



STRATEGIC UPDATE
STATE OF THE VILLAGE
2019

VILLAGE OF
LAKE ZURICH
ILLINOIS

At the Heart of Community

Village of Lake Zurich
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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 responsible municipal leadership and staff. This will result in continually improving quality of life and return on investment for all stakeholders in the community.

HISTORY

Lake Zurich is located in the northwest region of the Chicago Metropolitan Area, approximately 25 miles from the Chicago 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, 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.

DEMOGRAPHICS / HISTORIC POPULATION

POPULATION 20,054 **LAND AREA** 7.22 SQUARE MILES **PERSONS PER SQUARE MILE** 2,778

ETHNICITY 79.5% WHITE | 9.1% HISPANIC | 8.6% ASIAN | 1.18% AFRICAN-AMERICAN | 1.49% OTHER

MEDIAN HOUSEHOLD INCOME \$111,651 **MEDIAN HOME VALUE** \$323,600

HOUSING UNITS 7,082 **PERSONS PER HOUSEHOLD** 2.82

MEAN TRAVEL TIME TO WORK 32.2 MINUTES

PERSONS BELOW POVERTY LEVEL 2.6%

MEDIAN AGE 38.9

EDUCATION LEVELS (PEOPLE 25+ YEARS)

* **ASSOCIATE DEGREE** 7.3% * **BACHELOR DEGREE** 35% * **GRADUATE DEGREE** 21%

LIVED IN LZ FOR 5+ YEARS 83%

PLANS TO STAY FOR ANOTHER 5+ YEARS 86%

GROWTH SINCE 2000 10.8%

POPULATION WITHIN 20 MINUTE DRIVE TIME 364,253

STRATEGIC PLAN

In 2013, the Village Board adopted a 5-Year Strategic Plan, an important commitment to transition from traditional practices of municipal governance to one which focuses on citizen engagement, statistical performance metrics, and continuous process-improvement. As we now move forward into 2019, sustained progress has been made toward our community's financial sustainability, and reinvestment in aged infrastructure. The Village has carefully managed its development while ensuring adaptive and effective municipal services, and found opportunities for meaningful and respectful citizen engagement.

We look forward to the community's participation in creating the next 5-Year Strategic Plan.

GUIDING PRINCIPLES

TRUST & INTEGRITY

Our organization is honest in our actions, open with our communications, and provides fair and dependable public services.

TEAMWORK

Our organizational team achieves success through a collaborative approach utilizing our dedicated, innovative, and forward-thinking team of professionals to deliver high-quality public services.

HIGH PERFORMANCE, QUALITY SERVICES

Our organization delivers cost-effective, efficient, and responsive public services evaluated through clearly defined performance-measures.

CARING & RESPECTFUL LEADERSHIP

Our organization provides guidance to our personnel and the community by establishing the people's goals and objectives derived from listening to needs.

TRANSPARENCY & ACCOUNTABILITY

Our organization is open, accessible, and promotes understanding throughout the community by educating the public about Village operations and services including communicating, on a regular basis, the progress of the strategic plan.

DEDICATED PROFESSIONALS

In order to sustain itself, our organization must attract, develop, and retain qualified individuals with high ethical standards and a desire to serve the public.

LZ FAST FACTS

DURING THE 2018 CALENDAR YEAR...

- * The Village Board approved 52 ordinances and 12 resolutions.
- * Community Development registered 47 new businesses in Lake Zurich.
- * The Village has 46 volunteers serving as members of one of the Village's eight commissions.
- * The Village sent 26 press releases, 87 e-newsletters, and over 290 Facebook posts to keep the community informed.
- * The Police Department responded to 37,850 calls for police service and conducted 203 well-being checks.
- * The Fire Department responded to 1,010 fire incidents, 2,667 emergency medical incidents, and 499 mutual aid calls.
- * Parks & Rec enrolled 3,579 participants in a wide-variety of youth and athletic programming, in addition to 3,200 beach visits to Paulus Park.
- * During a typical snow events, the Public Works Department plows 78 miles of public streets and 21 miles of sidewalk.
- * Public Works pumped 559,111,000 million gallons of potable water, replaced 263 trees lost to the emerald ash borer, and completed \$969,125.29 million in sewer main replacements.
- * Community Development issued 1435 building permits, conducted 3030 building inspections, and responded to 508 requests for code enforcement.
- * The Village organized or hosted 45 special events, including Rock the Block, Miracle on Main Street, and Color Vibe.

