 700 units between 2010 and 2020 and its tenure arrangement has remained stable. Will County’s housing inventory increased by over 12,000 units over the same period. Shorewood’s housing inventory increase approximates nearly six percent of the County’s inventory increase despite Shorewood’s total housing stock only representing less than three percent of the County’s total inventory.

<b>TABLE II-4: Village of Shorewood and Will County Housing Stock Tenure</b>					
	2010 Census		2020 Estimate		Change
	# Units	%	# Units	%	# Units
<b>Village of Shorewood</b>					
Occupied:					
Owners	5,125	89.7	5,775	89.7	650
Renters	382	6.7	417	6.5	35
Vacant	209	3.7	247	3.8	38
<b>Total Housing</b>	<b>5,716</b>	<b>100.0</b>	<b>6,438</b>	<b>100.0</b>	<b>722</b>
<b>Will County:</b>					
Occupied:					
Owners	187,425	78.9	192,876	77.1	5,451
Renters	37,381	15.7	43,779	17.5	6,398
Vacant	12,695	5.3	13,509	5.4	814
<b>Total Housing</b>	<b>237,501</b>		<b>250,163</b>		<b>12,662</b>

Sources: U.S. Census Bureau; ESRI; Gruen Gruen + Associates.

Shorewood’s housing inventory increased from approximately 5,700 units in 2010 to about 6,400 units in 2020. The Village’s mix of owner- versus renter-occupied units has remained the same over the past decade. Owner-occupied housing comprises the majority of units at nearly 90 percent.



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**RESIDENT LABOR FORCE CHARACTERISTICS AND GROWTH**

Table II-5 compares the composition of Shorewood’s resident labor force (employed workers who live, but not necessarily work in Shorewood) to its employment base (jobs located in Shorewood). The employment figures have been provided by the Village of Shorewood from 2019 business license data.

<b>TABLE II-5: Composition of Village of Shorewood Labor Force and Employment Base</b>				
Industry Sector (NAICS 2-Digit Code)	Labor Force <sup>1</sup>		Employment <sup>2</sup>	
	#	%	#	%
Natural Resources/Agriculture (11)	49	0.6	NA <sup>3</sup>	NA
Construction (23)	720	9.1	117	2.0
Manufacturing (31-33)	672	8.5	326	5.5
Wholesale Trade (42)	199	2.5	158	2.6
Retail Trade (44-45)	846	10.7	1,622	27.1
Transportation & Warehousing (48-49) & Utilities (22)	577	7.3	557	9.3
Information (51)	176	2.2	22	0.4
Financial & Real Estate Activities (52-53)	578	7.3	248	4.1
Professional & Business Services (54-56)	913	11.5	216	3.6
Education & Healthcare (61-62)	1,905	24.0	1,015	17.0
Leisure & Hospitality (71-72)	469	5.9	949	15.9
Other Services (81)	491	6.2	566	7.49.5
Public Administration/Government (92)	346	4.4	183	3.1
<b>TOTAL</b>	<b>7,941</b>	<b>100.0</b>	<b>5,979</b>	<b>100.0</b>
<sup>1</sup> Employed civilian labor force over the age of 16. Estimates for 2020.				
<sup>2</sup> 2019 data from Village business license & registration data.				
<sup>3</sup> Not available.				
Sources: Village of Shorewood; ESRI; Gruen Gruen + Associates.				

Shorewood’s labor force base of approximately 7,900 residents exceeds its employment (job) base of about 6,000 jobs. Nearly half of Shorewood’s residents are employed in education and healthcare, professional and business services, and retail trade. These three sectors comprise about 48 percent of Shorewood’s job base with 44 percent of the job base in education and healthcare and retail trade (i.e., only about four percent of job base is in professional and business services). For example, the



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proportion of professional and business services and financial and real estate activities jobs in Shorewood which are the type of jobs more likely to utilize office space is significantly lower (7.7 percent of jobs) than the proportion of residents employed in these industry sectors (i.e., 18.8 percent). Similarly, construction, manufacturing, and transportation, communication and utilities sectors which are more likely to be associated with industrial space users comprises about 25 percent of the labor force base but only 17 percent of the job base. Conversely, retail trade comprises about 11 percent of the resident labor force base and nearly 27 percent of the job base. This is consistent with the large amount of retail space present in Shorewood, primarily in the Route 59 corridor.

