

**SING A SONG OF PRAISE
FOR HEALTHCARE WORKERS**



Strategic Update

State of the Village 2021

Village of Lake Zurich
70 E. Main St, Lake Zurich, IL 60047
847.438.5141 | LakeZurich.org

VILLAGE OF
LAKE ZURICH
ILLINOIS

At the Heart of Community



MESSAGE FROM THE MAYOR

Welcome to 2021!

The Village has made exciting and continuous progress toward its goals, carefully utilizing the constrained resources available. We have successfully balanced making the community as safe as possible for everyone, while encouraging residents and businesses the latitude to make the best possible decisions for themselves.

Looking back at 2020 it is clear that we didn't sit still. Together we've made important strides in making Lake Zurich a better community. It has certainly been challenging and there is no question that we have been tested but working together as a community of friends and neighbors we have endured and prospered. Some examples:

- * We have attracted over 30 new businesses, such as Stompin' Grounds Cafe and La Michoacana Ice Ceam in the Main Street area, Hay Chihuahua, Happy Paws Animal Clinic, Companion Animal Hospital, a modern McDonald's rebuilt on Rand Rd, same with a new Burger King.
- * We have been successful in attracting Popeyes Louisiana Kitchen and Blue Ridge Korean BBQ.
- * White Alps Café has re-opened; Eggshells has successfully relocated; Hungry Mule is expanding and a new restaurant, La Mule is coming on Rand Road and Phase Three Brewing in the Industrial Park is a major recruiting and expansion success story.
- * The Village secured a \$400,000 OSLAD grant from the Illinois DNR for upgrades to Paulus Park. Residents in 2021 can look forward to a new and improved kayak and canoe launch, new fishing pier, and woodland trail extensions. The grant funds will also be put towards needed shoreline restorations on the south side of the park, the replacement of the aged band shell stage, new picnic shelters, and additional site landscaping throughout our most popular park.
- * Partnering with Ancient Oaks Foundation at Kuechmann Park Arboretum on North Old Rand Rd. we continue to invest in invasive species removal, trail restoration, installation of interpretive signage, and a playscape.
- * Private-sector investment continues in Lake Zurich, including 18-acres on Midlothian Road for the 34-home single-family Avery Ridge neighborhood, 24-duplex homes on the south side of Honey Lake Road, 38 new townhomes on the north side of Route 22 for the Canterbury Estates neighborhood and a significant private local resident investment in the former Bank of America building on Main Street.
- * The Village lowered its share of the property tax bill with the full repayment of bonds that had been issued for the new police station 20 years ago.
- * We continue to fund public safety pension obligations for police/fire in order to meet our 100% funding goal by 2040. We are in far better shape than most public safety pensions in Illinois.

Resiliency, adaptability and a hopeful return of some semblance of normalcy are the key words for 2021 amid the unpredictability of the Covid-19 pandemic. Our immediate priorities are to keep our residents safe and to support and promote our businesses through 2021 and beyond, while moving toward making our community better.

We have accomplished a great deal together and there is always more to do in a community with over 6,000 families and 20,000 people.

We should all be proud of the Lake Zurich we're building together.

Sincerely,

Mayor Tom Poynton

*Tom Poynton*

MAYOR / CLERK / VILLAGE TRUSTEES / DEPARTMENT DIRECTORS

MAYOR
TOM POYNTON



VILLAGE CLERK
KATHLEEN JOHNSON



TRUSTEE
JIM BEAUDOIN



TRUSTEE
MARC SPACOME



TRUSTEE
JON SPRAWKA



TRUSTEE
MARY-BETH EUKER



TRUSTEE
GREG WEIDER



TRUSTEE
JANICE GANNON



VILLAGE MANAGER
RAY KELLER



**ASSISTANT VILLAGE
MANAGER**
ROY WITHEROW



FINANCE DIRECTOR
BANE THOMEY



POLICE CHIEF
STEVE HUSAK



ACTING FIRE CHIEF
DAVID PILGARD



**INNOVATION
DIRECTOR**
MICHAEL DUEBNER



**PARKS & RECREATION
DIRECTOR**
BONNIE CAPUTO



**HUMAN RESOURCES
DIRECTOR**
DOUG GIBSON



**COMMUNITY
DEVELOPMENT DIRECTOR**
SAROSH SAHER



**PUBLIC WORKS
DIRECTOR**
MIKE BROWN

MISSION

The mission of the Village of Lake Zurich is 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.

