

VILLAGE OF LAKE ZURICH

STATE OF THE VILLAGE

VILLAGE OF
LAKE ZURICH
ILLINOIS

At the Heart of Community

2017

PROGRESS UPDATE

Village of Lake Zurich

70 East Main Street

Lake Zurich, IL 60047

(847) 438-5141

LakeZurich.org

LEADERSHIP

Ray Keller

Village Manager

Roy Witherow

Assistant Village Manager

Steve Husak

Police Chief

John Malcolm

Fire Chief

Jodie Hartman

Finance Director

Sarosh Saher

Community Development Director

Michael Duebner

Innovation Director

Douglas Gibson

Human Resources Manager

Bonnie Caputo

Recreation Manager

Mike Brown

Public Works Director



MAYOR TOM POYNTON



TRUSTEE JIM BEAUDOIN



TRUSTEE JEFF HALEN



TRUSTEE MARC SPAZONE



TRUSTEE JON SPRAWKA



TRUSTEE JOHN SHAW



TRUSTEE GREG WEIDER

We welcome Trustee Greg Weider to the Village Board, who has stepped up to fill a vacancy on the Board. Trustee Weider is a 20-year resident of Lake Zurich, has served on the Parks & Rec Advisory Board since 2013, and has been an active contributor, volunteer, and participant in many community events and activities.



Lake Zurich's newest Department Head is Sarosh Saher, who started in June 2016. Mr. Saher has over 20 years of progressive experience in areas that will directly assist the Lake Zurich community in advancing community and economic development, land use planning, urban design, downtown revitalization, and TIF district administration. Most recently serving as Senior Planner for the City of Elgin, we welcome Sarosh to our team.

COMMUNITY DEVELOPMENT DIRECTOR SAROSH SAHER

Mike Brown was appointed to the position of Public Works Director May of 2016. Mr. Brown began his career with the Village in June of 1990 with the Public Works Dept. He has over 25 years of experience of many facets of the Village including public water supply, wastewater, parks and rec, forestry, roadway improvements, storm water, snow and ice control, facility management, engineering, downtown revitalization, and environmental management of the Village's infrastructure.



PUBLIC WORKS DIRECTOR MIKE BROWN

HISTORY

Lake Zurich is located in the northwest suburbs of Chicago approximately 25 miles from O'Hare International Airport and the City of Chicago. Incorporated in 1896, the Village is part of a growing Lake County.

Lake Zurich's population has more than quadrupled since 1960, as the Village has shared in the economic growth that has come from an expanding Chicago metropolitan area.

Lake Zurich has developed into a community with above-average wealth and housing values and has a balanced tax and revenue base. The Village is known for its excellent schools and abundant recreational opportunities for its residents.

Our community has derived many benefits from its environmental, geographical, and transportation attributes working together with the Village's practice of long-range community planning.