FISCAL SUSTAINABILITY ACCOMPLISHMENTS FROM PAST YEAR

TIF FUNDING

Completed the setup of a new Tax Increment Financing (TIF) district for the Rand Road corridor, providing a long-term financing tool for redevelopment and infrastructure improvements in the area.

PENSION OBLIGATIONS

Continued to fund public safety pension obligations to meet the 100% funding goal by 2044. As of November 2018, the Police Pension Fund is 50.7% funded and the Fire Pension Fund is 64.4% funded.

ESTABLISHING RESERVES

Continued progress towards the Village-adopted goals for a 40% General Fund Target Fund Balance. As of December 31, 2018, the projected General Fund reserve balance is 31.2%.

OPERATIONAL SUPPORT

The Foreign Fire Tax Board assisted with the funding of training and policy development for the Fire Department, providing over \$27,000 funds towards department support.

BOOSTING REVENUE

Restructured the ambulance transport fee structure to increase reimbursements by private insurance companies by 22% over financial projections.

REDUCING RISK

Contained general liability insurance claims to 12 through December 2018, the lowest level of claim exposure since at least 2010. Similarly, workers compensation claim exposure has remained at its lowest level since at least 2010.

COMPETITIVE BIDDING

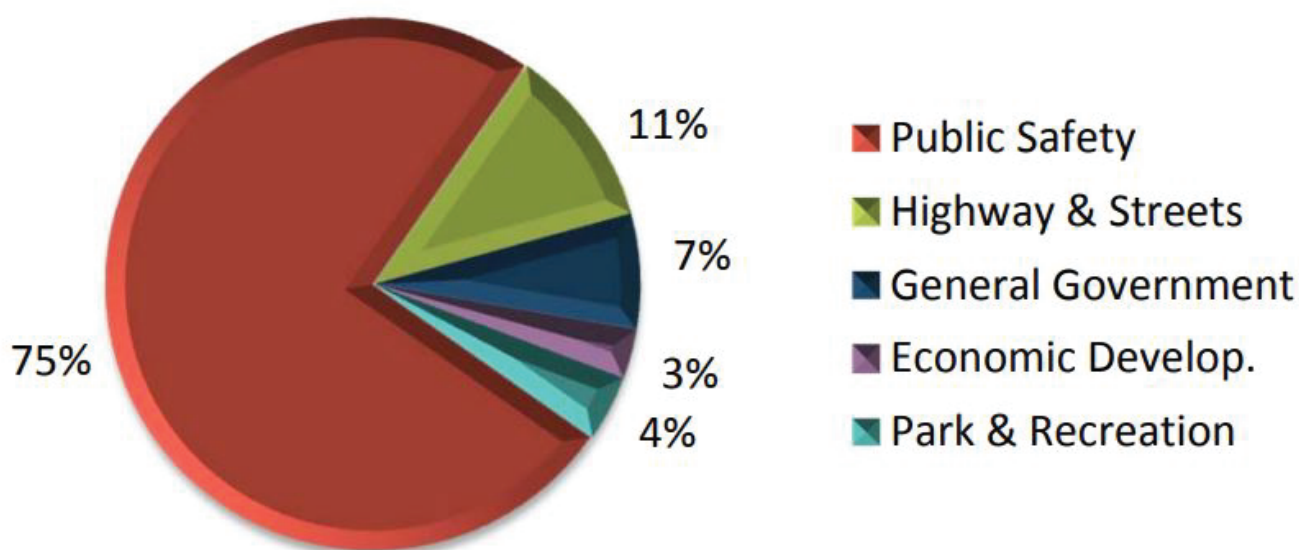
Conducted multiple competitive bids for public works projects, resulting in several projects coming in significantly below budgeted amounts, thanks in part to a new calendar-based fiscal year that allows staff to bid projects earlier in the year.

WHERE ARE YOUR TAX DOLLARS BEING SPENT?

Property tax revenues are distributed to a number of taxing bodies, as illustrated. For every \$100 of your property tax bill, less than \$15 goes to the Village, based on your 2018 property tax bill.



GENERAL FUND EXPENDITURES



DEVELOPMENT ACCOMPLISHMENTS FROM PAST YEAR

LOW VACANCY

Village vacancy rates for retail, office, and industrial spaces have continued to decrease in 2018, reflecting the desirable business environment Lake Zurich offers and the vibrancy of the national economy as a whole. Specifically, the retail vacancy rate is the lowest since 2014 at 5.9%.

NEW PERMITS

The Village issued over 1,500 permits worth nearly \$24 million in new construction in 2018.

EXPANDING OUTREACH

The Village has begun participation in the Greater Waukegan Development Coalition in an effort to develop working relationships with numerous Lake County municipalities to drive foreign direct investment into the region, promote grant procurement, and conduct market analyses.