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. Through the use of strategic planning, a blueprint is created that provides focus necessary to achieve organizational and performance excellence.

GUIDING PRINCIPLES

- * Trust & Integrity
- * Teamwork
- * High Performance, Quality Services
- * Caring and Respectful Leadership
- * Transparency & Accountability
- * Dedicated Professionals

RESPONDING TO GLOBAL PANDEMIC

The Village of Lake Zurich has matured into an established community with a stable financial position. This strength is primarily due to the organizational and financial restructuring efforts over the past 6-8 years. These sound financial practices and policy decisions enabled the Village to weather the COVID-19 crisis and the economic crisis that came with it.

WHAT HAS THE VILLAGE BEEN DOING TO ASSIST LOCAL BUSINESSES DURING THIS PANDEMIC?

- * The Village has consistently worked with the Lake Zurich Area Chamber of Commerce and over 800 local businesses to assist them with grant procurement efforts.
- * Worked with Lake County and Lake County Partners to secure over \$1,850,000 of small business grants to over 100 Lake Zurich businesses.
- * Developed a webpage dedicated to a live, updated listing of eateries offering take-out/delivery.
- * Suspended noise ordinance for grocery/essential stores' early or late deliveries.
- * Eased signage restrictions for essential businesses.
- * Through a partnership with Lake County Partners, the Village was able to find lending institutions that will work with local businesses to procure funding for the Paycheck Protection Program and CARES Act. Eased rent restrictions to business tenants who rent Village-owned buildings.
- * Worked with households that encountered financial difficulties to allow flexible water-sewer payment plans for those in need.

IN THE INTEREST OF MAXIMIZING PUBLIC SAFETY, THE VILLAGE HAS:

- * Cancelled/postponed most events scheduled for 2020 and early 2021.
- * Moved public meetings to virtual formats, which has had the added benefit of increasing accessibility to local legislative meetings.
- * Adjusted staffing levels to allow mobile working and staggered staff-levels.
- * Commercial plan review and inspections were transitioned to online permitting and virtual inspections.