KEY DEMOGRAPHICS



LAND AREA 6.77 square miles

PERSONS PER SQ MILE 2,953.2

ETHNICITY White: 80.3% Hispanic: 7.9%

Asian: 9.3% African-American: 0.8%

Other: 1.6%

MEDIAN HOUSEHOLD INCOME \$108,294

MEDIAN HOME VALUE \$316,500

HOUSING UNITS 6,633

MEDIAN AGE OF RENTER/OWNER 39

PERSONS PER HOUSEHOLD 2.97

MEAN TRAVEL TIME TO WORK 29.6 min

PERSONS BELOW POVERTY LEVEL 4%

EDUCATION LEVELS

Bachelor Degrees 35%

Graduate Degrees 19%

ESTABLISHED COMMUNITY

Lived here for 5+ years: 83%

PRIMED FOR CONTINUED GROWTH

Growth since 2000: 10.43%

Population within 5 miles: 88,381

HIGH TRAFFIC COUNTS

45,000 daily average on Rand Road

20,000 daily average on Route 22

HISTORIC POPULATION

1950 - 850

1960 - 3,458

1970 - 4,082

1980 - 8,222

1990 - 14,927

2000 - 18,104

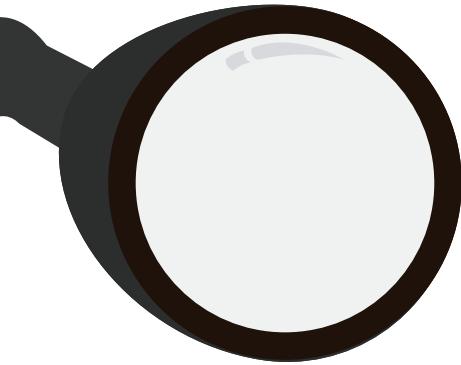
2010 - 19,631

2016 - 20,054



OUR VISION

Lake Zurich is THE premier community in Lake County offering a quality way of life, a thriving economy, diverse opportunity, and a commitment to fostering civic pride through community participation and ethical, professional governance.



OUR MISSION

To provide our residents and businesses with exceptional quality municipal services. We will achieve this through strategic planning, fiscal responsibility, and transparent, accessible, and responsive municipal leadership and staff. This will result in continually improving quality-of-life and return on investment for all stakeholders in the community.

STRATEGIC GOALS

FINANCIAL SUSTAINABILITY * DEVELOPMENT * INFRASTRUCTURE * SERVICE SUSTAINABILITY * CIVIC ENGAGEMENT

Strategic planning is an important tool that has been embraced by the Village Board and Executive Team. By evaluating the Village's current position, identifying areas for improvement, and setting goals for future years, a blueprint is created that provides the focus necessary to achieve organizational and performance excellence.

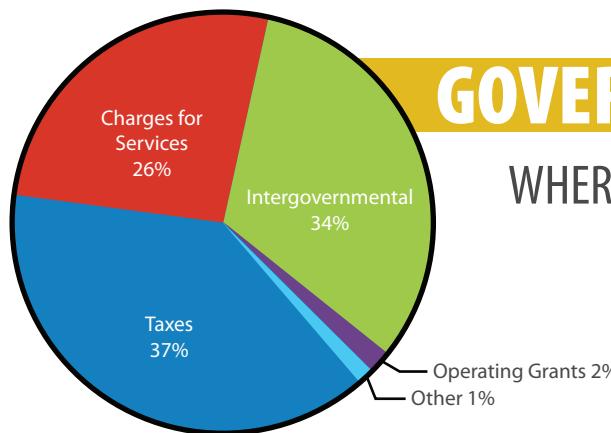
2016 marked the completion of Year 2 of the Strategic Plan, resulting in foundational progress in five overarching strategic goals. Some highlights of Year 2 include:

- * Successful completion of 37 special events that enhance community image and supports Village economic development efforts.
- * Reorganization of separate Public Works and Community Development Departments to refocus their efforts on infrastructure and development goals.
- * Nearly \$6 million of infrastructure investment, including road resurfacing, patching, sanitary sewer, water mains, and parkway trees.
- * Summer Day Camp earning national ACA certification, ensuring program quality for our 400+ kids.
- * Recipient of the Illinois Policy Institute Sunshine Award with rare 97% transparency rating, placing Lake Zurich in an elite category of the most transparent local governments.
- * It is expected that in Year 3 of the plan the Village will be able to better facilitate infrastructure and redevelopment investments and initiate a water-meter performance improvement project to improve water meter accuracy and operational efficiency.

FINANCIAL SUSTAINABILITY

WHERE DOES THE MONEY COME FROM?

The Village's financial stewardship of public tax dollars is presented as a balanced operational plan in the annual budget, a policy plan that sets the financial direction of the Village and defines the service priorities for the community. The budget is a culmination of months of effort by the Village to align limited resources with strategic goals and the delivery of essential public services.



GOVERNMENTAL ACTIVITY REVENUE

WHERE THE MONEY COMES FROM

Careful management of revenues and expenditures is expected to yield a small surplus of \$10,000 in the General Fund by the end of 2017.

GOVERNMENTAL ACTIVITY EXPENSES

WHERE THE MONEY GOES

FUND BALANCE POLICY: EVOLVED

Strategic progress towards Financial Sustainability continues with the Village's updated fund balance policy. Sound financial management principles require that sufficient funds be retained by the Village to provide a stable revenue base at all times.