### OCCUPATIONAL MAKE-UP OF THE LABOR FORCE

Table II-6 summarizes the occupational characteristics of the labor force in Shorewood and Will County for 2020.

<b>TABLE II-6: Village of Shorewood and Will County Labor Force by Occupation (2020)</b>				
	Shorewood		Will County	
	<u>#</u>	<u>% of Total</u>	<u>#</u>	<u>% of Total</u>
Management, business, science and arts <sup>1</sup>	3,225	40.6	121,208	37.5
Services	1,225	15.4	48,525	15.0
Sales and office <sup>2</sup>	2,009	25.3	79,385	24.6
Natural resources, construction and maintenance	675	8.5	28,412	8.8
Production, transportation and material moving	805	10.1	45,489	14.1
<b>TOTAL</b>	<b>7,941</b>	<b>100.0</b>	<b>323,019</b>	<b>100.0</b>
<sup>1</sup> Includes computer, engineering and science occupations.				
<sup>2</sup> Includes sales and related occupations.				
Sources: ESRI; Gruen Gruen + Associates.				

Shorewood’s labor force in terms of occupational makeup has a higher share of “white collar” occupations and a smaller share of “blue collar” occupations than Will County as a whole. Shorewood’s make up of white-collar occupations (management, business, science and arts) is 41 percent of the labor force compared to 38 percent of Will County’s labor force. The share of blue-collar occupations (production, transportation, and material moving) in Shorewood (10 percent) is lower than those occupations (14 percent) comprise of Will County’s labor force base.



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**LAND AVAILABILITY AND GROWTH CAPACITY IN SHOREWOOD**

Table II-7 presents the available land inventory in the village limits of the Village of Shorewood for residential, commercial, industrial, and office uses.

<b>TABLE II-7: Land Availability and Growth Capacity<sup>1</sup></b>					
Zoning Designation	Total Land # Acres	Percentage of Total Land %	Land Developed # Acres	Undeveloped Land # Acres	Undeveloped Land Percentage of Total Land by Zoning Designation %
Residential	3,014	57	2,190	824	27
Commercial	537	10	324	213	40
Industrial	315	6	304	11	3
Parks/Open Space	492	9	492	0	0
Rights of Way (ROW)	955	18	955	0	0
<b>Total</b>	<b>5,312</b>	<b>100</b>	<b>4,264</b>	<b>1,048</b>	
<sup>1</sup> Figures are rounded.					
Sources: Village of Shorewood; Gruen Gruen + Associates.					

According to the Village, most of the undeveloped 824 acres of land within the village limits or 27 percent of the land designated for residential uses represent large subdivisions preliminarily approved but not built. Approximately 213 acres or 40 percent of the land designated for commercial uses is still undeveloped. Included are the vacant lots comprising the commercial component of the Towne Center subdivision. While a surplus of commercial land exists, a severe shortage of industrial land available for development exists. Only three percent or 11 acres of the 315 acres of land designated for industrial uses is vacant. Industrial land only makes up six percent of the total land within the Village.



**CHAPTER III: RELEVANT REAL ESTATE MARKET AREAS,  
COMPARATIVE ADVANTAGES AND DISADVANTAGES, AND  
MARKET CONDITIONS FOR BUILDING SPACE**

**INTRODUCTION**

To add to the framework for identifying potential business targets and land use development opportunities, we conducted interviews and reviewed secondary real estate market data to identify the following:

- The market area within which Shorewood competes for businesses searching for locations that enhance their productivity and competitiveness;
- The geographic origins of the firms that have moved into building space within the market area;
- The comparative advantages Shorewood provides or could create or improve so as to serve businesses with an ecosystem that makes them most competitive; and
- Real estate market conditions.