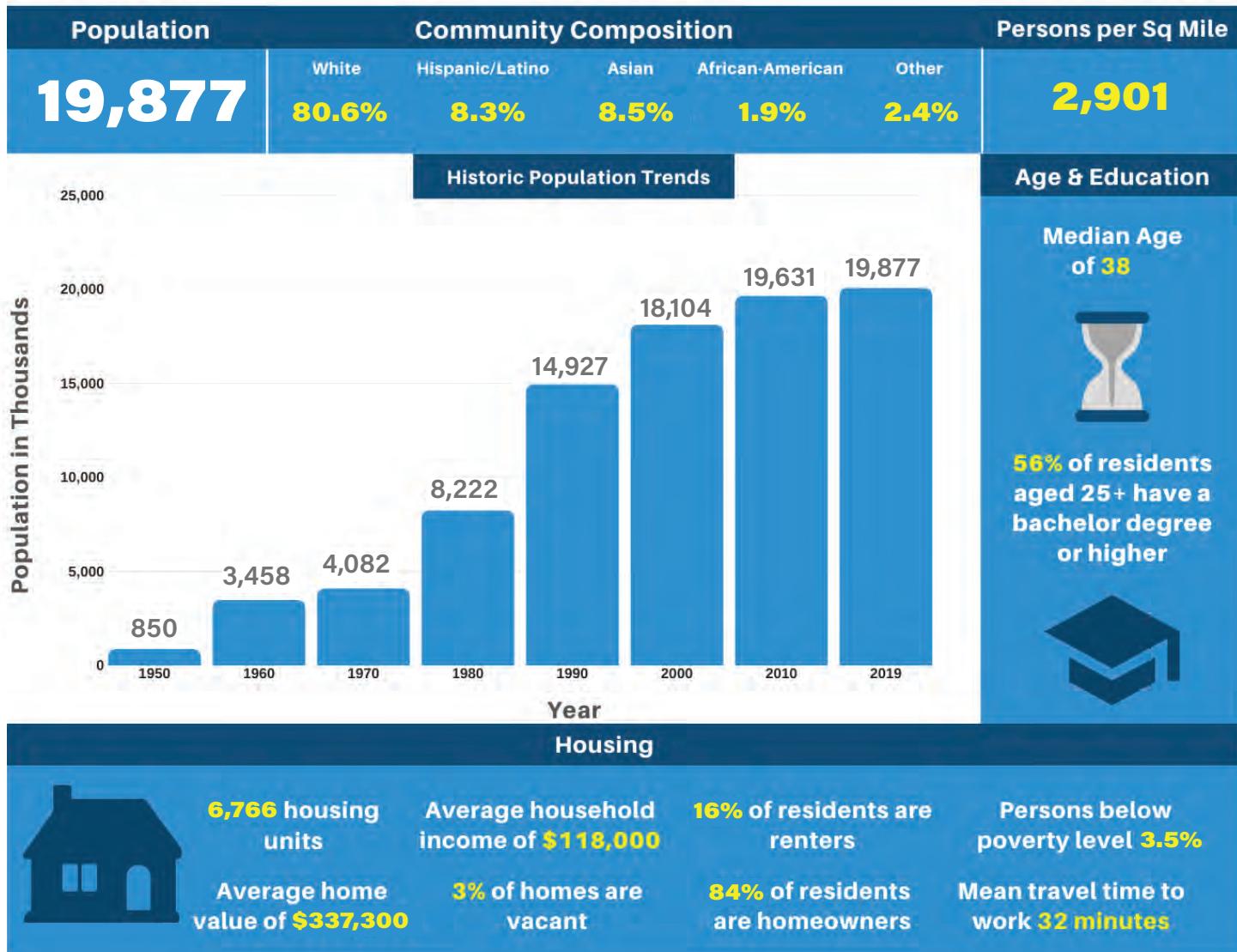
HISTORY AND DEMOGRAPHICS

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, which has seen its population increase to more than 700,000 residents.

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 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



STRATEGIC GOALS

Strategic planning is an essential tool that is embraced by the Village Board and Staff Team. By evaluating the Village's current position, identifying areas of improvement, and setting goals for future years, a strategic plan is created that provides the necessary focus to optimize performance and achieve organizational excellence. Therefore, the following goals are prioritized each year.



FINANCIAL SUSTAINABILITY

Meet the critical financial needs of the Village while maintaining a balanced budget through responsible management of the Village's financial obligations and diligent use of revenues without placing undue burden upon Village residents.



DEVELOPMENT

Expand the economic base of the Village by incorporating the current multitude of opportunities which includes Main Street revitalization, Route 12 and 22 Business Corridors, and professional partnerships with the business community, in order to further establish and expand Lake Zurich as the regional economic hub of Lake County.



INFRASTRUCTURE

Provide prudent policies and operational practices which will enhance the quality of life of Lake Zurich residents by caring for the Village's natural resources including safe and reliable water supply and preservation of its urban canopy, while also assuring that municipal assets such as its street, water/sewer, and storm water systems are responsibly maintained by the most equitable and efficient funding sources available.



SERVICE SUSTAINABILITY

Foster change which will enable the Village to become a community which is both adaptable and responsive, and efficiently delivers high-quality services which are cost-effective, reliable, and sustainable, and based on community values, priorities, expectations, and available resources.



CIVIC ENGAGEMENT

Work collaboratively to increase informed citizen participation in the policy process where the Village works with and through its citizenry to improve the community, share knowledge and responsibility; and encourage collaborative solutions and participation in order to broaden consensus around shared values and acceptable outcomes.

FISCAL SUSTAINABILITY

Through 2020, the Village's revenues were impacted by not only the reduced revenues and increased costs related to the pandemic, but also by the closing of a significant employer that had previously generated \$600K annually in sales taxes. Overall, the Village's General Fund is adjusting to a \$3 million decline in revenue between the end of 2019 and the start of 2021. Despite these challenges, the Village continues to operate within its fiscal constraints, adjusting on a monthly basis to advance the community.



PENSION OBLIGATIONS

Continued to fund public safety pension obligations to meet the 100% funding goal by 2040. As of the Actuarial Valuation on January 1, 2020, the Police Pension Fund is 52.5% funded and the Fire Pension Fund is 63.6% funded.



REDUCING RISK

Contained general liability claims to less than 10 through December 2020. The average number of general liabilities claims since 2010 is 17.



REDUCING COSTS FOR SERVICE DELIVERY

In August, the Village formalized a new franchise agreement with Prairieland Disposal, utilizing the first solid waste hauling bidding process ever conducted in the history of Lake Zurich. This effort reduced the costs for refuse, recycling, yard waste, and leaf vacuuming collection for the majority of residents while avoiding a substantial increase that was imminent if the Village had not switched.