* GENERAL FUND TARGET: 40%

* WATER & SEWER FUND TARGET: 30%



FINANCIAL SUSTAINABILITY CONT.

AAA STABLE BOND RATING

Standard and Poor's reaffirmed Lake Zurich's AAA long-term bond rating on General Obligation Debt, calling the Village's financial outlook "stable" and management policies "strong." The AAA rating status is achieved by less than 3% of Illinois municipal governments.

WHERE YOUR TAX DOLLARS ARE BEING SPENT



YOUR PROPERTY TAX BILL

Property tax revenues are distributed to a number of taxing bodies, as illustrated below. For every \$100 of your property tax bill, less than \$15 goes to the Village, based on your 2015 property tax bill.



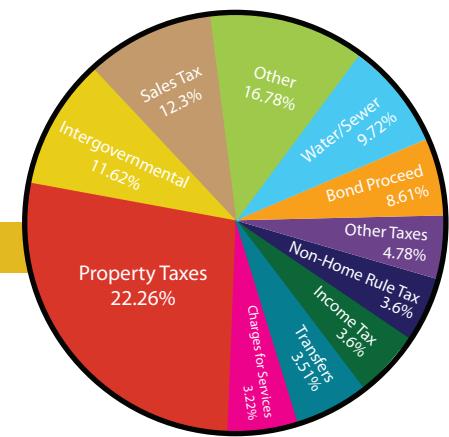
EXPENDITURES

The 15% of your property tax bill that goes to the Village is expended in several ways. However, since the Village is a service-oriented organization, the majority of the expenditures go toward personnel costs.

REVENUES

The Village receives about 22% of its total revenue from property taxes. However, the Village receives revenue from multiple sources. Annual total revenue is about \$48 million.

REVENUE SOURCES



FINANCIAL SUSTAINABILITY CONT.

The Village actively seeks grant opportunities to support Lake Zurich projects and has secured nearly \$73,000 in grants last year that will not have to come out of your property taxes.

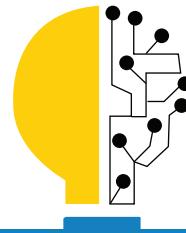
POLICE TRAFFIC SAFETY (IDOT) - \$32,800

Using State of Illinois funds to keep Lake Zurich roads safe and secure.



DCEO ENERGY EFFICIENCY GRANTS - \$22,000

Energy funding for efficient lighting upgrades to retrofit indoor and outdoor lighting at public facilities.



+ \$16,000 ANNUAL ENERGY SAVINGS

HABITAT RESTORATION GRANT AWARD

OAK RIDGE MARSH NATURE PARK - \$10,000

Fighting back against invasive species to protect natural areas. When completed, it will be a healthy, biodiverse oak woodland, capable of regenerating nature's gifts.



POLICE VEST GRANTS, DEPT. OF JUSTICE - \$3,762

Nearly \$3,800 from the Federal Bulletproof Vest Program helped to subsidize the purchase of high-quality, life-saving vests for Lake Zurich's finest.



SAFE ROUTES TO SCHOOL - \$3,159

Invested in sidewalks around Isaac Fox Elementary School to encourage children to walk and bicycle to school.



ENBRIDGE SAFE COMMUNITY GRANT FIRE GAS METER REPLACEMENT - \$1,000

Provided firefighters with the most advanced portable chemical detector on the market.

ENCOURAGING DEVELOPMENT



DEVELOPMENT

DOWNTOWN "BLOCK C" RETAIL FOLLOWS ROOFTOPS

The Village has announced the sale and development of "Block C" at the northwest corner of Main Street and Old Rand Road to Foxford communities, which plans to construct two 24-unit apartment buildings, bringing in long-sought after residential density downtown.



SPARROW RIDGE PLAZA

In March 2016, the Village Board provided final approval to the Fidelity Group to develop a planned unit development at 1075-1077 South Rand Road, consisting of a gas station, child daycare center, and approximately 10,000 square foot retail building that may contain a drive-through restaurant with outdoor seating.