**COMPETITIVE POSITION OF VILLAGE OF SHOREWOOD**

**Comparative Advantages**

The results of the interviews, field research, and secondary data analysis indicate Shorewood offers the following primary comparative advantages:

- A location offering accessibility to Interstates 80 and 55;
- A well-educated and skilled household base;
- Available land for development of housing and therefore the potential for population growth;
- More retail goods and services than typical for a community with Shorewood's population size; and
- A safe and secure location in a positive business environment served by a local government with a positive attitude toward business.



# **An Information Base for an Update of the Comprehensive Plan and Preliminary Economic Development Strategies for the Village of Shorewood, Illinois**

## **Primary Disadvantages**

The synthesis of the interviews, field research, and analysis of secondary data suggest the following disadvantages or constraints on economic development:

- Limited shovel ready land sites available for larger industrial development with visibility and immediate ingress and egress to interstate highways and limited land available in the existing industrial/business parks for additional small scale development;
- Limited agglomeration or clustering advantages such that without a critical mass of businesses, it is not as easy to draw and retain labor or support specialized services; and
- Limited population and business (employment) density west of the Village boundaries which limits the demand for building space and services and access to labor.

## **Locations from Which Businesses Move and With Which Building Space Owners in Shorewood Compete for Space Users**

Large industrial users tend to originate and grow from within the internal market area of Shorewood, Minooka, and Joliet, and have also moved from higher cost, more built-out industrial areas in Bolingbrook and Romeoville. Areas which compete with Shorewood for large industrial users include Joliet, Minooka, and Channahon. Smaller businesses have moved from Joliet and generally within five to seven miles of Shorewood.

## **Industrial Building Space Inventory and Vacancy Rates**

Shorewood is part of the broader Interstate 80 industrial submarket which includes Joliet, Minooka, and Channahon, each community of which is proximate to Shorewood's border. According to the Troy Township Assessor, Shorewood contains an inventory of approximately 3.6 million square feet of building space. Approximately 3,000,000 square feet of this space is big-box (i.e., buildings larger than 200,000 square feet) industrial space located in the southern area of the Village around the Interstate 55 and Interstate 80 interchange in the Heartland Corporate Center consisting of 156-acres of land. Users in Heartland Corporate Center include CSS Industries (500,000 square feet), Xpedient Logistics (508,000 square feet), Bob's Discount Furniture (752,000 square feet), Kenco Logistics Services (381,000 square feet), and DSC Logistics (375,000 square feet).



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Table III-1 summarizes the supply of industrial space as of March 2021 within Shorewood and the larger Interstate 80 industrial submarket.

<b>TABLE III-1: Existing Industrial Space in Shorewood and I-80 Industrial Submarket</b>			
	Inventory # Square Feet	Vacant Space # Square Feet	Vacancy Rate %
Village of Shorewood	3,597,488	518,500	14.4
I-80 Submarket <sup>1</sup>	96,743,962	3,844,500	5.95
<sup>1</sup> Third quarter 2020.			
Sources: Colliers International; Gruen Gruen + Associates.			

Shorewood is perceived as an industrial location for smaller users, some of whom provide truck storage and support services to serve larger industrial users. Although over 80 percent of Shorewood’s industrial space is comprised of larger users (i.e., big-box distribution space), Shorewood’s inventory only makes up 3.7 percent of the industrial submarket of which it is a part. According to a Collier’s Research & Forecast report, three buildings totaling 3.8 million square feet were under construction in Joliet and Channahon. In Shorewood, one large distribution building accounts for most of the vacant industrial space but the building has been leased to Xpedient Logistics which relocated from within the industrial park and vacated its 212,000-square-foot building. Other than the large distribution space vacancy cited above, limited industrial building space exists in Shorewood. Smaller industrial buildings that become vacated are typically released or sold in a reasonable time.