GRANTS SECURED - \$2 MILLION +

The Village secured over \$2 million in 2020 in various grant funds, including \$900,000 in CARES Act assistance, \$400,000 in Parks and Rec grants via the State OSLAD program, \$400,000 in Motor Fuel Tax grants via the State Rebuild Illinois program, \$300,000 for firefighter/paramedic equipment via the FEMA Assistance to Firefighters program and tens of thousands of dollars in other funding of public safety training, first responder gear, and traffic safety. Each grant we secure reduces the Village's dependence on property taxes.

REDUCING RISKS

Contained general liability claims to less than 10 through Dec. 31, 2020, which is a low level compared to the average claims since 2010.



VILLAGE RESERVES

The Village's fund balance policy is to maintain a minimum of 25% for the General Fund, with a target of 40%. This reserve is maintained for use in emergency situations. As of Dec. 31, 2020, the General Fund Reserve is at 34%.

DEVELOPMENT

NEW PERMITS

The Village issued over \$22 million in construction value of new permits over the last year as of early January 2021. A large portion of this is interior build-out for commercial and industrial businesses and single-family residential projects.

YEAR	CONSTRUCTION VALUE
2020	\$22 MILLION
2019	\$55 MILLION
2018	\$23 MILLION
2017	\$34 MILLION

TOP 4 EMPLOYERS



942



819



600



234

Does not include large national retailers



VELA CARINA ON MAIN

The Village partnered with local private citizens in a redevelopment partnership which will repurpose the former Bank of America building, which had been vacant for several years, into a suite of hospitality businesses which will enhance efforts to increase day and nighttime density and foot traffic to the Village Main Street Area.



CUMMINGS PROPERTY DEVELOPMENT

After a number of attempts by developers and owners over the past four years, the Village worked with Deer Park developer Vintage Luxury Homes to grant plan approval to develop the 4.6-acres at the corner of Route 22 and Quentin Road with commercial uses including a drive-through coffee shop, bank, two general retail sites and a gas station with the remaining 9.8 acres to the south with 56 residential townhomes within 14 buildings.



AVERY RIDGE ON MIDLOTHIAN ROAD

Mass grading, utility and roadway installation for the 34-unit single-family residential subdivision was completed in October 2020. The first model home plus two more homes are built so far, with the rest to follow when the construction season resumes in Spring 2021.



MCDONALD'S RESTAURANT ON ELA ROAD COMPLETED & OPEN FOR BUSINESS

The McDonald's restaurant began construction in May 2020 and stayed with its 101-day construction schedule to open in July. Lake Zurich is now proud to boast two ultra-modern Mickey D's.



ANNEXATION OF THE HUMMEL PROPERTY

Prestige Development received approval for annexation of the 35-acre property on the south side of Honey Lake Road for the development of 24 duplex homes on 12 lots. The 28 acres to the south will be preserved as open space conservation area to safeguard a sensitive wetland area. Construction of the new homes is expected to commence in early 2021.



CANTERBURY ESTATES ON ROUTE 22

The project broke ground in 2020 after lying vacant for more than 17 years and seeing a number of attempted development projects by the owner. The current project proposes 38 new townhomes to be constructed by Ryan Homes. Units are anticipated to be priced at approximately \$350,000.



JAPAN TRADE COMMISSIONER VISIT

In early 2020, the Village hosted a reception and tour with the new Japan Trade Commissioner. Through its membership in Select Chicago Foreign Direct Investment, the opportunity was presented to discuss Lake Zurich with the Japan External Trade Organization, resulting in Commissioner Okada choosing Lake Zurich as his first municipality to visit in the Midwest.



CONSTRUCTION PERMITS

Despite the reduction in economic activity during a significant part of 2020 due to the COVID-19 pandemic, the Village issued 1,506 construction permits, which is on par with the number of permits issued during the same time period last year. Staff attributes this push in construction to the fact that construction was designated an essential service during the lockdown and owners took the opportunity to upgrade their homes or move into new homes due to lower mortgage interest rates.

NEW BUSINESSES

As of early January 2021, over 30 new businesses were registered in Lake Zurich over the last year. Some of which include:

Barrett Accounting & Tax,



Kraft Chemical
Trusted ingredients for new ideas



HAPPY PAWS
ANIMAL HOSPITAL

STOMPIN' GROUNDS CAFE



INFRASTRUCTURE

Each year the Village completes a number of infrastructure projects, as outlined in the Community Investment Plan (CIP). Four major projects completed in 2020 are shown below:

1 WATER MAIN IMPROVEMENTS

Aging water main infrastructure received investment to the tune of over \$1 million in 2020, focusing along Route 22, Rand Road, and in Paulus Park. In 2020, replacement pipe totaled 2,500 feet and about 1,000 feet of new 10" water main.