FORMER K-MART REDEVELOPMENT

Garden Homes has proposed to redevelop the former K-Mart site as a mixed use development with 162 luxury apartments and approximately 19,000 square feet of commercial space, including restaurant and retail establishments. The developers intend to demolish the current vacant building and construct three separate residential rental buildings, each consisting of three stories over indoor parking. The project will also include amenities such as a public courtyard with outdoor seating, a rooftop garden and interior private parking.

DAVENPORT FAMILY FUNERAL HOME

During 2016, Davenport Family Funeral Home and Crematory broke ground on the vacant property north of the Inland Bank on Old Rand Road. This will be the third Davenport location, with others located in Barrington and Crystal Lake. Davenport expects to be open in late spring or early summer 2017.

NEW BUSINESSES CHOOSE LZ

VACANCY RATES DROP TO LOWEST LEVEL IN YEARS

- * INDUSTRIAL VACANCY RATE DECLINED FROM 14% IN 2011 TO 5.5% IN 2016
- * RETAIL VACANCY RATES DOWN FROM 9.8% IN 2013 TO 7.3% IN 2016

The Village is ranked #11 by WalletHub.com for employment. WalletHub applied 16 key metrics of job market health including employment growth, median monthly starting salary, and unemployment. This is one further indicator that Lake Zurich consistently ranks well-above numerous state measurements and adds to the Village's reputation for an extremely high quality of life for both residents and its multiple business sectors.



SECRETARY OF STATE

Illinois' newest Secretary of State facility has chosen Lake Zurich, due to its strategic geographic nature as an economic hub of southwest Lake County and its easy access from Route 12 and Route 22. Not only will it be much more convenient for Lake Zurich residents, but it will benefit the entire southwest Lake County area surrounding Lake Zurich.



CONSUME

High quality food and a great spot for local craft beer aficionados. Consume opened in 2016 to offer Lake Zurich a comfortable and relaxing atmosphere with the freshest taste possible.



PANERA BREAD

Over summer 2016, Panera Bread opened at the corner of Rand Road and Route 22 to much fanfare and excitement in the community.



GRAND APPLIANCE

Lake Zurich's newest showroom for stylish solutions to modern day living, the opening of Grand Appliance in 2016 was a big win for the Village.

NEW BUSINESSES CHOOSE LZ



PAGE'S HEALTHY PAWS

A family owned, all-natural pet food store, Page's invites you and your pets to visit its store and experience its selection, expertise, and genuine love for healthy animals.



TUF-TITE

Another large manufacturer expansion in 2016 that chose to reinvest in Lake Zurich, this plastic injection molding company added 24,000 sq. feet to its existing facility in the Industrial Park.

ALPHA BEDDING

This industrial park manufacturer of healthcare mattresses expanded operations by almost 50,000 sq. feet in 2016, creating some two dozen new jobs.



This automotive fastener manufacturer received approval in 2016 to quintuple its operations in the Lake Zurich industrial park, adding 80,000 square feet of space – more than five times its current size.

MIKA'S OLD WORLD BAKERY

Downtown Lake Zurich received a fresh new bakery that is serving cakes, breads, strudels, and coffee cakes baked fresh daily. Cooked from scratch and inspired by European techniques, Mika's brings a delicious flavor to the Village.

GPM MANUFACTURING

This family-owned high-precision machining shop doubled the size of its existing Lake Zurich facility in 2016 with a 24,000 square foot addition on Flex Court.



INFRASTRUCTURE INVESTMENT IN 2016

SANITARY SEWER LINING

Over \$3 million was invested to restore the structural integrity of Lake Zurich's only sanitary sewer transmission main, which sends the Village's waste stream to the Lake County Treatment Plant in Buffalo Grove.

PARKWAY TREE PROGRAM

\$50,000 worth of new parkway trees were planted, kicking off the Village's multi-year effort to reforest the parkways.

ELA / ROUTE 12 RIGHT TURN LANES / PEDESTRIAN IMPROVEMENTS

This primary intersection in Lake Zurich received upgraded resurfacing, new left-turn lanes, and sidewalk improvements in 2016, as well as new pedestrian crossings to assist in improving the walkability rating of this area.