Shorewood’s smaller size older industrial building space inventory is located in several areas of the Village both in the northern and southern areas of the Village. Building sizes generally range from 5,000 to 25,000 square feet. Many of the buildings in the older Shorewood Industrial Park and Amendodge Industrial Park are metal construction with outdoor yard or storage space. The newest industrial building built in 2017, Crossroads Business Park, consists of one concrete tilt-up construction building located near the Route 59 commercial corridor. This business park is not located in an industrially zoned area so it provides more flex type space which must be leased to commercial users. Users in this building consist of a rental car agency, a fitness center, and a recycling business.

### Office Space Inventory and Vacancy Rates

A review of Loopnet, a national provider of commercial real estate listings, and other commercial brokerage websites indicate only one available office space listing of 3,900 square feet currently exists in Shorewood. Proximate to Shorewood’s east side is an ample supply of office space in Joliet with relatively low rents. Currently, eight office space listings for available space on the far west side of



## **An Information Base for an Update of the Comprehensive Plan and Preliminary Economic Development Strategies for the Village of Shorewood, Illinois**

Joliet have approximately 53,000 square feet of available space. This translates into a vacancy rate of about 33 percent for office space in west Joliet. Office space rent for the one current Shorewood listing indicates a quoted net rent of \$12 per square foot. Quoted rents in Joliet range from \$14 to \$20 net on a per square foot basis or \$16 to \$20 per square foot on a gross basis (gross rents include common area maintenance charges and taxes versus net rents which are exclusive of these charges).



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CHAPTER IV: COMMERCIAL MARKET ASSESSMENT

TAXABLE RETAIL SALES BASE OF SHOREWOOD

An analysis of taxable retail sales trends provides a framework for assessing the relative strengths, weaknesses, and shifts within the retailing base of the Village of Shorewood.

Table IV-1 summarizes taxable retail and restaurant sales within the Village of Shorewood from 2010 to 2019 (presented in 2021 constant dollars).

<b>TABLE IV-1: Non-Automotive Retail Sales Trends for Village of Shorewood (Presented in Constant \$2021)<sup>1</sup></b>					
Category	2010 \$	2015 \$	2019 \$	Change 2010-2019 #	Change 2010- 2019 %
General Merchandise	35,884,317	-	-	NA	NA
Food	57,123,461	71,390,697	65,879,134	8,755,673	15.3
Drinking & Eating Places	37,360,087	55,112,008	61,086,765	23,726,678	63.5
Apparel	2,355,835	2,563,652	-	NA	NA
Furniture & H.H. & Radio	25,068,473	30,126,789	29,303,990	4,235,517	16.9
Lumber, Bldg, Hardware	27,089,422	-	42,617,165	15,527,743	57.3
Drugs & Misc. Retail	39,197,367	45,140,668	53,864,218	14,666,851	37.4
<b>Total Non-Auto Retail</b>	<b>224,078,961</b>	<b>204,333,815</b>	<b>252,751,271</b>	<b>28,672,310</b>	<b>12.8</b>
<sup>1</sup> Total line may not agree with amounts listed. Categories that have fewer than four taxpayers reporting retail sales will not have amounts listed to protect confidentiality of individual taxpayers.					
Sources: Illinois Department of Revenue; Gruen Gruen + Associates.					

Non-automotive retail sales reported in Shorewood total nearly \$253 million in 2019. Total retail sales are likely to be higher as general merchandise sales are not reported and this would include a store like



## **An Information Base for an Update of the Comprehensive Plan and Preliminary Economic Development Strategies for the Village of Shorewood, Illinois**

Target which is located in Shorewood.<sup>3</sup> Of the sales categories reported, food sales comprise the largest sales category followed by dining and eating places sales, drugs and miscellaneous retail, lumber, building and hardware, and furniture, household and radio. Categories with the largest sales increases included drinking and eating places (a 63 percent increase) and lumber, building, and hardware (57 percent increase). It is not surprising that drinking and eating sales have grown at a faster pace than food sales. The share of household income spent on eating and drinking away from house exceeds the share of household income spent on groceries.