2 NEW ROAD RESURFACING

The Village invested approximately \$1.7 million of Non-Home Rule Sales Tax as part of its ongoing street improvements. Street improvements in 2020 included Chasewood North, Whispering Creek, East Lane, Deerborn Court, and Sunset Court among others.

3 KILDEER CREEK STREAM BANK STABILIZATION

In partnership with Lake County Stormwater Management Commission and Coventry Creek Subdivision the Village addressed stormwater management issues by restoring a portion of Kildeer Creek and the adjacent Cedar Creek detention pond.

4 WATER SUPPLY STUDY

In October 2020, the Village approved a water resource study with Engineering Enterprises to study two distinct paths that will provide operational guidance for future capital investments. The Village could install system improvements to stay on the current deep well aquifer well system or partner with a regional water agency to connect to Lake Michigan water.



OTHER INFRASTRUCTURE PROJECTS COMPLETED IN 2020 INCLUDE:

- Water, sewer and streetscape improvements were completed for the mixed-use redevelopment of the former Bank of America building on Main Street.
- Street patching was performed in the Orchards, Mosley Hills, Countryside West Subdivisions, as well as Honey Lake Road, Wilmette and Evanston Terrace.
- Invested \$50,000 in the parkway tree/EAB replacement program to revitalize the suburban forest canopy.
- Received a \$400,000 public enhancement OSLAD grant from the State for Paulus Park. Coming soon! Canoe & Kayak Launch. Replacement of band shell stage, new picnic shelter & extended trails.
- Invested \$70,000 in new playground at Breezewald Park

SERVICE SUSTAINABILITY

The uncertainty of the COVID-19 pandemic coupled with an unstable local and national economy, and the State's fiscal crisis, created challenges that the Village was ready to face primarily due to the Village's strong financial position. The Village continued to provide sustainable services and showed a unique ability to adapt to unexpected circumstances.

RECREATION PROGRAMS

Despite the loss of the Barn in November of 2019 the Village continued to provide extraordinary program experiences at an exceptional value. The COVID-19 pandemic created immense challenges, but the Parks & Recreation Department adapted their programs quickly to deliver virtual youth programing to the community. Staff explored creative ways to continue to engage with the community throughout the year including Pop Up youth activities weekly at Paulus Park and Community Cares Chalk Art contests during the summer, Halloween Havens and Paulus Pumpkin Patch Fall contests, and holiday offerings such as Mistletoe Moment in downtown Lake Zurich, Letters to Santa and Virtual Tree Lighting.



REVAMPING UNDERUTILIZED RESOURCES

Efforts continue to enhance Kuechmann Arboretum on North Old Rand Rd, which became a certified arboretum in the summer of 2019. In 2020, the Village approved the Kuechmann Kove playscape from the Lake Zurich Ancient Oaks Foundation.

This nature playscape will use native natural components and trees to invite children into nature, providing an opportunity for unstructured play in a woodland setting.



CIVIC ENGAGEMENT

ILLINOIS DEPARTMENT OF NATURAL RESOURCES (PARC) GRANT

The Parks and Recreation Department applied for the IDNR's PARC grant program for public enhancements to the Paulus Park Barn facility. As part of the application process, the department held community engagement meetings to present concept designs to the community for review and feedback. Status of the grant application is still pending as of January 2021.

% OF RESIDENTS RATING LAKE ZURICH AS AN "EXCELLENT OR GOOD" PLACE TO LIVE

2015	2017	2019
94%	95%	93%



REFERENDUM RESIDENT ENGAGEMENT

The Village launched an inclusive process to seek citizen input on the future of the outdated Fire Station 1 and Parks & Recreation facilities. The initiative culminated in a referendum to determine if residents wished to proceed with 0.5% local sales tax increase to fund upgrades to the aging facilities. A referendum was put before voters in November 2020 providing clear direction to the Village Board and staff on future investment decisions, which was the primary reason the Board initiated the question. Future repairs to the Paulus Park Barn to bring the building back to pre-fire status is underway but the Barn will not be expanded to accommodate future community programs per the direction of voters.