GRAND AVE STORMWATER IMPROVEMENTS

\$215,000 invested in stormwater improvements along Grand Avenue, mitigating years of repetitive flooding

SOUTH SHORE NEIGHBORHOOD WATER MAIN UPGRADES

3,000 feet of water main, many of which were over 60 years old, was replaced along Robertson Road, South Shore Lane, and Ironwood Court. The Village also invested in fire hydrants and new valves in the South Shore neighborhood, with a total infrastructure investment of \$575,000.



ZURITES PARK RIBBON CUTTING - JUNE 10

In June the Village officially opened its newest playground at Zurites Park on Pleasant Road. It boasts a swing set, tire climbers, racing slides, a skate board freestyler and a rope tower!

ANNUAL ROAD RESURFACING PROGRAM (\$1.7 MILLION)

The 2016 Road Resurfacing Program focused on 3 miles of road in Rand Estates, the Orchards, Mossley Hill Estates, Jonquil Estates, and Frontage Road. Work consisted of milling and resurfacing the existing pavement, plus removal and replacement of existing curb and sidewalk. The new roads have a projected service life of 15-20 years.

IMPROVING WATER SYSTEM EFFICIENCY

Lake Zurich is moving forward with a water system audit to improve efficiency, lower the unaccounted for water loss of the system and upgrade water meters on homes and businesses.

SERVICE SUSTAINABILITY



Lake Zurich has focused on reinventing government by reevaluating its approach to delivering public services. The Village's most recent efforts to better serve its constituents emphasize promoting business development by streamlining government using a three-pronged approach:

- * Streamline development reviews process by removing courtesy review requirement and making it an option instead.
- * Allow staff approval of site plans and exterior appearance if all other code requirements are met.
- * Reduce the number of liquor license classifications to better match the community's current expectations for liquor establishments.

DECREASED AMBULANCE TIME

The Fire/Rescue Department found new ways to decrease the amount of time ambulances spend at the hospital after transporting a patient. Average "at-hospital" time was down in 2016 from over one hour to 36 minutes, an improvement that allows ambulance crews to get back in service as quickly as possible.

NEW POLICE TECHNOLOGY FULLY ONLINE

A law enforcement Records Management System (or RMS), sits at the heart of any modern day police department. Lake Zurich police went live in 2016 with a new RMS that has enhanced their ability to organize, track, and access vast amounts of information that flow through the agency each day. This modern RMS is a regional joint-agency collaboration with Round Lake, Lindenhurst, Round Lake Beach, Hawthorn Woods, and Kildeer.

SQUAD CARS UPGRADED

Lake Zurich's police cars have been equipped with in-car video systems that provide both video and audio recordings whenever emergency lights are activated. The new systems offer superior video quality under difficult lighting situations and include a panoramic camera, infrared back seat camera, and microphones that reduce background noise.



TRANSITION TO STARCOM RADIO SYSTEM COMPLETE

During 2016 the Village fully completed the upgrade to the Starcom shared network, allowing first responders to secure a higher degree of reliable, fast-speed mobile connectivity with partner agencies.

SERVICE SUSTAINABILITY

FIRE/RESCUE

1,052

Fire calls
for service



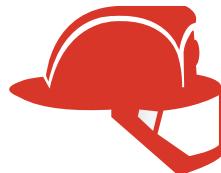
2,205

Emergency Medical
Service (EMS) calls



Fire Prevention completed **100%** of
the annual inspections in 2016.

Fire training hours increased
by **10%** in 2016 to nearly
10,000 hours.



NEW



Starcom radios placed in service
through an Assistance to Firefighters
Grant in the amount of **\$245,000**

Reduced our responses to trouble
alarms by **80%** in 2016.