SUNSET PAVILION

Constructed and contracted for the operation of Sunset Pavilion, a new community amenity at Breezewald Park to increase activity in the Main Street area.

PLANNING FOR THE FUTURE

Began updating the Village's Comprehensive Plan to reflect Lake Zurich's status as a mature, redeveloping community and emphasize flexibility when exploring redevelopment and infill opportunity.

OLD K-MART DEMOLISHED

Facilitated the demolition of the vacant former K-Mart building on Rand Road in order to better market the site as development-ready.

VACANT BUILDING REPLACED WITH SHELL STATION

Development of a True North Shell gas station at the former Omega restaurant site received Village approval and is currently in the permitting process.

EXPANDING ECONOMIC DEVELOPMENT EFFORTS

The Village participated in the first Select Chicago event, an economic development initiative designed to highlight development opportunities throughout the Chicagoland area by generating interest from foreign investors.

COMMUNITY MARKETING AND BUSINESS ATTRACTION

Hosted a booth at the International Conference of Shopping Centers/Navy Pier Retail Convention for the fourth year. Made contacts and held discussions with 18 retail/real estate/broker representatives. Held over 50 meetings with developers, businesses, and investors regarding businesses expansion in Lake Zurich.

EXPANDING VILLAGE BOUNDARIES

19-acre annexation approved for Avery Ridge subdivision for 35 new single-family homes.

LIFE TIME GROWS ROOTS IN LZ

Life Time Athletic will break ground for its newest facility in Lake Zurich in spring, 2019. This will be a multi-million dollar investment for a state of the art luxury fitness center. In 2018, its development concept plan and zoning entitlements were approved.

ATTRACTING RESIDENTS TO MAIN STREET

Somerset by the Lake apartment buildings on Main Street were completed, with renters beginning to occupy the two buildings.

RAND ROAD COMMERCE

Sparrow Ridge Plaza development began on Rand Road, including a new day care center, Murphy Gas Station, and Freddy's Frozen Custard coming soon.

BRIERWOODS ESTATES

A new seven-lot residential subdivision received Village approval at the corner of Miller Road and Brierwoods Lane.

NEW BREWERY ATTRACTED TO TOWN

Lake Zurich Brewing Company was established following the closure of Black Belt Brewing in the Lake Zurich Industrial Park.

LIFE STORAGE BEGINS OPERATIONS

Life Storage on Route 22 received occupancy to begin operation of its new facility.

COMMERCE THRIVES IN LAKE ZURICH ECONOMY

Kooker's, New Crave Café, The Hungry Mule, Konnigiya, Meat & Potatoes, and Carlos Mexican Cuisine. (McAlister's and Freddy's Frozen Custard will open in 2019).

OTHER NEW BUSINESSES

Amita Health, Altlandfills, Five Below, SW Massage, MVP Sports Academy, TLE, China Style Food Company, Land Surveying Services Inc, Girl Scouts of Northern Illinois, M&M Abrasive Products, Mercenary Contracting, ATOM AMPD LLC, Freedom Grafix, Shake Guys, YK Total Services, Dream Beauty Supply, Straight Up Electric, Global Alternative Services, Lash and Beauty Lounge, Opaque Vape 3 LLC, Drs Lapporte, Wright & Associate PC, Life Storage, Barbo LLC, Amuyu, Electrical Options, Allstate Insurance Agency, Payton Business Services Inc, ERI American Inc, TBR Trade LLC, W&W Associates, Dr. Michael Blechacz OD, DILISI Motorsports LLC, A-Appraisals, Reliable Roofing, Innobaby LLC, Ez Kut Products, May's Lake Zurich, Aleckson Insurance, Torch International Trading and Investments, Sound Structures Inc, Sight on Solutions.

INFRASTRUCTURE ACCOMPLISHMENTS FROM PAST YEAR

REDUCING WATER LOSS

Completed the meter replacement program and water performance improvement project by replacing over 6,600 old mechanical meters to increase efficiency, transparency, equity and sustainability.

NEW PARKING

Rebuilt the public parking lot at the Community Services Facility.

NEW ROADS

Invested \$2 million in the ongoing road improvement program, focusing on Bristol Trails, Windmere Lane, Indigo Court, Harvest Drive, Ravenswood Court, Partridge Lane and Pheasant Ridge Road.

WICKLOW EAST PARK

Replaced 24-year old playground at Wicklow East Park with great community feedback regarding its design.

STORMWATER MANAGEMENT

Constructed storm water improvements on Main Street near the CN railroad.