MEETING PEOPLE WHERE THEY ARE

Engaged in discussions with residents in the community continued at various venues, including neighborhood block parties and the ongoing Coffee with the Mayor events each month. The Village strives to seek a wide-range of resident opinions and insights to move forward together.



PROMOTING TRANSPARENT GOVERNMENT

Despite additional challenges due to the pandemic, the Village continued to promote the availability of live broadcasts of Village public meetings and information through the Village website, Benchmarks and Facebook.



7,248
Facebook Followers
(up from 6,454)



82
Benchmarks Sent



74
NextDoor Posts



41
Tweets

PUBLIC SAFETY

Lake Zurich is routinely below the national, state, and county averages in all reported categories for crime statistics. Your chances of becoming the victim of a violent crime in Lake Zurich is 1 in over 4,000, versus 1 in 247 for Illinois as a whole.

Lake Zurich Police and Fire adapted their methods of providing public safety services as various restrictions were put into place without compromising service expectations of the community. Both departments procured sufficient PPE supplies and pursued COVID-related grant opportunities. Ongoing training is critical in maintaining or improving skills and knowledge collectively. In 2020, LZ Police Officers participated in over 4,950 hours and LZ Firefighters/Paramedics participated in over 9,500 hours of training.

Type	2018	2019	2020
Murders	0	0	0
Sexual Assaults	1	4	0
Assault / Battery	4	3	1
Burglaries	17	14	15
Vehicle Theft	4	2	5
Arson	0	3	0



The Lake Zurich Fire Department is a full service operation, providing fire suppression, emergency medical services, hazardous material response, fire investigations, water rescue, and low/high angle rescue teams. Other functions through the Fire Prevention Bureau include community safety and fire education, plan review, code enforcement, and emergency preparedness to the greater Lake Zurich area.

Type	2018	2019	2020
Calls (Rescue/ EMS)	2667	2509	2438
Calls (Fire)	1010	1145	851
EMS Transportation	2033	2057	1795
Fire Inspections	1389	1494	824
Mutual Aide	499	426	341

FAST-FACT

Lake Zurich has 4 fire stations. In addition to the departments official logo, each station has their own logo as a symbol of "station pride." Each logo contains characteristics unique to each station. The station logos can be seen below:



VILLAGE GREEN INITIATIVES

Local governments have an important role to play in reducing carbon emissions and ensuring future generations inherit a sustainable ecosystem and livable environment. Some things Lake Zurich is doing to help the planet include:

- * 170 Village-owned streetlights have been converted to LED, reducing electricity consumption by over \$10,000 annually.
- * Starting in 2021, a new village-wide curbside electronics waste recycling event will be arranged each July for residents. This will be free for all customers of Prairieland Disposal.
- * The Village added anti-icing and pre-wet controls to all snow plow vehicles to reduce road salt usage and phosphate deposits.
- * The Village reduced electricity consumption and cooling requirements by completing server and storage array consolidations at the Police Department.
- * Clothing and textile recycling is available at Community Services, shoe recycling is available at Buffalo Creek and Fire Station #1, and pharmaceutical recycling is available at the Police Station.
- * The Village installed an electric-vehicle charging station at Village Hall on Main Street to promote the use of EV's. Other charging stations in Lake Zurich have been installed at Walgreens on Rand/Miller as well as the corner of Rand / Route 22 in the Jewel parking lot.
- * The Village partnered with the Lake County Storm Water Management Commission for streambank stabilization efforts in the Coventry Creek and Cedar Creek subdivisions and shoreline restorations along the Paulus Park shore.



PRIORITIES FOR 2021 AND BEYOND

- * Adopt a new 5-year Village Strategic Plan for 2022-2027.
- * Update the 20 year Community Investment Plan and budget for priority capital projects for the upcoming years.
- * Continue to fund public safety pension obligations to meet 100% funding goal by 2040.
- * Facilitate industrial development in Industrial Park and Route 22 corridor.
- * Implement year 4 of a multi-year sewer lining program to minimize future sewer collapses.
- * Complete storm water improvement at the Promenade.
- * Maintain public safety and public works service levels (response times, customer service, etc.) within current fiscal constraints.
- * Expand on-line self-service opportunities for real-time access to public services using current tools/resources.
- * Conduct Year 4 of the National Citizen Survey.
- * Broaden public safety recruitment to under-represented populations.
- * Continue availability of live online broadcasts of Village public meetings and information available through the Village website, Benchmarks and social media platforms.
- * Continue monthly Coffee with the Mayor and similar events as conditions warrant.