POLICE

Hosted Citizen Police Academy
to promote community oriented
policing



Reinvigorated Bike Patrol Unit



Hosted 2nd annual Blue & You
event at Police Department



Awarded CALEA re-accreditation,
the gold standard in policing



Added 911 dispatch partners, now
serving over **75 square miles**
and **80,000 people**

TRANSPARENCY & ENGAGEMENT



BOOSTED TRANSPARENCY SCORE 97%

The Illinois Policy Institute increased Lake Zurich's local government transparency score to 97%, based on outstanding transparency performance, earning the Village the Sunshine Award. Of nearly 7,000 local taxing bodies in Illinois, less than 80 have earned the Sunshine Award.



COFFEE WITH THE MAYOR

Mayor Poynton has initiated monthly sit downs at the Koffee Kup in downtown Lake Zurich to residents and business owners. No invitations are needed and everyone is welcome. If you have any questions, concerns, or comments about the Lake Zurich community, please feel free to stop in and chat for a few minutes. The Mayor will be at the Koffee Kup the third Wednesday of each month starting at 9 am.



FIRE DEPARTMENT OPEN HOUSE

Lake Zurich's Bravest open their fire station each year for hundreds of residents to drop by to meet firefighters, check out equipment, and view demonstrations.

SHOP WITH A COP

Lake Zurich's Finest brought local youth to the Shop with a Cop event over the holidays in 2016, allowing kids to partner with police to prepare for the holidays and build relationships with law enforcement that can last a lifetime.



AWARDS &

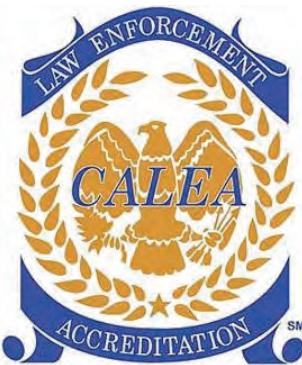


ACCOLADES



Lake Zurich's Finance Department received the Certificate of Achievement for Excellence in Financial Reporting for its Comprehensive Annual Financial Report from the Government Finance Officers Association. This certificate recognizes those local governments that go beyond the minimum requirements of generally accepted accounting principles to prepare financial reports that evidence the spirit of transparency and full disclosure.

The Parks and Recreation Department received accreditation from the American Camp Association for its outstanding summer day camp program, hosting 438 kids in 2016 (and continues to grow). Parks and Rec offers a number of different camps for youth of all ages at their Paulus Park and Buffalo Creek facilities.



The Police Department received reaccreditation from the Commission on Accreditation for Law Enforcement Agencies. This is considered the gold standard for public safety organizations and is recognized internationally.



Lake Zurich Fire Rescue Department received the Illinois Department of Health's Ron W. Lee Excellence in Pediatric Care Award for going above the call of duty to help a child whose private ambulance crashed while taking her to a doctor's appointment in Chicago.



First responders also received the "A Cut Above" award from Northwestern Medicine, Lake Forest Hospital to recognize the extraordinary efforts of local firefighters and paramedics.

Lake Zurich Police won first place award in Illinois Traffic Safety Challenge for its significant impact in the reduction of crashes and associated injuries.



ECO-SUSTAINABILITY

45,000 POUNDS OF CHEMICALS RECYCLED

The Village had great success hosting a recycling event for household chemical waste during the summer. 724 cars attended the event, ridding Lake Zurich area homes of 45,000 pounds of chemical waste.

LARGER RECYCLING CARTS

Residents were offered free upgrades to large recycling carts in December, allowing Waste Management to exchange 64-gallon carts with a larger 96-gallon cart. 223 Lake Zurich households took advantage of the free upgrades, allowing them to recycle 50% more of their waste stream every week.