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<sup>3</sup> Target in Shorewood contains 123, 844 square feet of building space. According to Target's most recent annual report, average sales per square foot are \$326. Assuming a \$326 per square foot sales level would result in additional sales in Shorewood of approximately \$40.4 million.



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**SHOREWOOD OBTAINS A LARGE SALES SURPLUS FROM ITS RETAIL BASE**

Table IV-2 presents the estimated relationship between retail demand attributable to Shorewood households and retail sales within Shorewood.

<b>TABLE IV-2: Estimated Relationship Between Retail Demand and Retail Sales Within Shorewood</b>	
	<i>2020</i>
Total Estimated Non-Automotive Retail Sales <sup>1</sup>	\$293,124,415
Total Households <sup>2</sup>	6,191
Average Household Income <sup>2</sup>	\$125,458
Total Household Purchasing Power	\$776,710,478
Estimated Retail Expenditures @ 20 percent of Household Income <sup>3</sup>	\$155,342,096
Total Number of Employees <sup>2</sup>	5,979
Estimated Retail Expenditures <sup>4</sup>	\$13,990,860
Total Household & Worker Retail Expenditures	\$169,332,956
Retail Sales Surplus Estimate <sup>3</sup>	\$123,791,459
<sup>1</sup> 2019 sales figure in 2021 constant dollars. Includes estimate of sales from general merchandise stores in Shorewood. <sup>2</sup> Number of households and average household income are 2020 estimates. Number of employees in Village is from Village's business license data in 2019. <sup>3</sup> Figures have been rounded. Retail expenditures include: food at home, food away from home, household operations, housekeeping supplies, household furnishings and equipment, apparel and services, entertainment, personal products and services, reading, and tobacco products. <sup>4</sup> Figures have been rounded. Assumes each worker spends \$10.00 per day for 260 working days per year. Assumes a 10 percent overlap between residents and workers so expenditures have been reduced by 10 percent. Sources: Village of Shorewood; ESRI Community Profile; Gruen Gruen + Associates.	

In 2019, total reported sales (adjusted for the effects of inflation and excluding automotive into 2021 dollars) in Shorewood approximated \$252.0 million. Assuming another \$40.4 million in general merchandise sales (from Target whose general merchandise sales are not reported by the State for confidentiality reasons) results in a sales estimate of Shorewood of approximately \$293 million. Using



## **An Information Base for an Update of the Comprehensive Plan and Preliminary Economic Development Strategies for the Village of Shorewood, Illinois**

an estimate of retail expenditures of 20 percent of total household income, potential retail demand attributable to households in Shorewood totaled approximately \$155 million in 2020. Using an estimate of a daily expenditure of \$10.00 and a 260-workday year, total expenditures from workers in Shorewood approximates another \$14 million. This worker expenditure estimate has been lowered by 10 percent to account for potential resident and worker expenditure overlap in the study area. Total annual expenditures from households and workers in Shorewood are estimated to approximate \$169 million in retail sales. Comparing the estimated expenditure potential to the estimated sales in 2020 suggests that approximately \$124 million or more of potential retail expenditures by households and workers in Shorewood were made from expenditures by households or visitors who live outside the Village. In other words, significant potential sales dollars are imported from outside the Village. This is consistent with per capita sales which are a very high of nearly \$21,000 per resident in the Village.

Recommendations are made in Chapter I to encourage the maintenance of the health of the corridor and position the corridor to withstand the pressures from demographic shifts, the acceleration of the growth of E-Commerce, and intense competition from on-the ground retail locations near but outside of Shorewood.



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