REINFORCING SEWERS

Completed televising sanitary sewers and started the lining / replacement program to minimize future sewer collapses.

UPGRADING FIRST RESPONDER ALERTS

The Fire Department partnered with the Lake County Emergency Telephone Systems Board and Rural Fire Protection District to install new station alerting technology.

BUFFALO CREEK LIFT STATION

Invested over \$630,000 in the Buffalo Creek lift station, replacing the old station that was over 40 years old.

SERVICE SUSTAINABILITY ACCOMPLISHMENTS FROM PAST YEAR

RECREATION PROGRAM GROWTH

Aquatics, Academy of Performing Arts (dance), day camp, and early childhood Yellow Brick Road Preschool programs all experienced enrollment growth.

REPLACING CORE SOFTWARE

Implemented a new integrated enterprise resource platform for core functions of municipal operations.

REPLANTING THE URBAN FOREST CANOPY

Continued the emerald ash borer tree replacement program with another \$50,000 investment.

FIRE ENGINES & AMBULANCES

New ambulance arrived at the Fire Department to replace a 15-year old unit, along with a new fire engine that was placed into service, replacing a 22-year old engine.

MORE BUSINESS FRIENDLY

Integrated and streamlined the Village's business registration, inspection and permitting processes to improve efficiency, service sustainability, and retention.

ENSURING PUBLIC SAFETY

Police Department received first place award in the Illinois Traffic Safety Challenge due to efforts on occupant protection, impaired driving, distracted driving, and bicycle and pedestrian safety.

STAYING PREPARED

The Village received Class 3 Public Protection Classification (PPC) from the Insurance Services Office (ISO) for fire protection services. Of the 46,000+ departments evaluated nationwide, Lake Zurich scored in the top 7%. Property and casualty insurers use this rating as one component in calculating premium costs for fire insurance policies.

PAULUS PARK BEACH EXPANSION

Added over 200 feet of new water front to the Paulus Park Beach.

FINDING TOMORROW'S LEADERS

A new entry-level firefighter/paramedic testing cycle took place in 2018 and a final list of 73 applicants was established.

CIVIC ENGAGEMENT ACCOMPLISHMENTS

BUILDING COMMUNITY

Encouraged neighborhood block parties with Village officials, police, and fire to foster social capital and civically engaged residents.

VOLUNTEER OPPORTUNITIES

Over 450 community supporters shared their time and talents with the Village by volunteering for recreation programs and special events.

COMMUNITY EVENTS

Hosted over 40 community and special events to enhance social capital and quality of life, including the new summer Arts at the Lake Festival.

PUBLIC OUTREACH EFFORTS

The Village participated in 151 separate public relations events through October 2018, reaching over 42,000 citizens.

GOVERNMENT TRANSPARENCY

Promoted the availability of live online broadcasts of Village public meetings, online instant notifications of Village Board and Planning & Zoning Commission agendas, and social media platforms such as Facebook and Benchmarks.

EXTENDING HELPING HANDS

Lake Zurich joined "A Way Out," a growing program that serves as an entry point for the Lake County Opioid Initiative, creating additional treatment access points.

COMMUNITY PARTNERSHIPS

The Park & Recreation Department establishes and cultivates a variety of community relationships each year through events, programs and services. This year the department partnered with approximately 80+ organizations and businesses in Lake Zurich.

PRIORITIES FOR 2019 AND BEYOND

- * Adopt a new 5-year Village Strategic Plan for 2019 – 2023.
- * Update the 20-year Community Investment Plan that includes over \$130 million in road, water mains, sanitary and storm sewers, buildings and equipment.
- * Implement Comprehensive Plan recommendations for updates to the Village's zoning and land development codes, with a focus on Main Street and the North Rand Road corridor.
- * Conduct third bi-annual National Citizen Survey to gauge citizen satisfaction and priorities.
- * Continue to fund public safety pension obligations to meet 100% funding goal by 2044.
- * Demolish, prepare and promote Village-owned properties that are available for development.
- * Implement year 2 of a multi-year sewer lining program to minimize future sewer collapses.
- * Invest in improvements of Route 12 and Cherokee Drive water mains and the aging Thorndale lift station.
- * Reconstruct Paulus Park, Heights and Bird Observatory parking lots and invest another \$2 million into new street surfaces.
- * Update the long-standing service agreement with the Lake Zurich Rural Fire Protection District.
- * Continue to invest in scheduled equipment replacements including new fire engine, patrol cars and dump trucks.
- * Continue to encourage productive conversations between the public and Village representatives via dozens of special events, Coffee with the Mayor, neighborhood block parties, and several public-safety engagements.