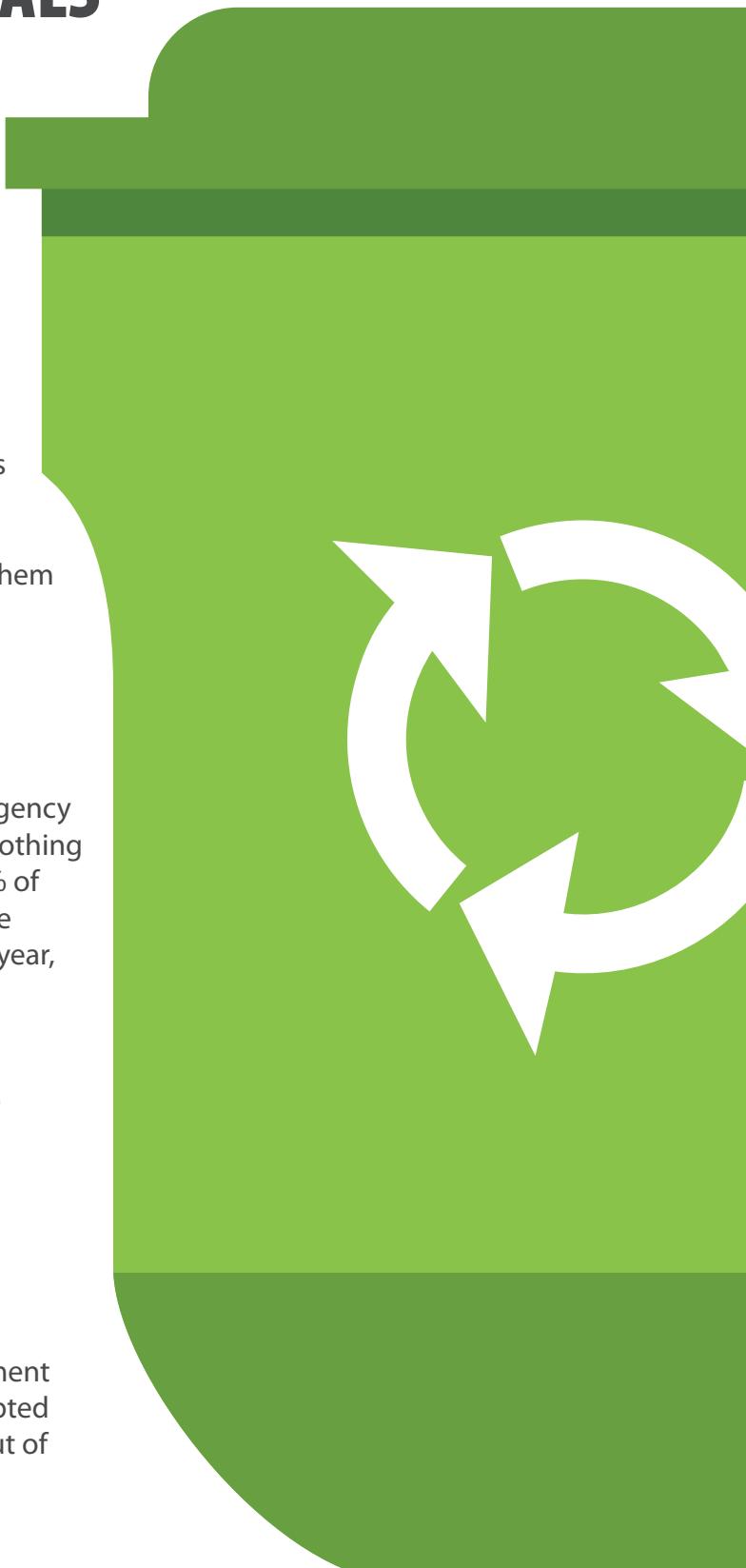
TEXTILE RECYCLING

The Village has an active partnership with the Solid Waste Agency of Lake County (SWALCO) to serve as a collection site for a clothing and textile recycling program, items which make up over 5% of landfill waste in the United States. The EPA estimates that the average American throws away 70 pounds of clothing each year, adding up to 3.9 billion pounds of waste annually.

During 2016, over 9,000 pounds were collected at the new Lake Zurich collection site, which is available 24 hours at the Community Services Facility, 505 Telser Road.

PHARMACEUTICALS

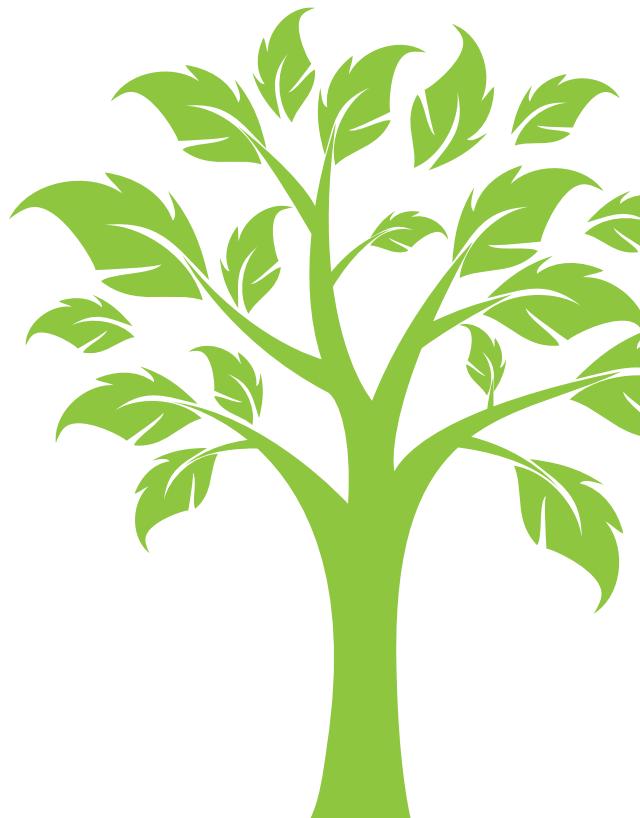
Unwanted medicines, prescriptions, and supplements are accepted at the Village's collection site in the Police Department lobby. During 2016, 631 pounds of prescriptions were accepted from the community, keeping large amounts of medicine out of the waste stream.



LOOKING AHEAD...

LAKE ZURICH'S PRIMARY ACTION ITEMS FOR 2017 & BEYOND INCLUDE:

- ★ Establish a new TIF District along Rand Road corridor.
- ★ Update the Capital Improvement Program.
- ★ Complete a long-term financial plan to manage future investments, pension obligations, and capital infrastructure projects.
- ★ Oversee the development of Block A and C properties.
- ★ Support redevelopment of Kmart site as mixed use development.
- ★ Initiate the water performance project, focusing on identifying strategies to reduce water system leakage and improve water meter accuracy.
- ★ Plant another 200 trees to continue the restoration of the trees lost to the emerald ash borer infestation.
- ★ Update long-standing service agreements with Lake Zurich Rural Fire Protection District and Lake Property Owners Association.
- ★ Conduct 2nd annual National Citizens Survey, providing an opportunity for resident feedback and laying the foundation for trend analysis based on the 2015 survey results.
- ★ Update the Comprehensive Plan and Zoning Code, focusing on community vision and infill development.



2016 FAST FACTS

The Village provides numerous programs and services to the residents, business community, and visitors to Lake Zurich on a daily basis. The Village is dedicated to providing these high quality programs and services efficiently and effectively. The following are a few facts identifying Village accomplishments in 2016.

- ★ In 2016, the Village Board approved **61 ordinances** and **27 resolutions**.
- ★ The Village registered **53 businesses** in Lake Zurich.
- ★ The Village has **48 volunteers** serving as members of one of the Village's eight commissions.
- ★ The Village sent **42 press releases**, **27 e-newsletters**, and over **200 Facebook posts** to keep the community informed.
- ★ The Police Department responded to **7,951 calls** for police service and conducted **136 well-being checks**.
- ★ The Fire Department responded to **1,052 fire incidents**, **2,205 emergency medical incidents** and **533 mutual aid calls**.
- ★ Parks and Rec enrolled **3,024 participants** in a wide-variety of youth and athletic programming, in addition to **3,768 beach visits** at Paulus Park.
 - ★ During a typical snow event, the Public Works Department plows **71 miles** of public streets and **17 miles** of sidewalk.
 - ★ Public Works pumped **656 million gallons** of potable water, replaced **211 trees** lost to the emerald ash borer, and completed **\$3 million** in sewer main replacement.
- ★ The Community Development Department issued **1,685 building permits**, conducted **4,151 building inspections** and responded to **506 requests** for code enforcement.
- ★ The Village organized or hosted **37 special events**, including Rock the Block, Miracle on Main Street, and Color Vibe.

